

EAPVP Forum International Cooperation Activity in Indonesia Seminar on Breeder's Exemption in PVP under UPOV Convention

The Plant Variety Protection System in JAPAN

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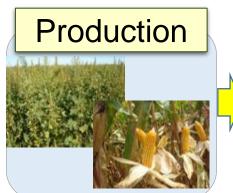
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Agriculture and Intellectual Property

Establishing a Food Value Chain by Intellectual Property

Connect the created value



Manufacturing & Processing



Distribution



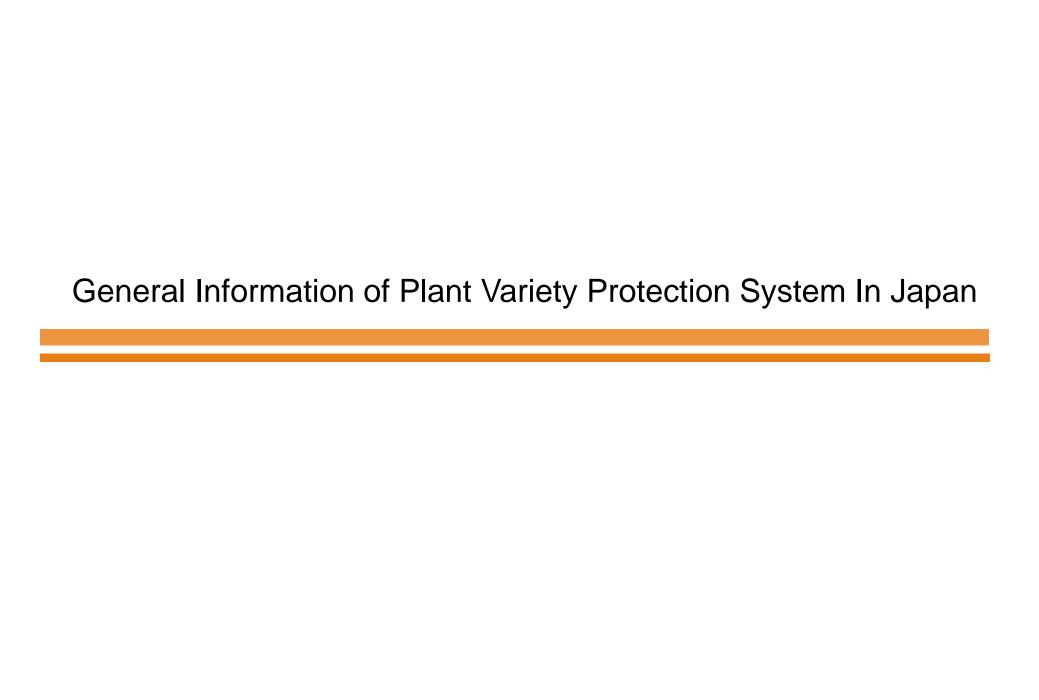
Consumption



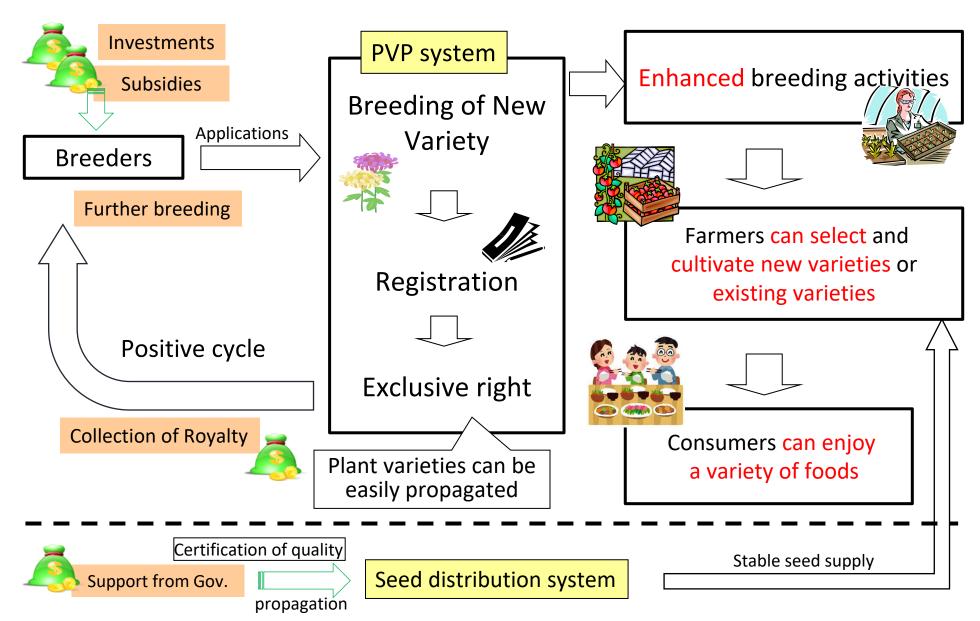
- Seed/Seedling
- Farming machines
- Agricultural infrastructure
- Chemical inputs
 - Food manufacturing and Processing facilities

- Value
 - Cold chains
 - Cold distribution centers
 - Retails (Wholesale, Supermarkets, etc.)

- Restaurants
- At home



Why Plant Variety Protection (PVP) System



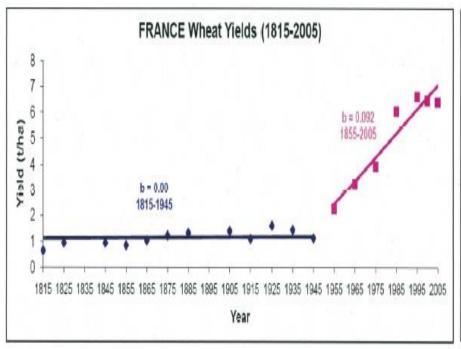
Impact of PVP system

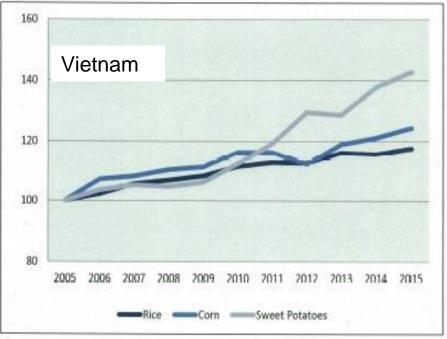
France

Productivity of wheat in France after 1955 has shown tremendous increase comparing before 1945

Vietnam

Productivity of sweet potato and maize in Vietnam have shown high increase 3.8% per year and 1.8% per year respectively after becoming UPOV member in 2006





UPOV Convention

- UPOV Convention provides International harmonized common basic principle, which dictate
 rules and conditions for protect new plant varieties including level of protection, minimum period
 of protection.
- In order to protect new varieties, breeders need to apply their new varieties for Plant breeder's right (PBR) to each UPOV member country.

UPOV: <u>U</u>nion Internationale pour la <u>P</u>rotection des <u>O</u>btentions <u>V</u>égétales Headquarter: Geneva in Switzerland

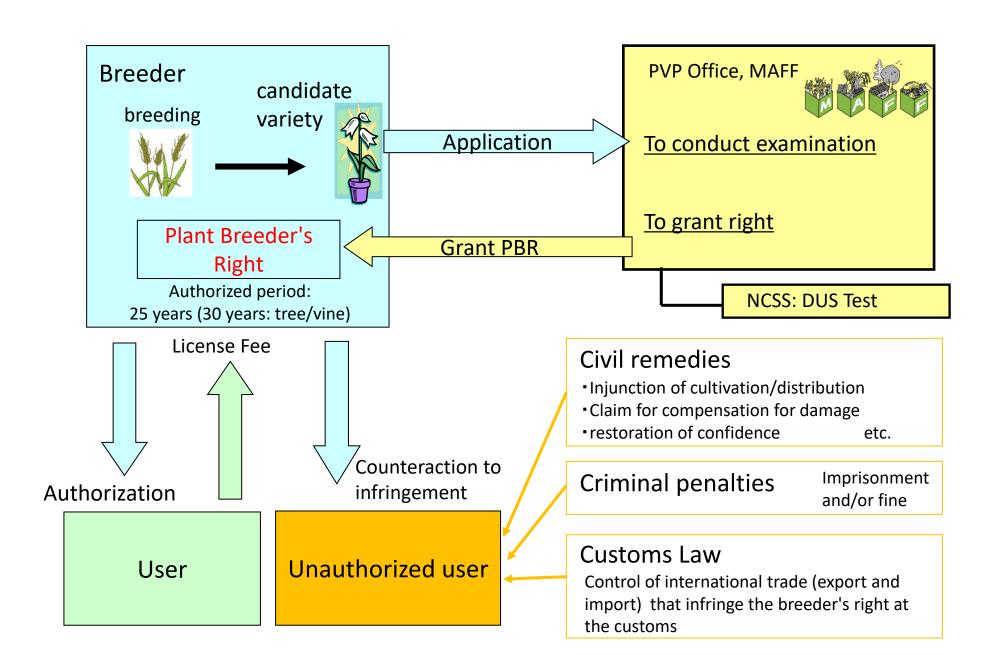
	1991 Convention 61 members	1978 Convention 17 members		
Genera and species species to be protected All plant genera and species		More than 24 plant genera and species		
Scope of PBR	Seed/Seedling, harvested material, processed material (Injunction of infringed Seed/Seedling, harvested material, processed material)	Seed/Seedling (Injunction of infringed Seed/Seedling)		
Act covered by PBR	Reproduction, Selling, export/import of Seed/Seedling and Harvested material *Including farmers' act	Reproduction, Selling of Seed/Seedling *Excepting farmer's act		
Duration of PBR Not shorter than 20 years (25 years for woody plants) from the date of grant		Not shorter than 15 years (18 years for woody plants) from the date of grant		
Members in East Asia	Japan, Korea, Singapore, Viet Num	China		
other countries	EU, UK, Russia, Turkey, USA, Canada, Australia, Egypt	Mexico, Chili, Brazil, NZ, South Africa		



UPOV Members (78 countries and Unions)

[Non UPOV Members] Thailand, Indonesia, Malaysia, Philippine, Cambodia, India, Mongol (Brunei and Myanmar are on the accession process)

Outline of PVP System in Japan

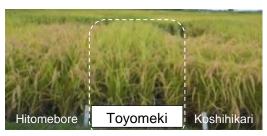


Japan's Agriculture Supported by Superior New Plant Varieties

- New plant variety is one of important factor supporting the development of agriculture in Japan.
- Both farmers and consumers enjoy a lot of benefits from the development of new plant varieties that meet environmental and consumers' preferences, such as, improved productivity, better taste etc.

[Super high-yield rice]

Super high-yield paddy rice "TOYOMEKI", of which yield is 800 kg/10a or more, 1.5 times more than other varieties



[Chestnuts easy to peel]

Japan chestnut "Porotan", which can be very easily peeled and cooked.



[Pears resistant to disease and pests]

Pears "Gold Twentieth Century", resistant to black spot disease which is the weaknesses of conventional varieties



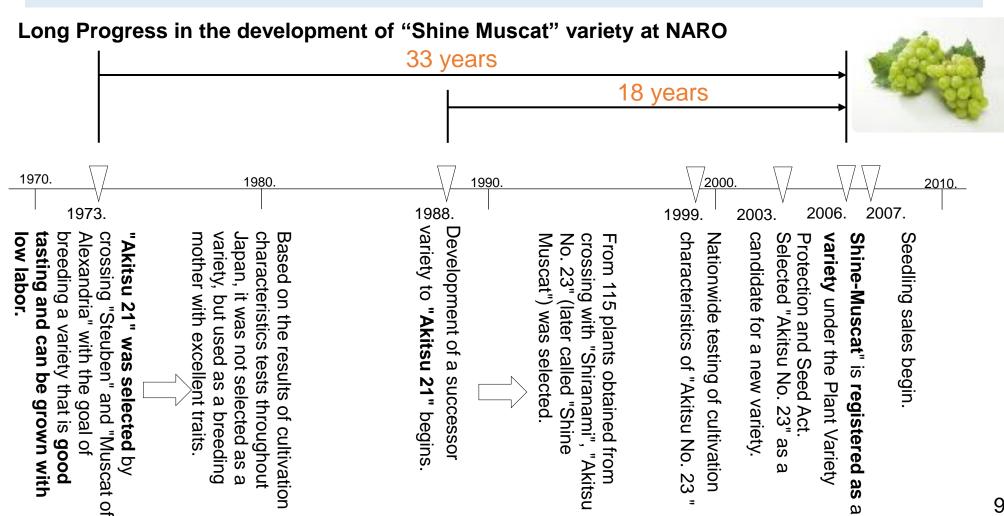
[Cold-resistant and delicious rice]

Paddy rice "Kirara 397" has achieved unprecedented excellent taste in addition to cold resistance. This variety led to the later strategy of brand-name rice.

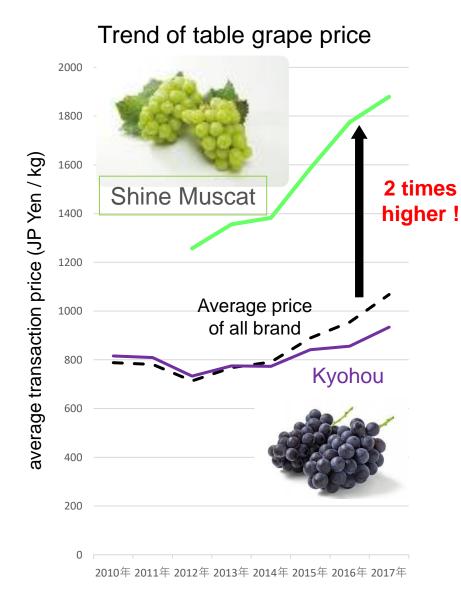


New Plant Variety Development requires a lot of time and cost.

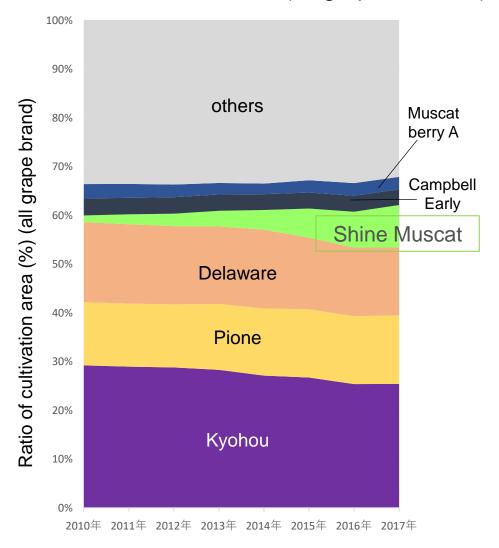
- The grape variety "Shine Muscat" developed by the National Agriculture and Food Research Organization(NARO) took 33 years from the selection of the parent line "Akitsu 21" to its registration, and 18 years from the start of crossbreeding tests of "Akitsu 21".
- In the last 18 years alone, 13 researchers have been involved in the development of the variety.



Effect of the PVP (table grape variety "Shine Muscat")

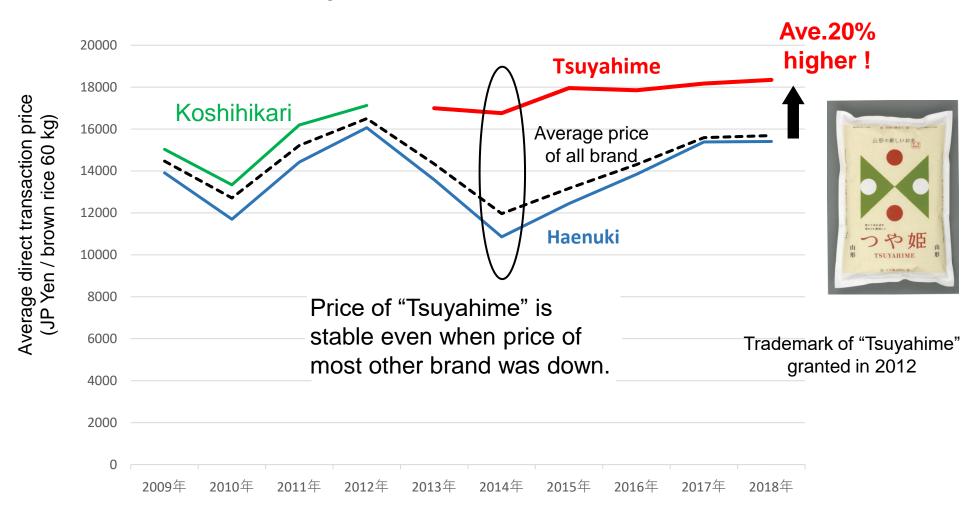


Ratio of cultivation area (all grape varieties)



Effect of the PVP (rice variety "Tsuyahime")

Trend of price in Yamagata pref.



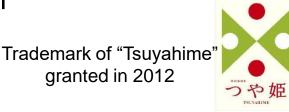
Case study 1: PVP as a tool of branding

つや姫: TSUYAHIME:

New rice variety bred by Yamagata Prefecture PBR granted in 2011

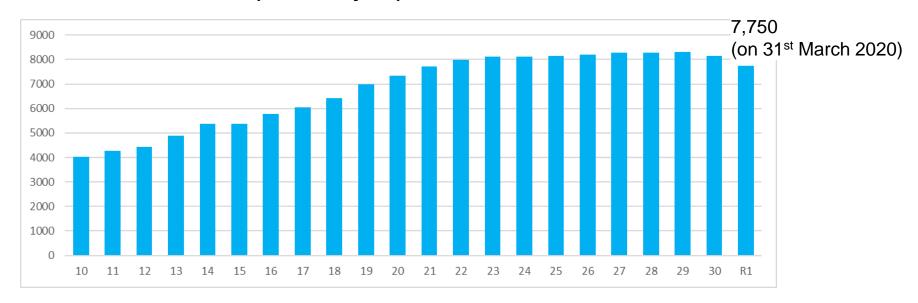
Comprehensive branding strategy of Yamagata to compete other rice brands in Japan

- Using PVP system to secure high quality
 - Authorized skilled farmers in Yamagata pref.
 Cultivation area: allowed only for designated suitable area
 Limited farmers: accredited farmers passed check on knowledge
 Methods: Follow organic or reduced chemical farming
 Royalty: Free
 - Authorized other farmers in other pref. with royalty
 - Criminal accusation to unauthorized user
- Advertising strategy, sales promotion



Trend of PBR Titles in force (by crop type, right holder type)

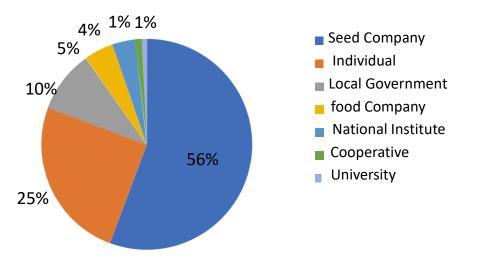
Trend of PBR Titles in force (JP fiscal year)



Percentage of protected varieties (by crop type)

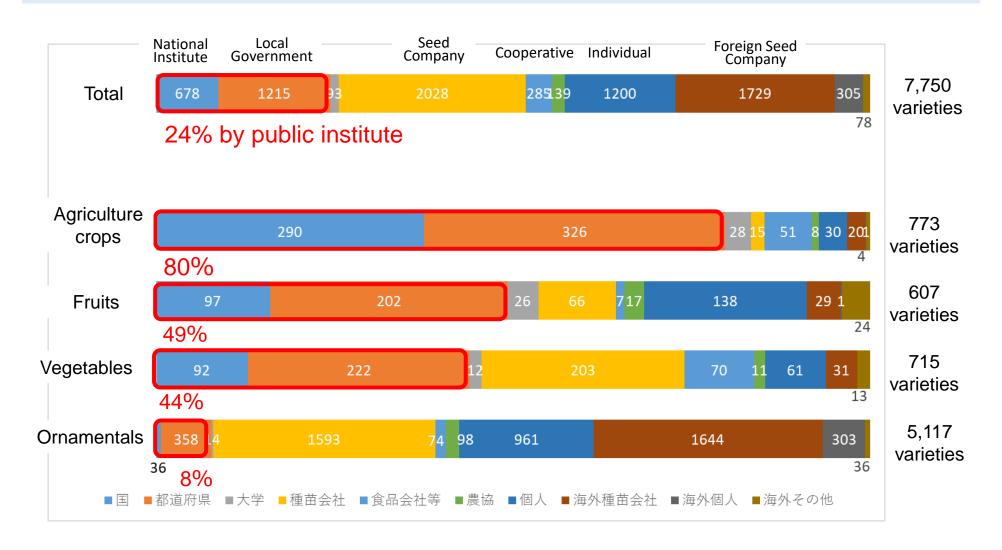
4% 4% 5% 6% Trees Vegetables Agriculture crops Fruits Others

Percentage of protected varieties (by right holder type)

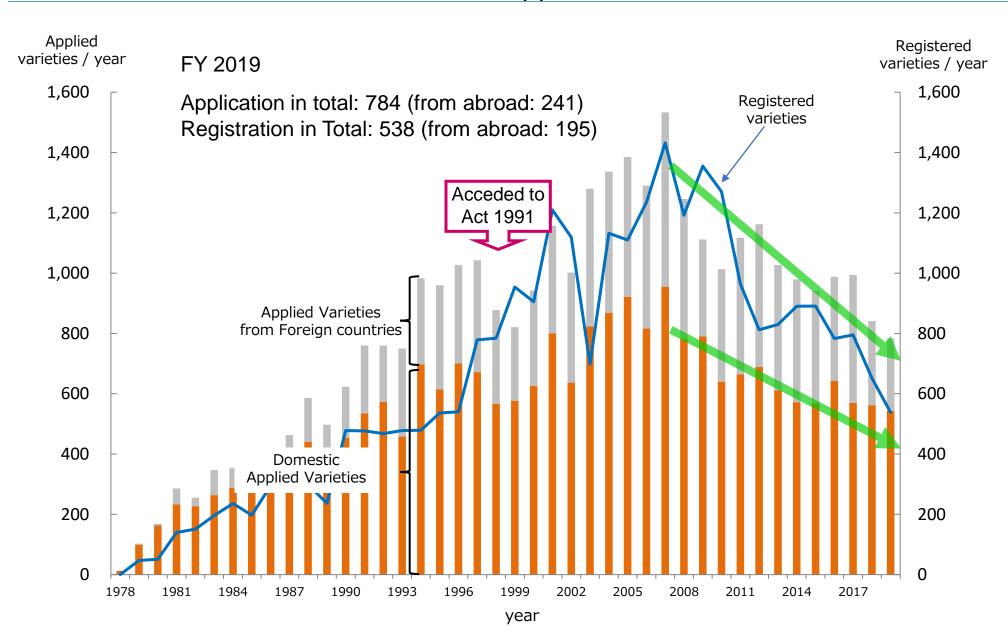


Trend of PBR Titles in force (by crop type, right holder type)

 Sensitive crops for national food security, such as, rice, wheat, beans, potato, fruits and vegetables, are bred by public institute, domestic companies, or individual.



Trend of annual PBR Application and Grant



Case 1 Unintended outflow of plant varieties developed in Japan



[Japan]

- Bred in Japan
- Registered in 2006
- Period of breeding is 33 years !!
- It has a strong sweetness, excellent taste, and can be eaten with the skin, so it is traded with high price.
- It is high expected as a main product of export.

As the background of this case, two factors are identified:

- 1. Because domestic seed/seedling market was large enough to sustain breeding activities, Japanese breeders haven't tended to acquire PBRs for their new varieties outside Japan.
- → Duration of Novelty was already over, and breeders could not apply for their variety to overseas
- 2. Under the Japan's PVP Act before its amendment, PBRs were not valid on export once protected seed/seedlings are transferred by breeders or with their consents.



Production, Trade, or Marketing of "Shine Muscat" has been widely spread in Asia, and which is not the intention/strategy of the breeder of "Shine Muscat" at all.

→ This situation caused not only a loss of Japan's export market, but also damage of Japan's Brand



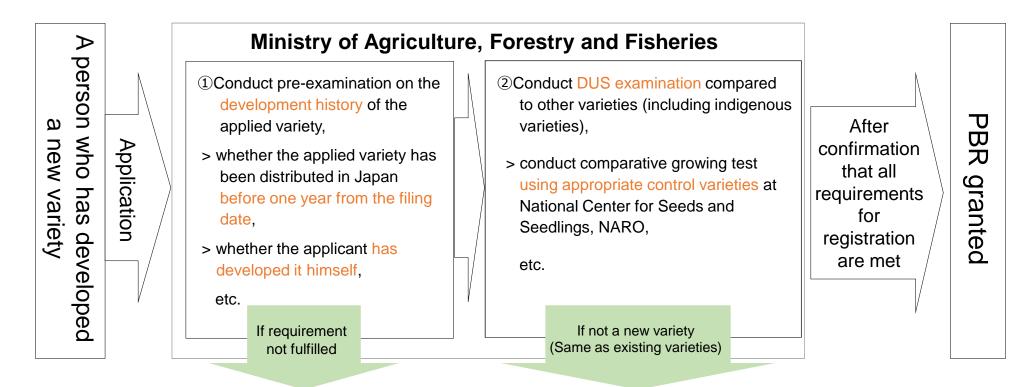
Case 2 Unintended outflow of plant varieties developed in Japan

Plant	Name of Variety	Infringement			
strawberry	Red Pearl (~ Nov. 2008) PBR holder (Individual)	In 1998, PBR holder granted a non-exclusive exploitation right to only designated farmers in Korea. From 2000, A lot of propagating material have outflowed to Korean market, and they were reproduced, cultivated and exported to Japan, without authorization of PBR holder. PBR holder filed a lawsuit against the importer.			
	Akihime (~ Jan. 2007) PBR holder (Individual)	In 1996, PBR holder granted a non-exclusive exploitation right to only designated farmers in Korea. From 2000, A lot of propagating material have outflowed to Korean market, and they were reproduced, cultivated and exported to Japan, without authorization of PBR holder.			
	Benihoppe (~ July 2002) PBR holder (Shizuoka pref.)	"Benihoppe" were reproduced, cultivated in China, without authorization of PBR holder. (The route of outflow of propagating material is still unknown) At that time, PBR holder could not apply his variety to China because 4 years Novelty duration had been over.			

Case 3 Unintended outflow of plant varieties developed in Japan

Plant	Name of Variety	Infringement		
cherry	Benisyuhou (~ Sep. 2009) PBR holder (Yamagata pref.)	In 2005, PBR holder has filed a criminal complaint against those who had produced and sold fruits in Australia, alleging that propagating materials have been illegally taken out to Australia. In 2007, the settlement was made on the condition that "defendant could never export until 2012".		
rush	Hinomidori (~ Jun. 2021) PBR holder (Kumamoto pref.)	In 2005, the Nagasaki Customs caught "Hinomidori" about to be imported from China, and PBR holder has filed a criminal accusation of the importer. The importer was sentenced to a fine of 1 million yen, a sentence of 1.5 year in prison, a suspended sentence of 4 years, and the confiscation of about 8.8 tons of rush.		

Big Misunderstanding "existing plant varieties will be registered by large companies"



Existing plant varieties are rejected for registration

Misregistration cases have never happened in the past, but,

- · In case it is found that an existing variety (including indigenous varieties) is registered by mistake,
 - ⇒ Nullity of registration
- In case it is found that the information on the application for the registered variety is false, such as, declaring false development history on purpose.
 - ⇒ Criminal penalties (individuals: imprisonment for not more than 3 years or a fine of not more than 3 million yen; corporations: a fine of not more than 100 million yen)

Big Misunderstanding "Farmers are forced to use a particular protected variety"

- The PVP and Seed Act is a system to prevent unauthorized propagation or cultivation of "protected varieties".
- This Act does never force farmers to choose a particular protected variety.
- Farmers can select varieties freely to be planted, including non-protected varieties* that are widely and freely distributed.
 - * non-protected varieties : 1) indigenous varieties, 2) varieties that have never been registered,
 - 3) varieties whose registration period has expired

Farmer's selection

Non-Protected varieties (all varieties other than protected varieties)

- > Farmers can use freely.
- Its value and reputation has been established among markets and consumers
- > The same cultivation skill can be used as before. etc.

No regulation
No requirement

Protected varieties

- > Resistance against new pests and diseases
- > High value-added (excellent taste, high yield) in the market
- > Applicable with new technologies (machines and facilities), etc.

Authorization or permission by right holder is required for

propagation and cultivation.

Including using farm saved seeds

	Rice	Mandarin Oranges	Apple	Grape	Potato	Vegetable
Percentage of protected varieties	17%	3%	5%	13%	10%	9%

米:「令和元年度産水稲うるち米の品種別作付動向について」(米穀安定供給確保支援機構)における作付面積の割合より農林水産省作成

みかん、りんご、ぶどう:2017年産特産果樹生産動態等調査(農林水産省)における作付面積より作成 ばれいしょ:2017年産ばれいしょの品種別、都道府県別作付面積(農林水産省)より作成

野菜:野菜品種名鑑2019(日本種苗協会)に掲載されている品種数より農林水産省作成

Challenges of Japan

- Lack of awareness around importance of PVP system.
- Unintended outflow of Japan's excellent varieties to overseas
 - Undermine competitiveness
 - Lose potential foreign markets





- Stagnation in number of application for PBR in Japan
 - may result in reduce innovation of Japanese agriculture new breeding technology
- To promote and enhance competitiveness of breeding on both public and private sector
 - to develop new plant varieties for needs of farmers and consumers, etc.
- To enlarge UPOV system, and to develop, implement and maintain cooperation system of application and examination procedure in east Asia (e-PVP Asia)
- To Harmonize with UPOV PRISMA



Japan's PVP and Seed Act was amended in December 2020

- with a view to providing PBR holders with legal measures to exercise their right effectively

3. The main points of Amendment of the Plant Variety Protection and Seed Act

Main points of the amended Plant Variety Protection and Seed Act

- I. Designation of export destination country by right holders [In Effect]
 - → PBR holders will be able to restrict their protected varieties to be brought to foreign countries.



- II. Mandatory labeling as a protected variety [In Effect]
 - -> all protected varieties should be accompanied with labeling on each package,
 - 1) The fact that the seed has been registered as a protected variety,
 - 2) That there are restrictions by right holders on bringing overseas.



III. Any acts in respect of the propagating material of protected varieties (including use of farm saved seeds) shall require the authorization of right holders

(except with "Compulsory exceptions")

[Effective from April 1, 2022.]

- → PBR are strengthened to extend to any acts, including the propagation of protected varieties by farmers.
- IV. Change of Examination, Application and Registration fees [Effective from April 1, 2022.]
 - → to cover the actual cost for growing trial or on-site inspection, to reduce the total cost of maintaining the registration for a long period.
- V. Other revisions

Any acts in respect of the propagating material of protected varieties shall require the authorization of right holders (except with "Compulsory exceptions")

 Authorization by right holders is required for the propagation of protected varieties by farmers. (including use of "farm saved seeds")

In the case where seeds/seedlings are purchased annually, or where license fee for repeatable propagation is included in the initial seed cost, there will be no change under the amended Act.

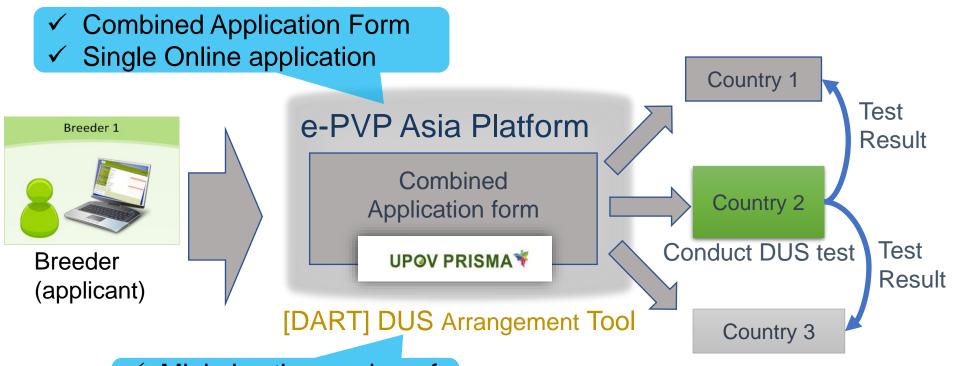
- Because farmers can acknowledge the conditions on use of varieties correctively in the contract, etc., more appropriate management of varieties are expected.
- It is also possible for an organization, cooperative etc. to collectively receive exclusive / non-exclusive license from right holders for the propagation by individual farmers.
- If right holder clearly indicates that his protected variety is not required licensing procedures for propagation, farmers may reproduce propagating material as before without any new procedures.

As a method of clearly indication that licensing procedures are not required, the followings might be considered; labeling on seeds/seedlings at the time of transfer, explanation in catalogs or public notice issued by right holder, notice on the website administrated by right holder, etc.

Japan's International Cooperation on PVP

Regional Cooperation Activity "e-PVP Asia"

What is "e-PVP Asia"?



- ✓ Minimize the number of DUS examination
- Current participating countries: JP, VN, BN, MM, MY Observers: other EAPVP Forum members
- Resource partner: UPOV Office

1st meeting: in Hanoi, Viet Nam on 11 October 2018
2nd meeting: in Vung Tau, Viet Nam on 26-27 February 2019
3rd meeting: in Hanoi, Viet Nam on 3-4 September 2019
4th meeting: by corresponding, on 13-15 May 2020
5th meeting: by corresponding, on 23-24 November 2020
6th meeting: by corresponding, on 8-10 March 2021
7th meeting: by corresponding, on 8-9 July 2021
8th meeting: by corresponding, on 15-16 December 2021

Thank you very much for your attention !!

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