

### **Summary report of the second meeting of the Executive Board 2–4 October 2007 Svalbard, Norway**

The Executive Board of the Global Crop Diversity Trust held its second meeting in Longyearbyen on the island of Svalbard, Norway.

The following Members of the Board were present:

Dr. Margaret Catley-Carlson  
Amb. Jorio Dauster  
Prof. Adel El-Beltagy  
Prof. Cary Fowler  
Prof. John Lovett  
Prof. Wangari Maathai  
Mr. Karl Erik Olsson  
Dr. Mangala Rai  
Mr Jose Maria Sumpsi

The following Members of the Board sent their apologies:

Mr. Lew Coleman  
Prof. Sir Peter Crane

The following observers also attended the meeting:

Mr. Peter Waddell-Wood	Observer and Chairperson of the Donors' Council
Dr. Emile Frisson	Observer and Director General of Bioversity International (Co-sponsor to the Trust)
Ms. Francesca de Gasparis	Assistant to Prof. Wangari Maathai

The following staff attended the meeting:

Anne Clyne	Director of Finance
Julian Laird	Director of Development & Communications
Sophie Mannhardt	Programme Assistant
Gerald Moore	Legal Advisor
Jane Toll	Global Systems Project Manager
Mellissa Wood	Director of Programme Development Secretary to the Executive Board

## **1. Welcome and Introductions**

The Chairperson opened the meeting and welcomed Members. Members were asked to introduce themselves as a number were attending for the first time.

## **2. Adoption of Provisional Agenda**

1. *Decision: The Board approved the revised Provisional Agenda (Attachment A)*

## **3. Minutes and Actions arising from Executive Board meeting 1**

The Chairperson presented the Minutes and Actions arising from Executive Board meeting 1 to the Members.

2. *Decision: The Board approved the Minutes from EB1*

## **5. Donor Council report**

Mr. Waddell-Wood presented the Donor Council report to the Members.

3. *Action: The Board requested that the Executive Secretary and the Chair of the Donors' Council proceed with informal discussions on tasking the Donors' Council to document their view on long-term funding opportunities and provide input to the development of a standardized reporting format that meets Donors' monitoring and evaluation requirements.*

## **4. Headquarters Agreement**

Mr. Moore provided an update on the progress of the Headquarters Agreement to the Members.

The Board heard that progress has been steady and that the Italian government is currently awaiting final approval from the Ministries before the General Agreement and Establishment Agreement go before Parliament.

4. *Decision: The Board agreed that the Trust continue to proceed with negotiations with the Italian government.*
5. *Action: The Board requested a report after 6 months on the progress of negotiations with the Italian government and the relationships with FAO and Bioversity International regarding administration.*

## **8. Annual Budget 2008**

Mr. Coleman, Chair of the Finance and Investment Committee, and the Executive Secretary presented the Annual Budget 2008 to the Members.

Four matters were discussed during this session:

Mr. Coleman presented the Terms of Reference (ToRs) for the Finance and Investment Committee (FIC);

6. *Decision: The Board adopted the Terms of Reference for the Finance and Investment Committee, following an addition under Investment Operations\*.*

\*The Board recommended adding the following new item under Investment Operations: “We will agree with management on the long-term return and volatility goals for endowment together with long-term spending rate from the endowment”.

The Executive Secretary presented the annual budget for 2008;

7. *Decision: The Board approved the annual budget for 2008.*

Mr. Coleman presented the HSBC report on investment performance;

8. *Decision: The Board approved the elements of the investment strategy.*

Mr. Coleman informed the Board of the FIC's agreement to establish an Audit subcommittee and consistent with the Rules of Procedure, the membership will comprise all members of the FIC except the Executive Secretary.

9. *Decision: The Board accepted the recommendation to decide on the appointment of Auditor for 2008 following a recommendation from the audit subcommittee in early 2008.*

## **11. Accommodation and Staffing Report**

The Executive Secretary presented the Accommodation and Staffing Report to the Members.

10. *Decision: The Board accepted the Accommodation and Staffing Report.*

## **Meeting closed for Day 2.**

### **7A. Programme Report – overview & systems**

The Executive Secretary presented an overview of the Trust programme and Ms. Wood provided an overview of fixed-term and long-term grant implementation including the monitoring, reporting and evaluation processes.

11. *Action: The Board requested the Secretariat report to them on the essence (implications and results) of the first report to the Bill & Melinda Gates Foundation/UNF when it is submitted in May 2008.*

### **7B. Programme Report – Global System Project**

Ms. Toll reported on progress to date in implementing the Global System Project. Members acknowledged that this work was consistent with the Global Plan of Action and Treaty and involved a huge undertaking.

### **7C. Programme Report – Long-term grants**

The Executive Secretary presented the long-term grant paper and suite of proposals to the Board.

12. *Decision: The Board approved the long-term grant proposals for 2007 and 2008.*

13. *Action: The Board requested a schematic be tabled at the next meeting on reporting long-term grant progress and impact to the Board.*

#### **7D. Programme Report – Conservation Strategies and Capacity Building/Emergency Support**

The Executive Secretary provided an update on this item, noting that the majority of these projects were now completed and final reports are available on the website.

#### **6. Refinement of Rules of Procedure and Financial Regulations**

Mr. Moore presented the revisions developed out of session as documented in the paper to the Members.

In addition, Mr. Waddell-Wood raised the issue on behalf of the Donors' Council of monitoring/reviewing the Trust Board and how this should be undertaken. He also raised the issue of posting non-confidential Board papers on the website following a Board meeting. Furthermore, it was noted that in compliance with procedures allowing for Board decision taking outside of formal meetings, the Travel and Honorarium Policy had already been approved out of session to ease pressure on the timetable of the forthcoming meeting.

14. *Action: The Board agreed to discuss and decide on when to review itself at a future meeting.*
15. *Decision: The Board agreed to post non-confidential documents considered by the meeting on the website of the Trust as soon as possible after the meeting.*
16. *Action: The Board requested the Secretariat report back on completing outstanding items, such as the Liability Insurance and Immunity Agreement, at the next meeting.*
17. *Decision: The Board agreed to adopt the revised Rules of Procedure and Financial Regulations (Attachment B).*

**Meeting closed for Day 3 and Mr. Sumpsi left the meeting.**

#### **10. Communication Report**

Mr. Laird presented the Communication Report to the Members.

18. *Action: The Board requested the Secretariat to send out Trust news articles to Members that are not posted on the website.*
19. *Action: The Board agreed to discuss next generation communication report at a future meeting.*
20. *Decision: The Board accepted the Communication report with commendation.*

#### **9. Fundraising Report**

Mr. Laird presented the fundraising strategy to the Members.

21. *Action: The Board requested the Secretariat to follow up on involvement with the World Food prize next year.*

22. *Action: The Board requested the Secretariat to follow up with individual Members on building donor relationships within their regions.*

The following items were held within a closed session.

## **12. Appointment of Additional Members to the Executive Board**

23. *Decision: The Board agreed not to act on appointing additional Members at this time but to keep it on the agenda. They agreed it would be helpful to have a Board matrix*

## **13. Other Business**

An appraisal of the performance of the Executive Secretary was undertaken and feedback was provided to the Executive Secretary. A report on the appraisal outcomes has subsequently been prepared by the Chairperson and provided to the Executive Secretary.

## **14. Frequency of Board Meetings**

24. *Decision: The Board agreed to a default of one meeting per year but to hold a second meeting as necessary.*

## **15. Next meeting**

25. *Action: The Board agreed the next meeting shall be in early April 2008 and dates for the autumn meeting should be canvassed as soon as possible.*

**Second Executive Board meeting closed.**

## Summary of decisions and actions

<b>No.</b>	<b>Decision</b>
1	The Board approved the revised Provisional Agenda (Attachment A)
2	The Board approved the Minutes from EB1
4	The Board agreed that the Trust continue to proceed with negotiations with the Italian government.
6	The Board adopted the Terms of Reference for the Finance and Investment Committee, following an addition under Investment Operations
7	The Board approved the annual budget for 2008
8	The Board approved the elements of the investment strategy
9	The Board accepted the recommendation to decide on the appointment of Auditor for 2008 following a recommendation from the audit subcommittee in early 2008.
10	The Board accepted the Accommodation and staffing Report
12	The Board approved the long-term grant proposals for 2007 and 2008
15	The Board agreed to post non-confidential documents considered by the meeting on the website of the Trust as soon as possible after the meeting.
17	The Board agreed to adopt the revised Rules of Procedure and Financial Regulations (Attachment B).
20	The Board accepted the Communication report with commendation
23	The Board agreed not to act on appointing additional Members at this time but to keep it on the agenda. They agreed it would be helpful to have a Board matrix
24	The Board agreed to a default of one meeting per year but to hold a second meeting as necessary.

<b>No</b>	<b>Actions arising</b>	<b>Responsibility</b>	<b>Due date</b>
3	The Board requested that the Executive Secretary and the Chair of the Donors' Council proceed with informal discussions on tasking the Donors' Council to document their view on long-term funding opportunities and provide input to the development of a standardized reporting format that meets Donors' monitoring and evaluation requirements.	Secretariat and Chair of the Donors' Council	April 2008 - next meeting
5	The Board requested a report after 6 months on the progress of negotiations with the Italian government and the relationships with FAO and Bioversity International regarding administration.	Secretariat	April 2008 - next meeting
11	The Board requested the Secretariat report to them on the essence (implications and results) of the first report to the Bill & Melinda Gates Foundation/UNF when it is submitted in May 2008	Secretariat	May 2007
13	The Board requested a schematic be tabled at the next meeting on reporting long-term grant progress and impact to the Board.	Secretariat	April – next meeting
14	The Board agreed to discuss and decide on when to review itself at a future meeting.	Board	April 2008 – next meeting
16	The Board requested the Secretariat report back on completing outstanding items, such as the Liability Insurance and Immunity Agreement, at the next meeting.	Secretariat	April 2008 - next meeting
18	The Board requested the Secretariat to send out Trust news articles to Members that are not posted on the Website.	Secretariat	ongoing
19	The Board agreed to discuss next generation communication report at a future meeting.	Board	April 2008 – next meeting
21	The Board requested the Secretariat to follow up on involvement with the World Food prize next year	Secretariat	April 2008 - next meeting
22	The Board requested the Secretariat to follow up with individual Members on building donor relationships within their regions.	Secretariat and Board	April 2008 – next meeting
25	The Board agreed the next meeting shall be in early April 2008 and dates for the autumn meeting should be canvassed as soon as possible	Secretariat	ASAP

## Agenda, Executive Board meeting 2

<b>DAY 2 - 2<sup>nd</sup> Oct</b>		<b>Meeting and field trip</b>	
9.00	1	Welcome	Information
9.15	2	Adoption of Provisional Agenda and Timetable	Action
9.30	3	Actions Arising from EB1	Action
10.00	5	Donors' Council Report	Information
10.30		Coffee	
11.00	8	Finance Report	Action
		<ul style="list-style-type: none"> <li>• A - Annual budget 2008</li> <li>• B - Finance and Investment</li> </ul>	
12.30		Meeting close for day	
12.30		Lunch	
13.30		Field Trip to current Nordic backup site (coal mine) and new Svalbard Seed Vault	
20.00		Trust hosted dinner - <i>Huset</i>	
<b>DAY 3 - 3<sup>rd</sup> Oct</b>		<b>Meeting and field trip</b>	
8.30	7	Programme Report	Action
		<ul style="list-style-type: none"> <li>• Overview</li> <li>• A - Systems</li> <li>• B - Global System</li> <li>• C - Long-term grants</li> <li>• D - Strategies &amp; Capacity Building</li> </ul>	
10.30		Coffee	
11.00	11	Accommodation and Staffing Report	Information
11.30	6	Review of Rules of Procedure and Financial Regulations	Action
		<i>Rules of Procedure and Financial Regulations</i>	
12.30	9	Fundraising Report	Information
13.30		Meeting close for day	
13.30		Lunch	
14.30		Field Trip	
20.00		Dinner	
<b>DAY 4 - 4<sup>th</sup> Oct</b>		<b>Meeting and departure</b>	
9.30	10	Communications Report	Information
10.00	4	Headquarters Agreement	Action
10.30		Coffee	
11.00	12	Appointment of additional Members to the Executive Board	Action
11.30	13	Other business	
12.00	14	Frequency of Board meetings	Action
12.30	15	Next Meeting	Action
12.45		Meeting close	
12.45		Lunch	
13.15		Leave for airport	

## Rules of Procedure of the Executive Board of the Global Crop Diversity Trust

### 1. Scope of the Rules of Procedure and definitions

- 1.01. These Rules of Procedure are subject to, and shall be construed in conformity with, the provisions of Article 6 (Functions and Powers of the Executive Board) of the Constitution of the Global Crop Diversity Trust.
- 1.02. In these Rules of Procedure –  
“Trust” means the Global Crop Diversity Trust;  
“Board” means the Executive Board of the Trust;  
“Chairperson” means the Chairperson of the Board;  
“Vice-Chairperson” means the Vice-Chairperson of the Board.

### 2. Appointment and terms of office of Members of the Board

- 2.01. Subject to Article 5(5) of the Constitution, Members of the Board appointed by the Governing Body of the International Treaty, by the Donors’ Council or by the Board shall be appointed for terms expiring at the end of the third annual meeting following the Member’s appointment.

### 3. Non-liability of Members of the Board

- 3.01. No Member of the Board shall be personally liable for the debts, liabilities, or obligations of the Trust.
- 3.02. The Board shall ensure that adequate provision is made for the indemnification by the Trust of Members of the Board against liability for acts carried out by them in the performance of their functions as Members, other than acts of gross negligence or criminal intent.

### 4. Meetings of the Board

- 4.01 **Regular meetings.** Regular meetings shall be held at such times as the Board shall determine, provided that the Board shall hold at least one regular meeting a year, including a designated Annual Meeting.
- 4.02 **Special meetings.** Special meetings shall be held:
- (i) by decision of the Board;
  - (ii) by decision of the Chairperson of the Board after consultation with the Executive Secretary; or
  - (iii) upon the request of any five members of the Board.
- 4.03. **Place of meetings.** The meetings of the Board shall be held at the Headquarters of the Trust, unless otherwise decided by the Board.
- 4.04. **Date of Opening:**



- (i) Each regular meeting normally shall be held on a date fixed by the Board at the previous meeting.
- (ii) Unless otherwise determined by the Chairperson after consultation with the Board, special meetings of the Board shall normally be convened within eight weeks of the receipt by the Secretary of the Board of a valid request for such a meeting, at a date and place fixed by the Chairperson of the Board in consultation with the Executive Secretary.

4.05. **Notification of date of opening:**

- (i) The Secretary of the Board shall communicate the date fixed for the opening of each meeting to the members of the Board and further participants referred to in paragraph 5.02 of these Rules.
- (ii) Such notification shall be sent:
  - in the case of a regular meeting, at least six weeks in advance;
  - In the case of a special meeting at least two weeks in advance.

## 5. Representation and Attendance

5.01. **Members of the Board:**

- (i) The members of the Board (other than the Executive Secretary and the members appointed by the Director-General of the Food and Agriculture Organization of the United Nations, hereinafter referred to as “FAO” and the Chair of the Consultative Group on International Agricultural Research, hereinafter referred to as the “CGIAR”), serve in a personal capacity and are not considered, nor do they act as, official representatives of governments or organizations.
- (ii) Subject to paragraph (iii) below, no individual member may be represented by a substitute at meetings. Members attending meetings may not be accompanied by advisers or assistants.
- (iii) The Executive Secretary is an ex officio member with full voting rights. If the Executive Secretary is unable to participate in a meeting of the Board, he or she may appoint a senior staff member of the Trust as his/her representative. Any such representative shall not have the right to vote.
- (iv) The members appointed by the Director-General of FAO and the Chair of the CGIAR are non-voting members of the Board.

5.02. **Observers:**

The Chairperson on behalf of the Board and acting in accordance with the policy established by the Board may invite observers, individuals or representatives of pertinent or interested organizations to attend and, as appropriate, participate, fully or temporarily in meetings of the Board without the right to vote or to formulate proposals for action. The Chairperson will determine when Board

meetings should be held in closed session or when attendance should be otherwise restricted.

## **6. Standards of performance of Members of the Board**

- 6.01. Each Member of the Board shall, on taking office,
- (i) make a written commitment to act on all matters concerning the Trust and the functioning of the Board with the proper interests of, and loyalty to, the Trust in mind;
  - (ii) disclose in writing his or her membership of other bodies relevant to the operation of the Trust.
- 6.02. Each Member of the Board shall, in the performance of his/her functions as a Member, conduct himself/herself with due care and diligence and shall abstain from any acts of fraud, negligence or criminal intent.
- 6.03. Each Member of the Board shall preserve the confidentiality of information of a confidential nature to which he or she has had access during the performance of his/her duties.
- 6.04. No Member of the Board shall use any confidential information to which he or she has had access during the performance of his/her duties for his or her financial gain or other direct or indirect advantage.
- 6.05. No Member of the Board shall take part in any decision of the Board on a matter in which he or she, or any member of his or her family, has a personal financial interest. A Member of the Board shall declare any such financial interest to the Chairperson wherever possible before the meeting at which the matter is to be discussed.
- 6.06. Should a Member of the Board have an interest, other than a financial interest, relative to any business before the Board that he or she considers may pose a potential conflict of interest, he or she shall declare it to the Chairperson who will decide on the extent of the member's allowable participation in the Board's deliberation on that business.

## **7. Performance review by the Board**

- 7.01. The Board shall review periodically its own performance and shall take such action as may be necessary to improve it.

## **8. Chairperson of the Executive Board**

- 8.01. **Elections and term of office:**
- (i) The Chairperson shall normally be elected for a three-year term from among the voting Members other than the Executive Secretary. The Board shall aim to accommodate this three-year term as Chairperson within the two terms of three years each as a Board member.
  - (ii) The Board may re-elect the Chairperson for a second term of not more than an additional three years.

- (iii) The Board shall, where possible, identify and elect its future Chairperson at a meeting of the Board approximately one year in advance of the date that the person shall assume office as Chairperson of the Board.
- (iv) The Vice-Chairperson shall be elected annually by the Board.
- (v) The Chairperson and Vice-Chairperson shall hold office until their successors are elected.

**8.02. Functions of the Chairperson:**

- (i) The Chairperson shall perform the functions assigned to her or him by the Constitution, by these rules and by the Board.
- (ii) The Chairperson shall preside over all meetings of the Board and shall supervise all matters with which the Board is concerned. He or she shall provide leadership to the Board and ensure its proper performance.

**8.03. Functions of the Vice-Chairperson of the Executive Board:**

- (i) The Vice-Chairperson shall perform the functions assigned to her or him by these rules or by the Board, as well as those delegated to her or him by the Chairperson.
- (ii) The Vice-Chairperson shall preside at meetings of the Board in the event that the Chairperson cannot be present or is otherwise unable to act as Chairperson, and in such an event shall have the same powers and responsibilities as the Chairperson.

**8.04. Acting Chairperson of the Executive Board:**

If both the Chairperson and the Vice-Chairperson of the Board cannot be present at a meeting of the Board or are otherwise unable to act, the Board shall elect an Acting Chairperson, who shall preside over the meeting and shall exercise the same powers and responsibilities as the Chairperson at that meeting.

## **9. Secretary of the Board**

- 9.01. The Executive Secretary shall appoint a staff member of the Trust to act as Secretary of the Board.
- 9.02. The Executive Secretary shall act as Secretary of the Board until such time as he or she has appointed another staff member of the Trust to act as Secretary of the Board.
- 9.03. The main responsibilities of the Secretary of the Board include:
  - (i) maintaining a full set of official documents pertaining to the Board, including the official records of meetings of the Board and subsidiary bodies established by the Board;
  - (ii) serving as secretary at meetings of the Board and subsidiary bodies of the Board;
  - (iii) in coordination with the Chairperson and the Executive Secretary, notifying Board members of meetings of the Board and its subsidiary bodies;

- (iv) coordinating and distributing papers and other relevant documentation for meetings of the Board and subsidiary bodies;
- (v) maintaining the Board Policies and Procedures Manual; and
- (vi) assisting the Chairperson and members and the Chairpersons and members of subsidiary bodies of the Board in logistical arrangements.

## 10. Agenda

### 10.01 **Provisional agenda:**

- (i) The Secretary to the Board, in consultation with the Chairperson and the Executive Secretary, shall draw up the provisional agenda for each meeting of the Board.
- (ii) The provisional agenda for each regular meeting shall include all items required by these rules or proposed, not later than six weeks before the commencement of the session, by:
  - (a) the Board;
  - (b) the Chairperson and any other member of the Board;
  - (c) a subsidiary organ of the Board; or
  - (d) the Executive Secretary.

10.02. **Supplementary items.** Any member of the Board may, in writing or by electronic means of communication not later than five weeks before the commencement of the session, propose supplementary items to be included in the provisional agenda for a regular meeting.

10.03. **Communication of provisional agenda.** The Secretary to the Board shall communicate the provisional agenda including the supplementary items for each meeting and the documentation relating to items thereon to the members of the Board and other participants at least four weeks before the commencement of a regular meeting and at least two weeks before a special meeting.

### 10.04. **Adoption of the agenda:**

- (i) At the beginning of each meeting the Board shall adopt the agenda for that meeting on the basis of the provisional agenda.
- (ii) During a meeting the Board may revise the agenda by adding, deleting, deferring or amending items.

## 11. Transparency

11.01. The Secretary to the Board shall ensure that:

- (i) The provisional agenda of each meeting of the Board is posted on the website of the Trust in advance of the meeting;
- (ii) The actions and decisions taken at the meeting and non-confidential documents considered by the meeting are posted

on the website of the Trust as soon as possible after the meeting.

## 12. Conduct of Business

- 12.01. **Quorum.** A majority of the voting members shall constitute a quorum for Board Meetings.
- 12.02. **Without prejudice to the rule set out in the preceding paragraph, the Board will not normally take decisions of a substantive nature at a Board Meeting unless** at least two members appointed by the Governing Body of the International Treaty and at least two members appointed by the Donors' Council are present at the meeting.
- 12.03. **General powers of the Chairperson of the Executive Board:**
- (i) In addition to exercising the powers conferred upon her or him by the Constitution and Rules of Procedure, the Chairperson shall declare the opening and closing of each meeting of the Board, direct the discussion, ensure observance of these rules, accord the right to speak, put questions to the vote and announce decisions. The Chairperson, subject to these rules, shall have complete control of the proceedings of the Board and over the maintenance of order at its meetings. He or she shall rule on points of order and may propose to the Board the adjournment of a meeting.
  - (ii) The Chairperson, in the exercise of her or his functions, remains under the authority of the Board.
- 12.04. **Points of order:**
- (i) A member may at any time raise a point of order, which shall be immediately decided by the Chairperson in accordance with these rules. A member may appeal against the ruling of the Chairperson. The appeal shall be immediately put to the vote, and the ruling of the Chairperson shall stand unless overruled by a majority of those members casting an affirmative or negative vote.
  - (ii) A member may not, in raising a point of order, speak on the substance of the matter under discussion.
- 12.05. **Motions.** A member may present any of the following motions, which the Chairperson may put to the vote with or without debate and which shall have precedence in the indicated order over all proposals and other motions before the meeting:
- (a) to suspend the meeting;
  - (b) to adjourn the meeting;
  - (c) to adjourn the debate on the item under discussion; or
  - (d) to close the debate on the item under discussion.
- 12.06. **Reconsideration of proposals.** When a proposal has been adopted or rejected, it may not be reconsidered at the same session unless the Board, by a three-fourths majority of those voting members casting an affirmative or negative vote, so decides.

## 13. Voting

### 13.01. **Majority required:**

- (i) All decisions shall normally be reached by consensus. If all efforts to reach a consensus on a particular matter have been exhausted and no agreement has been reached, the Chairperson may either adjourn the debate on the matter or put the proposal to a vote.
- (ii) Where the Chairperson of the Board puts a proposal to a vote, the majority required shall be a two-thirds majority of those voting members casting an affirmative or negative vote. Members who abstain from voting are considered as not voting.

### 13.02. **Method of voting:**

- (i) Subject to paragraph (ii) of this Section, the Board shall normally vote by show of hands, but any member may request a roll call.
- (ii) Voting in the case of elections shall be by secret ballot.

13.03. **Conduct during voting.** The Chairperson shall announce the commencement of voting, after which no member shall be permitted to intervene until the result of the vote has been announced, except on a point of order in connection with the process of voting.

13.04. **Voting without meeting.** Whenever the Chairperson, after consultation with the Vice-Chairperson, considers that a decision on a particular question should not be postponed until the next regular meeting of the Board and does not warrant the calling of a special meeting, the Secretary to the Board shall transmit to each member, by any rapid means of communication, a motion embodying the proposed decision with a request for a vote. Votes shall be cast during such period as the Chairperson prescribes. At the expiration of the established period, or of any extended period the Chairperson may prescribe, the Secretary to the Board shall record the results and notify the members. The motion shall be considered adopted by the Board only if it receives the positive vote of all members of the Board entitled to vote.

## 14. Subsidiary Bodies

- 14.01 The Board shall establish a Finance and Investment Committee composed of a Chairperson and such other members as it may appoint. The Executive Secretary shall be a member of the Finance and Investment Committee, provided that the Executive Secretary shall not participate in any deliberations of the Finance and Investment Committee on audit matters nor shall he or she be a member of any subcommittee of the Finance and Investment Committee dealing with audit matters.
- 14.02 The Board may establish on a permanent or ad hoc basis such other committees, working groups or other subsidiary bodies as it deems necessary for the performance of its functions.

- 14.03 The Board shall specify the terms of reference and appoint the Chairpersons of any such committees, working groups or other subsidiary bodies . The Board may also assign particular items for further study and reporting back to the Board.
- 14.04 The terms of reference and membership of any permanent subsidiary body established by the Board shall be annexed to these Rules of Procedure.
- 14.05 The provisions of these Rules of Procedures shall apply to the procedure of any committee, working group or other subsidiary body established by the Board, as appropriate, subject to such modifications as the Board may decide.
- 14.06 The Chairperson may attend meetings of all committees, working groups or other subsidiary bodies of the Board, but shall not have a vote in such meetings.

## 15. Miscellaneous Provisions

### 15.01 **Records:**

Records of the meetings of the Board shall be made and kept by the Secretary to the Board. Records may also be made and kept of the meetings of committees, working groups or other subsidiary bodies of the Board if the Board so decides. There shall be no verbatim records of meetings.

### 15.02 **Records - preparation and adoption:**

- (i) The Secretary to the Board shall prepare a draft record on the work of each meeting of the Board, setting out, inter alia, any recommendations and decisions adopted as well as the principal reasons therefore.
- (ii) The draft record shall be submitted as soon as possible to the Chairperson and the Executive Secretary who may, within three weeks of their receipt, submit suggestions for additions and amendments.
- (iii) The draft record, with any such addition or amendment incorporated, shall be distributed promptly to the members of the Board for their comments, which should reach the Secretary to the Board within two weeks. Having incorporated the final Board comments, the Board Secretary will distribute the draft record to all participants in the meeting.
- (iv) The draft record, as revised in accordance with paragraph (iii) of this Section, shall be submitted to the Board for approval at the subsequent meeting.

### 15.03 **Language:** English shall be the official language of the Board.

### 15.04 **Privacy of meetings:**

- (i) Meetings of the Board and of its subsidiary bodies shall be held in open or closed sessions.
- (ii) Participation in closed sessions is normally restricted to members of the Board. As may be necessary, however, the

Chairperson may invite other relevant persons to attend closed sessions.

- (iii) The Chairperson will determine when Board meetings shall be held in closed session. Closed sessions shall be announced in advance and shall be indicated, whenever possible, on the agenda of the meeting. In determining closed sessions, the Chairperson of the Board will make a distinction between closed sessions for outsiders and for staff of the Trust.

**15.05 Travel, honorarium and other payments to members for Board business.**

The Board shall adopt and periodically review regulations governing the mode of travel, the reimbursement of costs incurred in connections with Board members' attendance at meetings of the Board and its subsidiary bodies, and the payment of an honorarium to Board members for attendance at meetings of the Board and its subsidiary bodies or, as approved by the Chairperson, for undertaking Board business. Such regulations shall be annexed to these Rules of Procedure.

**16. Amendment and Suspension of Rules of Procedure**

- 16.01. These Rules may be amended or suspended by the affirmative vote of at least two-thirds of all members entitled to vote, provided that the amendment or suspension is in conformity with the Constitution of the Trust and that 24 hours notice of the proposal for amendment or suspension has been given. The requirement of 24 hours notice may be waived if no member objects.



## **Financial Regulations of the Global Crop Diversity Trust**

### **1. Applicability**

- 1.01. These regulations shall govern the financial administration of the Global Crop Diversity Trust.
- 1.02. These regulations are subject to, and shall be construed in conformity with, the provisions of the Constitution of the Trust.
- 1.03. In implementing these regulations and in its general financial management, the Trust shall apply generally accepted international accounting standards.
- 1.04. In these regulations –  
“Trust” means the Global Crop Diversity Trust;  
“Board” means the Executive Board of the Trust.

### **2. The Financial Period**

- 2.01. The financial period of the Trust shall be the calendar year.

### **3. The Budget**

- 3.01. The Executive Secretary shall be responsible to the Board for the financial management of the Trust.
- 3.02. The Executive Secretary shall prepare and submit through the Finance and Investment Committee to the Annual Meeting of the Board for its approval a multi-year strategic plan, and annual budget submissions for the ensuing financial period consistent with that plan.
- 3.03. The annual budget submissions shall cover income, donations, expenses and capital expenditures for the financial period to which they relate, and shall be presented in United States dollars.
- 3.04. The annual budget submissions shall be accompanied by such information, annexes or explanatory statements as may be requested by the Board, and such further annexes or statements as the Executive Secretary deems appropriate.
- 3.05. The Executive Secretary shall, no later than sixty days before the close of the financial period, dispatch the annual budget submissions for the ensuing financial period to Members of the Board.

### **4. Accounts**

- 4.01. The Executive Secretary shall maintain such accounts as are necessary and shall prepare a statement of accounts at the end of each quarter of the financial period, which shall show, in United States Dollars:

- (i) The income of the Trust including income from investments and from new funds raised;
  - (ii) The status of the endowment funds;
  - (iii) The status of non-endowment funds;
  - (iv) A statement of investments currently held and the investment returns achieved;
  - (v) An analysis of variance to budget.
- 4.02. The Executive Secretary shall submit the statement of accounts and other financial statements for each year to the auditors not later than ninety days following the end of the financial period to which they relate.
- 4.03. The Executive Secretary shall submit to the Annual Meeting of the Board the audited statement of accounts and other financial statements for the preceding financial period.

## **5. Custody of Funds**

- 5.01. The Executive Secretary shall designate the bank or banks in which funds in the custody of the Trust shall be kept.

## **6. Investment of Funds**

- 6.01. The Executive Secretary shall invest moneys not needed for current requirements in accordance with Article 16.3 of the Constitution and any investment policy approved by the under Article 6.3(i) of the Constitution, seeking, wherever practicable, the advice of the Finance & Investment Committee or other competent subsidiary body established under Article 6.4 of the Constitution for the purpose of advising on financial and investment matters.

## **7. Internal Control**

- 7.01. The Executive Secretary shall :
- (i) establish detailed financial rules and procedures in order to ensure:
    - (a) effective financial administration and the exercise of economy; and
    - (b) effective custody of the funds and other physical assets of the Trust;
  - (ii) except where advance or progress payments are specifically provided for in the contract, as may be required by normal commercial practice and the interests of the Trust, ensure that all payments are made on the basis of supporting vouchers and other documents which show that services or goods have been received and have not previously been paid for;
  - (iii) designate the officers, and other persons as appropriate, who may receive moneys, incur commitments or obligations and make payments on behalf of the Trust;

- (iv) maintain an internal financial control, which shall provide an effective current examination and/or review of financial transactions in order to ensure:
  - (a) the regularity of the receipt, custody, and disbursement of all funds and other resources of the Trust;
  - (b) the conformity of disbursements with the budget approved by the Board; and
  - (c) the effective use of the resources of the Trust.
  
- 7.02. Commitments or obligations shall not be incurred and disbursements shall not be made unless an appropriate authorization has been made in writing under the authority of the Executive Secretary.
  
- 7.03. The Executive Secretary may make such *ex gratia* payments as he or she deems to be necessary. A statement of such payments shall be submitted with the statement of accounts. Any *ex gratia* payments over a limit to be established by the Board shall require the prior approval of the Chairperson of the Finance and Investment Committee.
  
- 7.04. The Executive Secretary may, after full investigation, authorize the writing off of losses of cash, supplies, equipment and other assets, or the establishment of a reserve in respect of such losses. A statement of all such losses written off or reserves established during the financial period shall be submitted to the independent auditor with the statement of accounts.
  
- 7.05. The Executive Secretary shall establish rules for the procurement of equipment, supplies and other requirements, including rules governing the invitation of tenders.

## **8. Approval of Grants**

- 8.01. The Executive Secretary shall prepare submissions to the Board for the approval of grants in accordance with the fund disbursement strategy and eligibility principles and implementing criteria adopted by the Board.
  
- 8.02. Grant submissions shall be prepared in accordance with procedures to be approved by the Board.
  
- 8.03. Subject to section 8.04, all grants shall be approved by the Board.
  
- 8.04. The Board may delegate authority to the Executive Secretary to approve grants up to an amount determined by the Board, subject to such conditions as the Board may determine. Any such delegation of authority shall be in writing.

## **9. External Audit**

- 9.01. The Board, on the advice of the Finance and Investment Committee, shall appoint an independent auditor from among competent international accounting firms, and shall approve the independent auditor's annual audit plan.

- 9.02. The independent auditor shall perform such audit on an annual basis as he or she deems necessary to certify:
- (i) That the statement of accounts and other financial statements are in accord with the books and records of the Trust;
  - (ii) that the financial transactions reflected in the statements have been in accordance with the rules and regulations, the budgetary provisions and other applicable directives;
  - (iii) that the securities and moneys on deposit and on hand have been verified by certificate received direct from the Trust's depositaries or by actual count;
  - (iv) that the internal controls are adequate in the light of the extent of reliance placed thereon;
  - (v) that procedures satisfactory to the independent auditor have been applied to the recording of all assets, liabilities, surpluses and deficits.
- 9.03. The audit shall be conducted in conformity with generally accepted auditing standards and, subject to any special directions of the Board.
- 9.04. The independent auditor may make observations with respect to the efficiency of the financial procedures, the accounting system, the internal financial controls and, in general, the administration and management of the Trust
- 9.05. The independent auditor shall be completely independent and solely responsible for the conduct of the audit.
- 9.06. The Board may request the independent auditor to perform certain specific examinations and issue separate reports on the results.
- 9.07. The Executive Secretary shall provide the independent auditor with the facilities he or she may require in the performance of the audit.
- 9.08. The independent auditor and his or her staff shall have free access at all convenient times to all books, records and other documentation which are, in the opinion of the independent auditor, necessary for the performance of the audit.
- 9.09. The independent auditor shall express and sign an opinion on the financial statements.
- 9.10. The independent auditor shall prepare a report on the audit of the annual statement of account and other financial statements and on any matters on which a specific examination has been requested by the Board under section 9.06.

- 9.11. The Executive Secretary shall make the independent auditor's reports available to the Board through the Finance and Investment Committee, to the Donors' Council and to the Governing Body of the International Treaty.

**10. Delegation of Authority**

- 10.01. The Executive Secretary may delegate to other officers of the Trust such authority as he or she considers necessary for the effective implementation of these Regulations.

**11. Amendment and Suspension of Financial Regulations**

- 11.01. These Financial Regulations may be amended or suspended by the affirmative vote of at least two-thirds of all members entitled to vote, provided that the amendment or suspension is in conformity with the Constitution of the Trust and that 24 hours notice of the proposal for amendment or suspension has been given. The requirement of 24 hours notice may be waived if no member objects.