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Summary of the 13th Meeting of the Ad Hoc Openended Working Group to Enhance the Functioning of the Multilateral System of the International Treaty on **Plant Genetic Resources for Food and Agriculture:** 1-4 April 2025

"We live in an interdependent world," Co-Chair Sunil Archak (India) reminded delegates as he opened the meeting, highlighting the crucial role of the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA) for sustainable agriculture and global food security. The Treaty facilitates exchanges of plant genetic resources for food and agriculture (PGRFA) and the sharing of the monetary benefits arising from them, which is key not only to conserve agricultural biodiversity and foster agricultural research for the benefit of all, but also to ensure equity and justice.

First established in 2013, the Working Group (WG) has a long history. Aiming to enhance the functioning of the Treaty's Multilateral System (MLS) of access and benefit-sharing (ABS) through, on the one hand, expanding the list of crops available in the MLS, and, on the other, revising the Standard Material Transfer Agreement (SMTA) used for exchanges of MLS material, deliberations now focus on three "hotspots:" the payment structure and rates under the draft revised SMTA; benefit-sharing from digital sequence information (DSI) / genetic sequence data (GSD); and the expansion of Annex I (list of crops in the MLS).

At its 13th meeting, the Working Group addressed a Co-Chairs' proposal on the package of measures for enhancing the MLS, including a draft resolution, a draft revised SMTA with a series of appendices, and a draft text for an amendment of Annex I. The proposal also incorporates the input of an intersessional drafting group on the payment structure. Deliberations focused on the payment structure, with some discussions held on payment rates and benefit-sharing from DSI/GSD.

From the outset, several participants expressed concerns with the drafting group's suggestion, which was incorporated in the Co-Chairs' proposal.

While the group was tasked with fleshing out the idea of a subscription with two payment options, early payment upon registration and deferred payment upon commercialization, hailed as a breakthrough bridging proposal at WG 12, it actually reverted to delineating a dual system for access to material in the MLS, building on subscription and "single access" options, with six possible payment rates.

The meeting confirmed that positions remain divided on whether access to the MLS should be upon subscription only or upon a dual system allowing users to choose between a subscription and a single-access option. With this understanding, the Working Group addressed provisions on the payment structure, outlined in the revised draft SMTA and the draft resolution, clarifying technical matters, identifying loopholes, and mandating intersessional work to address them. The meeting showcased increasing difficulties for regions to formulate common positions, with many delegates expressing country, rather than regional views.

A potential pathway towards consensus appeared to emerge along the lines of a compromise suggested by the Latin American and the Caribbean region (GRULAC). The proposal called for upfront payments under the single-access option, so that proponents of the subscription-only system may be more favorable towards a dual one.

Payment rates were not discussed in quantitative terms, despite repeated calls by some regions. Most participants welcomed a blueprint for decision making put forward by the Southwest Pacific, which clarified the ladder according to which different rates should increase. When it comes to benefit-sharing from the use of DSI/ GSD, an initial discussion indicated that this remains possibly the most controversial issue.

# In this Issue

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A good amount of work needs to be done before the Working Group meets again in July 2025, in Lima, Peru, to clarify technical complexities and enable political compromises, before the Governing Body (GB) must take a decision in November 2025. This includes: a series of questions for the Standing Group of Legal Experts; a non-paper on exemptions from benefit-sharing payments under single access; a scenario note on rates and exemption thresholds; and regional consultations to consolidate positions and enable flexibility to compromise during the next meeting.

The Working Group met from 1-4 April 2025 at the headquarters of the Food and Agriculture Organization of the UN (FAO) in Rome, Italy. Attracting approximately 80 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. The meeting was preceded by regional consultations on 30 March, and an informal meeting on 31 March.

# A Brief History of the Treaty

Concluded under the auspices of the FAO, the ITPGRFA is a legally-binding instrument that targets the conservation and sustainable use of PGRFA, and the 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 154 parties.

# Key Turning Points

**GB 1:** The first session of the 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, 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 before GB 6 (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, 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 DSI/GSD) associated with material accessed from the MLS. The Working Group met three times during the intersessional

period before GB 7 (July 2016, March 2017, and September 2017).

**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 revising 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 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 benefitsharing 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 benefitsharing 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 benefitsharing 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, 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.

## Recent Meetings

**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 that the Working Group would hold four intersessional meetings, 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; and payment structure and rates. The meeting also highlighted the need to ensure close collaboration with the CBD and reconvened the *Ad Hoc* Technical Expert Group on farmers' rights.

**11th meeting of the Working Group on the MLS:** At its 11th meeting (April 2024), the Working Group exchanged views and improved understanding of positions on the three "hotspots," to inform the preparation of a Co-Chairs' negotiating draft.

12th meeting of the Working Group on the MLS: At its 12th meeting (September 2024), the Working Group welcomed a compromise proposal to establish a subscription mechanism with two alternative triggers for mandatory monetary benefitsharing: early payment upon registration or deferred payment upon commercialization; and tasked a drafting group to prepare text for consideration at its next meeting.

#### **Working Group Report**

On Tuesday, 1 April 2024, Working Group Co-Chair Michael Ryan introduced the Co-Chairs' proposal (<u>IT/OWG-</u> <u>EFMLS-13/25/4.1</u>) and said the meeting is expected to settle the payment structure. He highlighted the re-introduction of the singleaccess option (SMTA Articles 6.7 and 6.8) by the drafting group that convened intersessionally, and drew attention to an informal meeting held the previous day. Working Group Co-Chair Sunil Archak highlighted the importance of PGRFA exchanges for food security in the context of climate change.

**Organizational Matters:** The Working Group adopted the agenda and timetable for the meeting (<u>IT/OWG-EFMLS-13/25/2.2</u>).

**Opening Statements:** EUROPE stressed the need to reduce complexity while maintaining attractiveness for users. AFRICA and the NEAR EAST reiterated their support for a subscription-only system with advance payments and benefit-sharing from DSI/GSD, ensuring complementarity with the CBD.

NORTH AMERICA reiterated the shared aim to attract more users and emphasized that facilitated access itself should be recognized as a key benefit. They cautioned against measures that can limit or discourage using MLS material and called for transparency in BSF operations.

ASIA recalled the region consists of both user and provider countries, with divergent positions on a number of issues. GRULAC recalled that the access pillar of the MLS is working effectively, while the benefit-sharing pillar has been lacking. They emphasized the region has shown flexibility on the expansion of Annex I and, lamenting that some parties have not shown the same flexibility, expressed concern over the proposed single-access option with only voluntary payments for DSI/GSD.

The SOUTHWEST PACIFIC noted that the proposal on the payment system has grown more complex, emphasizing that a

revised SMTA needs to be responsive to the needs of all parties and allow both providers and recipients to understand their rights and obligations. They expressed support for discounted rates for those who make their products available without restricting further research and breeding, and called for providing clarity on the direct use of MLS material on cultivation in an unchanged form, noting its contribution to food security.

The CGIAR highlighted that most MLS material is currently provided to public sector recipients, 85% of which are in developing countries and economies in transition, with spillover benefits for farmers and national economies, and the objective is now to make the MLS more attractive to commercial users. They noted that an expansion of Annex I will not be achieved without increased monetary benefits and expressed concern over the lack of mandatory payments related to DSI under the proposed single-access option.

The SEED INDUSTRY expressed support for a dual-access system with subscription, potentially on a crop-by-crop basis, and a single access option, and emphasized the need for mutual supportiveness with the CBD regarding DSI/GSD-related payments.

FARMERS' ORGANIZATIONS lamented that the process is legitimizing biopiracy and underscored the need for the MLS to recognize the rights of farmers and Indigenous Peoples and be responsive to their demands. They urged prohibiting the claiming of intellectual property rights (IPRs) based on DSI and called for a compliance and sanctions mechanism.

CIVIL SOCIETY recalled the mandate from the last Working Group session to develop a subscription system with two alternative payment triggers and underscored that the drafting group disregarded this by reintroducing a single-access option. This, they emphasized, will fail to increase benefit-sharing payments and will call into question the existence of the MLS and the Treaty.

#### **Developments in Other Relevant Fora**

**CBD**: On Tuesday, Kathryn Garforth, CBD Secretariat, reported on recent developments under the CBD (<u>IT/OWG-EFMLS-13/25/3</u>). She focused on decisions adopted at the resumed session of the 16th meeting of the CBD Conference of the Parties (COP), held in February 2025 in Rome, including on resource mobilization (<u>Decision 16/34</u>) and cooperation with other conventions and international organizations (<u>Decision</u> <u>16/35</u>). She then outlined the main elements of the modalities for operationalizing the multilateral benefit-sharing mechanism from DSI use (<u>Decision 16/2</u>). In this regard, she highlighted the establishment of the Cali Fund on DSI, its sector-based approach to benefit-sharing according to users' size, indicative payment rates, indicative list of sectors, and award of certificates for benefit-sharing contributions.

CIVIL SOCIETY emphasized additional provisions under CBD COP Decision 16/2, on: parties' right to regulate benefit-sharing from DSI use as part of their national ABS legislation or through other international mechanisms; obligations for databases and their host countries; and references to the <u>UNESCO recommendation</u> <u>on open science</u> and the <u>CARE principles</u> for Indigenous data governance. Noting the binding nature of the ITPGRFA MLS, they called for strong accountability and transparency measures. Emphasizing that the CBD multilateral mechanism is voluntary and thus insufficient, FARMERS' ORGANIZATIONS drew attention to potential loopholes for benefit-sharing from DSI use in case it is not covered under the MLS' single-access option. Standing Committee on the Funding Strategy and Resource Mobilization (SFC): The Secretariat reported on the SFC's <u>10th meeting</u>, which noted that aspects pertinent to the data and methodology for developing a possible BSF target have changed since the adoption of the Funding Strategy. NORTH AMERICA stressed the importance for users of transparency on how the funds are distributed.

**Small Group on Direct Use:** Co-Chair Ryan drew attention to the group's report (<u>IT/OWG-EFMLS-13/25/4/Inf.2</u>), which proposed adding an interpretation in the draft resolution that specifies that the definition of "Product" includes products that incorporate "nothing but the material" received under the SMTA.

SOUTHWEST PACIFIC noted the group considered: whether opening up direct use in cultivation creates a disincentive for provider countries or companies looking to make plant variety protected material available using the SMTA; whether extending the scope of permitted uses of MLS material to allow direct use in cultivation creates a loophole for accessing and directly using MLS material without benefit-sharing; and possible implications for transfers of PGRFA under development.

The CGIAR suggested to specify, in the draft resolution, the intended impact of the broad understanding of "Product," namely to ensure legal certainty for all recipients, including farmers, on direct use of MLS material for both commercial and non-commercial purposes. AFRICA and the NEAR EAST said the definition of "Product," to address the matter of direct use, should be addressed in the SMTA rather than the resolution.

#### **Payment Structure**

On Tuesday, Co-Chair Ryan opened discussions on the payment structure. Pointing to informal discussions held the day before the opening of the session, he acknowledged parties did not express support for a deferred payment under the subscription system, nor for inviting voluntary contributions to cover DSI under singleaccess. As a starting ground for discussions at WG 13 he therefore proposed a dual access system based on:

- · a subscription, with no deferred payment option; and
- a single-access option with mandatory payments triggered by commercialization, removing voluntary payments for DSI/GSD.

The PHILIPPINES, NEPAL, and MALAYSIA called for a broader definition of commercialization in the SMTA. On payments, they supported discounted rates for different types of users, opposed deferred payment under the subscription, and called for covering DSI/GSD even when the MLS was not accessed.

PERU noted that consultations at the national level showed divergent positions, including on expansion of Annex I and DSI, especially regarding its links to Indigenous knowledge and IPRs.

AFRICA supported a subscription-only system, urged for clearly identifying exempted user groups and thresholds for payment obligations, and objected to a deferred payment option. The REPUBLIC OF KOREA expressed support for subscription, but called for keeping the single-access option until negotiations on expansion have concluded.

The US recognized general support for mandatory contributions for products not available for further research and breeding. On the work of the drafting group, they noted the difficulty of designing a subscription system that addresses all red lines, which led the group to focus on optimizing the subscription system while keeping a single-access option. JAPAN noted the singe-access option enhances attractiveness to users, and opposed mandatory payments for those who make products available without restriction for further research and breeding. The EU supported a dual access system, featuring a simple subscription with upfront payments, and a single-access option with differentiated rates and mandatory payments.

CANADA emphasized the need to maintain a single-access option, noting it is a "red line" for them. Drawing attention to Treaty Article 12(3)(b), which specifies that access should be free of charge, and Article 13(d)(ii), according to which benefit-sharing is not mandatory when the commercialized product is available without restriction to others for further research and breeding, they noted that making benefit-sharing payments mandatory is already a compromise for them.

GRULAC noted that providers cannot be expected to support expansion of Annex I without guarantees that immediate monetary benefits will flow into the MLS, and urged ensuring mandatory benefit-sharing from DSI use, noting this is a "red line" for them. They stressed the cost and complexity of a dual access system, and the need to discuss rates before accepting a single-access option.

Highlighting the objective of enhancing the flow of monetary benefits, FARMERS' ORGANIZATIONS noted that the US still fails to use the SMTA for internal transfers of material. The SEED INDUSTRY drew attention to their <u>submission</u>.

Co-Chair Ryan noted: strong support for subscription, with no support for deferred payment; some support for rate differentiation according to whether the product is available for further research and breeding or not; the need to discuss an access system with two options; and the need to discuss the payment structure before the payment rates.

On Tuesday, Co-Chair Ryan called for comments on SMTA Article 6 (Rights and obligations of the recipient) in the Co-Chairs' proposal.

AFRICA proposed to have a definition of "recipient" and underscored the need for clarity on the sequence between registration, commencement of the subscription period, and access to MLS material. The REPUBLIC OF KOREA called for clarifying the definition of "recipient" and "user." The US noted a recipient is whoever receives material, regardless of how they access it.

SOUTHWEST PACIFIC, supported by EUROPE, suggested adding a paragraph (6.6 bis) that introduces the user to the different access and payment options. The US suggested preparing a flow chart.

The NEAR EAST and ARGENTINA stressed the need for clarity on how the options interconnect for users switching between them. NORWAY noted rates should be differentiated based on whether products are made available for further research and breeding or not, with SOUTHWEST PACIFIC suggesting recipients submit a declaration on how their products are made available.

AFRICA proposed inserting the text from SMTA Annex 2 (terms and conditions of the subscription system) within Article 6. The US preferred simplifying Article 6. SWITZERLAND and NORWAY emphasized the need to clearly state which conditions apply to subscribers and which conditions apply under single access.

On single access (Articles 6.7 and 6.8), CANADA cautioned against increasing complexity and suggested going back to the language of the <u>June 2019 package</u>. JAPAN called for limiting payments to 20 rather than 25 years, in line with the duration of international patents.

GRULAC questioned whether the current proposal constitutes an improvement compared to the June 2019 package, and emphasized the region's preference for a subscription-only system with upfront payments, and the need to discuss payment rates. They invited regions to reflect on how to bridge their respective red lines, for example, regarding upfront payments and payments triggered by commercialization.

A Friends of the Co-Chairs group convened on Tuesday evening to: remove references to the deferred payment option under the subscription system; remove mentions to voluntary payments from use of DSI/GSD; and draft a new paragraph under Article 6 of the SMTA (6.6 bis) that introduces the user to the different payment options.

The proposed amendments were discussed on Wednesday. On paragraph 6.6 bis outlining access options, AFRICA suggested adding details on the options, specifically regarding differentiated payment rates depending on restriction against further research and breeding. NORTH AMERICA and EUROPE preferred to keep the paragraph simple.

EUROPE underscored the subscription is the most effective pathway for enhancing the MLS, but noted that stakeholder consultations showed no support for a subscription-only system and that the subscription will only be attractive to seed companies if their contributions, particularly on DSI/GSD, are recognized under the CBD.

Delegates agreed to delete all references to a deferred payment option under the subscription. They further agreed that, in the case of a dual system for access, neither of the two access options would be identified as the "default."

On the process for registering under the subscription (SMTA Article 6.11), NORWAY suggested to add that "the registration is complete upon receipt of the subscriber number from the Secretariat," which would clarify the sequential nature of the process.

ITPGRFA Secretary Kent Nnadozie noted the digital system can be designed in a way that: people seeking access to MLS material can indicate their interest in subscribing while signing the SMTA, be automatically transferred to a webpage through which they submit a registration form, and receive their subscription number immediately, to be inserted back into the SMTA.

EUROPE noted that some genebanks still rely on paper-SMTAs, so the registration and subscription process, and specifically the issuance of the subscription number, would not be immediate.

AFRICA preferred keeping SMTA Article 6.11 in brackets pending discussions on Annex 2 (terms and conditions of the subscription).

On a paragraph absolving a recipient from payment obligations with regard to previously received material (SMTA 6.11 ter), GERMANY suggested specifying that it applies to SMTAs signed before July 2026. They emphasized that recipients accessing material under the single-access option once the enhanced MLS takes effect and eventually switch to the subscription should be obligated to continue making the single-access payments. CIVIL SOCIETY added that a loophole will otherwise be created where a recipient could switch from single access to subscription just before commercialization, thus avoiding subscription payments during the breeding process while avoiding paying the higher rates of the single-access option upon commercialization. NORTH AMERICA suggested that allowing users to switch from single access to subscription without incurring double payments is a feature that increases the attractiveness of the system. Delegates bracketed the text until agreeing on the payment options.

On Thursday, NORTH AMERICA suggested an alternative to Article 1.3 on the link between payments under the subscription and the single-access option, with the aim of avoiding both the switching back and forth between the access options and double payment. They suggested:

- subscribers that have signed the current SMTA before the enhancement of the MLS takes effect shall be relieved of any payment obligations under it; and
- subscribers that had chosen single access under the new SMTA before moving to subscription shall continue payment as defined under single access, but they may subtract sales of these products from the sales of products used as the basis for the subscription payment.

Delegates supported the proposal and agreed to refer it to the Standing Group of Legal Experts (SGLE) for fine tuning, keeping it in brackets in the meantime.

CIVIL SOCIETY also sought clarity on how to address definition of the term "available without restriction." NEAR EAST, supported by CIVIL SOCIETY, suggested using instead the term "available to the MLS," with NORWAY flagging there is material in the MLS that is restricted by IPRs. Responding to a request from Africa, the Secretariat highlighted that after the adoption of the previous SMTA, an *Ad Hoc* Technical Advisory Committee was established to help with its implementation. While its opinions were not endorsed by the GB, it provided guidance to users. Co-Chair Ryan suggested, and the Working Group agreed, that the *Ad Hoc* Technical Advisory Committee, which will be re-established after the adoption of the draft resolution, be tasked to provide guidance to users on the interpretation of the term.

Delegates had a lengthy debate about how to specify at which moment the subscription takes effect to be in line with the sequential process outlined in the SMTA. They eventually decided to convene a Friends of the Co-Chairs' group to draft language to that effect.

Co-Chair Ryan then reported on discussions held on Article 6 of the SMTA in the Friends of the Co-Chairs' group the previous night, which suggested:

- bundling obligations that apply to both payment options together;
- · specifying which type of entities would be recipients; and
- clarifying that under a dual access system, subscribers are a subset of recipients.

He noted there were divergences on whether to remove references to activities that are only encouraged rather than required.

NEAR EAST and AFRICA proposed a new paragraph stating that in case the recipient applies for a patent over an invention based on material from the MLS, they shall disclose it in their patent application. NORWAY suggested language to expand the disclosure requirement to plant variety protection, and CIVIL SOCIETY to expand it also to inventions based on DSI/GSD derived from MLS material.

AFRICA proposed that recipients who access MLS material under single access disclose their affiliates when signing the SMTA, while the SMTA provisions on PGRFA under development will also apply when the affiliate is given the material after the signing of the SMTA. NORTH AMERICA added text to specify that affiliates be disclosed "if known." CIVIL SOCIETY proposed a paragraph stating that DSI/GSD from MLS material, if made publicly available, should be made so under the Treaty's Global Information System.

GRULAC reiterated their call to ensure timely flows into the BSF and made a proposal for addressing this under single access. They suggested a new paragraph specifying that the recipient shall make a one-time payment upon completion of the initial research phase either:

- equivalent to a percentage of the total research and development expenditure related to the development of the product; or
- equivalent to a percentage of the assessed market value of the product.

They also suggested:

- this initial payment will be deducted from any payment triggered upon commercialization;
- the recipient shall notify the GB through its Secretary, in writing, of the completion of its initial research and provide supporting documentation; and
- "completion of the initial research phase" means that laboratory analysis, field studies, or any other research activities necessary to determine the utility of the material or its components obtained from the MLS has been conducted and finalized.

Co-Chair Ryan noted that not all research leads to commercialization. All regions expressed appreciation for GRULAC's effort, calling for time to reflect on the proposal. CANADA underscored that such an obligation for advance payment would not be in line with Treaty provisions and that users would not find it acceptable. They expressed openness for inviting voluntary contributions along these lines. GRULAC recalled that the expectation for voluntary contributions has not been met and suggested providers' germplasm contributions to the MLS could also be invited on a voluntary basis. The SEED INDUSTRY highlighted that the proposal needs to be in line with Treaty provisions and breeding practices, and suggested that there may be more incentives for voluntary contributions along the lines of GRULAC's proposal compared to the current voluntary contributions.

On a paragraph stating that the information the recipient is required to submit to the GB will be treated as confidential "within the limits set" by the SMTA, CIVIL SOCIETY questioned whether these limits are defined. Delegates agreed to forward the issue to the SGLE for consultation.

On the payment process, EUROPE stressed that payments should go directly to the BSF.

CIVIL SOCIETY, supported by the PHILIPPINES, MALAYSIA, and NEPAL, suggested a provision that applies an interest rate if a recipient does not submit its annual report on time. NORTH AMERICA and EUROPE objected, pointing to existing provisions under Article 8 (dispute settlement) and the need to reduce complexity for users.

**Subscription:** On Wednesday, the Working Group initiated a first reading of the terms and conditions of subscription in Annex 2. Delegates exchanged ideas on ways to simplify the SMTA language and whether registration for the subscription system should be separated from access to MLS material. NORTH AMERICA proposed an alternative formulation simplifying the paragraph, removing a sentence that specified the single-access option as a fallback in case the registration process is not completed. It was met with general agreement, with AFRICA proposing to keep both versions in brackets until there is agreement on the payment options.

Regarding the possibility for the GB to amend the subscription terms (Article 1.4), CIVIL SOCIETY alerted delegates to the fact that, as currently drafted, subscription terms cannot be updated, resulting in recipients that have subscribed at different points in time subject to different terms. They suggested that it should be possible for the GB to implement amended subscription terms after a certain period and, supported by SOUTHWEST PACIFIC, GRULAC, and the NEAR EAST, called for the SGLE to provide input on the matter. NORTH AMERICA considered that users would not enter into a subscription whose terms could be unilaterally changed by the Governing Body.

The REPUBLIC OF KOREA sought clarification on the modalities of the public register, noting public availability of the information should be subject to confidentiality agreements. GERMANY expressed reservations until they could consult with national legal entities to ensure compliance with the EU General Data Protection Regulation.

On reporting requirements (Article 3.5), CIVIL SOCIETY urged reconsidering the provision on confidentiality, emphasizing that access to information is key for civil society to exercise scrutiny for the public good.

On withdrawal from the subscription (Article 4), CIVIL SOCIETY said subscribers should not be able to withdraw unilaterally and this should be subject to the Treaty's Third Party Beneficiary.

**Single access:** On Wednesday, the Working Group did a first reading of the modalities of payment under single access in Annex 4 before discussing the SMTA text (SMTA paragraphs 6.7 and 6.8). Delegates deliberated how to streamline the paragraphs, and bring them in line with the changes on SMTA paragraph 6.11 (subscription option modalities).

On the issue of differentiated payment rates depending on whether or not the product is available for further research and breeding, NORWAY suggested setting the duration of payments for products not available for further research to 25 years without the possibility to switch between rates by dropping IPRs. CANADA objected, noting the ability to switch to a lower rate might create motivation to lift a patent. CIVIL SOCIETY, supported by GRULAC, noted the fragmented IPR landscape eventually leaves the choice of rate to user discretion. GRULAC, supported by SWITZERLAND and AFRICA, requested putting the paragraphs in brackets, pending agreement on the payment structure.

Discussions focused on the time period for payments depending on whether or not products are available to others without restriction for further research and breeding. In case of restriction, payments will be required for as long as the restriction is applicable, while in case of availability, payments will be required for 10 years. A third paragraph noted that a recipient is required to make payments for no more than 25 years in total for a particular product.

NORWAY shared the understanding that products not available for further research and breeding refer to patented products, while those available are often covered by plant breeder rights; and suggested, supported by GRULAC and AFRICA but opposed by NORTH AMERICA and JAPAN, changing the payment timeline from 10 to 25 years in the case of availability without restriction.

Referring to product sales made by the recipient of MLS material, CIVIL SOCIETY, supported by ASIA, AFRICA, and NORWAY, suggested bracketing reference to "any of its affiliates" pending discussion on the definition of "affiliates," as it does not encompass all types of product sales.

GRULAC proposed that the recipient notify the Secretariat within 60 days of the beginning of commercialization. CIVIL SOCIETY emphasized the need to monitor payment obligations.

The Working Group then addressed a paragraph, agreed *ad referendum (ad ref)*, on exemptions from payments in case the product: has been obtained from another entity that has already made a payment; is sold or traded as a commodity; or contains a genetic contribution of less than 6.25% by pedigree of MLS material and does not contain a trait of commercial value contributed by MLS material. SWITZERLAND, NORWAY, and the SOUTHWEST PACIFIC questioned the proposed exemptions, specifically the third case regarding the genetic threshold and highlighting that such thresholds would not be applicable in the case of many breeding techniques, in particular new genomic techniques.

On Thursday, discussion resumed on the series of exemptions from payments under single access. ASIA, SOUTHWEST PACIFIC, NEAR EAST, GRULAC, and AFRICA opposed the exemption based on genetic threshold, noting the percentage can be applicable only to certain Annex I crops, but not to others nor to DSI/GSD. FARMERS' ORGANIZATIONS underscored that techniques evolved since the text was agreed *ad ref* in 2019, noting that no company using new genomic techniques would need to pay if the proposed exemption is maintained. CIVIL SOCIETY said the threshold cannot be controlled or traced, further noting that an exemption would stand at odds with Treaty Article 13.2d(ii), which states that a recipient who commercializes a PGRFA that incorporates MLS material will pay.

NORTH AMERICA and the REPUBLIC OF KOREA supported maintaining the provision, arguing the threshold is important to users. The SEED INDUSTRY said the absence of such a threshold is the reason companies do not currently use the MLS.

NORWAY, with the CGIAR, proposed referring to the "accumulated" genetic contribution of MLS material, in case the exemption is kept. The CGIAR explained that products routinely result from the crossing of many genetic resources in the MLS, which could result in a product derived entirely from MLS material falling below the threshold and thus being exempted.

A procedural discussion ensued. Most requested bracketing the exemptions, while Co-Chair Ryan, NORTH AMERICA, the EU, and the REPUBLIC OF KOREA opposed re-opening text agreed *ad ref*. The EU then suggested seeking expert advice. Co-Chair Ryan concluded that there is a range of views, and said the Co-Chairs will prepare a non-paper on the threshold-based exemption for consideration at WG 14. CIVIL SOCIETY requested the non-paper also address the exemption of commodities, drawing attention to loopholes caused by cases of seeds licensed and sold as commodities.

On a series of paragraphs handling withdrawal from the SMTA, NORWAY, GRULAC, and FARMERS' ORGANIZATIONS highlighted that a user should not be exempted from payments to the BSF if the commercialization of products based on material accessed from the MLS occurs post-withdrawal. CGIAR, the NEAR EAST, NORWAY, BRAZIL, and AFRICA suggested that the current formulation stipulating that the user is not allowed to use the material after withdrawal does not cover derivatives. The SEED INDUSTRY suggested using the terminology "PGRFA under development" instead. Delegates agreed that benefitsharing payments from material accessed from the MLS are due regardless of whether the user has withdrawn from the SMTA before commercialization. The Working Group will request the SGLE to review the paragraph to that end.

#### **Payment Rates**

On Thursday, Co-Chair Archak highlighted there are several payment rates to be defined, with their level depending on whether there will be a subscription-only or dual-access system.

Co-Chair Ryan invited delegates to reflect on the narrative for different approaches to setting the rates, underscoring that this will be needed to brief ministers with a view to reaching political agreement. He highlighted that discussions on rates should consider the issue of thresholds below which no payments are expected, as well as the ratio between the subscription and single-access rates and whether restrictions to further research and breeding affect the respective rates. He also invited suggestions on rates at WG 14.

CANADA underscored they are not prepared to discuss a subscription-only system.

GRULAC suggested reflecting on differentiated rates for different company sizes, and invited the Co-Chairs to reflect on the matter intersessionally. CANADA recalled that in a previous meeting, parties were tasked with interacting with the seed industry at the national level, and reiterated the task's importance. The SEED INDUSTRY considered it difficult to apply differentiated rates depending on corporate size, also noting that crop profitability varies. They pointed to indicative rates in <u>the 2019 package</u> and the seed companies' <u>declaration on the subscription</u>.

SOUTHWEST PACIFIC, supported by many, clarified the expectation is to define: the lowest rate for access under subscription for recipients making products available without restriction for further research and breeding; followed by a higher rate for access under subscription when products are restricted; and even higher rates for single access without and with restriction, respectively. They noted the rationale is that single access carries a risk that products may never be commercialized or only in the very distant future, which compromises flows into the BSF.

SWITZERLAND suggested the difference between the two subscription rates (with/without restriction), on the one hand, and the two single access rates, on the other, should be larger than the difference of restriction-related rates within each option. NORWAY added that the basis of calculation for the single access rate is also narrower compared to the subscription rate that uses the recipient's full product portfolio. Noting the industry's overall input is important to the process, NORWAY questioned their objectivity regarding the definition of payment rates. With CIVIL SOCIETY, NORWAY suggested the Secretariat prepare a document for WG 14 that outlines the expected benefit-sharing payments flowing into the BSF for different payment rates and reflects on the other components of the Funding Strategy.

ECUADOR noted there is no consensus yet in the region regarding the Southwest Pacific's proposal regarding the order of increase between the various rates and, supported by CIVIL SOCIETY, suggested tackling the issue of rates by agreeing on what the target sum flowing into the BSF should be. They stressed that a low target would hinder ratification. CIVIL SOCIETY underscored that, to ensure users are meeting their benefit-sharing expectations under the CBD, the rates should not undercut the indicative rate set by the CBD for DSI. The US stressed the rates need to be set at a realistic level to avoid negative effects on non-monetary benefit-sharing, including on access. PERU and SWITZERLAND highlighted that their national systems require benefit-sharing payments of no less than 1% of product sales.

The SEED INDUSTRY cautioned against setting too high expectations for monetary benefit-sharing, noting that the ABS mechanism cannot be expected to cover all the financial needs for PGRFA conservation.

#### **Draft Resolution**

On the review to be conducted at GB 14, delegates agreed to refer to voluntary "contributions" rather than "payments" and to review the number of subscribers, but not which payment option they chose. GERMANY suggested reviewing not only the amount of user-based income and voluntary contributions by recipients of MLS material, but also the amount and type of voluntary contributions by others, specifically whether these are one-time or annual contributions.

**DSI/GSD:** On Thursday evening, delegates turned their attention to benefit-sharing from DSI/GSD. Co-Chair Ryan noted that: there is still a range of views and no agreed *ad ref* text; there is no agreement on a definition, so the term DSI/GSD is used as a placeholder; and it is assumed benefit-sharing payments under subscription include an unquantified contribution from DSI/GSD.

AFRICA stressed the approach to address the matter in the resolution rather than the SMTA is not meeting their expectations, since the resolution will not be legally binding. MALAYSIA, NEPAL, and the PHILIPPINES recommended addressing DSI/ GSD under the SMTA. NORTH AMERICA reiterated their position that there are no monetary benefit-sharing obligations for DSI/GSD under the scope of the Treaty.

On a paragraph affirming the importance of sharing data on PGRFA, including DSI/GSD, for sustainable development and the objectives of the Treaty, the US proposed removing the reference to sustainable development.

MALAYSIA, NEPAL, and the PHILIPPINES suggested adding that sharing data should be in compliance with national laws. PERU highlighted the need for traceability when sharing DSI/ GSD to protect against biopiracy. CIVIL SOCIETY highlighted that providers have the right to decide what happens with DSI when sharing the material, noting that under the pandemic treaty negotiations there is an understanding that the term DSI/GSD will be defined at a later stage.

ARGENTINA mentioned that at the national level they consider DSI to be part of the genetic resource. CIVIL SOCIETY, supported by the PHILIPPINES, NEPAL, MALAYSIA, AFRICA, and GRULAC, and opposed by NORTH AMERICA, JAPAN, and the EU, suggested adding text that recognizes "the fair and equitable sharing of benefits arising from the use of GSI/GSD on PGRFA on equal footing." The proposal and the entire paragraph were put in brackets pending further consideration.

Delegates then addressed a paragraph affirming the importance of maintaining open access to DSI/GSD on PGRFA in the MLS for conservation, agricultural research, and plant breeding. Delegates debated proposals by CIVIL SOCIETY to: delete "open" access; and add reference to databases' responsibility to be accountable to the GB and provide access to all registered users according to terms stipulated by the GB. As a compromise, NORWAY proposed to take note of, or use language from, CBD COP Decision 16/2 on DSI. The paragraph, including alternative proposals, remained bracketed. Discussions on DSI/GSD continued on Friday, with delegates making amendments to the draft resolution, for discussion at the Working Group's next meeting. AFRICA reiterated the need to incorporate benefit-sharing from DSI/GSD in the SMTA.

On a paragraph affirming that DSI/GSD from MLS material "should" not be subject to IPRs, FARMERS' ORGANIZATIONS, with CHILE, proposed DSI/GSD "shall" not be subject to IPRs. Delegates bracketed a paragraph acknowledging that mandatory benefit-sharing payments under the subscription also reflect contributions from DSI/GSD to the development of products, with many underlining the link to discussion on payment rates and NORTH AMERICA opposing reference to "mandatory" payments.

The CGIAR proposed a new paragraph reaffirming the importance of maintaining detectable links between PGRFA in the MLS and available non-confidential information, including DSI/GSD, for scientific research purposes.

Delegates bracketed a paragraph acknowledging the <u>FAIR</u> <u>principles</u> and encouraging parties and others to make DSI/GSD publicly accessible by linking it to the Treaty's Global Information System.

On a paragraph inviting owners of databases making DSI/ GSD data available and encouraging users to identify the MLS as the source of genetic resources from which the DSI/GSD was derived, CIVIL SOCIETY, supported by NORWAY, suggested also identifying the genetic resource that acted as source.

On a paragraph inviting the provision of resources for capacity building on DSI, NORTH AMERICA, proposed referring to "parties in a position to do so" rather than developed country parties.

On a paragraph recalling <u>CBD Decision 16/2</u> on benefit-sharing from DSI/GSD, FARMERS' ORGANIZATIONS, supported by NEAR EAST, proposed deleting "to avoid stacking of obligations," noting the mechanism under the CBD is voluntary. NORTH AMERICA suggested either to put the entire sentence in quotation marks to highlight that it is part of the CBD decision, or replace "the stacking of obligations" with "avoiding double payments."

GRULAC, supported by AFRICA and NORWAY, stressed that the draft resolution text on DSI/GSD is too extensive and redundant, making it difficult to negotiate and approve at the GB. They called on the Co-Chairs to reduce the number of paragraphs for the next Working Group meeting.

#### Next Steps

On Thursday, Co-Chair Ryan noted the Co-Chairs will not prepare a new proposal ahead of WG 14, emphasizing that the basis for intersessional consultations and discussions at WG 14 would be the draft text as revised during WG 13.

Co-Chair Ryan noted the SGLE will improve the legal clarity of the draft texts, not prepare an alternative text, and its report should be ready by 20 May 2025 to allow for timely translation. He underscored the time constraints and invited regions to nominate experts for participation in the SGLE by the end of WG 13. Following discussions, it was agreed to convene the SGLE virtually rather than in person, and it was clarified that participation in the group would be limited to party-nominated experts in line with past practice.

Co-Chair Ryan called for submissions on: regions' and parties' perspectives on safeguards regarding the expansion of Annex I, specifically on how they intend to approach the use of exemptions; and the seed industry's perspective on the payment structure, especially their intention to subscribe. Building on a suggestion by

NORWAY, he noted submissions could also pertain to GRULAC's compromise proposal for advance payments under single access, emphasizing that parties are free to address whichever issues they deem relevant. Parties further noted they will brief other countries in their regions about WG developments.

Co-Chair Ryan pointed to preparation of: an information paper with scenarios on user-based income based on different payment rates, exemptions, and thresholds, and how these line up with the funding strategy and aspirations for the BSF; a non-paper on exemptions from payments under single access, including the genetic contribution threshold; and a flowchart delineating the access and payment structure. He urged regions to identify contact points for the Co-Chairs to liaise with in preparation for WG 14. The Secretariat clarified that WG 14 will take place in Lima, Peru.

On Friday, Co-Chair Ryan called for interventions to flag intent to provide written submissions before WG 14. CGIAR, supported by SOUTHWEST PACIFIC, highlighted the possibility of a crop-based subscription option. AFRICA highlighted their intent to propose a new definition of "Affiliate" in the SMTA. SWITZERLAND called for timely submissions of new ideas, including on GRULAC's proposal for advance payments under single access.

ECUADOR lamented that the absence of specific proposals on payment rates will hinder regional coordination and ultimately adoption of the package of measures for the MLS's enhancement. GRULAC welcomed the discussion around their proposal on advance payments under single access and invited industry representatives and delegations to reach out for coordination, noting they will consider further pursuing the proposal at WG 14 or through a written submission.

# **Closing Plenary**

Adoption of the report: On Friday afternoon, the Working Group reviewed its report (IT/OWG-EFMLS-13/25/Draft Report). EUROPE suggested mentioning that the Working Group reviewed the resolution section on DSI and paragraphs on voluntary benefitsharing payments, SMTA Articles 6 on the payment structure, and 10 on signature and acceptance, Annexes 2 on the subscription mechanism, 3 on the registration form, and 4 on single access, and did not review the other sections of the Co-Chairs' proposal, but agreed to use them as the basis for discussion at its next meeting.

Delegates made additions and specifications in a paragraph detailing work to be undertaken before the Working Group's next meeting, including in the Co-Chairs' non-paper on exemptions and issues to be addressed by the Standing Group of Legal Experts, further noting the list of issues is not exclusive.

On the proposal for a payment upon completion of the initial research phase under single access, GRULAC specified that it is an advanced upfront payment and not an additional payment, with NORTH AMERICA suggesting using the broader timeframe of "ahead of commercialization" instead of "upon completion of the initial research phase." Delegates agreed to amend the paragraph.

On a paragraph noting "initial, fruitful" discussions on rates, GRULAC cautioned against describing discussions as "fruitful."

ASIA requested, and delegates agreed, to state that the Working Group noted different views on the definitions of affiliates, products, sales, and commercialization, and agreed to discuss them at WG 14.

Delegates agreed to specify that the issue of the interpretation of the term "available without restriction" will be addressed under the *Ad Hoc* Technical Advisory Committee for implementation, if reconvened. The Working Group then adopted the meeting report with these and other minor amendments.

**Closing statements:** Co-Chair Ryan expressed his appreciation to participants for their dedication and constructive approach during a "long week" of negotiations running into the evenings, warning them that the next meeting of the Working Group in Lima will be even more intense.

Co-Chair Archak expressed his appreciation to Peru and Switzerland for organizing the next meeting in Lima, welcomed South Africa as a new party to the Treaty, and thanked all participants, including the *Earth Negotiations Bulletin*, for contributing to making the process more inclusive and participatory. Secretary Nnadozie reaffirmed commitment to supporting the Working Group.

The meeting closed at 5:29 pm.

# A Brief Analysis of the Meeting

Conserving the world's crop diversity is key to ensuring sustainable food systems. Agricultural innovation fostered by farmers, researchers, and plant breeders, can help increase plants' resilience to stressors such as climate change impacts and pests, enhance their nutritional value, and reduce agriculture-related environmental degradation.

The International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA) recognizes the enormous contribution farmers make to conserving and enhancing the diversity of crops that feed the world. The Treaty established a Multilateral System (MLS) that provides facilitated access to a list of crops considered vital for food security (listed in Annex I of the Treaty) and aims to ensure the fair and equitable sharing of the benefits arising from the use of plant genetic resources for food and agriculture (PGRFA).

In operation for approximately 20 years, the MLS covers major food crops such as wheat, rice, and maize. It is supplied by a multitude of seed collections from all around the world. By 2019, more than 5.4 million samples of PGRFA had already been transferred under the MLS, underscoring the effectiveness of the mechanism's facilitated access component. However, it quickly became clear that benefit-sharing was not living up to expectations, with virtually no user-based payments flowing into the Benefitsharing Fund (BSF). This is why parties launched negotiations towards the enhancement of the MLS in 2013. After a temporary breakdown in the negotiations between 2019 and 2023, mainly due to disagreements on payment rates and benefit-sharing from the use of digital sequence information (DSI) / genetic sequence data (GSD), negotiations resumed, with the aim to reach agreement at the eleventh session of the Governing Body (GB 11), which will convene in November 2025.

This brief analysis reflects on progress made at the 13th meeting of the Working Group (WG 13) on the MLS enhancement, and delineates what lies ahead until the Working Group, and ultimately the GB, meet again in Lima, Peru.

## The Negotiation Basis

When the Working Group resumed its work in 2023, delegates agreed to use the "June 2019 package" as a starting point. The package bundles progress achieved up until when the process broke down, namely on: the expansion of the list of crops in Annex I, with the objective to cover all PGRFA to make the MLS more attractive to users; a revision of the Standard Material Transfer Agreement (SMTA), the contract that sets out the terms and conditions for accessing MLS material and benefit-sharing obligations, with a focus on subscription for access to enable timely and predictable contributions to the BSF; and a GB resolution, which defines implementation measures.

One of the long-standing divides in the negotiations is between those calling for devising a subscription-only system of access to MLS material and those wishing to retain a single-access option with payments triggered upon commercialization. WG 12 had closed on a positive note, with a proposal aimed at bridging this divide. The proposal foresaw a subscription-only system with payments to be triggered either upfront, upon registration, or later, upon commercialization of a product incorporating material from the MLS.

Discussions had also showcased a general acknowledgment of the need to address benefit-sharing from DSI/GSD use. Support for a sector-based approach under the Convention on Biological Diversity's (CBD) new multilateral benefit-sharing mechanism for DSI use, whereby companies in sectors identified as highly dependent on DSI would be required to contribute a percentage of their profits or revenue, raised expectations for an ambitious resolution in the ITPGRFA context. Delegates thus reflected on the development of a specialized approach that would be mutually supportive of the approach adopted by the CBD.

Against this background, WG 13 opened with some dampened hopes and several surprises. The intersessional drafting group that was tasked with elaborating a subscription system with two payment triggers reverted to a proposal for a dual system including both subscription and single-access options. For some, this was a realistic proposal taking into consideration policy divides and drafting difficulties. For others, it reversed the progress made during WG 12, further showcasing the contentious nature of the negotiations. On DSI/GSD, the CBD multilateral mechanism was operationalized in a purely voluntary direction, with the 16th meeting of the CBD Conference of the Parties inviting governments to incentivize users in their jurisdiction to contribute to the DSI Fund. This development raised questions about the direction the Working Group would take and fears that some of the momentum may have been lost.

# Challenges and Progress Manifesting at WG 13

Preserving progress achieved in the past while adapting to changing circumstances is a challenge for lengthy negotiation processes such as the enhancement of the MLS. Mindful of the importance of not threatening compromises that were delicately crafted in the past, the Co-Chairs instructed the WG not to re-open previously agreed paragraphs. However, with biotechnological research making tremendous leaps forward in the past few years, some delegates intensely questioned previously agreed language. This related, in particular, to an exemption from payments if the commercialized product does not contain a specific level of genetic contribution or trait of commercial value derived from MLS material. Many noted that the provision "makes no sense" for many crops, nor when new genomic techniques are used, as the MLS material can be critical to the development of the final product regardless of the proportion of its genetic contribution. The Working Group eventually decided to request the Co-Chairs, in consultation with experts, to prepare a non-paper on exemptions ahead of WG 14.

Discussions at WG 13 were characterized by another important challenge: even when there is general agreement on substance, delegates can get entangled in lengthy debates over how to formulate specific provisions so that they are both technically and legally sound. While technical issues certainly need to be resolved, particularly as they concern an international contract such as the SMTA, such deliberations may compromise the time available to resolve priority policy debates, like payment rates or benefit-sharing from the use of DSI/GSD. In many instances, the Working Group decided to consult the Standing Group of Legal Experts ahead of WG 14, to make headway on technical matters and reserve time for the priority issues.

As negotiations approach the finish line, a challenge remains not only for regions, but even individual countries to solidify their negotiation position. From the outset, Asia noted the region is comprised of both provider and user countries, underscoring the difficulty to reconcile their respective interests. But Asia was not alone. The meeting showcased increasing difficulties for regions to formulate common positions, with many delegates making country, rather than regional statements. In addition, both the EU and Peru noted tensions emerging from stakeholder consultations, with the former pointing to a lack of industry support for a subscriptiononly system and the latter highlighting concerns over Indigenous knowledge and intellectual property rights.

Was there any progress at WG 13? For a while, it seemed the WG had lost momentum, with perceptible frustration in the room. But deliberations continued and remained constructive, and upon closer inspection, there are some bright points.

Delegates overwhelmingly welcomed the Southwest Pacific's clarification of the ladder at which they expect the payment rates to increase: with the lowest rate for access under the subscription for recipients making products available without restriction for further research and breeding; followed by a higher one under the subscription when restrictions are applied; and even higher rates for single-access when the product is available without restriction, with the highest rate applied when the product is restricted. They noted the rationale is that single access carries a risk that products may never be commercialized or only in the very distant future, which compromises flows into the BSF.

Delegates also drafted language aimed at clarifying the relation between the single-access and subscription-related payment obligations under a potential dual-access system. The first objective was to ensure there are no loopholes that would allow users who opt for single-access to evade the ensuing payment obligation by switching to the subscription shortly before commercializing their product. The other was to avoid double payments, with delegates clarifying that sales of products derived from material obtained under single access would be deducted from the "entire portfolio sales" taken as a basis for calculating users' subscription rate.

Perhaps most importantly, the Latin America and the Caribbean region (GRULAC) came forward with a proposal that may help bridge the divide between the proponents of a subscription-only system and the defenders of single access. Their main objective is to ensure predictable and timely flows to the BSF within a dual system. To that end, they suggested that single-access recipients make a payment upon completion of their research phase. This amount would be deducted from the payment due upon product commercialization. The CGIAR also floated a proposal envisioning an option for crop-specific subscriptions.

Finally, proposals to disclose the source of MLS material in applications for patents and plant breeders' rights would enhance transparency and traceability on the use of MLS material, much needed under the single-access option. Whether these proposals can offer a way forward, however, remains to be seen.

# Looking Ahead to Lima

Working Group members kept emphasizing the need to keep the MLS simple, yet engaged in "complex acrobatics," as one observer emphasized. Another one could not help but marvel at Norway's approach. Thirteen meetings into the process, negotiations are increasingly far away from the "simple and elegant" solution of a contribution to the BSF based on a percentage of annual seed sales that has been in place in the Nordic country for years.

Many underscored the Working Group should make the system "attractive" to users, pointing to the need to incentivize them to use MLS material. Others, however, indicated that users' low willingness to pay is unsurprising, proposing to "just make them pay." Exasperating this contrast, a wave of blanket tariffs swept the world during the meeting. "Governments maintain the prerogative to choose between incentives and binding measures, it is the objective that makes the difference" ascertained a seasoned observer, summing up the week.

There is very little time until the Working Group reconvenes in July for its last scheduled meeting before GB 11. The timeline is so short that the Standing Group of Legal Experts, called in to resolve a series of technical and legal matters, has only six weeks to form, deliberate, and release its report. The Co-Chairs' scenario note on user-based income based on different payment rates is also key, considering that parties' agreement to the package is contingent upon the extent to which it fits their expectations for monetary benefit-sharing.

Amidst technicalities such as rates, exemptions, and thresholds, it is important to acknowledge that even if the Working Group, and ultimately the GB, agrees on an enhanced MLS, this will only be a piece of the puzzle—albeit an important one—for securing sustainable food systems. As farmers and Indigenous Peoples remind us, we need more than siloed governance approaches to tackle challenges such as biodiversity loss and climate change. "We need different ways of doing things, ensuring harmony with life on Earth."

# **Upcoming Meetings**

**UNFF 20:** The UN Forum on Forests will review progress in implementation of the UN Strategic Plan for Forests 2017-2030, progress in implementing mid-term review outcomes, and other international forest-related developments. **dates:** 5-9 May 2025 **location:** UN Headquarters, New York **www:** <u>un.org/esa/forests</u>

ITPGRFA Working Group on the MLS: The fourteenth meeting of the *Ad Hoc* Open-ended Working Group of the International Treaty on Plant Genetic Resources for Food and Agriculture will continue discussing the enhancement of the Treaty's Multilateral System of ABS, set to be finalized by ITPGRFA GB 11. dates: 7-11 July 2025 location: Lima, Peru www: <u>fao.org/planttreaty/meetings/en</u>

**International Agrobiodiversity Congress:** Addressing the theme, "Agrobiodiversity for People and Planet," and hosted by the Chinese Academy of Agricultural Sciences and Bioversity Alliance, the Congress will gather policymakers, scientists,

producers, entrepreneurs, and farmers with a shared interest in the conservation and sustainable use of agrobiodiversity around the world. **dates:** 20-22 May 2025 **location:** Kunming, China **www:** <u>alliancebioversityciat.org/events/3rd-international-agrobiodiversity-congress</u>

**Global Agrifood Biotechnologies Conference:** Taking place as part of FAO's 80th Anniversary celebrations, the conference aims to provide a neutral platform to examine how biotechnological tools can drive transformation to sustainable agrifood systems, ensuring equitable access, and delivering meaningful impacts at all levels. **dates:** 16-18 June 2025 **location:** FAO headquarters, Rome, Italy **www:** <u>fao.org/events/detail/fao-biotech-conference-2025/en</u>

**IUCN World Conservation Congress:** Held once every four years, the World Conservation Congress brings together several thousand leaders and decision-makers from government, civil society, Indigenous peoples, business, and academia, with the goal of conserving the environment and harnessing the solutions nature offers to global challenges. **dates:** 9-15 October 2025 **location:** Abu Dhabi, United Arab Emirates **www:** <u>iucncongress2025.org</u>

**CBD SBSTTA 27:** The 27th meeting of the CBD Subsidiary Body on Scientific, Technical, and Technological Advice will address matters of relevance to the implementation of the Convention and the Global Biodiversity Framework. **dates:** 20-24 October 2025 **location:** Panama City, Panama **www:** <u>cbd.int/</u> <u>meetings</u>

**CBD SB8(j) 1:** Held back-to-back with SBSTTA 27, the first meeting of the Convention's new Subsidiary Body on Article 8(j) will address matters related to Indigenous Peoples and local communities. **dates:** 27-30 October 2025 **location:** Panama City, Panama **www:** <u>cbd.int/meetings</u>

**ITPGRFA GB 11:** The next meeting of the Governing Body is expected to conclude the revision of the Treaty's Multilateral System of ABS and will address other issues, including related to farmers' rights. **dates:** 24-29 November 2025 **location:** Lima, Peru **www:** <u>fao.org/plant-treaty</u>

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

# Glossary

ABS	Access and Benefit-sharing
BSF	Benefit-sharing Fund
CBD	Convention on Biological Diversity
COP	Conference of the Parties
DSI	Digital Sequence Information
FAO	Food and Agriculture Organization of the UN
GB	Governing Body
GRULAC	Latin American and the Caribbean region/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
SGLE	Standing Group of Legal Experts
SMTA	Standard Material Transfer Agreement