

# Boosting Plant Innovation Via A Licensing Platform For Seamless Technology Transfer





# Plant Breeding faces challenging targets from the EU Green Deal and the EU Farm2Fork strategy



Euroseeds is convinced that in order to be successful, an EU Farm2Fork Strategy must place plant breeding, related scientific advances and technological innovations at the very core of its considerations and consequent supportive measures <sup>2</sup>

#### Food systems should be fair, healthy and environmentally friendly.

The EU aims to accelerate the transition to a sustainable food system that should:

- ensure food security, nutrition and human and animal health making sure that everyone has access to it
- ❖ preserve affordability of food while generating fairer economic returns, fostering competitiveness of the EU supply sector and promoting fair trade ¹
- have a neutral or positive environmental impact
- reverse the loss of biodiversity
- help to mitigate climate change and adapt to its impacts

<sup>&</sup>lt;sup>1</sup>EU Commission <a href="https://ec.europa.eu/food/horizontal-topics/farm-fork-strategy\_de">https://ec.europa.eu/food/horizontal-topics/farm-fork-strategy\_de</a>

<sup>&</sup>lt;sup>2</sup> Euroseeds Contribution to Farm2Fork Strategy 20.0102.3-Euroseeds-contribution-to-the-Farm-to-Fork-strategy-and-related-agricultural-topics.pdf



# To reach the EU Farm2Fork goals, plant breeding innovation plays a key role

It is estimated that more than **60% of all productivity gains** are due to improved varieties resulting from sophisticated plant breeding;

it is also estimated that this figure will rise to up to **80% productivity gains** in the coming years, not least due to growing restrictions on the use of crop protection products, fertilizers and other inputs<sup>1</sup>

"45,000 varieties are available for farmers in the EU - around 3,500 new varieties are registered every year in the European database producing feed & food"<sup>2</sup>

An **EC study** acknowledges the benefits and potentials of new genomic techniques in plant breeding<sup>3</sup>



<sup>&</sup>lt;sup>1</sup> Euroseeds Contribution to Farm2Fork Strategy <u>20.0102.3-Euroseeds-contribution-to-the-Farm-to-Fork-strategy-and-related-agricultural-topics.pdf</u>
<sup>2</sup> SEMAE fr

<sup>&</sup>lt;sup>3</sup> EC study on new genomic techniques (europa.eu), 29 April 2021



# IP protection in plant breeding: Patents and Plant Variety Protection (PVP)

- The EC study acknowledges the benefits of patents and licensing in promoting innovation:
  - "However, patents can also be a barrier to market entry for small and medium enterprises (SMEs) ..."
    - Patenting and any monopolization that may be associated
    - Licensing patented products and respective transaction costs
    - Lack of transparency and 'freedom to operate' analyses
- PVP rights provide access to biological material for breeding purposes
   ("Breeder's Exemption")
- A balanced co-existence of PVP and Patents is needed





## **Concept and Proposal**

- An innovative, simple legal framework for all European breeders
- Transparent access to patented traits including genome edited traits

Today, 9 small, medium and large sized breeding companies are working on setting up the ACLP concept – similar to ILP, but customized to the competitive landscape in field crops.























#### **Cornerstones of the ACLP Initiative**

#### **Territory**

Europe

#### Scope

All patented traits present in commercial varieties sold on the open market in the Territory ("Trait")
All agricultural crops as defined by CPVO\*\*

#### Non-profit organisation

Incorporated under Belgian law

#### Membership

Open to all private or public sector organization involved in plant breeding or trait research and development having employees and tangible assets in the Territory

#### Financed by membership fees

Small Members\* enjoy free membership during the 5 first years of existence of the ACLP

**Transparent Information** on all commercial varieties containing patented traits within the Territory via PINTO\*\* database

<sup>\*</sup> Small Members shall be defined according to EU Commission definition. A member together with its affiliates which, has:

<sup>-</sup> less than 50 full time employees and;

<sup>-</sup> has realized less than 10 million € of agricultural crop seed revenues in a calendar year in the territory

<sup>\*\*</sup> CPVO: Community Plant Variety Office; PINTO: Patent information and Transparency on Line



### Principal rights and obligations of the Members of the ACLP Initiative

- **Entitlement of Members** as soon as a commercial variety including a Trait is sold by a Member on the open market in the Territory:
  - to obtain from the patent holder, a **non-assert**\* for breeding in the Territory with the Trait including using its specific markers
  - to obtain earlier access to Traits from bilateral (germplasm/trait exchange) contracts or crop-specific arrangements (common in cereals or potato)
  - to obtain from the patent holder, a **commercial license** for producing and selling in the Territory the varieties bred under the non-assert and containing the Trait(s)
- Licensing can take the form of the Standard License Agreement of the ACLP in which case :
  - Only Royalties need to be agreed between the Trait holder and the interested Member
  - "Baseball" Arbitration in case no agreement on Royalties is reached within a prescribed period of time
  - Uniform Stewardship obligations
  - Lump sum payment option if both parties agree
- In case of termination by or exclusion of a Member
  - All non-asserts and SLAs received by the leaving Member may be terminated by the Trait holder
  - All non-asserts and SLAs granted by the leaving Member to other Members shall remain unaffected
  - All Traits of the leaving Member available during its ACLP membership shall remain available to other Members for a period of 5 years

<sup>\*</sup> Non-assert - An agreement not to assert a patent or patents against the recipient for a period of time or indefinitely. Many recipients believe that it is the equivalent of a licence, but this is not necessarily the case. Unlike a licence, a non-assert may arguably leave the recipient liable for damages during the period it was in force, in the event that it is terminated, although the recipient may be able to raise equitable defenses such as laches or estoppel.

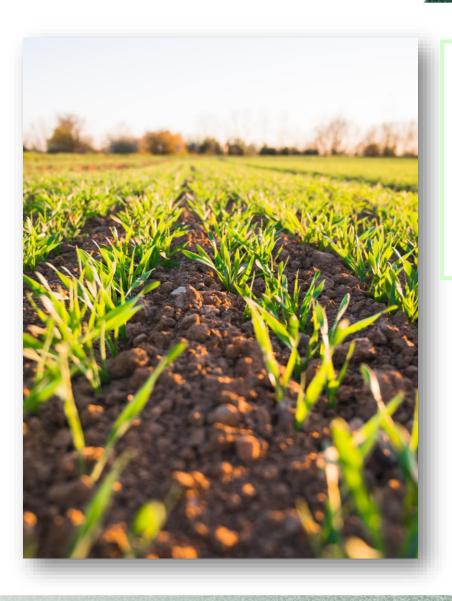


### **Next Steps:**

- Intended Launch of the ACLP
  - January 2023 with founding members
  - Advocacy and communication initiative to build awareness and support
- More information
  - www.aclp.eu
  - Contact members of the ACLP at info@aclp.eu







Let's build a more sustainable future together by giving easier access to new seed varieties that benefit EU farmers and consumers and thereby achieving the objectives of the EU Green Deal and Farm2Fork objectives.

Thank you for your attention! www.aclp.eu