UPOV

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INTERNATIONAL UNION FOR THE PROTECTION OF NEW VARIETIES OF PLANTS
GENEVA

ADMINISTRATIVE AND LEGAL COMMITTEE

Thirty-Sixth Session
Geneva, October 21, 1996

REPORT

adopted by the Committee

Introduction

1. The Administrative and Legal Committee (hereinafter referred to as "the Committee") held its thirty-sixth session on October 21, 1996, under the chairmanship of Mr. H. Dieter Hoinkes (United States of America).

2. The list of participants appears in the Annex to this document.

3. The session was opened by the Chairman, who welcomed the participants. The Chairman expressed particular pleasure at the presence of the Delegations of Chile and Colombia, States that had become members of the Union since the Committee's previous session.

Adoption of the Agenda

4. The Committee adopted the agenda as appearing in document CAJ/36/1.

5. The Delegation of Spain pointed out that Spanish was being used for the first time as a working language of the Committee, including for the documents. It thanked the Office of the Union for its efficiency.

Agreement on Trade-Related Aspects of Intellectual Property Rights ("TRIPS Agreement") and Plant Variety Protection

6. Discussions were based on documents CAJ/36/2 and CAJ/36/2 Add.

7. The Committee dealt briefly with the question whether the notifications required by the text of the TRIPS Agreement and those that had (or had not) been made by Members allowed any conclusions to be drawn on the nature and scope of the obligations created by the Agreement. A number of delegations replied in the negative, while others pointed out that their States had, in doubt, made notifications as a precaution.

8. With regard to the nature and scope of the obligations created by the TRIPS Agreement, the Delegation of Germany explained its position as set forth in document CAJ/36/2 Add. The Delegation of Japan supported that position, recalling that its country had accepted the TRIPS Agreement on the understanding that the *sui generis* system of protection did not come under "intellectual property" as defined in Article 1.2 of the Agreement. The Delegation of the United States of America, on the other hand, pointed out that the TRIPS Agreement imposed not only the obligation to introduce a form of protection for new plant varieties (affording Members broad discretionary powers for the purpose), but also "generic" obligations, for instance on the means of enforcing intellectual property rights.

9. The Chairman concluded the above exchange by pointing out that it was not necessary to achieve a consensus on the question whether, and if so to what extent, the TRIPS Agreement was applicable to plant variety protection, and the question whether the Agreement in any way altered the provisions of the UPOV Convention. It was more a question of establishing whether the protection introduced on the basis of the UPOV Convention was effective. While there was certainly a consensus within UPOV on the fact that the Convention provided the basis for effective protection, it was ultimately for the Council for TRIPS to pronounce on the concept of "an effective *sui generis* system." In that connection the Chairman warned of the problem that could arise when the effectiveness of a protection system based on the UPOV Convention was assessed if the State concerned availed itself of the Convention to deny protection to the nationals of a Member of the WTO that was not a member State of UPOV.

10. The Delegation of Switzerland drew attention to the fact that the absence of any mention of the UPOV Convention in the TRIPS Agreement afforded WTO Members considerable leeway for compliance with their obligation under Article 27.3(b) of the Agreement. That fact had been pointed out notably in document UNEP/CBD/COP/3/23 drawn up for the third meeting of the Conference of the Parties to the Convention on Biological Diversity (Buenos Aires, November 4 to 15, 1996). In that connection the Delegation of Denmark pointed out that one could read in that document that "farmers' rights" were an effective *sui generis* system within the meaning of Article 27.3(b) of the TRIPS Agreement. It remained to be seen, of course, what was meant by "farmers' rights," but it was necessary for contact to be maintained with those faced with the question, notably in the course of discussions on biodiversity and plant genetic resources.

11. With regard to the attitude that the Office of the Union should adopt when a State requested a report on the nature and content of the legislation to be enacted in compliance

with the obligation under Article 27.3(b) of the TRIPS Agreement, the Vice Secretary-General pointed out that the former Director General of the WTO, Mr. Peter Sutherland, had asserted, according to the Indian press, that a system based on the 1978 Act of the Convention was a possible response to the obligation. The Office of the Union went further, however: first, it pointed out that a system corresponding to the minimum requirements of the 1978 Act—for instance one that introduced protection for only five species—was liable to be contested; secondly, it recommended the 1991 Act as a basis for national legislation; and thirdly, it stated that there would be little sense in not reflecting the general provisions of the Agreement in *sui generis* legislation. The Committee noted the above information.

12. With regard finally to the review of the provisions of Article 27.3(b) of the TRIPS Agreement, which was to take place in the year 2000, the Vice Secretary-General pointed out that the discussions of the April 1996 session of the Consultative Committee had not been conclusive, and that the question was arousing interest in other forums, including the OECD. The Delegation of New Zealand thought it would be wise to place the question on the agenda of the next session of the Committee, and to invite the Office of the Union to produce a document that would describe how the TRIPS Agreement could be revised. The Delegation of Uruguay considered that UPOV should work out a position as a group, and contribute to the review by drawing up a proposal to serve as a basis for negotiation; the TRIPS Agreement should refer specifically to the Convention. The Chairman expressed misgivings, as there were differences of opinion at present, and as Article 27.3(b) went beyond the mere protection of plant varieties, for instance in the matter of the exclusion of plant varieties and animal breeds from patentability.

Questions Raised by the Technical Committee

General

13. Discussions were based on document CAJ/36/3.

Interpretation of "the expression of the characteristics resulting from a given genotype or combination of genotypes"

14. The Committee endorsed the position suggested by the Office of the Union in paragraph 6 of document CAJ/36/3. The Delegation of Denmark, however, required confirmation that "the features of genetic material" had to be functional features if it was to subscribe to that position.

15. In the course of the discussion, the following comments were made on matters of substance by the Delegations of France and Germany and by the Vice Secretary-General:

(a) "Expression of characteristics" should not be understood in the genetic sense. A "characteristic" was an element, in the abstract, of the description of a variety, and the "expression" was the specific form that the element assumed; for instance, the words applied equally well to the length of a stem as they did to a gene (expression being the allele in that case).

(b) The question whether "directly-read characteristics of the genome" could be taken into account was not settled by the Convention, which did not pronounce on the nature of the characteristics to be considered.

(c) The question had to be settled case by case according to the usual criteria, which included the requirement of the clearness of the difference noted and the need to abide by the essential purpose of the protection system.

(d) It would in particular be contrary to that purpose to allow the protection of one plant group that was too close to another. It would be wrong to conclude from the position set forth in paragraph 6 of document CAJ/36/3 that the use of biochemical characteristics was sufficient for determining distinctness. The 1991 Act did not rule out the use of new technological solutions, but did not validate those solutions either.

(e) It was sometimes suggested that distinctness was associated with the phenotype and the concept of essentially-derived variety with the genotype. The problem was, however, that Article 1(vi) (on the definition of the variety), and Article 14(5)(b) of the 1991 Act used the same terminology.

Types of characteristic

16. The Committee endorsed the opinion proposed by the Office of the Union in paragraph 10 of document CAJ/36/3.

17. On the subject of "last resort characteristics," the Delegation of Argentina pointed out that their use broke the equality prevailing between breeders, and that the category should therefore be removed unless there was some way of restoring that equality. The Delegation of Germany expressed a similar opinion. In its view, the introduction of "additional/supplementary characteristics," "complementary characteristics" and "last resort characteristics" led to uncertainties since the sole aim was to determine "additional/supplementary characteristics" that could be used at national level, in addition to the characteristics recommended by UPOV, either routinely or where necessary in a particular case. It should in no way be the task of the Technical Working Parties and the Technical Committee to establish characteristics that did not serve to establish distinctness but merely to obtain other "useful information"; the UPOV Test Guidelines should only contain those characteristics which were also able to be included in variety descriptions. The Delegation of France would exclude "additional/supplementary characteristics," but would include "complementary characteristics."

18. On a proposal by the Chairman, the Committee decided not to take the discussion any further and to invite the Technical Committee to examine the issue in the light of the debate of the Committee.

Variety denominations and trademarks

19. The Committee shared the view expressed by the Office of the Union in paragraph 14 of the reference document.

20. The Delegation of Germany mentioned that information could be obtained, in part, by way of the question in the application form concerning novelty; the competent authorities could also specify under the "other information" heading of the Technical Questionnaire that information on trade designations is requested. Finally, it did not consider it wise to contemplate the creation of a register of denominations and the corresponding trademarks.

Question, in the Technical Questionnaire, on the status of the variety under the legislation on the protection of the environment and on human and animal health

21. The Committee agreed that it was necessary to add a heading in the Technical Questionnaire so that the competent authority could ensure that it (or another authority) could cultivate the variety. Opinions differed, however, on the way ahead at UPOV level, and the following alternatives were mentioned: the use of just a general remark, with every competent authority wording the heading according to its national circumstances; the inclusion of a question on the objective nature of the variety (is it a genetically modified organism?), whereupon the competent authority could ask direct, more searching questions; in view of the fact that authorizations for release could be required for other types of variety, querying whether such an authorization was required, and if so asking for the authorizations received to be produced.

22. The Committee agreed to entrust the Technical Committee with the drafting of the appropriate heading in the Technical Questionnaire. It was pointed out that in any event the question should relate to release into the environment and not to marketing.

Settlement of Intellectual Property Disputes Between States

23. Discussions were based on document CAJ/36/4.

24. The Delegation of Switzerland explained the reasons underlying its proposal that the UPOV Convention should be expressly mentioned as a source treaty in the (WIPO) draft Treaty on the Settlement of Disputes Between States in the Field of Intellectual Property, and pointed to the danger, inherent in the present situation, of a dispute never being settled for want of institutional machinery. The Delegations of Germany and the United States of America pointed out that the matter was not one of burning topical relevance, and that the draft Treaty was not likely to be adopted that soon. The Delegations of New Zealand and the United States of America mentioned moreover that they were not convinced of the need for the draft Treaty, or satisfied with the content of some of its provisions. It was mentioned in particular that UPOV was not part of WIPO, and that the effect of the provision was to allow States not members of UPOV to pronounce on the nature of obligations arising out of the UPOV Convention.

25. It was eventually decided that it would be premature, in view of the above points, to pronounce unequivocally in favor of the proposal to include the UPOV Convention as a source treaty in the draft WIPO Treaty. On a proposal by the Chairman, the Committee decided to recommend to the Consultative Committee that it take the following position: "While taking no position on the desirability of a WIPO treaty on the settlement of disputes

between States in the field of intellectual property, UPOV has no objection to being included in a treaty on that subject if that treaty were concluded to the satisfaction of UPOV members."

Transitional Provisions Included in Laws Adapted to the 1991 Act

26. Document CAJ/36/5 did not give rise to any discussion.

Program for the Thirty-Seventh Session

27. The Committee agreed to hold its thirty-seventh session in October 1997. The matter of the review of Article 27.3(b) of the TRIPS Agreement may be one of the items on the agenda.

28. This report has been adopted by correspondence.

[Annex follows]