



Food and Agriculture
Organization of the
United Nations



The International Treaty
ON PLANT GENETIC RESOURCES
FOR FOOD AND AGRICULTURE

RESOLUTION 3/2017

IMPLEMENTATION OF THE FUNDING STRATEGY OF THE INTERNATIONAL TREATY

THE GOVERNING BODY,

Recalling Articles 13.2, 13.3, 18, in particular paragraphs 18.4 (b) and (c), and Article 19.3 (f) of the International Treaty;

Recalling Resolution 2/2015 and other previous Resolutions on the implementation of the Funding Strategy;

PART I: REVIEW OF THE FUNDING STRATEGY

1. **Welcomes** the report of the Ad Hoc Committee on the Funding Strategy and the progress made, so far, towards enhancing the functioning of the Funding Strategy;

2. **Decides** to update the Funding Strategy of the International Treaty with a view to adopt a dynamic and synergistic programmatic approach that will:

- i) Improve funding opportunities for the implementation of the International Treaty by making the case to national decision-makers and development agencies of the importance of plant genetic resources for food and agriculture (PGRFA) as well as the interlinkages with other development issues, including the Sustainable Development Goals (SDGs) 2, 13 and 15, whilst recognising that it is important to secure stable financial resources under direct control of the Governing Body.
- ii) Strengthen linkages between different funding sources and partners relevant to the International Treaty, by pursuing collaborative planning and co-spending opportunities and identifying appropriate channels to make such linkages.
- iii) Provide for a process for monitoring, evaluating and learning from lessons, experiences and information gained in previous implementation phases, and to structure new funding opportunities and identify and fill in gaps, including through the engagement of International Treaty stakeholders.

3. **Takes note** of the Annotated Outline for an updated Funding Strategy, as contained in the *Annex* to this Resolution;

4. **Decides** to adopt the new vision for the Funding Strategy of the International Treaty, as follows:

“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.”

5. **Takes note of** the Results Framework of the Funding Strategy of the International Treaty and the need to link it to the 2030 Agenda targets;

6. **Decides** to rename the Ad Hoc Advisory Committee on the Funding Strategy as the “Ad Hoc Committee on the Funding Strategy and Resource Mobilization”;
7. **Decides** to reconvene the Ad Hoc Committee on the Funding Strategy and Resource Mobilization (Ad Hoc Committee), with a revised mandate, in order to:
 - i) Develop the updated Funding Strategy and related Annexes, including the Results Framework, for consideration and approval by the Eighth Session of the Governing Body, including to:
 - a) Finalize the programmatic approach for the Funding Strategy that will enable the Governing Body to link different funding tools with the areas and enabling mechanisms of the International Treaty;
 - b) Further develop measures to improve cooperation with international organizations as well as improve reporting on national, bilateral and multilateral funding activities relevant to the Treaty implementation and to leverage funding from different sources and partners, without negatively impacting the level of ambition of targets to be established in the Funding Strategy of the International Treaty;
 - c) Further develop the resource mobilization aspects to be included in the Funding Strategy;
 - d) Establish the targets for the overall Funding Strategy and for the Benefit-sharing Fund;
 - e) Oversee the development of the objectives, priorities, monitoring and evaluation framework, on the basis of the Results Framework, and operational manuals for the funding tools under the direct control of the Governing Body;
 - f) Recommend measures to enable synchronizing and coordinating the reporting on the Funding Strategy with other reporting requirements, in collaboration with the Compliance Committee and FAO;
 - ii) Advise on resource mobilization efforts and on leveraging funding and developing synergies between different funding sources and partners during the biennium, in particular by engaging stakeholder groups, implementing agencies of multilateral mechanisms, Official Development Assistance agencies and others in the implementation of the International Treaty;
 - iii) Improve communication and visibility of Funding Tools in support of the implementation of the International Treaty during the biennium;
 - iv) Recommend measures to promote the delivery of non-monetary benefit-sharing through the Funding Strategy;
 - v) Develop terms of reference for a potential Standing Committee on the Funding Strategy and Resource Mobilization for consideration at the Eighth Session of the Governing Body.
8. **Decides** that the Ad Hoc Committee shall be composed of two representatives from each region and that other Contracting Parties may also participate in an observer capacity;
9. **Requests** the Co-Chairs to invite observers to provide advice, as it may be required, in supporting the updating of the Funding Strategy;
10. **Invites** the Global Crop Diversity Trust, as an observer, to provide advice to the work of the Ad Hoc Committee;
11. **Invites** FAO to prioritize the delivery of programmes and projects supportive of the International Treaty implementation, and to support the nexus between biodiversity and climate change, in particular,

through its involvement in the Global Environment Facility and Global Climate Fund, as appropriate, and to actively contribute to the work of the Ad Hoc Committee;

12. **Requests** the Secretary, under the guidance of the Ad Hoc Committee, to develop a reporting format based on the draft Matrix of Funding Tools contained in *Appendix 2* of the *Annotated Outline: Updated Funding Strategy* among others and invites Contracting Parties to provide information to the Secretary on bilateral programmes and funding for national and regional PGRFA activities for compilation and analysis by the Ad Hoc Committee in order to finalize the updated Funding Strategy;

13. **Invites** relevant international mechanisms, funds and bodies, stakeholder groups and other international organizations to provide information to the Secretary that will enable the Ad Hoc Committee to better leverage funding for Treaty implementation and the delivery of non-monetary benefit-sharing;

14. **Invites** Contracting Parties, the private sector and other donors to continue making and expand contributions to the funding tools under the Funding Strategy, in particular those under the direct control of the Governing Body;

15. **Requests** the Bureau, in the implementation of the fourth funding cycle of the Benefit-sharing Fund, to take into account the new Vision and Annotated Outline for an updated Funding Strategy, to bridge into the proposed programmatic approach of the updated Funding Strategy;

16. **Decides** that the costs of up to two meetings of and the preparatory work for the Ad Hoc Committee should be included in the Core Administrative Budget;

17. **Invites** donors to support developing countries and the Secretary with the costs of the work and activities referred to in para. 16 above;

18. **Decides** that, regarding the level of national economic development, the eligibility criteria for the use of funds under the direct control of the Governing Body will include only criteria established in the International Treaty.

PART II: IMPLEMENTATION OF THE FUNDING STRATEGY

19. **Emphasizes** the importance of continuing the work on resource mobilization, communication, promotion and the International Treaty's branding and media presence to enhance funding for, and the visibility of the Benefit-sharing Fund and the Fund for Agreed Purposes of the International Treaty in particular, and for the Funding Strategy;

20. **Stresses** the importance of communicating the results of the projects funded under previous project cycles of the Benefit-sharing Fund, the on-going work and the expected results of the third project cycle within the framework of the broader communication strategy of the International Treaty;

21. **Recommends** that future summary reports on the impact of projects supported by the Benefit-sharing Fund provides concrete references to the genetic diversity of the crops species worked with, so that it captures how the conservation status and utilization of plant genetic diversity was enhanced, as well as the complementarity between the on-farm sector and the *ex situ* conservation as the guiding principle for the reporting;

22. **Thanks** the independent evaluation team and the FAO Office of Evaluation for having carried out an evaluation of the second project cycle of the Benefit-sharing Fund in accordance with the Operational Procedures of the Fund, and **emphasizes** the importance of making use of the recommendations and lessons learned arising from the evaluation in the implementation of the third and fourth project cycles of the Fund, and the review of the Funding Strategy;

23. **Welcomes** the financial contributions to the Benefit-sharing Fund made by Australia, Austria, Italy, Norway, and Sweden during the 2016-2017 biennium in support of the fourth round of the Benefit-sharing Fund's project cycle;

24. **Welcomes** the financial contributions made by the International Seed Federation and the European Seed Association, as well as the French seed sector, in support of the fourth round of the Benefit-sharing Fund's project cycle, which represent the first user-based voluntary contributions to the Fund, and **appeals** to others in the private sector, especially the seed and the food processing industries, to make further contributions;
25. **Welcomes** the financial contributions of Germany, Italy, Norway, Spain and Switzerland to the Fund for Agreed Purposes of the International Treaty and other funds under the direct control of the Governing Body;
26. **Thanks** the Bureau of the Seventh Session of the Governing Body for having designed and launched the Fourth Call for Proposals of the Benefit-sharing Fund;
27. **Recalling** in particular paragraph 7 of Resolution 2/2015, **requests** the Secretary to postpone preparations and carefully evaluate the need for a donor conference until the review of the Funding Strategy has been finalized, in order to attract more funding to the Benefit-sharing Fund and the Fund for Agreed Purposes of the International Treaty in particular, and to the overall Funding Strategy.

*Annex to Resolution 3/2017***ANNOTATED OUTLINE: UPDATED FUNDING STRATEGY****I. INTRODUCTION**

1. 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.
2. Plant genetic resources for food and agriculture make essential contributions 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 International Treaty enables Contracting Parties, farmers, plant breeders and other stakeholders around the world to use, conserve and share PGRFA leading to increased productivity and on-farm incomes, increased availability of diverse nutrient-rich food, reduced adverse impacts to the environment and enhanced resilience to production shocks. It supports the safeguarding of biodiversity for the future.
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).

II. RATIONALE & VISION

5. 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).
6. The Funding Strategy provides an overview of activities to be implemented under the Treaty and the different funding tools and sources available, including: (1) funding tools for resources under direct control of the Governing Body (e.g. BSF, Fund for agreed purposes), and (2) funding tools for resources not under the direct control of the Governing Body (including international organizations with which the Governing Body has entered into agreements such as the Global Crop Diversity Trust (GCDT), as well as relevant international mechanisms, funds and bodies, bilateral cooperation and assistance and national funding for PGRFA.
7. The Strategy takes into account Article 18.4 of the International Treaty and includes a funding target identified by the Treaty Contracting Parties to mobilize funding for priority activities, plans and programs under the Treaty (Art.18.3). There will also be a funding target for the Benefit-sharing Fund and the Fund for Agreed Purposes. Priority will be given to the implementation of agreed plans and programmes for farmers in developing countries who conserve and sustainably utilize PGRFA (Art. 18.5).
8. The first Funding Strategy was adopted in 2006. In 2017, the Funding Strategy was reviewed with a view to enhance its functioning. These are some of the considerations taken into account in undertaking such review:
 - i) Improve funding opportunities for the Treaty implementation 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 (ACFS-8 Report, para. 11);
 - ii) The next phase of the implementation of the Funding Strategy should aim at strengthening linkages between different funding sources and partners, by pursuing collaborative planning

and co-spending opportunities and identifying appropriate channels to make such linkages (ACFS-8 Report, para. 26);

- iii) Build on the experience gained and lessons learned in the management of resources under the direct control of the Governing Body, in particular the Benefit-sharing Fund (ACFS-8 Report, paras. 10 and 18);
- iv) Improve implementation of the Funding Strategy by having 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. (ACFS-8 Report, para. 26);
- v) Without prejudging the outcome of ongoing international funding negotiations, the updated Funding Strategy should take into account global trends and realities of the donor environment while acknowledging Article 18.4 (b) and (c) of the Treaty (ACFS-8 Report, para.10). There have been changes in the funding landscape and the Benefit-sharing Fund and other funding mechanisms under the direct control of the Governing Body need to adapt and evolve to donor and recipient needs, thus increasing its potential to attract adequate, and diverse funding that ensures a long-term perspective. Consequently the updated Funding Strategy should respond to emerging funding trends, provide flexibility to adapt to a changing environment and ensure an efficient and coherent funding approach across Treaty mechanisms (ACFS-8 Report, para. 18);
- vi) The updated Funding Strategy should clarify terminology used and which Annexes apply exclusively to the Benefit-sharing Fund and which ones apply to the Funding Strategy (ACFS-8 Report, para.5);
- vii) The challenges experienced during the previous strategic planning period (specifically the transaction cost challenges associated with competitive project application procedures) suggest an opportunity to use available funding more strategically to build synergies and leverage additional resources, for the ultimate benefit of the target beneficiaries identified in Article 18.5 of the Treaty;
- viii) Funding under the direct control of the Governing Body should be used strategically to leverage additional resources and cover critical gaps in programmatic implementation;
- ix) Recognizing its critical role to the Treaty, the implementation of the Funding Strategy should be regularly reviewed. The regular reviews should provide for a process for monitoring, evaluating and learning from lessons, experiences and information gained in previous implementation phases, and for structuring new funding opportunities and identifying and filling in gaps.

9. 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.

III. ENABLING TREATY IMPLEMENTATION THROUGH THE FUNDING STRATEGY: PROGRAMMATIC APPROACH

- 10. This section of the updated Funding Strategy outlines the activities, plans and programs under the Treaty.
- 11. In order to achieve its objectives, the International Treaty provides for a number of activities to underpin conservation of plant genetic resources through ex situ and in situ conservation of PGRFA. The on-farm management of PGRFA also contributes to their conservation by enabling continuous use

- in farmers' fields. Breeding and pre-breeding efforts are key activities in the research and development of new adapted varieties that farmers need.
12. The fair and equitable sharing of the benefits arising out of PGRFA use are realized within the International Treaty through four types of benefit-sharing: the sharing of monetary and other benefits from commercialization; capacity building; access to and transfer of technology and exchange of information. The facilitated access to PGRFA within the Multilateral System is recognized as an important benefit resulting from the International Treaty.
 13. There are a number of provisions and mechanisms specific to the International Treaty and that enable the realization of its objectives, including in particular the Multilateral System; the Global Information System; the programme on Sustainable Use and Farmers' Rights.
 14. The Global Plan of Action for PGRFA is a supporting component of the International Treaty (Art. 14). There are linkages with the Second GPA: the Commission recommended that the Second GPA be focused, so as to assist priority setting, including identifying priorities for the Funding Strategy of the International Treaty (para. 17 GPA).
 15. While non-monetary benefit-sharing and farmers' in-kind contributions are not funding contributions in nature, taking them into account in the context of the Funding Strategy will increase the potential to achieve synergies when considering sources and uses of funding, as well as the effective implementation of the International Treaty.
 16. Potential sources for financial resources for the Funding Strategy will include:
 - i) Financial resources provided by developed country Contracting Parties, which Contracting Parties that are developing countries and countries with economies in transition avail themselves of, through bilateral and regional and multilateral channels;
 - ii) Financial resources for priority activities, plans and programmes relevant to the implementation of the Treaty provided by relevant international mechanisms, funds and bodies;
 - iii) Financial resources for national activities for the conservation and sustainable use of PGRFA, in accordance with each Contracting Party's national capabilities and financial resources;
 - iv) Financial resources resulting from the sharing of monetary benefits under the Multilateral System;
 - v) Voluntary contributions from Contracting Parties; the private sector, taking into account the provisions of Article 13, non-governmental organisations and other sources;
 - vi) Financial resources provided through the Regular Programme of FAO (Funding Strategy 2006; Section II (AIMS)).
 17. These funding tools are available to enable the implementation of the International Treaty
 - i) Tools not under direct control of the Governing Body:
 - a) international organizations with which the Governing Body has entered into an agreement in relation to the Funding Strategy: GCDT;
 - b) CGIAR and other international organizations with which the Governing Body has entered into agreements under Article 15;
 - c) multilateral mechanisms: Global Environment Facility (GEF), Green Climate Fund (GCF); World Bank, International Finance Corporation, incl. their respective objectives and mechanisms;
 - d) FAO programmes and projects related to Treaty implementation, including its role as accredited or implementing entities for multilateral funds, such as GEF and GCF;
 - e) bilateral cooperation;

- f) national measures.
 - ii) Tools under direct control of the Governing Body:
 - a) Fund for agreed Purposes;
 - b) Benefit-sharing Fund;
 - c) Core Administrative Budget of the International Treaty.
18. The Results Framework in *Appendix 1* provides a visual summary of the role of the Funding Strategy within the International Treaty.
19. The Matrix provided in *Appendix 2* makes the link between these different funding tools and the areas and programmes under the Treaty. This is an initial snapshot to be able to develop a set of initial measures to strengthen implementation of the Funding Strategy, as well as to identify gaps and value addition that the funding tools under the direct control of the Governing Body need to fill in. Making a comprehensive assessment would be a complex exercise at this stage but would be possible once the reporting on different funding tools has been improved.
20. Under the programmatic approach, targets for the Funding Strategy will be set for a given timeframe and reviewed periodically. Setting the initial target requires that baseline information be gathered and thereafter kept updated. The Secretary will develop a methodology for gathering and updating such information. Potential data sources include:
- i) Studies by the Secretary;
 - ii) Donor reports on bilateral programmes;
 - iii) Reports on national funding and activities;
 - iv) National needs self-assessments;
 - v) Reports from international mechanisms, funds and bodies;
 - vi) Analysis of other relevant reporting.
21. Once the initial target has been set, progress will be monitored by the Committee on the Funding Strategy, which will make recommendations to the Governing Body for its consideration, including advice on the strategic use of resources under its direct control.
22. The programmatic approach should improve funding opportunities for the Treaty implementation 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 and by strengthening linkages between different funding sources and partners, by pursuing co-spending opportunities and identifying appropriate channels to make such linkages. It should enable the Governing Body to improve Treaty implementation through funding that is not under its direct control and with other multilateral mechanisms relevant to the Funding Strategy and use funds under its direct control more strategically to leverage additional resources and cover critical gaps in programmatic implementation.

IV. PROGRAMMATIC APPROACH AND THE INSTRUMENTS UNDER THE DIRECT CONTROL OF THE GOVERNING BODY

23. Role and value added within the Funding Strategy: with these tools the Governing Body can emphasize priorities and mainly close gaps identified in the Treaty surrounding funding environment. These tools should also allow to leverage other funding and potential non-monetary resources towards the implementation of the Treaty.
24. The Benefit-sharing Fund is a mechanism to mainly share the benefits arising from the Multilateral System but it also includes voluntary contributions from Contracting Parties and others.

25. The programmatic approach to the Benefit-sharing Fund allows to use available resources more efficiently. It should:
 - i) Create a common storyline on how the Fund generates benefits from the local to the national and global levels;
 - ii) develop a “theory of change” for the Benefit-sharing Fund and the impact pathways to enable such change;
 - iii) recognize that the Benefit-sharing Fund is part of the results framework for the Funding Strategy; and that its “theory of change” has to enable synergies and complementarities, whilst avoiding duplication of efforts with other tools of the Funding Strategy;
 - iv) test innovative interventions to leverage further resources and action for Treaty implementation, in particular at the national level;
 - v) enable the Benefit-sharing Fund to be more responsive to regional and local needs and circumstances;
 - vi) have clear links to the priorities of the Global Plan of Action on PGRFA.
26. In order to be effective, the development of the programmatic approach should be complemented with improvements to the selection criteria, such as consideration of impact pathways, as well as the administration of project agreements and, in particular, timely disbursement of funds.
27. The programmatic approach for the Benefit-sharing Fund should bring together resource mobilization, allocation and disbursement in an integrated manner, and be integrated into the overall Funding Strategy.
28. The main beneficiaries of the programmatic approach should be farmers. All projects should therefore demonstrate the benefits arising for farmers, with a special emphasis on support to on-farm/in situ management, farmer to farmer exchanges, local seed value chains, and a better flow of PGRFA from farmers to ex situ collections and back.
29. Strategic planning should have a focus on facilitating national planning and raising the profile of PGRFA in national development plans.
30. In addition, funding should enable Contracting Parties to improve the effective implementation of the Multilateral System, through the inclusion of additional materials and other measures.
31. Funding provided through the Benefit-sharing Fund should catalyse mobilization of additional resources not under the direct control of the Governing Body, for example by supporting project proposal development.
32. Lessons learnt from previous project cycles should be considered and integrated.
33. Eligibility criteria for the use of funds for developing countries, regardless of any other criteria not established in the Treaty, should be part of the operational manuals.
34. Targets for the Fund for Agreed Purposes and the Benefit-sharing Fund shall be derived from the recommendations of the Committee on the Funding Strategy referred to in para. 21 above and might not coincide with the timeframe established by the Governing Body for the overall Funding Strategy.
35. In setting the objectives and priorities of the Fund for Agreed Purposes (FAP), the Governing Body should take into account the principles of synergies and complementarity.
36. Monitoring and Evaluation Frameworks for resources under direct control of the Governing Body should be designed to ensure accountability, enable continuous learning and enhance communication and visibility. Doing so should also strengthen synergies and complementarities with funding and resources not under the direct control of the Governing Body.
37. Reference to Core Administrative Budget should also be made in order to ensure consistency and stability.

38. Links to Annexes which provide details on operations:

ANNEX XX: OPERATIONS MANUAL: FUND FOR AGREED PURPOSES

ANNEX XX: OPERATIONS MANUAL: BENEFIT-SHARING FUND

**ANNEX XX: ADDITIONAL INFORMATION ON IMPLEMENTATION, MONITORING
AND REVIEW**

Appendix 1 of the Annotated Outline - RESULTS FRAMEWORK



