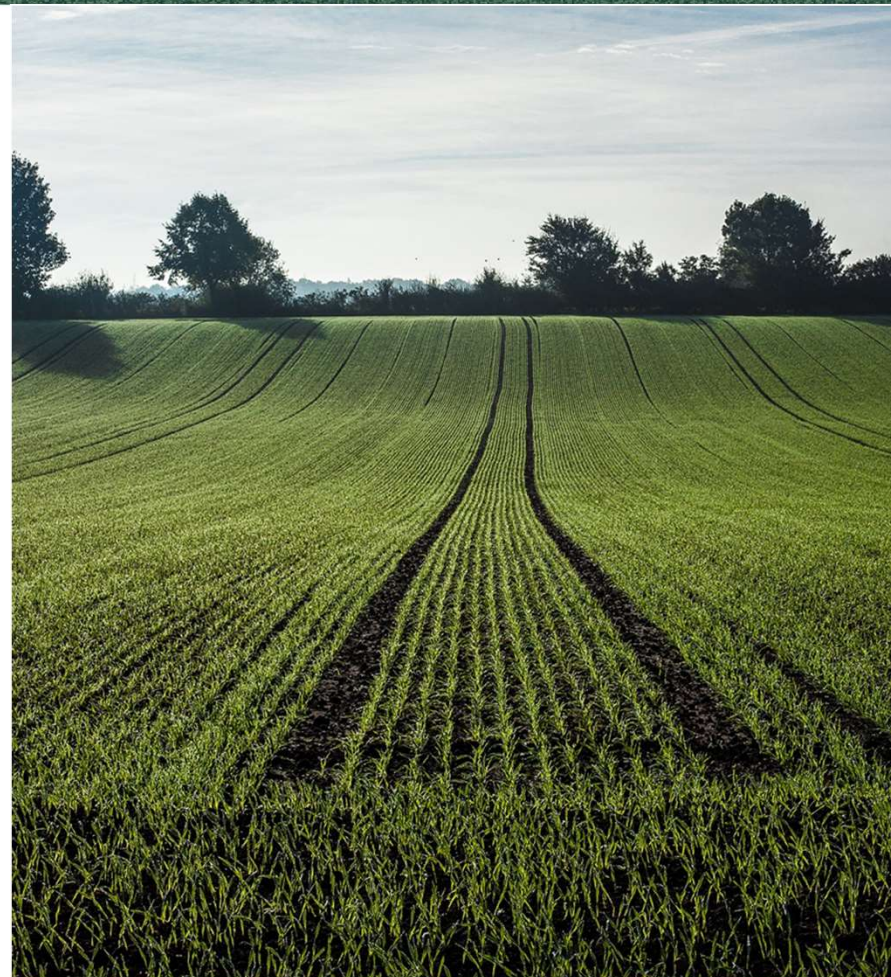


# Boosting Plant Innovation Via A Licensing Platform For Seamless Technology Transfer

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on behalf of the members of the Working Group for establishing the ACLP



## Plant Breeding faces challenging targets from the EU Green Deal and the EU Farm2Fork strategy



**Euroseeds** is convinced that in order to be successful, an EU Farm2Fork Strategy must place plant breeding, related scientific advances and technological innovations at the very core of its considerations and consequent supportive measures <sup>2</sup>

## Food systems should be fair, healthy and environmentally friendly.

The EU aims to accelerate the transition to a sustainable food system that should:

- have a neutral or positive environmental impact
- help to mitigate climate change and adapt to its impacts
- reverse the loss of biodiversity
- ensure food security, nutrition and human and animal health making sure that everyone has access to it
- preserve affordability of food while generating fairer economic returns, fostering competitiveness of the EU supply sector and promoting fair trade <sup>1</sup>

<sup>1</sup> EU Commission [https://ec.europa.eu/food/horizontal-topics/farm-fork-strategy\\_de](https://ec.europa.eu/food/horizontal-topics/farm-fork-strategy_de)

<sup>2</sup> Euroseeds Contribution to Farm2Fork Strategy 20.0102.3-Euroseeds-contribution-to-the-Farm-to-Fork-strategy-and-related-agricultural-topics.pdf



## To reach the EU Farm2Fork goals, plant breeding innovation plays a key role

It is estimated that more than **50% of all productivity gains** are due to improved varieties resulting from sophisticated plant breeding;

it is also estimated that this figure will rise to up to **80% productivity gains** in the coming years, not least due to growing restrictions on the use of crop protection products, fertilizers and other inputs<sup>1</sup>

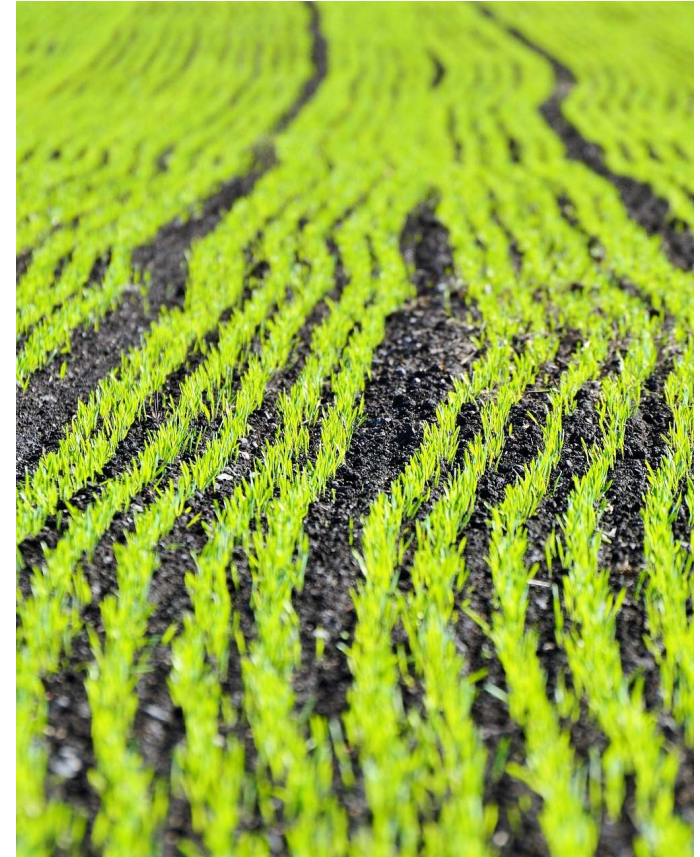
“**45,000 varieties** are available for farmers in the EU - around **3,500 new varieties** are registered every year in the European database producing feed & food”<sup>2</sup>

An EC study acknowledges the benefits and potentials of new genomic techniques in plant breeding<sup>3</sup>

<sup>1</sup> Euroseeds Contribution to Farm2Fork Strategy 20.0102.3-Euroseeds-contribution-to-the-Farm-to-Fork-strategy-and-related-agricultural-topics.pdf

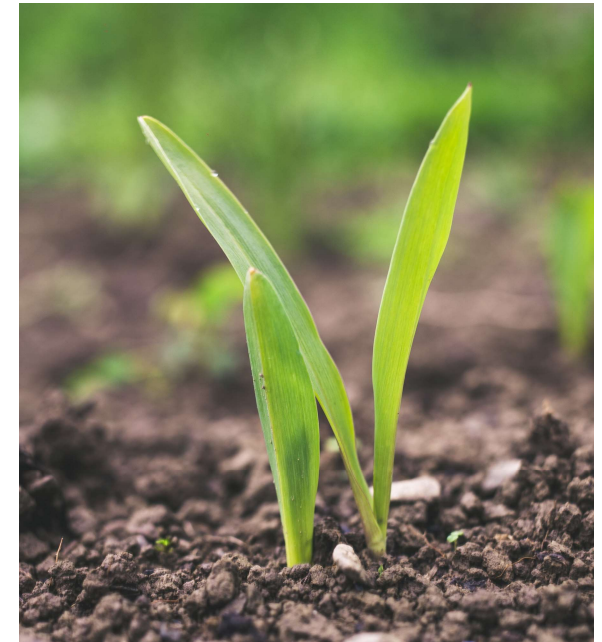
<sup>2</sup> SEMAE.fr.

<sup>3</sup> EC study on new genomic techniques (europa.eu) , 29 April 2021



## IP protection in plant breeding: Patents and Plant Variety Protection (PVP)

- The EC study acknowledges the benefits of patents and licensing in promoting innovation:
  - “However, patents can also be a barrier to market entry for SMEs ...”
    - ❖ Patenting and any monopolization that may come with it
    - ❖ Licensing patented products and respective transaction costs
    - ❖ Lack of transparency and ‘freedom to operate’ analyses
- PVP rights provide access to biological material for breeding purposes
  - ❖ (“Breeder’s Exemption”)
- **A balanced co-existence of PVP and Patents is needed**



How to maintain access to biological material for plant breeding and encourage the uptake of trait innovation?



## The Agricultural Crop Licensing Platform Initiative Concept and Proposal

- An innovative, simple legal framework for all breeders to use
- A transparent access to patented traits including genome edited traits

Today, **10 small, medium and large sized breeding companies and trait developers** are working on an initiative to provide breeding and guaranteed marketing rights for commercial traits fostering technology transfer.



## Cornerstones of the ACLP Initiative

### **Territory**

Europe: 38 EPC Member States plus Russia and Ukraine

### **Scope**

All patented traits present in commercial varieties sold on the open market in the Territory (“Trait“)

All agricultural crops as defined by CPVO

### **Non-profit organisation**

Incorporated under Belgian law

Located in Brussels

### **Membership**

Open to all private or public sector organization involved in plant breeding or trait research and development having employees and tangible assets in the Territory

### **Financed by membership fees**

Small Members\* enjoy free membership during the 5 first years of existence of the ACLP

### **Transparent Information** on all commercial varieties containing patented traits within the Territory via PINTO

\* Small Members shall be defined according to EU Commission definition. A member together with its affiliates which, has:

- less than 49 full time employees and;
- has realized less than 10 million € of agricultural crop seed revenues in a calendar year in the territory

## Principal rights and obligations of the Members of the ACLP Initiative

- **Entitlement of Members** as soon as a commercial variety including a Trait is sold by a Member on the open market in the Territory:
  - to obtain from the patent holder, a **non-assert** for breeding in the Territory with the Trait including using its specific markers
  - to obtain **earlier access** to Traits from bilateral (germplasm/trait exchange) contracts or crop-specific arrangements (common in cereals or potato)
  - to obtain from the patent holder, a **commercial license** for producing and selling in the Territory the varieties bred under the non-assert and containing the Trait(s)
- Licensing can take the form of the **Standard License Agreement** of the ACLP in which case :
  - **Only Royalties** need to be agreed between the Trait holder and the interested Member
  - **“Baseball” Arbitration** in case no agreement on Royalties is reached within a prescribed period of time
  - **Uniform Stewardship** obligations
  - **Lump sum payment** option if both parties agree
- **In case of termination by or exclusion of a Member**
  - All non-asserts and SLAs **received by** the leaving Member may be terminated by the Trait holder
  - All non-asserts and SLAs **granted by** the leaving Member to other Members shall remain unaffected until expiration or termination by licensee
  - All Traits of the leaving Member available during its membership to the ACLP shall **remain available to other Members for non-asserts or SLAs for a period of 5 years**

## Seed company statements



**“A seamless, easy access to new innovative breeding material is key for a medium-sized breeding company like ourselves. We need a “one stop licensing shop” that fits all our business models.”**

Dr. Justus Böhm, Managing Director, Böhm-Nordkartoffel Agrarproduktion GmbH & Co. OHG



**“The Agricultural Crop Licensing Platform has the potential to increase transparency and access to traits. It is good for the European consumer who will optimally benefit from the innovations available through the platform.”**

Gaël Hili, Regional Director EAME – Syngenta Seeds



**““We highly welcome the initiative. Small breeders would be able to maintain access to varieties and commercial trait innovations without disruption for breeding. Minimal transaction costs and guaranteed commercial access to the traits would allow continued innovations for plant breeding companies of all sizes.”**

Alexander Strube, Managing Director, Ackermann Saatzucht GmbH & Co. KG



**“With the state of breeding and use of technologies rapidly evolving, we consider an industry Licensing Platform for Agricultural Crops in Europe to be critical. This will help ensure choice and ongoing access to new traits by many different types of breeders, which is crucial in the context of the increasing need for innovation in seed to adapt to climate change and the escalating need to address global food security and new consumer demands”**

Sam Eathington Chief Technology Officer Corteva Agriscience



## Outlook – What happens next?

- **Intended Launch of the ACLP**
  - Q2 2022 with founding members
  - Communication initiative to promote and invite more members
- **Next steps**
  - Finalizing the legal documents
  - Search for and hiring of a CEO
  - Establishment of the legal entity
- **More information**
  - [www.aclp.eu](http://www.aclp.eu)
  - Contact members of the ACLP at [info@aclp.eu](mailto:info@aclp.eu)





**Let`s build a future providing for the fast incentivization and diffusion of plant breeding innovation to achieve the goals of the EU Green Deal for the benefit of EU farmers and consumers.**

**Thank you for your attention!**

**[www.aclp.eu](http://www.aclp.eu)**