



## **“The voice of SMEs in Europe”**

### **Press Release**

FOR IMMEDIATE ISSUE

#### **Plant protection products rules should foster fair conditions for SME producers**

- **Data disclosure should become compulsory**
- **Patent protection period should last no longer than 5 years**

**Brussels, 4 May 2006.** The ongoing revision of the EU legislation on active substances and plant protection products (1) is a chance that cannot be missed to create fair conditions for SME producers of chemicals, according to UEAPME, the European SME employers' organisation. The amended legislation should introduce legal obligations on data disclosure, and proposals for an extended protection period for patented substances should be scrapped.

“SMEs in the chemical sector tend to produce mainly off-patent, ‘generic’ substances”, explained **Guido Lena**, UEAPME Director of Environmental Policy. “In order to keep their licenses, they need to provide authorities with a detailed dossier on the properties of the active substance they manufacture. These data often belong to big multinationals, which so far have frequently chosen not to disclose them or to set their price at an unapproachable level for SME producers.”

“We strongly support the introduction of a compulsory data-sharing rule in the revised legislation to redress this imbalance”, continued Mr Lena. “This is in line with other pieces of EU legislation on chemicals, such as REACH, where this principle is clearly endorsed. Our members are ready to pay a fee for data disclosure, as we understand the underlying costs of obtaining those data in first place. However, such prices should be set in a fair, proportionate, and equitable manner.”

In a recent position paper (2), UEAPME warned that the current situation is discouraging for SMEs, which are suffering an inevitable reduction in their product catalogues with a consequent decrease in profitability. Workforce is lost due to a *de facto* oligopoly on a whole set of chemical substances, on which SMEs cannot obtain information from big producers. In many cases, small companies end up closing because of the existing state of affairs.

“We call on the other DGs of the European Commission to re-think DG SANCO’s wording during the ongoing inter-service consultation on the revised draft. The text, as it stands, goes against fair competition in the EU internal market and does nothing to address a serious threat to SME ‘generic’ producers, ultimately leading to more market distortions and to disadvantages for consumers”, concluded Mr Lena.

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(1) Council Directive 91/414/EEC of 15 July 1991 concerning the placing of plant protection products on the market

(2) [http://www.ueapme.com/docs/pos\\_papers/2006/060405\\_RevisionDirect91.414Comments.pdf](http://www.ueapme.com/docs/pos_papers/2006/060405_RevisionDirect91.414Comments.pdf)

**EDITORS' NOTE:** UEAPME is the employer's organisation representing crafts, trades and SMEs from the EU and accession countries at European level. UEAPME has 78 member organisations, which represent crafts and SMEs across Europe, covering over 11 million enterprises with 50 million employees. UEAPME is a European Social Partner.

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