



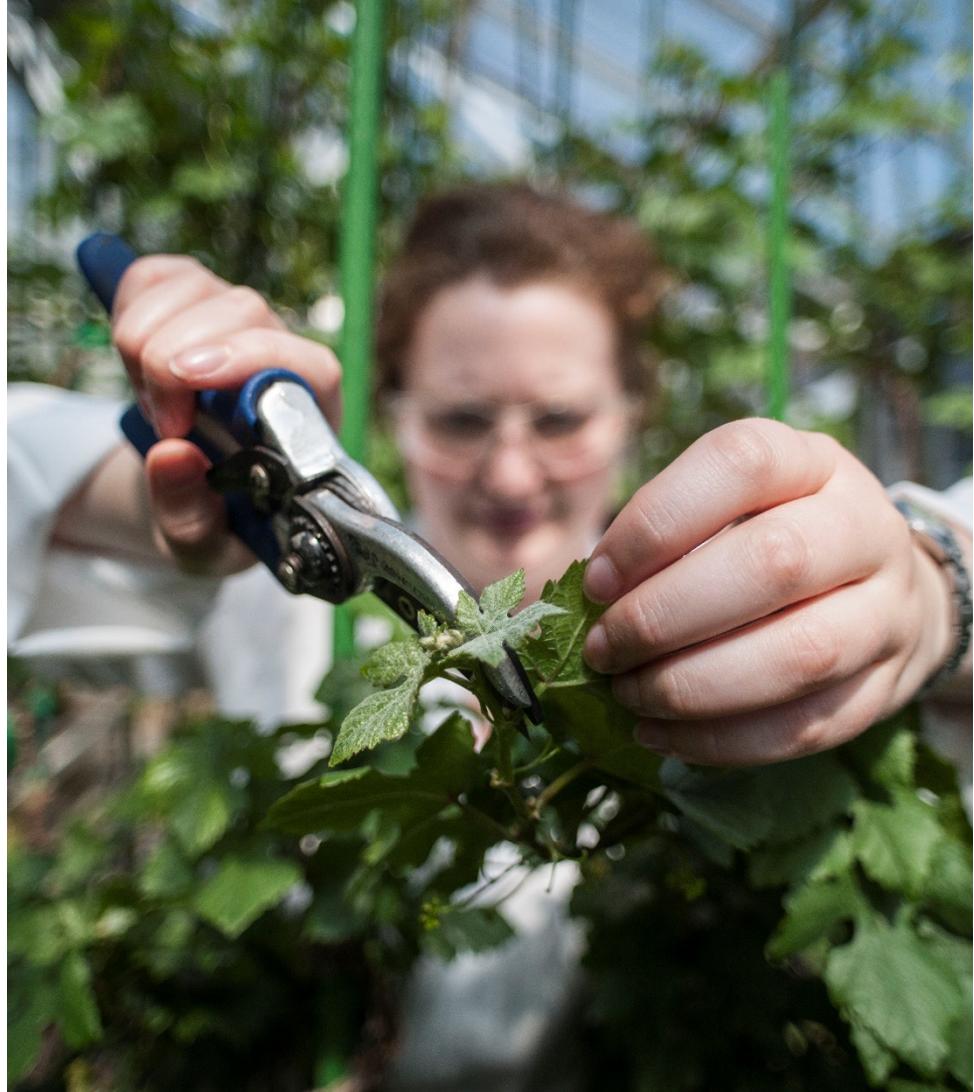
Integration of New Breeding Technologies (NBTs) into variety breeding

How to find the right balance for incentivising innovators

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Australia's National Science Agency





Who we are

Australia's national science agency



One of the world's largest multidisciplinary science and technology organisations



5,672+ dedicated people working across 53 sites in Australia and globally



State-of-the-art national research infrastructure



We delivered \$10.2 billion of benefit to Australia in FY22



CSIRO's Plant Breeding Activities

Breeding and pre-breeding for the major Australian crops

Top-tier PBR and patent portfolio



Cotton

Originator of all Australian cotton varieties



Cereals, Canola

Trait provider to the breeding industry



Fruits & Nuts

Breeding and trait innovation



Legumes

Innovating to serve the high plant protein demand



New Breeding Technologies (NBTs): A huge innovation opportunity

| Opportunity | Example |
|---|--|
| Bringing trait opportunities to vegetatively propagated crops <ul style="list-style-type: none">"Breeding-by-editing" is the only effective method to achieve breeding progress | Disease resistance in grapevine, banana, potato, citrus trees, etc. |
| Re-wilding <ul style="list-style-type: none">Direct conversion of alleles from wild/syntenic sources into elite germplasm without linkage drag associated with large introgression fragments | Nematode resistance in cotton |
| Accelerating genetic gain <ul style="list-style-type: none">Liberating breeding from the constraint of trait introgression; Parallel trait conversion of all finished (parental) lines at the end of the breeding cycle | Only limited by editing system's cost and germplasm dependency |
| Creating novel allelic diversity <ul style="list-style-type: none">Most crops have limited allelic diversity at important loci within their elite germplasm pool, leaving a lot of untapped improvement potentialBest allele available is not necessarily the optimal allele; Functional genomics and recent breakthroughs in protein structure/function prediction are driving allele optimisation opportunities | Optimising well-understood plant metabolic pathways, such as photosynthesis, secondary metabolites |
| Many other opportunities <ul style="list-style-type: none">Technology is immature | Synthetic biology in crops, site-directed recombination, trait switches, etc |



Trait innovation using NBTs and breeding innovation go hand-in-hand

- Breeders and trait innovators both need to be incentivised to use New Breeding Technologies (NBTs)
- Proposed draft text for revision of Explanatory Notes on Essentially Derived Varieties (EDVs) got the balance wrong:
 - Disincentivise the development of new plant varieties using highly innovative NBTs
 - Risk consolidating the control of NBTs with current owners of plant breeders rights and distorting the system in a manner that is at odds with the intention of the breeders' exemption
 - Lead to commercial uncertainty
- UPOV needs to achieve a balance of incentives agnostic to the method of breeding





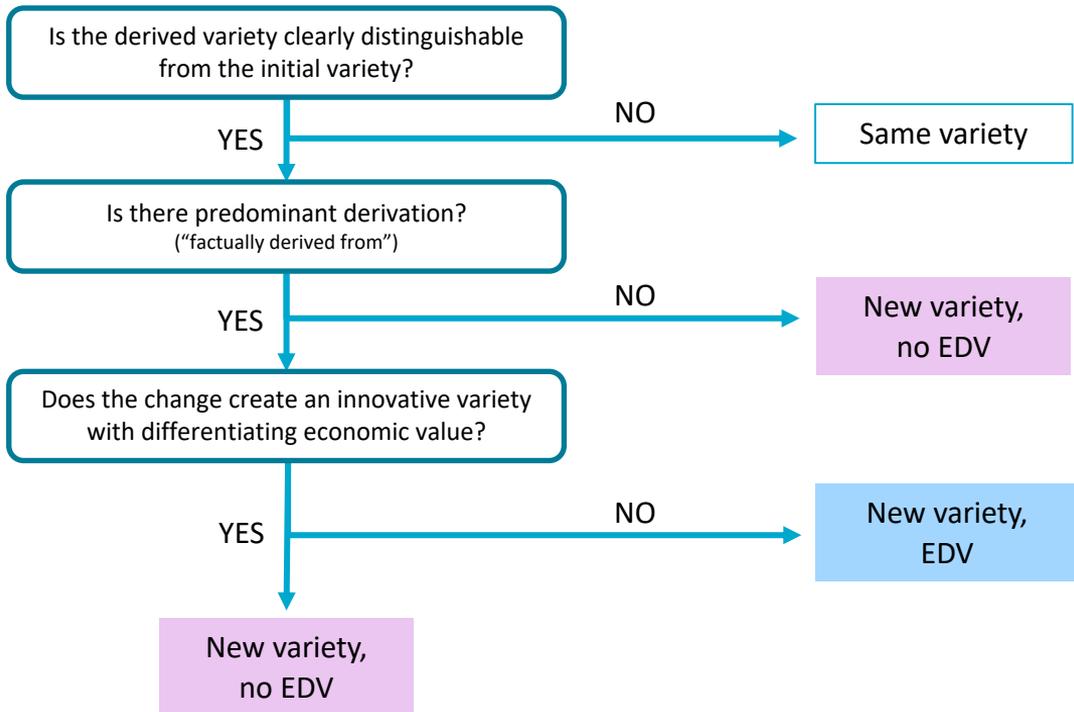
Varieties obtained by editing should not be Essentially Derived Varieties (EDVs) by default

- Patents are not always an alternative
 - Patents on plants are not available in many countries and political views on how they should be treated are diverging
 - A key principle of the international PBR regime is to reward incremental breeding. These changes are unlikely to meet novelty and inventiveness requirements
 - Patents are much more expensive than PBR protection
- Increased geographical divergence and complexity
 - Has the potential to stifle innovation and drive industry consolidation





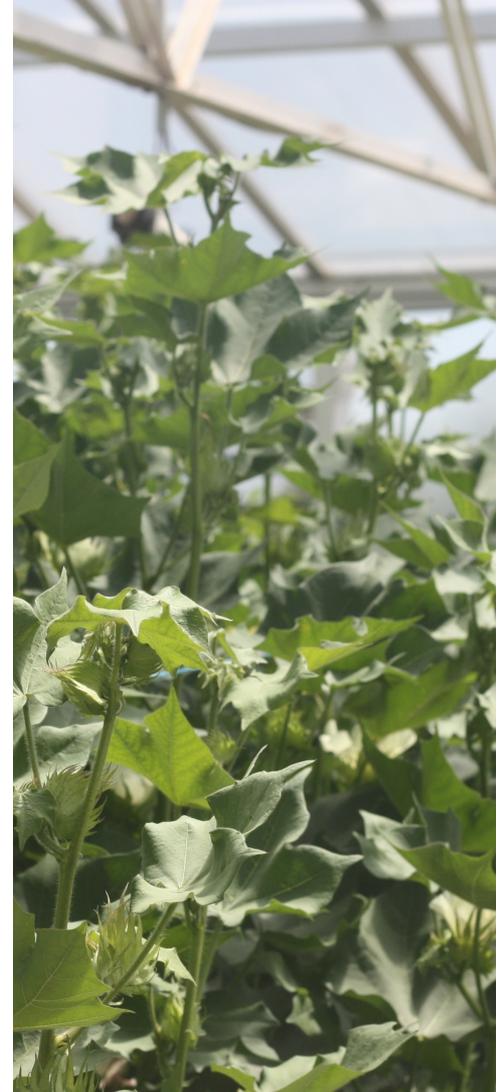
Proposal for fair and clear decision criteria for EDVs





What is the opportunity for UPOV to stimulate innovation?

- Reward innovation that creates economic value
 - Fair and clear decision criteria for EDVs needed
 - Safeguarding the breeders exemption
 - Avoiding perverse outcomes
- UPOV principle: Breeding progress is measured by phenotype
 - Veering from that principle would require a complete overhaul
 - Explanatory Notes are not the right way to change the fundamental principles of the UPOV Convention





Thank you

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