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**COMMISSION ON GENETIC RESOURCES FOR FOOD AND  
AGRICULTURE  
ACTING AS  
INTERIM COMMITTEE FOR THE INTERNATIONAL TREATY  
ON PLANT GENETIC RESOURCES FOR FOOD AND AGRICULTURE**

**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**

by

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This document was prepared at the request of the Secretariat of the Commission on Genetic Resources for Food and Agriculture acting as Interim Committee for the International Treaty on Plant Genetic Resources for Food and Agriculture, in order to provide background information on the Funding Strategy that was established by the Interim Committee at its Second Meeting.

The content of this document is entirely the responsibility of the author, and does not necessarily represent the views of the FAO, or its Members.

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**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**

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**Executive Summary**

**1. Introduction**

This paper provides a brief overview of possible institutions and then concentrates on those most relevant to the Funding Strategy, in terms of their mandates.

The paper addresses relevant funding institutions within countries (Section 2); international resource flows and international funding institutions, including multilateral organisations, bilateral donors and foundations (Section 3) and the key issues facing aid in recent years (Section 4); the work of multilateral organisations (Section 5); bilateral donors (Section 6); the work of non- governmental organisations, including foundations (Section 6); and the private (commercial) sector (Section 8).

**2. Domestic funding institutions with mandates and objectives related to the International Treaty**

National or domestic support is critical. Without it, activities will not be tailored to local needs and conditions and international assistance will generally be unsustainable.

At a global level developing countries have made a significant commitment to the aims of the Treaty, accounting for over half of the amount of public money devoted to agricultural research and development. Nevertheless more is needed to meet the objectives of the Treaty and many developing countries have committed to increasing their national support in this area.

The experience in implementing similar provisions in other treaties is that information is the critical element required. Stakeholders need information, including experiences in other countries, about the efficacy of investments in agricultural research and development and the conservation and sustainable use of plant genetic resources in particular, how it fits into broader government policies such as poverty reduction, or the Millennium Development Goals generally, increasing agricultural productivity and developing new technologies for export.

**3. International funding institutions with mandates and objectives related to the International Treaty and 4. Key issues and trends for the aid community**

Overseas development assistance to developing countries increased to US\$78.6 billion in 2004, its highest level ever. Further rises in overseas development assistance are expected in 2005-6. If members meet the commitments they made at and after the Monterrey Conference this would take overseas development assistance from a little under US\$80 billion in 2004 to approaching US\$130 billion in 2010.

The dominant issues for the aid community and the increasing focus of the way these resources are applied and the type of policies that are developed include achievement of the Millennium Development Goals and innovative sources of funding. Agriculture is no longer a dominant theme in the international aid agenda.

This changing situation points to the need for Contracting Parties to link the aims of the Treaty to the Millennium Development Goals. The Millennium Development Goals of relevance to the Treaty are: Goal 1 Eradicate extreme poverty and hunger; Goal 7 Ensure environmental sustainability; and Goal 8 Develop a global partnership for development.

## **5. Multilateral organisations**

Overall levels of finance for development provided by multilateral organisations or international finance institutions have increased steadily over the last 2 decades. Specific details about the Governing Bodies of relevant international mechanisms, funds and bodies are provided in Annex 3.

For all the key multilateral organisations examined, agricultural development, sustainable development and food security are important priorities, and each organisation has detailed policies to guide their activities in this regard. A preliminary examination of the mandate of these organisations and their policies reveals that activities in support of the Treaty would fall within the scope of permissible activities for all of them. However, only the FAO has developed a detailed policy response for the Treaty.

The situation points to the imperative of raising awareness about the Treaty within this constituency, the importance of articulating the relationship between the Treaty and the Millennium Development Goals and the need to participate in the work on innovative sources of funding.

The Global Environment Facility has, through the Convention on Biological Diversity, an existing link with the Treaty. Developing and strengthening this relationship will be an essential part of the Funding Strategy. The types of measures that would strengthen this relationship could include: an invitation to the Conference of the Parties of the Convention on Biological Diversity to review its guidance to the Financial Mechanism in light of the entry into force of the Treaty and the establishment of a regular reporting process between the two bodies. Similar approaches could be made to the governing bodies of other relevant international funding bodies.

## **6. Bilateral donors**

In terms of public resources, bilateral assistance is the largest source of development aid for developing countries with most countries using around 70 percent of their aid budgets in this manner. Annex 5 provides details about each donor country.

No government has yet adopted legislation or an explicit policy or guidelines identifying the Treaty as a priority for assistance within its aims as a donor. Many donors have articulated related priorities, such as food security, rural development and biodiversity conservation, in their policies, guidelines and sometimes legislation. A preliminary review of the mandates of the donors and the relevant policy document reveals that the Treaty could be supported within these parameters. Indeed, many donors have a number of projects that are directly related to the Treaty, which demonstrates the importance of plant genetic resources for food and agriculture within existing priorities.

The experience of the other funding mechanisms in developing relationships with bilateral donors has highlighted the importance of the OECD's Development Assistance Committee (OECD DAC). The OECD DAC is in a position to assist the Funding Strategy in a number of ways. It could, for example, develop policy guidance on the Treaty for its members. It could also assist with collecting statistics on aid and other resource flows and addressing the significant information gap that needs attention in order to make the Funding Strategy operational.

## **7. Non-governmental organisations and 8. Private (commercial) sector**

Private foundations have played an important role in supporting activities relevant to the Treaty. For example, they played a major role in the "green revolution" and in establishing many of the CGIAR

centres. Subject to several major caveats, foundations support development projects in developing countries at roughly US\$3 billion annually.

Foundations have increasingly been aligning their activities with public donors through public-private partnerships designed to overcome barriers to the commercialisation of new products and technologies with a potential development impact. These partnerships appear to offer the possibility of major breakthroughs in improving harvests.

The private sector has a direct commercial interest in the Treaty. Assessments of these sectors predict that the private sectors role in research and development and the maintenance of the plant genetic resources for food and agriculture will increase due to advances in biotechnology and the increasing breadth of intellectual property rights over biological materials in most countries. As such it can be expected to be interested in being involved in the Funding Strategy.

As with Foundations private-public partnerships appear to have the most potential for immediate results. This is because while incentives and perceptions do differ between sectors, sufficient common space exists or can be created through incentive structuring to facilitate greater partnership.

However, both public- and private-sector partners inadequately account for and minimize the costs and risks of partnership. Similarly, partners discount the need for brokers and third-party actors to manage research collaborations and reduce competition between sectors. Finally, partners are operating without sufficient information on existing partnership experiences, lessons, and models, potentially contributing to a persistent or widening gap between sectors.

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## 1. Introduction

1. Article 18 of the International Treaty on Plant Genetic Resources for Food and Agriculture establishes a Funding Strategy for the implementation of the Treaty. This document

- provides information about the relevant funding institutions with mandates relevant to the objectives of the Treaty, and the types and level of resources they provide;
- provides some of the basic information that users of the Funding Strategy will need, based on the experience of other relevant funding strategies; and
- relates the criteria of relevant international institutions to the possible development of the Funding Strategy.

2. Article 18 of the Treaty does not explicitly define the scope of the Funding Strategy or the types of institutions or funding and assistance that may form part of it. Nevertheless, the provisions of Article 18 do provide an indication of the scope of the Funding Strategy:

- *“The objectives of the Funding Strategy shall be to enhance the availability, transparency, efficiency and effectiveness of the provision of financial resources to implement activities under this Treaty”*.<sup>2</sup>
- *“Contracting Parties that are developed countries also provide, and Contracting Parties that are developing countries and Contracting Parties with economies in transition avail themselves of, financial resources for the implementation of this Treaty through bilateral and regional and multilateral channels. Such channels shall include the mechanism referred to in Article 19.3f”*.<sup>3</sup>
- *“Each Contracting Party agrees to undertake, and provide financial resources for national activities for the conservation and sustainable use of plant genetic resources for food and agriculture in accordance with its national capabilities and financial resources”*.<sup>4</sup>
- *“The Contracting Parties agree that the financial benefits arising from Article 13.2(d) are part of the Funding Strategy”*.<sup>5</sup>
- *“Voluntary contributions may also be provided by Contracting Parties, the private sector, taking into account the provisions of Article 13, non-governmental organisations and other sources.”*<sup>6</sup>

3. Nothing in Article 18 limits the types of institutions, funding or assistance that Contracting Parties can use or apply pursuant to the Funding Strategy, except that the financial resources need to be for “activities under the Treaty”.

4. Given the breadth of the scope of the Treaty and the importance of (agricultural) biodiversity and crop improvement, there are many institutions, funds and assistance potentially within the scope of the Funding Strategy. As a result, this document cannot be comprehensive. It therefore provides a brief overview of possible institutions and then concentrates on those most relevant to the Funding Strategy, in terms of their mandates. The paper addresses relevant funding institutions within countries (Section 2); international resource flows and international funding institutions, including multilateral organisations, bilateral donors and foundations (Section 3) and the key issues facing aid in recent years

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<sup>2</sup> Article 18.2

<sup>3</sup> Article 18.4c

<sup>4</sup> Article 18.4d

<sup>5</sup> Article 18.4e

<sup>6</sup> Article 18.4f



(Section 4); the work of multilateral organisations (Section 5); bilateral donors (Section 6); the work of non-governmental organisations, including foundations (Section 6); and the private (commercial) sector (Section 8).

## 2. Domestic funding institutions with mandates and objectives related to the International Treaty

1. As part of the Funding Strategy, Contracting Parties agree “to undertake, and provide financial resources for national activities for the conservation and sustainable use of plant genetic resources for food and agriculture in accordance with its national capabilities and financial resources”.<sup>7</sup> National or domestic support is critical. Without it, activities will not be tailored to local needs and conditions and international assistance will generally be unsustainable.

2. Domestic support can come from a number of different sources, including government agencies, universities, companies, non-governmental organisations, and farmers. The type of support provided need not be in the form of financial resources but could include goods and services, including training, research support, in-situ conservation, other services and labour. Central to these efforts are government agencies, plant genetic resources centres, national parks and agricultural research and extension centres.

3. National support for the conservation and sustainable use of plant genetic resources for food and agriculture can be measured in a number of ways, but perhaps the most pertinent for this document would be the level of financial resources provided to national programmes. However, there is little in the way of reliable recent information on this.

4. The most reliable and comprehensive figures remain those generated for the Global Plan of Action,<sup>8</sup> the first Report on the State of the World’s Plant Genetic Resources for Food and Agriculture<sup>9</sup> and the preparations for the Fourth International Technical Conference on Plant Genetic Resources for Food and Agriculture, held in Leipzig in 1996.<sup>10</sup> For the Leipzig Conference, countries were asked to report domestic expenditure on relevant activities. In extrapolating information from the 37 countries that responded, it was estimated that about US\$600 million was spent annually on such activities.<sup>11</sup> The estimated US\$600 million was described by the FAO Secretariat as “probably a moderate overestimate of expenditure on conservation activities”, but certainly falls short of expenditure on utilisation in the broad sense, including plant breeding, biotechnology and seed production. For instance, it has been estimated that total expenditure of over US\$100 million was spent on wheat improvement alone in developing countries, in 1990.<sup>12</sup> The total annual expenditure on conservation and utilisation of plant genetic resources for food and agriculture was estimated by the FAO Secretariat at US\$1 billion annually.<sup>13</sup>

5. In comparison, total public-sector investment worldwide in agricultural research was estimated to be over US\$21 billion in 1993, of which, US\$10 billion was in developed countries and

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<sup>7</sup> Article 18.4d.

<sup>8</sup> See <http://www.fao.org/ag/AGP/AGPS/GpaEN/gpatoc.htm>.

<sup>9</sup> See [http://www.fao.org/ag/AGP/AGPS/Pgrfa/wrlmap\\_e.htm](http://www.fao.org/ag/AGP/AGPS/Pgrfa/wrlmap_e.htm).

<sup>10</sup> See *The State of the World’s Plant Genetic Resources for Food and Agriculture*, pp. 207-208 and 297- 299, and ITCPR/96/Inf.1, *Current expenditures for the conservation and utilization of plant genetic resources for food and agriculture*.

<sup>11</sup> The share of expenditures by the OECD countries is US\$ 470 million, and the estimated amount spent by all other countries about US\$ 130 million, see *The State of the World’s Plant Genetic Resources for Food and Agriculture* and TreatyCPGR/96/Inf.1 and CGRFA-8/99/4, *Financing the Implementation of the Global Plan of Action on Plant Genetic Resources*. It was also estimated that in 1995: domestic expenditure for 40 countries was US\$ 475 million; bi- and multilateral foreign assistance from 12 countries was US\$ 50 million; and foreign assistance received by 17 countries was US\$ 17 million.

<sup>12</sup> See paragraph 11, CGRFA-8/99/4, *Financing the Implementation of the Global Plan of Action on Plant Genetic Resources*.

<sup>13</sup> See paragraph 11, CGRFA-8/99/4, *Financing the Implementation of the Global Plan of Action on Plant Genetic Resources*.

US\$11 billion in developing countries.<sup>14</sup> A further US\$11 billion was estimated to be spent on agricultural research and development by the private sector in 1993, with only US\$672 million of this being in developing countries.<sup>15</sup> In recent decades, the geographic balance of public research has shifted. Research and development spending by developing countries grew from 41% of public-sector research and development spending worldwide in 1976 to 55% in 1995. At a global level this demonstrates a significant commitment of developing countries.

6. Even so the figures these figures need careful attention. Just three less-developed countries, China, India, and Brazil, accounted for 44% of the developing world's commitment public agricultural research in 1995, up from 35% in the mid-1970s. The low-income developing countries invest the least in research about 0.5% of the value of farm production (designated by agricultural gross domestic product), compared with 2.0% in the high-income countries.

7. These figures generally reflect the level of support that science and technology generally receive through out the world. The high-income nations devote a significantly greater share of their national resources to science and technology, as reflected in expenditures for research and development. Australia, Canada, Japan, South Korea, the United States, and northern and western Europe, all spend between 1.5 percent and 3.8 percent of their gross domestic product on research and development, whereas the countries of eastern and southern Europe tend to have research and development/gross domestic product ratios of less than 1.5 percent.<sup>16</sup> It is clear that countries making heavy investment in research and development also have strong high-technology industrial and service sectors.<sup>17</sup> And it is noteworthy that the private sector finances most of the research in these countries.<sup>18</sup>

8. Many developing countries recognise that their investment in agriculture is important to their development and would, if they could, increase their resources for this sector. For example, the African Union Maputo Declaration of 2003 commits African countries to working towards allocating at least 10 percent of national budgetary resources to agriculture.<sup>19</sup>

9. The experience in implementing similar provisions in other treaties is that information is the critical element required. Stakeholders need information, including experiences in other countries, about the efficacy of investments in agricultural research and development and plant genetic resources research and development in particular, how it fits into broader government policies such as poverty

<sup>14</sup> See Pardey, P. G. and N. M. Beintema. 2001. *Slow magic: Agricultural Research and Development a Century After Mendel*, Technical Report 36, Agricultural Science and Technology Indicators. Washington, D.C., International Food Policy Research Institute, which updated the figures given in the widely cited report of Pardey P.G. and Alston J.M. (1995) *Revamping Agriculture Research and Development 2020*, Brief 24, IFPRI and Pardey P.G., Alston J.M. and Roseboom J. "Financing Agricultural Research: International Investment Patterns and Policy Perspectives", *World Development*, Vo 26, No 6, 1998, pp1057-1071 also quoted in *The State of the World's Plant Genetic Resources for Food and Agriculture* (FAO, 1998), *Seeding Solutions*, The Crucible II Group and CGRFA-8/99/4, *Financing the Implementation of the Global Plan of Action on Plant Genetic Resources*.

<sup>15</sup> See Pardey, P. G. and N. M. Beintema, 2001, *Slow Magic: Agricultural Research and Development a Century After Mendel*, Technical Report 36, Agricultural Science and Technology Indicators, Washington, D.C., International Food Policy Research Institute.

<sup>16</sup> U.S. National Science Board, *Science and Engineering Indicators 2002* (Arlington, Virginia: National Science Foundation, 2002), text table 4-13, pg. 4-47 (accessible at [www.nsf.gov/sbe/srs/seind02](http://www.nsf.gov/sbe/srs/seind02)); United Nations Development Programme, *Human Development Report 2003* (New York, NY: UNDP, 2003) (accessible at [www.undp.org/hdr2003](http://www.undp.org/hdr2003)).

<sup>17</sup> While the high-income nations average 3,281 scientists and engineers per million population, the middle-income nations average 788. While patents granted to residents of high-income nations average about 346 per million population, the middle-income nations average 10. Moreover, the quality of developing-nation scientists' local training, not to mention the material resources at their disposal, is not on a par with what their industrialized-nation colleagues typically enjoy. In the late 1990s, tertiary-school enrollments in the low-, middle-, and high-income countries stood at 5, 15, and 58 percent, respectively, of the eligible populations.

<sup>18</sup> The Commission of the European Communities has agreed to set a goal of research and development funding at 3 percent of EU gross domestic product by 2010, of which two-thirds would be funded by the private sector; see Commission of the European Communities, 'Investing in Research, An Action Plan for Europe,' communications from the Commission, April 30, 2003; Brussels, Belgium, 2003 (accessible at [http://europa.eu.int/eur-lex/en/com/cnc/2003/com2003\\_0226en02.pdf](http://europa.eu.int/eur-lex/en/com/cnc/2003/com2003_0226en02.pdf)).

<sup>19</sup> See paragraph 2 of the Declaration on Agriculture and Food Security in Africa, Assembly/AU/Decl.7 (II), available at [http://www.africa-union.org/Official\\_documents/Heads%20of%20State%20Summits/hog/12HoGAssembly2003.pdf](http://www.africa-union.org/Official_documents/Heads%20of%20State%20Summits/hog/12HoGAssembly2003.pdf).

reduction, or the Millennium Development Goals generally, increasing agricultural productivity and developing new technologies for export. Such information will help stakeholders develop support for investment in activities relevant to Treaty. This type of information is especially needed as levels of funding for agricultural research and development appear to be failing in many countries.

### **3. International funding institutions with mandates and objectives related to the International Treaty**

#### **3.1 Data**

10. No one organisation collects comprehensive information about international resource flows or even development assistance. As a consequence, data is fragmented and *ad hoc*. Different organisations use different standards – making aggregations and global analysis difficult.

11. The most widely used official data sets on aid at the international level are those maintained by the Development Assistance Committee of the Organization for Economic Cooperation and Development (OECD DAC) and the World Bank. Additional important sources include the UN Statistics Division, the data sets of relevant conventions (e.g. the Convention on Biological Diversity and the Convention to Combat Desertification), the FAO and some unofficial data sets, such as that held by Accessible Information on Development Activities (AiDA). More information about these data sets is contained in Annex 1.

12. This study has used all these sets in compiling figures and ascertaining trends of relevance for the Funding Strategy of the Treaty. It primarily has relied on the data set of the OECD DAC and all un-attributed figures are from this data base.

#### **3.2 A general overview of resource flows from developed countries to developing countries**

Table 1 provides a summary of total resources flows as general background for the Funding Strategy and to providing some indication about the relative importance of the various institutions.

#### **3.3 Official or public resources**

13. Overseas development assistance to developing countries increased to US\$78.6 billion in 2004, its highest level ever.<sup>20</sup> Taking into account inflation and the fall in the US dollar, this represents a 4.6 percent rise in real terms from 2003 to 2004 and follows a 4.3 percent increase from 2002 to 2003.<sup>21</sup> Fifteen of the twenty-two OECD DAC member countries reported increased overseas development assistance in 2004.<sup>22</sup> The United States remained the largest aid donor in volume terms, followed by Japan, France, the United Kingdom and Germany. Denmark, Luxembourg, the Netherlands, Norway and Sweden exceeded the UN target for overseas development assistance of 0.7 percent of gross national income.<sup>23</sup>

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<sup>20</sup> See *Official Development Assistance increases further - but 2006 targets still a challenge* (OECD, April 2005), available at [http://www.oecd.org/document/3/0,2340,en\\_2649\\_201185\\_34700611\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/3/0,2340,en_2649_201185_34700611_1_1_1_1,00.html).

<sup>21</sup> *Ibid.*

<sup>22</sup> *Ibid.*

<sup>23</sup> *Ibid.*

**Table 1. Total Net Resource Flows from OECD DAC Countries and from Multilateral Agencies by Type of Flow<sup>24</sup>**

	Current US\$ billion							
	1996	1997	1998	1999	2000	2001	2002	2003
<b>I. OFFICIAL DEVELOPMENT FINANCE</b>	73.6	75.4	89.1	85.9	65.5	68.7	62.3	69.7
Official development assistance	55.8	47.9	50.4	52.1	49.5	51.1	57.6	67.0
of which: Bilateral	39.1	32.4	35.2	37.8	36.1	35.1	40.8	49.8
Multilateral	16.7	15.5	15.2	14.3	13.4	16.0	16.9	17.2
<b>II. TOTAL EXPORT CREDITS</b>	4.0	4.8	8.4	4.1	7.8	2.8	-1.5	2.0
<b>III. PRIVATE FLOWS</b>	273.1	241.4	130.7	222.6	143.0	148.6	79.8	192.4
1. Direct investment (DAC)	68.9	102.3	117.1	145.5	124.4	134.8	80.8	76.3
of which: to offshore centres	16.7	19.1	20.3	37.9	25.7	32.9	23.2	15.4
2. International bank lending (a)	86.0	12.0	-76.3	-21.2	-17.8	-11.4	-12.1	49.9
3. Total bond lending	78.5	83.7	34.2	29.9	19.7	19.5	19.1	28.1
4. Other (including equities) (b)	33.8	37.0	48.4	59.5	7.2	-4.8	-20.3	23.6
5. Grants by non-governmental organisations	5.9	6.4	7.2	8.9	9.5	10.4	12.3	14.5
<b>TOTAL RESOURCE FLOWS (I+II+III)</b>	350.7	321.6	228.2	312.7	216.2	220.1	140.6	264.1
	Per cent of total							
	1996	1997	1998	1999	2000	2001	2002	2003
<b>I. OFFICIAL DEVELOPMENT FINANCE</b>	21.0	23.5	39.0	27.5	30.3	31.2	44.3	26.4
Official development assistance	15.9	14.9	22.1	16.7	22.9	23.2	41.0	25.4
of which: Bilateral	11.1	10.1	15.4	12.1	16.7	16.0	29.0	18.9
Multilateral	4.8	4.8	6.7	4.6	6.2	7.3	12.0	6.5
<b>II. TOTAL EXPORT CREDITS</b>	1.1	1.5	3.7	1.3	3.6	1.3	-1.1	0.8
<b>III. PRIVATE FLOWS</b>	77.9	75.0	57.3	71.2	66.1	67.5	56.7	72.9
1. Direct investment (DAC)	19.6	31.8	51.3	46.5	57.5	61.2	57.5	28.9
of which: to offshore centres	4.8	5.9	8.9	12.1	11.9	14.9	16.5	5.8
2. International bank lending (a)	24.5	3.7	-33.4	-6.8	-8.2	-5.2	-8.6	18.9
3. Total bond lending	22.4	26.0	15.0	9.6	9.1	8.9	13.6	10.6
4. Other (including equities) (b)	9.6	11.5	21.2	19.0	3.3	-2.2	-14.5	8.9
5. Grants by non-governmental organisations	1.7	2.0	3.1	2.9	4.4	4.7	8.7	5.5
<b>TOTAL RESOURCE FLOWS (I+II+III)</b>	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

14. Further rises in overseas development assistance are expected in 2005-6. If members meet the commitments they made at and after the Monterrey Conference the overseas development assistance/gross national income ratio should improve from 0.25 percent in 2004 to 0.30 percent in 2006 and 0.36 percent in 2010.<sup>25</sup> This would take overseas development assistance from a little under US\$80 billion in 2004 to approaching US\$130 billion in 2010.<sup>26</sup> The main sources of the rise of potential relevance for the Treaty are likely to be:

<sup>24</sup> An explanation of the terms used in Table 1 is provided in Annex 2.

<sup>25</sup> See *DAC Members' net overseas development assistance 1990 - 2004 and DAC Secretariat simulations of net overseas development assistance to 2006 and 2010* (OECD, September 2005).

<sup>26</sup> *Ibid.*

- Contributions to the World Bank's International Development Association.<sup>27</sup> In February 2005, donors agreed to contribute US\$18 billion to the International Development Association to increase its grants and loans by at least 25 percent;
- Increases in bilateral aid budgets. For example, EU Member States have set a target date of 2015 for reaching the 0.7 percent goal, with an intermediate target of 0.51 percent by 2010. Members joining the EU after 2002 have committed to strive for a target of 0.33 percent by 2015, with an intermediate target of 0.17 percent by 2010.<sup>28</sup> The President of the United States has promised significant increases in its overseas development assistance over and above its commitments made at Monterrey and has established the Millennium Challenge Account, which aims to raise overseas development assistance by US\$5 billion per annum,<sup>29</sup> and
- New donors have emerged, including wealthier developing countries, such as Brazil, China and India, which are increasingly offering their expertise to other developing countries through technical co-operation.

15. Nevertheless, increasing levels of overseas development assistance are not assured. Inflation and exchange rate movements, notably the weakening of the dollar, accounted for some of the recent increase. The so-called war on terrorism has also led to significant increases in Aid to Afghanistan and Iraq.<sup>30</sup> In addition, aid flows have not kept up with the economic growth of OECD DAC members or with the needs of the poorest countries. As a share of donor gross national income, overseas development assistance declined sharply, from 0.33 percent in 1992 to 0.22 percent in 2001 and even if the Monterrey pledges are fulfilled then it will only be at .36 percent in 2010. A significant portion of the recent increase reflects debt write-off rather than net long-term finance. Finally, the commitment of several important donors has in recent years been falling.<sup>31</sup>

### 3.4 *Private resources*

16. Private capital flows have come to play a dominant role in development finance, eclipsing both official bilateral and multilateral flows. However, these flows tend to be more volatile than official flows. For example, net international bank lending went from US\$86 billion in 1996 to -US\$76 billion in 1998. Net financial flows to countries with economies in transition also turned negative in 2004. Grants from non-governmental organisations have, however, steadily increased from US\$5.9 billion in 1996 to US\$14.5 billion in 2003.

## 4. **Key issues and trends for the aid community**

### 4.1 *Trends in focus*

17. The dominant issues for the aid community and the increasing focus of the way these resources are applied and the type of policies that are developed are:

- Achievement of the Millennium Development Goals;
- Debt relief;
- Security;
- Harmonisation, effectiveness and governance of aid; and
- Innovative sources of funding.

<sup>27</sup> <http://www.worldbank.org/ida>

<sup>28</sup> See Conclusions of 24 May 2005 (doc. 9266/05, p. 4), reaffirmed by the European Council in June 2005 (doc. 10255/05, p. 7-8).

<sup>29</sup> See <http://www.whitehouse.gov/infocus/developingnations/millennium.html> and <http://www.mca.gov/>

<sup>30</sup> See *DAC Members' net overseas development assistance 1990 - 2004 and DAC Secretariat simulations of net overseas development assistance to 2006 and 2010* (OECD, September 2005).

<sup>31</sup> Germany froze spending in real terms in 2004 and faces a considerable challenge in raising aid from its current level of 0.28% of GNI to 0.33% by next year. Japan has also cut aid spending and will have to find an extra US\$1 billion by 2006 if its limited goal of keeping aid at the 2001–03 average level is to be achieved, see Page 87 of *2005 Human Development Report*.

18. Agriculture is no longer a dominant theme in the international aid agenda. For example, the total share of overseas development assistance spent on agriculture has declined from 12.1 percent in 1982-83 to 3.7 percent in 2002-2003 (see table 2). Funding for the CGIAR, though it represents only a very small share of this total (4 percent), has mirrored this pattern.<sup>32</sup> The survey of countries undertaken for the International Technical Conference indicated that about US\$190 million is contributed each year for plant genetic resources for food and agriculture related international activities (both multi- and bi-lateral). The Secretariat thought this to be an underestimate.<sup>33</sup> A separate survey of multilateral agencies suggests that about US\$ 140 million per year is channelled through international organizations.<sup>34</sup>

19. The diminishing importance of agriculture is also reflected in the policies and strategic priorities of most donors. For example, it was not possible from this desktop survey to find any donors that had developed specific policies addressing the International Treaty and the need to support countries' efforts to implement it.

**Table 2. Major Aid Uses by OECD DAC Donors**

MAJOR USE	TOTAL DAC (%)	
	1982-3	2002-3
Social and administrative infrastructure	25.0	32.0
Economic infrastructure	18.6	10.5
Agriculture	12.1	3.7
Industry and other production	13.8	2.2
Commodity aid and programme assistance	12.4	5.1
Emergency aid	1.5	8.1
Other	16.5	38.3

20. Two dominant themes of recent years of relevance for the Funding Strategy are the Millennium Development Goals and innovative sources of funding.

#### Millennium Development Goals

21. The Millennium Development Goals, and the related Monterrey Consensus,<sup>35</sup> have become the prime focus of most donor organisations. The Millennium Development Goals of relevance to the Treaty are:

- Goal 1 Eradicate extreme poverty and hunger;
- Goal 7 Ensure environmental sustainability; and
- Goal 8 Develop a global partnership for development.

22. In March 2002, Governments adopted the Monterrey Consensus to address the challenges of financing for development around the world. The Consensus seeks to mobilize resources to achieve the Millennium Development Goals and to make the use of these resources more effective. It focuses on four main areas: mobilising domestic financial resources for development; mobilising international resources for development: foreign direct investment and other private flows; international trade as an engine for development; and increasing international financial and technical co-operation for development.

<sup>32</sup> See paragraph 12, CGRFA-8/99/4, *Financing the Implementation of the Global Plan of Action on Plant Genetic Resources*.

<sup>33</sup> See page 298 *The State of the World's Plant Genetic Resources for Food and Agriculture* (FAO, 1998).

<sup>34</sup> See paragraph 12 CGRFA-8/99/4, *Financing the Implementation of the Global Plan of Action on Plant Genetic Resources*.

<sup>35</sup> <http://www.un.org/esa/ffd>

23. The UN General Assembly reviewed implementation of the Monterrey Consensus at the 2005 World Summit. The Resolution adopted at this Summit strongly reiterates the determination to ensure the timely and full realization of the Millennium Development Goals. It emphasizes the primary responsibility of mobilizing domestic resources rests with developing countries. Overseas development assistance is also addressed with the Resolution welcoming the increased resources that will become available as a result of the establishment of timetables by many developed countries to achieve the target of 0.7 per cent of gross national product for official development assistance by 2015 and to reach at least 0.5 per cent of gross national product for official development assistance by 2010 as well as, pursuant to the Brussels Programme of Action for the least developed countries, 0.15 per cent to 0.20 per cent for the least developed countries by no later than 2010, and urge those developed countries that have not yet done so to make concrete efforts in this regard in accordance with their commitments. The Resolution recognizes the value of developing innovative sources of financing. The Resolution also urges more international and private sector support, urges that more foreign direct investment should be directed to low-income countries, and that steps need to be taken to ensure that such investment actually makes a positive contribution towards development. The Resolution noted that some countries are considering “a contribution on airline tickets to enable the financing of development projects, in particular in the health sector”.<sup>36</sup>

24. The increasing focus on the Millennium Development Goals means that most donors have explicitly incorporated these goals into their strategic priorities, established internal structures to support these priorities, and developed reporting processes to advertise how they are working towards these goals. The Millennium Development Goals have also dominated the work of various aid co-operative endeavours such as the OECD DAC or the Paris Club and are the focus of a significant amount of research into aid.

25. In the light of this, Contracting Parties will need to link the aims of the Treaty to the Millennium Development Goals, if they wish to secure additional support from the aid community for the Funding Strategy. Clearly, this will centre on articulating how the Treaty supports the Millennium Development Goals, in particular Millennium Development Goal 1 (Eradicate extreme poverty and hunger), Target 2 of Millennium Development Goal 1 (Halve, between 1990 and 2015, the proportion of people who suffer from hunger) and Indicator 5 of this Target (Proportion of population below minimum level of dietary energy consumption).<sup>37</sup> There are also many other goals, targets and indicators that the Treaty can support, such as Target 9 of Millennium Development Goal 7 (Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources).

26. Articulating these links will not be a simple task, as the relationship between the Millennium Development Goals and the Treaty may not be clearly understood in the wider community. Developing this understanding in a clear and practical manner will be an important task for Contracting Parties, the Governing Body and the Secretariat.

#### **4.2 Innovative sources of funding**

27. Innovative sources of financing have been promoted by many countries as a way of bridging the gap between needs and availability and, in particular, increasing the stability and predictability of resources. The additional sources of innovative financing for development mechanisms studied in various official UN reports<sup>38</sup> and other sources<sup>39</sup> are: global environmental taxes; taxes on

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<sup>36</sup> See document A/60/L.1, available at

<http://daccessdds.un.org/doc/UNDOC/LTD/N05/511/30/PDF/N0551130.pdf?OpenElement>.

<sup>37</sup> [http://mssrf.org/events\\_conferences/content\\_events/millets/recommendations.htm](http://mssrf.org/events_conferences/content_events/millets/recommendations.htm)

<sup>38</sup> Report of the Secretary General on "Follow-up to and implementation of the outcome of the International Conference on Financing for Development" (A/60/289), Report of the Secretary-General on "Multi-stakeholder consultations on financing for development", Summary by the President of the General Assembly of the High-level Dialogue on Financing for Development (New York, 27-28 June 2005) (A/60/219), Report of the Secretary-General on "The Monterrey Consensus:

international financial transactions, on aviation fuel or ticket prices and on arms sales (all of which would be applied nationally but would need to be co-ordinated internationally); use of special drawing rights for development purposes; combating tax evasion; mobilising emigrant remittances for development; private donations and other types of voluntary contributions for international development, including affinity credit cards; a global lottery; and global premium bonds.

28. Most of the various studies and reports conclude that, among the non-voluntary sources, taxes will most likely provide the largest amounts of additional resources in the long term.

29. Several governments are assessing the implications of an international tax on aviation fuel. Even set at a low level, such a tax could raise billions of dollars a year.<sup>40</sup> Another proposal calls for a flat-rate tax on airline passenger tickets, with the revenue earmarked for prevention and treatment of HIV/AIDS. This proposal has been advocated by France and supported by Germany and the United Kingdom, with several developing countries (including Brazil) backing the idea. These countries and others have reached an agreement in principle to introduce a national air ticketing tax to finance development spending. Other countries have advocated a tax on currency transactions. Indeed, Belgium has already passed legislation on the adoption of a currency tax. Several other countries—including Finland and Norway—have explored using carbon taxes as a new financing mechanism.<sup>41</sup>

30. Of note in this regard for plant genetic resources for food and agriculture is the use of levies to finance research. One such example is Australia's Grains Research & Development Corporation. The Grains Research & Development Corporation's mission is to invest in research and development. The Corporation links innovative research with industry needs. Its research portfolio covers 25 leviable crops spanning temperate and tropical cereals, oilseeds and pulses. It is a statutory corporation, operating as a research investment body in partnership with growers and Government. Funding is provided through a levy on grain growers. This is determined each year by the grains industry's peak body, the Grains Council of Australia. The Commonwealth Government matches this funding, up to an agreed ceiling.<sup>42</sup>

31. However, the various studies and reports all note that realising the potential of such sources will require the full agreement of, and compliance by, countries and this might not be easy to achieve. The various studies and reports therefore all recognise that it will be necessary to have a differentiated and incremental approach, concentrating first on the sources that can be mobilised on a regional or other non-universal basis. In the same vein, conscious that concerns have been raised that these initiatives might reduce commitments to traditional development assistance, all the various studies and reports stress that the proposals should be seen as strictly additional to existing overseas development assistance commitments and targets.

32. The Funding Strategy and the Treaty also stress innovative sources of financing. The benefits arising from the Multilateral System; resources made available by Contracting Parties through all channels; and voluntary contributions from the private sector and non-governmental organisations are potentially innovative. The need for predictable resources is stressed in Article 18.4a. Indeed, it is arguable that the entire system established by the Treaty represents an innovative mechanism. The importance of the wider work described in the preceding paragraph is that it could provide support and momentum for the work of the Treaty. More specifically, work on international taxes may be relevant to "modalities of a strategy to promote such [voluntary] contributions", including from "Food Processing Industries that benefit from Plant Genetic Resources for Food and Agriculture" as required by Articles 13.6 and 19.3j.

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status of implementation and tasks ahead" (A/59/822) and Summary by the President of ECOSOC of the special high-level meeting with the BWIs, the WTO and UNCTAD (New York, 18 April 2005), all available at <http://www.un.org/esa/ffd/>.

<sup>39</sup> *UNDP 2005 Human Development Report*, Chapter 3, *The Landau Commission Report on Innovative Development Funding Solutions* and *The Future of Development Financing: Challenges, Scenarios and Strategic Choices*, IDS 2004.

<sup>40</sup> See for example *The Landau Commission Report on Innovative Development Funding Solutions*.

<sup>41</sup> See Chapter 3, *2005 Human Development Report*.

<sup>42</sup> See <http://www.grdc.com.au/about/summary.htm>.



## 5. Multilateral organisations

33. There are a wide variety of multilateral organisations that potentially fall within the scope of Article 18 of the Treaty. In fact, this survey has identified over 100 international and regional organisations that potentially have a role to play in implementing the Funding Strategy.

34. Based on the importance of the Treaty and plant genetic resources for food and agriculture within the priorities of these organisations, the level and amount of resources the organisations devote to these issues, the influence that the organisations have with other bodies and Contracting Parties, those of most relevance for the Funding Strategy include:

- The Consultative Group on International Agricultural Research
- Food and Agriculture Organization
- Global Crop Diversity Trust
- Global Environment Facility
- International Fund for Agricultural Development
- International Monetary Fund
- United Nations Development Programme
- United Nations Environment Programme
- World Bank

35. Information on these organisations is provided in Annex 3. As is evident from this information, these organisations are legally independent, with different governing bodies, different accounting practices and different procedures for determining priorities, programmes and projects. As a result, ascertaining global data and policies for multilateral organisations or international finance institutions is hampered by the absence of uniform or standard accounting procedures and any formal co-operation mechanism between them.

### 5.1 *Trends in multilateral funding*

36. Overall levels of finance for development provided by multilateral organisations or international finance institutions have increased steadily over the last 2 decades. The World Bank's International Development Association and the European Community are the major sources of grant funding, accounting for over 50 percent of grant funding in 2003. The United Nations, and its agencies and programmes, are also a significant source of development funding (accounting for 16 percent of the total). Not surprisingly, international finance institutions provide much more in loans than grant funding (2.5 times).

37. It has not been possible to obtain global figures for the amount of spending that multilateral organisations devote to the aims of the Treaty or even to agriculture in general. Only a few of the organisations have public project databases that allow access to information on the projects they fund. Fewer still allow projects to be searched for key words such as "agriculture" or "plant genetic resources for food and agriculture". The Global Environment Facility has the most sophisticated open access project database,<sup>43</sup> which greatly aids transparency and monitoring. Based on the experience of other financial strategies and mechanisms, collecting such information from the organisations themselves will be an important part of the work of the Funding Strategy.

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<sup>43</sup> <http://www.gefonline.org/home.cfm>

**Table 3. Concessional and Non-concessional Flows by Multilateral Organisations (US\$ million, at current prices and exchange rates)<sup>44</sup>**

	Gross disbursements						
	1987-1988 average	1992-1993 average	1999	2000	2001	2002	2003
<b>CONCESSIONAL FLOWS</b>							
International Financial Institutions							
AfDF	368	710	516	360	464	741	586
AsDF	651	1 006	1 114	1 135	1 031	1 168	1 138
Caribbean Dev. Bank	35	29	33	36	50	113	37
Council of Europe	8	1	-	-	-	-	-
EBRD	-	-	11	5	17	44	53
IBRD	0	-	-	-	-	-	-
IDA	3 711	5 018	6 135	5 468	6 160	6 923	6 884
IADB	346	232	512	442	545	425	593
IFAD	261	158	231	250	254	250	264
IMF	537	573	1 011	650	1 088	1 741	1 187
Nordic Dev. Fund	-	-	38	39	33	35	55
Total IFIs	5 918	7 727	9 601	8 384	9 641	11 440	10 797
United Nations							
UNDP	850	741	508	390	282	275	296
UNHCR	437	1 145	253	493	545	633	534
WFP	799	1 531	354	357	379	351	319
Total UN	3 549	5 596	2 741	3 272	3 462	3 608	3 467
EC	2 138	4 147	5 238	4 763	5 908	5 494	6 665
GEF	-	-	66	86	101	109	107
Montreal Protocol Fund	-	-	44	56	72	60	66
Arab Funds	278	487	227	215	381	298	202
<b>Total concessional</b>	<b>11 883</b>	<b>17 957</b>	<b>17 916</b>	<b>16 776</b>	<b>19 565</b>	<b>21 009</b>	<b>21 304</b>
<b>NON-CONCESSIONAL FLOWS</b>							
International Financial Institutions							
African Dev. Bank	662	1 447	723	506	614	679	969
Asian Dev. Bank	825	1 948	3 710	2 884	2 850	3 067	2 688
Caribbean Dev. Bank	21	25	77	65	50	108	37
Council of Europe	530	490	-	-	-	-	-
EBRD	-	-	366	439	548	627	854
IBRD	11 297	10 735	13 256	11 778	10 729	8 381	10 628
IFC	750	973	1 596	1 276	1 061	1 409	2 126
IADB	1 758	2 956	7 934	6 662	6 016	5 508	8 409
IFAD	-	-	40	33	33	20	23
Total IFIs	15 843	18 575	27 703	23 643	21 902	19 799	25 735
EC	295	471	855	608	662	1 435	1 547
Arab Funds	66	32	-	-	-	-	-
<b>Total non-concessional</b>	<b>16 203</b>	<b>19 078</b>	<b>28 559</b>	<b>24 251</b>	<b>22 564</b>	<b>21 234</b>	<b>27 283</b>

<sup>44</sup> An explanation of the terms used is provided in Annex 2.

## 5.2 *Policy trends*

38. For all the key multilateral organisations examined, agricultural development, sustainable development and food security are important priorities, and each organisation has detailed policies to guide their activities in this regard.

39. A preliminary examination of the mandate of these organisations and their policies reveals that activities in support of the Treaty would fall within the scope of permissible activities for all of them. However, only the FAO has developed a detailed policy response for the Treaty. Other relevant organisations are focusing on the Millennium Development Goals, debt relief, security, harmonisation, effectiveness and governance of aid and innovative sources of funding.

40. The situation points to the imperative of raising awareness about the Treaty within this constituency, the importance of articulating the relationship between the Treaty and the Millennium Development Goals and the need to participate in the work on innovative sources of funding.

## 5.3 *Management of multilateral organisations*

41. Article 18.4a provides that “*Contracting Parties shall 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 International Treaty*”.

42. Specific details about the Governing Bodies of relevant international mechanisms, funds and bodies are provided in Annex 3. Raising awareness and inviting these bodies to provide details of their work to the Governing Body of the Treaty will have an important effect on ensuring due priority and attention within those bodies.

43. The experience of other funds has highlighted the importance of co-operation and co-ordination at the national level to ensure that a balanced position is taken within the governing bodies of multilateral organisations. Although the management of multilateral assistance and strategic relationships with multilateral agencies varies among donor countries, it is universally complex. Often a number of ministries are involved, including foreign affairs, finance and development assistance, and sectoral ministries such as agriculture and environment. Ensuring cooperation and coordination among all these ministries is essential.

44. Because of the steady increase in the budget of multilateral organisations over the last two decades, member states are becoming more attentive in their operation. Thus, each organisation is being subjected to more evaluation and assessment. Moreover, many donors are concentrating their funding on a more limited number of multilateral agencies, guided by their priorities and policy approaches. Also, some OECD DAC member countries are developing strategic policy documents or assessment frameworks which set out the strengths and weakness of major multilateral agencies, assess the impact of current engagements, assess the effectiveness of the agency and evaluate its fit with government policy and priorities.

45. Another consequence of this increased vigilance is the rise in earmarked contributions to multilateral organisations referred to by some as the “bilateralisation” of multilateral assistance. Such assistance is a major feature of the funding profile of some of the United Nations’ specialised agencies. For example, of the World Health Organisation’s global budget for 2002-03, only 38 percent was raised through regular contributions assessed on member states with the remaining 62 percent comprising voluntary contributions. There are contrasting views within donors on earmarked assistance. Some consider this risks redirecting the priorities of the multilateral agency concerned and diminishing the multilateral character of the institution. On the other hand, others regard voluntary contributions as a key mechanism by which to gain influence, direct programme focus and increase the effectiveness of agencies. This changing nature of the governance of multilateral organisations is of

considerable importance in understanding what the “necessary and appropriate measures” required by Article 18.4a of the Treaty may be.

#### 5.4 *Global funds and the Global Environment Facility*

46. Another recent development is the emergence of global funds, which are becoming an important mechanism for the financing of development activities in developing countries. Global funds are distinguishable from multilateral organisations in that they have the following defining features:

- The private sector is often a financial contributor or co-financing partner and governance arrangements may include the private sector, civil society and other stakeholders.
- The governing body plays an active role in the project development cycle;
- The mission is often linked to single issue or policy area.

47. The most important of the global funds for the Funding Strategy of the International Treaty is the Global Environment Facility.<sup>45</sup> The Global Environment Facility consists of a Participants Assembly, a Governing Council, a Secretariat, a Monitoring and Evaluation Unit, three Implementing Agencies (United Nations Environment Programme, United Nations Development Programme and the World Bank), various executing agencies (including the FAO) and a scientific advisory body. The objectives, principles, policies and criteria that govern its activities are contained in the Instrument, an Operational Strategy, 14 Operational Programmes and decisions of the Participants Assembly and the Global Environment Facility Council. The Global Environment Facility has four main focal areas: biodiversity; climate change; international waters and ozone. In recent years, desertification and chemicals have been added to the scope of its activities. GEF Operational Program 13 on Conservation and Sustainable Use of Biological Diversity Important to Agriculture is the most relevant for the Treaty. However, other Operational Programmes are also of relevance, including Operational Programme 14 (Multifocal Areas), Operational Programme 12 (Land Degradation) and Operational Programme 1 (Mountain Ecosystems).

48. The Global Environment Facility is the largest funder of projects to improve the global environment. As at the end of 2004 it had provided US\$5.126 billion, supplemented by US\$16.785 billion in co-financing, for more than 1500 projects in 140 countries.

49. Ascertaining the level of financial support the Global Environment Facility has provided for projects that contribute to the conservation and sustainable use of plant genetic resources for food and agriculture is difficult. Operational Programme 13 was only adopted in 2002 and, prior to this, projects relating to plant genetic resources were approved under other Operational Programmes and none of the Global Environment Facility monitoring systems specifically track plant genetic resources for food and agriculture. However, in its last annual report, the Global Environment Facility reported that it had provided US\$28 million, along with US\$51 million in co-financing, under Operational Programme 13.

50. At a more general level, the Global Environment Facility has supported US\$1.827 billion worth of biodiversity projects, which have attracted a further US\$4.009 of co-financing, many of which relate to plant genetic resources for food and agriculture. US\$394 million has been devoted to Multifocal Areas, which are often agriculture related projects. A desktop review of the Global Environment Facility project data base found 76 projects included activities that related to the aims of the Treaty (totalling US\$680 million), although only a few were entirely relevant to the aims of the Treaty). Annex 4 illustrates the wide variety of projects that the Global Environment Facility has supported that are relevant to the Treaty.

51. The Global Environment Facility is not only a prominent source of funding for activities relevant to the Treaty but also has, through the Convention on Biological Diversity, an existing link

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<sup>45</sup> See <http://www.gefweb.org>. Other examples of these type of global funds include the Global Alliance for Vaccines and Immunisation and the Global Fund for AIDS, Tuberculosis and Malaria.

with the Treaty. Developing and strengthening this relationship will be an essential part of the Funding Strategy. The types of measures that would strengthen this relationship could include:

- an invitation to the Conference of the Parties of the Convention on Biological Diversity to review its guidance to the Financial Mechanism in light of the entry into force of the Treaty;
- the development of a memorandum of understanding between the Governing Body and the Global Environment Facility Council;
- an invitation to the Global Environment Facility to participate in meetings of the Governing Body;
- an initiation to the Global Environment Facility to address meetings of the Governing Body;
- the establishment of a regular reporting process between the two bodies;
- the development of a close working relationship between the Secretariat of the Treaty and the Global Environment Facility Council and its Secretariat, including the appointment of a focal point within the Global Environment Facility Secretariat for matters relating to the Treaty.

## 6. Bilateral donors

52. In terms of public resources, bilateral assistance is the largest source of development aid for developing countries with most countries using around 70 percent of their aid budgets in this manner. Bilateral assistance refers to aid flows from the government of a donor country to the recipient government or an executing agency.

53. Donor countries that are Contracting Parties to the Treaty include (as per September 2005): Austria, Canada, Denmark, European Community, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Norway, Spain, Sweden, Switzerland and the United Kingdom. Donor countries that have signed the International Treaty include: Australia, Belgium, Netherlands, Portugal and the United States of America.

54. Annex 5 provides, for each donor country, information on: the main objectives of the programme, key legislation, the overall policy statement and other general policy statements, the key minister and principal department/development agency, other relevant agencies/ministries, the inter-ministerial co-ordination structures, the main bilateral partners and main sectors.

### 6.1 *Characteristics of individual foreign assistance programmes*

55. There is a noticeable degree of variety in donor programmes due, in part, to different political or strategic choices made by each country as well as their comparative advantage. The number and choice of main partner countries varies, often reflecting a range of historical, cultural, geo-political, and strategic, as well as development, interests.

56. Donors use a variety of aid instruments in their main partner countries, the choice and combination of which normally flows from country-level analysis. The DAC Guidelines: Poverty Reduction<sup>46</sup> describes in detail the key instruments of financial and technical co-operation, including three of the most significant instruments used i.e. project, sector and programme support:

- Project support refers to support for discrete activities. Projects should fit within the broader development framework, address the multiple concerns of the poor and strengthen the capacities of the poor to achieve sustainable livelihoods.
- Sector support or Sector-Wide Approaches contribute, under partner government leadership, towards a single sector policy and expenditure programme and should, where possible, use common management and reporting procedures to disburse and account for all funds.
- Programme aid consists of financial contributions, not linked to specific project activities, extended to a partner country for general development purposes, such as balance of payment

<sup>46</sup> [http://www.oecd.org/document/1/0,2340,en\\_2649\\_33721\\_1885953\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/1/0,2340,en_2649_33721_1885953_1_1_1_1,00.html)

support or general budget support. It is often associated with the promotion of policy reforms at the macroeconomic level and/or in specific sectors.

57. Assistance is provided through a large number of government agencies – in a few countries more than eight – to a total of 186 developing or transition countries. Activities are delivered by a wide range of intermediaries including partner government institutions at national, provincial and local levels, multilateral agencies, global funds, non-governmental organisations and other civil society institutions, private contracting firms, individual consultants and volunteers. The assistance may take the form of training, technical advice, scholarships for tertiary studies, provision of goods, construction, maintenance or repair of infrastructure, direct payments into foreign governments' budgets or debt relief.

58. During the period 1999 to 2001, OECD DAC members alone reported an average of 35,225 new development activities a year to the OECD's Creditor Reporting System, with an average cost of US\$1.5 million per activity.<sup>47</sup> From 1974-2003, there were over 65,000 agricultural projects, of which around 3,500 were for activities relevant to the Treaty. The very large number of activities supported by donors imposes high transaction costs on partner countries, as well as on donors themselves. A typical developing country received aid from around 15 bilateral donors (as well as 10 multilateral agencies) in 2000<sup>48</sup> and an issue for the donor community as a whole is whether a more efficient matching of donors with partner countries' needs can be promoted, building on each donor's comparative advantage. The issue of different and more efficient ways of delivering foreign assistance is becoming more pressing as new donors continue to emerge.

## 6.2 Donor policies and the International Treaty

59. The extent that each bilateral donor is able to respond to the Treaty is determined by their specific governance structure, which can be very different. Most donors have an overarching general policy statement for their foreign assistance that outlines its main purpose and objectives. An overriding policy objective common to all aid programmes is poverty reduction. As has been noted above, certain key themes or priorities are emerging in the policy work of most donors, such as: the Millennium Development Goals; debt relief; security; harmonisation, effectiveness and governance of aid; and innovative sources of funding.

60. Despite the significant number of donor governments that have ratified the Treaty, no government has yet adopted legislation or an explicit policy or guidelines identifying the Treaty as a priority for assistance. However, many donors have articulated related priorities, such as food security, rural development and biodiversity conservation, in their policies, guidelines and sometimes legislation. A preliminary review of the mandates of the donors and the relevant policy document reveals that the Treaty could be supported within these parameters. Indeed, many donors have a number of projects that are directly related to the Treaty, which demonstrates the importance of plant genetic resources for food and agriculture within existing donor and recipient priorities. The diversity of recipients, size, nature and scope of the projects is broad. Many of the projects are focused on the enabling or supporting aspects of the Treaty, such as enhanced community participation, information networking, general research and policy development. Less support is evident for projects that supported some of the more core elements of the Treaty such as taxonomic work on crops or storage facilities for seeds.

61. Raising awareness and ensuring that bilateral aid plays its part is obviously central to a successful Funding Strategy. As a priority, it will be necessary to raise awareness about the Treaty and the Funding Strategy within the governance structures of national aid agencies. As with policy, these structures are different in every donor and the complex nature of aid means that often the responsibilities are shared amongst many ministries. Even though most donors have an identifiable

<sup>47</sup> See page 35, *Managing Aid: Practices Of DAC Member Countries* (OECD, 2005).

<sup>48</sup> *Ibid.*

political leader of their development agency (usually a Minister of Development Co-operation or the Minister of Foreign Affairs), in many countries other ministers also have responsibility for certain key aspects of their country's development co-operation programme. This complexity means that raising awareness will be a difficult and lengthy task.

### 6.3 *Mechanisms for donor co-ordination*

62. Given the independence and distinctive nature of each donor, mechanisms for cooperation provide an important way of raising issues and developing policies at the international level. Donors consider coordination to be a central and critical issue and promoting good coordination among donors will help improve the effectiveness of foreign assistance and reduce transaction costs on partner countries.

63. 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 important means for Contracting Parties and the Governing Body to interact collectively with donors.

64. 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 co-ordination role. The OECD DAC undertakes four principal types of activities:

- It adopts authoritative policy guidance.
- It conducts periodic critical peer reviews of members' development co-operation policies and programmes.
- It provides a forum for dialogue to exchange experience and build international consensus on policy and management issues of interest to members.
- It publishes statistics and reports on aid and other resources flows to developing and transition countries.

65. 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.

66. The DAC has also developed numerous guidelines to assist its members in developing their policies on particular issues of common interest. These include: *Development Assistance Manual: DAC Principles for Effective Aid (1992)*, *DAC Guidelines on Aid and Environment, Nos. 1-9, (1992-1995)*, *Donor Assistance to Capacity Development in Environment, (1995)*, *Participatory Development and Good Governance, (1995)*, *The DAC Guidelines: Poverty Reduction (2001)*, *The DAC Guidelines: Strategies for Sustainable Development (2001)* and *DAC Guidelines and Reference Series: Poverty and Health (2003)*.

67. The OECD DAC is therefore in a position to assist the Funding Strategy in a number of ways. It could, for example, develop policy guidance on the Treaty for its members. It could also assist with collecting statistics on aid and other resource flows and addressing the significant information gap that needs attention in order to make the Funding Strategy operational.

## 6.4 *Mainstreaming policies into donor programmes*

68. Certain cross-cutting issues are fundamental to the achievement of overall development objectives. Issues such as poverty reduction and food security are cross-cutting in that they are critical to the outcome and impact of all aspects of the foreign assistance programme and cannot be pursued as stand-alone activities or managed as sectors. Most OECD DAC member countries have identified three or four key cross-cutting issues or themes as being central for their foreign assistance programme. Those most frequently pursued are capacity development, conflict prevention, democracy, gender equality, good governance, environment, human rights and poverty reduction.

69. The Treaty recognizes that the management of plant genetic resources for food and agriculture is at the meeting point between agriculture, the environment and commerce, and that there should be synergy among these sectors.<sup>49</sup> The need to mainstream the specific needs of the Treaty into wider sectoral policies is implicitly acknowledged in many provisions of the Treaty. For example, pursuant to Article 7, Contracting Parties are called upon to integrate into their agricultural and rural development policies and programmes the activities outlined in Article 5 (Conservation, Exploration, Collection, Characterization, Evaluation and Documentation of Plant Genetic Resources for Food and Agriculture) and Article 6 (Sustainable Use of Plant Genetic Resources).

70. Given the dominance of the Millennium Development Goals in donor policies, mainstreaming will likely assume a strategic and central importance in most donors' contributions to the Funding Strategy.

71. The OECD DAC has undertaken research and analysis on financial flows and donor support for the Rio Conventions (the Framework Convention on Climate Change, the Convention on Biological Diversity and the Convention to Combat Desertification). A preliminary outcome of this analysis was made available to the World Summit on Sustainable Development and the governing bodies of the relevant conventions, in a report, *Aid Targeting the Objectives of the Rio Conventions: 1998-2000*. This report made a significant contribution to raising the profile of these conventions within the donor community and to developing a working relationship between the financial mechanisms of these conventions and bilateral donors.

72. The experience of mainstreaming with the Rio Conventions demonstrates that it requires considerable investment on the part of development agencies. This investment also means that it is not feasible for development agencies to mainstream multiple cross-cutting issues. A realistic approach would be the identification of one or two issues that reflect overall policy objectives that could be fully mainstreamed into all aspects of the programme.

## 7. **Non-governmental organisations**

### 7.1 *Foundations*

73. Private foundations have played an important role in supporting activities relevant to the Treaty. For example, they played a major role in the "green revolution" and in establishing many of the CGIAR centres. Article 18.4f of the Treaty acknowledges this role in that contributions to the Funding Strategy may also be provided "by the private sector, taking into account the provisions of Article 13, non-governmental organisations and other sources".

74. A lack of any general reporting system for foundations, at the national and international level, and the differences in legal status (especially in Europe), make it difficult to analyse their contribution to development in detail.

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<sup>49</sup> Preamble, paragraph 12.



75. Subject to several major caveats, foundations support development projects in developing countries at roughly US\$3 billion annually.<sup>50</sup> According to the OECD, the bulk of these projects are already reported in OECD DAC statistics as part of the roughly US\$7 billion attributed to non-governmental organisations.<sup>51</sup>
76. While some foundations continue important work on crop and disease research, others have developed major new programmes in promoting democracy, peace and environmental goals.
77. Well over half of all spending comes from US foundations. The Foundation Centre<sup>52</sup> is a useful source of information about the US foundations. Further information on US Foundation activity is given in Annex 6.
78. European foundations' activities in the development field tend to concentrate on social and cultural activities not directly addressed by official aid programmes. The European Foundation Centre<sup>53</sup> includes 143 foundations, representing some of the largest in Europe. Its Directory provides quantitative data and is a useful source of information on European Foundations.
79. Most large Japanese foundations rely on corporate funds, and practically all big companies have foundations. They tend to avoid funding activities in their own business field. Instead they fund a broad range of social and cultural activities, on similar lines to personal or family foundations in the United States. The Japan Foundation Centre<sup>54</sup> is a valuable quantitative source of information on Asian international philanthropy.
80. Foundations have increasingly been aligning their activities with public donors through public-private partnerships designed to overcome barriers to the commercialisation of new products and technologies with a potential development impact. These partnerships appear to offer the possibility of major breakthroughs in improving harvests, but some governments are wary of supporting activities that could lead to private profit or ownership of vital technologies. Other partnerships, not involving private ownership of research, are helping to improve development infrastructure, e.g. water supply.
81. Attracting contributions from foundations requires a clear purpose for the funds and considerable awareness raising and effort on behalf of the recipients. It is immeasurably facilitated by a successful track-record of using such funds. In many cases, it also requires a detailed legal structure before foundations will be able to provide contributions. Moreover, many of the main foundations are proactive in their grant-making, meaning that they discourage unsolicited requests. It is an especially competitive area of fund raising. Developing modalities of a strategy to promote voluntary contributions before more basic aspects of the Funding Strategy have been developed (such as adopting a set of clear objectives, policies and strategies or developing a working relationship with the Global Crop Diversity Trust, the Global Environment Facility and other sources of overseas development assistance) will be difficult. However, it is of note that four foundations (the Syngenta Foundation, the Rockefeller Foundation, the Gatsby Charitable Foundation and the UN Foundation) have already contributed to the Global Crop Diversity Trust.
82. In recent years, the United Nations has increased its efforts to foster partnerships with private foundations. The UN Fund for International Partnerships<sup>55</sup> was established in March 1998 after Ted Turner donated US\$1 billion to support UN causes through a public charity, the UN Foundation,

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<sup>50</sup> See page 29 *Philanthropic Foundations and Development Co-operation*, Off-print of the DAC Journal 2003, Volume 4, No. 3 (OECD 2004).

<sup>51</sup> *Ibid.*

<sup>52</sup> <http://fdncenter.org>.

<sup>53</sup> <http://www.efc.be>.

<sup>54</sup> [http://www.jfc.or.jp/eibun/e\\_index.html](http://www.jfc.or.jp/eibun/e_index.html).

<sup>55</sup> See <http://www.un.org/unfip>.

established to administer this gift. UN Fund for International Partnerships and the UN Foundation work closely to fund and develop programmes to educate the public about the UN and to build new partnerships for the UN system. Together, they encourage greater private sector investment in the development and implementation of innovative, high-impact initiatives, campaigns and projects on the ground to achieve the Millennium Development Goals in four priority areas:

1. Children's Health;
2. Population and Women (focus on adolescent girls);
3. Environment (biodiversity, energy and climate change); and
4. Peace and Security, and Human Rights.

83. The success of the UN's partnership with the UN Foundation has spurred a multiplier effect that has enabled UN Fund for International Partnerships and the UN to attract and foster additional partnerships. UN Fund for International Partnerships has been asked to facilitate and promote new partnerships, networks and alliances with a variety of sources, including: the Bill and Melinda Gates Foundation, Cisco Systems Inc., The Citigroup Private Bank, the European Foundation Centre, Hewlett-Packard, Hilton Foundation, PricewaterhouseCoopers, and Vodafone.

## 7.2 *Development and environmental non-governmental organisations*

84. Article 18.4f specifically recognises that non-governmental organisations can make voluntary contributions to the Funding Strategy. Non-governmental organisations, as a very diverse group of organisations, are difficult to describe. Nevertheless they have steadily increased in number, size and importance in terms of the developmental assistance in general and the objectives of the Treaty in particular. All aid agencies use non-governmental organisations as an important means of aid delivery and project execution. As was noted above grants from non-governmental organisations have as a result steadily increased from US\$5.9 billion in 1996 to US\$14.5 billion in 2003, which amounted to over 5% of net resource flows to the developing world. In some areas international support from non-governmental organisations is becoming a significant and dominant source of funds in developing countries, such as protected areas where non-governmental organisations claim to provide several billions dollars of financial support for managing and developing the existing network in developing countries.<sup>56</sup>

85. Broadly speaking environmental and developmental non-governmental organisations are the most relevant for the Treaty. For example, The World Wide Fund for Nature (WWF) is concerned with the in situ conservation of crop wild relatives and the sustainable management of wild food plants through programmes which promote the involvement of local people who use these resources. The World Conservation Union (IUCN) also has many programmes that address matters of interest to the Treaty, especially in-situ conservation of plant genetic resources.

86. Genetic Resources Action International (GRAIN) and Rural Advancement Foundation International (RAFI) have played leading roles in promoting the debate concerning policy aspects of plant genetic resources for food and agriculture conservation and use, mobilizing public opinion and working with regional and national non-governmental organisation partners to develop alternative approaches, particularly with regard to on-farm management of plant genetic resources for food and agriculture.

87. Developing country based non-governmental organisations also play an important role in plant genetic resources for food and agriculture. One example is the Community Biodiversity Development and Conservation Programme, which brought together eleven local or national partners working at the community level<sup>57</sup> and four global partners.<sup>58</sup> The central objectives of the programme included to

<sup>56</sup> See <http://www.biodiv.org/doc/meetings/pa/pawg-01/official/pawg-01-03-en.pdf>.

<sup>57</sup> Non-governmental organisations working at the local/national level are: Community Technology Development Association (COMMUTECH), Zimbabwe; Centro de Educación y Tecnología (CET), Chile, on behalf of the Latin American Consortium on Agro-ecology and Development (CLADES); The South East Asian Regional Institute for Community Development

investigate and assess selected community innovation systems related to the conservation and use of plant genetic resources. Projects were initiated in eleven countries. In some cases, the leading organization is a governmental institution actively involving farmers. In some other cases it is a non-governmental organisation closely linked to local farming communities working with little or no governmental support. There are many other developing country non-governmental organisations mentioned in the *State of the World Plant Genetic Resources for Food and Agriculture* still active in plant genetic resources for food and agriculture conservation.<sup>59</sup>

88. Developmental non-governmental organisations that focus on poverty alleviation also work on issue of relevance to the Treaty and the Funding Strategy and could play an important role in the Funding Strategy. For example, Oxfam, CARE International and the Quaker Foundation all work on plant genetic resources for food and agriculture.

89. The diverse and independent nature of non-governmental organisations means that there are no reliable global figures or data regarding the amount and nature of financial resources that they provide for plant genetic resources for food and agriculture. Although no non-governmental organisations have committed significant funds to the conservation of plant genetic resources for food and agriculture, in other related issues, such as protected areas, they are a major source of funds. For example, the Critical Ecosystem Partnership Fund (CEPF) is a joint initiative of Conservation International, the Global Environment Facility, the Government of Japan, the John D. and Catherine T. MacArthur Foundation and the World Bank where each organisation has invested US\$5 million dollars to help safeguard Earth's biodiversity hotspots.<sup>60</sup> Indeed, it worth noting that the non-governmental organisations are playing a key role in the implementation of the protected area programme of work under the Convention on Biological Diversity.

90. Due to the diverse nature of non-governmental organisations developing an overall strategy to involve them in the Treaty and the Funding Strategy may not be easy. Actively engaging non-governmental organisations will probably require tailored approaches and similar steps as for Foundations as described in the previous section. Moreover, often a substantial part of their funds comes from bilateral donors, and the shifts in focus described in section 4 are valid for most non-governmental organisations as well.

## 8. Private (commercial) sector

91. The Treaty refers to the specific role of the private sector in the Funding Strategy in Article 13.2d (i) and (ii) (which Article 18.4f includes as part of the Funding Strategy) and Article 18.4d.

92. This reflects a broader trend in development issues where the interaction between the public and private sector is increasing. Describing the scope and scale of the companies that use and benefit from plant genetic resources for food and agriculture is not possible. Even describing the industry sectors that are relevant is a challenging exercise. Perhaps the most immediately relevant for the

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(SEARICE), the Philippines; Asesoría e Servicios a Proyectos em Agricultura Alternativa (AS-PTA), Brazil; Centro de Investigación y Capacitación (CICD), Peru; Instituto Mayor Campesino (IMC), Colombia; Partners for Community Organization of Sabah, Malaysia; and Non-Agriculture Association, Thailand.

National research organizations are: Can Tho University, Viet Nam; Biodiversity Institute, Ethiopia; and Rokpur Rice Research Centre, Sierra Leone. Global partners include the Centre for Genetic Resources (CPRO-DLO-CGN), the Netherlands; the Norwegian Centre for International Environment and Development Studies (Noragric), Norway; and the non-governmental organisations Genetic Resources Action International (GRAIN), and Rural Advancement Fund International (RAFI).

<sup>58</sup> RAFI (Canada), GRAIN (Spain), NORAGRIC (Norway), CPRO-DLO-CGN (The Netherlands), see [http://www.cbdcprogram.org/final/frames/about\\_cbdc.htm](http://www.cbdcprogram.org/final/frames/about_cbdc.htm) for more details.

<sup>59</sup> See Chapter 2. For example, these include the MASIPAG programme, Centro para la Investigación en Sistemas Sostenibles de Producción Agropecuaria, Asociación de Productores Alternativos de San Andrés de Sotavento, Fundación Herencia Verde, the Organización Indígena de Antioquia, Corporación Penca de Sábila and Programa Semillas.

<sup>60</sup> See <http://www.cepf.net/xp/cepf/index.xml>.

purpose of the Funding Strategy, is the agricultural sector, in particular the seed sector (because it most directly relies upon the plant genetic resources for food and agriculture within the scope of the Treaty) and the food processing industries (because it is specifically mentioned in the Treaty).

93. There are no global figures for either of these sectors. Moreover, it is very difficult to gauge, let alone accurately measure, the value of the contribution that plant genetic resources for food and agriculture make to these companies and markets.<sup>61</sup> Nevertheless the anecdotal evidence indicates that these sectors are economically important and that plant genetic resources for food and agriculture make a significant, albeit hard to quantify, contribution to research and development within the sector and ultimately to the profitability of the sector.

94. The commercial seed market is worth approximately US\$30 billion,<sup>62</sup> with the top 5 seed companies having annual sales between US\$1 and US\$3 billion per year.<sup>63</sup> Imports from developing countries to developed countries of food were valued at US\$99.3 billion in 2002 or some 8.2 percent of total exports, with the trade in cereals being valued at US\$4.8 billion.<sup>64</sup> Private sector expenditure on agricultural research was estimated to be worth US\$11.5 billion in 1993.<sup>65</sup>

95. As pointed out in the table below some companies invest considerable resources in research and development.

**Table 4. Research and development spending and sales of leading multinational firms, 2002**

Company	Research and development expenditure (US\$ millions)	Sales* (US\$ millions)
Syngenta, Switzerland	697	6,197
Monsanto, U.S.	527	4,936
BASF, Germany	349	4,678
Pioneer Hi-bred/Dupont, U.S.	506	4,510
Bayer CropScience/Bayer, Germany	568	4,462
Dow AgroSciences/Dow, U.S.	na	2,717
Groupe Limagrain, France	70	965
Savia, Mexico	na	611
Advanta, Netherlands	59	398
Total	2,776	29,474

\*Includes only sales and research and development expenditure in the categories of crop and animal protection, seed and planting materials, food, and nutrition.

96. Moreover, most assessments of these sectors predict that the private sectors role in research and development and the maintenance of the plant genetic resources for food and agriculture will increase due to advances in biotechnology and the increasing breadth of intellectual property rights

<sup>61</sup> See *Commercial Practice in the Use of Plant Genetic Resources for Food and Agriculture*, Walter Smolders, Commission on Genetic Resources for Food and Agriculture Acting as Interim Committee for The International Treaty on Plant Genetic Resources for Food and Agriculture Background Study Paper No. 27.

<sup>62</sup> See paragraph 24, *Commercial Practice in the Use of Plant Genetic Resources for Food and Agriculture*, Walter Smolders, Commission on Genetic Resources for Food and Agriculture Acting as Interim Committee for The International Treaty on Plant Genetic Resources for Food and Agriculture Background Study Paper No. 27.

<sup>63</sup> See Appendix 2 of *Commercial Practice in the Use of Plant Genetic Resources for Food and Agriculture*, Walter Smolders, Commission on Genetic Resources for Food and Agriculture Acting as Interim Committee for The International Treaty on Plant Genetic Resources for Food and Agriculture Background Study Paper No. 27.

<sup>64</sup> See table 6.3 OECD trade with low- and middle-income economies, page 313, *2004 World Development Indicators* (World Bank 2004)

<sup>65</sup> See Pardey, P. G. and N. M. Beintema. 2001. *Slow magic: Agricultural Research and Development a Century After Mendel*. Technical Report 36, Agricultural Science and Technology Indicators. Washington, D.C.: International Food Policy Research Institute

over biological materials in most countries.<sup>66</sup> Along side decreasing public support for agricultural research generally and maintenance of plant genetic resources for food and agriculture in particular, the private sector has a crucial role to play in the Funding Strategy.<sup>67</sup>

97. Assessing the contribution that plant genetic resources for food and agriculture make to any company is a challenging exercise. A recent attempt is *Commercial Practice in the Use of Plant Genetic Resources for Food and Agriculture*, Walter Smolders, Commission on Genetic Resources for Food and Agriculture Acting as Interim Committee for The International Treaty on Plant Genetic Resources for Food and Agriculture Background Study Paper No. 27.

98. Numerous measures have been mooted to develop the role of the private sector in agricultural research generally and plant genetic resources for food and agriculture specifically.<sup>68</sup> Two relevant measures for the purposes of the Funding Strategy include: voluntary contributions from individual companies or groups of companies; and public-private partnerships.

### 8.1 Voluntary contributions

99. Article 19.3(j) requires the Governing Body to consider modalities of a strategy to encourage voluntary contributions, in particular, with references to Articles 13 and 18. Additionally, Article 13.6 requires Contracting Parties to consider modalities of a strategy of voluntary benefit-sharing contributions whereby Food Processing Industries that benefit from plant genetic resources for food and agriculture shall contribute to the Multilateral System.

100. Voluntary contributions from companies for public goods have recently become a significant area of support for development activities. In 2003, for example, 232 of the largest U.S. corporations alone donated US\$1.1 billion for international philanthropy.<sup>69</sup> Indeed, Syngenta AG and Dupont/Pioneer Hi-bred have voluntarily contributed US\$1.5 million to the Global Crop Diversity Trust.<sup>70</sup>

101. The Merck Mectizan Donation Program is an example of a large-scale and long-term commitment. Since 1987 Merck has partnered with the World Bank, the World Health Organization and other agencies to reach more than 40 million people suffering from onchocerciasis (African river blindness) in more than 30 countries, providing Mectizan free of charge and combining treatment with prevention.<sup>71</sup>

102. Contributions can also be in-kind, for example, through community partnerships and education and training. Examples of in-kind support include Bayer's Integrated Crop Management Program for farmers in Guatemala and in Brazil, where the company trained more than 25,000 farm families in improved farming techniques. Corporations can also donate employee and management time to help public sector enterprises and governments design and implement projects.

103. Securing voluntary contributions from companies faces similar challenges to securing contributions from Foundations outlined in the previous section. Attracting contributions requires a

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<sup>66</sup> See, for example, Pardey, P. G. and N. M. Beintema. 2001. *Slow Magic: Agricultural Research and Development a Century After Mendel*. Technical Report 36, Agricultural Science and Technology Indicators. Washington, D.C.: International Food Policy Research Institute and *Seeding Solutions*, The Crucible II Group, pp13-15.

<sup>67</sup> For example, private sector spending on overall agricultural Research and Development in the US jumped from US\$2 billion in 1970 (expressed in 1996 dollars) to US\$4.2 billion in 1996, while Federal and State spending has flattened out at around US\$2.5 billion since 1978, see Jorge Fernandez-Cornejo and David Schimmelpfennig, "Have Seed Industry Changes Affected Research Effort?", *AmberWaves* February 2004

<sup>68</sup> See Section 4.2.

<sup>69</sup> Muirhead, S. 2004. *The 2004 Corporate Contributions Report. An Analysis of the Giving Patterns of 232 Major Corporations in 2003*, Research Report R-1355-04-RR, The Conference Board, New York.

<sup>70</sup> See <http://www.startwithaseed.org/items/funds.php>.

<sup>71</sup> See <http://www.merck.com/about/cr/mectizan/home.html>.

clear purpose for the funds, a detailed legal structure and is an increasingly competitive area of fund raising. Developing modalities of a strategy to promote voluntary contributions before more basic aspects of the Funding Strategy have been developed (such as adopting a set of clear objectives, policies and strategies or developing a working relationship with the Global Crop Diversity Trust, the Global Environment Facility and other sources of overseas development assistance) will be difficult.

## 8.2 *Public-private partnerships*

104. Public-private partnerships are increasingly popular as a means of addressing global issues as diverse as health, environment, finance, governance, and agriculture. The Treaty refers to partnerships as a means for access and transferring technologies for the conservation, characterization, evaluation and use of plant genetic resources for food and agriculture in Article 13.

105. Public private partnerships for plant genetic resources for food and agriculture have also received a great deal of attention in other forum. The 2005 World Summit, World Summit on Sustainable Development and Third System Review of the CGIAR called for greater partnership between the public agricultural and the private sector.<sup>72</sup> A survey of CGIAR stakeholders conducted by the World Bank found significant support for increased public-private collaboration among CGIAR center director generals, donors, representatives of national agricultural research systems and members of the private sector.<sup>73</sup> The Tlaxcala Statement of 1999, an initiative involving several multinational firms, international organizations and CGIAR centers, provided a road map toward greater private-sector cooperation. Roundtable meetings convened by the World Bank in 2000 and again in 2004 brought bank officials, the CGIAR and executives of major agribusiness companies together to examine ways of promoting public-private partnerships. USAID and the UK Department for International Development have been strong proponents and financiers of several public-private partnership initiatives. The Global Forum on Agricultural Research and the World Economic Forum in Davos also called for more public private research.<sup>74</sup> Experts from leading agricultural research firms have joined with academics and policy researchers to express their support for research collaborations.<sup>75</sup>

106. Examples of public private partnerships between the CGIAR system and private sector include:

- The Apomixis programme between CIMMYT Pioneer Hi-bred (U.S.), Syngenta (Switzerland), Limagrain (France) and L'Institut de Recherche pour le Développement (France)
- The Golden Rice Humanitarian Board between IRRI, Syngenta (Switzerland) Rockefeller Foundation (U.S.), Swiss Federal Institute of Technology, and others
- HarvestPlus between CIAT, IFPRI, Monsanto (U.S.); and
- The Wheat Improvement programme between CIMMYT and Grains Research & Development Corp. (Australia).

<sup>72</sup> See *Third system review of the consultative group on international agricultural research*, CGIAR 1998, Washington, DC.

<sup>73</sup> *The CGIAR at 31: An independent meta-evaluation of the consultative group on international agricultural research*, vol. 3, World Bank, 2003, Operations Evaluation Department, Washington, DC.

<sup>74</sup> Global Forum on Agricultural Research. 2003. Parallel sub-plenary sessions on global & inter-regional partnership programmes. In Global Forum on Agricultural Research, Linking research and rural innovation to sustainable development, 2nd triennial Global Forum on Agricultural Research Conference, May 22-24, Dakar, Sénégal, available at <http://www.egfar.org/gfar2003/documents.shtml>, or *Successful public-private partnership*, from the World Economic Forum Annual Meeting 2003, January 24, 2003, available at <http://www.weforum.org>.

<sup>75</sup> See Barry, G. and R. Horsch, "Evolving role of the public and private sector in agricultural biotechnology for developing countries", in *Agricultural biotechnology and the poor*, ed. G. J. Persley and M. M. Lantin, CGIAR(2000) or Shear, R. H., "Perspectives from industry: Monsanto", in *Intellectual property rights in agriculture*, ed. U. Lele, W. Lesser, and G. Horstkotte-Wesseler. Environmentally and Socially Sustainable Development Series, Rural Development 3, World Bank (2000).

107. The UN CSD Partnerships Database, which list registered type II partnerships arising from WSSD, lists over 60 projects that involved plant genetic resources for agriculture.<sup>76</sup>

108. However a review of public-private partnerships found there were only a few examples of public-private partnerships in the international agricultural research community, and fewer still where the expected benefits of partnership have materialized.<sup>77</sup> It tentatively concluded that while incentives and perceptions do differ between sectors, sufficient common space exists or can be created through incentive structuring to facilitate greater partnership. However, both public- and private-sector partners inadequately account for and minimize the costs and risks of partnership. Similarly, partners discount the need for brokers and third-party actors to manage research collaborations and reduce competition between sectors. Finally, partners are operating without sufficient information on existing partnership experiences, lessons, and models, potentially contributing to a persistent or widening gap between sectors.

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<sup>76</sup> See <http://www.un.org/esa/sustdev/partnerships/partnerships.htm>.

<sup>77</sup> *Public-Private Partnerships in Agricultural Research: An Analysis of Challenges Facing Industry and the Consultative Group on International Agricultural Research*, David J. Spielman and Klaus von Grebmer, International Food Policy Research Institute, 2004.





## ANNEX 1

### INFORMATION ON DATA SETS ON INTERNATIONAL AID FLOWS

#### OECD DAC

The OECD DAC has two main mechanisms for collecting information: The OECD DAC Questionnaire and the Creditor Reporting System.<sup>78</sup> The OECD DAC Questionnaire, which is a set of ten statistical tables completed annually in July by OECD DAC members, concerns the amount and destination of assistance in the previous year. Detailed information is collected regarding the destination, form, terms, sector and tying status of official flows. A simplified form of the questionnaire is completed by multilateral agencies. There is also a one-page “Advance Questionnaire on Main OECD DAC Aggregates” completed by OECD DAC members each April to give early data on their flows.

The Creditor Reporting System concerns individual official transactions, both overseas development assistance and other official flows, relevant to development. Reports are received directly from participating official agencies, including bilateral and multilateral agencies, development lending institutions and export credit agencies. All OECD DAC member countries report to the Creditor Reporting System with 17 countries reporting fully and five countries reporting partially. Follow-up to reports on the disbursement and repayment status of loans allows the OECD Secretariat to calculate the debt burden of developing and transition countries.

Reporting on the purpose of aid entails classification by sector and by policy objective. The sector code identifies “the specific area of the recipient’s economic or social structure which the transfer is intended to foster”. In OECD DAC reporting (as well as in most donors’ internal reporting systems), each activity can be assigned only one sector code. For activities cutting across several sectors, either a multi-sector code or the code corresponding to the largest component of the activity is used. Reporting on the policy objectives of aid - environmental sustainability, gender equality, reduction of poverty, and participatory development/good governance - is based on a marking system with three values: “principal objective”, “significant objective”, and “not targeted to the policy objective”. Each activity can have more than one policy objective.

“Agriculture” is a recognized sector within the OECD DAC system. The definition that the OECD DAC has developed for what “agriculture” covers is extensive and includes: Agricultural policy and administrative management, Agricultural development, Food crop production, Agricultural alternative development and Agricultural education/training. Most relevant to the Treaty are the terms “Agricultural research” and “Agriculture input”. Agricultural research covers projects that include plant breeding, physiology, genetic resources, ecology, taxonomy, disease control, agricultural biotechnology; including livestock research (animal health, breeding and genetics, nutrition, physiology). Agriculture input covers projects that supply seeds, fertilizers, and agricultural machinery/equipment.

#### World Bank

The World Bank maintains multiple databases online (some free of charge and some on an annual subscription basis). World Development Indicators<sup>79</sup> provides direct access to more than 600 development indicators (including figures in research and development and agricultural input), with time series for 208 countries and 18 country groups from 1960 to 2004, where data are available. Global Development Finance Online<sup>80</sup> provides direct access to more than 200 debt and financial flows indicators for the 136 countries that report public and publicly-guaranteed debt to the World Bank Debtor Reporting System. These data run from 1970 to 2003, where available.

<sup>78</sup> <http://www.oecd.org/dac/stats>

<sup>79</sup> <http://www.worldbank.org/data/onlinebases/onlinebases.html>

<sup>80</sup> <http://publications.worldbank.org/GDF>

### UN Statistics Division

The UN Statistics Division<sup>81</sup> collects, processes and disseminates a wide range of statistical information. It provides a global centre for data on international trade, national accounts, energy, industry, environment, transport and demographic and social statistics gathered from many national and international sources.

### FAO

FAOSTAT,<sup>82</sup> the FAO statistical database, is an on-line multilingual database currently containing over 3 million time-series records from over 210 countries and territories covering agriculture, nutrition, fisheries, forestry, food aid, land use and population (although the database does not contain data about financial matters related to agriculture).

### Other Data Sets

Most conventions also maintain a data set of some relevance (i.e. the Convention on Biological Diversity and the Convention to Combat Desertification).

An important unofficial data set is Accessible Information on Development Activities (AiDA),<sup>83</sup> which is a catalogue of information on development activities found on the web sites or internal information systems of major bilateral donors, multilateral development banks and UN agencies. Participating organizations share information on planned, current and completed projects and programs that they fund, execute or implement. Currently AiDA contains over 400,000 records of development activities. AiDA is an activity of the Development Gateway Foundation. The OECD DAC and the World Bank are jointly implementing this initiative.

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<sup>81</sup> <http://unstats.un.org/unsd/default.htm>

<sup>82</sup> <http://faostat.fao.org>

<sup>83</sup> <http://aida.developmentgateway.org>

## ANNEX 2

## INTRODUCTION TO OECD DAC STATISTICS

*Coverage*

OECD DAC statistics are designed to measure international resource flows that promote the development or welfare of developing and transition countries.

*Types of flow*

**Official development assistance and official aid** – Flows from the official sector of the donor country which:

- Have as their main objective the promotion of the economic development and welfare of the partner country.
- Are given either as grants or as concessional loans.

Aid is referred to as official development assistance if directed to a developing country on Part I of the *DAC List of Aid Recipients*<sup>84</sup> (developing countries) or to a multilateral agency active in development, and official aid if directed to a transition country or to a multilateral agency primarily active in those countries.

Overseas development assistance includes the costs to the donor of project and programme aid, technical co-operation, forgiveness of debts not already reported as overseas development assistance, sustenance costs for refugees for their first year in a donor country, imputed student costs, food and emergency aid and associated administrative expenses.

**Other official flows** – Consist of

- i) grants or loans from the official sector not specifically directed to development or welfare purposes (*e.g.* those given for commercial reasons); and
- ii) loans from the official sector which are for development or welfare purposes, but which are not sufficiently concessional to qualify as overseas development assistance (see also next section).

**Private flows at market terms** – Flows for commercial reasons from the private sector of a donor country. Includes foreign direct investment, bank loans and the purchase of developing country bonds or securities by companies or individuals in donor countries.

**Private grants** – Funds from non-government organisations for development or welfare purposes.

*Note on concessional loans*

To qualify as overseas development assistance, loans must have a grant element of at least 25 percent, calculated against a fixed 10 percent discount rate. To serve as a rough guide, here are some sample loans that just qualify as aid, having a grant element of just over 25 percent:

- 6 year loan, annual repayments, interest rate 0.75 percent.
- 10 year loan, annual repayments, interest rate 3.5 percent.
- 20 year loan, annual repayments, interest rate 5.5 percent.
- 10 year loan, annual repayments, first payment after 5 years, interest rate 5 percent.
- 15 year loan, annual repayments, first payment after 5 years, interest rate 5.75 percent.

<sup>84</sup> [www.oecd.org/dataoecd/35/9/2488552.pdf](http://www.oecd.org/dataoecd/35/9/2488552.pdf)

*Exclusions*

The following are considered to have insufficient development potential to qualify for inclusion in OECD DAC statistics:

- Loans repayable in one year.
- Grants and loans for military purposes.
- Transfer payments (*e.g.* pensions, workers' remittances) to private individuals.

Flows originating in partner countries, for example, investments by their nationals in donor countries, are also ignored. However, partner countries' loan repayments, and repatriations of capital to the donor country, are deducted to arrive at net flows from the donor.

*Stages of measurement*

Flows can be measured either at the time they are firmly agreed (commitments) or at the time of the actual international transfer of funds (disbursement). Disbursements may be measured either gross, *i.e.* in the full amount of capital transfers to the partner country over a given period, or net, *i.e.* deducting repayments of loan principal over the same period. The usual measure of donor aid effort is net disbursements of official development assistance.

### ANNEX 3

#### MULTILATERAL ORGANISATION PROFILES

##### **The Consultative Group on International Agricultural Research**

###### *Objectives*

To achieve sustainable food security and reduce poverty in developing countries through scientific research and research-related activities in the fields of agriculture, forestry, fisheries, policy, and environment

The CGIAR has five areas of focus:

- Sustainable production (of crops, livestock, fisheries, forests and natural resources)
- Enhancing National Agricultural Research Systems (through joint research, policy support, training and knowledge-sharing)
- Germplasm Improvement (for priority crops, livestock, trees and fish)
- Germplasm Collection (collecting, characterizing and conserving genetic resources - the CGIAR holds in public trust one of the world's largest seed collections available to all)
- Policy (fostering research on policies that have a major impact on agriculture, food, health, spread of new technologies and the management and conservation of natural resources)

###### *Organization*

The Consultative Group on International Agricultural Research (CGIAR) is a strategic alliance of countries, international and regional organizations, and private foundations supporting 15 international agricultural centers that work with national agricultural research systems and civil society organizations including the private sector.

###### *Membership*

Membership of the CGIAR is open to international organizations, governments, and private foundations that support the mission of the CGIAR, participate in policy making, and provide support for the conduct of research at the fifteen international Centers.

The CGIAR partnership includes 25 developing and 22 industrialized countries, 4 private foundations, and 13 regional and international organizations that provide financing, technical support, and strategic direction. The FAO, the International Fund for Agricultural Development, the United Nations Development Programme, and the World Bank serve as cosponsors.

CGIAR members contributed approximately US\$437 million in 2004.

###### *Secretariat*

The CGIAR was created in 1971. Today more than 8,500 CGIAR scientists and staff are working in over 100 countries, addressing every critical component of the agricultural sector including - agroforestry, biodiversity, food, forage and tree crops, pro-environment farming techniques, fisheries, forestry, livestock, food policies and agricultural research services. Thirteen of the Centers are headquartered in developing countries.

###### *Decision-making bodies*

The CGIAR System is a regularly interacting and interdependent network of independent institutions that form a complex whole, and are committed to a common cause.

The primary institutions in the System are:

- the Consultative Group on International Agricultural Research (CGIAR/the Group); an independent Science Council; and
- 15 international agricultural research Centers.

The three components of the CGIAR System are interdependent. They are supported by the Executive Council of the System, a broad range of partners, various standing committees, and the System Office, a "virtual" combination of service units.

The Chair of the CGIAR, usually a Vice President of the International Bank for Reconstruction and Development (World Bank/Bank), is nominated by the President of the World Bank to lead the CGIAR, when endorsed by the CGIAR.

The Director of the CGIAR, selected through an international search process, who functions as Chief Executive Officer of the CGIAR. He/she heads the CGIAR Secretariat.

Components of the CGIAR System collaborate to support and carry out agricultural research of the highest quality, in order to ensure that agricultural science and technology contribute significantly to sustainable development.

Each part of the System performs a distinct set of functions, based on its role, responsibilities, competencies and interests. These functions are mutually supportive and complementary, i.e. the components are interdependent and the whole is far greater than the sum of the parts, thereby providing the CGIAR with its systemic character.

## **Food and Agriculture Organization**

### *Objectives*

- to raise the levels of nutrition and standard of living of the populations of member countries;
- to secure improvements in the efficiency of production and distribution of all food and agricultural products;
- to improve the conditions of rural populations;
- to contribute towards an expanding world economy and towards ensuring freedom from hunger for humanity.

### *Membership*

Membership is confined to nations; associate membership to territories or groups of territories. The European Union is given membership as a regional integration organization and can vote on behalf of its member countries on certain matters. As at 3 December 2003, FAO had 188 Members.

### *Secretariat*

FAO

Viale delle Terme di Caracalla

I-00100 Rome, Italy

Telephone: +39-06-57051

Telefax: +39-06-570 53152

<http://www.fao.org>

### *Decision-making bodies*

The Conference, which meets every two years, is the major policy-making organ of FAO. All members are represented with one vote. The Conference is responsible for approving the FAO Programme of Work and Budget, adopting procedural rules and financial regulations, admitting new members, formulating recommendations on food and agricultural questions, and reviewing the decisions of the FAO Council and subsidiary bodies. The 33rd session will be held from 19 to 26 November 2005.

The Council is composed of 49 members elected by the Conference for three-year terms. The Council is the executive organ of the Conference and exercises powers delegated to it. The Council is assisted

by eight major committees covering agriculture; commodity problems; constitutional and legal matters; forestry; fisheries; world food security; finance; and FAO programmes.

*- The FAO Commission on Genetic Resources for Food and Agriculture*

The Commission on Genetic Resources for Food and Agriculture is the permanent inter-governmental forum dealing with agricultural genetic resources. At present, 167 Governments and the European Community are members. It has a coordinating role and deals with policy, sectorial and cross-sectorial matters related to the conservation and sustainable use of genetic resources of relevance to food and agriculture"; it provides an intergovernmental forum for negotiations relating to genetic resources of relevance to food and agriculture, and monitor the operation of instruments; and facilitates and oversees cooperation between FAO and other international governmental and non-governmental bodies dealing with the conservation and sustainable use of genetic resources.

## **Global Crop Diversity Trust**

### *Objectives*

The objective of the Trust is 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.

The Trust shall in particular, without prejudice to the generality of the foregoing:

- (a) endeavour to safeguard collections of unique and valuable plant genetic resources for food and agriculture held *ex situ*, with priority being given to those that are plant genetic resources included in Annex I to the International Treaty or referred to in Article 15.1(b) of the International Treaty;
- (b) promote 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 (hereinafter referred to as "the Global Plan of Action");
- (c) promote the regeneration, characterization, documentation and evaluation of plant genetic resources for food and agriculture and the exchange of related information;
- (d) promote the availability of plant genetic resources for food and agriculture; and
- (e) promote national and regional capacity building, including the training of key personnel, with respect to the above.

### *Secretariat*

The Interim Secretariat for the Trust is housed at FAO.  
<http://www.startwithaseed.org>

### *Decision-making bodies*

The Global Crop Diversity Trust was established in October 2004 as an international fund with its own legal personality. The policy framework for the Trust is provided by the International Treaty whose governing body provides policy guidance. The Directors General of FAO and the International Plant Genetic Resources Institute, in consultation with stakeholders appointed 11 individuals to an Interim Panel of Eminent Experts to lead the Trust until the formal establishment of an Executive Board, expected to take place in 2006.

Financial oversight will be provided by the Executive Board as well as by a Donors Council composed of public and private donors from developed and developing countries who have made a significant contribution to the Trust. The Executive Board will establish and keep under review the size of donor contribution required by the different categories of donor for eligibility for membership on the Donors' Council. The Interim Panel of Eminent Experts held its seventh meeting in October 2005. The Donors' Council held its first official meeting in October 2005, established its rules and procedures and elected its chairperson and vice-chairperson.

## **Global Environment Facility**

### *Objectives*

To serve as a mechanism for international co-operation for the purpose of providing new and additional grant and concessional funding to meet the agreed global environmental benefits in the following focal areas:

- biological diversity;
- climate change;
- international waters;
- ozone layer depletion;
- land degradation;
- persistent organic pollutants.

The Global Environment Facility shall ensure the cost-effectiveness of its activities in addressing the targeted global environmental issues, and shall fund programmes and projects that are country-driven and based on national priorities designed to support sustainable development.

### *Membership*

Any member State of the UN or any of its specialized agencies may become a Participant in the Global Environment Facility. There were 176 Participants as at 1 July 2005.

### *Secretariat*

GEF Secretariat  
1818 H Street NW  
MSN G 6-602  
Washington, DC 20433, USA  
Telephone: +1-202-473 0508  
Telefax: +1-202-522-3240 / 3245  
<http://www.gefweb.org>

### *Decision-making bodies*

The Global Environment Facility has an Assembly, which consists of representatives of all participating countries. The Assembly meets every three years. The Assembly reviews the general policies and in addition evaluates the operation of the Facility on the basis of reports submitted by the Council.

The Council is the main governing body responsible for developing, adopting, and evaluating the operational policies and programmes for GEF-financed activities. It consists of 32 members, with 16 members from developing countries (six each from Africa and Asia, and four seats for Latin America), 14 from developed countries, and two from the countries of Central and Eastern Europe. The Council meets twice a year, or as frequently as necessary.

When consensus is not possible, a double-majority voting system is used, requiring a majority of participating countries and 60 per cent donor support. It is intended that the system should protect the interests of both donor and recipient countries.

The Scientific and Technical Advisory Panel is an advisory body. United Nations Environment Programme serves as the secretariat for the Panel.



## **International Fund for Agricultural Development**

### *Objectives*

- to mobilize additional resources to be made available on concessional terms for agricultural development in developing countries;
- to focus attention on the needs of the poorest rural communities, in particular small farmers, the landless, fishermen, livestock herders, and impoverished rural women;
- to pay special attention to grassroots development and innovative approaches which build on local participation and the preservation of the natural resource base;
- to provide financing primarily for projects and programmes specifically designed to introduce, expand, or improve food production systems and to strengthen related policies and institutions within the framework of national priorities and strategies, taking into consideration: the need to increase food production in the poorest food-deficient countries, the potential for increasing food production in other developing countries, and the importance of improving the nutritional level and living conditions of the poorest populations in developing countries.

### *Membership*

The Fund was established as a partnership of industrialized countries, oil-producing and -exporting countries, and other developing countries that joined together to raise funds and share in the governance arrangements. The Fund's Member States are classified as follows: List A (primarily OECD members); List B (primarily OPEC members); and List C (developing countries). The International Fund for Agricultural Development is not open to regional integration organizations. As at July 2005, there were 164 Member States.

### *Secretariat*

International Fund for Agricultural Development  
107 via del Serafico  
I-00142 Rome, Italy  
Telephone: +39-06-545 91  
Telefax: +39-06-545 92143  
<http://www.ifad.org>

### *Decision-making bodies*

The Governing Council consists of all of Member States and meets annually. Governing Council Sessions are chaired by the Chairman of the Governing Council Bureau, which is composed of, for a two-year term, a Chairman and two Vice-Chairmen representing each of the three Lists of the Member States of the Fund.

Current operations are supervised by an Executive Board, composed of 18 Members and 18 Alternate Members. The Board is elected by the Council for a three-year period. In addition to the conduct and general operation of the International Fund for Agricultural Development, it approves loans and grants for projects and holds three regular sessions a year.

## **International Monetary Fund**

### *Objectives*

- to promote international monetary co-operation through a permanent institution which provides the machinery for consultation and collaboration on international monetary problems;
- to facilitate the expansion and balanced growth of international trade;
- to promote exchange stability and maintain orderly exchange agreements among members and avoid competitive exchange depreciation;

- to assist in the establishment of a multilateral system of payments in respect of current transactions between members and in the elimination of foreign exchange restrictions;
- to give confidence to members by making the general resources of the Fund temporarily available to them under adequate safeguards;
- to shorten the duration and lessen the degree of disequilibrium in the international balances of payments of members.

#### *Membership*

Open to all countries. Not open to regional international organizations. The International Monetary Fund had 184 members at of July 2005.

#### *Secretariat*

International Monetary Fund  
700 19th Street NW  
Washington, DC 20431, USA  
Telephone: +1-202-623 7000  
Telefax: +1-202-623 6278  
<http://www.imf.org>

#### *Decision-making bodies*

The International Monetary Fund operates through a Board of Governors, a Board of Executive Directors, an International Monetary and Financial Committee, a Managing Director, three Deputy Managing Directors, and staff. The Board of Governors consists of one Governor and one Alternate Governor appointed by each member country—typically the minister of finance or governor of the central bank. A meeting of the Board, in conjunction with that of the World Bank Group, is held each autumn. All powers of the Fund are vested in the Board of Governors. The Executive Board is responsible for the day-to-day business of the Fund. It consists of the Managing Director as Chair and 24 Executive Directors, who are appointed or elected by individual member countries or by groups of countries. Each member has an assessed quota, which is subscribed and determines voting power. The USA is the largest contributor and has 17.14 per cent of the voting power, while the smallest contributors hold less than 1 per cent each. Access to use of the Fund's resources is also determined in relation to quota, taking account of the balance-of-payments needs of the member and the policies it agrees to implement to restore balance-of-payments viability. The USA, Japan, Germany, France, and the United Kingdom, in that order, have the largest quotas (with the quotas of France and the United Kingdom equal). The total of members' quotas in Special Drawing Rights is SDR213 billion.<sup>85</sup>

### **United Nations Development Programme**

#### *Objectives*

The United Nations Development Programme is the UN's global development network, advocating change and connecting countries to knowledge, experience, and resources to help people build a better life.

#### *Membership*

Open to all members and observers of the UN, of its specialized agencies, and of the International Atomic Energy Agency. There were 191 Member States as at July 2005.

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<sup>85</sup> On 15 November 2005 the exchange rate was U.S\$1.00 = SDR0.704222 and SDR1 = US\$1.42001.

*Secretariat*

UN Development Programme  
1 United Nations Plaza  
New York, NY 10017, USA  
Telephone: +1-212-906 5000  
Telefax: +1-212-906 5001  
<http://www.undp.org>

*Decision-making bodies*

The United Nations Development Programme is headed by an Administrator, who is responsible to a 36-nation Executive Board, representing all major regions (eight from African states, seven from Asian and Pacific states, four from Eastern European states, five from Latin American and Caribbean states, and 12 from Western European and other states) and both donor and recipient countries. The Board, in turn, reports to the UN General Assembly through the Economic and Social Council. In addition to setting policy guidelines, the Board approves the volume of assistance allocated to each country, as well as all country programmes.

**United Nations Environment Programme***Objectives*

To provide leadership and encourage partnership in caring for the environment by inspiring, informing, and enabling nations and peoples to improve their quality of life without compromising that of future generations.

*Membership*

Not applicable. See Decision-making bodies, below.

*Secretariat*

UN Environment Programme  
PO Box 30552  
United Nations Avenue  
Gigiri, Nairobi, Kenya  
Telephone: +254-2-621234  
Telefax: +254-2-62 3927 / 3692  
<http://www.unep.org>  
<http://www.unep.net>

*Decision-making bodies*

The United Nations Environment Programme Governing Council is composed of 58 members of the UN elected by the UN General Assembly for three-year terms. It reports to the UN General Assembly through the Economic and Social Council. The Council assesses the state of the world environment, establishes United Nations Environment Programme's programme priorities, and approves the budget. The membership of the Governing Council is made up on the following geographical basis: Africa (16), Asia (13), Latin America and the Caribbean (10), Eastern Europe (6), Western Europe, North America, and other (13).

A High-Level Committee of Ministers and Officials consists of 36 members elected from among members of the UN and its specialized agencies. Members serve for two years, taking into account the principle of equitable regional representation as reflected in the composition of the Council. It has the mandate to consider the international environmental agenda and to make reform and policy recommendations to the Governing Council. It also provides guidance and advice to the Programme's Executive Director on emerging environmental issues; enhances the collaboration and co-operation of

the United Nations Environment Programme with other relevant multilateral bodies, as well as with the environmental conventions and their secretariats; and supports the Executive Director in mobilizing adequate and predictable financial resources for implementation of the global environmental agenda approved by the Council.

The Committee of Permanent Representatives, whose membership is open to Permanent Representatives accredited to the United Nations Environment Programme from among members of the UN and its specialized agencies, has the mandate to: review, monitor, and assess the implementation of decisions of the Governing Council; review reports on the effectiveness, efficiency, and transparency of the functions and work of the secretariat and make recommendations thereon to the Council; and prepare draft decisions for consideration by the Council.

The main conventions on the environment under the auspices of the United Nations Environment Programme are:

- Convention on International Trade in Endangered Species of Wild Fauna and Flora, Washington, DC, 1973;
- Convention on the Conservation of Migratory Species of Wild Animals, Bonn, 1979;
- Vienna Convention for the Protection of the Ozone Layer, Vienna, 1985, including the Montreal Protocol on Substances that Deplete the Ozone Layer, Montreal, 1987;
- Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (Basel Convention), Basel, 1989;
- Convention on Biological Diversity, adopted in Nairobi and opened for signature in Rio de Janeiro, 1992;
- Lusaka Agreement on Co-operative Enforcement Operations Directed at Illegal Trade in Wild Fauna and Flora, Lusaka, 1994;
- Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade (Rotterdam Convention), Rotterdam, 1998. Operated jointly with FAO;
- Stockholm Convention on Persistent Organic Pollution (Stockholm Convention), Stockholm, 2001;

## **World Bank**

### *Objectives*

The World Bank Group works in more than 100 developing economies with the primary focus of helping the poorest people and the poorest countries. For all its clients, the Bank emphasizes the need:

- to invest in people, particularly through basic health and education;
- to focus on social development, inclusion, governance, and institution building as key elements of poverty reduction;
- to strengthen the ability of governments to deliver quality services, efficiently and transparently;
- to protect the environment;
- to support and encourage private business development;
- to promote reforms to create a stable macroeconomic environment, conducive to investment and long-term planning.

### *Organization*

The World Bank includes the International Bank for Reconstruction and Development and the International Development Association.

### *Membership*

Membership is open to all members of the International Monetary Fund. It is not open to regional integration organizations. The International Bank for Reconstruction and Development had 184

member States and the International Development Association had 165 member States as at July 2005. A country must be a member of the International Bank for Reconstruction and Development before it can join the International Development Association. The United States is the largest single shareholder of the International Bank for Reconstruction and Development, with 16.41 percent of votes, followed by Japan (7.87 percent), Germany (4.49 percent), the United Kingdom (4.31 percent), and France (4.31 percent). The rest of the shares are divided among the other member countries.

*Secretariat*

The World Bank  
1818 H Street NW  
Washington, DC 20433, USA  
Telephone: +1-202-473 1000  
Telefax: +1-202-477 6391  
<http://www.worldbank.org>

*Decision-making bodies*

The Board of Governors, which consists of one Governor appointed by each Member State. The Governors have delegated most of their powers to the Executive Directors responsible for matters of policy and approval of all the loans made by the Bank. Every member government of the World Bank Group is represented by an Executive Director. The five largest shareholders-France, Germany, Japan, the United Kingdom, and the United States-appoint an Executive Director, while other member countries are represented by 19 Executive Directors. The President of the Bank is a national of the largest shareholder, the United States. Elected for a five-year renewable term, the president of the World Bank chairs meetings of the Board of Directors and is responsible for overall management of the Bank.

The International Development Association is a separate legal entity with its own financial resources. It has the same Board of Governors and the same Executive Directors representing countries that are members of both the International Bank for Reconstruction and Development and the International Development Association. The President of the Bank is ex officio President of the International Development Association and the officers and staff of the Bank also serve the International Development Association. Each member has an assessed quota, which is subscribed and determines voting-power in the International Development Association and the International Bank for Reconstruction and Development.



## ANNEX 4

## SELECTED GLOBAL ENVIRONMENT FACILITY PROJECTS OF RELEVANCE TO THE INTERNATIONAL TREATY

Country	Project Title	Focal Area	IA	GEF Grant (US\$m)
Global	Conservation & Use of Crop Genetic Diversity to Control Pests & Diseases in Support of Sustainable Agriculture	Biodiversity	UNEP	1.850
Global	Global Alternatives to Slash and Burn Agriculture Phase II	Climate Change	UNDP	3.000
Regional	Climate, Water and Agriculture: Impacts on and Adaptation of Agro-Ecological Systems in Africa	Multi-focal Areas	IBRD	0.700
Regional	Combating Desertification in South Asia: The Agriculture-Environment Nexus	Land Degradation	UNEP	4.000
Regional	Land Use Change Analysis as an Approach for Investigating Biodiversity Loss and Land Degradation	Biodiversity	UNEP	0.796
Regional	Sustainable Land Use Planning for Integrated Land and Water Management for Disaster Preparedness and Vulnerability Reduction in the Lower Limpopo Basin	Land Degradation	UNEP	0.995
Regional	Climate, Water and Agriculture: Impacts on and Adaptation of Agro-Ecological Systems in Africa	Multi-focal Areas	IBRD	0.700
Regional	Conservation and Sustainable Use of Dryland Agro-Biodiversity of the Fertile Crescent	Biodiversity	UNDP	8.232
Regional	Transboundary Agro-Ecosystem Management Programme for the Lower Kagera River Basin	Land Degradation	UNEP	6.700
Cameroon	Sustainable Agro-Pastoral and Land Management Promotion Under the National Community Development Program Support Project	Land Degradation	IBRD	6.350
Costa Rica	Biodiversity Conservation in Cacao Agro-forestry	Biodiversity	IBRD	0.750
Georgia	Recovery, Conservation and Sustainable Use of Georgia's Agrobiodiversity	Biodiversity	UNDP	0.987
India	Integrated Land Use Management to Combat Land Degradation and Deforestation in Madhya Pradesh	Land Degradation	UNDP	6.840
Iran	Conservation of Biodiversity in the Central Zagros Landscape Conservation Zone	Biodiversity	UNDP	3.996
Kenya	Using Farmer Field School Approaches to Overcome Land Degradation in Agro-pastoralist Areas of Eastern Kenya	Land Degradation	UNDP	3.350
Serbia and Montenegro	In Situ Agro-biodiversity Conservation	Biodiversity	IBRD	5.000
Tajikistan	Community Agriculture and Watershed Management	Multi-focal Areas	IBRD	4.500





## ANNEX 5

## BILATERAL DONOR PROFILES

<b>Australia</b>
Objective: To advance Australia's national interest by assisting developing countries to reduce poverty and achieve sustainable development: <i>Australian Aid, an integrated approach</i> (March 2005).
Minister: Minister for Foreign Affairs assisted by a Parliamentary Secretary
Other ministers: The Treasurer
Principal department/development agency: Australian Agency for International Development (AusAID) ( <a href="http://www.aisaid.gov.au">www.aisaid.gov.au</a> )
Other agencies/ministries: The Treasury ( <a href="http://www.treasury.gov.au">www.treasury.gov.au</a> ); Australian Centre for International Agricultural Research ( <a href="http://www.aciar.gov.au">www.aciar.gov.au</a> )
Main bilateral partners: Papua New Guinea is the largest bilateral partner. The programme focuses mainly on the Pacific and East Asia concentrating on Burma, Cambodia, China, Fiji, Indonesia, Kiribati, Laos, Mongolia, the Philippines, Samoa, the Solomon Islands, Thailand, East Timor, Tonga, Tuvalu, Vanuatu and Vietnam.
Main sectors: Governance, globalisation, human capital, security, sustainable resource management.

<b>Austria</b>
Objective: To combat poverty through economic and social development, ensure peace and human security, and preserve the environment and protect natural resources: <i>Federal Act on Development Co-operation</i> (2002).
Ministers: Federal Minister for Foreign Affairs
Other ministers:
Principal department/development agency: Ministry for Foreign Affairs (Department for Development Cooperation and Cooperation with Eastern Europe) ( <a href="http://www.eza.gv.at">www.eza.gv.at</a> )
Other agencies/ministries: The Austrian Development Agency (ADA) ( <a href="http://www.ada.gv.at">www.ada.gv.at</a> ); Federal Ministry of Finance; Federal Ministry for Education, Science and Culture; Federal Ministry of the Interior Provinces; Ministry for Agriculture, Forestry, Environment and Water Management.
Main bilateral partners: Austria has 8 priority countries, 12 co-operation countries and 1 special programme across Central America, Africa and Asia. Regional support is provided to a number of Balkan states.
Main sectors: Water & Sanitation, Rural Development, Energy, Investment and Employment, SME Development, Education Training, Science & Research in the service of Development, Democratization, the Rule of Law, Human Rights, Conflict Prevention, Good Governance.

<b>Belgium</b>
Objective: Sustainable development to be achieved by combating poverty, on the basis of the concept of partnership and in accordance with the criteria for determining relevance to development: <i>Law on Belgian Development Co-operation</i> (1999).
Ministers: Minister for Development Co-operation.
Other ministers: Minister for Foreign Affairs.
Principal department/development agency: Directorate General for Development Co-operation (DGDC) of the Federal Department of Foreign Affairs, Foreign Trade and Development Cooperation ( <a href="http://www.dgdc.be">www.dgdc.be</a> ).

Other agencies/ministries: Belgian Technical Co-operation (BTC) ( <a href="http://www.btcctb.org">www.btcctb.org</a> ); Federal Ministry of Finance; Ministry of Foreign Affairs; National Ducriore office; Flemish government; Walloon government
Main bilateral partners: Belgium has 18 main programme countries. In Africa these are: Algeria, Benin, Burundi, Congo, Mali, Morocco, Mozambique, Niger, Rwanda, Senegal, South Africa, Tanzania and Uganda; in Latin America these are Bolivia, Ecuador, and Peru, and in Asia, Vietnam plus the Palestinian Administered Areas.
Main sectors: Health, education, agriculture and food security, basic infrastructure, conflict prevention and societal consolidation.

<b>Canada</b>
Objective: To support sustainable development in developing countries, in order to reduce poverty and to contribute to a more secure, equitable and prosperous world: <i>Canada in the World</i> (1995).
Minister: Minister for International Cooperation.
Other ministers: Minister of Foreign Affairs; Minister of Finance.
Principal department/development agency: The Canadian International Development Agency (CIDA) ( <a href="http://www.acdi-cida.gc.ca">www.acdi-cida.gc.ca</a> ).
Other agencies/ministries: Department of Foreign Affairs ( <a href="http://www.fac-aec.gc.ca">www.fac-aec.gc.ca</a> ); Department of International Trade ( <a href="http://www.dfait-maeci.gc.ca">www.dfait-maeci.gc.ca</a> ); Department of Finance ( <a href="http://www.fin.gc.ca">www.fin.gc.ca</a> ); International Development Research Centre ( <a href="http://www.idrc.ca">www.idrc.ca</a> ); Rights and Democracy; Health Canada; Public Works and Government Service; Environment Canada; Canadian Heritage and the Privy Council Office.
Main bilateral partners: By 2010 New Policy to narrow previous focus mainly to 25 key development partners, half in Africa. Partners will be Benin, Burkina Faso, Cameroon, Ethiopia, Ghana, Kenya, Malawi, Mali, Mozambique, Niger, Rwanda, Senegal, Tanzania, Zambia, Bolivia, Guyana, Honduras, Nicaragua, Bangladesh, Cambodia, Indonesia, Pakistan, Sri Lanka, Vietnam and Ukraine.
Main sectors: Health, Education, Governance, Private Sector Development, the Environmental Sustainability, Gender Equality cross theme.

<b>Denmark</b>
Objective: Through co-operation with governments and public authorities in [developing] countries, to support their endeavours aimed at providing economic growth, thereby making contributions to ensuring social progress and political independence in accordance with the aims and principles of the UN Charter, and to promote mutual understanding and solidarity through cultural co-operation: <i>Act on International Development Co-operation</i> (1971).
Minister: Minister for Development Cooperation
Other ministers: Minister for Foreign Affairs
Principal department/development agency: The South Group within the Ministry of Foreign Affairs ( <a href="http://www.um.dk">www.um.dk</a> ).
Other agencies/ministries:
Main bilateral partners/programme countries: There are 15 programme countries. In Africa these are: Benin, Burkina Faso, Egypt, Ghana, Kenya, Mozambique, Tanzania, Uganda, and Zambia; in Asia: Bangladesh, Bhutan, Nepal and Vietnam and in Latin America: Nicaragua and Bolivia. Additional partner(s) to be identified in Africa in 2006.
Main sectors: Targeted efforts to promote the Millennium Development Goals, economic growth for poverty alleviation, security and development, sustainable development.

<b>Finland</b>
Objective: To contribute to the eradication of extreme poverty: <i>White Paper on Development Policy</i> (2004).
Minister: Minister for Foreign Trade and Development Co-operation.
Other ministers: Minister for Foreign Affairs.
Principal department/development agency: Ministry for Foreign Affairs ( <a href="http://formin.finland.fi/english">http://formin.finland.fi/english</a> ).
Other agencies/ministries: Finnfund ( <a href="http://www.finnfund.fi">www.finnfund.fi</a> ); The Service Centre for Development Cooperation (KEPA) ( <a href="http://www.kepa.fi">www.kepa.fi</a> ).
Main bilateral partners/programme countries: There are 11 main partner countries. In Africa: Egypt, Ethiopia, Kenya, Mozambique, Tanzania and Zambia. In Asia: Nepal and Vietnam, and in Latin and South America: Nicaragua and Peru.
Main sectors: Finland supports partner countries' efforts to achieve the Millennium Development Goals. The sectors for Finnish support are selected on a case-by-case analysis of the Finnish added value.

<b>France</b>
Objective: The objectives of France's development co-operation programmes are to support the achievement of sustainable development in partner countries, encouraging also poverty reduction, and to give particular emphasis to African countries, notably the least developed countries on that continent, and via its partnership with NEPAD.
Ministers: Minister of Foreign Affairs assisted by the Associate Minister for Co-operation and Francophonie.
Other ministers: Minister of the Economy, Finance and Industry.
Principal department/development agency: Directorate-General for International Co-operation and Development within the Ministry of Foreign Affairs ( <a href="http://www.france.diplomatie.fr">www.france.diplomatie.fr</a> ).
Other agencies/ministries: Ministry of the Economy, Finance and Industry ( <a href="http://www.mineti.gouv.fr/minEFI/europe/index.htm">www.mineti.gouv.fr/minEFI/europe/index.htm</a> ); French Development Agency ( <a href="http://www.afd.fr">www.afd.fr</a> ); Ministry of Education; Ministry of Agriculture; Ministry of the Interior; Ministry of the Environment; Ministry of Culture; Ministry of Social Affairs; Ministry of Infrastructure.
Main bilateral partners/programme countries: The Priority Zone for Partnerships includes 54 countries.
Main sectors: Infrastructure, urban development, rural development and environment, health, education, modernising local financial sectors, supporting the private sector (delegated cooperation programmes).

<b>Germany</b>
Objective: Reducing global poverty, safeguarding peace and making globalization equitable and sustainable German Development Co-operation is contributing to common international effort towards fulfilment of Millennium Development Goals: <i>Programme of Action 2015 for Poverty Reduction</i> (2001).
Minister: Minister for Economic Co-operation and Development.
Other ministers: The Foreign Minister; Minister of Finance.
Principal department/development agency: The Federal Ministry for Economic Co-operation and Development (BMZ) ( <a href="http://www.bmz.de">www.bmz.de</a> ).
Other agencies/ministries: Agency for Technical Co-operation ( <a href="http://www.gtz.de">www.gtz.de</a> ); Bank for Development ( <a href="http://www.kfw.de">www.kfw.de</a> ); Federal Foreign Office ( <a href="http://www.auswaertiges-amt.de/www/en/index.html">www.auswaertiges-amt.de/www/en/index.html</a> ); German Investment and Development Corporation ( <a href="http://www.deginvest.de">www.deginvest.de</a> ); German Development Service ( <a href="http://www.ded.de">www.ded.de</a> ); InWEnt – Capacity Building International ( <a href="http://www.inwent.org">www.inwent.org</a> ).

Main bilateral partners: 40 priority countries and 35 partner countries.
Main sectors: Debt relief, education, health, combating HIV-Aids, population policy, poverty, protecting the environment, peace building; human rights, democracy, participation, good governance; food security; globalisation; cooperation with the private sector.

<b>Greece</b>
Objective: To contribute to economic and social development, poverty reduction, strengthening of democracy and state of law, respect of human rights and fundamental freedoms gender equality and protection of the environment: <i>Second Medium-Term Five-Year Development Co-operation Programme 2002-2006</i> .
Ministers: Deputy Minister of Foreign Affairs responsible for International Economic Relations and Development Co-operation.
Other ministers: Minister of National Economy.
Principal department/development agency: Hellenic International Development Co-operation Department (YDAS or HELLENIC AID) within the Ministry of Foreign Affairs ( <a href="http://www.mfa.gr">www.mfa.gr</a> ).
Other agencies/ministries: Ministry of Rural Development and Food ( <a href="http://www.minagric.gr">www.minagric.gr</a> ) Ministry of the Interior Public Administration and Decentralisation ( <a href="http://www.gtp.gr">www.gtp.gr</a> ) Ministry of the Environment, Physical Planning, and Public Works. ( <a href="http://www.minenv.gr">www.minenv.gr</a> ).
Main bilateral partners: There are 18 partner countries. In the Balkans these are: Albania, Bosnia and Herzegovina, Bulgaria, Federal Republic of Yugoslavia, Former Yugoslav Republic of Macedonia, and Rumania. In the Black Sea area these are: Armenia and Georgia. In the Middle East these are: Afghanistan, Iraq, Jordan, Lebanon, the Palestinian Administered Areas, Syria and Turkey. In sub-Saharan Africa these are: Ethiopia, Eritrea, and Ivory Coast.
Main sectors: Basic and secondary education infrastructure and vocational training, basic health infrastructure, water supply and sanitation, environment and agriculture, and support for democratisation and human rights activities, institution building, micro-credit and income generation.

<b>Ireland</b>
Objective: Reducing poverty and promoting sustainable development in some of the poorest countries of the world: <i>White Paper on Foreign Policy (1996)</i> .
Ministers: Minister of State with special responsibility for Development Co-operation and Human Rights.
Other ministers: Minister of Foreign Affairs; Minister of Finance.
Principal department/development agency: The Development Co-operation Directorate within the Department of Foreign Affairs manages Development Co-operation Ireland (DCI) ( <a href="http://www.dci.gov.ie">www.dci.gov.ie</a> ).
Other agencies/ministries: Department of Finance.
Main bilateral partners/programme countries: The seven programme countries are: Ethiopia, Lesotho, Mozambique, Tanzania, Uganda, Zambia and East Timor. DCI also has a significant engagement with Afghanistan, the Palestinian Administered Areas and South Africa.
Main sectors: Education, primary health care, HIV-Aids, emergency and recovery assistance.

<b>Italy</b>
Objective: Development Co-operation is an integral part of Italian foreign policy and pursues the ideals of solidarity among peoples, seeking the fulfilment of fundamental human rights, in accordance with the principles sanctioned by the UN and European Commission African, Caribbean and Pacific States (EC-ACP) conventions. (Law No. 49/87 Annex 1)

Minister: Minister of Foreign Affairs supported by four under-secretaries of state.
Other ministers: Minister of Economy and Finance.
Principal department/development agency: Directorate General for Development Co-operation (DGCS) in the Ministry of Foreign Affairs ( <a href="http://www.esteri.it">www.esteri.it</a> ).
Other agencies/ministries: Ministry of Economy and Finance; Ministry of Productive Activities; Ministry of the Environment; Ministry of the Interior; Ministry of Education, Universities and Research; Ministry of Justice; Presidency of the Council of Ministers; Ministry of Agriculture; Regions and Municipalities.
Main bilateral partners: Assistance divided periodically on basis with spread by volume concentrated in Sub-Saharan Africa (40%), the Middle East and North Africa (25%), The Balkans (12%), Latin America (15%), Asia (8%). Recent additions include assistance to Afghanistan, Iraq & Argentina. There are 16 concentration countries. In North Africa these are: Algeria, Egypt, Morocco, and Tunisia, in sub-Saharan Africa these are: Angola, Eritrea, Ethiopia, Mozambique, South Africa and Uganda. In Asia these are: China and India and in the Middle East these are: Jordan, Lebanon, the Palestinian Administered Areas and Syria.
Main sectors: Poverty reduction, Action Plan for Africa, sustainable development, Global Fund for HIV- Aids, Tuberculosis and Malaria, education, food security and combating global poverty, e-government, promoting the role of women.

<b>Japan</b>
Objective: To contribute to the peace and development of the international community, and thereby help ensure Japan's own security and prosperity: <i>Overseas Development Assistance Charter</i> (2003).
Minister: Minister of Foreign Affairs.
Other ministers: Minister of Finance.
Principal department/development agency: Economic Co-operation Bureau in the Ministry of Foreign Affairs ( <a href="http://www.mofa.go.jp/policy/oda">www.mofa.go.jp/policy/oda</a> ).
Other agencies/ministries: Japanese International Co-operation Agency (JICA) ( <a href="http://www.jica.go.jp">www.jica.go.jp</a> ); Japan Bank for International Co-operation (JBIC) ( <a href="http://www.jbic.go.jp">www.jbic.go.jp</a> ); Ministry of Finance ( <a href="http://www.mof.go.jp">www.mof.go.jp</a> ); Ministry of Economy Trade and Industry ( <a href="http://www.meti.go.jp">www.meti.go.jp</a> ); Ministry of Education, Culture, Sports Science and Technology; Ministry of Agriculture, Forestry and Fisheries; Ministry of Health, Labour and Welfare; Ministry of Land, Infrastructure and Transport; Ministry of Internal Affairs and Communications; Ministry of Justice; Ministry of the Environment; Cabinet Office; Financial Agency; Police Agency.
Main bilateral partners/programme countries: Operational in over 140 countries with the largest programmes concentrated in Asia.
Main sectors: Sector priorities as laid down by the Overseas Development Assistance Charter. Poverty Reduction (education, health, water and sanitation, agriculture). Sustainable growth (infrastructure, trade and investment). Global issues (environment, infectious diseases, population, food, energy, natural disasters, drugs, organised crime). Peacebuilding (conflict prevention, emergency assistance).

<b>Luxembourg</b>
Objective: Sustainable development and the fight against poverty: <i>A Policy of Solidarity With Those Most in Need</i> (1999).
Ministers: Minister of Co-operation and Humanitarian Action.
Other ministers: Minister of Foreign Affairs and Foreign Trade.
Minister of Finance.

Principal department/development agency: Department for Development Co-operation within the Ministry of Foreign Affairs ( <a href="http://www.mae.lu">www.mae.lu</a> ) and Lux-Development ( <a href="http://www.lux-development.lu">www.lux-development.lu</a> ).
Other agencies/ministries: Ministry of Finance.
Main bilateral partners/programme countries: There are ten “target” countries. In Africa, these are: Burkina Faso, Cape Verde, Mali, Namibia, Niger and Senegal. In Asia: Laos and Vietnam. In Latin America, El Salvador and Nicaragua. In addition, there are 20 “project” countries including in Africa: Burundi, Guinea, Morocco, Mauritius, Rwanda, Sao Tome and Principe, South Africa and Tunisia. In Asia: China, East Timor India, and Mongolia. In Latin America: Brazil, Chile, Ecuador and Peru, and in Europe: Albania, Bosnia and Herzegovina, Croatia and the Federal Republic of Yugoslavia.
Main sectors: Health, water and sanitation, education, other social services, and integrated rural development.

<b>The Netherlands</b>
Objective: Sustainable poverty reduction is the main objective: <i>Mutual Interests, Mutual Responsibility</i> (2003).
Ministers: The Minister for Development Co-operation.
Other ministers: The Minister for Foreign Affairs.
Principal department/development agency: Directorate-General for International Co-operation (DGIS) within the Ministry of Foreign Affairs ( <a href="http://www.minbuza.nl">www.minbuza.nl</a> ).
Other agencies/ministries:
Main bilateral partners/programme countries: There are 36 long-term partner countries. In Africa these are: Benin, Burkina Faso, Cape Verde, Egypt, Eritrea, Ethiopia, Ghana, Kenya, Mali, Mozambique, Rwanda, Senegal, South Africa, Tanzania, Uganda, and Zambia; in Asia: Afghanistan, Armenia, Bangladesh, Georgia, Indonesia, Moldova, Mongolia, Pakistan, Sri Lanka and Vietnam; in Latin America: Bolivia, Colombia, Guatemala, Nicaragua, Suriname, in Europe: Albania, Bosnia-Herzegovina, Macedonia, and also the Palestinian Administered Areas and Yemen.
Main sectors: Country programmes will operate in two to three sectors only. Overall, basic education, reproductive health, and local rural development are the main sectors supported.

<b>New Zealand</b>
Objective: The elimination of poverty in developing countries through working with partners to achieve sustainable and equitable development for those most in need: Policy Statement (2002).
Ministers: Associate Minister of Foreign Affairs and Trade (Official Development Assistance).
Other ministers: Minister of Foreign Affairs and Trade.
Principal department/development agency: New Zealand Agency for International Development (NZAID), a semi autonomous body within the Ministry of Foreign Affairs and Trade ( <a href="http://www.nzaid.govt.nz">www.nzaid.govt.nz</a> ).
Other agencies/ministries:
Main bilateral partners: New Zealand has 20 core partner countries eleven in the Pacific – the Cook Islands, Fiji, Kiribati, Niue, Papua New guinea, Samoa, the Solomon Islands, Tokelau, Tonga, Tuvalu and Vanuatu; seven countries in Asia – Cambodia, China, East Timor, Indonesia, Laos, the Philippines, and Vietnam; and one country in Africa – South Africa.
Main sectors: Focus on 10 strategic areas: education; health; sustainable livelihoods; environment; human rights; leadership and governance; economic development; peace building and conflict prevention; humanitarian support; community safety. Focus on Millennium Development Goals and international assistance targets.

<b>Norway</b>
Objective: The main objective is to contribute to the fight against poverty, by supporting partner countries poverty reduction strategies and other national strategies and thereby contribute to the achievement of the Millennium Development Goals (St.prp.nr. 1 2003-2004, Development aid budget, approved by the Norwegian Parliament).
Ministers: Minister for International Development assisted by a State Secretary.
Other ministers: Minister of Foreign Affairs assisted by a State Secretary.
Principal department/development agency: Ministry of Foreign Affairs ( <a href="http://odin.dep.no/ud/engelsk/">http://odin.dep.no/ud/engelsk/</a> ).
Other agencies/ministries: Norwegian Agency for Development Co-operation (NORAD) ( <a href="http://www.norad.no">www.norad.no</a> ); Fredskorpset (Norwegian volunteer service) ( <a href="http://www.fredskorpest.no">www.fredskorpest.no</a> ).
Main bilateral partners/programme countries: There are seven main partner countries: Bangladesh, Malawi, Mozambique, Nepal, Tanzania, Uganda and Zambia. There are 18 partner countries: In Africa these are: Angola, Eritrea, Ethiopia, Kenya, Madagascar, Mali, Nigeria and South-Africa. In Asia: Afghanistan, China, East Timor, Indonesia, Pakistan, Sri Lanka and Vietnam. In Central America: Guatemala and Nicaragua. In the Middle East: the Palestinian Administered Areas.
Main sectors: Education, HIV/AIDS, private sector and agriculture, sustainable development, good governance and anti-corruption, peace building and development, health, ICT development, persons with disabilities, gender equality, human rights.

<b>Portugal</b>
Objective: Reinforce democracy and the rule of law, reduce poverty, stimulate economic growth, foster regional integration and promote a European partnership for human development: Portuguese General Policy Statement.
Minister: Secretary of State for Foreign Affairs and Co-operation in the Ministry of Foreign Affairs.
Other ministers: Secretary of State for European Affairs; Secretary of State for the Portuguese Communities Minister of Finance.
Principal department/development agency: Institute for Portuguese Development Support (IPAD) ( <a href="http://www.ipad.mne.pt">www.ipad.mne.pt</a> ).
Other agencies/ministries: Ministry of Finance; Seventeen ministries and agencies and over 300 municipalities from 22 districts.
Main bilateral partners: Seven main partner countries: Angola, Cape Verde, East Timor, Guinea Bissau, Mozambique, and Sao Tome and Principe.
Main sectors: Education and training, culture and heritage, health, productive activities and infrastructure, society and its institutions, security, financial assistance, and humanitarian and emergency assistance.

<b>Spain</b>
Objective: The promotion of sustainable human, social and economic development in order to eliminate poverty: <i>Law on International Co-operation in Matters of Development</i> (1998).
Minister: State Secretary for International Co-operation and Latin America within the Ministry of Foreign Affairs.
Other ministers: Minister of Economy; State Secretary for Trade and Tourism within the Ministry of Economy.
Principal department/development agency:
State Secretariat for International Co-operation and Latin America (SECIPI) and its executing agency the Spanish Agency for International Co-operation (AECI) ( <a href="http://www.aeci.es">www.aeci.es</a> ).

Other agencies/ministries: Ministry of Economy (State Secretariat for Trade and Tourism); Ministry of Agriculture; Ministry of Fisheries and Food; Ministry of Defence; Ministry of Education and Culture; Ministry of Employment and Social Affairs; Ministry of the Environment; Ministry of Health and Consumer Affairs; Ministry of the Interior; Ministry of Justice; Ministry of Public Administration; Ministry of Public Works; Ministry of Science and Technology; Autonomous regions and municipalities.
Spain has 29 programme countries. In Africa these are: Algeria, Angola, Cape Verde, Equatorial Guinea, Guinea Bissau, Mauritania, Morocco, Mozambique, Namibia, Sao Tome and Principe, Senegal, South Africa, and Tunisia. In Latin America these are: Bolivia, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Paraguay, Peru, and Nicaragua. In Asia: China, the Philippines, and Vietnam. In Europe: Albania, Bosnia Herzegovina, and the Federal Republic of Yugoslavia.
Main sectors: Basic social services, education, human rights, democracy and civil society development, environment, culture, scientific and technological research.

<b>Sweden</b>
Objective: To contribute to an environment supportive of poor people's own efforts to improve their quality of life: <i>Act on Global Development</i> (2003).
Minister: Minister for International Development Co-operation assisted by a State Secretary.
Other ministers: Minister for Foreign Affairs; Minister of Finance; Minister for International Economic Affairs and Financial Markets; Minister of Industry and Trade.
Principal department/development agency: Global Development Department of the Ministry of Foreign Affairs ( <a href="http://www.ud.se">www.ud.se</a> ).
Other agencies/ministries: Swedish International Development Co-operation Agency (SIDA) ( <a href="http://www.sida.se">www.sida.se</a> ); Ministry of Finance ( <a href="http://www.sweden.gov.se/govagencies/fiag.htm">www.sweden.gov.se/govagencies/fiag.htm</a> ); Ministry of Industry, Employment and Communications ( <a href="http://naring.regeringen.se/inenglish/index.htm">http://naring.regeringen.se/inenglish/index.htm</a> ); Swedish Migration Board ( <a href="http://www.migrationsverket.se/english.html">www.migrationsverket.se/english.html</a> ); The Swedish Institute ( <a href="http://www.si.se">www.si.se</a> ); The Nordic Africa Institute ( <a href="http://www.nai.uu.se/indexeng.html">www.nai.uu.se/indexeng.html</a> ).
Main bilateral partners: Operational in around 100 countries.
Main sectors: Broad sectoral focus including humanitarian assistance and conflict prevention, social sectors, human rights and democratic governance, infrastructure, private sector and urban development, environment.

<b>Switzerland</b>
Objective: To help developing countries improve the living conditions of their populations: <i>Federal Law</i> (1976).
Minister: Federal Councillor of Foreign Affairs.
Other ministers: Federal Councillor for Economic Affairs.
Principal department/development agency: Swiss Agency for Development Co-operation (SDC) of the Federal Department of Foreign Affairs (DFA) ( <a href="http://www.sdc.admin.ch">www.sdc.admin.ch</a> ).
Other agencies/ministries: State Secretariat for Economic Affairs (SECO) ( <a href="http://www.seco-cooperation.ch">www.seco-cooperation.ch</a> ); Political Department IV of the Federal Department of Foreign Affairs. Cantons and municipalities.
Main bilateral partners: SDC has 17 "priority" countries: In Africa these are: Benin, Burkina Faso, Chad, Niger, Mali, Mozambique, and Tanzania. In Latin America these are: Bolivia, Ecuador, Nicaragua, Peru, and in Asia: Bangladesh, Bhutan, India, Nepal, Pakistan, Vietnam, plus six "special programme countries" including Cuba, North Korea, the Palestinian Administered Areas, South Africa, Rwanda and Madagascar. SECO has 16 "priority" countries: In Africa: Burkina Faso, Egypt, Ghana, Mozambique, and Tanzania. In Asia: Albania, Bulgaria,



China, Kyrgyz Republic, Macedonia, Rumania, Tajikistan, Serbia-Montenegro, and Vietnam, and in Latin America: Peru. SECO also has 11 other “important” countries: Azerbaijan, Bolivia, Bosnia-Herzegovina, Jordan, India, Indonesia, the Maghreb, Russia, South Africa, Ukraine, and Uzbekistan.

Main sectors: Prevention and resolution of conflicts, good governance, income generation, social justice and the sustainable use of natural resources for SDC. Macroeconomic support, investment promotion, infrastructure financing, trade and clean technology co-operation for SECO.

### **United Kingdom**

Objective: The elimination of poverty and the encouragement of economic growth that benefits the poor: *Eliminating World Poverty* (1997).

Minister: Secretary of State for International Development assisted by a Minister of State, and a Parliamentary Under Secretary of State.

Other ministers: Chancellor of the Exchequer.

Principal department/development agency: Department for International Development (DFID) ([www.dfid.gov.uk](http://www.dfid.gov.uk)).

Other agencies/ministries: The Foreign and Commonwealth Office ([www.fco.gov.uk](http://www.fco.gov.uk)); The Home Office ([www.homeoffice.gov.uk](http://www.homeoffice.gov.uk)); The Treasury ([www.hm-treasury.gov.uk](http://www.hm-treasury.gov.uk)); The British Council ([www.britishcouncil.org](http://www.britishcouncil.org)).

Main bilateral partners: DFID has no formal list of priority countries but has offices or personnel in approximately 40 countries including 20 in Africa. The major DFID offices are located in the following countries, in Africa: Ghana, Kenya, Malawi, Mozambique, Nigeria, Sierra Leone, South Africa, Tanzania, Uganda, Zambia and Zimbabwe. In Asia: Afghanistan, Bangladesh, China, India, Nepal, Pakistan, and Thailand plus offices in Russia, the Ukraine and Barbados.

Main sectors: Health, education, sustainable livelihoods, security sector reform, humanitarian assistance, private-sector development.

### **United States**

Objective: Objective: Create a more secure, democratic and prosperous world for the benefit of the American People and the International Community (Strategic Plan Fiscal Years 2004-2009).

Minister: USAID Administrator (who reports to the Secretary of State).

Other ministers: Secretary of State; Secretary of the Treasury.

Principal department/development agency: United States Agency for International Development (USAID) ([www.usaid.gov](http://www.usaid.gov)).

Other agencies/ministries: State Department ([www.state.gov/](http://www.state.gov/)); The Treasury – Office of International Affairs ([www.ustreas.gov](http://www.ustreas.gov)); The Millennium Challenge Corporation ([www.mcc.gov](http://www.mcc.gov)); Departments of Agriculture, Defence, Health and Human Services, Interior, and others; Peace Corps ([www.peacecorps.gov/home.html](http://www.peacecorps.gov/home.html)).

Main bilateral partners/priority countries: USAID has offices in over 70 countries including in 22 countries in Africa, 20 countries in the Middle East and Asia, and 17 countries in Latin America.

Main sectors: Agriculture, conflict management, democracy and governance, economic growth and trade, education, environment and population, health and nutrition.



## ANNEX 6

## US FOUNDATIONS

The rise in international giving by US foundations is a recent phenomenon. In the 1980s international grants were just 5 per cent of total giving. During the 1990s, this more than doubled to an estimated 11 per cent. 2002 giving was roughly double the US\$1.6 billion estimated for 1998. International giving by US foundations peaked at an estimated US\$3.3 billion in 2001 and then slipped to US\$3.2 billion in 2002. It is expected to rebound modestly for 2004.

Support for US-based organizations accounted for the bulk (61.5 percent) of overall international giving, up slightly from 1998.

The rise in international giving has benefited every major program area, but gains were extremely uneven. Health posted by far the fastest growth, doubling its share to 32 percent. This dramatic increase reflects the Gates Foundation's emergence as the foremost global health funder, a growing philanthropic response to the global AIDS crisis and other pandemics, and continued strong support for reproductive health care. Other program areas that showed record gains included public affairs/society benefit (e.g., government affairs and civil society), the environment, science and technology, and religion. Within the major fields, areas of strong growth in grants between 1998 and 2002 included public health, medical research, peace and security (including terrorism issues), international area studies, human services, agricultural development, resource conservation and wildlife preservation. In 2000, there were 402 projects in agricultural development totalling US\$52,956,896, which represented 2.2 percent of all US international grants.

The foundations listed in the table below account for US\$1.9 billion or 61 per cent of total international giving.

## Total and international giving as per cent of total, 2000

Foundation	Total Giving (US\$ millions)	International Giving (US\$ millions)	International Giving as % of Total
Bill and Melinda Gates Foundation	995	929	93
The Ford Foundation	829	339	41
The David and Lucile Packard Foundation	429	137	32
The Rockefeller Foundation	127	121	95
John D. and Catherine T. MacArthur Foundation	164	73	44
The William and Flora Hewlett Foundation	136	47	35
The Star Foundation	246	41	17
The Andrew W. Mellon Foundation	182	40	22
Charles Stewart Mott Foundation	140	35	25
W. K. Kellogg Foundation	179	35	19
Open Society Institute	155	26	16
The Freeman Foundation	68	24	35
Carnegie Corporation of New York	56	23	41
Turner Foundation, Inc.	44	21	48
The Harry and Jeanette Weinberg Foundation	103	20	19