

Harnessing the International Treaty on Plant Genetic Resources for Food and Agriculture in Enhancing World Food Security: A Critical Analysis (pp. 214-233)

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Abstract

There is renewed international effort to address challenges associated with sustainable agriculture and food security. The key international framework is the International Treaty on Plant Genetic Resources for food and Agriculture. Through it, is established a Multilateral System (MS) of facilitated access to key plant genetic resources that are vital for human food and nutrition, as well as sustainable agriculture. If properly implemented and utilized, the system offers attractive prospects for dealing with those challenges. This paper attempts to provide an understanding of the Multilateral System of facilitated access to plant genetic resources for food and agriculture especially in addressing food security and sustainable agriculture.

Introduction/Background

The International Treaty on Plant Genetic Resources for Food and Agriculture is a landmark international agreement for ensuring food security and sustainable agriculture especially in developing countries. It establishes an elaborate system of facilitated access to a number of plant genetic resources considered key in agriculture production and meeting the nutritional and food related needs of humanity. Under the system, access is to be provided expeditiously with minimal costs involved. The system also

offers several monetary and non-monetary benefits that are vital for ensuring sustainable agriculture, and increased and improved food production to feed the rapidly growing world population. (FAO 2001). Due to the opportunities that the system offers especially to developing countries in promoting food security and ensuring sustainable agriculture, it is important that Scientists, policy makers, legal practitioners and managers of plant genetic resources for food and agriculture in these countries get to appreciate and understand the operation of the system at the earliest opportunity.

The most noteworthy feature of the international treaty is the more institutional is the more institutional mechanism it creates to facilitate the exchange of seeds and plant materials for research, breeding and training. The treaty establishes a multilateral system (MS) to which member states and their nationals are granted, 'facilitated access'. The MS is a form of 'limited common property', comprising sixty-four (64) food and feed crops, which account for the bulk of human nutrition. In exchange for this communal seed treasury held in Government and international seed banks, private parties that incorporate materials from the multilateral system into commercial products must deposit a percentage of their profits in a trust account which will be used to promote benefit sharing and conservation of plant genetic resources particularly in regard to farmers in developing countries as those in Africa as they are the world's richest biodiversity ecosystems.

This paper has been prepared to contribute to the discussion of the operation of the Multilateral System of Access and Benefit Sharing and the opportunities it offers in promoting world food security and sustainable agriculture. This paper traces the history and evolution of the Treaty and provides a synopsis of its major provisions. As a major focus, the paper examines the Multilateral System and its major implementing instrument- the Standard Material Transfer Agreement (SMTA) in the context of promoting food security and sustainable agriculture. The paper concludes with some observations and recommendations vital for understanding the Multilateral System and enabling countries to take maximum benefit of the system in promoting food security and sustainable agriculture.

One of the most pressing world development challenges apart from poverty reduction, HIV/AIDS and terrorism, is how to feed the rapidly growing population at the time when the world's biological resources are diminishing at alarming rates. According to the official United Nations estimates, the

world population is expected to increase by 2.6 billion over the next 42 years, from 6.5 billion to 9.1 billion in 2050. Almost all growth will take place in the less developed regions, where today's 5.3 billion is expected to swell to 7.8 billion in 2050.(UN 2005) To feed such a growing population would require an astonishing increase in food production.

Concerned with the number of the people in the world who did not have enough food to meet their basic nutritional needs, the world Heads of State and Government at the World Food Summit agreed on a global plan of action to reduce the number of undernourished and hungry people to half by 2015 (Mulvany 2001). They re-affirmed the right of every one to have access to safe and nutritious food, consistent with the right to adequate food and the fundamental right of everyone to be free from hunger.

The world leaders acknowledge the major causes of insecurity including constraints on access to food, poverty, instability of supply and demand, as well as natural and man-made disasters. In Africa, unsustainable agricultural practices and technologies also contribute to the poor state of food security in the region. The adoption and coming into force of the Treaty, represents a major step in meeting the objectives of the World Food Summit, for instance the reduction of the number of hungry people by half by 2015 and promoting sustainable agriculture and food security. These mechanisms in particular the Multilateral System are the major focus of this paper.

Historical Development of the Treaty

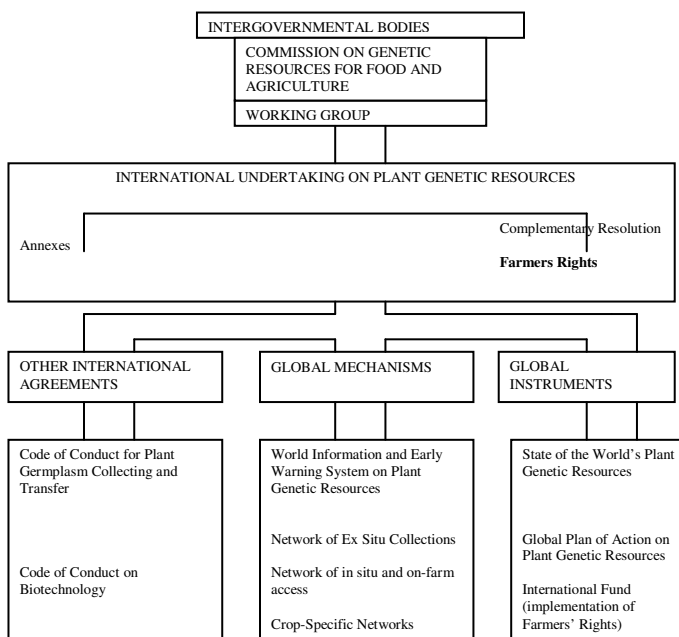
In order to understand the Multilateral System and its implementing instrument- the Standard Material Transfer Agreement, an examination of the history and evolution of the Treaty is paramount. This section is therefore a brief history and development of the Treaty.

The history and development of the Treaty can be traced from the establishment of the FAO Global System for the Conservation and Sustainable Use (here after referred to as the System). The System was established in 1983 by member countries of FAO as an arrangement through which issues of plant genetic resources and development would be engaged and addressed on a continuous basis.(FAO 2006) It covers both the conservation (ex situ and in situ, including on-farm) and utilization of plant genetic resources for food and agriculture.

It aims at ensuring the safe conservation, and promoting the availability and the sustainable use of plant genetic resources by providing a flexible framework for sharing benefits and burdens. It consists of several elements the major ones being; the Commission on Genetic Resources for Food and Agriculture, the Treaty (formerly the International Undertaking on Plant Genetic Resources here after referred to as the International Undertaking) and the Global Plan of Action for the Conservation and Sustainable Use of Plant Genetic Resources for Food and Agriculture. The figure below shows the various components of the System and how they relate to each other.

The FAO Global System for the Conservation and Sustainable Use of Plant Genetic Resources

The FAO Global System for the Conservation and Sustainable Use of Plant Genetic Resources



Source: *Adopted from the FAO Progressive Report on FAO Global System for the Conservation and Utilisation on Plant Genetic Resources for Food and Agriculture to the third Conference of Parties (COP) of the Convention on Biological Diversity, 1996.*

A major component of the System was the International Undertaking which incorporated the traditional view that plant genetic resources were a common heritage of mankind to be freely available without any restrictions. (Harold 1985) This spirit was reflected in the practice of the International Consultative Group on International Research (CGIAR). Resolution 3/83 of the FAO Conference by which the International Undertaking was adopted, recognized that “plant genetic resources are a heritage of mankind to be preserved, and to be freely available for use, for the benefit of the present and the future generation.” The concept of common heritage of mankind applied not only to farmers’ varieties and wild materials, but also plant genetic resources subject to plant breeders’ rights. (Bradgon, etal 2005).

It is important to emphasize in this regard, that one of the major reasons for the International Undertaking’s approach to plant genetic resources as a common heritage of mankind was to enable free flow and exchange of such resources between and among countries, research institutions, farmers and breeders to ensure their general availability to meet the agriculture and food related needs of the globe, thus contributing to food security and sustainable agriculture.

As a result of the International Undertaking’s approach, many developed countries including USA, Canada, France United Kingdom and New Zealand expressed reservations to support it. Concerned with the number of countries that had expressed reservations and the poor adherence to its provisions, the FAO through its Commission on Plant Genetic Resources, recommended that the secretariat prepares a paper for consideration by the Commission at its next session, analyzing the countries’ reservations to the International Undertaking and delineating possible courses of action, including suggestions for possible interpretations of the text to increase its acceptance by States (Anderson 2005).

The Commission established two major reasons for the reservations and poor adherence to the International Undertaking. First was its approach to plant genetic resources for food and agriculture as a common heritage of mankind which should generally be available without restriction and the second reason concerned the need to recognize plant breeders’ rights. Serious debate within the FAO on privately held intellectual property rights over plant genetic resources, in particular plant breeders’ rights started at this point.

The debates were protracted and characterized by a lot of controversy, suspicion and uncompromising spirit between the developed world and the developing countries. The developing countries argued that it was inequitable, unfair and unjust to continue the historical free flow of germplasm from their countries to the developed world (which was seen as the major beneficiaries of plant breeders' rights) without first recognizing and rewarding the enormous contribution of farmers especially from the developing countries for nurturing and making available the plant genetic resources which were the foundation of plant breeding.

The developed countries on the other hand sought to justify the need for the recognition of plant breeders' rights on the basis that they invest a lot of time and money in research techniques that enable them make genetic improvements. For that matter, they needed to recoup their investment and be rewarded for their effort. They also argued that the principle of common heritage contained in the International Undertaking conflicted not only with the International Union for the Protection of New Varieties of the Plants that requires States to grant breeders certain exclusive rights to new plant varieties but also with their national patent laws, which grant intellectual property rights in isolated and purified genes.

In an effort to have a negotiated and acceptable solution, it was agreed that an interpretation to the International Undertaking be provided that would recognize both plant breeders' rights and farmers' rights. Thus in November 1989, by Resolution 4/89, the FAO Conference at its 25th Session in Rome provided an agreed interpretation to the International Undertaking that recognized that plant breeders' rights as provided for by the International Convention for the Protection of New Varieties of Plants were incompatible with International Undertaking. The Resolution simultaneously recognized farmer's rights which were subsequently defined in Conference Resolution 5/89.

Resolution 4/89 therefore constituted the first major qualification to the concept of common heritage of mankind under the International Undertaking. By recognizing plant breeders' rights and farmers' rights, it meant that from then on, the concept of common heritage of mankind was now to be subject to the recognized rights. The other major qualification to the concept of common heritage of mankind in the International Undertaking was introduced by FAO Conference Resolution 3/91. This Resolution affirmed

that the concept of heritage of mankind was subject to the sovereign rights of nations over their plant genetic resources. This concept of “State Sovereignty” over their plant genetic resources was largely pushed by the developing countries which sought to correct the asymmetry of benefits accruing to developed and developing countries by the International Undertaking’s recognition of plant breeders’ rights.

The move to push for recognition of the concept of State Sovereignty in the International Undertaking seems to have been influenced by the then ongoing negotiations for the Conservation on Biological Diversity (CBD) where the same concept was discussed and finally incorporated in the final text. In fact the subsequent revision of the International undertaking and its adoption into the Treaty as a legally binding instrument for the conservation, sustainable use and equitable sharing of benefits arising from use of plant genetic resources for food and agriculture was largely influenced by the conclusion and adoption of the CBD.

While adopting the agreed text of the CBD, countries also adopted Resolution 3 of the Nairobi Final Act which recognized that access to ex situ collections not acquired in accordance with the CBD, and farmers’ rights, were outstanding matters which the CBD had not addressed and for which solutions had to be sought within the system. The Resolution also called for ways and means to be explored to develop complementarily and cooperation between the CBD and the System.

Similar recommendations were made by the United Nations Conference on Environment and Development (UNCED) held in Rio de Janeiro which called for the strengthening of the System and its adjustment in line with the CBD, as well as taking further steps to realize farmers’ rights. Accordingly, the FAO Conference at its 27th Session in November 1993, requested the Director General of FAO to provide a forum for negotiations on revision of the International Understanding and adapting it in harmony with the CBD as well as considering the issue of realization of farmers’ rights. Negotiations to the above effect commenced in November 1994 an April 1999, the Commission on Plant Genetic Resources for Food and Agriculture at its 8th Regular Session agreed to establish a Contact Group to continue the process. It was this process that resulted into the adoption of the Treaty in November 2001 (Tabaro 2006).

Synopsis of the Treaty

The Treaty seeks to achieve three major inter-related objectives. First, it seeks to ensure the conservation of plant genetic resources for food and agriculture. Secondly, it aims at promoting the sustainable use of plant genetic resources for food and agriculture and its components. Finally, it strives to ensure the fair and equitable sharing out of use of plant genetic resources for food and agriculture. These objects are to be achieved “in harmony with the CBD, for sustainable agriculture and food security” This therefore means that the Treaty’s overall goal is the attainment of sustainable and food security. This goal is to be achieved through the conservation and sustainable use of plant genetic resources for food and agriculture, and the fair and equitable sharing of the benefits arising out their use.

In line with Resolution 3 of the Nairobi Final Act, by which the CBD was adopted, which recommended that issues of access to ex situ collections not acquired in accordance the CBD, and farmers’ rights be addressed within the System, the Treaty deals with the issue of access to the pre-CBD ex situ collections and farmers’ rights in some detail. It recognizes the concept of Farmers’ Rights and the enormous contribution of farmers from all regions of the world, particularly those in the centres of original crop diversity in the conservation and the development of plant genetic resources for food and agriculture. It enumerates some of the rights that are protectable under the concept of Farmers’ Rights including: the protection of traditional knowledge relevant to plant genetic resources for food and agriculture; the right to equitable sharing of benefits arising from the utilization of plant genetic resources for food and agriculture and the right to participate in decision making processes on matters related to the conservation and sustainable use of plant genetic resources for food and agriculture. The Treaty upholds the farmers’ fundamental right to seed and provides that nothing therein would be interpreted as limiting the farmers’ right to save, use, exchange and sell farmer-saved seed/propagating material. Overall, it devolves the responsibility for the realization of farmers’ right to national Governments of Member States in accordance with needs and priorities.

With regard to the issue of access to ex situ collections acquired before the Treaty came into force, the Treaty provides upon International Agricultural Research Centres (IARCs) signing agreements with Governing Body, plant genetic resources for food and agriculture listed in Annex I and held by them shall be available in accordance with the Multilateral System set out in part

IV. But plant genetic resources for food and agriculture other than those listed in Annex I of the Treaty, which are collected before the Treaty came into force, remain available in accordance with the provisions of the Material Transfer Agreement (MTA) in use by the IARCs subject to the future agreements between IARCs and FAO. Once the IARCs sign the above mentioned agreements, they become entitled to facilitated access to Annex I crops in the jurisdiction of Contracting Parties. The Contracting Parties in whose territory the plant genetic resources for food and agriculture were collected from in situ conditions have the right to be provided with samples of such material by the IARCs on demand without any MTA. In general, the IARCs recognize the authority of the Governing Body to provide future guidance relating to ex situ collection held by them that are subject to the Treaty (Moore and Tymowski 2005).

Other than the pre-CBD ex situ collections and farmers' rights- issues that the CBD had left outstanding, the Treaty sets out the comprehensive mechanisms for the conservation of plant genetic resources for food and agriculture. It highlights the need to conduct surveys and to keep inventories of plant genetic resources for food and agriculture, promote collection of plant genetic resources and relevant- associated information in those resources that are under threat or are of potential use, promote and support farmers and local communities' efforts in managing and conserving on-farm their plant genetic resources for food and agriculture, promote conservation of wild crop relatives and wild plants for food production, and cooperation in the development of an efficient and sustainable system of ex situ conservation.

The Treaty also sets out elaborate strategies for promoting sustainable use of plant genetic resources for food and agriculture. These include: development of appropriate policy and legal measures for sustainable use of plant genetic resources for food and agriculture; strengthening of research which enhances and conserves biological diversity; promotion of plant breeding efforts which strengthen the capacity to develop varieties particularly adaptable to social, economic and ecological conditions; broadening the genetic base of crops and increase in the range of genetic diversity available to farmers; and reviewing and adjusting, as appropriate, breeding strategies and regulations concerning variety release and seed distribution.

One of the unique features of the Treaty is the comprehensive mechanism it establishes for the fair and equitable sharing of benefits arising from conservation and sustainable use of plant genetic resources for food and agriculture. This mechanism is particularly linked to the Multilateral System and is discussed in detail in the section that follows. Suffice it to mention that the benefits include: facilitated access to and transfer of technology; exchange of information; capacity building; and monetary benefits from the commercialization of products that incorporate material obtained from the Multilateral System.

The MS: Access and Benefit Sharing

A fundamental principle of the Multilateral System which is also recognized by the CBD is that it is based on the sovereign rights of states over their own plant genetic resources for food and agriculture. The system recognizes that the authority to determine access to those resources rests with the national governments and is subject to national legislation. It is in exercise of their sovereign rights, that the Contracting Parties established the Multilateral System. It is to be found under part IV of the Treaty and it's designed to facilitate access to plant genetic resources for food and agriculture listed in Annex I of the Treaty.

Under Annex I, plant genetic resources were established according to the criteria of food security and interdependence. They represent most of the important food crops for which countries are interdependent and no single Member State to the Treaty can lay claim to being self sufficient. These crops combined contribute over 80% of the world's total energy food supply (Moore and Tymowski supra)

The Multilateral System only applies to Annex I plant genetic resources for food and agriculture under the control and management of the Contracting Parties and in the public domain. The implication for this is that Annex I plant genetic resources for food and agriculture held by private individuals and entities does not fall within the system. Contracting Parties however did agree to take appropriate measures to encourage natural and juristic persons within their jurisdictions who hold Annex I plant genetic resources for food and agriculture to include such resources in the Multilateral System.

The Multilateral System also includes those Annex I plant genetic resources for food and agriculture held in ex situ collections of the IARCs of the

CGIAR. These collection centers are held in trust for international community. In this connection, these resources need not be under the control and management of Contracting Parties. Ex situ collections of other international organizations that sign agreements with the Governing Body are also included in the Multilateral System.

Accordingly the Contracting Parties are obliged to offer facilitated access to Annex I plant genetic resources to each other and the legal and natural persons under their jurisdiction. This means that facilitated access will be provided to individuals or organizations that have a legal personality, such as private companies and civil society organizations that are located in the territory of a Contracting Party, or organized and operating under its jurisdiction.

Although the Treaty does not in specific terms define “facilitated access”, Article 12.3 (b) provides that “such shall be accorded expeditiously, without the need to track individual accessions and free of charge, or, even when a fee is charged, it shall not exceed the minimal cost involved.” This provision recognizes in general that administrative fees may be charged but such fees should not exceed the costs involved nor constitute hidden access fees. (Moore and Tymowski opcit) To the extent that Annex I crops under the Multilateral System are accessed almost free of charge by the Contracting Parties, they can be said to constitute some form of limited common property.

Facilitated access is provided solely for the purpose of utilisation and conservation for research, breeding and training for food and agriculture. Chemical, pharmaceutical and/or other non-food/feed industrial uses are expressly excluded from the system. For that matter, those seeking access for the excluded purposes need to enter into separate agreements with the Contracting Parties. Nevertheless, in case of multi-use crops (food and non-food), in line with the criteria for establishing the Annex I crops, their importance for food security is the determinant for their inclusion in the Multilateral System and availability for facilitated access.

Plant genetic resources for food and agriculture accessed under the Multilateral System and conserved are supposed to continue to be made available to the system and the recipients are barred from claiming intellectual property rights and other rights that limit facilitated access to the

resource or their genetic parts or components thereof, in the form received from the system. It is fundamental to note in this regard, that unless subsequent improvements and modifications are made to the material, genetic parts or components thereof received from the Multilateral System, the recipient cannot claim intellectual property rights or other rights in the material so received.

From the above it would seem that a minor improvement or modification to the material, genetic parts or components thereof will suffice to enable the recipient validly claim property rights in the resource. This has great potential to undermine and defeat the object and purpose of the Multilateral System. It is also important to note that the restriction relates only to intellectual property rights and other rights that limit facilitated access to such materials in the form they are received. Therefore to the extent that the asserted rights do not limit facilitated access to the material in the form they are received, they can validly be claimed.

In case of emergency disaster situations, the Multilateral System guarantees facilitated access to appropriate plant genetic resources for food and agriculture in the system for the purpose of contributing to the re-establishment of agricultural systems. In such situations facilitated access is accorded to both the Contracting Parties and non Contracting Parties. The purpose of according facilitated access to non-Contracting Parties is to help restore the agricultural systems in situations of disaster. Once the restoration is achieved, they cannot therefore continue benefiting from facilitated access.

One key aspect of the Multilateral System which also doubles as the major object of the Treaty is the concept of equitable sharing of benefits. Article 13.2 of the Treaty provides that the benefits arising from use, including commercial, of plant genetic resources for food and agriculture under the Multilateral System shall be shared fairly and equitable through exchange of information, access to and transfer of technology, capacity building, and sharing of benefits arising from commercialization.

In regard to exchange of information, the Treaty obliges Contracting Parties to make available information which encompass catalogues and inventories, information on technologies, results of technical, scientific and socio-economic research, including characterization, evaluation and utilisation regarding Annex I crops and forages. This is information that is useful for the

utilizations of plant genetic resources for food and agriculture to meet a vast array of needs of different parties including crop improvement and boosting agriculture production. This information is to be made available to Contracting Parties subject to three major qualifications in cases where it is confidential; it is to be provided subject to applicable national law and in accordance with national capabilities.

With respect to access and to transfer of technology, the Parties undertook to provide and/or facilitate access to technologies for the conservation, characterization, evaluation and sustainable use of plant genetic resources that are under the Multilateral System. The Parties also undertook to provide and/or facilitate access to genetic material under the Multilateral System, improved varieties and genetic material developed through the use of plant genetic resources for food and agriculture under the Multilateral System.

In regard to developing countries that are party to the treaty, in particular least developed countries and countries in economies in transition, access to and for, transfer of technology including that protected by intellectual property rights is to be provided and/or facilitated under the fair and most favourable terms, in particular the case of technologies for use in conservation as well as technologies for the benefit of farmers.

Capacity building as a form of benefit sharing includes establishing and/or strengthening programmes for scientific and technical education and training in the conservation and sustainable use of plant genetic resources for food and agriculture, developing and strengthening facilities for the conservation and sustainable use of plant genetic resources for food and agriculture, developing and strengthening facilities for conservation and sustainable use of plant genetic resources for food and agriculture and carrying out scientific research and research capacity development in developing countries in the fields where there is a need.

The monetary benefit sharing arrangements are triggered by commercialization of a product containing material from the Multilateral System and only when the product is not available without restriction to others for further research and breeding. In this respect, in exchange for access to plant genetic resources for food and agriculture under the Multilateral System, Parties that incorporate materials from the Multilateral System into commercial products must pass an equitable share of the benefits

into a trust account. These benefits are meant to flow primarily, directly and indirectly, to farmers in all countries, especially in developing countries, and countries with economies in transition, who conserve and sustainably utilize plant genetic resources for food and agriculture.

The Standard Material Transfer Agreement

The STMA is the main instrument for implementing the Treaty provisions relating to the Multilateral System. It was negotiated and adopted as a model agreement that the providers and recipients of the plant genetic resources for food and agriculture under the Multilateral System would use for facilitation of access to such resources and ensuring the fair and equitable sharing of benefits that would arise from such access. In this regard, Article 12.4 of the Treaty provides “that facilitated access under the Multilateral System shall be pursuant to a STMA which shall be adopted by the Governing Body.”

Pursuant to this provision, a Contact Group comprising 12 representatives per FAO region was established through which the process of developing the STMA was to be undertaken. The Contact Group was preceded by an Expert Group which was charged with the mandate of developing the initial elements of the STMA which the Contact Group would develop further for consideration of the Governing Body. The composition of the Expert Group was also based on regional representation of experts and advisors. There was one meeting of the Expert Group and two meetings of the Contact Group (Tabaro supra).

The negotiations leading to the SMTA were protracted and marked with a lot of controversy right from the establishment and development of the Terms of Reference (TORS) for the Expert Group and Contact Group. For instance regarding the development of TORs for the Expert Group, it was observed by commentators that much time was spent discussing such an advisory group for the interim committee, which in turn would only make recommendations to the Governing Body.

Others commented that the lengthy debate on minute details was politically motivated, with some countries trying to influence the substantive debate prior to the constitution of the Governing Body. The lengthy discussion on the Expert Group’s composition and representation highlighted these political sensitivities. Although, the final result was viewed as a compromise package deal, some participants still expressed their surprise and dissatisfaction at the

decision not to include a CBD representative from CGIAR, the World Intellectual Property Organisation (WIPO), Union for the Protection of New Varieties of Plants (UPOV), notwithstanding the specific references to the CBD in the Treaty's text and the conventions work on access. The process of developing the STMA was completed in 2006 through resolution 1/2006 during the First Session of the Governing Body.

Rights and Obligations of the Provider

The rights and obligations of the provider are provided for under Article 5. In regard to this Article, the provider is obliged to permit access in an expeditious manner, without the need to track individual accessions and is free of charge, or, when a fee is charged, not to exceed the minimal cost. This provision is the essence of facilitated access under the Multilateral System. It is a replica of Article 12.3 (b) of the Treaty. It is important to emphasize still that this facilitated access only applies to the juristic or natural persons among Contracting Parties.

The provider is obliged not just to provide the genetic material, but also all passport data and any other associated available non-proprietary descriptive information. This provision is a replica of Article 12.3 (c) of the Treaty. In line with the Treaty (Article 5 (d)), the SMTA also requires the Provider to respect the relevant national and international laws when providing plant genetic resources subject to intellectual property rights and other property rights. Since most of the plant genetic resources in the Multilateral System are those in the public domain, and therefore not subject to intellectual property rights, this provision mainly applies to materials included in the Multilateral System voluntarily by their private holders within the meaning of Article 11.3 of the Treaty.

Access to plant genetic resources for food and agriculture under development including material being developed by farmers can only be provided at the discretion of the developer, during the period of its development under Article 5 (e). This therefore means that genetic materials of crops in the Multilateral System but under development are not available as of right. The farmers and breeders can refuse to allow access to such material, if they choose. The SMTA does also require the Provider to periodically inform the Governing Body about the MTAs entered into under Article 6.1. This information is to be made available to the Governing Body as the Third Party

Beneficiary (TPB) to the Agreement entered into between the Provider and the Recipient.

Rights and Obligations of the Recipients

Most of the rights and obligations of the Recipient like those of the Provider, derive directly from the Treaty. This is especially so because Article 12.4 of the Treaty provides for certain key provisions that had to be included in the SMTA. The Article provides that “the SMTA would contain provisions of Article 12.3 a, d, and g, as well as the benefit sharing provisions set out in Article 13.2 d(ii) and other relevant to the Treaty, and the provisions that the recipient of plant genetic resources for food and agriculture shall require that the conditions of the MTA shall apply to the transfer of the genetic resources to another person or entity, as well as to any subsequent transfers of those plant genetic resources for food and agriculture.”

In the above regard therefore, the SMTA obliges the Recipient to undertake that the material received or to be received shall be used or conserved only for the purposes of research, breeding and training for food and agriculture under Article 6.2. The Recipient is also barred from claiming any intellectual property rights or other rights that would limit facilitated access to the material provided under the agreement, or its genetic parts or components, in the form received from the Multilateral System under Article 6.3. One is obligated to conserve the material supplied and make it and the related information available to the Multilateral System as provided under Article 6.4. In cases where the material supplied under the SMTA to another entity (subsequent Recipient), one is to do so under the terms and conditions of the SMTA, through a new MTA; and is obligated to inform the Governing Body within the meaning of Article 5 (e) of the SMTA.

In case that the Recipient commercializes the product that incorporates material from the Multilateral System, and where such product is not available without restriction to others, he/she is required to pay a fixed percentage of the sales of the commercialized product into a trust account.

There are two possible payment schemes that recipients can choose from. The first requires the recipient to 1.1 percent (1.1%) of the revenues less thirty percent (30%) of the sales of the product or product that is based on material from the Multilateral System. Under the second option, a company could decide to 0.5% of the revenues from the commercialization on all of its varieties which are covered by the Multilateral System regardless of whether

or not they are also made available to other persons or entities without restriction to transfer the benefit-sharing obligations of the SMTA to that party in Article 8.4 (b). When a recipient who has obtained intellectual property rights on any products developed from the material or its components, obtained from the Multilateral System assigns such intellectual property rights to a third party, s/he is required to transfer the benefit sharing obligations of the SMTA to that party. The Recipient is also required to make available to the Multilateral System, all non-confidential information that results from research and development carried out on the material, and is encouraged to share through the Multilateral System non-monetary benefits identified in Article 13.2 of the Treaty that result from such research and development.

Dispute Settlement Mechanism

The SMTA establishes a three-step dispute settlement mechanism that starts with amicable settlement through negotiation under Article 8.4 (b). In case of failure to resolve the dispute through negotiation, the parties may choose mediation through a neutral third party mediator agreeable to both. If the dispute is not settled through the above mechanisms, then a party may submit it for arbitration under the Arbitration Rules of an international body as agreed by the parties. In case of failure of agreement by the parties as to the international body to submit to the dispute, the dispute is finally settled under the rules of arbitration of the International Chamber of Commerce, by one or more arbitrators appointed in accordance with the above-mentioned rules.

The dispute settlement mechanism permits the provider, the recipient, or the entity designated by the Governing Body (representing the Governing Body and the Multilateral System) to initiate the dispute settlement process. The entity to be designated by the Governing Body is referred to as the “Third Party Beneficiary” (TPB). The TPB has the right to request that the appropriate information, including samples as necessary, be made available by the provider and recipient, regarding their obligations in the context of the SMTA. The idea of TPB is important for strengthening the role of the Governing Body with regard to monitoring the performance of transactions under the SMTA, especially as they relate to sharing of benefits, in particular the monetary benefits (Mwila, 2006).

Conclusion

The Multilateral System constitutes one of the most important initiatives at the international level aimed at addressing the challenge of food security and promoting sustainable agriculture. Other than providing for facilitated access to important food crops and forages considered key for human nutrition, the system also provides for several benefits critical for achieving sustainable agriculture and food security. These include: exchange of information and research findings, access to transfer of technology, capacity building and monetary benefits arising from commercialization of products containing material from the Multilateral System. The instrument for operationalizing the Multilateral System (the STMA), has been adopted by the Governing Body. The challenge is now for States party to the Treaty and juristic and natural persons under their jurisdiction to strategize and take advantage of the system in solving their agricultural and food security related problems.

This would not only require a lot of awareness raising and capacity building, but also calls for constant engagement with the Treaty processes. Monitoring countries' dealings related to the Multilateral System is essential especially when it comes to tracking the monetary benefits. Revision of the Treaty and the SMTA corresponding provisions that in essence permit intellectual property rights over materials accessed from the Multilateral System as long as they are not in the form in which they were received from the system (however minor the modifications) may be inevitable. Those provisions have great potential to be abused to defeat the very object and purpose of the Treaty.

To this end clear opportunities and examples exist for promotion of world food security under the International Treaty on Plant Genetic Resources for Food and Agriculture in as much as aspects of health improvement, poverty alleviation, resource management, and governance and peace. The key to success of the Standard Material Transfer Agreement in achieving food security for African countries in terms of the New Partnership for African Development (NEPAD) strategy lies in coordinated, proactive rather than reactive agendas that tend to define the approach of African states

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