



October 2008

Item 5 of the Draft Provisional Agenda
INTERNATIONAL TREATY ON PLANT GENETIC RESOURCES FOR FOOD AND AGRICULTURE
THIRD MEETING OF THE <i>AD HOC</i> ADVISORY COMMITTEE ON THE FUNDING STRATEGY
Rome, Italy, 16 – 17 October 2008
REPORTS RELATED TO THE IMPLEMENTATION OF THE FUNDING STRATEGY FROM INTERNATIONAL ORGANISATIONS

I. INTRODUCTION

1. At its Second Session, the Governing Body of the International Treaty on Plant Genetic Resources for Food and Agriculture mandated the *Ad hoc* Advisory Committee on the Funding Strategy to elaborate *Annex 4* of the Funding Strategy, *Information and Reporting Requirements under the Funding Strategy*, for consideration by the Governing Body at its Third Session.¹
2. For the preparation of the reporting and information requirements, the Committee might find it useful to consider past reports from international organisations on their contribution to the implementation of the Funding Strategy as background information.
3. In accordance with Article 3.3 of the *Relationship Agreement* between the Global Crop Diversity Trust and the Governing Body, the Executive Board of the Trust submitted a report on the Trust's activities to the Governing Body at its Second Session, as included in *Appendix 1*. The text of the Relationship Agreement is contained in *Appendix 2*.
4. Following an invitation by the Governing Body at its First Session, Bioversity International on behalf of International Agricultural Research Centres (IARCs) of the Consultative Group on International Agricultural Research (CGIAR) submitted a report regarding the activities of the CGIAR to support the implementation of the Funding Strategy to the Governing Body at its Second Session, as included in *Appendix 3*.

¹ IT/GB-2/07/Report, *Appendix D.4*

Appendix 1

REPORT FROM THE EXECUTIVE BOARD OF THE GLOBAL CROP DIVERSITY TRUST TO THE GOVERNING BODY OF THE INTERNATIONAL TREATY ON PLANT GENETIC RESOURCES FOR FOOD AND AGRICULTURE**I. INTRODUCTION**

1. The Executive Board of the Global Crop Diversity Trust is pleased to submit its first annual report on the Trust's activities to the Governing Body as provided for by Article 3.3 of the *Relationship Agreement* between the two entities.

2. As the *Relationship Agreement* notes, the Trust was established in the form of an endowment with the objective of "providing a permanent source of funds to support the long-term conservation of the ex situ germplasm on which the world depends for food security". Furthermore, the *Agreement* notes the FAO Global Plan of Action's call for the "development and support of a rational, efficient and sustainable system of genetic resources collections around the world". The activities the Trust is reporting were conceived and are being implemented through a science-based approach in furtherance of these goals.

II. TRUST ACTIVITIES

3. The Trust has recently launched a major initiative to secure the biological basis of agriculture and promote new and fuller use of crop genetic resources. This initiative comes in addition to, but is also a prerequisite for complementary efforts to provide for the long-term conservation of crop diversity. The International Treaty, as the text of the *Relationship Agreement* with the Trust notes, provides that "due attention be given to the need for adequate documentation, characterization, regeneration and evaluation, and for promoting the development and transfer of appropriate technologies for this purpose [...] and further provides for the encouragement and development of international plant genetic resources networks and the development and strengthening of a global information system".

4. Below, is a brief description of the Trust's contribution to each of the areas specified above by the Treaty, as noted by the *Relationship Agreement* with the Trust.

III. REGENERATION OF THREATENED, GLOBALLY-IMPORTANT CROP DIVERSITY

5. The Trust anticipates providing financial support to regenerate distinct and threatened samples now held in some 120 collections in developing countries. In identifying specific collections for support, the Trust has benefited from "Global Crop Strategies" formulated by crop experts. More than 500 experts from 120 countries were involved in this process and, among other things, identified which collections collectively would comprise the gene pool of each crop. Regeneration of threatened accessions was identified as a high priority and a matter of urgency in the Crop Strategies, as well as in numerous informal discussions that took place with delegates to the *First Session of the Governing Body of the International Treaty*. The Trust is responding to this perceived emergency, which was also highlighted in the *First Report on the State of the World's Plant Genetic Resources for Food and Agriculture* and the *Global Plan of Action*.

6. The Trust is focusing its initial regeneration efforts on 22 crops listed in *Annex I of the International Treaty*.² The Trust is now contacting holders of the identified priority collections in more than 40 developing countries to propose a partnership for the regeneration of relevant accessions.

7. Because not all diversity will be covered and thus secured by dealing with the identified priority collections alone, the Trust is approaching each of the 15 regional Plant Genetic Resources for Food and Agriculture (PGRFA) networks to propose projects to identify and regenerate the remaining diversity held in other collections. Partnerships with the regional networks will effectively encompass all developing countries.

8. The Trust expects to invest more than US\$ 3.75 million in this process in developing countries. The initiative should result in the regeneration of more than 165 000 threatened accessions over the course of four years.

IV. SAFETY DUPLICATION

9. The Trust has entered into a tripartite agreement with the Government of Norway and the Nordic Gene Bank concerning the management, operation and funding of the Svalbard Global Seed Vault. During the last year, the Trust has provided technical and organizational support to the Seed Vault. The tripartite agreement calls for the Trust to provide funding for its ongoing operation.

10. The Trust is supporting the packaging and shipment to Svalbard of the collections held in trust by the Centers of the CGIAR under agreements with the Governing Body of the International Treaty, and will provide similar support to the priority collections referred to above that are held in developing countries, as well as to the material regenerated through regional networks.

V. INFORMATION SYSTEMS

11. The Trust will support the development of two information systems, one to be applied at the institute level to improve management of collections, and the other globally to facilitate and improve the flow of genetic resources and associated information in line with the International Treaty.

12. The Trust is currently contracting for the development of a new *gene bank management software system*. The Trust anticipates the system will be based on an existing and very comprehensive software programme. The new version, however, will be capable of operating on a personal computer platform, without license fees. The system will be offered free of charge, and in different major languages. Training will be provided individually or through networks, as feasible, to developing countries wishing to install the system.

13. The Trust will also support the development of a global *Accession Level Information System*. National and other gene banks would link to this system voluntarily, providing plant breeders and researchers with the capacity of searching globally for

² Banana, barley, bean, breadfruit, cassava, chickpea, coconut, cowpea (*Vigna* sp.), fababean, finger millet, grass pea (*Lathyrus*), maize, major aroids (e.g., taro, cocoyam), lentil, pearl millet, pigeon pea, potato, rice, sorghum, sweet potato, wheat, yam.

accessions and traits of interest. This system should serve to promote the Treaty's access and benefit-sharing provisions by making accessions more visible and easy to identify.

14. Information systems are only as good as the information that goes into them. In July 2007, the Trust announced a *Competitive Awards Scheme for Enhancing the Value of Crop Diversity* to enable researchers and other users to screen collections for important characteristics and to make the information generated publicly available. Priority will be given to screening for characters of greatest importance to the poor, and especially those relevant in the context of climate change. The Trust anticipates providing funding to screen at least 50 collections during the next three years.

VI. RESEARCH

15. The Trust will not typically be a funding source for research. However, the long-term *ex situ* conservation of certain crops is difficult due to technical reasons, whereas *in situ* conservation exposes such collections to risks and makes distribution of germplasm difficult due to phytosanitary restrictions. Examples of such crops include sweet potato, yam, coconut, breadfruit, and major aroids, all *Annex I crops*. The Trust intends to finance basic research on one or more of these crops with the aim of developing robust techniques for its/their cryopreservation.

VII. LONG-TERM CONSERVATION AND AVAILABILITY OF CROP DIVERSITY

16. The chief mission of the Trust is to ensure the long-term conservation and availability of crop diversity.

17. The first grant agreement providing for recurring support to a collection was concluded in late 2006 with the International Rice Research Institute (IRRI). IRRI maintains in trust, under an agreement with the Governing Body, the largest, most diverse, and most accessed rice collection in the world. Both IRRI and the Trust have set aside funds, the income from which ensures the IRRI gene bank of being able to maintain its current level of funding and operations forever. This is an historic agreement that brings stability and security to the most important collection of arguably the most important crop in the world to food security.

VIII. INSTITUTIONAL MATTERS

18. The Executive Board of the Global Crop Diversity Trust held its first meeting in Rome in April 2007. Ambassador Fernando Gerbasi, Chairperson of the Interim Panel of Eminent Experts (IPEE), opened the meeting, handing over the governance of the Trust to the newly-chosen members of the Executive Board who elected Margaret Catley-Carlson as Chairperson and Wangari Maathai as Vice-Chairperson.

19. The Executive Board wishes to pay tribute to the members of the IPEE for their extraordinary leadership and service in establishing the Trust and to thank them for the smooth transition to the current governance structure. It wishes to note the cooperation, assistance, and many contributions of FAO and Bioversity International to the founding and

operation of the Trust. It also wishes to thank the 25 countries that have formally adopted or ratified the Trust's *Establishment Agreement*.³

20. Approximately US\$ 94 million has now been pledged (and US\$ 39.7 million received and invested) towards the Trust's endowment, and a total of US\$ 134 million raised (including the amount pledged to the endowment). According to the Trust's business plan, 4.5 percent can be drawn from the endowment annually. Investment returns have been good, exceeding withdrawals by a comfortable margin. Nevertheless, significant new contributions will be required if the Trust is to achieve its goal of ensuring the conservation of the biological foundation of agriculture and future food security.

21. Sixteen countries (including developed and developing) as well as a number of foundations, associations and companies have contributed funds and joined the Trust's Donors' Council. The Council meets annually and provides financial oversight and advice on such matters to the Executive Board. In addition a number of individuals have contributed to the Trust.

22. More information about the Trust's strategy, programmes and finances can be found at: <http://www.croptrust.org>

23. In closing, the Executive Board would like to use the occasion of its *First Report to the Governing Body of the International Treaty* to reaffirm its commitment to the mission of the Trust as specified in the Constitution, and to the *Relationship Agreement* concluded with the Governing Body of the International Treaty in Madrid. The Executive Board, four members of which were chosen directly by the Governing Body, looks forward to continuing and strengthening the constructive and cooperative relationship that already exists between the Trust and the Governing Body.

24. Submitted by the Executive Board of the Global Crop Diversity Trust, 13 August 2007.

Members:

-Dr Margaret Catley-Carlson (Chairperson)
Chairperson of the Global Water Partnership⁴

-Prof Wangari Maathai (Vice-Chairperson)
Nobel Peace Prize Laureate
Member of Parliament (Kenya)

-Mr Lewis Coleman (Chair, Finance and Investment Committee)
President and Chief Financial Officer of DreamWorks Animation
Director, Northrop Grumman Corporation

-Prof Sir Peter Crane
John & Marion Sullivan University Professor at the University of Chicago

³ In order of ratification: Egypt, Cape Verde, Jordan, Togo, Morocco, Syria, Samoa, Ethiopia, Tonga, Peru, Mali, Ecuador, Colombia, Sweden, Mauritius, Serbia and Montenegro, Cameroon, Cambodia, Pakistan, Romania, Uganda, Kenya, Australia, Ghana, India.

⁴ Organizational affiliations are provided for identification purposes only.

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- Ambassador Jorio Dauster
Board Chairman, Brasil Ecodiesel

 - Prof Adel El-Beltagy
Chair of the Global Forum on Agricultural Research (GFAR)
Professor at the Faculty of Agriculture/Ain Shams University

 - Prof Cary Fowler
Executive Secretary, Global Crop Diversity Trust

 - Prof John Lovett
Chairperson of the Cooperative Research Centre for National Plant Biosecurity,
Australia

 - Dr José María Sumpsi Viñas
Assistant Director-General, Agriculture and Consumer Protection Department of
FAO

 - Mr Karl Erik Olsson
Farmer

 - Dr Mangala Rai
Secretary of the Government of India's Department of Agricultural Research and
Education (DARE)
Director-General of the Indian Council for Agricultural Research (ICAR)

Appendix 2

RELATIONSHIP AGREEMENT BETWEEN THE GLOBAL CROP DIVERSITY TRUST AND THE GOVERNING BODY OF THE INTERNATIONAL TREATY ON PLANT GENETIC RESOURCES FOR FOOD AND AGRICULTURE**Preamble**

WHEREAS the Global Plan of Action for the Conservation and Sustainable Use of Plant Genetic Resources for Food and Agriculture adopted at the International Technical Conference on Plant Genetic Resources for Food and Agriculture in Leipzig in June 1996 (hereinafter referred to as the “Global Plan of Action”) provides for the development and support of a rational, efficient and sustainable system of genetic resources collections around the world;

WHEREAS the International Treaty on Plant Genetic Resources for Food and Agriculture (hereinafter referred to as the “International Treaty”) adopted by the Conference of the Food and Agriculture Organization of the United Nations (hereinafter referred to as “FAO”) at its Thirty-first Session in November 2001 provides for Contracting Parties to cooperate to promote the development of an efficient and sustainable system of *ex situ* conservation, and further provides for a Funding Strategy for the implementation of the International Treaty;

WHEREAS the International Treaty also provides that due attention be given to the need for adequate documentation, characterization, regeneration and evaluation, and for promoting the development and transfer of appropriate technologies for this purpose with a view to improving the sustainable use of plant genetic resources for food and agriculture, and further provides for the encouragement and development of international plant genetic resources networks and the development and strengthening of a global information system;

WHEREAS FAO and the Future Harvest Centres of the Consultative Group on International Agricultural Research (hereinafter referred to as the “CGIAR”) have promoted the establishment of a Global Crop Diversity Trust, in the form of an endowment with the objective of providing a permanent source of funds to support the long-term conservation of the *ex situ* germplasm on which the world depends for food security, to operate as an essential element of the Funding Strategy of the International Treaty, with overall policy guidance from the Governing Body of the International Treaty, and within the framework of the International Treaty;

WHEREAS the FAO Commission on Genetic Resources for Food and Agriculture, at its Ninth Regular Session in October 2002, recorded that the initiative to establish a Global Crop Diversity Trust was universally appreciated and supported, and appealed to donors to assist in its establishment;

2

WHEREAS at the invitation of FAO and the International Plant Genetic Resources Institute (hereinafter referred to as "IPGRI") acting on behalf of the Future Harvest Centres of the CGIAR, a number of countries, acting on behalf of the international community, have established the Global Crop Diversity Trust, defined its Constitution, and provided it with international legal personality;

WHEREAS it was the understanding of the Parties to the Agreement for the Establishment of the Global Crop Diversity Trust that the Trust and the Governing Body of the International Treaty¹, would enter into a separate Agreement, recognizing the Trust as an essential element of the Funding Strategy of the International Treaty and providing that the Trust will operate under the overall policy guidance of the Governing Body of the International Treaty;

NOW THEREFORE the Parties hereto agree as follows:

Article 1 - Purpose of the Agreement

The Global Crop Diversity Trust (hereinafter referred to as "the Trust") and the Governing Body of the International Treaty) shall cooperate in accordance with the terms and conditions set out in the present Agreement.

Article 2 - Recognition of the Trust

The Trust is recognized as an essential element of the Funding Strategy of the International Treaty in relation to the *ex situ* conservation and availability of plant genetic resources for food and agriculture.

Article 3 - Relationship of the Trust with the Governing Body of the International Treaty

(1) The Governing Body of the International Treaty shall provide overall policy guidance to the Trust on all matters within the purview of the International Treaty.

(2) In accordance with the Constitution of the Trust, the Governing Body shall appoint four members to serve on the Executive Board of the Trust, of whom at least two shall be from developing countries.

(3) The Executive Board shall submit an annual report on the activities of the Trust to the Governing Body of the International Treaty.

¹ As the Governing Body does not possess its own international legal personality, the agreement is concluded by FAO acting on behalf of, and with the approval of, the Governing Body.

Article 4 - Executive independence of the Trust

Subject to the provisions of Article 3, the Trust and its Executive Board shall have full executive independence in managing the operations and activities of the Trust and in taking decisions relating to the raising and investment of funds and the operation of the Trust including decisions relating to the allocation of grants from the Trust.

Article 5 - Settlement of disputes

(1) Any dispute concerning the implementation of this Agreement shall be settled by mutual consent.

(2) Failing mutual consent, such dispute may be submitted, at the request of either Party, to an arbitral tribunal composed of three members. Each party shall appoint one arbitrator. The two arbitrators thus appointed shall designate by mutual consent the third arbitrator, who will act as the presiding arbitrator of the tribunal.

(3) If within two months after the receipt of a Party's notification of the appointment of any arbitrator the other Party has not notified the first Party of the arbitrator he has appointed, the first Party may request the Secretary-General of the Permanent Court of Arbitration to appoint the second arbitrator.

(4) If within two months after the appointment of the second arbitrator the two arbitrators have not agreed on the choice of the presiding arbitrator, such presiding arbitrator shall be designated by the Secretary-General of the Permanent Court of Arbitration at the request of either party.

(5) Unless the Parties decide otherwise, the tribunal shall determine its own procedure.

(6) A majority vote of the arbitrators shall be sufficient to reach a decision, which shall be final and binding for the Parties to the dispute.

Article 6 - Amendments of the Agreement

This Agreement may be amended by mutual agreement between the Parties.

Article 7 - Entry into Force

This Agreement shall come into force upon its signature by the Parties hereto.

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Article 8 - Termination

This Agreement may be terminated by either Party upon one year's written notice to the other Party. In that event, the Parties will agree on measures for the orderly conclusion of ongoing activities

Article 9 - Depositary

The Director-General of FAO shall be the depositary of this Agreement.

Article 10 - Authentic texts

The Arabic, Chinese, English, French, Russian and Spanish texts of this Agreement are equally authentic.

Signed by the Parties hereto on 16 June 2006

**FAO on behalf of the Governing
Body of the International Treaty
on Plant Genetic Resources
For Food and Agriculture**

The Global Crop Diversity Trust

Signature: 

Name: Shivaji Pandey

Title: Director, AGP

Signature: 

Name: Ambassador Fernando Gerbasi

Title: Chair, IPEE

Appendix 3

**REPORT OF ACTIVITIES OF THE CONSULTATIVE GROUP ON
INTERNATIONAL AGRICULTURAL RESEARCH (CGIAR) ON THE
IMPLEMENTATION OF THE FUNDING STRATEGY****I. Introduction**

1. By letter of 10 July 2007, the Secretary of the International Treaty on Plant Genetic Resources for Food and Agriculture (the Treaty) requested Bioversity International, on behalf of the Centres of the Consultative Group on International Agricultural Research (CGIAR), to provide a report about CGIAR support to the implementation of the Funding Strategy of the Treaty.

2. The purpose of this paper is to identify the financial contributions that the Centres of the CGIAR have made in the recent years to the realization of the following Articles/Parts of the Treaty:

- a. Article 5: conservation, exploration, collection, characterization, evaluation and documentation of plant genetic resources for food agriculture.
- b. Article 6: sustainable use of plant genetic resources.
- c. Part IV: the multilateral system of access and benefit-sharing.
- d. Article 15: *ex situ* collections of plant genetic resources for food and agriculture held by the International Agricultural Research Centres of the Consultative Group on international agricultural research and other international institutions.
- e. Article 17: the global information system on plant genetic resources for food and agriculture.

**II. Correlating CGIAR reporting to the Treaty Articles 5, 6, 15, 17
and Part IV of the Treaty**

3. CGIAR Centre outputs in their mid-term plans are classified into five research categories: Germplasm Improvement, Germplasm Collection (which includes conservation, characterization and evaluation); Sustainable Production; Policy; and Enhancing National Agricultural Research Systems (NARS). All of these outputs contain some elements that are relevant to the implementation of the Treaty Articles listed above. The correlation between these outputs and Treaty Articles is described in each of the following subsections.

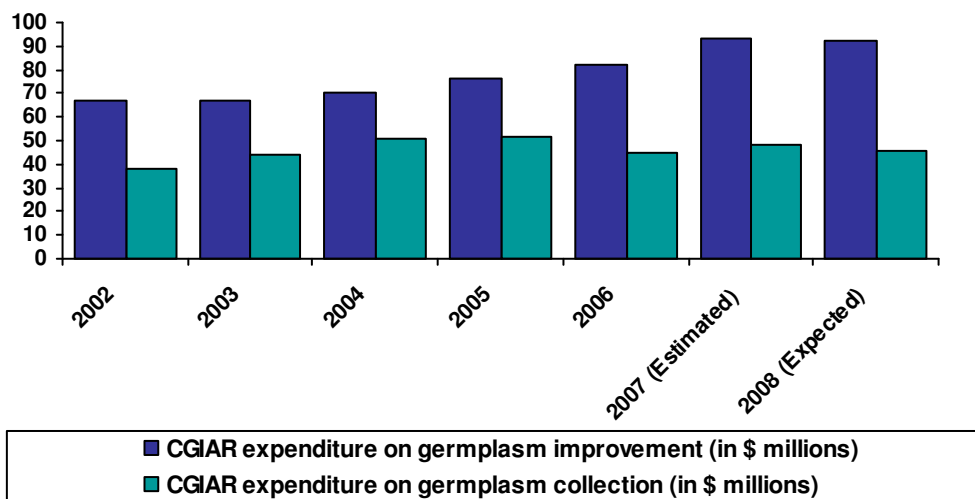
III. CGIAR Centres' contributions to Articles 5 and 6 (see fig.1)

4. In the last five years (2002-2006), the CGIAR Centres contributed an average of USD \$72 000 000 per year or 18 percent of their cumulative annual research investment on Germplasm Improvement. These activities correlate to, and fall under, Article 6 of the Treaty.

5. The CGIAR Centres spent an average of USD\$ 46 000 000, 12 percent of the annual research investment, on Germplasm Collection (including conservation, characterization and evaluation). These are activities which correlate to, and fall under, Article 5 of the Treaty.

6. Figure 1 shows the CGIAR Centres' actual financial expenditures with respect to these two categories of outputs from 2002 to 2006, as well as the expected expenditures for 2007 and 2008.

Fig. 1

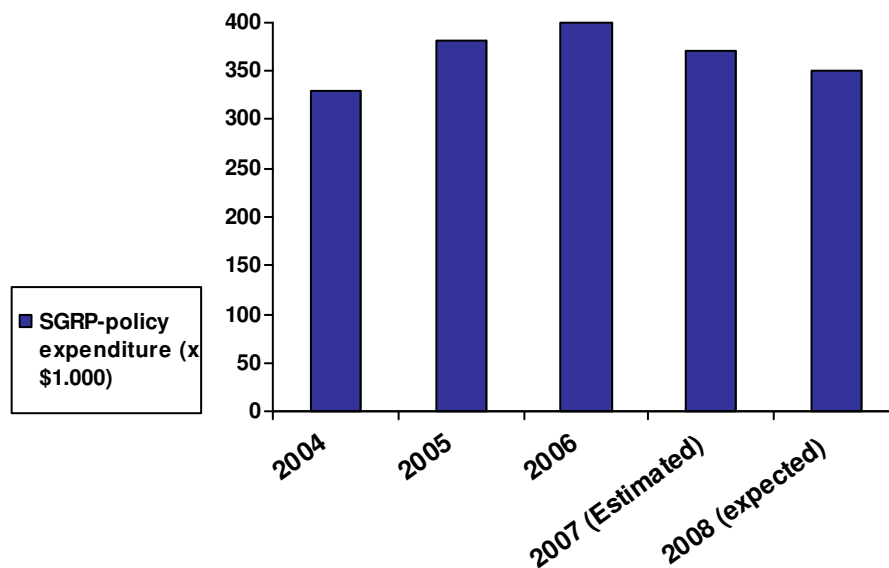


IV. CGIAR Centres' contributions to Article 15 and Part IV (see fig.2) through the SGRP

7. The CGIAR System-wide Genetic Resources Programme (SGRP) was created to promote technical and policy coherence across the individual Centres' genetic resources programmes. The SGRP's goal is to maximize collaboration among the Centres in five thematic areas: policy; public awareness and representation; information; knowledge and technology; and capacity building related to genetic resources. The SGRP supports research and technical capacity in support of the Centres' implementation of the Treaty. It also coordinates representation of the CGIAR in international genetic resources policy making forums, including international meetings of the FAO Commission on Genetic Resources for Food and Agriculture Commission (CGRFA) and the Governing Body of the Treaty.

8. In recent years, a substantial portion of the financial support of the SGRP for genetic resources policy work has been dedicated to supporting the Centres' signing agreements with the Governing Body, as anticipated in Article 15 of the Treaty, and implementing their responsibilities pursuant to those agreements. SGRP policy-related expenditures are therefore listed as contributions to Article 15 and Part IV of the Treaty. In the years 2002-2006, the SGRP spent an average of USD\$370 000 per year on these activities, as represented in Figure 2.

Fig. 2

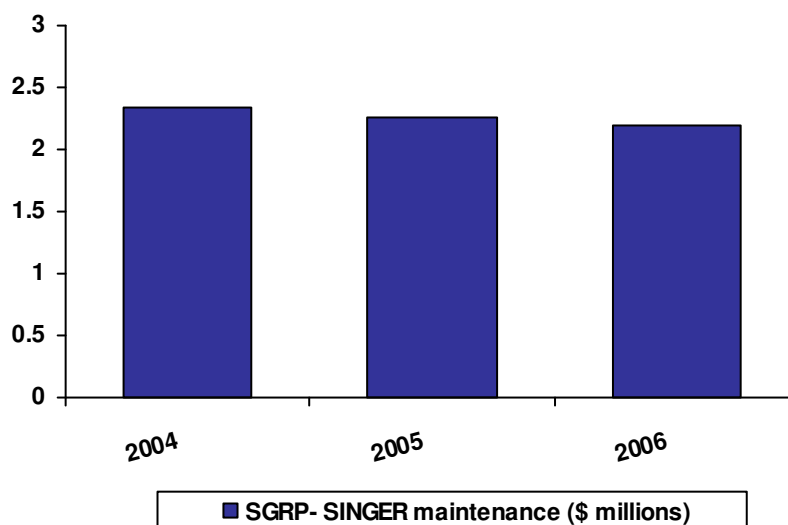


9. It is important to note that the figures included in this table represent finances pooled and spent through a specific system-wide collaborative mechanism, that is, the SGRP. It does not include additional expenditures and activities undertaken on a Centre-by-Centre basis on policy-related activities that are relevant to the implementation of Article 15 and Part IV.

V. CGIAR Centres' contributions to Article 17 through the SGRP

10. The SGRP is also in charge of maintaining the System-wide Information Network for Genetic Resources (SINGER). The maintenance of SINGER is relevant, and correlates, to Article 17 of the Treaty. From 2002-2006, the SGRP spent an average of USD\$ 2 265 000 per year on SINGER.

Fig. 3



11. Again, it is important to note that the figures included in this table represent finances pooled and spent through a specific system-wide collaborative mechanism, that is, the SGRP. It does not reflect additional expenditures and activities undertaken on a Centre-by-Centre basis in the maintenance of their own crop-specific or Centre-specific information systems that are potentially very relevant to Article 17.

VI. Conclusion

12. CGIAR financial records highlight a gradual increase in resources allocated towards germplasm improvement. Annex 1 shows that between 1972 and 1999 germplasm improvement consisted an average of 55 percent of research investment. From 2000 to 2006, the percentage of funding allocated to germplasm improvement, out of the total amount spent on research, decreased to an average of 18 percent. However, the amount invested by the CGIAR Centres for this period in germplasm improvement has increased dramatically compared to the earlier period (1972-1999) (see *Appendix 1*).

13. Research investment for germplasm collection (including conservation, characterization and evaluation) increased dramatically from 1972-2001 and remained stable thereafter.