



**Global Crop Diversity Trust  
Executive Board Meeting (EB/2020/3)  
5-6 November 2020, Videoconference**

**Summary Report**

Attending Members of the Executive Board

Peter Crane (Chair)  
Hanne Blåfjeldal  
Mercedes Aráoz Fernandez  
Jean-Christophe Gouache  
Masa Iwanaga  
Alexander Müller  
Marcio de Miranda Santos  
Stefan Schmitz (Executive Director of the Crop Trust)  
Emmy Bartz Simmons  
Knut Storberget  
Eliane Ubalijoro

Attending Observers

Joachim von Braun  
Hans Hoogeveen                      Chair of the Crop Trust Donors' Council  
Bernard Lehmann  
Kent Nnadozie                      Secretary of the International Treaty on Plant Genetic  
   Resources for Food and Agriculture  
Barbara Wells                      Director General of Director General of the International Potato  
   Center (CIP), CGIAR

Apologies

Rene Castro                      Assistant Director-General - FAO  
John Gandolfo                      Chair of Finance and Investment Committee (FIC)

Attending Crop Trust Staff

Rodrigo Barrios                      Strategic Partnerships Manager  
Christoph Beck                      Director of Human Resources and Corporate Operations  
Hannah Bisset                      Head of Communications  
Hannes Dempewolf                      Director of External Affairs  
Erin Gleeson                      Partnerships Assistant, Minute Taker  
Luigi Guarino                      Director of Science  
Charlotte Lusty                      Head of Programs  
Janet Muir                      Director of Finance



The status of decisions and actions arising from **EB/2020/3** is provided in the table below:

No.	Decisions
1	The Executive Board adopted the Agenda for the EB/2020/3.
2	Members adopted the Minutes and Actions arising from EB/2020/2.
3	The Executive Board accepted the Science Report (EB/2020/3-4), the External Relations Report (EB/2020/3-5), and the Corporate Operations and HR Report (EB/2020/3-6) as read.
4	The Executive Board approved the Institutional Risk Register 2021.
5	The Executive Board approved the Strategic Asset Allocation Implementation Plan.
6	The Executive Board approved the Revised Budget 2020.
7	The Executive Board approved the Budget for 2021.
8	The Executive Board approved the Institutional Workplan for 2021.
9	<p>The Executive Board confirmed the following:</p> <ul style="list-style-type: none"> <li>• That EB 2021/1 will be held on Wednesday the 24<sup>th</sup> and Thursday the 25<sup>th</sup> of March 2021, via videoconference.</li> <li>• That EB 2021/2 is tentatively scheduled for the 27<sup>th</sup> and 28<sup>th</sup> of October 2021. The meeting is planned to take place in Bonn, Germany at Crop Trust Headquarters, however this is tentative given the unpredictability of the COVID-19 pandemic.</li> </ul>

### **EB/2020/3-1**

#### **Welcome, Introduction, and Adoption of the Agenda**

The Chair of the Executive Board, Sir Peter Crane, opened the meeting and welcomed all participants. The Chair welcomed Bernhard Lehmann and Joachim von Braun who are attending the present meeting as Observers but will officially join the Crop Trust Executive Board as voting members effective as of 7 November 2020.

The Chair expressed his immense gratitude to both Knut Storberget and Alexander Müller for their dedicated and diligent service to the Crop Trust, as this will be their final meeting as members of the Executive Board.

Members of the Executive Board agreed to adopt the Agenda for EB/2020/3.

1. **Decision:** The Executive Board adopted the Agenda for EB/2020/3.

### **EB/2020/3-2**

#### **Introduction of the Crop Trust team and setting the scene for the two-day meeting**

The Executive Director of the Crop Trust, Mr. Stefan Schmitz, thanked the Chair for his introduction and extended a warm welcome to all meeting participants. The Executive Director provided some highlights from the last year, including that the upgrading work on the Svalbard Global Seed Vault was completed, the overall market value of the endowment fund increased despite the economic turbulence due to COVID-19, and donor contributions to the endowment fund in 2020 totaled USD 17 million.



Mr. Schmitz spoke about upcoming project work, including the BOLD-CWR Project proposal, and a potential agreement with BMZ and GIZ for a general support program to allow Crop Trust to explore new funding avenues, including innovative finance. Mr. Schmitz introduced “Crop Trust 2.0”, which is a vision of the overall institutional strategy to help the Crop Trust fulfill its critical mandate.

### **EB/2020/3-3**

#### **Minutes and Actions Arising from EB/2020/3-3**

The Chair introduced the Minutes and Actions Arising from EB/2020/2 and asked that the Executive Board approve them.

The Chair introduced three reports as part of the Consent Agenda - the Science Report (EB/2020/3-4), the External Relations Report (EB/2020/3-5), and the Corporate Operations and HR Report (EB/2020/3-6) - and these were taken as read with brief overviews of these reports provided by staff members as summarized below.

2. **Decision:** The Executive Board adopted the Minutes and Actions arising from EB/2020/2.

### **EB/2020/3-4**

#### **Science Report**

This document provided an update of the Crop Trust’s technical work focusing on the following major projects:

1. Genebank Platform
2. CWR Project (plus the Templeton Project)
3. Seeds for Resilience
4. Breathing New Life into the Global Crop Conservation Strategies

Despite some delays, mostly caused by the pandemic, all projects are on track. Two of them, the Genebank Platform and the CWR Project, are due to end in 2021.

### **EB/2020/3-5**

#### **External Relations Report**

This document provided an update on the Crop Trust’s newly formed External Affairs Team and summarized how this new Team has been addressing some of the existing gaps, strategizing and prioritizing future work in this area. The report focuses particularly on fundraising for the Genebank Platform, project development, exploring innovative finance, increasing online presence and reach, refreshing the Crop Trust’s digital identity, and host country outreach in Germany.

### **EB/2020/3-6**

#### **Corporate Operations and HR Report**

This document provided an update on Crop Trust staffing and Human Resources matters, focusing on the following points:



1. Staffing and Organizational Development
  2. Corporate Operations, including the organizational COVID-19 Policy
  3. ICT Roadmap
3. **Decision:** The Executive Board accepted the Science Report (EB/2020/3-4), the External Relations Report (EB/2020/3-5), and the Corporate Operations and HR Report (EB/2020/3-6) as read.

#### **EB/2020/3-7.1**

##### **Covid-19 Update and Business Continuity Plan 2021**

The Director of Human Resources and Corporate Operations, Mr. Christoph Beck, provided an update on the COVID-19 pandemic situation in Bonn, as well as how it has affected the operations of the Crop Trust Secretariat and the measures in place to ensure that the Secretariat continues to operate successfully. Then, senior managers from the Science, External Affairs, and Finance Units outlined how their work streams have been impacted by the COVID-19 pandemic and how they plan to address these issues going forward.

#### **EB/2020/3-7.2**

##### **Institutional Risk Register 2021**

Ms. Muir presented the circulated document “Institutional Risk Register 2021” and provided an overview on the institutional risk management matrix, its methodology, process, and purpose and advised that the goal of the matrix is to ensure there are appropriate policies in place to identify, address and mitigate institutional risks where possible. Executive Board members were asked to approve the Risk Matrix for 2021.

4. **Decision:** The Executive Board approved the Institutional Risk Register 2021.

#### **EB/2020/3-8**

##### **Finance and Investment Report**

###### *Investment Management and Endowment Fund*

Ms. Muir provided an update to the Executive Board on the following as part of the circulated document: “Finance & Investment Report”: the endowment fund investment management for 2020, Strategic Asset Allocation Implementation Plan, the UNPRI Assessment Report and ESG dashboard, the Revised Budget for 2020, and the Annual Budget for 2021.

Ms. Muir provided investment management highlights and an update on the recent FIC meetings on 3 and 4 November 2020, which included discussions with each of the investment managers individually to discuss their performance and ESG strategy, with the main focus being on how ESG is integrated across the portfolio. The FIC also met with Crop Trust’s external auditors, PriceWaterHouseCoopers (PWC), and KOIS Invest, who presented the feasibility study of the Food Security Bond.

As of 30 September 2020, the total estimated value of the portfolio (excluding KfW loan proceeds) amounted to USD 275 million against a value of USD 255 million on 30 December 2019, which represents a 2.6% estimated return (net of fees) for 2020 year to date against estimated policy benchmark return of 4.3% over the same period, with Mercer achieving estimated returns of 2.5% and DWS 3.0%. The estimated annual one-year return amounted



to 8.6% against the estimated policy benchmark of 5.4%. Since inception in 2005, the USD portfolio has achieved an estimated average annual investment return of 6.6% per year against an estimated policy return of 6%.

The EUR fund, which represents the KfW concessional loan proceeds, currently amounts to EUR 53 million. The estimated return for the year-to-date was 2.1% against a benchmark of 1.2% over the same period and 1.6% above the interest cost on the KfW loan (0.5% concessional interest). Repayments on this loan do not commence until October 2022.

#### *The Strategic Asset Allocation Implementation Plan*

Ms. Muir provided an overview for board members of the two primary investment objectives of the Endowment Fund: 1) to ensure that sufficient returns are earned to outpace spending, which is done with a mix of investments representing the Strategic Asset Allocation; and 2) to align investments to the Crop Trust's core mission, including the ESG responsible investment policy as well as the responsibilities that come with being a UNPRI signatory.

Ms. Muir outlined that, at its meeting on 2 June 2020, the FIC agreed to establish a working group of FIC members (Mr. Steenbeek, Ms. Sant and the Chair, Mr. Gandolfo as well as Ms. Muir), to meet to discuss the implementation of the strategic asset allocation and to report back to the FIC on the next steps with respect to the roadmap for implementation. Ms. Muir presented this plan, which was approved by FIC at its meeting on 16 October 2020 for recommendation to the Executive Board for its approval and agreed to monitor this over the next twelve months. Ms. Muir asked the Executive Board to approve the proposed Strategic Asset Allocation Implementation Plan.

5. **Decision:** The Executive Board approved the Strategic Asset Allocation Implementation Plan.

#### *UN PRI Assessment 2019/20 and ESG Strategy*

Ms. Muir provided an overview of the Crop Trust's ESG strategy and how it can be developed going forward. She summarized the investment beliefs, which should be consistent with the organization's values and reputation. The Director of Finance highlighted that Mercer has reviewed the Crop Trust's United Nations Principles of Responsible Investment (UNPRI) assessment for the year 2019/20. In summary, the Crop Trust achieved "A+" and "A" ratings across all categories including strategy and governance, listed equities, fixed income (corporate non-financial) and private equity. In preparation for 2021, Mercer has highlighted that the UNPRI reporting will be overhauled, which could create uncertainty for the scoring going forward. The Crop Trust is currently working with Mercer to prepare for the next reporting period.

For next steps related to ESG, Ms. Muir outlined that the FIC had discussed that the different investment themes need to be considered and then determined which are right for the Crop Trust. The Crop Trust finance team will work with Mercer to examine this and bring proposals to the FIC and Executive Board in 2021 in order to further the overall ESG strategy.

#### *Revised Budget 2020*

Ms. Muir presented the circulated document, "Revised Budget 2020", which provided a detailed variance analysis report of the revised budget against the Executive Board approved



budget for 2020 based on an analysis of actual expenditure to 31 July 2020 and projected expenditure for the remainder of the year, following consultation with budget-holders.

Overall, the draft Revised Budget 2020 is projecting a balanced budget to 31 December 2020. The key assumption in this revised budget is that a 4% withdrawal of income will be made from the endowment fund in 2020 to fund the Genebank Platform and operations with the balance to come from donors in order to fill the “funding gap”. The funding gap represents the difference between the commitment to the Genebank Platform in 2020 and the amount withdrawn from the endowment fund to meet this commitment. The Crop Trust is having bilateral discussions with a donor at present to meet the Genebank Platform commitment. An update on these discussions will be provided to the Executive Board at its meeting on 5 November 2020.

While presenting the revised expenditures, Ms. Muir highlighted that there may be further savings by the year end as work plans may change again due to Covid-19. Ms. Muir outlined that the Revised Budget 2020 had been approved by the FIC at its meeting on 15 October 2020 and recommended to the Executive Board for its approval.

6. **Decision:** The Executive Board approved the Revised Budget 2020.

#### *Annual Budget 2021*

Ms. Muir presented the circulated document “Annual Budget 2021” which provided detailed analysis of forecasted income and expenditure and the key assumptions used in developing the annual budget. Due to uncertainty around the continuation of the CGIAR Genebank Platform and CWR projects and the level of investment required for partnership and communications activities under the new Institutional Strategy, no multi-year budget has been included for Years 2022 and 2023 at this time. The FIC approved the Annual Budget 2021 at its meeting on 15 October 2020 for recommendation to the Executive Board for its approval and agreed that management will present an update with respect to multi-year budgets to the FIC and Executive Board at their Spring 2021 meetings.

Ms. Muir highlighted that the detailed draft Annual Budget 2021 was prepared in conjunction with all budget-holders and the Senior Management Team and set out the key assumptions used in the preparation of the Annual Budget 2021. Ms. Muir outlined that a key objective for the year 2021 will be to keep the withdrawal from the endowment fund at 4% by attracting donor support to fund the Crop Trust’s operational expenditure and the Genebank Platform. Projected support from donors has been included in the income projections and there are ongoing discussions with donors in this regard.

Members were asked to approve the Annual Budget for 2021 and take note that the multi-year Budget will be presented to the Board in the Spring of 2021.

7. **Decision:** The Executive Board approved the Budget for 2021.



**EB/2020/3-9  
CGIAR, Treaty Secretariat & Donor Council update**

*CGIAR Update*

The Director General of CIP, Ms. Barbara Wells, provided a brief update on the One CGIAR reform. An advisory group composed of donors, Director Generals, and Board Chairs has developed the foundation for the 2030 Research and Innovation Strategy, which will be given to the One CGIAR Executive Management team once they are hired so that they can refine it and present it to the CGIAR System Council in December. The One CGIAR reforms will be launched in association with the United Nations Food Systems Summit (FSS) in 2021.

Ms. Wells highlighted how the CGIAR centers have been impacted by the COVID-19 pandemic. She mentioned that the greatest impact so far has been on implementation, however, the centers have worked carefully to understand which projects need to be prioritized. The CGIAR centers went through extensive safety precautions to ensure that key activities were not lost. She mentioned that funders are being very flexible during this time, however there will still be funding risks in the future as a result of the COVID-19 pandemic.

*The International Treaty on Plant Genetic Resources for Food and Agriculture ('the Plant Treaty')*

The Secretary of the Plant Treaty, Mr. Nnadozie, spoke about how the COVID-19 pandemic has affected the day-to-day operations of the Plant Treaty Secretariat, especially with regards to physical meetings, and the range of partner activities that have been affected on the operational side. He provided some context for the Executive Board on the relationship between the Plant Treaty and the Crop Trust. After each session of the Governing Body, there is a joint planning session between the Secretaries of the Plant Treaty and the Crop Trust. This meeting also offers an opportunity to review some of the policy guidelines that the Governing Body of the Treaty has provided for the Crop Trust.

Mr. Nnadozie highlighted the international panel jointly hosted by the Crop Trust and the Plant Treaty, which examined the impacts of the COVID-19 pandemic on the collections and lessons learned to prepare for future shocks. It was clear from this session that there is a high level of resilience built into the system, however a few vulnerabilities and weaknesses were also clear. Looking forward, the Crop Trust and the Plant Treaty will work together to examine the important processes that could re-energize the multilateral system and capture some of the progress made in the last few years.

*Update on the Crop Trust Donors' Council Meeting*

The Chair of the Donors' Council, Ambassador Hans Hoogeveen, presented a brief summary of the discussion and outcomes from the Donors' Council meeting held on 29 October 2020. Mr. Hoogeveen stated that the oral update from Mr. Schmitz was well received, and that there were interesting and valuable discussions about the recommendations from the Chatham House and GCO Panel meetings. He summarized the discussion on the Food Security Bond, and how the Crop Trust needs to be wary of competition and coordinate with other organizations that have similar fundraising ideas. Mr. Hoogeveen summarized the elections that took place during the Donors' Council meeting, including the re-election of Emmy Simmons to the Executive Board, and that the positions of the Chair and Vice Chair are vacant.



The Crop Trust is currently facilitating informal consultations to nominate the next Chair and Vice-Chair of the Donors' Council.

Mr. Crane thanked the Observers for their presentations and closed the meeting for Day 1.

#### **EB/2020/3-10**

##### **Overview: Crop Trust 2.0**

Mr. Schmitz presented Crop Trust 2.0, a new vision and growth strategy for the Crop Trust after 16 years of existence. The Crop Trust 2.0 vision recognizes that even though the Crop Trust has been successful thus far, there is still a gap of USD 500 million required in the endowment fund to safeguard the unique collections of crop diversity that are of global importance. Crop Trust 2.0 acknowledges the need to link genebanks to users, promote pre-breeding efforts, and strengthen the operations of the global system by supporting important conservation methods such as cryopreservation. The Crop Trust will implement this vision by pursuing innovative financing to fill the endowment fund, strengthening strategic partnerships and communications, and securing time-bound project funding to close technical gaps.

#### **EB/2020/3-11**

##### **Considering the Future of the CGIAR Genebank System: Suggestions for Change**

The Head of Programs, Ms. Charlotte Lusty, presented the report of the system level review of genebank costs and operations (GCO). The Genebank Platform is operating based on the costing study that was carried out in 2009, and the purpose of the latest review was to update the costs of the individual genebanks, while a technical panel was tasked with identifying the essential parts of CGIAR genebank operations that ensure the long-term conservation and availability of their collections.

Ms. Lusty described the recommendations of the System Level Review of Genebank Costs and Operations (GCO). The GCO Panel considered that there should be three different components in the operation and funding of a future CGIAR genebank system, including: core genebank operations; future proofing of collections including conservation and innovation such as cryopreservation, germplasm health, and advances in seed longevity; and closer collaboration with users to get a better understanding of what is in the collections and how it can be used.

#### **EB/2020/3-12**

##### **Mobilizing Support for our Work I: Partnerships & Communication Strategy**

The Director of External Affairs, Mr. Hannes Dempewolf, presented the new structure of the External Affairs team, which is now made up of both strategic partnerships and project development. Mr. Dempewolf presented the various work fronts of the Partnerships Unit, which included:

- Bilateral targeted engagement, where the Partnerships Unit will perform in-depth analyses of specific countries that are important donor prospects in order to encourage funding for the endowment fund;
- Multilateral engagement, where the Partnerships Unit will continue to engage with the Food System's Summit Secretariat to develop a formal role for the Crop Trust at this event and to ensure that issues relating to biodiversity are included on the agenda. All multilateral engagement will be carried out in close collaboration with the Plant Treaty;



- Crop-based fundraising, where the Partnerships Unit will focus on the lessons learned from past experiences with crop-based fundraising and identify how best to engage private sector actors beyond the seed industry;
- Support the Director of Finance in all aspects of innovative finance, including the Food Security Bond; and
- Increase the Crop Trust's presence in its host country, Germany, both with media and outreach, but also by partnering with German stakeholders in the private sector and civil society.

The Head of Communications, Ms. Hannah Bisset, presented on the future of Crop Trust communications, including:

- A shift to digital conferences which allows Crop Trust communications to have a wider reach;
- Restructuring of the communications team and filling certain skill gaps;
- Drafting of a communications strategy, which details processes and policies for streamlining the work of the Communications team; and
- Implement a new institutional website that will highlight the endowment fund and focus on how to better utilize the Crop Trust's online platform for resource mobilization.

#### **EB/2020/3-13**

##### **Mobilizing Support for our Work II: Innovative Financing**

Mr. Schmitz reflected on how innovative finance has developed at the Crop Trust over the last few years. In 2020, the Crop Trust has pursued the implementation of one of the most promising of these mechanisms, the Food Security Bond. The Crop Trust recently engaged KOIS Invest to perform a feasibility study of this mechanism, to look at the market landscape, test the concept with donors, potential investors, as well as indicate what the roadmap to implementation might look like.

Ms. Muir presented the results of the feasibility study. General feedback included that there is strong appetite for this mechanism from investors, especially those with long-term perspectives, given that solid risk mitigation is secured in the form of a guarantee. The overall takeaway from the feasibility study is that the implementation of this mechanism is attainable. The next steps will be securing the political support required to bring this bond to fruition.

#### **EB/2020/3-14**

##### **Institutional Workplan 2021**

Mr. Schmitz presented the Institutional Workplan 2021 by highlighting planned activities for each team. The Executive Board was asked to approve the Institutional Workplan for 2021.

8. **Decision:** The Executive Board approved the Institutional Workplan for 2021.

#### **EB/2020/3-15**

##### **Any Other Business**

The Chair introduced the proposed dates for the next meetings of the Executive Board, which included Wednesday the 24<sup>th</sup> and Thursday the 25<sup>th</sup> of March 2021. The fall meeting of the Executive Board is tentatively scheduled for the 27<sup>th</sup> and 28<sup>th</sup> of October 2021.



9. **Decision:** The Executive Board confirmed the following:

- That EB 2021/1 will be held on Wednesday the 24<sup>th</sup> and Thursday the 25<sup>th</sup> of March 2021, via videoconference.
- That EB 2021/2 is tentatively scheduled for the 27<sup>th</sup> and 28<sup>th</sup> of October 2021. The meeting is planned to take place in Bonn, Germany at Crop Trust Headquarters, however this is tentative given the unpredictability of the COVID-19 pandemic.

**EB/2020/3-16**  
**Board Business**

There was no Board Business to report at this time. The Chair closed the meeting.