

Future Funding of CGIAR Genebanks: Background Document-Revision 1

Purpose

This revised paper sets out the long-term fundraising goal of the Crop Trust, the commitments made to the Genebank Platform to 2022 and the short-term challenges to meet the fundraising target of \$500 million by 2022 in order to fund the Article 15 collections in perpetuity.

Action requested

The System Council is asked to consider this background information ahead of the Crop Trust's presentation to the System Council's 6th meeting on the topic "Future Funding of CGIAR Genebanks".

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Prepared by: Crop Trust



Future Funding of CGIAR Genebanks

Background Document - System Council 17 May 2018 Meeting

Prepared by the Global Crop Diversity Trust
7 May 2018

1. Purpose

The purpose of this paper is to provide System Council Members with background information ahead of the Crop Trust’s presentation to Members on 17 May 2018 on the topic “Future Funding of CGIAR Genebanks”.

This paper sets out the long term fundraising goal of the Crop Trust, the commitments made to the Genebank Platform to 2022 and the short-term challenges to meet the fundraising target of \$500 million by 2022 in order to fund the Article 15 collections under the International Treaty of Plant Genetic Resource (ITPGR) in perpetuity.

2. Fundraising Targets

The Crop Trust’s Strategic Workplan sets out a target of USD 850 million required in the endowment fund in order to fund the operation of a global portfolio of national and international collections for the ex-situ conservation of crop diversity. This target is based on the following three components:

| Components of the Global System for Crop Diversity | Crop Trust Endowment Required (mill USD) | Estimated annual income generated at 4% return (millUSD) |
|--|--|--|
| 1. International Collections under Article 15 | 500 | 20 |
| 2. National collections of global significance | 250 | 10 |
| 3. Global System support (Crop strategy development, information systems, Secretariat) | 100 | 4 |
| Total | 850 | 34 |

2.1. International Collections under Article 15

Based on reported annual expenditures and detailed costing studies, the Crop Trust estimates the annual cost of core operations of genebanks holding international collections under Article 15 of the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA), including the global collections held in trust by the CGIAR Centres, to be approximately \$20 million. Using an estimated annual income of 4% plus US CPI, the Crop Trust would need an endowment of \$500 million to sustain an annual withdrawal of \$20 million per year. Once this is achieved, approximately \$16 million of the \$20 million generated per annum is expected to be earmarked for the CGIAR genebanks, with \$3.3 million earmarked for Article 15 collections and Svalbard Global Seed Vault, and \$0.7m supporting program and management costs.

2.2. National Collections of Global Significance

Using crop conservation strategies and other information, the Crop Trust estimates that conserving unique material for priority crop collections held outside of Article 15 will require some \$10 million per year. To meet this need, an additional \$250 million will be required in the endowment.

2.3. Global System Support

Additional long-term costs are associated with supporting a global system for the conservation and use of crop diversity, especially to bringing together national, regional and international parties. Specific costs include maintaining and developing the global accession data portal - Genesys, implementing strategic approaches to the global conservation of crops, and promoting the use of diversity. In total, the additional long-term costs to be financed through the endowment would be around \$4 million per year, requiring an additional \$100 million investment in the Crop Trust's endowment.

3. Current Status of the Endowment Fund

As of 31 December 2017, the value of the Crop Trust's endowment fund totalled \$285 million, a \$97 million increase from the 2016 total. Of the total \$285 million, the endowment has two separate funds:

1. Fund held in US dollars - \$225 million of grant contributions since 2004 plus cumulative net investment gains
2. Fund held in Euros - \$60 million KfW concessional loan (signed October 2017)

Fund held in US dollars: In 2017, contributions totalling \$15 million were received, with an additional \$28 million made in net investment gains as a result of a 17.4% investment return for the year. Of this income, \$6.7 million was withdrawn during the year. From the \$6.7 million withdrawn, \$6.4m (96%) was allocated to the CGIAR genebanks, and the remaining 4% went to support the Svalbard Global Seed Vault, the genebank of the Centre for Pacific Crops and Trees (CePaCT) in Fiji, and the management costs at the Crop Trust.

Fund held in Euros: The KfW loan proceeds are invested in a separate fund, as the loan was given in Euro, with the priority being to repay the interest and principal payments due on the loan. The Executive Board of the Crop Trust will decide how the net income on these proceeds will be distributed.

4. Crop Trust Contribution to the Genebank Platform

Financial support for the Genebank Platform, which commenced in January 2017, is shared between CGIAR and the Crop Trust, with the Crop Trust contributing an ever increasing share of the costs of the Platform to 2022 (Figure 1). From 2022, the Crop Trust will fund the essential operations of those genebanks that reach agreed performance targets and fulfil eligibility criteria. In the terms of the long-term partnership agreements between the Crop Trust and CGIAR Centres, matching funding from the CGIAR is expected to be provided to the genebanks on an individual basis. Whether a Platform will still be an appropriate mechanism to structure the program of work of the group of 11 genebanks will be a future decision for the CGIAR.

The Crop Trust contributed \$6.75 million to the Platform in 2017 (including a contribution made by GIZ to ILRI and CIP on the Crop Trust's behalf). The commitment in 2018 rises to \$9 million and increases to \$15 million in 2022.

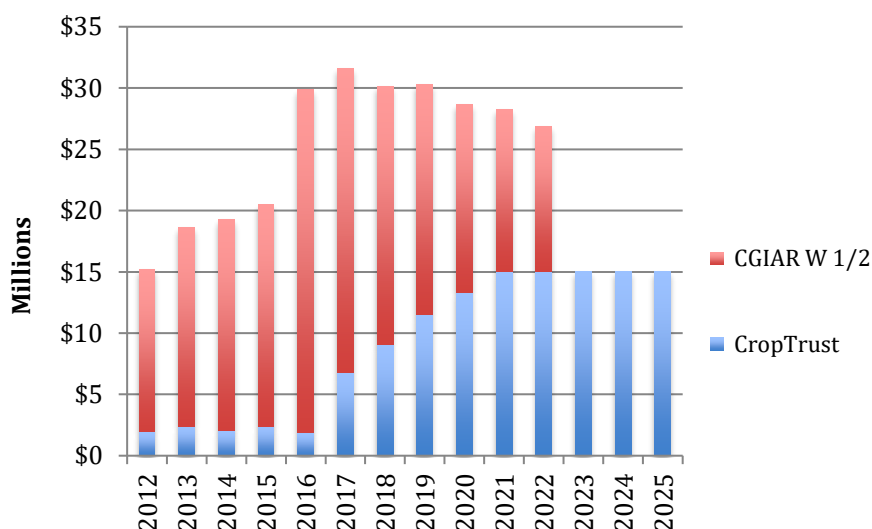


Figure 1. Contribution by CGIAR and Crop Trust to funding the Genebank Platform

5. The Challenges to 2022

There are three challenges that need to be addressed now in order to secure the funds required to support the Article 15 collections in perpetuity by 2022:



5.1. Increasing the Endowment Fund to \$500 million by 2022

In order to increase the balance on the endowment fund from its current value of \$225 million (which excludes the KfW loan proceeds of \$60 million) to \$500 million the fund depends on contributions from donors, investment returns of US CPI plus 4% on the capital markets and minimal income withdrawals. Donor support can be used either to build the endowment fund or to avoid the withdrawal of income from the endowment by covering Crop Trust's commitments to the Genebank Platform.

5.2. Meeting the Genebank Platform Commitment annually

The endowment fund has a spending policy limit (i.e. 4% of the average market value of the endowment fund over the previous twelve quarters) it is not possible to withdraw funds above 4% from the endowment fund. If there are insufficient funds in the endowment to meet the annual commitment to the Genebank Platform, a "funding gap" is created. In 2018, there is already a funding gap. Donor support is required in order to fill this gap – described in the scenarios below.

5.3. CGIAR Funding Modalities

Based on the current funding modalities, additional CGIAR Window 2 allocations led to a corresponding reduction in Window 1 funding. This had a negative impact on the endowment in 2017 when commitments to support the endowment were instead put in Window 2. In order for the Crop Trust to encourage donors to use the three funding windows of the CGIAR, it needs to be possible for any funds raised by the Crop Trust to contribute to lessening the burden on the endowment. As a result of the current mechanism, the Crop Trust can only seek donor support under Window 3 or bilaterally.

6. Scenarios

To understand these challenges better, and how supporting the Crop Trust in the short term will lead to significant gains in the long term, the Crop Trust presents two scenarios that demonstrate the effect on the endowment fund value of donor support for both the endowment fund and the Genebank Platform funding gap.

6.1 Scenario 1

In this scenario it is assumed that the Crop Trust will receive donor support for the endowment fund of \$50 million net per annum to 2022 and that only 2% will be withdrawn from the endowment fund for the Genebank Platform, with the balance being funded by donors.

Endowment Fund and Platform commitment 2% withdrawal plus USD 50m annual donor support

| | 2018 | 2019 | 2020 | 2021 | 2022 |
|--|-----------------------|---------------|---------------|---------------|---------------|
| Income | | | | | |
| | | | USD'000 | | |
| Endowment Fund (excluding loan) | 278,902 | 333,488 | 388,988 | 445,489 | 502,989 |
| Income withdrawal (2%) | 3,887 | 4,613 | 5,583 | 6,676 | 7,786 |
| Expenditure | | | | | |
| | Long-term commitments | | | | |
| Long-term Partnership Agreements (LPA) | 1,280 | 1,600 | 4,200 | 6,900 | 9,500 |
| Svalbard Global Seed Vault | 150 | 165 | 182 | 200 | 220 |
| Long-term Grants (CGIAR) | 2,170 | 2,205 | 1,440 | 730 | 250 |
| Long-term Grants (Other A15) | 60 | 66 | 73 | 80 | 88 |
| Long-Term Commitments Subtotal | 3,660 | 4,036 | 5,895 | 7,910 | 10,058 |
| | Crop Trust | | | | |
| Crop Trust Operations | 250 | 250 | 250 | 250 | 250 |
| Crop Trust Fundraising | 350 | 400 | 400 | 400 | 400 |
| Long-Term Commitments + Crop Trust Subtotal | 4,260 | 4,686 | 6,545 | 8,560 | 10,708 |
| | Upgrading | | | | |
| Upgrading grants - Genebank Platform | 5,610 | 7,725 | 7,710 | 7,400 | 5,280 |
| Grand Total | 9,870 | 12,411 | 14,255 | 15,960 | 15,988 |
| Funding gap | 5,983 | 7,798 | 8,672 | 9,284 | 8,202 |

The above table outlines the current allocation of annual funds from the endowment fund and the shortfall in funding to the Genebank Platform. The funding gap for 2018 to 2022 (box highlighted in yellow) shows the level of donor support required to meet the Genebank Platform commitment.

Overall, the effect of a net income of \$50 million annually into the endowment fund, along with a 2% withdrawal, will bring the overall endowment fund value to \$503 million by 2022. That means, from 2022 the endowment fund can generate the full \$20 million required annually in perpetuity to fund the Article 15 collections.

6.2 Scenario 2

Using the same basis as Scenario 1, this scenario assumes a lower level of support from donors for both the endowment fund and the Genebank Platform. In this scenario it is assumed that the Crop Trust will receive donor support for the endowment fund of net \$30 million per annum to 2022 and that the full 4% will be withdrawn from the endowment fund for the Genebank Platform.

Endowment Fund and Platform commitment

4% withdrawal plus USD 30m donor support

| | 2018 | 2019 | 2020 | 2021 | 2022 |
|--|-----------------------|---------------|---------------|---------------|---------------|
| Income | | | | | |
| | | | USD'000 | | |
| Endowment Fund (excluding loan) | 255,015 | 285,015 | 315,015 | 345,015 | 375,015 |
| Income withdrawal (4%) | 7,773 | 8,907 | 10,201 | 11,401 | 12,601 |
| Expenditure | | | | | |
| | Long-term commitments | | | | |
| Long-term Partnership Agreements (LPA) | 1,280 | 1,600 | 4,200 | 6,900 | 9,500 |
| Svalbard Global Seed Vault | 150 | 165 | 182 | 200 | 220 |
| Long-term Grants (CGIAR) | 2,170 | 2,205 | 1,440 | 730 | 250 |
| Long-term Grants (Other A15) | 60 | 66 | 73 | 80 | 88 |
| Long-Term Commitments Subtotal | 3,660 | 4,036 | 5,895 | 7,910 | 10,058 |
| | Crop Trust | | | | |
| Crop Trust Operations | 250 | 250 | 250 | 250 | 250 |
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| Long-Term Commitments + Crop Trust Subtotal | 4,260 | 4,686 | 6,545 | 8,560 | 10,708 |
| | Upgrading | | | | |
| Upgrading grants - Genebank Platform | 5,610 | 7,725 | 7,710 | 7,400 | 5,280 |
| Grand Total | 9,870 | 12,411 | 14,255 | 15,960 | 15,988 |
| Funding gap | 2,097 | 3,504 | 4,054 | 4,559 | 3,387 |

Overall, the effect of a net \$30 million annually into the endowment fund, along with a 4% withdrawal, will bring the overall endowment fund value to \$375 million by 2022, \$125 million short of the target of \$500 million. The funding gap is smaller, as the full 4% is being withdrawn, but the effect of this is that there are less funds in the endowment fund by 2022.



7. Diversifying the Funding Base: Ongoing Efforts

Approximately 95% of the endowment's value has been provided by national governments. The remainder has been provided by the private sector. Government funding remains the preferred source of funding and a major effort is made to channel those funds into the endowment.

There is still some scope to enlarge and diversify the government-related funding base given that the majority of the endowment funding has thus far been provided by a handful of key donors (i.e. USA, Norway, Germany). We are also optimistic that our longstanding supporters will continue to do so. However, increasingly governments prefer to restrict and direct funding to earmarked activities. In addition, Foundations themselves, being endowments, are also less inclined to direct their funding into the Crop Trust endowment fund.

This changing environment, provides a challenge to close the funding gap described above and to reach the target of a USD 500 million endowment fund by 2022. To address these challenges, the Crop Trust is making every effort to diversify its funding base and to develop innovative funding mechanisms, which include:

1. The Food Security Bond (FSB) is an innovative finance mechanism that offers urgent funding to national crop collections to invest in facilities, equipment, and procedures now, with funding earmarked in the future to repay the bond. The FSB allows debt securities to be sold to impact investors globally with proceeds to be used to fund high impact projects to protect agricultural biodiversity. The benefits of using an FSB include achieving major impact now by saving essential food crops from extinction; to realize future cost savings and improve food security and nutrition for future generations; and to unlock funding at considerable scale for supporting a global public good. The Crop Trust is reaching out to governments to ask them to make long-term financial pledges to repay the bond over the life of the bond.
2. The Crop Trust is developing an Investment Sharing Facility with Deutsche Asset Management. The Investment Sharing Facility (ISF) would allow investors to capture the opportunities in international equity markets and hold on to their fund shares, while donating their annual income distributions – mostly stock dividends – to the Crop Trust to safeguard global crop diversity. Deutsche Asset Management has exchanged the underlying investment fund to a Global Equity Income orientated fund with sustainability feature (ESG compliant). In order to comply with ESG principles, investment decisions must be made according to strict criteria related to environmental, social and governance (ESG) standards and in accordance with the United Nations Principles for Responsible Investment.

Significant progress has been made in developing this mechanism, and as of the 1st of January, 2018 the prospectus language of the underlying investment fund and the donation share class have been approved by the Luxembourg Regulator. As the ISF will channel annual dividend income to the Crop Trust Foundation gGmbH, our recently established German charitable corporation, German donors



may benefit from income tax deduction. As tax deductions are currently limited to German investors, the ISF is intended to start addressing larger institutional investors first, or those who may not require or rely on the tax deductibility feature due to their set up or jurisdiction.

3. Crop-based fundraising campaigns present significant potential to target private sector engagement. By using a crop specific approach, the Crop Trust hopes to connect conservationists, researchers, producers, consumers and/or other users in the commodity chain of food crops while seeking endowment funding to support the development and implementation of global crop-based conservation strategies. The community for any one crop would co-develop and own the strategy - and thereby would be prepared to contribute to its funding.

The Crop Trust is currently piloting this approach with coffee to evaluate the effectiveness of crop-based campaigns for future endowment fundraising, and has jointly produced the Global Coffee Conservation Strategy with World Coffee Research. The specific goal of the coffee strategy is to fund the long-term conservation of coffee diversity, including cataloging, protecting and making it available to those who need it to improve the crop. For this campaign, the Crop Trust is reaching out to private sector actors in the coffee industry to encourage them to support the Global Conservation Strategy for Coffee Genetic Resources. Actors of strategic importance for the Crop Trust and the strategy encompass all levels of the global supply chain for coffee, and includes produces, exporters/importers, traders, roasters, and retailers.

The same process is currently underway for tea with funding from Unilever. The lunch reception hosted by HRH The Prince of Wales on the 30th of January 2018 provided an opportune moment to invite relevant key stakeholders for crop-based fundraising, and follow up is underway.

4. KfW and Crop Trust are developing an USD 85 million proposal to the Green Climate Fund to upgrade and support five national gene banks in Africa. In addition to the USD 85 million from the Green Climate Fund, the Crop Trust is seeking USD 23 million in co-funding for the project. The proposal includes a significant contribution to the endowment, from which a substantial part of the operational expenditures of partner genebanks involved in the project would be supported.
5. In February 2018, the Secretariat has also tested a strategy to engage with (Ultra) High Net Worth Individuals (U)HNWI by organizing a mission led by Martha Stewart to the Svalbard Global Seed Vault. The Secretariat is currently working on follow up and evaluating this experience in order to inform its future strategy on engaging with HNWI.
6. In early 2018 Friends of Global Crop Diversity opted to earmark USD 15k for the implementation of a Crop Trust Crowd Funding Campaign. Our initial expectation is that the Crop Trust will not be able to raise large sums for the endowment fund in this fashion, but rather to broaden the base of existing contributors and to cultivate ownership of the Crop Trust's mission at an individual level.

7. There are opportunities for additional concessional loans as the one negotiated with Germany and described above. Italy's CDP had expressed interest to engage in a similar model with EC funding however the Crop Trust policy clearly stipulates that loans should not go over a certain percentage compared to the endowment. Hence this mechanism has become less of a priority since the limit has been reached through the German concessional loan, but it could become an option for the future once the funds in the endowment have increased.
8. The Crop Trust is currently in discussions with a Foundation to design and explore additional innovative finance mechanisms (i.e. blockchain, dept swaps) to increase funding towards the endowment and to address the finance gap described above. It is also approaching a number of Foundations to invest in the endowment or to directly support the CGIAR Genebank Platform.

8. Reaching Targets: Update on the CGIAR Genebank Platform

The vast majority of funding (90%) in the Genebank Platform is directed to activities that support and improve the operation of the CGIAR genebanks and enable them to reach agreed targets of performance and international standards. Several Centres have made tremendous headway in improving the status of collections to the point that five seed collections are at or very close to the 90% target for the availability of collections under their management (Figure 1) thanks to the investments made in the CRP and Genebank Platform.

Reaching targets for other collections with a high preponderance of wild species (e.g. ICRAF, CIAT and ILRI forages) or clonal collections (Bioversity, CIAT, CIP and IITA) is more challenging (Figure 2) due to numerous factors including biological constraints, national phytosanitary controls, and detection of new quarantinable diseases. The Platform continues to support and address these challenges and support progress towards targets. All collections are expected be 90% available by 2022 but other targets for safety duplication and documentation may take longer for certain collections.

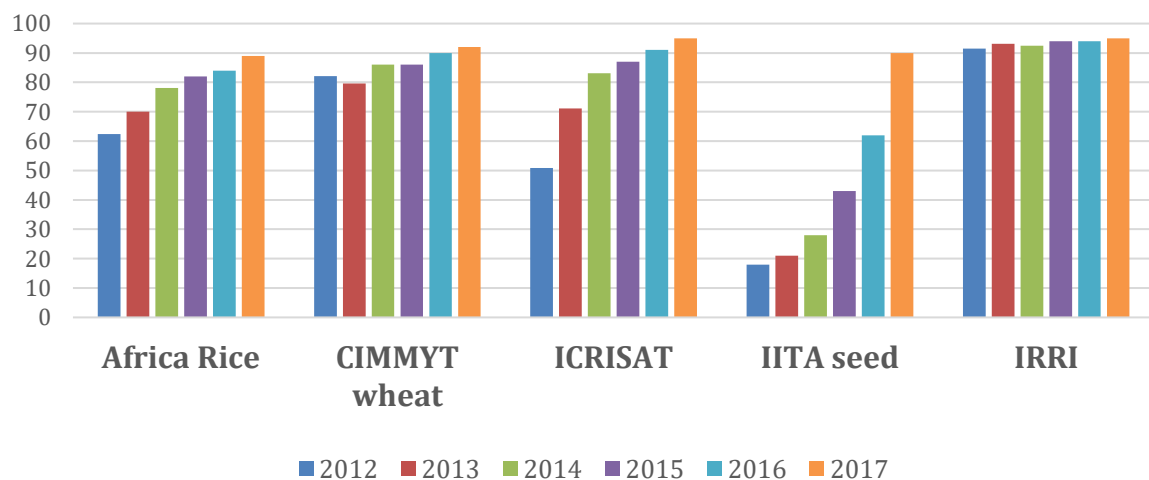


Figure 1. Increase in % Availability in seed collections since 2012 funded by the Genebank CRP and Platform

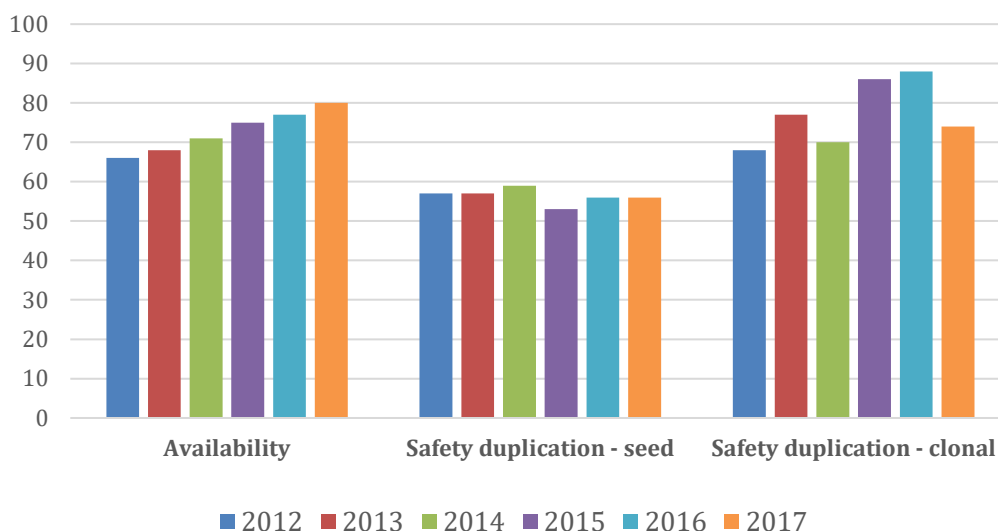


Figure 2. Overall % Availability of CGIAR collections and % safety duplication of seed and clonal collections since 2012

8.1 Working as a System

Thanks to the support of the Genebank Platform under the leadership of the Crop Trust, the CGIAR genebanks are functioning as a highly effective system, a fact that is increasingly recognised by partners both within and outside the CGIAR. Shared performance targets have proven to be a powerful way for the 11 Centres to improve and move forward together but there are many other areas of individual and collective work that strengthen CGIAR's cohesiveness, efficiency and accountability. The following points synthesize some of the achievements of the Platform (and the CRP), and represent continuing areas of work:

- **Upgrading:** Genebank external reviews and support from the CRP/Platform have influenced all Centres to invest in much-needed improvements in genebank infrastructure, facilities and equipment, most notably AfricaRice, CIP, ICRISAT, IITA, ILRI and IRRI. In a case of its own, ICARDA is in the process of expanding facilities and undertaking large-scale regeneration of accessions retrieved from the Svalbard Global Seed Vault with the support of the Platform. CGIAR Germplasm Health Units (GHUs) are now entering a similar phase of review, developing shared targets, upgrading and increasing capacity.
- **QMS:** The approach to strengthening quality management systems (QMS) has had an evident impact in improving genebank processes and staff capacity according to the 2017 IEA review, and continues to gain momentum and recognition particularly in the international plant genetic resources community. Several national partners are adopting the same approach or requesting support to do so. GHUs have also now initiated QMS strengthening under the Genebank Platform.
- **Greenpass:** CGIAR GHUs with partners such as the International Seed Federation are mobilizing support and resources to develop a unique

“Greenpass” system that will facilitate the movement of CGIAR germplasm through national phytosanitary controls and avoid unwarranted delays.

- **Policy:** The Policy Module has initiated a new era of active engagement by CGIAR with international plant genetic resources policy communities. A paper provided in 2017 to the Convention on Biological Diversity Secretariat on digital sequencing data has been widely circulated and referenced. It is essential that the CGIAR continues to exert influence in discussions on sequencing and other issues that have an effect on the development and implementation of international policy and ultimately on the functioning of the CGIAR.
- **Data management:** Major progress has been achieved in the implementation of the accession data management system, GRIN-Global, with seven Centres sharing and developing software and approaches. Novel ways of improving data quality and its presentation to the user are having results including, for instance, a significant increase in Centres’ Passport Data Completeness Index.
- **DOIs:** CGIAR Centres were among the first institutes to implement digital object identifiers, which started to be minted by the International Plant Treaty in 2017. DOIs will provide the possibility for the first time to trace unique germplasm as it moves from collection to release in the form of improved varieties or to publication in scientific papers. With 67% of CGIAR genebank accessions assigned a DOI in 2017, the Genebank Platform now aims to support the establishment of DOIs throughout CGIAR’s research and breeding programs.
- **Measuring diversity:** The Genebank Platform is pursuing an ambitious goal of developing a metric to express the level of coverage within any one crop collection of the crop’s genepool. The approach involves modelling the geographic distribution and structure of crop diversity and mapping genebank accessions to assess the level of coverage and to identify important gaps. The Genebank Platform further aims to work with national partners to address major gaps in collections commencing collecting projects in 2019.
- **Strategic curation:** Annual monitoring of accession numbers and shared performance targets have led to increasing support for a more strategic approach to curating collections. For a range of reasons, certain accessions may be candidates for prioritization and others not. For instance, external assessment of the composition of tropical forages collections has determined that a significant number of species are of low potential as forage crops and could be archived or donated to other organizations. The Platform is now supporting the development of a policy for the CGIAR to strategically curate collections and safely archive specific accessions.
- **Merging collections:** As a result of several years’ negotiation, ILRI and CIAT have embarked on a major initiative to align and rationalize their tropical forages collections. Work is being initiated in 2018 to integrate accession data from both Centres within a shared GRIN-Global database structure, which will result in the confirmation of what is expected to be significant duplication and



identification of accessions for archiving. Ultimately, it will be possible to search for and order CGIAR tropical forages accessions from one online source.

- **Financial management:** A key ingredient to the success of the Platform, has been the monitoring and management of finances by the Crop Trust, a point that was highlighted in the IEA report. In depth assessment and monitoring of the use of funds and the costs of operations have resulted in modest steps towards improving cost-efficiency. Further progress must be made. A costing review of individual genebanks was initiated late in 2017 and will be followed by a technical review of cost-efficiency in 2019 and an overall reassessment of budgets in 2020.

ANNEX: Crop Trust Endowment Fund (2 pages)

Crop Trust Endowment Fund

The Crop Trust was established by Bioversity International on behalf of the CGIAR and UN Food & Agriculture Organization to fund what's called a "global system" for the conservation of crop diversity, forever. This will help ensure that we have enough food despite challenges such as a growing world population and a rapidly changing climate. Costing studies have shown that it would take USD 34 million a year to fund such a system. That equates to the need for a [Crop Diversity Endowment Fund](#) of USD 850 million.

What is the endowment fund?

The endowment fund is a mechanism to invest funds for the long term in the capital markets and to use these funds to generate an investment return in perpetuity. The objective of the Crop Trust endowment fund is to hold on the capital investment and to pay out a small portion to fund the global system. The endowment fund has a spending policy of 4% (plus US inflation) per annum.

Purpose of the endowment fund

The fund will be used to:

- conserve and make available the crop collections of 11 [CGIAR](#) centers, and other collections under Article 15 of the International Treaty on Plant Genetic Resources for Food and Agriculture by way of long term grants
- conserve and make available other key collections most important for global food security
- maintain the *Svalbard Global Seed Vault*
- support the further development and maintenance of information systems for plant genetic resources for food and agriculture
- fund the operation of the Crop Trust secretariat

Current value of the endowment fund

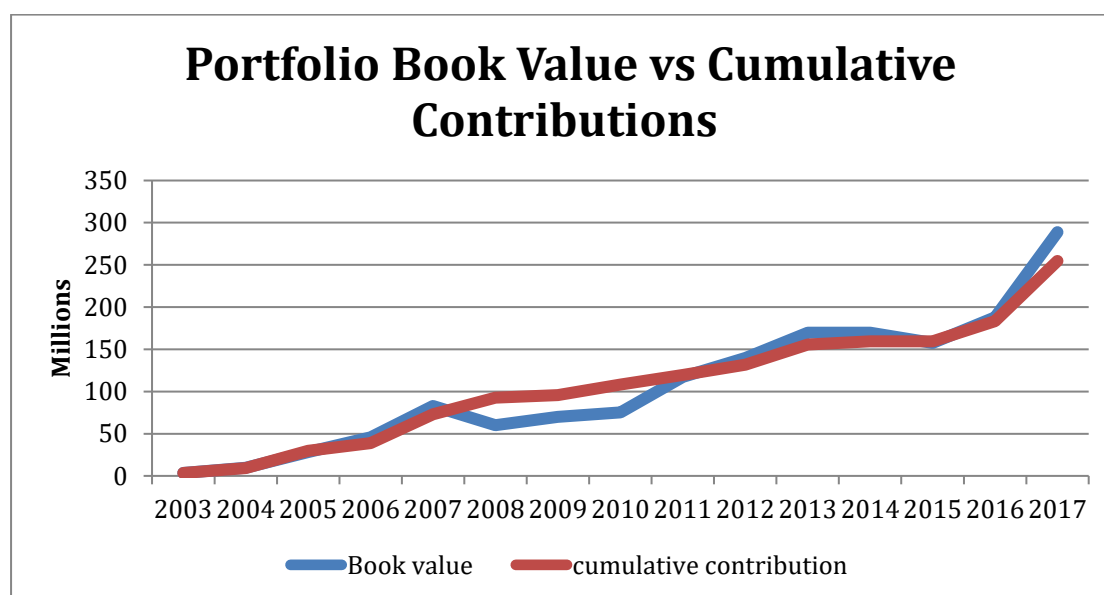
The market value of our Crop Diversity Endowment Fund as at 31 December 2017 is approximately USD 285 million. This is made up of grant contributions (USD 197 million), a concessional loan from the German Development Bank, KfW, (USD 60 million) and from net investment income earned on the capital markets.

USD 197 million has been contributed in grants to 31 December 2017 of which approximately 95% of the endowment's value has been provided by national governments. The remainder has been provided by the private sector. The United States has contributed USD 47 million of this total, or 25%, under the US Farm Bill.

In October 2017, the German Development Bank (KfW) signed a concessional loan agreement with the Crop Trust. With a 15-year duration, the €50 million (USD 60 million equivalent) concessional loan will temporarily increase the current value of the endowment,

which in turn will generate a higher annual return, allowing the Bonn-based Crop Trust to continue its works towards safeguarding one of the most important global public goods.

To date over USD 31 million has been spent from the endowment fund on our long term grants with the international research centers that hold the international crop collections. The endowment fund also contributes to the operational costs of running the Svalbard Global Seed Vault, in conjunction with our partners (the Government of Norway and the Nordic Gene Resource Centre, “NordGen”). The support provided by the fund comes solely from investment income earned, so that the actual endowment funds are not drawn on. The fund allows the Crop Trust to fulfil its purpose: to create a permanent legacy of support for the key international collections of critical importance to our food supply.



Responsible Investment

The Crop Trust, as a responsible asset owner, considers that responsible investment and good stewardship may enhance long-term Fund performance, and is therefore aligned with its fiduciary duty. The Crop Trust is a signatory to the United Nations Principles of Responsible Investment (PRI) – an initiative that includes an international network of investors working together to put responsible investment into practice.

The Crop Trust has reviewed its approach to environmental, social and corporate governance (ESG) and has established the ESG beliefs set out below which will guide its thinking on how to implement our approach to responsible investment.

The Crop Trust believes that:

1. It is important to manage its investment fund in a way that could support its broader mission and objectives;
2. Sustainable investment and good stewardship can enhance the long-term performance of our fund;



3. Exclusions (screening companies out of a portfolio) are an important means of limiting reputational risk; and
4. Being a responsible investor is important for maintaining stakeholder support and ensuring the sustainability of the Crop Trust and its ability to attract and retain high-calibre human resources.