CPVO INTERNATIONAL RELATIONS STRATEGY

Introduction

On 9 October 2014 the CPVO Administrative Council adopted a strategy for international co-operation, based on a document prepared by CPVO. After two years of its implementation the CPVO has reviewed the objectives of the strategy in the light of the EU trade policy in the field of Intellectual Property Rights (IPR) to support the external dimension of EU policies (see the EU’s 2020 Strategy†).

Improved IP protection systems overseas can offer European companies new business opportunities. The CPVO, together with the Commission services, the Member States and other international Organizations, is working outside the EU in an effort to strengthen the CPVR IP protection system.

The key elements of this cooperation are exchange of knowledge, and support for EU users on registration and enforcement overseas, in cooperation with the EU Member States.

The CPVO objective is to contribute to the EU’s policies in the field of IP, so that European breeders can count on tools and practices that facilitate their access to emerging markets.

For EU breeders doing business outside the borders of the Union, being able to access and secure their IP rights is a key strategic advantage, particularly for SMEs. The CPVO’s 2017-2020 Strategic Plan underlines the importance of the Office’s continuing activities to network with other partners strengthening intellectual property rights protection outside the EU.

The aim of this document is to lay down the guiding principles and modalities for international co-operation and to set priorities for CPVO’s relations with third countries and international organisations. The Administrative Council is asked to endorse this strategy.

A. INTERNATIONAL ACTIVITIES

1. Priorities

1.1. Background and overall objectives

a. Protection and enforcement of IPRs are crucial for the EU’s ability to stimulate innovation and to compete in the global economy. One of the EU’s objectives is to improve the protection and enforcement of IPRs in third countries.

b. EU policies with regard to IPR are dealt with by different Commission services (such as DG SANTE, DG GROWTH, DG DEVCO and DG Trade), EU Institutions (such as the European Union Intellectual Property Office – ‘the EUIPO’‡ – and the European Observatory on Infringements of Intellectual Property Rights


‡ On May 27, 2016 the European Commission published its annual programme (http://ec.europa.eu/dgs/fpi/key-documents/2016-aap_en.htm) of projects to be funded under the Partnership Instrument, which is a fund that supports EU projects outside the
c. As regards emerging and developing countries, the European Commission’s objective is that third countries appreciate that an enhanced IPR regime may well attract further technology transfer and foreign direct investment, acting as a tool to reinforce the economy and promote research and innovation. With this objective in mind EU technical assistance programmes dealing with IPR tend to focus on completing the legal framework in developing countries to bring their IP laws into line with the minimum TRIPS requirements, at least. In the field of plant variety right systems the said effort should aim at bringing PVP laws into line with the 1991 Act of the UPOV Convention, in order for those countries to become UPOV members. Other objectives include: facilitating the implementation of international IP obligations, improving the IPR administration and enforcement and raising awareness in the country/region about the importance of IPR for economic development. In addition to programmes specifically dedicated to promoting IPR, there are broader projects in the area of Trade Facilitation and customs administration that involve elements of IPR.

d. For developed countries, as for emerging and middle-income developing countries, experience and evidence suggest that effective IPRs have several benefits, especially when complemented by improvements in other aspects of the investment and business climate. These include, among others, leveraging the trade potential of intellectual assets, e.g. agricultural products, including plant varieties that play an important role in bringing a contribution to solving global environmental challenges.

e. There is an increasing need for plant varieties that are more resilient to the impacts of climate change: e.g. disease-resistant, cold-, drought-, and salt-tolerant varieties. The contribution of plant breeding and the plant variety protection to UN’s Sustainable Development Goals is jointly addressed with UPOV. EU has committed to the Sustainable Development Goals and they include i.a. the achievement of food security and improved nutrition and promotion of sustainable agriculture. Moreover, in the context of FAO’s Commission on Genetic Resources for Food and Agriculture there is an increasing awareness that the genetic diversity of agricultural species should be safeguarded in order to ensure food security and providing economic development in the rural sector.

f. Effective IPR regimes, complemented by an enabling environment and sufficient capacity to absorb technology, can help developing countries to put in place a sound, viable technological base locally. In this context technology transfer is often one component of a more complex project. The acquisition by least developed countries of a sound and viable technological base does not depend solely on the provision of physical objects, but also on the acquisition of know-how, on management and production skills, on improved access to knowledge sources as well as on adaptation to local economic, social and cultural conditions.

g. International harmonisation enables broad alignment of rules and thereby a more predictable IP environment. It entails the negotiation of new multilateral treaties, their ratification and implementation, as well as the extension of their membership to more non-EU countries (e.g. UPOV for plant variety protection). In this respect a plurilateral approach can be effective for smaller groups of countries sharing similar policy objectives.

http://trade.ec.europa.eu/doclib/docs/2014/july/tradoc_152643.pdf, which reviews the approach adopted by the Commission in 2004 (through the Strategy for the enforcement of intellectual property rights in third countries and the Commission Staff Working Document SEC(2013)30) and sets a revised strategy to promote IPRs and combat IPR infringements abroad also in the field of Plant Variety Rights and acknowledging the importance of the cooperation with the CPVO.

4 See EU Strategy, paragraph 2.2.4. The potential contribution of IPRs to development.

5 See EU Strategy, paragraph 2.2.4. The potential contribution of IPRs to development.
h. The international activities of the CPVO aligns with the EU Strategy for the protection and enforcement of intellectual property rights in third countries (see footnote no 3, hereinafter referred to as the “EU Strategy”).

1.2. Setting priorities

In the framework of the overall EU objectives identified above, the CPVO is responding positively to requests from stakeholders in various events in accordance with the priorities established below. Activities shall be prioritized in the CPVO’s annual work program.

a. Support the EU international co-operation policies and projects governed by the Commission services and the different instruments thereof such as:

(a) Supporting the different services of the Commission in the negotiation of bilateral trade agreements addressing country-specific PVR challenges;
(b) Participating in the setting up of ‘IP Dialogues’ or ‘IP Working Groups’ involving the PVR system. This enable the Commission to raise systemic IP issues, to share best practises and, where appropriate, to offer developing countries assistance, e.g. in developing domestic legislation and enforcement practise;
(c) Design and implement effective technical assistance through training of officials, awareness-raising and legislative assistance including through possible secondments to EU Delegations;
(d) Supporting the Commission in the negotiation of IPR chapters of Free Trade Agreements to cover PVRs,
(e) Providing assistance to EU right holders in obtaining effective protection in third countries (i.e. promoting UPOV membership and prioritizing assistance accordingly). Through close collaboration with key IP actors (i.e. UPOV, EPO, EUIPO and national PVP offices), participation in international events and seminars and visiting key stakeholders, the CPVO shall stay abreast of developments in the IP world and further the Plant Variety Right system through international networks.

b. Support activities in countries of priority expressed by EU Member States.

c. Support the extension of UPOV membership according to the countries of priority for assistance as expressed by UPOV and taking into consideration the following elements:

(a) Co-operation with UPOV countries as well as countries or regional organisations having initiated the procedure to become members of UPOV should be developed. The strategic importance for the EU to support the extension of UPOV membership is identified under the EU Strategy: paragraph 3.5.1.1. Present situation "International harmonization enables broad alignment of rules and thereby a more predictable IP environment. It entails the negotiation of new multilateral treaties, their ratification and implementation, as well as the extension of their membership to more non-EU countries (e.g. UPOV for plant variety protection) [...]". If the co-operation intends to be permanent, such a co-operation should be formalised in an Administrative Arrangement.

(b) The priority to provide assistance is as follows:

(i) assistance to existing members of the Union;
(ii) assistance to States and certain organizations that are not members of the Union, particularly governments of developing countries and countries in transition to a market economy, in the development of legislation in line with the 1991 Act of the UPOV Convention and their accession to the UPOV Convention; and
(iii) assistance to States and certain organizations that are not members of the Union, in the implementation of legislation that has received a positive decision of the Council, according to their commitment to accede to the UPOV Convention.

d. Support activities in countries of priority expressed by breeders’ organisations representing EU breeders, taking into consideration the following elements:

(a) With regard to DUS reports sold or taken-over, it is important for breeders that already established reports can be re-used and for UPOV that cooperation and harmonization of practises between

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6 Current negotiations on trade agreements include those with Mercosur, Mexico, Morocco, Japan, Thailand, the USA and Vietnam.
UPOV members is increased. With regard to DUS reports sold, it should be noted that it provides some revenue to the CPVO. Where, for a species, no testing facilities exist in the European Union (e.g. tropical fruit or some ornamental species), an examination report on the results of an official technical examination carried out in a third country may be used by CPVO as a sufficient basis for a decision on the application for CPVR, with the conditions laid down in a written agreement between the Office and the competent authority of such third country (see Commission implementing regulation No 874/2009 – Art 27.4). Without prejudice to the legal constraints, a successful strategy should result in increasing the number of DUS reports sold or taken over by the CPVO.

(b) In the absence of an entrusted Examination Office in one of the EU Member States, the CPVO can entrust an authority in a non-EU country, provided that the conditions established under Article 27 of the Commission implementing regulation No 874/2009 as revised on 22.9.2016, are complied with.

(c) The feasibility of technical projects with third countries where established cooperations have been already launched in the past. This is the case of Japan and Taiwan where for administrative and technical reasons, the cooperation on technical level has been quite difficult to implement. The CPVO is continuing negotiation with the said countries in the field of technical cooperation.

e. In order to guarantee coherence of actions, an annual update of the 'fact finding questionnaire' on international co-operation in which CPVO and EU Member States indicated their involvement in various cooperation projects, is a useful tool to establish the priorities and to avoid duplication/repetition of work. This would allow the benefits of on-going networking to be extended, ensure better information to be gathered about the IP situation in key regions and allow businesses to better know the IP practices they would need to take into account when going international.

f. CPVO should give priority to activities where there is a clear added value for the CPVO intervention. The CPVO should avoid duplication of what is already well carried out by others. Member States have the technical expertise, and some are involved in training relevant bodies in third countries. On the other hand, the CPVO has experience in setting up and managing a regional system in terms of harmonisation and implementation of practises. The subsidiarity principle implies that the CPVO should only address concerns that are better dealt with at EU rather than Member State level. Typical examples of this are denomination testing and shared online application facilities.

g. A third-country which is committed to implementing an operational plant variety right system within the next five years would be more relevant for a CPVO intervention than a country where reaching such a stage might take decades. Some fact finding activity might be required before being able to take informed decisions. In that context UPOV shall be consulted to provide the CPVO with the latest information on legislative developments and indications concerning their commitment to accede to the UPOV Convention.

h. For the time being the CPVO is responding positively to requests from stakeholders to participate in various events with the aim to create or strengthen existing plant variety right laws.

2. Activities with third countries and regional organisations

2.1. Activities carried out under the EU Instrument for Pre-Accession Assistance (IPA) under the European Neighborhood Policy and TAIEX

a. In the period 2006-2013 the CPVO has participated to activities funded under the European Commission Multi-Beneficiary Programme ("MBP") of the EU Instrument for Pre-accession Assistance (IPA)\(^7\) dedicated to assistance to pre-accession countries, simplifying the assistance process as part of the European Neighborhood Policy (ENP). The IPA Regulation for the period 2007-2013 expired on 31 December 2013. IPA 2007-2013 was designed to provide financial assistance through five channels (known as "components"): transition assistance and institution building, cross-border cooperation (CBC), regional development, human resource development and rural development.

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b. The IPA II regulation\(^8\) came into force on 16 March 2014 and is applicable retroactively from 1st January 2014. The European Commissions’ Multi-country Indicative Strategy Paper 2014-2020 (Strategy Paper), setting out the priorities for EU horizontal and regional financial assistance to support seven beneficiary countries (Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Kosovo, Montenegro, Serbia, and Turkey), has been adopted on 30 June 2014. Prepared in partnership with the beneficiaries, IPA II sets a new framework for providing pre-accession assistance for the period 2014-2020.

c. The projects supported by the CPVO in the framework of the MBP have focused on regional aspects and have helped the countries concerned to learn from each other’s experience. However, despite the positive results achieved the CPVO has not been selected to take part to IPA II projects. The overall objective of the program as managed by the CPVO under IPA was to prepare EU candidate countries in the field of Community plant variety protection for their accession to the European Union. For that purpose, the primary focus was set on the improvement of knowledge of administrative and technical staff in the field of plant variety protection based upon the 1991 Act of the UPOV Convention and the alignment of national protection systems (where in existence) to the Council Regulation (EC) N° 2100/94 (the Basic Regulation) and its implementing rules, as well as on skills in conducting technical examinations (DUS) which are a requirement for the grant of Community plant variety protection, in order to train and to reach the quality requirements for the technical examination established by CPVO. Within the framework of this programme, representatives of the national plant variety rights authorities have been invited to participate in crop expert meetings held regularly at the CPVO. Furthermore, experts from the candidate countries have been trained at the CPVO Examination Offices. Additionally, the CPVO has organised different kinds of events in these countries, such as seminars and workshops on plant variety rights, enforcement and national listing.

2.2. TAIEX

a. TAIEX is the Technical Assistance and Information Exchange instrument of the European Commission. TAIEX supports public administrations with regard to the approximation, application and enforcement of EU legislation as well as facilitating the sharing of EU best practices. It is largely needs-driven and delivers appropriate tailor-made expertise to address issues at short notice in three ways:

- **Workshops:** EU Member State experts present specific areas of EU legislation in workshops to a large number of beneficiary officials.
- **Expert missions:** EU Member States expert(s) are sent to the beneficiary administration to provide in-depth advice on the transposition, implementation or enforcement of a specific part of EU legislation.
- **Study visits:** a group of three practitioners from a beneficiary administration take part in a study visit to an EU Member State’s administration.

b. Among the beneficiaries of TAIEX projects there are: Turkey, the former Yugoslav Republic of Macedonia; Montenegro, Serbia, Albania, Bosnia and Herzegovina, and Kosovo.

c. The CPVO has participated in cooperation with Member States and other partners to requests for assistance by TAIEX beneficiaries. The CPVO supports the implementation of EU actions under the European Commission TAIEX instrument in the light of both Chapter 7 on Intellectual Property Law (according to which adequate implementing mechanisms are required, in particular effective enforcement capacity) and Chapter 12 on Food safety, veterinary and phytosanitary policy (which covers plant protection material) of the Acquis\(^9\). Under this instrument the CPVO should engage in developing closer cooperation with European Neighbourhood Policy (ENP) countries in future, pending on the resources from external EU financing instruments and the request from neighbouring countries.

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\(^9\) The Acquis is the body of common rights and obligations that is binding on all the EU member states. Candidate countries have to accept the Acquis before they can join the EU and make EU law part of their own national legislation. Chapter 7 deals with Intellectual Property Law of which the CPVR system forms integral part as one of the EU unitary IPR systems together with EU trademarks and EU designs. The Acquis contains harmonized rules for the enforcement of IPRs.
3. **Activities carried out with regional organizations and the EAPVP**

In areas where there are attempts to create regional systems the CPVO has a specific role to play when it comes to sharing experiences and facilitating convergence of practices among participating countries as recommended under the EU Strategy (paragraph 3.5.2. Bilateral level), according to which bilateral work can also be continued with relevant regional intellectual property organisations (e.g. OAPI, ARIPO).

### 3.1. African regional intellectual property organisation (ARIPO)

a. The ARIPO Protocol for the Protection of New Varieties of Plants has been adopted by the Diplomatic Conference that was held in Arusha, the United Republic of Tanzania on July 6, 2015. The Protocol seeks to provide Member States with a regional plant variety protection system that recognizes the need to provide growers and farmers with improved varieties of plants in order to ensure sustainable agricultural production.

b. This regional legal framework will authorise applications for plant variety rights to be made to the ARIPO Office and rights granted in the territory of its Member Countries having signed the legal framework. It would be important that legal and technical training is provided for members of ARIPO on how to implement such a system.

c. The draft Regulations for the Implementation of the Arusha Protocol for the Protection of New Varieties of Plants will be submitted for approval by the Administrative Council. The CPVO has provided legal assistance in the drafting of the Regulations and will cooperate with the Member States to support the capacity building of the ARIPO Office.

### 3.2. Organisation africaine de la propriété intellectuelle (OAPI)

OAPI has adopted a legal framework applicable in all its Member States, which is in line with UPOV 1991. However, only few applications are submitted. OAPI became the second intergovernmental organization and the seventy-second member to join UPOV, when OAPI deposited the instrument of accession of OAPI to the UPOV Convention with the Secretary-General of UPOV on June 10, 2014. The CPVO is cooperating with OAPI and the partners GEVES, Naktuinbouw, GNIS and UPOV in the implementation of the OAPI roadmap 2015-2020, to promote the use of the regional PVR system in the OAPI Member States.

### 3.3. East Asian forum for plant variety protection (EAPVP)

a. As regards the EAPVP, the progress has been moderate. The cooperation is presently focused on exchanging best practices on a technical level. In this context it may be useful to focus support on one or a limited number of the 10 countries concerned.

b. The CPVO will explore the opportunity of participating to the EU funded project ARISE Plus with actions in the field of PVRs.

c. ARISE Plus is a 4-year programme to support regional economic integration. The programme foresees support for trade facilitation, standards and conformance, customs and transport facilitation, IPR, civil aviation, statistics, monitoring, and capacity building. It is fully aligned with the ASEAN Economic Community Blueprint 2025. ARISE Plus comes under the Focal Sector 1 of the EU-ASEAN cooperation programme 2014-2020. A tentative allocation of 41M EUR was discussed to cover regional level interventions. Related activities will start in 2017.

4. **Activities carried out with international organisations**

### 4.1. UPOV

a. UPOV is the relevant multilateral international organisation on plant variety protection. The EU legislation is based on the UPOV 1991 act. The EU’s intention is to keep its legislation aligned with UPOV. Therefore, co-operation with UPOV is of high priority for the EU. Technical exchange between CPVO and UPOV is of outmost importance in this respect.

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10 THE ARUSHA PROTOCOL FOR THE PROTECTION OF NEW VARIETIES OF PLANTS.

b. The following areas are identified for further developments:

- **Technical guidelines:** The logic intervention for improving harmonisation can be described as follows. UPOV has regular activities producing technical guidelines. The CPVO actively participates in these activities. CPVO technical protocols are based on UPOV technical guidelines. Considering that the CPVO is running the biggest system of its kind under the UPOV convention, CPVO should continue to play an active role in technical matters.
- **Variety denomination:** Denomination testing is intended to avoid conflicting denominations within the widest possible scope. For these reasons it is considered important that CPVO continues to participate actively in the work of the UPOV bodies with a focus on technical and legal input.
- **Online application:** CPVO has a specific role to play when it comes to sharing experiences on developing IT tools such as databases and online application systems.
- **UPOV Electronic Application Form:** CPVO supports the setting up of the international application form and contributes to the Working Group on a possible International System of Cooperation (WG-ISC).
- **Quality assurance program** for PVR examination offices: CPVO has set up a specific quality audit service (QAS) in order to audit the work of the examination offices and to entrust them. CPVO should share its experience during UPOV technical discussions. By way of example, following the launch of the UPOV international filing system allowing the UPOV Office to receive applications for plant variety rights, a worldwide (or at least UPOV-wide) quality system for DUS testing may be put in place and variety denominations may be tested centrally for global use. These ideas are not new in the world of intellectual property rights where worldwide systems for patent (PCT) and trademark applications (Madrid Convention) already exist. Moreover, within the framework of the IP KEY CHINA EU funded project, China has expressed an interest in receiving trainings from the QAS of CPVO in order to set up a similar system in China.
- **Technical and legal questions arising from the implementation of UPOV 1991.**
- **Promoting the implementation of intellectual protection of new varieties of plants - involvement in seminars and trainings organised with UPOV.**

c. A successful strategy should result in an increasing awareness on a regional system of plant variety protection, in line with UPOV 1991.

d. The CPVO should continue within the limits of its available human resources by providing tutors to the UPOV e-learning distance course and to participate in the annual course on ‘Train the trainers’.

4.2. **Other international organisations**

a. It would be worthwhile for the CPVO to follow-up the work or participate in meetings where related technical issues, in particular on DUS testing or variety denomination are discussed, such as in OECD Seed Schemes as well as in the scientific meetings of the International Commission for the Nomenclature of Cultivated Plants of the International Union for Biological Sciences (IUBS Commission) and the International Society for Horticultural science Commission for Nomenclature and Cultivar Registration (ISHS Commission).

b. As regards the implementation of EU funded projects, the CPVO will cooperate with the EUIPO who has become the implementing Agency for EU-funded projects in non-EU countries, namely the IPKEY projects in China, South-East Asia and Latina America, Arise Plus in the ASEAN countries, and the Caribbean region.

c. The CPVO is also developing a stricter cooperation with the Observatory tasked with the carrying out of sector Studies on behalf of the Commission and actions to fight against infringement of IPRs.

**B. INTERNATIONAL CO-OPERATION and BREEDERS’ ORGANISATIONS**

1. Breeders' organizations are present as observers in the Administrative Council of CPVO. When addressing the prioritisation in international cooperation activities, the needs and priorities expressed by those breeders' organisations with regard to CPVO international activities should be taken into consideration.

2. For those breeders' organisations, it is of great importance to have an harmonised approach at international level on the implementation of national and regional plant variety protection systems (substantive examination, technical examination ...). CPVO can play a role based on its experience in the EU for the implementation of the CPVR.
C. FINANCING OF INTERNATIONAL COOPERATION ACTIVITIES, HUMAN RESOURCES and REPORTING

1. Taking into account that the CPVO does not enjoy international legal personality *per se* and does not have implied powers to commit the EU to any international obligations, the AC can decide, based on CPVO's mandate, priorities and programming documents, that limited funds can be made available to specific tailor-made technical projects on plant variety protection which would be implemented by, for instance, UPOV and/or experts from EU Member States in cooperation with the CPVO.

2. In that case, those activities must be carried out in accordance with the following principles:

   (i) they are compatible with CPVO's mandate, priorities, programming documents and its available resources;

   (ii) they do not pre-empt allocation of future resources and determination of priorities;

   (iii) they are coherent with the general policy of the EU (e.g. intellectual protection, external actions, cooperation…) and

   (iv) they respond to identified EU and Member States interests.

3. Concerning new activities not included in the international relations strategy of CPVO, the following steps should be applied:

   (i) CPVO evaluates whether the new activity carries potential legal, financial, political or other consequences and consults the Commission before making a proposal to the Administrative Council;

   (ii) when a repetitive action is required, or when a clear responsibility or commitment from CPVO is required, a formalised approach through a working arrangement in writing with bodies performing similar functions could be necessary. In these cases, CPVO consults the Commission on the draft document.

4. It should be emphasised that the CPVO also needs to restrict its involvement taking into account its limitations in available human resources.

5. The CPVO is also working with the EUIPO to extend the areas of potential cooperation in the field of international cooperation building up on the experience gained by the EUIPO in the implementation of EU funded IPRs related projects on behalf of the Commission services. This cooperation may facilitate the development of actions under EU funded projects in the field of PVRs and the sharing of competences. Through the said cooperation with the EUIPO’s services as EU agency in charge of the implementation of the IP KEY projects in China, South-East Asia and Latin America, the CPVO will participate to actions aimed at raising awareness of the plant variety right protection system with EU Delegations. In this context the Office will continue to cooperate with the European Observatory on Infringements of Intellectual Property Rights to consolidate the network of IP experts in EU Delegations created in 2014, mainly by providing technical support to improve IP knowledge on PVR’s related issues or through IPR Helpdesks as recommended by the EU Strategy (paragraph 3.6.2. Way forward).

D. SUMMARY

International co-operation activities are important for EU breeders both in the medium and long term. The CPVO shall continue to be active in the areas described above taking into account financial and human resources as well as priorities agreed in programming documents. A careful scrutiny should be conducted before initiating new technical projects with third countries. Moreover, activities financed with EU funds such as the IP KEY projects should be closely monitored in cooperation with the Commission services to cover PVRs. The main contribution of CPVO should be in kind but it may be opportune to consider providing funds to implement certain well defined projects. It is suggested that the CPVO will continue working on priorities in co-operation with the Member States, the Commission services, the breeders’ organisations, the EUIPO and UPOV. Priorities should be implemented in the annual work program of the CPVO. The CPVO should report to the Administrative Council on the implementation of this strategy.