



Agriculture and Agri-Food Canada Agriculture et Agroalimentaire Canada

Deputy Minister Sous-ministre

Ottawa, Ontario Ottawa (Ontario)
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MIN 247930

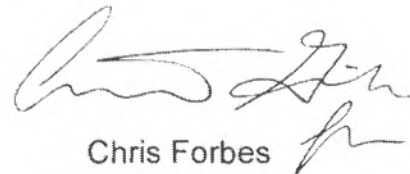
MEMORANDUM TO THE MINISTER

MEETING WITH CANADIAN SEED TRADE ASSOCIATION

(For Information)

PURPOSE

Please find attached a scenario brief for your meeting with Canadian Seed Trade Association on February 5, 2019.


Chris Forbes

Attachment

SCENARIO NOTE – MIN 247930

MINISTER MACAULAY MEETING WITH CANADIAN SEED TRADE ASSOCIATION (CSTA), FEBRUARY 5, 2019

Date and Time:	February 5, 2019 16:45 to 17:15
Location:	Room 507, Confederation Building, 229 Wellington St., Ottawa, ON
Subject:	Minister MacAulay Meeting with Canadian Seed Trade Association (CSTA), February 5, 2019
Participants:	<ul style="list-style-type: none">- The Honourable Lawrence MacAulay, Minister of Agriculture and Agri-Food;- France Pégeot, Acting President of the Canadian Food Inspection Agency (CFIA)- Alison Porter, Minister's office, Agriculture and Agri-Food Canada (AAFC);- Matt Mann, Minister's office, AAFC;- Todd Hyra, President of the Board, Canadian Seed Trade Association (CSTA);- Georges Chaussé, First Vice-President of the Board, CSTA; and- Dave Carey, Executive Director, CSTA. <p>(See Annex A for Biographies)</p>
Objectives and Outcomes:	<ul style="list-style-type: none">• To discuss recent progress and work that remains with respect to seed industry priorities: Value Creation and Plant Breeding Innovation.
Context/Overview:	<ul style="list-style-type: none">• The President of CSTA and members of the Board of Directors would like to meet with you for 30 minutes as part of their annual Board of Directors winter meeting.• CSTA is a not-for-profit, non-partisan trade association representing over 130 Canadian companies engaged in various aspects of seed research, production, marketing and trade both domestically and internationally.• CSTA members develop and provide seeds using various production methods including organic, conventional and biotechnology.• You previously met with CSTA during its annual winter Board of Directors meetings, including on February 6, 2018.• Agriculture and Agri-Food Canada Assistant Deputy Ministers (Tom Rosser, Frédéric Seppéy, and Fred Gorrell) will also be meeting with CSTA Board Members on February 5, 2019 at 15:00, just prior to your meeting at 16:45. Objectives and topics to be discussed are anticipated to be similar for both meetings (see Annex B for topics of interest, as described by the CSTA).

BACKGROUND: The seed industry generates over \$2.2 billion in domestic sales and more than \$330 million in export sales per year. In 2017, private companies invested almost \$170 million in plant research, breeding, and variety development in Canada. Under *Growing Forward 2*, a total of \$1.5 million in funding has been allocated to the seed sector. CSTA has also submitted a program application under AgriMarketing in order to refine its market development work, particularly in Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) markets.

VALUE CREATION IN THE CEREALS SECTOR: As requested by the Grains Roundtable, AAFC and the CFIA launched joint consultations – a series of in-person engagement sessions held in Winnipeg, Ottawa, Saskatoon, Edmonton, and Charlottetown – on value creation in late 2018 and early 2019. In addition, AAFC and CFIA officials have been providing presentations at various agricultural events and producer meetings over the past two months. The two value creation models being consulted on at the request of the Grains Roundtable are:

- (1) producer-facilitated end point royalty collection; and
- (2) royalty collection enabled by production contracts to place conditions or restrictions on the use of farm saved seed.

These initial consultations revealed a diversity of views, with stakeholders expressing a desire for additional analysis of the proposed models and for more consultation with individual producers.

The intent is for consultation with producers to continue on-line and through additional face-to-face meetings in late winter/early spring. There will be conversations around value creation at both the upcoming Seed Sector Value Chain Roundtable and the Grains Roundtable meetings in March 2019, where next steps on the process can be discussed with industry representatives.

Departmental Position: The Government views its role to facilitate a discussion among cereals sector stakeholders to explore options for enhancing the profitability of Canada's cereal sector. It will be important that key industry players take a leadership role in advancing the way forward on this file.

Industry Position: The CSTA passed resolutions at its July 2018 annual meeting endorsing the production contract model (option 2). Along with the other Seed Synergy associations, the CSTA has developed a concept called the Seed Variety Use Agreement. This concept outlines how a production contract royalty collection model could function in Canada. The CSTA is pleased with the consultations launched by AAFC and CFIA and is working to dispel any misinformation around the proposed models, as well as reiterating the importance of value creation for encouraging investment in plant breeding.

PLANT BREEDING INNOVATION: Plant Breeding Innovations, including genome editing, present new opportunities for a wider range of potential applications and benefits (e.g., high yields, lower production costs). There is a consensus among government and industry that Canada's approach to the regulation of products of more precise plant breeding innovation is sound, but that opportunities exist for enhancing predictability and efficiency in the delivery of Canada's novel plant, food and feed regulatory programs.

In your response letter to the Seed Sector Value Chain Roundtable and the Grains Roundtable (June 2018) you emphasized the importance of making sure that Canada continues to be well positioned to benefit from the opportunities presented by plant and animal breeding innovations. You also committed to an ongoing industry-government dialogue through the Value Chain Roundtables to ensure our regulatory system continues to encourage innovation and facilitate trade. As such, an industry-government Technical Group was struck in Fall 2018 under the Grains Roundtable Biotechnology Working Group (BWG) to begin to address stakeholder concerns with the regulatory process for products of new plant breeding innovations. This Technical Group has been meeting regularly and has drafted a work plan with concrete deliverables and timelines to be presented to the Grains Roundtable on March 8, 2019 in Montreal.

On November 2, 2018 Canada joined 13 other parties to endorse the International Statement on Agricultural Applications of Precision Biotechnology. The Statement is non-binding, but commits the parties to working together to minimize unnecessary barriers to trade related to the regulatory oversight of products of precision biotechnology.

Departmental Position: The Department supports the seed industry's vision for the sector and remains committed to working with trading partners globally, as well as industry partners and regulators through the BWG to improve the clarity, predictability and overall agility of the Canadian regulatory system for products of precision breeding innovation and minimize unnecessary trade barriers for products of precision biotechnology.

Industry Position: The CSTA is pleased with recent progress made on the Plant Breeding Innovation file, but would like to discuss how work can advance further so that Canada's agricultural industry can see the benefits of innovative agricultural technologies and to ensure Canada remains a "destination of choice" for investment. The CSTA has been an active participant on the BWG and the Technical Group under the BWG.

TALKING POINTS:

VALUE CREATION:

- **At the request of industry, AAFC and the Canadian Food Inspection Agency have been facilitating discussions on two proposed value creation models.**
- **The discussions have demonstrated a diversity of views and a need for more work.**
- **I understand there will be an opportunity for a conversation at a March Grains Roundtable meeting to discuss next steps.**
- **AAFC will continue to work with industry groups like the CSTA and producer organizations to shape the future of cereals research and variety development in Canada.**

PLANT BREEDING INNOVATIONS:

- **We support the seed industry's vision for the sector and acknowledge the valuable input of the CSTA in helping identify key areas of regulatory reform.**
- **We continue to work closely with our industry and regulatory partners, including the CSTA, to develop and implement an action plan that will help make Canada's current regulatory frameworks for products of biotechnology more predictable and transparent.**
- **We are also engaging with our international partners to facilitate the trade of innovative agricultural products.**

Attachments

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Agridoc #104503165

Annex A #104503965

Annex B #104511094

Revised: February 1, 2019

Biographies

Todd Hyra

President Canadian Seed Trade Association (CSTA)

Todd Hyra, of SeCan, is the 67th President of CSTA. Hyra is known by many as a very dedicated member of CSTA and also a passionate advocate. He has been attending CSTA meetings since 1994, has served on the Board of Directors since 2011 and was elected to the Executive in 2016. Hyra's love of agriculture started in childhood, being raised on a mixed grain and beef farm in Grandview, Manitoba. Hyra continued his journey in agriculture when he began his career in 1990 in the seed industry, first at Proven Seed, and now, at SeCan. He joined SeCan in September 2007 as the Business Manager for western Canada. Hyra continues to work to improve the industry by volunteering his expertise in many seed industry initiatives including as CSTA's representative on the Minister of Agriculture's Plant Breeders' Rights Advisory Committee, the Seed Synergy Oversight Committee and working groups of the Seed and Grains Value Chain Round Tables.

Georges Chaussé

First Vice-President of the Board CSTA

Georges Chausse is the Director of the Seed Sector for La Coop fédérée, a role he has been in since 2008. He boasts a long history of involvement in the seed sector, having been involved for more than 30 years. Georges grew up on a family farm north east of Montreal in a small town called Berthierville. He studied at the Agri-food Institute of St. Hyacinthe in 1982 and received his MBA from l'École des Sciences de la Gestion de l'UQAM in Montréal in 2004. He began his career as a local sales representative at a co-op in Joliette, Quebec, ultimately becoming seed production manager of that same company. Georges spent time in Peru, participating in an international development project supported by the Canadian International Development Agency as a seed specialist for potatoes. He is a long-time member of the CSTA and is President of l'Association des Marchands de Semences.

Dave Carey

Executive Director CSTA

Dave Carey is the Executive Director of the CSTA and reports directly to the Board of Directors. He is a government relations, regulatory affairs, policy and international trade professional with extensive association management, political and campaign experience. Dave joined CSTA in May 2012 and has held roles of increasing seniority focusing on stakeholder and government relations, regulatory affairs, policy development and international trade. Prior to joining CSTA, Dave worked on Parliament Hill for the Members of Parliament for Oakville and Calgary Centre and Chair of the House of Commons Standing Committee on International Trade. Dave holds an Honours Bachelor of Arts Degree in Political Science with a Concentration in Public Law from Brock University and has continued his professional development by earning course certificates

from several universities. Dave is also a member of the Government Relations Institute of Canada. As a volunteer, Dave has worked on two federal and one provincial election campaigns as a Strategist and Communications and Research Team Member. Dave has also spent time as a volunteer builder for Habitat for Humanity International.



Canadian Seed Trade Association
L'Association canadienne du commerce des semences

CSTA Overview

The Canadian Seed Trade Association is a not-for-profit, non-partisan, trade association that brings together approximately **130 company and association members** engaged in all aspects of seed research, production, marketing and trade, both domestically and internationally.

CSTA members work in over 50 different crop kinds and are proud to be vital contributors to our nation's economy and to the health and well-being of Canadian consumers. CSTA members serve the needs of their customers by developing and providing seeds produced through all production methods, including organic, conventional and biotechnology and range from small, family owned and operated companies to large multi-national firms.

CSTA's MISSION:

Foster seed industry innovation and trade.

Seed is the start of it all. It is the beginning of the entire agriculture and agri-food value chain, an industry that is vital to the economic wellbeing of Canada and that contributes more than **\$105 billion** annually to the Canadian economy.

The seed industry is a **\$6 billion** industry, employing **60,000** Canadians, and exporting more than **\$600 million** annually.

Agriculture and Agri-Food Canada (AAFC) estimates that **9 out of every 10 bites** of food taken by people around the world start with the planting of a seed.

Learn more about CSTA and our members by visiting seedinnovation.ca or by contacting the national office staff directly at 613-829-9527 or at the coordinates below:

- Dave Carey, Executive Director dcarey@seedinnovation.ca
- Claudio Feulner, Regulatory Affairs and Policy Coordinator cfeulner@seedinnovation.ca
- Lauren Martin, Government and Industry Relations Coordinator lmartin@seedinnovation.ca
- Kim Sabourin, Manager, Communications and Member Engagement ksabourin@seedinnovation.ca
- Kristen St. Denis, Executive Administrator and Meeting Planner kstdenis@seedinnovation.ca

It Starts with Seed

Seed is a key driver of innovation, delivering the increased productivity that farmers need to feed, fuel and clothe a rising world population while navigating the risks of climate change and competing demands for water, land and resources. With investments in innovation, Canada's seed industry is ready to deliver plant varieties that are more productive, sustainable, make better use of water and nutrients and deliver greater health and wellness benefits.

Harvesting the maximum potential of each seed requires modern, flexible and responsive regulations that incorporate the right intellectual property instruments. In order to attract both domestic and international private-sector investment, decisions must be based on sound science. While private sector investment in plant breeding, research and variety development is increasing, seed faces stiff global competition. The Canadian seed industry and value chain partners are working together to discuss how the sector can continue to grow and what tools are needed from government to be successful.

CSTA's company and association members from across the country and their farmer customers are your constituents. We look forward to a strong, collaborative working relationship with our federal policy makers.

Seed Synergy

For the past two years, leaders from the six national seed industry organizations have been working together on the Seed Synergy Collaboration Project ('Seed Synergy'). Seed Synergy represents a strong vision for the future of the sector by recommending practical reforms to the delivery of the seed system to position producers, innovators, and ultimately the entire agricultural value chain for success in a highly competitive and innovation-based global marketplace.

Two elements from the thinking of Seed Synergy include Value Creation and Plant Breeding Innovation.

What is Seed Synergy?

Seed Synergy combines the efforts of the Canadian Seed Growers' Association (CSGA), CSTA, Canadian Seed Institute (CSI), Commercial Seed Analysts Association of Canada (CSAAC), Canadian Plant Technology Agency (CPTA) and CropLife Canada.

Seed Synergy Vision:

Create a reformed, industry-led, government-enabled seed system that attracts investment, fosters innovation and delivers new and tailored seed traits to customers efficiently.

Learn more by visiting
www.seedssynergy.net

Value Creation

One of the seed sectors' top priorities is ensuring that there is an adequate and strategic level of investment in plant breeding. The discussion regarding this priority is entitled "Value Creation" and is particularly important for cereals.

In 1987, private sector investment in plant breeding was \$14.7 million annually, in 2017 the figure rose to \$171 million; a 56% increase from the last survey results in 2012.¹ In 2017, canola, corn and soybeans accounted for 75% of private sector investment while less than 20% was invested in cereals research. These increases are positive, but cereals research is falling behind, and breeding programs are unable to recover the full cost of variety development through the current certified seed system. In a recent Economic Impact and Risk Analysis Report prepared by JRG Consulting Group for the Seed Synergy partners, it states that a value creation initiative would produce an estimated annual benefit of more than \$100 million. Compared to other countries where a value capture mechanism for cereals is in place, Canadian wheat yields are falling behind. Many of our trading partners, including the Netherlands, the United Kingdom, France, Argentina and Australia have value capture mechanisms, exacerbating Canada's competitive disadvantage.

There are mechanisms under the Plant Breeders' Rights Act to consider a form of Value Creation through a regulatory amendment. After a two-year process under AAFC's Grains Roundtable, two value creation models were tabled for further consideration and analysis:

1. **End Point Royalty:** National in scope, use existing collection systems, distribute to breeders based on market share and no duplicative collection.
2. **Royalty Collection enabled via contracts:** Contracts used when selling certified seed establish trailing royalties on the use of farm saved seed.

Through Seed Synergy, an in-depth consultation and extensive analysis and dialogue took place with our members, resulting in consensus on 'Royalty Collection Enabled via Contracts' as the preferred model, otherwise known as the Seed Variety Use Agreement (SVUA). Once consensus was established, CSTA requested that AAFC and the Canadian Food Inspection Agency (CFIA) launch a public consultation. In the fall of 2018, CFIA and AAFC hosted five in-person sessions in Winnipeg, Ottawa, Saskatoon, Edmonton and Charlottetown. At the time of writing, an announcement regarding the online portion of the public consultation is expected in the next few weeks.

These public consultations are the pinnacle of a decade's worth of effort and funding on plant breeding investment for cereals.

Value Creation Focuses on Cereals

While the proposed models could be applied to other self-propagating crops like pulses and potatoes, the priority for investment is cereals.

Find out more at www.seedvaluecreation.ca

OUR ASK:

Seed Synergy supports the ongoing consultations on Value Creation and recommends the SVUA as the optimal method of creating a return on investment for both public and private breeders.

¹ Canadian Seed Trade Association, 2018. *Snapshot of Private Innovation Investment in Canada's Seed Sector.*

Plant Breeding Innovation

Regulatory approval requirements for plants with novel traits are unpredictable, document-heavy and treat every innovation the same, regardless of risk. The approval process is particularly difficult for smaller businesses to navigate, as they lack the resources required for lengthy and uncertain regulatory processes.

A recent survey of Canadian plant breeders indicates nearly half change or scale-back their research and development (R&D) activities to avoid falling under Canada's pre-market regulatory programs for novel products. In some cases, R&D projects go unfunded or do not make it past the proposal stage due to regulatory uncertainty.

Plant Breeding Innovation (PBI)

PBI refers to new precision methods of plant breeding, for which there is an uncertain regulatory environment yet potential for significant R&D investments in Canada.

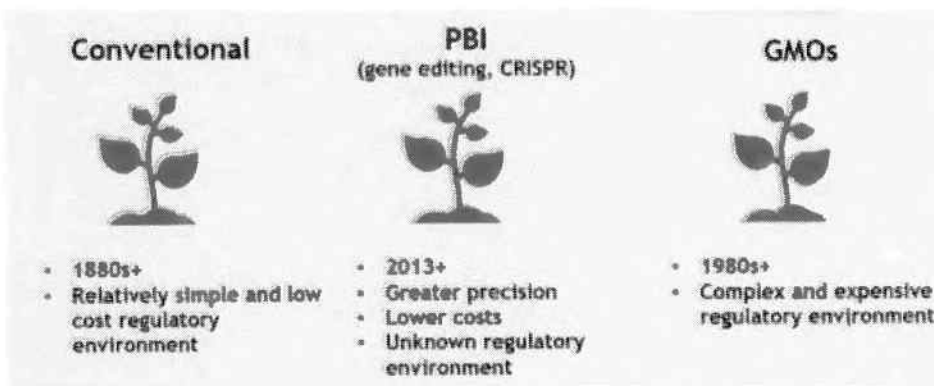
OUR ASK:

Seed Synergy proposes a new, risk-based assessment model, that sets regulatory requirements commensurate with the projected risk of new products.

When plant breeders curtail their best efforts to innovate, Canada loses an opportunity to support the growth of new and innovative businesses, to increase agricultural grain yields (up to 90% of which are exported) and to make a wider selection of food products available to Canadian consumers. There is an opportunity cost of not having access to high performing traits from these cutting-edge techniques. Recent analysis of farmer benefits associated with delays in approval of high performing traits suggest a range of \$12 to 55 million in lost opportunities per trait, per year.

Canada's global competitors (the United States, Brazil, Australia, Argentina and others) are moving quickly to put clear and practical regulatory approaches in place for cutting-edge methods of plant breeding innovation, like gene-editing systems such as CRISPR. In the United States, a significant number of acres are home to crops developed with cutting-edge techniques whereas in Canada we have none.

Canada can be a global leader in enabling farmers and consumers to realize these benefits, but only if we have regulatory predictability and an appropriate level of regulation.



Advancements in technology cause regulatory uncertainty and increased costs for innovators.

Graphic credit: Krista Thomas, 2018, Canada Grains Council

Interprovincial Trade Barriers

Seed is an international business, it operates across borders, including those between provinces. In 2018, Canada's Agri-Food Economic Strategy Roundtable released its Report, which identified sector-specific challenges and 'bottlenecks' to growth. The Report was clear, Canada must resolve its own inter-provincial barriers by leveraging the Canadian Free Trade Agreement to create a path for free trade in food products between provinces.

Canada's rules and regulations at the federal and provincial level stifle the seed industry by creating additional costs, make the playing field uneven and present a challenge to Canadian companies wishing to expand their businesses. Alberta's zero-tolerance treatment of fusarium, a common plant disease, and Ontario and Quebec's duplicative regulations regarding pesticides are just two examples of prohibitive provincial trade barriers.

Crop Protection Products

CSTA encourages the Government of Canada, and particularly the Pest Management Regulatory Agency (PMRA), to continue regulating in a risk-based manner and ensure that decisions, including registration and re-evaluation decisions, are grounded in the best-available science.

CSTA is encouraged by the decision to launch a comprehensive review of PMRA's re-evaluation process and trust that it will address the market uncertainty created by the current process. PMRA's duplicative re-evaluations of neonicotinoid pesticides is emblematic of the major issues that exist in the post-market review process.

From a seed trade perspective, pesticides applied as seed treatments are a critical tool in the evolution of precision agriculture and the environmental benefits that accompany these practices. Canadian farmers need consistent access to these technologies to increase their productivity and remain competitive domestically and internationally.

"As Canada looks to compete against agri-food powerhouses with larger populations, lower production costs and longer growing seasons, we cannot afford to balkanize our country into separate jurisdictions that impede the free-flowing of goods and services."

Report on Canada's Economic Strategy Round Tables: Agri-Food

OUR ASK:

CSTA urges the Government of Canada to adopt the recommendations of the Economic Strategy Roundtable regarding inter-provincial trade barriers and prioritize their elimination.

CSTA is a member of the Canada's Grain Council (CGC) and endorses its position on the role of PMRA in supporting innovation.

OUR ASK:

CSTA recommends that PMRA's product registration re-evaluation process address the issues that stakeholders, like the Canada Grains Council, have identified to improve the efficiency, timeliness, transparency and predictability of Canada's post-market registration system.



Deputy Minister Sous-ministre

Ottawa, Ontario Ottawa (Ontario)
K1A 0C5 K1A 0C5

MAY 27 2019

MIN 250329

NOTE DE SERVICE À LA MINISTRE

RÉUNION AVEC L'ASSOCIATION CANADIENNE DU COMMERCE
DES SEMENCES

(Pour information)

OBJET

Vous trouverez ci-joint une note de scénario pour votre réunion avec l'Association canadienne du commerce des semences le 29 mai 2019.



Chris Forbes

Pièces jointes

SCÉNARIO – MIN 250329

RÉUNION AVEC L'ASSOCIATION CANADIENNE DU COMMERCE DES SEMENCES

Date et heure :	29 mai 2019, de 15 h 30 à 16 h
Lieu :	Pièce 407, Édifice de la Confédération, 229, rue Wellington, Ottawa (Ontario)
Sujet :	Réunion préliminaire avec l'Association canadienne du commerce des semences (ACCS) pour discuter des questions relatives à l'innovation dans le secteur des semences, particulièrement en ce qui a trait à la création de valeur, à l'innovation en matière de sélection végétale et à la modernisation de la réglementation sur les semences.
Participants	<ul style="list-style-type: none">- Marie-Claude Bibeau, ministre, Agriculture et Agroalimentaire Canada (AAC);- France Pégeot, première vice-présidente, Agence canadienne d'inspection des aliments (ACIA);- Michel-Antoine Renaud, bureau de la ministre, AAC;- Dave Carey, directeur exécutif, ACCS, et coprésident, Table ronde sur la chaîne de valeur du secteur des semences;- Lauren Martin, chef, Relations avec le gouvernement et l'industrie, ACCS (Veuillez consulter l'annexe A pour les biographies.)
Objectifs et résultats	<ul style="list-style-type: none">• Écouter les points de vue de l'ACCS sur les progrès réalisés récemment et le travail qu'il reste à accomplir sur les priorités de l'industrie des semences, à savoir : la création de valeur, l'innovation en matière de sélection végétale, la synergie des semences et la modernisation de la réglementation sur les semences. (Veuillez consulter l'annexe B pour obtenir des renseignements généraux sur chacun de ces dossiers.)• Faire part de l'engagement d'AAC de travailler avec l'industrie des semences sur des questions d'intérêt commun, notamment l'innovation dans le secteur des semences.
Contexte/Aperçu	<ul style="list-style-type: none">• L'ACCS est une association sans but lucratif qui représente plus de 130 entreprises canadiennes participant à la recherche sur les semences ainsi que la production, la commercialisation et au commerce des semences, tant à l'échelle nationale qu'internationale.• En 2018, AAC et l'ACIA ont lancé des consultations sur deux modèles de création de valeur visant à accroître les investissements dans la sélection des céréales.• Le 5 février 2019, le ministre MacAulay a rencontré le président de l'ACCS et les membres du conseil d'administration pour discuter des questions relatives à la création de valeur et à l'innovation en matière de sélection végétale.

Messages clés

- The Government is listening to all cereals sector stakeholders and welcomes their feedback as options for increasing overall investment in cereals breeding are explored.
Le gouvernement est à l'écoute de tous les intervenants du secteur céréalier et les invite à lui faire part de leurs commentaires durant l'examen des différentes options visant à accroître l'investissement global dans la sélection des céréales.
- AAFC remains fully committed to working with industry and producer organizations on research and variety development and will continue to work with industry to help advance plant breeding innovation.
AAC demeure fermement résolu à collaborer avec l'industrie et les organisations de producteurs aux travaux de recherche et au développement des variétés et continuera de travailler avec l'industrie pour faire progresser l'innovation en matière de sélection végétale.
- CFIA's planned seed regulatory modernization is an opportunity to update and improve the way the sector is regulated. CFIA welcomes the work and advice of the Seed Synergy Collaboration Project.
La modernisation de la réglementation sur les semences prévue par l'ACIA est une occasion d'actualiser et d'améliorer la façon dont le secteur est réglementé. L'ACIA accueille favorablement le travail et les conseils du Projet de collaboration sur la synergie des semences.

POINTS DE DISCUSSION

CRÉATION DE VALEUR

- Government-led consultations on the two value creation models have revealed a diversity of views and a desire for more and broader consultation, along with further analysis, including economic impacts.
Les consultations menées par le gouvernement sur les deux modèles de création de valeur ont révélé une diversité de points de vue et le désir de mener des consultations plus vastes et plus approfondies ainsi que d'effectuer d'autres analyses, notamment sur les répercussions économiques.
- AAFC will continue to work with industry groups, like the Canadian Seed Trade Association and the other Seed Synergy partners. The Department welcomes their views on how to shape the future of cereals research and variety development in Canada.
AAC continuera de travailler avec des groupes de l'industrie, comme l'Association canadienne du commerce des semences et les autres partenaires de Synergie des semences. Le Ministère les invite à lui faire part de leurs points de vue sur la façon de façonner l'avenir de la recherche sur les céréales et du développement des variétés au Canada.

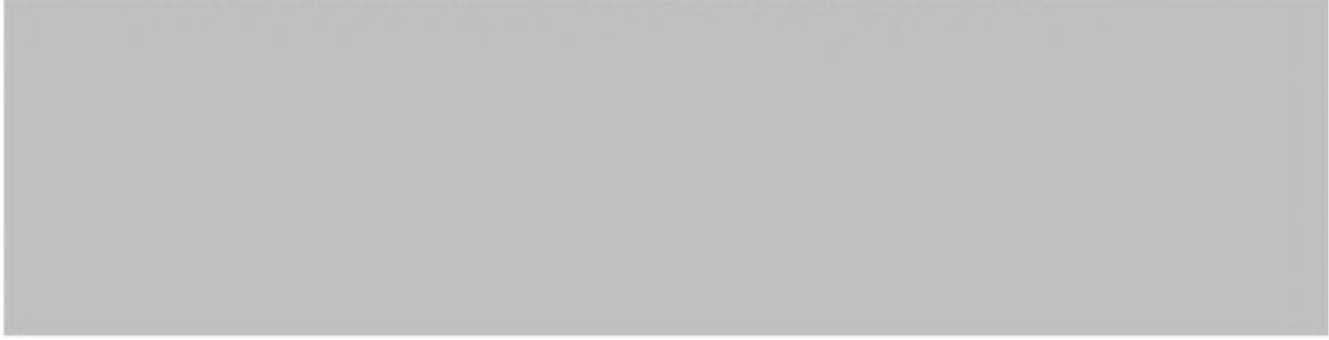
- While AAFC continues its analytical work, I encourage industry to continue to take a leadership role on the issue of value creation moving forward.
Pendant qu'AAFC poursuit son travail d'analyse, j'encourage l'industrie à poursuivre son rôle de chef de file dans le dossier de la création de valeur.
- AAFC remains committed to this important discussion and is listening to stakeholders as next steps for the on-line stage of value creation consultations are being finalized.
AAFC demeure déterminé à poursuivre cette importante discussion et est à l'écoute des intervenants alors que les prochaines étapes des consultations en ligne sur la création de valeur sont en voie d'être achevées.
- AAFC has no plans to exit from cereals breeding and remains fully committed to working with industry and producer organizations on research and variety development.
AAFC n'a pas l'intention de se retirer du secteur de la sélection des céréales et demeure pleinement engagé à collaborer avec l'industrie et les organisations de producteurs aux travaux de recherche et au développement de variétés.

INNOVATION EN MATIÈRE DE SÉLECTION VÉGÉTALE

- Canada's current product-based system has the flexibility to apply to products of plant breeding innovation.
Le système canadien actuel qui est fondé sur les produits est suffisamment souple pour s'appliquer aux produits issus de l'innovation en matière de sélection végétale.
- AAFC is working with industry and other government departments to make Canada's current regulatory framework for products of biotechnology more predictable and transparent.
AAFC collabore avec l'industrie et d'autres ministères pour rendre le cadre réglementaire actuel du Canada pour les produits issus de la biotechnologie plus prévisible et plus transparent.
- The Canadian Seed Trade Association's input is helpful in identifying areas where the delivery of our framework can be improved.
Les commentaires de l'Association canadienne du commerce des semences nous aident à déterminer les domaines où l'exécution du cadre peut être améliorée.
- AAFC is also engaging with its international partners to facilitate the trade of innovative agricultural products.
AAFC collabore également avec ses partenaires internationaux pour faciliter le commerce de produits agricoles novateurs.

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SYNERGIE DES SEMENCES ET MODERNISATION DE LA RÉGLEMENTATION SUR LES SEMENCES

- **Regulatory modernization is an opportunity to make substantive changes to the seed regulatory framework. This will help the seed industry to remain innovative and efficient and will allow Canadians to be competitive in the global seed trade.**
La modernisation de la réglementation sur les semences est l'occasion d'apporter des changements importants au cadre réglementaire sur les semences. Cet exercice contribuera à faire en sorte que l'industrie semencière demeure innovatrice et efficace et permettra aux Canadiens d'être concurrentiels sur le marché commercial mondial des semences.
- 

Préparé par :

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DGPS/DPIP/DPIC
Enjeux sur la biotechnologie et les technologies émergentes
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Notices biographiques**Dave Carey****Directeur exécutif, Association canadienne du commerce des semences**

Dave Carey est le directeur exécutif de l'Association canadienne du commerce des semences (ACCS) et relève directement du conseil d'administration de l'organisme. Il est un professionnel des relations avec les gouvernements, des affaires réglementaires, des politiques et du commerce international et possède une vaste expérience de la gestion d'associations, de la politique et des campagnes de communication. Il est entré à l'ACCS en mai 2012, et il a assumé des fonctions à responsabilité croissante dans les domaines des relations avec les intervenants et les gouvernements, des affaires réglementaires, de l'élaboration de politiques et du commerce international. Avant de se joindre à l'ACCS, Dave a travaillé sur la Colline du Parlement pour le compte des députés d'Oakville et de Calgary Centre ainsi que du président du Comité permanent du commerce international de la Chambre des communes. Il est titulaire d'un baccalauréat ès arts en science politique avec concentration en droit public de l'Université Brock, et il a poursuivi son perfectionnement professionnel en obtenant plusieurs autres certificats universitaires. Il est un membre de l'Institut de relations gouvernementales du Canada. Dave a participé à deux campagnes électorales fédérales et à une campagne provinciale en tant que stratège et membre de l'équipe des communications et de la recherche. Il a aussi travaillé comme bâtisseur bénévole pour l'organisme Habitat pour l'humanité.

**Lauren Martin****Chef, Relations avec le gouvernement et l'industrie, ACCS**

Lauren Martin, chef des relations avec le gouvernement et l'industrie, relève directement du directeur exécutif. Lauren s'est jointe à l'ACCS en 2018, ce qui fait d'elle la dernière arrivée au sein de l'équipe. Dans l'exercice de ses fonctions, elle cerne les problèmes des membres de l'ACCS et collabore avec le personnel gouvernemental, les politiciens élus et les intervenants pour y remédier.

Lauren a grandi sur une ferme dans le sud de l'Ontario et a toujours eu une passion pour l'agroalimentaire et l'agriculture. Elle s'est occupée de divers dossiers agroalimentaires et agricoles à l'échelle locale, nationale et internationale, notamment dans le cadre d'un stage à l'Organisation des Nations Unies pour l'alimentation et l'agriculture. Avocate de formation, elle a pratiqué le droit pendant quelques années avant de réintégrer le domaine de l'agriculture. Avant de se joindre à l'ACCS, elle a joué un rôle semblable de défenseur des intérêts au sein de l'Association pour le commerce des produits biologiques du Canada. Lauren est titulaire d'un baccalauréat spécialisé en études environnementales et en commerce de l'Université de Waterloo et d'un doctorat en droit de la Schulich School of Law de l'Université Dalhousie.

CONTEXTE

L'industrie des semences génère chaque année plus de 2,2 milliards de dollars en ventes à l'échelle du pays et plus de 330 millions de dollars en exportations. En 2017, les entreprises privées ont investi près de 170 millions de dollars dans la recherche, la sélection et la création de variétés en matière de végétaux au Canada. En vertu de l'initiative Cultivons l'avenir 2, des fonds totalisant 1,5 million de dollars ont été alloués au secteur des semences.

La dernière réunion de la Table ronde sur la chaîne de valeur du secteur des semences a eu lieu le 18 mars 2019, à Ottawa. Dave Carey, directeur exécutif de l'Association canadienne du commerce des semences (ACCS), est le coprésident de la Table ronde pour l'industrie. Les discussions tenues à cette réunion ont surtout porté sur la formulation de commentaires à l'ACIA au sujet de son exercice prévu de modernisation de la réglementation des semences et sur la façon dont la Table ronde peut aider le secteur à fournir ces commentaires. Les intervenants de l'industrie ont également fait le point sur les travaux de collaboration entre l'industrie et le gouvernement dans les dossiers de la création de valeur et des innovations en matière de sélection végétale. La date de la prochaine réunion de la Table ronde n'a pas été confirmée, mais elle est prévue pour le printemps 2020 à Winnipeg.

CRÉATION DE VALEUR

Agriculture et Agroalimentaire Canada (AAC) participe actuellement à des programmes de sélection pour le blé, l'orge, l'avoine, d'autres céréales vivaces (p. ex., triticale, seigle), les haricots secs, les pois, la caméline, la carinata, la moutarde, le soya, les fourrages, les pommes de terre, les pommes, les cerises et les petits fruits. Ces programmes produisent des variétés prêtes à être utilisées sur le terrain qui sont commercialisées par les membres de l'ACCS. Entre 2013 et 2018, les chercheurs d'AAC ont participé à 308 projets portant sur le blé, les céréales secondaires, les légumineuses, les oléagineux et les cultures spéciales qui profitent directement au secteur des semences. Ces projets représentent un important partenariat de 119,93 millions de dollars entre le gouvernement et l'industrie (les coûts des salaires et de l'infrastructure d'AAC ne sont pas inclus dans ces totaux).

À la fin de 2018 et au début de 2019, AAC et l'ACIA ont organisé une série de séances de mobilisation en personne à Winnipeg, Ottawa, Saskatoon, Edmonton, Charlottetown et Sainte-Hyacinthe. Deux modèles de création de valeur visant à accroître l'investissement dans la sélection des céréales ont fait l'objet de consultations à la demande de la Table ronde sur l'industrie des grains : (1) l'imposition de redevances de fin de chaîne, dirigée par les producteurs, et (2) la perception des redevances permise par les contrats de production. Ces premières consultations ont fait ressortir une diversité de points de vue et le désir d'analyser davantage les modèles proposés et de consulter davantage les producteurs individuels. Bien que de nombreux intervenants voient la nécessité d'accroître les investissements dans la sélection des céréales, l'introduction de redevances sur les semences conservées à la ferme suscite des préoccupations.

Position de l'industrie

À leur assemblée annuelle de juillet 2018, les membres de l'ACCS ont adopté des résolutions en faveur du modèle de contrat de production et continuent de le préconiser pendant le processus actuel de consultation des intervenants.

INNOVATIONS EN MATIÈRE DE SÉLECTION VÉGÉTALE

L'expression « innovations en matière de sélection végétale » fait référence aux technologies utilisées pour modifier la génétique des végétaux, généralement à l'aide de techniques biotechnologiques modernes comme l'édition génétique. On les appelle aussi communément techniques de sélection végétale ou techniques de modification génétique. Comme il faudra déterminer si l'innovation en matière de sélection des végétaux doit être régie et comment elle doit l'être pour la plupart des systèmes de réglementation, un vaste travail de réglementation est effectué à l'échelle internationale à cet égard.

Le système de réglementation des produits de la biotechnologie au Canada est fondé sur les caractéristiques nouvelles du produit, et non sur le processus utilisé pour le mettre au point. Cette approche permet de prendre des décisions en fonction du risque dans la réglementation des nouveaux produits végétaux et encourage l'innovation tout en permettant au Canada de conserver son rôle de chef de file en matière de réglementation fondée sur la science. Le cadre de réglementation axé sur les produits de l'ACIA est demeuré inchangé malgré l'avènement des innovations en matière de sélection des végétaux.

L'ACCS s'intéresse activement à l'approche de l'ACIA et de Santé Canada pour la réglementation des innovations en matière de sélection des végétaux et des répercussions possibles sur le commerce des semences. Elle réclame que la politique sur l'évaluation préalable à la mise en marché des nouveaux produits végétaux soit modifiée afin d'accroître la prévisibilité et de simplifier les exigences d'évaluation. À son avis, la nature du système actuel au cas par cas n'offre pas suffisamment de prévisibilité aux fins de la planification des activités et nuit donc à l'innovation. Les priorités soulevées par l'ACCS sont étroitement liées aux recommandations formulées dans le rapport de 2018 de la Table de stratégies économiques du secteur agroalimentaire.

En marge de la Table ronde sur l'industrie des grains, AAC, l'ACIA et Santé Canada ont tenu des discussions avec l'ACCS et d'autres intervenants de l'industrie au sujet du cadre de réglementation des innovations en matière de sélection végétale.

En avril 2019, Santé Canada a proposé une nouvelle politique qui obligerait les entreprises à aviser Santé Canada lorsqu'elles ont l'intention de commercialiser une plante ou un animal génétiquement modifié destiné à l'alimentation au Canada. Santé Canada a déclaré que la politique proposée est conçue pour répondre aux objectifs de transparence et de confiance du public. Ce point fait actuellement l'objet de discussions dans le cadre de la Table ronde sur l'industrie des grains.

Position de l'industrie

L'industrie a réagi favorablement aux travaux de la Table ronde sur l'industrie des grains dans le dossier des innovations en matière de sélection végétale. Toutefois, les représentants de l'industrie, y compris l'ACCS, ont indiqué qu'ils s'opposaient fermement à la proposition récente de Santé Canada. Ils soutiennent que la nouvelle politique proposée n'est pas fondée sur des données scientifiques et qu'il existe d'autres façons de répondre aux préoccupations liées à la transparence et à la confiance des consommateurs.

SYNERGIE DES SEMENCES ET MODERNISATION DU RÈGLEMENT SUR LES SEMENCES

L'ACIA prévoit publier une proposition visant à moderniser son règlement sur les semences à l'automne 2021. Six organismes de l'industrie ont mis sur pied le Projet de collaboration sur la synergie des semences afin d'examiner les options qui permettraient de créer de meilleures synergies dans le secteur canadien des semences et d'influencer la réglementation que l'ACIA proposera en 2021. Ces six organismes sont : l'ACCS, l'Association canadienne des producteurs de semences, l'Institut canadien des semences, l'Association des analystes de semences commerciales du Canada, la Canadian Plant Technology Agency et CropLife Canada.

Position de l'industrie

Les membres du Projet de collaboration sur la synergie des semences ont souligné la nécessité que la modernisation de la réglementation donne lieu à un réexamen fondamental du cadre réglementaire régissant les semences. Ils souhaitent que la réglementation soit axée sur les résultats et qu'elle offre à l'industrie davantage de possibilités de s'autoréglementer. En janvier 2019, ils ont présenté à l'ACIA un livre blanc qui propose six changements clés :

1. Mettre à jour l'application de la réglementation sur les nouveaux produits en fonction des innovations en matière de sélection végétale;
2. Mettre en œuvre un système d'accord sur l'utilisation des variétés de semences (redevances de suivi) pour les semences protégées par la propriété intellectuelle;
3. Modifier le *Règlement sur les semences* pour simplifier les exigences et permettre la modernisation du cadre de réglementation des semences, y compris l'incorporation par renvoi;
4. Définir un nouveau modèle dirigé par l'industrie pour le programme de certification des semences;
5. Créer un guichet unique pour tous les services de réglementation des semences, favorisé par les technologies de l'information et comprenant un système de gestion des données de « profil de variété » pour toutes les variétés commerciales afin que les utilisateurs finaux puissent prendre des décisions éclairées;
6. Créer un modèle organisationnel plus efficient et efficace pour l'industrie.

Denis, Joanne (AAFC/AAC)

From: Dave Carey <dcarey@seedinnovation.ca>
Sent: September-13-18 5:53 PM
To: Minister / Ministre (AAFC/AAC)
Cc: Glover, Paul (CFIA/ACIA); Forbes, Chris (AAFC/AAC); Harb, Abed (AAFC/AAC); Porter, Alison (AAFC/AAC); MacNeil, Vince (AAFC/AAC); Gallant, Guy (AAFC/AAC); Mann, Matthew (AAFC/AAC); Tracey, Anik (AAFC/AAC); Renaud, Michel-Antoine (AAFC/AAC); Lauren Martin; Claudio Feulner
Subject: Request to Launch PBR Regulatory Amendment Consultations
Attachments: Request to Launch PBR Ammendment Consultations. Seed Synergy Partners. Sept 2018.pdf
Importance: High

Minister MacAulay,

On behalf of the Executive Directors' of the six Seed Synergy Partner organizations (Canadian Seed Trade Association, CropLife Canada, Canadian Seed Growers' Association, Canadian Seed Institute, Canadian Plant Technology Agency and Commercial Seed Analysts Association of Canada) please find attached a letter requesting that the consultations to the Plant Breeders' Rights Regulations be launched as soon as possible, ideally this fall.

Leadership from AAFC and CFIA are needed on this critical file to drive private sector investment in cereals innovation and position Canada to meet the government's ambitious but achievable export targets.

I look forward to hearing from you.

Thank you in advance on behalf of the Seed Synergy Partners.

QTE 244613

Dave

SEP 17 2018

 Canadian Seed Trade Association

Dave Carey
Executive Director

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p: [613-829-9527](tel:613-829-9527)

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Received in the
Correspondence Unit
Agriculture & Agri-Food Canada

Office of the Hon. Lawrence MacAulay
Minister of Agriculture and Agri-Food
House of Commons
Parliament of Canada
Ottawa Ontario
K1A 0A6

RE: **VALUE CREATION | THE NEED TO LAUNCH A CONSULTATION ON
PROPOSED CHANGES TO THE PLANT BREEDERS RIGHTS
REGULATIONS**

Dear Minister MacAulay,

We write to discuss the matter of Value Creation in cereals, an issue of large and far-reaching importance to the collective members of the Seed Synergy partners and a critical piece of the innovation puzzle that will drive Canadian agriculture and exports. We strongly urge the Canadian Food Inspection Agency (CFIA) in partnership with Agriculture and Agri-Food Canada (AAFC) to begin consultations on the Plant Breeders Right's Regulations amendments right away, to ensure that the Agency's regulatory modernization planned for 2020 will proceed without delay.

Background:

One of the seed sectors' top priorities is ensuring that there is an adequate and strategic level of investment in plant breeding. The discussion regarding this priority is entitled "Value Creation" and is particularly important for cereals.

Several reports have indicated that the agricultural industry would be better off with higher levels of investment in plant breeding for the cereal and pulse crop sector. In a recent study prepared by the JRG Consulting Group for the Seed Synergy partners, it states that the potential value creation initiatives produce an estimated annual benefit that can exceed \$100 million. Moreover, in comparison to countries like France, where a value capture mechanism for cereals is in place, Canadian wheat yields are falling behind. Many of our trading partners, including the Netherlands, the UK, Argentina and Australia also have value capture mechanisms, further exacerbating Canada's competitive disadvantage.

There are mechanisms under the amended Plant Breeders' Rights Act (PBR Act) to consider a form of value capture. After an extensive analysis undertaken by the Seed Synergy partners, consensus on a preferred model, the FSS Royalty in a certified seed contract model, has been reached. As you know, the Seed Synergy partners are evaluating the governance of the seed sector. Value creation is part of a larger discussion regarding the efficient delivery of industry services.

We have reached the pinnacle of a decade's worth of effort and investment on the subject and throughout have communicated with our government counterparts at CFIA and AAFC. The capacity, competency and support necessary for regulatory amendment exists within these departments as well.

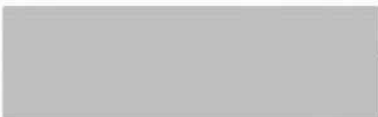
The Request:

The status quo places Canadian cereal breeders at a competitive disadvantage. While regulatory modernization planned for 2020 ensures that change will happen, we urge the Government of Canada to launch a consultation proactively, so that the benefits of any amendments can be properly explored. Regulatory change that is to the benefit of Canadian agriculture, public and private breeders, seed growers, and producers, must be launched this fall, 2020 is fast approaching. It is important to also note that the PBR regulation consultation can also consider models for the tree fruit and vegetable sectors as well as extending PBR protection to 25 years for the potato sector.

Our request is the next step in the extensive and transparent process undertaken by the Grains Roundtable. As you know, last fall value capture models were tabled for consideration during the meeting. Given the resources put into aligning industry views, the consequences of inaction are high. The next Grains Roundtable meeting is in October and we trust that AAFC will announce a value creation consultation as an update, now is the time for Ministerial leadership.

A 2020 regulatory modernization is the Government of Canada's objective. Our interest in requesting a fall consultation is ensuring that your objective is reached strategically. Please do not hesitate to contact us if further information is required.

Sincerely,



Cc:

Chris Forbes, Deputy Minister, Agriculture and Agri-Food Canada
Paul Glover, President, Canadian Food Inspection Agency

Minister
of Agriculture and
Agri-Food



Ministre
de l'Agriculture et de
l'Agroalimentaire

Ottawa, Canada K1A 0C5

Quote: 244613

OCT 12 2018

Mr. Dave Carey and Co-signatories
c/o Canadian Seed Trade Association
500-130 Albert Street
Ottawa ON K1P 5G4

Dear Mr. Carey and Co-signatories:

Thank you for your correspondence requesting that the Government of Canada launch public consultations with the objective of amending the *Plant Breeders' Rights Regulations*.

The Government recognizes the importance of investing in plant breeding and its critical role in bringing innovative new varieties to Canadian producers. The continuous release of new plant varieties with higher yields, improved disease resistance, and better end-use characteristics allows our farmers to remain competitive and profitable in a global marketplace.

Accordingly, I am pleased to inform you that Agriculture and Agri-Food Canada and the Canadian Food Inspection Agency will be launching joint public consultations on proposed amendments to the *Plant Breeders' Rights Regulations* in fall 2018. These consultations will focus on potential models that will improve the level of investment in the cereals sector, as endorsed by the Grains Roundtable.

The Government appreciates the efforts of the Seed Synergy partner organizations to advance this important file. I look forward to your views as part of the upcoming consultations.

Again, thank you for writing.

Sincerely,

A handwritten signature in cursive script that reads "Lawrence MacAulay".

Lawrence MacAulay, PC, MP

Canada