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Item 5 of the Draft Provisional Agenda
INTERNATIONAL TREATY ON PLANT GENETIC RESOURCES FOR FOOD AND AGRICULTURE
SEVENTH MEETING OF THE <i>AD HOC</i> ADVISORY COMMITTEE ON THE FUNDING STRATEGY
Geneva, Switzerland, 18-20 September 2012
DESIGN AND STRUCTURE OF THE THIRD CALL FOR PROPOSALS

1. INTRODUCTION

1. At its Fourth Session, the Governing Body requested the *Ad Hoc* Advisory Committee on the Funding Strategy to provide advice on the design and structure of the third call for proposals. The first call for proposals was opened in 2009 and preceded the Third Session of the Governing Body. The second call for proposals was opened in 2010 and preceded the Fourth Session of the Governing Body.

2. The Governing Body emphasized the importance of enhancing sustainable food security by assisting farmers to adapt to climate change in the implementation of future rounds of the project cycle, building upon the thematic focus of the Call for Proposals 2010 and in full alignment with the priorities adopted by the Governing Body.

3. The Governing Body also invited Contracting Parties to explore innovative benefit-sharing measures within the purview of Articles 13.2a, b, and c of the Treaty, i.e. to take measures for implementing the non-monetary benefit-sharing mechanisms of the Treaty in combination with the existing monetary benefit-sharing. The Governing Body furthermore requested the Secretary, under the guidance of the Bureau, to facilitate the necessary measures to implement the non-monetary benefit-sharing mechanisms of Articles 13.2 a, b and c. Technology transfer is amongst the non-monetary benefit-sharing mechanisms referred by Article 13.2 and is within the funding priorities adopted by the Governing Body for the Benefit-sharing Fund. Based on the decisions of the Governing Body and a series of meetings organized by Contracting Parties in the last and present biennium, this document explores how to further operationalize technology transfer within the next Call for Proposals.

4. Finally, the Governing Body also decided to delegate authority for the execution of the project cycle during the next biennium (2012/2013) to the Bureau of the Fifth Session of the Governing Body. The Bureau, at its meeting in March 2012, agreed that the report on lessons learned should be used by the *Ad Hoc* Advisory Committee in designing and executing the next

round of the project cycle. Several sections of this document make reference to and build upon the *Report on lessons learned*.¹

5. The design of the third Call for Proposals also builds upon the work already undertaken by this Committee on the second Call for Proposals. At its Third Session, the Governing Body delegated the authority to execute the project cycle during the biennium to the Bureau. The Bureau of the Fourth Session of the Governing Body requested the advice of the Committee on the second round of the project cycle, on the basis of preparatory work done by the Secretary, including the engagement of the necessary expert advice. Following the guidance from the Bureau, the Secretariat sought the advice of a selected number of high-level international experts on the execution of the next round of the Benefit-sharing Fund's project cycle. The document *Expert advice on the second call for proposals, including a strategy and programme for the Benefit-sharing Fund* prepared by the experts provided a number of suggestions, including the need for a focused strategy and programme for the use of funds of the Benefit-sharing Fund.² The *Expert advice* paper was used by the Committee to advise the Bureau on the design and structure of the second Call for Proposals, including on its thematic focus; structure in Windows and the need for a Helpdesk function.

6. While remaining always within the adopted priorities, eligibility criteria and operational procedures of the Governing Body, all these sources have been taken into account and synthesized in undertaking the preparatory work that was requested for the deliberations of the Committee on the third Call for Proposals.

7. This document seeks the advice from the *Ad Hoc* Advisory Committee on the design and structure of the third call for proposals, in particular the annotated outline of the next call for proposals included in *Annex 1* of this document.

2. DESIGN OF THE THIRD CALL FOR PROPOSALS: STRUCTURE

2.1 Thematic Focus

8. The Governing Body at its Fourth Session emphasized the importance enhancing sustainable food security by assisting farmers to adapt to climate change in the next rounds of the project cycle. For this purpose, it requested the Secretary to develop a mid-term programmatic approach for the Benefit-sharing Fund building upon the thematic focus of the second Call for Proposals and in full alignment with the priorities adopted by the Governing Body.³

9. Following the guidance from the Governing Body the thematic focus of the third round of the will continue to be:

“helping ensure sustainable food security by assisting farmers to adapt to climate change through a targeted set of high impact activities on the conservation and sustainable use of plant genetic resources for food and agriculture”.

10. As stated by the Bureau and the Committee in the past, such a thematic focus will not imply broadening or modifying the three agreed priorities of the Benefit-sharing Fund. Rather it constitutes a precise, consistent and concrete implementation of the agreed priorities with the aim of increasing the positive impact of the Fund to international concerns and priorities of real and potential donors.

¹ IT/ACFS-7/12/4

² ftp://ftp.fao.org/ag/agp/planttreaty/funding/experts/bsf_exp_p01_en.pdf. The paper contains a brief presentation of the professional and scientific background of each of the experts engaged by the Secretary.

³ Annex 1 of the Funding Strategy: Priorities for the use of resources. The three priorities are:

- Information exchange, technology transfer and capacity-building;
- Managing and conserving plant genetic resources on farm;
- The sustainable use of plant genetic resources.

11. The Committee may wish to reiterate the importance of maintaining the thematic focus for the third Call for Proposals as it constitutes a precise, consistent and concrete implementation of the priorities agreed by the Governing Body.

2.2 Windows of the Call

12. At its Fourth Session, the Governing Body welcomed the structure of the second Call for Proposals that had been designed by the Committee and adopted by the Bureau. The structure of the second Call for Proposals integrated the realization of Strategic Action Plans with the Implementation of Immediate Action Projects through two windows within the Call. The next call for proposals will maintain the consideration of developing specific windows within the same call for proposals contributing to the implementation of the three adopted priorities of the Benefit-sharing Fund and respond to international concerns and priorities.

2.2.1 Development of Strategic Action Plans

13. The second round of the project cycle has funded the development of Strategic Action Plans for climate change adaptation through the use and conservation of plant genetic resources for food and agriculture. The cost of these projects does not exceed US\$ 400,000 and they run for a maximum of 1 year. As published in the second call for proposals “this first phase of strategic development should support a variety of approaches to the management of plant genetic resources for food and agriculture in adapting to climate change.” The second Call for Proposals called for support to various approaches at different levels, on a regional, sub-regional, eco-regional or crop basis.

14. The first phase of strategic planning is also identifying successful institutional settings, such as networks or consortia of different stakeholders, that will enable the successful development and implementation of strategic action plans. These consortia of stakeholders should work towards integrating the Strategic Action Plans into broader global, regional and national strategies and action plans and showcase how the Strategic Action Plans can play a catalytic role in guiding funding priorities of the Benefit-sharing Fund, and of other multilateral funds, bodies and mechanisms.

15. There are currently 7 projects preparing Strategic Action Plans under implementation. These projects are supporting a variety of approaches to strategic planning at different levels in four developing Regions.

16. Lessons learned on the implementation of the first project portfolio on Strategic Action Plans should be drawn once all projects have been completed and terminated. The whole project portfolio will be terminated only in the second half of 2013 and the compilation, analysis and publication of lessons learned will take a number of months, so that lessons learned would become available in early 2014.

17. The Committee may wish to advise that the third round of the project cycle will not feature a Window on Strategic Action Plans. It may also recommend that future funding of Strategic Action Plans be based on the lessons learned from the implementation of the current project portfolio. This might be considered based on results of the current portfolio of the second round, after the development of those Strategic Action Plans in the present portfolio has been completed.

2.2.2 Support to the co-development and transfer of technology

18. Window 1 may thus address other established priorities which the Governing Body has adopted and emphasized but which have not yet received the substantive and coherent focus that is being demanded by Contracting Parties and stakeholders. As described in the introduction, the Governing Body has numerous times requested the Contracting Parties, stakeholders and

Secretary to facilitate the necessary measures to implement the non-monetary benefit-sharing mechanisms, such as technology transfer. The Treaty calls in particular for technology transfer as a primary form of non-monetary benefit-sharing. It is also a major objective of many other international agreements, such as the United Nations Framework Convention on Climate Change. Based on the decision of the Governing Body, technology transfer is also within the priorities adopted by the Governing Body for the Benefit-sharing Fund.

19. In 2010, the Governments of Norway and Indonesia convened a global consultation on benefit-sharing under the Multilateral System in Bogor, Indonesia. The global consultation among Contracting Parties and stakeholders elaborated options on how to implement the non-monetary benefit-sharing mechanisms of the Treaty. One outcome of the consultations was an emphasis on the need to implement technology transfer of the Treaty. In Resolution 3/2011, the Governing Body thanked the Governments of Indonesia and Norway for convening a Global Consultation on Benefit-sharing under the Multilateral System and requested further work on non-monetary benefit-sharing.

20. Under the patronship of the High Level Task Force of the Benefit-sharing Fund, Norway, Brazil and Italy co-organized the second High-Level Round Table on the International Treaty, which held a high-level discussion on the potential monetary and non-monetary benefits arising from the utilization of plant genetic resources for food and agriculture under the Treaty. The high-level meeting was organized on the margins of the Rio+20 United Nations Conference on Sustainable Development. The second High-level Roundtable adopted the *Rio Six-point Action Plan*, which includes as one of its six priorities to “establish a Platform for the Co-development and Transfer of Technologies within the context of non-monetary benefit-sharing under the Treaty.”

21. Following the requests of the Governing Body and the second High-Level Round Table, a meeting co-organized by the Brazilian Agricultural Research Corporation (Embrapa) in conjunction with the Ministry of Agriculture, Livestock and Food Supply and the Ministry of Environment of Brazil, and the Indonesian Agency for Agricultural Research and Development (IAARD) was held in Brasilia from 7-8 August 2012 to discuss the establishment of such a Platform.

22. Through its Draft Mission Statement, the Platform seeks to create a functioning network of institutions with the skills and experience to support and undertake initiatives and projects that aim to co-develop and transfer technologies to beneficiaries in developing countries. The leading institutions that are working together in the Platform have offered themselves to support the implementation of the Benefit-sharing Fund project cycle through the provision of relevant expert advice and capacity and to mobilize financial and in-kind support to deliver relevant technologies, including through the Treaty’s Benefit-sharing Fund.

23. There will be a one-day information day preceding the seventh meeting of the *Ad Hoc* Advisory Committee on the Funding Strategy dedicated to technology transfer within the Treaty. Such event will provide Committee members with further information on the on-going intersessional work related to technology transfer and the progress made in the establishment of the Platform for the Co-development and Transfer of Technologies.

24. There is a high demand for developing and testing innovative mechanisms for the co-development and transfer of technologies relevant to the Treaty. Such demand is coming from Contracting Parties, high-level policy-makers, donors and a wide range of stakeholders leading the Treaty implementation. Technology transfer has been featured as an activity in some of the projects funded already by the Benefit-sharing Fund but has not received so far the substantive and coherent focus that is being demanded by Contracting Parties and stakeholders.

25. With the establishment of the Platform for the Co-development and Transfer of Technologies, the Governing Body and its subsidiary bodies have a unique expertise and technical capacity at their disposal to further operationalize technology transfer within the Benefit-sharing Fund. One of the first activities to be undertaken by the Platform is to analyse technology transfer

needs and requirements contained in project proposals submitted to relevant mechanisms, such as the Benefit-sharing Fund. It will also prepare an analysis of project models currently being used for technology transfer in different developing regions. Such analysis of project models and technology transfer needs will identify the key features of successful technology transfer projects for support by the Benefit-sharing Fund.

26. The Committee may wish to:

- Emphasize that technology transfer is within the priorities for funding by the Benefit-sharing Fund adopted by the Governing Body and the importance of developing and testing innovative mechanisms for the co-development and transfer of technologies relevant to the Treaty;
- Note that the co-development and transfer of technologies has not received so far the substantive and coherent focus that is being demanded by Contracting Parties and stakeholders;
- Advise that a Window of the third Call for Proposals be dedicated to the co-development and transfer of technologies related to the Treaty in support of the thematic focus and in full alignment with the three priorities adopted by the Governing Body;
- Welcome the establishment of the Platform for the Co-development and Transfer of Technologies and recommend to make full use of the expertise and capacity of the working partners of the Platform in the design and execution of a Window for co-development and transfer of technologies in the third call, including on: design of the key features of the Window (expected outputs, size and duration of projects), structure of project proposals, criteria for screening and appraisal; Helpdesk support, etc.
- Request the working partners of the Platform to avoid possible cases of conflict of interest in the design and execution of a Window on co-development and transfer of technologies in the third Call for Proposals.

2.2.3 Support to the implementation of Immediate Action Projects

27. The second round of the project cycle has funded the implementation of Immediate Action projects that are trying to demonstrate in a practical manner the value of plant genetic resources for food and agriculture for farmers to meet food security and climate change. The cost of these projects does not exceed US\$ 300,000 and they run for a maximum of 2 years.

28. Immediate Action Projects must have the potential for a short-term and significant impact. They must respond to a clear priority need, preferably as expressed through existing policy frameworks. These projects are country-driven and demonstrate a clear engagement and participation of relevant stakeholders. They must identify actual and potential funds from other funding sources to support project implementation.

29. There are currently 12 projects implementing Immediate Action Projects with funding from the Benefit-sharing Fund in 4 developing Regions. Most of the funded projects are implemented in one country, so there is potential to expand the geographical coverage of these type of projects in the third Call for Proposals.

30. There was a high demand for this type of project in the second round of the project cycle. In view of the high demand for these projects, the Committee may wish to advise that the third round of the project cycle will continue featuring a Window on Immediate Action Projects. The design of such Window should closely follow the features agreed for Immediate Action Projects in the second round of the project cycle. The design should also take into account the *Report on lessons learned* with regard to templates for submission of project proposals and criteria for screening and appraisal.

2.3 Annotated Outline of the third Call for Proposals

31. A draft annotated outline for the Third Call for Proposals is available on *Annex 1* of this document. For ease of reference, the text of the second Call for Proposals that was developed by the Committee, at its Fifth Session, and adopted by the Bureau, will be made available at the meeting. It builds upon and improves the structure of the second Call for Proposals by taking into account the *Report on lessons learned*. The following specific suggestions have been taken into account:

- The call for proposals should indicate the funds at disposal of the Governing Body at the time of the opening of the Call for Proposals (lesson learned #1);
- All critical information for preparing a high-quality project proposal should be provided early preferably when opening the call for proposals (lesson learned #2). A comprehensive information package should be given to applicants to enhance certainty and transparency in the process, including new information such as:
 - requirements for the inclusion of germplasm into the Multilateral System and use of information generated by projects funded;
 - guidelines for preparation of pre-proposals and project proposals, including budgets and particularly items and activities that will not be funded;
 - conditions for participation of Non-Contracting Parties in regional proposals;
 - screening and appraisal criteria, and expected weight of the criteria;
 - summary of general provisions of the project agreement templates that have legal and financial implications for the applicant;
 - information about the Helpdesk function;
 - information of number of pre-proposals received in previous rounds of the project cycle; provisional target number of pre-proposals to be invited to prepare a full project proposal; provisional target number of proposals to be approved for funding and to be favourably appraised for submission to other donors;
 - additional considerations, if any, that the Bureau may consider in the approval of project proposals, such as geographical balance.

32. The Committee is requested to review, and agree on, the Annotated Outline of the Third Call for Proposals, taking into account the *Report on lessons learned*, and to provide any advice on the contents for the draft Call for Proposals.

33. The advice from the Committee is also sought on the steps to finalize the design of the third Call for Proposals, including:

- In accordance with the Operational Procedures and based on the advice received from this Committee, the Secretariat will prepare a draft of the third Call for Proposals, in consultation with the Co-Chairs. In drafting the third Call for Proposals, the Secretariat will seek the advice of the working partners of the Platform in the design and execution of a Window for co-development and transfer of technologies.
- The draft of the Third Call for Proposals will be circulated electronically to members of the Committee for their comments. Such comments will be incorporated into the draft by the Secretariat, in consultation with the Co-Chairs, if there is consensus and there are no conflicting comments.
- The final draft of the Third Call for Proposals will be submitted to the Bureau for approval and issuance.

4. DESIGN OF THE THIRD CALL FOR PROPOSALS: EXECUTION

34. This section seeks the advice from the Committee on the execution of the third round of the project cycle and builds upon the *Report on lessons learned*. The advice from the Committee will be a valuable resource for the Bureau to which the Governing Body has delegated the authority to execute the project cycle in this biennium.

Screening of pre-proposals

35. The Governing Body, at its Fourth Session decided to reconvene the Committee and included the following as part of its Terms of Reference:

- screening of pre-proposals;
- support the work of the Bureau in the screening of pre-proposals.

36. The *Report on lessons learned* contains two lessons learned focused on the screening of pre-proposals (lesson learned #3 and #4). The advice from the Committee on these lessons learned will provide valuable information to the Governing Body, at its Fifth Session, on how to organize the screening of pre-proposals in future rounds of the project cycle.

37. Still, it is important for the Committee to provide advice on the design and execution of the screening of pre-proposals in the third round of the project cycle. During the second round of the project cycle, the Bureau agreed that the Committee would review the preparatory work for the screening of pre-proposals by the Treaty Secretariat and advised the Bureau accordingly. The Committee recommended to the Bureau a portfolio of pre-proposals to be invited to prepare full project proposals. In addition, the Bureau decided to further invite a few other pre-proposals to improve the capacity and participation of under-represented regions, on an exceptional basis.

38. The Committee will have to support the work of the Bureau in the screening of pre-proposals for the third round of the project cycle according to its new Terms of Reference. The advice from the Committee is sought on:

- The elements for developing a simple, clear and tested procedure to conduct a thorough screening of pre-proposals for the third round of the project cycle.
- The responsibilities assigned to the screening of pre-proposals for the third round of the project cycle, including of Members of this Committee.

39. The advice from the Committee is also sought on the steps to finalize the design the screening of pre-proposals for the third Call for Proposals, including:

- Based on the advice received from this Committee, the Secretariat will prepare a draft procedure for screening of pre-proposals, in consultation with the Co-Chairs. In drafting the procedure, advice will be sought from the Co-Chairs of the Panel of Experts that developed the procedure for the appraisal of project proposals for the second round of the project cycle and can provide advice on how to integrate the screening and the appraisal in the third round of the project cycle.
- The draft procedure will be circulated electronically to members of the Committee for their comments. Such comments will be incorporated into the draft by the Secretariat , in consultation with the Co-Chairs, if there is consensus and there are no conflicting comments.⁴
- The draft procedure, including the responsibilities, will be submitted to the Bureau..

Other steps in the project cycle

⁴ At its Fourth Session, the Governing Body requested the Committee to search ways to make the operations of the Committee as cost-effective as possible, *inter alia*, by making optimal use of electronic communications.

40. The Committee may wish to advise that the *Report on lessons learned* be used in the design and execution of the third round of the project cycle, including the suggestion for provision of a Helpdesk function that provides a language facility in Arabic for development of full project proposals.

41. Finally, the Committee may wish to advise on the timeline for the third Call for Proposals, in particular on tentative dates for the opening of the Call for Proposals and for the approval of project proposals. The Secretariat will provide additional information on relevant timelines and dates of different Treaty processes and meetings.

5. ADVICE SOUGHT FROM THE COMMITTEE

42. The Governig Body requested the Committee to provide advice on the design and structure of the next call for proposals. Advice is sought from the Committee in paragraphs 11, 17, 26, 30, 32, 33, 39, 40 and 41.

Annex 1

ANNOTATED OUTLINE OF THE NEXT CALL FOR PROPOSALS**1. INTRODUCTION**

Notes: this section will provide a brief introduction to the International Treaty and the Benefit-sharing Fund. It will follow closely the text adopted for the second call for proposals. New information will be added providing an overview of the structure and execution of the third Call for Proposals, including the Helpdesk function.

2. BACKGROUND ON THE THIRD CALL FOR PROPOSALS

Notes: this section will follow closely the text adopted for the second call for proposals. The structure of the section has been simplified and reorganized.

2.1 Thematic Focus

Notes: the thematic focus of the second round of proposals will be maintained as requested by the Governing Body.

2.2 Funds available

Notes: this subsection will inform about the funds at disposal at the time of opening of the Call for Proposals and of the expected funding available at the time of the approval of project proposals.

2.7 Overview and timeline of project cycle

Notes: this subsection will inform about the deadline for submission of pre-proposals and refer to Appendix 1 for information on the steps of the project cycle and relevant datelines.

2.4 Applicants

Notes: this subsection will inform about the applicant institutions that may apply for grants under the Benefit-sharing Fund following the decision of the Governing Body, at its Third Session. The list of Contracting Parties eligible to apply for support will be included in Appendix 2.

2.5 Submissions

Notes: this subsection will explain that formal submissions of pre-proposals and project proposals should be done by national authorities of an eligible Contracting Party. Reference will be made to the list of National Focal Points and Permanent Representatives to FAO of eligible Contracting Parties, which is included in Appendix 3. Information about the Submission Form for pre-proposals in Appendix 7 and the contact details of the Secretariat will be provided.

2. WINDOWS OF THE THIRD CALL FOR PROPOSALS

3.1 Window 1: Support to Technology Transfer and Co-development

Notes: The description of Window 1 will include rationale, scope, expected size, duration of projects, and expected outputs.

The following information for applicants to Window 1 will be provided in Appendix 4: submission form for pre-proposals, criteria for screening of pre-proposals, submission form and guidelines for project proposal, criteria for appraisal of project proposals.

3.2 Window 2: Support to the Implementation of Immediate Action Projects

Notes: The description of Window 2 will include rationale, scope, expected size, duration of projects, and expected outputs. It will follow closely the text adopted for the second call for proposals for Immediate Action Projects. A subsection on expected outputs, which was missing in the second Call for Proposals, will be included.

The following information for applicants to Window 2 will be provided in Appendix 5: submission form and guidelines for pre-proposals, criteria for screening of pre-proposals, submission form for project proposal, criteria for appraisal of project proposals.

LIST OF APPENDIXES

APPENDIX 1: OVERVIEW OF THE PROJECT CYCLE

Notes: this Appendix will provide an overview of the different steps of the project cycle adopted by the Governing Body at its Second Session, and will give information about timelines and other practicalities such as:

- *the Helpdesk function;*
- *information of number of pre-proposals received in previous rounds of the project cycle; provisional target number of pre-proposals to be invited to prepare a full project proposal; provisional target number of proposals to be approved for funding and to be favourably appraised for submission to other donors;*
- *additional considerations, if any, that the Bureau may consider in the approval of project proposals, such as geographical balance.*

APPENDIX 2: LIST OF COUNTRIES ELIGIBLE TO APPLY FOR SUPPORT UNDER THE BENEFIT-SHARING FUND

Notes: The list will be elaborated based on the classification of economies of most the recent World Bank's list.

APPENDIX 3: LIST OF NATIONAL FOCAL POINTS AND PERMANENT REPRESENTATIVES TO FAO OF ELIGIBLE CONTRACTING PARTIES

Notes: Contact information of National Focal Points and Permanent Representatives of eligible Contracting Parties will be provided to applicants.

APPENDIX 4: INFORMATION FOR APPLICANTS TO WINDOW 1

Notes: This Appendix will provide the following information for applicants to Window 1: submission form and guidelines for pre-proposals, criteria for screening of pre-proposals, submission form for project proposal, criteria for appraisal of project proposals.

Based on lesson learned, the submission forms should be improved and a limited number of screening and appraisal criteria for the Window should be developed building upon the selection and eligibility criteria.

APPENDIX 5: INFORMATION FOR APPLICANTS TO WINDOW 2

Notes: This Appendix will provide the following information for applicants to Window 2: submission form and guidelines for pre-proposals, criteria for screening of pre-proposals, submission form for project proposal, criteria for appraisal of project proposals.

Based on lesson learned, the submission forms should be improved and a limited number of screening and appraisal criteria for the Window should be developed building upon the selection and eligibility criteria.

APPENDIX 6: INFORMATION ON PROJECT AGREEMENTS

Notes: This Appendix will provide a summary of the general provisions of the project agreement templates that have legal and financial implications for the applicants.

APPENDIX 7: REQUIREMENTS FROM THE THE GOVERNING BODY ON PROJECTS FUNDED

Notes: This Appendix will provide the decision of the Governing Body, at its Third Session, that plant genetic resources for food and agriculture listed in Annex 1 of the International Treaty resulting from projects funded by the Benefit-sharing Fund shall be made available according to the terms and conditions of the Multilateral System, and information generated by projects funded through the Benefit-sharing Fund shall be made publicly available within 1 year of the completion of the project.