GLOBAL CROP DIVERSITY TRUST

A Foundation for Food Security

ANNUAL REPORT 2013

CROP TRUST

ANNUAL REPORT 2013

> ***When we lose crop diversity we lose options for the future.***

Marie Haga
Executive Director, Crop Trust
Published in *The Hindu*, Nov. 2013

"Plant genetic material is one of the most valuable resources on earth. Far too little understood – far too little discussed. In the next 10 years, we need to feed 1 billion more people." Marie Haga, Crop Trust Executive Director

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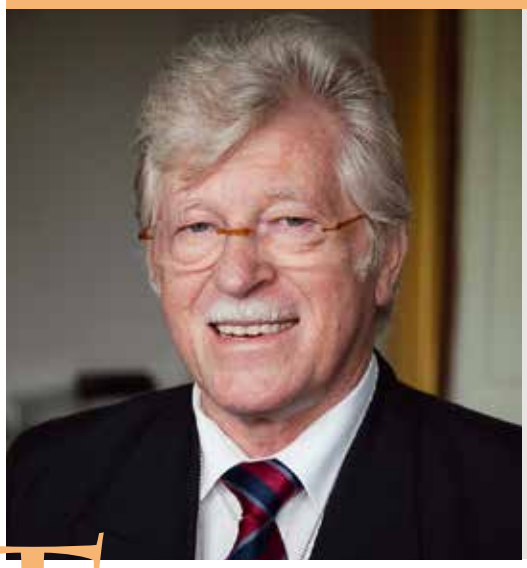

> ***"There's a special kind of change that doesn't feel like change – when an organization grows to meet the vision with which it began."***
>
> Walter Fust
> Executive Board Chair, Crop Trust

There's a special kind of change that doesn't feel like change – when an organization grows to meet the vision with which it began. This has been the feeling shared by all of us on the Board of the Crop Trust this year.

It has been a pleasure working with Marie, our fellow Board member turned Executive Director. It has been an honor to welcome everyone who joined the conservation effort in 2013: new staff, new Board members, new donors and an ever-growing number of new partners. And it has been deeply gratifying to see the Crop Trust move into a new Headquarters and a new role in the CGIAR Research Program. Taking it all together, it's clear that we have gone through a significant transformation in these twelve months.

Now that the transformation has been made, we can look back and ask: what is really "new"? While the developments are major ones, it seems as though the Crop Trust is becoming the organization it was always intended to be. It started small, but has never taken on small tasks. It began with a global vision of crop diversity conserved forever and accessible to all: an enormous goal that demanded a smart, independent and fast-acting organization. The challenges facing crop diversity conservation and use have not become any easier – much the opposite! – but the Crop Trust has learned, and grown, and gained the momentum it needs to secure the system that was its original inspiration.

All of us who have been involved for these past years are filled with pride to see this happen, and we are delighted to share last year's accomplishments with our friends and collaborators. This Annual Report describes the start of our project to secure all of the international crop collections of CGIAR over the very long term; our role in the race to find and conserve the climate-resilient wild relatives of crops; and as an ultimate failsafe, our ongoing backup of the world's seed banks in the Svalbard Global Seed Vault. It will take you from the islands of the Pacific to the Andes to the Arctic Circle, all of which play a part in the everyday business of the Crop Trust today.

These stories should make clear that there is no other organization like the Crop Trust. And that is exactly why we are here.

LETTER FROM THE EXECUTIVE DIRECTOR

> ***All of our partners focus on making crop diversity better understood, better protected, better shared, and better used.***
>
> Marie Haga
> Executive Director, Crop Trust

The Crop Trust began this year with something very special: its own address. Platz der Vereinten Nationen 7 in Bonn now feels like home, and we remain ever grateful to the German government for hosting us here on the historic banks of the Rhine.

Of course, the work described in this Annual Report takes much more than just an office – it takes a global system. The Crop Trust Secretariat now has an address in Germany, but the global task of conservation we are pursuing depends on partnerships with so many different people all over the world. Credit goes to all the research institutions, genebanks, universities and donors; the member countries of the International Treaty on Plant Genetic Resources for Food and Agriculture, and the Treaty's Secretariat; and the dedicated genebank staff, scientists, plant breeders, farmers, campaigners and policymakers who share our belief in the global commons of crop diversity. All of these partners focus on making crop diversity better understood, better protected, better shared, and better used.

Here in Bonn, we just have to walk out our front door and go next door to the Secretariat of the United Nations Framework Convention on Climate Change, to be reminded of the scale of challenges the global community is facing in feeding an increasing population in the midst of climate change. We know that crop diversity, as the very foundation of food security, will play a pivotal role in meeting the challenges.

Our job to conserve and make available crop diversity for our as well as future generations is as obvious as it is important. But the foundation is still far from secure.

In a way it feels as though there is just as much urgent work to be done now as there was at the start of the year, when I took on the role of Executive Director. Our new ten-year strategic work plan adopted by the Executive Board in October confirms we still have a big job to do. However, our progress in 2013 charts a hopeful course.

Let me say a great Thank You to our Executive Board, all partners around the globe and not least to our very competent and dedicated staff. Please take a look at how much we accomplished in this one year and join us in saying Yes - we can get there.

THE CROP TRUST

The Crop Trust was established in 2004 to ensure the conservation and availability of crop diversity essential for food and agriculture, forever. It operates in the context of the International Treaty on Plant Genetic Resources for Food and Agriculture, of whose funding strategy it is an essential element.

At a time when unprecedented demands are being made on our natural environment, it is all the more critical to conserve crop diversity. A greater diversity of crops, stored in genebanks and available to all through an efficient global system, is required to secure the future food supply at stable and affordable prices without expanding agriculture's footprint. Ensuring biodiversity in – and around - agriculture is a prerequisite for food security.

Only long-term, predictable financial support can secure crop diversity forever.

The Crop Trust is working to establish and fund a cost-effective and rational global system for the conservation of crop diversity through an endowment fund, the Crop Diversity Fund, the income from which would provide such sustainable funding.

The Crop Trust is committed to build a Crop Diversity Fund of USD 850 million that will provide adequate, sustainable funding of the global system for the conservation of crop diversity.

TIMELINE

2004

The Treaty comes into force on 29 June 2004, ninety days after forty governments have ratified it.

Crop Trust is founded by UN FAO and Bioversity International (on behalf of CGIAR) in Rome, Italy. Geoff Hawtin becomes first Executive Director.

2005

Cary Fowler becomes Executive Director of Crop Trust.

2006

The first long-term partnership in support of an international collection is signed with the International Rice Research Institute.

IRRI

2007

Crop Trust begins work on project on Securing the Biological Basis of Agriculture.

WHAT IS THE GLOBAL SYSTEM?

The Crop Trust is working to help create a global system for the conservation and availability of crop diversity. This global system will be cost effective and efficient, and will have the following features:

- Each unique crop sample housed in both a genebank maintaining international standards and the Svalbard Global Seed Vault
- Key collections of global significance managed and curated to international standards
- Comprehensive information systems in place
- Timely, uncomplicated provision of quality material
- Reliable, long term Funding

HOW THE CROP TRUST SUPPORTS THE DEVELOPMENT OF THE GLOBAL SYSTEM

INTERNATIONAL COLLECTIONS UNDER ARTICLE 15

The Crop Trust manages a project jointly with the CGIAR Consortium which funds, together with the Crop Diversity Fund, the international collections of crop diversity maintained by the CGIAR and by SPC.

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INFORMATION SYSTEMS

The Crop Trust collaborates with international and national collections of crop diversity to strengthen crop diversity data management sharing.

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SVALBARD GLOBAL SEED VAULT

Together with NordGen and the Government of Norway, the Crop Trust provides the ultimate insurance policy for the world's crop diversity.

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OVERCOMING BOTTLENECKS

The Crop Trust has undertaken two major projects aimed to address critical constraints to the development and functioning of the global system.

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2008

The Svalbard Global Seed Vault opens.

2009

The Crop Diversity Endowment Fund surpasses USD 95 million.

2011

Crop Trust begins implementation of project on Adapting Agriculture to Climate Change: Collecting, Protecting and Preparing Crop Wild Relatives.

2012

Crop Trust and CGIAR enter into five-year agreement for the CGIAR Research Program on managing and sustaining the world's international crop collections.

2013

Crop Trust moves to Bonn, Germany. Marie Haga becomes Executive Director of Crop Trust. New ten-year Strategic Work Plan and Fundraising Strategy approved by the Executive Board.

> *The CGIAR genebanks are stewards of a genetic commons that can't be bought or sold. But it can be lost, and that's a risk the world can't afford.*
>
> Paula Bramel
> Deputy Executive Director, Crop Trust

A GLOBAL TREASURE IN TRUST

Over the last decade the international collections managed by the CGIAR have provided agricultural research – particularly in and for the developing world – with more than a million samples of crop diversity.

Eleven CGIAR centres scattered around the world together manage over 725,000 accessions of plants used in food production, from rice and wheat to livestock forages and farmland-enriching trees. This is the largest system of genebank conservation in existence, and under the International Treaty these collections are held in trust for all of humanity. The system has grown larger and more accessible over the decades, into an indispensable resource for agricultural research and development – and now the Crop Trust has taken up the challenge of securing it forever.

Under the five-year CGIAR Research Program (CRP) for Managing and Sustaining Crop Collections, the Crop Trust has been granted oversight and financial responsibility for these eleven global genebanks. This builds on existing long-term funding already provided by the Crop Trust to most of these genebanks, but has greatly enlarged the Crop Trust's role and helped to ensure funding is more predictable and reliable.

The year 2012 began with the first big step forward for the CRP. An agreement between the Crop Trust and the CGIAR Consortium provided $109 million – with 87% coming from the CGIAR Fund – to maintain and improve the genebanks over the five years of the project. This funding builds on the more than $2 million a year in long-term grants already provided out of the Crop Trust endowment, allowing the CRP to cover routine costs of the genebanks as well as invest in the review and upgrading of the whole system.

These collections are recognized as the foundation of crop improvement efforts within and outside the CGIAR, providing genetic potential for new and more resilient crop varieties. Along with maintaining and securing these resources, the CRP will also fund the addition of over 50,000 new accessions by 2015, including hardy wild relatives of crops.

While the CRP is initially planned as a five year program, the Crop Trust – as always – has the longer term in mind. It is working with the CGIAR Consortium and donors to build its endowment so that by the end of the CRP in 2016, the endowment can fund 100% of the system. In this way, the first year of the CRP has been a glimpse of the future and a substantial step towards a global system designed to last forever.

CGIAR RESEARCH PROGRAM FOR Managing and Sustaining Crop Collections

MONITORING FOR ACTION

The CRP was established to fund the routine operations of the eleven CGIAR genebanks – and to find ways to make these operations more efficient, cost-effective and coordinated. These efforts are grounded in technical and financial monitoring, as all of the genebanks now report comprehensively to the Crop Trust on their activities.

Quantitative baseline data on individual crop collections are gathered and compiled through a new online reporting tool developed by the Crop Trust. The resulting dataset comprises some 250 fields of information on accession and data management, facilities, staffing and operations.

A set of twenty performance indicators and targets have been defined and agreed as a means to set a course by which all the genebanks may reach high international standards of operation. A particular emphasis is made on the availability and security of the collections. These indicators may then feed, ultimately, into the Sustainable Development Goals of the United Nations.

in 2013

3 institutions hosted expert reviews

- the International Center for Tropical Agriculture (CIAT) in Colombia
- Bioversity International in Belgium
- the International Maize and Wheat Improvement Center (CIMMYT) in Mexico

A key form of monitoring and evaluation initiated under the Crop Trust's long-term grants, and now the CRP, is the external review of the genebanks by experts in genebank management and conservation. These reviewers assess the operations, procedures and activities of the genebank, as well as the overall use of its collections.

In addition to investigating the collections on-site, the reviewers have access to a wealth of data from the online reporting system set up by the CRP. The depth of these reviews and the involvement by external genebank experts is unprecedented. The outcomes: endorsement of the uniqueness, standards and roles of the genebanks; concrete recommendations for improvement; and fuel for wider discussion on the key issues raised, like security practices and data availability. Each center is implementing an Action Plan to address the recommendations, and these upgrades are funded through the CRP.

The entire review process was very positive. *Right now I have seven specific projects that I am running as a result of the review. Two examples:*

1. *Regenerating high-altitude maize. We have a few thousand accessions that came from the Andean region in South America. In the past, CIMMYT has had little success regenerating them. The issue came up during the review. This year we started the 'High-altitude Maize Regeneration Project'. We now have a 2-hectare nursery at the wheat station in Toluca.*
2. *What is the longevity of the seed? So far we have been performing seed germination tests every five years -- this probably is too frequent, but we do not know that. Hence we are studying the effect of long-term storage of seeds in cold-storage. The results will have implications for our conservation techniques. It also is an interesting scientific question. And no one has ever done a detailed study like that before, focused on maize.*

Denise Elston Costich
Head, Maize Genetic Resources Center
CIMMYT

Above: Paulina Gonzalez, Federico Condón, Denise Costich, Candice Gardner, Andreas Böhner, Tom Payne, and Bibiana Espinosa

A FREEZE ON DIVERSITY LOSS

Vegetatively propagated crops that aren't typically grown from seed – such as potatoes and bananas – cannot be conserved at -18° C, like most other crops. They require much lower temperatures. Traditionally, such crops have been conserved in field collections that must be tended and re-planted constantly, with high risks of loss. Or in tissue culture, requiring regular transfer to new vials.

The Crop Trust has supported the development of standardized protocols for "cryobanking", in which pieces of plant tissue are frozen in liquid nitrogen, where they can be securely conserved for much longer.

Only about 10% of the vegetatively propagated crops in collections are currently conserved for the long term under cryobanking. The Crop Trust is committed to improving the percentage, and this year, under the CRP, two new cryobanking projects were launched. The first is at the International Potato Center (CIP) in Lima, Peru, which holds more than 80% of the world's native potato and sweet potato types. The second is at Bioversity International's banana and plantain collection, which distributes planting material to breeders and growers all over the world from its tissue culture collection in Leuven, Belgium. Between them, these projects will see the cryobanking and safety duplication of 2,750 more accessions of these nutritionally fundamental crops by 2016.

RECOGNIZING A GENEBANK INNOVATOR

The International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) Genebank in Patancheru, India is a world repository for sorghum, millets, chickpea, pigeon pea and groundnut – essential crops for some of the world's poorest regions. One of the largest genebanks participating in the CRP, it conserves more than 120,000 accessions of these crops from 144 countries, and its work doesn't end there.

The Head of Genebank, Dr. Hari Upadhyaya, was honored this year with two awards from the Crop Science Society of America: the Crop Science Research Award and the Frank N. Meyer Medal for Plant Genetic Resources. These were recognitions of Dr. Upadhyaya's research on groundnut diversity as well as his role in originating the concept of "mini core" collections. A mini core collection gathers together just 1% of a large crop collection in order to enable researchers to quickly and easily find the traits that farmers need. They have now become a standard tool and a significant method of discovery for breeders. Dr. Upadhyaya's dual awards are a recognition of the growing importance of such services, and the less routine activities of genebank staff.

Above, left: At CIP headquarters, Dr. David Ellis demonstrates modern techniques in the preservation of plant genetic resources, including cryopreservation to Parque de la Papa community members.

Above, right: Dr. Hari Upadhyaya pointing out a wild relative of chickpea at ICRISAT

THE CGIAR CONTINUES TO BE THE PRIMARY SOURCE OF CROP DIVERSITY TO USERS WORLDWIDE.

A total of 156,838 germplasm samples was provided by the CGIAR genebanks to users in 2013; the total number of countries receiving germplasm was 102.

Routine genebank operations continued in 2013 to ensure germplasm is available for distribution. Among these activities:

→ 67,889 VIABILITY TESTING

→ 64,243 REGENERATIONS

→ 43,113 HEALTH TESTING

→ 12,892 DISEASE CLEANING

ACCESSIONS

S P C

LONG-TERM GRANTS

In 2006 the Crop Trust signed the first long-term grant with the International Rice Research Institute (IRRI) in the Philippines, committing to annual funding forever to help conserve the world's largest collection of rice diversity. Since then, 19 other globally important crop collections have received long-term grants. With no end date, these grants provide a total of $2.34 million yearly from the Crop Trust endowment to ensure that these essential genebanks will always have funding they can count on. Another of the long-term grants is for the unique collections of taro and yams maintained by the Secretariat of the Pacific Community's Centre for Pacific Crops and Trees (SPC CePaCT).

"The Crop Trust supports SPC's unique, global in vitro taro collection – The largest in the world – as well as the Pacific yam collection. These include material from Asia (Indonesia, Philippines, Vietnam) regenerated and safety duplicated with Trust support. The Crop Trust has also supported many projects that help the Pacific islands build their resilience to disasters and climate change. Among these were the regeneration and safety duplication of regionally and globally prioritized collections; and evaluating taro germplasm for drought and salinity tolerance. SPC and the Crop Trust have a partnership that brings the Pacific into the global arena to participate and contribute to the well-being of both its people and the global community."

Valerie S. Tuia
Coordinator-Genetic Resources,
SPC's Land Resources Division

ONE WEEK IN IOWA

Much like farming, running a genebank means staying near your crops most of the time. But genebank managers – like farmers – also need to get together sometimes to share strategies, concerns and ideas for collaboration.

A new fixture within the CRP is the Annual Genebanks Meeting, an opportunity to gather together some of the world's premier experts on the nuts and bolts of *ex situ* conservation.

Building on last year's meeting, AGM2013 took place over a week of events in September, with major participation from the United States Department of Agriculture in the research hub of Ames, Iowa.

Expanding the invitation list, the managers of the CGIAR genebanks welcomed their counterparts from the national genebanks of Brazil, Australia and Mexico as well as the Pacific Community. Each of the genebanks presented their latest news. And a series of plenaries brought the whole group together to exchange ideas on issues like managing accession data, developing core collections, engaging users and interacting with the private sector.

"How can you have an effective Global System if you do not know what is in it?"

Matija Obreza
Information Systems Manager, Crop Trust

INFORMATION SYSTEMS

Ensuring data quality and availability is imperative in creating a global system for the long-term conservation, exchange and use of plant genetic resources for food and agriculture.

In 2013, the Crop Trust continued to develop Genesys, which attempts to create an entry point to data on all crop diversity maintained in genebanks around the world. An updated Genesys will be ready in the first quarter of 2014, with improved user experience, ease-of use and seamless data integration with the FAO WIEWS database, the Seed Portal of the Svalbard Global Seed Vault, the database of Parties to the International Treaty on Plant Genetic Resources for Food and Agriculture and the Treaty's Easy-SMTA (Standard Material Transfer Agreement) tool.

In 2013, seven agreements were signed between CGIAR centers and the Crop Trust for data sharing with Genesys.

Genesys
Gateway to Genetic Resources

THE SVALBARD GLOBAL SEED VAULT

Deep inside a frozen mountain on a remote island in the Svalbard Archipelago, halfway between mainland Norway and the North Pole, lies the Svalbard Global Seed Vault. It is a fail-safe, state-of-the-art seed storage facility, built to stand the test of time – and the challenges of natural and man-made disasters.

The Seed Vault stores back-up duplicates of seed samples from the world's collections of crop diversity. As of December 31, 2013, the Seed Vault had 801,752 varieties secured; 584, 827 of which were deposited with support from the Crop Trust.

The Seed Vault is the world's ultimate insurance plan for crop diversity.

> ***"This gift to humanity and symbol of peace will continue to inspire and serve for generations to come."***
>
> Ban Ki-Moon
> Secretary General
> United Nations

2013 DEPOSITS

The International Center for Agricultural Research in the Dry Areas (ICARDA) in Aleppo deposited 3,229 samples, mostly of barley, despite an extremely challenging situation for genebank staff in Syria.

The International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) in Patancheru, India deposited 6,200 samples, including varieties of sorghum, groundnut, and pearl millet.

In 2013, Thailand made its first deposit, adding unique samples of mung bean, lentils, and cowpea.

> ***Crop Wild Relatives are the greatest source of untapped diversity. Their genes could boost the production of crops relied on by some of the world's poorest people.***
>
> Jane Toll
> Senior Project Manager, Crop Trust

CROP WILD RELATIVES

Broadening Our Options for Making Agriculture Ready for Climate Change

Decades of modern breeding has greatly improved yields in major crops. Unfortunately, it has also limited their genetic diversity, leaving them more vulnerable to extreme weather and pests. This poses a threat to global food security; new crops must be able to produce through bad seasons as well as good, and the bad seasons are getting worse. One way to introduce genetic diversity in our crops, and give them the resilience needed to adapt to the challenges of today and tomorrow, is to include their wild relatives in breeding programs.

Crop wild relatives (CWR) are the wild and weedy cousins of our crops. These un-domesticated plants, living under the pressures of their natural environments, hold increased potential to adapt to pests and diseases, adverse weather conditions and longer term changes in climate. Often neglected in the past, today they are increasingly valued for their contributions to crop breeding. It is estimated that successes in introducing wild diversity into new crop varieties have added $115 billion per year to the economic value of crop production. And yet, most of this diversity is still not systematically conserved in ex situ genebank collections. This is especially worrying because CWRs are threatened in the wild – by habitat modification, the modernization of agricultural areas, and invasive species, among other factors.

THE CWR PROJECT

The Crop Trust and its partner, the Millennium Seed Bank of the Royal Botanic Gardens, Kew, UK, have embarked on a global effort to collect, conserve and use the wild relatives of crops. This ten-year, $50 million initiative, funded by the government of Norway, is the largest ever bid to conserve the world's crop wild relatives.

The CWR Project focuses on the wild relatives in the gene pools of 29 crops of importance to food security. In the first three years it has used advanced spatial analysis techniques to identify CWR diversity that is missing from existing ex situ collections, may be threatened in its natural environment, and is likely to be of use in climate change adaptation. With this information, the project is moving on to collect, conserve and use this diversity to adapt agriculture in developing countries to climate change.

The Project is happening through close collaboration with national and international organizations working on crop conservation and breeding. During the research phase of the past three years, key partners have been the International Center for Tropical Agriculture (CIAT) in Cali, Colombia and the University of Birmingham, UK.

CWR GAP ANALYSIS

This three-year study is the first of its kind to assess on a global scale the *ex situ* conservation gaps for crop wild relatives across the most significant crop gene pools. It was carried out by the International Center for Tropical Agriculture (CIAT) and came to an end in 2013.

From the 29 crop gene pools targeted in the study, the CWR Project identified a set of 450 crop wild relatives; these are presently not adequately saved in genebanks and thus not available to researchers and plant breeders for crop improvement.

> ***The gap analysis was completed for a total of 81 crop genepools, completing the analyses for essentially all of the world's most important food crops***
>
> Colin Khoury
> Visiting Researcher, CIAT

Gap analysis results:

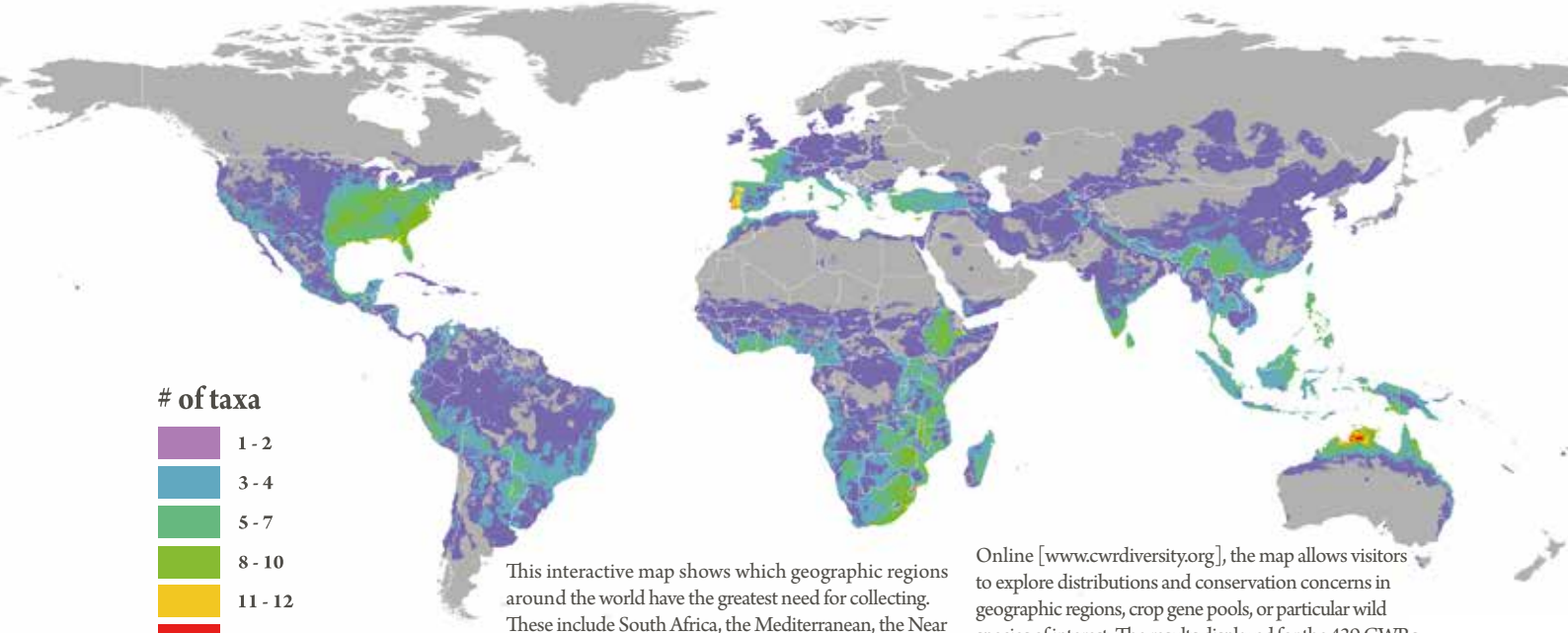
54% of the crop wild relatives on the target list are high priority for collection as they have not been collected before or existing collections do not adequately represent their full geographic distribution.

TOP 5 GENEPOOLS MOST AT RISK:

Eggplant, potato, apple, sunflower and carrot.

CIAT presented in 2013 oral papers on the Gap Analysis research as part of the American Society of Agronomy (ASA), Crop Science Society of America (CSSA) and Soil Science Society of America (SSSA) International Annual Meetings in Tampa, Florida, USA.

THE CROP WILD RELATIVES GLOBAL ATLAS



This interactive map shows which geographic regions around the world have the greatest need for collecting. These include South Africa, the Mediterranean, the Near East and Southeast Asia – all with high numbers of priority species that are under-conserved and under threat.

Online [www.cwrdiversity.org], the map allows visitors to explore distributions and conservation concerns in geographic regions, crop gene pools, or particular wild species of interest. The results displayed for the 439 CWRs assessed thus far will guide collecting efforts in the coming years.

Gap richness in high priority species for 29 crop genepools combined. Data and Results are being made openly available to the global community for further use for conservation and utilization of CWR genetic resources.

S E E D

COLLECTING FOR THE FUTURE

Using the gap analysis results and other parameters, priority regions for collecting species to be collected were determined. To maximize the impact of the CWR Project, collecting priorities were determined based on the relevance of crops to developing countries and current breeding demands.

Most of the countries with the richest numbers of priority wild relatives are located in the traditionally recognized centers of crop diversity in Africa, Asia and South America. These include Bolivia, Cyprus, Ethiopia, India, Kenya, Mozambique, Peru and Turkey. But there were also unexpected results: some areas of Australia, Europe and the USA show just as urgent a need for crop wild relatives to be collected.

Now, the CWR Project is supporting national institutes around the world in collecting and safeguarding these. A total of 25 countries are expected to join the collecting and conservation effort. Early collaborators who signed collecting agreements in 2013 include Italy, Portugal and Cyprus.

These expert consultations are going to guide our work on crop wild relatives pre-breeding for years to come.

Hannes Dempewolf
Scientist, the Crop Trust

PRE-BREEDING CONSULTATIONS

During the last three years, the Crop Trust has organized more than 25 pre-breeding consultations. Breeders, researchers and other scientists from across the globe have come together to discuss how CWRs could help adapt domesticated crops to new and unknown challenges – particularly in the context of climate change in the developing world.

Thanks to these consultations, the CWR Project has a comprehensive understanding of the demands for wild relative diversity in breeding programs, and which traits are most important to adaptation efforts.

Finding a valuable trait in a wild relative is only the beginning of one of the most difficult tasks in plant breeding. Many crosses are needed to transfer the trait of interest into useful breeding material while removing all the other wild and weedy qualities that come with it.

TRAINING IN VIETNAM – A MASTER CLASS ON DIFFICULT SEEDS

Improving national capacity in collecting and processing wild seeds for storage is a key part of the CWR Project. The first regional training was held this year in Hanoi, Vietnam, where members of RBG Kew's Seed Conservation Department together with representatives of the Crop Trust led a training course for scientists from Indonesia, Malaysia, Nepal and Vietnam.

The week-long event brought experts from agricultural genebanks together with those from botanical gardens to learn the special techniques needed to successfully collect and conserve seeds from wild species. Hosted by the Vietnamese Plant Resources Center, the training was funded through the Sfumato Foundation. The next regional course is planned for Africa in August 2014.

In the Ba Vi Mountains National Park to the west of Hanoi participants put theory into practice. Finding a target species when it is growing in inhospitable terrain or widely dispersed areas is not easy.

SEED COLLECTING GUIDES

Developed by RBG Kew for our partners in the field, these guides contain descriptions of what the target plants look like, when they are going to have ripe seeds, and other pertinent information to help find wild species and collect their seeds.

A BRIEF LOOK BACK

Origins of the Global System Project

Begun in 2007, this five-year project sought to overcome a number of serious constraints to the development of a rational and efficient global system for the *ex situ* conservation. The Bill and Melinda Gates Foundation and the Grains Research and Development Corporation of Australia supported the project.

During the project the Crop Trust worked with:

143 Institutes

in

88 Countries

rescued 79,725 accessions

Funded & supported the deposit of

584,827

varieties to the Svalbard Global Seed Vault.

The city of Bonn at sundown.
On 22 May 2013, the Crop Trust was officially welcomed to Germany by the Federal Minister for Food, Agriculture and Consumer Protection, Ms. Ilse Aigner, at a ceremonial opening in Bonn. Executive Director Marie Haga said: "We are very pleased to have a new and permanent home for the Crop Trust here in Bonn."

Weltweite Saatgutbank wird von Bonn aus verwaltet

Landwirtschaftsministerin Ilse Aigner eröffnet den neuen Sitz des Globalen Treuhandfonds für Nutzpflanzenvielfalt im Bundeshaus

Von Bettina Köhl

BONN. Reis ist nicht gleich Reis. Weltweit gibt es mehr als 100 000 verschiedene Sorten, und eine von ihnen ist wahrscheinlich resistent gegen eine Krankheit, die in Zukunft die Ernährung der Menschheit gefährden kann. In einem frostigen Stollen in Spitzbergen lagern deshalb bereits 760 000 genetische Muster von Nutzpflanzen aus aller Welt. Für immer. Eine Sicherheitskopie der Artenvielfalt. Verwaltet wird diese Saatgutbank vom Globalen Treuhandfonds für Nutzpflanzenvielfalt (Global Crop Diversity Trust), der gestern offiziell seinen neuen Sitz in Bonn eröffnet hat.

Exekutivdirektorin Marie Haga leitet eine „kleine Organisation mit großer Aufgabe": Es gehe darum, künftig genug Nahrung für immer mehr Menschen zu produzieren, und das bei weniger Wasser-, Flächen- und Energieverbrauch unter den erschwerten Bedingungen des Klimawandels. Haga ist zu Beginn des Jahres mit 21 Mitarbeitern von Rom aus ins Bonner Bundeshaus gezogen. Hier in der ehemaligen Pädagogischen Akademie, wo erst der Parlamentarische Rat, dann der Bundesrat tagte, hat der Fonds jetzt sein dauerhaftes Zuhause gefunden – und das zehn Jahre lang mietfrei.

„Der Erhalt von Biodiversität ist überlebenswichtig", sagt Bundeslandwirtschaftsministerin Ilse Aigner gestern in Bonn. FOTO: FRÖMMANN

„Der Erhalt von Biodiversität ist überlebenswichtig", sagte Bundeslandwirtschaftsministerin Ilse Aigner gestern in Bonn. Am Internationalen Tag der Artenvielfalt sprach sich die Ministerin gegen „eine Patentierung von gezüchteten landwirtschaftlichen Nutzpflanzen" aus.

Der freie Zugang zu Saatgut ist auch eines der Ziele, die sich der Global Trust auf die Fahnen geschrieben hat. Denn die Bauern weltweit sollen selbst entscheiden können, welche Pflanzen sie anbauen. Die Zeit drängt. Marie Haga verdeutlichte, dass in den vergangenen 100 Jahren bereits drei Viertel der Kulturpflanzen unwiederbringlich verloren gegangen sind. Die meisten der verbliebenen Arten dauerhaft zu sichern, würde nach Berechnungen ihrer Mitarbeiter rund 500 Millionen US-Dollar kosten – „so viel wie einer von zwölf Austragungsorten der Fußballweltmeisterschaft in Brasilien". Das Land NRW hat, ebenso wie der Bund, die Ansiedlung des Fonds für Nutzpflanzenvielfalt unterstützt. Staatssekretär Marc Jan Eumann sagte, auch das Land profitiere von einer weiteren Stärkung Bonns als internationaler Standort für nachhaltige Entwicklung. Oberbürgermeister Jürgen Nimptsch begrüßte die Mitarbeiter des Fonds in der „großen Familie der Nachhaltigkeit". Sie wurden freundlich empfangen. Die Deutschen seien zwar bürokratisch, aber auch sehr warmherzig, sagte Haga.

> „Kleine Organisation mit großer Aufgabe"
> Exekutivdirektorin Marie Haga

@ Weitere Informationen unter www.croptrust.org

GA Bonn, 25.05.2013, Seite 19

A NEW CHAPTER BEGINS

NEW HEADQUARTERS

The Crop Trust opened offices in Bonn on 2 January 2013. The new headquearters is located next to the Rhine, in the historic Bundeshaus, which at one point housed the offices of the German parliamentary representatives.

NEW FACES

During the transition period, the Crop Trust saw a significant turnover in staff -- partly due to the conclusion of projects, the reorganization of positions in Bonn and the decision of some staff members who decided to pursue other opportunities.

Marie Haga, the new Executive Director, was able to join the Trust on a full time basis at the end of February 2013.

By the end of the year, most staff were already in place. Among the new faces, the Crop Trust welcomed its new Director of Finance, Michael Koch, who was previously in charge of donor relations at the World Bank.

FIFTH SESSION OF GOVERNING BODY

Hosted by Oman, the fifth session of the Governing Body of the International Treaty for Plant Genetic Resources for Food and Agriculture (GB5) agreed on a streamlined procedure for the nomination of members to the Crop Trust Executive Board thanks to ample support from the Secretary of the International Treaty and a persuasive appeal by Crop Trust Executive Director, Marie Haga. This allowed four new Board members to be agreed for terms starting in 2014: Sir Peter Crane (United Kingdom), Dr. Gebisa Ejeta (Ethiopia), Dr. Prem Lal Gautam (India) and Dr. Maurício Antônio Lopes (Brazil). The Donors' Council also nominated Dr. Mary Ann P. Sayoc (Philippines) to join the Crop Trust Executive Board.

Current Board Chair Ambassador Walter Fust (Switzerland) and Vice-Chair Ambassador Tim Fischer (Australia) will continue their long-standing support of the Crop Trust on the Executive Board. The Crop Trust welcomed back to the Executive Board Mr. Lew Coleman (USA), and thanked outgoing Executive Board member Dr. Rodrigo Rodriguez (Brazil) for his outstanding support and advice over the past years.

"We are fortunate to have an enthusiastic and supportive Board who will lead the Crop Trust through this crucial next stage of the organization", concluded Marie Haga.

During a side event, project partners Teresita Borromeo (Philippines), Ruaraidh Sackville-Hamilton (IRRI) and Valerie Tuia (SPC) made presentations highlighting the contribution of the Global System Project to national, regional and global crop conservation efforts.

DONORS MEETINGS

Following the move to Bonn and the appointment of Marie Haga as the new Executive Director, the Crop Trust held in 2013 two meetings with the donor community -- one in Rome (June 13 hosted by Norway) and one in Berlin (June 26 hosted by Germany).

> *The Crop Trust has an endowment at its heart because conserving today without conserving tomorrow is meaningless. The commitments we make, we have to make forever.*

Marie Haga
Executive Director, Crop Trust

FUTURE DIRECTIONS

FULFILLING THE ENDOWMENT

In 2013, the Executive Board of the Crop Trust endorsed two central policy documents, charting the course of the organization over the next decade. This will enable the Crop Trust to fully implement its core mandate to protect – and make available – the world's crop diversity, forever.

STRATEGIC WORK PLAN 2014-2024

The Strategic Work Plan sets out how the Crop Trust plans to fulfill its core mission of building a rational and cost effective system for the conservation and availability of crop diversity over the next 10 years.

By 2018 an endowment of USD 850 million should be in place, able to fund, forever, the International Collections maintained by CGIAR, other collections under Article 15 of the Treaty, selected key collections of 25 priority Annex 1 Crops, required information systems and the Svalbard Global Seed Vault.

FUNDRAISING STRATEGY

The new fundraising strategy prioritizes funding of the endowment over short-term projects. The goal is to build the endowment from a diversity of sovereign and private donors, and using different fundraising methods, including a fair burden-sharing approach between nations. Fourteen countries have provided funding to date and the fundraising strategy seeks to increase that number dramatically, creating a global coalition to support the public good of crop diversity.

The Crop Trust will work with donors for contributions to be accepted through grants and alternative methods such as interest-free loans, matching grants, guarantees and other funding methods.

CROP TRUST ENDOWMENT

Fundraising for the Endowment will be split into two phases.

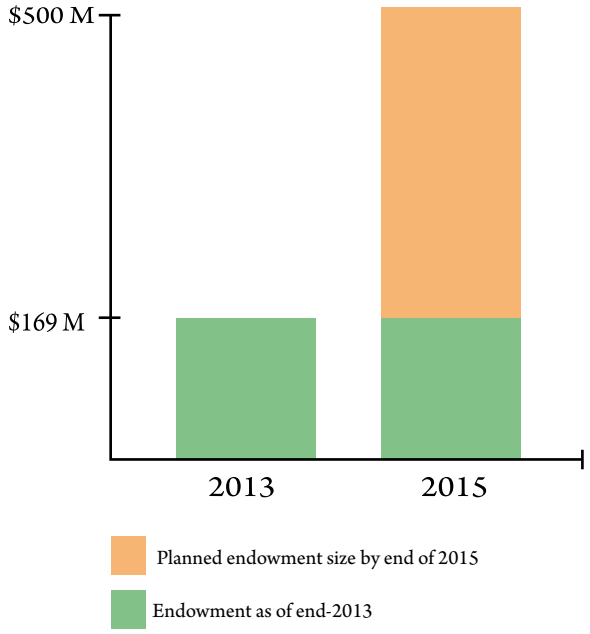
PHASE 1 will raise the current endowment fund to USD 500 million, to cover the international collections maintained by CGIAR and other collections under Article 15.

PHASE 2 will raise the endowment to USD 850 million and will support key regional and national collections and finance operations of the Svalbard Global Seed Vault, information systems and secretariat operations.

We are all interdependent on each others' crop diversity. It is only fair that we therefore need to share the responsibility of its long-term conservation and availability.

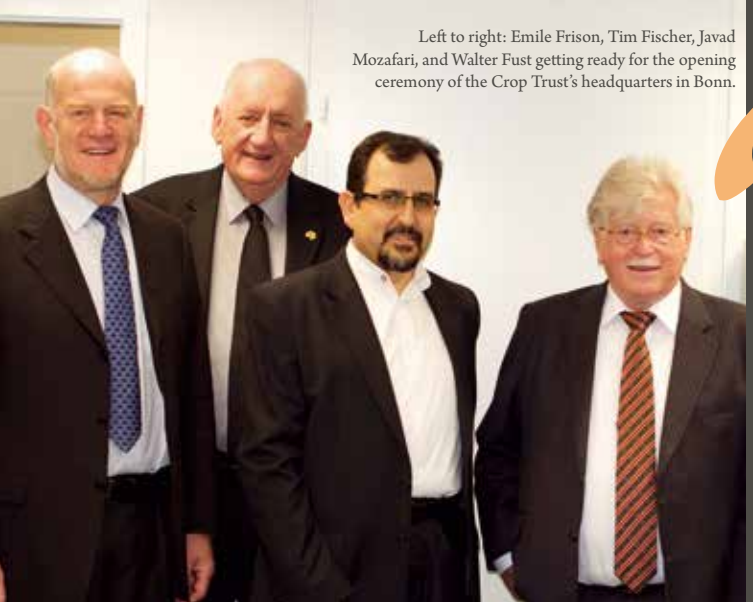
In late 2013, the Crop Trust began to approach prospective and current donor countries to help grow the Crop Diversity Fund. This is done using fair burden-sharing, a function of the size of a country's economy and the country's relative wealth. This results in a recommended funding share of the target endowment for each donor nation.

Using the fair opportunity sharing approach as an inclusive and equitable concept allows all nations to unite behind their common cause of safeguarding the key international collections of crops.



The Crop Trust prioritizes the Crop Diversity Fund in its donor outreach.
Other funding options complement the establishment of the endowment, as follows:

Crop Diversity Fund	Investment Sharing Fund	Project Funds	Operational Funds	General Funds
Ensures the conservation of crop collections, forever, by drawing on investment income from the endowment of up to 4% per year.	Supports the conservation of crop collections by drawing income from financial assets deposited by institutional investors over a fixed time period.	For time-bound project activities to overcome bottlenecks in developing the global system of crop diversity.	For running costs of the Crop Trust Secretariat, the Svalbard Global Seed Vault and other operational expenses.	For any type of expenditures, usually funded by untied donations from the general public.



Left to right: Emile Frison, Tim Fischer, Javad Mozafari, and Walter Fust getting ready for the opening ceremony of the Crop Trust's headquarters in Bonn.

> ***The whole world is interdependent in crop diversity. Nobody has all the answers. The Crop Trust owes its support to donors who understand just how true this is.***
>
> Michael Koch
> Director of Finance, Crop Trust

OUR SUPPORTERS

The Crop Trust is fortunate to have supporters in every part of the world, and they are a committed group. It takes a scientific eye and a bit of foresight to understand the importance of crop diversity and the urgent need for a global system to conserve it forever. Those who do understand are the ones who have made the Crop Trust a reality, and who will complete building its endowment.

In 2013, the Crop Trust and its endowment were supported by governments, foundations, and some very dedicated individuals -- all commited to the future of food security, agriculture and biodiversity. The year's contributions to the Endowment Fund reached USD 24,167,175.

As of December 31, the Endowment Fund reached a total value of USD 169,553,458.

As always, sincerest thanks goes to both our long-time stalwarts and new allies. Large or small, we welcome and value all support.

Since its creation, the Crop Trust Fund has received contributions from the following donors: Australia, DuPont/Pioneer Hi-bred, Egypt, Ethiopia, Gates Foundation/UN Foundation, Germany, India, International Seed Federation, Ireland, New Zealand, Norway, Slovak Republic, Spain, Sweden, Switzerland, Syngenta AG, United Kingdom and the United States of America.

GERMANY'S SUPPORT

In 2012, Germany co-financed the Crop Trust Long-term Grant (LTG) for Sweet Potato and Forages with a total of USD 281,234. Last year, Germany continued this support, donating an additional USD 312,518.

The Federal Ministry of Food, Agriculture and Consumer Protection (BMELV) also supported the Crop Trust in 2013, contributing EUR 50,000 (USD 67,935) to be invested in operational costs.

Furthermore, the Land of Nordrhein-Westfalen provided a grant in the amount of EUR 50,000 (USD 67,935) to support the Crop Trust in establishing itself in Germany.

The production of the new Crop Trust institutional video *The Crop Trust, Feeding a Growing World* was also made possible thanks to support provided by the Land of Nordrhein-Westfalen.

CROP TRUST SUPPORTERS AS OF 31 DECEMBER 2013:

- 19 sovereign countries
- 10 private foundations
- 3 corporations
- 6 other donors
- 211 individual gift donors, of which 189 provided a donation through our website

Rhodes College
—1848—

FELLOWSHIP

From 2012-2017, Rhodes College in Memphis, Tennessee, USA, is funding annual fellowships at the Crop Trust for one of their recent graduates.

The Crop Trust has already benefited from two fellowships: Brian Lainoff (2012-2013) and Laura Brown (2013-2014). The program has helped the Crop Trust to solidify the Partnerships and Communications department.

FRIENDS OF GLOBAL CROP DIVERSITY LTD.

Friends of Global Crop Diversity Ltd. is an independent non-profit organization that was established as a 501(c)(3) in the United States to support the mission of the Crop Trust. The organization collects donations from individuals in support of the Crop Trust and in support of the conservation of crop diversity worldwide.

In 2013, *Friends* collected donations from 40 individuals amounting to nearly USD 6,000. We applaud the efforts of *Friends of Global Crop Diversity Ltd.* in supporting the conservation of crop diversity.

NORWAY DONATES USD 16 MILLION TO CROP DIVERSITY FUND

This past year, the government of Norway further highlighted the importance of the Crop Trust's endowment by providing USD 16,314,544 dollars for the Crop Trust's **Crop Diversity Fund**.

The announcement came at the fifth session of the Governing Body of the International Treaty, which had drawn nearly 500 participants from governments, NGOs and civil society from across the world.

During the Ministerial Conference for the Near East and North Africa Region in Muscat, Oman, H.E. Dr Fuad bin Jafaar Al-Sajwani, Minister of Agriculture and Fisheries for Oman, commended Norway for its generous contribution to both the Treaty's Benefit-Sharing Fund and the Global Crop Diversity Trust.

With supporters like Norway, the Crop Trust will be able to communicate with other donor countries the importance of fulfilling the Crop Diversity Fund.

> ***"Norway has been most generous in supporting this vital Treaty and the Crop Trust. I appeal to all donor countries, funds and foundations, especially those in the Arab countries, to follow Norway's example to help meet our region's needs by contributing to the alleviation of poverty and the achievement of sustainable agriculture through the International Treaty and the Crop Trust."***
>
> H.E. Dr Fuad bin Jafaar Al-Sajwani
> Minister of Agriculture and Fisheries for Oman

"...at the center of everything we know is the matter of seeds."

ART IN SUPPORT OF CROP CONSERVATION

The 2013 Crop Trust holiday card included a detail of a painting by Australian artist Sophie Munns. ABOVE: an image of the painting used, *Perennial Symbols of the Botanical Realm*.

WANT TO HELP KEEP AGRICULTURE DIVERSE

HERE ARE FOUR THINGS YOU CAN DO

Learn about the importance and challenges of crop conservation, and help spread the word.	**Find out what your government does to support crop diversity, and raise your voice to call on them for more action.**	**Donate online and help conserve the foundations of agriculture forever.**	**Support diverse food in your community -- and in your own field or garden.**

www.croptrust.org

FINANCIAL STATEMENTS

pwc

PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft
Konrad-Adenauer-Ufer 11, 50668 Köln

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www.pwc.de

The Global Crop Diversity Trust

Marie Haga
Platz der Vereinten Nationen
53113 Bonn

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the Global Crop Diversity Trust, which comprise the statement of financial position as at 31 December 2013 and the statements of activities and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. The financial statements have been prepared by management of the Global Crop Diversity Trust in accordance with the accounting policies outlined in note 2 to the financial statements.

Management's responsibility for the financial statements
Management is responsible for the preparation of these financial statements in accordance with the accounting policies outlined in note 2 to the financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

FINANCIAL STATEMENTS

pwc

Opinion
In our opinion the financial statements of the Global Crop Diversity Trust for the year ended 31 December 2013 are prepared, in all material respects, in accordance with the accounting policies outlined in note 2 to the financial statements.

Basis of accounting and restriction on distribution and use
Without modifying our opinion, we draw attention to note 2 to the financial statements, which describes the accounting policies adopted by the Global Crop Diversity Trust. The accounting policies used and disclosures made are not intended to, and do not, comply with all the requirements of International Financial Reporting Standards. The financial statements are prepared to comply with the accounting policies defined by the Global Crop Diversity Trust. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Global Crop Diversity Trust and should not be distributed to or used by any other party.

Cologne, May 30, 2014

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Hans-Peter Kreibich
Wirtschaftsprüfer

ppa. Thorsten Weigand
Wirtschaftsprüfer

GLOBAL CROP DIVERSITY TRUST

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

	Note	31/12/13 USD	31/12/12 USD
ASSETS			
Current Assets			
Cash & cash equivalents		11,968,853	-
Accounts receivable	3		
Donor		4,986,748	13,400,814
Host organizations		141,187	10,932,771
Verdis		331,034	-
Prepaid expenses		76,842	179,758
Total Current Assets		17,504,664	24,513,344
Non Current Assets			
Cash & cash equivalents		2,100	-
Endowment fund	6	169,312,143	-
Held in trust by host organization in the form of:			
Cash & cash equivalents		-	1,658,263
Endowment fund		-	137,968,230
Total Non Current Assets		169,314,243	139,626,493
TOTAL ASSETS		186,818,907	164,139,836
LIABILITIES & NET ASSETS			
Current Liabilities			
Accounts payable	4		
Grants		7,689,614	13,196,167
Other		310,411	28,550
Total Current Liabilities		8,000,025	13,224,717
Non Current Liabilities		-	-
Total Liabilities		8,000,025	13,224,717
Net Assets			
Unrestricted	5	4,266,745	5,065,884
Temporarily restricted	5	4,998,678	6,222,743
Permanently restricted	5	169,553,458	139,626,493
Total Net Assets		178,818,881	150,915,119
TOTAL LIABILITIES & NET ASSETS		186,818,907	164,139,836

The accompanying notes are an integral part of this statement.

GLOBAL CROP DIVERSITY TRUST
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 USD	2012 USD
CHANGES IN UNRESTRICTED NET ASSETS			
Income			
Contributions	2,4	4,032	1,014,453
		4,032	1,014,453
Net Assets Released from Restrictions	2,4		
Satisfaction of program restrictions		22,579,376	18,588,696
Income released from endowment fund		2,000,000	502,158
		24,579,376	19,090,854
Expenditure	7		
GRANT EXPENDITURE			
Conservation grants		2,482,196	2,438,667
Global system development grants		18,225,826	13,603,611
Salaries & benefits		2,109,361	1,890,607
Professional services		381,348	278,566
Travel		150,254	404,455
		23,348,985	18,615,905
OPERATIONAL EXPENDITURE			
Salaries & benefits		880,616	611,535
Travel		89,315	5,158
Governance		137,316	286,571
Fundraising & communications		250,006	174,765
Professional services		225,379	262,780
Facilities		450,929	34,064
		2,033,561	1,374,875
Increase/(Decrease) in Unrestricted Net Assets		**(799,139)**	**114,528**
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS			
Contributions		21,355,311	20,117,766
Net assets released from restrictions		(22,579,376)	(18,588,696)
Increase/(Decrease) in Temporarily Restricted Net Assets		**(1,224,065)**	**1,529,070**
CHANGES IN PERMANENTLY RESTRICTED NET ASSETS			
Contributions		24,167,176	11,891,585
Investment income		-	1,706
Net gain/(loss) on endowment fund		7,759,790	8,259,009
Net assets released from restrictions		(2,000,000)	(502,158)
Increase in Permanently Restricted Net Assets		**29,926,966**	**19,650,142**
INCREASE IN NET ASSETS		**27,903,762**	**21,293,740**
Net Assets as at 01/01		**150,915,119**	**129,621,379**
Net Assets as at 31/12		**178,818,881**	**150,915,119**

The accompanying notes are an integral part of this statement.

GLOBAL CROP DIVERSITY TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 USD	2012 USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from temporarily restricted contributions	29,769,377	6,743,879
Cash received from unrestricted contributions	4,032	1,014,453
Cash released from endowment fund	2,000,000	500,000
Cash paid for program and operations	(4,546,955)	(4,492,361)
Grants paid	(26,049,185)	(4,051,998)
Net Cash from Operating Activities	**1,177,269**	**(286,026)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received for the endowment fund	24,167,176	11,891,585
Cash invested	(25,823,339)	(12,765,752)
Interest earned	-	1,706
Net Cash from Financing Activities	**(1,656,163)**	**(872,461)**
(Increase)/Decrease in Accounts Receivable (Hosted)	**10,791,584**	**286,026**
(Increase)/Decrease in Cash & Cash Equivalents (Hosted)	**1,658,263**	**872,461**
(Increase)/Decrease in Cash & Cash Equivalents	**(2,100)**	-
Net Increase in Cash & Cash Equivalents	**12,447,747**	-
Cash & Cash Equivalents as at 01/01	-	-
Cash & Cash Equivalents as at 31/12	**11,968,853**	-
Reconciliation of Change in Net Assets to Net Cash from Operating Activities		
Change in net assets	27,903,762	21,293,740
Adjustments		
Endowment fund (gain)/loss	(7,759,790)	(8,259,009)
Contributions received for the endowment fund	(24,167,176)	(11,891,585)
Interest earned on endowment fund	-	(1,706)
Endowment Fund fees accrued	(91,818)	-
Income released from the endowment fund	2,000,000	502,158
Increase/(Decrease) in accounts payable	(5,224,692)	11,445,577
(Increase)/Decrease in accounts receivable (donor)	8,414,066	(13,373,886)
(Increase)/Decrease in prepaid expenses	102,917	(1,315)
Net Cash from Operating Activities	**1,177,269**	**(286,026)**

The accompanying notes are an integral part of this statement.

1. STATEMENT OF PURPOSE

The Global Crop Diversity Trust (hereinafter referred to as the "Crop Trust" or the "Organization") is an autonomous international fund established under international law. The international status of the Crop Trust is conferred under an Establishment Agreement, which has been signed by 28 countries. The Crop Trust was established on 21 October 2004 and operates within the framework of the International Treaty on Plant Genetic Resources for Food and Agriculture as an essential element of its Funding Strategy.

Mission

The mission of the Crop Trust is to ensure the conservation and availability of crop diversity for food security worldwide.

Donors to the Crop Trust include governments from developing and developed countries, foundations, the private sector and individuals.

These financial statements have been reviewed by the Finance & Investment Committee and approved by the Executive Board of the Crop Trust.

Relocation and reorganization

Upon establishment in 2004, the Crop Trust was jointly hosted by Food & Agriculture Organization (FAO) and Bioversity International in Rome, Italy, pending negotiation of a permanent host country agreement. Following the signing of a headquarters agreement with the German government in June 2012, which included a promise of support at the highest political levels for the Crop Trust's mission, the Crop Trust achieved legal status as an independent entity in Germany following full ratification in December 2012.

In January 2013 the Crop Trust moved to its new headquarters located in Bonn, Germany. The headquarters move and corresponding staff reorganization has coincided with major changes in both the Executive Board and the management of the Crop Trust. The new Board Chair is Ambassador Walter Fust, former head of Switzerland Agency for Development and Cooperation. In March 2013, Ms Marie Haga took up the position of Executive Director, following the retirement of Prof. Cary Fowler in 2012. Ms Haga has held three ministerial positions in Norway and was a member of the Crop Trust's Board from 2010 to 2012.

As at 31 December 2013 the Crop Trust employed 23 full time staff members.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Crop Trust are prepared with reference to International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). However, since existing IFRS do not cover issues unique to not-for-profit organizations, the Crop Trust has drawn from other widely used standards (such as the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC)) to provide guidance on issues of importance that are not yet addressed by existing IFRS. The significant accounting policies followed are described below.

2.1 Accounts Receivable

All receivable balances are valued at their net realizable value, that is, the gross amount receivable less an allowance for doubtful accounts where appropriate.

Allowances for doubtful accounts are provided in an amount equal to the total receivables shown, or reasonably estimated to be doubtful of collection. The amount in the allowance is based on past experience and on a continuous review of receivable reports and other relevant factors. When an account receivable is deemed doubtful of collection, an allowance is provided during the year the account is deemed doubtful. Any receivable, or portion of receivable judged to be un-collectible is written off. Write-offs of receivables are done via allowance for doubtful accounts after all efforts to collect have been exhausted.

The Crop Trust did not have any doubtful accounts during the year.

2.2 Non Current Assets
This relates mostly to a permanently restricted endowment fund established by the Crop Trust to support the effective conservation and ready availability of the biological basis of agriculture.

The endowment fund investments are recorded as non-current assets at fair market value. The fair value of financial assets and liabilities is determined with reference to quoted market prices. Changes in the market value of the fund are net of investment management fees and are reported as an increase or decrease in permanently restricted net assets.

2.3 Accounts Payable
These are short-term liabilities reflecting amounts owed in respect of services received during the year, grants payable for the year and liabilities with respect to staff vacation leave earned but not yet taken.

2.4 Revenue Recognition
Contributions received by the Crop Trust fall into three categories:

1) Unrestricted – contributions not subject to donor-imposed restrictions.
2) Temporarily restricted – contributions subject to donor-imposed time or use restrictions.
3) Permanently restricted – contributions subject to donor-imposed restrictions that the funds be invested in perpetuity.

Unrestricted contributions are recorded in full upon receipt of funds as contribution income in the period received.

Temporarily restricted contributions are recorded upon receipt of funds, or upon expenditure of project costs for which contributions have been pledged, as temporarily restricted net assets and are subsequently recognized as revenue to the extent grant conditions have been met. The amount recognized as income for the year is reported in the statement of activities as net assets released from restrictions. Contributions pledged for project expenditure but not yet received are accrued among donor receivables to the extent expenditures have been made.

Permanently restricted contributions are recorded in full upon receipt of funds as permanently restricted net assets. In accordance with the Investment Objectives and Policies approved by the Executive Board of the Crop Trust, up to 4% of the average market value of the endowment fund over the previous twelve quarters may be withdrawn to cover program and operational expenses of the Crop Trust. Funds withdrawn are reported in the statement of activities under net assets released from restrictions.

Total annual income and support less expenditure is reported as an increase or decrease in unrestricted net assets.

2.5 Foreign Currency Transactions
The Crop Trust conducts its operations in several currencies and maintains its accounting records in United States dollars.

Assets and liabilities held in currencies other than United States dollars have been translated at the year-end exchange rate. Revenue and expense items in currencies other than United States dollars have been recorded at the UN monthly exchange rate.

2.6 Expenditure
The activities of the Crop Trust have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between grant expenditure and operational expenditure. Expenses are recorded on an accrual basis in the statement of activities in the period in which the cost is incurred.

In prior years, with the exception of direct investment management expenses which are released from the investment fund, all expenditures were paid by the host organizations, FAO and Bioversity International, on behalf of the Crop Trust. These expenditures were recorded by the Crop Trust at cost plus overhead, and because this overhead charge was regarded as inherent to the operations of the Crop Trust, it was recorded in the related expenditure line item.

Since 1 January 2013 the Crop Trust has operated independently of the host organizations with all expenditure being recorded in the Crop Trust's financial statements.

2.7 Fixed Assets
Office equipment and furniture are recorded at cost and depreciated over the estimated useful lives of the respective assets (three to five years) on a straight-line basis where the asset has an original cost greater than USD 2,000. Items with an original cost lower than this amount are charged directly to operating expenses in the period in which they are incurred.

The Organization did not record any fixed assets at cost during the year.

2.8 Cash and Cash Equivalents
Cash and cash equivalents comprise contributions received for the endowment fund together with related interest earned. As contributions for the endowment fund are permanently restricted, cash and cash equivalents at year-end are reported as non current assets. The Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

2.9 Subsequent Events

The Organization has evaluated events and transactions up to 24 April 2014 for potential recognition or disclosure in the financial statements. No further subsequent events have been recognized or disclosed.

3. ACCOUNTS RECEIVABLE

Credit Risk Management
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Organization. Total accounts receivable represent 3% of total assets. However, the Organization does not have any significant credit risk exposure as amounts receivable consist of amounts held with the host organizations, FAO and Bioversity International, which are highly reputable international organizations; amounts receivable from the CGIAR Consortium and an amount receivable from Verdis Investment Managers.

(A) Accounts Receivable - Donor
Accounts receivable from donors consists of claims for expenses paid on behalf of restricted projects in excess of the amount received. Accounts receivable from donors at year-end amounted to USD 4,986,748 (31 December 2012: USD 13,400,814). This relates entirely to the CRP project, which the Crop Trust entered into in 2012; 100% of accounts receivable at year-end had been received by 24 April, 2014.

(B) Accounts Receivable – Host Organizations

This balance relates to amounts received by the host organizations, FAO and Bioversity International, on behalf of the Crop Trust that have not yet been expended. Details of the accounts receivable are presented in the table below.

	2013	2012
Bioversity International		
Balance as at 1/1	10,811,384	11,190,335
Investment Income	-	500,000
Funds received	11,485,338	7,903,662
Disbursements	(22,296,721)	(8,782,613)
Accounts Receivable from Bioversity International	**-**	**10,811,384**
Food And Agriculture Organization of the UN (FAO)		
Balance as at 1/1	121,387	28,462
Funds received	23,441	450,215
Disbursements	(3,641)	(357,290)
Accounts Receivable from FAO	**141,187**	**121,387**
TOTAL	**141,187**	**10,932,771**

(C) Accounts Receivable – Endowment Fund

This balance relates to an amount of USD 331,034 being held by investment manager Verdis as at 31 December 2013. This amount was held back by Verdis on the redemption of the Crop Trust's financial position with them pending their final net asset value review in June 2014.

4. ACCOUNTS PAYABLE

This balance consists mainly of amounts payable at the year-end in respect of conservation and global system development grants. The decrease relates to the CRP project which the Crop Trust entered into during the year, 88% of grants payable had been paid by 24 April 2014. It also includes amounts payable for supplies and services received during the year. All balances are payable within twelve months.

	31/12/13	**31/12/12**
Grants Payable		
Conservation grants	-	-
Global system development grants	7,689,614	13,196,167
Total	**7,689,614**	**13,196,167**
Other		
Investment management fee	-	-
Supplies & services	310,411	28,550
Total	**310,411**	**28,550**
TOTAL	**8,000,025**	**13,224,717**

5. NET ASSET BALANCES

Resources are classified for accounting and reporting purposes into net asset classes according to the restriction imposed. The following tables show the changes in net assets during the year.

Unrestricted Net Assets

	2013	2012
Balance as at 1/1	5,065,884	4,951,356
Contributions	4,031	1,014,453
Net assets released from restrictions	24,579,376	19,090,853
Expenditure	(25,382,546)	(19,990,779)
Balance as at 31/12	**4,266,745**	**5,065,884**

Temporarily Restricted Net Assets

	2013	2012
Balance as at 1/1	6,222,743	4,693,673
Contributions	21,355,311	20,117,766
Expenditure	(22,579,376)	(18,588,696)
Balance as at 31/12	4,998,678	6,222,743

Permanently Restricted Net Assets

Donors	**Balance 1 Jan 2013**	**Contributions**	**Other movements**	**Balance 31 Dec 2013**
Australia	16,316,296			16,316,296
Dupont/ Pioneer Hi-bred	1,000,000			1,000,000
Egypt	25,000			25,000
Ethiopia	25,000			25,000
Gates Foundation/UN Foundation	7,500,486	502,632		8,003,118
Germany	10,200,000			10,200,000
India	50,000			50,000
International Seed Federation	30,000			30,000
Ireland	4,144,250			4,144,250
Norway	15,176,617	16,314,544		31,491,161
New Zealand	50,000			50,000
Slovak Republic	20,000			20,000
Spain	2,629,650			2,629,650
Sweden	11,886,620			11,886,620
Switzerland	10,262,704			10,262,704
Syngenta AG	1,000,000			1,000,000
United Kingdom	19,468,582			19,468,582
United States	31,800,000	7,350,000		39,150,000
Private	750			750
Interest Earned	1,628,730		(294)	1,628,436
Realized & unrealized gain on investment fund (change in market value) less management fees	17,607,080		7,760,084	25,367,164
Income withdrawn			(2,000,000)	(2,000,000)
Realized Gains	(11,195,273)			(11,195,273)
Total	**139,626,493**	**24,167,175**	**5,759,790**	**169,553,458**

Further detail can be found in Note 6.

6. ENDOWMENT FUND

The Crop Trust manages an endowment fund, which is used to fund the effective conservation and ready availability of the biological basis of agriculture. An endowment fund provides a permanent source of financial support matching the long-term nature of conservation with long-term secure and sustainable funding.

Funds are invested in accordance with Investment Objectives and Policies approved by the Executive Board. The Finance and Investment Committee implements the investment strategy adopted by the Executive Board. The Crop Trust also retains the services of an independent financial advisor, Cambridge Associates, to assist in all areas of investment management including the provision of advice on the ethical policies adopted by the Crop Trust.

The Organization is an official signatory to the United Nations Principles for Responsible Investment (UNPRI), an international framework for incorporating sustainability into investment decision-making. The Crop Trust is actively working with its investment advisors and managers to find areas in which the UNPRI principles can be integrated into the decision making, manager selection and due diligence processes of the Crop Trust. As part of that process, the Crop Trust are considering UNPRI factors for its investment policy statement to ensure that it addresses risks and opportunities of Environmental, Social and Governance (ESG) factors in the management of the Crop Trust's assets.

Cash & Cash Equivalents

Cash and cash equivalents comprise contributions received for the endowment fund together with related interest earned. As contributions for the endowment fund are permanently restricted, cash and cash equivalents at year-end of USD 2,100 (31 December 2012: USD 1,658,263) are reported as non current assets. In the prior year, the balance represented cash restricted for investment held in trust by the host organization, Bioversity International which has since been transferred to the Crop Trust. The Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Endowment Fund

The investment funds were originally set-up in the name of Bioversity on behalf of the Global Crop Diversity Trust. Following the signing of the headquarters agreement and the establishment of the Crop Trust as an independent international organization in its own right, all endowment funds were transferred into the name of Global Crop Diversity Trust and this process was completed in 2013.

The permanently restricted net assets at year-end of USD 169,553,458 (31 December 2012: USD 139,626,493) represent the endowment funds - principal together with changes in market value less management fees and income released – and cash and cash equivalents. The endowment fund total is represented by changes in the market value of the funds and interest earned are reported as an increase or decrease in permanently restricted net assets.

The following schedule represents the composition of the market value of the invested portion of the endowment fund including amounts held in trust in the form of cash and cash equivalents:

	31/12/13	31/12/12
Equities	58,792,095	46,860,189
Bonds	41,088,436	52,449,576
Hedge Funds	37,789,674	27,858,232
Commodities	4,694,726	7,077,815
Cash	27,188,527	5,380,679
Total	**169,553,458**	**139,626,493**

The following table provides an analysis of changes to non-current assets during the year:

	Note	2013	2012
Balance as at 1/1		139.626.493	119.976.350
Contributions	a	24.167.176	11.891.585
Endowment Fund Gain/(Loss)	b	7.759.790	8.259.009
Income Released	c	(2.000.000)	(502.158)
Endowment fund in current assets	d	(331.034)	
Investment Manager fee accrual	e	91.818	
Investment Income	f		1.706
Balance as at 31/12		**169.314.243**	**139.626.493**

Notes:
a. Contributions during the year were received from government agencies and the Gates Foundation. See also Note 5.
b. Endowment fund gain/(loss) represents the change in the market value of the fund and is reported as an increase/(decrease) to permanently restricted net assets.
c. The Investment Objectives and Policies of the Crop Trust permit the annual withdrawal of up to 4% of the average market value of the fund over the previous twelve quarters. During the year the Trust did not require the entire 4%, approximately 1.5% was withdrawn with the balance being retained in the fund. The amount released is reported in the statement of activities under net assets released from restrictions.
d. Transfer of Verdis investment from non current assets to current assets during the year.
e. Investment Managers fees accrued for 2013 not yet netted against endowment funds.
f. Interest income relates to amounts earned during the year on cash and cash equivalents.

Investment Risk & Risk Management
The Organization invests in a professionally managed portfolio that contains equities, bonds, hedge funds, commodities and cash. Since investment outcomes are inherently uncertain, a critical part of the advice received from Cambridge Associates is an assessment of the risks incurred by the Crop Trust in pursuing its investment goals, as well as analysis of whether the expected returns justify the risks taken. Some of the risks faced by the Crop Trust include, but are not limited to:

- **Volatility** of investment returns, including the probability of losing money during any given time period. In the investment planning work for the Crop Trust, Cambridge Associates found that the policy asset allocation adopted by the Crop Trust has a 5% chance of losing more than 10% over a single year (in inflation-adjusted terms). Over a five-year period, there is a 5% chance of losing 2% or more. In manager recommendations and portfolio monitoring, Cambridge Associates gives consideration to how suggestions would impact the expected characteristics of the policy portfolio. **Equity risk, or beta**, is the primary component of the volatility in the Crop Trust's asset allocation.
- The risk that **purchasing power is depleted** over time, or the **risk that the portfolio fails to achieve a specified investment return**. In their investment planning work Cambridge Associates found that the policy asset allocation adopted by the Crop Trust has a 58% chance of achieving at least a 4% real compound return over a given 5-year period. In other words, it is more likely than not that the Crop Trust's portfolio will return more than its maximum allowable spending amount over a 5-year period.

- The Crop Trust faces **currency risk** along at least two dimensions. The first is that, as of year-end 2013, approximately 31% of the portfolio was held in non-US Dollar-denominated instruments (or, if held in other currencies, not hedged back to the dollar). To the extent that the Crop Trust measures its investment results in dollars, and requires dollars for its spending, a depreciation of these currencies against the dollar would have an adverse impact on investment returns. The second risk is the portfolio's 69% concentration in dollar exposure. Should the dollar experience a sharp depreciation relative to other currencies, this would have an adverse impact on the Crop Trust's purchasing power in other currencies. Cambridge Associates believe the current currency mix provides ample diversification against these outcomes; it also reflects the prevalence of dollar-denominated instruments in global investment markets.
- **Liquidity risk**, such as being unable to sell assets to meet spending requirements or being forced to sell assets at unfavorable prices. 63% of the portfolio was available within one week as of 31 December 2013. Cambridge Associates monitors the Crop Trust's liquidity on a regular basis and believes that the current position is consistent with the Crop Trust's stated preferences and liquidity needs.
- **Macroeconomic risks**, including unexpected inflation and deflation. Cambridge Associates found that the Crop Trust's policy portfolio would be expected to lose approximately 14% in value during a severe economic contraction, and approximately 13% in the event of a surprise spike in inflation.
- **Concentration risk** due to excessive holdings in one or more securities or investment types, or manager risk due to individual manager underperformance or volatility. This is mitigated in part by the requirement in the investment policy statement that no single manager account for more than 20% of the portfolio. Since the Crop Trust holds a diversified portfolio of different managers and asset classes, Cambridge Associates believes that the risk of a single manager causing undue harm to the portfolio is well controlled.

7. GRANT AND OPERATING EXPENDITURE

The Crop Trust continued its program of providing long-term sustainable funding to the world's most important collections of crop diversity; collections of banana, barley, bean, cassava, chickpea, edible aroids, faba bean, forages, grasspea, lentil, maize, pearl millet, rice, sorghum, sweet potato, wheat and yam were supported in 2013. Grant expenditure increased from USD 18,615, 905 in 2012 to USD 23,348,985 as the Crop Trust continued to work with international Genebanks under the agreement with the Consortium of International Agricultural Research Centers and Bioversity International for the program 'CRP In Trust for the International Community: Plan and partnership for managing and sustaining CGIAR-held Collections (Genebanks). This is a five-year agreement for the period 2012-2016 with an approximate budget of USD 92.7 million.

The Crop Trust also concluded Phase 1 of a three phase project, Crop Wild Relatives, an agreement with the Norwegian Agency for Development Co-operation, and Phase II commenced in January 2014.

All of the technical activities of the Crop Trust, which are currently packaged in the above two projects, are designed to develop and support an effective and efficient global system for the ex situ conservation of crop diversity.

In 2013, implementation of the new Fundraising Strategy was started by reaching out to a range of current and potential donor governments as well as foundations, corporations and other private donors. The Crop Trust retains the services of a government affairs company in Washington DC to assist with the process of securing funding from United States government sources. In addition, in 2013 the foundations for a new communications effort was put in place to help strengthen relationships with donors, strategic partners and policy makers. Visual materials were created to support the fundraising work carried out by the Partnerships Office. Also, as done in prior years, the Communications Office retained the services of a public relations company to assist in raising general public awareness for the Organization and its mission, and the wide-ranging benefits of crop diversity.

Marie Haga Michael Koch
On behalf of the Executive Board

July 2014
Date

FOOD SECURITY CANNOT BE TAKEN FOR GRANTED.

HELPING AGRICULTURE GET READY TO ADAPT TO CLIMATE CHANGE SHOULD BE MUCH HIGHER ON THE GLOBAL POLITICAL AGENDA.

Marie Haga
Executive Director
Crop Trust

GLOBAL CROP DIVERSITY TRUST
A FOUNDATION FOR FOOD SECURITY

THANK YOU!

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IN THE MEDIA

"World seed banks get funds to tackle climate, other threats"
Reuters, 30 January 2013

"Seed diversity crucial to Pacific food security"
Australia Network News, 18 June 2013

"Weeds warrant urgent conservation"
Nature, 22 July 2013

"Major global analysis offers hope for saving the wild side of staple food crops"
Science Codex, 22 July 2013

"Ag leaders gather to discuss preservation of crop diversity"
Des Moines Register,
16 September 2013

"Hungry world must conserve crop varieties"
Des Moines Register,
18 September 2013

"Norway invests $23.7 million in crop diversity to help farmers face climate change"
Thomas Reuters Foundation,
24 September 2013

"Protect crop diversity to feed all, says expert"
The Hindu, 23 November 2013

"Conserving seeds in genebanks vital"
The New Indian Express,
25 November 2013

HIGHLIGHTS

$169 MILLION FOR ENDOWMENT

6.1% PER YEAR SINCE INCEPTION — INVESTMENT RETURN ON THE ENDOWMENT

DEVELOPED STRATEGIES FOR CONSERVATION OF 26 CROPS

$14,128,000 FUNDED LONG-TERM GRANTS — FOR INTERNATIONAL COLLECTIONS SINCE 2006

249 TOTAL DONORS

RESCUED 79,725 CROP VARIETIES FROM BEING LOST FOREVER

GAP ANALYSIS OF WILD RELATIVES COMPLETED FOR 81 CROPS

70% SEEDS SUPPORTED CONSERVATION IN THE SVALBARD GLOBAL SEED VAULT

801,752 VARIETIES IN THE VAULT

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