FUNDING STRATEGY FOR THE IMPLEMENTATION OF *THE GLOBAL PLAN OF ACTION FOR ANIMAL GENETIC RESOURCES*[♦]

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[♦] The Funding Strategy is contained in *Appendix C* of the Report of the Twelfth Regular Session of the Commission on Genetic Resources for Food and Agriculture (CGRFA-12/09/Report). The full report is available on the Commission's website, at: www.fao.org/nr/cgrfa

1. Objective

The objective of the Funding Strategy is to enhance the availability, transparency, efficiency and effectiveness of the provision of substantial and additional financial resources, and to strengthen international cooperation to support and complement the efforts of developing countries and countries with economies in transition in the implementation of the *Global Plan of Action for Animal Genetic Resources* (*Global Plan of Action*).

2. Aims of the Funding Strategy

The Funding Strategy aims:

- To seek and further mobilize necessary financial resources from all possible sources, including bilateral, regional and multilateral channels; voluntary contributions from countries; foundations, the private sector, non-governmental organizations and other sources; and to continue supporting the programme through the regular programme resources of FAO, to provide timely support for developing countries and countries with economies in transition, to complement their own efforts to implement the *Global Plan of Action*; and
- To strengthen international cooperation to enhance the provision of capacity-building, including training and technology transfer for improved management of animal genetic resources, based on country identified needs, with FAO providing technical assistance and facilitating collaboration and partnerships among countries and relevant international organizations and institutions.

The transparent, efficient and effective utilization of all resources made available under the Funding Strategy, noting that the financial resources provided shall not be used to ends inconsistent with the *Global Plan of Action*, or with other relevant international agreements.

3. Resources relevant to the Funding Strategy

The Funding Strategy for the implementation of *the Global Plan of Action* covers all known and potential sources of financial resources, including:

- Bilateral, regional and multilateral support to countries for the implementation of the *Global Plan of Action*; including support to countries for the implementation of the *Global Plan of Action* provided by foundations, the private sector, non-governmental organizations and other sources;
- Financial resources for national activities for the conservation and sustainable use of animal genetic resources, in accordance with each country's national capacities and financial resources;
- The Regular Programme resources of FAO dedicated to the implementation of the *Global Plan of Action*;
- Voluntary contributions received through the established FAO Trust Account directed towards the implementation of the *Global Plan of Action*. These resources will be used following the procedures set out in the *Annex I*. If appropriate, Regular Programme resources should also flow into the FAO Trust Account and be administered jointly with the voluntary contributions received. All these resources will be used in line with the procedures set out in the *Annex I*.

4. Provision of relevant information for the Funding Strategy

Information on donor mandates, policies, eligibility criteria, and procedures for submitting funding proposals will be collected and maintained by FAO and made available to the members of the Commission on Genetic Resources for Food and Agriculture (the Commission).

5. Monitoring and review

Monitoring and reporting requirements will vary depending on the range and types of financial sources that are included in the Funding Strategy. Progress reporting on the implementation of the *Global Plan of Action*, and status and trends reports, may form an important part of the monitoring and progress reporting within the Funding Strategy.

The Commission shall monitor the implementation of the Funding Strategy and assess performance and efficacy through the information provided in Country Progress Reports, status and trends reports, FAO Synthesis Reports and FAO Progress Reports, as outlined in documents *Evaluating progress in the implementation of the Global Plan of Action for Animal Genetic Resources*[1] and *Format and content of future status and trends reports on animal genetic resources.*[2] Information and reporting on resources not under the Trust Account is outlined in Annex II. Based on its monitoring, the Commission may wish to review the Funding Strategy, including the annexes thereto, every second Regular Session or as necessary.

[1] CGRFA/WG-AnGR-5/09/3.1.

[2] CGRFA/WG-AnGR-5/09/3.2.

Annex I

PROCEDURES FOR THE USE OF RESOURCES UNDER THE FAO TRUST ACCOUNT

SECTION A
Priority setting

This section addresses priorities for the use of resources under the Funding Strategy. Draft priorities for the allocation of funds under the FAO Trust Account for the Funding Strategy are presented for consideration by the Commission.

Using the rolling *Global Plan of Action* as a framework and based upon guidance provided by the Commission, the FAO will use the funds strategically to play a catalytic role in advancing international cooperation in the management of animal genetic resources for food and agriculture. The *Global Plan of Action* will provide the basis for the coherent development and long-term implementation of the Funding Strategy to**:**

1. Lay the basis for the coherent development of the Funding Strategy.
2. Augment the impact of the *Global Plan of Action*, improving its visibility, and increasing transparency in the project selection process.
3. Focus global efforts on critical conservation and sustainable use and related capacity building activities in developing countries not adequately funded elsewhere.
4. Avoid duplication of efforts and take advantage of synergies among existing and new animal genetic resources and related initiatives.
5. Develop the Funding Strategy in such a way as to attract voluntary contributions.

Within the priority areas of the *Global Plan of Action* and for the guidance to be provided, the Commission will focus on achieving benefits using a staged process in pressing priority areas within specified periods of time. Future potential updating of the rolling *Global Plan of Action* will be important to identify new and emerging priorities, and the Funding Strategy will be adapted as necessary to meet new challenges and needs.

Based on consultations with the members of the Commission, the initial suggested priorities are:

1. Information exchange, technology transfer and capacity-building (reflecting the *Global Plan of Action* priority activities 12, 13 and 14)
    - Expanding and improving education and training in developing countries is indispensable and essential action (*sine qua non)*, in order to build capacity. Education and training are long-lasting investments in the sustainable management of the diversity of animal genetic resources for food and agriculture.
    - Building strong national programmes is essential for capacity-building in developing countries and furthering the implementation of the *Global Plan of Action*. It is a prerequisite for sustainability of efforts to strengthen and develop national capacities for the conservation and utilization of animal genetic resources for food and agriculture.
    - Improving national capacity in *in situ* conservation as an important tool to reach the Millennium Development Goals and to respect agricultural ecosystems and traditions and social practises.
    - Improving national capacity in *ex situ* conservation measures for animal genetic resources for food and agriculture.

2. The sustainable use of animal genetic resources (reflecting the *Global Plan of Action* priority activities 4, 5, and 6)

   - Diversification of livestock production and genetic improvement will directly contribute to meeting livestock keepers' foreseeable economic needs and increasing the sustainability of agricultural production. This will lessen dependence on external inputs, increase productivity, and will provide a basis to respond to the agriculture and livestock related challenges of climate change. Management decisions and policies on the sustainable use of animal genetic resources therefore should be based on an understanding of human environments and livelihoods, and efforts to achieve food security and environmental objectives.
   - The sustainable use of animal genetic resources also depends on support indigenous and local livestock systems of importance to animal genetic resources, including through the removal of factors contributing to genetic erosion. Support may include the provision of veterinary and extension services, delivery of microcredit for women in rural areas, appropriate access to natural resources and to the market, resolving land tenure issues, the recognition of cultural practices and values, and adding value to their specialist products.

3. Managing animal genetic resources (reflecting the *Global Plan of Action* priority activity 1, 8 and 9)

   - Expanding the characterization, evaluation and inventory of animal genetic resources is necessary to promote and facilitate their use in strategic breeding programmes and to determine conservation priorities. More complete characterization and evaluation will increase the relevance of germplasm that is held *ex situ* and on-farm for breeding.
   - *Ex situ* conservation measures provide backup insurance against losses of animal genetic resources in the field, occurring either through erosion or as a result of natural disasters and disease outbreaks. *Ex situ* measures are complementary to *in situ* measures, and should be linked where appropriate. *Ex situ* collections can also play an important role in supporting breeding programmes.
   - Supporting the on-farm management and the conservation of animal genetic resources are the most direct way of reaching farmers and indigenous and local communities in developing countries. *In situ* conservation measures allow for the maintenance and adaptive management of animal genetic resources in productive landscapes, and the maintenance of on-farm diversity of animal genetic resources for food and agriculture. Strengthening *in situ* conservation is an essential element in the overall approach to maintaining animal genetic resources and must be strategically approached to complement *ex situ* conservation.

SECTION B
Eligibility criteria

Projects must:

1. Address the objectives of the *Global Plan of Action*.
2. Fall within the priorities that will from time to time be established by the Commission.
3. Benefit Commission Members that are developing countries or countries with economies in transition.
4. Be proposed by a Commission Member or Commission Members.

SECTION C
Operational procedures for the use of funds received through the FAO Trust Account for the Funding Strategy established for the implementation of the Global Plan of Action

This section contains Principles, Project Cycle and Selection Criteria.

I. Principles

These operational procedures are based on the following principles:
1. Transparency and impartiality.
2. Simplicity and accessibility.
3. Efficiency and effectiveness.

II. Project Cycle

The project cycle (the period between the Regular Sessions of the Commission) will normally have a duration of two years and will consist of a two-step approach with a concept note and a full project proposal:

1. Opening calls for proposals
    a. issued by the Commission, in the official languages of the Commission, and containing relevant information and procedures – priority areas; concept notes and project documents format; eligibility, selection and approval criteria; timing and deadlines; and expected funds available;
    b. advertising of the call for proposals on the Commission website, DAD-IS and through the National Focal Points;
    c. Responsibility for the above tasks: the call for proposal will be prepared by the Secretariat under the guidance of the Working Group, based on decisions of the Commission.
2. Submission of concept notes
    a. in any of the Commission languages plus a translation in either English, French or Spanish;
    b. according to a standard format and within adequate deadlines;
    c. target: 2-3 pages;
    d. addressing the selection criteria;
    e. Responsibility for the above tasks: Commission Members or legal or natural persons, in consultation with Commission Members. Formal submissions should be by a Commission Member or Commission Members, herewith referred to as the proponent, through National Focal Points, to the Secretariat;
3. Screening and response to concept notes
    a. according to eligibility criteria;

   b. according to other relevant criteria established as part of the call for proposals, e.g. budget parameters;
   c. response to be provided within agreed timelines;
   d. Responsibility for the above action: Members of the Commission Bureau, on the basis of preparatory work done by the Secretariat and the recommendations of the Bureau of the Working Group. The Bureaus might work collaboratively through email exchanges and conference calls. The Secretariat will invite preparation of project proposals based upon concept notes approved by the Bureau of the Commission.
4. Submission of project proposals from approved concept notes must
   a. be submitted in any of the Commission languages with a copy also provided in either English, French or Spanish;
   b. be submitted according to the standard format provided for project documents and within established deadlines;
   c. must specifically address how the project fits the selection criteria;
   d. indicate recipients and channels of payment.
   e. The list of submissions is to be made public.
   f. Responsibility for the above tasks: Commission Members or legal or natural persons, in consultation with Commission Members. Formal submissions should be provided by a Commission Member or Commission Members, herewith referred to as the proponent, through National Focal Points, to the Secretariat.
5. Appraisal of project proposals will involve
   a. ranking of project proposals according to the selection criteria;
   b. preparing a portfolio of project proposals that meet the requirements for approval within the given timelines;
   c. preparing a portfolio of project approvals are to be made public;
   d. Responsibility for the above tasks: the Bureau of the Commission, on the basis of recommendations submitted by the Bureau of the Working Group and an appraisal report submitted by a panel of experts designated by the Bureau of the Working Group. The panel of experts will work without remuneration. Resources to enable work by the panel will be provided under the core administrative budget of the Trust Account including convening of necessary panel sessions.
6. Approval of projects for funding within the project cycle
   a. will be distributed according to the funds available within the Trust Account in that project cycle;
   b. will be distributed according to other possible considerations, such as geographical balance and relative regional needs, distribution across species/breeds, types of activities (e.g. capacity-building and training, conservation and use of animal genetic resources for food and agriculture), and the duration of the project;
   c. unfunded projects within a particular project cycle will be presented to donors for possible funding, or may be re-submitted in the following budgetary period;
   d. Responsibility for the above tasks: the Commission or a delegated authority[3], such as the Bureau of the Commission and, in addition, one representative per each region.
7. Disbursement
   a. transparent and secure procedures necessary;
   b. timely according to the needs of the projects;
   c. Responsibility for disbursement of funds: the Secretariat in accordance with FAO procedures.
8. Reporting and monitoring

Results-based management is part of the Funding Strategy. It will be achieved through

   a. use of standard reporting and monitoring procedures;
   b. recipients reports prepared in accordance with an agreed reporting schedule and progress milestones identified in the project document and approval process;

[3] The Commission may wish to delegate the approval of the projects between its sessions with an agreed ceiling and up to a limited percentage of the total budget available in the project cycle, and under which circumstances.

   c. monitoring procedures which the Commission may wish to adopt;
   d. Responsibility for project monitoring: The executing entity will develop agreed monitoring products and deposits them with the Secretariat as set out in the project approval process.
9. Independent Evaluation
   a. use of standard evaluation procedures based on norms and standards of the United Nations Evaluation Group;
   b. evaluation will examine sustainability and the impacts of the project, or group of projects, to ensure accountability on results and independent assessment of the results to facilitate further execution of the Funding Strategy;
   c. evaluation of the components of the Funding Strategy addressed under this Annex will be periodically commissioned by the Commission;
   d. Responsibility for evaluation: the Commission.

III. Selection Criteria

1. Project relevance.
   a) Are there priorities of the Funding Strategy and the strategic principles and priorities established by the Commission for the allocation of funds in the FAO Trust Account clearly incorporated and represented in the proposed goals and expected outputs of the proposal?
   b) Will the project contribute to the Millennium Development Goals, in particular goals 1 and 7?
   c) What is the relevance of the project to the country's region's priorities as contained in national and regional strategies, plans and programmes for animal genetic resources? Does the project identify information that is available on existing national and regional animal genetic resources priorities?
   d) Does the project proposal clearly indicate how proposed activities will complement work already carried out, or are underway and, or will not unnecessary duplicate other work?

2. Feasibility.
   a) Are the proposed activities feasible in terms of resources and timing and in terms of regional characteristics? In particular, is the budget adequate to fully cover the proposed activities and produce the expected results?

3. Effectiveness and efficiency.
   a) Are the anticipated project costs warranted given the expected project results and benefits?
   b) Are the types of activities clearly linked toward effectively achieving the project's net results, its outcome and impact?

4. Benefits and beneficiaries.
   a) Does the proposed project clearly indicate who the immediate beneficiaries will be?
   b) Does the proposed project clearly indicate how the expected results will directly or indirectly address the needs of the proposed beneficiaries, including the various gender roles and needs as well as minorities targeted in national public policies?
   c) Does the proposed project clearly indicate the potential contribution of the project to sustainable development?

5. Team composition and capacity.
   a) Does the proposed project clearly indicate that the capacity of the proposed project team is adequate to perform the activities indicated? Are partners with different disciplines, gender and from different stakeholder groups included in the team?
   b) Does the proposed project clearly indicate how or what local expertise could contribute?

6. Collaboration.
   a) What is the extent of collaboration promoted by the project proposal?

b) How is collaboration expected to contribute to the effectiveness and efficiency of the project?
c) Does the proposal indicate counterpart funding or other inputs or in kind contributions?

7. Planning and Monitoring.
   a) Have proper milestones and indicators been incorporated in the project proposal?
   b) Does the proposal indicate how project progress will be monitored and its impact assessed?
   c) Does the proposal note the extent to which the expected positive impacts are measurable?

8. Sustainability.
   a) How sustainable are the activities and beneficial changes proposed by the project?
   b) Is technology transfer and capacity building adequately addressed in the project proposal?
   c) Has a training component been incorporated into the project proposal?

9. Geographic extension.
   a) How wide is the geographic scope and impact of the proposed project?
   b) What is the global and/or regional importance of the project in achieving the objectives of the *Global Plan of Action*?

10. Species and breed relevance.
    a) What is the contribution of the species or breed for which activities are proposed to global or regional food security and sustainable utilization?
    b) What is the relevance of the species or breed for which activities are proposed to human livelihoods?
    c) What is the contribution of the proposed project to the conservation of the species' gene pool? Are potential adverse impacts to the gene pool addressed?
    d) Is the project addressing the conservation and/or utilization of a species in one of its "hotspots" of diversity?
    e) To what extent is the gene pool covered by the proposed project activities threatened at a national, regional or global level?

SECTION D
Information and reporting requirements

This section sets out the information and reporting requirements under the Funding Strategy in order to facilitate the monitoring of the implementation of the Funding Strategy and the assessment of its efficacy by the Commission.

Information will be compiled by the Secretariat, and made available to the Commission, including by use of the DAD-IS website.

I. Periodicity of reporting

Reporting to the Commission will normally be required every two years, or according to the periodicity of the Regular Sessions of the Commission. Reporting periods will normally cover the preceding two full calendar years before each meeting of the Commission. At the Fourteenth and Sixteenth Sessions of the Commission, stand-alone progress reports on the operation and effectiveness of Funding Strategy will be presented.

II. Information and reporting on resources in the FAO Trust Account

Reports on resources in the FAO Trust Account will be prepared by the Secretariat and will include:

- A general overview on and status of funds received and disbursed under Trust Account, according to: priorities established under *Section A* of the Funding Strategy; beneficiaries by stakeholder groups and geographic area; and species/breeds addressed; and other relevant criteria;
- Detailed data on and breakdown of funds received to the Trust Account, including information on individual contributors, corresponding amounts received, provenance of funds by contributors category and regional distribution;
- Synoptic information on projects funded from the Trust Account, including project descriptions and status, based on project reporting and monitoring as foreseen in the project cycle in *Section C* of the Funding Strategy;
- Assessment and evaluation of the sustainable effects and impacts of the use of resources in the Trust Account, according to the independent evaluation procedures set out in the project cycle in *Section C* of the Funding Strategy;
- Assessment and evaluation of the overall operation of the Trust Account, including the receipt, administration and disbursement of funds, and the management of the project cycle;
- Emerging issues and possible measures that might be considered by the Commission to improve the operations of the Funding Strategy regarding resources under the Trust Account.

SECTION E
Institutional arrangements

The Funding Strategy will be implemented by the Commission with advice provided by the Intergovernmental Technical Working Group on Animal Genetic Resources, which normally meets prior to each of the Commission's Regular Sessions, the Bureau of the Working Group; and the Secretariat.

SECTION F
Financial rules

The financial procedures for the projects selected by the Commission will be consistent with existing financial procedures of FAO. This will enable a range of possibilities for project implementation.

The Financial Regulations of the FAO shall apply, *mutatis mutandis*, to all matters not specifically dealt with under the present rules. All contributions and other receipts shall be placed in the Trust Account administered by FAO. The Trust Account shall make provision for Project Servicing Costs to reimburse FAO for the administrative and operational support services provided to the Commission, its subsidiary bodies, as well as cost incurred by the Secretariat in its execution of projects, under such terms as may, from time to time be established by the Governing Bodies of FAO. The accounts and financial management of all funds governed by the present rules shall be subject to the internal and external auditing procedures of FAO.

Annex II

INFORMATION AND REPORTING ON RESOURCES NOT UNDER THE TRUST ACCOUNT

The information and reporting on resources not under the Trust Account provided by Member countries, international organisations, and relevant international mechanisms, funds and bodies will be compiled by the Secretariat.

1. Information and reporting provided according to standard formats will include:
   - Reporting on the results of measures taken 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 plans and programmes relevant for the implementation of the *Global Plan of Action*;
   - Reporting on the results of actions taken to promote voluntary contributions from sources within their country for plans and programmes relevant for the implementation of the *Global Plan of Action*;
   - Information on bilateral funding and assistance provided relevant to the Funding Strategy from sources within their country;
   - Information on national activities, plans and programmes for building capacity in animal genetic resources for food and agriculture, and for the conservation and sustainable use of animal genetic resources for food and agriculture.
2. Information and reporting provided by international organisations will include:
   - Reporting on resources provided and activities undertaken in support of the implementation of the *Global Plan of Action*.
3. Information and reporting provided by relevant international mechanisms, funds and bodies will include:

Information on their mandates, priorities, eligibility criteria, procedures and availability of resources relevant to the support of actions for the implementation of the *Global Plan of Action*.