

## Implementation of a common regional PVP system The experience of the European Union

#### Dirk THEOBALD, CPVO Senior Advisor

International Seminar on

Development of Resilient and Sustainable Agriculture in Lao PDR with PVP under UPOV System

#### Outline

- 1. EU PVP system
- 2. National PVP systems in the EU
- 3. Interface of EU and national PVP systems
- 4. Benefits of the regional system
- 5. Study on impact of CPVR system on the EU economy and the environment

#### 1. EU PVP System - General



•

- Sui generis system for the industrial property protection of plant varieties
- The intellectual property rights granted under this system are valid throughout the territory of the 27 Member States of the EU, encompassing over 450 million consumers
- This system was <u>established by a Council Regulation in 1994</u>, which is modelled on the <u>1991 UPOV Act</u>
- The EU became party to UPOV as inter-governmental organisation in 2005

# The Community Plant Variety Office (CPVO) is managing the EU Plant Variety Protection system

- Official Agency of the EU
- Based in Angers (France)
- Operational since 1995
- Around 55 staff members
- Independent legal status
- Fully self-financed
- Monitored by an Administrative Council





Mission Statement: 'To deliver and promote an efficient Intellectual Property Rights system that supports the creation of new plant varieties for the benefit of Society'



#### **EU SYSTEM IN NUMBERS**

- ✓ ca. **80 000** applications received
- ✓ ca. **62 000** titles granted
- ✓ ca. **30 000** titles in force
- ✓ ca. 2 400 different botanical taxa

#### 1. EU PVP System - The CPVO Administrative Council

 The Administrative Council (AC) is made up of representatives of the EU Member States, a representative of the European Commission and Observers

- The Administrative Council is **responsible for**:
  - Monitoring the CPVO
  - Approval of the Budget
  - Approval of the Technical Protocols for variety testing
  - Designation of Examination Offices





#### **1. EU PVP System - Technical Examinations**

- The CPVO has <u>not</u> created its own technical infrastructure
- Technical examinations are carried out by entrusted Examination Offices (EOs) in the Member States
- The Examination Offices must fulfil defined quality requirements
- An independent service (Quality Audit Service) is assessing the competence of examination offices to achieve entrustment/accreditation (audits)
- The entrustment decision is made by the Administrative Council



**CPVO** 

Community Plant Variety Office

# (23)**DUS** examination offices in the EU

The red dots represent the headquarters of entrusted Examination Offices carrying out DUS technical examinations on behalf of the CPVO



#### **1. EU PVP System - Technical Examinations**

- The attribution of candidate varieties for DUS testing to EOs is
  - ✓ A decision of the CPVO
  - ✓ done according to defined criteria:
    - Wish of the breeder
    - Origin of the applicant
    - Geographical origin of the variety
    - Experience of the EO



#### **1. EU PVP System - Technical Examinations**

- Technical examinations are generally carried out according to the CPVO technical protocols [Art. 56(2) BR] is In default of these, UPOV guidelines shall serve as reference [Art. 22(3) PR]
- The CPVO technical protocols contain a <u>compulsory list of characteristics</u> to be assessed in technical examinations
- The CPVO protocols are:
  - Based on the relevant UPOV guidelines
  - Elaborated together with national crop experts
  - Formally adopted by the CPVO's Administrative Council



#### **1. EU PVP System – Examinations of applications**

#### **Examinations carried out by the CPVO:**

- Formal examination
- Substantive examination: Entitlement, Novelty, Variety Denomination

**Examinations carried out by Examination Offices:** 

• Technical examination: DUS Testing

#### 2. National PVP systems in the EU

• 24 out of 27 EU Member States are UPOV members



- 24 out of 27 EU Member States have a national PVP system
- It is possible to make individual applications in each of the mentioned countries

• If national PVP protection is granted by the national office, protection is afforded in that territory

#### 2. National PVP systems in the EU

- The national PVP Office may decide to organise the technical examination
  - ✓ Itself
  - ✓ Ask a competent authority in another country to initiate and carry out the test on its behalf
  - ✓ Ask a competent authority in another country if a DUS report already established in that country can be used for the same variety



#### **3.1 Effects of EU rights**

- The EU system exists in parallel with the national systems
- Community plant variety rights (CPVRs) has uniform effect within the EU territory and may only be granted, transferred or terminated within such territory on a uniform basis (Art. 2 BR)

#### **3.2 Cumulative protection**

- Any variety which is the subject matter of an EU PVP shall <u>not</u> be the subject of a national plant variety right
- Any rights granted contrary to the above shall be ineffective
- If the holder has been granted another right for the same variety prior to grant of the EU right, he shall be unable to invoke the rights conferred by such protection for the variety

#### **3.3 Enforcement of EU rights**

- The CPVR holders can enforce their rights on the grounds of infringing acts in relation to the variety or to the variety denomination
- At the moment there are **no** specialised courts on PVRs in the EU
- National courts are competent to hear infringement cases
- The applicable national court is chosen on the basis of (Art. 101 BR):
  - $\checkmark\,$  Domicile of the defendant
  - $\checkmark$  Domicile of the plaintiff
  - $\checkmark$  Location of the CPVO (France)
  - $\checkmark\,$  Where the damaged occurred





#### 3.4 Supervision

- The Administrative Council represented by Member States
  - Fora for Member States to influence the functioning of the EU system
- EU Institutions supervise the CPVO
  - $\checkmark$  Commission, Court of Auditors, Court of Justice

## 3.5 Fees

- Collected and kept by the CPVO
- Examination Offices are paid on a cost covering basis
- No contribution to Member States



#### **3.6 Technical cooperation with Member States**

- Drafting of technical protocols
- DUS tests
- R&D projects

#### 3.7 IT cooperation

- Online applications
- Databases





#### **3.8 Variety denominations**

- Common database
- CPVO provides advisory service on suitability of denominations to EU National Offices

#### **3.9 Enlargement**

- EU titles becomes automatically valid in a new member state
- National titles do not become protected on EU level

# Arieties Marine Clause Clause



## 4. Benefits of the regional system

#### For the breeders:

- Choice: national or EU application
- Reduced costs
- Efficiencies in the application procedure
  - $\checkmark$  Administrative work reduced
  - $\checkmark$  Time saving
- Higher transparency
  - $\checkmark$  Technical work is harmonised
  - ✓ Centralised Denomination testing
  - ✓ IT tools
- Higher legal certainty / stronger protection:
  - Centralized examination, objection and appeal instead of different national procedures with the possibility of different outcomes





#### 4. Benefits of the regional PVP system

For the national authorities and examination offices:

- Less administration for national authorities
- Close co-operation on a technical level
- Efficiency gains through cooperation
- o 'Harmonisation of practices'
- Financial income for conducting DUS examinations on behalf of the CPVO



## 4. Benefits of the regional system

#### For the CPVO:

- Strong voice within the International Community
- Strong counterpart/partner for stakeholder organisations
- High budgetary solvency and sustainability





#### 4. Benefits of the regional system



#### Economic Study 2000-2013



#### Without plant breeding:

- EU would have moved from being net EXPORTER to net IMPORTER in all major agricultural crops (including wheat and barley)
- ✓ European farmers would be 30% worse off
- ✓ Europe would need an extra 19 million hectares of farmland to produce the same amount of food

Plant breeding has increased wheat harvest by 15%

# 5. Study on impact of CPVR system on the EU economy and the environment

Published by European **Observatory** on Infringements of Intellectual Property Rights in cooperation with the CPVO

#### Released on 28<sup>th</sup> April 2022

The study quantifies the economic contribution of the CPVR system





IMPACT OF THE COMMUNITY PLANT VARIETY RIGHTS SYSTEM ON THE EU ECONOMY AND THE ENVIRONMENT



April 2022

# Key findings: economic contribution





The additional production brought about by EU-protected plant variety innovations is **sufficient to feed (worldwide):** an additional **57 million** people with arable crops, **38 million** with fruit crops, and **28 million** for vegetable crops



The additional added value (GDP contribution) generated by EU

PVR-protected crops amounts to 13 billion EUR



Additional production resulted in higher employment rates in the EU agriculture, and better remunerated



# Breeders' geographical origin in CPVRs

- 29.000+ CPVRs in force (beginning 2022)
- Largest share: EU countries (almost 77%)



	Country	% CPVR	number CPVR
NL	Netherlands	34.8	9,919
FR	France	17.0	4,837
DE	Germany	14.0	3,985
US	United States	6.7	1,911
СН	Switzerland	5.3	1,523
DK	Denmark	3.2	906
UK	United Kingdom	3.1	872
IT	Italy	2.7	783
ES	Spain	2.4	681
BE	Belgium	2.2	615
EU27	European Union	76.9	22,669
	Third countries	23.1	5,845



# Size of CPVR holders

- 93.5% of applicants for CPVRs are SMEs
- 60% of CPVRs are owned by SMEs
- SMES own each around 10 CPVRs



Size	% CPVR	% firms	Number of firms	
Physical persons	8.0	36.8		3.3
Micro firms	21.7	32.8	402	10.2
Small firms	11.5	15.5	190	11.4
Medium firms	18.8	8.5	104	34.2
Large firms	40.0	6.5	80	94.8
SME + Physical	60.0	93.5	1 147	9.9



# Key findings: environmental objectives

Annual Greenhouse Gas (GHG) emissions from agriculture and horticulture: reduced by 62 million tons per year

= total **Portugal**'s GHG footprint



Water use in agriculture and horticulture: reduced by more than 14 billion m3



Land use and biodiversity: prevention of conversion of 6.5 million hectares of grassland and natural habitats in the world = size of Ireland's territory



**Community Plant Variety Office** 3 Boulevard Maréchal Foch 49000 ANGERS – FR

Contacts Tel: (+33) (0) 2-41.25.64.00 communication@cpvo.europa.eu

Join us on...



Linked in



...and subscribe to our <u>Digital Newsletter</u>

