

## The Netherlands is the largest exporter of vegetative starter material worldwide

Dutch companies in the agricultural and horticultural sector are among the world's top. The Netherlands is therefore the largest exporter of vegetative starter material worldwide. This leading position can be attributed to good entrepreneurship and efficient policy of recent decades.

The Dutch agricultural and horticultural sector consists of more than 250 specialist breeding and propagation companies. They breed, produce and trade vegetative starter material. This means seeds, bulbs, tubers, cuttings and young plants for agriculture, food horticulture and ornamental plant cultivation. The companies develop more than 1,000 new plant varieties every year. These new varieties are of great value, because they contribute to more sustainable production, better quality products, less waste and more choice. The sector also makes an important contribution to social goals, such as food security, health and sustainability. In addition, the sector contributes to high-quality jobs. In the Netherlands, this sector employs approximately 14,000 mostly highly qualified people.

### MORE PROFIT THANKS TO GOOD SEED

Good vegetative starter material offers solutions for the entire chain. With clean and strong seeds, growers earn more because they can harvest more and more reliably, with lower input costs. With fruits, vegetables or flowers that have a longer shelf life, hauliers and supermarkets suffer less loss because they have to throw away less. Varieties that taste better and contain extra nutrients contribute to health. The economic contribution of good seed to the chain is therefore enormous. A kilo of good-quality tomato seed is worth more than 50,000 euros. All the resulting tomatoes yield a combined total of ten million euros for supermarkets and greengrocers. A Dutch tomato variety's journey from grower to supermarket illustrates how much chain parties can earn from good seed.



### STRONG EXPORT POSITION

Dutch companies develop varieties for all continents and climatic zones. They also produce for all types of growers, from large rose growers in Colombia, to small potato growers in Kenya and organic lettuce growers in California. In 2022, Dutch companies exported almost 4 billion euros and those exports continue to grow. The companies have branches in more than a hundred countries and collaborate with knowledge institutes at home and abroad.

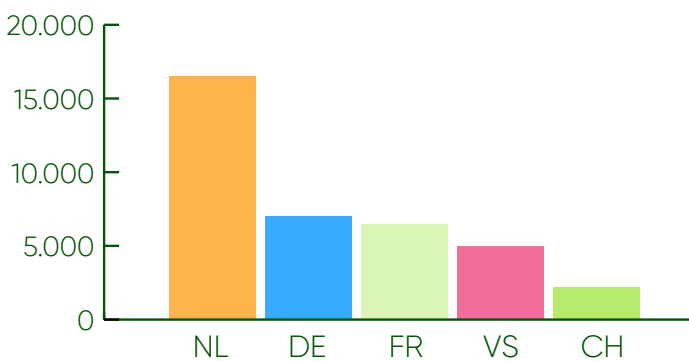
### SECTOR IS EXCEPTIONALLY INNOVATIVE

Because customers are placing increasingly higher demands on seeds and young plants, it is necessary for the sector to continue to innovate. Dutch companies invest an average of 15% of their turnover in research and development, and some even up to 30%. That is more than in all other sectors; the pharmaceutical industry, for instance, invests about 10% of its turnover in innovation. The fact that the Netherlands is a leader in the development of new plant varieties is also evident from the number of applications for breeders' rights, the intellectual property system, in this sector. More than 30% of European applications are submitted by Dutch breeders.



### APPLYING FOR BREEDERS' RIGHTS IN EUROPE

The Netherlands submits 45% of all applications for plant variety rights to the CPVO, making it the most active. France submits 18%, Germany 17% and Italy 6%, according to figures from the Community Plant Variety Office (CPVO) in 2021.



### USED TO INNOVATE

The Netherlands' expertise in the field of vegetative starter material is no coincidence. As early as 200 years ago, the first vegetable growers started selling improved seeds here, responding to the urbanisation of the Randstad conurbation. The former State Agricultural School in Wageningen started seed research as early as 1876. Since then, the government has invested heavily in plant research with major involvement from the business community. This collaboration between government and business also ensured the Netherlands was the first country to introduce a breeders' right, which is still operational, in 1941. The Netherlands is also a leader in the quality control of seeds and young plants.

### SMART POLICY AND VIABLE RULES NEEDED

Innovation policy is also important for the future.

This includes, among other things:

- Effective breeders' rights in the Netherlands and abroad.
- Good access to genetic resources based on clear rules.
- Transparency regarding the use of the latest breeding methods.
- Stimulation of research.
- Innovation and facilitating public-private partnerships.

Furthermore, effective rules and efficient government services are important everywhere, especially rules on plant health based on scientific facts. To ensure that the Netherlands maintains and further expands its leading position, Plantum remains committed to policies and rules that stimulate innovation and market access.