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**EXPLANATORY NOTES ON
ESSENTIALLY DERIVED VARIETIES
UNDER THE UPOV CONVENTION**

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to be considered by the Administrative and Legal Committee Advisory Group
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PREAMBLE	3
SECTION I: PROVISIONS OF ESSENTIALLY DERIVED VARIETIES	4
(a) <i>Relevant provisions of the 1991 Act of the UPOV Convention</i>	4
(b) <i>Defining an essentially derived variety</i>	6
(c) <i>Scope of the breeder's right with respect to initial varieties and essentially derived varieties</i>	8
(d) <i>Transition from an earlier Act to the 1991 Act of the UPOV Convention</i>	11
SECTION II: ASSESSMENT OF ESSENTIALLY DERIVED VARIETIES	12

EXPLANATORY NOTES ON ESSENTIALLY DERIVED VARIETIES
UNDER THE UPOV CONVENTION

PREAMBLE

1. The purpose of these Explanatory Notes is to provide guidance on “Essentially Derived Varieties” under the 1991 Act of the International Convention for the Protection of New Varieties of Plants (UPOV Convention). The only binding obligations on members of the Union are those contained in the text of the UPOV Convention itself, and these Explanatory Notes must not be interpreted in a way that is inconsistent with the relevant Act for the member of the Union concerned.

2. These Explanatory Notes are divided into two sections, Section I: Provisions of essentially derived varieties, provides guidance on the notion of essentially derived varieties and Section II: Assessment of essential derivation provides guidance on assessing whether a variety is essentially derived.

SECTION I: PROVISIONS OF ESSENTIALLY DERIVED VARIETIES

(a) *Relevant provisions of the 1991 Act of the UPOV Convention*

THE RIGHTS OF THE BREEDER

Article 14

Scope of the Breeder's Right

[.....]

(5) [*Essentially derived and certain other varieties*] (a) The provisions of paragraphs (1) to (4)* shall also apply in relation to

(i) varieties which are essentially derived from the protected variety, where the protected variety is not itself an essentially derived variety,

(ii) varieties which are not clearly distinguishable in accordance with Article 7 from the protected variety and

(iii) varieties whose production requires the repeated use of the protected variety.

(b) For the purposes of subparagraph (a)(i), a variety shall be deemed to be essentially derived from another variety ("the initial variety") when

(i) it is predominantly derived from the initial variety, or from a variety that is itself predominantly derived from the initial variety, while retaining the expression of the essential characteristics that result from the genotype or combination of genotypes of the initial variety,

(ii) it is clearly distinguishable from the initial variety and

(iii) except for the differences which result from the act of derivation, it conforms to the initial variety in the expression of the essential characteristics that result from the genotype or combination of genotypes of the initial variety.

(c) Essentially derived varieties may be obtained for example by the selection of a natural or induced mutant, or of a somaclonal variant, the selection of a variant individual from plants of the initial variety, backcrossing, or transformation by genetic engineering.

* The provisions in Article 14(1) to (4) of the 1991 Act of the UPOV Convention are as follows:

(1) [*Acts in respect of the propagating material*] (a) Subject to Articles 15 and 16, the following acts in respect of the propagating material of the protected variety shall require the authorization of the breeder:

- (i) production or reproduction (multiplication),
- (ii) conditioning for the purpose of propagation,
- (iii) offering for sale,
- (iv) selling or other marketing,
- (v) exporting,
- (vi) importing,
- (vii) stocking for any of the purposes mentioned in (i) to (vi), above.

(b) The breeder may make his authorization subject to conditions and limitations.

(2) [*Acts in respect of the harvested material*] Subject to Articles 15 and 16, the acts referred to in items (i) to (vii) of paragraph (1)(a) in respect of harvested material, including entire plants and parts of plants, obtained through the unauthorized use of propagating material of the protected variety shall require the authorization of the breeder, unless the breeder has had reasonable opportunity to exercise his right in relation to the said propagating material.

(3) [*Acts in respect of certain products*] Each Contracting Party may provide that, subject to Articles 15 and 16, the acts referred to in items (i) to (vii) of paragraph (1)(a) in respect of products made directly from harvested material of the protected variety falling within the provisions of paragraph (2) through the unauthorized use of the said harvested material shall require the authorization of the breeder, unless the breeder has had reasonable opportunity to exercise his right in relation to the said harvested material.

(4) [*Possible additional acts*] Each Contracting Party may provide that, subject to Articles 15 and 16, acts other than those referred to in items (i) to (vii) of paragraph (1)(a) shall also require the authorization of the breeder.

*(b) Defining an essentially derived variety***Article 14(5)(b) of the 1991 Act of the UPOV Convention**

(b) For the purposes of subparagraph *(a)(i)*, a variety shall be deemed to be essentially derived from another variety (“the initial variety”) when

(i) it is predominantly derived from the initial variety, or from a variety that is itself predominantly derived from the initial variety, while retaining the expression of the essential characteristics that result from the genotype or combination of genotypes of the initial variety,

(ii) it is clearly distinguishable from the initial variety and

(iii) except for the differences which result from the act of derivation, it conforms to the initial variety in the expression of the essential characteristics that result from the genotype or combination of genotypes of the initial variety.

3. The Convention does not provide clarification of terms such as “predominantly derived” or “essential characteristics”. However, the Convention provides certain examples of some ways in which an essentially derived variety may be obtained (Article 14(5)(c): “Essentially derived varieties may be obtained for example by the selection of a natural or induced mutant, or of a somaclonal variant, the selection of a variant individual from plants of the initial variety, backcrossing, or transformation by genetic engineering.”).

4. The use of the word “may” in Article 14(5)(c) indicates that those ways may not necessarily result in an essentially derived variety. In addition, the Convention clarifies that those are examples and do not exclude the possibility of an essentially derived variety being obtained in other ways.

5. Essentially derived varieties are obtained, either directly or indirectly, from a variety which is called the “initial variety”. In the example in Figure 1, variety B is an essentially derived variety from variety A and is predominantly derived from variety A. Essentially derived varieties can also be indirectly obtained from an initial variety. In the example in Figure 2, Variety C is essentially derived from Initial Variety ‘A’, but is predominantly derived from variety B.

6. Irrespective of whether variety C has been obtained directly from the initial variety A or not, it is an essentially derived variety from variety A if it fulfills the definition stated in Article 14 (5) (b).

7. Another example of an indirect way in which it might be possible to obtain an essentially derived variety from an initial variety could be the use of a hybrid variety to obtain a variety which is essentially derived from one of the parent lines of the hybrid.

8. The relationship between the initial variety (variety A) and an essentially derived variety (varieties B and C) is irrespective of whether a plant breeder’s right has been granted to varieties A, B or C. Variety A will always be the initial variety for varieties B and C, and varieties B and C will always be essentially derived varieties from variety A. However, if the initial variety is protected, that will have certain consequences in relation to the essentially derived varieties B and C (see section (c)).

Figure 1: Variety A is not an EDV from any other variety

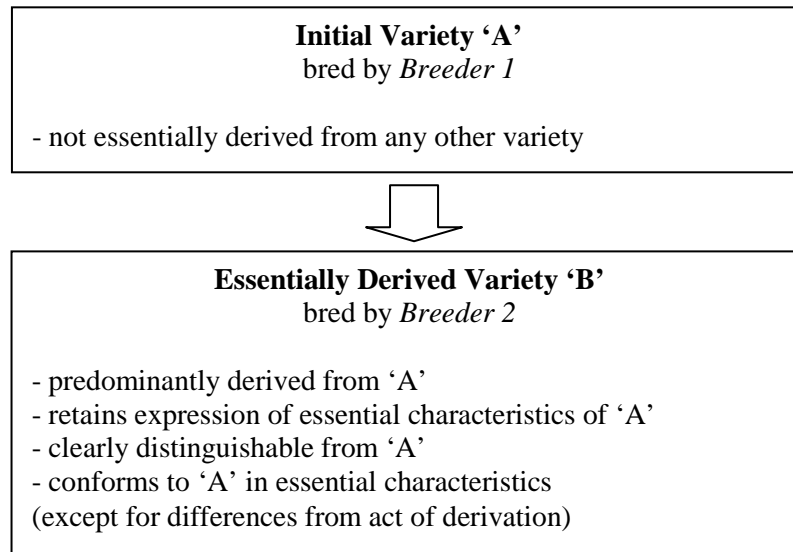
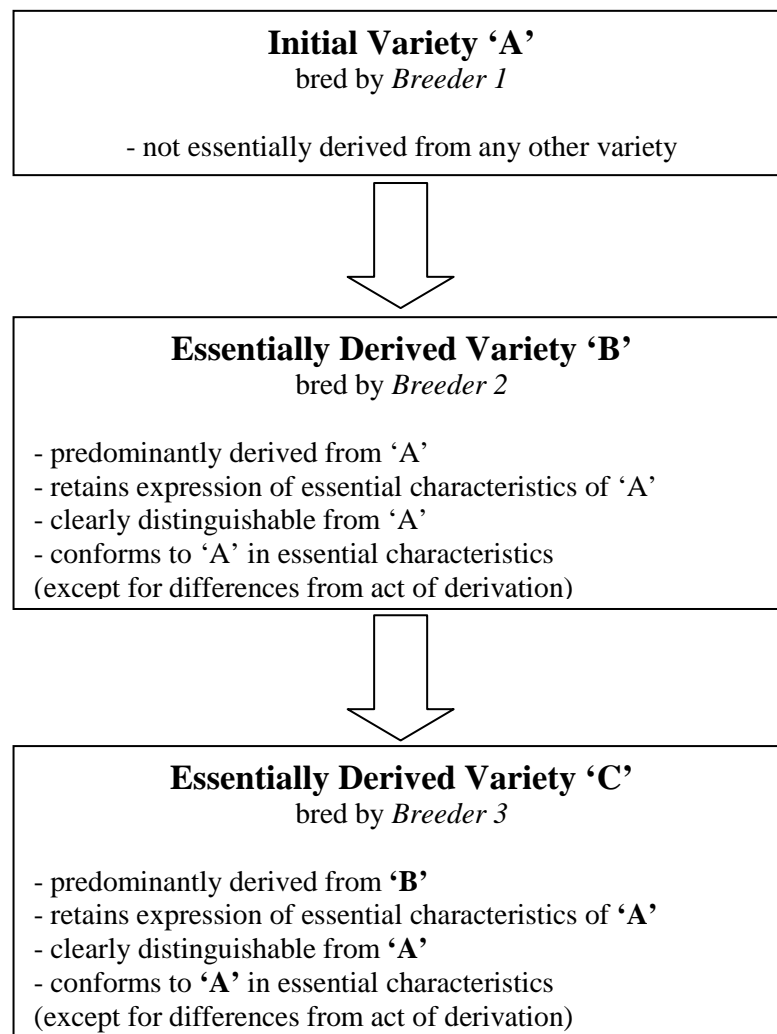


Figure 2: EDV C predominantly derived from EDV B



(c) *Scope of the breeder's right with respect to initial varieties and essentially derived varieties*

1991 Act of the UPOV Convention

Article 14 (5) (a) (i)

(5) [*Essentially derived and certain other varieties*] (a) The provisions of paragraphs (1) to (4) shall also apply in relation to

(i) varieties which are essentially derived from the protected variety, where the protected variety is not itself an essentially derived variety,

9. Essentially derived varieties are eligible for plant breeders' rights in the same way as for any variety, if they fulfill the conditions established in the Convention (see Article 5 of the 1991 Act of the UPOV Convention). If an essentially derived variety is protected, it is necessary to obtain the authorization of the breeder of the essentially derived variety as provided in Article 14 (1) of the UPOV Convention. However, the provisions of Article 14(5)(a)(i) extend the scope of the right set out in Article 14(1) to (4) of the protected initial variety to essentially derived varieties. Therefore, if variety A is a protected initial variety, the acts included in Article 14(1) to (4) concerning essentially derived varieties require the authorization of the titleholder of variety A. In this document the term "commercialization" is used to cover the acts included in Article 14(1) to (4). Thus, when there is a plant breeder's right on both the initial variety (variety A) and an essentially derived variety (variety B), the authorization of both the breeder of the initial variety (variety A) and the breeder(s) of the essentially derived variety (variety B) is required for the commercialization of the essentially derived variety (variety B).

10. Once the plant breeder's right of the initial variety (variety A) has ceased, the authorization of the breeder of the initial variety is no longer required for the commercialization of variety B. In such a situation, and if the plant breeder's right of the essentially derived variety is still valid, only the authorization of the breeder of the essentially derived variety would be required for the commercialization of variety B. Furthermore, if the initial variety was never protected, only the authorization of the breeder of the essentially derived variety would be required for the commercialization of variety B.

Summary

11. Figures 3 and 4 provide a summary of the situation described above. It is important to note that the scope of the breeder's right is only extended to essentially derived varieties in respect of a protected initial variety. In that regard, it should also be noted that a variety which is essentially derived from another variety cannot be an initial variety (see Article 14(5)(a)(i)). Thus, in Figure 3, the rights of Breeder 1 extend to EDV 'B' and EDV 'C'. However, although EDV 'C' is predominantly derived from EDV 'B', Breeder 2 has no rights as far as EDV 'C' is concerned. Another important aspect of the provision on essential derivation is that no rights extend to essentially derived varieties if the initial variety is not protected. Thus, in Figure 4, if Variety 'X' was not protected or if 'X' is no longer protected (e.g. because of expiration of the period of protection, or cancellation or nullification of the plant breeders' rights), the authorization of Breeder 1 would no longer be required to be able to commercialize varieties 'Y' and 'Z'.

Figure 3: Initial Variety protected and EDVs protected

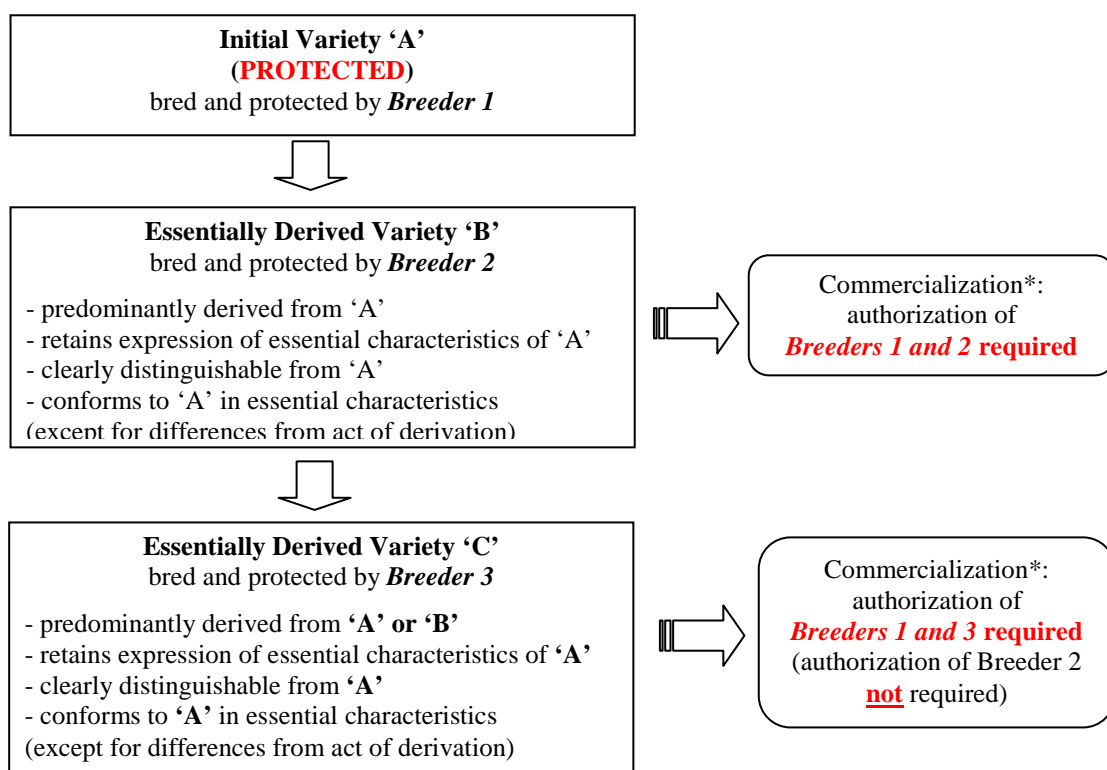
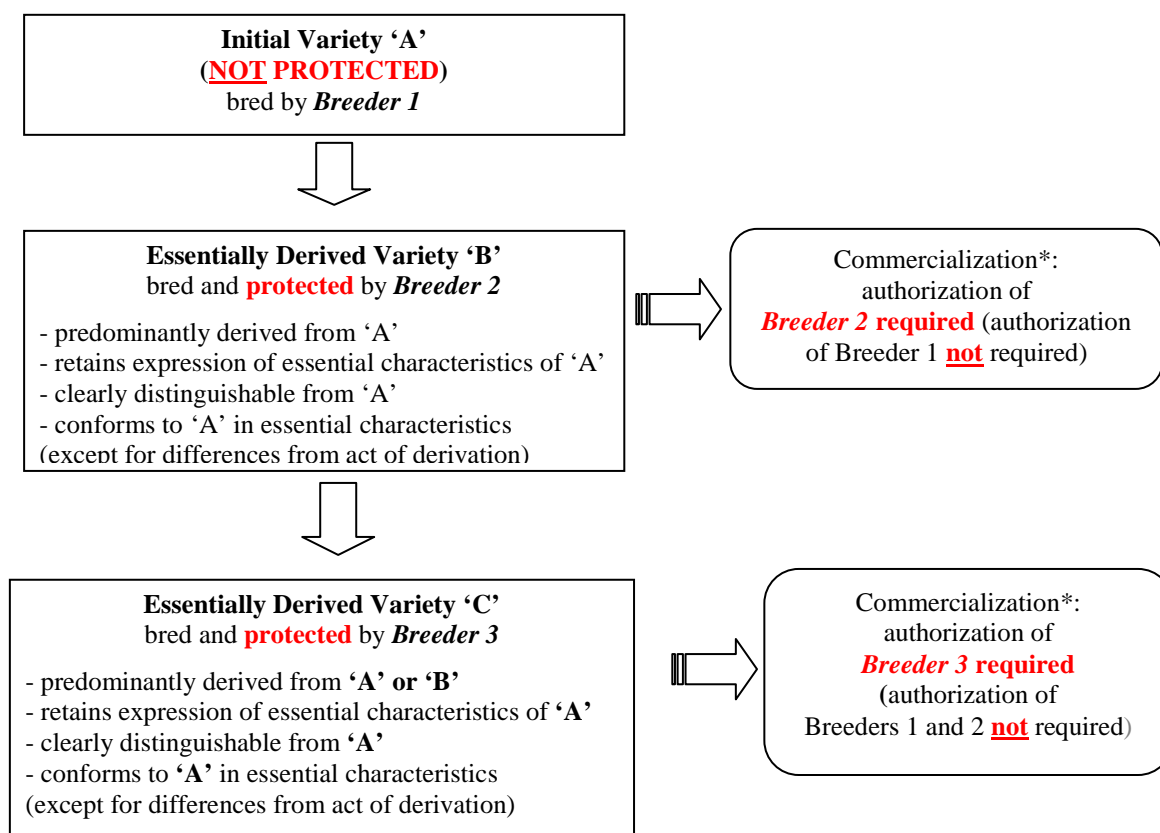


Figure 4: Initial Variety NOT protected and EDVs protected



* "Commercialization" encompasses the acts concerning a protected variety which require the authorization of the breeder according to Article 14(1) to (4).

(d) Transition from an earlier Act to the 1991 Act of the UPOV Convention

15. Members of the Union which amend their legislation in line with the 1991 Act of the UPOV Convention are able to offer the benefits of the 1991 Act to varieties which were protected under an earlier law. Thus, it is possible for members of the Union to offer the scope of protection offered by Article 14(5) to varieties which were granted protection under an earlier law. However, in that respect, it should be noted that the conferring of the new scope of rights on a previously protected initial variety (variety A) could impose new requirements concerning essentially derived varieties (e.g. variety B). In particular, under the earlier law, there would have been no requirement for the authorization of the breeder of variety A (an initial variety under the new law) in respect of the commercialization of variety B (an essentially derived variety under the new law). Under the new law, the authorization of the breeder of variety A would be required in respect of any of the relevant acts of commercialization of variety B. One means of dealing with such a situation is the following: for varieties for which protection was granted under the earlier law and for which there is a remaining period of protection which falls under the new law, to limit the scope of rights on a protected initial variety to essentially derived varieties whose existence was not a matter of common knowledge at the time that the new law came into effect.

SECTION II:
ASSESSMENT OF ESSENTIALLY DERIVED VARIETIES

12. It is important to recall that a decision on whether to grant protection to a variety does not take into account whether the variety is essentially derived or not: the variety will be protected if the conditions for protection as set out in Article 5 of the UPOV Convention are fulfilled (novelty, distinctness, uniformity, stability, variety denomination, compliance with formalities and payment of fees). If it is subsequently concluded that the variety is an essentially derived variety, the breeder of that essentially derived variety still has all the rights conferred by the UPOV Convention. However, the breeder of the protected initial variety will *also* have rights in that variety irrespective of whether the essentially derived variety is protected or not.

13. With regard to establishing whether a variety is an essentially derived variety, a common view expressed by members of the UPOV is that the existence of a relationship of essential derivation between protected varieties is a matter for the holders of plant breeders' rights in the varieties concerned.

14. UPOV has established a section on its website (UPOV Legal Resources: Jurisprudence: http://www.upov.int/en/about/legal_resources/case_laws/index.htm) where case law relevant to plant breeders' rights, including case law concerning essentially derived varieties, is published.

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