

Law No. 20.247 of March 30, 1973, on Seeds and Phytogenetic Developments

(Buenos Aires, March 30th, 1973)

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Mr. President:

The purpose of this is to submit under your consideration the bill of (Seeds and Phytogenetic Developments Act.). This will be an important instrument to improve the production and to achieve a major development of our Agriculture, which is of extraordinary importance to social and economic welfare of the country.

Highly qualified seeds are a basic factor for an efficient Agriculture, these highly qualified seeds have the capability of satisfying the increasing demands for food and for other products derived from plants.

This determines the concern for caring and stimulating the use of good seeds, which carry so many treasures.

The oldest and continuous activities of the Ministry of Agriculture and Livestock are the discovery, creation and development of better seeds, as well as the control of their qualities. But during the last years, the evolution generated upon the fast progress of the genetic science, the major requirements of the modern agricultural technology, the multiplication and spreading of seeds by specialized companies that use highly advanced techniques and strong inputs, determines, in many cases, the insufficiency of the in force legislation in this matter, based on Act 12.253, Section (Genetic Development).

It is responsibility of this Ministry to promote the means for an efficient activity for the development, multiplication and trade of seeds, to protect the property of the new varieties for their owners, as well as to ensure the best seed with guaranteed identity and quality to the agrarian producers.

This bill has been developed by a Research Commission created by the Ministry, Resolution 1492/70, and composed of official and private representative sectors related to the development, control, multiplication, distribution and usage of seeds.

It is considered in this commission the national legislation that exists about this matter, as well as the pertinent foreign legislation, that contains the experience of many years and also the rules approved by international treaties. The latter will allow the development of foreign markets for the Argentinean seed.

This bill consists in 8 sections, which are commented as follows:

Chapter I

This section contains the definition of the bill purposes. Two fundamental terms are defined, one of them is the seed: “it is a botanical structure aimed for sowing or spreading”, this definition assumes the inclusion of the seed of sexual origin, as well as plants, stem cuttings, buds, tubercles, bulbs, etc. used for the multiplication.

The Ministry of Agriculture and Livestock is established as the entity in charge of the enforcement of the law, and a National Commission is created as a consultant entity.

Chapter II

It is created the National Commission of seeds as a collegiate and consultant entity.

It is established that this Commission will be formed by ten members: five representing the official sector and five representing the private sector. The latter will be represented as follows: one breeder, one sower, one trader and two consumers.

This kind of representation responds to the convenience of including the whole sectors that are directly related to the bill; and the restriction of having it formed with ten members is to vest this commission with the necessary elements to take fast and efficient decisions. It is established that only the Ministry has the authority to appoint the official members who will act as president and vice-president of the above mentioned commission.

The functions and powers of the Commission have been established with the greater possible range and deepness taking into account the advising nature of the Commission.

The Commission is entitled to create committees, the first of which will be the one that will replace the present Court of Seeds; a Committee will deal upon specific problems related to the Registry of Property of Varieties, a Committee will attend to the study of the regulation and its subsequent enforcement for nursery owners, etc. Every Committee will be formed according to the decisions of the Commission and the interests of the persons involved in each case.

Chapter III

Seeds. It is related to the label that each seed must have and to the specifications that every label must contain. Among those specifications the label must contain the identifier and the seller of the seed. The registered seller will be liable to the producer who buys the seed, this liability is sustained on every worldwide legislation and recommended by every competent technical international entity. This will enable the producer to bring an easy claim and a quick satisfaction when is needed. Otherwise, the difficulties in bringing a claim upon the so called “identifier”, whose place of residence is probably in another area and jurisdiction and with the possibility of having such seed being handed by many people, might determine the anticipated abandon of the just claim.

In this bill, the names of the identifier and the seller are included in the labels. The responsible before the buyer is the seller, and the latter will be able to take action against the identifier, if he considers that he is not liable.

The entry of the seller, with requirements such as his identification, domicile, deposit, etc., gives a major liability to the seeds sale, and a major training and dedication. This entry will favor the honest and well-organized traders that fulfill with their role as the last chain in the distribution and as an adviser of the consumer.

There is no administrative, controlled, or registered inconvenience for the entry of the seller's name on the label (on a corner of it, or on other label), neither for the registration of it on the corresponding Registry. In technologically advanced countries, which have a Seed Act, the entry of the seed's trader is compulsory, without any exception.

As a domestic precedent, it is important to say that the Act 12.253 creating the National Commission of Grains and Silos—in the present time National Commission of Grains—established the Registry of Grain Traders, where every storer, consignee, broker, cooperative farm, sorter, splitter, importer, exporter, and any person who trades or handles with grains, must register. At present, there are approximately 3500 registered persons with 900 branches.

The Registry of Traders and the labeling of their name on the label have a special importance, considering that this will contribute for the modification that the present seed's trade requires for its better classification.

The other specifications that the label must contain are the Germinative Power and the physical and botanical Purity, provided that these specifications are below the values specified by virtue of this bill.

It has been considered that during the first years of enforcement of this law, it is not convenient to demand, under any circumstances, the addition of the Germinative Power and the Purity on the label. Once the bill has been enforced for a certain period of time, the practice will probably lead the seed's sellers to include voluntarily on the label the Germinative Power, the Purity and the Cultural Value as a promotion for their sales and as a useful element for their customers.

It is established two kind of seeds on section 10: Identified and Controlled seed. At present, only the second kind of seed exists and only in some species (wheat, potatoes, etc.). At present, every seed called "grain" or "ordinary", has neither control nor guarantee, even though this kind of seed represents the majority of what is sowed in the country.

According to this bill, the (ordinary) seed must be identified and sold by a responsible registered trader.

As regards to the (Controlled Seed), the definition establishes that a good behavior of it must be shown during the tests officially approved. It is considered that this kind of seed must be reserved only for good and satisfactory varieties.

The consumer must have the guarantee that if the State controlled a seed, it is a well-known seed and has satisfactory behavior in the country. It is considered that the delay that takes place during the test previous to the control, is completely justified by the estimated advantages that this test brings. This will keep the prestige of the Controlled Seed, with better benefits for the Breeders and Sowers. It is important to say that this requirement does not restrict the sale of a seed which is not officially tested or approved as an (Identified Seed). Except for those special cases such as the one used at present for cereals seeds, or others that can be established.

On section 11 it is established the legislation regarding the import and export of seeds, taking into account the volume and the current value of the imported seed, and the perspectives for the export of specific species in accordance with our favorable ecological conditions and with the advanced applied technology. Our bordering countries or others whose costs are too expensive, could be possible and important customers. In order to achieve this international interchange of seeds, the international rules for tested seeds are enforced, as a promotional requirement. It is important to say that the rules do not establish the obligation of making all the analysis in the country, because the qualified laboratories and

personnel are not enough. Once the bill has been enforced for a certain period of time, such rules can be generalized, to the domestic trade.

On section 15 the Ministry of Agriculture with the advice of the Commission, is entitled to forbid or limit the production, spreading, etc. of a seed. This privilege could be waived and it shall be put into effect immediately on spreading cereals varieties, continuing with the present practice of the Seeds Court.

Chapter IV

National Registry of Varieties. The National Registry of Varieties is created resembling an official catalogue of varieties. Every identified seed shall be registered, this undoubtedly will contribute to the standardization and knowledge and to avoid normal synonyms.

Chapter V

National Registry of Property of Varieties. The variety of species in Argentina have been modified in the last decades by the action of official and private breeders and by the introduction of new materials from other countries.

But, although this action has been very useful and has given a lot of benefits to the national economy, it is considered that it can and must be increased, and as a consequence of that the private companies will increase their role.

The increasing role of the private companies should prevail letting the State dedicate its efforts to basic research, experimentation about variety handling, usage of fertilizers and irrigation, control of plague and disease, etc., and specially to increase the spreading, development and extension of the new knowledge and materials among the producers along the different regions of the country.

The State has very many tools to make the private companies major botanical improvements in the private companies, we will distinguish the following State contribution: *(a)* basic breeding materials at promotional prices (this action is fulfilled at present mostly for the INTA (National Institute for Agricultural Technology); *(b)* tax exemptions and promotional loans for the originator of the varieties, this type of procedure already exists at present but not with the necessary extent; *(c)* subsidies to breeders; and *(d)* the guarantee that the breeders have the proprietary right of their creation or discovery, and no other person could reproduce or sell the same without their authorization.

Among all these promotional measures, the first one is been fulfilled as it was said; the measure *(b)* should be put into practice and properly updated, and for doing so the advice of the National Commission of Seeds will be of great value; the measure *(c)*, Executive Power subsidies, is considered for the first time to be addressed to cooperative farms, official entities, persons and companies of the National Capital City, and the other that the National Commission may advice to include; and at last, the measure *(d)* which grants the proprietary right on vegetal, new varieties for a determine period of time which is relatively limited. This will allow the originator to obtain from his property the profits that compensate him for the efforts and gives him benefits on the exact proportion of the real values obtained of the new variety. The purchase price of it or the percentage of the purchase price will be fixed freely between the owner of the property title and the consumer of the variety (sower or producer). The issues that can raise between them should be settled before the National Court. The system is simple and similar to the one that exists in the country for the intellectual or industrial property for inventions. The administration of this Registry by the Ministry will be therefore relatively simple.

The conditions to be fulfilled by the registry of new varieties, set forth in section 20, have established in accordance with the diversity of agroecological conditions and possibilities (materials and technicians) of our country. The variety does not need to be superior, since this will mean that territorial analysis should be taken (done) on different regions for a period of 3 or more years, with the consequent delays, and there is always the possibility of making a mistake in the appreciation when the requirements needed by the producer are not present in the variety. The owner of the variety and the consumer producer are the ones who decide about the dissemination of the variety. Therefore, a quick progress has been obtained in hybrid corn and sorghum.

Nevertheless the Ministry of Agriculture and Livestock establishes for certain species special requirements of quality and others, in order that new variety can be spread; likewise, the National Institute for Agricultural Technology (INTA) gives "Regional lists of recommended varieties" which may guide the producer in the selection of the it.

The requirements needed to obtain the property of a new variety are the following: that it is something new (distinguishable), that the individuals have similar and stable inherited characteristics along successive generations.

The stable concept refers to the reasonable maintenance and likeness, as in the other varieties of the same specie, of the distinctive characteristics maintained along generations or successive multiplications and in its usual form of planting or propagation. The unstable segregating hybrid, e.g., corn, sorghum, onion, etc., are therefore excluded; the stable hybrid, e.g., apple, potatoes, rose, etc., is therefore comprehended and protected.

The system does not interfere with the interchange and usage of germ plasma.

The bill, in accordance with the international thoughts, has a limitation in time and in the enjoyment of the proprietary rights. Therefore, a period of time from 10 to 20 years is suggested, to be established according to species or group of species. In other countries this period of time is more or less the same, but in any case smaller than the ones suggested by this bill. That is to say, the owner of the new variety will have a certain period of time, which will be long enough so as to obtain a benefit from the development; and at the same time, not too short so as to limit the possibility of a reasonable profit and the consequent decreasing interest of the creative work.

However, whenever exists a national necessity of a product, which is limited in its cultivation and as a consequence of that it is difficult to obtain it because there is not enough public supply of the seed needed, this project covers a limitation of the rights, this limitation entitles the Executive Power to declare such variety of "restrictive public use" for two years. Such possibility exists in the French Legislation, and in general, in every legislation of the other countries. A fair payment is considered for the owner and a quick and safe system is established for every party and without any difference to any specie that can be involved.

On section 30 the causes for the expiration of the Title of Property and the causes for transforming the Title of Property for public usage are set forth.

Chapter VI

Rates and Subsidies. The Executive Power is authorized, together with the advise of the National Commission, to establish the rates by enforcement of the law.

The Executive Power is authorized to grant subsidies, special promotional loans and tax exemptions in order to increase phytogenetic development tasks of the State, so as to ensure their continuity and larger projection. Likewise, it is authorized to grant incentive prizes for

breeder technicians that contribute with new varieties of relevant aptitude and of significant contribution for the national economy.

Chapter VII

Penalties. It is set forth in different sections of the bill, the causes for receiving a warning notice, fines, confiscation of seeds, suspension, on the registries, etc., depending on the seriousness and on the nature of the breach. It is established the obligation of reimbursing the buyer with the value of the breach seed, and also the obligation of publishing the results of the control, samples and penalization resolutions. It is established the methods of enforcing the penalties, previous judgment of the National Commission Seeds, as well as the methods for raising a reconsideration and appeal.

Chapter Temporary Provisions

Different periods of time are fixed upon the enactment of the law, for the setting in force of the different Chapters and also for the necessity of adapting the present system with the new one.

It is emphasized that this bill is in accordance with the National Policies Nos. 36, 37, 68, 100, 102, 111d and 126 approved by Decree No. 46/70 according to the goals and objectives of the National Plan of Development and Security No. 1971/75.

God save our President.

Ernesto J. Lanusse
Ernesto J. Parellada

Pursuant to the powers set forth by section 5 of the Argentine Revolution By-Laws,
The President of the Argentine Nation enacts and passes by operation of law:

Seeds and Phytogenetic Development Act

Chapter I Generalities

1. The purpose of this law is to promote an efficient activity of the production and trade of seeds, to ensure the agrarian producers the identity and quality of the seed they acquire and to protect the property of the phytogenetic developments.

2. By virtue of this law it is understood that:

(a) (Seed) or “Germ” means every vegetal structure aimed for sowing or spreading.

(b) (Phytogenetic Development) is the variety obtained in the discovery or in the application of scientific knowledge in the inherital improvements of the plants.

3. The Ministry of Agriculture, together with the advice of the National Commission of Seeds, shall set in force the present law and shall establish general requirements, rules and indulgences by kind, category and specie of seed.

Chapter II National Commission of Seeds

4. The National Commission of Seeds is formed, in the jurisdiction of the Ministry of Agriculture, as a collegiate entity with functions and powers granted by the present law and its respective regulations.

5. The Commission will be formed by 10 members appointed by the Ministry of Agriculture. They shall have special knowledge on seeds. Five (5) of these members shall be official State representatives; two (2) of them shall belong to the National Division of Agriculture Examination and Trade; two (2) shall belong to the National Institute for Agricultural Technology; and one (1) shall belong to the National Board of Grains. The other five (5) members shall represent the private companies; one (1) shall represent the breeders; two (2) shall represent the production and trade of seeds; and two (2) shall represent the consumers. The Ministry of Agriculture and Livestock shall determine, among the State representatives, who will act as president and vice-president of the Commission. The other members that form the Commission, shall act as voting members of the same.

Each voting member shall have a deputy member appointed by the Ministry of Agriculture and Livestock, and they shall act in absence of the regular member with the same authority.

The representatives of the private companies, regular or deputy members, shall be appointed by the most representative entities of each sector. Their position in office shall last two years, they can be reelected and they cannot be removed from office as long as their term of office last, except for a serious cause. They shall receive a salary which will be fixed yearly by the Ministry of Agriculture and Livestock.

6. The decision of the Commission shall be approved by simple majority of votes, and the President shall have the possibility of a double vote in case of equal results. Such

decisions shall be communicated at the Ministry of Agriculture and Livestock, and it will make execute it by its specialized service, if it is considered pertinent.

7. The functions and powers of the Commission shall be the following:

(a) To propose the rules and criteria of interpretation for the enforcement of the present law.

(b) To establish the species that will be included in the system of seed "Controlled".

(c) To make a decision in every matter that, in fulfillment of the present law and its regulations, the technical services of the Ministry of Agriculture and Livestock should present.

(d) To take notice and give opinion on the national, provincial and municipal projects of official policies, laws, decrees, decisions and provisions related with the nature of the present law, as well as with the official trade entities of the Agriculture production.

(e) To examine the records related with presumption breaks of this law, and proposing, if needed, the enforcement of penalties established in Chapter VII.

(f) To deal with the technical differences that might occur between the services of the Ministry of Agriculture and the identifier, sellers and consumers in the enforcement of this law and its regulations.

(g) To propose the Ministry of Agriculture and Livestock the rates for the services that might be given by virtue of this law, as well as any modification of the same.

As well as the above mentioned functions and powers, the Commission could propose the government measures that the Commission considers necessary for the best fulfillment of the law.

8. The Commission shall establish its internal regulations of operation and shall have a permanent Technical Secretary.

It shall designate committees for the treatment of specific subjects, such committees could be permanent and they shall be formed in accordance with what it is set forth in said by-laws.

Chapter III **The Seed**

9. The public seed or the ones delivered to the customers (*a cualquier titulo*) of any kind, shall be dully identified, specifying on the label, at least, the following specifications:

(a) Name and address of the identifier of the seed and its number of registration.

(b) Name and address of the seed's seller and his number of registration, when he is not the identifier.

(c) The common name of the specie and the botanical one for those species which are established in the by-laws; in the case that the specie is a group of 2 or more species the "Mixture" must be specified as well as the names and percentages of each of the components that, individually or jointly, exceed the total percentage dully established.

(d) Name of the variety and its kind of purity, if needed, if not the word "common" (ordinary) shall be written down.

(e) Percentage of physical and botanical purity, by weight when this is under the established values.

(f) Percentage of germination, by number and date of analysis (month and year), when this is under the established values.

(g) Percentage of weeds, for those species dully established.

(h) Net contents.

(i) Year of harvest.

(j) Place of origin for the imported seeds.

(k) Seed (Category), if any.

(l) Cured seed — Poison, in red letters, if the seed has been treated with a toxic substance.

10. The following kind of seeds are established:

(a) (Identified). It is the one that fulfills with the requirements set forth in section 9.

(b) (Controlled). It is the one that, although fulfilling with the requirements set forth for the “identified” seed and showing good behavior on the officially approved test, is submitted under a official control during the phases of its production cycle. Within these type of seeds, the following “categories” recognized: “Original” (Basic or Foundation) and “Certified” in different grades.

The regulations could establish other categories within the types already mentioned.

The Ministry of Agriculture and Livestock, together with the advice of the National Commission of Seeds, shall keep under the system of controlled production, all the species that might be under this situation when this law is enacted, and could incorporate to the System of (Controlled) seed the production of species that it might consider convenient for the agronomic and of general interest purposes.

11. The import and export of seeds are subjected to the system of this law, pursuant to the rules that National Executive Power shall pronounce in defense and promotion of the agrarian production of our country.

12. The settlement of issues about the quality of imported or exported seeds shall be based on international rules set in force about methods and procedures of the analysis and tolerance of seeds.

13. It is created, in the jurisdiction of the Ministry of Agriculture and Livestock, the (National Registry of trade and Control of seeds) in which it shall be registered every person who imports, exports, produces controlled seeds, manufactures, analyses, identifies or sells seeds in accordance with the rules dully established.

14. The assignment of any property of seeds with the purpose of trading, planting or propagation by third parties, shall only be made by a person registered in the National Registry of Trade and Control of Seeds, who shall be the responsible for the proper labeling of it when an assignment takes place. The regulations shall establish the cases in which, for the passing of time or other factors, such responsibility could cease.

15. The Ministry of Agriculture and Livestock with the advice of the National Commission of Seeds shall forbid, limit to special requirements or rules, temporary or permanently, in the whole or part of the national territory, the production, multiplication,

dissemination, promotion or trade of a seed when that entity considers it convenient for the agronomic and of general interest purposes.

When any of the above mentioned measures are executed, the Ministry of Agriculture and Livestock shall establish a period of time, which does not prejudice the legitimate interests, for their enforcement.

Chapter IV National Registry of Varieties

16. The National Registry of Varieties is established within the jurisdiction of the Ministry of Agriculture and Livestock. Every variety identified for the first time shall be registered in said Registry pursuant to what is set forth in section 9 of this law, such registration shall be made under the supervision of an agricultural expert having a national or validated degree. The varieties which are of public knowledge on the date the present law is set in force, shall be registered, per se, by said Ministry.

17. The application form for the registration of every variety shall specify name and address of the applicant, botanical specie, name of the variety, origin, the most outstanding characteristics of the specie according to the supervising expert, and place of origin. The Ministry of Agriculture and Livestock with the advice of the National Commission of Seeds, could establish additional requirements for the registration of certain classes. It could not be registered varieties of the same class with the same name or with some similarity which can provoke confusion; the name in its original language shall be maintained following the same criterion. The registration in the Registry established pursuant to what is set forth in section 16, does not grant the right of property.

18. In the cases that the Ministry of Agriculture and Livestock with the advice of the National Commission of Seeds, discovers a verified synonymy, it shall give priority to the name given in the first description of the variety in a scientific review, or in a private or official catalogue, or vernacular name, or in case of doubt, to the first name registered in the National Registry of Varieties. It is prohibited the use of the other names from the date that shall be established for each case.

Chapter V National Registry of the Variety Properties

19. The National Registry of Variety Properties is established within the jurisdiction of the Ministry of Agriculture, in order to protect the right of property of the originators and discoverers of the new varieties.

20. It could be registered in the Registry established pursuant to section 19, and it shall be considered "Goods" and will be governed by this law, the phylogenetic developments or varieties which are distinguishable from others already known at the time the application of property is presented, and in which the individuals have similar and stable inherited characteristics along successive generations. Such registration shall be done by the originator or discoverer under the supervision of an agricultural expert having a national or validated degree, and such new variety shall be individualized with a name that has the requirements established in section 17.

21. The application of property for the new variety shall specified the characteristics required on section 20 and shall include seeds and samples of the same, if the Ministry of Agriculture and Livestock asks for it. Said Ministry could submit the new variety under tests and laboratory and field examinations in order to verify the attributed characteristics, it can be accepted as proof the results of previous examination made by the applicant of the property

and by official services. With such elements and the advice of the National Commission of Seeds, the Ministry of Agriculture and Livestock shall decide upon the granting of the correspondent Certificate of Property. The respective variety could not be sold or offered for sale until such certificate is not granted. The owner shall keep alive sample of the variety at the disposal of the Ministry of Agriculture and Livestock as long as such title is enforced.

22. The Title of Property upon a variety shall be granted for a period no less than 10 years and no more than 20 years, depending on the specie or group of species, in accordance with what the regulations might establish. The issuance and expiring date shall be included in the Title of Property.

23. The Title of Property of the varieties could be assigned, such assignment must be registered in the National Registry of Property of Varieties. If not, such assignment shall not be liable to third parties.

24. The Proprietary right of the variety belongs to the holder of the right. Unless an express authorization of the holder is granted, the persons involved on the tasks related to phylogenetic development or discovery of new varieties shall not have the rights to use it for particular purposes.

25. The Property of a variety does not prevent other persons from using it for the development of a new variety, which could be registered under the name of the originator without the consent of the owner of the phylogenetic development use to obtain the new one, provided the latter is not used permanently for the development of the new one.

26. The originator or his duly authorized representative domiciled in Argentina shall apply for the Proprietary Right of a foreign variety, and it shall be granted provided that the country where the variety was developed recognizes a similar right for the Argentine phylogenetic developments. The validity of the proprietary right in such cases shall have as a maximum term the period remaining for the expiration of that same right in the country of origin.

27. The proprietary right of a new variety is not affected when a person authorized by the owner, delivers for any reason, seeds from the same variety, or sets aside and sows seed for his own benefit, or uses or sells as raw material or food the product obtained from the cultivation of such phylogenetic development.

28. The Title of Property of a variety shall be declared of "Limited Public Use" by the National Executive Power if proposed by the Ministry of Agriculture and Livestock upon a fair payment for the owner, when it is established that such declaration is necessary in order to ensure an adequate supply in the country of the product obtained from the variety, and that the beneficiary of the proprietary right is not supplying the public demand of seeds from said variety in a reasonable amount and price. During the term in which the variety was declared of "Limited Public Use", the Ministry of Agriculture and Livestock shall grant its exploitation to interested parties who shall offer satisfactory technical guarantees and register in this Ministry to that effect. The declaration of the National Executive Power could establish or not the amount to be paid to the owner, such amount could be fixed among the interested parties. In case of disagreement, said amount shall be fixed by the National Commission of Seeds, such resolution can be appealed before the National Court. The proceedings of the payment agreement shall not delay under any circumstance the availability of the variety; which shall be immediately after the declaration of the National Executive Power; in case of objection the owner shall be liable.

29. The declaration of (Limited Public Use) of a variety shall be in effect for a term no longer than two (2) years. The extension of this term for two more years could only be declared by the National Executive Power by means of a new well-founded resolution.

30. The Title of Property of a variety shall expire according to the following reasons:

- (a) Resignation of the owner to his rights, in this case the variety shall be of public use.
- (b) When it could be proved that it has been obtained due to fraud upon third parties, in this case the right shall be assigned to its legitimate owner, if this could be established, on the contrary it shall be of public use.
- (c) Expiration of the legal term of property, being of public use from that date.
- (d) When the owner shall not provide a live sample of the it, with the same characteristics to the original variety, when required by the Ministry of Agriculture and Livestock
- (e) When the payment of the annual fee of the National Registry of Property of Varieties is due, six (6) months after the payment has been duly claimed, it shall be of public use.

Chapter VI Fees and Subsidies

31. The National Executive Power, if proposed by the Ministry of Agriculture and Livestock and with the advice of the National Commission of Seeds, shall establish fees for the following items:

- (a) Registration, yearly payment and certifications in the National Registry of Property of Varieties.
- (b) Registration and yearly payment in the National Registry of Trade and Control of Seeds.
- (c) Supply of official labels for the seed “Controlled”.
- (d) Seeds analysis and variety tests.
- (e) Required services.
- (f) Registration of laboratories and other auxiliary services.

32. If proposed by the Ministry of Agriculture and Livestock and with the advice of the National Commission of Seeds, the Executive Power shall have the authority to grant, according to the regulations, subsidies, special promotional credits and tax exemptions in favor of cooperative farm entities, official entities, persons and companies having national capital which are engaged in the tasks of phytogenetic development. The funds to support those expenses shall be allocated to the Special Account (Law of Seeds) which is enacted pursuant to section 34.

33. The Executive Power, if proposed by the Ministry of Agriculture and Livestock and with the advice of the National Commission of Seeds, shall have the power to grant incentive awards to breeders technicians through their job in the different official entities, producing new varieties of relevant aptitudes and significant contribution to the economy of the country. The necessary fund for this purpose shall be allocated to the Special Account (Law of Seeds).

34. It shall be started/opened a special account, called “Law of Seeds”, which shall be administered by the Ministry of Agriculture and Livestock, where the funds collected through fees, fines, donations or through any other income or amount established in the general budget of the Nation shall be credited, and where the necessary expenses and investments for the maintenance of services, payment of subsidies and awards referred to in this law shall be

debited. The balance of this funds not used in a fiscal year, shall be transferred to the following year.

Chapter VII Penalties

35. Any person that, for any reason, implicates or delivers a seed not identified in accordance with what it is established in section 9 and its regulations, or makes a false statement on the label of the container in accordance with the established requirements, shall receive a warning notice if a simple mistake or omission has been made, if not he shall be bound to pay a fine the amount of which may vary from one hundred pesos (\$ 100) to one hundred thousand pesos (\$ 100,000), and the confiscation of the goods shall be done if these goods could not be trade as seed. In this case the Ministry of Agriculture and Livestock could authorize the owner to sell the confiscated goods for consumption or destruction according to what the regulation establishes.

36. If any person disseminates/spreads as seeds varieties not registered in the National Registry of Varieties, this goods shall be confiscated/seized, and he shall be bound to pay a fine the amount of which may vary from one thousand pesos (\$ 1,000) to sixty thousand pesos (\$ 60,000). The amount of the fine shall be established according to the records of the infringer and the importance of the seed economy.

37. Any person who identifies or sells with the proper or other identification variety seeds not authorized for their multiplication and trade by the owner of the variety, shall be bound to paid a fine the amount of which may vary from two thousand pesos (\$ 2,000) to one hundred thousand pesos (\$ 100,000).

38. Any person who shall violate/breach the decisions pronounced pursuant to section 15, shall be bound to pay a fine the amount of which may vary from two thousand pesos (\$2,000) to one hundred thousand pesos (\$ 100,000) and the infringing goods shall be confiscated.

39. The person who uses any information or advertisement which may lead to confusion about the seed qualities or conditions, or who does not give the information required by the law, shall receive a warning notice or shall be bound to pay a fine the amount of which may vary from one thousand pesos (\$ 1,000) to sixty thousand pesos (\$ 60,000).

40. In addition to the penalties established from section 33 to 39 and in section 42, aimed for the persons named in section 13, it could be included as an accessory penalty, the temporary or permanent suspension of their registration in the National Registry of Seeds Trade and Control, being inhibited/restrained from acting on any activity ruled by this present law, during the term of such suspension, and when they shall breach the present law and its functioning regulations as importer, exporter, sower, manufacturer, analyst, identifier or seller of seeds.

41. The registration failure of the persons and entities, bound to do so by virtue of section 13, in the National Registry of Trade and Control of Seeds, shall result in their reception of a warning or notice ordering them to adjust such situation within fifteen (15) days after/as of the reception of the notice, in case of failure, they shall be bound to pay a fine of one thousand pesos (\$ 1,000). In case they repeat the offense, the fine shall be increased up to the amount of sixty thousand pesos (\$ 60,000).

42. If a person fails to prove, within the terms to be established by the regulation, the use given to the official labels acquired for “Controlled” seeds, he shall be fined for the

double of the value of each label, pursuant to what it has been established in section 31, subsection (d).

43. The seller shall be bound to reimburse the buyer the purchase price of the seed proved to be under the established requirements and the freight. The buyer shall return the seeds that he does not sow, with their respective containers, the expenses accrued for this action being charged to the seller.

44. The Ministry of Agriculture and Livestock could publish, from time to time, the results of the controls and surveys made by it. In addition, it could publish the penalty resolutions on two (2) newspapers, one (1) of them, at least, shall be from the same place where the infringer has his domicile.

45. The officials acting in accordance with the present law shall be able to control, take samples and analyze sample of seeds obtained from stored, transported, sold, offered or displayed for sale seeds, at any time or place. They shall have access to any store where there are seeds and shall be able to examine any document related with the same. They shall be able to stop or audit/supervise the sale and distribution of any seed lot which might be considered under breach, for a period of time no longer than thirty (30) days.

Therefore, the Ministry of Agriculture and Livestock could require the operational cooperation of other official entities, as well as the support of the police if it is considered convenient.

46. Ministry of Agriculture and Livestock shall charge the breach/violation of the present law and its regulations after judgment of the National Commission of seeds. The persons who breach this law shall be able to file a notice of appeal before said Ministry within ten (10) working days after receiving notice.

47. If the Ministry dismisses the notice of appeal, the appellant shall be able to file a notice of appeal before the National Court after paying the corresponding fine within thirty (30) days after receiving the due notice.

48. The enforcement of the charges/penalties referred to in this Chapter, does not exclude the charges that might pronounce for the violation of other judicial rules.

Temporary Provision

49. Once this law is set in force, the owners varieties temporarily registered pursuant to the provisions set forth in Act 12.253, shall be able to apply the title of property of the same according to what is established in Chapter V.

50. It is revoked section 22 to 27 of the Act No. 12.253, Promotional Genetic Chapter, and any other rules that shall object the present law.

51. Chapters I and II shall set in force on the date in which the present law is enacted, the other chapters and section 49 and 50, shall set in force six days after the enactment of this law. The Ministry of Agriculture and Livestock shall be able to postpone/extend/delay up to eighteen (18) months the enforcement of section 9 for those seeds that it may deem necessary.

52. Adjectival section.

Law No. 20.247

Signed: Lanusse

Ernesto J. Lanusse
Ernesto J. Parrellada
