



The International Treaty

ON PLANT GENETIC RESOURCES FOR FOOD AND AGRICULTURE



**FUNDING STRATEGY  
FOR THE IMPLEMENTATION OF  
THE INTERNATIONAL TREATY  
ON PLANT GENETIC RESOURCES FOR  
FOOD AND AGRICULTURE**

## Funding Strategy

### INTRODUCTION

The objectives of the International Treaty on Plant Genetic Resources for Food and Agriculture are the conservation and sustainable use of plant genetic resources for food and agriculture and the fair and equitable sharing of benefits arising out of their use, in harmony with the Convention on Biological Diversity, for sustainable agriculture and food security.

In achieving those objectives funding is a critical element and Article 18.1 of the Treaty already states that the “*Contracting Parties undertake to implement a funding strategy for the implementation of this Treaty*”.

The negotiation process to develop a funding strategy started shortly after entering into force of the International Treaty and it focused in developing Article 18 to enhance the availability, transparency, efficiency and effectiveness of the provision of financial resources to implement activities under the Treaty.

An *Open-ended Working Group on the Rules of Procedure and Financial Rules of the Governing Body, Compliance, and the Funding Strategy* met in Rome in December 2005, reviewed and revised a draft resolution on the Funding Strategy, to which the draft Funding Strategy was annexed. Both texts were submitted to the Governing Body for its consideration at its First Session, as well as a document with Contracting Parties views on, and suggested text for, the Funding Strategy in the form of a compilation.<sup>1</sup>

The Funding Strategy, which seeks to attract financial resources from all possible sources, was adopted on 16 June 2006 in Madrid by Resolution 1/2006<sup>2</sup>.

The importance of cooperation with relevant international mechanisms, funds and bodies for the successful implementation of the Funding Strategy was discussed during the negotiation of the Strategy. Article 18.4a of the Treaty says that “*Contracting Parties shall take the necessary and appropriate measures within the Governing Bodies of relevant international mechanisms, funds and bodies to ensure due priority and attention to the effective allocation of predictable and agreed resources for the implementation of plans and programmes under this Treaty*”.

In the final text adopted the Global Crop Diversity Trust, officially established in 2004 as a fund operating under international law, was recognized as an essential element of the Funding Strategy in relation to the *ex situ* conservation and availability of plant genetic resources for food and agriculture.

Nevertheless the Funding Strategy had not been completed. Three pending annexes were discussed and drafted by an *Ad Hoc* Advisory Committee, composed of seven representatives of Contracting Parties nominated by each of the FAO Regions. The Committee met twice and finalized three of the annexes containing the priorities, eligibility

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<sup>1</sup> Working document IT/GB-1/06/5 and Information document IT/GB-1/06/Inf.8 respectively.

<sup>2</sup> Contained in Appendix F of the Report of the Session IT/GB-2/07/6.

criteria and operational procedures for the allocation of funds under the direct control of the Governing Body, which were adopted at the Second Session of the Governing Body in Rome.

The Governing Body also reconvened the *Ad Hoc* Advisory Committee to continue the work on the Annex 4, but this time with two members from each region. The Committee, under the chairmanship of the Netherlands and Uruguay, finalized the pending annex on reporting requirements under the Funding Strategy of the Treaty. The text was adopted in Tunis in June 2009.

In the meantime, the Benefit-sharing Fund of the Treaty approved in Madrid had been established and the first generous investments from Contracting Parties had been received in 2009. This allowed the Bureau of the Governing Body to open the first call for Project Proposals, following the delegation granted to it during the Second Session by Contracting Parties and the subsequent approval of the grants to projects and activities in eleven countries.

The target for funding was also established by the Governing Body in 2009, at a level of US\$ 116 million for a period of 5 years from 2009 to 2014. Contracting Parties also took note of the Strategic Plan for implementation of the Benefit-sharing Fund of the Funding Strategy<sup>3</sup>.

In the summer of 2010 the Bureau authorized the opening of the Call for Proposals 2010 with the thematic focus to help ensure sustainable security by assisting farmers to adapt to climate change. The call integrated two windows: Strategic Actions Plans and Immediate Actions plans.

A few months later in Bali, the Governing Body adopted a new resolution on the Funding Strategy (3/2011) which contained the *interim* procedures for reporting monitoring and evaluation of the second round of the project cycle (Annex 1) and the *interim* procedures for fund disbursements (Annex 2). The projects approved under the second project cycle were publicly announced in September 2011.

The Secretariat of the International Treaty presents in this booklet all the texts related to the Funding Strategy. Starting with the Article 18 of the Treaty, the booklet contains the text of the Funding Strategy adopted in Spain and those of the annexes adopted later on in Italy and Tunisia. It also includes the resolutions used for its adoption.

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<sup>3</sup> Thanks to the generous contributions of Italy and Spain the Secretariat of the International Treaty has also made available printed illustrated copies of the Strategic Plan.

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### **III.- Further Guidance Provided by the Governing Body on the Funding Strategy**

Report of the First Session of the Governing Body IT/GB-1/06/Report and Resolution 1/2006

Report of the Second Session of the Governing Body IT/GB-2/07/Report

Report of the Third Session of the Governing Body IT/GB-3/09/Report and Resolution 3/2009

Report of the Fourth Session of the Governing Body IT/GB-4/11/Report and Resolution 3/2011

## **I.- Article 18 of the International Treaty**

### **PART VI - FINANCIAL PROVISIONS**

#### **Article 18 – Financial Resources**

18.1 The Contracting Parties undertake to implement a funding strategy for the implementation of this Treaty in accordance with the provisions of this Article.

18.2 The objectives of the funding strategy shall be to enhance the availability, transparency, efficiency and effectiveness of the provision of financial resources to implement activities under this Treaty.

18.3 In order to mobilize funding for priority activities, plans and programmes, in particular in developing countries and countries with economies in transition, and taking the Global Plan of Action into account, the Governing Body shall periodically establish a target for such funding.

18.4 Pursuant to this funding strategy:

(a) The Contracting Parties shall take the necessary and appropriate measures within the Governing Bodies of relevant international mechanisms, funds and bodies to ensure due priority and attention to the effective allocation of predictable and agreed resources for the implementation of plans and programmes under this Treaty.

(b) The extent to which Contracting Parties that are developing countries and Contracting Parties with economies in transition will effectively implement their commitments under this Treaty will depend on the effective allocation, particularly by the developed country Parties, of the resources referred to in this Article. Contracting Parties that are developing countries and Contracting Parties with economies in transition will accord due priority in their own plans and programmes to building capacity in plant genetic resources for food and agriculture.

(c) The Contracting Parties that are developed countries also provide, and Contracting Parties that are developing countries and Contracting Parties with economies in transition avail themselves of, financial resources for the implementation of this Treaty through bilateral and regional and multilateral channels. Such channels shall include the mechanism referred to in Article 19.3f.

(d) Each Contracting Party agrees to undertake, and provide financial resources for national activities for the conservation and sustainable use of plant genetic resources for food and agriculture in accordance with its national capabilities and financial resources. The financial resources provided shall not be used to ends inconsistent with this Treaty, in particular in areas related to international trade in commodities. ;

(e) The Contracting Parties agree that the financial benefits arising from Article 13.2d are part of the funding strategy.

(f) Voluntary contributions may also be provided by Contracting Parties, the private sector, taking into account the provisions of Article 13, non-governmental organisations and other

sources. The Contracting Parties agree that the Governing Body shall consider modalities of a strategy to promote such contributions;

18.5 The Contracting Parties agree that priority will be given to the implementation of agreed plans and programmes for farmers in developing countries, especially in least developed countries, and in countries with economies in transition, who conserve and sustainably utilize plant genetic resources for food and agriculture.

## **II.- Funding Strategy for the Implementation of the International Treaty**

### **I. OBJECTIVE**

1. The objective of the Funding Strategy is to enhance the availability, transparency, efficiency and effectiveness of the provision of financial resources to implement activities under the Treaty.

### **II. AIMS**

2. The aims of the Funding Strategy are:

2.1 The development of ways and means by which adequate resources are available for the implementation of the Treaty, in accordance with Article 18 of the Treaty. Potential sources for financial resources for the Funding Strategy will include:

- a. Financial resources provided by developed country Contracting Parties, which Contracting Parties that are developing countries and countries with economies in transition avail themselves of, through bilateral and regional and multilateral channels;
- b. Financial resources for priority activities, plans and programmes relevant to the implementation of the Treaty provided by relevant international mechanisms, funds and bodies;
- c. Financial resources for national activities for the conservation and sustainable use of plant genetic resources for food and agriculture, in accordance with each Contracting Party's national capabilities and financial resources;
- d. Financial resources resulting from the sharing of monetary benefits arising from the commercialization of plant genetic resources for food and agriculture under Article 13.2d(ii) of the Treaty;
- e. Voluntary contributions from Contracting Parties; the private sector, taking into account the provisions of Article 13, non-governmental organisations and other sources.
- f. Financial resources provided through the Regular Programme of FAO.

2.2 The transparent, efficient and effective utilization of all resources made available under the Funding Strategy, noting that the financial resources provided shall not be used to ends inconsistent with this Treaty, or with other relevant international agreements.

### **III. PRIORITIES**

3. Priorities for support under the Funding Strategy are established, in accordance with the guidance contained in Article 13.4 of the Treaty, to ensure a balanced approach to the implementation of the Treaty, in particular the conservation and sustainable use of plant genetic resources for food and agriculture.

4. The initial priorities will be the priority activity areas of the rolling *Global Plan of Action for the Conservation and Sustainable Utilization of Plant Genetic Resources for Food and Agriculture*, for further development by the Governing Body.

5. Benefits arising from the use of plant genetic resources for food and agriculture that are shared under the Multilateral System should be used for the conservation and sustainable use of Plant Genetic Resources for Food and Agriculture.

#### **IV. RESOURCES UNDER THE DIRECT CONTROL OF THE GOVERNING BODY**

6. Resources under the direct control of the Governing Body include those listed in paragraphs 2.1d-f above.
7. The Governing Body decides on the allocation of funds under its control on the basis of preparatory work of the Secretariat and, in addition, where appropriate, with the assistance of the *Ad Hoc* Advisory Committee;
8. The Governing Body will decide, if appropriate, in due time, on procedures which allow for the allocation of funds by subsidiary bodies to project activities, including the inter-sessional allocation of funds, taking into account the budgetary implications of such decisions.
9. To be eligible for a disbursement, applicants and proposals must meet the criteria set out in *Annex 2* of this document.
10. Operational procedures regarding the receipt and management of these resources, and regarding the receipt of applications for disbursements, the selection of projects for funding, the granting of disbursements and the monitoring of projects funded, are at *Annex 3* of this document.

#### **V. RESOURCES NOT UNDER THE DIRECT CONTROL OF THE GOVERNING BODY**

11. Resources not under the direct control of the Governing Body include those listed in paragraphs 2.1a - c above. These resources may be allocated to crops in *Annex 1* of the Treaty, as well as to other crops not listed therein, in particular to under-utilized crops.
12. A number of international mechanisms, funds and bodies, provide resources in support of activities of relevance to the implementation of the International Treaty. All such funding bodies are encouraged to ensure that due priority and attention is given to the effective allocation of predictable and agreed resources in support of the implementation of the International Treaty. They are invited to use, as appropriate, the priorities identified at *Annex 1* of this document when allocating resources in support of the Implementation of the Treaty, within the context of their mandates.

#### **VI. PROVISION OF INFORMATION RELEVANT FOR THE FUNDING STRATEGY**

13. Information on the mandates, policies, eligibility criteria and procedures of such funding bodies will be collected and maintained by the Secretariat of the International Treaty and made available to Contracting Parties through the website of the Treaty. The facilitating mechanism for the implementation of the *Global Plan of Action* could complement this activity by collecting and providing information on relevant available funds from the Parties.



## **VII. MONITORING**

14. The Governing Body shall monitor the implementation of the Funding Strategy and assess its efficacy through the information, audit and reporting requirements identified in *Annex 4* of this document.

## **VIII. COOPERATION WITH THE COMMISSION ON GENETIC RESOURCES FOR FOOD AND AGRICULTURE**

- 15 Cooperation between the Governing Body and the Commission on Genetic Resources for Food and Agriculture should, as appropriate, facilitate the implementation of the supporting components of the Treaty, in particular, the *Global Plan of Action for the Conservation and Sustainable Utilization of Plant Genetic Resources for Food and Agriculture*.

## **IX. REVIEW**

16. The Governing Body will review this Funding Strategy, including the annexes thereto, once every second regular session or whenever necessary.

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### **LIST OF ANNEXES TO THE FUNDING STRATEGY<sup>4</sup>**

**ANNEX 1:** Priorities for the Use of Resources under the Funding Strategy

The initial priorities will be the priority activity areas of the rolling *Global Plan of Action for the Conservation and Sustainable Utilization of Plant Genetic Resources for Food and Agriculture*, for further development by the Governing Body.

**ANNEX 2:** Eligibility Criteria for the Use of Resources under the Direct Control of the Governing Body:

**ANNEX 3:** Operational Procedures for the Use of Resources under the Direct Control of the Governing Body

**ANNEX 4:** Information and Reporting Requirements under the Funding Strategy

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<sup>4</sup> Annexes 1 to 3 of the Funding Strategy were adopted by the Governing Body at its Second Session in Rome as contained in Appendix D of the Report IT/GB2/07/Report while Annex 4 was adopted at its Third Session in Tunis by Resolution 3/2009 and included in Annex 1 to Appendix D.3

## **ANNEX 1: PRIORITIES FOR THE USE OF RESOURCES UNDER THE FUNDING STRATEGY**

**Taking the rolling Global Plan of Action as a framework, the Governing Body will use the funds at its disposal in the benefit-sharing fund strategically, to play a catalytic role in international cooperation in the area of plant genetic resources for food and agriculture. It will:**

1. Lay the basis for the coherent development of the Funding Strategy.
2. Augment its impact, improve its visibility, and increase transparency in the project selection process.
3. Focus on critical conservation and sustainable use activities in developing countries not adequately funded elsewhere.
4. Avoid duplication of work and take advantage of synergies, including synergies that mobilize greater resources in the overall Funding Strategy.
5. Develop its funding strategy in such a way as to attract voluntary contributions to the benefit-sharing fund.

**Within the priority areas of the Global Plan of Action, the Governing Body will focus on achieving benefits, in a staged process, in the pressing priority areas, identified for a limited period of time. The next iteration of the rolling Global Plan of Action will be important in the identification of future priorities. Based on consultations with Contracting Parties, the initial priorities will be:**

1. Information exchange, technology transfer and capacity-building (reflecting Global Plan of Action priority activities 15 and 19),
  - a. *Building strong national programmes is essential for capacity-building in developing countries and furthering the implementation of the Treaty. It is a prerequisite for sustainability of efforts to strengthen and develop national capacities in the conservation and utilization of plant genetic resources for food and agriculture.*
  - b. *Expanding and improving education and training in developing countries is a sine qua non, in order to build capacity. Education and training is a long-lasting investment in the sustainable management of the diversity of plant genetic resources for food and agriculture in developing countries.*
2. Managing and conserving plant genetic resources on farm (reflecting Global Plan of Action priority activity 2);
  - a. *Supporting on-farm management and conservation of plant genetic resources for food and agriculture is the most direct way of reaching farmers, indigenous and local communities in developing countries to whom benefits should flow. It forms a strong contribution to the maintenance of on-farm diversity of plant genetic resources for food and agriculture. Only by strengthening these efforts can on-farm management of diversity complement ex situ conservation.*
3. The sustainable use of plant genetic resources (reflecting Global Plan of Action priority activities 9, 10, and 11);
  - a. *Expanding the characterization and evaluation of collections is necessary to promote and facilitate their use. More complete characterization and*

*evaluation will increase the relevance of germplasm held ex situ and on farm for breeding.*

- b. Diversification of crop production, genetic enhancement and broadening the genetic base of crops will directly contribute to increasing the sustainability of agricultural production. This will lessen dependence on external inputs, increase productivity, and respond to the challenge of climate change.*

**ANNEX 2: ELIGIBILITY CRITERIA FOR THE USE OF RESOURCES UNDER  
THE DIRECT CONTROL OF THE GOVERNING BODY**

Projects must:

1. Meet the objectives of the International Treaty.
2. Fall within the priorities that will, from time to time, be established by the Governing Body.
3. Benefit Contracting Parties that are developing countries.
4. Be presented through the Contracting Party or Parties concerned.

## **ANNEX 3: OPERATIONAL PROCEDURES FOR THE USE OF RESOURCES UNDER THE DIRECT CONTROL OF THE GOVERNING BODY**

This *Annex* contains Principles, Project Cycle and Selection Criteria.

### **I. Principles**

These operational procedures are based on the following principles:

1. Transparency and impartiality.
2. Simplicity and accessibility.
3. Efficiency and effectiveness.

### **II. Project Cycle**

The project cycle (the period between the meetings of the Governing Body) will normally have a duration of two years and consist of:

1. Opening a call for proposals
  - a. issued by the Governing Body, in the official languages of the Treaty, and containing relevant information and procedures – priority areas;<sup>5</sup> concept note and project documents format; eligibility, selection and approval criteria; timing and deadlines; expected funds available;
  - b. advertisement on the Treaty website and through the national focal points;
  - c. responsibility: prepared by the secretariat, under the guidance of the Bureau, and implemented on the decision of the Governing Body.
2. Submission of pre-proposals
  - a. in any of the Treaty languages plus a translation in either English, French or Spanish;
  - b. according to an agreed format and within agreed deadlines;
  - c. target: 2-3 pages;
  - d. addressing the selection criteria;
  - e. responsibility: Contracting Parties or legal or natural persons, in consultation with the Contracting Party or Contracting Parties in question. The formal submission should be by Contracting Party or Parties in question to the Secretary of the Governing Body;
3. Screening and response to pre-proposals
  - a. according to eligibility criteria;
  - b. according to other relevant criteria established as part of the call for proposals, e.g. budget parameters;
  - c. response to be provided within agreed timelines;
  - d. responsibility: Bureau, on the basis of preparatory work by the Secretariat. The Bureau might work through email, and make its final decisions in a regular meeting.
4. Submission of project proposals from approved pre-proposals
  - a. in any of the Treaty languages plus a translation in either English, French or Spanish;
  - b. according to an agreed format for project documents and within agreed deadlines

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<sup>5</sup> *The Governing Body may wish to address the following issues: whether moneys under the direct control of the Governing Body should, where applicable, only be applied to Annex 1 Crops; whether the germplasm resulting from projects funded by the Governing Body should be made available according to the terms and conditions of the Multilateral System.*

- c. addressing the selection criteria;
  - d. recipient and channels of payment will be identified;
  - e. Contracting Parties to be responsible for making submissions;
  - f. list of submissions to be made public;
  - g. responsibility: Contracting Parties or legal or natural persons, in consultation with the Contracting Party or Contracting Parties in question. The formal submission should be by Contracting Party or Parties in question to the Secretary of the Governing Body.
5. Appraisal of project proposals
    - a. ranking of project proposals according to selection criteria;
    - b. portfolio of project proposals meeting the requirements prepared for approval within agreed deadlines;
    - c. portfolio to be made public;
    - d. responsibility: Bureau, on the basis of recommendations by a panel of experts designated by the Bureau in consultation with their Regions. The panel of experts will work without remuneration with resources provided under the core administrative budget for any meeting necessary.
  6. Approval of projects for funding within the project cycle
    - a. according to the funds at the disposal of the Governing Body in that project cycle;
    - b. according to other possible considerations, such as geographical balance and relative regional needs, distribution across crops, types of activities (e.g. capacity-building and training, conservation and use of plant genetic resources for food and agriculture), the duration of the Project;
    - c. projects not fundable within that year will be presented to donors for possible funding, or may be re-submitted in the following budgetary period;
    - d. responsibility: Governing Body, or, if delegated<sup>6</sup>, the Bureau.
  7. Disbursement
    - a. transparent and secure procedures necessary;
    - b. responsibility: Secretary, according to procedures to be approved by the Governing Body.
  8. Reporting and monitoring
    - a. use of standard reporting and monitoring procedures;
    - b. recipients will report according to a reporting schedule in the project document, and will assess progress at milestones identified in the project document;
    - c. further development of the monitoring procedures can be found in *Appendix II* to the document;
    - d. responsibility for project monitoring: The executing entity develops the monitoring products and deposits them with the Secretary, according to procedures to be approved by the Governing Body.
  9. Independent Evaluation
    - a. use of standard evaluation procedures based on norms and standards of the United Nations Evaluation Group;

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<sup>6</sup> *The Governing Body may wish to delegate the possibility to approve projects between sessions, within an agreed ceiling and up to a limited percentage of the total budget available in the project cycle, and under which circumstances.*

- b. evaluation of the sustainable effects and impacts of projects or groups of projects, providing accountability on results and aiming at facilitating the further development of the Funding Strategy;
- c. evaluation of the components of the Funding Strategy addressed under this annex will be periodically commissioned by the Governing Body;
- d. responsibility for evaluation: the Governing Body.

### **III. Selection Criteria**

1. Project relevance.
  - a. Are the priorities of the Funding Strategy and the strategic principles and priorities established by the Governing Body for the allocation of funds at its disposal clearly incorporated and represented in the proposed goals and expected outputs of the proposal?
  - b. Is the project contributing to a rational global conservation system? Is the project contributing to the Millennium Development Goals, in particular goals 1 and 7?
  - c. What is the relevance of the project to a country's or region's priorities in its plans and programmes for PGRFA? What information is available on such priorities?
  - d. Does the project duplicate activities already carried out or underway? Does the project complement activities already carried out or underway?
2. Feasibility
  - a. Is the proposed activity feasible in terms of resources and timing? In particular, is the budget adequate to fully cover the proposed activities and produce the expected results?
3. Effectiveness and efficiency
  - a. Are the anticipated project costs warranted against the expected project results and benefits?
  - b. Are the types of activities most effective towards achieving the project's net results, its outcome and impact?
4. Benefits and beneficiaries.
  - a. Who are the immediate beneficiaries?
  - b. Will the results of the proposed project, directly or indirectly, reach the proposed beneficiaries?
  - c. What is the potential contribution of the project to economic development?
5. Team composition and capacity.
  - a. Can the capacity of the team be considered sufficient? Does the team include partners with different disciplines?
  - b. Does the project proposal foresee use of available local expertise?
6. Collaboration.
  - a. What is the extent of collaboration promoted by the project proposal?
  - b. How does this collaboration contribute to the effectiveness and efficiency of the project?
  - c. Is there counterpart funding or input in kind by the applicant?
7. Planning and Monitoring.
  - a. Have proper milestones and indicators been incorporated in the project proposal?
  - b. Does the proposal indicate how project progress will be monitored and its impact assessed?
  - c. To what extent is the expected positive impact measurable?

8. Sustainability.
  - a. How sustainable are the activities and beneficial changes introduced by the project?
  - b. Is technology transfer and capacity building realized?
  - c. Has a training component been incorporated?
9. Geographic extension.
  - a. How wide is the geographic scope and impact of the proposed project?
  - b. What is the global and/or regional importance of the project in achieving the objectives of the Treaty?
10. Crop relevance.
  - a. What is the contribution of the crop or crops, for which activities are proposed, to global or regional food security and sustainable utilization?
  - b. What is the relevance of the crop or crops, for which activities are proposed, to the quality and diversity of the human diet or animal feed?
  - c. What is the contribution of the proposed project to conservation and utilization of the crop's or crops' gene pool?
  - d. Is the project addressing the conservation and/or utilization of a crop in one of its centres of diversity?
  - e. To what extent is the gene pool covered by the proposed project activities threatened at a national, regional or global level.



## **INTERIM DISBURSEMENT PROCEDURES**

### **1. Background**

Based on Article 19.3 (h) of the Treaty, the Governing Body has established a Trust Account to receive financial contributions to the Benefit-sharing Fund. In accordance with the Financial Rules of the Governing Body, the Trust Account of the Benefit-sharing Fund is administered by FAO and its accounts and financial management are subject to the policies and procedures of FAO.

### **2. Implementation of the interim disbursement procedures**

The implementation of these interim disbursement procedures shall be in line with the Financial Rules of the Governing Body and consistent with existing FAO financial rules and procedures, as well as other applicable FAO rules and procedures.

### **3. Procedural steps for disbursement of funds**

a) The terms and conditions of disbursement will be set forth in the project agreements. The project agreements will include, *inter alia*:

- a schedule for the disbursement of funds in tranches based on time specific milestones;
- a requirement for an *Implementation Report* from the implementing entity prior to each tranche disbursement.
- a provision authorizing non-payment if project delivery fails.

Responsibility: the Secretary of the Governing Body will develop the project agreements following the FAO template for Letters of Agreement.

b) Payments will be made in the following phases:

- a. An initial payment to follow signature of the project agreement.

Responsibility: the Secretary of the Governing Body will authorize the initial payment.

- b. Interim payments, dependent upon receipt and acceptance of *Implementation Reports*, which includes a financial statement of expenditures signed and certified by a duly designated representative of the executing entity and relevant supporting documentation.

Responsibility: the executing entities will submit *Implementation Reports* to be accepted by the Secretary before authorizing any new payment.

- c. A final payment, dependent upon receipt and acceptance of a *Terminal Report*, which includes a final financial statement of expenditures signed and certified by a duly designated representative of the executing entity and relevant supporting documentation.

Responsibility: the executing entities will submit a *Terminal Report* to be accepted by the Secretary before authorizing the final payment.

**INTERIM PROCEDURES FOR REPORTING, MONITORING AND EVALUATION<sup>7</sup>**

## **1. Objectives**

Monitoring and evaluation have the following overarching objectives:

- a. Promote accountability for the achievement of priorities established by the Governing Body through the assessment of results, effectiveness, processes, and performance.
- b. Promote learning, feedback, and knowledge sharing on results and lessons learned, as a basis for decision-making on policies, strategies, programmes, and project management.

## **2. Procedural steps for reporting, monitoring and evaluation of projects**

The following minimum steps shall be applied to reporting, monitoring and evaluation during the project cycle.

### **1. *Submission of project proposals: design of a monitoring and reporting plan***

- b. A concrete monitoring and reporting plan is included in the full project proposal by the time a project proposal is submitted for appraisal by the panel of experts;
- c. the plan contains:
  - milestones for project implementation;
  - logical framework and indicators for results (outcomes, outputs);
  - baseline for the project, with a description of the problem to be addressed;
  - organizational set-up and budgets for monitoring and evaluation.
- d. the plan is developed according to the templates for project proposals that are attached to the invitation to prepare a full project proposal.
- e. Responsibility: Executing entities, following the format for project proposals prepared by the Secretary.

### **2. *Development of project agreement: monitoring products related to payment schedule***

- a. The project agreement provides a detailed reporting schedule based on *Implementation* and *Terminal Reports*, to which the payment schedule is linked.
- b. The schedule for delivering monitoring products is standard for projects under each window of the Call for Proposals 2010.
- c. Responsibility: the Secretary develops the project agreement following the FAO's template for Letters of Agreement.

### **3. *Project implementation: application of monitoring and reporting plan***

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<sup>7</sup> Appendix II of the Operational Procedures for the use of resources under the direct control of the Governing Body.

- a. The implementation of the monitoring and reporting plan comprises, as a minimum:
  - targets for implementation that are actively used, unless a reasonable explanation for their unapplicability is provided;
  - indicators for results that are actively used, unless a reasonable explanation for their unapplicability is provided;
  - data are compiled to assess progress; and,
  - the organizational set-up is operational and funds are spent as planned.
- b. *Implementation Reports* are submitted periodically to the Secretary according to a reporting schedule with milestones included in the project document and to include:
  - *Financial Reporting component*, including a periodical audited financial statement to the Secretary on the use of received funds.
  - *Result Reporting component*, including a periodical report on progress and results for all activities.
- c. A *Terminal Report* summarizes key successes and challenges for the future, and includes a financial report.
- d. Backstopping missions are carried out, where necessary, including to capture the views of stakeholders and identify solutions to obstacles in project implementation.
- e. Responsibility: Secretary prepares templates for *Implementation* and *Terminal Reports*. Executing entities develop the monitoring products and submit them to the Secretary who arranges backstopping missions in cooperation with multilateral agencies.

### **3. *Independent Evaluation***

- a. A terminal independent evaluation of the project portfolio is conducted at the end of the project cycle.
- b. The minimum requirements for such evaluation are:
  - compliance with norms and standards of the United Nations Evaluation Group.
  - assessing at a minimum:
    - the achievement of outputs and outcomes, and provide ratings for targeted objectives and outcomes;
    - the sustainability of outcomes after project completion, with a scale of rating;
- c. The minimum contents of the terminal evaluation report are:
  - basic data on the evaluation:
    - when the evaluation took place,
    - who was involved,
    - the key questions, and
    - the methodology;

- basic data on the project, including expenditures from the Benefit-sharing Fund and other sources;
  - lessons for broader applicability; and,
  - the terms of reference of the evaluation (in an annex).
- d. The independent evaluation shall be based on visits to the locations of a sample of projects and other mechanisms, such as interviews, questionnaires, focus group discussions.
  - e. The evaluation report shall be submitted to the Secretary within a reasonable time after termination of the projects.
  - f. The evaluation report shall contain findings and recommendations and will be made public through the website.
  - g. Responsibility: the evaluation team is lead by independent experts not involved with the projects and the Benefit-sharing Fund. An approach paper and Terms of Reference for evaluation are prepared by the Secretary and the FAO Evaluation Office. The evaluation report is reviewed, if needed, by the evaluation office of the implementing entity. The evaluation team is solely responsible for the independent evaluation report.

#### **4. Roles and responsibilities of intersessional bodies**

The *Ad Hoc* Advisory Committee on the Funding Strategy provides the Secretary and the Bureau with advice on the monitoring of the project portfolio funded in the second round of the project cycle.

The Bureau of the Governing Body may request information related to the monitoring and evaluation from the project portfolio to the *Ad Hoc* Advisory Committee. The *Ad Hoc* Advisory Committee will inform the Bureau of any issues arising from the monitoring and evaluation that may require the guidance from the Governing Body, so that the Bureau can take it into account in the preparations for the next Session of the Governing Body.

At any stage of the project implementation, the *Ad Hoc* Advisory Committee may recommend that the Bureau consider the suspension or cancellation of a project due to any of the following reasons: (a) financial irregularities in the implementation of the project; (b) material breach and poor implementation performance leading to a conclusion that the project can no longer meet its objectives. Before the *Ad Hoc* Advisory Committee on the Funding Strategy makes its recommendation whether to suspend or cancel a project, the entity executing the project will be given a fair chance to present its views.

## **ANNEX 4: INFORMATION AND REPORTING REQUIREMENTS UNDER THE FUNDING STRATEGY**

*Annex 4* sets out the information and reporting requirements under the Funding Strategy of the Treaty, in order to facilitate the monitoring of the implementation of the Funding Strategy and the assessment of its efficacy by the Governing Body.

The relevant information is to be compiled by the Secretariat. The pertinent elements of the reports to the Governing Body will also be made available through the website of the Treaty.

### **I. Periodicity of information and reporting**

Information and reporting to the Governing Body will normally be provided every two years, or according to the periodicity of the regular sessions of the Governing Body. Reporting periods will normally cover the preceding two full calendar years before meetings of the Governing Body.

### **II. Information and reporting on resources under the direct control of the Governing Body**

The information and reporting on resources under the direct control of the Governing Body will be provided by the Secretariat and will include:

- General overview on and status of funds received and disbursed under the benefit-sharing fund<sup>8</sup>, according to: priorities established under *Annex 1* of the Funding Strategy; beneficiaries by stakeholder groups and geographic area; and crops addressed; and other relevant criteria; in accordance with generally accepted accounting principles, and, as soon as these have been adopted by FAO, in accordance with the International Public Sector Accounting Standards.
- Detailed data on and breakdown of funds received to the benefit-sharing fund, including information on individual contributors, corresponding amounts received, provenance of funds by contributors category and regional distribution;
- Synoptic information on projects funded from the benefit-sharing fund, including project description and status, and reflecting the information generated under the project reporting and monitoring as foreseen in the project cycle in *Annex 3* of the Funding Strategy;
- Assessment and evaluation of the sustainable effects and impacts of the use of resources under the direct control of the Governing Body, according to the independent evaluation procedures set out in the project cycle in *Annex 3* of the Funding Strategy;
- Assessment and evaluation of the overall operation of the benefit-sharing fund, including the receipt, administration and disbursement of funds, and the management of the project cycle;

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<sup>8</sup> The benefit-sharing fund will include:

- Mandatory and voluntary contributions pursuant to Article 13.2 of the International Treaty
- Voluntary contributions from any source to implement the Funding Strategy provided for in Article 18 of the International Treaty

The benefit-sharing fund will be administered through the Trust Account referred to in Article 19.3 (f) of the International Treaty.

- Emerging issues and possible measures that might be considered by the Governing Body to improve the operations of the Funding Strategy regarding resources under the direct control of the Governing Body.

### **III. Information and reporting on resources not under the direct control of the Governing Body**

The information and reporting on resources not under the direct control of the Governing Body provided by Contracting Parties, non-Contracting Parties, international organisations with which the Governing Body has entered into agreements, and relevant international mechanisms, funds and bodies, will be compiled by the Secretariat.

- 1) Information and reporting provided according to standard formats by Contracting Parties and non-Contracting Parties will include:
  - Reporting on the results of measures taken within the Governing Bodies of relevant international mechanisms, funds and bodies, to ensure due priority and attention to the effective allocation of predictable and agreed resources for plans and programmes relevant for the implementation of the Treaty;
  - Reporting on the results of actions taken to promote voluntary contributions from sources within their country for plans and programmes relevant for the implementation of the Treaty;
  - Information on bilateral funding and assistance provided relevant to the Funding Strategy from sources within their country;
  - Information on national activities, plans and programmes for building capacity in plant genetic resources for food and agriculture, and for the conservation and sustainable use of plant genetic resources for food and agriculture.
- 2) Information and reporting provided by international organisations with which the Governing Body has entered into agreements will include:
  - Reporting on resources provided and activities undertaken in support of the implementation of the Treaty.
- 3) Information and reporting provided by relevant international mechanisms, funds and bodies will include:
  - Information on their mandates, priorities, eligibility criteria, procedures and availability of resources relevant to the support of actions for the implementation of the Treaty.

### **III. Further Guidance Provided by the Governing Body on the Funding Strategy**

#### **Report of the First Session of the Governing Body IT/GB-1/06/Report**

#### **RESOLUTION 1/2006**

#### **The Funding Strategy**

#### **THE GOVERNING BODY,**

- (i) **Recalling** that the objectives of the International Treaty on Plant Genetic Resources for Food and Agriculture are the conservation and sustainable use of plant genetic resources for food and agriculture and the fair and equitable sharing of benefits arising out of their use, in harmony with the Convention on Biological Diversity, for sustainable agriculture and food security;
- (ii) **Recalling** that, under Article 18.1 of the Treaty, “*The Contracting Parties undertake to implement a funding strategy for the implementation of this Treaty*”, in accordance with the provisions of Article 18;
- (iii) **Recognizing** that an effective Funding Strategy is critical to the implementation of the Treaty;
- (iv) **Noting** that the Funding Strategy should enhance the availability, transparency, efficiency and effectiveness of the provision of financial resources to implement activities under the Treaty;
- (v) **Noting** that the Funding Strategy should seek to attract financial resources from all possible sources as indicated in Article 18.4 of the Treaty;
- (vi) **Recognizing** that the extent to which Contracting Parties that are developing countries and Contracting Parties with economies in transition will effectively implement their commitments under the Treaty will depend on the effective allocation, particularly by developed country Contracting Parties, of the resources referred to in Article 18 of the Treaty. Contracting Parties that are developing countries and Contracting Parties with economies in transition will accord due priority in their own plans and programmes to building capacity in plant genetic resources for food and agriculture;
- (vii) **Recognizing** the importance of cooperation with relevant international mechanisms, funds and bodies for the successful implementation of the Funding Strategy;
- (viii) **Recalling** that, under Article 18.4a of the Treaty, “*Contracting Parties shall take the necessary and appropriate measures within the Governing Bodies of relevant international mechanisms, funds and bodies to ensure due priority and attention to the effective allocation of predictable and agreed resources for the implementation of plans and programmes under this Treaty*”;



(ix) **Noting** that the Global Crop Diversity Trust is an essential element of the Funding Strategy in relation to the *ex situ* conservation and availability of plant genetic resources for food and agriculture;

(x) **Noting** that voluntary contributions may also be provided by Contracting Parties, the private sector, non-governmental organisations and other sources. The Governing Body shall consider modalities of a strategy to promote such contributions, taking into account the provisions of Article 13 of the Treaty;

(xi) **Noting** that the priority for the Funding Strategy will be the implementation of agreed plans and programmes in developing countries, especially least developed countries, and in countries with economies in transition, who conserve and sustainably utilize plant genetic resources for food and agriculture;

(xii) **Noting** the importance of taking into account the rolling *Global Plan of Action for the Conservation and Sustainable Utilization of Plant Genetic Resources for Food and Agriculture*, when establishing further priorities for the Funding Strategy and when establishing a target for funding, considering also the need for regular updating of the *Global Plan of Action*;

(xiii) **Recognizing** that the Governing Body and Contracting Parties will need to take a number of other actions to support the implementation of the Funding Strategy;

1. **Adopts** the Funding Strategy;<sup>9</sup>

2. **Mandates** the Secretariat of the Treaty to take the necessary steps to facilitate the provision by developed country Contracting Parties of adequate resources for the implementation of the Treaty in Contracting Parties that are developing countries and countries with economies in transition;

3. **Requests** Contracting Parties and **invites** non-Contracting Parties to undertake, as appropriate, the following actions in support of the implementation of the Funding Strategy:

a. To take the necessary and appropriate measures within the Governing Bodies of relevant international mechanisms, funds and bodies, to ensure due priority and attention to the effective allocation of predictable and agreed resources for plans and programmes relevant for the implementation of the Treaty;

b. To promote voluntary contributions from sources within their country for plans and programmes relevant for the implementation of the Treaty.

c. To report to the Governing Body, as appropriate, on the results of actions they have taken in line with items (a) and (b) above, to be made available through the website of the Treaty;

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<sup>9</sup> Contained in the *Appendix F* to the Report.

- d. To provide information to the Secretariat on bilateral assistance provided in line with the reporting provisions of *Annex 4* of the Funding Strategy, to be made available through the website of the Treaty;
4. **Invites** Contracting Parties, in particular developed countries, to provide information to the Secretariat on bilateral funding relevant to the Funding Strategy from sources within their country, to be made available through the website of the Treaty;
5. **Requests** that the Global Crop Diversity Trust cooperate with the Governing Body on the basis of a Relationship Agreement, in accordance with Article 7 of the Constitution of the Global Crop Diversity Trust, including the Governing Body's authority to provide overall policy guidance to the Trust on all matters within the purview of the Treaty, as well as the reporting obligations of the Trust to the Governing Body;<sup>10</sup>
6. **Invites** the Consultative Group on International Agricultural Research to provide, through its activities, support to the implementation of the Funding Strategy, and to report to the Governing Body on these activities;
7. **Invites** the Global Environment Facility, the World Bank and the Regional Development Banks to take steps to ensure that their activities will include support for the conservation and sustainable use of agricultural biodiversity and thereby contribute towards the objectives of the Treaty, and to report to the Governing Body on these activities;
8. **Calls upon** relevant international mechanisms, funds and bodies to attribute due priority to activities within their mandates relevant to the implementation of the Treaty;
9. **Invites** the governing bodies of all relevant international mechanisms, funds and bodies to provide information on their mandates, priorities, eligibility criteria and procedures relevant to the support of actions for the implementation of the Treaty, to be made available through the website of the Treaty;
10. **Requests** the Secretariat of the Treaty to positively pursue, with the secretariats of relevant international mechanisms, funds and bodies, means by which they might contribute to the implementation of the Funding Strategy of the Treaty, and the possibility of establishing memoranda of understanding with the Governing Body in this regard;
11. **Invites** Contracting Parties, the private sector, including the Food Processing and other value-added Industries, non-governmental organizations, and all other interested parties, to make voluntary contributions to the Funding Strategy;

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<sup>10</sup> *Note by the Secretariat:* the Relationship Agreement was approved by the Governing Body at this session, and signed by FAO, on behalf of the Governing Body, and by the Global Crop Diversity Trust. The Relationship Agreement was attached as *Appendix M* to the Report.

12. **Invites** Contracting Parties, relevant international mechanisms, funds and bodies, and providers of relevant services, to propose initiatives to address priorities established for the Funding Strategy;

13. **Invites** Contracting Parties to provide information to the Secretariat of the Governing Body on their own plans and programmes for building capacity in plant genetic resources for food and agriculture, and for the conservation and sustainable use of plant genetic resources for food and agriculture, to be made available through the website of the Treaty;

14. **Decides** to establish, in accordance with Article 19.3f of the Treaty, a Trust Account for receiving and utilizing financial resources, which accrue to it for the purposes of implementing the Treaty, and acknowledges that appropriate procedures, including eligibility criteria and operational procedures, for the use of this account remain to be approved by the Governing Body;

15. **Decides** to establish an *Ad Hoc* Advisory Committee, composed of seven representatives of Contracting Parties, with one representative nominated by each of the FAO Regions. This Committee will, in particular, draft, on the basis of the preparatory work of the Secretariat and information provided by the Parties, priorities, eligibility criteria and operational procedures for the allocation of funds under the direct control of the Governing Body, for the consideration of the Governing Body. The meetings of this Committee will be subject to the availability of funds;<sup>11</sup>

16. **Urges** Contracting Parties, and **invites** other Governments, to consider the provision of financial resources for facilitating its work, including for holding meetings of this Committee.

17. **Requests** the Commission on Genetic Resources for Food and Agriculture to support the development of the Funding Strategy, in the context of its work in relation to the supporting components of the Treaty, including the *Global Plan of Action for the Conservation and Sustainable Utilization of Plant Genetic Resources for Food and Agriculture* and its Facilitating Mechanism;

18. **Requests** the Secretariat of the Treaty to undertake such actions as are necessary to facilitate the implementation of this Resolution and of the Funding Strategy.

(Adopted on 16 June 2006)

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<sup>11</sup> *Note by the Secretariat:* Five countries pledged US\$ 5,000 each towards the holding of a meeting of the *Ad Hoc* Advisory Group: Austria, Canada, Finland, Germany and Spain.

## Report of the Second Session of the Governing Body IT/GB-2/07/Report

### IMPLEMENTATION OF THE FUNDING STRATEGY OF THE TREATY

44. The Governing Body considered document, *Report of the Ad Hoc Advisory Committee on the Funding Strategy*,<sup>12</sup> which was presented by the Chair of the *Committee*, Mr Bert Visser (The Netherlands). It thanked the Chair and the other members of the *Committee* for the excellent work.
45. The Governing Body adopted, as *annexes* to the Funding Strategy, Priorities; Eligibility Criteria; and Operational Procedures for the use of resources under its direct control, as contained in *Appendices D.1, D.2 and D.3*, respectively.
46. In relation to the further development of the operational procedures for the Funding Strategy, the Governing Body agreed that the Secretary closely collaborate with the Executive Secretary of the *Global Crop Diversity Trust*, to learn from the Trust's experiences.
47. The Governing Body decided to delegate responsibility for project approval between sessions to the Bureau, under exceptional circumstances and for smaller scale projects.
48. The Governing Body considered the document, *Implementation of the Funding Strategy*,<sup>13</sup> recalling that the Governing Body had adopted the Funding Strategy at its First Session. The above document identifies possible actions described under five main activity areas.
49. Several Contracting Parties recalled Article 18.4(b) which specifies that *the extent to which Contracting Parties that are developing countries and Contracting Parties with economies in transition will effectively implement their commitments under this Treaty will depend on the effective allocation, particularly by the developed country Parties, of the resources referred to in this Article. Contracting Parties that are developing countries and Contracting Parties with economies in transition will accord due priority in their own plans and programmes to building capacity in plant genetic resources for food and agriculture*. They expressed their disappointment at the slow pace of implementation of the Funding Strategy, and noted linkages between the mobilization of financial resources and the compliance provisions of the Treaty, stressing the need for clear signals from developed country partners of their willingness to fulfil their agreed commitments under the Treaty.
50. The Governing Body stressed that the successful mobilization of adequate financial resources is essential to the implementation of the Treaty, and that the Funding Strategy was an essential element in this regard. It emphasized the need for Contracting Parties to provide financial resources for national activities for the conservation and sustainable use of plant genetic resources for food and agriculture, in

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<sup>12</sup> IT/GB-2/07/07

<sup>13</sup> IT/GB-2/07/08

accordance with Article 18.4(d) of the Treaty, taking into account the *Global Plan of Action for the Conservation and Sustainable Utilization of Plant Genetic Resources for Food and Agriculture*.

51. The Governing Body generally agreed with the list of possible actions provided in the document by the Secretary, and in particular, Activity 1: Supporting Contracting Parties in Taking Measures to Ensure Effective Allocation of Resources for the Funding Strategy; and Activity 5: Reconvening of the *Ad Hoc* Advisory Committee on the Funding Strategy.
  
52. The Governing Body decided to reconvene the *Ad Hoc* Advisory Committee on the Funding Strategy providing the terms of reference for its work, as contained in *Appendix D.4*, which include the development of a strategic plan for the implementation of the Funding Strategy. It noted that the Committee may, where appropriate, also promote implementation of elements of the strategic plan, prior to its consideration by the Governing Body at its Third Session, in consultation with the Secretary and the Bureau.
  
53. The Governing Body decided that support for the participation of representatives from developing countries in the meetings of the Committee should be provided from the *Trust Fund to Support the Participation of Developing Countries*. The Governing Body urged Contracting Parties to consider the provision of additional financial resources for this purpose. It suggested that the Committee should, whenever possible, be convened back to back with other FAO meetings.

## Report of the Third Session of the Governing Body IT/GB-3/09/Report

### IMPLEMENTATION OF THE FUNDING STRATEGY OF THE INTERNATIONAL TREATY

26. The Governing Body considered the document, *Report on actions taken by the Secretary on the implementation of the Funding Strategy*,<sup>14</sup> and the information document, *Report by the Bureau on the First Project cycle of the Benefit-sharing Fund*.<sup>15</sup>
27. The Governing Body noted the list of the eleven projects approved by the Bureau to be funded under the Benefit-sharing Fund and welcomed the progress made in the operation of the Benefit-sharing Fund. It expressed its gratitude for the generous contributions to the Benefit-sharing Fund made by Italy, Spain, Norway and Switzerland, and commended the Norwegian decision to provide 0.1% of the annual value of all seed sold in its territory, as an example of innovative approaches to allow for the provision of resources to the Benefit-sharing Fund on a regular and predictable basis.
28. The Governing Body noted the very positive response to the first call for proposals under the Benefit-sharing Fund. It thanked the experts who evaluated the project proposals for their valuable assistance, and commended the work of its Bureau in approving the projects. It recognized the importance of the initiation of project approval from the funds under the direct control of the Governing Body as a major step in the implementation of the International Treaty.
29. The Governing Body considered the document, *Report of the Co-Chairs of the Ad Hoc Advisory Committee on the Funding Strategy*,<sup>16</sup> which was presented by the Co-Chairs of the Committee, Ms Ana Berretta (Uruguay) and Mr Bert Visser (the Netherlands). It thanked the Co-Chairs and the other members of the Committee for their excellent work. The Governing Body reiterated the crucial importance of an effective Funding Strategy and noted that resources should be mobilized from all possible sources.
30. The Governing Body adopted a resolution on the Funding Strategy, Resolution 3/2009, as contained in *Appendix A.3*.

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<sup>14</sup> IT/GB-3/09/8.

<sup>15</sup> IT/GB-3/09/Inf.11.

<sup>16</sup> IT/GB-3/09/7.

**RESOLUTION 3/2009**  
**IMPLEMENTATION OF THE FUNDING STRATEGY OF THE TREATY**

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**THE GOVERNING BODY,**

**PART I**  
**ANNEX 4 OF THE FUNDING STRATEGY**

**Recalling** that the aims of the Funding Strategy are the development of ways and means by which adequate resources are available for the implementation of the International Treaty, and the transparent, efficient and effective utilization of all resources made available under the Funding Strategy;

1. **Adopts** Annex 4 of the Funding Strategy, *Information and Reporting Requirements under the Funding Strategy*, as contained in Annex 1 to this Resolution;

**PART II**  
**THE STRATEGIC PLAN FOR THE IMPLEMENTATION OF THE BENEFIT-SHARING FUND OF THE FUNDING STRATEGY**

**Recalling** that the aims of the Funding Strategy are the development of ways and means by which adequate resources are available for the implementation of the International Treaty, and the transparent, efficient and effective utilization of all resources made available under the Funding Strategy;

**Recalling** that the effective implementation of the Funding Strategy is critical to the implementation of the International Treaty;

**Emphasizing** Article 18.1, as well as Articles 18.3 and 18.4 b, c and f of the International Treaty;

**Recognizing** that successful resource mobilization requires initial investment in the resource mobilization itself;

2. **Welcomes** the Strategic Plan for the implementation of the Benefit-sharing Fund of the Funding Strategy, as contained in Appendix 2 of document *Report of the Co-Chairs of the Ad Hoc Committee on the Funding Strategy: Draft Strategic Plan for the Implementation of the Benefit-sharing Fund of the Funding Strategy*<sup>17</sup>, and **agrees** that this plan will constitute a basis for the implementation of the Benefit-sharing Fund of the Funding Strategy by the Secretariat and the Contracting Parties;

3. **Reaffirms** the commitment of Contracting Parties to implement Article 18, in particular Article 18.4 b and c;

4. Based on Article 18.3, **establishes** a target of US\$ 116 million between July 2009 and December 2014. This target may be reviewed by the Governing Body on a regular basis;

5. **Decides** to reconvene the *Ad Hoc* Advisory Committee on the Funding Strategy, with

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<sup>17</sup> IT/GB-3/09/7 App. 2.

Terms of Reference, as contained in *Annex 2* to this Resolution:

- i. to advise the Bureau and the Secretary on resource mobilization efforts, including on innovative approaches;
  - ii. to advise the Bureau and the Secretary on the operation of the Benefit-sharing Fund, including on the disbursement and reporting procedures;
  - iii. to address remaining issues within the full remit of the Funding Strategy, i.e. not only the Benefit-sharing Fund but also other elements of the Funding Strategy, in particular resources not under the direct control of the Governing Body;
  - iv. to advise on the monitoring of the implementation of the overall Funding Strategy and on the assessment of its efficacy;
  - v. to report on the progress of its work to the Bureau of the Governing Body and to present the result of its work in the Fourth Session of the Governing Body;
6. **Agrees** to engage “goodwill ambassadors” who will contribute to increasing public awareness, making the case for the Benefit-sharing Fund and presenting it to decision-makers, and **requests** the Secretary, in consultation with the Bureau, to invite appropriate individuals;
7. **Takes full note** of the Strategic Plan’s section on resource and staffing implications, and **requests** the Secretary to engage adequate fundraising services with the aim to reach the above-mentioned target;
8. **Invites** Contracting Parties to explore, including with relevant stakeholders, the development of innovative approaches to allow for the provision of resources to the Benefit-sharing Fund, including on a regular and predictable basis;

### **PART III OPERATIONALIZATION OF THE FUNDING STRATEGY**

**Recalling** Resolution 1/2006 on the Funding Strategy;

**Recognizing** the importance of making concrete progress in the operationalization of the Funding Strategy;

**Taking** into account the experiences gained in the first project cycle of the Benefit-sharing Fund of the Funding Strategy of the International Treaty;

**Recalling** that the Operational Procedures for the Use of Resources under the Direct Control of the Governing Body are based on the following principles:

- 1) Transparency and impartiality;
  - 2) Simplicity and accessibility;
  - 3) Efficiency and effectiveness;
9. **Decides** that:
- i. any governmental or non-governmental organization, including genebanks and research institutions, farmers and farmers’ organizations, and regional and international organizations, based in countries that are Contracting Parties to the



- International Treaty, may apply for grants under the Benefit-sharing Fund;
- ii. the list of Contracting Parties eligible to apply for support under the Benefit-sharing Fund will be prepared by the Secretary for each round of the project cycle, based on a complete list of developing countries derived from the most recent World Bank's classification of economies;
  - iii. 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;
10. **Requests** the Secretary to:
- i. consult within FAO, in order to find interim arrangements for the disbursement of funds, and project reporting and monitoring, for the conclusion of the first project cycle;
  - ii. make the necessary practical arrangements, and proceed with the disbursement of funds for the approved projects under the Benefit-sharing Fund of the International Treaty;
  - iii. continue collaborating with the Executive Secretary of the Global Crop Diversity Trust and other international organizations in the further development and implementation of operational procedures; and
  - iv. develop disbursement, reporting and monitoring procedures for the operation of future project cycles, for consideration and approval by the Governing Body at its Fourth Session.
11. **Thanks** the Executive Secretary of the Global Crop Diversity Trust for the support to the Secretary of the International Treaty in the development and execution of the first call for proposals under the Benefit-sharing Fund;
12. **Thanks** the experts who evaluated the projects for their valuable assistance and **decides** that in future rounds of the project cycle, the Panel of Experts for project proposal appraisal will be composed of at least two experts per region in each project cycle, selected by the Bureau, in consultation with the regions, from a roster of experts;
13. **Requests** the Secretary to bring project proposals favourably appraised but not funded during the first project cycle to the attention of relevant international mechanisms, funds and bodies, both bilateral and multilateral, in accordance with paragraph 6.c of the Operational Procedures;
14. **Invites** relevant international mechanisms, funds and bodies to consider those project proposals favourably, and to inform the Secretary of the funding and progress of those projects, as part of the Funding Strategy, for reporting to the Governing Body at its Fourth Session; and
15. **Decides** to delegate authority for the execution of the project cycle during the next biennium 2010/2011 to the Bureau.

## V. CLOSING REMARKS

1. With this report the *Ad Hoc* Advisory Committee on the Funding Strategy has ended its work. The Co-chairs are confident that the Governing Body will recognize the need for appropriate attention to the full operationalization of the Funding Strategy and will give due attention to the advice of this Committee to continue its work in another form.
2. The Co-chairs wish the Governing Body wisdom in dealing with this central element of the implementation of the International Treaty and are confident that major steps towards the International Treaty's success can be made at the present session.

## Report of the Fourth Session of the Governing Body IT/GB-4/11/Report

### IMPLEMENTATION OF THE FUNDING STRATEGY OF THE INTERNATIONAL TREATY

21. The Governing Body considered the documents, *Report on the Implementation of the Funding Strategy*<sup>18</sup> and *Implementation of projects approved under the Second Round of the Project Cycle of the Benefit-Sharing Fund: Interim procedures and arrangements*.<sup>19</sup>

22. The Governing Body considered the document, *Report of the Co-Chairs of the Ad Hoc Advisory Committee on the Funding Strategy*,<sup>20</sup> which was presented by the Co-Chair of the Committee, Mr Bert Visser (the Netherlands).

23. The Governing Body adopted a resolution on the Funding Strategy, Resolution 3/2011, as contained in *Appendix A.3*.

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<sup>18</sup> IT/GB-4/11/9.

<sup>19</sup> IT/GB-4/11/9 Add.1.

<sup>20</sup> IT/GB-4/11/8.

**RESOLUTION 3/2011**  
**IMPLEMENTATION OF THE FUNDING STRATEGY OF THE TREATY**

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**THE GOVERNING BODY,**

**Recalling** Resolution 1/2004 by which the Governing Body adopted the Funding Strategy;

**Recalling** Articles 13.2, 13.3, 18 and 19.3f of the International Treaty;

**Recalling** that the Governing Body, at its Third Session, welcomed the *Strategic Plan for the implementation of the Benefit-sharing Fund of the Funding Strategy* and agreed that this Plan constitutes a basis for resource mobilization for the Benefit-sharing Fund by the Secretariat and the Contracting Parties, with a target of mobilizing US\$ 116 million between July 2009 and December 2014;

**Commending** that the implementation of the Fund through voluntary contributions is ahead of the target established in the *Strategic Plan for the Implementation of the Benefit-sharing Fund*;

**Welcoming** the official recognition of the Benefit-sharing Fund of the Treaty as an Adaptation Funding Mechanism under the Adaptation Funding Interface of the UN Framework Convention on Climate Change (UNFCCC) and the dissemination of the Call for Proposals 2010 by the Executive Secretary of the Convention on Biological Diversity;

**Recalling** that, at its Third Session, it requested the Secretary to develop disbursement, reporting and monitoring procedures for the operation of future project cycles, including by following advice from the *Ad Hoc* Advisory Committee on the Funding Strategy; and to continue collaborating with international organizations in the further development of operational procedures;

**PART I: RESOURCE MOBILIZATION FOR THE BENEFIT-SHARING FUND**

1. **Welcomes** the excellent progress in the implementation of the *Strategic Plan*, which has exceeded the target of mobilizing US\$ 10 million in the first eighteen months, and that these funds are now available for the second round of the project cycle of the Benefit-sharing Fund;
2. **Warmly thanks** the governments of Australia, Canada, Ireland, Indonesia, Italy, Norway, Spain and Switzerland for their voluntary contributions to the Benefit-sharing Fund and expresses its gratitude for their support to the International Treaty;
3. **Warmly welcomes** the establishment of partnerships with IFAD and UNDP that have facilitated, *inter alia*, the mobilization of additional financial resources in support of the second round of the project cycle of the Benefit-sharing Fund;
4. **Thanks** the High-level Task Force for resource mobilization for its support to the

Benefit-sharing Fund and *requests* it to continue active support of the Fund;

5. *Commends* the Secretary for having spearheaded the successful resource mobilization efforts and *requests* him to further intensify his efforts in accordance with the Strategic Plan;

6. *Acknowledging* that substantial funds have been raised so far but that reaching the target of US\$ 116 million by 2014 remains a challenging task, *calls* upon Contracting Parties and invites other donor prospects to make multi-annual and direct investments to the Benefit-sharing Fund to increase financial sustainability and *requests* the Secretary to foster direct and long-term relationships and seek multi-annual commitments when approaching donors;

7. *Emphasizes* the need for the Secretary to further enhance and promote partnerships with donors and to profile the Fund among high level political decision makers;

8. *Emphasizes* the importance of implementing the modalities for resource mobilization as set out in the Strategic Plan for reaching its funding target and that the Governing Body should retain full responsibility and autonomy over the operation of the Benefit-sharing Fund;

9. *Emphasizes* the need to further explore innovative approaches in engaging voluntary donors to the Benefit-sharing Fund, in particular various private sector prospects such as the seed and the food processing industry;

10. *Emphasizes* the need to limit the overhead fees for the fund raising for the purpose of the Benefit-sharing Fund in order for the Benefit-sharing Fund to remain attractive for potential donors, acknowledging that part of the capacity of the Secretariat will be used for general management of the Benefit-sharing Fund, and in particular the project cycle.

## **PART II: OPERATIONS OF THE BENEFIT-SHARING FUND**

### ***Implementation of the first round of the project cycle***

11. *Welcomes* the progress made in the implementation of the 11 small-grant projects approved for funding at the Third Session of the Governing Body, funded under the first round of the project cycle of the Benefit-sharing Fund and *requests* the Secretary to prepare and make available a summary report on the implementation and impact of this first project portfolio;

12. *Emphasizes* that plant genetic resources for food and agriculture listed in *Annex I* of the International Treaty resulting from the projects funded under the first round of the project cycle shall be made available according to the terms and conditions of the Multilateral System, and that information generated by these projects shall be made publicly available within 1 year of the completion of the project and *requests* the Secretariat to develop practical and simple measures and systems that will facilitate that the entities implementing such projects meet such requirements;

### ***Implementation of the second round of the project cycle***

13. *Welcomes* the thematic focus of the Call for Proposals 2010 to help ensure sustainable food security by assisting farmers to adapt to climate change, and the Call's

structure that integrates the realization of Strategic Action Plans with the implementation of Immediate Action Projects;

14. **Thanks** the Bureau and the *Ad Hoc* Advisory Committee on the Funding Strategy for the intergovernmental work carried out to support the design and execution of the second round of the project cycle of Benefit-sharing Fund as well as the high level international experts engaged by the Secretary;

15. **Welcomes** the establishment of the Helpdesk function to support the elaboration of pre-proposals and full project proposals during the second round of the project cycle;

16. **Welcomes** the progress made so far by the Panel of Experts on the appraisal of project proposals submitted under the second round of the project cycle of the Benefit-sharing Fund and **recognizes** that the Panel did not have sufficient time to complete its work;

17. **Emphasizes** the importance of finalizing the appraisal of project proposals with the highest quality standards to meet the high expectations on the Benefit-sharing Fund, from applicants, Contracting Parties, donors and possible partner organizations of the Fund;

18. **Requests** the Panel of Experts to finalize the appraisal in a reasonable period of time, on the basis of the recommendations provided by the Bureau of the Fourth Session of the Governing Body in order to ensure that quality and technical merit determine the appraisal and approval of project proposals and **requests** the Secretary and the Co-chairs of the Panel to facilitate the work of the Panel by ensuring a clear, transparent and simple procedure for the Panel to conclude its task;

19. **Requests** the Panel to submit their recommendations on the appraisal to the Bureau of the Fifth Session of the Governing Body;

20. **Adopts** interim procedures for reporting, monitoring and evaluation of the second round of the project cycle, as contained in *Annex 1* of this Resolution, and interim procedures for fund disbursement, as contained in *Annex 2* of this Resolution, to be applied in the implementation of the second round of the project cycle of the Benefit-sharing Fund;

21. **Requests** the Secretary to collaborate with international organizations and relevant FAO units and offices in the monitoring and evaluation of projects approved in the second round of the project cycle of the Benefit-sharing Fund, and to conclude the necessary agreements to set forth institutional arrangements with partners for the implementation of projects approved in the second round of the project cycle;

#### ***Implementation of future rounds of the project cycle***

22. **Emphasizes** the importance of enhancing sustainable food security by assisting farmers to adapt to climate change, and for this purpose, **requests** the Secretary to develop a mid-term programmatic approach for the Benefit-sharing Fund, building upon the thematic focus of the Call for Proposals 2010 and in full alignment with the priorities adopted by the Governing Body and submit it to the Governing Body, at its Fifth Session, for approval;

23. **Decides** to delegate authority for the execution of the project cycle during the next biennium 2012/13 to the Bureau of the Fifth Session of the Governing Body and **requests** the

Secretary to prepare, for the Bureau, a report on lessons learnt during the execution of the first and second rounds of the project cycle to support the design and execution of the project cycle and its future rounds;

24. **Emphasizes** that quality, relevance according to selection criteria, and technical merit shall determine, in a transparent manner, the appraisal and approval of full project proposals in future rounds of the project cycle and **recalls** the elements adopted by the Governing Body at its Second Session – *Appendix D*.<sup>21</sup> that allow fair<sup>22</sup> distribution of benefits, and in addition **acknowledges** the importance of an inclusive process to which all regions feel committed, noting that the provision of helpdesk functions and language facilities, as well as support workshops, contributes to such a goal;

***Further operationalization of the Benefit-sharing Fund, including procedures and institutional arrangements***

25. **Acknowledges** the importance and value of building partnerships with international organizations, on a non-exclusive basis, to enhance the impact of the Benefit-sharing Fund, including with regard to resource mobilization and Fund programming, and the effectiveness of the Fund's operation, including by relying as much as possible on designated implementing entities;

26. **Recognizes** the importance of developing and sustaining the capacity within the Secretariat of the Treaty on resource mobilization and the execution of the next rounds of the project cycle;

27. **Requests** the Secretary to use the *interim* procedures adopted for the second round of the project cycle as a basis for further work with a view of considering and adopting procedures for future rounds of the project cycle at the Fifth Session of the Governing Body;

28. **Notes with appreciation** the expressions of interest by FAO, the Global Crop Diversity Trust, IFAD, UNDP, UNEP, UNOPS, CATIE, Oxfam Novib and the World Bank to support the further operationalization of the Benefit-sharing Fund;

29. **Welcomes** the progress made toward Memoranda of Cooperation with IFAD and UNDP to support the further development of the Benefit-sharing Fund and the overall implementation of the Treaty;

30. **Requests** the Secretary to continue establishing partnerships with relevant international organizations as well as bilateral donors to support the Benefit-sharing Fund, and develop a standard procedure and cooperation framework for the establishment of partnerships for submission to the Bureau, for its review;

31. **Requests** the Secretary to bring the work of the Fund to the attention of the other fora;

32. **Requests** the Secretary that the information and the reporting under the direct control

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<sup>21</sup> *Operational Procedures for the Use of Resources under the direct control of the Governing Body*, Document IT/GB-2/07/Report.

<sup>22</sup> Does not imply imposition of quota per region.

of the Governing Body, in accordance with Appendix 4 of the Funding Strategy, will be provided to the Governing Body, at its Fifth Session;

**PART III: MONITORING THE IMPLEMENTATION OF THE FUNDING STRATEGY: RESOURCES NOT UNDER THE DIRECT CONTROL OF THE GOVERNING BODY**

33. *Welcomes* the information compiled by the Secretariat on resources not under the direct control of the Governing Body, and emphasizes the importance of regular provision of such information to raise the profile of the Funding Strategy of the Treaty and to assess gaps and synergies in its implementation and *requests* the Secretary to intensify its efforts to compile further information;

34. *Takes note* of the *Report of the Global Crop Diversity Trust* for the implementation of the Funding Strategy, and *calls* for enhanced cooperation between the Trust and the Treaty;

35. *Requests* the Secretary to strengthen cooperation with other international organizations to support the implementation of the Funding Strategy;

**PART IV: INTERGOVERNMENTAL WORK ON THE FUNDING STRATEGY DURING THE NEXT INTERSESSIONAL PERIOD: DRAFT TERMS OF REFERENCE FOR THE AD HOC ADVISORY COMMITTEE ON THE FUNDING STRATEGY**

*Emphasising* the importance of experience in the Committee on issues of fundraising, project execution and fund programming;

36. *Decides* to reconvene the *Ad Hoc* Advisory Committee on the Funding Strategy, with the following Terms of Reference:

- i. advise the Governing Body on resource mobilization efforts;
- ii. advise the Governing Body on the operation of the Benefit-sharing Fund, including on:
  - design and structure of the next call for proposals;
  - appraisal of pre-proposals;
  - support the work of the Bureau in screening the pre-proposals;
  - review of implementation of project portfolio funded by the first and second rounds of the project cycle of the Benefit-sharing Fund;
  - review of the Operational Procedures of the Benefit-sharing Fund;
- iii. advise the Governing Body on the monitoring of the implementation of the overall Funding Strategy;
- iv. search for ways to make the operations of the Committee as cost-effective as



possible, *inter alia*, by making optional use of electronic communications;

- v. report on the progress of its work to the Governing Body at its Fifth Session.
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