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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**

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

15 – 17 February 2022

**DRAFT REPORT OF THE FUNDING COMMITTEE TO THE NINTH
SESSION OF THE GOVERNING BODY INCLUDING ELEMENTS FOR A
DRAFT RESOLUTION**

At its fourth meeting, the Standing Committee on the Funding Strategy and Resource Mobilization (the Funding Committee), agreed that the Report of the Funding Committee to the Ninth Session of the Governing Body, including elements for a draft Resolution, would be a key issue for discussion at this meeting.

This draft report has been developed based upon the document, IT/GB-9/SFC-4/21/7, *Draft Outline of the Report of the Funding Committee to the Ninth Session of the Governing Body* that was provided to the Committee at its fourth meeting.

It describes the work undertaken by the Funding Committee since the adoption of the Funding Strategy 2020-2025 at the Eighth Session of the Governing Body, and contains elements for a draft Resolution.

**DRAFT REPORT OF THE STANDING COMMITTEE ON THE FUNDING STRATEGY AND
RESOURCE MOBILISATION TO THE NINTH SESSION OF THE GOVERNING BODY**

I. INTRODUCTION

Background

1. At its Eighth Session, through Resolution 3/2019, the Governing Body decided to adopt the Funding Strategy of the International Treaty for the period 2020 to 2025, as contained in Annex 1 to Resolution 3/2019, in order to enhance the availability, transparency, efficiency and effectiveness of the provision of financial resources to implement activities under this Treaty.
2. It decided to establish, within the Funding Strategy, a target of USD \$0.9-1.1 billion per year over a period of 10 years with a milestone of 40% to be achieved by 2026 to support the implementation of the International Treaty through a wide range of sources and channels, and to postpone establishing a target for the Benefit-sharing Fund.
3. It also decided to make the Committee on the Funding Strategy and Resource Mobilization a standing Committee.

Report structure

4. This report details the work undertaken by the Standing Committee on the Funding Strategy and Resource Mobilization (the Funding Committee) since the Eighth Session of the Governing Body (GB-8), in relation to the implementation of the Funding Strategy 2020-2025.
5. It is structured in three sections, and contains a draft Resolution in the Annex. The draft Resolution further contains, in its Appendix, a draft Food Processing Industry Engagement Strategy prepared by the Funding Committee for the consideration of the Governing Body.
6. Information documents related to this Report are provided to the Governing Body through {insert document reference}, *Report on the Benefit-sharing Fund* and {insert document reference}, *Report on the Evaluation of the Third Project Cycle of the Benefit-sharing Fund*.

Overview of procedural arrangements

7. The Funding Committee has held [five] meetings since GB-8, all of which were conducted in virtual modality due to the COVID-19 pandemic. The Committee also carried out other aspects of its work through electronic means during this period. The Proceedings of the meetings are published on the Treaty's website.¹
8. There were several changes to the Co-Chairs of the Funding Committee over the course of the biennium. The present Co-Chairs elected to serve on the Committee are Ms. Katlyn Scholl (USA) and Ms. Puji Lestari (Indonesia).
9. In accordance with Resolution 3/2019, the Committee is composed of up to three representatives from each region. However, the Committee noted, with concern, the absence or low participation of some regions in its meetings and discussed the importance of Regional Groups considering expertise and availability in nominating members to the Committee.
10. A wide range of observers, including active observers, participated in the meetings of the Committee on the basis of expertise and relevance. The full lists of participants are contained in the Appendices of the Proceedings of the Committee's meetings.¹

¹ SFC-1 Meeting Proceedings (July - 24 July 2020): <https://www.fao.org/3/cb0995en/cb0995en.pdf>

SFC-2 Meeting Proceedings (17 - 19 November 2020): <https://www.fao.org/3/cb2451en/cb2451en.pdf>

SFC-3 Meeting Proceedings (23 - 26 February 2021): <https://www.fao.org/3/cb4090en/cb4090en.pdf>

SFC-4 Meeting Proceedings (20 - 22 September 2021): <https://www.fao.org/3/cb7281en/cb7281en.pdf>

SFC-5 Meeting Proceedings (15 - 17 February 2022): {link to be inserted once document available}

Highlights of progress in the work of the Funding Committee

11. Considerable progress has been made in the implementation of the Treaty's new Funding Strategy, notwithstanding that the work of the Committee has taken place entirely within the context of the COVID-19 pandemic. Some highlights of the Committee's work are listed below and further detailed in Section II:

- i. **Operational Plan for the Funding Strategy developed and implemented** by the Committee to take forward its work related to Resource Mobilization, Benefit-sharing Fund operations and monitoring, review and learning for the 2020-2025 period;
- ii. **Draft strategy to mobilize funds from food processing industries developed** for the Governing Body's consideration, with inputs from FAO, external experts and other stakeholders;
- iii. **Food Processing Industry Engagement Plan developed** for the implementation, monitoring and review of the Food Processing Industry Engagement Strategy;
- iv. **Monitoring, Evaluation and Learning Framework for the Benefit-sharing Fund developed and implemented**, including to inform the design of the Fifth cycle of the Benefit-sharing Fund program;
- v. **Fifth Cycle of the Benefit-sharing Fund program finalised and launched** with at least USD 9.3 million dollars available for its implementation;
- vi. **Guidance on the Fourth Cycle of the Benefit-sharing Fund provided** based on COVID-19 impact analysis undertaken;
- vii. **Independent Evaluation of the Third Cycle of the Benefit-sharing Fund finalised** with inputs by the Committee through a special webinar;
- viii. **External experts and active observers regularly engaged** to inform the Committee's work, including from the European Union, the Global Crop Diversity Trust, agribusiness research and analysis sector, FAO's Resource Mobilization and Private Sector Partnerships Division, FAO's GEF Unit, and from the Secretary in relation to the Compliance Committee so as to coordinate and streamline future reporting.

II. IMPLEMENTATION OF THE FUNDING STRATEGY

12. At its Eighth Session, the Governing Body welcomed the dynamic and synergistic programmatic approach developed for the Funding Strategy that is expected to:

- i. Improve funding opportunities for the implementation of the International Treaty by making the case to national decision-makers and development agencies of the importance of PGRFA as well as the interlinkages with other development issues;
- ii. Strengthen linkages between different funding sources and partners relevant to the International Treaty, by pursuing collaborative planning and co-spendings opportunities and identifying appropriate channels to make such linkages;
- iii. Provide for a process for monitoring, evaluating and learning from lessons, experiences and information gained in previous implementation phases, and to structure new funding opportunities and identify and fill in gaps, including through the engagement of Treaty stakeholders.

13. In order to take the implementation of the new Funding Strategy forward, the Committee developed and implemented an Operational Plan, as foreseen in paragraph 44 of the Funding Strategy 2020-2025, and is provided through {insert hyperlink or name of document}.

14. The Operational Plan is a multi-year plan designed to guide the Funding Committee in the implementation of the Funding Strategy over the period 2020-2025, and encompasses the requests made by the Governing Body through Resolution 3/2019 and its Annexes. It is designed to be regularly reviewed and updated by the Committee.

15. It identifies the following three areas to focus efforts on, and sets out major milestones, outputs and timelines within these:

- i. Focus Area 1: Resource Mobilization
- ii. Focus Area 2: Benefit-sharing Fund Operations
- iii. Focus Area 3: Monitoring and Review

16. The following sub-sections of this report detail the work undertaken by the Funding Committee since GB-8 in the implementation of the Treaty's new Funding Strategy under the three thematic focus areas of the Funding Strategy's Operational Plan.

A. RESOURCE MOBILIZATION

17. The Funding Committee reviewed the requests made by the Governing Body through Resolution 3/2019 and its Annexes related to Resource Mobilization and identified seven main work-streams that they fall within, as follows:

- i. National budgets and priorities
- ii. Bilateral programs
- iii. Multilateral mechanisms
- iv. Food processing industry resource mobilization strategy
- v. Innovative funding
- vi. Provision of criteria as called for in Article 13.4 of the Treaty²
- vii. Visibility, outreach and communication.

18. The Committee developed major milestones and outputs for each of the above work-streams for the 2020-2025 period, as detailed in the Operational Plan.

19. Under thematic area "iv", *Food processing industry resource mobilization strategy*, the Committee developed and finalised a Draft Food Processing Industry Engagement Strategy for the consideration and endorsement of the Governing Body, as provided in the Appendix to the draft Resolution.

20. This responds to the request of the Governing Body that the Funding Committee develop a strategy to mobilize funds from food processing industries, as called for in Article 13.6 of the Treaty.

21. In developing the Strategy, the previous experiences of engaging with the private sector for Treaty implementation was taken into account, as well as the recommendations arising from the 2019 independent evaluation of FAO's 2013 Private Sector Partnership Strategy, as documented in FAO's new Private Sector Engagement Strategy,³ in addition to input from external experts, including from the agri-business sector and the Global Crop Diversity Trust.

22. The Funding Committee also developed and finalised a Food Processing Industry Engagement Plan as contained in {insert hyperlink or name of document}. The plan is designed to be a living document and sets out an iterative or "step-wise" approach that allows the development, testing and refining of concepts, approaches and tools to inform a targeted and effective set of actions for the Treaty's engagement with the Food Processing industry, as relevant and appropriate.

23. The Committee received briefings on, and provided inputs to, FAO's preparatory work for the 8th Replenishment of the Global Environment Facility (GEF-8). In doing so, the Committee welcomed FAO's proposed strong engagement with the Treaty in developing priority areas of work for GEF-8. It

² In its discussions on work-stream 'iv', *Provision of criteria as called for in Article 13.4 of the Treaty*, the Committee discussed a small discrepancy in language between Article 13.4, which states that the Governing Body shall consider relevant "policy and criteria" for specific assistance and that of paragraph 29k of Resolution 3/2019, which refers to the development of relevant "policy criteria" for specific assistance. The Committee considered that the matter might be resolved by updating the reference in paragraph 29k of Resolution 3/2019, as appropriate, to reflect the exact language of Article 13.4 of the Treaty.

³ FAO's Strategy for Private Sector Engagement 2021-2025: <http://www.fao.org/3/nd961en/nd961en.pdf>

also welcomed the proposed initiatives of FAO to further raise the profile of the Treaty by working with other GEF agencies such as UNDP and UNEP, as well as the opportunities presented to build capacity, demand and actions in recipient countries for designing and accessing innovative projects on PGRFA.

24. The Committee also received briefings and provided advice on several joint resource mobilization initiatives between the Treaty Secretariat and the Global Crop Diversity Trust. This included the proposal for the launch of a Food Security Bond, the establishment of the Emergency Reserve for Genebanks, support to Global Conservation Strategies, the BOLD programme, which is a new global initiative in support of national genebanks, and numerous joint communication and outreach activities.

25. The Operational Plan anticipates a number of other activities to take forward in the 2022-2023 biennium, under the Resource Mobilization work-stream. This includes operationalising the Food Processing Industry Engagement Strategy, undertaking activities to promote the greater integration of the Treaty in bilateral programs, international mechanisms, funds and bodies, and carrying out communication, visibility and donor outreach initiatives.

B. BENEFIT-SHARING OPERATIONS

26. Through the adoption of the updated Funding Strategy, the Governing Body delegated the authority for the operations of the Benefit-sharing Fund during the biennium to the Standing Committee on the Funding Strategy and Resource Mobilization (the Funding Committee).⁴

27. As requested by the Governing Body, a report on the Benefit-sharing Fund is provided through {insert document reference}. The Report provides details on the operations of the Benefit-sharing Fund.

28. The Funding Committee reviewed the requests made by the Governing Body through Resolution 3/2019 and its Annexes related to the Benefit-sharing Fund, and noted that they encompass activities concerning individual BSF cycles as well as the broader BSF program and operations for the 2020-2025 period. The Committee has developed major milestones and outputs for the individual BSF 3-6 project cycles, and the BSF program and operations overall for the 2020-2025 period, as detailed in the Operational Plan.

29. The Committee developed and finalised the BSF Monitoring, Evaluation and Learning (MEL) Framework based on the requirements set out in the BSF Operations Manual.⁴ This includes linking outcomes and outputs within the storyline and BSF Theory of Change, with clear targets and indicators established to enable the monitoring and evaluation of projects and programs. The document is provided through {insert document reference} and contains a number of innovations, including:

- i. Learning is enabled within and between projects and programmes and the external environment;
- ii. An integrated approach to monitoring, evaluation and reporting;
- iii. Communication, learning and knowledge management is connected to the BSF reporting system;
- iv. BSF outreach and visibility is further streamlined and linked to knowledge management;
- v. Independent Evaluation is enhanced to include a review of the BSF programmatic approach in addition to individual project cycles.

30. The Committee undertook an extensive process to develop, finalise and launch the Fifth Cycle of the Benefit-sharing Fund (BSF-5). It took into account the programmatic approach of the new Funding Strategy, the BSF Operations Manual, which sets out the basis for programming funding cycles for the 2020–2025 period including new modalities for fund allocation, and the newly finalised MEL Framework that incorporates learnings from previous project cycles, including those arising through the

⁴ Resolution 3/2019 paragraph 31, Annex 2: Operations Manual: Benefit-sharing Fund available at <http://www.fao.org/3/nb780en/nb780en.pdf>

independent evaluation of BSF-3. Virtual briefings for Regional Groups were also organised to assist the Committee in the finalisation of BSF-5. Approximately USD 9.3 million is available for BSF-5 as of February 2022. The Call for Proposals for BSF-5 was developed by the Secretariat under the guidance of the Committee. [The Bureau subsequently reconvened the independent Panel of Experts to conduct the review of project proposals and the Committee launched BSF-5 on {date}].

31. Following the conclusion of the first phase of the independent evaluation of the third cycle of the Benefit-sharing Fund, the Committee was briefed on its outcomes through a special webinar, which included a presentation by the independent evaluation team on the results. The full report is provided to the Governing Body through {insert document reference}, for its information.

32. The focus of activities for the Benefit-sharing Fund Operations, in the 2022-2023 biennium, will largely be on the launch and implementation of BSF-5 and some of its new features, particularly those related to knowledge and learning.

C. MONITORING, LEARNING AND REVIEW

33. Through the Operational Plan, a monitoring, learning and review cycle has been established for the 2020-2025 strategic period that enables the regular monitoring and review of the implementation of the Funding Strategy, as requested by the Governing Body through Resolution 3/2019 and its Annexes.

34. The Operational Plan sets out major milestones and outputs for each biennium over the 2020-2025 period, as summarised below:

- i. For **monitoring**, it includes the development and use of tools for the ongoing monitoring of Funding Strategy implementation, including the BSF MEL framework, the further development of the Matrix of Funding Tools, and a methodology for measuring non-monetary benefit sharing. Since GB-8, the Committee has finalised and implemented the BSF MEL Framework, and is taking forward the development of the remaining tools in the current 2022-2023 biennium.
- ii. For **review and learning**, it includes regular reviews and updates of the Operational Plan and Funding Strategy. It also includes periodic reviews of the target for the Funding Strategy and that of the Benefit-sharing Fund, and of financial flows to Treaty implementation. A five-year review of the overall Funding Strategy, and the BSF program and operations is also planned. Since GB-8, the Committee has regularly reviewed and updated its Operational Plan, with further reviews foreseen in the 2022-2023 biennium.
- iii. For **reporting**, it includes biennial reports of the Committee to the Governing Body, such as this report to GB-9. Biennial reports from Contracting Parties and others on the implementation of the Funding Strategy are also foreseen starting in the 2022-2023 biennium. A 5-year report on the implementation of the Funding Strategy and a new Funding Strategy 2025+ is expected to be put to GB-12 for review.

35. The focus of work in the 2022-2023 biennium for Monitoring, Review and Learning, includes the development and use of monitoring tools, as well as reviews of the implementation of the Funding Strategy, its targets, and of financial flows to areas of Treaty implementation.

DRAFT RESOLUTION [XX]**THE GOVERNING BODY,**

Recalling Articles 13.2, 13.3, 18 (in particular 18.4) and 19.3f of the International Treaty;

Recalling Resolution 3/2019 through which the Funding Strategy of the International Treaty for the period 2020 to 2025 was adopted, in order to enhance the availability, transparency, efficiency and effectiveness of the provision of financial resources to implement activities under this Treaty, and through which it decided to make the Committee a standing Committee;

1. *Welcomes* the report of the Standing Committee on the Funding Strategy and Resource Mobilization (the Funding Committee) and the progress made in implementing the Funding Strategy since its adoption;

PART I: FUNDING STRATEGY

2. *Notes* that the first three years of the Funding Strategy 2020-2025 has been implemented mostly during the COVID-19 pandemic and which has significantly affected and will continue to affect the global policy, fiscal and operational environment, and *requests* the Committee to consider the resulting impacts, challenges and opportunities in taking forward its work on implementing and making recommendations for updating the Funding Strategy.

3. *Requests* the Funding Committee to continue to play a leading role in advancing the realization and monitoring of the Funding Strategy in order to provide the necessary strategic guidance as well as operational oversight of relevant processes and activities relating to the Funding Strategy;

4. *Calls* upon FAO to prioritize the delivery of programmes and projects supportive of implementation of the Treaty, and to support the nexus between biodiversity and climate change, in particular, through its involvement in the Global Environment Facility and Green Climate Fund, as appropriate, and to actively contribute to the work of the Committee;

5. *Recalls* that the Global Crop Diversity Trust is an essential element of the Funding Strategy and *thanks* it for the significant efforts made to engage with the Committee as an active observer, providing advice to the work of the Committee, and collaborating with the Treaty Secretariat on a number of joint resource mobilization and communication initiatives;

6. *Notes* with concern, the absence or low participation of some regions in the meetings of the Funding Committee, and *urges* Regional Groups and Contracting Parties to consider both expertise and availability in nominating members to the Committee.

7. *Notes* the inconsistency in language between paragraph 29k of the Funding Strategy of the International Treaty 2020 – 2025, as contained in *Annex 1* to Resolution 3/2019, which refers to the development of relevant “policy criteria” for specific assistance, and that of Article 13.4 of the Treaty, which states that the Governing Body shall consider relevant “policy and criteria” for specific assistance, and *agrees to amend* the text of the said paragraph to read “policy and criteria”, so as to reflect the exact language of the Treaty.

8. *Decides* that the costs of the meetings of and the preparatory work for the Committee, up to [X] shall be included in the Core Administrative Budget as may be adopted by the Governing Body, supplemented by any voluntary contributions made available for that purpose, and requests the Secretary to include such costs into the Core Administrative Budget that is presented to the Governing Body for approval at its Regular Sessions;

9. *Calls* on donors to support developing countries and the Secretary with the costs of the work of the Committee.

PART II: RESOURCE MOBILIZATION

10. **Encourages** Contracting Parties to mobilize resources from various sources to meet the targets of the Funding Strategy;
11. **Thanks** the Funding Committee for developing a strategy to mobilize funds from food processing industries, as requested by the Governing Body, and as called for in Article 13.6 of the Treaty.
12. **Approves** the Food Processing Industry Engagement Strategy, as contained in the *Appendix* to this Resolution, and **requests** the Committee to implement the Strategy and provide regular updates to the Governing Body on its implementation;
13. **Thanks** Germany, Italy, Ireland, Norway, Sweden and Switzerland for their financial contributions during the period 2020-2022 to the Fund for Agreed Purposes of the International Treaty and other funds under the direct control of the Governing Body, and **encourages** other Contracting Parties and donors to also make financial contributions to the Fund to further support the implementation of the International Treaty;
14. **Welcomes** the financial contributions made by the European Union, Italy, the Netherlands, Norway and Switzerland in support of the fifth cycle of the Benefit-sharing Fund;
15. **Acknowledges** and **thanks** the French Inter-professional Organisation for Seeds and Plants (SEMAE) for the generous annual contributions in the 2020-2021 biennium of a sum of € 175 000 each year to the International Plant Treaty's Benefit-Sharing Fund, and **appeals** to other stakeholders and relevant actors in the private sector, especially the seed and the food processing industries, to consider making voluntary contributions on a multi-annual basis;
16. **Welcomes** the further payments of the mandatory user-based income from the Multilateral System on Access and Benefit-sharing to the Benefit-sharing Fund, and **stresses** the urgent need for ensuring an enhanced and predictable flow of resources to the Fund;
17. **Invites** the private sector and others to make or continue making and increasing financial contributions in order to meet the targets of the Funding Strategy;
18. **Recalls** that text regarding a target range for the Benefit-sharing Fund remains bracketed in paragraph 36 of the Funding Strategy 2020-2025, and **notes** the need to resolve this matter;
19. **Emphasizes** the importance of continuing the work on resource mobilization, communication, promotion and the International Treaty's branding and media presence to enhance funding for, and the visibility of the Benefit-sharing Fund and the Fund for Agreed Purposes of the International Treaty, in particular, and for the Funding Strategy;

PART III: BENEFIT-SHARING FUND OPERATIONS

20. **Thanks** the Funding Committee for providing guidance to the operations of the Benefit-sharing Fund during the biennium and, in particular, for its work in the design and launch the fifth cycle of the Benefit-sharing Fund, which contributes to the realization of the programmatic approach for the fund, as adopted by the Governing Body;
21. **Welcomes** the finalization of the Monitoring, Evaluation and Learning (MEL) Framework of the Benefit-sharing Fund as an integral part of the monitoring of the overall Funding Strategy as is described in Section V of the Funding Strategy that links outcomes and outputs within the storyline and Theory of Change of the Benefit-sharing Fund, with clear targets and indicators established to enable the monitoring and evaluation of projects and programmes;
22. **Welcomes** the Report of the Independent Evaluation of the Fourth Project Cycle in accordance with the Operations Manual of the Fund, and **notes** that the Funding Committee has made use of the

recommendations and lessons learned from the evaluation in the design of the fifth project cycle of the Benefit-sharing Fund.

23. ***Stresses*** the importance of communicating the results of the on-going projects under the fourth project cycle and the expected results of the fifth project cycle within the framework of the broader communication strategy of the International Treaty;

PART IV: MONITORING, LEARNING AND REVIEW

24. ***Invites*** Contracting Parties, international mechanisms, funds, bodies, stakeholder groups and other international organizations to provide information to the Secretary to assist the Funding Committee in undertaking regular reviews of the Funding Strategy and ***requests*** the Funding Committee to continue to work in collaboration with the Compliance Committee so as to agree the best way to integrate information in existing reporting formats.

25. ***Calls*** upon Contracting Parties to share information about the results of the further integration of PGRFA in national budgets and priorities with the Secretariat for the development of strategic tools that National Focal Points and others can use to leverage new resources;

26. ***Invites*** relevant international mechanisms, funds and bodies, stakeholder groups and other international organizations to provide information to the Secretariat that will enable the Committee to better leverage funding for Treaty implementation and the delivery of non-monetary benefit-sharing.