



ESA 2011 ANNUAL MEETING

ANNUAL REPORT

Presented to the ESA General Assembly

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by

Garlich v. Essen

Secretary General



Dear Members,
Ladies and Gentlemen,

it is my pleasure to present you the Annual Report 2010/2011.

This presentation of our activities in the past 12 months during the General Assembly provides both, the opportunity to recall the most important developments within our organisation throughout the past year, including our related external activities, but also the possibility to underline the main challenges our association and the seed sector will be facing in the immediate future.

Next to the priorities for the year 2010 as set by the ESA Board, the Committees and their Working Groups and by the individual crop Sections, we have addresses numerous additional horizontal and specific issues; as usual, the results of a good part of this work have been presented to you during the different meetings here in Budapest over the past days.

In total, more than 100 physical meetings and conference calls were organised by the Secretariat, were prepared by related agendas, preparatory documents and presentations, and follow-up by the respective minutes and activities of Secretariat and individual Members.

I am convinced that the adopted policy of providing annotated agendas for such meetings in which proposals for decisions are put forward by the Secretariat and implementation of the actions decided is largely left to secretarial staff is not only appreciated by members;

It is also a necessity if we intend to keep up the high level of engagement of representatives of companies and national associations while safeguarding an effective and efficient management of our most precious and most scarce resource – time.

This challenge will become even greater in view of what lies ahead of us.

Ladies and gentlemen,

At last year's Annual Meeting, you have been presented with the ESTA project, the European seed treatment quality assurance scheme.

At the time, it might have seemed that ESTA was not yet much more than a logo – but it was!

It was a firm commitment from the seed industry, from seed treatment companies and the crop protection industry to establish an industry-led quality assurance scheme that will safeguard this important, state-of-the-art technology - in the interest of the environment, of

farmers, seed companies and producers of plant protection products alike.

Today, we can look back with satisfaction on the progress that has been made:

We have successfully established the ESTA standard which sets out the agreed code of good practice and standards; this standard which has just been published on the ESA website will now be put to the test in practical trials with a number of companies in different countries with the aim to verify its solidity. Once found fit for purpose, we will commence with the roll-out of implementation across the EU as of spring next year, aiming at the highest achievable level of certification of seed treatment facilities over the coming 24 months.

In parallel, we have continued our exchange with European Commission and Member States in view of the desired acceptance of this scheme by regulators. This includes the difficult debate on labelling obligations.

Here, we are still far from a satisfactory solution. But we shall continue our work and hope that the seriousness with which the seed sector is implementing ESTA will help to convince regulators on all relevant levels.

There are further challenges to an effective internal market for seed for Europe's breeders and farmers:

While the results of the evaluations of the EU's Seed Marketing legislation as well as of the EU's Plant Health Regime clearly confirmed the findings of our own internal assessment, and while the recommendations made by the evaluator by-and-large take over many of the proposals made by ESA's Working Groups, it is by no means certain that these will in the end materialise in the Commission's legislative proposal announced for fall 2012 - let alone in the final agreement between European Parliament and Member States.

The past months have therefore specifically been used for the preparation of an overarching ESA lobbying campaign to defend our positions and proposals and to accompany the EU decision making process.

Various papers –and I just draw your attention to the new ESA brochure on Better Regulation which you have found on your tables and which will be followed by similar papers on other key subjects over the coming 12 months- , internet-based communication tools and information notes for our Members have been either updated or were newly developed.

These shall help to facilitate the speedy reaction of the seed sector and with that to forcefully position ESA as *the* voice of the industry in the political debate.

But we also realise that ESA's voice alone will not be loud enough.

We need to bring in the full ESA Membership in a common quest for a modern legal framework for plants and seed that maintains the trusted principles of the past, improves and speeds up processes, reduces costs and unnecessary burden – and is sufficiently flexible to allow for differentiation where crops and markets benefit from it.

In the CRLA and the responsible Working Groups, we have therefore paid particular attention to the need for a two-tier lobbying approach that combines ESA, its national associations and individual companies in a joint outreach, advocacy and lobbying effort.

Ladies and gentlemen,

All this of course will only be possible if we devote specific resources to such efforts.

At the same time, we do not wish to decrease our regular activities and services to our Members.

Before this background, the ESA Board decided to strengthen the ESA Office with an additional position specifically dedicated to support and implement our various lobbying activities over the coming years.

It will be crucial to find the right person for this task and I sincerely hope that we will be as successful in our search as we have been before – with the employment of Szonja with responsibility for IP and legal affairs.

As prominently stated in ESA's Mission, the effective protection of intellectual property related to plants and seed is one of our main areas of work.

At last year's Annual Meeting, you were presented with a large set of Positions on various aspects of IP, elaborated by our responsible Committee, the CIPR. Most of these Positions addressed rather classical aspects of plant variety protection and were specifically reworked in view of the evaluation of the Community Plant Variety Rights legislation – yet another evaluation geared towards the revision of a cornerstone of our legal framework.

But as you all well know, important elements of a comprehensive ESA Position on IP for Plants and Seed were still missing. Namely the growing interface between plant breeders' rights and patents granted for biotechnological inventions, driven by progress in breeding technologies as well as data processing, had been defined as a subject of particular concern by many ESA Members.

Based on the guiding principle that access to biological material for further breeding continues to define ESA's position and policy, the CIPR and the ESA Board worked hard over the past twelve months to re-define the right balance between the available legal tools, to improve legal certainty and practical information for breeders and to assure that granted titles still hold value.

This afternoon, you will be presented with the results of this work in much more detail, although many of you will of course have followed closely our respective communications following the recent Board's decision.

Personally, I consider the new ESA Position a success.

Despite the specific difficulty and sensitivity of the subject and despite the fact that many of us had serious doubts that the divide between two quite distinct approaches could be bridged, we have done just that.

I would like to express my thanks to the members of the CIPR and of the Board who never let the common goal of a unified seed industry position slip, a position that is both, fair and future oriented. I think we all can be proud of our association and its representatives and of the spirit in which this debate was held over the past year.

And of course, this is the moment to specifically thank the person on my team who has a tremendous part in this success:

Dear Szonja, you have done a great job! And I am sure that it is not only me who is proud and happy to have you on the ESA team!

Ladies and gentlemen,

For the first time in its history -and although ESA is only a bit more than a teenager it sure feels much more mature to many of us by now- we are holding our Annual and Seed Meeting outside of Brussels.

And this has not been a specific present to our Member John Gilbert –

well, at least not solely...

While ESA continues to be first and foremost the lobbying executive of its Members and thus quite naturally must see Brussels as its base, ESA, as the EU, has also grown considerably over the past years.

Later today, you will be asked to approve new members from the Ukraine, from the former Yugoslav Republic of Macedonia, from Israel, Pakistan and Afghanistan. ESA continues to attract new members from the wider Europe and beyond - and with that stays abreast of political developments that begin to shape. Only this week, the European Commission published positive progress reports in relation to the accession of Serbia, Montenegro and Macedonia to the EU.

In 2010, EESNET was fully integrated into ESA. As agreed, a specific meeting with representatives of our associations in Central and Eastern European countries was held in early May in collaboration with

our Serbian Member association -and we will continue to invite for such a regional meeting in view of the specific issues the sector is facing in these countries.

It is also before this background that the decision was taken to bring our ESA Annual Meeting to Hungary.

And it is no exaggeration if I say that the result has been overwhelming. With 700 participants from more countries and regions than ever before, and with a particularly strong participation from Central and Eastern Europe we have not only achieved our goal, we have by far surpassed our expectations.

I hope that the survey we will launch to all participants after this congress will confirm that Members have been satisfied with this Annual Meeting and continue to support the agreed policy to alternate our conference between Brussels and other European capitals.

May I take this opportunity to thank our trusted conference organiser from Brussels in person of Mrs Julie Weisenburger and Mrs Caroline Daneels, and very specifically my assistant Sabine Bausch who has been deeply involved in the planning, administrative preparation and management of this event for all the efforts and hard work -

I think you have organised a very, very good congress!

And of course, I would like to express my thanks to our Hungarian Member association and here specifically to its Secretary General Szabolcs Ruthner.

Dear Szabolcs, you are not only a well-respected colleague, you have also been a great help to all of us at ESA in the run up to the Congress and part of its success is due to your personal engagement – thank you very much for this.

Ladies and gentlemen,

I would like to mention one specific aspect related to this 2011 Annual and Seed Trade Meeting:

Over the past years, infringements of breeders' rights, illegal reproduction and illegal marketing of seed have become a growing concern for our membership.

Consequently, these issues have been addressed in much detail in many of our Sections, like e.g. in the Section Cereals, in the Section Forage and Grasses, the Section Potatoes and in the Section Vegetables.

As a result, a number of specific Working Groups were set up and some concrete proposals were developed how to best address the problems.

Most prominently, the ESA Section Forage and Grasses established a specific Code of Conduct for grass seed companies –

and those of you who entered the Trade Area over the past days will have seen the large board with this code as well as the impressive list of companies that have meanwhile signed it.

But we have done more.

We also developed a general ESA Code of Conduct for ESA; this Code sets out some principles for conduct of business and we have made it obligatory for attendees of this year's congress to confirm that they abide by this code as a precondition for registration.

Of course, any such code can only be as successful as its enforcement.

Therefore, the Code also foresees a defined complaint procedure that will govern our approach to suspected non-compliance cases.

That we have come this far is a specific merit of Bert. Without his persistence in pursuing members and convincing Sections and finally the ESA Board of the need for such a strong political signal, we would neither have such a code nor the awareness of the sector that we take fairness in business seriously in ESA.

I am convinced that my specific thanks to Bert for this hard work would be shared by many of our Members who are just outside of this room in the trade area and who benefit from the reassurance the Codes provide to them and their business.

But as stated, this marks a beginning, not an end, to our efforts.

Together with you, our Members, Bert and Szonja will now continue to work for an effective implementation of the code and of the principles enshrined in it.

Ladies and gentlemen,

There have been many other issues on ESA's agenda over the past months:

We have brought our relation with the CPVO to a new level of quality as official observer to the Administrative Council and in particular in our common work for practical improvements of the provisions of farm saved seed; here again, Bert and Szonja have been specifically engaged and successful in bringing ESA's position and suggestions into the focus of the debate.

Together with farmers, crop protection industry, fresh fruit and vegetables producers and other organisations we have provided input to the Commission's deliberations on a possible EU fund to improve and facilitate authorisations of plant protection products for

minor uses and specialty crops; and we will demonstrate our common support for this at the upcoming high level conference in Brussels early November.

We are trying hard to revive the Commission's Working Group Seed and to transform it into a true platform of exchange between the seed sector and the Directorate General for Agriculture, a part of the Commission that for too long seems to have neglected the voice of input industries in both, its own policies and its advocacy towards other Directorates.

And ESA has been highly engaged in the on-going debate on the possible regulatory status and requirements of New Breeding Techniques. Together with others, we successfully worked against an impractical and anti-innovation approach on Novel Food and managed to prevent this new legislation from being passed – but the discussion is far from over and we have to remain vigilant.

A recent event initiated by ESA for the first time brought together different services of the Commission, Members of the European Parliament, the EU's main trade partners and representatives of breeders and farmers to raise awareness of the potential negative impact of overregulation in this important area.

Finally, our Working Group Biodiversity is highly active to assure that future rules on access and benefit sharing will be practical, fair and manageable, specifically for smaller and medium sized enterprises.

I would like to underline the need and the importance to think ahead on this issue and call upon you to work more intensive and engaged with us on this crucial policy area.

Dear Members,

The Annual Report always provides me with the opportunity to pay tribute to you, our members, and to your manifold contributions to the work and success of our organisation.

Better Regulation, farm saved seed, phytosanitary regulations - many challenges lie ahead of the sector: only together, with your continued engagement and support will we be able to address them effectively and according to your expectations.

My thanks go to the Members of the ESA Board and to the Executive Committee who have supported me in leading this organisation through the past year.

And here of course, specifically to President Christoph Amberger who has given me both, important guidance and the necessary backing in doing so – dear Christoph, and I am very grateful for this and

appreciate the leadership that you are giving to the association in such decisive times;

And for the gentle, yet firm way in which you execute your Presidential directives.

All good things come to an end –

And I am not referring to this report (just yet)...

Dear Aad, you are the one person with whom I have worked since the creation of ESA. And you have been my Treasurer, member of the Board and a particularly influential member ever since.

I think it is fair to say that we had our differences over this long period – on priorities and positions, on style and procedures.

Maybe that is inevitable if self-conscious men with strong opinions work together. And maybe a certain stubbornness -and I am *of course* referring solely to myself here- provided the icing on this cake.

As you were already involved in my recruitment, I could use a slightly amended Laurel and Hardy punch line -

“That’s just another fine mess you got *yourself* into!”

And maybe that is what you thought, on the one or the other of your many trips to Brussels over all these years.

Dear Aad, I have learned a lot from you over the time. Maybe more than I sometimes realised – or have at times been ready to admit.

And I sincerely express my appreciation for your dedication, your motivation and high level of engagement in almost every aspect of importance to ESA.

You have been one of ESA's founding fathers – and I hope that today, you are satisfied with what has become of your first ideas and vision of a strong and united European seed association.

What ESA has become, it has not least become because of you. We will miss your advice and experience –

and I will miss you as a person that has helped me to grow and improve, both professionally and personally.

And I thank you for that.

Ladies and gentlemen,

I already thanked the members of the ESA Secretariat individually during this report.

I would like to conclude this report by also thanking them as my team that supported me in addressing the many challenges that every years holds for our sector.

I consider myself fortunate to have worked with you all over the past 2 months –

and I consider myself a little less fortunate that also here some good things come to an end, or at least a temporary one:

Sabine will be heading for the distant shores of Australia and gain new experiences – dear Sabine, it has been a pleasure to work with you and your positive attitude, your humour and your curiosity have made you an excellent colleague. We all shall miss you and we all, and I personally, wish you well for your further professional career and for your personal future.

Marguerite Ryan is expecting her third child within the coming week and Szonja will follow suit at the beginning of next year.

[So far, Bert has not announced anything in that area – but the day is still young...]

We wish both of them all the best and look forward to see the e-mails with pictures of the proud mothers and fathers and happy toddlers flooding in.

Both, Marguerite and Szonja will re-join the team later in 2012 –

in the meantime, ESA will recruit new staff for our administration and communication activities.

Together with the new position on public affairs and lobbying, we will form a new team to effectively and efficiently carry out the growing number of tasks assigned to the ESA Secretariat.

I count on your help and support in this process –

and I am convinced that based on this help and support, we will be able to find highly motivated people who will quickly be infected by the seed industry virus – as I have been so many years ago.

This is an exciting industry.

These are exciting times.

There has never been a better moment to join the European seed sector and its association.

I thank you for your attention.