

**WORLD FISH CENTRE  
BOARD OF TRUSTEES  
FULL BOARD  
THIRTY-EIGHTH MEETING  
19-20 September 2008  
Phnom Penh, Cambodia**

---

<b>Present:</b>	- Ambassador Remo Gautschi	Chairman
	- Dr. Wendy Craik	Vice-Chair
	- Dr S. Ayyappan	Member
	- Dr Stephen J. Hall	Member, Ex-Officio, Director General
	- Dr Asger Kej	Member
	- Ms Vimala Menon	Member
	- Dato' Ahamad Sabki Mahmood	Member, Ex-Officio
<b>Board Secretary:</b>	- Dr James K. Oliver	Director, Science Co-Ordination
<b>Absent With Apology:</b>	- Dr Ezzat Awwad Ibrahim	Member, Ex-Officio

**Staff in Attendance:** Dr Patrick Dugan, Ms Fok Siew Choy, Mr Wayne Rogers

---

**DRAFT MINUTES**

**Agenda Item 1a: OPENING REMARKS**

The Chairman, Ambassador Remo Gautschi, welcomed the Board of Trustees and Management staff to the 38<sup>th</sup> Board of Trustees meeting. The Chairman said that as this was his first face to face meeting as the Chairman of the Board he was very pleased to meet the Board of Trustees once again in person. The Chairman also welcomed Dato' Ahamad Sabki, who was representing the Malaysian government as an ex-officio Board of Trustee and requested Dato' Ahamad to give a brief introduction about himself to the Board.

**Dato' Ahamad Sabki Mahmood:** Dato' Ahamad thanked the Chairman, all the Board of Trustees and Management staff for welcoming him to the WorldFish Center's Board. Dato' Ahamad has been the Deputy Director General of the Fisheries (Development) in the Department of Fisheries, Malaysia since March 2007. He has been working in the Department of Fisheries for 30 years. His main area of expertise is in Agriculture Extension and Fisheries Management.

The Chairman reminded the Board of Trustees on the mission statement and code of conduct for the Board of Trustees.

The Chairman said that while all the agenda items in this meeting were important, he would like to highlight two items that the Board needed to review. These were the appointments of new Board of Trustees and Science Advisory

Committee members as well as the review of the financial situation of the Centre.

The Chairman also thanked the staff involved in the preparation of this Board meeting including Dr Blake Ratner and his staff from Mekong Office.

With these remarks, the Chairman declared open the 38<sup>th</sup> Board of Trustees meeting.

**Agenda Item 1b: APOLOGIES**

Dr Ezzat, our new Egyptian ex-officio Board member was not able to attend the meeting.

**Agenda Item 1c: DECLARATION OF CONFLICT OF INTEREST**

All Board members declared that there was no conflict of interest.

**Agenda Item 2: REVIEW AND APPROVAL OF THE PROPOSED AGENDA**

The Chairman highlighted that the schedule of the Board meeting was very tight but that the proposed agenda is feasible. The Board adopted the proposed agenda of the 38<sup>th</sup> Board of Trustees meeting.

**Agenda Item 3: REVIEW AND APPROVAL OF THE 36<sup>TH</sup> AND 37<sup>TH</sup> BOARD OF TRUSTEES MEETING MINUTES**

The Board reviewed the 36<sup>th</sup> and 37<sup>th</sup> Board of Trustees Meeting minutes page by page and made the following amendments.

**Board Decision:**

**The Board approved the minutes of the 36<sup>th</sup> Board of Trustees Meeting subject to the following amendments. (Board Action 38-1)**

Page 2: Agenda item 1c, the second last line should read as “.....Malaysian automotive company as the *Director of Finance and Corporate Affairs* effective...”

Page 6: Agenda Item 6, the second line should read as: “.....India with *regard* to the on-going collaborative project in selective breeding of giant freshwater *prawn* .....”

**Board Decision:**

**The Board approved the minutes of the 37<sup>th</sup> Board of Trustees Meeting as amended. (Board Action 38-2)**

**Agenda Item 4: BUSINESS ARISING FROM THE MINUTES**

In response to a question, it was noted that the Board will discuss Centre's target revenue of \$30m in 2012 under agenda item 8.

In response to another question, the Director General indicated that the issue of returns on investment of projects from various regions will be addressed during the first meeting in 2009.

The Board also requested an update on the closure of the New Caledonia Office. The Board Secretary briefed the Board that the closure was proceeding according to plan and staff had been notified.

**Agenda Item 5: REVIEW BOARD ACTION PLAN TO 36<sup>TH</sup> AND 37<sup>TH</sup> BOARD MEETING**

The Board reviewed and noted the Board Action Plan to 36<sup>th</sup> and 37<sup>th</sup> Board meeting.

**Agenda Item 6: REPORT OF THE CHAIRMAN AND UPDATE ON THE CGIAR AND ALLIANCE BOARD, REPORT BY OTHER TRUSTEES ON ACTIVITIES AND EARNINGS RELATING TO BOARD ACTIVITIES**

**Ambassador Remo Gautschi:** The Chairman's report was taken as read by all Board of Trustees. There was a minor correction to the Chairman's report. The first line in the second paragraph should read as "*The stepping down of Professor Trond Bjorndal at the end of April...*" (and not May as indicated in the report). The Chairman highlighted the fact that he had been able to facilitate the contribution of Swiss core funding to the Centre.

**Dr Wendy Craik:** Dr Craik reported that since the last Board meeting in April 2008, the programme between the Mekong River Commission and the Murray Darling Basin Commission was close to being signed. This is a programme worth about \$1.0m and will focus on paired case studies which build on the competitive advantage of the organisations. The programme will also cover mentoring and staff exchanges.

**Dr S. Ayyappan:** Dr Ayyappan reported that he participated in the 37<sup>th</sup> Board of Trustees meeting via teleconference on 3<sup>rd</sup> July 2008. He also facilitated the visit of Dr Martin Van Brakel to India in connection with the Challenge Program on Reservoir Fisheries and held discussion about the progress of the project during August 2008.

**Dato' Ahamad Sabki:** There was no report from Dato' Ahamad as he had just been appointed as a new Board member.

**Dr Asger Kej:** There was no report since the last Board meeting in April 2008.

**Ms Vimala Menon:** There was no report from Ms Menon as she was just appointed as a Board member effective 1<sup>st</sup> July 2008.

The Director General added that it incumbent upon Management to take the opportunity to liaise with the Board of Trustees on activities related to the Centre and not just the responsibility of Board members.

The Chairman thanked the Board of Trustees for their updates.

**Agenda Item 7: SUMMARY REPORT OF THE DIRECTOR GENERAL**

The Director General's report was taken as read by all Board of Trustees. The Director General reiterated that he was confident that the WorldFish Center is moving into the right direction. With regards to the CGIAR Change Management process, he remained positive that the change, if properly managed, could be beneficial to the Center. He indicated that the proposal to move to performance based management within the CGIAR was welcomed by the Center. The Director General was appointed as the Chairman of the Alliance Executive effective 2009 and he indicated that his involvement at this crucial stage of the change management process could be highly beneficial to WorldFish.

The Director General informed the Board that he will provide a brief update on the debate and process of the CGIAR Change Management which he attended in Los Baños under agenda item 11.

The Director General informed the Board that the feedback he received from the Science Council on the medium term plan was positive. He will share further details with the Board of Trustees during the strategy session on the science direction later in the meeting.

On staff matters, the Director General informed the Board that the Centre was making progress in gender balance and have hired two senior female post-doctoral scientists in the PESS discipline.

The Board noted the Director General's report.

**Agenda Item 8: UPDATE ON FINANCIAL POSITION AND DISCUSSION ON FORECAST GOAL BY 2012**

The Director of Corporate Services introduced the paper on financial position and informed the Board that there were only a few developments since the writing of the financial paper. These new developments could affect the Centre's deficit target of \$2.0m. Some of the projects in the Africa region did not materialise and there was an increase in core expenditures in certain areas. The increment in the core expenditure was due to manpower cost because some of the projects did not materialise and Management need to cover the manpower cost through core funding. He indicated that there could be an increase in the end of year budget deficit of approximately \$300,000. He also indicated that while the rate of under-spending on projects was declining, it was still too high and was likely to result in a significant carry-over of grant funding into 2009. One Board member noted that the Board might have to accept a high level (above the 10% target) of under-spending in an organization such as WorldFish.

The Board discussed the \$30.0m growth target by 2012 at length. The Director General said that the Centre should aspire to achieve the \$30.0m goal and he was confident that the Centre would be able to achieve its target if the Centre focused its efforts appropriately.

The Board agreed that the proposed growth target is achievable by 2012 if the Centre continues to focus on cost recovery as this is one of the main contributing factors that will enable the Centre to grow in a sustainable manner.

The Chairman said that it is important that staff also have the same vision as Management to achieve this goal.

The Board noted the report on the Centre's financial position and unanimously agreed with Management's recommendation that the growth target to \$30.0m by 2012 be maintained.

**Agenda Item 9: UPDATE ON 2008 KEY PERFORMANCE GOALS**

The Director General briefed the Board on the 2008 Key Performance Goals. Although the Centre did not meet some of the goals, it has done well in meeting the World Bank Performance Indicators. The Director General thanked the Director of Science Coordination for his efforts in improving the ranking of the Centre in relation to other Centres.

As for the publications, the Centre may not achieve the target although two disciplines were performing well in getting papers published and Management was confident that the new Director of PESS was making good progress in developing the pipeline of peer-reviewed journals.

In terms of project management, the Centre did not achieve the target but the Centre has developed a good process to track milestones and deliverables for each project.

The Board noted the progress report on the 2008 Key Performance Goals.

**Agenda Item 10: UPDATE ON MEDIUM TERM FUNDING OUTLOOK**

The Director of Business Development & Communications gave a comprehensive PowerPoint presentation to the Board on the Centre's projected funding and current funding situation. Although there had been an increase in core funding from Switzerland, Norway, Canada, New Zealand and South Africa, the Centre will still fall short of its target by \$100K.

The Director of Business Development & Communications also presented to the Board the top 10 proposals submitted. She informed the Board that the Centre is focusing on larger proposals and the marginal cost of handling the project is one of the influencing factors. She said that staff had been informed about the importance of publications as science output is critical and also to increase proposals submission.

### **Agenda Item 11: CGIAR REFORM**

The Director General gave an in-depth presentation about the CGIAR Change Management and briefed the Board on the meeting that he attended in Los Baños recently.

In summary, there was broad discussion on the two models concerning the CGIAR Change Management which was proposed by the CGIAR Working Group and an Independent Review respectively. It was noted that under the most likely scenario, some decision-making would be passed on to a higher body (Consortium Board), but that there would still be a major role for the Board of each Centre in overseeing the financial and scientific performance within agreed parameters.

### **Agenda Item 12: UPDATE ON ABBASSA FACILITY (CLOSED SESSION)**

Minutes of this section is restricted to Board members only.

### **Agenda Item 13: REVIEW AND APPROVAL OF CSD CCER RESPONSES AND IMPLEMENTATION ACTION PLAN**

The Director of Corporate Services informed the Board that he would not go through the report in detail but would highlight key issues in the report including the CCER recommendations and the actions proposed by Management.

He highlighted that he had just received news from a potential candidate for the position of Head of Information Technology that he was not able to accept the job offered to him for family reasons. In view of this, the Centre will need search for another candidate to fill the position of Head of Information Technology. This could delay some of the implementation action plans related to Information Technology.

The Director of Corporate Services informed the Board that the Centre was not able to create a data warehouse system because there were too many systems within WorldFish Center and it would be very costly to link these to SAP. In hindsight he agreed that SAP was not the right system for WorldFish Center. The implementation costs for SAP are too high and lack of internal technical skills in the SAP system make the costs of customizing the system prohibitive.

The Board noted that the CCER had been very constructive and requested the Director of Corporate Services to provide a timeline of the implementation action plan arising from the CCER, to be presented to the Board in the next Board meeting.

#### **Board Decision:**

**The Board noted and accepted the CSD CCER report and Management responses. The Board requested Management to provide the timeline of the implementation plan at the next Board meeting. (Board Action: 38-4)**

**Agenda Item 14: REVIEW AND APPROVAL OF THE ROLLING PLAN FOR CCER**

The Deputy Director General presented the proposed schedule of CCERs from 2009-2011. The Deputy Director General clarified a point raised by a Board member that the CCER on impact assessment would also include PESS discipline. The Board agreed to the proposed rolling plan.

**Board Decision:**

**The Board approved the schedule of CCERs as proposed for 2009-2011. (Board Action: 38-5)**

Year	January - June	August - December
2009	Development impacts of small-scale aquaculture, including assessment of where and how the Center can better invest in targeting and scaling out the results of its research for greater impact; Impact assessment: how can the Center best strengthen our work on impact assessment?	Mid-term review of the Center’s strategy, including its research structure
2010	To be determined in consultation with the SAC and on the basis of the results of the mid-term review.	To be determined in consultation with the SAC and on the basis of the results of the mid-term review.
2011	To be determined in consultation with the SAC and on the basis of the results of the mid-term review.	To be determined in consultation with the SAC and on the basis of the results of the mid-term review.

**Agenda Item 15: UPDATE BY DEPUTY DIRECTOR GENERAL**

The report by the Deputy Director General on the progress of the Medium Term Plan implementation and implementation of previous CCER recommendations was taken as read by the Board of Trustees.

There were no major issues. A question was raised relating to why was there lack of funding for some proposals. The Deputy Director General explained that this resulted for a combination of reasons, especially a difference in donor and partner priorities. Some of the proposals were not marketable because fisheries were not considered as a priority to some donors compared to health and food security.

**Agenda Item 21: CORPORATE SERVICES REPORT**

The Director of Corporate Services informed the Board that one of CSD's plans was to decentralize control in the regional offices. The first step was to decentralize the Africa region and with the hiring of Mr David Porras as the CSD Support Manager, this is not being implemented. The Director of Corporate Services said that he was also looking into transferring project accounting services from Penang to the Mekong Office.

The Chairman cautioned Management about decentralization as it has its advantages and disadvantages as well. He emphasized that WorldFish Centre's decision must be aligned to the CGIAR Change Management since the CGIAR Change Management is now focusing on centralization in services.

The Board noted the report on Corporate Services strategy and direction.

**Agenda Item 22: BUSINESS DEVELOPMENT & COMMUNICATIONS DIVISION REPORT**

The Director of Business Development & Communications gave a comprehensive presentation on the support for business development.

The Board endorsed the funded GIS position and would like Management to pursue similar funded positions for scientists in other areas within the Centre.

The Board noted the Division's on-going support of business development and progress in communications efforts.

**Agenda Item 23: STATUS OF INTERNATIONAL & REGIONAL AGREEMENT**

The Director of Science Coordination introduced the paper on international and regional agreements. The Chairman asked if Management was optimistic about establishing its relationship with the government of Democratic Republic of Congo (DRC) because DRC is a difficult country to pursue and will the Centre be able to fund the operating costs in DRC.

The Deputy Director General responded that there is potential donor's interest in DRC and funding opportunity remains positive at the moment. However, Management noted the Board's concern in this area and will carefully monitor development in this area.

## **Agenda Item 16: REVIEW OF BOARD HANDBOOK**

The Director of Science Coordination informed the Board that the Board Secretariat has updated the Board Handbook with relevant information that is pertinent to the Board of Trustees. A copy of the CD-Rom that contained the updated information was distributed to the Board of Trustees. The Director of Science Coordination requested the Board of Trustees to review the contents of the Board Handbook and to provide feedback to the Board Secretariat if there is a need to improve or incorporate other information which might be useful.

## **Agenda Item 17: COMMITTEE REPORTS**

### **Agenda Item 17a: Report of the Audit Committee**

#### **Agenda Item 4: Business Arising from the Minutes**

- Designated Reserves

As of July 2008, our reserves stood at \$8 million, made up by Undesignated Reserves of \$4.9 million and \$3.1 million of Designated Reserves.

The Director of Corporate Services recommended to the Audit Committee that WorldFish should adopt a conservative approach and clearly drew a distinction between Designated funds for investment or repairs and undesignated Reserves which will represent a minimum target of 105 days of operational funding. This recommendation will result in a requirement for additional reserve levels and should be transitioned to over a period of three years.

#### **Audit Committee's Recommendation:**

The Audit Committee recommends to the Board that the Designated and Undesignated Reserves approach above be adopted and approved with the three year transition plan.

#### **Board Decision:**

**The Board approved the Audit Committee's recommendation to adopt a conservative approach and clearly draw a distinction between Designated funds for investment or repairs and undesignated Reserves which will represent a minimum target of 105 days of operational funding. This recommendation will result in a requirement for additional reserve levels and should be transitioned to over a period of three years. (Board Action: 38-6)**

- Treasury Functions

The Director of Corporate Services will recommend to the Audit Committee the treatment of foreign currency in the next Audit Committee meeting. During the December 2008 ADE meeting in

Maputo, the Director of Corporate Services will raise the topic of joint treasury functions with the other CGIAR centres.

- Philippines Pension Fund  
The Director of Corporate Services updated the Committee on the status of Philippines Pension Fund. Since there is no legal obligation to keep the Philippines Fund in the Balance Sheet of WorldFish, it is agreed that Management will remove the item from the balance sheet before December 31, 2008 year end.

Management will form a Committee to manage the withdrawal from the Fund and transfer management to the employees. The proposed interim committee members are:

- Either the Director of Corporate Services or the Head of Finance;
- The Regional Officer in Charge;
- One Philippines Office Employee

Management will keep the committee updated in the next Audit Committee Meeting.

- Fraud Reporting Process  
The Director of Corporate Services will update the Committee on the status of the Fraud Reporting Process in the next Audit Committee meeting in Maputo in December 2008.

**Audit Committee's Recommendation:**

The Audit Committee recommends to the Board to note and approve the matters arising from the minutes.

**Board Decision:**

**The Board noted and approved the Audit Committee's recommendation on the matters arising from the minutes. (Board Action: 38-7)**

**Agenda Item 5a: Approval of 2008 Audit Plan**

**Audit Committee's Recommendation:**

The Audit Committee recommends to the Board to approve the 2008 Audit Plan.

**Board Decision:**

**The Board approved the Audit Committee's recommendation to approve the 2008 Audit Plan. (Board Action: 38-8)**

**Agenda Item 6: Internal Audit Matters**

**Audit Committee Recommendation:**

The Audit Committee recommends to the Board that the internal audit report is noted and approved.

**Board Decision:**

**The Board noted and approved the internal audit report as recommended by the Audit Committee. (Board Action: 38-9)**

**Agenda Item 7: Update on Risk Management Activities**

**Audit Committee Recommendation:**

The Audit Committee recommends to the Board to note the approved risk management activities.

**Board Decision:**

**The Board noted and approved the risk management activities as recommended by the Audit Committee. (Board Action: 38-10)**

**Agenda Item 17b: Report of the Governance Committee**

**Agenda Item 5: Review of Board Membership and Actions to be taken**

The Chairman of the Governance Committee informed the Board that although there was a long list of candidates who had responded to the advertisement in the Economist but not many have corporate governance experience. The Governance Committee had shortlisted 15 candidates.

The Board Secretary will send letters of rejection to all the other candidates except the 15 shortlisted candidates.

**Governance Committee's Recommendation:**

The Committee recommends that:

- 2 new Board members should be appointed, one to start on July 1 2009 and one to start on January 2010,
- The Board note the preferences used for selection of a short list of candidates and the schedule for presenting this to the Board.
- The terms of all Board members should end on either December 31<sup>st</sup> or June 30<sup>th</sup>.

**Board Decision:**

**The Board approved the Governance Committee's recommendation that:**

- 2 new Board members should be appointed, one to start on July 1 2009 and one to start on January 2010,
- The Board note the preferences used for selection of a short list of candidates and the schedule for presenting this to the Board.
- The terms of all Board members should end on either December 31<sup>st</sup> or June 30<sup>th</sup>.

**(Board Action: 38-11)**

**Agenda Item 6: Review of Scientific Advisory Committee (SAC) Membership**

**Governance Committee's Recommendation:**

The Committee recommends that either Dr Mark Verdegem or Dr Chang Vishnumurthy Mohan be appointed to the SAC to replace Dr Jurgenne Primavera. Dr Verdegem was ranked by the Committee as most suitable of the two.

**Board Decision:**

**The Board approved the Governance Committee's recommendation that either Dr Mark Verdegem or Dr Chang Vishnumurthy Mohan be appointed to the SAC to replace Dr Jurgenne Primavera. Dr Verdegem was ranked by the Committee as most suitable of the two. (Board Action: 38-12)**

**Agenda Item 8: Review of Board Orientation Program for new Board members**

**Governance Committee's Recommendation:**

The Committee recommends that each year, one Board member who is in their first term and who has not previously attended a CGIAR Board orientation course, should be encouraged to attend this course.

**Board Decision:**

**The Board approved the Governance Committee's recommendation that each year, one Board member who is in their first term and who has not previously attended a CGIAR Board orientation course, should be encouraged to attend this course. (Board Action: 38-13)**

**Agenda Item 17c: Report of the Executive Committee**

The Board Chair briefed the meeting on the Executive Committee meeting. No major items required any discussion or decision that could not be considered by

the full Board. The Chair indicated that, for the time being, brief Executive Committee meetings will be held prior to formal Board meetings. This arrangement recognized the current views of the CGIAR (reflected in the CG Performance Indicators) on the need for an Executive Committee which holds regular meetings. However the small size of the current WorldFish Board reduces the need for an Executive Committee and this issue will be raised with the CGIAR secretariat.

**Agenda Item 18: ELECTION OF BOARD MEMBERS (CLOSED SESSION)**

The Chair noted that the Board had approved the recommendation of the Governance Committee on this issue under Agenda Item 17b.

**Agenda Item 19: ELECTION OF SCIENCE ADVISORY COMMITTEE MEMBERS (CLOSED SESSION)**

The Chair noted that the Board had approved the recommendation of the Governance Committee on this issue under Agenda Item 17b.

**Agenda Item 20: OTHER BOARD MATTERS**

There was no other Board matter arising.

**Agenda Item 24: TIME AND PLACE OF NEXT MEETING**

The Board confirmed that the 39<sup>th</sup> Board of Trustees meeting will not be a face to face meeting in Maputo but will be held via teleconference. The date of the teleconference is on 3<sup>rd</sup> December 2008. The Board Secretariat will inform the Board of Trustees the time of the teleconference via email.

The Board proposed that there should be three face to face Board meetings in a year and the meetings should be spread out to be held during the months of April, July and November each year.

**Board Decision:**

**The Board approved the following dates of the Board meetings in 2009.**

- **1<sup>st</sup> Board meeting: April 1<sup>st</sup> (SAC & BOT Joint Meeting); April 2-3, 2009 (full Board meeting)**
- **2<sup>nd</sup> Board meeting: July 1-2, 2009**
- **3<sup>rd</sup> Board meeting: November 18-19, 2009**

**(Board Action: 38-11)**

The venue of the 1<sup>st</sup> and 3<sup>rd</sup> Board meetings will be held in headquarters in Penang. It was proposed that the 2<sup>nd</sup> Board meeting to be held in either Bangladesh or Solomon Islands subject to confirmation by the Board Secretary. The Board Secretary will discuss this matter with the respective Regional Director and confirm with the Board of Trustees via email.

**Agenda Item 25: OTHER BUSINESS**

Dr Ayyappan thanked the Board and Management staff as this was his last face to face Board meeting. Dr Ayyappan informed the Board that he was glad to be associated with WorldFish Center.

**Agenda Item 26: CLOSING REMARKS**

The Chairman thanked all Board of Trustees and Management staff for attending the Board meeting. He also thanked all staff from Cambodia Office and Ms Emily Khor for their excellent and efficient services provided to ensure the success of this Board meeting.

The Chairman stressed that interaction with Management and staff was very important as Management shaped the decision and the Board of Trustees made the decision. It was the responsibility of the Board of Trustees to ask questions and the duties of Management to bring forward all recommendations for the Board's discussions.

The Chairman said that the Board of Trustees should be proud that the Board meeting ended ahead of schedule. He also recorded special thanks to Dr Ayyappan for his contribution to the Centre. Dr Ayyappan responded that it was a great opportunity for him to work with the WorldFish Center's Board of Trustees and Ambassador Remo Gautschi, the fourth Chairman, whom he had worked with since his appointment as a Board of Trustee.

The Chairman informed the Board of Trustees that he would like to solicit feedback from the Board of Trustees in the next Board meeting if his style in managing the meeting was acceptable to the Board.

With these remarks, the Chairman officially declared the 38<sup>th</sup> Board of Trustees meeting closed. The meeting was adjourned at 4.10 pm.

Draft 5th October 2008