

**From:** [Edgar Krieger - CIOPORA](#)  
**To:** [mail\\_Upov](#)  
**Subject:** AW: Circular E-14/182 - Comments on draft Explanatory Notes  
**Date:** Wednesday, July 09, 2014 2:37:30 PM  
**Attachments:** [CIOPORA comments on UPOV\\_EXN\\_EDV\\_2\\_draft\\_4\\_09-07-2014.docx](#)  
[CIOPORA comments to UPOV\\_EXN\\_HRV\\_2\\_draft\\_1\\_08-07-2014.docx](#)  
[CIOPORA comments on UPOV\\_EXN\\_PPM\\_draft\\_2-09-07-2014.docx](#)

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Madam, Sir,  
Please find attached the CIOPORA comments to UPOV EXN on EDV, HRV and PPM.  
Kind regards,  
Edgar Krieger  
CIOPORA

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**Von:** mail, Upov [mailto:upov.mail@upov.int]  
**Gesendet:** Mittwoch, 25. Juni 2014 09:33  
**An:** mail, Upov  
**Betreff:** Circular E-14/182 - Comments on draft Explanatory Notes  
Distribution: CAJ-AG  
Copy to: CAJ  
Subject: Comments on draft Explanatory Notes  
UPOV Circular E-14/182 June 25, 2014

Madam,  
Sir,

The purpose of this circular is to recall that the deadline for comments on the draft explanatory notes posted on the [CAJ-AG/13/8](#) section of the UPOV website has now passed (see circulars E-14/128, of May 12, 2014, E-14/136, of May 20, 2014, and E-14/143, of May 23, 2014, and the list of draft explanatory notes concerned, below).

In order for us to plan the preparation of new drafts of the relevant explanatory notes for consideration by the Administrative and Legal Committee Advisory Group (CAJ-AG) at its ninth session, to be held in Geneva on October 14 and 17, 2014, please could you let us know whether you are still planning to provide comments and, if so, by when (unless you have already done so).

[UPOV/EXN/CAN/2 DRAFT 1](#) Explanatory Notes on the Cancellation of the Breeder's Right under the 1991 Act of the UPOV Convention  
[UPOV/EXN/EDV/2 DRAFT 4](#) Explanatory Notes on Essentially Derived Varieties under the 1991 Act of the UPOV Convention  
[UPOV/EXN/HRV/2 DRAFT 1](#) Explanatory Notes on Acts in Respect of Harvested Material under the 1991 Act of the UPOV Convention  
[UPOV/EXN/NUL/2 DRAFT 1](#) Explanatory Notes on the Nullity of the Breeder's Right under the UPOV Convention  
[UPOV/EXN/PPM DRAFT 2](#) Explanatory Notes on Propagation and Propagating Material under the UPOV Convention  
[UPOV/EXN/PRP/2 DRAFT 1](#) Explanatory Notes on Provisional Protection under the UPOV Convention  
[UPOV/INF/12/5 DRAFT 1](#) Explanatory Notes on Variety Denominations under the UPOV Convention

Yours sincerely,  
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UPOV/EXN/EDV/2 Draft 4  
ORIGINAL: English  
DATE: May 20, 2014

INTERNATIONAL UNION FOR THE PROTECTION OF NEW VARIETIES OF PLANTS  
Geneva

DRAFT  
(REVISION)

EXPLANATORY NOTES ON  
ESSENTIALLY DERIVED VARIETIES  
UNDER THE 1991 ACT OF THE UPOV CONVENTION

*Document prepared by the Office of the Union*

*to be considered by the Administrative and Legal Committee Advisory Group  
by correspondence*

*Disclaimer: this document does not represent UPOV policies or guidance*

Note for Draft version

**Strikethrough (highlighted in grey)** indicates deletion from the text of document UPOV/EXN/EDV/1 that had been agreed by the CAJ-AG prior to its eighth session.

**Underlining (highlighted in grey)** indicates insertion to the text of document UPOV/EXN/EDV/1 that had already been agreed by the CAJ-AG prior to its eighth session.

**Strikethrough (highlighted in yellow)** indicates deletion from the text of document UPOV/EXN/EDV/1 in accordance with the conclusions of the CAJ-AG its eighth session.

**Underlining (highlighted in yellow)** indicates insertion to the text of document UPOV/EXN/EDV/1 in accordance with the conclusions of the CAJ-AG its eighth session.

**Footnotes** will be retained in published document.

**Endnotes** are background information when considering this draft and will not appear in the final, published document

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EXPLANATORY NOTES ON ESSENTIALLY DERIVED VARIETIES  
UNDER THE 1991 ACT OF THE UPOV CONVENTION

PREAMBLE

1. The Diplomatic Conference for the Revision of the International Convention for the Protection of New Varieties of Plants, held in Geneva from March 4 to 19, 1991 (Diplomatic Conference), adopted the following resolution:

**“Resolution on Article 14(5)”**

“The Diplomatic Conference for the Revision of the International Convention for the Protection of New Varieties of Plants held from March 4 to 19, 1991, requests the Secretary-General of UPOV to start work immediately after the Conference on the establishment of draft standard guidelines, for adoption by the Council of UPOV, on essentially derived varieties.”<sup>a</sup>

~~1.2.~~ ~~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 purpose of the guidance is to assist members of the Union and relevant stakeholders in their considerations in matters concerning essentially derived varieties. The guidance is intended for: authorities granting breeders’ rights with competence in matters concerning essentially derived varieties; breeders, farmers, growers and other stakeholders; and relevant bodies responsible for solving disputes in litigation, mediation or arbitration cases.<sup>b</sup> 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.

~~2.3.~~ 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 essentially derived varieties”, provides guidance on assessing whether a variety is essentially derived.

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<sup>a</sup> This Resolution was published as “Final Draft” in document DC/91/140 (see Records of the Diplomatic Conference for the Revision of the International Convention for the Protection of New Varieties of Plants, UPOV Publication No. 346 (E) “Further instruments adopted by the Conference”, page 63).

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.

Predominantly derived from the initial variety (Article 14(5)(b)(i))

4. °The requirement of predominant derivation from an initial variety means that a variety can only be essentially derived from one variety. The intention is that a variety should only be essentially derived from another variety when it retains virtually the whole genotype of the other variety. A derived variety could not, in practice, retain the expression of the essential characteristics of the variety from which it is derived unless it is almost entirely derived from that variety.<sup>d</sup>

Retaining the expression of the essential characteristics (Article 14(5)(b)(i))

5. The phrase "while retaining the expression of the essential characteristics" requires that the expression of the essential characteristics be derived from the initial variety.<sup>a</sup>

6. †The following might be considered in relation to the notion of "essential characteristics":

(i) characteristics that are indispensable or fundamental.<sup>a</sup>

(ii) essential characteristics, in relation to a plant variety, means heritable traits that are determined by the expression of one or more genes, or other heritable determinants, that contribute to the principal features, performance or value of the variety.<sup>a</sup>

(iii) characteristics that are important from the perspective of the producer, seller, supplier, buyer, recipient, or user.<sup>d</sup>

(iv) characteristics that are essential for the variety as a whole, including, for example, morphological, physiological, agronomic, industrial and biochemical characteristics.<sup>d</sup>

(v) essential characteristics may or may not be characteristics used for the examination of distinctness, uniformity and stability (DUS).<sup>e</sup>

**Comment [EK1]:** The full sentence reads: while retaining the expression of the essential characteristics that result from the genotype or combination of genotypes of the initial variety .

UPOV is invited to consider that the expression of the essential characteristics that result from the genotype or combination of genotypes is not a synonym for "phenotype", because phenotype is to a high degree influenced by the environment. The expression of genotype is in fact a chemical process in the cell, through which a part of the genotype ("gene") codifies a certain trait. Such trait is the direct expression of the genotype.

(vi) essential characteristics are not restricted to those characteristics that relate only to high performance or value (for instance, disease resistance may be considered as an essential characteristic when the variety has susceptibility to disease);<sup>1</sup>

(vii) essential characteristics may be different in different crops/species.<sup>m</sup>

The following might provide an illustration of essential characteristics:

- Color of flower buds in an ornamental variety<sup>4</sup>
- Flowering period in an ornamental variety<sup>5</sup>
- Location of flower stems in an ornamental variety<sup>6</sup>
- Absence or presence of seed kernels in a fruit variety<sup>4</sup>
- Color of anthers in an ornamental variety<sup>4</sup>
- Internode length in a forage variety<sup>3</sup>
- Stolon length in a forage variety<sup>4</sup>
- Disease resistance in a wide range of varieties<sup>4</sup>

Comment [EK2]: CIOPORA does not support the list of potential essential characteristics.

7. The following might provide an illustration of non-essential characteristics:

- Color of anthers in a wheat variety<sup>3</sup>
- Color of flower in an apple variety

*Clearly distinguishable from the initial variety (Article 14(5)(b)(ii))*

8. The phrase "it is clearly distinguishable from the initial variety" establishes that essential derivation is concerned only with varieties that are clearly distinguishable from the initial variety and which are accordingly protectable independently from the initial variety."<sup>w</sup>

*Conformity with the initial variety in the expression of the essential characteristics (Article 14(5)(b)(iii))*

9. A judgment on the question on the degree of conformity must be reached on the basis of the essential characteristics which result from the genotype of the initial variety.<sup>x</sup>

10. The words "except for the differences which result from the act of derivation" do not set a limit to the amount of difference which may exist where a variety is considered to be essentially derived. A limit is, however, set by the words of paragraph (i). The differences must not be such that the variety fails "to retain the expression of the essential characteristics that result from the genotype or combination of genotypes of the initial variety". The examples given in Article 14(5) (c) make clear that the differences which result from the act of derivation should be one or very few.<sup>y</sup> However, if there are only one or few differences that does not necessarily mean that a variety is essentially derived. The variety would also be required to fulfil the definition stated in Article 14(5)(b).

11. The following extract of the explanatory notes on Article 5 "Effects of the Right Granted to the Breeder" presented in document IOM/IV/2, "Revision of the Convention", provides as follows:

"[...]

"(ii) the derived variety must retain almost the totality of the genotype of the mother variety and be distinguishable from that variety by a very limited number of characteristics (typically by one)

"[...]"<sup>z</sup>

*Examples on ways in which an essentially derived variety may be obtained - Article 14(5)(c)*

3.12 The Convention does not provide clarification of terms such as "predominantly derived" or "essential characteristics". However, 4. 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").

Comment [EK3]: In the view of CIOPORA this list indicates the intention of the authors that mutations and GMO and varieties resulting from backcrossing (where the initial variety is obviously used as recurrent parent) are typical examples of EDV.



~~4-13~~ 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.

#### Method of breeding

~~14.~~ The efforts, costs and difficulties involved in the method of derivation are irrelevant, but may provide an indication of the purpose to change the essential characteristics of the initial variety.<sup>aa</sup>

~~15.~~ Whether a mutation is naturally or artificially induced is irrelevant. For instance, the genetic change may result in a mutant that no longer retains the expression of the essential characteristics that result from the genotype of the initial variety.<sup>bb</sup>

#### Direct and indirect derivation

~~8-16.~~ The wording of Article 14(5)(b)(i) explains that essentially derived varieties can be predominantly derived from a variety that is itself predominantly derived from the initial variety, thereby indicating that essentially derived varieties can be obtained, either directly or indirectly, from the “initial variety”. Varieties can be predominantly derived from the initial variety “A”, either directly, or indirectly via varieties “B”, “C”, “D”, or “E” ... etc., and will still be considered essentially derived varieties from variety “A” if they fulfill the definition stated in Article 14(5)(b).<sup>cc</sup>

~~6-17.~~ 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.

~~6-18.~~ Essentially derived varieties can also be indirectly obtained from an initial variety.<sup>dd</sup> Article 14(5)(b)(i) provides that an essentially derived variety can be “predominantly derived from the initial variety, or from a variety that is itself predominantly derived from the initial variety.” In the example in Figure 2, Variety C has been predominantly derived from variety B, variety B being itself predominantly derived from variety A (the initial variety). Variety C is essentially derived from initial variety A, but is predominantly derived from variety B.

~~6-19.~~ 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).

~~7-20.~~ 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 if it fulfills the definition stated in Article 14(5)(b).<sup>ee</sup>

~~21.~~<sup>ff</sup> <sup>gg</sup>The use of molecular data from an initial variety, for the purpose of selection of genotypes from a population that is mostly related to the initial variety, to produce a variety with a similar genotype may provide evidence an indication of predominant derivation.<sup>hh</sup>

Comment [EK4]: In regard to the paragraphs 4 – 15 UPOV may wish to also take into consideration the contribution of CIOPORA in the EDV seminar of 22 October 2013.

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

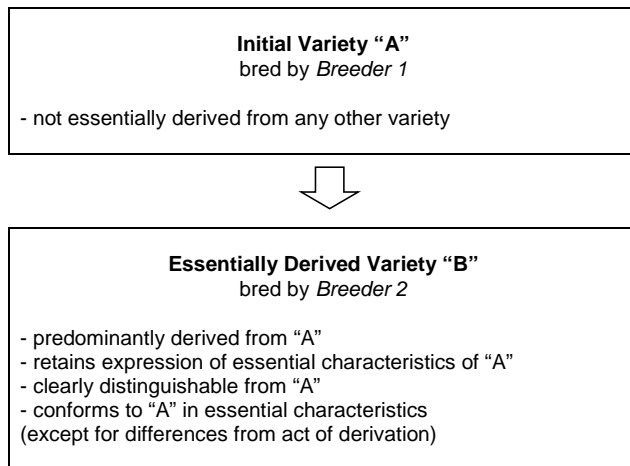
**1991 Act of the UPOV Convention**  
**Article 14 (5) (a) (i)**

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

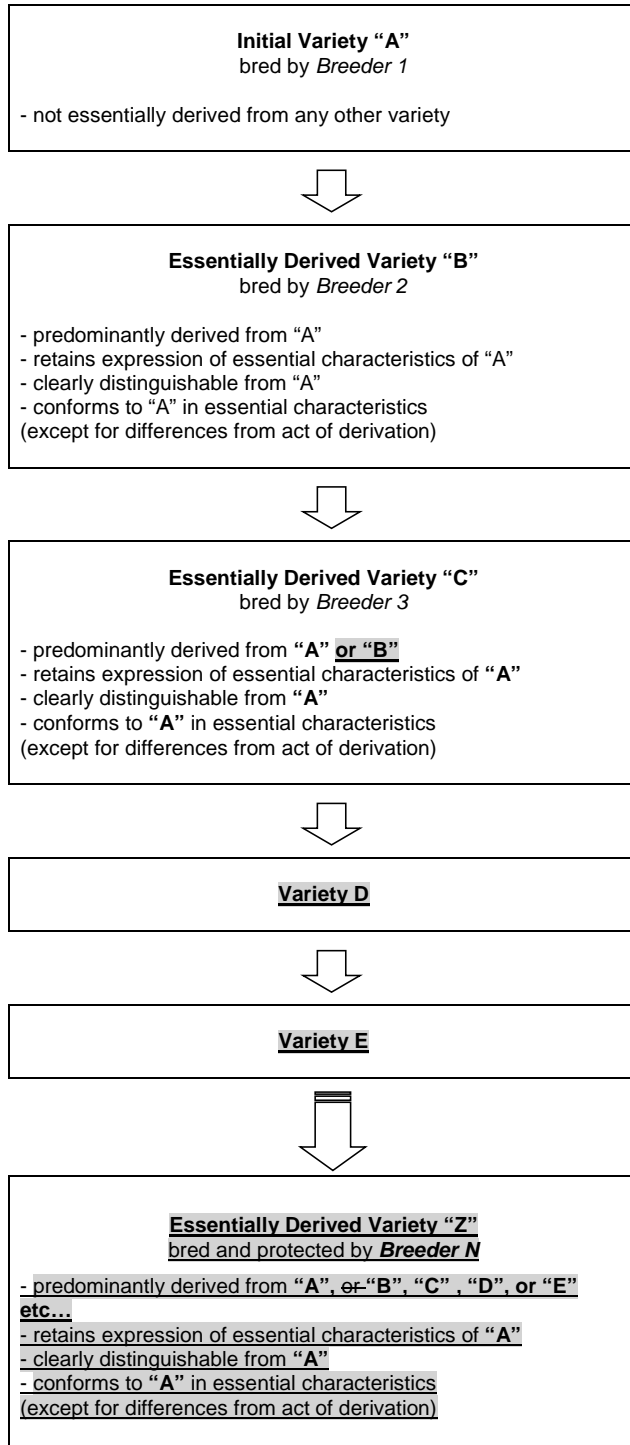
(i) varieties which are essentially derived from the protected variety, where the protected variety is not itself an essentially derived variety,

822. The relationship between the initial variety (variety A) and an essentially derived variety (varieties ~~B and C~~ B, C, etc.) is irrespective of whether a plant breeder's right has been granted to those varieties A, ~~B or C~~. Variety A will always be the initial variety for varieties ~~B and C~~ B, C, etc., and varieties ~~B and C~~ B, C, etc., 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~~ B, C, etc. (see section (c)).<sup>ii</sup>

**Figure 1: ~~Essentially Derived Variety "B"~~ Variety "A" is not an EDV from any other variety**



**Figure 2: EDV "C" and "D" to "Z" predominantly derived from EDV "B" and "C"**



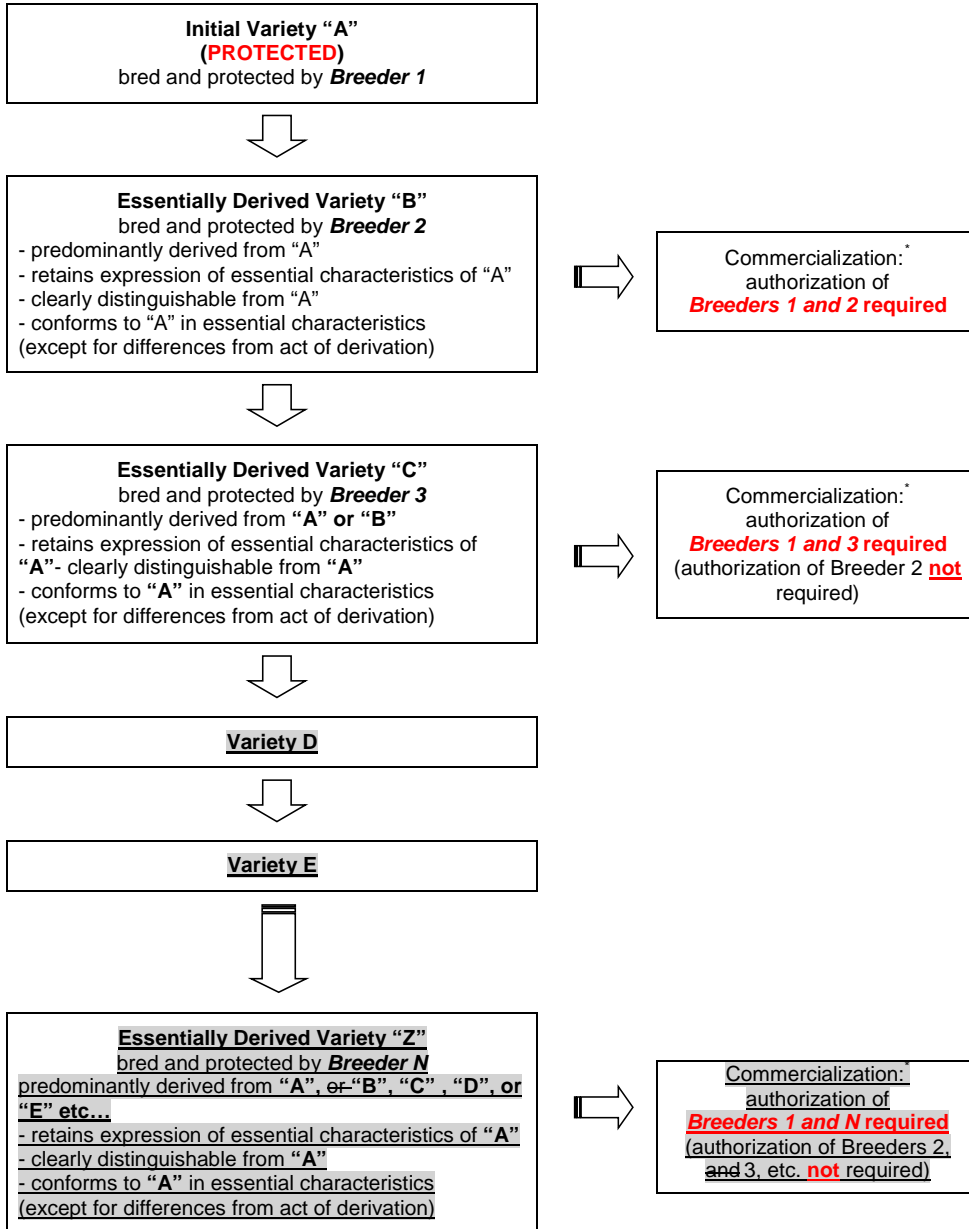
923. Essentially derived varieties are eligible for plant breeders' rights in the same way as for any variety, if they fulfill the conditions established in the Convention (see Article 5 of the 1991 Act of the UPOV Convention). If an essentially derived variety is protected, it is necessary to obtain 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).

1024. 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

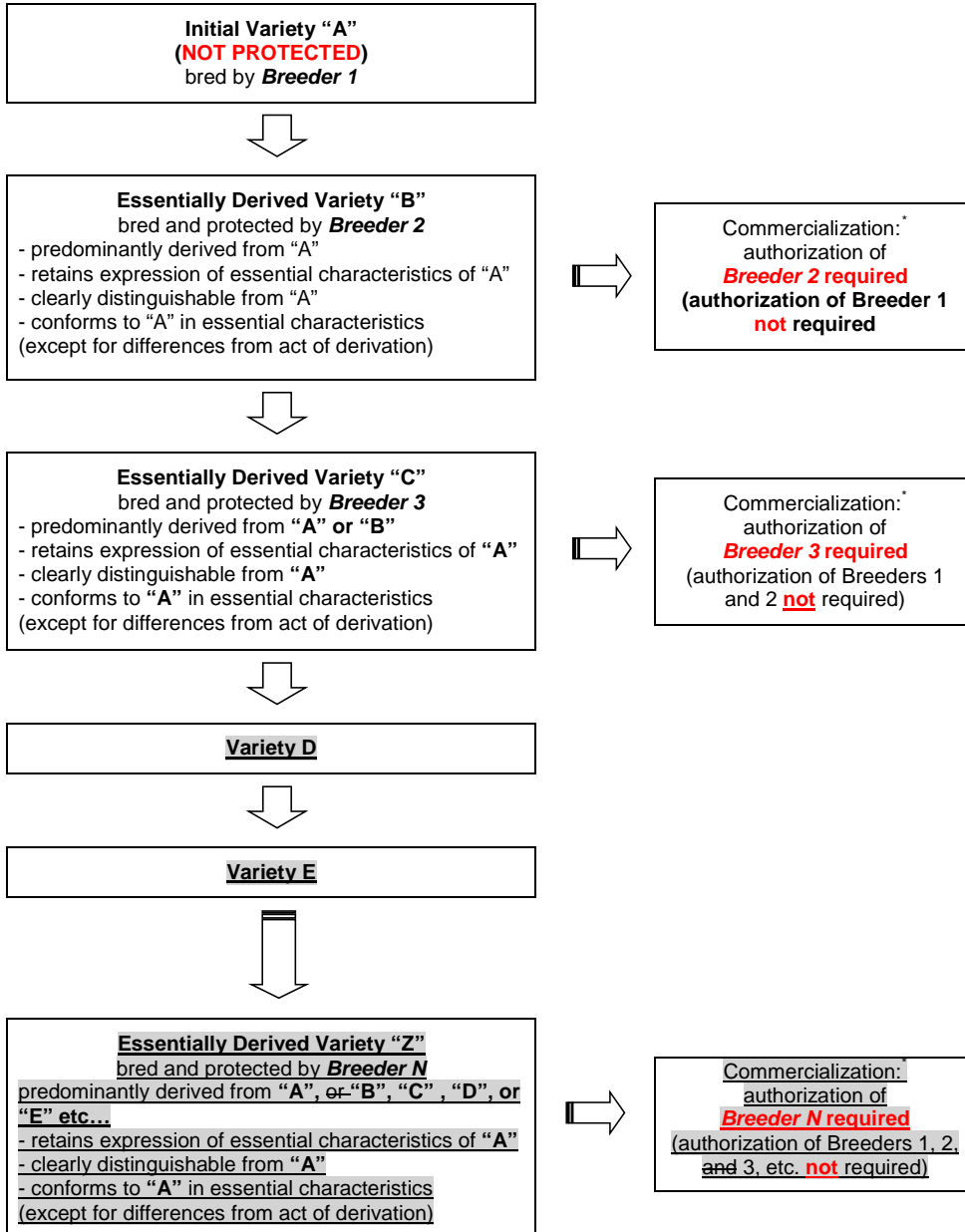
1125. Figures 3 and 4 provide a summary of the situation described above. It is important to note that the scope of the breeder's right is only extended to essentially derived varieties in respect of a protected initial variety. In that regard, it should also be noted that a variety which is essentially 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" and EDV "Z"~~. However, although EDV "C" is predominantly derived from EDV "B", Breeder 2 has no rights as far as EDV "C" is concerned. In the same way, Breeders 2 and 3 have no rights as far as EDV "Z" 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 "A" was not protected or if variety "A" 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 "B" ~~and "C" and "Z"~~.

Figure 3: Initial Variety 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) of the 1991 Act of the UPOV Convention.

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) of the 1991 Act of the UPOV Convention.

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

1226. Members of the Union which amend their legislation in line with the 1991 Act of the UPOV Convention ~~are able~~ may choose 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 provided by Article 14(5) to varieties which were granted protection under an earlier law. However, it should be noted that the conferring of the new scope of rights on a previously protected initial variety could impose new requirements concerning the commercialization of essentially derived varieties, for which the breeder's authorization was not previously required.

1327. 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. With respect to varieties whose existence is a matter of common knowledge, the General Introduction to the Examination of Distinctness, Uniformity and Stability and the Development of Harmonized Descriptions of New Varieties of Plants (Document [TG/1/3](#)) explains the following:

“5.2.2 Common Knowledge

“5.2.2.1 Specific aspects which should be considered to establish common knowledge include, among others:

“(a) commercialization of propagating or harvested material of the variety, or publishing a detailed description;

“(b) the filing of an application for the grant of a breeder's right or for the entering of a variety in an official register of varieties, in any country, which is deemed to render that variety a matter of common knowledge from the date of the application, provided that the application leads to the grant of a breeder's right or to the entering of the variety in the official register of varieties, as the case may be;

“(c) existence of living plant material in publicly accessible plant collections.

“5.2.2.2 Common knowledge is not restricted to national or geographical borders.”

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\* “Commercialization” encompasses the acts concerning a protected variety which require the authorization of the breeder according to Article 14(1) to (4) of the 1991 Act of the UPOV Convention.

SECTION II:  
ASSESSMENT OF ESSENTIALLY DERIVED VARIETIES

1428. 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.

15. 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.<sup>ll</sup>

29. Both predominant derivation (e.g. evidence of genetic conformity with the initial variety) and conformity on the essential characteristics (e.g. evidence on conformity in the expression of the essential characteristics of the initial variety) might be considered as possible starting points in providing an indication that a variety might be essentially derived from the initial variety.<sup>kk</sup>

30. In some cases<sup>ll</sup>, relevant information provided by the breeder of the initial variety on predominant derivation and/or on conformity on the essential characteristics might be used as the basis for the reversal of the burden of proof.<sup>mmm</sup> In such cases, the other breeder might need to prove that the other variety is not essentially derived from the initial variety. For instance, the other breeder would need to provide information on the breeding history of the second variety to prove that the variety was not derived from the initial variety.<sup>nn</sup>

1631. UPOV has established a section on its website (~~ABOUT~~ UPOV SYSTEM: Legal Resources: Jurisprudence: [http://www.upov.int/about/en/legal\\_resources/case\\_laws/index.html](http://www.upov.int/about/en/legal_resources/case_laws/index.html)) where case law relevant to plant breeders' rights, including case law concerning essentially derived varieties, is published.

32. [“The CAJ-AG agreed to consider the inclusion of information on alternative dispute settlement mechanisms for EDV matters in document UPOV/EXN/EDV/2, including a reference to document UPOV/INF/21 “Alternative Dispute Settlement Mechanisms”. As a first step, the CAJ-AG agreed that the Office of the Union should prepare an information document for the CAJ-AG on developments on alternative dispute settlement mechanisms at CIOPORA, ISF and WIPO. In that regard, the CAJ-AG noted that one aspect for consideration would be the possible role of UPOV in the provision of experts on EDV matters.”]<sup>oo</sup>

[It is proposed to consider guidance on this matter in conjunction with document CAJ-AG/14/9/3 “Possible alternative dispute settlement mechanisms for essentially derived varieties” to be considered by the CAJ-AG at its ninth session to be held in Geneva, on October 14 and 17, 2014.]



<sup>a</sup> The Administrative and Legal Committee Advisory Group (CAJ-AG), at its eighth session, held in Geneva on October 21 and 25, 2013, agreed to include in the Preamble a reference to the mandate of the 1991 Diplomatic Conference (see document CAJ-AG/13/8/10 "Report", paragraph 44 (a)).

<sup>b</sup> The CAJ-AG, at its eighth session, agreed to clarify in the Preamble the purpose of the guidance in relation to members of the Union and stakeholders (see document CAJ-AG/13/8/10 "Report", paragraph 44 (b)).

<sup>c</sup> The CAJ-AG, at its eighth session, agreed to consider the inclusion of relevant part of the draft guidance presented in document IOM/6/2 "Essentially Derived Varieties" at the Sixth Meeting with International Organizations (IOM/6), taking into consideration the discussions at the IOM/6 on the above proposals contained in document IOM/6/5 "Report". Copies of documents IOM/6/2 "Essentially Derived Varieties" and IOM/6/5 "Report" in the four languages of the Office of the Union are posted, as reference documents, on the CAJ-AG/13/8 section of the UPOV website (see [http://www.upov.int/meetings/en/details.jsp?meeting\\_id=29783](http://www.upov.int/meetings/en/details.jsp?meeting_id=29783)) (see document CAJ-AG/13/8/10 "Report", paragraph 44 (e)).

<sup>d</sup> Text from document IOM/6/2 "Essentially Derived Varieties, paragraph 8. The full text of paragraph 8 is reproduced below (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_11\\_6/iom\\_6\\_2.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_11_6/iom_6_2.pdf)):

"8. 'predominantly derived from the initial variety' Article 14(5)(b)(i): The requirement of predominant derivation from an initial variety means that a variety can only be essentially derived from one variety. Discussions of the revision proposals in the sessions of the Administrative and Legal Committee which preceded the adoption by the Council in October 1990 of a draft Convention consistently showed that the intention was that a variety should only be essentially derived from another variety when it retained virtually the whole genotype of the other variety. This is confined by the words commented upon in paragraph 9 below. A derived variety could not in practice retain the expression of the essential characteristics of the variety from which it is derived unless it is almost entirely derived from that variety."

<sup>e</sup> Text from document IOM/6/2 "Essentially Derived Varieties, paragraph 9. Other elements of paragraph 9 of document IOM/6/2 are presented in paragraph 6(i) and (iv) of this document. The full text of paragraph 9 is reproduced below (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_11\\_6/iom\\_6\\_2.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_11_6/iom_6_2.pdf)):

"9. 'while retaining the expression of the essential characteristics': The essential characteristics are those which are indispensable or fundamental to the variety. 'Characteristics' would seem to embrace all features of a variety including, for example, morphological, physiological, agronomic, industrial and biochemical characteristics. It is suggested that the result of a biochemical test conducted on a variety, for instance, a screening test using a genetic probe, is a characteristic of the variety. 'while retaining' requires that the expression of the essential characteristics be derived from the initial variety."

<sup>f</sup> The CAJ-AG, at its eighth session, agreed to include the following elements from the EDV Seminar (see document CAJ-AG/13/8/10 "Report", paragraph 44 (f)):

"(i) the need to consider the situation in different crops/species and methods of breeding, e.g. mutants;

"(ii) to explain the need to consider both predominant derivation (genetic conformity) and essential characteristics (phenotype) and for both those aspects to be considered as possible starting points, noting that the result would be the same;"

The CAJ-AG, at its eighth session, agreed the following (see below document CAJ-AG/13/8/10 "Report", paragraph 44 (h)):

"(h) the Office of the Union to provide possible EDV examples based on: the examples provided in document IOM/6/2 "Essentially Derived Varieties"; the examples provided by Australia and Japan in the EDV Seminar; the example provided on the use of information of the initial variety to obtain EDVs; and the explanatory note 6(ii) on Article 5 "Effects of the Right Granted to the Breeder" presented in document IOM/IV/2 (see paragraphs 41, 44(g), above); the CAJ-AG would have three months to provide comments on the EDV examples. The Delegation of Australia offered to provide additional information on the context of the examples provided by Australia at the ninth session of the CAJ-AG."

Comments from the European Union, Russian Federation and Switzerland have been received and posted in the CAJ-AG/13 section in the UPOV website (see [http://www.upov.int/meetings/en/details.jsp?meeting\\_id=29783](http://www.upov.int/meetings/en/details.jsp?meeting_id=29783)).

On the above basis, new paragraphs of this document have been developed and reference has been made to the comments received. Where appropriate, elements and examples on EDV matters have been identified from the publication of the Seminar on Essentially Derived Varieties, which was held in Geneva, on October 22, 2013 (see Publication of the Seminar (Publication 358) at [http://www.upov.int/meetings/en/details.jsp?meeting\\_id=29782](http://www.upov.int/meetings/en/details.jsp?meeting_id=29782)).

<sup>g</sup> See document IOM/6/2, paragraph 9 (reproduced in endnote "e" above and at [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_11\\_6/iom\\_6\\_2.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_11_6/iom_6_2.pdf)).

<sup>h</sup> See below Section 3 of the Plant Breeder's Rights Act 1994 of Australia. The full text of the Act is available at <http://www.upov.int/upovlex/en/profile.jsp?code=AU>

"Section 3 Definitions [...]

"essential characteristics, in relation to a plant variety, means heritable traits that are determined by the expression of one or more genes, or other heritable determinants, that contribute to the principal features, performance or value of the variety."

In relation to the "value of the variety" see below extract from the written contribution of the presentation made by Mr. Joël Guiard, at the time, Chairman of the Technical Committee, at the EDV Seminar (Publication 358, page 12) at [http://www.upov.int/meetings/en/details.jsp?meeting\\_id=29782](http://www.upov.int/meetings/en/details.jsp?meeting_id=29782).

"The expression 'essential characteristics' is not used in other articles of the Convention. In the same way as for characteristics used to establish distinctness, they result from the expression of the genotype but they are not necessarily the same. This point is essential in the interpretation of the condition 'predominantly derived' which can be based on the characteristics used for assessment of distinctness but can also be based on other characteristics. For example, they might be linked to the value of the variety." (underlined added)

<sup>i</sup> See discussions at the EDV Seminar on the need to explain what is understood by essential characteristics, Publication 358, pages 95 to 99 and concluding remarks in page 101.

- <sup>j</sup> See document IOM/6/2, paragraph 9 (reproduced in endnote "e" above and at [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_11\\_6/iom\\_6\\_2.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_11_6/iom_6_2.pdf)).
- <sup>k</sup> See presentation by Mr. Guiard, above, Publication 358, page 12.
- <sup>l</sup> See discussions at the EDV Seminar on the need to explain what is understood by essential characteristics, Publication 358, pages 95 to 99.
- <sup>m</sup> See closing remarks at the EDV Seminar, Publication 358, page 101.
- <sup>n</sup> Based on an example provided by Mr. Gert Würtenberger, Würtenberger Kunze, at the EDV Seminar (see Publication 358, page 26).
- <sup>o</sup> Based on an example provided by Mr. Würtenberger, at the EDV Seminar (see Publication 358, page 26).
- <sup>p</sup> Based on an example provided by Mr. Würtenberger, at the EDV Seminar (see Publication 358, page 26).
- <sup>q</sup> Based on an example provided by Mr. Würtenberger, at the EDV Seminar (see Publication 358, page 26).
- <sup>r</sup> Example provided by Mr. Doug Waterhouse, Chief PBR, IP Australia, at the EDV Seminar (see Publication 358, page 53).
- <sup>s</sup> See summary of "Sir Walter" vs "B12" (2005) case concerning the experience of IP Australia in declarations of essential derivation at the EDV Seminar (see Publication 358, pages 54 to 56).
- <sup>t</sup> See summary of "Sir Walter" vs "Kings Pride" (2007) case concerning the experience of IP Australia in declarations of essential derivation at the EDV Seminar (see Publication 358, pages 56 and 57).
- <sup>u</sup> Disease resistance, as an example of an important feature in a variety, has been provided in the comments by Switzerland (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_274473.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_274473.pdf)):
- <sup>v</sup> See example provided by Mr. Doug Waterhouse, Chief PBR, IP Australia, at the EDV Seminar (see Publication 358, page 53).
- <sup>w</sup> See document IOM/6/2, paragraph 11 (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_11\\_6/iom\\_6\\_2.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_11_6/iom_6_2.pdf)).
- <sup>x</sup> The Russian Federation has made the following comment (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_274472.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_274472.pdf)): "I think it would be reasonably to retain the first sentence only in paragraph 19 [document IOM/6/2 'Essentially Derived Varieties']"
- <sup>y</sup> See document IOM/6/2, paragraph 12 (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_11\\_6/iom\\_6\\_2.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_11_6/iom_6_2.pdf)).
- <sup>z</sup> The CAJ-AG, at its eighth session, agreed to include, as a possible starting point, the text of the explanatory note 6(ii) on Article 5 "Effects of the Right Granted to the Breeder" presented in document IOM/IV/2 (see document CAJ-AG/13/8/10 "Report", paragraph 44 (g)):
- "(ii) the derived variety must retain almost the totality of the genotype of the mother variety and be distinguishable from that variety by a very limited number of characteristics (typically by one)"
- <sup>aa</sup> See document IOM/6/2, Annex, example 4, page 5 (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_11\\_6/iom\\_6\\_2.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_11_6/iom_6_2.pdf)):
- "(ii) The effort, experience and difficulty of incorporating gene\* into variety A is irrelevant, as such, but may throw light on the extent to which the derived variety retains the expression of the essential characteristics that result from the genotype of variety A."
- See below comments of the Russian Federation concerning certain examples in document IOM/6/2 (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_274472.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_274472.pdf)):
- "1.2. Example worded in paragraph 21 where variety X has been created by selection from progeny of varieties A and B crossing should not be used as EDV example.
- "Argumentation: Variety X has been bred by a classical breeding method- by selection from progeny of two varieties crossing what, according to Article 15(l)(ii) of the UPOV Convention, is Exception to the Breeder's Right on varieties A and B.*
- "2. ANNEX I (b) IOM/6/2
- "2.1. It is not necessary to establish in Examples 3 and 4 relation of a new variety to EDVs depending on complexity of breeding process and expenses. New varieties created by using of gene engineering methods are not more labour-consuming or expensive than ones created by classical breeding methods and, as a rule, their initial varieties are the most demanded varieties.
- "2.2. Example 8. Male sterile version of a fertile line is often created by inbreeding and it is considered in the Russian Federation as a sterile analog of the fertile line registered."
- <sup>bb</sup> See document IOM/6/2, Annex, example 6 "Natural and induced mutations", answers (ii) and (iii), page 5 (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_11\\_6/iom\\_6\\_2.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_11_6/iom_6_2.pdf)):
- "Answer:**
- "(i) Variety B is predominantly derived from variety A and is clearly distinguishable from variety A.
- "(ii) Whether the mutation is naturally or artificially induced is irrelevant.
- "(iii) The only remaining questions are whether variety B is derived from variety A while retaining the expression of the essential characteristics that result from the genotype of variety A and whether variety B conforms with variety A so as to satisfy Article I4(5)(b)(iii). In most cases this will be so and variety B will be essentially derived from variety A.
- "(iv) The complexity of the genetic change may, however, result in a mutation that no longer retains the expression of the essential characteristics that result from the genotype of variety A. In this case variety B would not be essentially derived from variety A.
- "(v) Where variety A is a mutation of an unprotected variety X, variety B may be essentially derived from variety A but will not fall within the scope of protection of variety A since variety A is itself an essentially derived variety. This fact will be of importance for species where mutation breeding is a frequently used technique."
- <sup>cc</sup> The CAJ-AG, at its eighth session, agreed that paragraph 8 of document UPOV/EXN/EDV/2 Draft 3 should be moved after paragraph 4 for the next draft of the document (see document CAJ-AG/13/8/10 "Report", paragraph 40).
- <sup>dd</sup> The sentence "Essentially derived varieties can also be indirectly obtained from an initial variety." has been moved from the preceding paragraph.

<sup>ee</sup> The European Union has made the following comments (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_273396.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_273396.pdf)): "we consider that the text has to be clarified and to be completed with a reference to the definition stated in Article 14(5)(b)."

<sup>ff</sup> See document CAJ-AG/13/8/10 "Report", paragraph 41, reproduced below:

"The CAJ-AG recalled that it had agreed that consideration should be given to the following text as a starting point of a possible example on the use of information of the initial variety to obtain essentially derived varieties (see document CAJ-AG/13/8/2, paragraphs 6 and 7):

"The use of molecular data from an initial variety, for the purpose of selection of genotypes from a population that is mostly related to the initial variety, to produce a variety with a similar genotype may provide evidence of predominant derivation."

The initial text from the International Seed Federation (ISF) presented at the seventh session of the CAJ-AG is reproduced below for ease of reference (see document CAJ-AG/12/7/7 "Report", paragraph 84):

"The collection of molecular data from the initial variety and the subsequent application of the obtained DNA profiles with the explicit intention to select for similar genotypes in a particular population, which is **mostly related** to the initial variety, may also be regarded as predominant derivation from the initial variety. Therefore, for the purpose of EDV assessment, "predominant derivation" may result from: i) The use of –mainly- the plant material of an initial variety for selection or (back) crossing followed by selection in the breeding process, or ii) The use of molecular marker data, collected from an initial variety, for the purpose of selection of genotypes close or similar to the genotype of the initial variety, or in the case of hybrids, close or similar to the genotype of its parent lines."

<sup>gg</sup> The European Union has made the following comments (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_273396.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_273396.pdf)):

"Firstly, the use of Marker assisted selection (MAS), as a process whereby a marker (morphological, biochemical or DNA/RNA variation) is used for indirect selection of a genetic determinant or determinants of a trait of interest (e.g. productivity, disease resistance, abiotic stress tolerance, and/or quality) cannot be seen as an evidence of predominant derivation although it may, under certain circumstances, be seen as an indication of predominant derivation. Secondly the term 'mostly related' is too vague in order to give evidence of derivation, even indirect one. Therefore, the EU and its Member States cannot agree with the current text as it is, but can agree to further work on it as a starting point taking into account our previous comments."

<sup>hh</sup> The double strikethrough and double underlined indicates changes introduced to the text considered by the CAJ-AG, at its eighth session as a starting point, in order to address the above comment from the European Union: "cannot be seen as an evidence of predominant derivation although it may, under certain circumstances, be seen as an indication of predominant derivation".

<sup>ii</sup> Paragraph 8 of document UPOV/EXN/EDV/1 has been moved at the beginning of section (c).

<sup>jj</sup> See document IOM/6/2 "Essentially Derived Varieties, paragraph 5, in relation to views expressed by delegates in the preparatory meetings for the Diplomatic Conference and during the Diplomatic Conference. It is proposed to review this text in conjunction with the development of guidance in document UPOV/EXN/EDV/2.

<sup>kk</sup> See document CAJ-AG/13/8/10 "Report", paragraph 44 (f)(ii).

<sup>ll</sup> See comments by Switzerland (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_274473.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_274473.pdf)): "Since all depends on value judgment it seems impossible to us to find generally accepted examples of EDVs. Each case has to be considered individually and the result may be different from one UPOV-member to another UPOV-member."

<sup>mm</sup> See experience of Australia in the assessment of essentially derived varieties (see Publication 358, extract from page 54 reproduced below):

"The PBR Act includes a number of provisions for the orderly administration of disputes arising from claims of EDV that may follow the granting of rights to a new variety, (PBR Act section 40 [the PBR Act is available at <http://www.upov.int/upovlex/en/profile.jsp?code=AU>]).

"The grantee of rights to the initial variety must provide the Registrar with a *prima facie* case that the second variety satisfies the definition of EDV and request the Registrar to declare the second variety essentially derived from the initial variety. A fee of AUD\$800 currently applies.

"The onus is placed on the breeder of the second variety to rebut the claim. The reversal of the onus of proof is based on the fact that only the breeder of the second variety would be expected to have the knowledge of the breeding history of the second variety to rebut the claim. If the claim cannot be successfully rebutted, the Registrar will declare the second variety essentially derived."

See also IOM/6/2 document, paragraph 17 (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_11\\_6/iom\\_6\\_2.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_11_6/iom_6_2.pdf)):

"17. Another possibility raised by an international non-governmental organization, but not taken up by UPOV in the revision process, would be to provide in national laws for some modification of the burden of proof. The suggestion, modified so as to relate to the text of Article 14(5), was that once the plaintiff in an infringement action establishes that an alleged essentially derived variety expresses the essential characteristics that result from the genotype or combination of genotypes of the initial variety, the burden of proof should fall upon the defendant to establish that his variety was not derived from the initial variety. In view of the precise records kept by serious plant breeders, the defendant would be in a uniquely strong position to provide evidence on this point."

<sup>nn</sup> See document IOM/6/2, paragraph 17 (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_11\\_6/iom\\_6\\_2.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_11_6/iom_6_2.pdf)) and presentations and discussions at the EDV Seminar (see Publication 358, pages 17, 29, 61, and 68).

<sup>oo</sup> "The CAJ-AG agreed to consider the inclusion of information on alternative dispute settlement mechanisms for EDV matters in document UPOV/EXN/EDV/2, including a reference to document UPOV/INF/21 "Alternative Dispute Settlement Mechanisms". As a first step, the CAJ-AG agreed that the Office of the Union should prepare an information document for the CAJ-AG on developments on alternative dispute settlement mechanisms at CIOPORA, ISF and WIPO. In that regard, the CAJ-AG noted that one aspect for consideration would be the possible role of UPOV in the provision of experts on EDV matters." (see document CAJ-AG/13/8/10 "Report", paragraph 49).

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