Summary of the 11th Meeting of the Ad Hoc Open-ended Working Group to Enhance the Functioning of the Multilateral System of the International Treaty on Plant Genetic Resources for Food and Agriculture: 16-18 April 2024

Plant genetic resources for food and agriculture (PGRFA) are the raw material for agricultural innovation. They are the result of farmers’ seed-related practices throughout agricultural history. They help increase and diversify food production and play a key role in strengthening resilience to pests and diseases and ensuring adaptation to climate change.

The 2001 International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA) established a Multilateral System (MLS) of access and benefit-sharing through a Standard Material Transfer Agreement (SMTA). The MLS facilitates access to a list of crops considered vital for food security (Annex I of the Treaty), while institutionalizing monetary and non-monetary benefit-sharing from the use of these resources. The benefit-sharing component, however, did not live up to expectations, leading parties to convene an Ad Hoc Open-ended Working Group to Enhance the Functioning of the MLS in 2013.

In the long history of the negotiations, the June 2019 draft package represents a “significant moment of compromise and trust.” The eleventh meeting of the Working Group, co-chaired by Michael Ryan (Australia) and Sunil Archak (India), used that package as a basis for negotiations. It includes a draft revised SMTA, draft amendment of Annex I, and draft resolution on implementing the enhancement of the MLS. The meeting aimed to have a frank exchange of views and improved understanding of positions on the three identified “hotspots”: digital sequence information/genetic sequence data; expansion of the list of crops in Annex I; and payment structure and rates. Held in a constructive atmosphere characterized by respectful and knowledgeable debates, the meeting paved the way for text-based negotiations to begin at the Working Group’s 12th meeting in September 2024 on the basis of a Co-Chairs’ negotiating draft, which will be shared in July 2024.

The Working Group met from 16-18 April 2024 at the headquarters of the Food and Agriculture Organization (FAO) in Rome, Italy. Attracting approximately 60 participants, the Working Group is composed of spokespersons from the FAO regional groups and stakeholders, including farmers’ organizations, civil society, the seed industry, and research and academia, including the CGIAR.

A Brief History of the Treaty

Concluded under the auspices of the FAO, the Treaty is a legally-binding instrument that targets the conservation and sustainable use of PGRFA, and fair and equitable sharing of the benefits arising out of their use for sustainable agriculture and food security, in harmony with the Convention on Biological Diversity (CBD). It establishes an MLS for facilitated access to a specified list of PGRFA including 35 crop genera and 29 forage species (Annex I), and institutionalizes monetary and non-monetary benefit-sharing from the utilization of these resources in the areas of commercialization, information exchange, technology transfer, and capacity building.

The Treaty was adopted on 3 November 2001 by the FAO Conference, following seven years of negotiations. It entered into force on 29 June 2004, and currently has 151 parties.

Key Turning Points

GB 1: The first session of the Treaty’s Governing Body (GB) (June 2006, Madrid, Spain) adopted the SMTA and the Funding Strategy. The SMTA includes provisions on a benefit-sharing scheme, providing two options. First, the recipient can choose to pay 0.77% of gross sales from commercialization of new products incorporating material accessed from the MLS, if its availability to others for further research and breeding is restricted. Alternatively,
the recipient can choose to pay 0.5% of gross sales on all PGRFA products of the species they accessed from the MLS, regardless of whether the products incorporate the material accessed and regardless of whether the new products are available without restriction. The GB further adopted:

- its rules of procedure, including decision making by consensus;
- financial rules with bracketed options on an indicative scale of voluntary contributions or voluntary contributions in general;
- a resolution establishing a Compliance Committee;
- a relationship agreement with the Global Crop Diversity Trust; and
- a model agreement with CGIAR and other international institutions.

**GB 5:** The fifth session of the GB (September 2013, Muscat, Oman) established the **Ad hoc Open-ended Working Group to Enhance the Functioning of the MLS**, with the mandate to develop measures to increase user-based payments and contributions to the Benefit-sharing Fund (BSF), as a priority, as well as additional measures to enhance the functioning of the MLS. GB 5 also adopted a resolution on the funding strategy for the BSF and a work programme on sustainable use.

The Working Group met four times during the intersessional period (May 2014, December 2014, June 2015, and October 2015).

**GB 6:** The sixth session of the GB (October 2015, Rome, Italy) adopted a work programme for the Global Information System and extended the mandate of the Working Group on the MLS, requesting it to:

- elaborate a full draft revised SMTA;
- elaborate options for adapting coverage of the MLS, based on different scenarios and income projections; and
- consider issues regarding genetic information (now referred to as digital sequence information/genetic sequence data (DSI/GSD)) associated with material accessed from the MLS.


**GB 7:** The seventh session of the GB (October-November 2017, Kigali, Rwanda) extended the mandate of the Working Group on the MLS, requesting it to:

- continue revision of the SMTA;
- develop a proposal for a growth plan to attain the enhanced MLS; and
- elaborate criteria and options for possible adaptation of the coverage of the MLS.

GB 7 further established an **Ad Hoc Technical Expert Group on Farmers’ Rights**; reconvened the **Ad Hoc Advisory Committee on the Funding Strategy and Resource Mobilization**; and decided to put DSI on the GB 8 agenda.

**Ninth meeting of the Working Group on the MLS:** At its ninth meeting (June 2019), the Working Group reached a tentative compromise to amend Annex I of the Treaty (list of crops in the MLS), to include all PGRFA under the management and control of parties and in the public domain, in *ex situ* conditions, while allowing for reasoned national exemptions regarding a limited number of native species. The Working Group also agreed on a package of measures, allowing for simultaneous adoption of the revised SMTA and the amendment of Annex I. Negotiations continued on the draft revised SMTA. Consensus was reached on several provisions, with DSI/GSD and rates for benefit-sharing payments remaining as the main outstanding issues, and the meeting was suspended to allow for additional time to finalize negotiations.

However, at the resumed ninth meeting (October 2019), the Working Group was unable to bridge positions between developed and developing countries. Working Group Co-Chairs Hans Hoogeveen (Netherlands) and Javad Mozafari (Iran) issued a compromise proposal on a package of elements, addressing benefit-sharing payment rates, benefit-sharing from DSI/GSD, and the review of the enhanced MLS, but consensus was elusive. Deep principled divergences remained, in particular regarding benefit-sharing payments from the use of DSI/GSD.

**GB 8:** At its eighth session (November 2019, Rome, Italy), the GB did not reach agreement on the package of measures to enhance the functioning of the MLS, after six years of negotiations, nor on continuing intersessional work.

**GB 9:** At its ninth session (September 2022, New Delhi, India), the GB reestablished the Working Group on enhancing the functioning of the MLS, in a decision hailed as the main achievement of the meeting, and appointed Sunil Archak (India) and Michael Ryan (Australia) as Working Group Co-Chairs. GB 9 also addressed issues related to cooperation with the CBD, including on DSI/GSD, and finalized a set of options for encouraging, guiding, and promoting the realization of farmers’ rights.

**10th meeting of the Working Group on the MLS:** The Working Group met from 12-14 July 2023 and agreed to use, as a starting point for the resumed negotiations, the “June 2019 draft package,” which includes a draft revised SMTA, draft amendment of Annex I, and a draft resolution.

**GB 10:** At its tenth session (November 2023, Rome), the GB endorsed the suggestion of the Working Group to use the June 2019 draft package as a starting point for further work. It decided to hold four intersessional meetings of the Working Group, to allow for sufficient progress on the negotiations to enhance the MLS, focusing on three identified “hotspots”: DSI/GSD; expansion of the list of crops in Annex I (crops covered under the MLS); and payment structure and rates. The meeting highlighted the need to ensure close collaboration with the CBD and reconvened the Ad Hoc Technical Expert Group on farmers’ rights.

**Working Group Report**

On Tuesday, 16 April 2024, Working Group Co-Chair Sunil Archak (India) noted the SMTA is used 17 times per day, amounting to a total of 1.1 million accessions since the launch of the MLS, emphasizing the success of the MLS and its importance as a model for other access and benefit-sharing (ABS) fora. He drew attention to the difficulty of making a business “out of the noble idea of sharing material” and highlighted the opportunity to ensure the mechanism keeps pace with technological advancements.

Working Group Co-Chair Michael Ryan (Australia) pointed to the positive trend in the number of accessions, noting however that the majority comes from CGIAR centers and public bodies. Presenting a brief history of the negotiations on enhancing the MLS, he reiterated the Working Group’s goal of increasing the mechanism’s attractiveness to commercial users. Setting the frame for discussions, he noted that GB 10 refined the mandate of the Working Group to focus on the three hotspots, and called for submissions on other issues after this Working Group session.
Organizational Matters: The Working Group adopted the agenda and timetable (IT/OWG-EFMLS-11/24/2), with the addition of presentations to feed into discussions on DSI/GSD, the expansion of the MLS, and seed market profitability. It was noted that an informal session on Thursday morning would focus on DSI/GSD.

Opening Statements: NORTH AMERICA recalled the June 2019 draft package was the result of significant compromise and emphasized the need to maintain careful balance for the process to succeed. EUROPE thanked the Co-Chairs for facilitating an inclusive process and assured of its willingness to engage. The LATIN AMERICAN AND CARIBBEAN GROUP (GRULAC) lauded the documents prepared by the Co-Chairs, noting they were especially helpful for delegates to grasp the evolution of the enhancement discussions. AFRICA called upon all to display willingness to compromise, noting that this is “the last chance” for the enhancement process.

SOUTHWEST PACIFIC reiterated the June 2019 draft package is a good starting point. NEAR EAST stressed the need to ensure monetary and non-monetary benefit-sharing, and highlighted issues that need further consideration, including dealing with rare and threatened species, DSI, and intellectual property rights (IPRs).

ASIA noted the region has no unified position on whether to aim for full or partial expansion of Annex I. On payment structure, she suggested a combination of a subscription and single-access option, adding that a compromise could be achieved at a later negotiation stage on payment rates.

FARMERS ORGANIZATIONS emphasized the need to address IPRs in relation to DSI, noting the issue is highly problematic for farmers and the Global South. The SEED INDUSTRY welcomed further exchanges on DSI and its role in the breeding process, cautioning that discussions on principles do not foster a solution. She underscored the importance of expanding Annex I, also for facilitating the diversification of diets, and noted that a payment system combining a subscription option with revised SMTA Articles 6.7 and 6.8 (benefit-sharing under single access) would address needs of all users. CIVIL SOCIETY emphasized the need to consider the issues of expansion and benefit-sharing on an equal footing, noting some paragraphs on expansion agreed ad referendum in the June 2019 draft package should be reconsidered.

June 2019 Draft Package

On Tuesday, Co-Chair Ryan presented the Co-Chairs’ note on the June 2019 draft package (IT/OWG-EFMLS-11/24/3), stressing the package represents a “significant moment of compromise and trust” in the process. He recalled that it includes a draft amendment of Annex I, a draft revised SMTA, and a draft resolution. He highlighted two key compromises in the MLS enhancement process, in relation to expanding Annex I to “all PGRFA” while allowing parties to define national exemptions. On the draft revised SMTA, he outlined details on the subscription system and discussions on a single-access option, as well as provisions on definitions, enforcement and dispute settlement, reporting and monitoring, and PGRFA under development. He further said the draft resolution includes a section linking mandatory payments with benefit-sharing from the use of DSI/GSD (referred to as “PGRFA information” at the time), which was not agreed.

Co-Chair Ryan noted that the Co-Chairs will prepare a revised negotiating text based on the June 2019 draft package and discussions held since, to be considered at the 12th Working Group meeting in September 2024. He advised against reopening text agreed ad referendum in the June 2019 draft package and called for suggestions on areas requiring further work beyond the three hotspots.

Expansion of Annex I: ASIA requested referring to “exemption lists” rather than “negative lists,” saying the term is less dismissive. EUROPE noted that, in the June 2019 package, exemptions are addressed in both the draft resolution and the revised SMTA and proposed consolidating the matter under the SMTA for increased coherence and clarity. The REPUBLIC OF KOREA recalled that while “all PGRFA” sounds wide, it is limited by the scope of the Treaty itself and the fact that parties can declare exemptions.

Benefit-sharing: On a dual payment structure, which combines a subscription system and a single-access option, AFRICA noted that all commercial users would prefer the latter; and called for developing a subscription system that also provides for one-time access, adding that “in a library, the system accommodates you no matter how many books you borrow in a year.” NEAR EAST noted the importance of a unified approach with a single method of access. GRULAC emphasized the need to enforce mandatory payments in both payment systems, especially the single-access option, and highlighted the need for a mechanism for benefit-sharing payments that enforces traceability and aids detection of non-payers.

AFRICA called for exploring opportunities beyond user-based payments, pointing to lessons learned from the Planet Impact Fund (CBD/WGDSI/1/2/Add.2/Rev.1). Co-Chair Ryan said this matter could be brought to the attention of the Advisory Committee on the Funding Strategy. The Philippines, on behalf of the DEVELOPING COUNTRIES OF ASIA, called for specifying non-monetary benefit-sharing. She also emphasized the importance of addressing DSI/GSD in the revised SMTA. EUROPE called for also using the SMTA for domestic exchanges to enhance monetary benefits flowing into the MLS.

On exempting public institutions from benefit-sharing obligations, FARMERS ORGANIZATIONS highlighted that most public institutions who are involved in research and breeding in developing countries are institutions from the Global North that have partnership agreements with the seed industry, questioning whether they should benefit from such exemptions. On exemptions based on the percentage of the MLS material in the genetic composition of the final product, they argued that a 6.25% threshold makes little sense, as patents are frequently obtained for traits corresponding to 0.2% or less of the genetic material.

Other Issues: NORTH AMERICA reiterated their support for retaining language agreed ad referendum. The US said no new elements should be introduced at this time. CANADA noted there is uncertainty surrounding the applicability of the SMTA for non-food and feed uses of PGRFA, suggesting that changes to SMTA Article 6.1 (uses of MLS material), and possibly the Treaty, will be required to address it. GRULAC cautioned against bringing elements such as DSI and its role in the breeding process, cautioning that discussions on principles do not foster a solution.

CIVIL SOCIETY requested some flexibility on reopening text agreed ad referendum.
CGIAR called for addressing requests of MLS material for non-food and feed uses and for direct use by farmers. He further suggested the draft resolution address incentives for sharing material, including by linking them to non-monetary benefit-sharing, and DSI governance, especially conditions for making DSI available and ensuring the data remains available.

CIVIL SOCIETY underscored the need to enhance transparency on transfers of MLS material, noting that farmers and communities have an interest in knowing what happens to the seeds they contribute. Highlighting the example of a recipient making DSI available in a public database, which goes beyond PGRFA purposes, he echoed the call for addressing DSI governance. Drawing parallels with the health sector, he pointed to the possibility of data analytics entities deriving monetary benefits, and emphasized that the MLS, with its focus on the seed sector, does not currently capture this.

EUROPE, with NORTH AMERICA AND JAPAN, highlighted that not all parties have notified the GB about the material they contribute to the MLS and emphasized the need for enhanced compliance. GRULAC, with NEAR EAST, noted that developing countries’ compliance depends on their genebanks’ capacity and thus on developed countries’ compliance with their funding obligations.

FARMERS ORGANIZATIONS urged respecting farmers’ right to free, prior, and informed consent before depositing farmers’ varieties into national collections, further noting that material developed by farmers is always “under development” and thus at the discretion of its developer in accordance with Treaty Article 12(3)(a) (PGRFA under development).

Draft Resolution: Co-Chair Ryan invited views on the draft resolution. CIVIL SOCIETY highlighted the need for clarification on which patents are allowed under ITPGRFA Article 12(3)(d) (IPRs on MLS material). They also stressed the need to clarify that the exemption of public institutions and other stakeholders applies to payments only, and not to legal obligations under the SMTA.

NORTH AMERICA, supported by the REPUBLIC OF KOREA, opposed exemptions for developing country public institutions and said consistent criteria based on profits should be applied across countries.

During discussions on the transitional period and review of the enhanced MLS, CIVIL SOCIETY called for addressing what would happen if the expected level of user-based income is not reached. EUROPE emphasized laying out a way forward should the availability of and access to material within the MLS not be up to expectations.

Developments in Other Relevant Fora

Kathryn Garforth, CBD Secretariat, highlighted that the CBD’s Ad Hoc Open-ended Working Group on Benefit-sharing from the Use of Digital Sequence Information on Genetic Resources (DSI OEWG) agreed to consider five clusters of issues: contributions to the fund; disbursement of funds; non-monetary benefit-sharing; governance; and relation to other approaches and systems. She also noted that an open-ended informal advisory group meets virtually once a month; and the drafts of commissioned studies will be available for peer review in May 2024.

Álvaro Toledo, Deputy Secretary, ITPGRFA Secretariat, said the Intergovernmental Negotiating Body for a World Health Organization (WHO) pandemic treaty is approaching a critical milestone, with the 77th World Health Assembly convening in May 2024. He noted there is no update with regard to the Treaty for the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction (BBNJ Treaty), which was adopted in June 2023 but has yet to enter into force.

NORTH AMERICA stressed the importance of communication between the Treaty and CBD Secretariats and between the Working Group Co-Chairs and the Co-Chairs leading the CBD’s discussions on DSI-related benefit-sharing.

CIVIL SOCIETY highlighted that CBD Article 15 recognizes the sovereign rights of states over their natural resources and that CBD Decision 15/9 foresees that a solution for fair and equitable benefit-sharing on DSI on genetic resources should take into account the rights of Indigenous Peoples and local communities, including with respect to the traditional knowledge associated with genetic resources that they hold (CBD/COP/DEC/15/9). He noted the WHO pandemic negotiations consider access and benefit-sharing on an equal footing and pay due attention to non-monetary benefit-sharing.

ASIA emphasized that CBD Article 15 relates to natural resources, not DSI, and that the concept of country of origin relates to in situ resources. CIVIL SOCIETY noted that sovereignty over genetic resources should include data extracted from them.

FARMERS ORGANIZATIONS cautioned against emulating the CBD approach, underscoring that, contrary to the Treaty, it builds on bilateral benefit-sharing and does not provide for facilitated access. Noting the need for clarity on terminology on patent implications of DSI, he called upon the relevant parties to explain why they do not consider genetic information to be plant genetic resources.

ASIA suggested the term GSD, rather than DSI, is more appropriate in the Treaty context, with the REPUBLIC OF KOREA stressing the need for a definition.

Presentations

CGIAR Practices and DSI/GSD: On Tuesday, Ruairidh Sackville Hamilton, CGIAR, presented on CGIAR Centers’ practices in the generation, deposit, sharing, and use of DSI for research and breeding, addressing the challenges the Treaty faces in relation to the use of DSI/GSD. He stressed that while measuring the percentage of contribution of the MLS material to the final product made sense for calculating benefit-sharing in traditional in vivo breeding methods, the extensive use of DSI/GSD makes this approach irrelevant. He explained that DSI-related technologies enable in vitro and in silico replications that bypass the provisions of the CBD and the Treaty by sourcing desired sequences from private collections. However, he highlighted that the Treaty does not specify a method of replication and, as such, can be interpreted as covering in vitro and in silico replications without amendment.

Finally, he stressed that fair and equitable benefit-sharing can only be achieved by delinking payment obligations from incorporation of DNA sequences into final products, and indexing payment levels on entire whole portfolios of products, regardless of whether they were developed by using accessed DSI or not.

A question and answer session focused on topics such as:
- monitoring and enforcing the prohibition of IPRs on MLS material;
- the importance of delinking access from benefit-sharing; and
- the differences between gene editing and synthetic biology in relation to the scope and enforcement of the Treaty.
Co-Chair Archak suggested a future CGIAR presentation could specifically address commercial uses.

The Plants that Feed the World: Colin Khoury, San Diego Botanic Garden, presented insights from the FAO’s “The plants that feed the world” report. He noted it synthesizes large amounts of information on, among others, crop use, production, consumption, and trade, as well as supply, demand, and safety backup of crop genetic resources. The report also highlights information on specific issues of relevance, such as oil crops, plant-based protein crops, PGRFA and climate change, biofuel crops, and DSI. Main findings include:

- crops not considered important on a global or regional scale a few decades ago have become widely used;
- genebanks and botanic gardens appear to complement each other with different crops; and
- while much has been duplicated in the Svalbard Global Seed Vault, particularly major cereals, many of the world’s ex situ accessions are not documented as safely duplicated.

In terms of future work, he pointed to broadening the scope of crops reported in FAO’s Corporate Statistical Database and enhancing alignment and standardization among data repositories.

Follow-up questions related to, among others: the difficulty and desirability of ranking crops in terms of international importance; gaps between accessions and coverage in the MLS; information on crop wild relatives; trends in terms of diversification and investments in neglected and underutilized crops; and non-feed uses of crops.

Seed Market Profitability: On Wednesday, Jonathan Shoham, S&P Global, presented a report on seed company sales and profit. He underlined that, in 2023, research and development (R&D) investments amounted to 15% of seed sales, making it one of the most intensive areas of R&D, even higher than in health industries and information and communication technology services. He provided a breakdown of the largest crops in terms of seed sales, noting these are evenly split between conventional and genetically modified (GM) seeds. He highlighted increased market consolidation in recent years, underlining Bayer’s acquisition of Monsanto, with ten companies that exceed USD 500 million in sales each controlling 75% of the market.

The discussion session highlighted:

- certainty around the definition of “sales” in the market;
- transfer of IPRs associated with mergers and acquisitions;
- the high rate at which GM crops replace landraces;
- lack of data about the size of non-business, informal, and public seed sectors; and
- lack of data on farmers’ R&D contribution and expenditure.

Co-Chairs’ Options on the Hotspots

The Working Group discussed the item on Wednesday and Thursday.

Expansion of Annex I: The session started with an informal exercise, during which delegates were asked to move to different parts of the conference room depending on their position on full versus partial expansion of Annex I.

Co-Chair Ryan then introduced the Co-Chairs’ options paper (IT/OWG-EFMLS-11/24/5). He drew attention to the Co-Chairs’ assessment that the most promising option is the full expansion to all PGRFA as outlined in the June 2019 package, possibly coupled with additional conditions and specifications and a degree of flexibility for countries and regions through lists of exemptions. Responding to a question by North America, he noted that regional exemption lists, as opposed to national ones, may be attractive to some groups or parties.

CIVIL SOCIETY highlighted that CGIAR and developed-country genebanks already use the SMTA for non-Annex I crops, resulting in non-Annex I crops being included in the MLS, and called for clarity about the exact benefits of full expansion. NORTH AMERICA noted that using the SMTA for non-Annex I crops is a national decision, while expanding the MLS to all PGRFA will bring legal clarity for everyone. FARMERS ORGANIZATIONS stressed the need to prioritize discussions on farmers’ rights, benefit-sharing, and patents on DSI, before deliberating expansion.

ASIA said the region has divergent positions on the issue, with provider countries having concerns about their native and unique species and farmers’ varieties, and user countries wishing to ensure legal certainty and clarity for recipients. The REPUBLIC OF KOREA drew attention to potential unexpected discrepancies between an MLS allowing for exemptions and an unconditional mechanism for benefit-sharing on DSI under the CBD. NEPAL said that expansion should respond to specific criteria, provide evidence of impact on biodiversity conservation on-farm, and protect farmers’ rights to their material.

NEAR EAST said that most parties in the region prefer progressive expansion to all ex situ PGRFA controlled by parties, allowing for national exemptions. EUROPE cautioned against a solution requiring multiple ratifications.

AFRICA and CIVIL SOCIETY stressed the need to clarify the proposed expansion to “all PGRFA,” with AFRICA adding that a positive list of PGRFA in the MLS, rather than negative lists of exemptions, could result in a more effective enhancement of the system. NEAR EAST and SOUTHWEST PACIFIC queried the meaning of “all PGRFA” in relation to wild food plants and multiple-use crops. SOUTHWEST PACIFIC proposed the creation of a positive list based on what constitutes PGRFA under the Treaty and is currently not included in Annex I, before deciding on exemption lists.

NORTH AMERICA called for concrete examples illustrating challenges and concerns with full expansion. GRULAC responded that they wish to maintain certain collections of endemic species outside the MLS for strategic reasons, including to have bilateral negotiations with users, offering the example of Ecuador’s collection of cocoa. They announced their agreement on fully expanding Annex I to all PGRFA under the management and control of parties and in the public domain, in ex situ collections, with exemption lists declared at the moment of ratification, noting however that not all countries in the region are present and emphasizing the need for regional consultations. They suggested taking into consideration wording from the October 2019 negotiations, which specifies that parties can “declare during ratification a limited number of species native to its territory and/or landraces/farmers’ varieties generated and used in their territories” that will not be made available under the MLS.

CIVIL SOCIETY asked whether parties could define exemption lists only at the time of ratification or also later; and whether species that are currently not used for food and agriculture purposes would automatically be covered under the MLS if they become used for

 botanical resources. He underlined the importance of strengthening the MLS as a tool to ensure access to plant genetic resources for the food and agriculture sector, particularly in the context of climate change and biofuel crops.
these purposes later. He further proposed a process that does not require repeated ratifications, thus easing partial expansion. ASIA emphasized the need to ensure expansion enhances benefits for farmers and to curtail free-riding, citing the example of non-parties accessing data on PGRFAs through CGIAR genebanks.

Co-Chair Ryan specified the idea of full expansion, as presented in the June 2019 package, is associated with safeguards to accommodate parties’ concerns and protect strategic advantages of bilateral benefit-sharing arrangements under the Nagoya Protocol on ABS. On exemption lists, he noted the understanding that parties will keep their lists under review. Co-Chair Archak clarified that exemption lists would not be defined at the multilateral level, and would include a list of materials exempted from facilitated access, notwithstanding what other parties choose to do.

NORTH AMERICA noted the use of exemption lists accommodates concerns over states’ sovereign rights and that it will likely be easier to agree on expansion coupled with national exemption lists than to negotiate a positive list of crops. Noting that ratification and implementation are up to individual parties, she did not see value in regional exemption lists.

AFRICA expressed concern about the impact of exemption lists on the speed of the ratification process, also noting uncertainties about the implications of such exemptions on users that source the material from other parties. They proposed formulation by experts of a positive indicative list of species that fall under the MLS to feed into the negotiations, with EUROPE disagreeing, noting the challenge of establishing clear criteria for the creation of such a list.

NORTH AMERICA and EUROPE urged parties to send indicative exclusion lists before the 12th meeting of the Working Group in September 2024. GRULAC responded by calling for an indication of anticipated benefit-sharing payments.

Co-Chair Ryan considered the discussions showcased broad support for full expansion with robust safeguards, and highlighted the need for further discussion on the design of these safeguards. He noted calls for more guidance on what “all PGRFA” means in practice. On exemption lists, he underscored the understanding that these would only cover a limited number of species that are native to the declaring parties’ territory. He said the Co-Chairs will reflect on the appropriate timing for inviting parties to share indicative exemption lists to inform the negotiation process, acknowledging the actual lists would be defined by governments at the time of ratification. On the proposed development of a positive list, he recalled the challenge of agreeing on the current list of crops in Annex I.

FARMERS ORGANIZATIONS emphasized the need to reflect on species of importance to Indigenous Peoples and local communities. He called for farmers to receive a copy of SMTAs signed for the transfer of material they contributed, noting this would support them to defend themselves in cases of subsequent patent applications.

CIVIL SOCIETY called for legal certainty on monetary and non-monetary benefit-sharing in the context of expansion, emphasizing harmony with the CBD. On safeguards, he underscored the importance of clear language in relation to scope and urged reflecting on how to accommodate for the emergence of new species or changes in species use, noting exemption lists defined at time of ratification would not address this. Recalling the focus on enhanced benefit-sharing, he suggested, as a bridging proposal, that gradual expansion could be contingent upon assessments of benefit-sharing levels.

DSI/GSD: Co-Chair Ryan recalled that the June 2019 package addresses DSI/GSD in the draft revised SMTA and the draft resolution, highlighting that none of the provisions were agreed ad referendum at the time. He noted two possible pathways: waiting for a resolution under the CBD and then adapting it to the Treaty context, or developing a Treaty approach while monitoring discussions under the CBD to ensure coherence. He highlighted the Co-Chairs’ view that a discussion on criteria/principles to guide the enhancement process would be useful regardless of whether a “CBD first” or “Treaty first” approach was favored.

Ryan suggested parties:
- focus on the application of DSI/GSD to PGRFA and the payment structures to be defined in the enhanced MLS;
- reflect on non-monetary benefit-sharing and ensure coherence with the capacity-building strategy;
- continue working with DSI/GSD as a placeholder term, considering a definition only if required for implementation; and
- work on the basis of an open access regime without track and tracing of individual accessions.

SWITZERLAND considered progress in the enhancement process to be encouraging and cautioned against waiting for a resolution under the CBD. She noted the subscription system is more promising to deal with DSI/GSD and recalled the CGIAR’s presentation, which highlighted the need to delink benefit-sharing from actual incorporation of DSI in the final product.

AFRICA said DSI/GSD should be included in a subscription-only SMTA with specific conditions on transfer and benefit-sharing, and suggested clarifying that the notion of product component and information is inclusive of DSI/GSD. Pointing to Treaty Article 12(3)(d) (IPRs on MLS material), she called for clarifying the permitted IPR claims.

NORTH AMERICA expressed willingness to reflect on how a subscription system could accommodate DSI/GSD-related concerns but opposed explicit references to DSI/GSD in the SMTA, noting this would require developing a definition first.

NEAR EAST, EUROPE, GRULAC, REPUBLIC OF KOREA, JAPAN, CGIAR, and CIVIL SOCIETY voiced their support for developing a specialized approach within the Treaty, with CANADA expressing caution around creating overlaps with the CBD approach that can result in double payments.

NEAR EAST stressed the importance of sharing monetary and non-monetary benefits from the use of DSI/GSD, especially in relation to capacity building and technology transfer. The REPUBLIC OF KOREA cautioned against regulating access to DSI/GSD and proposed using commercialization of DSI/GSD-based products as benefit-sharing trigger. JAPAN highlighted the importance of transparency and predictability for the benefit-sharing mechanism.

CIVIL SOCIETY stressed the importance of accountability and transparency around the use of DSI/GSD. They supported disclosing the origin of DSI/GSD in patent applications, specifying that the prohibition of claiming IPRs on MLS material stated in Article 12(3)(d) should also apply to IPRs on DSI/GSD.

Co-Chair Ryan noted overwhelming support for developing a specialized approach to DSI/GSD that facilitates mutual supportiveness with the CBD, with several regions suggesting
to begin by considering how to accommodate DSI/GSD in a subscription system.

**Payment Structure and Rates:** Co-Chair Ryan recalled the June 2019 package features substantial text agreed ad referendum on a subscription system and bracketed text on the single-access option. He noted two options are under discussion: a subscription-only system or a dual system combining subscription with a single access option.

AFRICA, NEAR EAST, EUROPE, CIVIL SOCIETY, and FARMERS ORGANIZATIONS supported a subscription-only system. NEAR EAST said this would increase transparency and sustainable flows of income to the BSF. EUROPE added it could accommodate the concerns of public institutions.

SWITZERLAND asked those who support maintaining a single-access option to specifically delineate their concerns, expressing confidence that these could be accommodated under a subscription-only system. NORTH AMERICA highlighted that a subscription-only system would create uncertainty in complying with the Treaty text and challenges regarding setting payment rates. She also noted many of the anticipated advantages are contingent upon a substantial expansion of the MLS.

Responding to questions raised by North America, Co-Chair Ryan clarified that known issues with the single-access option include the significant time lag between access and the triggering of benefit-sharing obligations, and the transaction costs incurred by the tracking of benefit-sharing triggers. On addressing DSI/GSD, he recalled that the approach considered most promising under a subscription system consists in attributing a portion of monetary benefits flowing into the system to DSI/GSD use, highlighting that it is not clear how this would work in a single-access option.

NORTH AMERICA, ASIA, GRULAC, and the SEED INDUSTRY supported a dual system. Acknowledging the advantages of a subscription system, NORTH AMERICA called for maintaining a single-access option, arguing that having only subscription is not justified by the Treaty text, including Treaty Article 12(3)(b) (expeditious and free-of-charge access). ASIA supported a dual system to allow user choice, while making the subscription system attractive through low payment rates and access to an expanded Annex. GRULAC called for retaining the single-access option pending further discussion on thresholds and exemptions from payments under the subscription system. The SEED INDUSTRY remarked that a subscription cannot be priced appropriately, because both the price and profitability of crops, and the value of genetic materials, are highly variable. He added that mandatory benefit-sharing under the single access option is a substantive difference from the current situation where benefit-sharing is mandatory in very specific situations only.

FARMERS ORGANIZATIONS and AFRICA reminded delegates that the negotiations' aim is to enhance monetary flows into the Treaty’s system. CIVIL SOCIETY emphasized the need to “close loopholes” created by allowing for single access and setting thresholds in incorporation of MLS material in the commercialized product, and called for discussion on payment rates, noting the proposed rates are very low.

The SEED INDUSTRY recalled that more than 40 companies signed a declaration signifying their willingness to subscribe regardless of the existence of a single-access option, while drawing attention to complexities arising from the subscription option for companies doing in-kind contributions, such as characterization of genetic resources. FRANCE requested an economic analysis of benefit-sharing payments, highlighting that a subscription system would provide a stable income to the BSF, but may be unattractive if combined with a single-access option. ECUADOR drew attention to their national system whereby the government allocates an amount equivalent to 0.02% of the country’s annual agricultural GDP for conservation of PGRFA, underscoring that with that rate it can only fund 20% of the projects that have applied for support.

As a compromise proposal, NORTH AMERICA suggested setting a yearly accession limit per user under the single-access option, with EUROPE raising questions about the practicality of the approach.

Summarizing the discussions, Co-Chair Ryan noted a range of views. Many prefer subscription only, pointing to the need for simplicity and sustainable generation of monetary benefits, he said. Others called for retaining the single-access option, noting a dual system would be more attractive to users and highlighting the need for further discussion on thresholds and exemptions from payments under the subscription system. He drew attention to a range of possible exemptions and thresholds within the subscription option, further noting the need to seek information on profitability of the seed sector. He concluded that the Co-Chairs would refine the subscription option and suggest a way forward regarding the single-access option.

**Linkages:** Co-Chair Ryan invited views on linkages between hotspot issues, noting, as examples, the linkage between expansion of Annex I and benefit-sharing payments, and the possibility for different payment structures to accommodate DSI/GSD. He also called for input on safeguards and confidence-building measures, such as a review of progress in payments and the expansion.

In response to North America’s suggestion that countries provide indicative lists of exempted species, GRULAC suggested user countries and the seed industry provide an indication of benefit-sharing payments. NORTH AMERICA agreed on the need for national-level discussions with SMTA users. CIVIL SOCIETY, supported by AFRICA, proposed a target of payments, with an alternative plan in case the target is not reached. EUROPE suggested consultations with the Advisory Committee on the Funding Strategy on the matter. NORTH AMERICA said the updated study on seed profitability may provide useful insights. CIVIL SOCIETY and GRULAC noted provider countries would delay ratification as a safeguard until the revised system provides benefits.

NORTH AMERICA called for addressing the definitions of “product” and “sales,” drawing attention to linkages with the payment rates under the revised SMTA. CIVIL SOCIETY urged for accountability, transparency, and good governance across the hotspots. GRULAC stressed the need to seek new financing strategies in collaboration with the Advisory Committee on the Funding Strategy.

**Informal Exchange of Views on DSI/GSD**

The Co-Chairs invited views on DSI/GSD within the process of enhancing the MLS, also in relationship with the CBD, calling for guidance in elaborating an approach in the Co-Chairs’ negotiating text. He proposed:

- working with the term “DSI/GSD” as a placeholder without seeking a definition until a definition is required in the implementation process;
• discussing it in the context of the payment structures in the revised SMTA;
• focusing on benefit-sharing from DSI/GSD applications to PGRFA irrespective of its source;
• ensuring mutual supportiveness and coordination with other fora to prevent double payments and leakage and cover DSI applications to PGRFA from use in other sectors;
• addressing non-monetary benefit-sharing; and
• discussing issues related to data governance.

Delegates had a frank exchange of views on the impact of DSI on agricultural research and innovation, the pragmatic need to ensure benefit-sharing from its use, and the legal challenges related to establishing a requirement for benefit-sharing.

On coordination with the CBD, the Co-Chairs shared their assessment that the Treaty should develop its own approach, given its late-stage discussions, limited scope, and specified applications, as well as differences between the Treaty and the CBD regarding focus and membership.

Some highlighted the need for the Treaty to take the lead when it comes to DSI/GSD on PGRFA and others questioned whether the Treaty has the potential and resources to do it. A participant highlighted two cases of particular interest: DSI generated through sequencing of MLS material shared through the SMTA; and DSI leaked to users outside the Treaty system through databases that are not accountable to it. He called for discussions on DSI-sharing modalities, consequences of open access through database use, and unaccountability of databases. Another participant highlighted the difficulty of controlling online access and suggested reconsidering a past proposal from Norway where parties earmark part of the turnover from seed sales and direct it to the BSF.

Co-Chair Ryan highlighted the importance of DSI/GSD in plant breeding, and the need for the Treaty’s approach to be mutually supportive with that under the CBD.

Closing Plenary

Outlining next steps, Co-Chair Ryan noted emerging consensus on a range of fronts. He reiterated the Co-Chairs’ call for written submissions by all parties and stakeholders on non-hotspot issues by the end of May, for the Co-Chairs’ updated negotiating draft to be available in English in July. He added that work is underway for updating the study on seed market sales and profitability with the hope that it will be available for the Working Group’s upcoming meeting, and noted the importance of coordination at the national level to address developments in other fora.

Adoption of the Report: On Thursday, Co-Chair Ryan invited comments on the draft report of the meeting (IT/OWG-EFMLS-11/24/Draft Report). On expansion of Annex I, parties agreed to mention that they are working towards an expansion to “all PGRFA.” On payment structure and rates, NORTH AMERICA proposed noting that compromise approaches were suggested and considered regarding a single access option in the revised SMTA. Following a lengthy discussion, the Working Group agreed to encourage its members, where possible, to coordinate within their region, including with relevant stakeholders, to gather information on indicative lists of possible exemptions to the expansion of Annex I, and industry input on possible payment rates. The report was then approved with these and other minor amendments.

Closing: Co-Chair Archak thanked delegates for their spirited participation and sense of compromise. The Co-Chairs, he said, will take due account of points raised during the meeting when drafting the negotiating text to be submitted for consideration at the 12th meeting of the Working Group in September 2024. He thanked the Secretariat for its help in preparing the meeting documentation, recalling delegates praised its quality. Participants applauded the interpreters, FAO staff, and the Earth Negotiations Bulletin team. Co-Chair Archak closed the meeting at 5:30 pm.

A Brief Analysis of the Meeting

Innovation is inherent to the agricultural sector. Plant breeding, by farmers or scientists, is of crucial importance for food security, increasing resilience to the impacts of climate change and the spread of pests and diseases. The International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA) is key to supporting this: its Multilateral System (MLS) provides facilitated access to a list of crops considered vital for food security (Annex I of the Treaty) and promotes the fair and equitable sharing of the benefits arising out of the use of plant genetic resources for food and agriculture (PGRFA).

A decade into the system’s operation, parties launched negotiations to enhance the MLS, with the shared aim to increase benefit-sharing flows to the stewards of PGRFA, which are primarily farmers in developing countries. To achieve this, parties are considering expanding the list of crops covered by the MLS and reforming the system’s payment structure. Negotiations temporarily broke down in 2019, especially owing to entrenched disagreements over benefit-sharing from the use of digital sequence information/genetic sequence data (DSI/GSD), a term used to refer to the digitized information content of PGRFA currently used in research and development.

In the meantime, consideration of multilateral access and benefit-sharing (ABS) mechanisms progressed in other fora, such as in relation to pathogens with pandemic potential and marine biodiversity in areas beyond national jurisdiction. Additionally, the Convention on Biological Diversity (CBD) reached a breakthrough by agreeing on the establishment of a multilateral mechanism for benefit-sharing from the use of DSI on genetic resources.

Against this background, the Treaty’s Governing Body, at its ninth session in 2022, agreed to resume negotiations towards enhancing the MLS. The tenth meeting of the Working Group, which convened in July 2023, relaunched the process and agreed to use the June 2019 draft package as a basis for negotiations. The Working Group’s eleventh meeting (WG 11), which convened in April 2024, was designed as a transitional meeting towards text-based negotiations at WG 12 in September 2024.

This brief analysis will reflect on progress made at WG 11 and showcase how it succeeded in delivering some rapprochement on the key interlinked “hotspot” issues of DSI/GSD, payment structure, and expansion of crops covered under the MLS.

Smoothly Moving Forward

The Co-Chairs of the resumed Working Group demonstrated great resolve as they built on the past six years of negotiations. With the help of the Secretariat, they prepared documentation that clearly delineated the mandate of the enhancement negotiations for WG
11. They clarified the advantages and disadvantages of different options currently on the table and provided a handy overview of the many studies already conducted to inform parties’ decision making. Delegates, especially those new to the process, lauded this approach.

Acknowledging the precarity of the exercise, the Co-Chairs provided constant reminders that the June 2019 draft package is the result of interlinked compromises. They invited expert inputs on the three hotspot issues to give participants further food for thought. An informal show of position, whereby delegates physically spread across the room to showcase their preference for full vs. gradual expansion of the list of crops under the MLS, and an informal discussion under the Chatham House Rule, contributed to the candid atmosphere.

The strategy to not engage in text-based negotiations at this stage and rather have open discussions on the three hotspots paid off. Progress crystallized across the board, giving the Co-Chairs fodder to prepare a draft negotiating text.

**Treading a Fine Line on DSI**

As a presentation by CGIAR highlighted, technological developments related to DSI/GSD are threatening to render the role of the MLS as an ABS mechanism obsolete. MLS material shared through the Treaty’s Standard Material Transfer Agreement (SMTA) can be sequenced, DSI/GSD can be shared with other users, or posted to public databases that do not adhere to the Treaty’s requirements. The increased use of DSI/GSD in plant breeding and the lack of user-based payments from its use would undermine the Treaty’s objective of fair and equitable benefit-sharing and disincentivize sharing of material. Combined with developments under the CBD, the Treaty is under pressure to adapt.

A general acknowledgment of the need to address the matter of benefit-sharing from DSI/GSD use emerged at WG 11. There was convergence on developing a specialized approach under the Treaty on DSI/GSD use on PGRFA, while ensuring coherence and mutual supportiveness with the CBD. Many underscored the need to maintain momentum in the MLS enhancement process rather than wait for the operationalization of the DSI benefit-sharing mechanism under the CBD.

The emerging agreement on benefit-sharing related to DSI/GSD use through a subscription system constitutes a significant advance compared to when negotiations broke off in 2019.

Going forward, delegates need to sort out the specific modalities to ensure meaningful DSI/GSD-related benefit-sharing. The message from CGIAR was clear: Benefit-sharing in the era of DSI can only be fair and equitable if it delinks payment obligations from the incorporation of specific DNA sequences into final products. But a range of issues still need to be addressed, from the relationship with the CBD mechanism to safeguards against DSI-related patent claims put forward by farmers’ organizations.

**Delivering Enhanced Benefit-sharing**

As many reiterated during the meeting, non-existent monetary benefit-sharing was the main reason behind the enhancement process. Discussions centered on reforming the payment structure. Reflecting the history of the process, most underscored the advantages of a subscription system, which foresees up-front payments for access to MLS material and would ensure predictable and sustainable payments. A single-access option along the lines of the current system, however, remained on the table, with some arguing this is necessary to attract commercial users.

Still, nuanced alternatives emerged over the course of the meeting, underscoring improved mutual understanding. Africa, for instance, suggested that a subscription system could accommodate single access, akin to the idea of a library. North America proposed defining a maximum number of accessions under the single-access option, noting this could create a pipeline towards the subscription system. Against this background, some called for reflecting on other approaches to enhance benefit-sharing beyond user-based payments, such as through leveraging a percentage of annual agriculture sales or agricultural GDP for PGRFA conservation purposes.

Going forward, delegates will have to reach agreement on the structure, and also address the interlinked issue of payment rates. To inform these discussions, user countries were invited to reflect on expectations in terms of payment rates, including through consultations with the seed sector.

**Building Trust**

Expansion of the list of crops to be covered in the MLS is considered to be the other side of the coin of enhancing benefit-sharing. While the Working Group decided to work towards expansion to “all PGRFA,” a number of questions remained. Provider countries, in particular, wish to maintain the advantage of bilateral benefit-sharing arrangements under the Nagoya Protocol on ABS for certain crops of national or strategic importance.

To alleviate such reservations, discussions at WG 11 focused on the possibility for parties to define exemption lists: each party could decide to exempt a limited number of PGRFA from the MLS. Many considered this to be more practical than trying to reach agreement at the multilateral level on a “positive list” of PGRFA that would be covered in the enhanced MLS.

Key questions remain on the timing of such exemption lists, the possibility for amending them, and linkages with the ratification process.

**Looking Ahead**

In preparation for text-based negotiations at WG 12 in September, parties, including non-WG members, and stakeholders will have a chance to submit written comments on non-hotspot issues until the end of May 2024. The Co-Chairs will then draft their negotiating text.

In the meantime, delegates keen on upholding the Treaty’s prominence in the international ABS landscape will keep an observant eye on progress at the negotiations for a pandemic treaty under the World Health Organization as well as the DSI-related discussions under the CBD. At this time, the Treaty’s MLS is the only operational multilateral ABS mechanism. Its effectiveness and success in the face of technological developments and in the context of changing international landscape largely depends on these enhancement negotiations. In preparation for text-based negotiations in September, many participants left the meeting with a carefully optimistic outlook, highlighting the need to maintain a spirit of compromise in the search for innovative and constructive solutions.
Upcoming Meetings

WHO INB 9 Resumed: The resumed session of the 9th meeting of the WHO Intergovernmental Negotiating Body will continue deliberations on the development of zero draft on a WHO Pandemic Agreement, including a pathogen-related ABS mechanism, to be considered at the 77th World Health Assembly. dates: 29 April – 10 May 2024 location: Geneva, Switzerland www: apps.who.int/gb/inb


CBD SBI 4: The fourth meeting of the CBD Subsidiary Body on Implementation (SBI) will review items related to the implementation of the CBD and the Kunming-Montreal Global Biodiversity Framework in advance of CBD COP 16. dates: 21-29 May 2024 location: Nairobi, Kenya www: cbd.int/meetings/SBI-04

77th World Health Assembly: At the 77th World Health Assembly, Member States are scheduled to consider the proposed text of the world’s first pandemic agreement for adoption. dates: 27 May – 1 June 2024 location: Geneva, Switzerland www: who.int

2024 UN HLPF: The 2024 session of the High-level Political Forum on Sustainable Development will convene on the theme “Reinforcing the 2030 Agenda for Sustainable Development and eradicating poverty in times of multiple crises: The effective delivery of sustainable, resilient and innovative solutions.” It will include in-depth review of Sustainable Development Goal (SDG) 1 (no poverty), SDG 2 (zero hunger), SDG 13 (climate action), SDG 16 (peace, justice, and strong institutions), and SDG 17 (partnerships for the Goals). dates: 8-17 July 2024 location: UN Headquarters, New York www: hlpf.un.org/2024

CBD WGDSI 2: At the second meeting of the CBD Working Group on DSI, parties will continue discussing the development and operationalization of a multilateral mechanism for benefit-sharing from the use of DSI on genetic resources, including a global fund, set to be finalized by CBD COP 16. dates: 12-16 August 2024 location: Montreal, Canada www: cbd.int/meetings/WGDSI-02

ITPGRFA OEWG 12: The twelfth meeting of the Ad Hoc Open-ended Working Group will continue discussing the enhancement of the Treaty’s MLS, set to be finalized by ITPGRFA GB 11. dates: 17-19 September 2024 location: Rome, Italy www: fao.org/plant-treaty/

ITPGRFA OEWG 13: The thirteenth meeting of the Ad Hoc Working Group will continue discussing the enhancement of the Treaty’s MLS, set to be finalized by ITPGRFA GB 11. dates: March 2025 (TBD) location: Rome, Italy www: fao.org/plant-treaty/

ITPGRFA GB 11: The next meeting of the Governing Body will reflect on the implementation of the Treaty regarding the enhancement of its MLS and farmers’ rights, among other topics. dates: 24-29 November 2025 location: TBD www: fao.org/plant-treaty/

For additional upcoming events, see: sdg.iisd.org

Glossary

ABS   Access and Benefit-sharing
BSF   Benefit-sharing Fund
CBD   Convention on Biological Diversity
DSI   Digital sequence information
FAO   Food and Agriculture Organization of the UN
GB    Governing Body
GRULAC Latin American and Caribbean Group
GSD   Genetic sequence data
ITPGRFA International Treaty on Plant Genetic Resources for Food and Agriculture
IPRs  Intellectual property rights
MLS   Multilateral System
PGRFA Plant Genetic Resources for Food and Agriculture
SMTA  Standard Material Transfer Agreement