

A cost-benefit analysis of the ITPGRFA regarding ABS.

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Introduction

- Special Nature of PGRFA
- Interdependence of countries on PGRFA
- Existence of international ex situ collections
- International legal regimes
- Cost benefit analysis of bilateral exchanges
- Cost benefit analysis of Multilateral approach
- Additional costs of Treaty and Multilateral System
- Conclusions



Special nature of PGRFA

- Nature of PGRFA
 - Man-made biodiversity
 - Need for broad range of PGRFA in breeding process



Interdependence

- Interdependence of countries on PGRFA
 - History of exchange
 - All countries now dependent on external PGRFA



International collections

- Existence of international ex situ collections



International Legal Regimes

- Motivating factors
 - Special nature of PGRFA and interdependence
 - Sovereignty of natural resources
- International Undertaking on Plant Genetic Resources



International Legal Regimes (cont)

- Convention on Biological Diversity
- International Treaty on PGRFA
- Nagoya Protocol on Access and Benefit-sharing



Costs/benefits of bilateral approach

- Study on transaction costs for negotiations
- Bilateral approach would require at least 400 – 2,000 agreements
- Transaction costs estimated at between US\$22 million to US\$78 million
- Costs include negotiation and pre and post distribution tracking
- Not included major cost of reducing access
- Conclusion that costs would be prohibitive



Costs/benefits of Bilateral Approach

- Bilateral Study based on 4 possible scenarios
 - Scenario A – purely bilateral 22 – 78 million
 - Scenario B – Only CG collections and national cereals in Multilateral System 8 – 19 million
 - Scenario C – CG Collections and national collections of cereals and grain legumes in Multilateral System 3.8 – 8 million
 - Scenario D – All food crops covered by Multilateral System 1.2 to 1.9 million



Costs/benefits of Multilateral Approach

- As Treaty negotiated, situation is between Scenario C and Scenario D
- Costs of operation of bilateral agreements would be US\$2.5 to US\$4.95 million
- Annual savings of Multilateral System would be US\$19.5 to US\$73 million



Additional costs not covered in study

- Costs of Treaty negotiation
- Costs of implementation of Treaty



Additional benefits of the Treaty

- Impact on germplasm flow
 - Experience of CG Centres
 - Experience of national centres
- Impact on research and flow of information
- Potential impact of Third Party Beneficiary system on enforcement costs
- Impact on costs of ex situ conservation system
- Impact on availability of funds for conservation and sustainable utilization



Conclusions

- Savings of Multilateral System
- Additional costs and benefits
- Main benefit is continuing the flow of germplasm essential for food security
- Multilateral System still in its infancy
- Overall conclusion is that Multilateral system essential and outweighs costs
- Is the situation for animal genetic resources the same, or are the considerations different?

