

Addendum II

The European seed industry – some basic facts and figures

The European seed industry is a highly innovative R&D-based business with an average R&D ratio of around 15% of its annual turnover of approx. 6.5 billion Euro. With that, the EU market not only represents more than 20% of the total worldwide market for commercial seed which is valued at around 30 billion Euro. As regards international trade, it also is the most important plant breeding and seed production region in the world with an estimated export value of 2.7 billion Euro representing more than 60% of the total worldwide export value of 4.4 billion Euro. The Netherlands, France and Germany are respectively ranked second, third and fourth of exporting countries; the turnover of their seed exports alone is more than double the value of the export turnover of the United States.

At the same time, Europe's plant breeding companies have a strong culture and history of cooperation and nearly all companies are active in many different parts of the world, thus making this industry a truly international one.

The farm gate value of agricultural food and feed products resulting from seed inputs is known to be multiple times the seed value. This clearly indicates the important role and impact of the seed industry for the competitiveness of the whole agri-food chain in the European Union. The new challenges Europe's farming community is facing (bio-energy, bio-pharmaceuticals etc.) will only further accentuate and increase this importance.

The European seed industry is characterized by its large number of small and medium sized companies (SMEs). Furthermore, most of the jobs in the seed sector are based in rural areas and thus have a distinct impact on their economic capacity and attraction to other businesses, in particular in the agri-food chain, as well as their overall quality of life; the seed industry therefore also has an important role to play in the EU's policy of strengthening and diversifying the economic base of agricultural areas.

Due to its high R&D dependence, an unusual large share of employees are high level educated researchers with various scientific backgrounds, mainly in plant breeding, bio(techno)logy, chemistry, agriculture and other natural sciences. Breeding is truly a cutting edge technology using the latest scientific advances in all related sciences and technologies. It is therefore an important and indispensable element of Europe's strategy to develop the knowledge-based bio-economy of the 21st century.