

Minutes of the Executive Board 2017/1, 21-23 March 2017 in Los Baños, Philippines

Attending Members of the Executive Board

Chair Walter Fust
Vice Chair Tim Fisher (via teleconference)
Mary Ann Sayoc
Peter Crane
Prem Lal Gautam
Gebisa Ejeta
Alexander Müller
Knut Storberget
Marcio de Miranda Santos
Marie Haga (Executive Director)

Apologies

Kent Nnadozie (Observer)

Attending Observers

Muhamad Sabran - ITPGRFA
Ren Wang - FAO
Ann Tutwiler - CGIAR
John Gandolfo – FIC Chair

Attending Crop Trust staff

Janet Muir – Director of Finance
Luigi Guarino – Director of Science
Koen de Marteau – Director of HR and Corporate Operations
Bernhard Stocker – Executive Assistant

All presentations from the meeting are available on the Executive Board website

EB/2017/1-1 Welcome, introductions and adoption of the agenda

The Chair of the Executive Board, Ambassador Walter Fust, welcomed all participants. The Chair expressed a particular welcome to the new Board member, Marcio de Miranda Santos. The Vice Chair Tim Fisher participated via teleconference. Ren Wang informed about Rene Castro's nomination as the future FAO observer to the Board.

Decision:

1) Members adopted the agenda for EB/2017-1

EB/2017/1-2 Minutes and actions arising from EB/2016/4

The Chair informed that Board that he would consult Board members individually during the course of the meeting on the election of a new Chairperson and Vice Chair as well as the Executive Director's contract.

The Chair thanked the Secretariat for his February Bonn visit.

Marie Haga expressed the appreciation from all Crop Trust staff for Board members taking the opportunity to come to Bonn and interact with staff.

The Chair expressed a desire that the draft minutes of EB/2017/1 be circulated within 2 weeks time.

Decision:

2) Members adopted the Minutes of the Executive Board meeting 2016/4

Presentation by IRRI Director General Matthew Morell and Deputy Director General Jackie Hughes

The presentation led to an open discussion on topics concerning relationship Crop Trust/IRRI, Crop Trust/CGIAR, collaboration and financing.

Joint efforts are generally subscribed to. A further formalization of the relationship between CGIAR and the Crop Trust will be set out in a MoU. The Crop Trust is awaiting comments from the CGIAR to a draft proposal.

The MoU will be the starting point for direct agreements between the Crop Trust and individual centers.

Action:

1) Members asked that the Secretariat sends a note to DG Matthew Morell thanking him for IRRI hosting the Board meeting, and for him and staff members contributing with insightful presentations

Oral update by the Executive Director Marie Haga

Marie provided a high level update on following topics:

- The Crop Wild Relatives project including its importance as a basis for our work in the next 4 years
- The Genebank Platform including the excellent review by the Independent Evaluation Arrangement (IEA), the intention to increase communication and the importance of the Platform as basis for our work in the next 6 years
- The National Genebanks Strategy that will be given increased attention in the time ahead Funding for upgrading as well as long-term support is required. Financing through the Green Climate Fund is sought with the KfW loan as co-financing
- The various teams within the organization are increasingly working closer together on joint activities (monitoring and evaluation, communication, information systems etc)
- A more diversified fundraising strategy, (Investment Sharing Facility, crop based fundraising, loans, fundraising for specific collections and operational expenditure)
- The Food Forever Initiative to underpin implementation of UNSDG target 2.5
- What is and has to be impeccable - highlighting Finance Clean Audit and Human Resources management

Comments on the report:

- A more diversified fundraising approach is supported and appreciated
- FAO supports Food Forever albeit asking to consider in the communication certain sensitivities
- Congratulations were expressed for a successful year including how staff diversity is managed. It was however noted that geographical/regional balance could be improved.

Remark: all topics in the Executive Directors report were discussed in further detail under various agenda items during the meeting.

EB/2017/1-3 Science report – workshop

Charlotte Lusty presented on the Genebank CRP and Platform including

- CRP achievements and evaluation
- Transition from the CRP to the Genebank Platform

Crop Trust partners shared their perspectives, all pointing out the utmost importance they place on close collaboration with the Crop Trust in the context of the CRP and Platform:

- o IRRI (Ruaraidh Sackville Hamilton)
- o CIP (Dave Ellis)
- o CIMMYT (Tom Payne)
- o Bioversity (Michael Halewood)

This workshop approach stimulated an open exchange of ideas on the future of the relationship between the Crop Trust and CGIAR.

Actions:

- 2) *Members asked the Secretariat to get back to the Executive Board with a geographically and technically balanced proposal on nominations for the Genebank Platform IAC. This is to be done once the nominees of the Systems Management Board are known*

- 3) *Members asked the Secretariat to clarify by the next meeting the governance structure of the Genebank Platform, including communication and reporting lines*
- 4) *The Executive Board was concerned to safeguard the open and constructive communication between CGIAR and the Crop Trust. Hence Ann Tutwiler will facilitate the Crop Trust to provide a reporting possibility at least once a year to the System Management Board, and suggest that the Crop Trust participate in the annual CGIAR General Assembly*

EB/2017/1-3 Science report – continued

Luigi Guarino presented on “Increasing Climate Resilience of Poor Farmers: A proposal to the Green Climate Fund”.

He explained at the outset how CG centers also support national genebanks.

The proposal for funding from the Green Climate Fund was explained. So was the collaboration with KfW and the selection criteria for targeted crops and countries.

The link between upstream and downstream components is essential to benefit from Green Climate Fund support. Several members emphasized the importance of this. They also offered support to bring about no-objections letters from countries that will be included in the Green Climate Fund proposal.

Considering its long-term nature the Chair invited the Secretariat to bring the proposal to the Finance and Investment Committee for review once ready.

Questions were raised about prospects for including the Vavilov Institute in the National Collection Strategy. The secretariat confirmed that there is an ongoing dialogue with the Institute despite Russia not being a Treaty Party, and that a review of the genebank has been offered.

Actions:

- 5) *Members asked that the dialogue with the Vavilov Institute be continued*

EB/2017/1-4 Partnership and Communication report – part 1

Given the absence of Director for Partnership and Communication, Michael Koch, the Executive Director presented the Partnership and Communication report.

Highlights:

- Funding status and a more diversified approach towards fundraising including loans, Investment sharing, crop based fundraising, fundraising for specific crop collections, fundraising for operational support to alleviate the endowment and a potential food security bond
- Outcome of the Communications audit and the way forward towards a more outward-bound approach
- Food Forever – biodiversity for resilient food systems and the role of the Crop Trust Executive Board

Members expressed strong support for the more diversified fundraising. They particularly encouraged broadening the scope to access private sources. Members further endorsed the further engagement of the Crop Trust in Food Forever and agreed to bring forward suitable Champions and

Partners where possible. Members asked to be provided with a 2-pager summary on Food Forever for easy reference. The Chair of the Crop Trust Executive Board is going to be one of the Champions.

Decision:

3) Members took note of current and future directions for fundraising and communications

Action:

7) Members asked to be provided with at 2-page summary of Food Forever to be used in their outreach to potential partners

Intermezzo: as part of the interactive nature of this Executive Board meeting there was a guided tour of the IRRI Genebank and a visit to the Rice museum.

EB/2017/1-4 Partnership and Communication report – part 2

Marie Haga briefed the Executive Board on the Crop Trust Donor's council meeting that took place in Rome on the 7 March 2017.

Members asked whether the Donor Council functions in an optimal way. General participation, the level of participation, format, frequency of meetings and the location in Rome was discussed

Decision:

4) Members decided that a review of the Donor Council functioning will be discussed at the Executive Board meeting in October 2017

5) Members took note of the discussions held at the Donors' council on 7 March 2017

EB/2017/1-5 Finance and Investment Report

FIC Chair John Gandolfo presented on “Managing the Endowment in times of uncertainty“. He engaged the Members in a lively discussion on the risks and opportunities in the present market situation. He emphasized the need to have a diversified portfolio in times of uncertainty.

Janet Muir presented the Finance and Investment report. For the discussion on Environmental, Social & Governance (ESG) Beliefs Statement, advisors from Mercer joined via teleconference.

Highlights:

- Financial statements for the year ended 31 December 2016 and Letter of Representation to PWC
- Investment management
- ESG Beliefs Statement
- UNPRI reporting 2016/17
- The investment sharing facility

Janet Muir provided a high level summary of the financial highlights and an analysis of key performance indicators for the period 2014-2016. She also outlined that PWC will issue an unqualified audit opinion. The Executive Board shared its appreciation for the work done and the fact that there was no management letter resulting from the audit.

Janet Muir also provided an update as requested by the Executive Board as part of the written procedure of 22 March 2016, of how the new investment structure with the new investment managers has performed since their appointment in July 2016. Ms. Muir also presented the historical endowment returns and income withdrawals since 2005 as requested by the Executive Board at its October 2016 meeting.

Janet Muir highlighted that an International Financial Reporting Standards (IFRS) implementation exercise will be conducted during the summer and it is hoped that IFRS fully compliant financial statements will be produced for the year ended 31 December 2017.

For a discussion on ESG Beliefs Statement our advisor from Mercer, Aled Jones, joined via teleconference. Mr. Jones presented the outcome of the ESG survey recently completed by senior management, Finance & Investment Committee and Executive Board members. A draft Statement of Responsible Investment beliefs was circulated for the members' consideration.

The Executive Board noted that the UNPRI report 2016/17 was considered and approved by the Finance & Investment Committee and also reviewed by Mercer and will now be submitted ahead of the 31 March deadline. Management will continue to consider further opportunities with respect to responsible investment collaboration and promotion.

Action:

8) The Chair requested members to consider the ESG Beliefs Statement, to be approved on day 3 of the Board meeting

Decisions:

6) The Executive Board approved the Financial Statements for the year ended 31 December 2016

6) The Executive Board approved the Letter of Representation to PWC for 2016

EB/2017/1-5 Finance and Investment Report – continued

The Executive Board continued the discussion on the Crop Trust statement of ESG beliefs. Ms. Muir will prepare final edits for members comment. Once approved, management will work with the Finance & Investment Committee to develop a Responsible Investment Policy for the Executive Board's consideration at the October 2017 meeting.

Decision:

- 7) *Members decided that a new draft of the Responsible Investment Policy with some minor adaptations be circulated for adoption before 31 March 2017*
- 9) *Management and FIC to develop a Responsible Investment Policy for the Executive Board's consideration in October 2017.*

EB/2017/1-3 Science report - continued

The Director for Science, Luigi Guarino, presented on PGRFA information systems, in particular Genesys.

The Chair and members engaged in a discussion around quality, data security and facilitation of the system.

Ruaraidh Hamilton presented on the Global Information System (GLIS) as envisaged by the Plant Treaty, and emphasized the role of Genesys in GLIS.

Questions were answered about the Crop Trust work and collaboration with GLIS.

Action:

- 9) *Members endorsed the continued close interaction between the Crop Trust and the Treaty Secretariat on GLIS.*

EB/2017/1-6 Human Resources Report

Koen De Marteau, new Director HR and Corporate Operations, introduced the HR highlights in 2016 and presented priorities for 2017.

Members supported the approach and offered valuable input.

Full presentation on HR and Corporate Operations will be done at the October Executive Board meeting.

EB/2017/1-7 Crop Trust Work Plan 2017-2020

Executive Director Marie Haga presented the Crop Trust Work Plan.

She pointed out that it is a "living document" that provides room for updating as we go onwards. The Board agreed on this approach, and an update will be provided at the Board's October meeting

Decision:

- 10) *Members approved the Work Plan 2017-2020*

EB/2017/1-8 Annual Work Plan 2017

Marie Haga presented 2017 Work Plan reflecting per department the major achievements in 2016 and priorities for 2017. Members briefly discussed how the Work Plan is implemented and managed.

Decision:

11) Members approved the Annual Work Plan for 2017

EB/2017/1-9 Board Business

Marie Haga informed the Board about the upcoming appointments and elections for respective the Chair and Vice Chair of the Donors' Council, appointments to the Executive Board by the Donors' Council and appointment by the Executive Board at its discretion in autumn of 2017. Janet Muir presented the suggested appointments of external members to the Finance and Investment Committee. The Executive Board warmly welcomed the addition of two highly qualified professionals to the Finance & Investment Committee.

The Chairman recalls the rules and set up of the FIC and sought agreement of the Members.

Marie Haga informed about the intended dates and location of the Executive Board meetings in 2017 and 2018.

The Chairman pointed out that the visa procedure for Russia needs to be checked before a final decision is made.

Decision:

12) Members took note of the upcoming elections and appointments to the Executive Board

13) Members agreed to hold its next meeting in Bonn on 24 and 25 October 2017

14) Members agreed to hold its first meeting in 2018 on 20 and 21 March preferably at the Vavilov Institute, St. Petersburg, Russia and its second 2018 meeting in Bonn on 23 and 24 October.

15) Members appointed Onno Steenbeek and Steven Lainoff as new members to the FIC