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ON PLANT GENETIC RESOURCES FOR FOOD AND AGRICULTURE

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DRAFT FUND DISBURSEMENT STRATEGY OF THE GLOBAL CROP DIVERSITY TRUST

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I. INTRODUCTION

1. Article 6.3(f) of the Constitution of the Trust provides that the Executive Board shall “*adopt the fund disbursement strategy for the Trust, including the proposed balance between support for collections held by national institutions and support for collections held by international institutions, and the balance between regions. Before adopting such strategy, the Executive Board shall consult with the Governing Body and Donors’ Council*”.

2. The Executive Director of the Trust presented the draft Fund Disbursement Strategy and provided the background to its development to the members of the Donors’ Council in November 2008. The Donors’ Council approved the Fund Disbursement Strategy for “*onward transmission to the Governing Body*”.

3. The draft Fund Disbursement Strategy contained in *Annex 1* to this document is now presented to the Governing Body of the Trust for its consideration as part of the consultation process.

ANNEX I: DRAFT FUND DISBURSEMENT STRATEGY OF THE GLOBAL CROP DIVERSITY TRUST

I. Executive Summary

The Trust has limited funds at its disposal and is constrained by its Constitution to use those funds in the most cost-effective way to ensure the attainment of its objective of ensuring the long-term conservation and availability of plant genetic resources for food and agriculture (PGRFA) - with a view to achieving global food security and sustainable agriculture. In particular the Trust is required to focus on safeguarding collections of unique and valuable PGRFA held ex situ, and to promote an efficient goal-oriented, economically efficient and sustainable global system of ex situ conservation. The Trust's Fund Disbursement Strategy is based on the principles and strategies in the Global Plan of Action and the principles within the International Treaty. It is developed around a number of assumptions, including the assumption that an efficient and effective conservation system must build on existing institutions and facilities. It is also based on the realization that the objectives of the Trust cannot be achieved by distributing available resources among all of the world's existing genebanks and that the Trust must focus its support on collections of unique PGRFA of global significance. The Trust's Fund Disbursement Strategy focuses on three major areas: Securing PGRFA of global significance; Promoting Participation and Increasing Benefits; and Increasing Efficiency and Effectiveness within and between collections. In working towards an efficient and effective global conservation system, the Trust has adopted four basic principles for eligibility for funding support, as well as a set of more specific eligibility criteria.

II. Introduction

Article 6.3(f) of the Constitution of the Trust provides that the Executive Board shall "adopt the fund disbursement strategy for the Trust, including the proposed balance between support for collections held by national institutions and support for collections held by international institutions, and the balance between regions. Before adopting such strategy, the Executive Board shall consult with the Governing Body and Donors' Council". The Executive Board is pleased to present the following draft Fund Disbursement Strategy to the Donors' Council for its consideration as part of the consultation process envisaged above.

III. Mandate of the Trust

The main lines of the Trust's Fund Disbursement Strategy are derived from, and to some extent dictated by, the Objectives of the Trust, as set out in Article 2 of the Constitution.

The **general 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*".¹

The way in which the Trust is required to fulfill this general objective, is set out in some detail in the Constitution. Without prejudice to the generality of its objective as stated in Article 2.1, the Trust is required to –

¹ Constitution, Article 2.1

(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.²*

While the general objective of the Trust is broadly stated, the statement of specific objectives make it clear that the work of the Trust should, at least initially, be focused primarily on *ex situ* conservation and related activities. The Governing Body of the International Treaty itself has recognized the Trust as an essential element of the Funding Strategy of the International Treaty in relation to the *ex situ* conservation and availability of plant genetic resources for food and agriculture.

IV. An efficient goal-oriented, economically efficient and sustainable global system of ex situ conservation

In recognition of the reality that resources are always less available than the calls upon them, the Global Plan of Action for the Conservation and Sustainable Utilization of Plant Genetic Resources for Food and Agriculture³ calls on countries to “develop an efficient goal-oriented, economically efficient and sustainable system of *ex situ* conservation” and to “develop and strengthen cooperation among national programmes and international institutions to sustain *ex situ* collections.”. This call is reiterated in the International Treaty, which requires Contracting Parties to “cooperate to promote the development of an efficient and sustainable system of *ex situ* conservation”. To a large extent, the task of developing an efficient and sustainable system of *ex situ* conservation is made easier by the principle of facilitated access to PGRFA under the Multilateral System established by the International Treaty. This makes it possible for countries to rely on PGRFA in the Multilateral System conserved outside their own jurisdictions, and obviates the need for each country to maintain its own independent collections of all the PGRFA it may ever need for its agricultural development.

While the International Treaty does not provide definitive guidance as to what should constitute an efficient and sustainable system of *ex situ* conservation, a sound framework has been provided by the Policies and Strategies for sustaining existing *ex situ* collections⁴ and regenerating

² Constitution, Article 2.2

³ The Global Plan of Action was adopted by 150 countries by the FAO International Technical Conference on Plant Genetic Resources held in Leipzig in 1996

⁴ The relevant provisions read as follows:

threatened *ex situ* accessions⁵ set out in Activities 5 and 6 of the Global Plan of Action. The International Treaty itself recognizes the continuing importance of the Global Plan of Action and, as noted above, the Constitution of the Trust requires the Trust to promote “an efficient goal-oriented, economically efficient and sustainable global system of *ex situ* conservation” in accordance with both the International Treaty and the Global Plan of Action.

“82. **Policy/strategy:** The international community has interests in and responsibilities for the *ex situ* conservation of plant genetic resources for food and agriculture.

It is this understanding which provides the basis for an effective, integrated and rational global plan to secure existing collections.

Countries have national sovereignty over, and responsibility for, their own plant genetic resources for food and agriculture.

83. Full use should be made of appropriate existing facilities, including national, regional and international centres.

Conserved materials should be, as appropriate, replicated and stored in long-term facilities meeting international standards, in accordance with applicable international agreements.

Unintended and unnecessary duplications between collections within the networks should be reduced to promote cost efficiency and effectiveness in global conservation efforts.

Countries could be assisted in identifying which genetic resources are already stored and duplicated in long-term facilities.

84. FAO in cooperation with countries and with relevant institutions should facilitate the formalizing of agreements to safeguard diversity in *ex situ* collections in conformity with applicable international agreements. This would allow those countries so desiring to place collections voluntarily in secure facilities outside their boundaries.”

⁵ The relevant provisions read as follows:

“98. **Policy/strategy:** Priority should be given to:

regeneration needs of samples currently in long-term storage or intended for placement in long-term conditions and experiencing a loss of viability as opposed to those in need of multiplication for other reasons.

(Proper management will assure that accessions in long-term conditions will be regenerated mainly due to loss of viability and those in active collections multiplied due to loss of numbers.)

samples which meet the criteria of being globally unique, threatened, and having the potential of maintaining the diversity of the original sample.

99. Input from crop and regional networks should be sought in the refining of priorities and identification of appropriate germplasm for regeneration.

100. Identification of specific samples should be made in cooperation with national programme breeders and curators, who often have intimate and detailed knowledge of collections and of the possible availability of similar materials from *in situ* locations.

101. As appropriate and feasible, regeneration efforts should strive to maintain the allelic and genotypic diversity and adapted complexes of the original sample.

102. Efforts should be encouraged to reduce unneeded redundancies within and between collections as a means of improving efficiency and minimizing ongoing conservation costs.

Regeneration should not be viewed as a means of maintaining collections in substandard conditions on a long-term basis.

In this regard, it is noted that minimizing the frequency of regeneration is an important goal and consequence of other activities under the Global Plan of Action.

103. Governments, the private sector, institutions, including in particular the CGIAR, and NGOs should:

cooperate to make efficient use of existing capacity and to ensure that regeneration can take place, if scientifically, technically and administratively feasible, at sites closely approximating the origin of the original sample; and,

promote and facilitate access to plant genetic resources for food and agriculture stored *ex situ* to minimise the need for storing identical samples in several locations, and the consequent need to regenerate each of them.

104. Characterization activities should be undertaken in conjunction with regeneration, as feasible, without compromising the effectiveness or scientific goals of the regeneration exercise.”

Additional input as to what an efficient and sustainable system of *ex situ* conservation should look like has been provided through the crop and regional strategies funded by the Trust to assess the current state of *ex situ* conservation and the needs for future action, as well as through the process for the updating of the Global Plan of Action and technical papers from the scientific community generally.

This Funding Strategy therefore seeks to contribute to the common good by establishing the most economically efficient and sustainable funding for that part of the global system which will be managed by the Trust, The Trust will take a goal-oriented and disciplined approach in its disbursements, basing itself on the concepts and guidance set out in the Global Plan of Action and the International Treaty, focusing financing on activities that provide a triple advantage: they provide global benefits, aim to conserve unique biodiversity, and are cost-effective, efficient and sustainable. Deliberate and continuing choices will be made among alternative possibilities in order to focus on those activities that meet these criteria.

The Trust cannot fulfill its Constitutional Objective by distributing its limited resources among all of the world's existing 1,500 genebanks or trying to maintain all genebank infrastructure.

There has a gratifying and generous financial response to the creation of the Trust, in good part because of the discipline and focus assured to donors to date. Over the long term, however, financial resources will be far eclipsed by needs as the programmes grow. The initial target for the endowment fund was set at US\$260 million, generating an estimated average income of approximately US\$11.7 million. At the present time, the amount of pledged contributions to the endowment fund is less than two-fifths of the initial target and the amount of paid-up contributions is less than one-third of the initial target, generating an estimated average annual income of less than US\$4 million⁶.

V. Assumptions underlying the Trust's Fund Disbursement Strategy

The Trust's Fund Disbursement Strategy is based on the following assumptions:

First, it has been assumed that an efficient and effective conservation system must, at a minimum, be capable of carrying out a range of functions including acquisition, storage and maintenance, safety duplication, regeneration, multiplication, characterization, evaluation, documentation, distribution and promotion of the use of genetic material.

Second, that existing institutions and facilities constitute the starting point, and that the Trust should take advantage of this fact and build upon it through helping to develop and improve existing capacity in a progressive fashion. Efficiency considerations suggest that existing capacity should not duplicated or substituted where it already is accomplishing its task.

⁶ This income is supplemented by non-endowment time-limited grant funds destined for specific project tasks, including regeneration, evaluation and upgrading, and information technology.

Third, that while any action must be firmly based on sound scientific and technical principles, to be effective, due account must also be taken of whether the political and social circumstances in which the collection holder operates are supportive or whether they may actually operate to prevent the collection holder from fulfilling its obligations.

Fourth, it has been assumed that increasing overall efficiency and effectiveness can be achieved through a number of specific system wide actions such as developing common databases, reducing unnecessary duplication, achieving a better division of labour, harmonising quality assurance standards and performance reporting, and strengthening collaboration.

Finally, it has been assumed that a robust global conservation system will require and benefit from concrete participation by all relevant institutions, not just those directly involved in providing long-term storage services. Conservation is not synonymous with storage. Consequently, Trust support will extend beyond the narrow storage function. It will promote conservation in a manner that promotes access and encourages use.

VI. The Trust's Fund Disbursement Strategy⁷

There are three major areas that the Trust will be involved in and support (Figure 1):

1. Securing PGRFA of global significance

Based on the assumptions stated above, and as a matter of priority and urgency, the Trust will allocate the largest share of its funds to securing distinct and valuable PGRFA by:

- supporting collections of unique PGRFA of global significance that meet international guidelines for conservation and distribution, including appropriate safety duplication (referred to by the Trust as priority or reference collections), but which are in need of longer-term financial support to ensure that standards are adequately maintained;
- upgrading collections of unique PGRFA of global significance to meet international guidelines in cases where this is the most efficient and cost effective way to proceed; and,
- duplicating and securing important collections of unique PGRFA of global significance that are not already represented in a reference collection or in a collection in the process of being upgraded, from facilities that are unable to meet or be economically upgraded to accepted guidelines, to ones that can. This process may involve a number of related steps to help the institution providing the material to characterize and/or evaluate the collection (to confirm its uniqueness and relevance at the global level), to undertake multiplication and regeneration, and to update its databases to bring them in line with common data standards. This related assistance may well need to be continued even after the first round of assistance on regeneration and database updating.

2. Promoting Participation / Increasing Benefits

⁷ The main elements of this Disbursement Strategy are already set out in the document "The Role of the Global Crop Diversity Trust in Helping Ensure the Long-term Conservation and Availability of PGRFA" which is dated May 2007 and is available on the Trust's website. A full copy of the document, including a detailed decision tree for identifying collections that may be funded and for determining the relevant funding category for those collections can be downloaded from the website at <http://www.croptrust.org/documents/web/RoleOfTrust-May07.pdf>

The Trust will allocate a certain amount of funding to support activities of international significance in collections that do not – or not yet - meet international guidelines for conservation and distribution. This might include, for example, support to national collections for activities such as:

- building documentation systems that are compatible with international protocols;
- characterization and evaluation for traits of international significance;
- collecting to fill gaps within the total gene pool conserved by all participating collection holders;
- activities that promote access to and use of materials – and in particular the two-way links with farmers and professional plant breeders; and
- activities to strengthen the international operation of national programmes e.g. through strengthening their role in the transfer of materials into and out of the country.

Many of these activities will take place at the national and local level. The Trust anticipates providing resources, as feasible, to regional and crop networks and reference collections to support and coordinate such activities.

3. Increasing efficiency and effectiveness within and between collections

In order to reduce costs, and increase sustainability, the Trust will help reference collections of unique PGRFA of global significance collectively improve their efficiency and effectiveness through such action as promoting greater collaboration, strengthening common databases, reducing unnecessary duplication, etc. For the most part, activities in this area will be undertaken after those outlined above are well underway.

VII. Principles and Funding Criteria

The Trust, in working towards the development and maintenance of an efficient and effective global conservation system, has adopted four basic principles that must be met in order for a collection to be eligible for support.

- The plant genetic resources are of global importance; priority will be given to plant genetic resources of crops included in Annex 1 or referred to in Article 15.1 (b) of the International Treaty.
- The plant genetic resources are accessible under the internationally agreed terms of access and benefit sharing provided for in the Multilateral System established by the International Treaty, and set out in the Standard Material Transfer Agreement.
- Each holder of plant genetic resources for food and agriculture commits itself to long-term conservation and availability of the collection for which support is requested.
- Each recipient of funds from the Trust shall undertake to work in partnership with the aim of developing an efficient and effective global conservation system that will also encompass financially independent collection holders not funded by the Trust.

In addition to, or to amplify these principles, the Trust has developed a set of more specific criteria to be met before a collection will be considered for long-term funding support. In cases where a collection meets the principles and is prioritized for Trust support, but is unable to meet the funding criteria, the Trust will consider providing support for the necessary upgrading and capacity building, where this will facilitate its meeting the criteria in the near future. The long-term funding criteria and the way in which they are applied will be kept under review and revised as needed. However, initially there will be five criteria.

- The recipient has effective links to users of plant genetic resources.
- The plant genetic resources are judged to be important or potentially important within the context of and according to the needs of a rational global system of *ex situ* conservation.
- The legal status of the collection and holder is such that their ability to meet the eligibility principles with respect to access and benefit-sharing, and their commitment to long-term conservation are assured.
- The recipient has the human resources and management systems needed to maintain the plant genetic resources and can demonstrate conformity with agreed scientific and technical standards of management.
- The facilities in which the collection is maintained are adequate to ensure long-term conservation.

While the above principles and funding criteria provide a threshold for eligibility, meeting those principles and criteria will not automatically mean that the collection will receive long-term funding support. In the end this will depend on whether or not such funding support will promote the development of an efficient and effective global conservation system.

VIII. Balance between national and international institutions and between regions

The Trust's Constitution provides that the Disbursement Strategy will include the proposed balance between support for collections held by national institutions and support for collections held by international institutions, as well as the balance between regions.

As noted above, the main thrust of the Trust's Disbursement Strategy is to provide financial support for collections of PGRFA operating within the context of an efficient goal oriented, economically efficient and sustainable system of *ex situ* conservation. Within this framework, the Trust will provide financial support to international and national collections of unique PGRFA of global significance as well as to regional collections that meet the principles and criteria set out above and that function as part of an efficient and sustainable global system.

IX. Conclusions

The Trust has a broad and important mandate and only limited financial resources at its disposal. Only by taking a goal-oriented and disciplined approach in its disbursements can the Trust achieve its objective of ensuring the long-term conservation and availability of PGRFA. In particular, the Trust cannot provide the level of funding that would be required to maintain, let alone upgrade to adequate standards, all existing genebanks and their infrastructure throughout the world. What it can do is to focus its funding on activities that provide global benefits and that are cost-effective, efficient and sustainable within the context of building a rational global system of *ex situ* conservation. That is the purpose of the Trust's Fund Disbursement Strategy. The Trust is

fortunate that the Global Plan of Action has provided clear guidance on what should constitute an efficient and sustainable system of *ex situ* conservation. The Trust firmly believes that only by focusing its efforts through this Strategy can it hope to meet its objective of ensuring 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 for the benefit of all.

Figure 1: Decision process for assessing collections as eligible for Trust funding

