UPOV

CAJ/36/2 Add. 1
ORIGINAL: German
DATE: August 27, 1996

INTERNATIONAL UNION FOR THE PROTECTION OF NEW VARIETIES OF PLANTS
GENEVA

ADMINISTRATIVE AND LEGAL COMMITTEE

Thirty-Sixth Session
Geneva, October 21, 1996

AGREEMENT ON TRADE-RELATED ASPECTS OF
INTELLECTUAL PROPERTY RIGHTS ("TRIPS AGREEMENT")
AND PLANT VARIETY PROTECTION

ADDENDUM TO CAJ/36/2

Document prepared by the Office of the Union

The Annex to this document contains a note from the Delegation of Germany, received on August 20 and 23, 1996, on the relationship between the TRIPS Agreement and plant variety protection for discussion under agenda item 2.

[Annex follows]

ANNEX

1. Within the framework of the Agreement Establishing the World Trade Organization (WTO) there was also concluded, as a subsidiary agreement, the Agreement on Trade-Related Aspects of Intellectual Property Rights. It contains provisions which the Members are required to institute with regard to the availability, scope, use and enforcement of the property rights referred to in the Agreement.

2. According to Article 27(3)(b) of the Agreement, Members are required to provide for the protection of plant varieties either by patents or by an effective *sui generis* system or by any combination thereof. Therefore, a question is raised whether plant variety protection is also subject to the provisions of the TRIPS Agreement.

3. The reply of the German Delegation to that question is in the negative, for the following reasons.

3.1 Plant variety protection on the basis of the International Convention for the Protection of New Varieties of Plants falls within the definition of "intellectual property." It also constitutes an "effective *sui generis* system" for the protection of plant varieties within the meaning of Article 27(3) of the TRIPS Agreement. This fact alone does not, however, necessarily lead to the applicability of the TRIPS Agreement to plant variety protection. It depends on whether the actual wording of the TRIPS Agreement comprises plant variety protection. Such is not the case. The TRIPS Agreement does not govern intellectual property in general, but solely those property rights explicitly dealt with therein.

3.2 The basic norm for the application of the Agreement is Article 1. In paragraph (2) of that Article, the subject of the Agreement is defined as being all categories of intellectual property that are the subject of Sections 1 through 7 of Part II. The subsequent enumeration of the categories of intellectual property makes no mention of plant variety protection and therefore plant variety protection is not to be considered subject to the TRIPS Agreement.

A further pointer to the non-applicability of the TRIPS Agreement to the UPOV Convention is the lack of a reservation included in the general part of the TRIPS Agreement with respect to the UPOV Convention, particularly as regards the exception to the principle of national treatment (Article 3(3) of the UPOV Convention), despite the fact that special provisions have been introduced with regard to the treaties administered by WIPO, particularly the Paris Convention and the Berne Convention (cf Article 2(2), Article 3 and Article 4(b) and (d) of the TRIPS Agreement).

3.3 Likewise, applicability of the provisions of the TRIPS Agreement does not result from the aforementioned indirect reference to the protection of plant varieties in Article 27(3)(b), since that provision simply lays down the obligation that Members of the Agreement shall be required to provide protection for plant varieties either by means of patents or by an effective "*sui generis* system" or by a combination of the two systems. However, this does not constitute a ruling that subjects plant variety rights to the provisions of the TRIPS Agreement. The aim of the provision in Article 27 is in fact to lay down the criteria for inventions that are eligible for patent protection (paragraph 1) and the exceptions from patentability (paragraphs 2 and 3). In so doing, the formulation of paragraph 3(b) gives the Member States considerable latitude in choosing their systems of protection. The provision of protection by a

combination of patents and an effective *sui generis* system, in particular, is intended to accommodate the legal situation in which plant varieties may be protected by either patents or by plant variety rights. Nothing is said in Article 27 as regards the requirements of an effective *sui generis* system and it is not said, in particular, that its content must correspond to a patent.

3.4 Nor does the fact that WTO, in listing the laws and other regulations that are to be notified to the Council for TRIPS under Article 63(2) of the TRIPS Agreement has included a category "patents (including plant variety protection)," justify any other conclusion. The point is to be found in those cases where a Member protects plant varieties by means of patents and also in each case where a Member avails itself of the patent exclusion clause under Article 27 and correspondingly must justify so doing by the existence of a *sui generis* system. It does not constitute a statement that plant variety protection must be subject to the provisions of the TRIPS Agreement in order to qualify as an effective *sui generis* system under Article 27.

3.5 The considerations set out above have, in part, already been the subject of earlier discussions when examining the question of the relationship between the UPOV Convention and the Paris Convention for the Protection of Industrial Property. In the then Article 1(2) of the 1962 UPOV Convention it was said that the States parties to the Convention constituted an independent Union (outside the Paris Union), but that it would, however, work together in an administrative respect with the organs of the Paris Union (Article 25). In addition to the organizational considerations, interest centered above all on the relationship of breeders' rights to industrial property which had led to the conviction within the Contracting States that the provisions of the Paris Convention could not be fully applied to the protection of new plant varieties due to the differing nature of living material. Particularly the undifferentiated application of the principle of national treatment under the Paris Convention to all species protected under national law gave rise to considerable doubt. This doubt also subsists with regard to the applicability of the TRIPS Agreement.

3.6 Finally, the results of the negotiations on the WIPO Draft Treaty on the Settlement of Disputes Between States in the Field of Intellectual Property also speak against the applicability of the TRIPS Agreement to plant variety rights. A proposal by Switzerland (WIPO document SD/CE/VIII/5) to extend the planned WIPO system for the settlement of disputes to the area of UPOV gained general support. This further-reaching demarcation of the planned WIPO dispute settlement from the WTO system of dispute settlement means in effect that the WTO dispute settlement system and therefore also the TRIPS Agreement as such cannot be of application to matters relating to the UPOV Convention.

3.7 Consequently, we are obliged to conclude that neither national plant variety laws nor the UPOV Convention belong to the plant variety protection rights governed by the TRIPS Agreement and that, therefore, the applicability of the TRIPS Agreement to plant variety protection must be negated.

[End of document]