This document contains the text of the draft updated Funding Strategy of the International Treaty on Plant Genetic Resources for Food and Agriculture.

The text has been updated based on the Annotated Outline of the updated Funding Strategy presented to the Governing Body at its Seventh Session as contained in the Annex to Resolution 3/2017, and the recommendations made on its further development by the Ad Hoc Advisory Committee on the Funding Strategy and Resource Mobilization at its tenth meeting.

It does not include its Appendices or Annexes, which are contained in addendums to this document, as part of the portfolio of working documents for this meeting. Note that Figure 1 referred to in Section III: Enabling Treaty Implementation through the Funding Strategy: Programmatic Approach is provided in IT/ACFSRM-11/19/2.Add4 – Appendix 1: Results Framework.

A new Section V Implementation, Monitoring, Review and Replanning has been integrated into the main document, replacing Annex III: Additional Information on Implementation, Monitoring and Review.
THE FUNDING STRATEGY OF THE INTERNATIONAL TREATY ON PLANT GENETIC RESOURCES FOR FOOD AND AGRICULTURE:

2020-2025

DRAFT

I. INTRODUCTION

1. This document sets out the Funding Strategy of the International Treaty on Plant Genetic Resources for Food and Agriculture (International Treaty) for the period 2020 to 2025. [This Strategy was adopted by the Governing Body of the International Treaty, at its Eighth Session, in November 2019].

2. Plant genetic resources for food and agriculture make an essential contribution to increasing and safeguarding food security and nutrition, improving rural livelihoods and economies, supporting the maintenance of biodiversity and to meeting the challenges of adapting to climate change.

3. The objectives of the International Treaty are the conservation and sustainable use of plant genetic resources for food and agriculture (PGRFA) 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.

4. An effective Funding Strategy is critical to the implementation of the International Treaty and its regular review and improvement supports the enhancement of other Treaty mechanisms, such as the Multilateral System (Resolution 2/2015, paras. 1 and 2).

5. The implementation of the International Treaty contributes to the achievement of the 2030 Agenda for Sustainable Development (2030 Agenda) and the Sustainable Development Goals (SDGs).

II. VISION & RATIONALE

Objective

6. The objective of the Funding Strategy is to enhance the availability, predictability, transparency, efficiency and effectiveness of the provision of financial resources to implement activities under the Treaty, in accordance with Article 18 of the Treaty (Art.18.2).

7. The Funding Strategy gives priority to implementation of agreed plans and programmes for farmers in developing countries who conserve and sustainably utilize PGRFA (Art. 18.5).

Vision

8. A new Vision for the Funding Strategy:

The Funding Strategy enables the Governing Body, Contracting Parties, funding agencies, farmers and other relevant actors to secure funding and other resources for the programmatic implementation of the International Treaty in a long-term, coordinated, synergistic and effective manner.
Rationale

9. The implementation of the International Treaty is achieved through a wide range of financial resources provided via a range of channels that connect enabling partners of the Treaty. The Results Framework of the Funding Strategy set out in Section III further details this operating framework. Whilst the Governing Body has established key instruments that hold financial resources under its guidance and control (e.g. the Benefit-sharing Fund and the Fund for Agreed Purposes) that it uses to play a catalytic role to fill gaps and enhance synergies, primarily the financial resources contributing to the implementation of the Treaty are not under its direct control. For this reason, the Funding Strategy strives to ensure that sufficient priority and attention to the implementation of the Treaty is given by Contracting Parties, donors and others.

10. The first Funding Strategy was adopted in 2006 which the Governing Body decided to review in 2017 with a view to enhancing its functioning. The Funding Strategy has been enhanced to be more responsive to emerging funding trends, more flexible to adapt to a changing environment, and to ensure an efficient and coherent funding approach across Treaty mechanisms. The Funding Strategy takes into account global trends and realities of the donor environment whilst acknowledging Article 18.4 (b) and (c) of the Treaty.

11. Contracting Parties recognize that funding opportunities for Treaty implementation can be improved by making the case to national decision-makers and development agencies of the importance of PGRFA as well as the interlinkages with other development issues. This Funding Strategy utilizes a programmatic approach to strengthen linkages between different funding sources and partners, as set out in Section III.

12. The updated Funding Strategy has an increased focus on resources other than those provided by the Benefit-sharing Fund, including by addressing cooperation with other international mechanisms and improving reporting on national, bilateral and multilateral funding for the activities relevant to Treaty implementation.

13. It builds on the experience gained and lessons learned in the management of resources under the direct control of the Governing Body, in particular those of the Benefit-sharing Fund. Such resources should be used strategically to leverage additional resources and cover critical gaps in programmatic implementation for the ultimate benefit of farmers, which are the target beneficiaries identified in Article 18.5 of the Treaty. The Operational Manuals of the Fund for Agreed Purposes and the Benefit-sharing Fund have been developed to adapt and evolve to donor and recipient needs, thus increasing its potential to attract adequate, and diverse funding that ensures a long-term perspective.

14. This Funding Strategy has been designed to improve linkages with the implementation of other programmes of work of the International Treaty, such as the Multilateral System of Access and Benefit-sharing, and national reporting on Treaty implementation in accordance with the Compliance Procedures. It also improves links with other areas of work including FAO’s Second Global Plan of Action (GPA) for Plant Genetic Resources for Food and Agriculture and its monitoring through the World Information and Early Warning System (WIEWS) on PGRFA. The GPA states that through the monitoring of the Funding Strategy, the Governing Body of the Treaty will be able to monitor resources available for the implementation of the Second Global Plan of Action.

15. Recognizing its critical role to the Treaty, the Funding Strategy has been designed to be regularly reviewed. It now integrates a process for monitoring, evaluating and learning and for structuring new funding opportunities and identifying and filling in gaps. The [Standing] Committee on the Funding Strategy and Resource Mobilization (the Funding Committee) established by the Governing Body will facilitate such processes.
III. ENABLING TREATY IMPLEMENTATION THROUGH THE FUNDING STRATEGY: PROGRAMMATIC APPROACH

16. The programmatic approach of the Funding Strategy aims to identify and recognize the many contributions made by partners enabling the implementation of the Treaty. It also identifies and addresses the gaps in its implementation and resourcing. It aims at leveraging further support of current and new partners including by pursuing collaborative planning and co-spending opportunities, and identifying appropriate channels to make such linkages.

17. A Results Framework for the Funding Strategy has been developed to underpin the programmatic approach. The Results Framework is provided in Figure 1 and further described in the paragraphs below.

18. Food Security and Sustainable Agriculture are at the core of International Treaty objectives, and PGRFA conservation and use contribute directly and indirectly to the implementation of the Agenda 2030, including SDGs 1, 2, 12, 13, 15 and 17. This is represented in the top level of the Results Framework.

19. The three objectives of the International Treaty are the conservation and sustainable use of PGRFA and the fair and equitable sharing of benefits arising from their use. Benefit-sharing through the Treaty is realized through multiple types of multilateral benefit-sharing. This is reflected in the second tier of the Results Framework.

20. The third tier of the Results Framework sets out the Treaty enabling mechanisms and the main type of funding mechanisms and channels within the Funding Strategy. The International Treaty has established a number of unique mechanisms that enable the implementation of the Treaty, including in particular: the Funding Strategy itself; the Multilateral System of Access and Benefit-sharing which provides for a global genepool to enable PGRFA research, training and breeding; the Global Information System; and the programme on Sustainable Use and Farmers’ Rights.

21. The Funding Strategy encompasses a range of funding mechanisms and channels which include:

   i. Funding channels not under direct control of the Governing Body:
      
      1. National Funding for PGRFA;
      2. Bilateral funding and assistance;
      3. The Global Crop Diversity Trust, with which the Governing Body has entered into an agreement in relation to the Funding Strategy;
      4. Other relevant international mechanisms, funds and bodies.

   ii. Tools under direct control or guidance of the Governing Body:

      1. Fund for agreed Purposes;
      2. Benefit-sharing Fund.

22. The success of the Funding Strategy will require the participation and contributions of all partners enabling the implementation of the International Treaty, at national and international levels. The most relevant Treaty actors are listed in the final level of the Results Framework.

23. The Treaty enabling partners provide broad non-monetary benefit-sharing, including the in-kind contributions of farmers’ to agro-biodiversity conservation. While these are not funding contributions in nature, they are recognized to increase the potential to achieve synergies when considering sources and uses of funding, as well as the effective implementation of the International Treaty.
24. In order to mobilize funding for priority activities, plans and programmes, in particular in developing countries and countries with economies in transition, and taking the Global Plan of Action into account, the Governing Body has establish a target for the Funding Strategy (2020-2025) of \[xx \text{million}\] USD.

25. This target was established using a methodology that is summarized in Appendix III. This target will be periodically reviewed through the regular reviews of the overall Funding Strategy, as guided by the monitoring framework contained in Section V.

26. The Governing Body calls upon all Contracting Parties, other Members of the FAO and all enabling partners of the Treaty to take an active role in mobilizing the funding needed to reach the target established by the Funding Strategy. The extent to which Contracting Parties that are developing countries and Contracting Parties with economies in transition will effectively implement their commitments under this Treaty will depend on the effective allocation, particularly by the developed country Parties, of the resources referred to in this Funding Strategy.

27. In order to achieve the Funding Strategy target by 2025, the Governing Body has established [7] initial key measures:

   i. Enhance integration of PGRFA in national development plans, national budgets and priorities for donor support and external funding and develop strategic tools that NFPs and others at national level can use to leverage new financial resources;
   
   ii. Encourage bilateral donors to promote the implementation of the Strategy and further integrate the Treaty implementation in their programmes, and increase the visibility and recognition of their efforts;
   
   iii. Increase the priority and attention given to the Treaty by relevant international mechanisms, funds and bodies, including within FAO’s programmes, partnerships with the Global Environment Facility (GEF) and other multilateral mechanisms, and resource mobilization efforts;
   
   iv. Establish a network of Treaty enabling partners which have successfully integrated PGRFA in larger sustainable development and climate change programmes, and share the lessons learned to build the capacity of others to participate in such programmes;
   
   v. Develop range of initiatives lead by Contracting Parties and enabling partners, such as the Global Crop Diversity Trust, to mobilize funds from innovative sources, including a strategy for food processing industries, as called for in Article 13.6 of the Treaty;
   
   vi. Strengthen the monitoring and reporting of the Funding Strategy, including by undertaking periodic overviews of finance flows to areas of Treaty implementation by combining existing tools of the Governing Body and other institutions such as the OECD and FAO, as well as expert input;
   
   vii. Consider relevant policy criteria for specific assistance under the Funding Strategy for the conservation of PGRFA in developing countries, and countries with economies in transition whose contributions to the diversity of PGRFA in the Multilateral System is significant and / or has special needs, as is called for in Article 13.4 of the Treaty.

28. The [Standing] Funding Committee of the Governing Body will play a leading role in advancing the realization and monitoring of this programmatic approach, including through the measures outlined above and in its Terms of Reference.
IV. PROGRAMMATIC APPROACH AND THE INSTRUMENTS UNDER THE GUIDANCE AND DIRECT CONTROL OF THE GOVERNING BODY

29. As described in the Results Framework, the Benefit-sharing Fund and the Fund for Agreed Purposes are essential to the realization of the programmatic approach of the Funding Strategy and will play a catalytic role in its implementation.

30. The Fund for Agreed Purposes was established in 2006 by the Governing Body. It is an FAO Trust Fund for purposes agreed between a donor and the Secretary of the Treaty. It plays a critical role in the implementation of decisions of the Governing Body, in particular to strengthen the global Treaty-enabling mechanisms, implement agreed priorities, build capacity at international and regional levels, and facilitate decision-making of the Governing Body to enhance Treaty implementation. It offers a flexible and responsive mechanism for the Treaty Secretary to secure and manage funds from a range of donors to take forward the programmatic implementation of the Treaty. Annex 1 contains the Operations Manual for the Fund, which details scope, resource mobilization and information and reporting.

31. The Benefit-sharing Fund is an essential element of the Funding Strategy and of the Multilateral System of Access and Benefit-sharing. The Fund is the operational mechanism for receiving, utilizing and sharing the monetary benefits arising from Multilateral System, as specified in Article 19.3.f of the Treaty. The Benefit-sharing Fund was established by the Governing Body and has been evolving since it first became operational in 2009; its integration into the programmatic approach of the Funding Strategy is another step in its development.

32. The Governing Body has established a target for the Benefit-sharing Fund (2020-2025) of [xx million] USD. This target was established using a methodology that is summarized in Appendix III. As with the overall target for the Funding Strategy the target for the Benefit-sharing Fund will be periodically reviewed through the regular reviews of the overall Funding Strategy, as guided by the monitoring framework contained in Section V.

33. The primary beneficiaries of the Benefit-sharing Fund, in accordance with Article 13.3 of the International Treaty, are farmers around the world, especially in developing countries, and countries with economies in transition, who conserve and sustainably utilize plant genetic resources.

34. The Benefit-sharing Fund supports in-situ and on-farm management and improvement and creates linkages with broader ex-situ conservation efforts. It enhances and facilitates both, farmer-to-farmer exchanges of seed and enables the flow of PGRFA material from farmers to ex-situ collections and back. Funded projects put in place efforts to improve local seed value chains and make a wide range of adapted and improved varieties available to small scale farmers. Plant breeding efforts with the participation of farmers are supported and the capacity to develop varieties particularly adapted to socio-environmental conditions and of high quality are being strengthened.

35. The Operations Manual for the Benefit-sharing Fund in Annex 2 brings together resource mobilization, allocation and disbursement in an integrated manner. Lessons learnt from previous project cycles have been integrated into the development of the Manual, which now contains a storyline and theory of change for the Benefit-sharing Fund for the period 2020-2025.

V. IMPLEMENTATION, MONITORING, REVIEW AND REPLANNING

36. In recognition of its critical role to the Treaty, the Funding Strategy has been designed to be regularly reviewed so that it can be continuously improved, and remain dynamic, responsive and relevant. It integrates processes for implementing, monitoring, evaluating and learning, and for identifying and filling in gaps.

37. The [Standing] Funding Committee established by the Governing Body will regularly monitor and review progress of the Funding Strategy’s implementation and make recommendations for
adjustments, as reflected in its Terms of Reference. The Terms of Reference may be revised according 
the cycles of Funding Strategy. The Committee will keep the Governing Body updated on a regular 
basis on the progress in the implementation of the Funding Strategy and provide comprehensive 
review of the Funding Strategy after a 5-year period.

38. Information related to the implementation, monitoring and review of the overall Funding 
Strategy will be provided by Contracting Parties and other relevant organizations at reporting intervals 
agreed to by the Committee.

39. The Committee will develop an Operational Plan for the implementation of the Funding 
Strategy that will be reviewed and updated on a biennial basis and will include the following 
considerations related to its implementation, monitoring, review and replanning:

a) The implementation, monitoring and review of the Funding Strategy should be 
dynamic and support the programmatic approach outlined in this Funding Strategy.

b) The targets of the overall Funding Strategy and Benefit-sharing Fund will be reviewed 
periodically. This will include monitoring progress towards targets, reviewing the 
targets themselves and identifying gaps, including by undertaking overviews of 
finance flows to areas of Treaty implementation by combining existing tools of the 
Governing Body and other institutions such as the OECD and FAO, as well as expert 
input.

c) Periodic monitoring and reporting on the use of the different funding channels and the 
current donor environment so to make necessary adjustments, identify and structure 
new funding opportunities.

d) Biennial reviews of the implementation of the Funding Strategy and a five-year 
strategic period review.

e) The monitoring and evaluation frameworks for the Benefit-sharing Fund and the Fund 
for Agreed Purposes are established in the Operations Manuals and include regular 
reporting to the Governing Body. These frameworks are an integral part of the 
monitoring of the Funding Strategy. The monitoring and review of the overall 
Funding Strategy should be coherent with these processes, and also with those of the 
International Treaty’s Multi-year Program of Work (MYPOW). As funds under the 
control of the Governing Body, the Benefit-sharing Fund and the Fund for Agreed 
Purposes are also subject to FAO’s existing standard procedures, including financial 
audits and reports.

f) The monitoring and review of the Funding Strategy should take into account 
monitoring, evaluating and learning from lessons, experiences and information gained 
in previous reviews of the Funding Strategy, as decided by the Governing Body 
through Paragraph 2, iii) of Resolution 3/2017.

g) The implementation, regular review and improvement of the Funding Strategy should 
support the enhancement of other Treaty mechanisms, such as the Multilateral System 
(Resolution 2/2015, paras. 1 and 2).