

## **FARMERS POINT OF VIEW**

**Presentation by THOR GUNNAR KOFOED, Chairman of Copa-Cogeca Working Party on Seed**

- First of all, I would like to thank CPVO for having invited me to make a presentation at this very interesting and challenging question Farm Save Seed and the future.
- I think it is important for me to give you a short introduction on what Copa and Cogeca are before tackling about the subject. It will maybe help you to better understand the position that I will be explaining later on.
- Copa-Cogeca is an umbrella organisation which represents at EU-27 level both national farmers' and agri-cooperative organizations, currently 76 in total. Copa and Cogeca have been working together in Brussels for almost their entire 52 years of history. They represent 15 million full or part time farmers and their 40 000 cooperatives. To make a long story short we represent conventional farmers, organic farmers and technology-oriented GM-producers and everybody in between. Furthermore, we represent seed producers, feed manufacturers, cereal, sugar, oilseed, protein crops growers and not to forget livestock farmers. We deal with environmental issues, food and feed safety and consumer affairs, just to mention a few.

## **In reference to history...**

- If I go back to the 90s when the legislation on Community Plant Variety Rights was discussed and then approved, the matter was extremely sensitive amongst our Member Organisations. In this respect, nothing has changed.
- In the past, Copa and Cogeca have both had their own views to the matter.
- Copa members in particular have had a more cautious approach when it comes to remuneration of variety rights. In the light of the recent economic crisis, this thinking has, quite understandably, enjoyed increased support. Equally, we need to maintain our competitiveness when faced with more open markets and new challenges to the sector. This approach was more to the Cogeca side.
- In 1994, we welcomed the provision of Council Regulation 2100/94 on Community Plant Variety Rights which established the right of farmers to use farm saved seed of protected varieties on their own farms. This right implies that farmers, other than small farmers, pay compensation to the breeder.
- In most Member States, paying for the use of farm saved seed was a totally new concept. Our position was that if the system was to work smoothly, it was vital that the great majority of the farmers concerned accept that it is fair. This means that the remuneration level had not to be excessive and the collection mechanism had to be simple and cheap to administer. We insisted that collecting the remuneration should be the exclusive responsibility of the breeders.
- From the beginning we wished – and we still wish - to play a constructive role in the development of the implementing rules for the use of farm saved seed.

- **Quantitative restriction at regional or national level**

Copa agreed that there should be no quantitative restriction on the use of farm saved seed either at regional or national level. Such a restriction would lead to a limitation of the use of farm saved seed at individual farm level. Therefore such constraints would be in contradiction with the Regulation itself.

- **Exemption for small farmers**

When the Legislation was adopted, Copa indicated that it was willing to discuss with the Commission the appropriate definition of "small farmers" as regards fodder crops and potatoes.

With the Mac Sharry reform in 1992, the definition of small farmers was used. We can ask ourselves today whether this concept is still relevant to define small farmers with the new CAP introducing the concept of area payment as social payment.

- **Remuneration to the holder of the plant variety right: a key issue**

Copa demanded that there are safeguards against breeders unilaterally increasing the royalty on certified seed and thereby automatically increasing the remuneration on farm saved seed without farmers having anything to say in the matter. Hence we recommended that whilst the farm saved seed is determined in relation to certified seed, this then be translated into a fixed rate per tonne. This amount had to apply also to all new varieties being introduced during this period.

In principle, Copa did not oppose a uniform maximum remuneration rate on farm saved seed. However, it should be clear that this percentage can only be a maximum, which must not be exceeded but may be undercut, depending on the Member State, region, use of farm saved seed, yield per hectare and variety. Subsequent revision of the remuneration rate for farm saved seed should take account of developments in the use of farm saved seed, changing royalty charges on certified seeds and other relevant factors.

- **Monitoring of the regime**

Copa favoured a fair and balanced system for the monitoring and controlling of the payments of the remuneration. In some Member States, cereals and other seed crops are processed (cleaned and treated chemically) prior to being planted and for the great majority of farmers, the seed processing takes place either off the farm, or via the use of mobile cleaners. Here, collecting the remuneration via the contractor at the time of the processing operation offers one of the ways for farmers to pay. Of course such a system has to be in accordance with the different laws in the Member States concerning the protection of personal and enterprise data.

- **Information**

In the interest of research and the development of new species and varieties, reliable information is of an utmost importance. However we do repeat that according to the present regulation the breeders are exclusively responsible for the monitoring compliance.

## **NOW, AT PRESENT**

Our Copa-Cogeca position that I have expressed here today has not experienced any radical changes. We have had the first discussions on our meeting in Copa-Cogeca Working Party on Seeds and Working Party on Cereals. Earlier this year, both Copa and Cogeca Presidia have accepted a framework for the coming negotiations.

- In Copa-Cogeca, we realized that European plant breeding must be sustained in economic terms. This is necessary to ensure competitive plant production in Europe.
- Copa-Cogeca has always supported European system of Plant Variety Rights, the UPOV system, against patenting. As a result, we feel that certain exceptions for farmers are necessary and they must be maintained. Naturally, we have to find a simple and fair method for professional larger scale farmers. It is indeed a question how to do it without excess bureaucracy.

- Copa-Cogeca is ready to work constructively in the ongoing negotiations, chaired by CPVO. I think that we have to look in a new direction, if we want to change something regarding the question small farmers. We are ready to take the challenge in the dialogue and hope that we can agree about the future.

At the first meeting we had last month, it became clear to me that it will be very hard to make it simple.

First, EU law must be changed and several national laws have to be adapted and it still have to be simple!

Then, the farmers must be convinced. For some of us, the need for future development needs to be justified. And meeting this challenge is only possible if the tool used was simple and fair to all.

I certainly can understand if the breeders want the system to be effective.

- I am not the one that tells you how all this has to be organized. But I can assure you that being fair and simple is the precondition to get farmers onboard. I believe this explains the current high tensions amongst our farmer-members.
- We have to look a little bit realistic on the future. Do we actually need to create a system for all those one to five million farmers in the first place? Is it really economically viable to look for them in order to get them all in?
- The final question is “Why to pay?” We need new varieties, but do they really contribute to the extent of the royalty? If they do, can we better demonstrate it? Today, farmers are really struggling with their finances. It would certainly make much more sense to clearly demonstrate what would be the economic benefits that the farmer is actually receiving from high quality, modern plant varieties.
- I really cannot promise anything yet. However, Copa and Cogeca are fully committed to take part in the dialogue to find a common solution to our common challenge.

Thank you for your attention!

