

ITPGR GB-2 HIGHLIGHTS: TUESDAY, 30 OCTOBER 2007

On Tuesday morning, the Governing Body met in plenary to consider the funding strategy. In the afternoon, plenary addressed the work programme and budget for 2008/2009, implementation of the Multilateral System (MS) and the material transfer agreement (MTA) for non-Annex I crops. The budget committee met in the evening.

PLENARY

FUNDING STRATEGY: Advisory Committee Report: Delegates addressed the draft annexes to the funding strategy included in the report of the *Ad Hoc* Advisory Committee (IT/GB-2/07/07), and generally supported the Committee's recommendations. Canada, for the NORTH AMERICAN GROUP, stated that: flexibility may be required when applying funds under the direct control of the Governing Body to non-Annex I crops; and delegation of project approval in the intersessional period should be provided only under exceptional conditions. He supported cooperation between the Treaty and the Global Crop Diversity Trust (the Trust) in elaborating the operational procedures of the funding strategy. Iran, for the NEAR EAST REGION, called for an explicit elaboration of the relationship between the Trust and the Treaty, and of a resource mobilization strategy.

Australia, for the SOUTHWEST PACIFIC, supported close cooperation with the Trust and using funds also for non-Annex I crops. Armenia, for the EUROPEAN REGIONAL GROUP (ERG), suggested: using funds arising from benefit-sharing for Annex I crops only, while making funds from other sources available for all crops; and making all products from funded projects available under the conditions of the standard MTA. BRAZIL said the standard MTA should not apply to products from non-Annex I crops.

In the afternoon, plenary adopted the annexes on priorities, eligibility criteria and operational procedures for the use of resources under the direct control of the Governing Body, as proposed by the Advisory Committee.

Funding Strategy Implementation: ITPGR Secretary Shakeel Bhatti introduced the document, including a list of possible activities and measures for the implementation of the funding strategy (IT/GB-2/07/08). Several countries requested additional time to consider the document. Angola, for AFRICA, underscored the obligation of developed countries to support Treaty implementation.

Bioversity International, for the CONSULTATIVE GROUP ON INTERNATIONAL AGRICULTURAL RESEARCH (CGIAR), reported on CGIAR activities to support implementation of the funding strategy (IT/GB-2/07/Inf.9).

Relationship Between the Governing Body and the Global Crop Diversity Trust: Executive Director Cary Fowler tabled the Trust's report (IT/GB-2/07/10), highlighting that it has raised around 40% of the total funds required to accomplish its mandated goal. He outlined major activities in progress, including: regeneration of threatened globally-important crop diversity; technical and organizational support to the Svalbard Global Seed Vault; and development of a new gene bank management software system and a global Accession Level Information System.

NORWAY reported that the Svalbard Global Seed Vault will open and receive its first seeds in February 2008, adding that seed storage will be free, and depositors will retain control and possession of the seeds. The ERG supported the Trust's initial regeneration plans concerning 22 Annex-I crops, and the establishment of global crop strategies. Syria, for the NEAR EAST REGION, stressed the need to fund regional projects as well, and called for technical capacity building to support the Region's gene banks.

Ecuador, for the LATIN AMERICA AND THE CARIBBEAN GROUP (GRULAC), called for stronger policy guidance from the Governing Body to the Trust, and proposed that Trust projects should include support for germplasm banks in developing countries, including capacity building and technology transfer, and that regeneration should occur in the place of origin. In addition, BRAZIL, supported by AFRICA, drew attention to the steep rise in Trust resources while the Secretariat lacked funds, and asserted that the Trust should complement, not replace the funding strategy. He argued that the Trust will never be able to fulfill all activities under the Treaty, calling for clear policies and guidance to the Trust by the Governing Body. IRAN called for the Trust to be part of the funding strategy as originally envisaged, and asked for cooperation beyond sharing experiences. CANADA said that by sharing experiences, the Trust can help the Treaty's fundraising efforts. AUSTRALIA observed that the Trust is still young and the policy guidance from the Global Plan of Action is sufficient for the moment.

VIA CAMPESINA and the ETC GROUP requested that agreements with the Trust or gene banks guarantee free access to *ex situ* collections by small farmers and indigenous communities,

adding that the Trust should report on how requests for access have been addressed. SWITZERLAND cautioned against making decisions about the allocation of the Trust's funds. Responding to questions raised, Fowler clarified that the Trust's objective is to promote a global system of *ex situ* conservation, giving priority to safeguarding unique collections of Annex I crops, and that the Trust's constitution contains procedures regarding policy guidance received from the Governing Body.

Stressing the importance of plant variety protection for the sustainable use of plant genetic resources for food and agriculture (PGRFA), the INTERNATIONAL UNION FOR THE PROTECTION OF NEW VARIETIES OF PLANTS (UPOV) called for mutually supportive implementation of the UPOV Acts and the Treaty. The COMMUNITY BIODIVERSITY DEVELOPMENT AND CONSERVATION NETWORK called for, *inter alia*: prioritizing implementation of farmers' rights within the funding strategy; linking access and benefit-sharing (ABS) under the Treaty to the ABS framework under the Convention on Biological Diversity; establishing a technical working committee on farmers' rights implementation; and facilitating farmer access to national and global PGRFA.

WORK PROGRAMME AND BUDGET: GRULAC supported the proposals in the draft work programme and budget (IT/GB-2/07/20) and called for: bolstering the functional and operational capacity of the Governing Body; prioritizing meetings related to the funding strategy and MS; and asking FAO for technical support to implement capacity-building activities for the GRULAC region. The NORTH AMERICAN GROUP described the current work programme as "ambitious" and said the future programme must be capable of being sustained by a "practical" core administrative budget. The ETC GROUP called on governments to support the draft programme and budget, and said that governments have a duty to ensure that the minimal financial requirements of institutions are met.

In the afternoon, Bhatti presented in detail the draft work programme and budget, noting that the proposed core administrative budget of US\$6.5 million, of which FAO will contribute US\$1.6 million, will provide for substantive activities as well as a minimum maintenance budget.

Portugal, for the EU, emphasized that regular substantial funds should be provided to the Treaty's core budget through the FAO budget. NORWAY underlined that all parties must make voluntary contributions in addition to those provided by FAO, with early notification to allow the Secretariat to plan effectively.

The ETC GROUP said that unless the modules in the work programme are funded, there will be no information sharing, monitoring, regulation and benefit-sharing in relation to germplasm transfers under the Treaty, which would amount to biopiracy. The CGIAR noted that all information relating to transfers within the CGIAR system is public and available online.

Negotiations on the budget were referred to the budget committee.

IMPLEMENTATION OF THE MS: The Secretariat introduced four documents on: progress in the inclusion of PGRFA in the MS (IT/GB-2/07/11); draft procedures for the Third Party Beneficiary (IT/GB-2/07/12); experience of the CGIAR centers with the implementation of the agreements with the Governing Body (IT/GB-2/07/Inf.11); and technology support for the implementation of the MS (IT/GB-2/07/Inf.4). He reported rapid growth in the inclusion of material from *ex situ* collections in the CGIAR Centers. BRAZIL, CANADA, KENYA and NORWAY highlighted national efforts to implement the MS.

Syria, for the NEAR EAST REGION, asked the Secretariat to provide details on the procedures for managing gene banks for harmonization with the MS. BRAZIL added that implementation of the MS by developing countries will depend on the availability of resources for identifying and managing genetic materials. JAPAN urged the Governing Body to formulate procedures to interpret the meaning of Treaty Article 12.3d, which states that no intellectual property rights can be acquired on materials "in the form received" from the MS. INDONESIA noted that a paper on definitions will be tabled at GB-3.

KENYA called for support in managing information related to the implementation of the standard MTA. MALAYSIA called for guidelines on the specific steps a party needs to take to include material in the MS. The CGIAR called for guidance on the form and periodicity of reports to be made to the Governing Body.

Third Party Beneficiary: Secretary Bhatti explained that the FAO Director General has agreed to act as Third Party Beneficiary. The NORTH AMERICAN GROUP said the Third Party Beneficiary's role should not imply unlimited power to investigate violations. The EU requested further consultations on the feasibility of establishing an *ad hoc* committee to consider the draft procedures.

MTA FOR NON-ANNEX I CROPS: Secretary Bhatti introduced a report by the CGIAR on the MTA to be used for materials of non-Annex I crops collected prior to the Treaty's coming into force and held by the CGIAR centers (IT/GB-2/07/13), and outlined the CGIAR's recommendation to use the standard MTA for non-Annex I crops, with explanatory footnotes where needed. Many regions supported the recommendation. Brazil proposed an amendment whereby the use of the standard MTA would be reviewed at GB-3. The recommendation was adopted as amended.

COMPLIANCE: Delegates decided to defer negotiations on draft procedures and mechanisms to promote compliance and address issues of non-compliance (IT/GB-2/07/14) to a contact group.

BUDGET COMMITTEE

In a brief evening session, co-chaired by Pakistan and Switzerland, the budget committee considered the work programme and budget. The Secretariat elaborated on the risks of failing to provide the proposed maintenance budget and delegates sought clarification on budget details.

IN THE CORRIDORS

As delegates worked through the intricacies of the funding strategy, the largely successful Global Crop Diversity Trust caught a great deal of attention. Delegates puzzled over the Trust's ability to quickly attract significant financial contributions – on par with the annual budgets of some established UN agencies – while the Treaty's budget remains almost non-existent. Some eyed a more active role for the Governing Body in determining the Trust's agenda and disbursement of funds, but a fair number of delegates countered that the autonomy of the Trust appeals to donors, particularly philanthropic organizations that are often reluctant to part with funds to administer multilateral agreements. Some also credited the Trust's appeal to its efficient and strictly scientific programmes, and the certainty that its specific mandate provides to donors.

Meanwhile, many delegates speculated that the initial silence that echoed around plenary while deliberating the work programme and budget foreshadows difficult negotiations, although one delegate remarked that individual parties should prove more vocal in the intimacy of the budget committee.