



# ESA

## European Seed Association

Presentation at  
ISTA Annual Meeting  
Zurich, 26. – 29. June 2006





# Content

- ▶ I. ESA – mission, membership, structure
  
- ▶ II. EU seed industry- key facts and figures
  
- ▶ IV. ESA Policy Priorities 2006
  
- ▶ V. ESA – ISTA cooperation





# ESA Mission

ESA is the voice of the European seed industry, representing the interests of those active in research, breeding, production and marketing of seeds of agricultural, horticultural and ornamental plant species.

ESA's mission is to work for

- ▶ effective protection of intellectual property relating to plants and seeds;
- ▶ fair and proportionate regulations for plant breeding, variety protection and seeds
- ▶ freedom of choice for customers (farmers, growers, industry, consumers) in supplying seeds as a result of innovative, diverse technologies and production methods

freedom of choice, a fairly new term, mainly relating to coexistence of GM and non-GM plant varieties

**ESA as a regional seed association is tightly related to and cooperating with ISF – International Seed Federation as the global representative of the seed industry**



## ESA – who we are

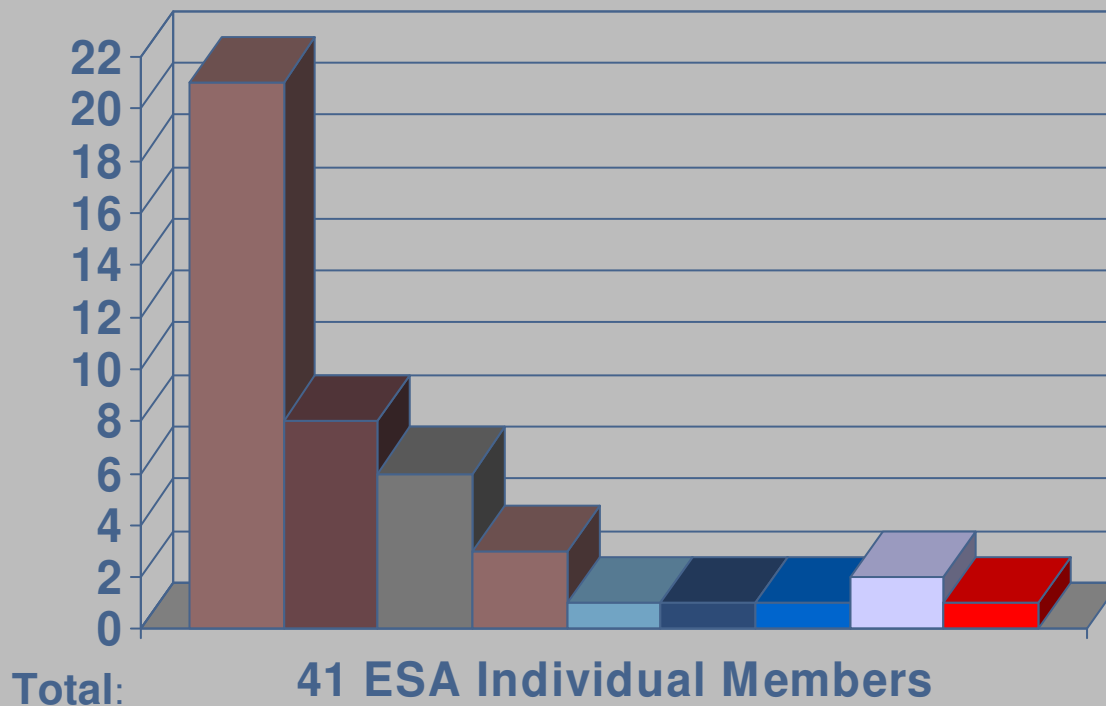
- ▶ ESA represents the entire European Seed Industry
- ▶ Members are the National **Association Members** from current and future EU Member States,
- ▶ Associate Members from other European countries
- ▶ Observers from related industries and
- ▶ **Individual Members** representing a wide range of company sizes from large multinational corporates  
Small and **Medium sized Enterprises (SME)**
- ▶ → see structure of ESA Members



# ESA Members

- **33 National Association Members** from 19 EU Member States (representing > 400 Companies)
- **41 Individual Company Members**

Number of companies

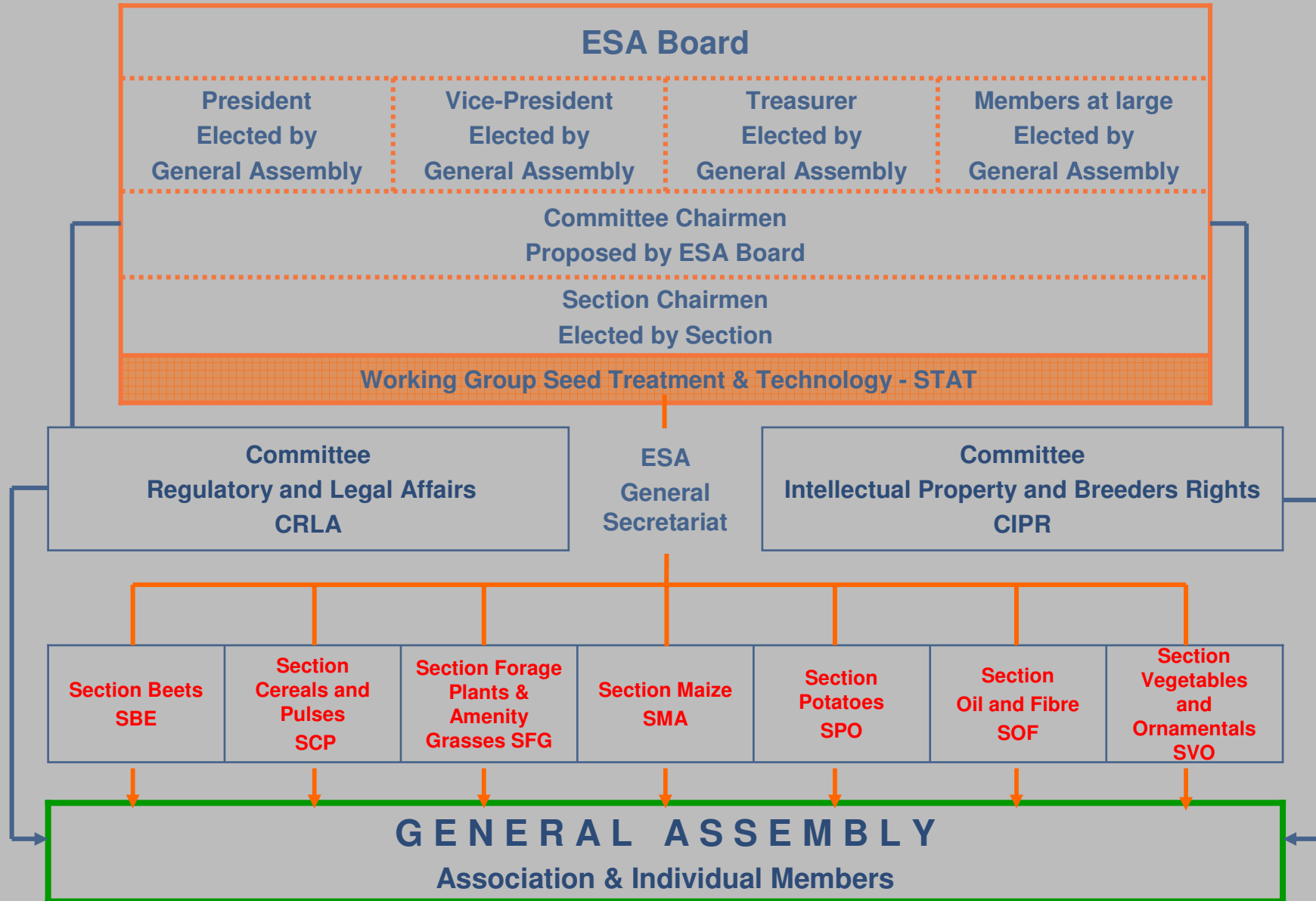


EU Turnover

Euro

- <25 Mio
- <50 Mio
- <75 Mio
- <100 Mio
- <150 Mio
- <200 Mio
- <250 Mio
- <325 Mio
- <450 Mio

# ESA Organigram





# Decision-making procedure

- ▶ The basic work is done in the various crop sections.
- ▶ Two horizontal committees are of utmost importance:
  - ▶ CRLA – Committee Regulatory & Legal Affairs
  - ▶ CIPR – Committee Intellectual Property and Breeders Rights

contributing essentially to political positions

- ▶ Final decisions are made by the Board and the General Assembly
- ▶ As to ISTA:  
Crop related seed issues are discussed in the crop sections (seed quality, seed analysis, minimum/maximum seed quality requirements) and in the CRLA, when it comes to regulations



# Seed in the EU – key facts & figures

## ▶ Commercial importance of seeds

- ▶ Global
- ▶ EU Exports
- ▶ Export turnover US – EU
- ▶ Seed exchange worldwide

## ▶ EU seed industry

- ▶ Research and Development
- ▶ Seed assuring food and feed supply

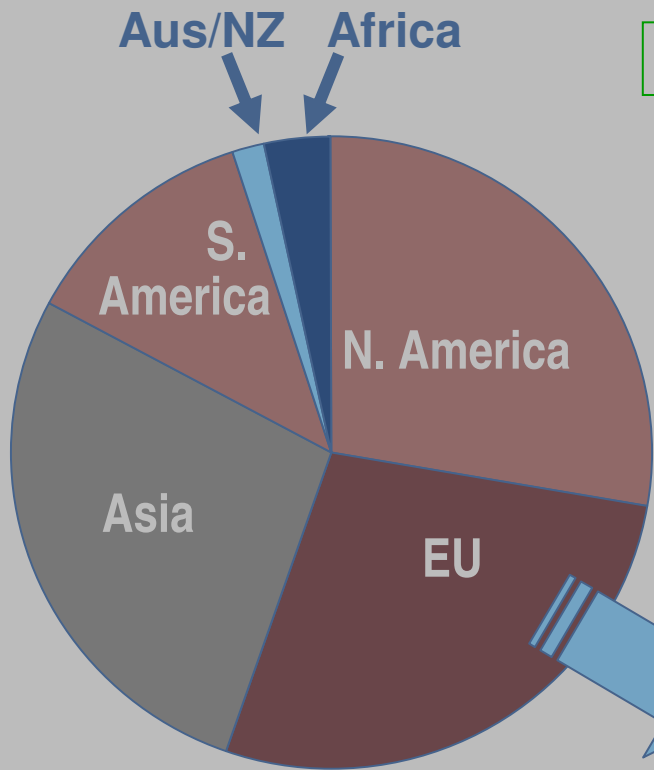
## ▶ International nature of seed industry





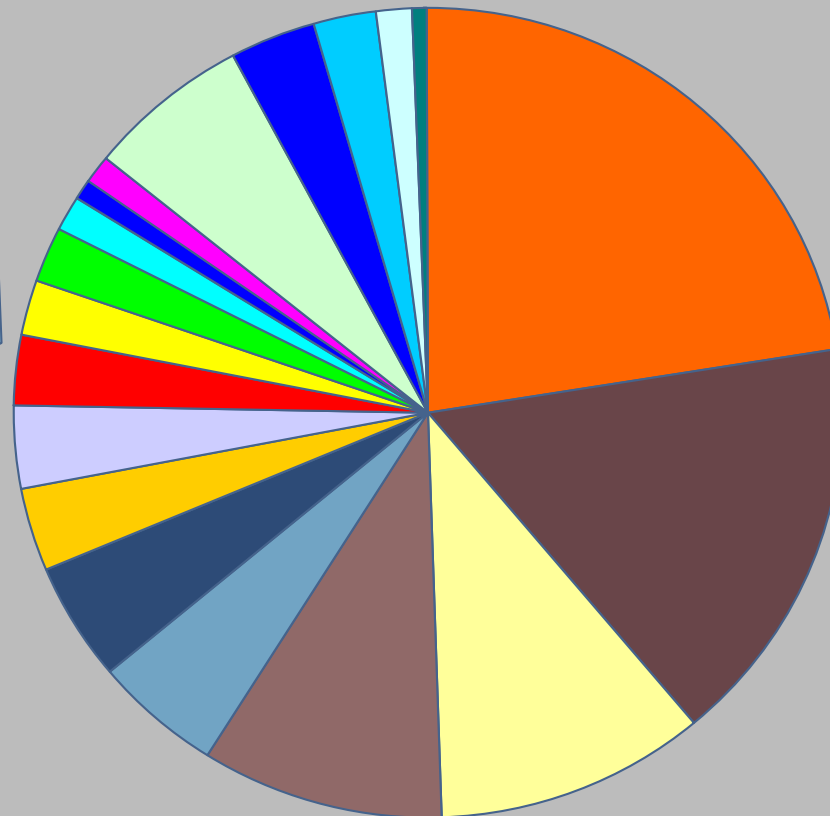
# The global commercial seed industry

(note: figures do not include farm saved seed!)



World Market  
(segmented by value)  
€ 24,4 bn

EU Market  
(segmented by value)  
€ 6.1 bn



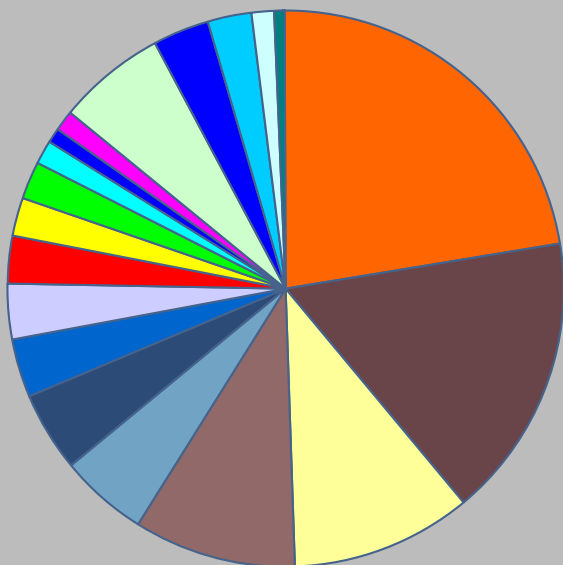
- France
- Germany
- Italy
- UK
- Spain
- NL
- DK
- Sweden
- Austria
- Greece
- Belgium
- Finland
- Ireland
- Portugal
- Poland
- Hungary
- Czech Rep.
- Slovakia
- Slovenia

Source: International Seed Federation



## EU Market 2003 (segmented by value)

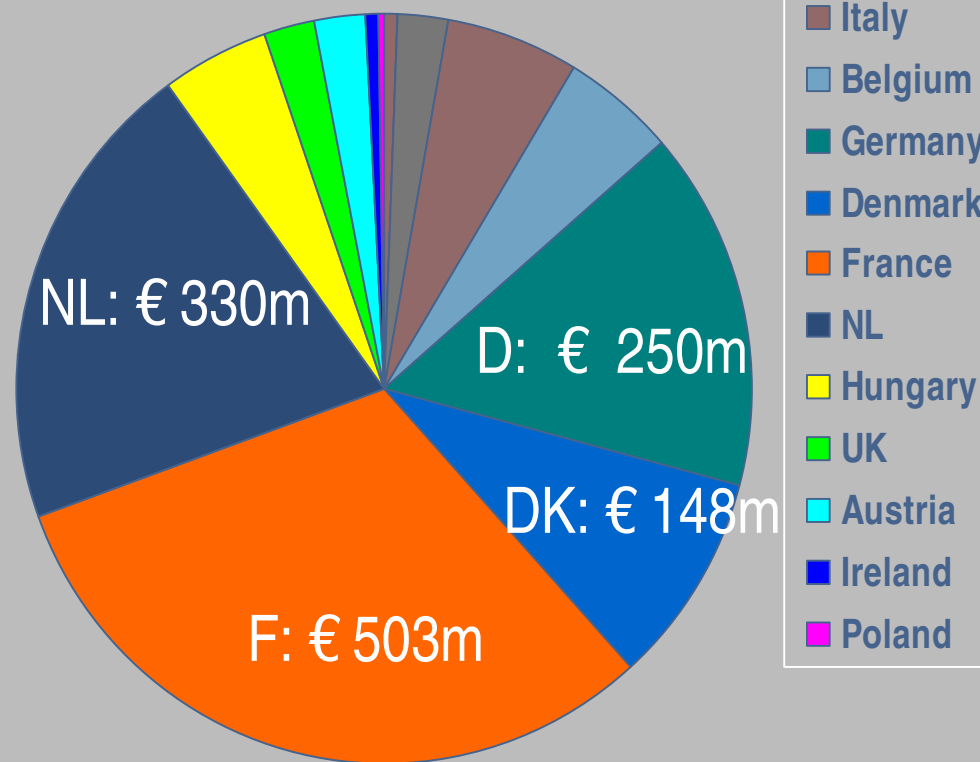
€ 6.1 bn



Source: International Seed Federation

# European Member States Seed exports

## European agricultural seed exports 2003 (value by *country*)





## Export turnover of seed industry 2003 (mill. EUR)

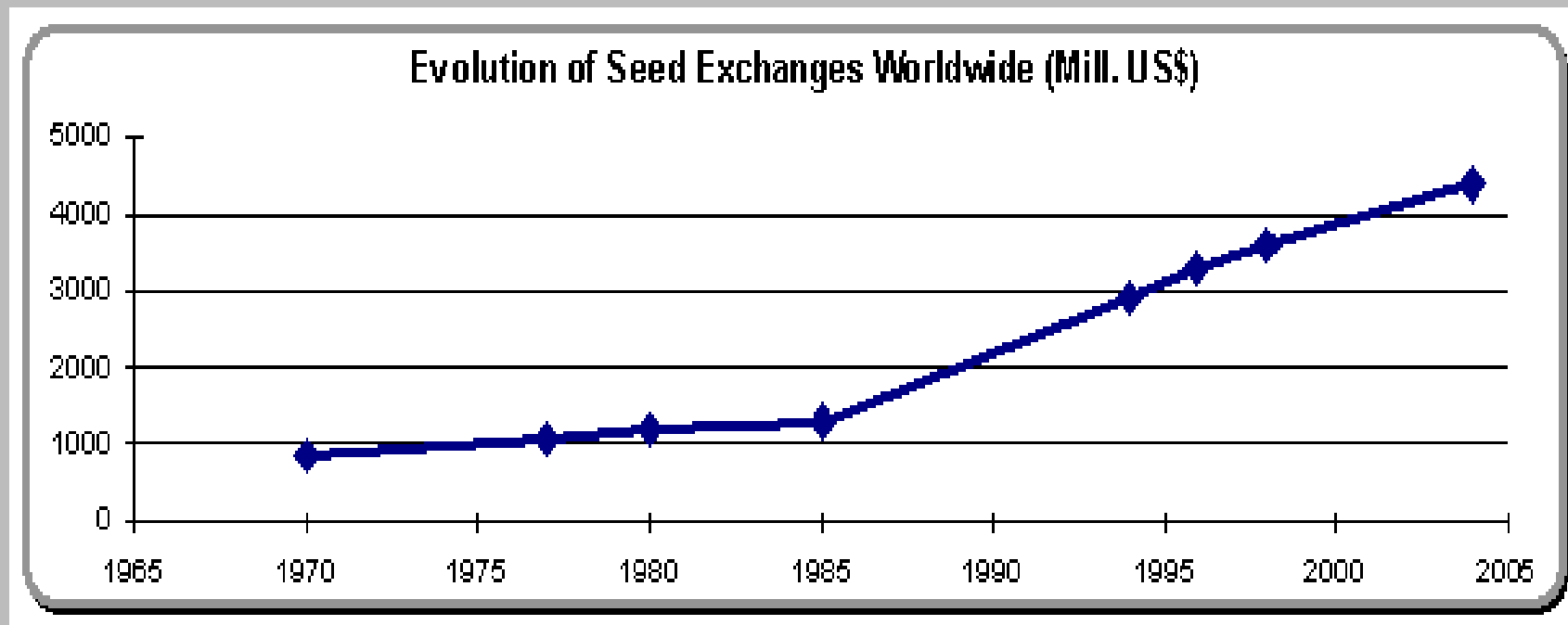
(important part of exports are either pre-basic or basic seed for further multiplication)

Country	Agricultural. Seed	Horticultural Seed	TOTAL
<b>USA</b>	<b>530</b>	<b>299</b>	<b>829</b>
<b>EU (selected Member States)</b>			
Netherlands	330	770	1100
France	503	176	679
Germany	250	20	270
Denmark	148	22	170
Italy	92	59	151
Belgium	81	12	93
Hungary	75	3	78
Spain	36	17	53
U.K.	39	6	45
Austria	35	4	39
Czech Republic	18	2	20
Sweden	9	5	14
Ireland	7	0	7
Poland	5	0	5
Finland	1	0	1
<b>TOTAL</b>	<b>1,629</b>	<b>1,096</b>	<b>2,725</b>



# Seed exchange worldwide

With > 4 bn EUR p.a., seed im- and exports account for almost 15% of the overall World Market in seed (source ISF)



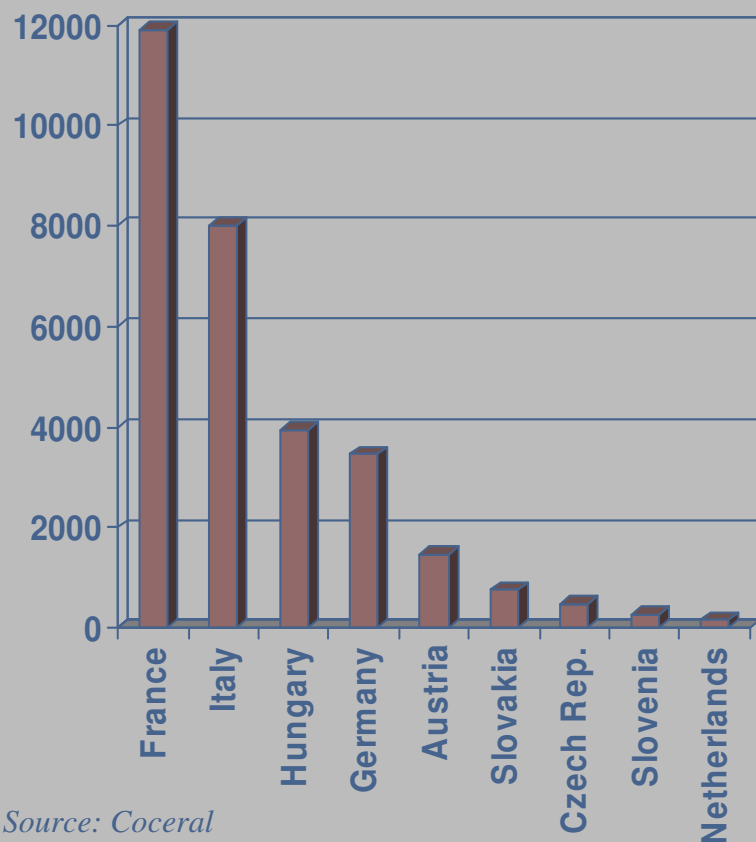
The graph exhibits the increasing globalisation of the seeds markets since 1985



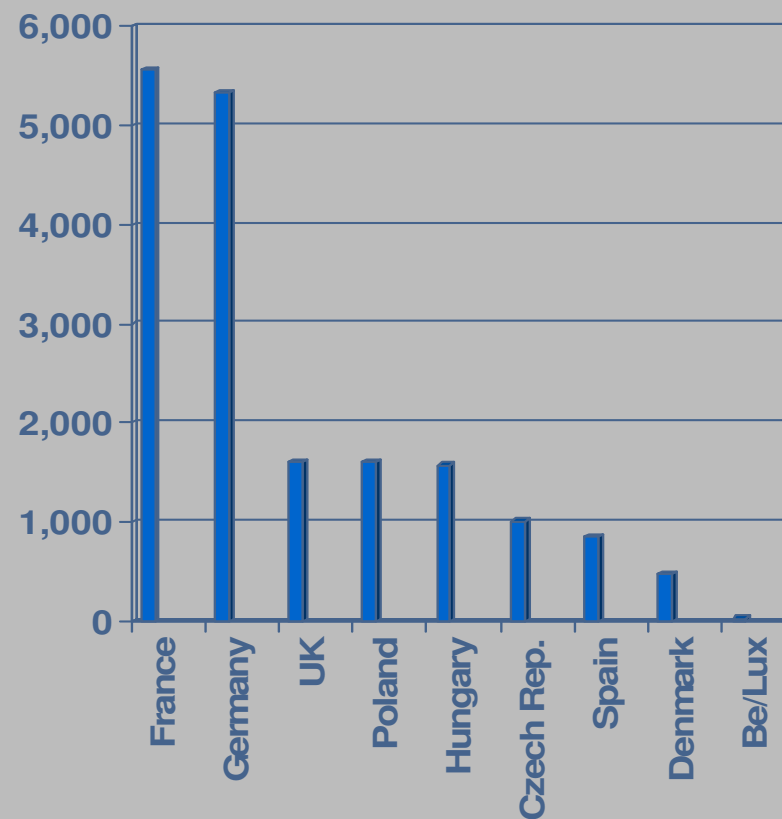
# EU Crop Production Volumes

The seed employed may be produced in the EU or imported from abroad

**Maize production (2003)**  
(*'000 tons*)



**Oil seed rape production EU (2004)**  
(*'000 tons*)



Source: Cocal



# The EU 25 Seed Industry

## - Statistics -

Item	Value
Annual turnover	€ 6.1 bn
Employment	> 30.000
Annual R&D Spending	12% – 15% (of t.o.)
R&D Stations	600
R&D Employees	> 5.000

*Source: Consolidated estimates from company provided data*

Importantly to note the high investment in R&D, very close to the figures of the pharmaceutical industry and the high turn-over figure of 200.000 € per employee



## **Assuring food supply and food quality depends on assuring the availability of quality seed !**

Yield from 1 kg of seed at average seeding rates

<u>Crop</u>	<u>Yield from 1 kg seed</u>
Maize	500 kgs grain
Oil seed rape	<1.000 kgs oil seed
Tomato	3.0 – 9.0 mill. kgs tomatoes
Sugar beet	10.000 kgs sugar
Soybean	80 kgs beans
Wheat	70 kgs grain

**Seeds are high-tech, high value added products!**

This statement is mirroring the importance of ESA's cooperation with ISTA





# ESA Policy Priorities 2006

ESA's mission is to work for:

- ◆ **effective protection of intellectual property rights** relating to plants and seeds;  
IP basically acknowledged, but often difficult to enforce in practice
- ◆ **fair and proportionate regulation** of the European seed industry;
- ◆ **freedom of choice for customers** (farmers, growers, industry, consumers) in supplying seeds as a result of innovative, diverse technologies and production methods.

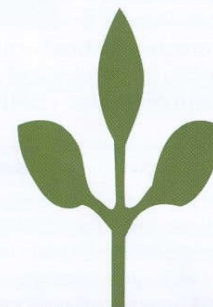




# ESA Priorities 2006

- ▶ Adopted by ESA GA
  - ▶ Farm Saved Seed and challenges to IP protection
  - ▶ Seed marketing and variety protection legislation
  - ▶ AP of GMOs in seed and biotech in EU farming (Coexistence)
    - ▶ Biodiversity, Plant science R&D etc.
- ▶ Other priorities
  - ▶ Membership
  - ▶ Communication
  - ▶ Third party contacts

## EUROPEAN SEED ASSOCIATION



Who we are

Mission

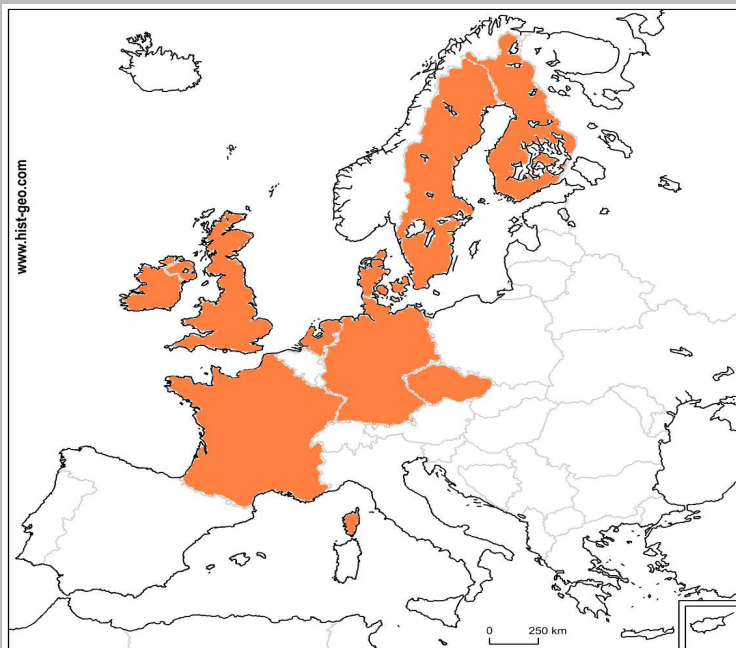
**Priorities 2006**

Contact



# Effective Protection of Intellectual Property Rights

## ▶ Farm Saved Seed



- ▶ No royalty system in many MS
- ▶ Unpaid royalties for cereals and potatoes: 65 million € p.a.
- ▶ ESA Task Force develops policy and legislative proposals
- ▶ Discussions with farmers

## ▶ Challenges to IP protection

- ▶ Illegal vegetative propagation
- ▶ Illegal reproduction
- ▶ Illegal imports
- ▶ Counterfeiting of trademarks and copyrights

## ESA Vegetable Section set up Working Groups in 2005

- ▶ Data collection and assessment
- ▶ Consolidation and concentration of WGs
- ▶ Elaborating proposals for further concrete action



# Fair and proportionate Regulation

## ▶ „Better regulation“ initiative

- ▶ Lisbon agenda
- ▶ Knowledge-based bio-economy

## CUTTING RED TAPE – IMPROVE COMPETITIVENESS

## ▶ CPVO „Strategic discussion“

- ▶ future DUS testing in an enlarged EU / research agenda
- ▶ Harmonisation and/or centralisation / breeders' needs

## IMPROVING QUALITY - CUTTING COSTS

### ESA actions:

- Working Group on future of EU variety listing
- Discussions with COM, Council Presidencies and third parties



# Freedom of choice

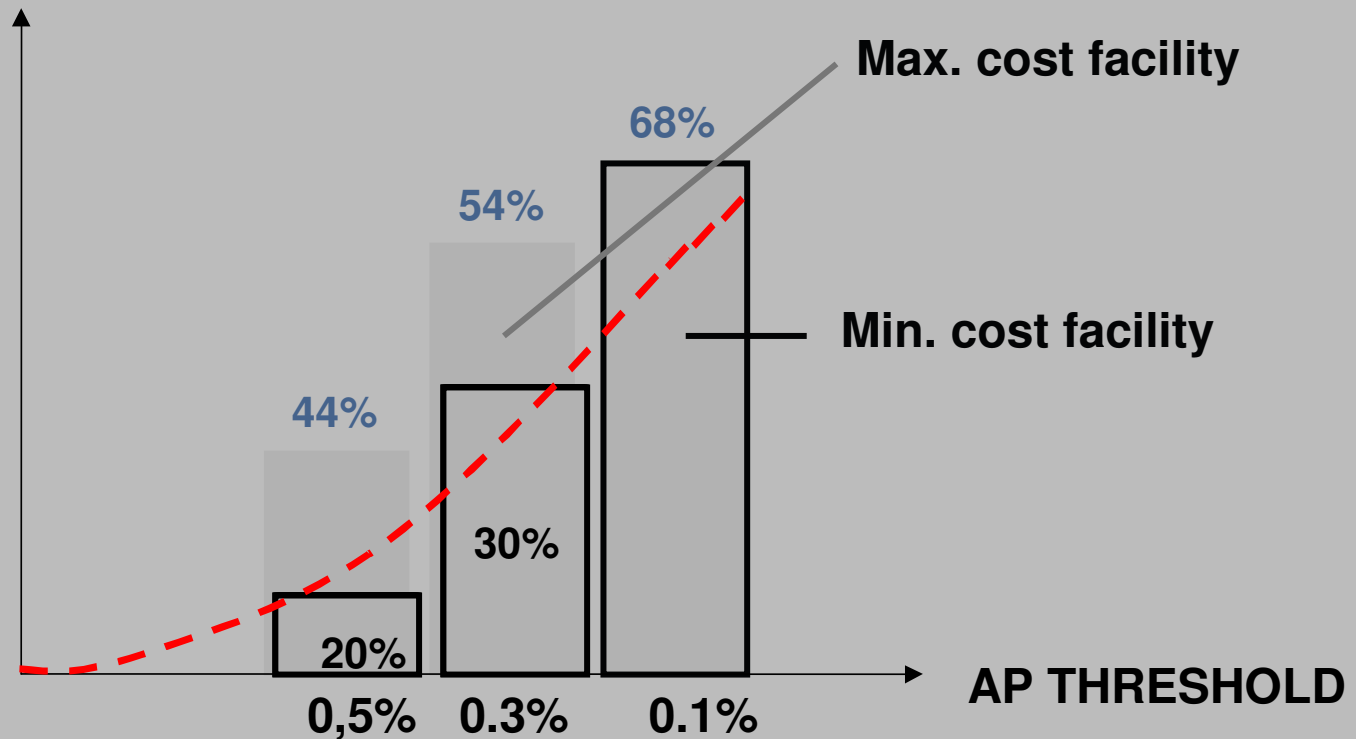
- ▶ **Authorisation process for GMOs under criticism**
  - ▶ ESA supports pure science based approach
- ▶ **Member States declaring GM-free regions**
  - ▶ ESA encourages and backs Commission's infringement procedures against such MS
- ▶ **Member States taking GM varieties of the EU's Common Catalogue**
  - ▶ ESA argues for clear assessment criteria as precondition for invoking national safeguard clauses
- ▶ **Thresholds for AP of GMOs in seed still missing / thresholds at detection level to assure coexistence**
  - ▶ ESA lobbys for proportionate and non-discriminatory threshold levels and workable coexistence measures



# No choice with disproportionate thresholds!

## Costs of Thresholds for Seed - Results from ESA's study in the EU

INCREMENTAL  
COSTS  
(% increase  
over baseline)



Incremental costs for various AP thresholds (maize):  
Empirical results from the EU



# Other priorities

## ► **Broader Membership:**

- Associations: (former) Yugoslavia; Bulgaria; Turkey
- Companies: increasing individual membership
- Associated: crop protection and seed treatment companies

## ► **Intensified communication:**

- Monthly „ESA Newsletter“
- Members Area
- Press and media relations

## ► **Increased third party contacts:**

- Organisations: UPOV; OECD; FAO, ⇒ **ISTA**
- Industry: crop protection; food and feed
- farmers



# ESA – ISTA cooperation

- ▶ Seed testing is fundamental to the current system of seed marketing and movement of seed!
  - ▶ Quality assurance
  - ▶ International standards
  - ▶ Reliability and consistency of analytic data
  - ▶ Base for legislative requirements
  
- ▶ ⇒ **ESA supports ISTA's mission and role**
  
- ▶ ISTA representation at ESA meetings  
(crop Sections and ESA Annual Meeting)



## Recent examples of ESA-ISTA cooperation

### ▶ Seed lot sizes

- ▶ Cereals
- ▶ Grasses

### ▶ GM Analytics

- ▶ Agreed sampling and testing methodology for AP of GMOs in seed still outstanding for EU
- ▶ Legal and technical uncertainty for the industry
- ▶ **ESA Working Group with membership of ISTA**
- ▶ **Goal:**
  - ▶ advice to EU policy makers
  - ▶ Workable and internationally accepted scheme





# **ESA Annual Meeting 2006**



- ▶ **Date:** 15th – 17th October 2006
- ▶ **Venue:** Sheraton Brussels Hotel & Towers
- ▶ **Info:** [www.euroseeds.org](http://www.euroseeds.org)

**Looking forward to welcome you in Brussels!**



For more information, please contact:

# ESA

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