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**Food and Agriculture  
Organization of the  
United Nations**



**The International Treaty**  
**ON PLANT GENETIC RESOURCES**  
**FOR FOOD AND AGRICULTURE**

## **INTERNATIONAL TREATY ON PLANT GENETIC RESOURCES FOR FOOD AND AGRICULTURE**

### **THIRD MEETING OF THE STANDING COMMITTEE ON THE FUNDING STRATEGY AND RESOURCE MOBILIZATION**

**23 – 26 February 2021**

**Draft skeleton outline of the strategy to mobilize funds from food processing industries**

#### **I. INTRODUCTION**

1. The Governing Body, through Resolution 3/2019, called on the Standing Committee on the Funding Strategy and Resource Mobilization (the Funding Committee) to develop a strategy to mobilize funds from food processing industries, as called for in Article 13.6 of the Treaty.
2. At its second meeting, the Committee finalised an Operational Plan for the Funding Strategy 2020-2025 and included the development of a strategy to mobilize funds from food processing industries as one of its main work streams. The related milestones provide for a draft strategy to be developed by the Committee in 2021 and submitted to GB-9 for consideration.
3. To take forward this work stream, the Committee requested the Secretariat to prepare a draft skeleton outline of the strategy for its consideration at its third meeting with a view to considering a full first draft at its fourth meeting, to be finalised for submission to GB-9.
4. This document contains the initial outline of the strategy to mobilize funds from food processing industries for the consideration of and further development by the Funding Committee.
5. In preparing this outline, the Secretariat has consulted with the Global Crop Diversity Trust and relevant FAO units, as requested by the Committee at its second meeting. It has also been guided by the structure of FAO's new Strategy for Private Sector Engagement 2021-2025, which is provided to the Committee in the other documents, for its reference.

#### **II. DRAFT SKELETON OUTLINE OF STRATEGY TO MOBILIZE FUNDS FROM FOOD PROCESSING INDUSTRIES**

##### **SETTING THE STAGE**

##### *Background and context*

6. This section will contain introductory text about the contribution of PGRFA and the International Treaty to increasing and safeguarding food security and nutrition, improving rural livelihoods and economies, supporting the conservation and management of biodiversity, meeting the challenges of adapting to climate change and achieving the Sustainable Development Goals (SDGs).

7. It will contain a broad overview of how the private sector and food processing industry benefit from plant genetic resources for food and agriculture, and recall Article 13.6 of the Treaty and Resolution 3/2019 as a basis for the development of this Strategy.

8. It will place the development of this Strategy in the context of the implementation of the Treaty's new Funding Strategy 2020-2025, highlighting the objective of the Governing Body to ensure that sufficient resources are mobilized to implement the Treaty through a wide range of channels, including the food processing industry.

9. It also acknowledges the broader context of global policy frameworks, especially the efforts to achieve the SDGs, the call for broader and deeper engagement of the private sector in attaining development outcomes, and the expanded commitment of private sector enterprises to work on achieving the SDGs.

10. It will conclude by summarising that the Strategy is envisaged to be a living document that may be updated by the Committee periodically, and set out: a vision for the proactive development of partnerships with the food processing industry; principles for engagements; the identification of key strategic areas of engagement; a fit-for-purpose due diligence approach to assessing and managing risk; and an early action plan to guide the priorities for implementation.

#### *Evolution and experience of the Treaty's private sector partnerships*

11. This section will describe the role of the private sector in the Treaty system, and summarise the experience of the Treaty in engaging with the private sector thus far, describing the types of entities it has engaged with, different forms of partnerships and the diversity of contributions received.

12. It also will refer to the 2019 independent evaluation of FAO's 2013 Private Sector Partnership Strategy and resulting recommendations, which are documented in FAO's new Private Sector Engagement Strategy and taken into account in the development of this Strategy. They are included in an annex to this document.

### **STRATEGY TO MOBILIZE FUNDS FROM FOOD PROCESSING INDUSTRIES**

#### *The vision*

13. This section will set out the vision for this Strategy, connecting it with that of the Funding Strategy, which is to enable the Governing Body, Contracting Parties, funding agencies, farmers and other relevant actors to secure funding and other resources for the programmatic implementation of the International Treaty in a long-term, coordinated, synergistic and effective manner.

14. It will describe what is envisaged for developing strategic partnerships with the food processing industry, identify key strategic thematic areas of engagement, possible modalities of collaboration, and expected results and outcomes.

#### *Principles for engagement*

15. This section will outline the principles for engagement with the food processing industry that are expected to be integrated throughout the operationalization of this strategy.

16. The principles are anticipated to be in line with those set out in FAO's new Private Sector Engagement Strategy listed below, as may be adapted to the Treaty context.

17. Engagements with the Private Sector should:

- a) demonstrate a clear contribution to the attainment of the SDGs
- b) respect the values of FAO and the United Nations
- c) not compromise FAO's neutrality, impartiality, integrity, independence, credibility or reputation

- d) be effectively managed and avoid any conflicts of interest or other risks to FAO
- e) demonstrate a contribution to FAO's mandate, goals and mission and its Members national development goals
- f) respect the intergovernmental nature of FAO and the decision-making authority of its Members, as set out in FAO's constitution
- g) support and enhance, without compromise, the neutral and independent scientific and evidence based approach that underpins FAO's work
- h) protect FAO from any undue influence, especially on processes for setting and applying policies, norms and standards
- i) be conducted based on transparency, openness, inclusiveness, accountability, integrity and mutual respect.

*What is the food processing industry and what constitutes a partnership?*

18. **Definition of the food processing industry:** This section will include a definition or, at least, an indicative description, of the food processing industry for the purposes of the Strategy, describing the distinctive features of the industry, and the types, size and focus of enterprises that the Treaty plans to engage with. In doing so, consideration will be given to prioritising enterprises that work in plant-based food production or processing as the most relevant entities for the Treaty to engage.

19. **Scope of food processing industry:** The scope of the food processing industry will be defined for the purpose of the Strategy, recognising that the industry includes a wide array of enterprises, from large national and multinational companies and industries, to medium, small-scale and micro businesses and industries, as well as family farmers in many countries. It also describes the diversity of the industry's activities which extends to services, research and development.

20. **Definition of partnership:** What is considered a partnership for the purpose of this Strategy will be defined, recognising that there are different ways of engaging with the private sector and the business community, each of which may entail distinctive approaches, opportunities, modalities and forms of contributions towards the implementation of the Treaty.

21. The definition of partnership may be informed by that which FAO adopts of the United Nations Sustainable Development Group (UNSDG) Common Approach to Prospect Research and Due Diligence for Business Sector Partnerships:

“Any type of interaction with business entities, with different objectives, ranging from informal talks and discussions, to knowledge-exchange platforms, to full-fledged partnerships entailing funding. These engagements may be implemented through different modalities, including but not limited to partnering, and may entail different levels of public exposure.”

22. This section also could conclude with a table that categorises the different types of food processing industry enterprises the Treaty plans to engage with and their anticipated contribution to the implementation of the Treaty.

*Why partner with the food processing industry?*

23. This section will build upon the rationale for partnering with the food processing industry set out in the first section, highlighting the areas of synergy between the industry and the Treaty, and the mutually reinforcing benefits of their successful functioning.

24. Recognition will be given to the benefits to the Treaty of partnering with the food processing industry related to knowledge, technology and innovation, noting that such partnerships may generate real-time knowledge and data, market intelligence and best practices, and facilitate the effective dissemination of information nationally, regionally and globally.

25. This section will also provide some brief analysis on the financial value, size and market segmentation of the industry as well as the current trends, threats and opportunities that could be leveraged for establishing strategic partnerships and mobilizing resources.

*Why should the private sector partner with the Treaty?*

26. This section describes how the food processing industry is inextricably linked to, and reliant upon the seed sector, and benefits from plant genetic resources for food and agriculture, agrobiodiversity, and the sustainable access to seed and unique partnerships that the Treaty's systems provide.

27. It sets out the benefits to the industry of the Treaty's successful implementation including in the areas of research and development, farmers' continued access to reliable and diverse seed, and addressing threats to the environment and supply chain.

28. It also describes the benefits to the industry of engaging with the Treaty as a trusted broker of relevant alliances, that is able to bring together and facilitate communication between Governments and the private sector on shared priorities, governance and policy issues and investments.

29. Additionally, it will highlight the opportunities, within the Treaty processes and community, for private entities interested in the non-financial factors of environment, social and governance (ESG), as well as corporate social responsibility (CSR) issues as part of their strategic process to identify material risks and opportunities.

*Areas for engagement with the private sector*

30. This section would set out the potential areas for engagement and partnership with the food processing industry based upon further analysis of the areas of synergy between the Treaty and food processing industry. Consideration may also be given to the priority areas identified by FAO for its engagement with the private sector in its new strategy, as listed below:

- a) Policy dialogue
- b) Capacity development
- c) Resource mobilization
- d) Technical cooperation
- e) Knowledge and research
- f) Advocacy and communication
- g) Innovation
- h) Data sharing and dissemination
- i) Support for financing and investment
- j) SDG alignment
- k) SDG advocacy

*Fully supporting regional and national engagement opportunities*

31. This section will recognise the critical role Contracting Parties will play in promoting and enabling food processing industry investments in their countries and for Treaty implementation more broadly. It will describe the support that will be made available to them through the implementation of this Strategy to assist with partnership development and resource mobilization, such as the establishing of tools, platforms and capacity development activities at national and regional levels.

*Fit-for-purpose due diligence approach to assessing and managing risk*

32. This section will acknowledge any risks to the Treaty of engaging with the food processing industry that may need to be effectively managed. It is expected to align with FAO's own risk management approach and will refer to the mechanisms and review processes available to manage such risks, which among other aspects, may relate to:

- a) conflicts of interest;
- b) undue or improper influence exercised by a private sector entity on the Treaty's work, especially, but not limited to, policies, norms and standard-setting;
- c) a negative impact on the Treaty's integrity, independence, credibility, reputation or mandate;
- d) the engagement being primarily used to serve the interests of the private sector entity, with limited or no benefit to the Treaty;
- e) the engagement conferring an endorsement of the private sector entity's name, brand, product, views or activity;
- f) the "blue-washing" of a private sector entity's image through an engagement with the Treaty;
- g) failure of the partnership to provide the expected benefits.

**IMPLEMENTATION AND IMPACT**

33. This section will contain an early action plan for implementing the Strategy with a summary table similar to that set out in the Operational Plan of the Treaty's Funding Strategy 2020-2025, capturing major milestones and outputs by work-stream and biennium.

34. As with the early action plan contained in the same section of FAO's Strategy for Private Sector Engagement, consideration will be given to the development of a proactive approach to outreach and engagement, actions for supporting models for partnership building, and actions to measure impact and for scaling-up.

35. It may also benefit from the inclusion of actions for:

- a) developing a tailored approach for engaging with the food processing industry that elevates outreach and communication;
- b) highlighting the Treaty's work to support the participation of the private sector in multi-stakeholder policy dialogue;
- c) mapping out and engaging with existing industry coalitions and networks;
- d) developing joint resource mobilization and communication initiatives between the Global Crop Diversity Trust and the Treaty.

36. This section could also stipulate that the Funding Committee will serve as the advisory group to the Governing Body on the implementation and further development of the Strategy, including on the methods of engagement and to seeking additional input on the implementation of the Strategy. For this role and purpose, the Funding Committee could co-opt or invite relevant expertise and stakeholders.

*Table 2 (indicative): Early action plan for implementing the Treaty's Strategy to mobilize funds from food processing industries*

	<b>Biennium 2020/21</b>	<b>Biennium 2022/23</b>	<b>Biennium 2024/25</b>
Strategy development and implementation	Draft strategy developed and submitted to GB-9 for consideration (2021)	Strategy implemented 2022-2025 Milestone achieved (2025)	Strategy implemented 2022-2025 Milestone achieved (2025)  Milestone achieved
Work-stream b	Major output/ milestone	Major output/ milestone	Major output/ milestone

### **III. CONCLUSION AND GUIDANCE SOUGHT**

37. The Funding Committee is invited to consider the initial framework provided in this document, as a potential basis for developing the Treaty's Strategy for mobilising resources from the food processing industry.

38. The Funding Committee is also invited to provide guidance on how it may wish to proceed and to indicate how the Secretary could further assist the Committee in undertaking its task of preparing the draft Strategy, for its consideration at its fourth meeting and subsequent submission to the Ninth Session of the Governing Body.

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*Annex*

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**Recommendations arising from the 2019 independent evaluation of FAO's Private Sector Partnership Strategy**

An independent evaluation of FAO's 2013 Private Sector Partnership Strategy was undertaken in 2019 to explore the first five years of implementation, and an evaluation report was produced for the 127th Session of the Programme Committee.

The recommendations of the 127th Session of the Programme Committee, endorsed by the Council, included:

- a) FAO should strengthen the role of the private sector in achieving the SDGs.
- b) Private sector partnerships should be implemented to support the priorities of national governments, with their agreement.
- c) FAO should seek to further integrate partnerships with the private sector into its work, including at country level. Any new strategy needs to be fully integrated into all divisions and units, including regional and country offices.
- d) FAO should improve its responsiveness and proactiveness with regard to the growing number of partnership opportunities.
- e) FAO should establish clear, transparent and consistent processes for non-state actors (NSAs), including the private sector, to access FAO's events and activities.
- f) FAO needs to shed some of its inherently conservative attitudes toward private sector engagement (a "culture gap").
- g) FAO should streamline its internal procedures and risk management processes in line with the best practices of the United Nations System, to find a balance between due diligence processes on the one hand and facilitating transparent partnerships and cooperation with the private sector on the other.