

YEARIN REVIEW

2020-21

TABLE OF CONTENTS

HELPING FARMERS SUCCEED	3
ADVANCE PAYMENTS PROGRAM	4
NATIONAL VOICE OF CANADA'S CANOLA FARMERS	5
TRADE AND INTERNATIONAL ADVOCACY	7
BUSINESS RISK MANAGEMENT	8
BIOFUELS	9
RAIL TRANSPORTATION	10
ENVIRONMENT & SUSTAINABILITY	11
INNOVATION & SOUND SCIENCE	12
MARKETING	13
OUR SOCIAL RESPONSIBILITY	14

CCGA 2020 - 2021 YEAR IN REVIEW

HELPING FARMERS SUCCEED

For more than 35 years, Canadian Canola Growers

Association (CCGA) has been driven by its core purpose
of Helping Farmers Succeed. CCGA has long supported
the financial needs of Western Canadian farmers through
its administration of the Advance Payments Program. The
organization has also been at the forefront of driving change
for canola farmers, representing their interests on national
and international agricultural issues, programs and policies.

As the national policy voice for Canada's 43,000 canola farmers, CCGA enhances farm competitiveness by conducting in-depth policy analysis and advocating for policy, regulatory and legislative changes that impact farm profitability. CCGA is governed by 10 farmer directors who represent Canada's five provincial canola associations.

CCGA's commitment to the success of Canada's canola farms is deeply rooted in the organization's core values as well as its commitment to building an engaged and resilient team. That shone through in 2020, as we navigated through the pandemic and pivoted to a remote work framework, all while protecting employee safety and striving to provide excellent customer service and successfully advance agriculture policy priorities.



ADVANCE PAYMENTS PROGRAM

CCGA has been an administrator of the Advance Payments Program (APP) since 1984, providing cash advances to help farmers better market their farm commodities and supporting the working capital needs of their operations. The APP is a federal loan program administered by CCGA. It offers Canadian farmers marketing flexibility through interest-free and low-interest cash advances.

Cash advances can be a valuable tool for any farmer wanting to better manage their operating cash flow, access more efficient working capital, improve their farm returns and reduce their borrowing costs. In 2020, CCGA provided advances to farmers across Western Canada on *more than 50 different commodities* including grains, oilseeds, pulses, specialty crops, organic commodities, large and small livestock and honey. During the year, advances exceeding \$1.6 billion were issued to more than 9,000 farms in British Columbia, Alberta, Saskatchewan and Manitoba.

CCGA is continually innovating its cash advance services, delivering more value to farmers. In 2020, CCGA continued to lead advance offerings with a significant interest rate savings for interest-bearing advances at prime less 0.75% and full elimination of the administration fee. CCGA also launched its advance program at the earliest date on record, providing farmers with the ability to apply for an advance well before they started their spring field work.

The onset of the pandemic in 2020 posed unique challenges in balancing employee safety and customer service. The transition to remote work for CCGA employees resulted in some short-term increases in customer service response times, but embracing new technologies and work processes resulted in an even more responsive and robust cash advance system for the future.

DID YOU KNOW?

CCGA's annual customer satisfaction service survey showed that nearly 90% of customers were satisfied with the service provided by CCGA in 2020, and over 95% would recommend CCGA to another farmer.

During 2020-21, CCGA released several innovations that streamlined cash advance processes and enhanced value for farmers. These included:

- Removal of the \$50 administration fee for processing advances.
- Lowering the interest-bearing rate to prime less 0.75%.
- A new early bird pre-application process meant farmers could complete their cash advance application before the spring field work began.
- Release of a new, fully online application system for existing advance customers.
- Investment in technology upgrades and new work processes provided improved customer service during the pandemic.
- A new digital notification system advised customers their application had been received and was in process.
- Introduction of electronic submission for proof of sale documentation.
- New <u>video series</u> that provides answers to the top questions farmers have about cash advances.

NATIONAL VOICE OF CANADA'S CANOLA FARMERS

CCGA's Policy Development and Government Relations teams work in concert to bring the voice of Canadian canola farmers to the forefront of agricultural policy discussions at the national and international levels.

In addition to face-to-face meetings with Members of Parliament, Ministers, senior bureaucrats, and regulators, CCGA also engages with the federal government through various consultations and forums, including appearing before Parliamentary and Senate Standing Committees. To help advance common issues, CCGA also partners with like-minded agriculture groups on common policy priorities.

During the 2020-21 fiscal year, CCGA's advocacy efforts focused on priority areas including international trade, business risk management, biofuels, transportation, sustainability, and innovation supported by science-based regulatory approaches.

Ottawa was a very crowded space, as is always the case in a minority government, but even more so in 2020, given the pandemic. Digital advocacy became the new medium to access federal decision makers, which allowed groups without a physical footprint in Ottawa to engage. CCGA conducted nearly all advocacy virtually using *Canola: Growing Canadian Prosperity* as a way to draw attention to the economic contributions of canola growers and the industry, and what more needs to be done to unleash the full potential of the sector.

From April 1, 2020 to March 31, 2021, CCGA registered 140 meetings with the Office of the Commissioner for Lobbying. These senior level meetings are required to be registered and are in addition to frequent engagements with working level department officials and Members of Parliament's political staff. CCGA also submitted 23 submissions in response to government consultations and appeared twice at the parliamentary committee on Agriculture and Agri-Food. In lieu of an annual in-person lobby day in Ottawa, CCGA board members and staff dedicated two days in November to meet virtually with key Parliamentarians and the Leader of the Opposition, Erin O'Toole, soon after he was appointed.



MEETINGS OF NOTE:

- Minister and Deputy Minister AAFC
- Minister, Small Business, Trade and Export Promotion
- Minister, Middle-Class Prosperity and Associate Minister, Finance
- Leader, Deputy Leader and Senate Leader of the Official Opposition
- Shadow Ministers for Agriculture and Trade
- Executive Director, PMRA
- Ambassador to the EU
- WTO Permanent Representative
- Senior bureaucrats at Health Canada, Environment and Climate Change Canada, Global Affairs Canada and AAFC

DID YOU KNOW?

According to data published by *The Lobby Monitor* in 2020, CCGA was among the top 10 most active lobbyist organizations in Canada, regardless of sector, and CCGA was also included in *The Hill Times* "Top 100 Lobbyists" in February.

DID YOU KNOW?

CCGA publishes its federal government <u>Submissions and Appearances</u> online. These can be viewed chronologically or sorted by topic.



2020-21 POLICY PRIORITIES

TRADE AND INTERNATIONAL ADVOCACY

Canada is the #1 exporter of canola to the world; 90% of canola is exported as seed, oil and meal to more than 50 markets each year. In 2020, 80% of canola seed was exported to five markets.

Trade is key to the competitiveness of the canola sector and an essential priority to help farmers prosper. CCGA advocates for promotion of rules-based trade, for expansion and diversification of markets, and for the full resumption of trade with China.

As a member of the <u>Canadian Agri-Food Trade Alliance</u> (CAFTA), CCGA participated in meetings with trade officials, Members of Parliament, and Ministers to advocate on the importance of rules-based trade, modernizing the World Trade Organization (WTO), fully implementing trade agreements, and addressing market access barriers. CCGA also communicated these priorities when conducting individual meetings with Parliamentarians.

The Canada-United States-Mexico Agreement (CUSMA) entered into force July 1, 2020. CUSMA enhances certainty and predictability in North American trade by preserving NAFTA commitments and cementing new avenues to work together. Under CUSMA, duty free access for seed, oil and meal was maintained; provisions on agriculture biotechnology were added; and rules of origin for margarine products were relaxed. CUSMA also establishes platforms to advance trade, including commitments to work together internationally at the WTO and Codex. See CCGA's Press Release

CCGA <u>submitted comments</u> to the House Standing Committee on International Trade's study on **Reform** of the World Trade Organization (WTO). The study proposed five pathways: upholding rules-based trade, revitalizing the WTO negotiating function, modernizing WTO operations, restoring the dispute settlement mechanism, and maintaining Canada's leadership.

The Committee also studied **Canada's International Trade after COVID-19.** <u>CCGA's submission</u> to the
Committee outlined three recommendations: 1) continue
to champion free and rules-based trade, 2) grow and
maintain canola market access by ensuring the full
implementation of Canada's existing suite of free trade
agreements, and 3) create a trade-enabling framework at
home through the Clean Fuel Standard (CFS) and federal
bodies that regulate agriculture innovation.

The United Nations is organizing a global Food Systems Summit (FSS) in September 2021. The Summit is part of the Decade of Action to deliver the 2030 Sustainable Development Goals. CCGA's Rick White was selected as Vice-Chair of the FSS Champions Network with the purpose of advancing discussions and identifying solutions to address the most pressing challenges facing our global food system. Through this Champion role and CCGA's membership in the International Agri-Food Network, CCGA focused on bringing the perspective of modern agriculture and the importance of science-based outcomes and international trade to FSS discussions.

BUSINESS RISK MANAGEMENT

Farmers prosper when there are adequately funded programs to help manage uncontrollable risks, giving them the confidence to invest in their operations. CCGA continues to call for improvement to federal Business Risk Management (BRM) Programming to be more predictable, timely and responsive to the needs of farmers.

CCGA has invested in economic modeling to demonstrate how events such as extreme weather or market volatility affect canola farm profitability and how the suite of BRM programs respond to such events. The results have clearly shown the need to improve programming effectiveness in supporting farmers through these business risk events. Ensuring BRM programs reflect the risks of modern farming will position farmers for economic stability in supporting their rural economies and sustain the agricultural sector as a driver of the Canadian economy.

Throughout 2020-21, CCGA and its allied partners in the AgGrowth Coalition continued to advocate for significant improvements to AgriStability, holding many meetings at the federal level to make BRM a top priority for government. CCGA's board chair also made an <u>appearance at the House of Commons Standing Committee on Agriculture and Agri-Food</u> for its study on BRM programs.

CCGA continued advocating to the Federal, Provincial, Territorial Agriculture Ministers' meeting in November, which culminated in a March 2020 proposal from the Federal Minister of Agriculture that would see AgriStability's Reference Margin Limit removed, as well as its compensation rate increased from 70% to 80%. See CCGA's press release for more details.



BIOFUELS

Farmers prosper when they have access to strong domestic markets to sell their products. Canadian canola is used as a high-quality biofuel feedstock in Canada, the United States, and the European Union. Domestic biofuel regulations are a tool that can set signals to enable a significant increase in domestic demand for canola-based biofuel and provide much-needed market stability for farmers, support rural communities, incent value-added investments, and make real contributions to greenhouse gas reductions.

CCGA staff worked directly with allied partners to advocate for a Clean Fuel Standard (CFS) that recognizes canola's low carbon advantage, incentivises Canadian production of biofuels and allows both farmers and industry to participate without burdensome regulation. Advocacy efforts were very broad and sweeping, including significant interactions at the technical and working levels of Environment and Climate Change Canada (ECCC) as well as with Members of Parliament and Ministerial offices.

Areas of particular attention for CCGA included land use and biodiversity criteria (LUB) and full aggregate compliance designation for Canadian crop-based feedstocks, as well as life cycle analysis models.

Read CCGA's press release on the CFS.

During the year, CCGA responded to two ECCC consultations about biofuels and one Quebec consultation. These include:

- Consultation on Draft Regulations Petroleum
 Products Act, Regulation respecting the
 minimum volume of renewable fuel in gasoline and diesel fuel.
- Clean Fuel Standard Development Land Use, Biodiversity Criteria and Life Cycle Analysis Model
- Proposed Clean Fuel Regulation publication in Canada Gazette 1



RAIL TRANSPORTATION

Canola is a heavily exported crop and canola farmers rely on efficient, predictable, and timely rail service to ensure export customers receive their Canadian canola shipments as expected. When railways can't deliver on service, or transportation is otherwise halted, farmers and customers are directly affected.

CCGA has supported the competitiveness of Canada's agriculture supply chain and transparent disclosure of rail shipping and performance data through the Ag Transport Coalition (ATC). The ATC produces daily and weekly rail performance shipping reports that allow industry members to monitor rail performance and identify any issues that may be beginning to develop in the grain supply chain.

The 2020-21 crop year saw record rail movement of Canadian grain. While the shipping year experienced limited disruptions in rail service, a few issues did arise such as impacts of winter weather operational protocols which functionally shortens trains and reduces average train speeds, reducing efficiencies.

DID YOU KNOW?

The average tonne of Canadian-grown canola travels 1,520 km to reach a Canadian port.



ENVIRONMENT & SUSTAINABILITY

The canola industry has set sustainability goals to 2025 in five areas including energy, land efficiency, carbon sequestration, soil and water health, and biodiversity. For more information on these goals read Canola's Sustainable Future.

THE CANOLA INDUSTRY'S SUSTAINABILITY TARGETS FOR 2025



40% decrease in the amount of land required to produce one tonne of canola.



Utilize 4R nutrient stewardship practices on 90% of canola acres.



18% reduction in fuel use per bushel.





Sequester an additional 5 million tonnes of greenhouse gas emissions in Canadian soils every year.



Safeguard over 2,000 beneficial insects that call canola fields and surrounding habitat home.

Consultations on a voluntary, draft *code of practice* for grain farmers, called *Responsible Grain*, were held through the Canadian Roundtable for Sustainable Crops (CRSC). In total, over 850 individuals, 92% of which were farmers, participated in the consultation. CCGA, along with the provincial canola commissions, hosted a canola-farmer specific consultation with approximately 50 participants. CCGA worked closely with provincial canola association members to assess the feedback and develop a *What We Heard report*, which was submitted to the CRSC, summarizing the feedback from the canola consultation and outlining the recommendations developed from the input received from farmers.

In response to the government's December 2020 announcement about increasing the price of carbon to \$170 a tonne by 2030, CCGA took a leadership role in establishing the *Agriculture Carbon Alliance (ACA)*, a national coalition of 14 farm organizations committed to meaningful and collaborative dialogue with the federal government around carbon pricing. ACA's mandate also includes advocating for practical options regarding offsets, rebates, and exemptions; and building consensus on policy solutions that support the agriculture sector.

Natural Climate Solutions for Agriculture Consultation. The federal government announced a new schedule for the current carbon tax along with 64 new funding initiatives related to climate change. A consultation was launched on three of the initiatives. **Read CCGA's submission.**

Neonics. In March, PMRA released their final special review decisions for clothianidin and thiamethoxam. The final decisions stated that these products' registration for use as seed treatments on canola will continue without any significant label changes. PMRA has noted that they were able to reverse their initial proposed decisions to phase out these products, due to the significant amount of new data received related to how these products move into, and exist in, a variety of aquatic habitats. Data that CCGA collected over spring and summer 2019 from 17 wetlands across Alberta and Saskatchewan showed few detections of clothianidin and thiamethoxam, and no detections of regulatory concern. **CCGA issued a media release** about the decision

INNOVATION & SOUND SCIENCE

Farmers prosper when there is a regulatory environment that fosters investment in innovation and boosts competitiveness. Through a budget submission, consultations, and meetings with Parliamentarians, CCGA continued to advocate for the need to adequately resource and mandate federal regulatory bodies to make science-based decisions that farmers need to stay competitive and sustainable, with the most up-to-date crop protection products and seed varieties.

CCGA has been calling for the establishment of national water quality monitoring to support the Pest Management Regulatory Agency (PMRA) in making science-based decisions on inputs into crop production. In March, CCGA <u>submitted comments</u> to the federal government's proposed Canada Water Agency.

In March, the PMRA issued its final re-evaluation decision on strychnine. CCGA submitted a <u>Notice of Objection</u> to the final decision on strychnine focusing on PMRA's interpretation of the science surrounding the risk posed to an endangered species.



MARKETING

Farmers prosper when there is a regulatory environment that fosters investment in innovation and boosts competitiveness. It's been 40 years since there has been a substantial overhaul to the Canada Grain Act. Both the Act and the Canadian Grain Commission need to be modernized to reflect the change that has occurred within the Canadian grain sector over those 40 years. In January, Agriculture and Agri-Food Canada launched the Canada Grain Act review.

See CCGA's blog post discussing the importance of this process and related issues including producer payment security, the CGC mandate, transparency and outward inspection and weighing.

CCGA's Know Your Grade website is regularly updated to provide farmers with information to ensure they are receiving a credible grade and dockage assessment, read Know Your Grade: Producer Protections. The Know Your Grade website provides information on representative sampling; dockage, including videos demonstrating the official process; relevant grading factors; and producer rights and responsibilities.





OUR SOCIAL RESPONSIBILITY

CCGA is involved in numerous organizations and projects that provide support to the agriculture community. These include:

- CCGA believes in the value of agriculture education across Canada's schools.
 CCGA is a perennial supporter of <u>Agriculture</u> in the Classroom - Canada
- Canadian Agricultural Safety Association's <u>BeGrainSafe Program</u>. In 2020, CCGA and the three prairie canola associations teamed up with CASA to host screenings of <u>"SILO" the film</u> along with a post-event grain safety discussion. More than 800 households participated and attendees included farmers and their families, rural first responders, media, and ag safety experts. CCGA also supported Ag Safety Week in March with this <u>ag safety video</u> that shares the grain safety story of one farmer.
- <u>Nuffield Canada</u> CCGA's support of Nuffield Canada scholarships helps our industry build leadership capacity and support innovation by supporting the professional growth of our future industry leaders.
- Building public trust for agriculture is a priority for CCGA. In February, CCGA and Canola Eat Well launched a video for <u>Canada's Agriculture Day</u> featuring the new <u>"Growing the Best for You"</u> campaign. The full-length video includes messages from nine farmers about what they do every day to grow healthy, safe, sustainable food for consumers' kitchen tables.
- CCGA supported Farm Management Canada's study on the connections between mental health and farm business management practices. The full report "Healthy Minds, Healthy Farms" can be found on Farm Management Canada's website.

Learn More:

CCGA's website (www.ccga.ca) is an extensive resource for farmers interested in agriculture policy as well as cash advances.

- Find out more about CCGA's advocacy priorities from "Canola: Growing Canadian Prosperity"
- Review CCGA's government consultation submissions and review testimony at Standing House and Senate Committees on our <u>Submissions & Appearances</u> webpage
- Learn about CCGA's members as well as our many partnerships and working groups on "Our Partners" page
- Follow CCGA on Twitter <u>Occea</u> ca for the latest press releases, updates on cash advances, and more

