

SRP Executive Board Meeting 1/19

18 November 2019 / 15:00-18:00 SE Asia Standard Time

Venue: <https://global.gotomeeting.com/join/202074405>

Participants

Board Members

Matthias Bickel	GIZ (Chair)	Louke Koopmans	Mars Food (Vice Chair)
Colin Taylor	IFC	Adrian Sym	AWS (Secretary)
Jai Sheel Oberoi	LT Foods	Diederik Pretorius	Ebro Foods
Remy Bitoun	IRRI	Keith Jones	Syngenta
Stephan Moreels	Control Union	Paul Nicholson	Olam International
Mark Radka	UN Environment (Observer)	Sanjay Sethi	Phoenix Group
Simon Mahood	WCS Cambodia		

Secretariat

Wyn Ellis	SRP Secretariat	Lea Las Piñas	SRP Secretariat
Peter Sprang	SRP Secretariat		

Invited

Ignacio Antequera	GLOBALG.A.P.
-------------------	--------------

Regrets

Christ Vansteenkiste	Rikolto (Treasurer)
----------------------	---------------------

Meeting Report (draft)

Part 1. Summary of Resolutions and Actions Arising

Resolution 1:	The draft Bylaws (as per Annex 4) were approved on a preliminary basis, pending incorporation of references to the German Civil Code, deletion of para 80, and a new para 123 on data privacy. The final Bylaws will be circulated together with the Meeting Report.
Resolution 2:	The Board endorsed the Secretariat's request to hire an individual consultant to set up core Secretariat administrative processes and systems required to operationalize the new legal entity and ensure compliance under German law.
Resolution 3:	The Board resolved to convene an <i>ad hoc</i> Task Force comprising interested Board members to support the Secretariat in developing a Business Model as the foundation for the SRP Business Plan.
Resolution 4:	The Board unanimously resolved to endorse the SRP Assurance Scheme 1.1 as proposed, subject to any remaining comments until 1 December, and to grant GLOBALG.A.P. an exclusivity period of two years as SRP's sole Assurance Provider, commencing on 19 November 2019 until 18 November 2021.
Resolution 5:	The Board resolved to endorse the proposed Assurance Fee Model as proposed by GLOBALG.A.P. (Annex 9) pending a final opportunity for consultation with supply chain members of the Board.
Resolution 6:	The Board resolved to establish two new Task Forces to be led by GLOBALG.A.P. with a mandate to finalize arrangements for Producer Groups, Internal Management System and Chain of Custody as essential components of the Assurance Scheme.
Resolution 7:	The Board approved a new SSFA between UNEP and IRRI with allocated budget of \$63,766, excluding 13% UNEP Programme Support Cost to cover HR-related costs (see Table 1) to be implemented in Q1/20.

Actions Arising

Action 1:	Secretariat to correct Secretary's address on the Founding Meeting Minutes (Annex 3), delete para. 80 of the Bylaws and finalize new para. 123 on data privacy (Annex 4).
Action 2:	Secretariat to draft TORs for consultant to support establishment of administrative systems and processes.
Action 3:	Business Model Task Force to convene first meeting with an aim of articulating a Business Model as a basis for the Business Plan.
Action 4:	Treasurer to table 2020 budget proposal to next Board meeting.
Action 5:	Secretariat to issue a letter to GLOBALG.A.P. confirming a 2-year exclusivity period as Assurance Service Provider for SRP.
Action 6:	Secretariat to send an editable version of the Assurance Scheme to SM and PN for review, with an aim of identifying sections requiring clarity and finalizing the document.
Action 7:	GLOBALG.A.P. to convene two new task forces (Producer Groups and Chain of Custody) to support implementation of the SRP Assurance Scheme, invite participation from the membership, and notify the Board of TORs for both Task Forces.
Action 8:	IRRI to provide clarification of respective roles of IRRI line management and the Board of SRP, as the seconded organization for the Executive Director position, in overseeing the functions and performance of the SRP Executive Director.

Part 2. Full Report

1. Chairperson's remarks

- The meeting was called to order at 15:00 SE Asia Standard Time and declared quorate.
- MB welcomed the members to the first meeting of the SRP Executive Board following the 30 September SRP 9th Plenary Meeting and General Assembly.
- As required under para. 87 of the Bylaws, WE read an anti-trust statement.
- In the interests of time, agenda items 8 and 9 were brought forward in the agenda (as new items 3 and 4) to allow additional time for the remaining agenda items. With this change, the revised agenda was adopted unanimously.
- KJ informed the chair that he represented Syngenta on the Board but also was authorized to provide a consensus input from Bayer, Corteva and Syngenta.

2. Review of SRP 9th General Assembly Resolutions and Actions

- Resolutions and actions arising from the SRP 9th General Assembly were reviewed. All key actions arising had been addressed ahead of the first Executive Board meeting.

3. Financial report (Annex 2)

- LLP presented the Q3 Financial Statement, which projects an expected year-end balance of at least \$70,000. A certified annual financial statement will be provided by early 2020.

- Of the projected Q4 costs, KJ queried the nature of the amendment made to the SSFA with IRRI. WE clarified that funds will mostly cover pass-through costs relating to GLOBALG.A.P. and the Visioning exercise (Rogers McJohn).

4. Registration status

- MB provided updates on the legal entity registration process as led by Winheller, which requires an additional EUR 3,000 in legal fees.
- RB sought clarity on timeline for registration and the earliest possible time to expect an operational organization. MB emphasized that the first phase will be registration of the legal entity, which will be followed by establishing the necessary systems and processes to allow the organization to operate.
- WE raised the question of legal liability: whilst liability is waived for Board members where there is no remuneration, such exemption will not apply to the Executive Director.
- In view of the additional costs on legal advice and services, LK offered to approach Mars Food's legal team in Munich to offer supplementary legal opinion if needed. MB thanked LK for the offer, which could be explored on completion of the registration process by Winheller.

Resolution 1:	The draft Bylaws (as per Annex 4) were approved on a preliminary basis, pending incorporation of references to the German Civil Code, deletion of para 80, and a new para 123 on data privacy. The final Bylaws will be circulated together with the Meeting Report.
Resolution 2:	The Board endorsed the Secretariat's request to hire an individual consultant to set up core Secretariat administrative processes and systems required to operationalize the new legal entity and ensure compliance under German law.

8. Business Plan (Annex 10)

- WE presented the draft business plan, focusing on core processes and priorities for 2020.
- RB requested additional financial information, including the approved 2019 budget. Discussion and reporting on financials will be managed and addressed by CV as Treasurer.
- AS reiterated the fundamental need to articulate a business model to support a sound business plan; PN echoed this sentiment.
- The Board agreed to establish a Business Model Task Force, to work with the Secretariat to provide guidance on the SRP Business Model and Plan, focusing on defining the value proposition and potential revenue streams and costs.

Resolution 3:	The Board resolved to convene an <i>ad hoc</i> Task Force comprising interested Board members to support the Secretariat in developing a Business Model as the foundation for the SRP Business Plan.
----------------------	--

9. Status of SRP Projects (Annex 12)

- WE presented a summary of registered SRP projects and pipeline projects. An updated list will be made available reflecting new projects submitted in Q4.

6. Small-scale Funding Agreement (Amendment) with IRRI (Annex 7)

- The SSFA Amendment between UNEP and IRRI was signed on 29 September 2019, to the value of \$83,750.
- DP inquired as to the reason for the amended agreement. WE clarified that the additional funds will mostly cover pass-through costs relating to GLOBALG.A.P. and the Visioning exercise (Rogers McJohn). WE noted that deliverables already completed are marked in Annex 1 of the SSFA Amendment, which expires on 30 November.
- New activities and expenditure items proposed by IRRI will be reviewed by the Board, to be potentially covered under a new SSFA (see Agenda Item 5 below).

7. SRP Assurance Scheme (Annex 8)

- Ignacio Antequera (GLOBALG.A.P.) was invited to present the final version of the SRP Assurance Scheme v 1.1. In view of GLOBALG.A.P.'s role in setting SRP Assurance Scheme implementation, IA requested a 2-year exclusivity period as SRP's sole Assurance Provider.

Resolution 4: The Board unanimously resolved to endorse the SRP Assurance Scheme 1.1, subject to any remaining comments until 1 December, and to grant GLOBALG.A.P. an exclusivity period of two years as SRP's sole Assurance Provider, commencing on 19 November 2019 until 18 November 2021.

- SM requested an update on SRP's rules for Internal Management Systems and Chain of Custody, which require clarification to ensure effective implementation. PN agreed, adding that in its current form, the document may present challenges for auditors in implementing Level 3. IA noted that the IMS document is ready for circulation, and asked PN for details on sections in the document that may need further clarification.

Resolution 5: The Board resolved to endorse the proposed Assurance Fee Model as proposed by GLOBALG.A.P. (Annex 9) pending a final opportunity for consultation with supply chain members of the Board.

- To ensure that external queries and issues raised by SRP members regarding implementation of the SRP Assurance Scheme are properly addressed, two new task forces will be convened, to be led by GLOBALG.A.P., covering (1) Producer Groups; and (s) Chain of Custody. TORs for the task forces will be reported to the next Executive Board meeting, and members will be invited to participate.

Resolution 6: The Board resolved to establish two new Task Forces to be led by GLOBALG.A.P. with a mandate to finalize arrangements for Producer Groups, Internal Management System and Chain of Custody, as essential components of the Assurance Scheme.

5. Executive Director CIM Position

- MB provided updates on the final stages of hiring of WE as the new SRP Executive Director through a CIM Position. WE will participate in onboarding with GIZ in Bonn and Eschborn from 25 November to 6 December 2019.
- The GIZ contractual arrangements have been finalized, with contract to be issued on receipt of the counterpart IRRI contract, which remains unsigned pending clarity on KPIs.
- CT and AS shared the view that while the current Job Profile indicates a reporting line only to Jon Hellin at IRRI, final authority must be assigned to the SRP Executive Board, particularly in regard to KPIs and performance review.
- RB agreed to MB's request to IRRI to provide clarification of respective roles of IRRI line management and the Board of SRP, as the seconded organization for the Executive Director position, in overseeing the functions and performance of the SRP Executive Director. Related costs in issuing the SRP Executive Director contract must also be duly reviewed and pre-approved by the Board and by IRRI.
- MB requested Secretariat staff to leave the meeting to consider IRRI's proposal on Executive Director's benefits package and administrative costs proposed by IRRI under Annex 6.
- MB reported that Peter Sprang will take on a new role from 1 March next year, so his salary costs and overheads will continue to be covered from member dues until 29 February 2020.
- The Board agreed to cover additional costs totaling \$63,766 related to IRRI's HR administration and salary costs. These are broken down as follows:

Table 1. Monthly Operating Costs for IRRI (in USD)		
Category	Peter Sprang	Wyn Ellis
Salary Costs	1,901*	3,000
Research Support Services	408.33	408.33
Operational Support Services	283.92	0
Information Technology Services	152.5	0
sub-total	2,745.75	3,408.33
IDC (15.75%)	432.46	536.81
sub-total	3,178.21	3,945.19
CGIAR Levy (2%)	63.56	107
Total	3,241.77	4,024.04
Rounded	3,242	4,024

**including allowances broken down to monthly basis, i.e. USD 1,500 basis salary plus USD 401 allowances (broken down on monthly basis).*

- The above breakdown covers 10 months of basic salary cost, settling in allowance and home leave for WE, plus a maximum three months of basic salary and overheads for PS.
- KJ requested IRRI's assurance that all costs for the ED had now been provided to the Board.

Resolution 7: The Board approved a new SSFA between UNEP and IRRI with allocated budget of \$63,766, excluding 13% UNEP Programme Support Cost to cover HR-related costs (see Table 1) to be implemented in Q1.

10. Any other business

- The final agenda item on 'optimizing use and benefit of the SRP Performance Indicators' (Annex 13) was deferred due to lack of time and will be included in the next Executive Board meeting.

The meeting adjourned at 18:00 SE Asia Standard Time.

22 November 2019

Bangkok

Annexes

Annex 1: Outcomes – SRP 9th General Assembly

Annex 2: SRP Financial Statement Q3 2019

Annex 3: Founding Meeting Minutes with Articles of Association 091119

Annex 4: SRP Bylaws – final draft v18 - 201119

Annex 5: Job Profile_SRP Executive Director (Final)

Annex 6: IRRI CIM Expert SRP Costs Summary (IRRI)

Annex 7: SSFA Amendment for IRRI support (26 Sept 2019)

Annex 8: SRP Assurance Scheme v 1.1

Annex 9: SRP Assurance Scheme Fee Model 190819

Annex 10: Business Plan – SRP Structure 180919

Annex 11: SRP core admin processes

Annex 12: SRP project status and pipeline projects Q3

Annex 13: Optimizing use and benefit of the SRP Performance Indicators