

July 2018



Food and Agriculture
Organization of the
United Nations



The International Treaty
ON PLANT GENETIC RESOURCES
FOR FOOD AND AGRICULTURE

**INTERNATIONAL TREATY ON PLANT GENETIC RESOURCES
FOR FOOD AND AGRICULTURE**

**TENTH MEETING OF THE *AD HOC* ADVISORY COMMITTEE ON THE
FUNDING STRATEGY AND RESOURCE MOBILIZATION**

Rome, Italy, 5 – 7 September 2018

FUNDING STRATEGY TARGET SETTING: METHODOLOGY OPTIONS

This document contains methodology options for establishing the targets of the Updated Funding Strategy for the consideration of the *Ad Hoc* Advisory Committee on the Funding Strategy and Resource Mobilization.

It responds to the decision made by the Governing Body at its Seventh Session, through Resolution 3/2017, to develop the updated Funding Strategy, including to establish the targets for the overall Funding Strategy, and for the Benefit-sharing Fund.

Through the same Resolution, the Governing Body also took note of the *Annotated Outline of the Updated Funding Strategy* which contains guiding text in relation to the setting of targets. The text of Section III, paragraph 20 of the Annotated Outline, includes that targets for the Funding Strategy will be set for a given timeframe and reviewed periodically. It also notes that setting the initial target requires that baseline information be gathered and thereafter kept updated and that the Secretary will develop a methodology for gathering and updating such information, including through studies by the Secretary.

Section IV, paragraph 34 notes that targets for the Fund for Agreed Purposes and the Benefit-sharing Fund shall be derived from the recommendations of the Committee on the Funding Strategy and might not coincide with the timeframe established by the Governing Body for the overall Funding Strategy.

This document also considers Article 18.3 of the Treaty text which states that the Governing Body shall periodically establish a target for funding in order to mobilize funding for priority activities, plans and programmes, taking the Global Plan of Action into account.

Funding Strategy Target Setting: Methodology Options

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This document was prepared at the request of the Secretariat of the International Treaty on Plant Genetic Resources for Food and Agriculture.

The content of this document is entirely the responsibility of the author and does not necessarily represent the views of the Secretariat of International Treaty on Plant Genetic Resources.

Funding Strategy Target Setting: Methodology Options

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1. Introduction

The Governing Body through Resolution 3/2017 (the Resolution) decided to reconvene the *Ad Hoc* Advisory Committee on the Funding Strategy and Resource Mobilization (the Committee) with a mandate, *inter alia*, to establish targets for the overall Funding Strategy and for the Benefit-sharing fund (BSF).¹ In the Annotated Outline of the Updated Funding Strategy, the Resolution,² also indicates that “under the programmatic approach targets for the Funding Strategy will be set for a given timeframe and reviewed periodically” and that “setting the initial target requires that baseline information be gathered and thereafter kept updated.” Furthermore, the Resolution states that “the Secretary will develop a methodology for gathering and updating such information”, indicating a number of potential data sources, including studies undertaken by the Secretary.

This document is one such study and proposes methodology options for the identification of targets for the overall Funding Strategy and the BSF. In doing so, it details the strengths and limitations of each option identified.

This document begins by illustrating the rationale behind the methodology options, followed by a section detailing the different methodologies being proposed, and closes with a short conclusion.

The process of establishing targets for the Updated Funding Strategy is considered an iterative one. This initial document focuses on the different methodologies proposed for consideration of the Committee in relation to target setting, but it does not provide targets

¹IT/GB-7/17/Res3, para. 7.

²IT/GB-7/17/Res3, annex, para. 20.

nor target estimates at this stage. Proposing targets for the Updated Funding Strategy is anticipated to take place in the subsequent phase of the process, following the discussions and guidance of the Committee.

While this document is the result of a comprehensive review, including scientific literature, studies and documents provided by international organizations, it should not be considered exhaustive. It should be considered as a starting point in the process and could be further expanded on and enriched through the outcomes of the forthcoming discussions at the meeting of the Committee.

2. Background overview and rationale behind methodology options

A common point arising from the assessment of funding and resource mobilization strategies of multi-lateral organizations and agencies is the recognition that the current funding environment is increasingly competitive and populated by a growing number of development agencies.³ In addition, donor and recipient needs are evolving rapidly and new emerging issues are appearing,⁴ thus the overall funding environment for PGRFA is swiftly changing too.⁵

Donors are increasingly supporting programmes where they can participate in planning decisions, and where relevant and measurable outcomes and impacts can be achieved.⁶ Thus, the Updated Funding Strategy and more specifically, the related targets established should not be considered in isolation (FAO, 2015), but need to be tightly and coherently integrated with the overall strategic framework of the organization, or institution, in this case the International Treaty.

³ The Director of South-South Cooperation and Resource Mobilization Division of FAO has provided a good synthesis: “There is no doubt that mobilizing resources is increasingly competitive, given the rise of numerous development actors and the rapidly changing donor landscape. Resource Mobilization has become a more challenging exercise, demanding a mix of knowledge and skills to ensure focused and tangible development results for the Organization’s partners, as well as value for money” (FAO, 2015).

⁴ For example, global awareness on “climate change” has increased dramatically in the last decade, increasing the overall resources mobilized for addressing it.

⁵ Changes in the funding environment are recognized in the Annex to the Resolution 3/2017, para. 8: “There have been changes in the funding landscape and the Benefit-sharing Fund and other funding mechanisms under the direct control of the Governing Body need to adapt and evolve to donor and recipient needs, thus increasing its potential to attract adequate, and diverse funding that ensures a long- term perspective. Consequently, the updated Funding Strategy should respond to emerging funding trends, providing flexibility to adapt to a changing environment and ensure an efficient and coherent funding approach across Treaty mechanism”.

⁶ For example, for catalysing finance for the SDGs, the United Nations Development Assistance Frameworks request the UN “to shift from the funding of individual projects to the financing of transformative change. While funding is about transferring resources from a financial contributor to a recipient, financing is about structuring different financial flows to achieve a common result. The shift from funding to financing (F2F) will entail developing the UN capacity to influence different sources of public, private, domestic and international finance to achieve collective, transformative, sustainable development results” (UNDG, 2017).

While expressing goals in quantified monetary terms is common practice in business activities, for international multi-lateral organizations, funding targets are often considered more instrumental to achieving well-defined and measurable needs. Thus, financial goals, should not always be considered as the ultimate objective but as a means for achieving the objectives of the institution that are carefully formulated in their strategic frameworks or plans.

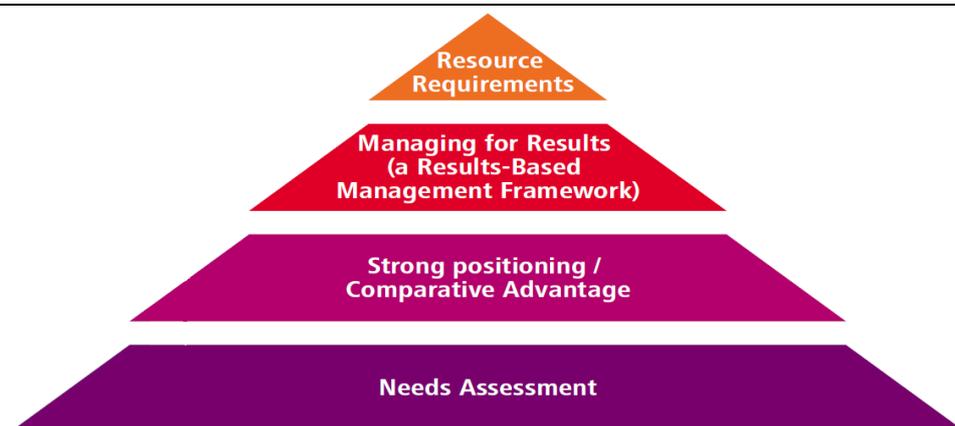


Figure 1. Phases for developing a programme framework. Source, FAO (2012)

For example, the FAO guide on resource mobilization (2012) lists a four-stage strategic process (Figure 1), of which identifying the monetary resources needed for the achievement of the organization’s objectives and priorities is the last. The first three stages include: 1. Priority/need assessment definition; 2. Development of the comparative advantage of the organization in achieving its priorities; and 3. Development of a results-based framework for monitoring achievement of progress.

The coherency and interdependency between the various stages and the overall strategic plan, are thus guiding principles for resource mobilization efforts of several multi-lateral organizations and agencies such as IFAD⁷ and FAO⁸. The same approach was followed in the development of the previous Strategic Plan for the implementation of the BSF of the funding strategy (International Treaty, 2009). Similarly, by Resolution 3/2017, the Governing Body stressed the importance to follow a “programmatic approach” for the updated Funding Strategy to achieve Treaty implementation in an effective manner.⁹

⁷ The IFAD strategic framework (2016) recognizes the need to simultaneously mobilize more resources (bigger), to strengthen the quality of programmes through partnerships and policy engagement (better) and to deliver results that respond to the partner countries’ evolving needs (smarter).

⁸ For example, the FAO Corporate Resource Mobilization and Management Strategy is based on the need to secure resources to support FAO’s Strategic Framework, and to support the achievement of FAO’s objectives at the global, regional, sub regional and country level, adapting itself to changes in the resource environment, as well as FAO’s strategic orientation (FAO, 2011).

⁹ “The programmatic approach for the Benefit-sharing Fund should bring together resource mobilization, allocation and disbursement in an integrated manner, and be integrated into the overall Funding Strategy”. IT/GB-7/17/Res3, annex, para. 27.

Methodology options for the identification of targets for the overall Funding Strategy should consider the above-mentioned interrelations between different processes, the need to maintain an integrated vision, and the importance of using well-defined and quantified priorities and objectives.¹⁰ If priorities and objectives represent the key pillars of the overall updated Funding Strategy, the quantification of funding targets should represent an accurate assessment of the corresponding resources needs.

However, in cases where priorities and objectives are not quantitatively defined but are rather set in general terms, some quantitative anchors need to be identified. For example, for the assessment of the needs of the BSF, the *Strategic Plan for the implementation of the Benefit-sharing Fund of the Funding strategy 2009-2014 (Strategic Plan 2009-2014)* considered as reference points:

- i) the cost estimates prepared for the implementation of the first Global plan of Action for the Conservation and Sustainable utilization of Plant Genetic Resources for Food and Agriculture (first GPA);
- ii) the response to the initial call for proposals for the BSF.

The Governing Body, at its Third Session, established the BSF target of US\$ 116 million for the period 2009-2014 based on the cost estimates in 1996 for the implementation of six of 20 priority activity areas of the Global Plan of Action.

Both approaches (GPA cost assessment and response levels to BSF funding calls) may represent good first candidates for the initial target setting estimates.

Additionally, the target setting process for the overall Funding Strategy, could take into consideration:

- i. Any objectives or priorities, arising from the Results Framework of the Funding Strategy that are related to areas and programmes under the Treaty. Once defined, these could be potentially used for establishing an “initial Target” (para. 20, 21 Appendix A of the resolution 3/2017);
- ii. The Sustainable Development Goals (SDG) Targets 2.5 and 15.6¹¹ and their corresponding indicators, relating to conservation, access and benefit-sharing of

¹⁰ Management literature identifies some necessary characteristics that any targets must satisfy: the importance of targets being quantitatively defined and measurable, whilst also being realistic and achievable. Concerning achievability, some evidence in literature shows that setting more ambitious targets can be beneficial for the achievement of the same target (Merchant et al., 1989). No specific stream of research has investigated methodologies for the definition of monetary targets in broad terms.

¹¹ Target 2.5: By 2020, maintain the genetic diversity of seeds, cultivated plants and farmed and domesticated animals and their related wild species, including through soundly managed and diversified seed and plant banks

genetic resources within the 2030 Agenda for Sustainable Development (2030 Agenda). Resolution 1/2017 (appendix A.1) emphasizes their interlinkages with Treaty implementation;

- iii. Targets, priority activities, and indicators proposed for the implementation of the Second Global Plan of Action for Plant Genetic Resources for Food and Agriculture (Second GPA),¹² as well as progress towards its three targets.¹³ This is in line with the Article 18.3 of the Treaty, which states that the Governing Body needs to periodically establish a funding target taking into account the GPA. The rolling GPA is a supporting component of the Treaty (Article 14) and its implementation contributes to the achievement of the Treaty objectives (Second GPA, para 313).¹⁴

Concerning the methodology options for target setting for the Benefit-Sharing Fund, the following indications could be considered:

- i. The scenarios for user-based income and voluntary contributions arising from the adoption of measures to enhance the functioning of the Multilateral System for Access and Benefit-sharing, following the advice of the Committee;¹⁵
- ii. The project portfolio funded through the four grant cycles of the Benefit-sharing Fund, including, the financial resources required for funding projects favourably appraised but not able to be funded due the budget constraints;
- iii. The amount of funds mobilized during the life of the previous Funding Strategy, since the Committee has agreed to not set below that level;¹⁶

at the national, regional and international levels, and promote access to and fair and equitable sharing of benefits arising from the utilization of genetic resources and associated traditional knowledge, as internationally agreed; Target 15.6: Promote fair and equitable sharing of the benefits arising from the utilization of genetic resources and promote appropriate access to such resources, as internationally agreed.

¹² The Governing Body through Resolution 11/2017 requested the Secretary to continue strengthening collaboration and coordination with the Secretary of the Commission on Genetic Resources for Food and Agriculture (CGRFA) about, among the other things, the monitoring and implementation of the Second GPA, and the global targets and indicators related to PGRFA.

¹³ Target 1 - PGRFA Conservation: By 2020, an increasing proportion of the genetic diversity of cultivated plants and their wild relatives, as well as of wild food plant species, is maintained in situ, on farm and ex situ in a complementary manner; Target 2 - PGRFA Sustainable Use: By 2020, there has been an increased use of plant genetic resources for food and agriculture to improve sustainable crop production intensification and livelihoods while reducing genetic vulnerability of crops and cropping systems; Target 3 - PGRFA Institutional and Human Capacities: By 2020, many more people are aware of the value of plant genetic resources for food and agriculture and institutional and human capacities are strengthened to conserve and use them sustainably while minimizing genetic erosion and safeguarding their genetic diversity.

¹⁴ Moreover “the extent to which developing countries and countries with economies in transition will effectively meet their commitments under the Second GPA will largely depend on the effective implementation of the Treaty and its Funding Strategy” (para 320 of the Second Global plan of Action for Plant Genetic Resources for Food and Agriculture).

¹⁵ In the report of the Committee during the previous biennium, the Committee recognized that “the identification of a target for the BSF is closely connected with the on-going work of Ad Hoc Open-ended Working Group to enhance the functioning of the Multilateral System for Access and Benefit-sharing.”, IT/GB-7/17/12, para. 17.

¹⁶ IT/GB-7/17/12, para. 14. The Committee agreed that there is, currently, not sufficient information available to define the targets. Different views were expressed with regard to the funding levels to be reached, with some

- iv. The willingness of Contracting Parties to provide funds for the next five years as voluntary contributions to the Benefit-Sharing Fund and/or to the Fund for Agreed Purposes (Annex 1 to Resolution 2/2017, para. 8).

The previous approaches used in the development of the Strategic Plan 2009-2014, and the above listed considerations provide the main rationale for defining the targets and focus of the target setting options. These options are presented in the following section of the document.

3. Proposed Methodologies to Establish the Funding Targets

This section proposes methodology options for the identification of targets for the overall Funding Strategy as well as for the Benefit-sharing fund, highlighting their strengths and limitations.

A summary of the methodology options proposed and their strengths and limitations is set out in the below table (Table 1). The following section (3.1) contains the detailed analysis of each methodology option.

saying that the levels should be enhanced considerably. There was agreement that the level should, at the minimum, not be set below the actual amount attained during the life of the previous Funding Strategy. The Committee recommends that the information gathering needed to set up the targets is prioritized during the next biennium. Once the information is available, it will be easier to set and review targets.

Options	Brief Description	Strengths	Limitations
Overall Funding Strategy target			
<i>A. Cost-based methodology</i>	Needs-analysis (cost estimates) of the implementation of the Second GPA priorities.	Simplicity – could be produced in a short timeframe; Integration with the Second GPA monitoring and assessment.	Does not consider current or future funding environment.
<i>B. “Funding Tools” approach</i>	Assessment of the resources potentially available within the different funding tools for the areas and programmes under the Treaty and growth-gap analysis.	Reflects the current funding environment and future trends.	Time consuming; Extensive data analysis required.
<i>C. Mixed Approach</i>	Combination of A and B.	Has the potential to minimize above limitations and maximize strengths.	
Benefit-sharing Fund target			
<i>D. Cost-Based methodology</i>	Needs-analysis (cost estimates) of the implementation of selected Second GPA priorities.	Simplicity – could be produced in a short timeframe; Integration with the Second GPA monitoring and assessment.	Does not consider current or future funding environment.
<i>E. Demand-driven approach</i>	Amount of financial resources needed to fulfil the eligible BSF project proposals.	Simplicity – could be produced in a short timeframe.	It does not consider the actual resource mobilization trends to BSF nor user-based payments.
<i>F. Supply based method</i>	Assessment of past funding levels to BSF, including user-based payments and voluntary contributions.	Reflects the funding environment and can be updated easily.	Time consuming; high load of information; It does not reflect effective demand of resources by recipients and their needs.
<i>G. Mixed approach</i>	Appropriate combination of D, E and F.	Has the potential to minimize above limitations and maximize strengths.	

Table 1. Summary table of methodology options

3.1 Methodologies for the overall funding strategy

A. Cost-based methodology.

The previous target for the Benefit-sharing Fund set out in the Treaty's *Strategic Plan 2009-2014* followed a cost-based methodology based on the implementation of six out of 20 priority activity areas of the first Global Plan of Action. The average annual cost over a ten-year period for implementing each of the priority areas was estimated and the following three scenarios proposed for targets:

- Option A: Basic implementation (USD 65.6 million);
- Option B: Moderate implementation (USD 116.8 million); and
- Option C: Ideal & comprehensive implementation (USD 231.3 million) (Table 2).

Priorities of the Benefit-sharing Fund	Priority Activities of the Global Plan of Action	Option A	Option B	Option C
		In million USD		
1. Information exchange, technology transfer and capacity-building	15. Building strong national programmes	5.6	12.9	29.9
	19. Expanding and improving education and training	16.6	30.6	63.3
2. Managing and conserving plant genetic resources on farm	2. Supporting on farm management and improvement of plant genetic resources	7.5	17.2	37.0
3. The sustainable use of plant genetic resources	9. Expanding the characterisation, evaluation and number of core collections to facilitate use	9.4	16.4	31.4
	10. Increased genetic enhancement and base-broadening efforts	21.2	30.7	51.2
	11. Promoting sustainable agriculture through diversification of crop production and broader diversity in crops	5.3	9.0	18.5
	Total	65.6	116.8	231.3

Table 2. First GPA estimates used for the BSF funding target, *Source:* Treaty (2009)

The estimates of the **total cost** for the first Global Plan of Action were as follows: basic (USD 150 million); moderate (USD 248 million); and, ideal and comprehensive (US\$ 455 million).¹⁷ The costing exercise only included costs that were to be borne by the international community. This meant that activities that may be funded by national governments, and other domestic sources of funds, were not captured. Consequently, the financial resources for national activities related to the conservation and sustainable use of PGRFA, which are so critical to the implementation of the Funding Strategy, were not considered.

¹⁷ CGRFA-7/97/4 Annex.

The same methodology could be followed for calculating a long-term target for the overall updated Funding Strategy of the International Treaty, by implementing appropriate adjustments and additions.

First, goals need to be set in the context of the new programmatic approach of the updated Funding Strategy and the corresponding areas and programmes illustrated in the Results Framework. Goals could be derived from the 18 priorities of the Second GPA. In alternative or complementary forms, they may consider SDG Targets 2.5 and 15.6 as well as already established PGRFA funding targets, such as those for the endowment fund of the Global Crop Diversity Trust (GCDT).

The methodology would consist of a calculation exercise of the average costs over a five-year period for the achievement of the Second GPA priorities at a global level. Although priorities may be defined in broad terms in the Second GPA, the Commission on Genetic Resources for Food and Agriculture (CGRFA) has adopted 63 quantitatively defined and measurable indicators to monitor the implementation of the 18 priority activities. Thus, these indicators, or a selection of the indicators, can be used for the costing exercise. Cost data could be obtained through an extensive review of peer-reviewed published literature, project documents, and agency reports. Furthermore, costs of specific activities reported by BSF funding cycles or calculated by close partners such as FAO or the CGIAR could be considered. If necessary, these costs can be validated by a group of experts (i.e. by applying the Delphi technique) and adjusted where discrepancies are found.

Since costing exercises require multiple assumptions and data inputs, a target range (from minimum to maximum) should be presented to reflect any discrepancies or margins of error. Ranges could also be proposed as targets representing different levels of Second GPA implementation.

Option A. Strengths

Linking to the Second GPA targets would benefit from linking to the monitoring framework developed by the CGRFA, which is based on a set of 63 indicators for monitoring the implementation of its 18 priority activities. Furthermore, a comprehensive Reporting Format for Monitoring the Implementation of the Second Global Plan of Action for Plant Genetic Resources for Food and Agriculture has already been developed to collect information over time at a country level.

The complex monitoring framework embedded within the Second GPA will allow overall funding targets to be reviewed periodically and updated in line with the request made by the Governing Body of the International Treaty through Resolution 3/2017. It would enable progress to be measured including against the corresponding areas and programmes set out in the Results Framework of the Funding Strategy, and for targets to be adjusted as needed.

This methodology enables an initial target to be set reasonably easily and quickly and could be reviewed and adjusted as additional information is gathered and becomes available in line with the Resolution 3/2017 (para., 20).

Option A. Limitations

A simple cost-based methodology would not consider explicitly the broad funding landscape associated with the implementation of the International Treaty, thus resulting in a “disconnect” from the funding environment.

Furthermore, some programmes and areas under the Treaty such as Farmers Rights’ and various aspects of the Multilateral System, such as some of its non-monetary benefits-sharing mechanism, are not well covered by the Second GPA priorities. However further development of the methodology could easily resolve this issue.

B. “Funding Tools” approach.

The “Funding Tools” approach estimates the current financial resources available within the areas and programmes under the Treaty of the different Funding Tools set out in the Matrix contained in Appendix 2 of the Updated Funding Strategy.

A reporting format could be developed and adapted for collecting available data, or estimates of data, for each Funding Tool. The use of existing reporting systems established to collect information on PGRFA should be considered. Such systems may include the World Information and Early Warning System on Plant Genetic Resources for Food and Agriculture (WIEWS) and reporting related to the Global Information System for PGRFA. WIEWS captures information exchange as well as periodic assessments of the state of the world’s PGRFA, which includes information collected from a global network of National Focal Points and which FAO prepares under the guidance of the CGRFA.¹⁸

Once the financial resources available by Funding Tool and area and programme of the Treaty have been identified, targets could be established. Targets should be set through a programmatic and participatory approach. Consultations including with those key informants of the various Funding Tools would take place to identify the resource levels needed for achieving outcomes, such as those goals of the Second GPA. The resource needs identified should be balanced against sustainable and realistic growth trajectories over time.

¹⁸ The WIEWS database is populated with information from direct contributions made by countries. It contains information on: a) the implementation by countries of the 18 priority activities of the Second Global Plan of Action for PGRFA, based on indicators adopted by the CGRFA. 24 indicators focus on PGRFA conservation; 20 indicators on sustainable use of PGRFA; and 19 indicators on institutional and human capacity (see Appendix C of CGRFA-14/13/Report). b) more than 25,000 PGRFA experts and managers; c) more than 4.7 million accessions from over 6,800 genera conserved under medium- or long-term conditions in over 600 genebanks from 82 countries and 14 international/regional centres; more than 20,000 cultivars and 19,000 publications. (Source: <http://www.fao.org/wiews/background/en/>)

Option B. Strengths

Targets established are likely to reflect the current funding environment and its future trends, ensuring a realistic funding target.

Option B. Limitations

Timeframe for setting the target will be extensive given the need to formalize reporting formats. Furthermore, detailed consultations with Funding Tool informants will need to be undertaken and the process is likely to take several years.

The reporting format should collect sufficient information to define funding targets. However, a detailed estimate of the financial resources within each of the areas and programmes under the Treaty, as illustrated by the Matrix, could be complex and cumbersome to collect, including for key informants.

C. Mixed Approach

A funding target could be established through combining and adapting the above two approaches in a complementary way. For example, once the cost-based methodology (A) is performed for identifying initial targets, the Funding Tools approach (B) could be used to redefine, monitor, and update the target set (*A and then B*). Vice versa, once the baseline information is gathered using the Funding Tools approach, the cost-based methodology could be adopted to identify updated targets (*B and then A*).

A key benefit of the mixed approach is that limitations of both methodologies could be reduced. For example, combining *A and B* will reduce the time needed for defining the target that might affect the funding tool methodology B, while at the same time providing the possibility of reviewing the initial target set according the information subsequently gathered.

3.2 Methodologies for the funds under the direct control of the Governing Body - Benefit-sharing fund.

D. Cost-Based methodology

In line with the cost-based methodology proposed for the overall funding target (Option A), a similar approach could be followed for establishing the target for the Benefit-sharing Fund.

A selection of the 18 Second GPA priorities could be made based on the gap analysis arising from the work developing the Funding Tools Matrix, taking into account the BSF mandate and its comparative advantage. The average five-year costs for the achievement of relevant priorities will then be calculated. Different target scenarios could be used, and consideration

given to monitoring and reviewing the target periodically. This approach follows that used previously to estimate the funding targets of the BSF.

Option D. Strengths

Please refer to the strengths illustrated in the earlier section, *Option A*.

Option D. Limitations

In addition to those limitations described (*Option A. Limitations*), it should also be noted that this option, is likely to overestimate the overall target. It would calculate the overall funding needed that for priorities that may receive funding from other sources such as other multilateral organizations and international agencies (i.e. CGIAR, FAO) in the same period of time.

To address this limitation, and in alignment with developing a programme framework as illustrated by FAO (2012), a detailed BSF programmatic approach could be structured. This would adhere to multiple recommendations made previously by the Funding Strategy Committee to develop a long-term investment strategy for the Benefit-sharing Fund, with objectives, expected results and indicators and a related monitoring and evaluation system.

A long-term investment strategy for the BSF would indicate, within the selected GPA priorities, specific objectives, and results to be achieved. The strategy would cover areas that are not sufficiently funded elsewhere and would therefore best complement the ongoing efforts of other organizations. In this case, the cost-methodology would estimate the resources needed for the achievement of the programme.

This methodology does not take into account the total demand of resources by recipients in a given priority area nor the willingness of Contracting Parties to provide funds, or potential user-based payments arising from the enhancement the functioning of the Multilateral System for Access and Benefit-sharing.

E. Demand-driven approach by previous BSF cycles.

The amount of funding needed to fulfil all funding requested by project proposals submitted across the four BSF funding cycles, can be used as an indication for the funding target for BSF. This would include those favourably appraised but not able to be funded due to budgetary constraints. Such estimates were also included in the previous Strategic Plan for the implementation of the BSF of the Funding Strategy (Treaty, 2009) as reference point for the earlier funding target.

The average amount of resources needed for project activities over a five-year period will be calculated based on funding requests of eligible projects submitted for the Fourth Call for Proposals. Targets could then be set according the percentage of eligible proposals that the BSF is able to fund.

Option E. Strengths

This option may provide a very quick and easy option for determining a funding target, since it is based on a small set of existing information sources. The target is specifically linked to the needs of those partners and beneficiaries of the Benefit-sharing Fund.

Option E. Limitations

This approach is very simplistic. It does not consider that past demand may be different from future demand, especially the changes that might come with the establishment of a programmatic approach. It does not consider the willingness of Contracting Parties and other donors to provide funds, nor the user-based payments that may arise from the enhancement of the functioning of the Multilateral System for Access and Benefit-sharing.

F. Supply based method

This option sets a target based on the past contributions made by donors to the BSF, including Contracting Parties and others. It also considers the commitments and willingness of donors to provide funds for future years. Both user-based payments and voluntary contributions for the BSF projects cycles will be considered.

This approach would begin with analysis of the countries/donors who: i) contributed as expected; ii) contributed less than expected; iii) did not contribute at all; and iv) were not involved /considered by the previous Funding Strategy.

The second step would be to undertake analysis of what did not work and/or represented a barrier to attracting donors (for example, operational barriers such as the lack of donor involvement in planning decisions). The third step would be an analysis of actions required to remove or reduce such barriers. The fourth and final step would be to undertake analysis of potential additional donors, based on spend capacity and priority areas, and of the additional resources that could be leveraged from existing donors.

This approach will enable an estimation of the potential levels of financial resources that could be mobilized from donors including those who have previously not given or been involved.

Option F. Strengths

The Target may reflect the current funding environment and future trends since it can be easily updated and refined including through outcomes that may arise from the enhancement of the functioning of the Multilateral System for Access and Benefit-sharing.

Option F. Limitations

The target setting process could be a long process, requiring diverse sources of information. This methodology does not reflect effective demand of funding by recipients and their needs.

G. Mixed approach

Through an appropriate integration of D, E and F methodologies, it is possible to define an approach that would maximize strengths and address limitations.

For instance, a Cost-Based methodology (D) would first set an initial target for the long-term investment strategy for the BSF. The target should then be assessed against the needs arising from a quick demand-driven analysis based on previous BSF cycles (E) and with the potential supply derived from the methodology (F).

4. Conclusion

This document proposes methodology options for establishing the targets for the overall Funding Strategy and for the Benefit-sharing Fund of the International Treaty. In line with recent funding and resource mobilization efforts of multi-lateral organizations, and with the programmatic approach presented in the Resolution 3/2017, the rationale behind the methodology options includes that targets identified should reflect the ongoing changes in the PGRFA funding environment and the integrated vision of the new programmatic approach. The process of target setting should be considered as a final step following the development of a well-structured programme, wherein resources requirements for achieving overarching goals are simply costed.

Based on extensive document review and experiences and information gained through the development and implementation of the previous Funding Strategy, two options have been identified for the overall Funding Strategy, and three for the Benefit-sharing fund. The main features and key pros and cons for each option are then summarized in Table 1 of Section 3 *Proposed Methodologies to Establish the Funding Targets*

For both targets, the options provided can be adopted in combined, complementary or sequential way, thus developing mixed-approaches that may minimize limitations while maintaining key strengths.

To conclude, this document should not be considered as complete but as a starting point for initial discussions on the target setting process for the Funding Strategy, all proposed methodologies of which are open to further refinement and improvement.

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