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## 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  
at its ninth session, to be held in Geneva on October 14 and 17, 2014**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 has been agreed by the CAJ-AG

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~~Double strikethrough~~ and double underlining indicate changes to document UPOV/EXN/EDV/2 Draft 4 according to comments received by correspondence

**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.”

~~1-2.~~ The purpose of tThese 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).<sup>a</sup> 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.

Proposal by Norway <sup>c</sup>

to add the following sentence at the end of paragraph 2:

“Nor shall these explanatory notes limit the text of the UPOV Convention.”

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*<sup>d</sup>

#### **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.

#### *Retaining the expression of the essential characteristics (Article 14(5)(b)(i)) that result from the genotype or combination of genotypes of the initial variety*<sup>e</sup>

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.

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

(i) characteristics that are indispensable or fundamental;

(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;

(iii) characteristics that are important from the perspective of the producer, seller, supplier, buyer, recipient, or user;

(iv) characteristics that are essential for the variety as a whole, including, for example, morphological, physiological, agronomic, industrial and biochemical characteristics,

(v) essential characteristics may or may not be characteristics used for the examination of distinctness, uniformity and stability (DUS);

(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);

(vii) essential characteristics may be different in different crops/species.

Proposal by Norway<sup>f</sup>

To replace the introductory sentence of paragraph 6 and 6 (i) by:

6. The “essential characteristics” refer to characteristics that are indispensable or fundamental and, in addition, the following factors might be considered:

To insert the text from paragraphs 6(ii) to 6(vii) and to renumber them from 6(i) to 6 (vi)

The following might provide an illustration of essential characteristics:

- Color of flower buds in an ornamental variety
- Flowering period in an ornamental variety
- Location of flower stems in an ornamental variety
- Absence or presence of seed kernels in a fruit variety
- Color of anthers in an ornamental variety
- Internode length in a forage variety
- Stolon length in a forage variety
- Disease resistance in a wide range of varieties

Proposal by CIOPORA<sup>g</sup>

“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
- Color of flower in an apple variety

Proposal by ESA<sup>h</sup>

To replace paragraphs 6 and 7 with the following text: “For the purpose of interpreting the term ‘essential characteristics’ any phenotypic characteristic that is relevant for DUS purposes can be relevant.”

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, in accordance with Article 7, from the initial [protected]<sup>1</sup> variety and which are accordingly protectable independently from the initial [protected] variety. Article 14(5)(a)(ii) would apply if the variety is “not clearly distinguishable in accordance with Article 7 from the protected variety”.<sup>1</sup>

Proposal by Argentina<sup>k</sup>

“The text refers to the fact that making the essentially derived variety (EDV) ‘clearly distinguishable’ makes it protectable independently of the initial variety. We believe that on this point contains ideas which could be expressed more clearly.”

“- In referring to ‘clearly distinguishable’, the definition of essentially derived varieties clearly establishes that an essentially derived variety must meet the condition of ‘Distinctness’ according to the same criteria that apply to any variety that is considered for the purposes of protection. Accordingly, all the UPOV recommendations set forth in the General Introduction, the TGP documents and the Test Guidelines are applicable.

“- Moreover, in order to meet this condition and the others governing protection which are set forth in the Convention, the breeder’s right will have to be granted, since additional conditions cannot be imposed.

“- The draft text appears to suggest that the protection of an EDV is independent of the protection of the Initial Variety (IV), when in fact it is not, since an EDV is achieved by the protection of the IV. Obviously, this was not the intended meaning but the formulation could cause confusion.”

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.

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 paragraphs Article 14(5)(b)<sup>l</sup> m(i) and (iii).<sup>n</sup> 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. However, if there are only one or few differences that does not necessary mean that a variety is essentially derived. The variety would also be required to fulfil the definition stated in Article 14(5)(b).

Proposal by Norway<sup>o</sup>

Paragraph 10

“This text should be incorporated in par 11 below. It deals with the same question.”

“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. However, if there are only one or few differences that does not necessary 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)

“[...]”

Proposal by Argentina<sup>p</sup>

“The reference to document IOM/IV/2 is not clear, given that this document is an explanatory note to the UPOV Convention and not to document IOM/IV/2. If this reference is intended to clarify the origin of the text that follows – which is what we think – then the reference to document IOM/IV/2 should be an endnote as in other cases. This then raises the question of whether the text of the paragraph “(ii) the derived variety must...” should be included under paragraph 10. Hence, Argentina favors the inclusion of the said paragraph in the explanatory note.”

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, ~~t~~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.”).<sup>q</sup>

~~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<sup>r</sup>

~~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.

Proposal by Norway<sup>s</sup>

“The method is not irrelevant. If the EDV is protectable independently from the initial variety, only “the breeder”, as defined in article (iv) can apply for protection.”

Proposal by ESA<sup>t</sup>

“We propose to delete the whole point 14. Should this not be possible, we at least propose to delete the words ‘*but may provide an indication of the purpose to change the essential characteristics of the initial variety*’”.

~~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>u</sup>

Direct and indirect derivation

~~4.16.~~ 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).

~~5.17.~~ 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. 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 parent line variety which is essentially derived from one of the parent lines (the initial variety) of the hybrid, ~~if # the parent line variety~~<sup>y</sup> fulfills the definition in Article 14(5)(b).

Proposal by ESA <sup>w</sup>

“We propose to delete point 20 because according to point (i) of Article 14(5)(b) an EDV has to be predominantly derived from the initial variety or from a variety which is itself predominantly derived from the initial variety. A hybrid however is not predominantly derived from the initial variety (i.e. the parent line) therefore this paragraph should be deleted.”

21. 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~~ phenotypic expression of the essential characteristics<sup>x</sup> may provide an indication of predominant derivation, ~~if the variety~~<sup>y</sup> fulfills the definition in Article 14(5)(b).

Proposal by ESA <sup>z</sup>

“Point 21 has been changed compared to the text discussed in the CAJ-AG in October 2013 but the text still suggests that the EDV variety could be obtained via the use of molecular information only. From ESA’s point of view this text proposal is still not appropriate because in our opinion the physical use of the initial variety is an indispensable requirement to be able to infer the potential development of an EDV.”

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

**1991 Act of the UPOV Convention**

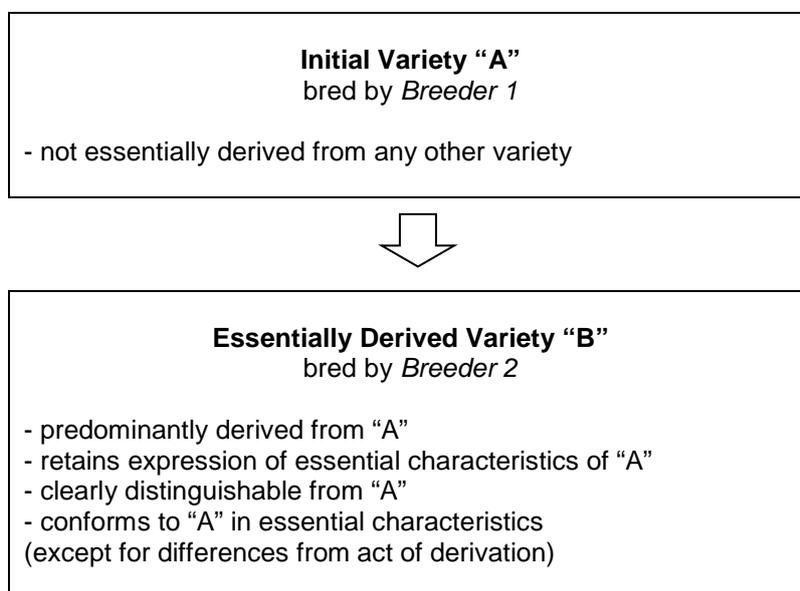
**Article 14 (5) (a) (i)**

(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)).

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

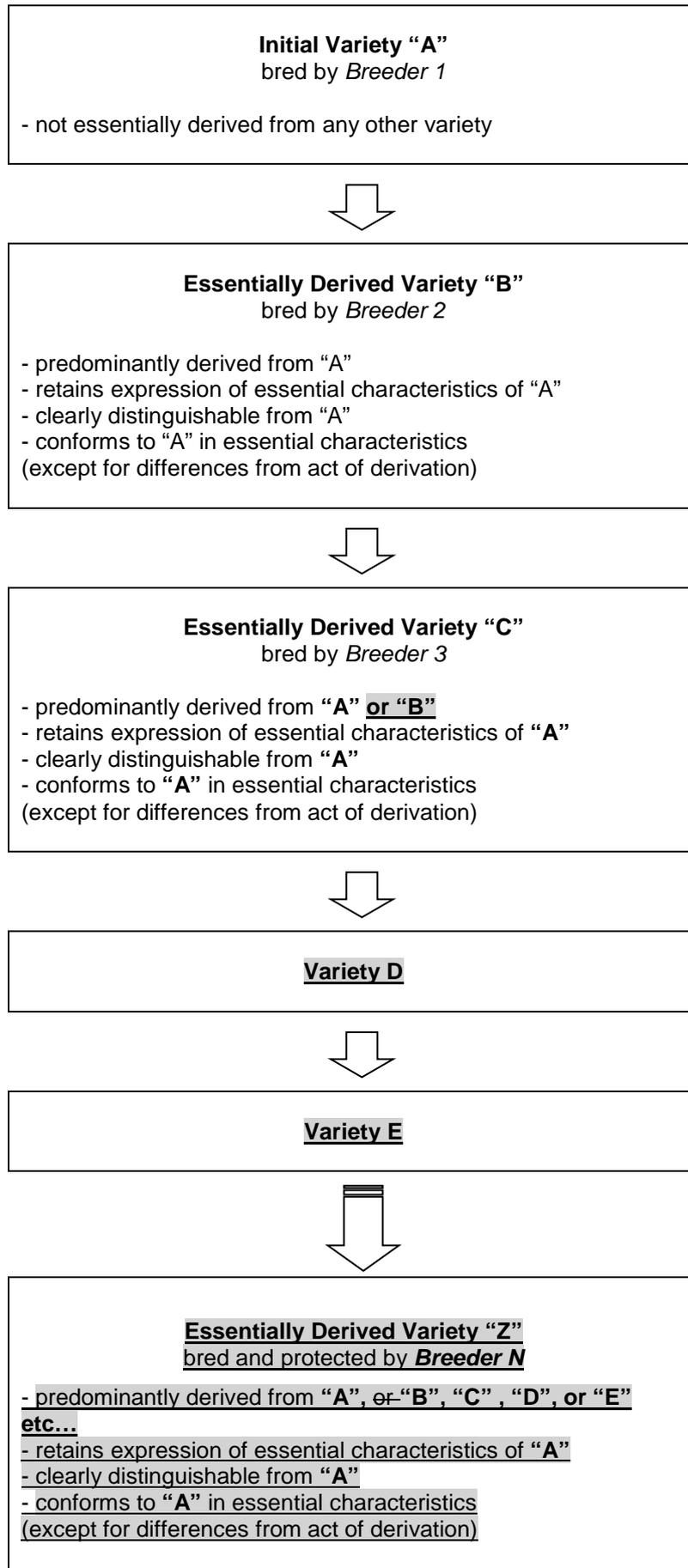


Proposal by ESA <sup>aa</sup>

We propose to keep only one of these indents:

- retains expression of essential characteristics of "A"
- conforms to "A" in essential characteristics

**Figure 2: EDV “C” and, “D” to “Z” predominantly derived from EDV “B” and “C”**



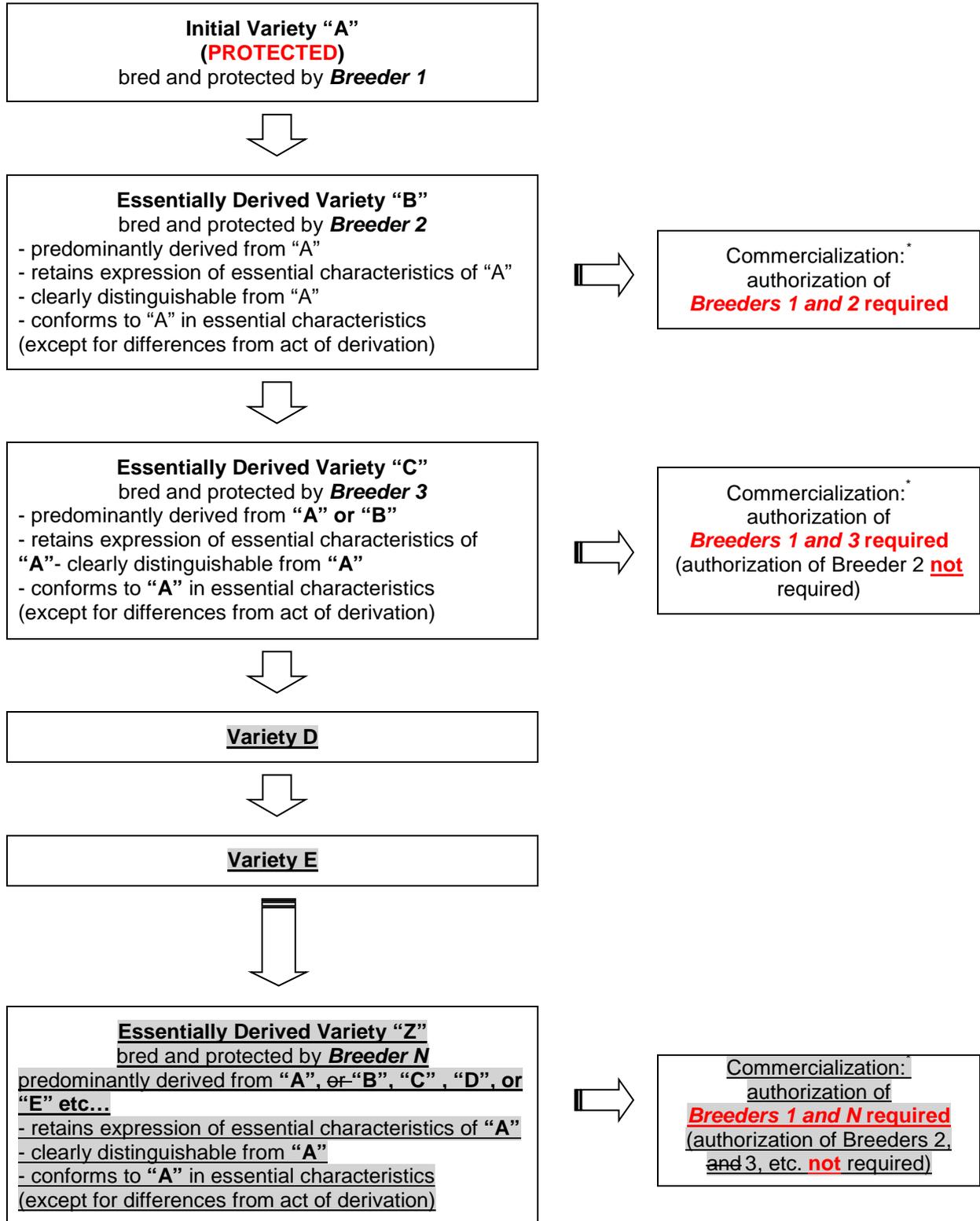
923. Essentially derived varieties are eligible for plant breeders' rights in the same way as for any variety, if they fulfill the conditions established in the Convention (see Article 5 of the 1991 Act of the UPOV Convention). If an essentially derived variety is protected, it is necessary to obtain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

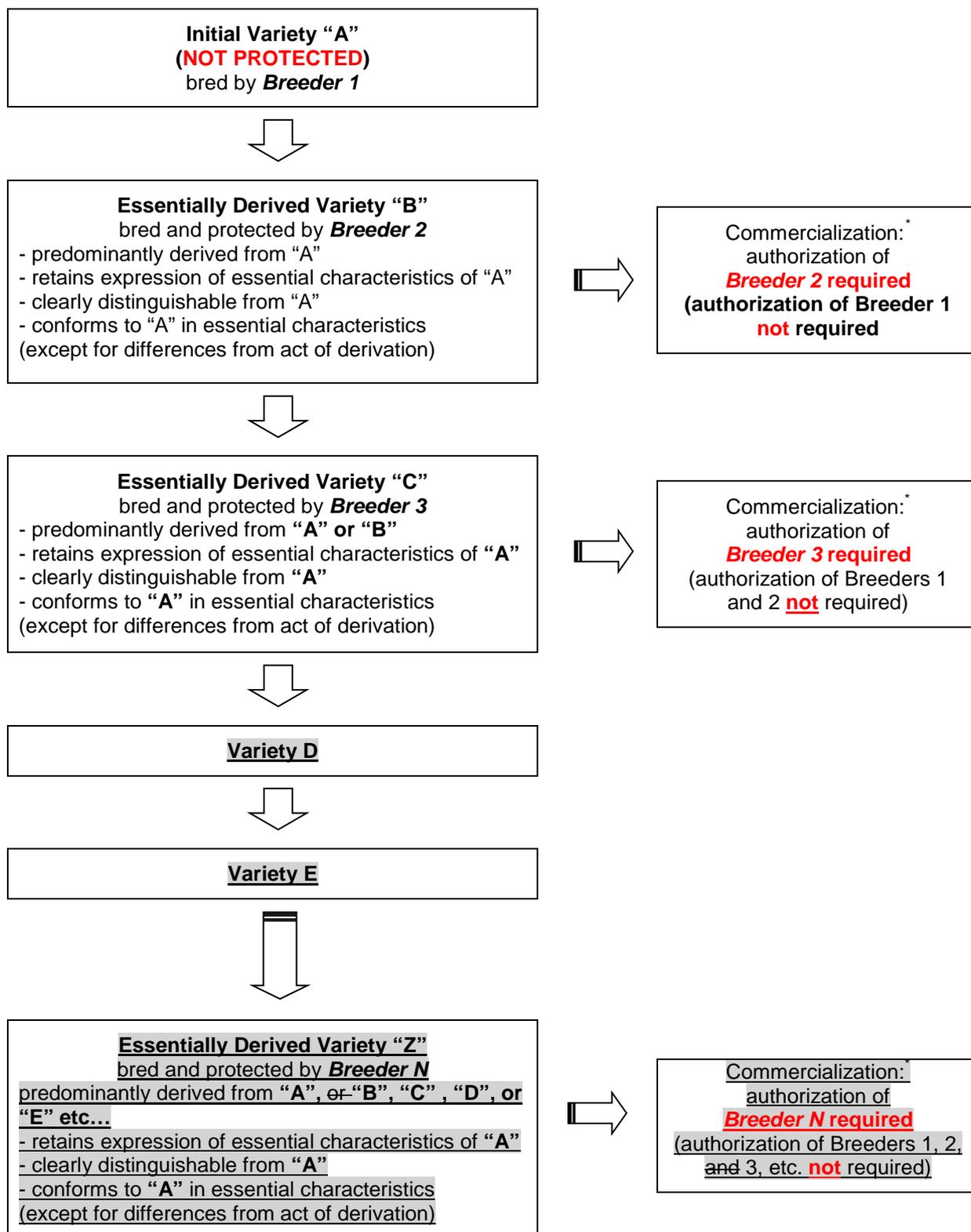
1125. Figures 3 and 4 provide a summary of the situation described above. It is important to note that the scope of the breeder's right is only extended to essentially derived varieties in respect of a protected initial variety. In that regard, it should also be noted that a variety which is essentially 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



<sup>\*</sup> "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



<sup>\*</sup> "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.~~

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.

Proposal by Norway<sup>bb</sup>

To change paragraph 29 as follows:

"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~~ should be considered as possible starting points in providing an indication that a variety might be essentially derived from the initial variety"

Proposal by Argentina<sup>cc</sup>

Paragraph 29

"This paragraph is unclear. It states that both "predominant derivation" and "conformity on the essential characteristics" could be considered as starting points in providing an indication that a variety might be essentially derived. It is not clear whether this means that the fact that a variety is predominantly derived from and conforms to the initial variety in its essential characteristics are starting points for indicating that a variety is an EDV, in which case only the distinctness would need to be demonstrated, or whether it means that seeking indications of supposed derivation and supposed conformity in the essential characters can be the starting point for determining whether or not a variety is essentially derived."

**"ESTABLISHING WHETHER OR NOT A VARIETY IS ESSENTIALLY DERIVED**

"At the April 2014 meeting of the CAJ, Argentina offered to present its opinion as to whether determining if a variety was essentially derived or not is always a matter for breeders. In order to analyze this issue, we set out two theoretical examples and our respective opinions.

"Situation A

"Breeder A obtains Variety 1, which is NOT an essentially derived variety, and protects it.

"Breeder B obtains Variety 2 from Variety 1.

"Breeder A claims that Variety 2 is essentially derived from Variety 1 and Breeder B disagrees.

"This example is a problem between Breeder B and Breeder A. In this example, we can say that it is a problem between breeders.

"Situation B

"Breeder A creates a variety, Variety 3, and protects it. Subsequently, the same Breeder A creates Varieties 4, 5 and 6 from Variety 3 and declares that they are EDVs of Variety 3 and does not protect them because he considers that they are covered by the breeder's right for Variety 3.

"Third-party users of Varieties 4, 5 and 6 consider that these varieties are NOT EDVs and can be marketed without permission from the breeder. In this second example, we consider that this is not a matter exclusively for the breeders. The enforcement authority must take action."

30. In some cases, 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. 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>dd</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.

[Note: "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."]

[It is proposed to consider guidance on this matter in conjunction with document CAJ-AG/14/9/5 "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> Comments from CropLife International have been received and posted in the CAJ-AG/13 section in the UPOV website (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285382.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285382.pdf)): “CropLife International notes with interest the proposed changes in the document.  
“CropLife International would like to note that we support initiatives that lead to more harmonized and similar interpretations and implementation of the principle of EDV among different UPOV members.”
- <sup>b</sup> Comments from APBREBES have been received and posted in the CAJ-AG/13 section in the UPOV website (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285387.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285387.pdf)):  
“While the mandate of the Diplomatic Conference should be included in the Preamble, discussions that took place in the running up of UPOV 91 should not be reiterated as they are already reflected in the Convention. An important concern is the loss of flexibility with regard to how to approach EDVs. There are different approaches to identifying EDVs, e.g. the presentation by Australia presented a different approach from others. This is useful as every country can implement the concept as it considers best and workable in the context of its country.  
“The draft EXN is based on an approach to EDV that hinders innovation, making it difficult for new varieties to enter into the market, giving existing breeders a market monopoly and reducing healthy competition among breeders.  
“The concept of EDV in the draft EXN is biased if varieties of farmer-breeders are not considered as initial varieties, if they are not protected. But having no pvp right on a variety does not mean that the farmers have no rights at all on these varieties. The Farmers Rights under the FAO-Plant-treaty are just one example for such rights. Essential derivation could apply to varieties derived from such farmers’ varieties. Such EDVs should not be protected in their own right.  
“On Alternative Dispute Settlement (ADR), private settlements should not be used to influence public court decisions. In addition, the information on settlements is anonymous. The fact that WIPO facilitates such arbitration with regard to internet domains is not well enough comparable and less valid in the case of crop varieties.”
- <sup>c</sup> Comments from Norway have been received and posted in the CAJ-AG/13 section in the UPOV website (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285386.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285386.pdf)): “We suggest to add ‘Nor shall these explanatory notes limit the text of the UPOV Convention’.”
- <sup>d</sup> Comments from ESA have been received and posted in the CAJ-AG/13 section in the UPOV website (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285391.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285391.pdf)): “As a last comment of general nature on this explanatory note we would like to remind that the UPOV Secretariat was requested to provide guidance on the relationship between paragraphs (i) and (iii) of Article 15(5)(b) but such guidance is still missing from the document.”
- <sup>e</sup> Comments from CIOFORA have been received and posted in the CAJ-AG/13 section of the UPOV website (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285388.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285388.pdf)):  
“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.”
- <sup>f</sup> Comments from Norway (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285386.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285386.pdf)): “This list seems to give every point equal status (ref. the wording “might be considered”). It seems to me that point (i) is the starting point, and should always be assessed. Then (ii)-(vii) clarifies relevant factors in addition to (i), and “might” be considered.”
- <sup>g</sup> Comments from CIOFORA (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285388.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285388.pdf)): “CIOFORA does not support the list of potential essential characteristics.”
- <sup>h</sup> Comments from ESA (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285391.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285391.pdf)): “Although we understand the intention to provide some guidance on possible interpretations of the term “essential characteristics” we are concerned that the list of examples and counter-examples provided in points 6 and 7 can be easily misunderstood. Instead of having such examples we propose to replace points 6 and 7 with the following text: *‘For the purpose of interpreting the term ‘essential characteristics’ any phenotypic characteristic that is relevant for DUS purposes can be relevant.’*”
- <sup>i</sup> The word “protected” has been inserted twice to address the comment in the proposal below from Argentina (see endnote <sup>k</sup> below).
- <sup>j</sup> Comments from Norway (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285386.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285386.pdf)): “Shall be interpreted as ‘clearly distinguishable’ in article 7. If it is not ‘clearly distinguishable’, it belong in article 14(5) (ii)”.
- <sup>k</sup> Comments from Argentina have been received and posted in the CAJ-AG/13 section in the UPOV website (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285383.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285383.pdf)):  
“Paragraph 8  
“The text refers to the fact that making the essentially derived variety (EDV) “clearly distinguishable” makes it protectable independently of the initial variety. We believe that on this point contains ideas which could be expressed more clearly.  
- In referring to “clearly distinguishable”, the definition of essentially derived varieties clearly establishes that an essentially derived variety must meet the condition of “Distinctness” according to the same criteria that apply to any variety that is considered for the purposes of protection. Accordingly, all the UPOV recommendations set forth in the General Introduction, the TGP documents and the Test Guidelines are applicable.  
- Moreover, in order to meet this condition and the others governing protection which are set forth in the Convention, the breeder’s right will have to be granted, since additional conditions cannot be imposed.  
- The draft text appears to suggest that the protection of an EDV is independent of the protection of the Initial Variety (IV), when in fact it is not, since an EDV is achieved by the protection of the IV. Obviously, this was not the intended meaning but the formulation could cause confusion.”
- <sup>l</sup> Comments from Norway (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285386.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285386.pdf)): “Which means Art 14 (5)(i)”.
- <sup>m</sup> Comments from Argentina (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285383.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285383.pdf)): “Reference is made to “paragraph (i)” in the third line. We think it should be 14(5)(b)(i).”

- <sup>n</sup> Comments from ESA (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285391.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285391.pdf)): “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 in paragraph (i).’ These words in paragraph (i) are essentially the same as the words in the second half of paragraph (iii). Therefore, in order to avoid confusion and misinterpretation, we propose to refer in the first sentence of this point 10 to ‘*the words of paragraphs (i) and (iii)*’.”
- <sup>o</sup> Comments from Norway (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285386.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285386.pdf)): “This text should be incorporated in par 11 below. It deals with the same question.” “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. However, if there are only one or few differences that does not necessary mean that a variety is essentially derived. The variety would also be required to fulfil the definition stated in Article 14(5)(b).”
- <sup>p</sup> Comments from Argentina (see to [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285383.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285383.pdf)): “Paragraph 11. The reference to document IOM/IV/2 is not clear, given that this document is an explanatory note to the UPOV Convention and not to document IOM/IV/2. If this reference is intended to clarify the origin of the text that follows – which is what we think – then the reference to document IOM/IV/2 should be an endnote as in other cases. This then raises the question of whether the text of the paragraph “(ii) the derived variety must...” should be included under paragraph 10. Hence, Argentina favors the inclusion of the said paragraph in the explanatory note.”
- <sup>q</sup> Comments from CIOPORA (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285388.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285388.pdf)): “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.”
- <sup>r</sup> Comments from ESA (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285391.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285391.pdf)): “Points 14 and 15 together have the sub-heading “Method of breeding”. In line with the previous comment we can accept the current points 14 and 15 however we are of the opinion that under this sub-heading the reader should rather get an explanation that the methods listed in Article 14(5)(c) are only some examples but they do not necessarily result in EDVs and that there could be other methods that result in EDVs which are not listed in Article 14(5)(c).”
- <sup>s</sup> Comments from Norway (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285386.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285386.pdf)): “The method is not irrelevant. If the EDV is protectable independently from the initial variety, only “the breeder”, as defined in article (iv) can apply for protection. See par. 8 above.”
- <sup>t</sup> Comments from ESA (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285391.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285391.pdf)): “We propose to delete the whole point 14. Should this not be possible, we at least propose to delete the words ‘*but may provide an indication of the purpose to change the essential characteristics of the initial variety*’. The efforts, costs and difficulties involved in a breeding program are not indicative of any aim or intention.”
- <sup>u</sup> Comments from CIOPORA (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285388.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285388.pdf)): “In regard to the paragraphs 4 [14?] – 15 UPOV may wish to also take into consideration the contribution of CIOPORA in the EDV seminar of 22 October 2013.”
- <sup>v</sup> Changes introduced to address comments from ESA (see endnote <sup>w</sup> below).
- <sup>w</sup> Comments from ESA (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285391.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285391.pdf)): “We propose to delete point 20 because according to point (i) of Article 14(5)(b) an EDV has to be predominantly derived from the initial variety or from a variety which is itself predominantly derived from the initial variety. A hybrid however is not predominantly derived from the initial variety (i.e. the parent line) therefore this paragraph should be deleted.”
- <sup>x</sup> Comments from Norway (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285386.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285386.pdf)): “We agree with Switzerland saying that it is the phenotypic expression of the essential characteristics which is decisive”. (see comments by Switzerland “According to the UPOV-Convention it is not the added value, which is decisive but the (phenotypic) expression of the essential characteristics” [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>y</sup> The text “if the variety fulfills the definition in Article 14(5)(b)” has been introduced at the end of paragraph 21 for consistency with paragraph 16 and to address a comment by ESA (see endnote <sup>z</sup> below).
- <sup>z</sup> Comments from ESA (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285391.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285391.pdf)): “Point 21 has been changed compared to the text discussed in the CAJ-AG in October 2013 but the text still suggests that the EDV variety could be obtained via the use of molecular information only. From ESA’s point of view this text proposal is still not appropriate because in our opinion the physical use of the initial variety is an indispensable requirement to be able to infer the potential development of an EDV.”
- <sup>aa</sup> Comments from ESA (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285391.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285391.pdf)): “As regards figure 1 (and all other figures) we would like to mention that in the explanation boxes about variety “B” the fact that the condition ‘retains the expression of essential characteristics of ‘A’ on one hand; and the condition ‘conforms to ‘A’ in essential characteristics’ on the other hand are indicated in two separate indents creates the false impression if those two conditions were different from each other whereas they are not. In order to avoid such confusion we propose to keep only one of these indents.”
- Comment from the Office of the Union: the wording of the indents refer to relevant elements of the definition in Article 14(5)(b).
- <sup>bb</sup> Comment from Norway (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285386.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285386.pdf)): We suggests: “**should** be considered as”... According to article 14 (5) (b) (i) and (iii), both are necessary to assess.
- <sup>cc</sup> Comments from Argentina (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285383.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285383.pdf)):
- “Paragraph 29
- “This paragraph is unclear. It states that both “predominant derivation” and “conformity on the essential characteristics” could be considered as starting points in providing an indication that a variety might be essentially derived. It is not clear whether this means that the fact that a variety is predominantly derived from and conforms to the initial variety in its essential characteristics are starting points for indicating that a variety is an EDV, in which case only the distinctness would need to be demonstrated, or whether it means that seeking indications of supposed derivation and supposed conformity in the essential characters can be the starting point for determining whether or not a variety is essentially derived.

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“ESTABLISHING WHETHER OR NOT A VARIETY IS ESSENTIALLY DERIVED

At the April 2014 meeting of the CAJ, Argentina offered to present its opinion as to whether determining if a variety was essentially derived or not is always a matter for breeders. In order to analyze this issue, we set out two theoretical examples and our respective opinions.

“Situation A

“Breeder A obtains Variety 1, which is NOT an essentially derived variety, and protects it.

“Breeder B obtains Variety 2 from Variety 1.

“Breeder A claims that Variety 2 is essentially derived from Variety 1 and Breeder B disagrees.

“This example is a problem between Breeder B and Breeder A. In this example, we can say that it is a problem between breeders.

“Situation B

“Breeder A creates a variety, Variety 3, and protects it. Subsequently, the same Breeder A creates Varieties 4, 5 and 6 from Variety 3 and declares that they are EDVs of Variety 3 and does not protect them because he considers that they are covered by the breeder’s right for Variety 3.

“Third-party users of Varieties 4, 5 and 6 consider that these varieties are NOT EDVs and can be marketed without permission from the breeder. In this second example, we consider that this is not a matter exclusively for the breeders. The enforcement authority must take action.”

<sup>dd</sup> Comment from Norway (see [http://www.upov.int/edocs/mdocs/upov/en/caj\\_ag\\_13\\_8/caj\\_ag\\_13\\_8\\_www\\_285386.pdf](http://www.upov.int/edocs/mdocs/upov/en/caj_ag_13_8/caj_ag_13_8_www_285386.pdf)): “In Norway, this matter is regulated in national regulation regarding civil proceedings. I’m not sure this is suitable in this document.”

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