# Agribusiness

Contributing editors

Carol VandenHoek and Eric FW Johnson









# Agribusiness 2019

Carol VandenHoek and Eric FW Johnson Miller Thomson LLP

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# **Preface**

### Agribusiness 2019

Third edition

**Getting the Deal Through** is delighted to publish the third edition of *Agribusiness*, which is available in print, as an e-book and online at www.gettingthedealthrough.com.

**Getting the Deal Through** provides international expert analysis in key areas of law, practice and regulation for corporate counsel, crossborder legal practitioners, and company directors and officers.

Through out this edition, and following the unique **Getting the Deal Through** format, the same key questions are answered by leading practitioners in each of the jurisdictions featured.

**Getting the Deal Through** titles are published annually in print. Please ensure you are referring to the latest edition or to the online version at www.gettingthedealthrough.com.

Every effort has been made to cover all matters of concern to readers. However, specific legal advice should always be sought from experienced local advisers.

**Getting the Deal Through** gratefully acknowledges the efforts of all the contributors to this volume, who were chosen for their recognised expertise. We also extend special thanks to the contributing editors, Carol VandenHoek and Eric FW Johnson of Miller Thomson LLP, for their continued assistance with this volume.



London September 2018 Buren NETHERLANDS

# Netherlands

#### Jan Holthuis, Marc van der Velden and Iris Langenhuizen-Kuijken

Buren

#### Overview

# 1 Describe the agriculture and food supply chain in your jurisdiction.

Despite its small size, the Netherlands is a major hub for international food processing and trading, and is the second-largest exporter of agricultural and food products in the world (after the US), with exports totalling €91.7 billion in 2017. Including agriculture-related goods, such as machinery for the food industry, exports topped €100 billion in 2017.

The most exported agricultural goods of 2017 were: horticulture including cut flowers, bulbs, plants and nursery products ( $\epsilon$ 9.1 billion), dairy ( $\epsilon$ 8.9 billion), meat ( $\epsilon$ 8.3 billion) and vegetables ( $\epsilon$ 6.7 billion). If only domestic produce is taken into account, the same goods can be found in the top four. Fruit ranks fifth on the list of top agricultural export goods, although this is largely re-exports of foreign produce.

More than half of the nation's land area is used for agriculture. The Dutch agricultural sector is diverse; it covers a wide range of livestock and plant-cultivation sectors that include, arable and dairy farming, cultivation under glass, tree-growing and pig farming.

In 2017 there were approximately 55,000 businesses active in the primary agricultural sector employing approximately 170,000 workers, primarily in animal husbandry, agriculture (crop growing) and horticulture. The number of farms is down from almost a 100,000 in 2000, while at the same time the agricultural land area declined with 9 per cent. In contrast productivity per farm has increased.

Agricultural know how is also a key global export product. Wageningen University WUR ranks as the number 1 agricultural university in the world for three consecutive years. Out of the top 40 food and drinks companies in the world, 12 have research and development (R&D) centres located in the Netherlands.

# 2 What is the regulatory environment for primary agriculture and primary food processors in your jurisdiction?

The regulatory environment for primary agriculture and primary food processors in the Netherlands is primarily shaped by EU legislation on food hygiene and food safety, which have been implemented into Dutch law. The sector is regulated on behalf of the Ministry of Agriculture, Nature and Food Quality by the Netherlands Food and Consumer Product Safety Authority (NVWA). The NVWA monitors animal and plant health, animal welfare, and the safety of food and consumer products. In addition it is the enforcing authority for legislation related to nature.

#### 3 What are the main non-governmental organisations and non-profit organisations in the agribusiness sector in your jurisdiction?

There are a variety of non-governmental organisations and other non-profit organisations that are active in the food and agribusiness sector in the Netherlands. Nearly every sub-sector within the industry has at least one organisation that aims to promote the interests of the subsector, and promote international trade and innovation. A selection of agricultural industry organisations are:

 the Dutch Federation of Agriculture and Horticulture is an entrepreneurial and employers' organisation representing and promoting around 50,000 agricultural businesses;

- the Netherlands Crop Farming Union, an industry organisation promoting crop farmers in the Netherlands;
- the Netherlands Poultry Farmers Union, an industry organisation promoting poultry farmers in the Netherlands;
- the Dutch National Federation of Food Industry represents and lobbies on behalf of 500 companies and 20 industry organisations in the food industry;
- Seed Valley a regional organisation in the north west of The Netherlands with the aim of fostering collaboration between companies and local governments active in the fields of plant breeding, seed technology and associated services; and
- Food Valley a regional organisation aimed at boosting innovation performance by fostering collaboration between businesses, knowledge institutions and (local) government.

#### Land acquisition and use

#### 4 Identify and summarise the legislation addressing agricultural property transactions in your jurisdiction. Outline how farmland is typically held.

The Netherlands has over 2 million hectares of agricultural land, which means more than half of the overall surface of the Netherlands is used for agricultural purposes. The average price of a hectare of agricultural land was €59.500 in 2017. Prices vary greatly per region. Generally prices are highest in Flevoland and lowest in Friesland.

The land in The Netherlands is devised according to governmental spatial planning. Land-use plans are the most important tool in spatial planning. Such plans set down where construction may take place, what may be built, the size of the structure and what it may be used for. The land that is designated for agricultural purposes may not be used for other purposes such as housing.

Basically, there are no restrictions with respect to the acquisition of agricultural land by a foreign party. Transfer of ownership is not specifically regulated under Dutch law. The general provisions on immovable property apply, which, in essence, means that the ownership of land is transferred through a notarial deed.

Most agricultural land usage rights in the Netherlands are acquired by a specific agricultural lease regulated in Book 7 of the Dutch Civil Code, and a distinction has to be made between establishing the lease and transferring the lease. Establishing the lease requires approval of the lease contract by the Agricultural Tenancies Authority. The lessee can transfer the lease to direct family members without the consent of the lessor upon application to the agricultural tenancies division of the district court.

An agricultural lease agreement must in principle be concluded for a definite period of time, being 12 years for farms and homesteads and six years for separate land or buildings. Lease agreements for longer terms are allowed but only if a clear termination date is included in the agreement.

It should also be noted that the lessor, who intends to offer agricultural land for sale, has an obligation to offer the land to the lessee first. Since the lessor must offer the value of the land under leased conditions (which depresses the market value of the land), land lease operations in the Netherlands are less attractive.

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#### 5 Outline any rules related to use of farmland for non-agricultural uses.

As discussed above, designated agricultural land cannot be used for other purposes. An application for a change of purpose is rarely granted by the local government.

# How is lending secured by farmland addressed in your jurisdiction? Do special rules apply for farm lending?

No special regulations apply to farm lending.

# 7 Are there provisions relating to creditors' rights on default by farmers that apply in your jurisdiction?

There are no specific provisions related to creditors' rights on default by farmers.

# 8 Describe any rules relating to public control of farm property in your jurisdiction. What legislation governs them?

There is no specific regulation related to public control of farm property.

9 Are there any restrictions on foreign ownership of farm property in your jurisdiction? What legislation governs them?

As mentioned above, there are no such restrictions.

#### **Government programmes**

#### 10 Does the government provide agriculture support programmes to producers, processors or agriculture-related businesses and organisations? Outline the programmes and how they are generally accessed.

The EU's Common Agricultural Policy (CAP) programme, which primarily subsidises farmers through direct income support, is implemented in the Netherlands by the Netherlands Enterprise Agency, part of the Ministry of Economic Affairs and Climate Policy. In 2016, through the CAP, €736 million is available as direct income support (decreasing to €701 million in 2020). Additionally, a joint programme funded by CAP and the Dutch government allocates €176 million (2016) to rural development. The CAP makes another €150 million available for emergency relief for the agricultural sector as well as promoting market competitiveness.

In addition the Dutch government has included both the food and agribusiness sector as well as the horticulture and propagation material sector as one of its nine top economic sectors. Businesses in these sectors are eligible for government support to stimulate technological development by facilitating collaboration between the private sector, knowledge institutions and the government. The objective is, among other things, to improve the international competitiveness of the sectors.

A variety of financial and other incentives are available to agricultural companies established in the Netherlands, including the Research and Development (Promotion) Act (WBSO), innovation credits and the Dutch Good Growth Fund.

The WBSO (an R&D tax credit) aims to provide entrepreneurs with incentives that lower wage costs for R&D and other R&D costs and expenditures, such as prototypes or research equipment to invest in R&D. Innovation credits are available to support risky innovation projects that do not qualify for ordinary bank loans.

The Dutch Good Growth Fund provides financial support for investment, collaboration and exports to emerging markets by Dutch companies.

#### 11 Are there any programmes addressing assistance or government incentives for investment by foreign ownership in agribusiness?

While there are no government programmes that provide assistance or government incentives for investment by foreign ownership in agribusiness, any business that is established in the Netherlands and fulfils the relevant criteria is eligible for benefits, subsidies and incentives available to other (Dutch) companies. Therefore foreign held Dutch agricultural companies are eligible for the same subsidies as domestically held companies.

### Food safety, certification programmes, animal safety and disease

# 12 Outline the applicable legislation for primary processors of live animals. Is any distinction made between meat for domestic consumption and meat for export?

Domestic legislation is included in the Animal Act 2011, the Decree on Trade in Living Animals and the Decree on Keepers of Animals, which regulate the health of food animals, transportation as well as disease outbreak and management. In addition, the NVWA has issued detailed rules concerning specific issues relating to animal welfare and transportation, including rules on housing and use of medicine.

The Netherlands has implemented Directive 94/65/EC of 14 December 1994, which lays down the requirements for the production and placing on the market of various types of meat in the decree relevant to meat, minced meat and meat products. This decree stipulates, among other things, that it is forbidden to prepare meat and meat products that do not comply with the criteria contained in it, what parts may not be used for human consumption and how meat must be categorised.

The NVWA is also tasked with enforcing these rules.

There is no distinction made between meat for domestic consumption and meat for export.

## 13 Describe the food safety regime in your jurisdiction, including applicable legislation and regulations.

The food safety regime in the Netherlands is principally based on the European Union (EU) Regulation (EC) No. 178/2002 (General Food Law), which lays down general principles, requirements and procedures that underpin decision-making in matters of food and feed safety, covering all stages of food and feed production and distribution.

One of the basic principles of the General Food Law is the responsibility for food safety placed on the 'food and feed operators' (including agricultural companies), as they are in the best position in the production chain to ensure compliance with all relevant safety regulations.

In addition to the General Food Law, there is a large and diverse body of European legislation on various topics. Some legislation prescribes general rules for all products (horizontal legislation). The scope of other legislation is limited to specific products or product groups (vertical legislation).

Likewise, Dutch food safety laws are a tapestry of acts of parliament, local regulations, ministerial orders, and regulations by semipublic trade organisations. The basis is the Commodities Act, which acts as a framework law, under which a variety of decrees and regulations have been issued that relate to the production and preparation of food, labelling, testing, hygiene, trading and selling to consumers.

Compliance and enforcement of product quality or food safety regulations in all parts of the production chain including issuing a variety of permits, conducting inspections and investigations relating to food safety and animal welfare, is largely the responsibility of the NVWA.

### 14 What enforcement can take place in relation to food supply chain safety? What penalties may apply?

The primary method of enforcement in food supply chain safety is through administrative procedures. Within the NVWA, the General Inspection Service is the enforcement agency with police-like investigative authority. A Regulatory Framework provides the underlying principles for the NVWA's enforcement authority.

Typically violations of food safety regulations are subject to administrative fines (under the Commodities Act: up to €820,000) and retractions of permits. However, certain more serious violations are also liable to criminal prosecution, which may result in criminal liability of both legal persons and natural persons, the latter including the possibility of arrest and jail.

#### 15 Describe any certification programmes and rules for genetically modified foods, organic foods or other differentiated products.

Although not banned, commercial cultivation of genetically modified organism (GMO) crops does not take place in the Netherlands. The genetic modification of plants is generally supported by the Dutch government, as it enables more efficient creation of improved plant varieties. However, it is only permitted if careful scientific research shows

that the possible risks to humans, animals, and the environment are negligible.

GMO legislation in the Netherlands is subject to the legal framework of the EU to ensure that the development of modern biotechnology, and more specifically of GMOs, takes place in safe conditions. On a national level, the Decree on Genetically Modified Organisms 2013 and the Regulation on Genetically Modified Organisms 2013 regulate the admission and use of GMOs. Admission of a GMO is subject to an environmental impact analysis and a permit is required. A permit is subject to conditions and may be revoked if these are not observed.

The Netherlands is party to the Cartagena Protocol on Biosafety, which includes international rules on the import and export of GMOs.

For organic products, Regulation (EC) 834/2007 provides the legislative framework on organic production and labelling of organic products. As of 1 January 2021, Regulation (EC) 2018/848 on organic production and labelling of organic products will replace Regulation (EC) 834/2007. For organic products from outside of the EU, a certificate of control is required that can be applied for electronically.

As for novel foods, since 1 January 2018, Regulation (EU) No. 2015/2283 replaces the Novel Foods Regulation (Regulation (EC) No. 258/97, and lays out detailed rules for the authorisation of novel foods, ingredients and processes. The new regime includes further clarification on the definition of novel foods, a centralised approval procedure at EU level through the European Food Safety Authority. On a domestic level, the Commodities Act Decree on Novel Foods and GMO applies.

# 16 What are the food labelling requirements, including the applicable legislation, enforcement and penalties?

Food labelling requirements are laid down in the Commodities Act Decree on Information on Food Products, which implements Regulation (EU) No. 1169/2011 on the provision of food information to consumers. Mandatory information on a label must include the name of the food, a list of ingredients, quantity, allergens if so included in the product, best before date, special storage conditions and conditions for use, name and address of the food manufacturer and country of origin, and nutritional information. Such mandatory information must be presented in the Dutch language, with minimum letter size of 1.2 milimetres. Labelling information may not be misleading, including suggesting health claims.

The NVWA is tasked with enforcing labelling requirements. Failure to comply with applicable regulations may result in an order to take products out of circulation and fines.

#### 17 Outline any applicable legislation regarding health of food animals, including transportation and disease outbreak and management.

EU legislation applicable to the health of food animals, including transportation includes:

- Directive 64/432/EEC on animal health problems affecting intra-Community trade in bovine animals and swine;
- Directive 91/68/EEC on animal health conditions governing intra-Community trade in ovine and caprine animals;
- Regulation (EC) No. 1/2005 on the protection of animals during transport and related operations; and
- Regulation (EC) No. 21/2004 establishing a system for the identification and registration of ovine and caprine animals.

Domestic legislation is included in the Animal Act 2011, the Decree on Trade in Living Animals and the Decree on Keepers of Animals, which regulate the health of food animals, transportation as well as disease outbreak and management. In addition, the NVWA has issued detailed rules concerning specific issues relating to animal welfare and transportation, including rules on housing and use of medicine.

The NVWA is also tasked with enforcing these rules.

# 18 What are the restrictions on the movement of animals within your country?

Regulation (EC) No. 1/2005 provides rules on how transport is to be conducted and that a permit is required (except for transporters transporting animals within 65 kilometres). Different types of permits are required depending on whether transports (including the time spent on loading and unloading of animals) exceed eight hours.

#### 19 Describe any restrictions on import of food animals.

Live animals that are imported into the EU are subject to veterinary controls under Directive 91/496/EEC and Regulation (EC) No. 282/2004. The NVWA jointly with Customs conducts inspections at entering the country to ensure compliance.

#### 20 What are the regulations related to livestock slaughtering?

Regulation (EC) No. 1099/2009 on the protection of animals at the time of killing prescribes the framework for the killing of animals bred or kept for the production of food. It also includes operational requirements and requirements for the construction, layout and equipment of slaughterhouses.

Domestic legislation on livestock slaughtering is included the Animal Act 2011 and several detailed regulations and guidelines, which stipulate how animals are to unloaded and offloaded, how they should be handled at the slaughterhouse, and how sedation and slaughtering is to take place.

The NVWA is in charge of enforcement of these rules.

# 21 Outline the regulatory regime relating to pest control and pesticides, and other management regimes in relation to disease and pests in plants and animals.

Only pesticides that have been approved by the Board for the Authorisation of Plant Protection Products and Biocides for the Netherlands market may be used. Regulation (EC) No. 1107/2009 concerning the placing of plant protection products on the market and the Crop Protection Products and Biocides Act provide for the legal framework for market approval of pesticides and crop protection products. The use of pesticides is only permitted if they do not cause harmful effects to humans, animals and the environment.

The Regulation (EU) No. 528/2012 concerning the making available on the market and use of biocidal products and its supporting legislation such as the Biocides Review Regulation (EU Regulation No. 1062/2014) prescribe that only biocides and biocidal products may be used that are allowed in the European market.

#### **Business organisation**

# 22 How are agricultural operations typically organised in your jurisdiction?

The private limited liability company (BV) is most commonly used as business entity for farming. A BV has legal personality and it has an equity divided into shares. Shareholders or directors can be foreign residents. A BV is designed as a flexible instrument with very limited rules on capital protection. The flexibility is one of the reasons why a BV is very suitable type of entity for structuring joint ventures as well. The total incorporation procedure for a Dutch BV is straightforward and can normally be completed in a couple of days.

Although most farms are privately owned, the Dutch agricultural sector has a high percentage of cooperatives. In 2013, 68 per cent of Dutch agricultural products were sold through cooperatives. In the last few decades, there has been strong consolidation between cooperatives, leading to only a few or even just one cooperative per sector. Several agricultural cooperatives operate internationally or are multinational, and belong to the world's largest cooperatives.

A cooperative is a legal entity able to enter into agreements and own assets. Cooperatives have members rather than shareholders. The profits of the joint enterprise can be distributed to the members. The cooperative can be organised to limit or exclude the liability of the members for losses remaining after its dissolution.

Dutch cooperative law is flexible concerning internal governance and attracting equity from members or third parties. It has led to a large number of structures in the by-laws of cooperatives to suit their strategic needs. This often includes a legal separation between the cooperative association and the cooperative firm. As the cooperative does not have a capital divided into shares it cannot be acquired as such. However, its assets, and its individual member firms, are open to investment and can be acquired.

# 23 Outline any restrictions on foreign ownership of agricultural operations or businesses other than farming operations.

There are no such restrictions.

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#### Update and trends

The European Patent Organisation (EPO) on 25 March 2015 (Cases G2/12 (Tomatoes II) and G2/13 (Broccoli II) ) ruled that products derived from essentially biological process might be patentable, even if the process used to obtain the product is essentially biological and thus not patentable.

In response to calls from both the European Parliament and the Council in relation to this decision, the Commission on 8 November 2016 issued an explanatory notice on certain articles of Directive 98/44/EC on the protection of biotechnical inventions, stating that products created through essential biological processes should be excluded from patentability.

On 20 February 2017, the Council of the European Union adopted conclusions confirming the Commission's explanatory notice that products created through essential biological processes should be excluded from patentability. The Council's conclusions urged member

states, in their capacity as members of the EPO, to advocate that the practice of the EPO be aligned with the content of the conclusions.

The Council's conclusions furthermore call on the Commission to carry out further analysis of the development and implications of patent law in the field of biotechnology and genetic engineering

On 25 July 2018, the Court of Justice of the European Union (ECJ) ruled that gene-edited crops should be subject to the same stringent regulations as conventional GM organisms. This constituted a setback for proponents of gene-edited crops, including seed growing companies that had hoped that organisms created using relatively new, precise gene-editing technologies such as CRISPR-Cas would be exempted from existing European law that has limited the planting and sale of GM crops. However, the ECJ ruled that crops created using these technologies are subject Directive 2001/18, which imposes high hurdles for developing GM crops for food.

#### Agricultural workers, immigration, and health and safety

#### 24 Describe any specific rules or laws governing the rights of workers or employees for agricultural operations.

There are no specific rules or laws governing the rights of workers or employees for agricultural operations.

# 25 How is farmworker immigration regulated in your jurisdiction?

There are no specific regulations for immigration of farmworkers. Within the European Union there is a policy of freedom of movement for workers. Therefore, no immigration procedures apply to European workers.

## 26 Outline the health and safety regulations relating to farmworkers in your jurisdiction.

There are no specific regulations related to farmworkers. The primary responsibility for a health and safety policy within a company lies with the employer and the employees. Trade unions and branch organisations can also put forward adequate health and safety measures. Besides, the Dutch government is actively involved in the execution of health and safety policies. The Working Conditions Act provides a basis for a sound health and safety policy. It applies to all employers and employees in the Netherlands.

#### International trade

# 27 How are the export and import of agricultural products (animal and non-animal) regulated in your jurisdiction?

The Netherlands is bound by the principles of free movement of goods, which also applies to trade in agricultural and food products between member states, as well as the principles of the CAP and the various detailed regulations on its operation with regard to the import and export of agricultural products.

For certain products applicable requirements, including registration, licences, or quotas in relation to the import or export of such agricultural product, may apply.

The NVWA is authorised to issue wellbeing or veterinary certificates for livestock import and export.

#### 28 May tariffs, quotas or similar measures be put in place?

The EU is competent to negotiate or establish tariffs, quotas or similar measures that will then have direct effect in the Netherlands (and all other member states).

## 29 What treaties apply to the import and export of agricultural products in your jurisdiction?

In addition to EU legislation, the Netherlands is bound to Free Trade Agreements that are agreed between the EU and several third countries, which may, for instance, reduce or slash tariffs on agricultural products will directly affect the import and export of agricultural products from and to the member states.

#### **Intellectual property**

#### 30 How are plant breeders' property rights protected in your jurisdiction?

The Netherlands is a member of the International Union for the Protection of New Varieties of Plants Convention since 1968 and is party to the latest Act of 1991. The UPOV 1991 Act has been implemented in national law through the Seeds and Planting Materials Act 2005 and further implementing decrees.

Regulation (EC) No. 2100/94 on Community plant variety rights establishes a system of EU plant variety rights (PVR) for its member states. A clear distinction is made between granting a PVR, and the right to place propagation material on the market (trading).

The Community PVR system exists in parallel with national systems. If a national (Dutch) PVR is granted for a new variety, it is added to The Netherlands Register of Varieties. Once the national right has been obtained, the applicant can apply for a Community PVR with the Community Plant Variety Office in Angers, France. If a Community PVR is granted and registered in the EU Common Catalogue, the national PVR will become 'dormant' for the period the Community PVR is in force.

Trading of new plant varieties (agriculture crops, forestry, fruit and vegetables) may require prior admission to the National Plant Variety Register. Registration on this list may be subject to a Value for Culture and Use test. This test is required for most agriculture crops, but not for fruit and vegetables. Once a variety has been admitted to the National Plant Variety Register, the Dutch Plant Varieties Board will notify the EU and other member states and the propagation material can be freely traded in the EU. Horticulture plant varieties can be traded without registration in the National Plant Variety Register.

Granting of plant breeders' rights is dependent upon whether the variety complies with novel, distinct, uniform and stable (DUS) criteria and has a suitable name. Conformity with DUS criteria is verified by the Netherlands Inspection Service for Horticulture.

# How is farmers' access to crop varieties and plant technologies addressed in your jurisdiction?

A farmer's privilege is the right of a grower to use harvested materials within the premises of their company for propagation purposes. This privilege only applies to crops in sectors in which the use of own seeds and seed materials is customary (for example, grain and potato crops). In this respect, the grower must:

- inform the PVR holder of the details of his company and the use of the seeds and seed materials; and
- pay a reasonable licence fee for the use of the harvested materials. In general, 60 per cent of the licence fee that is due in trade for use of that variety is considered reasonable.

A breeder's exemption allows a third party to use the protected variety to breed a new variety, without paying a royalty fee. This breeder's exemption is not an infringement of the rights of the PVR holder.

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# 32 What other intellectual property considerations apply to agribusiness in your jurisdiction?

The international licensing platform for vegetable plant breeding ILP Vegetable was set up in the Netherlands with the objective to guarantee worldwide access to patents that cover crucial vegetable plant traits currently covered by patent claims from ILP Vegetable member companies, which currently represent more than 50 per cent of the global seed market. Under the terms and conditions of this platform, the members of the ILP Vegetable will make all of their patents accessible to their fellow members, who can obtain a licence for breeding and commercialisation of new varieties. The licensee has to pay a royalty for the commercialisation of the new variety, if still covered by the patent, in countries where a patent right exists.

#### **Environmental issues**

#### 33 Describe the regulatory agencies that have a role in managing the environmental impact of agricultural production in your jurisdiction.

The primary regulatory agency is the Human Environment and Transport Inspectorate of the Ministry of Infrastructure and the Environment, which is charged with enforcing regulations relating to sustainability and safety, processing of (waste) materials and products, on the quality of the water and soil, and on spatial planning.

The NVWA is in charge of enforcement of animal manure legislation and carries out inspections on animal farms and manure transportation and processing companies.

# 34 Describe how water and air pollution is regulated in relation to primary agriculture in your jurisdiction.

The regulatory framework on water and air pollution stems from EU directives that are transposed into national law, including the Water Act. Based on this legislation, it is prohibited to dispose of waste, residues or other materials into the water system, unless a 'water permit' has been obtained authorising a specific disposal. A water permit can be obtained from the local council where the proposed activities are to take place.

The regulatory environment relating to air quality is designed to implement and meet the objectives primarily established through the EU regulatory framework. With regard to air quality, the Ministry of Infrastructure is taking measures against particulates pollution caused by livestock farming in the Netherlands.

#### 35 Describe how liquid and other waste is regulated in relation to primary agriculture in your jurisdiction.

Under Chapter 10 of the Environmental Management Act, the general principle is established that all operators dealing with waste are obliged to take all precautionary measures reasonably possible to reduce to the extent possible negative impacts for the environment.

The Fertilizers Act provides the regulatory framework for all types of fertiliser (including vegetable and animal waste) and provides strict rules on the transport, use and trade of such fertiliser.



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