

PUBLIC NOTICE

INVITATION TO PRESENT AN EXPRESSION OF INTEREST FOR THE ACQUISITION OF AN EXCLUSIVE LICENSE AGREEMENT FOR MULTIPLICATION AIMED TO MARKETING OF THE DIOECIOUS INDUSTRIAL HEMP VARIETY CALLED 'ASSO'

Aim of the present Notice

Invitation open to Companies/Temporary Associations between Companies, to express an expression of interest (EoI) aimed at the acquisition of an exclusive license agreement for the multiplication rights in the territory of the European Union of the dioecious industrial hemp variety called 'Asso' (SIAN code n. 7973, D.M. n. 7887 - 5/4/2016), and for the rights of its marketing in all the Countries adhering to the OECD Seed Certification rules, specifically for the species group "*Crucifers and other oil or fiber species*".

The technical/descriptive features are reported in detail in the form attached to this Notice (**Annex A**). Companies/Temporary Associations between Companies interested in obtaining the exclusive license agreement are invited to present an expression of interest within the deadline and according to the formalities listed below.

It is specified that this Notice does not constitute an offer to the public pursuant to art. 1336 of the Italian Civil Code, nor a request for investment pursuant to articles 94 and following of Italian Legislative Decree 24/2/1998, n. 58 and subsequent amendments, but a simple market survey, which does not result in any obligation for the Authority to provide information about the outcome of offers, nor any obligation to stipulate.

Modalities of presentation

The expression of interest must be received in writing, by certified e-mail (ci@pec.crea.gov.it), or registered letter with return receipt, **no later than h 12.00 (noon) on March 19, 2021**. The EoIs received after the deadline indicated above will not be taken into consideration. In the case of delivery by registered letter with return receipt, the date of dispatch by postmark does not apply for validity of the respect of the deadline.

The subject of the certified email (PEC) must be the following: "*Expression of interest hemp variety called 'ASSO'*". In the case of postal delivery, the EoI, inserted in a sealed envelope bearing the words "*Expression of interest hemp variety called 'ASSO'*", must be addressed to:

CENTRO DI RICERCA CEREALICOLTURA E COLTURE INDUSTRIALI

Via di Corticella, 133 - 40128 BOLOGNA (BO)

The expression of interest must be written in Italian or English, using only the forms attached to this Notice (**Annex B**). It must be signed by the legal representative of the Company/Temporary Association between Companies, and sent together with a photocopy of a valid identity document of the subscriber.

CREA - Centro di ricerca Cerealicoltura e Colture Industriali
CREA - Research Centre for Cereal and Industrial Crops

S.S. 673 - km 25,200 - 71122 Foggia Sede amministrativa
Via Stezzano, 24 - 24126 Bergamo
Via di Corticella, 133 - 40128 Bologna
Viale G. Amendola, 82 - 45100 Rovigo
S.S. 11 per Torino km 2,5 - 13100 Vercelli
Via Torrino, 2 - 81100 Caserta
Corso Savoia, 190 - 95024 Acireale (CT)

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T +39 0823 256201
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The expression of interest must contain the following information:

- a) personal data of the bidder indicating the company name, registered office, tax code, VAT number, the name of the subject with powers of representation, certified e-mail address where to receive subsequent communications. In the case of a Temporary Association between companies, a copy of the deed constituting the same;
- b) a brief report, on the headed paper (to add to the Annex B), of the experience acquired and the business of the company in the oil and fiber seed sector, in the multiplication and marketing of plant varieties, with a focus on the hemp sector;
- c) the development and dissemination plan that is intended to be implemented for the period of the first five years (with an indication of the tons of certified seed that is expected to be sold annually), also illustrating the promotional, valorisation and control actions. It should be noted that the years of certification to be considered for the Development Plan will necessarily be the following: 2021, 2022, 2023, 2024, 2025, from the respective sowing campaigns 2021/2022, 2022/2023, 2023/2024, 2024/2025, 2025/2026. This plan can be formulated considering that the CREA-CI will supply, at the time of stipulation of the license agreement, 100 kg of seed of pre-basic (PB5G) category;
- d) economic offer *una tantum* (entry fee) for the acquisition of an exclusive license agreement for the multiplication rights in the territory of the European Union of the dioecious industrial hemp variety called 'Asso' not lower € 25.000 (twenty five thousand EUR) VAT excluded;
- e) economic offer (annual fee) not lower € 10.000 (ten thousand EUR) VAT excluded;
- f) economic offer (royalties), with different values by category of certified seed, and not lower to the amounts indicated in the section '**Contractual terms and conditions**';
- g) declaration of acceptance of revision of the development and dissemination plan for the five year period following the first one, with written documents supplementing the license agreement;
- h) declaration of acceptance of the development and dissemination plan as a minimum quantity of certified seed on which to apply the fee (royalties);
- i) declaration of acceptance of the revaluation of royalties starting from the 5th year of application of the license agreement, and every 5 years, in an amount not less than the sum of the ISTAT average inflation rate of the previous five-year period;
- j) declaration of acceptance of any other subject delegated by the CREA as the person in charge of collecting the fees due by the licensee, including both documentary and accounting controls, both in field and warehouse, that could be requested;
- k) declaration of acceptance to reimburse to the CREA all costs for the release of CPVO application and annual cost for its renewal for the duration of licence agreement;
- l) declaration of being in possession of authorization (to add to the Annex B) to carry out the activity as seed company, with specific reference to the group of species of oil and fiber plants. In the case of Temporary Associations between Companies, if none of the companies grouped (agent and principals) in this legal form were in possession of such authorization, the development plan, referred to in point c) above, must be accompanied by a specific guarantee (as a preliminary agreement of seed multiplication, letter of support) with a seed company authorized to carry out the seed activity with specific reference to the group of species of oil and fiber plants, from which it can be deduced the intention of the full implementation of the proposed plan;

- m) declaration of commitment to allocate an adequate share of seed for marketing on the Italian territory, based on the needs of the national market, ensuring equal access for the final operator;
- n) declaration of commitment to multiply seed exclusively in the territory of European Union;
- o) declaration of commitment to market seed exclusively in the Countries that adhere to the OECD Seed Certification rules, specifically for the species group "*Crucifers and other oil or fiber species*";
- p) declaration of acceptance of the early termination of the license agreement in the event of failure to comply with the contractual clauses, and in particular those relating to the payment of royalties and the achievement of the development and dissemination plan, this understood as minimum quantities for the payment of royalties;
- q) declaration of not being defaulters in compliance of previous license agreements stipulated with CREA/CRA, and/or with another subject delegated by CREA/CRA, and in particular declaration of do not be defaulting about payments of sums already invoiced for any reason by the CREA/CRA, and/or by another subject delegated by the CREA/CRA;
- r) declaration of not being in a state of bankruptcy, liquidation, administration, arrangement with creditors, and also:
 - not to be subjected to interdictive capacity measures to contract with the Public Administration;
 - to be in the conditions of regular social security and welfare contributions to employees according to the legislation in force.

Modality of choice of Contractors

The expressions of interest received as a result of this notice will be evaluated by a Technical Commission appointed with a specific decision of the Director of the Research Centre for Cereal and Industrial Crops. Offers that will not contain all the information and declarations requested above from points a) to r), will be excluded from the evaluation.

In the case of comparable offers, while guaranteeing impartiality and transparency, the most profitable offers and the most promising and well-founded development plans will be selected at the discretion of the Commission, without prejudice to an adequate level of reliability of the contracting power, evaluated on the basis of information provided.

Companies/Temporary Associations between Companies that are in the conditions of art. 53, comma 16-ter, of D.Lgs. n. 165/2001, cannot participate to the present notice.

Contractual terms and conditions

The contractual territory for the multiplication of the dioecious industrial hemp variety called 'Asso' is that of the European Union, with the possibility of marketing in all the Countries adhering to the OECD Seed Certification rules, specifically for the species group "*Crucifers and other oil or fiber species*".

The duration of the license agreement will be of 15 years.

The license agreement will contain the development and dissemination plan for the first 5 years, as presented at the time of the offer.

CREA will punctually examine the progress of compliance with the envisaged contractual conditions, in particular with regard to compliance with the development and dissemination

plan and the established payment terms, reserving the right to assess, in case of default, the appropriate actions including unilateral advance resolution of the license agreement.

CREA reserves the right not to consider offers that provide for a royalty lower than in the following table, calculated on the globality of the quantity of certified seed annually, including the quantity produced by any sub-licensees, net of documented stocks, as it will be shown by the data provided by the certifying body of the seed sector (in Italy, CREA-DC):

| Seed category | Royalties (% on the annual sales) | | |
|-------------------|-----------------------------------|--------------------------------------|--------------------------|
| | Group 1 (≤ 10 t/y) | Group 2 (> 10 t ≤ 20 t/y) | Group 3 (> 20 t/y) |
| Pre-basic / Basic | 8 | 7 | 6 |
| Certified | 6 | 5 | 4 |

The aforementioned % of royalties by groups are intended to be applied progressively by single group. Therefore, it will not be possible to apply the royalties of group 2 without having first calculated, for the quantities established in the table, those to be attributed in group 1, to which they will be added; as well as the royalties of group 3 must be applied, only after having calculated, for the quantities established in the table, those to be attributed in groups 1 and 2, to which they will be added

In case of comparable offers, the one sent in reply to the present notice could constitute the basis for a further restricted negotiation.

All other terms of a possible license agreement will be subject to negotiation between the Parties.

Privacy disclaimer

Personal data is processed in accordance with and for the purposes of the provisions of the General Data Protection Regulation n. 679/2016 – GDPR (**Annex C**), exclusively for the purposes of this notice as read and understood.

Information

This Public Notice is published on the institutional website (www.crea.gov.it), in its Section "Amministrazione trasparente", in the category "Atti relativi ai contratti attivi di valorizzazione della proprietà intellettuale dell'Ente".

For more information it can be contacted the Research Centre for Cereal and Industrial Crops, (Parisi Bruno, 051/6316824, bruno.parisi@crea.gov.it).

Signed by the Director
(Prof. Nicola Pecchioni)

Short description of the hemp variety 'ASSO'



Dioecious industrial hemp (*Cannabis sativa* L.) variety, registered in the Italian National Catalogue, for spring-summer sowing and medium-late growing cycle with high plant height (350-400 cm) and high adaptability to all hemp growing environments in the Northern Italy. 'Asso' shows good tolerance to plant lodging and its grain yield is around 500-600 kg/ha and for stalk yield is around 15-16 t/ha. The biomass production is over 50 t/ha and for blast fiber is around 3 t/ha.

Thousand Kernel Weight: 17-19 g

Blast fiber content: 18-19% d.w.

Cannabinoids content: THC <0,2%, CBD 2-4% d.w.

End uses: blast fiber, woody core, hurds (shives), seeds

Main supply chain sector: textiles, technical textiles, paper, building materials, food & feed, personal hygiene

Ministerial decree of registration: n. 7887 | April 5, 2016

Official journal (G.U.) of publication: n. 92 | April 20, 2016

SIAN code: 7973

Responsible for conservation in purity of the variety:

Research Centre for Cereal and Industrial Crops, Bologna

Email: ci.bologna@crea.gov.it

Breeder:

Mario Sebastiano Di Candilo