



COVERSHEET

Minister	Hon Dr Duncan Webb	Portfolio	Commerce and Consumer Affairs
Title of briefing	Plant Variety Rights scheme fees review 2022	Date to be published	1 March 2023

List of documents that have been proactively released		
Date	Title	Author
November 2022	Plant Variety Rights scheme fees review 2022: proposed fees	Office of the Minister of Commerce and Consumer Affairs
16 November 2022	DEV-22-MIN-0266 Minute of Decision	Cabinet Office
November 2022	Plant Variety Rights scheme fees review 2022: proposed fees – Cost Recovery Impact Statement	MBIE

Information redacted

YES

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below:

- Some information has been withheld for the reasons of legal professional privilege

Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

In Confidence

Office of the Minister of Commerce and Consumer Affairs

Cabinet Economic Development Committee

Plant Variety Rights scheme fees review 2022: proposed fees

Proposal

- 1 This paper seeks Cabinet's approval to amend the Plant Variety Rights (PVR) scheme fees as currently set out in the *Plant Variety Rights (Fees) Order 1999*.

Relation to government priorities

- 2 The proposed increase of fees for the PVR scheme is part of the new overall scheme that will be established with the passing of the *Plant Variety Rights Bill* (PVR Bill), currently at the Committee of the Whole House stage. The new fees will be set by regulations made under the new Act.

Executive summary

- 3 PVRs are granted under the *Plant Variety Rights Act 1987* (the Act). They are intellectual property rights which give plant breeders and variety owners exclusive rights over new varieties of plants for a limited time. The Plant Variety Rights Office (PVR Office), within the Intellectual Property Office of New Zealand (IPONZ) administers, evaluates, and grants PVRs.
- 4 IPONZ is globally recognised as one of the most innovative intellectual property systems. This is due to the synergies and economies of scale generated across the multiple types of Intellectual Property (IP), including trademarks, patents, designs, plant variety rights, and geographical indicators. This benefits all users of these regimes through lower staff and technology costs as well as associated fees for each regime, all of which would be higher if these different types of IP were stand-alone systems.
- 5 Following a review of the PVR scheme by the Ministry of Business, Innovation and Employment (MBIE), the PVR Bill was introduced to Parliament in May 2021 to align the scheme with international developments so that New Zealand can satisfy its obligations under trade agreements.
- 6 Agencies routinely review the level at which government sets fees and levies to minimise over or under recovery. However, the fees set for the PVR scheme have not been adjusted since 2002. This has led to an annual operating deficit of approximately \$0.956 million.
- 7 In April 2022, Cabinet approved public consultation on adjustments to the fee structure and levels [CAB-22-MIN-0117 refers]. Cabinet also approved reprioritisation of \$2.000 million over four years from the Commerce and Consumer Affairs: Official Assignee Functions departmental appropriation to ensure that the fee increase was balanced with the policy objectives of the

scheme over the shorter term **Legal professional privilege**

8 **Legal professional privilege**

9 Following MBIE's analysis of consultation submissions and recommendation to adjust the fee structure and levels, I propose:

9.1 In the case of the fee structure, that there be a single application fee (regardless of the plant variety), a single examination fee (regardless of the plant variety), and a change to the categories under which growing trial fees are grouped.

9.2 In the case of the fee levels, that the reprioritised Crown funding be spread over three years rather than the four initially agreed by Cabinet. This accounts for the transitional arrangements and the fact that fees will come into force half-way through this financial year. It also seeks to further mitigate the level of the fee increases in response to stakeholder concerns.

10 Subject to Cabinet decisions, the amended fees would be expected to come into force following the passage of the PVR Bill and the making of regulations under the new Act. The adjusted fee levels will apply to any application made following the implementation date. Any varieties which have been applied for or are already under trial or examination before that date will remain under the existing fee structure.

11 This adjustment of fees to partial cost recovery levels is an interim step. The intention is to return to full cost recovery, unless there is evidence to the contrary supported by an economic analysis of the PVR scheme. This will support future fees reviews of the PVR Scheme, which will be aligned with the wider review of the IPONZ fees and will be in place by 2025/26.

Background

12 The PVR Act provides for the granting of intellectual property rights, giving plant breeders or growers exclusive rights over their new plant varieties for a limited time. The grant of a PVR is intended to act as an incentive for domestic plant breeders to develop new varieties of plants, and for international plant breeders to permit availability of their plant varieties in New Zealand.

13 The PVR scheme established under the PVR Act is administered by the PVR Office in IPONZ, a business unit of MBIE. IPONZ grants and registers IP rights in New Zealand. This includes trademarks, patents, designs, plant variety rights and geographical indications. IPONZ also provide general information about non-registered IP including copyright.

- 14 IPONZ is globally recognised as one of the most innovative intellectual property systems. This is due to the synergies and economies of scale generated across multiple types of IP, which benefits all users of these regimes through the utilisation of a common technology platform. This drives down staff and technology costs as well as associated fees for each regime, all of which would be higher if these different types of IP were stand-alone systems.
- 15 Additionally, by uniting all IP types under one system, IPONZ allows for administrative consistency, which supports users who hold multiple IP rights across IP types. This helps to comprehensively safeguard New Zealanders' innovations and drive economic development.
- 16 New Zealand has international obligations to provide a scheme for granting intellectual property rights for new plant varieties.¹ The recently introduced PVR Bill extends these rights and aligns the scheme with the 1991 revision of the International Convention for the Protection of New Varieties of Plants (UPOV 91).²
- 17 The fees set for the PVR scheme have not been adjusted since 2002. This has led to an annual operating deficit of approximately \$0.956 million.
- 18 The cost to maintain a viable PVR scheme in New Zealand is \$1.394 million annually, based on current application and renewal volumes and a minimum viable staffing level. As part of the current review of the PVR Act, the PVR Office commenced a review of the fees charged under the PVR scheme.
- 19 Following Cabinet approval [CAB-22-MIN-0117 refers], MBIE commenced public consultation on proposed changes to the PVR fee structure, as well as increased fee levels.
- 20 Twelve written submissions were received, and officials engaged with a variety of stakeholders about the proposals. The feedback has been used to inform the final proposals outlined below.
- 21 This fees review is an interim step to manage the deficit of the PVR Office,
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- 22 Given the continued low volumes of the scheme, there are concerns about feasibility of full cost recovery for the scheme, and submitters stated that the scheme provides aspects of public good, which contribute to the wider New Zealand economy.
- 23 Following the fees review, an economic analysis of the PVR scheme will be completed to determine whether full cost recovery is viable for the scheme or whether there is a case for change to a different model of funding. This will be

¹ World Trade Organization Agreement on Trade Related Aspects of Intellectual Property Rights.

² The International Union for the Protection of New Varieties of Plants (UPOV) is an intergovernmental organisation based in Geneva, Switzerland. UPOV was established in 1961 by the International Convention for the Protection of New Varieties of Plants. UPOV 91 strengthens breeders' rights with the aim of increasing innovation in plant breeding.

incorporated into a further review of all intellectual property fees before 2025/26.

Proposed changes to the fee structure and levels

Fee structure

- 24 I propose making the following changes to the fee structure:
- 24.1 changing from different application fees depending on variety to a single application fee, regardless of plant variety;
 - 24.2 changing from different examination fees depending on variety to a single examination fee, regardless of plant variety;
 - 24.3 changing the categories of plant variety types for growing trial evaluation fees; and
 - 24.4 adding an application for cancellation or nullification fee and a request for hearing fee to recognise the new processes that will be created by the PVR Bill currently before the House.
- 25 These changes create certainty for applicants and simplify the administration of the scheme, which is consistent with the PVR Bill. Legal professional privilege
- [REDACTED]
- The updated categories also allow costs to be grouped in a manner that increases transparency about which service each fee covers.
- 26 The updated categories of plant varieties for the growing trial fees were defined based on the plant species, testing requirements and type of propagation. Feedback from consultation affirmed this approach. The proposed categories are:
- 26.1 agriculture and vegetable varieties (with sub-categories for seed propagated varieties and vegetatively propagated varieties);
 - 26.2 fruit and nut varieties (with strawberries separated from other varieties);
 - 26.3 ornamental varieties (with roses separated from other varieties);
 - 26.4 grasses and clover varieties; and
 - 26.5 other plant varieties including grass endophytes, fungi and algae.
- 27 The discussion document proposed two further changes to the fee structure: a tiered renewal fee and direct charging applicants for costs.
- 28 The tiered renewal fee was based on the approach of other intellectual property schemes to incentivise rights holders to surrender their rights if they are no longer receiving a benefit from them.

- 29 As it relates to tiered renewal fees, feedback from consultation suggested that PVRs are different to other intellectual property rights. Most submitters preferred a flat renewal fee, even though that may be higher in the first few years after the grant of the PVR than a tiered renewal fee. In addition, a tiered renewal fee is more administratively burdensome for the PVR Office, and the transitional arrangements would be more complex. Therefore, I propose to maintain the status quo of a flat annual renewal grant fee.
- 30 Direct charging applicants for costs incurred at their request has been removed from the final proposed fee structure as a result of feedback from submitters and further analysis on alignment with specific charging provisions within the PVR Bill.

Fee levels

- 31 The cost model used to set the proposed fee levels for consultation was developed on the basis that a level of the total cost was funded from \$2.000 million reprioritised Crown funding over a period of four years. This interim funding was agreed by Cabinet to mitigate the impact of fee increases on users and balance this with the policy objectives of the PVR scheme [CAB-22-MIN-0117 refers].
- 32 Upon further review to take into account the transitional arrangements for implementation of the new fees and that the fees will come into force halfway through the financial year, I am proposing to allocate the \$2.000 million of reprioritised Crown funding over three years rather than four. This allows for front loading of the funding in 2022/23 to \$0.800 million and \$0.600 million per annum for the following two years.
- 33 There are two reasons for reallocating the interim Crown funding over three years instead of four:
- 33.1 **Legal professional privilege** [REDACTED]
- 33.2 This proposal also addresses stakeholder feedback from consultation about the level of fee increases. Most written submissions (70 per cent) expressed concern about the proposed increases. Submitters noted the need to account for the impacts and disruptions on businesses caused by COVID-19 and other rising business costs. They also raised the possibility that a rise in fees could reduce application numbers, further increasing cost pressures on the scheme. Additional funding further mitigates the increase in fees.
- 34 Table 1 below outlines how the interim Crown funding will be spread across the scheme in the three and four-year options, and the differing impact on annual surplus and deficit positions. A subsequent fees review is planned, and it is expected that fees will be adjusted again before 2025/26. Treasury

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has been consulted and confirmed they have no issues with the proposed three-year option.

Table 1: Impact of interim Crown funding on PVR scheme in three and four-year scenarios

\$m				
3-year option <i>Preferred option</i>	2022/23	2023/24	2024/25	2025/26
Expenses	1.394	1.394	1.394	1.394
Revenue - fees	0.611	0.799	0.809	0.809
Revenue - Crown	0.800	0.600	0.600	-
Surplus / (deficit)	0.017	0.005	0.015	(0.585)
4-year option <i>Original option</i>				
Expenses	1.394	1.394	1.394	1.394
Revenue - fees	0.659	0.906	0.917	0.917
Revenue - Crown	0.500	0.500	0.500	0.500
Surplus / (deficit)	(0.235)	0.012	0.023	0.023

35 Table 2 below shows the total fees which may be payable by applicants throughout the life of a PVR application: an application fee, a growing trial fee, and an examination fee. The table shows the total fee payable for an example variety from each category for the status quo, and partial cost recovery over four and three years, as well as the percentage increase.³

Table 2: Comparison of total fees (GST exclusive)

Example variety	Status quo	Partial cost recovery + interim Crown funding spread over four years	Partial cost recovery + interim Crown funding spread over three years
		<i>Original option</i>	<i>Preferred option</i>
Agricultural variety (seed-propagated)	\$5,700	\$9,815 (72%)	\$9,795 (72%)
Fruit or nut variety (not strawberries)	\$1,300	\$3,595 (177%)	\$1,925 (48%)
Ornamental variety (not roses)	\$1,030	\$2,895 (181%)	\$1,705 (66%)
Grass variety	\$6,980	\$13,995 (101%)	\$10,415 (49%)

³ Agricultural and grass varieties are based on two years of growing trials, as this is the ordinary practice.

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- 36 Additional comparisons of the proposed and current fees can be found in Appendix One.
- 37 Based on the preferred option with interim Crown funding spread over three years, table 3 below shows the proposed fees.

Table 3: Proposed fees (GST exclusive)

Fee type	Proposed fee (GST exclusive)
Application	\$625
Examination	\$770
Growing trials (per year of trial)	
Agriculture and vegetable crops	
- Seed propagated varieties (cereals, peas, forage)	\$4,200
- Vegetatively propagated varieties (potatoes, hops)	\$2,800
Fruit and nut	
- Strawberry varieties	\$290
- Other varieties – year 1	\$530
- Other varieties – subsequent years	\$700
Ornamentals	
- Rose varieties	\$130
- Other varieties – year 1	\$310
- Other varieties – subsequent years	\$450
Grasses, white clover	\$4,510
Other plant varieties including grass endophytes, fungi, and algae	\$2,800
Other fees	
Annual grant fee	\$385
Compulsory licence application	\$1,000
Cancellation or nullification application	\$350
Request for hearing	\$850

Outcome of public consultation

- 38 Following Cabinet's agreement to release the *Review of Plant Variety Rights Fees Discussion Document* (Discussion Document) [CAB-22-MIN-0117 refers], the document was sent to stakeholders and publicly released on MBIE's website on 13 April 2022.⁴
- 39 Consultation closed on 20 May 2022. MBIE received 12 written submissions from a range of stakeholders, including plant breeders, growers, industry groups and other interested parties (such as intellectual property law firms). In addition to the written submissions process, officials engaged with stakeholders through several meetings and a virtual discussion session.
- 40 A full summary of the written submissions and MBIE's response to them can be found in Appendix Two. Several of the submissions were made on behalf of industry groups and represented more than one member's views. For the purpose of analysis, they have been represented as one submission.
- 41 Written submissions expressed similar concerns as those raised by stakeholders during the virtual discussion session (also included in Appendix Two), namely, that increased fees will impact PVR holders' businesses. Ten of the twelve submissions included general comments, and the majority of these (70 per cent) did not support the fee proposals.
- 42 Several submissions highlighted that innovation in plant breeding is key to success in primary industries and that the PVR scheme should actively support innovation and investment. This was emphasised in relation to wider government policy around the environment and primary industries. Submitters expressed concerns that focusing on cost recovery and a user-pays model does not reflect the economic growth stimulated by plant breeding, plant production and protected varieties.
- 43 Several submitters stated that the proposed fees were not in line with overseas jurisdictions. Some smaller to medium sized enterprises thought that the proposed fees were higher than other plant variety offices internationally. Others stated that it is not the fault of the industry that fees have not been reviewed in 20 years, and therefore the increase in fees should be fair or not increased at all.
- 44 Finally, some submissions stated that the Māori Plant Varieties Committee should be Crown funded, and that Crown funding for the scheme in general should be increased.
- 45 In response to the specific questions in the Discussion Document, most submitters generally agreed with the approach to the modernised fee structure and proposed fee categories.

⁴ New Zealand Intellectual Property Office. (2022, May 17). *Review of Plant Variety Rights Fees Discussion document*. Ministry of Business, Innovation and Employment. <https://www.mbie.govt.nz/dmsdocument/19875-review-of-plant-variety-rights-fees-discussion-document>.

Response to submissions

- 46 I recognise that businesses have been impacted by COVID-19 and other business costs; this must be balanced with the need to adjust fees to account for the costs of running the PVR scheme. The proposed three-year (rather than four-year) option for interim Crown funding allows for increased funding per annum to further mitigate the impact of fee increases.
- 47 I agree that innovation in plant breeding is crucial for the environment, primary industries, and other areas of the economy. The final proposed fees reflect a balance between achieving these policy objectives and ensuring the continued integrity, operation, and maintenance of the PVR scheme in New Zealand. The change to the three-year option provides a clear signal to users that concerns raised in submissions have been heard and addressed as far as currently possible.
- 48 Regarding the comparison to overseas jurisdictions, table 4 below compares the total cost of obtaining a PVR in New Zealand with several other countries. The total fee was calculated by adding the application and examination fees, as well as any certification fees.⁵ All fees have been converted to their equivalent in New Zealand Dollars (NZD).

Table 4: Comparison of proposed fees to other countries

	NZ (proposed)	Australia	Canada	European Union	Japan	United Kingdom	United States of America
Total cost to obtain PVR	\$1,395	\$2,495	\$1,510	\$4,354	\$641	\$1,726	\$8,059
Annual renewal fee	\$385	\$434	\$362	\$536	\$434	\$345-\$808 (depending on crop type)	N/A
Number of applications (A) & renewals (R) received annually	A: 94 R: 1,278	A: 316 R: 2,768	A: 338 R: 1,995	A: 3,427 R: 29,010	A: 713 R: 8,299	A: 130 R: 1,166	A: 444 R: 8,310

- 49 This analysis does not include the cost of growing trials as the testing arrangements in other countries range from broad centralised systems only, to the breeder carrying out all testing. New Zealand is quite unusual in that it operates a mixed system with centralised testing for some species and

⁵ Many jurisdictions charge applicants for the grant of a PVR once their application is successful, therefore increasing the amount the applicant must pay for a successful PVR, as well as the amount the relevant authority is able to recover.

breeder testing for others, with arrangements in between. New Zealand's arrangements reflect the small number of providers available to complete testing in New Zealand, the technical skills and resources required and an expectation from the industry that the PVR Office undertake this activity

- 50 Where the cost of obtaining or renewing a PVR is lower than New Zealand, this is primarily due to the higher volume of applications and renewals in that country. For example, the cost to renew a PVR in Japan is much lower than in New Zealand, but the total volume of applications and renewals is higher, thereby providing economies of scale.

Implementation

- 51 Subject to Cabinet decisions, the amended fees would be expected to come into force following the passage of the PVR Bill and the making of regulations under the new Act. The fee increases would be incorporated into the new regulations and promulgated following them.
- 52 The adjusted fee levels will apply to any application made following that date. Any varieties which have been applied for or are already under trial or examination before that date will remain under the existing fee structure.
- 53 For renewals, the first renewal of an existing PVR after the implementation date will be the current renewal fee. Following that, subsequent renewals will be charged at the level of the new fee. This will enable businesses to plan for the increased renewal fee.

Financial implications

- 54 In April 2022, Cabinet agreed to reprioritise \$2.000 million of the forecast \$4.627 million underspend of the COVID-19 Response and Recovery Fund (CRRF) in the Official Assignee appropriation [CAB-22-MIN-0117 refers]. The aim of this reprioritisation was to mitigate the impact of fee changes on users, by allowing fees to be increased to partial cost recovery levels over the next three years as officials undertake further work to understand the public good benefits of the scheme.
- 55 The fees structure proposed in the Discussion Document reflected the \$2.000 million of Crown funding applied across four years (\$0.500 million annually) applied to the total cost of the PVR scheme.
- 56 The revised proposed fee structure in paragraph 32 (table 3) has applied \$0.800 million of Crown funding to the overall cost of the scheme in 2022/23 and \$0.600 million each in 2023/24 and 2024/25. This change is in response to consultation feedback from stakeholders and to minimise the risk of further deficits being incurred in 2022/23 and outyears.
- 57 Accordingly, agreement to the proposed fee structure requires a reallocation of \$0.500 million Crown funding from 2025/26 as follows: \$0.300 million in 2022/23 and \$0.100 million in each of 2023/24 and 2024/25. Legal professional privilege

Legal professional privilege

58 Legal professional privilege

59 Legal professional privilege

60 A fees review will be conducted in 2024/25, so new fees can be introduced before 2025/26.

Legislative implications

61 PVR fees are currently prescribed in the *Plant Variety Rights (Fees) Order 1999*. Subject to the passage of the PVR Bill, this will be replaced by regulations under the new PVR Act. The fees will be part of the new regulations.

Impact analysis

Regulatory Impact Statement

62 The regulatory impact analysis requirements apply to the proposals in this paper. A Cost Recovery Impact Statement (CRIS) has been prepared. This is attached as Appendix Three.

63 MBIE's Regulatory Impact Analysis Review Panel has reviewed the attached CRIS. The Panel considers that the information and analysis summarised in the CRIS meets the criteria necessary for Ministers to make informed decisions on the fee proposals in this paper.

Climate Implications of Policy Assessment

64 The Climate Implications of Policy Assessment (CIPA) team has been consulted and confirmed that the CIPA requirements do not apply to this proposal as there is no direct emissions impact.

Population implications

65 There are no significant population implications in this proposal.

Human rights

66 There are no human rights implications in this proposal.

Consultation

67 The Treasury and the Ministry for Primary Industries have been consulted on these proposals and agree with the recommendations.

68 The Department of Prime Minister and Cabinet has been informed.

Communications

69 Subject to decisions being approved by Cabinet, all users of the PVR scheme will be contacted to advise them of changes to the fees.

Proactive release

70 This paper, including the summary of submissions and the CRIS set out in Appendices Two and Three, will be proactively released within 30 business days of decisions being confirmed by Cabinet.

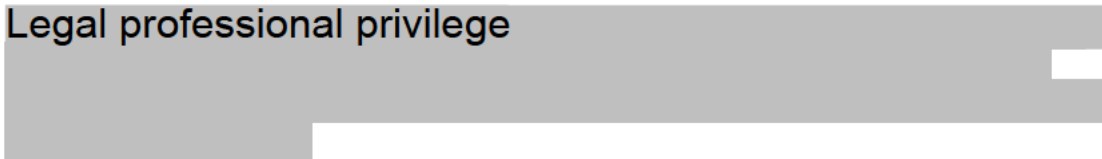
Recommendations

The Minister for Commerce and Consumer Affairs recommends that the Committee:

- 1 **note** that the Ministry of Business, Innovation and Employment consulted on proposed changes to PVR fees in April and May 2022;
- 2 **agree** that the fee structure for PVR fees be changed so that there is:
 - 2.1 a single application fee, regardless of plant variety
 - 2.2 a single examination fee, regardless of plant variety
 - 2.3 the following categories for growing trial fees:
 - 2.3.1 agriculture and vegetable varieties (with sub-categories for seed propagated varieties and vegetatively propagated varieties);
 - 2.3.2 fruit and nut varieties (with strawberries separated from other varieties);
 - 2.3.3 ornamental varieties (with roses separated from other varieties);
 - 2.3.4 grasses and clover varieties; and
 - 2.3.5 other plant varieties including grass endophytes, fungi and algae.

2.4 a cancellation or nullification application fee and request for hearing fee to recognise the new processes created in the proposed PVR Bill.

3 **Legal professional privilege**



4 **agree** that a reallocation of \$2.000 million interim Crown funding from four years to three years would lessen the impact of increased fees on users and reduce a deficit impact on the memorandum account and be reflected in the proposed fees in recommendation 5;

5 **agree** that the fees payable by users of the PVR scheme will be as follows:

Fee type	Proposed fee (GST exclusive)
Application	\$625
Examination	\$770
Growing trials (per year of trial)	
Agriculture and vegetable crops	
- Seed propagated varieties (cereals, peas, forage)	\$4,200
- Vegetatively propagated varieties (potatoes, hops)	\$2,800
Fruit and nut	
- Strawberry varieties	\$290
- Other varieties – year 1	\$530
- Other varieties – subsequent years	\$700
Ornamentals	
- Rose varieties	\$130
- Other varieties – year 1	\$310
- Other varieties – subsequent years	\$450
Grasses, white clover	\$4,510
Other plant varieties including grass endophytes, fungi, and algae	\$2,800
Other fees	
Annual grant fee	\$385
Compulsory licence application	\$1,000
Cancellation or nullification application	\$350

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Request for hearing	\$850
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- 6 **agree** that the adjusted fee levels will apply to any application made following the implementation date of the new fees and the first renewal of an existing PVR after the implementation date will be the current renewal fee, with subsequent renewals be charged at the level of the new fee;
- 7 **approve** the following changes to appropriations to give effect to the policy decision in recommendation 4 above, with no corresponding impact on the operating balance and net debt;

Vote Business, Science and Innovation Minister of Commerce and Consumer Affairs	\$m – increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & outyears
Commerce and Consumer Affairs: Registration and Granting of Intellectual Property Rights (funded by revenue Crown)	0.300	0.100	0.100	(0.500)	-
Commerce and Consumer Affairs: Registration and Granting of Intellectual Property Rights (funded by revenue other)	(0.300)	(0.100)	(0.100)	0.500	-

- 8 **agree** that the proposed changes to the appropriation for 2022/23 above be included in the 2022/23 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply;
- 9 **note** that these changes are an interim measure, with a subsequent fees review on the wider Intellectual Property regime to be undertaken before 2025/26;
- 10 **invite** the Minister of Commerce and Consumer Affairs to issue drafting instructions to the Parliamentary Counsel Office to give effect to recommendations 2 and 5 above;
- 11 **authorise** the Minister of Commerce and Consumer Affairs to make decisions on any minor or technical matters that may arise during the drafting process;
- 12 **note** that, subject to any redactions as appropriate, this paper, the summary of submissions, and the Cost Recovery Impact Statement will be proactively released on MBIE’s website within 30 business days of Cabinet’s approval; and

- 13 **note** that the Minister of Commerce and Consumer Affairs will seek final approval of the regulations incorporating the increased fees from the Cabinet Legislation Committee following the passage of the PVR Bill.

Authorised for lodgement

Hon Dr David Clark

Minister of Commerce and Consumer Affairs

Appendices

Appendix One: Comparison of proposed and current fees

Appendix Two: Summary of submissions and virtual discussion session

Appendix Three: Cost Recovery Impact Statement

Appendix One: Comparison of Proposed and Current Fees

Comparison of Proposed and Current Fees			
Type of Fees	Proposed fee	Current fee	Change
Applications			
Herbage, agriculture, vegetable and fungi	\$625	\$500	\$125
Fruit and nut		\$500	\$125
All other plants		\$350	\$275
Applications made but later withdrawn (no refund)		\$500	\$125
Examinations			
Agriculture and vegetable crops	\$770	\$600	\$170
Fruits and nuts		\$300	\$470
All other plants (incl Ornamentals)		\$230	\$540
Growing trials by PVRO			
Agriculture and vegetable crops			
- seed propagated varieties (cereals, peas, forage)	\$4,200	\$2,300	\$1,900
- vegetatively propagated varieties (potatoes, hops)	\$2,800	\$1,600	\$1,200
Fruit and nut			
- strawberry varieties	\$290	\$500	-\$210
- all other varieties- year 1	\$530	\$500	\$30
- all other varieties- subsequent year annual charge	\$700	\$500	\$200
Ornamentals			
- roses	\$130	\$450	-\$320
- all other varieties- year 1	\$310	\$450	-\$140
- all other varieties- subsequent year annual charge	\$450	\$450	\$0
Grasses, white clover	\$4,510	\$3,200	\$1,310
Grass endophytes, fungi	\$2,800	\$1,500	\$1,300
Annual grant fee			
Single Annual Grant Fee	\$385	\$160	\$225
Other fees			
Compulsory license application	\$1,000	\$600	\$400
Cancellation or nullification of application	\$350	N/A	
Request for hearing	\$850	N/A	