

May 2006



منظمة الأغذية
والزراعة
للأمم المتحدة

联合国
粮食及
农业组织

Food
and
Agriculture
Organization
of
the
United
Nations

Organisation
des
Nations
Unies
pour
l'alimentation
et
l'agriculture

Organización
de las
Naciones
Unidas
para la
Agricultura
y la
Alimentación

E

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

FIRST SESSION OF THE GOVERNING BODY

Madrid, Spain, 12–16 June 2006

**REPORT ON PRIORITY SETTING, ELIGIBILITY CRITERIA AND
OPERATIONAL PROCEDURES RELEVANT FOR THE
IMPLEMENTATION OF THE FUNDING STRATEGY OF THE
INTERNATIONAL TREATY ON PLANT GENETIC RESOURCES
FOR FOOD AND AGRICULTURE**

Table of Contents

	<i>Paras.</i>
I. Introduction	1-7
II. Priority setting	8-39
III. Eligibility criteria	40-46
IV. Operational procedures	47-75
V. Recommendations – elements of Annexes 2 & 3 to the Funding Strategy of the International Treaty	76-80

Appendix: Survey of the priorities, eligibility criteria and operational procedures of relevant organisations

For reasons of economy, this document is produced in a limited number of copies. Delegates and observers are kindly requested to bring it to the meetings and to refrain from asking for additional copies, unless strictly indispensable. The documents for this meeting are available on Internet at <http://www.fao.org/ag/cgrfa/gb1.htm>

W0000

I. INTRODUCTION

1. In its most recent meeting of December 2005, the Open-ended Working Group on the Rules of Procedure and the Financial Rules of the Governing Body, Compliance, and the Funding Strategy for the International Treaty on Plant Genetic Resources for Food and Agriculture requested the Interim Secretariat to:

- provide information to the first session of the Governing Body on how it might set priorities for the use of resources under the Funding Strategy; and
- collect and make available to the first session of the Governing Body information on the practices of other relevant bodies regarding priority-setting, eligibility criteria and operational procedures¹.

2. This Report responds to that request by analysing the priority setting processes, eligibility criteria and operational procedures of seventeen selected organisations. It does so in the context of assessing their relevance for the implementation of the Funding Strategy of the International Treaty on Plant Genetic Resources for Food and Agriculture, taking into account the specific conditions in which they are applied.

3. Further, this Report identifies recommendations on possible approaches that might be taken in the context of the Funding Strategy of the International Treaty. It includes as part of this, the listing of potential components of Annexes 2 and 3 to the draft Funding Strategy:

- Annex 2 - use of resources under the direct control of the Governing Body - eligibility criteria, and
- Annex 3 - use of resources under the direct control of the Governing Body – operational procedures.

4. The analysis and recommendations refer to practices and procedures within the following organisations:

- Asian Development Bank (ADB)
- Australian Centre for International Agricultural Research (ACIAR)
- The Bill and Melinda Gates Foundation
- Canadian International Development Agency (CIDA)
- Common Fund for Commodities
- Generation Challenge Program – Consultative Group on International Agricultural Research (CGIAR)
- Global Crop Biodiversity Trust
- The Global Environment Facility (GEF)
- European Commission, Directorate General Development
- International Fund for Agricultural Development (IFAD)
- International Tropical Timber Association (ITTO)
- Japan International Development Cooperation Agency (JICA)
- Swedish International Development Cooperation Agency (SIDA)
- United Kingdom Department for International Development (DFID)

¹ CGRFA/IC/OWG-1/05/REP at paragraph 22.

- United Nations Convention to Combat Desertification (UNCCD)
- United Nations Development Programme (UNDP)
- World Bank

5. These descriptions form Annex I to this Report. These organisations were selected so as to be inclusive of a broad diversity of organisations, but also to enable focus on several organisations whose mandates are similar to or intersect with the mandate of the International Treaty and the purpose of its Funding Strategy. In particular, it is noted that the status of the Global Crop Biodiversity Trust bears a strong relationship to the Funding Strategy for the International Treaty.

6. A number of documents relating to the Funding Strategy were considered at the first meeting of the Open Ended Working Group on the Rules of Procedure and the Financial Rules of the Governing Body, Compliance, and the Funding Strategy that met in December 2005. These include the Open Ended Working Group Document “*Development of the Funding Strategy for the implementation of the International Treaty on Plant Genetic Resources for Food and Agriculture*”² and the “*Compilation and Analysis of Governments’ views on the Funding Strategy of the Governing Body of the International Treaty on Plant Genetic Resources for Food and Agriculture*”³ This analysis builds upon the questions on priority setting, eligibility criteria and operational procedures raised in these documents, and also addresses the further questions on these issues identified in the report of the meeting of the Working Group⁴. Information on donors and aid flows contained in the “*Report on the types of funding and assistance and institutions with relevant mandates to the Funding Strategy of the International Treaty on Plant Genetic Resources for Food and Agriculture*”⁵ is also relevant in so far as it provides further background relevant to this analysis.

7. Section II will look at priority setting among the various organisations considering the different approaches taken; advantages and disadvantages of those approaches, taking into account the specific conditions in which they are applied; and the potential relevance of the different approaches to the implementation of the Funding Strategy of the International Treaty. Section III concerns eligibility criteria. Section IV “Operational Procedures” considers the type of operational details common to all donors and relevant to the Funding Strategy.

II. PRIORITY SETTING

8. In the context of priority setting, a number of characteristics of the Funding Strategy are relevant.

9. 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 Treaty⁶. The objective of the International Treaty which these activities must support, is “*the conservation and sustainable use of plant genetic resources for food and agriculture and the fair*

² CGRFA/IC/OWG-1/05/7.

³ CGRFA/IC/OWG-1/05/6.

⁴ CGRFA/IC/OWG-1/05/REPORT.

⁵ First meeting of the Open Ended Working Group on the Rules of Procedure and the Financial Rules of the Governing Body, Compliance, and the Funding Strategy, Background Study Paper no 29.

⁶ Article 18. 2 International Treaty on Plant Genetic Resources for Food and Agriculture.

and equitable sharing of the benefits arising out of their use, in harmony with the Convention on Biological Diversity, for sustainable agriculture and food security”⁷.

10. As the Open Ending Working Group notes⁸, the International Treaty provides further parameters to guide the setting of priorities. Specifically, the Treaty suggests that benefits from the Multilateral System “*should flow primarily, directly and indirectly, to farmers in all countries, especially in developing countries, and countries with economies in transition, who conserve and sustainably utilize plant genetic resources for food and agriculture*”⁹. This is restated, in Article 18.4, in relation to the Funding Strategy more generally¹⁰. Further, Article 13.4 of the Treaty indicates that the Governing Body should consider “*relevant policy and criteria for specific assistance under the agreed Funding Strategy established under Article 18, for the conservation of plant genetic resources for food and agriculture in developing countries, and countries with economies in transition whose contribution to the diversity of plant genetic resources for food and agriculture in the Multilateral System is significant and/or which have special needs*”¹¹. Thus, the Treaty appears to support development of priorities related to development status, special needs, and the significance of contributions of resources in the Multilateral System.

11. Some further guidance on priority setting has been provided. The Draft Funding Strategy identifies that priority setting should ensure a “balanced approach to the implementation of the Treaty”¹². With this in mind, the Provisional Annex I to the Draft Funding Strategy titled “Priorities for the use of resources under the draft Funding Strategy” has been prepared by the Working Group.

12. This Provisional Annex elaborates several priority areas falling under the following categories:

- Institutions and capacity building;
- In-situ conservation and development;
- Ex-situ conservation;
- Sustainable utilization of plant genetic resources, and
- Funding Strategy and compliance.

For example, under the category “institutions and capacity building,” the following priorities were identified: creating or improving existing facilities; promoting networks for plant genetic resources for food and agriculture; constructing and improving comprehensive information systems; developing, monitoring and early warning systems for the loss of plant genetic resources for food and agriculture; expanding and improving education and training; and, promoting public awareness of the value of the conservation and use of plant genetic resources for food and agriculture.

⁷ Article 1.1 International Treaty on Plant Genetic Resources for Food and Agriculture.

⁸ CGRFA/IC/OWG-1/05/7 at 12.

⁹ Article 13.3 International Treaty on Plant Genetic Resources for Food and Agriculture.

¹⁰ Article 18.4 International Treaty on Plant Genetic Resources for Food and Agriculture.

¹¹ Article 13.4 International Treaty on Plant Genetic Resources for Food and Agriculture.

¹² CGRFA/IC/OWG-1/05/7 Appendix I, Article 3.

13. Finally, the Open-ended Working Group noted that the Funding Strategy should be of an evolving nature, to accommodate changing future needs¹³.

14. While the previous description identifies that some discussion of the priority setting process has occurred, many questions remain. Several of these have been raised by governments in the compilation of responses on views on the Funding Strategy, or were the subject of discussions in the Open Ended Working Group¹⁴. They include questions as to whether, in prioritizing use of resources:

- Distinctions should be made as to priorities for use under the direct control of the Governing Body vis a vis resources not under the direct control of the governing body;
- A standard plan of action could provide guidance to donors regarding priorities;
- Geographically defined priorities should be established;
- Crop based priorities should be established;
- Priorities should bear a close relationship to country-based needs assessments;
- The Global Plan of Action can or should guide prioritization;
- Priority setting can provide a coherent, integrated framework linking capacity building, technical assistance, technology transfer and exchange of information;
- Emphasis should be placed on countries, regions or crops for which specific needs are evident;
- Priorities should be revised, in of experience, taking into account the feedback role that monitoring and evaluation may contribute to these revisions;
- Separate priorities should be identified for short and long term needs;
- Particular types of interventions should be prioritized;
- Effectively defining priorities will require further technical analysis, and
- Whether further relevant information can be drawn from the monitoring system for the implementation of the Global Plan of Action or the proposed facilitating Mechanism for the Implementation of the Global Plan of Action.

15. Having considered the level of priority setting that has already occurred through the multilateral process establishing the Treaty, and through the deliberations of the Open Ended Working Group, the remainder of this Section will explore these and other questions, taking into account the experience and different approaches of other organizations, including the relevance of these experiences in the context of the mandate of the International Treaty. It will approach these questions by considering:

- The different levels of priority setting;
- Overarching principles guiding priority setting;
- Defining sectoral priorities;
- Defining geographic priorities;
- Defining priorities based on type of intervention; and

¹³ CGRFA/IC/OWG-1/05/REP

¹⁴ See, CGRFA/IC/OWG-1/05/7 and CGFRA/IC/OWG-1/05/6.

- Defining priorities based on length of time before impact.

Each of these can be considered a decision point in defining the priorities of the Funding Strategy.

Priority Setting

16. The experience of the organizations surveyed in this Report demonstrates that there are several levels of priority setting, and several factors involved in setting priorities.

17. Depending on the nature of the organization, overarching priorities are generally inherent in the very purpose of the organization and the instruments which establish and govern it.

Frequently, and particularly in the case of bilateral organisations, public consultation is a component of priority reviews.

18. In the case of the Funding Strategy of the International Treaty, the overarching purpose and broad sectoral priority areas have been defined by the International Treaty, and provisional annex 1 to the draft Funding Strategy.

19. The next level of priority setting is more complex. In the case of many organizations, as with the Funding Strategy of the International Treaty, the overarching sectoral priorities are too broad to be practically useful in selecting or designing projects and programmes. Other levels at which priority setting occurs concerns the defining of priorities as a smaller subsection of the overarching priorities, and defining selection criteria through which competing projects or programmes will be selected or designed. At both levels of priority setting, principles frequently guide decision making.

20. An overarching priority common to the organisations surveyed in this Report and all aid programmes in general is poverty reduction. Other overarching priorities that are emerging in the work of many of the organisations reviewed and donors generally, include: the Millennium Development Goals; debt relief; security; harmonisation, effectiveness and governance of aid; and innovative sources of funding.

21. Such overarching priorities need clarification if they are to guide the choice of specific projects. This level of priority setting is more complex and varied amongst organisations. While there are many possibilities, issues or criteria that are frequently used to guide the development of more detailed and specific priorities for the organisations in Annex 1 of this document, as well as other organisations include:

- Should priority setting be based on achieving maximum impact in a more closely defined sector, or it is preferable, given the purpose of the organization, to opt for a less concentrated impact over a wider subject area?
- Should priority setting be based on achieving maximum impact in a particular geographic region, or, in relation, to say, a particular ecosystem, or crop type? Or is it preferable to spread resources to have a lesser impact in a broader number of regions, ecosystems or crops?
- Is there a particular need for a short term impact? If so, why – is there a reason for this based in the purpose of the assistance? i.e. to prevent the extinction of a species, or is the need for a short term impact political, i.e. to garner visibility and support for a programme, or because of the short term nature of the funding.
- Should allocation of resources be based on need? Or equal distribution across, for example, parties to an international instrument?

- Should priority setting be closely defined from the top, or is a country/community driven “bottom up” approach preferable?
22. Different organizations have approached such questions differently. However, trends are apparent. Also apparent is the way in which approaches in response to these questions vary over time, with donors frequently moving towards approaches that are considered to be best practice in development assistance at that time. Such adjustments to experiences and lessons learned supports the Open Ended Working Group’s view that priorities should be subject to review and adjustment over time.
23. For example, several of the donors considered in this Report are either undergoing or have recently undergone a process of decentralizing the priority setting process. Frequently, this change has been accompanied by a move towards results based management of projects. Emphasis has shifted from decision making by headquarters or at the executive level towards aligning priorities with country defined needs. Frequently, the process to identify these needs refers to national strategies such as national poverty reduction strategies, or sustainable development strategies, for example. Many organizations use a consultative and collaborative approach, liaising with country level officials and stakeholders in the drafting of national strategic plans.
24. While such an approach is particularly relevant where significant resources are available over a broad spectrum of issues, such as funds for development, there may be limitations of this approach in the context of certain types of funds, including the International Treaty and other conservation based agreements. For example, the need to ensure conservation in relation to a particular ecosystem or a particular crop species may require action at a different level, and may require a coherent, overarching strategy across regions that is not strictly correlated with whether a particular conservation goal is the highest priority for a particular country, at a particular time. The experience of the Global Crop Biodiversity Trust is instructive in this context. The Trust develops both regional and crop based strategies to ensure efforts for conservation to ensure food security.
25. While the Treaty concerns both *in situ* and *ex situ* plant genetic resources for food and agriculture, the Global Crop Diversity Trust focuses its grant making on *ex situ* resources. This may indicate that other resources under the strategy or from other funding sources for *in situ* conservation, will be needed to achieve full implementation of the Treaty’s objectives.
26. At the same time that many donors are decentralizing priority setting decision, donors are aligning priorities with internationally agreed goals such as the Millennium Development Goals, and obligations under multilateral environmental agreements. The commonalities between such goals and instruments suggest that this is not a difficult task to achieve at an overall goals based level. However, some donors are taking this further, with the alignment of measurable goals and targets towards, the MDG’s, for example. Such an approach may be possible for the International Treaty in relation to some goals. However, it would have to be ensured that the level of effort and adjustment that would need to create this level of alignment did not detract from achieving the particular goals and potentials of the International Treaty. The closely defined relationship between the International Treaty and the Convention on Biological Diversity indicates that alignment of overarching goals is already apparent. However, as the Treaty is more detailed in some respects than the Convention, alignment may need to remain at the level of overall goals and objectives. The Global Plan of Action, also having a close relationship with the Treaty, may be a better candidate for the aligning of specific priorities.

27. A number of donors are focusing geographic priority setting on, the basis of need, among other criteria. These include CIDA and DG Development of the European Commission. Assistance to least developing countries is often prioritised. Using development status as a factor determining priority has been articulated by the Open Ended Working Group.

28. Some donors utilising a decentralised, country driven-approach are also developing indicative resource allocations for countries at the beginning of the funding cycle. Although these allocations are not guaranteed, they are developed on the basis of specific criteria. DG Development of the European Commission, for example, determines allocations with reference to criteria such as development status and performance capabilities. They enable governments and country level stakeholders to engage actively in programme design by giving guidelines as to the resources that could be available. Indicative allocations are a tool for the donor, in the sense that they provide use some measurable criteria and methodology to determine priorities between regions and countries.

29. Certain donors prioritise short term impact, while others have different time horizons. There are advantages and disadvantages of focusing either on short or long-term impacts. Both approaches may be relevant within the mandate of the International Treaty.

30. Equally, donors differ in the size of the average project and the type of project they support. Projects and Programmes may be small, medium or large projects. Some organisations, including, for example, the Global Environment Facility, have different lines of grant making and cover a number of different size projects. Donors also vary in the extent to which they will fund technical assistance projects, support infrastructure projects, fund operational expenses, or focus on capacity building, just to name a few. In the case of the International Treaty, some guidance on these issues is given in the setting of sectoral priorities, particularly for capacity building, however further discussion may need to occur.

Priority alignment, cooperation and coordination

31. Coordination, cooperation and alignment are important issues for all the donors considered in this Report. As was noted in the previous Background Study Paper prepared in this topic (No. 29) coordination has become an important issue for the donor community and improving coordination among donors is the subject of numerous mechanisms. Article 18.4 requires Contracting Parties to the Treaty 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 the implementation of plans and programmes under this Treaty"*. This provision has parallels in the CCD.

32. Some of the key and long-standing formal mechanisms for dialogue between donors are the OECD's Development Assistance Committee, the Strategic Partnership with Africa and the World Bank Consultative Group meetings. Additionally, there are numerous recipient country level co-ordination mechanisms, including the Poverty Reduction Strategy monitoring groups set up by partner countries to monitor implementation and impact of the Poverty Reduction Strategy thematic or sectoral donor co-ordination groups, and United Nations roundtables. All these mechanisms provide possible means for Contracting Parties and the Governing Body to interact collectively with donors.

33. The experience of the other funding mechanisms in developing relationships with bilateral donors has highlighted the importance of the OECD's Development Assistance Committee. Under this Committee, the major bilateral donors work together to increase the

effectiveness of their common effort to support development. Through this work, the OECD DAC plays an important policy and priority co-ordination role.

34. The OECD DAC already marks and analyses data on agricultural projects. Its Creditor Reporting System codes for “Agricultural research” and “Agriculture input” are already very useful for identifying activities of relevance to the Funding Strategy. Even so, requiring more focused attention on the Treaty and its activities within the Creditor Reporting System would have a significant effect on levels of awareness within the donor community.

35. Several of the organisations considered in this Report have also established other mechanisms for ensuring that their respective priorities are aligned as much as possible. For example, the Global Crop Diversity Trust involves donors through a Donors’ Council. A Facilitation Committee (FC) has been established to provide support and advice to the CCD’s Global Mechanism. Its membership consists of IFAD, UNDP, the World Bank, GEF, CCD Secretariat, FAO, UNEP and the Inter-American, African and Asian Development Banks and in an *ex-officio* capacity, the Managing Director of the Global Mechanism. Through membership in the FC, the institutions undertake to support implementation of the CCD through their own regular programs. The Operational Strategy also states the Global Mechanism’s intention to create ad hoc task forces with member institutions on specific issues. Such an arrangement could be useful for setting priorities for the Treaty as well as influencing the priorities of other donors.

36. As has been noted several times it is important for the priority setting process of the Funding Strategy to take particular note of organisations whose priorities are most closely related to the mandate of the Treaty.

37. Of the organisations considered in this Report, the Global Crop Diversity Trust, the Generation Challenge Program of the CGIAR and the GEF, have priorities that closely intersect with the objectives and provisional priorities of the Treaty and have been identified in the draft resolution as having a special link to the Funding Strategy. Many others have objectives and priorities that are more broadly supportive of these objectives and priorities.

38. The Global Crop Diversity Trust is particularly relevant. The objectives of the Trust are closely aligned with the Funding Strategy of the Treaty. The objective of the Trust is to ensure the “*long term conservation and availability of plant genetic resources for food and agriculture*” while, as stated, the objective of the Treaty is for “*the conservation and sustainable use of plant genetic resources for food and agriculture and the fair and equitable sharing of the benefits arising out of their use, in harmony with the Convention on Biological Diversity, for sustainable agriculture and food security.*”¹⁵ The Trust focuses on *ex-situ* conservation in developing countries, utilising both regional and crop based priority strategies. The technical information and expert base contributing to the development of these strategies in particular, is likely to be a useful information resource for the priority setting process of the Funding Strategy of the Treaty. The focus on *ex-situ* resources by the Trust indicates that attention should be given to the potentialities of integrated and mutually supportive setting of priorities between the Trust and the Funding Strategy of the Treaty in regards to the complementarity of *in situ* and *ex situ* approaches.

39. The Generation Challenge Program of the CGIAR is also relevant, as its objective is to tap plant genetic resources to help create a new generation of crops that meet the needs of resource-poor people. Inherently, the purpose of the Global Crop Diversity Trust relates to the

¹⁵ Article 1.1 International Treaty on Plant Genetic Resources for Food and Agriculture.

conservation of plant genetic resources as the fundamental resource for crop development. The Trust will also support activities such as characterization and evaluation of collections, construction of databases, and germplasm distribution that will facilitate use of PGRFA. The Generation Challenge Program focuses on the funding of research. Key priorities are research on: genetic diversity of global genetic resources, comparative genomics for gene discovery, trait capture for crop improvement, genetic resources, genomic and crop information systems and capacity building. Capacity building is both a focus in its own right and is expected to be built into projects focusing on other project areas. These are directly relevant to several of the priorities identified in provisional annex 1 to the Funding Strategy and particularly intersect with priorities relating to capacity building, *ex-situ* and *in situ* conservation. The Trust and the Generation Challenge Program have signed a Memorandum of Understanding agreeing that they will cooperate to enhance conservation-utilization linkages. Both organizations are aligned with the priorities of the Treaty toward the sustainable use and fair and equitable sharing of benefits for food security, and the statements of the Working Group in support of orienting the benefits toward farmers in developing countries.

III. ELIGIBILITY CRITERIA

40. Eligibility criteria are distinct from selection criteria in that they typically refer to mandatory criteria. That is, the characteristics that must be present before support can be considered, and without which support cannot be granted.
41. One such criterion could be that a proposal must fall within the objectives of the Treaty. A more specific criterion could be that the proposal must fall within the priorities identified by the Governing Body and outlined in the Provisional Annex 1.
42. Based on the various eligibility criteria developed by the organisations included in this Report, possible eligibility for the Funding Strategy of the International Treaty may address issues such as:
- The legal status of the applicant - Can assistance be granted to Individuals? Can assistance be granted to Non Government Organisations? Can assistance be granted to the Private Sector? To all types of public institutions and government entities?
 - The presence of particular types of arrangements – Must projects be examples of partnerships? If so, between what types of entities?
 - Must applicants be able to demonstrate government support for the project. If so, what level of government support, and how is this to be evidenced?
 - Financial requirements – must partners provide co-financing. If government is a partner, must it demonstrate either in kind or financial commitment during/and or past the completion of the project?
 - Must applicants demonstrate current expertise sufficient to ensure effective completion?
 - Must capacity building be an element of the project design? Must other elements contributing to sustainability be evident in the project design?
 - If it is a regionally focused, or crop based project, must a regional organisation be involved? In what capacity? Are there specific criteria upon which assessment of regionally focused projects is based?

43. All of the questions identified above are features of the eligibility of at least one, and often more, of the organisations considered in this Report. The precise purpose of eligibility criteria differs among the above questions, but generally aims towards ensuring that the preconditions for project success are apparent, that the funds will be used transparently, efficiently, and effectively, and that the project will have elements of best practice project design, such as for ensuring sustainability.

44. Often, organisations may offer several types of assistance. Eligibility criteria are often specifically tied to the project type. Consequently, a donor may have several different eligibility requirements for different project types. For example, in the case of several of the organisations considered, the only types of projects for which an individual could gain support were scholarships. Donors such as the Global Environment Facility required demonstration of government support, and demonstration of past capacity to effectively implement projects. Certain donors only funded projects undertaken through partnerships.

45. The choice of eligibility criteria for the allocation of resources under the Funding Strategy of the International Treaty requires consideration of the particular project type and purpose. The close relationship between eligibility criteria and type of assistance demands that the type of projects/programmes be designed prior to the determination of eligibility criteria. However, the elements which other organisations frequently incorporate into eligibility criteria are appropriate criteria to consider, particularly for their role in ensuring transparent and effective grant making in line with current best practice.

46. It is worth noting that CCD and the CBD have simple eligibility criteria (requiring the recipient to be in a Party, that the project fall within the aims of the Convention and have the support of the relevant government) that have served these processes well. The Parties have not felt it necessary to elaborate on these simple criteria.

IV. OPERATIONAL PROCEDURES

47. Operational procedures is not a defined term. In fact it has a wide variety of meanings which vary among the different donors reviewed in this Report – and other donors as well. The term typically covers the type of procedures necessary to initiate, implement and monitor projects. Typically it is used to cover things such as:-

- Role and responsibilities of the various institutions involved in the development, implementation and monitoring of projects
- Project selection procedures
- Selection criteria for projects
- Nature of the documentation required for project initiation, implementation and monitoring
- Project implementation steps
- Monitoring and Evaluation of projects

48. The need for operational procedures was anticipated in the documentation before the Open Ended Working Group, where it referred to the need for a necessary to establish procedures for the selection of proposals for funding. In particular, who would make the selection (e.g. a permanent Technical Advisory Committee established by the Governing Body, (a proposal to

establish such a committee will be considered by the First Session of the Governing Body); a specific panel of experts nominated by the Governing Body, or an existing organization managing such processes), and how often would the selection body meet to allocate funds? In addition to judging proposals against the eligibility criteria, a further range of selection criteria might be needed to enable selection to take place. It was also noted that successful projects would need to be covered by a project agreement, which would set out the terms and conditions under which funding was provided.

49. For the donors covered in this Report the operational procedures are very detailed, sometimes amounting to many thousands of pages and can vary depending on the aims of the donors, the type of organisation that the donors is, the type of project, the size of the project the legal nature of the recipient, the length of the project, whether it is a one off project or part of a package of project etc. The procedures for monitoring and evaluation are also frequently overseen by public accountability requirements of the donor organisations – due to the fact that it is public money being used to fund the projects.

50. For all donors operational procedures are continuously reviewed and can be thought of more as evolutionary in nature.

51. The following highlights some basic elements common to all operational procedures and relevant to the Funding Strategy and Provisional Annex 3 .

Project Selection and Development

52. Organisations surveyed in this Report had several different approaches to project development. These included:

- Assessing unsolicited project concept notes;
- Calling for expressions of interest in pre designed project types or sectors of focus; and/or
- Collaborative development of projects with partner institutions.

53. Organisations sometimes used a combination of approaches. For example, the Bill and Melinda Gates Foundations both accepts unsolicited project concept notes (in some programs), and circulates call for expressions in research project in pre defined areas.

54. Elements that were mentioned as possible eligibility criteria are sometimes used as selection criteria. For example, working as a partnership may be encouraged but not mandated. Demonstrating particular approaches for capacity building may be desirable but the absence of these characteristics may not rule out funding support.

55. Generally, complete project proposals were not accepted. Concept notes were accepted, in line with published project assessment cycles. These were then developed by the organisation and applicant in a collaborative process, often in collaboration with other partners, and country or regional stakeholders.

56. The different approaches to project development have different advantages and disadvantages, mainly concerning the level of input and the workload of the funding organisation. Calling for expressions of interest in pre-defined projects ensures the focus of projects is closely tied to organisational priorities. However, it requires significant input of expertise, time and other resources on the part of the organisation. It also may lead to less buy in from the applicant, who

may have a more distant commitment and motivation for the project than if they had driven it themselves. Similarly, it may be less connected with regional, country level and local priorities.

57. Sifting through lengthy proposals is resource intensive for organisations, which is largely why it is uncommon. The most common approach, of developing projects on the basis of submitted ideas, and adjusting them in line with priorities ensures both the commitment of the applicant and the organisation, and represents a balance between ensuring the project is demand driven, as well as consistent with the priorities of the donor.

Governance and Internal Structure

58. Survey of the processes of various organisations suggests that the nature of the priority setting process bears a relationship to the nature of the decisions taken on many of the issues raised above. It is instructive in this instance to consider the experience of organizations where:

- Detailed, lower and implementation level priority setting requires multilateral decision making;
- Responsibility for detailed, lower and implementation level priority setting is vested in the executive, or in a committee which is a subset of a multilateral process;
- Responsibility for detailed lower and implementation level priority setting is vested in heads of department or in programme and/or field office staff.

59. Each of these approaches appears to have both advantages and disadvantages. In the first case, vesting responsibility for detailed priority setting at the multilateral level may be cumbersome, expensive, and likely to lead to compromises that may detract from coherent, strategic prioritization that is followed through over an appropriate time frame to have impact. Nevertheless, a multilateral process ensures the support of members for the direction of the grant making.

60. Vesting priority setting responsibility within the executive, a committee which is a subset of a multilateral process, or an expert advisory committee may enable coherent and strategic priority setting. On the other hand, it may be too removed from circumstances on the ground to adequately take into account the broader context in which assistance is given, and in which, ultimately, the project will succeed or fail.

61. Vesting responsibility at the programmatic or field staff level, providing there is adequate strategic input guiding the organization as a whole, is felt to be effective in some organizations as it enables consideration of actual conditions where the project will be implemented, and enables a greater level of coordination and consultation with governments and stakeholders. This approach may be less effective however, when there is insufficient multilateral or organizational input to guide the parameters within which field or program staff work.

62. Among the organizations surveyed, a common approach is development of overall priorities at the multilateral or founding level, executive or committee input into the development of a strategic plan for the organization, multi-year and annual work plans at the departmental level, and country level work plans developed by field staff or regional/country based departments.

63. Governance arrangements and internal structure also impact on options for project selection and development. While governance arrangements differ significantly between organisations of different types (i.e. those based on multilateral instruments vs. private

foundations) and also among organisations of the same type, there are several common features to most of the organisations surveyed.

64. These include, generally, the existence of a governing instrument that defines governance arrangements and overarching priorities, the existence of a high level decision making body (i.e. the Board, or Governing Council), an executive leadership (i.e. a Chief Executive Officer or President) and middle management.

65. Variables that may or may not be present include the existence and role of field offices, and, the use of advisory panels to guide the selection and/or design of projects, and/or to provide technical or other expert advice to the Executive leadership or decision making body.

66. Using field offices enables decision making to reflect and incorporate local conditions, and so enhance the relevance and demand driven nature of assistance. While the secretariat administering the Funding Strategy of the International Treaty may be unlikely to be large enough for a significant field presence, it may be possible to harness the presence of related organisations to assist in facilitating local, country and regional level consultation, collaboration and monitoring. For example, the GEF relies upon Implementing Agencies and its Executing Agencies to provide this type of support. Organisations that have a track record of playing a useful role in that regard through their assistance to other organisations include UNDP and FAO country and regional offices. In the context of the International Treaty, networks such as those of the CGIAR, and the consortium of partners of the Generation Challenge Program of the CGIAR, may be useful.

67. Use of an expert or technical advisory panel, both to guide the project development process, to review and select applications, and to provide technical advice, for example, in developing priorities, may be especially relevant to the implementation of an instrument such as the International Treaty and its Funding Strategy. It was identified as a possible element of the draft resolution prepared by the Working Group. Such mechanisms are quite prevalent, although they vary in scope, composition and mandate considerably.

68. One example of a particularly effective executive committee not described in the Annex of this Report is the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol. This Committee is responsible for overseeing the operation of the Fund. The Committee comprises seven members from Article 5 (developing countries) and seven from non-Article 5 parties (developed countries), selected each year by the governing body of the Protocol. Committee decisions are reached by a two-thirds majority vote representing individual majorities of each group – ensuring that neither donors nor recipients dominate the operations of the Fund. In fact no vote has ever been taken in the entire history of the Committee; it has always found it possible to operate by consensus. The Chair and Vice-chair of the Committee are taken, one each, from the two different groups and alternate each year between them. The Committee meets three times a year, coordinating its meetings where possible with other meetings of the Parties. The terms of reference of the Committee are set by the Governing Body of the Protocol. In summary, they include developing the Fund's policies and guidelines, such as criteria for project eligibility, and monitoring their implementation; drawing up the three-year plan and budget for the Fund, including the allocation of resources amongst the implementing agencies; approving country programmes and specific projects, or groups of projects; reporting on the Fund's performance to the meeting of the parties each year; and overseeing the Fund's administration.

Selection Criteria

69. As noted earlier, selection criteria are distinct from eligibility criteria. They provide criteria on which to rank and select competing projects which may all fit within the eligibility criteria.

70. Elements that were mentioned as possible eligibility criteria are sometimes used as selection criteria. For example, working as a partnership may be encouraged but not mandated. Demonstrating particular approaches for capacity building may be desirable but the absence of these characteristics may not rule out funding support.

71. Additionally, other factors such as the presence or absence of other donors working in the region vis-à-vis the comparative advantage of the donor considering funding projects is considered explicitly by some of the organisations surveyed, such as CIDA.

72. Certain organisations weigh selection criteria, and use the total figure to rank applications. For example, the competitive research grants stream of the Generation Challenge Program of the CGIAR places a % weight on factors such as relevance of the science for the selected thematic area (25%), feasibility(25%), potential impact on plant breeding (15%), and strength of and rationale for partnerships (15%). Most organisations use a less structured and more instinctive method of selection, still using the selection criteria as a basis.

73. Selection criteria also relate closely to more general priority setting criteria discussed in Section II. If a particular sectoral focus, geographic region or intervention type is prioritised, a project that is consistent with that approach may be selected over a project which is eligible for support but does not so effectively meet the highest priority areas of the organisation.

74. Where projects are designed internally to the organisation, these criteria are used to guide the project design process.

75. Selection Criteria for the Funding Strategy of the International Treaty should be aligned with overall priorities. They should assist, in a meaningful way, to enable comparison between applications for support. This may be restricted to comparison between competing projects within a funding allocation stream or project type, or it may be designed so as to rank, and allow comparison across project types. Frequently, in organisations surveyed, internal funding allocations were made for different project types, with selection criteria only being used to distinguish between competing projects in a given category of assistance.

V. RECOMMENDATIONS – ELEMENTS OF ANNEXES 2 & 3 TO THE FUNDING STRATEGY OF THE INTERNATIONAL TREATY

76. The information in the Annex to this Report demonstrates that eligibility criteria and operational procedures vary and are tailored to the specific nature or priorities of the donor. Effective criteria and procedures are dependant on the specific priorities and size, length and nature of the project as well as the type of institutional resources available to review, develop and monitor specific projects.

77. A starting point in this exercise for the Treaty and Annexes 2 and 3 of the Funding Strategy is that these criteria and procedures will be most directly relevant to the funds under the direct control of the Governing Body, as distinct from those funds under the guidance of the

Governing Body, or those funds with an existing/special link to the Treaty, such as the GEF, or those funds not under the direct control of the Governing Body, such as ODA.

78. Resources under the direct control of the Governing Body include those resulting from the sharing of monetary benefits from the commercialization of plant genetic resources for food and agriculture under Article 13.2d(ii) of the Treaty, and voluntary contributions. Initially at least these resources are not expected to be large. Consequently, the criteria and procedures also initially should be simple and basic. As these funds grow both in size and influence, additional elements or criteria can be added by further decisions of the Governing Body.

79. With this in mind the proposed elements for Annexes 2 and 3 should be seen as a starting point. As funds are provided and disbursed and experience is gained in selecting and implementing projects, these elementary criteria and procedures can be refined and developed.

80. Possible elements that could form elements of Annex 2 to the Funding Strategy– eligibility criteria, are as follows:

Annex 2 Eligibility Criteria

Legal Status

- *Eligibility of Individuals*
- *Eligibility of Non Government Organisations*
- *Eligibility of the Private Sector*
- *Eligibility of Public Institutions and Government Entities*

Project Focus

- *Relationship with defined priorities*
- *Nature of Intervention*

Elements of Project Design

- *Short/Medium/Long Term Project/time before impact*
- *Role of Partnerships*

Other Requirements

- *Support by Government*
- *Co-financing*
- *Transparency and Accountability*
- *Track Record of Effective Management and Delivery*
- *Availability of Required Infrastructure, Institutional and Human Resources Capacity to Effectively Deliver*

81. Possible elements that could form elements of Annex 3 to the Funding Strategy – operational procedures, are as follows:

Annex 3 Operational Procedures

Level at which Decision Making for Priority Setting is Delegated

- *Multilateral Process*
- *Executive Led Process*
- *Field Based/Departmental Based Process*

Method of Project Selection

- *Unsolicited Concept Notes*
- *Call for Expressions of Interest- Internally Defined Projects*

- *Collaborative Development – Donor/Implementing Agency/Partners*

Utility and Role of Partnerships

Role of Independent Panels for the Provision of Technical and Scientific Advice

Role of Independent Panels for the Selection and Review of Projects and Programmes

Involvement of Donors

- *Review of Effectiveness of Funding Strategy*
- *Decision Making in Selection and Priority Setting*
- *In process encouraging alignment of use of resources not directly under the control of the Treaty*
- *Methods of Ensuring Transparency, Accountability and Good Governance*
 - *In internal administration*
 - *In the administration of Projects and Programs funded through the strategy and administered by external entities*

Selection Criteria

- *Organisational Priorities*
- *Geographic Priorities*
- *Crop/Species Defined Priorities*
- *Use of Exclusionary Criteria as Selection Criteria*
- *Method of Comparison*

Nature of the documentation required for project initiation, implementation and monitoring

Project implementation steps

Monitoring and Evaluation of projects

Appendix

SURVEY OF THE PRIORITIES, ELIGIBILITY CRITERIA AND OPERATIONAL PROCEDURES OF RELEVANT ORGANISATIONS

<p>Asian Development Bank (ADB)</p> <p>Organisation Description</p> <p>Goal: To help its developing member countries reduce poverty and improve the quality of life of their citizens.</p> <p>Legal Status: Multilateral Development Financial Institution.</p> <p>Headquarters: Manila, the Philippines.</p> <p>Countries of Operation: Developing Member Countries.</p> <p>Funding Source: Funds are raised from bond issues, member contributions, retained lending earnings, repayment of loans.</p> <p>Financial Structure: Provides assistance via grants, loans, technical assistance, facilitation of policy dialogue, guarantees and equity investments.</p> <p>Grant making Volume: Annual lending volume of approximately US \$6 Billion, with US \$180 Million in technical assistance.</p> <p>Priority Setting</p> <p>Priority Setting Process:</p> <p>ADB's aims that its work contributes especially to those living on less than two dollars a day. The overarching policy direction is set by the poverty reduction strategy 1999.</p> <p>ADB formulates operational strategies for individual countries, including economic and policy analyses, and undertakes country performance reviews which provide a basis for policy dialogue with the governments of developing member countries.</p> <p>ADB develops Country Strategy and Programs which include identification of individual technical assistance and loan projects and programs. To ensure coherence and strategic prioritization, Regional Cooperation Strategies and Programs (RCSPs) are prepared for the five sub regions covered by ADB's regional departments, with annual updates (RCSPUs).</p> <p>ADB establishes and maintains relationships with developing member countries governments for overall country economic reporting and for loan negotiations.</p> <p>Current Priorities:</p> <p>The poverty reduction strategy is focused around three pillars. These are:</p> <ul style="list-style-type: none"> • pro-poor, sustainable economic growth; • inclusive social development; • good governance. <p>Crosscutting priorities are law and policy reform and social dimensions of development.</p>
--

Specific priorities are as follows:

- economic growth;
- human development;
- gender and development;
- good governance;
- environmental protection;
- private sector development;
- regional cooperation.

Within these broad priorities, the operations of ADB and the focus of projects, programs and loan purposes is broad and diverse.

Eligibility Criteria

The ADB lends to both the public and private sector.

Programs and projects must relate to one or more of the priority areas.

ABD's operations are guided by an operations manual which is comprised of operational policies and procedures, covering areas including: country classification and focus, regional and sub regional cooperation, sector and thematic policies, business products and instruments, partnerships, safeguard policies, analyses, financial elements, project administration and evaluation. Eligibility for support depends on a number of factors specific to the type of assistance requested.

Operational Procedures

Governing Instruments:

Agreement Establishing the ADB "The Charter".

Regulations of the Asian Development Fund.

Regulations of Ordinary and Special Operations.

Operational Policies as adopted by the Board of Directors.

Governance and Internal Structure:

ADB is managed the Board of Governors, the Board of Directors, a President, four Vice-Presidents, and the Heads of departments and offices.

Each member country nominates one Governor and an Alternate Governor to vote on its behalf.

The Board of Governors elects the 12 Directors (each with an alternate)—eight representing countries within the Asia-Pacific region and four representing countries outside the region.

The Board of Directors is responsible for approving budgets, supervising financial statements, approving policy statements, and all projects, programs, loan and other financial assistance.

The President is elected by the Board of Governors. The President is responsible for managing the day to day operations of the ABD, on the direction of the Board of Directors.

There a number of different modes of field presence, including regional missions, country offices, liaison offices and representative offices.

In an advisory role, the ABD utilizes ‘communities of practice’, both formal and informal, that provide strategic advice on sectoral or thematic areas.

ADB utilizes separate offices of evaluation and compliance review to oversee the effectiveness of operations and implementation of projects. The Administrative Review Tribunal exists as an external mechanisms to enable review of administrative decisions.

Sources

www.adb.org

ADB Operations Manual

Australian Centre for International Agricultural Research (ACIAR)

Organisation Description

Mission: To achieve more productive and sustainable agricultural systems, for the benefit of Developing Countries and Australia, through international agricultural research partnerships.

Legal Status: Australian Government Statutory Authority, operating as a component of Australia’s aid program.

Headquarters: Canberra, Australia.

Countries of Operation: Funding of research in five regions (Papua New Guinea and the Pacific Islands, Southeast Asia, North Asia, South Asia, and Southern Africa). Priority focus on Asia and the Pacific. Also funds research in international agricultural research centres with multiregional focus.

Funding Source: Government appropriation, as provided in the annual Federal Budget, AusAid Funds for co-financed project, other revenue primarily through sale of publications. Total revenue in 2004-2005 was \$51.492 Million Australian Dollars (approximately \$36.612 M US), 92.3% of this from government appropriation.

Financial Structure: Revenues directly expended to cover grant making and operational costs.

Grant making Volume: For the 2004-2005 financial year, grants totalling \$38,141,689 were made (approximately \$27,119,885 US).

Priority Setting

Priority Setting Process: ACIAR grant making, being an element of the Australian Aid program, is intended to be consistent with and supportive of overall aid priorities as defined in the National Research Priorities defined by the Australian Prime Minister in December 2002, Ministerial Statements, the Foreign Policy White Paper, aid strategy papers such as the White Paper on Australia’s Overseas Aid Program, currently under development. Overall Australian Aid priorities are decided by Government, through cabinet and departmental decision making processes. Development of new or revised priority statements are often subject to community consultation.

The next level of priority setting is made within AusAid, the primary overseas aid organisation. AusAid develops priority statements according to its own processes. Strategies such as the Pacific Regional Strategy reflect AusAid’s priority setting work.

Within ACIAR, priority setting falls under the parameter of the institutions functions as defined in Article 5 of the ACIAR Act. The functions of the Centre are:

(a) to formulate programs and policies with respect to agricultural research for either or both of the following purposes:

- (i) identifying agricultural problems of developing countries;
- (ii) finding solutions to agricultural problems of developing countries.

(b) to commission agricultural research by persons or institutions (whether the research is to be conducted in Australia or overseas) in accordance with such programs and policies.

(c) to communicate to persons and institutions the results of such agricultural research.

(d) to establish and fund training schemes related to its research programs.

(e) to conduct and fund development activities related to its research programs.

(f) to fund international agricultural research centres.

Priorities are set in collaboration with partner countries, in a rolling four year cycle of consultations. Annual operational plans are the strategy documents around which planning and matching of priorities with project development is considered by region and country.

Current Priorities: Current research priorities fall under four themes, with focus statements to guide project development under each theme. The themes are:

- Meeting rising demand for animal protein;
- Improving the productivity and efficiency of food crop and forestry systems;
- Better environments from better agriculture;
- Linking farmers to markets.

Eligibility Criteria

Projects concepts are invited from researchers in Australian institutions, partner country institutions and government organisations, or International Agricultural Research Centres at any time. Separate guidelines exist for engagement of non-government (community based) organisations. Applicants are advised to take project concepts to the relevant research program manager. If it fits with ACIAR priorities and criteria, as well as priorities and criteria of partner countries, and if funds are available, the project may be developed into a full project proposal through an iterative process between the research development manager, the applicant institutions and collaborating partners, and go through approval processes, through which it eventually may be supported by ACIAR. Small, Medium and Large projects, by funding size, have slightly different proposal requirements and project approval procedures. Project proposals approval generally requires approval by the ACIAR In House Review (comprised of all ACIAR senior scientists), Board of Management, and Director acting under delegation of the Minister for Foreign Affairs.

In addition to being supportive of subject area priorities of ACIAR and the partner country, ACIAR projects are evaluated according to the type and extent of impact (i.e. a capacity building vs. scientific impact or both) and the expected length of time until impact. Emphasis is given to economic impact over environmental or social impact, based on the premise that other community impacts are more likely to occur with or be dependent upon financial gains. In terms of time to impact, projects are grouped into those that have a short length of time (up to 5 years) before benefit to end users, medium length of time (5-10 years) or long length of time to impact (15years). ACIAR is now aiming to fund projects on a 40:40:20 basis, with more emphasis on short and medium length to impact, and less on longer waits to impact.

Australian scientists are actively encouraged to consider developing projects, particularly in partnership with developing country institutions and researchers, consistent with ACIAR priority areas and regions to form partnerships in developing countries. Project proposals are evaluated internally according to internal decision making processes.

Operational Procedures

Governing Instruments: ACIAR was established pursuant to the *Australian Centre for International Agricultural Research Act*, Act No. 9 of 1982 and is subject to other Commonwealth Legislation for various aspects of its operation, including the Financial Management and Accountability Act 1997, which governs management of financial resources and reporting standards, the Public Service Act 1999 and others.

The Act establishes ACIAR as a statutory authority falling within the Foreign Affairs portfolio. The Centre's Board of Management reports to the Minister for Foreign Affairs, who in turn reports to the Federal Parliament.

Governing Bodies:

The Board of Management: The Act establishes and outlines the responsibilities of the Board of Management, which concern the conduct and control of the affairs of the Centre. The Board's is responsible for:

- establishing policy and agree on strategic issues;
- guiding and monitoring the performance of the Director;
- ensuring good corporate governance;
- promoting ACIAR and its key relationships;and
- approving research projects.

The Policy Advisory Council: The Act establishes the Policy Advisory Council, who advises the Minister regarding policy issues pertaining to agricultural challenges in developing countries and programs and policies on agricultural research.

Membership of the Policy Advisory Council is comprised of: all the members of the Board of Management; the ACIAR Director; the Director General of AusAID; and other experts (up to 11 but not less than 9) appointed by the Minister and chosen on the basis of experience in agricultural research and challenges related to agriculture in developing countries, particularly in the priority regions. Some of these members are required to be from developing countries.

The Office of Director: The Director's serves pursuant to Section 24 of the Act and is responsible for implementing policy developed by the Board of ACIAR and the Minister for Foreign Affairs, and otherwise managing the affairs of the Centre.

Corporate Governance Framework: The Act also sets out compliance relating to provision of estimates, expenditure of monies, arrangements for entering into contracts and arrangements concerning delegation of Ministerial powers.

The Audit Committee: An Audit Committee links external and internal auditing procedures with Centre management.

Organisational Structure: ACIAR is organised into programs, with 13 research and development program areas (i.e. agricultural development policy, animal health, smallholder farming systems) and five corporate areas (i.e. finance, international project support, human resources).

Sources

www.dfat.gov.au

www.aciar.gov.au

ACIAR Annual Report 2004-2005

ACIAR Annual Operational Plan 2004-2005

ACIAR Project Development Guidelines

The Bill and Melinda Gates Foundation**Organisation Description**

Goal: To help, in partnership with local, national and international partners, reduce inequities in four major areas: global health, education, global libraries, and at risk families in the Pacific Northwest.

Legal Status: US Charitable Foundation.

Headquarters: Seattle, Washington State, United States of America.

Countries of Operation: Global, and within the United States - 60% of funding is directed globally, 40% within the United States.

Funding Source: Endowment from Bill and Melinda Gates, derived from wealth created through Microsoft Corporation.

Financial Structure: Endowment of US \$29.1 Billion.

Grant making Volume: US \$10.2 Billion since inception in 2000. In 2004, grants of US \$1.36 Billion were made.

Priority Setting and Eligibility Criteria

Priority Setting Process: The overall priorities of the Foundation were established by Bill and Melinda Gates at the time of the Foundation's Establishment. More Detailed iteration is handled by the Executive Team, and the Project Staff within program areas. Project staff and leaders consult with global experts and leaders in priority setting process.

Current Priorities:*Four Primary Areas:*

Global Health: Closing the health gap between rich and poor countries by creating new health solutions and ensuring that existing solutions reach those in greatest need.

Education: Ensuring that all students in the United States graduate from high school ready for college, work and citizenship by supporting great high schools.

Global Libraries: Supporting free access to information via computers in libraries in the United States and other countries.

Pacific Northwest: Helping at-risk families in the region improve their lives by supporting a number of human services.

In addition, a smaller program exists to strengthen the US non profit sector.

Eligibility Criteria

Across programs, the Gates Foundation has overarching selection principles across programs. These prioritise projects that focus on:

- Preventative approaches;
- collaborative endeavours with government, philanthropic, private sector, and not-for profit partners;
- Projects that leverage additional support and serve as catalysts for long-term, systemic change.

Exclusionary Criteria: The Foundation will not award grants to individuals (with the exception of the scholarship sub programs under the education program) or to projects that serve an exclusively religious purpose.

Eligibility criteria are otherwise specific to the particular Program or sub-program in question. The Foundation both invites letters of enquiry for some programs, and is proactive by publishing requests for proposals based on priorities identified within the Foundation.

While the eligibility criteria for all programs are presented in brief here, the global health program will be examined in more detail, as an example of how priorities are structured.

Global Health: Applicants should be established international organizations working on solutions to urgent health challenges in the developing world, including but not limited to HIV/AIDS, malaria, TB, acute diarrhoeal illness, and malnutrition.

Having met these criteria, applications should fall under either:

Priority Health Conditions: Efforts to address acute diarrhoeal illness, acute lower respiratory infections, child health, HIV/AIDS, malaria, malnutrition and under nutrition, reproductive and maternal health, tuberculosis, vaccine-preventable diseases.

Other Health Conditions: Efforts to address conditions that have less of a burden than the priority health conditions but are a significant problem in developing countries. Helminthic infections, sexually transmitted infections, kinetoplastid diseases, cervical cancer, meningitis, dengue fever, Japanese encephalitis, trachoma.

Critical Enabling Strategies: With the purpose of ensuring that life-saving health interventions reach those who need them most, the Foundation supports efforts to: Mobilize new resources for global health, including innovative financing and product procurement mechanisms, build awareness of global health issues among decision-makers, the media, and the public, strengthen public health leadership, improve the collection and use of data and evidence for global health decision-making, improve the delivery of, and demand for, key products and interventions.

Education: The increasing US graduation rates program does not accept letters of inquiry or unsolicited proposals. Eligibility requirements for scholarship sub programs - Gates Cambridge Scholars, the Gates Millennium Scholars, Gates Public Service Law Scholars and Washington State Achievers – are based variously on leadership and promise, contribution to the goals of the Gates Foundation, and disadvantage, depending on the scholarship program.

Global Libraries: Neither the US or International Libraries Program accept letters of enquiry or unsolicited proposals.

Pacific Northwest: The early learning initiative does not accept letters of inquiry or unsolicited proposals. Within the Sound Families sub program, the Non-profit housing and service providers committed to providing housing with supportive services for homeless families in selected

counties within Washington State. The Washington Families Fund awards grants to non-profit housing and service providers committed to providing housing-based services for homeless families in Washington state. The Community Grants initiatives funds non-profit organizations in Washington state and the greater Portland area that provide direct human services to at-risk children and families. Through the “Communities Connect” initiative the Centre to Bridge the Digital Divide provides technical assistance grants to previous grantees of the former Community Access to Technology initiative to bring technology to low income and disadvantaged people.

Supporting the US Charitable Sector: This program awards grant to U.S. non-profits enhancing the public’s understanding of the U.S. charitable sector and U.S. non-profits helping donors increase the effectiveness of their philanthropy.

Operational Procedures

Governing Instruments: The Foundation is a US tax exempt private Foundation.

Bodies and Operational Arrangements:

The Foundation operates as a Charitable Trust. The Foundation is led by the Co-Chairs, Bill and Melinda Gates, and William H Gates, Snr. The Executive Team is made up of a Chief Executive Officer, Chief Operating Director and Executive Officer, Chief Financial Officer and Administrative Officer, and the Executive Officer Education Program.

Defining program priorities and making grant making decisions is handled by staff in program areas, in conjunction with the Executive Committee and with liaison with global experts and leaders. Foundation staff are highly involved design of the project, and remain involved throughout the implementation and evaluation of the project.

The day to day work of the Foundation is carried out by 263 employees, based in the Seattle Headquarters and Branch Offices in Washington D.C. and New Delhi, India.

Sources

www.gatesfoundation.org

Bill and Melinda Gates Foundation “Reducing the Initiatives that Divide Our World” Annual Report 2004

Bill and Melinda Gates Foundation Financial Statements 2004

Canadian International Development Agency (CIDA)

Organisation Description

Goal: to support sustainable development in developing countries in order to reduce poverty and to contribute to a more secure, equitable and prosperous world, as per Canada’s foreign policy statement 1995, by facilitating the efforts of the people of developing countries to achieve self-sustainable economic and social development in accordance with their needs and environment, by cooperating with them in developing activities; and to provide humanitarian assistance, thereby contributing to Canada's political and economic interests abroad in promoting social justice, international stability and long-term relationships for the benefit of the global community.

Legal Status: Canadian government Department for purposes of the Financial Administration Act 1968.

Headquarters: Ottawa.

Countries of Operation: Countries in the Americas, Africa and the Middle East, Asia and

Eastern Europe are eligible for CIDA assistance, however, 25 Development Partners are particularly identified as priorities for assistance. Approximately half of these Development Partners are in Africa.

Funding Source: Government Appropriations.

Financial Structure: CIDA administers approximately 80% of Canada's aid budget.

Grant making Volume: Total allocation of the Government of Canada towards international aid in the fiscal year 2004-2005 was \$3.75 billion Canadian Dollars.

Priority Setting

Priority Setting Process:

Overarching priorities are set at the political level, as contained in Canada in the World, Canada's Foreign Policy Statement 1995. The priorities are supportive of the UN Millennium Development Goals. Reviews, such as that of aid effectiveness, frequently involve consultation within Canada, including with relevant agencies, organisations and the private sector and the public at large. Plans identifying implementation level priorities are determined by CIDA through work within the secretariat including in the field, in reference to country strategies, and in consultation with developing country partners. Policy Statements, Strategies and Action Plans are developed for priority areas.

Development Partner countries are identified on the basis of a combination of factors including the level of poverty (with assistance directed where the need is greatest), the ability to use aid effectively, and sufficient Canadian presence to add value (i.e. vis a vis the presence and scale of assistance funded by other donors, and in relation to historical and active historical and people ties).

Following from the 2002 CIDA report "Making Aid More Effective", the following key principles are integrated across the aid program:

- focus on local priorities and local ownership;
- improved coordination among donors;
- stronger partnerships;
- consistency between aid policies and other policies affecting aid, such as trade; and
- emphasis on results.

Current Priorities:

CIDA has six priority sectors:

- Basic Human Needs;
- Infrastructure Services;
- Environment;
- Gender Equality; and
- Human Rights, Democracy and Good Governance.

Within these areas, further priorities are set, for example, CIDA's priorities for social development as identified by the five year plan "CIDA's Social Development Priorities: A framework for Action" are:

- Health and Nutrition;
- Basic Education;

- HIV/AIDS;
- Child Protection.

CIDA supports the following implementation approaches:

- Knowledge based development assistance;
- Impact at the sectoral level;
- Impact at the country level;
- Coordinated approach and local ownership.

Following a 2002 report on Aid Effectiveness, Canada is beginning to move toward prioritising: a smaller number of integrated longer term program (away from a large number of isolated programs); more concentrated programs in a smaller number of countries that have demonstrated commitment; programs that facilitate economic growth; funding in Africa, on the basis of need. Canada is moving toward a less centralised model of aid delivery, with a greater field presence, including in the prioritisation and design of assistance.

Eligibility Criteria

Programs and activities are selected based on:

- Needs and priorities of developing country partners;
- Relevance of Canadian Expertise;
- Availability of funds.

CIDA will work in partnership with developing countries, Canadian organisations, institutions and business, international organisations, and agencies.

Operational Procedures

Governing Instruments: Created by 1968 Order-in-Council. Canada's international policy, and various policy documents, strategies and action plans guide the programmatic focus and approach.

Governance: The President of CIDA reports to the Canadian Minister for International Cooperation. The President advises the Minister on policy program and management. The President is responsible for the internal management of CIDA, its relationships with external entities, and provides strategic leadership. An impartial and independent ombudsman provides some level of oversight as to management issues and is an avenue for staff to receive advice.

Internal Structure: The Minister for International Cooperation represents CIDA in parliament. CIDA is led by a President supported by the executive vice president and senior vice president and their respective offices. The Corporate Secretariat provides corporate services to the Minister and the President and supports the operations of the Agency's corporate committees. The remainder of the organization, with the exception of the Canada Corps, is organized into branches. These are three regional branches (Asia, Africa, and Americas), the Canadian Partnership Branch, the Policy Branch, the Performance and Knowledge Branch, the Communications Branch and the Information Technology Branch.

Sources

www.acdi-cida.org

CIDA Statistical Report on Official Development Assistance 2003-2004

Canada Making a Difference in the World, a Policy Statement on Strengthening Aid Effectiveness 2002.

Common Fund for Commodities

Organisation Description

Goal: To enhance the socio-economic development of commodity producers and to contribute towards development of society as a whole.

Legal Status: Intergovernmental Financial Institution established under the United Nations.

Headquarters: Amsterdam, the Netherlands.

Countries of Operation: Developing Countries Globally.

Funding Source: Voluntary Contributions.

Financial Structure: The First Account is an endowment Fund. Interest from this account can be used for grants. The second capital of the second account is used for loans.

Grant making Volume: USD \$283 Million in Resources as of May 2003. Preference for funding of small to medium-sized projects, with an indicative cost range of USD \$1 to \$5 million. Also fast track projects of USD \$60,000 to \$120,000.

Priority Setting

Priority Setting Process:

Commodity based prioritisation to address common, generic problems of relevance to developing countries. Includes attention to orphan commodities, non traditional commodities and those with development potential, including a focus on all parts of the supply chain and with consideration of value adding potential.

The Fund aims for its role to be facilitator and catalyst, using its resources as seed money to stimulate broader development. Development of priorities and selection of grants and loan beneficiaries takes place with this in mind.

Other prioritisation including preference for:

- Least Developed Countries;
- The lower socio-economic strata within developing countries and countries with economies in transition;
- Smallholders and small to medium-sized enterprises involved in commodity production;
- Member Countries of the Common Fund;
- Within other priority categories, focus on members who have previously benefited least from fund.

Current Priorities:

The substantive focus of projects within commodity priority groups should be to:

- Improve access to markets and reliability of supply for primary products and the processed products thereof;
- Expand processing of primary products in developing countries with a view to promoting their industrialisation and increasing their export earnings through moving up the value addition chain, including packing for the consumer markets;
- Improve the competitiveness of commodities and enhance the cost effectiveness of commodity production;

- Improve marketing, storage, financing, distribution and transport systems for commodity exports of developing countries, including increasing their participation in these activities;
- Improve market structures in the field of commodities of export interest to developing countries and to address market failures;
- Broaden the range of exportable commodities and their respective chains;
- Encourage the corporate social responsibility of multinational and national companies engaged in the commodity sectors;
- Highlight the importance of commodities in economic development and the concerns of commodity producers.

Eligibility Criteria

Eligibility and Selection are based on

- Project quality;
- Extent to which projects are in line with national development policies and be demand driven;
- Impact;
- Beneficiary focus;
- Replicability;
- Sustainability;
- Cost effectiveness;
- Economic and financial rate of return (loan-financed projects);
- Environmental sustainability criteria;
- Co-financing (aim of ratio of 50%);
- Fulfilment of their financial obligations and their previous record with Common Fund;
- Capacity building components and emphasis on the use of local expertise;
- Strategic partnerships with other institutions, the private sector and civil society;
- Encouragement of replication of project in one country, in another, subject to adjustment for special conditions.

Projects that are overly complicated, have a large number of institutions involved, and/or that cover a large number of countries or continents are unlikely to be funded, on the basis that these features increase the risk of ineffectiveness.

Further detailed criteria are contained in the Project Manual.

Operational Procedures

Governing Instruments:

The Agreement Establishing the Common Fund for Commodities.

Governance and Internal Structure:

The governing bodies of the Common Fund are:

Governing Council: Meets annually.

Executive Board: Meets twice a year. The Chair is the Managing Director, who is the Chief Executive Officer of the Fund and the Chairman of the Executive Board.

The Consultative Committee: Committee of thirteen independent experts advising the Executive Board on technical and economic aspects of projects submitted to the Fund. The Committee is an advisory body for the Executive Board.

Executive Officer: The secretariat is led by a Managing Director.

Project design involves forming close contacts with and entering into early consultations with: Member Countries, including through the Fund's Regional Commodity Round Table Meetings; with commodity producers and their associations; and with the International Commodity Bodies (ICBs), taking into account their special expertise in particular commodities.

Project concepts can be submitted by Fund members.

Project design involves the Common Fund in the formulation of projects endorsed by the Consultative Committee. Project design includes involvement of country representatives, beneficiary participation and the use of local consultants and other experts.

A "Project Preparation Facility" focuses primarily on the design of loan- financed projects.

There is scope for projects to be financed as pilots, to test how effective they are likely to be. The fund uses results based management, including use of a logical framework approach.

Project design includes the designation of qualitative and quantitative indicators for the purpose of project monitoring and evaluation.

Member Countries may submit project proposals and ideas, including for Fast Track projects up to USD \$120,000, directly to the Managing Director, who will ensure that the ICBs are duly involved in the appraisal process.

Sources

www.common-fund.org

Common Fund for Commodities Action Plan 2003-2007

Common Fund for Commodities Annual Report 2004

Generation Challenge Program of the Consultative Group on International Agricultural Research (CGIAR)

Organisation Description

Goal: To harness the rich global heritage of plant genetic resources and create a new generation of crops that meet the needs of resource-poor people

Legal Status: An initiative of the Consultative Group on International Agricultural Research (CGIAR). One of three pilot Challenge Programmes.

Headquarters: Texcoco, CIMMYT Mexico (Sub programme leaders located in various countries).

Countries of Operation:

Funding Source: Funded by international donor community. At present, 90% of funding is contributed by the European Commission, the UK Department for International Development and the World Bank. Some funding has come from the private sector as well as in kind contributions.

Financial Structure: Direct expenditure from Funding, directed towards commissioned research,

competitive grants, and operational expenses.

Grant making Volume: In the first round, ending in 2008, competitive grants worth US \$14,045,330 were awarded. For 2006, commissioned research worth \$6,700,000 is expected.

Priority Setting

Priority Setting Process:

The Generation Challenge Programme is a new program. Development of the Programme's strategy was revised after the first year and developed by the Programme Management Team, in consultation with the Programme Steering Committee. Priorities are guided by the GCP Strategy, the Medium Term Plan and Annual Work Plan.

Internally, the GCP recognises the need for analytical work to assist in defining strategies, and is currently undertaking a survey of available resources in all CGP crops.

Priorities for each of the five key areas are defined, with outputs for each set. These areas and preset outputs guide applicants selected through the call for proposals and guide the GCP through design of commissioned research.

Current Priorities:

The five key priorities are research on:

- Genetic Diversity of Global Genetic Resources
- Comparative Genomics for Gene Discovery
- Trait Capture for Crop Improvement
- Genetic Resources, Genomic and Crop Information Systems
- Capacity Building

Eligibility Criteria

The GCP both funds commissioned research and offers competitive grants.

Eligibility and selection criteria are specified by the GCP in documents calling for grant proposals (for the competitive grants stream), GCP Strategy, Medium Term and annual plans.

In the Competitive Grants stream, projects must relate to one of the thematic areas, though some cross over is appropriate. Other criteria include that:-

- Lead investigators may come from any Consortium Member, or from as well as from non-consortium institutions such as non-profit research institutions, developing country research programmes, and/or educational institutions.
- Partners can be from any consortium member or non-consortium institutions such as non-profit research institutions, developing country research programmes and/or educational institutions, or private sector for-profit organizations.
- At least one partner in each project must be a GCP Consortium Member.
- At least one partner in each project must be from an advanced research and/or educational institution.
- At least one partner on each project must be from a research and/or educational institution from a developing country, (this does not include the Future Harvest Centres of the CGIAR)
- Institutions are only allowed to submit a limited number of pre-proposals. Individuals may not be lead investigators on more than one submission, and may not be partner in more than two submissions. These criteria are to encourage internal priority setting.

• All partners must adhere to the GCP policies on intellectual property and data availability (outputs are to be released as public goods).

The selection criteria for competitive grants involves weighting of different components as follows

- Relevance of the science for the selected thematic area: 25%
- Feasibility (potential to achieve objectives and deliver outputs): 25%
- Scientific merit and originality: 25%
- Potential impact on plant breeding: 15%
- Strength of, and rationale for, proposed partnerships: 10%

These criteria reflect the overall objectives of the GCP but may be adjusted in light of its progress and as new opportunities arise.

The GCP Delivery Strategy further guides development/selection of research to ensure a focus on accessibility and relevance to the end user. Projects should be conceived with specific products and users in mind, and should as appropriate include a capacity building component.

Operational Procedures

Governing Instruments:

Governance and Internal Structure:

The Generation Challenge Program is an initiative that works through partnerships between the CGIAR, National Agricultural Research Systems (NARS) of developing countries and Advanced Research Institutes (ARIs).

A Programme Steering Committee is advised by the Programme Advisory Committee and the Stakeholders Committee.

The Programme Advisory committee provides advice to the Steering Committee on scientific issues. There is also a Stakeholders Committee.

The Programme management team is made up of a Director and the leaders of each of five sub programmes.

The sub programmes are the units within which funds are allocated and research projects are managed. However, project proposals are selected and reviewed by an independent review panel.

Partnerships are important to the structure of the Generation Challenge Program. Of relevance to the Funding Strategy of the International Treaty for Plant Genetic Resources is the formalisation of the relationship between the GPC and the Global Crop Diversity Trust through a Memorandum of Understanding.

As a consortia-based programme, management is governed by a consortium agreement, and, as necessary, annual agreements with consortia members.

Sources

www.generationcp.org

Generation Challenge Programme Annual Report 2005

Generation Challenge Programme Medium Term Plan

Generation Challenge Programme 2006 Annual Work plan

Unlocking Genetic Diversity in Crops for the Resource Poor, A proposal for a CGIAR Challenge Program

The Global Crop Diversity Trust

Organisation Description

Goal: To ensure the long-term conservation and availability of plant genetic resources for food and agriculture with a view to achieving global food security and sustainable agriculture.

Legal Status: Autonomous International Fund Operating under International Law.

Headquarters: Rome, Italy.

Countries of Operation: Global.

Funding Source: Contributions from various sources including Multilateral and Bilateral Donors, Private Foundations and the Private Sector.

Financial Structure: It is intended that a \$260 Million Endowment Fund will be raised. As of 21 March 2006, \$39,424,489 US contributions (to endowment fund and operational fund) have been made, from pledges totalling \$60,317, 226.

Grant making Volume: In 2004, its first year of grant making, the fund made grants totalling \$649,045. This amount is expected to increase per year in line with contributions and increases in the Endowment Fund.

Priority Setting

Priority Setting Process: The overall priorities of the Global Crop Diversity Trust, as reflected in the objectives embodied in the Trust's Constitution, are the product of the multilateral process that led the establishment of the Trust, and reflect and respond to the technical framework for the development of an efficient and effective system of ex situ conservation, and the development of cooperation between national and international institutions as detailed by the Global Plan of Action for the Conservation and Sustainable Use of Genetic Resources for Food and Agriculture.

The priorities of the Global Crop Diversity Trust also reflect identification of global challenges and priorities emerging through the setting of the Millennium Development Goals, the G8 Action Plan on Science and Development and ongoing discussions surrounding the development and implementation of the Convention on Biological Diversity and establishment of the International Treaty on Plant Genetic Resources for Food and Agriculture, of which the Global Crop Biodiversity Trust is an element of the Funding Strategy.

The process of developing the Trust was led by a partnership between the FAO and the Future Harvest Centres of the Consultative Group on International Agricultural Research (CGIAR). The Trust represents a Private Public Partnership.

Elaboration of the objectives through concrete priority setting, as well as grant decision making is handled through the Trust governance mechanisms, utilising information and recommendations developed through collaborative processes at the regional and global level. Specifically, this is through development of regional and crop specific strategies.

Current Priorities: Priority setting flows from the formal Objective of the Trust as contained in Article 2 of the Constitution of the Global Crop Diversity Trust, and is further elaborated through crop and regional strategies.

Within the overarching goal of ensuring the long term conservation and availability of plant genetic resources for food and agriculture, the Trust focuses on:-

- safeguarding collections of unique and valuable plant genetic resources for food and

agriculture held *ex situ* (priority being given to those that are plant genetic resources included in Annex I to, or referred to in Article 15.1(b) of, the International Treaty on Plant Genetic Resources for Food and Agriculture);

- promotion of an efficient, goal-oriented, economically efficient and sustainable global system of *ex situ* conservation in accordance with the International Treaty and the Global Plan of Action for the Conservation and Sustainable Utilization of Plant Genetic Resources for Food and Agriculture;
- promotion of the regeneration, characterization, documentation and evaluation of plant genetic resources for food and agriculture and the exchange of related information;
- promotion of the availability of plant genetic resources for food and agriculture; and
- promotion of national and regional capacity building, including the training of key personnel, with respect to the above.

The purpose of the crop and regional strategies is to provide a scientific basis and framework for Trust activities and grant making in areas so that the Trust can most effectively contribute to improving the efficiency, effectiveness and sustainability of efforts to conserve PGRFA. .

The Regional Strategies focus on identifying key *ex situ* collections of globally important crops on a region-by-region basis. Initially, this strategy will be restricted to crops falling under the multilateral system of the International Treaty. Regional strategies are being developed through collaboration with regional and country level stakeholders and experts.

The Crop Strategies focus on identifying priority collections for funding on a crop-by-crop basis, at the global level. The Trust is prioritizing crops listed in Annex I of the International Treaty. The strategy development is being undertaken by international experts in collaboration with holders of collections, plant breeders and crop networks and is intended to lead to the identification of global holdings containing the widest diversity of the given crop, in order to provide an information tool as a basis for initiatives to conserve the genepool of each crop. The strategy will also focus on approaches for collection management, and models for sharing responsibilities among collections and institutions. The crop strategies are intended to help identify global needs, the importance of which may not be emerge through development of regional strategies alone.

Both the Regional and Crop Strategies will be tools used by the Trust in determining funding priorities and strategies.

Eligibility Criteria

Interim Eligibility Principles for collections seeking funding support are:

1. Collections funded by the Trust are of crops that are included in Annex 1 or referred to in Article 15.1 (b) of the International Treaty.
2. The availability of the material in the collection is guaranteed under internationally agreed terms of access and benefit sharing.
3. The commitment of the holder of the collection to conserve the collection over the long term has government recognition.
4. The holder of the collection is committed to working in partnership to develop and maintain an efficient and effective global conservation system.

Applications for Long term operational support are subject to 6 further criteria. These are:

1. The recipient has effective links to users of plant genetic resources.
2. The plant genetic resources are judged to be important within the context of an agreed regional or crop conservation strategy.
3. The legal status of the collection and holder is such that their ability to meet the eligibility principles with respect to access and benefit-sharing, and their commitment to long-term conservation is assured.
4. The recipient is willing to act in partnership with others to achieve a rational system for conserving plant genetic resources and making them available .
5. The recipient has the human resources and management systems needed to maintain the plant genetic resources and can demonstrate conformity with agreed scientific and technical standards of management.
6. The facilities in which the collection is maintained are adequate to ensure long-term conservation.

As these criteria are considered to be demanding, grants may be available for the upgrading and capacity building support to bring facilities within a standard sufficient to meet the eligibility criteria.

The Trust's interim board has recently approved a statement on the role of the Trust, which includes a "Decision Tree" that will be used in guiding funding decisions. This and other relevant documents can be found on the Trust's website: www.croptrust.org

Operational Procedures

The Trust is currently working under Interim Arrangements. The Trust is being governed by an 11-member Interim Panel of Eminent Experts. Members of the Panel were appointed by the Directors General of FAO and IPGRI, following stakeholder consultation. There is also a Donors' Council. A Secretariat is in place. It has offices both at the FAO headquarters in Rome and at IPGRI.

Governing Instruments: The Trust is established via the "Establishment Agreement", which was approved by the Interim Panel in October 2003. Twenty-two countries have signed/ratified the Agreement. Governance arrangements are set out in the Constitution of the Trust, which is annexed to the Establishment Agreements. It is foreseen that a Relationship Agreement, a draft of which is being put forward to the first meeting of the Governing Body of the International Treaty, will define the relationship between the Trust and the Governing Body of the International Treaty.

Bodies and Operational Arrangements: Executive Board: Comprised of eleven-thirteen members, including four members nominated by Governing Body of the International Treaty (at least two of whom must be from developing countries), 4 members appointed by Donor's Council (at least one of whom must be from a developing country), one non-voting member appointed by Director General of the FAO, one non- voting member appointed by the Chair of the CGIAR, the Executive Secretary of the Global Trust, and, if the Executive Board so desires, two additional members appointed by Executive Board itself to balance disciplinary expertise, gender and geographical balance. The Members, except the Executive Secretary, the appointee of DG of FAO and the appointee of the CGIAR serve in their individual capacities. The functions and powers of the Executive Board are set out in Articles 6 of the Constitution. In summary, the

Executive Board oversees the operations and activities of the Trust in pursuance of its objective, approves the budget of the Trust and exercises the other powers conferred upon it by the Constitution. However, the overall policy direction of the Global Fund is guided by the Governing Council of the International Treaty pursuant to Article 6(1) of the Trust's Constitution. The Executive Board makes decision by consensus, however if this cannot be reached a vote is taken in accordance with the rules of procedure.

Donors' Council: The Donors' Council is comprised of public and private donors from both developed and developing countries who have made a significant contribution to the Trust. Establishment of eligibility criteria and selection of members is the responsibility of the Executive Board, in consultation with interested groups. The Donors' Council has established its own rules of procedure. The function of the Donors' Council is set out in Article 10 (1) of the Constitution. It is envisaged that the Donors' Council will advise on fundraising and other financial matters, provide financial oversight and provide a forum for Donors to consider the operation of the Trust.

Executive Secretary: The Executive Secretary is appointed by the Executive Board. The Executive Secretary is responsible for the operation and management of the Trust.

Secretariat: The Trust is served by a Secretariat, with its staff appointed by the Executive Secretary.

Sources

www.croptrust.org

Global Crop Diversity Trust *Annual Report 2004*

Global Crop Diversity Trust *Funding Update March 21 2006*

The Global Environment Facility (GEF)

Organisation Description

Goal: To help developing countries fund projects and programs that protect the global environment.

Legal Status: Independent financial entity.

Headquarters: Washington D.C.

Funding Source: Contributions by donor governments.

Financial Structure: Fund replenished through country pledges in four yearly cycles – currently at the end of GEF III.

Grant making Volume: Since 1991, the GEF has given US \$4.5 billion in grants. Significant funds, US \$14.5 billion, have been generated in co-financing from partners in GEF funded projects.

Priority Setting

Priority Setting Process:

The priority setting process in GEF works at a number of different levels including through the setting of overall sectoral priorities and the elaboration of specific priorities within those areas. Also, a number of different project types are funded by the GEF, further differentiating priority setting and eligibility criteria. Relevant documents include the Operational Strategy, the Resource

Allocation Framework and the GEF Council Document on Strategic Priorities by Focal Areas.

The Operational Strategy, developed in 1995 and being reviewed following the addition of focal areas in 2002, sets out the focus areas and so indicates overall priority areas.

The Resource Allocation Framework which will apply to biodiversity and climate change programs is the primary document guiding allocation of resources to countries based on priorities and principles as detailed in the Framework. The Framework was developed by the Secretariat and adopted by the GEF Council.

The RAF, at the beginning of each replenishment cycle will publish amounts which countries can expect, though are not guaranteed to receive, for projects. The allocation is determined on the basis of both the capacity of the country, as referenced in part by its policies and practices to successfully implement GEF projects, and the potential of the country to generate global environmental benefits. It is intended that the resource allocation framework will enable the close linking of assistance with national priorities and so move the GEF process to a more country driven approach. It is also expected the RAF will link GEF funding with the international environmental conventions at the heart of GEF activities. The RAF does not apply to the other program areas, or to eligibility under the small grants programme.

Strategic Priorities by Focal Areas and other programs are set out in annexes to the document "Strategic Business Planning, Direction and Targets", GEF Council document GEF/C/21/Inf/11 of 2003. This document supports the GEF Business Plan Financial Year 04-06. The Strategic Priorities are to be consistent with the Operational Programs, and guidance as to priorities from the relevant conventions are to be closely tied with country priorities. Further, they integrate the advice and lessons as to effective and strategic interventions as provided by the Scientific and Technical Advice Panel (STAP). The development of the Strategic Priorities was also intended to enable alignment of targets and indicators with internationally set goals i.e. WSSD targets. Development of Strategic Priorities by focal area was a process that involved the preparation of background analysis in the form of a "Strategic Priorities Paper" for each focal area, involving collaboration and consultation with the implementing agencies, and the STAP.

Current Priorities:

At the overall level, the work of the GEF is divided into six focal areas.

These focal areas are climate change, biodiversity, international waters, land degradation, the ozone layer and persistent organic pollutants. Within each focal area are operational programs. For example, in biodiversity, the operational programs are mainly divided by ecosystem type.

Priorities within each focal area are defined in the annexes to GEF/C/21/Inf/11.

Eligibility Criteria

The GEF has published a variety of templates and other documents to guide the determination of eligibility and project requirements. Many details are specific to project type, focal area or operational programs.

Country eligibility for support is set at an overall level.

For projects relating to climate change or biodiversity, the country must have ratified the relevant treaty.

In other focal areas, the country must be party to the relevant treaty and be eligible for World Bank loans or UNDP technical assistance.

Funding is available for individuals or groups, depending on the project type and projects must:

- reflect national or regional priorities;
- have the support of the country or region; and
- improve the global environment or reduce risks to the global environment.

Specific eligibility criteria are further elaborated depending on focal area, operational program and project type, as defined in the Strategic Priorities, Operational Strategy and Resource Allocation Framework, as applicable.

Operational Procedures

Governing Instruments: Instrument for the establishment of the restructured Global Environment Facility 2004, and decisions taken by each of the three GEF Implementing Agencies and the Trustee.

Governance and Internal Structure:

GEF Council: Governing body with 32 members. Responsible for approving GEF full size projects and otherwise deliberating on GEF matters.

GEF Assembly: All member countries. The Assembly meets every four years. Only the Assembly can amend the Instrument establishing the GEF. In addition to participating in the GEF Assembly, members nominate focal points to be available to the Secretariat and the Implementing Agencies in the periods between the Assembly meetings.

GEF Secretariat: Coordinates and executes the work of the GEF and reports to the GEF Council and Assembly. Led by the Chair and Chief Executive Officer.

Implementing and Executing Agencies: GEF funds must be implemented by one of three implementing agencies (the World Bank, UNEP or UNDP). Implementing agencies are also responsible for development of project proposals. Project management and implementation is also contributed to by seven GEF executing agencies (African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, Inter-American Development Bank, the International Fund for Agricultural Development, the UN Food and Agriculture Organisation and the UN Industrial Development Organisation).

Scientific and Technical Advisory Panel: 15 expert members who contribute strategic scientific advice to the GEF. GEF also utilizes a roster of experts for advice on individual projects.

Sources

www.thegef.org

GEF Operational Strategy 1995

Instrument for the Establishment of the Restructured GEF 2004

Strategic Business Planning, Direction and Targets, GEF Council document GEF/C/21/Inf/11 of 2003

European Commission (Directorate General Development)

Organisation Description

Mission: To help to reduce and ultimately to eradicate poverty in the developing countries and to promote sustainable development, democracy, peace and security.

Legal Status: Directorate General within the European Commission responsible for initiating and formulating the European Union's development co-operation policy for all developing countries as defined in Title XX of the Treaty establishing the European Community.

Headquarters: Brussels, Belgium.

Countries of Operation: Policy Formation at the global level, applicable to all developing countries. Direct responsibility for Community relations with Africa, Pacific and Caribbean, and the overseas countries and territories of European Community Members, except countries such as South Africa and Cuba that do not benefit from the European Development Fund.

Funding Source/Grant making Volume: Programming use of European Development Fund. Works on policy formulation only. While programming the use of funds under certain European Commission Budget lines, the actual implementation of activities funded through the European Development Fund is done by AIDCO.

Priority Setting

Priority Setting Process: The Cotonou Agreement 2000, guides relations between the EU and Africa, the Caribbean and Pacific. Programming for signatory countries is influenced by that Agreement, which identifies an integrated development cooperation strategy of support that designates economic development, social and human development and regional cooperation as its primary focus areas. The Cotonou Agreement states that priorities are to be set country by country. Thus, as compared to previous approaches, the European Community uses a decentralized, field based approach that fosters dialogue between the recipient and donor.

Definition of a broad global strategy in the Agreement does not imply that the Commission should be active in all focal areas, in all countries or regions. Priority setting at the country level is represented in a Country Support Strategy. Development of Country Support Strategies is guided by the Common Framework for Country Strategy Papers developed by the EC. This covers implementation of all operations financed from the grant envelope. It is established in dialogue with the recipient country and includes an analysis of the political, economic and social context of the country. It also outlines the country's own development strategies, and considers the activities of other donors. On the basis of this analysis, assistance is focused on limited sectors where the Community is regarded as having a comparative advantage. Activities can also be co-financed, where other donors take the lead. An Operational Indicative Programme details the operations which will be supported and provides planning details such as timelines. The CSS is reviewed and updated regularly and there is an annual operation review.

A key element is the decentralisation of the review process to the field level, making the review an integral part of programming and dialogue between the Community and the recipient country.

At the regional level, A Regional Support Strategy (RSS) and an operational indicative programme are established, a process which is supported by regional consultation. These strategies also are subject to review and adjustment, through a mid term and end of term review.

Priority is given to areas where there are strong prospects of regional cooperation and integration,

and performance is also measured on this basis.

Current Priorities:

Sectoral areas prioritised are:

- Linking Trade with Development;
- Regional Integration and Cooperation;
- Support for Macro-Economic Policies and Promoting Equitable Access to Social Services in Coherence with the Macro-Economic Framework;
- supporting transport;
- promoting food security and sustainable rural development;
- support for institutional capacity building;

Cross cutting areas, that are stand alone issues as well as to be mainstreamed into the other focal activities are:

- Promotion of human rights;
- Equality between men and women;
- Children's rights;
- Environmental dimensions of development.

DG Development prepares policy orientations and implementation guidelines for these sectors and cross cutting area.

Among these areas, the DG Development gives particular attention to activities promoting regional economic integration.

DG Development also contributes to EU policy development more broadly, where issues have development elements i.e. trade, environment.

Eligibility Criteria

Resources are allocated on the basis of an evaluation of needs and performance.

Each ACP State and region receives an indication of the amount of resources it may benefit from during a five-year period. This is not an entitlement – it may be reduced or increased at the mid-term and end-of-term reviews of the Country Support Strategy.

Criteria for the evaluation of needs and performance were negotiated between the ACP and the Community. Needs based criteria include:

- per capita income;
- population size;
- economic and social development indicators (Human Development Index);
- level of indebtedness and dependence export earnings.

Performance is assessed on the basis of:

- Progress in implementing institutional reforms . Country performance in the use of resources i.e. transparency and accountability;
- Effective implementation of current operations;
- Public expenditure and efforts towards poverty alleviation or reduction . Public expenditure in social sectors and quality of anti-poverty strategies, in particular in the

<p>social sectors;</p> <ul style="list-style-type: none"> • Commitment to programmes for raising the status of women and enforcing labour and social standards; • Sustainable development measures; • Commitment to principles for environmentally sustainable management of the environment and natural resources; • Macroeconomic and sectoral policy performance.
<p>Operational Procedures</p> <p>Governing Instruments: Mandate from Treaty establishing the European Community. Work, guided by Cotonou Agreement 2000.</p> <p>Governance/Internal Structure:</p> <p>At the highest level, development issues within the European Commission are led by the European Commissioner for Development and Humanitarian Aid. DG Development is led by a Director General, who has an advisor “hors classe”. There are four Directorates within the DG, with two focused on regions, one for General Affairs, and the other Directorate focused on development policy and sectoral regions. Within this Directorate is the secretariat of the Interservice Quality Support Group (iQSG), comprised of members of all relevant DG directorates. The iQSG is responsible for monitoring the consistency and quality of the documents and establishing their consistency with the Common Framework for Country Strategy Papers. It ensures coherence between the EU's development policy, the strategy documents and their implementation.</p> <p>Other units include the Internal Audit Section and the Section focused on Pan African and horizontal geographical issues.</p>
<p>Sources</p> <p>http://europa.eu.int/comm/development/index_en.htm The Cotonou Agreement 2000</p>

<p>International Fund for Agricultural Development (IFAD)</p>
<p>Organisation Description</p> <p>Goal: Enabling the Rural Poor to Overcome Poverty.</p> <p>Legal Status: Specialised Agency of the United Nations.</p> <p>Headquarters: Rome, Italy.</p> <p>Countries of Operation: Has undertaken projects in over 115 countries, prioritising projects in countries with significant food security challenges and other developmental deficits.</p> <p>Funding Source: Voluntary contributions by Member Countries.</p> <p>Financial Structure: Fund offering low interest loans and grants. Financial resources are replenished in a three yearly cycle.</p> <p>Grant making Volume: At 2004 IFAD had financed US \$8.5 billion in grants and loans since inception.</p>

Priority Setting**Priority Setting Process:**

The hierarchy of policy and priority setting derives from:

- IFAD's strategic framework 2002-2006;
- Regional Strategies on Poverty Reduction;
- Country Strategic Opportunities Papers;
- Annual Programmes of Work and Budget.

The Governing Council is concerned with the highest level of priority setting. Lower level elaboration of priorities and grant decision making occurs within the Secretariat, with positions approved by the Executive Board. Priority setting through the Regional and Country plans is consultative.

Current Priorities:

Under the overall goal are three strategic objectives, relating closely to the Millennium Development Goals, and set out in the Strategic Framework 2002 – 2006. These are:

- Strengthening the capacity of the rural poor and their organisations;
- Improving equitable access to productive natural resources and technologies; and
- Increasing access of the poor to financial services and markets.

Eligibility Criteria

The Fund's grant assistance, apart from technical assistance, is directed at the poorest food-deficit countries with the greatest development needs. The Executive Board will approve grant financing only for high-priority projects in countries with significant constraints.

Lending Policies and Criteria, adopted by the General Council (last amended in 1998) are set out in detail in the IFAD document of that name.

The Fund gives priority to activities that strengthen the technical and institutional capacity essential for agricultural and rural development. Financing is directed towards technical assistance that aims to:

- (a) assist the country to undertake feasibility studies in agricultural projects related to IFAD's activities and priorities;
- (b) assist countries expanding supply of trained personnel and facilitate their integration into institutions;
- (c) assist local institutions in the design and implementation of monitoring systems appropriate to the objectives of Fund-financed projects;
- (d) undertake special studies or pre-investment projects in problem areas that have prospects for future investment;
- (e) assist countries intensively at the project implementation stage, including through training for staff with project management responsibilities;
- (f) provide support to countries for research and extension activities, in particular development of technology appropriate to small farms. Small-scale innovative projects leading to future larger scale investment decisions, are prioritized.

Technical assistance, particularly for activities listed above, will normally be provided on a grant basis. However, feasibility studies funded through technical assistance funds may lead to the provision of loans.

IFAD frequently works in partnerships, and encourages government co-financing.

Operational Procedures

Governing Instruments: Agreement Establishing IFAD

Governance:

Member States: Membership in IFAD is open to any State that is a member of the United Nations, any of its specialized agencies or the International Atomic Energy Agency. The Fund has 164 Members. These are classified in lists, which are relevant to eligibility for representation on the Executive Board. These are List A (primarily OECD members); List B (primarily OPEC members); and List C (developing countries). List C is further divided into sub-list C1 (countries in Africa); sub-list C2 (countries in Europe, Asia and the Pacific); and sub-list C3 (countries in Latin America and the Caribbean).

Governing Council: The Council is IFAD's highest decision-making authority. Each Member State is represented in the Governing Council by Governors, Alternate Governors and any other designated advisers. The Council meets annually.

Executive Board The Executive Board is responsible for overseeing the general operations of IFAD and for approving its programme of work. Membership of the Board is determined by the Governing Council and is distributed as follows: eight Members and eight Alternate Members of List A countries, four Members and four Alternate Members of List B countries and six Members and six Alternate Members of List C, with two from each of the three regional sub-divisions of List C Member States.

Audit Committee: Subcommittee of the Executive Board, with responsibility for reviewing Audit Statements.

Evaluation Committee: Subcommittee of the Executive Board charged with studying and reporting on evaluation activities of the Fund.

Internal Structure:

Office of the President and Vice President: The President is responsible to the Governing Council for the management and implementation of the mandate of IFAD.

Office of Internal Audit: An independent appraisal office responsible for establishing and maintaining internal controls.

Office of the General Counsel: Provides legal advice to the Secretariat and Governing Council.

External Affairs Department: Responsible for developing and managing external relations, including relations with Member States and partners, and developing a communications strategy with the goal of increasing political and financial support for IFAD. The Policy Division, Communications Division, Resource Mobilisation Unit, Office of the Secretary and Belgian Survival Joint Programme are divisions within the External Affairs Department.

Finance and Administration Department: Responsible for Financial and Administrative functions. Comprised of the Office of the Controller and Treasury.

Programme Management Department: Responsible for design and implementation of the lending

programme. Divided into regions – West and Central Africa, Eastern and Southern Africa, Asia and the Pacific, Latin America and the Caribbean, Near East and North Africa. Also comprised of a Technical Advisory Division, which provides technical expertise to all regions in thematic clusters – human and social assets, financial assets, and productive assets.

Sources

www.ifad.org

IFAD Annual Report 2004

IFAD Lending Policies and Criteria

United Nations Handbook 2003, New Zealand Ministry of Foreign Affairs and Trade

International Tropical Timber Organisation (ITTO)

Organisation Description

Goal: To facilitate discussion, consultation and international cooperation on issues relating to the international trade and utilization of tropical timber and the sustainable management of its resource base.

Legal Status: Intergovernmental Organisation, with 59 Members. ITTO is the Secretariat of the International Tropical Timber Agreement 1984.

Headquarters: Yokohama, Japan.

Countries of Operation: ITTO as a whole is focused on all Member States, both producing and consuming members. Project funding is focused on producing Member States.

Funding Source: Bilateral contributions, primarily from the Governments of Japan, Switzerland and the United States of America. Annual contributions and votes are distributed equally between these producing and consuming groups, termed “caucuses”. Within each caucus, the dues of each member are calculated. Calculation of dues is based on volume of tropical timber trade and the extent of tropical forests within the country (for producing countries).

Financial Structure: Projects are funded through direct voluntary contributions of Members.

Grant making Volume: Since establishment in 1987, more than US\$270 million has been expended.

Priority Setting

Priority Setting Process: Priorities are defined through a multilateral process, and are defined in the in the ITTO Objective 2000 and the Yokohama Action Plan 2002-2006. Action Plans are defined each five years.

A Biennial program of work further defines the priorities and work program.

Current Priorities:

The ITTO has a broad and ambitious program.

The overall priority, as defined in Objective 2000, is to move as rapidly as possible towards achieving exports of tropical timber and timber products from sustainably managed sources.

As defined in the Yokohama Action Plan, the multilateral process developing this plan arrived at goals, priority actions and cross cutting actions to facilitate progress in an integrated manner in all three areas of its substantive work: economic information and market intelligence, reforestation

and forest management; and, forest industry. The Action Plan Goals for each of these groups are:

- ***ECONOMIC INFORMATION AND MARKET INTELLIGENCE.***

Goal 1: improve transparency of the international timber market.

Goal 2: promote tropical timber from sustainably managed sources.

- ***REFORESTATION AND FOREST MANAGEMENT.***

Goal 1: support activities to secure the tropical timber resource base.

Goal 2: promote sustainable management of tropical forest resources.

- ***FOREST INDUSTRY.***

Goal 1: promote increased and further processing of tropical timber from sustainable sources.

Goal 2: improve industry's efficiency of processing and utilization of tropical timber from sustainable sources.

The cross cutting actions are to:

- a) Encourage and assist producing member countries to identify and address constraints in their implementation of sustainable forest management and the sustainable development of the forest industry to enhance the contribution of the forest sector to national objectives;
- b) Actively cooperate and coordinate with international organizations and other international fora that undertake activities relevant to ITTO's objectives, with a view to sharing expertise, reducing duplication, enhancing complementarity and harmonizing activities;
- c) Contribute to the CPF to further the shared objective of promoting sustainable forest management;
- d) Enhance public relations, education and outreach activities in order to better raise awareness of the purpose and activities of the Organization and of the fact that sustainable forest management can be an economically, socially and environmentally viable land use;
- e) Assist human resource development and institutional strengthening by conducting national, regional and international training activities and the provision of fellowships;
- f) Widely disseminate ITTO's work including projects, evaluations, ex-post evaluations, studies, results, and lessons learned from ITTO activities;
- g) Maintain and expand the tropical timber databases and facilitate access to them;
- h) Encourage and increase the involvement of non-government stakeholders, including industry and trade associations, environmental organizations and indigenous groups, in the activities of the Organization with a view to promoting transparency, dialogue and cooperation in furthering ITTO's objectives;
- i) Support the sharing of information, knowledge and technology to improve sustainable forest management, product processing, utilization and understanding of the marketplace

<p>as related to ITTO's priorities;</p> <ul style="list-style-type: none"> j) Explore and encourage investment and private-sector joint ventures in the forestry sector, including the reinvestment of forest generated revenues; k) Support demonstration and pilot projects in all areas of its substantive work, especially on a regional basis; l) Support research and development studies and projects to improve understanding of the marketplace, efficient product processing, industrial utilization and better forest management; m) Formulate and test guidelines and C&I related to the Organization's work in the field of forest management and other areas as appropriate; n) Analyze reports received from members on their progress towards ITTO Objective 2000 and prepare periodic assessments of such progress where possible; and o) Undertake special studies on emerging issues of relevance to the world tropical timber economy.
<p><i>Eligibility Criteria</i></p> <p>ITTO funds a large program of projects, pre-projects (scoping studies) and other activities. Project proposals must be submitted by member governments, but can be implemented by any government or non-government agency or organization.</p> <p>The IITO Manual for Project Formulation guides applicants on designing effective projects consistent with ITTO criteria.</p> <p>Consistency of projects with the objectives and work plan of the IITO, funding availability and technical merit are criteria considered by the Expert Panel for the Technical Appraisal of Project and Pre-project Proposals which advises the ITTO on project selection.</p> <p>Members are required to submit project and pre-project proposals according to a formal 22 week project cycle. A designated focal point, in recognition that the expert panel has limited time to consider proposals, filters proposals before submission to the panel. The Panel makes a decision which takes into account the proposals accordance with national priorities and relevance to ITTO objectives.</p> <p>ITTO projects are required to integrate monitoring and evaluation in the project proposal.</p>
<p><i>Operational Procedures</i></p> <p>Governing Instruments: Established by International Tropical Timber Agreement 1983, negotiated under the auspices of UNCTAD. This Agreement has been revised since, and the new agreement, the International Tropical Timber Agreement 2006 will come into force in 2008.</p> <p>Bodies and Operational Arrangements:</p> <p>The ITTO is governed by the International Tropical Timber Council(IITC), which is in turn supported by four committees. The Council meets twice yearly.</p> <p>The IITC: The Council is comprised of all the Organization's members. Membership is divided into two categories, producing and consuming Member Countries.</p> <p>The Committees: The Committees are open to all members. They provide advice and assistance to the Council on issues for consideration and decision. With the exception of the Finance and</p>

Administration Committee, the Committees each focus on one of the three main areas of policy and project work. They are:

- Economic Information and Market Intelligence;
- Reforestation and Forest Management; and
- Forest Industry.

There are also two non-member stakeholder groups that can advise the Council – these are the Trade Advisory Group and the Civil Society Advisory Group. Non members and international organisations may be observers of the Council.

An Expert Panel for the Technical Appraisal of Project and Pre-project Proposals, which supports the work of the Committees, reviews project proposals based on technical merit and support of ITTO objectives.

The Yokohama based Secretariat is headed by an Executive Director responsible for the day-to-day management and administration of the Organization. The Secretariat is small, with approximately 35 staff.

Sources

www.itto.or.jp

ITTO Yokohama Action Plan 2002-2006

ITTO Biennial Work Program 2006-2007

International Tropical Timber Agreement 1984

International Tropical Timber Agreement 2006

Japan International Cooperation Agency (JICA)

Organisation Description

Goal: To advance international cooperation through the sharing of knowledge and experience and working to build a more peaceful and prosperous world.

Legal Status: Independent Administrative Institution established through 2002 legislation (re-launched with this status in 2003 after initial founding in 1974).

Headquarters: Tokyo, Japan.

Countries of Operation: Works in over 150 countries in 2003, with branch offices in 94 countries.

Funding Source: Government appropriation.

Financial Structure: Capital with annual replenishment.

Grant making Volume: JICA technical cooperation in 2004 was 146.4 billion yen, of a total ODA budget of 965.3 billion yen.

Priority Setting

Priority Setting Process: The priority setting process relates closely to Japan's Charter for Overseas Development Assistance which is detailed as to priority areas, regions and principles of assistance. Each year, government reports to parliament on overseas development assistance in the yearly development white paper.

At the implementation level, priorities are determined within JICA, and derive from regional and

country level strategic plans that are developed in consultation with countries.

Three principles guide the work of JICA:

- A field oriented approach;
- Human security; and
- Effectiveness, Efficiency and Speed.

JICA promotes partnerships (including with the international community, private sector, universities, other research institutions), south to south cooperation and the mainstreaming of capacity development. JICA further prioritises assistance that supports the self-help efforts of developing countries, and that utilise Japan's experience and expertise.

JICA was re-established as an independent administrative authority in 2003, a process which also realigned and modernised the agency and the principles and operations of its work.

JICA principles of ODA Implementation, which guide priority setting at the project level in all JICA development assistance activities, include that:

- Environmental sustainability should be pursued in tandem with development;
- Use of ODA for military purposes or that results in aggravation of conflict should be avoided;
- Attention should be paid to the allocation of development assistance to developing countries military expenditure, from the viewpoint that countries should be prioritising own priorities appropriately.
- Attention should be paid to the allocation of development assistance to developing countries own efforts to promote democratisation, to introduce a market oriented economy, and to protect human rights and freedoms.

Current Priorities:

Japan's ODA priority issues are:

- Poverty reduction;
- Sustainable growth;
- Addressing global issues; and
- Peace building.

Asia is the priority region. Other countries are prioritised depending on the basis of the objectives and priority issues set out in Japan's ODA Charter, and giving consideration to the needs for assistance and state of development in the region. The particular needs of Africa, the Middle East, Latin America and Oceania are highlighted in the Charter.

Country level and regional priorities are established by JICA in collaboration and consultation with national governments. This is through, for example ODA taskforces at the national level, linked to the JICA branch office, Japanese Embassy Office and relevant national organisations. An issue based approach is used to analyse country and local level needs and priorities. Country level priorities are reflected in Country level Project Implementation Plans.

Eligibility Criteria

JICA funds technical cooperation and provides grant based aid.

JICA supports the work of entities ranging from local community to central government.

Operational Procedures

Governing Instruments: JICA is just one agency through which Japan's ODA is distributed. Overarching ODA policy is guided by Japan's ODA Charter. To ensure governments makes policy on development cooperation coherently and consistently across agencies, the development of ODA policy is guided by the Council of Overseas Cooperation Related Ministers and the Inter-Ministerial meeting on ODA.

Governance & Internal Structure:

JICA is led by the President, who is supported by the Senior Vice President and Vice President. Auditors work under the President and are directed by the Office of Audit. At headquarters, there are 20 departments and 4 offices/centres. The Departments are organized by region and issue, in addition to departments that focus on administration (i.e. finance, procurement), training affairs, human resources. The Secretariat of the Japan Disaster Relief Team also falls within JICA.

Sources

www.jica.go.jp

About JICA

JICA Annual Report 2004

JICA's Mid-term Objectives 2003 – 2007

Japan Overseas Development Charter

Swedish International Development Cooperation Agency (Sida)

Organisation Description

Goal: To contribute to an environment supportive of poor people's own efforts to improve their quality of life, consistent and supportive of Sweden's goal for global development to contribute to equitable and sustainable global development.

Legal Status: Swedish Government Agency reporting to the Ministry of Foreign Affairs.

Headquarters: Stockholm.

Countries of Operation: Works in approximately 120 countries in Africa, Asia, Latin America and Europe. Sida has field offices in approximately 50 countries.

Funding Source: Parliamentary allocations.

Grant making Volume: In 2005, total funds for Swedish Development Cooperation were approximately 22.4 billion Swedish Kroner (approximately US 2.87 billion), representing .88% GNI. Sida is responsible for administering around 60% of total Swedish funds for international development cooperation. In addition, SIDA administers Sweden's contributions to the United Nations and the European Community.

Priority Setting

Priority Setting Process: Overarching priorities are set at the political level, with goals embodied in Parliamentary Decision on Sweden's Policy for Global Development (2003/04:UU3). The process for prioritisation is further regulated by Decision 120/04 on policies and methods in the development cooperation process.

The Department for Policy and Methodology provides central inputs in the elaboration of priorities, in consultation with the management group. Three documents, developed internally,

guide the priorities and priority setting process of Sida. These are:

- “Perspectives on Poverty”, which sets out the elements of the overall mission of poverty reduction;
- “Goals, Perspectives and Central Program Elements” which elaborates on the content of “Perspectives on Poverty”; and
- “Sida at Work”, which is comprised of a guide to principles, procedures and working methods, and manuals on preparation, implementation and follow up of cooperation strategies and Swedish contribution to programs and projects.

Policies that guide the work of Sida are divided into types, each having separately defined characteristics and principles. These are:

- overarching policies for the development cooperation process, relevant to all of Sida’s work i.e. Sida’s policy for environmentally sustainable development;
- thematic and specific sector policies i.e. sustainable energy services for poverty reduction, which are to be applied in all of Sida’s work in that area; and,
- position papers, which provide guidance on specific issues, i.e. guidance on microfinance.

Current Priorities:

Noting the overall goal of contributing to an environment supportive of poor people’s own efforts to improve their quality of life, and that this is predicated on central component elements Sida focuses on:

- Basic values: democracy and good governance for human rights, and equality between women and men;
- Sustainable Development: sustainable use of natural resources and protection of the environment, economic growth, social development and social security.
- Other issues: conflict management, human security and global public goods.

The priority with which each of these is given in a specific country context is driven by the country strategy, for which context specific analysis has been developed in policy dialogue with partner countries. Country strategies should focus on poverty reduction goals and should :

- align, as far as possible, with the partner country’s own strategy and priorities for reducing poverty but also taking into consideration proposals from the civil society;
- reflect knowledge of what other development agencies are doing in the country, and of existing aid co-ordination mechanisms; and
- be guided by the best available knowledge of the poverty situation in the country, including the results of poverty assessments, social analyses including gender dimensions and implications, consideration of environment-poverty linkages and economic frameworks.

Although grants should relate to the National Poverty Reduction Strategy and the country strategy should reflect the issues and problems identified in the country analysis, the choice of interventions should be based on priorities outlined in the country analysis and on areas where Swedish knowledge and resources have a comparative advantage.

Where Sida’s assessment of the PRSP is unfavourable, it may not be possible to align Sida’s priorities with the national poverty reduction strategy. In these cases, support will be given to activities that are more in line with issues prioritised by Sida.

Types of interventions include:

- Support to general structural changes in a country i.e. towards good governance;

- Indirect or inclusive actions for broad groups of people focusing on sectors of special importance to the poor, e.g. basic education or small-scale enterprises;
- Interventions directly and predominantly focusing on poor people, e.g. targeted safety nets or community-based organizations among the poor.

Sida considers, on a case-by-case basis, which combination of interventions is judged most appropriate for the specific situation and purpose.

Eligibility Criteria

Depending on the program under which application is made, Sida provides:

- Support to public organisations and government services (including through twinning);
- Support to the private sector;
- Support to non governmental organisations;
- Support to individual scholars and to researchers.

Principles guiding support include preference for:

- Strong partnerships based on dialogue, mutual trust and joint accountability;
- Partnerships with a clear understanding of the rights and responsibilities of each partner plus agreement on objectives and ways of achieving them;
- long-term collaboration with partners in order to gain the experience necessary for making decisions of how to act judiciously in different situations.

Operational Procedures

Governing Instruments: The Act on Global Development 2003 is the legislative basis for Swedish Development Cooperation. Appropriations are guided by the annual Appropriations Directive.

Governance: Sida has a relatively flat management structure. Supporting the Director General are heads of departments and heads of divisions. The management group consists of the Director General and the fourteen heads of departments.

Sida Board: Primarily advisory with decision making role in relation to annual reports, interim reports and budget requests, and a number of other plans and activities. Chaired by the Director General. Eleven other members including representatives of parliamentary parties, trade and industry, the trade unions, and organisations working with development cooperation.

Director General: Heads Sida and has responsibility for ensuring that the decisions of Parliament and the Government are executed.

Management: Supporting the Director General are heads of departments and heads of divisions. The management group consists of the Director General and the fourteen heads of departments.

Sida has 729 staff, with 172 working in the field

Sources

www.sida.se

2004 Perspectives on Poverty

2005, Sida Department of Policy and Methodology, Goals, Perspectives and Central Program Elements

2005 Sida at Work

Sida Annual Report 2004

United Kingdom Department for International Development (DFID)

Organisation Description

Goal: To lead the United Kingdom's fight against World Poverty.

Legal Status: United Kingdom Government Department.

Headquarters: Two headquarter offices, in London and Glasgow.

Countries of Operation: Works in over 150 countries in Asia, Africa, Latin America and Europe, through either bilateral funding or multilateral channels.

Funding Source: Parliamentary Supply.

Financial Structure: Expenditure from parliamentary supply, utilising fund management services through 100% DFID owned public liability (CDC Group) and limited liability company (Actis).

Grant making Volume: The UK Government has committed to spend 0.7% of Gross GNI on ODA, in line with UN Targets.

By 2007/2008 it is expected that total UK ODA will be approximately £6.5 billion. DFID is the main avenue through which ODA is expended.

In 2004-2005 DFID expended £2,145m (56%) in bilateral assistance. DFID also channelled £1,504m (39%) of funds through multilateral organizations (i.e. European Community, World Bank, United Nations). The DFID aid programme total was £3,838m with £190m (5%) spent on administration costs.

Priority Setting

Priority Setting Process: The priority setting process is driven, at its highest level, through the political process, as embodied by statements by the Prime Minister, Secretary of State for International Development, and overarching policy platforms such as the International Development White Paper 2006 (currently under development), and the Public Service Agreements which are revised each four years and define priorities and targets. The priorities of DFID reflect internationally agreed goals and targets, at the current time centred around the Millennium Development Goals. As the primary implementing agency of UK development assistance, DFID priorities are underpinned by overall UK international development cooperation policy.

At the regional and country level, Regional Assistance Plans and Country Assistance Plans are formulated to enable DFID assistance to coordinate with and complement nationally and regionally derived priority goals and the activities of partners.

At the level of project approval and implementation, the prioritisation takes place according to procedures established internally, through the hierarchy of decision making as laid out, in part, in "the blue book", DFID's manual on the rules and tools for staff within DFID, which covers programme management in addition to areas of corporate activity.

In the setting of overarching priorities, and for other purposes, DFID sometimes uses public consultation, as is encouraged by the Cabinet Code of Practice on consultations, and envisaged by the Compact between government and the voluntary and community sector. A consultative procedure, for example, has been an element in the development of the Development White Paper 2006.

Current Priorities:

DFID supports long-term programmes to address poverty as well as emergency assistance. DFID takes the Millennium Development Goals, as a central priorities and aims for UK development assistance to contribute to enabling countries and regions to meet the measurable goals associated with each, by the year 2015. These goals are to:

- halve the number of people living in extreme poverty and hunger;
- ensure that all children receive primary education;
- promote sexual equality and give women a stronger voice;
- reduce child death rates;
- improve the health of mothers;
- combat HIV & AIDS, malaria and other diseases;
- make sure the environment is protected;
- build a global partnership for those working in development.

These are set out, accompanied by targets, in the Public Service Agreement 2005-2008.

In the prioritization of countries, DFID has a target to spend 90% of aid in low income countries by 2006.

Eligibility Criteria

Project design must be consistent with the International Development Assistance Act 2002, the Public Service Agreement 2005-2008, the Director's Delivery Plan, the relevant Country Assistance and Regional Assistance Plans and Institutional Strategies.

Funding may be directed through bilateral and multilateral channels, and grantees may be governments or organisations. Individuals may be funded through, for example, scholarships.

Project design and approval requirements differ according to the size of the project. Requirements and organisational procedures are complex and detailed in the "Blue Book". Generally, widely accepted and used methods such as use of the logical framework, risk analysis, and monitoring and evaluation are employed by DFID. DFID's corporate governance is subject to onerous quality controls, financial and monitoring reporting procedures, pursuant to legislative requirements.

Operational Procedures

Governing Instruments: The International Development Assistance Act June 2002 is legal basis for UK Development Assistance. DFID is required to comply with the Public Service Agreement 2005-2008.

Bodies and Operational Arrangements:

DFID is led by the Secretary of State for International Development who reports to Cabinet on the activities of DFID.

A Permanent Secretary is responsible for the day to day operation of DFID, supported by two non-executive directors, a chief scientist and chief economist. Under the Permanent Secretary are a Director General for Regional Programmes, Director General for Policy, and International, and a Director General for Corporate Performance and Knowledge Sharing.

The Director General for Regional Programmes is supported by the Directors of the Africa Division, Asia and Pacific Division and Europe, Middle East and America's Division. The

Director General for Policy and International is supported by a Director of Europe, Trade and International Financial Institutions Division, the Director of the Policy Division, the United Nations Conflict and Humanitarian Division and the 2005 Unit. The Director General for Corporate Performance and Knowledge Sharing is supported by the Director of Finance and Corporate Performance, Director of Human Resources, and Director of Knowledge and Communications.

DFID's work is guided by a Corporate Performance Strategy, as set out in the Blue Book. The Blue Book also sets out DFID's highly defined processes, rules and tools covering such areas as business planning, managing programmes, projects and expenditures, accountability and audit procedures, procurement, human resources management, information systems and parliamentary, ministerial and top management.

2876 staff, 1402 in UK, 1474 overseas

Sources

www.dfid.gov.uk

DFID Resource Accounts 2004-2005

The "Blue Book" DFID's Essential Guide to Rules and Tools

United Nations Convention to Combat Desertification (UNCCD)

Organisation Description

Goal: The objective of the Convention is to "combat desertification and mitigate the effects of drought in countries experiencing serious drought and/or desertification, particularly in Africa, through effective action at all levels, supported by international cooperation and partnership arrangements, in the framework of an integrated approach which is consistent with Agenda 21, with a view to contributing to the achievement of sustainable development in affected areas".

Legal Status: United Nations Convention with Secretariat established by the United Nations General Assembly.

Headquarters: Bonn, Germany.

Countries of Operation: Member States of the UNCCD.

Funding Source: Contributions as requested by Decision 23/COP6 of the Convention.

Financial Structure: Contributions to Core Budget of the Convention using Trust Fund.

Grant making: The Convention establishes a global mechanism to promote developed country partners mobilizing resources to enable developing countries, through, for example, grants or concessional loans, to take action towards the objectives of the Convention, and to develop financial mechanisms to enable this.

Priority Setting

Priority Setting Process:

The UNCCD Secretariat establishes an annual work plan, on the basis of mandates generated through the multilateral process governing the Convention.

National, Regional and Sub regional Action Plans are developed by the country/region/sub region in question. Development of the Action Plans at national level are intended to be developed through a national consultative process, with involvement of local stakeholders. Regional and sub

regional organisations act as focal institutions and assist in the development of the respective Action Plans, in cooperation with key actors at that level. UNCDD regional coordination units, based in regional organisations, assist in guiding the process. Regional Conferences of the Members define and make decisions adopting the Regional Action Plans.

Thematic Programme networks also exist in some regions and sub-regions, which are networks of institutions and agencies linked together via an institutional focal point.

Current Priorities:

Apart from overarching principles and priority areas highlighted in the Convention, prioritisation is specific to regions, countries and sub-regions, but closely related to the goals and principles of the Convention.

Eligibility Criteria

Established at the regional, sub-regional and national level, but with principles set at the Convention level. These promote the full and participation of civil society, including NGOs, in the implementation of the Convention, and the use of partnerships.

Operational Procedures

Governing Instruments: The United Nations Convention to Combat Desertification, and all documents and decisions flowing from the meeting of the bodies mandated by the Convention.

Governance and Internal Structure:

Conference of the Parties: The Conference of the Parties of the UNCCD is the highest decision making body and meets on a biennial basis.

Committee for Review of Implementation of the Convention: a subsidiary body of the Convention responsible for monitoring implementation of the Convention.

Secretariat: Coordinates the Meetings of the Convention and assists regions, sub regions and members facilitate implementation of the Convention. Working procedures in accordance with Convention. Staff are part of the United Nations Common System.

National Focal Points: Each Member of the UNCCD nominates a country focal point to liaise with the UNCCD secretariat in the inter-sessional period.

Regional Coordinating Offices: Oversee coordination and facilitate meetings at the regional and sub regional level.

Sources

www.unccd.int

United Nations Convention to Combat Desertification
Regional Action Programmes for Asia

United Nations Development Programme (UNDP)

Organisation Description

Goal: To eradicate poverty in line with the Millennium Development Goals.

Legal Status: United Nations Programme charged with coordinating UN Development Work pursuant to General Assembly resolution 2029(XX) of 1965.

Headquarters: New York.

Countries of Operation: Active in 166 countries.

Funding Source: Primarily from voluntary contributions of states. Raises non core funding.

Financial Structure: UNDP utilises co-financing with donor governments, recipient governments and multilateral institutions.

Grant making Volume: Total resources of US \$4 Billion in 2004.

Priority Setting

Priority Setting Process: The Multi Year Funding Framework is the primary tool through which UNDP develops an integrated use of the budget and resources to reach programmatic objectives. Strategy is further reflected in the Strategic Results Framework.

Priority setting at a country level is decentralised and involves coordination and consultation between staff at UNDP country offices with national government and stakeholders, resulting in national cooperation programmes.

Pursuant to the Secretary General's reform package, and under the auspices of the United Nations Development Group, which UNDP chairs, a system to enhance the UN's collective analysis and programming in support of national priorities and the millennium development goals was established. Tools enabling this are the United Nations Development Assistance Framework, developed at country level and the Common Country Assessment. These tools and part of and support results based management. These tools assist UNDP, as well as other agencies, determine priorities.

Apart from grant making, UNDP has an analytical role, most notably through development of the annual Human Development Report.

Current Priorities:

- Democratic Governance;
- Poverty Reduction;
- Crisis Prevention and Recovery;
- Energy and the Environment;
- HIV/AIDS.

Across these priorities UNDP emphasises Human Rights and the empowerment of women.

Eligibility Criteria

Membership of UNDP is open to members of the United Nations or any of its specialised agencies or the IAEA.

UNDP works with both the public and private sector, and civil society organisations.

Operational Procedures

Governance:

The primary organ for governance of UNDP is the Executive Board. The Board is responsible for supervising and providing intergovernmental support to UNDP. It is comprised of 36 members allocated on a regional basis and serving on a rotation.

UNDP Chairs the UN Global Development Group

Internal Structure:

The head of UNDP is the Administrator. Directly reporting to the Administrator are five Offices and four Bureaus. Supporting the Administrator is the office of the Administrator. The Associate Administrator is linked to the operations support group. Reporting to the associate administrator are five regional offices. Country offices fall under the regional offices. Four separate bodies, the UN Capital Development Fund, the United Nations Development Fund for Women, the United Nations Volunteers and the Special Unit/Technical Cooperation among Developing Countries also fall under the Associate Administrator.

At the country level, UNDP resident representatives oversee UNDP programmes in that country. UN resident coordinators, are funded by UNDP and represent the UN system's work towards development within that country.

Post-reform, UNDP utilizes a results based management framework and focuses strongly on capacity development. Reform involved a move towards further decentralization. Reform has involved streamlining, including through the development and use of the "Atlas" resource, information technology to link data on procurement, projects, finances, and human resources. New systems for Project Management, and an Internal Control Framework standardize management and controls and add to transparency and efficiency.

Reform has also entailed decentralization and a greater coherence with country level operations.

Sources

www.undp.org

About UNDP

United Nations Handbook 2003 New Zealand Ministry of Foreign Affairs & Trade

UNDP Annual Report of the Administrator 2005

UNDP MDG Guide

United Nations Development Assistance Framework 2005-2009

The World Bank

Organisation Description

Goal: Provides financial aid and technical assistance to developing countries to support the mission of poverty reduction and the improvement of living standards.

Legal Status: Comprised of the International Bank for Reconstruction and Development (IBRD), a Bretton Woods institution established by articles drawn up in 1944, and the International Development Association (IDA) established in 1960, pursuant to decision at a 1959 meeting of the IBRD and the International Monetary Fund.

Headquarters: Washington D.C.

Countries of Operation: Global.

Funding Source and Financial Structure: IBRD lending is primarily financed by bonds selling in international markets and from lending of capital established through Member State contribution. IDA funds are replenished each three years by donor countries, and from lending of repaid loan principle amounts. IDA lending focuses on low or interest free loans. World Bank lending is comprised of investment and development policy loans. IDA also makes grants to support projects in priority areas. The Bank also is involved in the provision of analytical and advisory services.

Grant making Volume: In the fiscal year 2005, the IBRD and IDA's combined lending was US \$22.3 billion. US \$13.6 billion was lent by the IBRD, and US \$8.7 billion by the IDA.

Priority Setting

Priority Setting Process: The Project Development Cycle consists of the development of poverty reduction and country assistance strategies, the identification phase, the preparation phase, the appraisal phase, the negotiation and approval phase, the implementation and supervision phase, and the evaluation phase.

The strategy for priority setting is based on a Country Assistance Strategy (CAS). This strategy is based on consultations with government and stakeholders in country, as well as through research on social and economic conditions. For low income countries, the Country Assistance strategy is closely linked to the poverty reduction strategy paper of that country.

The Bank identifies programs, in collaboration with government, and the Bank prepares a concept note. The project design is then further prepared by the government with technical and advisory support from Bank staff. The project is then appraised and further negotiated, if necessary, prior to approval by both the government and the Bank. During the course of the project it is subject to supervision and monitoring.

Bank procedures are covered in the Bank's operational manual.

Current Priorities:

Priorities, being based on country assistance strategies and national poverty reduction strategies, cover a diversity of areas. Generally, the IBRD focuses its efforts on middle income and creditworthy poor countries, while IDA focuses on the poorest countries.

Eligibility Criteria

Different eligibility criteria exist for different lending streams. The determination of eligibility for support through the development grants facility includes reference to:

- whether the program contributes to furthering the Bank's development and resource mobilization objectives but does not compete with or substitute for regular Bank instruments;
- the extent to which the Bank has a comparative advantage in that area;
- whether the program encompasses multi-country benefits or activities which it would not be efficient, practical or appropriate to undertake at the country level;
- whether the program has capacity building elements;
- whether there is scope for Bank funding to provide leverage for generating further financial support;
- the record of achievement and the financial probity of the recipient;
- an arms length relationship to Bank regular programs.
- prior experience;
- presence of a disengagement strategy;
- whether the program promotes and reinforces partnerships.

Operational Procedures

Governance and Internal Structure:

The IBRD:

Members: 184 countries. Members must be members of the IMF.

Board of Governors: The Board of Governors is the highest level policy making body and meets annually. It is comprised of one governor and one alternate appointed by each member country.

Executive Directors: 24 Executive Directors, with five appointed by members with the largest number of shares, and the remaining 19 elected each two years.

President: The President is responsible for overall management and chairs the meetings of the Board of Governors.

The IDA: Shares the president, management and staff of the IBRD. The Board of Governors of the IDA consists of the same representatives and Executive Director as the IBRD.

Staff work at headquarters, several regional and specialised offices, and in country offices.

There are a number of other organisations that are associated with the World Bank Group. These are the Consultative Group on International Agricultural Research (CGIAR), the International Centre for the Settlement of Investment Disputes (ICSID) and the Multilateral Investment Guarantee Agency(MIGA).

Sources

www.worldbank.org

The World Bank Annual Report 2005