



# The International Treaty

ON PLANT GENETIC RESOURCES FOR FOOD AND AGRICULTURE



E

## FIFTH SESSION OF THE GOVERNING BODY

Muscat, Oman, 24-28 September 2013

### RESOLUTION 2/2013

#### IMPLEMENTATION OF THE FUNDING STRATEGY OF THE INTERNATIONAL TREATY

#### THE GOVERNING BODY,

*Recalling* Articles 13.2, 13.3, 18 and 19.3f of the International Treaty;

*Recalling* Resolution 1/2006, Resolution 3/2009, and Resolution 3/2011, of the Governing Body on the Funding Strategy;

#### PART I: RESOURCE MOBILIZATION FOR THE BENEFIT-SHARING FUND

1. *Notes* with concern that a large shortfall of funding has accumulated in relation to the targets established in the *Strategic Plan for the Implementation of the Benefit-sharing Fund*;
2. *Urges* Contracting Parties, other governments, the private sector and foundations, to give highest priority to support the Benefit-sharing Fund, and *requests* the Secretary to continue existing efforts and plans for resource mobilization of voluntary contributions, as established in Resolutions 3/2009 and 3/2011, to sustain, as a priority, immediate income in the Benefit-sharing Fund;
3. *Emphasizes* the importance for the Secretariat to continue and strengthen existing efforts and plans for the communication, promotion and media work, to enhance the visibility of the Benefit-sharing Fund;
4. *Requests* the Secretary to continue the cultivation activities of the *Strategic Plan*, and make use of the mechanism of the High-level Task Force to continue mobilizing funding for the Benefit-sharing Fund;
5. *Emphasizes* that the various innovative approaches are interlinked and interdependent, and need to be addressed together, as a range of different innovative approaches that could provide a part of an adequate and sustainable flow of income to the Benefit-sharing Fund;
6. *Thanks* the Governments of Brazil, Indonesia, Italy, and Norway, for having convened High-level Roundtables on the International Treaty;

7. **Welcomes** the organization of an informal multi-stakeholder dialogue to enhance the functioning of the Multilateral System and increase contributions to the Benefit-sharing Fund, which may provide input to the *Ad Hoc* Working Group.

## **PART II: OPERATIONS OF THE BENEFIT-SHARING FUND**

8. **Requests** the Secretary to initiate the planning of the independent evaluation, to be conducted at the end of the second project cycle, that will, *inter alia*, address issues of effectiveness and efficiency, following the procedures adopted at its Fourth Session, and to prepare and make available a summary report on the implementation of the second project portfolio;

9. **Requests** the Secretariat to continue providing assistance so that:

- plant genetic resources for food and agriculture listed in Annex I of the International Treaty resulting from projects funded are made available according to the terms and conditions of the Multilateral System, and
- information generated by these projects is made publicly available within one year of the completion of the project;

10. **Decides** to launch the third Call for Proposals of the Benefit-sharing Fund as soon as possible after the closing of the Fifth Session of the Governing Body;

11. **Adopts** the *Reviewed Operational Procedures for the Use of Resources under the Direct Control of the Governing Body*, which is in *Annex1* to this Resolution;

12. **Adopts** the *Policy on Conflict of Interest and Related Standards of Conduct for the Benefit-sharing Fund*, to support implementation of the Operational Procedures, which is in *Annex2* to this Resolution;

13. **Decides** that the scope of plant genetic resources for food and agriculture for each round of the project cycle be addressed in the design of each Call for Proposals, building on the experience gained in the first two rounds of the project cycle;

14. **Takes note** of the elements of the *Mid-term Plan for the Benefit-sharing Fund* in document IT/GB-5/13/7 Add.2;

15. **Requests** the Secretary, under the direction of the Bureau, to further advance partnerships with international bodies and organizations, in order to enable a full discussion of the partnership architecture for the Benefit-sharing Fund at the Sixth Session of the Governing Body, in the context of the further operationalization of the Benefit-sharing Fund;

16. **Welcomes** measures taken to enable an inclusive process in the execution of the project cycle of the Benefit-sharing Fund, such as the Helpdesk and the Arabic language facility, for the next Call for Proposals;

17. **Requests** the Secretary to explore new approaches to improving the operations of the Benefit-sharing Fund, during the next inter-sessional period, including by possibly using the support of project implementation agencies, for consideration by the Governing Body, at its Sixth Session.

## **PART III: MONITORING THE IMPLEMENTATION OF THE FUNDING STRATEGY: RESOURCES NOT UNDER THE DIRECT CONTROL OF THE GOVERNING BODY**

18. **Requests** the Secretary to continue his efforts to compile information on resources mobilized within the Treaty's Funding Strategy with respect to the strategic priorities of the

*Second Global Plan of Action for the Conservation and Sustainable Use of Plant Genetic Resources for Food and Agriculture* and to provide this information, together with information on resources under the direct control of the Governing Body, to the Sixteenth Regular Session of the Commission on Genetic Resources for Food and Agriculture;

19. **Requests** the Contracting Parties and stakeholder groups that have undertaken initiatives in the context of the Funding Strategy, in particular the establishment of a *Platform for the Co-development and Transfer of Technology*, and the *Public-Private Partnership for Pre-Breeding*, to report to the next Session of the Governing Body, and **encourages them** to put these on a long-term footing.

**PART IV: TERMS OF REFERENCE FOR THE  
AD HOC OPEN-ENDED WORKING GROUP TO ENHANCE THE FUNCTIONING OF  
THE MULTILATERAL SYSTEM  
OF ACCESS AND BENEFIT-SHARING**

20. **Having considered** the reports of the *Ad Hoc* Advisory Committee on the Funding Strategy, and the *Ad Hoc* Technical Advisory Committee on the Multilateral System and the SMTA;

21. **Thanks** the Committees and their Co-Chairs for their work during the past biennium;

22. **Thanks** the stakeholders from the plant breeding industry who cooperated with the *Ad Hoc* Advisory Committee on the Funding Strategy in identifying possible innovative approaches to mobilizing resources for the Benefit-sharing Fund;

23. **Decides** to establish, in the forthcoming biennium, an *Ad Hoc* Open-ended Working Group to Enhance the Functioning of the Multilateral System of Access and Benefit-sharing, with the following Terms of Reference:

- I. To develop a range of measures for consideration and decision by the Governing Body at its Sixth Session that will:
  - (a) Increase user-based payments and contributions to the Benefit-sharing Fund in a sustainable and predictable long-term manner, and
  - (b) Enhance the functioning of the Multilateral System by additional measures.

Line (a) and line (b) are to be addressed in subsequent meetings, respectively.

- II. For this purpose, the Secretariat should prepare a number of short, strategic preliminary studies, taking into account all available information, including the recent study, *Assessing the potential for monetary payments from the exchange of plant genetic resources under the Multilateral System of the International Treaty on Plant Genetic Resources for Food and Agriculture*. These studies should include:

- A study estimating income to be expected from possible changes, consistent with the objectives of the Treaty, in the provisions governing the functioning of the Multilateral System, taking into account reports of the *Ad Hoc* Advisory Committee on the Funding Strategy and the *Ad Hoc* Technical Advisory Committee on the Multilateral System and SMTA;
- A policy and legal study on the feasibility and effects of such changes;

A study on how to enhance mechanisms for capacity-building, technology-transfer and information-exchange;

- An analysis of the factors that influence the willingness of stakeholder groups to make contributions to the Benefit-sharing Fund and to access plant genetic resources for food and agriculture from the Multilateral System.

III. On the basis of the above studies, with a view to achieving enhanced access and increased fair and equitable sharing of benefits, the Working Group will:

- (a) Review the functioning of the Multilateral System and the SMTA, in particular, the benefit-sharing provisions of the SMTA;
- (b) Analyse the options to enhance the functioning of the Multilateral System;
- (c) Consult with relevant Stakeholder Groups; and
- (d) Draft and prepare for consideration and decision of the Governing Body the range of measures that it proposes.

### **COMPOSITION, STRUCTURE AND FUNCTIONING**

Each Region shall nominate, by the end of the Fifth Session of the Governing Body, or at the latest by December 2013, the Contracting Parties which shall be Members of the Working Group. The Members will then nominate their representatives.

The Working Group shall be composed of up to twenty-seven representatives from the following regions:

- Up to 5 from Africa;
- Up to 5 from Europe;
- Up to 5 from Asia;
- Up to 5 from Latin America and the Caribbean;
- Up to 3 from the Near East;
- Up to 2 from North America;
- Up to 2 from Southwest Pacific.

#### **Officers**

The Working Group shall elect two Co-Chairpersons from among the representatives of the Members of the Working Group. The Co-Chairpersons shall preside over the meetings of the Working Group, and exercise such other functions as may be required to facilitate its work.

#### **Sessions**

Sessions of the Working Group shall normally be of three days duration, preceded by a day of regional consultations. The Working Group should aim to have two sessions in the 2014/15 biennium with any further necessary sessions to be covered by extra-budgetary funds.

#### **Observers**

Contracting Parties which have no representatives on the Working Group may participate, upon request to the Secretariat, in the work of the Working Group, in an observer capacity.

For the Working Group's first meeting, the Bureau may invite up to two representatives each from the following groups, as observers:

- Civil society organizations;
- The seed industry;
- Farmers' organizations; and
- The CGIAR Centres.

For its subsequent meetings, the Working Group may invite pertinent observers, and experts, as it feels appropriate.

Regional balance will be taken into account in inviting these observers. All observers and experts will speak at the invitation of the Co-chairs.

The Working Group may also choose to meet in a format of Contracting Party representatives, to make decisions which are of a governance nature.

24. **Recognizes** the importance and magnitude of the task of the Working Group, and that it will require intense and sustained efforts in the forthcoming biennium, and urges Contracting Parties to urgently provide support and financial resources, should these be needed, for the Working Group to be able to fulfill its mandate on schedule;

25. **Appeals** to stakeholders who use plant genetic resources under the Treaty to themselves develop, and assist the Working Group to develop, innovative user-based approaches to realizing monetary benefit-sharing, within the context of the use of the SMTA, and other innovative approaches that can contribute to an adequate and sustainable flow of resources to the Benefit-sharing Fund.

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*ANNEX 1*

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***OPERATIONAL PROCEDURES FOR THE USE OF RESOURCES UNDER THE DIRECT CONTROL OF THE GOVERNING BODY*****I. Principles**

These operational procedures<sup>1</sup> are based on the following principles:

- Transparency and impartiality.
- Simplicity and accessibility.
- Efficiency and effectiveness.
- Quality and technical merit.

**II. Project Cycle**

The Governing Body delegates the authority for the execution of the project cycle during the biennium to the Bureau. There will normally be a new round of the project cycle every biennium.

The independent Panel of Experts will conduct the screening of pre-proposals and appraisal of pre-proposals.

The Helpdesk, will support applicants in the preparation of pre-proposals and full project proposals in the applicants' Treaty languages.

The project cycle will consist of:

1. Opening a call for proposals
  - a. issued by the Governing Body, in the official languages of the Treaty, and containing relevant information and procedures – priority areas; submission forms for pre-proposals and project proposals; eligibility, appraisal and screening criteria; timing and deadlines; expected funds available; crops addressed; requirements to projects funded by the Governing Body; main legal and financial provisions of project agreements;
  - b. advertisement on the Treaty website and through the national focal points and relevant regional bodies;
  - c. responsibility: prepared by the Secretariat, under the guidance of the Bureau.
2. Submission of pre-proposals
  - a. in any of the Treaty languages, plus, where necessary, a translation to a working language;
  - b. according to an agreed format and within agreed deadlines;
  - c. target: 2-3 pages;
  - d. addressing the screening criteria;
  - e. responsibility: Contracting Parties or legal or natural persons,<sup>2</sup> in consultation with the Contracting Party or Contracting Parties in question. The formal submission should be by Contracting Party or Parties in question to the Secretary of the Governing Body;
3. Screening and response to pre-proposals

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<sup>1</sup> The Operational Procedures for the use of resources under the direct control of the Governing Body were originally adopted by the Governing Body at its Second Session. At its Fifth Session, the Governing Body reviewed and adopted the Operational Procedures currently in place.

<sup>2</sup> Any governmental or non-governmental organization, including genebanks and research institutions, farmers and farmers' organizations, and regional and international organizations, based in countries that are Contracting Parties to the International Treaty, may apply for funding under the Benefit-sharing Fund.

- a. according to screening criteria published in the call – eligibility criteria and relevant criteria established as part of the call for proposals;
  - b. response to be provided within agreed timelines;
  - c. in accordance with the Policy of Conflict of Interests;
  - d. responsibility for the responses: Bureau, on the basis of preparatory work by the independent Panel of Experts;
  - e. The Bureau might work through email, and make its final decisions in a regular meeting, as far as possible, keeping the list of approved pre-proposals short.
4. Submission of project proposals from approved pre-proposals
- a. in any of the Treaty languages, plus, where necessary, a translation to a working language;
  - b. according to an agreed submission form of project proposals and within agreed deadlines;
  - c. addressing the appraisal criteria;
  - d. recipient and channels of payment will be identified;
  - e. list of submissions to be made public;
  - f. Helpdesk to be provided to support preparation of proposals, in all Treaty languages;
  - g. Helpdesk to focus on Contracting Parties that have special needs, including small island developing states;
  - h. responsibility: Contracting Parties or legal or natural persons, in consultation with the Contracting Party or Contracting Parties in question. The formal submission should be by Contracting Party or Parties in question to the Secretary of the Governing Body.
5. Appraisal of project proposals
- a. ranking of project proposals according to appraisal criteria published in the call;
  - b. portfolio of project proposals meeting the requirements prepared for approval within agreed deadlines;
  - c. portfolio to be made public;
  - d. in accordance with the Policy of Conflict of Interests;
  - e. responsibility: a panel of experts designated, from a Roster, by the Bureau in consultation with their Regions. The independent Panel of Experts will work without remuneration with resources provided under the core administrative budget for any meeting necessary. Terms of Reference of the Panel to be made public.
6. Approval of projects for funding within the project cycle
- a. according to the funds at the disposal of the Governing Body in that project cycle and the recommendations of the independent Panel of Experts;
  - b. according to additional possible considerations, such as geographical balance;
  - c. in accordance with the Policy of Conflict of Interests;
  - d. portfolio to be made public;
  - e. responsibility: Bureau.
7. Signature of project agreements and disbursement
- a. disbursement according to procedures adopted by the Governing Body;
  - b. project agreements providing relevant legal and financial provisions and requirements from the Governing Body;
  - c. responsibility: Secretary and senior management of executing institutions.
8. Reporting and monitoring
- a. according to procedures adopted by the Governing Body;
  - b. responsibility: The executing entity develops the monitoring products and deposits them with the Secretary.

9. Independent Evaluation
  - a. use of standard evaluation procedures based on norms and standards of the United Nations Evaluation Group;
  - b. evaluation of the sustainable effects and impacts of projects or groups of projects, providing accountability on results and aiming at facilitating the further development of the Funding Strategy;
  - c. evaluation of the components of the Funding Strategy addressed under this annex will be periodically commissioned by the Governing Body;
  - d. according to evaluation procedures adopted by the Governing Body;
  - e. responsibility: the Governing Body.

### III. Selection Criteria

This section of the Operational Procedures provides a general framework of selection criteria being used in the appraisal of project proposals. The precise criteria for appraisal of project proposals in each round of the project cycle will be published in the Call for Proposals.

1. Project relevance
  - a. Are the priorities of the Funding Strategy and the strategic principles and priorities established by the Governing Body for the allocation of funds at its disposal clearly incorporated and represented in the proposed goals and expected outputs of the proposal?
  - b. Does the project contribute to poverty alleviation and environmental sustainability?
  - c. What is the relevance of the project to a country's or region's priorities in its plans and programmes for PGRFA? What information is available on such priorities?
2. Feasibility
  - a. Is the proposed activity feasible in terms of resources and timing? In particular, is the budget adequate to fully cover the proposed activities and produce the expected results?
3. Effectiveness and efficiency
  - a. Are the anticipated project costs warranted against the expected project results and benefits?
4. Benefits and beneficiaries
  - a. Who are the immediate beneficiaries?
  - b. Will the results of the proposed project, directly or indirectly, reach the proposed beneficiaries?
5. Team composition and capacity
  - a. Can the capacity of the team be considered sufficient? Does the team include partners with different disciplines?
  - b. Does the project proposal foresee use of available local expertise?
6. Collaboration
  - a. What is the extent of collaboration promoted by the project proposal?
  - b. Does this collaboration contribute to the effectiveness and efficiency of the project?
  - c. Is there counterpart funding or input in kind by the applicant?
7. Planning and Monitoring
  - a. Have proper milestones and indicators been incorporated in the project proposal?
  - b. To what extent is the expected positive impact measurable?
8. Sustainability
  - a. Are the activities and beneficial changes introduced by the project sustainable?
  - b. Is technology transfer and capacity building realized?
  - c. Has a training component been incorporated?
9. Geographic extension
  - a. How wide is the geographic scope and impact of the proposed project?
  - b. What is the global and/or regional importance of the project in achieving the objectives of the Treaty?

## 10. Crop relevance

- a. What is the contribution of the crop or crops, for which activities are proposed, to global or regional food security and sustainable utilization?
- b. What is the relevance of the crop or crops, for which activities are proposed, to the quality and diversity of the human diet or animal feed?
- c. Is the project addressing the conservation and/or utilization of a crop in one of its centres of diversity?
- d. To what extent is the gene pool covered by the proposed project activities threatened at a national, regional or global level?

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*ANNEX 2*

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***POLICY ON CONFLICTS OF INTEREST AND RELATED STANDARDS OF CONDUCT  
FOR THE BENEFIT-SHARING FUND*****A. COVERAGE**

1. This policy applies to any member of intergovernmental or expert bodies involved in the screening of pre-proposals or the appraisal or approval for funding of project proposals by the Benefit-sharing Fund.
2. It is the responsibility of each individual covered by this policy to observe its terms. Individuals who are covered by this policy will normally be notified of this, but if any individual is in doubt as to its application to her or him, she or he should verify with the Secretary. Any individual or institution not covered by this policy that considers there may be an actual or potential conflict with any pre-proposal or proposals should refer such case to the Secretary. The Secretary will inform the Chair or Co-Chairs of the relevant intergovernmental or expert body.
3. Partners and other institutions involved in the operations of the Benefit-sharing Fund and its project cycle should avoid entering into cases of conflict of interest when structuring the partnership with the Fund and making their contributions to the project cycle. They should acknowledge at all times that the Benefit-sharing Fund is under the direct control of the Governing Body.

**B. GENERAL PROCEDURE*****When a conflict arises***

4. This policy relies on each individual to consider whether she or he may have, or be perceived to have, any actual or potential conflict with any proposal that is being considered by the Benefit-sharing Fund.
5. Examples of a conflict of interest are:
  - To be actively involved in the future execution of the project, in particular as part of the project staff or team;
  - To be employed by the same institution as the applicant institution or its partners in the project implementation;
  - To work closely with the applicant institution or its partners in the project implementation, for example as a co-author or PhD Supervisor, or to have worked closely in the last 4 years;
  - To hold a current position on the governing body of or an honorary position with the applicant institution or its partners in the project implementation;
  - To receive personal remuneration from the applicant or its partners in the project implementation;
  - To entertain personal/family relationship with any of the project staff or team.

6. The above list of examples is not exhaustive. These are only intended as examples and not as a complete or exhaustive list. Conflict situations may include situations beyond those indicated above that an individual is required to declare under this policy;

7. In considering whether a conflict arises, an individual should treat the interests of anyone with whom the person subject to this policy has a significant personal relationship as if they were the individual's own interests. This will include any partner, anyone living in the same home and anyone whose financial affairs the individual has responsibility for;

***General procedure for managing conflicts***

8. If an individual has an actual or potential conflict of interest in any pre-proposal or proposal that is being considered by the Benefit-sharing Fund:

(1) the individual should disclose the conflict to the Secretary in writing;

(2) the individual must abstain from any decisions relating to that pre-proposal or proposal. In particular:

(a) she or he shall not be involved in the process of screening of the pre-proposal, appraisal or approval of a project proposal;

(b) she or he shall not receive any documentation relating to that pre-proposal or project proposal;

(c) she or he shall not take part in any decisions taken in relation to such a pre-proposal or proposal; and,

(d) she or he shall abstain from the relevant part of any meeting where the pre-proposal or proposal is considered;

(e) she or he shall be replaced by another representative from the Region, whenever possible.

9. All individuals serving under any capacity in the process of screening the pre-proposals, appraisal or approval of project proposals, are required to facilitate the management of any potential or actual conflict of interest, as the Secretary may require. Any dispute about whether a conflict may exist may be referred to the Chair of the Governing Body for a decision or, in the case of disputes relating to a Chair of the Governing Body in that capacity, to one of the Vice-Chairs of the Governing Body.

***Policy for funding in relation to members of intergovernmental or expert bodies***

10. The following policy for funding of the activities of members of decision-making committees shall apply:

(1) Members of intergovernmental or expert bodies may continue to hold any funding they hold from the Benefit-sharing Fund at the time of appointment.

(2) Members of intergovernmental or expert bodies involved in a new round of the project cycle shall abstain from applying for new funding under such round.

## C. CODE OF CONDUCT

### *Advice on pre-proposals and proposals*

11. Members of intergovernmental or expert bodies involved in the screening of pre-proposals or the appraisal or approval for funding of project proposals by the Benefit-sharing Fund may be asked to provide general support, mentoring and guidance to colleagues in applicant institutions that may be seeking funding from the Benefit-sharing Fund. There is no objection to this support being provided, nor to members sharing publicly available information about the policies or procedures of the Benefit-sharing Fund, if requested. Members shall not disclose any non-public available information, such as details of proposals or rating by experts of individual proposals.

12. If a member is approached for specific advice (including technical advice) on an application to the Fund, the member may provide such advice (subject to the restriction in paragraph 11 above) but shall disclose this fact to the Secretary. The member will be regarded as having a conflicting interest in that application.

### *Discussions outside meetings*

13. A member shall not, prior to a meeting of an intergovernmental or expert body, discuss any pre-proposal or project proposal which is to be considered at that meeting with any other member responsible for the consideration of that pre-proposal or project-proposal. If a member has any such discussion, she or he must report this to the Secretary at, or before the start of the meeting.

### *Confidentiality of pre-proposals or proposals, and decision-making*

14. The contents of papers and correspondence relating to pre-proposals and project proposals are strictly confidential. Members of intergovernmental or expert bodies also have the right to expect that the Treaty Secretariat and other members will treat their comments with confidentiality. Accordingly, all members of the intergovernmental or expert bodies:

- (1) Shall keep papers secure and not disseminate them to anyone.
- (2) Shall not discuss pre-proposals or project proposals with anyone else (including colleagues based at the member's host institution and referees) without prior permission from the Secretary.
- (3) Shall keep the identity of applicants and experts assigned to individual pre-proposals or proposals confidential at all times.
- (4) Shall not discuss with applicants, either in connection with the applicants' own pre-proposal or project proposal or any other application, or anyone else any aspect of the deliberations or recommendations regarding an application. Feedback will be provided as appropriate by the Secretariat. Members shall refuse any requests for information or for an explanation of how a particular decision was reached – all such requests must be referred to the Secretariat.

15. Members of intergovernmental or expert bodies who are approached by individuals or organizations for information on the status or outcome related to their specific pre-proposals or project proposals should always refer all such enquiries to the Secretariat.