

2. Protection of Plant Varieties and Farmers' Rights Authority Amends it's FAQ Document

Prelims level: Governance-Schemes.

Mains level: GS-II Government policies and Interventions for Development in various Sectors and Issues Arising out of their Design and Implementation.

Why in News?

- The government has decided to set up an expert committee revise the FAQ document of the Protection of Plant Varieties and Farmers' Rights Authority, which was quoted by the PepsiCo in the ongoing issue at the Authority.

Recent Issue:

- The ongoing case at the PPV&FRA revolves around PepsiCo's FC5 variety of potatoes, which it grows through a collaborative farmer's programme, wherein the company sells seeds to 12,000 farmers and has an exclusive contract to buy back their produce to make its chips. PepsiCo supplies the FC5 potato variety to a group of farmers who in turn sell their produce to the company at a fixed price.
- PepsiCo has exclusive rights on the variety by virtue of a Plant Variety Certificate granted under the Protection of Plant Varieties and Farmers' Rights Act of 2001.
- PepsiCo had sued nine farmers for cultivating the FC5 potato variety without permission of PepsiCO.
- This variety of potatoes is grown exclusively for its popular Lay's potato chips. PepsiCo has filed lawsuits for violating the company's intellectual property rights on this variety of potato. The damages claimed are over one crore from some farmers.
- The farmers, on the other hand, have sought protection under Clause 39 of the same law which states that farmers are allowed "to save, use, sow, re-sow, exchange, share or sell... farm produce including seed of a variety protected under this Act" so long as they does not sell a "branded seed".

Stand of PepsiCo:

PepsiCo has stated that:

- The Frequently Asked Questions or FAQ document of the Protection of Plant Varieties and Farmers Rights Authority (PPV&FRA), had claimed that "only small and marginal farmers involved in subsistence farming" are eligible to claim rights under the Protection of Plant Varieties and Farmers Rights (PPV&FR) Act, 2001.

- The FAQ also said these rights are not for “commercial farmers” and are only meant for “small scale” use. So PepsiCo has used the same argument in an ongoing case at the Authority over its registered potato variety used for Lays chips. The company has also cited the FAQ document to justify dragging more than nine farmers to court in 2018 for growing and selling its registered variety.

Decision of PPV&FRA:

- The government has decided to set up an expert committee revise the FAQ document.
- The document consisted of some statements that could have been explained in simpler language and some could be interpreted differently from what is provided.
- So, in order to solve ongoing impasse, government has decided to update the FAQ document.

About Protection of Plant Varieties and Farmers’ Rights (PPVFR) Act of 2001:

- It is an act of the parliament of India that was enacted to provide for the establishment of an effective system for protection of plant varieties, the rights of farmers and plant breeders and to encourage the development and cultivation of new varieties of plants.
- India have ratified the Agreement on Trade Related Aspects of the Intellectual property rights hasd to make provision for giving effect to agreement. So, in order to give effect to the aforesaid objectives, the Protection of Plant Varieties and Farmers Rights Act , 2001 has been enacted in India.
- The PPV&FR Act was enacted to grant intellectual property rights to plant Breeders, researchers and farmers who have developed any new plant varieties.

Farmers’ rights ensured in the Act:

- Farmers are entitled to save, use, sow, re-sow, exchange or sell their farm produce including seed of a registered variety in an unbranded manner.
- Farmers, varieties are eligible for registration and farmers are totally exempted from payment of any fee in any proceedings under this act.
- The period of protection for field crops is 15 years and for trees and vines is 18 years and for notified varieties it is 15 years from the date of notification under section 5 of Seeds Act, 1966.
- Farmers can claim for compensation if the registered variety fails to provide expected performance under given conditions.