

### Sustainable Agricultural Growth Initiative

# Towards a federal program for supporting more productive, profitable and sustainable agricultural systems in Canada

This brief outlines agri-food stakeholders' proposal that the Government of Canada launch a Sustainable Agricultural Growth Initiative (SAGI). It has been developed with input and support from stakeholders in industry, finance, government, academia and civil society, and builds on an <u>earlier proposal</u> by Nature United, and informed by precedents in the <u>United States</u> and <u>elsewhere</u>, as well as by a growing body of management <u>research</u> and business case <u>analysis</u>.

Conceived as **a new federal program** for supporting the environmental, productivity and profitability objectives of producers, agri-food input providers and buyers alike, **SAGI would be initially financed at \$550 million over five years, to support and enable a series of at least five pre-competitive collaborations between agri-food stakeholders working within defined regional food systems**. Each SAGI-supported initiative would:

- Coordinate **financial and in-kind resources and capacities** to share the risk of transitioning farm operations and support the adoption of new practices at scale.
- **Trial solutions on-farm and beyond the farm gate** to advance social, economic, and environmental impacts.
- Be underpinned by a **clear business case** to demonstrate a trajectory to market self-sufficiency over time.
- Deliver on a set of **common agri-environmental objectives and outcomes** (described below), while tailoring interventions to the needs and realities of their regional context.
- Be networked through a **program approach**, ensuring each project contributes to, and benefits from, common outcomes, learning and exchange.

Several agri-food stakeholders have developed detailed examples of projects that could be supported by SAGI.  $^{\rm 1}$ 

#### **SAGI Objectives**

SAGI-supported initiatives will provide farmer-centric, and regionally applicable solutions in one or more of the following key areas:

- **Increase returns to farmers:** Support the development of systems that reward farmers for improved environmental performance, reduce costs, etc.
- **De-risk the uptake of new practices:** Affordable debt and patient, risk-tolerant impact capital can fuel innovation, unlock capital flows, and help farmers manage financial risks.
- **Stimulate peer-to-peer learning:** Extension services centered on peer-to-peer networks can support the adoption of new practices suitable for producers' geographic, agronomic, and economic circumstances.
- Improve data collection and dissemination: Monitoring, reporting and verification systems should be performed by independent third-party service providers and linked

<sup>&</sup>lt;sup>1</sup> **Annex A**, below, contains prospective SAGI project examples submitted by diverse stakeholders; **Annex B** contains letters of support for SAGI, received as of September 2024.



with harmonized and accessible, nationally recognized MRV system for the most important variables. These are needed to inform decision-making, link public policy and resources to results, and enable the valuation and marketing of premium products.

• Achieve market self-sufficiency: Global agri-food markets are prioritizing verified sustainability performance and climate action; however, regionally-specific standards, partnerships and collaborations will need to be developed to enable markets to respond to climate-smart/nature-positive choices by actors along agri-food supply chains.

#### **SAGI Outcomes**

At the end of an initial program commitment period, SAGI will report measurable progress on the following outcomes:

- **Farm- and regional-level proof-of-concept:** Regional-scale business models becoming increasingly self-sufficient within emerging market opportunities, spurring culture shift and inspiring demand for similar projects among proponents in new regions and landscapes across Canada.
- Advancements in offerings and availability of financial supports: Producers benefitting from more favourable financial services including lending and insurance products, upfront payments or guarantees stabilizing farm incomes.
- Advancements in offerings and availability of non-financial supports: Producers benefitting from new, user-centric models of technical assistance, data service, and access to equipment and inputs, increasing independent farmer decision-making.
- Advancements in data and MRV: Advancements in the definition, standardization, measurement, reporting, verification, and availability of data linking sustainable practices to economic outcomes for farmers, environmental outcomes, and resilience to enable the scaling of markets and mechanisms.
- **Agri-environmental outcomes:** Measurable reductions in greenhouse gas emissions, and improvements in soil health, biodiversity, water quality and availability.

Return to farmers:	Proponents should be able to demonstrate how producers will be guaranteed a competitive return, opportunities to add new values to their operations over the course of the project cycle.
Market self- sufficiency:	Proponents should be able to demonstrate a clear pathway to self- sufficiency withing the marketplace. This may include new linkages between farmers and buyers of products grown through sustainable practices; standard setting, labelling and marketing schemes; and commitments by agri-food buyers, input providers, and finance to expanding or replicating successful schemes.
Participation in offset programs:	Proponents should be encouraged to (and, unlike some existing cost- share programs, not be precluded from) participate in voluntary and/or compliance carbon offset programs.
PT involvement:	Proponents should seek the involvement of, and contributions from, provincial and territorial governments, and PT-administered agencies (e.g. educational institutions, insurance schemes).

#### **PROJECT CONSIDERATIONS**



Non-punishment	Proponents should seek to support and involve producers already using
of early	certain BMPs, as opposed to limiting its focus to new acres.
adopters:	
Encourage Living	Living Labs and OFCAF proponents should be front of line for SAGI
Labs & OFCAF	support.
adaptations:	

#### **CONCLUSION**

SAGI aims to improve the profitability, productivity, and sustainability of Canadian food systems. By tailoring financial services, technical support, data and learning to de-risk and support practice adoption within a given context through a series of large-scale pre-competitive collaborations, SAGI will support the sharing of risks and information associated with new practice adoption on-farm, while building the conditions needed to sustain, stack and market agri-environmental outcomes over time. SAGI balances the need for context-specific, user-driven action, as well as broader national systems for supporting and measuring progress on environmental, social, and economic objectives.



### **ANNEX A – PROSPECTIVE SAGI PROJECTS**

DISCLAIMER: The project examples below are for illustrative purposes only. They demonstrate demand for SAGI among diverse agri-food stakeholders and provide insights into the variety of initiatives that could be supported under SAGI. Nature United and our partners support a competitive and transparent process for determine which projects should ultimately receive support under the SAGI program. Support for SAGI, including among those individuals and organizations listed in Annex B – Letters of Support, does not necessarily entail support for any of these projects.

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#### 1. Aspen Parkland Agricultural Initiative (APAI)

**Project lead:** Nature United **Production system:** Annual grain cropping systems **Project geography:** Aspen Parklands (MB and SK) **Project timeframe:** 7 years

APAI is a multi-stakeholder, collaborative initiative that seeks to improve sustainable agriculture adoption across a defined prairie landscape by leveraging corporate sustainability goals and government's nature and climate commitments. The initiative will provide a critical mechanism through which cross-sectoral actors, including corporate partners, agricultural policymakers and governing bodies, producers, and Indigenous governments, are engaged to develop collaborative solutions across a shared geography to address major economic, agricultural, socio-cultural, and awareness constraints of producers to sustainable agriculture adoption. These solutions will include -

# 1. The program will develop an independent and qualified community of sustainable agriculture specialists and peer-to-peer networks to provide the necessary and enduring technical capacity, advice, and mentorship to producers required to scale sustainable agriculture adoption. The following actions will be taken towards achieving this goal –

- Develop and support programs that aim to integrate training and curriculum around sustainable agriculture in mainstream educational institutions.
- Coordinate efforts with The Nature Conservancy (Nature United's global affiliate) to build on Trusted Advisor work in the US and connections with American Society of Agronomy to have a certification for sustainable agriculture recognized by the Prairie Region Certified Crop Advisors.
- Influence Institutes of Agrology to recognize sustainable agriculture as legitimate scope of practice in the progression of Agrology.
- Leverage relationships of partners with producers to establish regular, formal networking opportunities such as an annual producer-led conference for sustainable agriculture or a member association to facilitate ongoing communication.



### 2. The program will support efforts to demonstrate economic viability and scalability of sustainable practices through the following actions -

- Demonstrate the logistical and practical implementation of BMPs through collaborating AROs to lead field-scale demonstrations.
- Demonstrate the economic feasibility of BMP adoption through collaborations with socio-economic researchers.
- Demonstration of MRV systems to track and document outcomes of BMP adoption by supporting initiatives such as the development of a Canada-wide framework for the measuring, monitoring, reporting, and verification of soil carbon.
- Coordinate measurement and reporting of climate and biodiversity outcomes.

### **3.** The program will support the development of new programs that incentivize sustainable agriculture practices at market scales and support producers in their transitions.

- Support governmental shifts to a consultative and integrative model of policy and program development through the Sustainable Agricultural Growth Initiative (SAGI) with the program outcomes aligned with federal government's commitments to biodiversity protection and reduction in greenhouse gas emissions.
- Support corporate incentivization programs for improving sustainable agriculture adoption.
- Support the development of incentivization mechanisms connected to MRV frameworks for ecological services provided through sustainable agriculture adoption.

#### Partners

This program aims to engage stakeholders across the agricultural industry value chain in the Aspen Parkland region. These stakeholders include corporations involved in input supply, commodity buying, processing, and retail. Additionally, governmental bodies at all levels (federal, provincial, and Indigenous), non-governmental organizations, financial institutions, and producer groups will participate to achieve project outcomes. We will improve technical support and capacity for sustainable agriculture by working with partners, including Community Colleges, Institutes of Agrologists in the prairie provinces (Saskatchewan, Manitoba, and Alberta), the American Society of Agronomy, and Prairie Region Certified Crop Advisors. Our global affiliate, TNC, will be engaged to provide support through their 'Producers Helping Producers' program in the US. We will foster peer-to-peer networking among sustainable producers through collaborations with other partners and non-governmental organizations actively working in the sustainable agriculture industry.

#### Funding

While some components of these programs have been initiated, the progress is hindered mainly by the lack of available funding. Federal funding will help catalyze the development and leverage corporate and private funding sources to achieve wider adoption of these programs, such that meaningful outcomes can be achieved by the year 2030. In addition to public funding, corporate relationships will be leveraged to support sustainability programs. We encourage an integrated approach to sustainable agriculture funding from the federal government and industry stakeholders through the Sustainable Agricultural Growth Initiative.

#### **Market self-sufficiency**



The program will help catalyze pathways to normalization and self-sustenance of sustainable agricultural practices in the Canadian prairies in medium- to long-term through following actions –

- 1. **Advancing Definition and Standardization**: The program will advance the definition and standardization of sustainable practices specific to the Canadian Prairies. By doing so, it will facilitate their large-scale adoption and effective assessment at the field scale.
- 2. **Measurement, Reporting, and Verification Protocols**: The program will help develop measurement, reporting, and verification protocols for ecological outcomes of sustainable practices, which is a critical step in tracking progress and enabling monetization of ecological services. While these systems have focused on carbon and greenhouse gas outcomes, this project will seek to expand tracking of outcomes to include additional environmental outcomes.
- 3. **Accelerating Marketplace Development**: The program will help to accelerate marketplace development for ecosystem services by enabling pre-competitive collaboration of companies across the value chain to aggregate demand for environmental outcomes and to establish means for the payment of ecological services.
- 4. **Policy and Program Support**: The program will help develop and support federal policy and programs that strengthen the economic rationale for the adoption and expansion of sustainable agriculture by producers, private sector companies, and financial investors.
- 5. **Expanded Market Opportunities:** The program will identify potential for increased market opportunities for sustainable agricultural products and result in increased spin-off economic activity based on enhanced markets and products. In addition, sustainable agricultural adoption in Canada will increase the global competitiveness of the agricultural sector within a global marketplace increasingly demanding sustainable products.

#### **Project outcomes**

This project will lead to the following outcomes -

- Clear demonstration of BMP feasibility within the Aspen Parkland providing the necessary evidence for producer decision-making.
- A network of qualified and independent agronomists, agrologists, and certified crop advisors is available to provide technical support to producers regarding sustainable BMP implementation.
- A formal sustainable agriculture member association is developed to foster peer-to-peer information exchange among producers and other supporting stakeholders.
- Corporate stakeholders support BMP adoption by providing both financial and technical support to BMP demonstrations, technical training, and information exchange.
- A robust measurement, reporting and verification system is in place to measure, document, track, report and verify sustainable agriculture BMP adoption within the Aspen Parkland.
- Government policies and financial support programs are inclusive of corporate support and producer needs to facilitate adoption.

Through these outcomes, APVCI seeks to advance sustainable agriculture practices over 2.9M ha by year 2030 with an associated mitigation potential of 2.77 Mt CO2e/year. Overall, the program will result in improved ecological, social, and economic resilience of agricultural communities.



#### 2. Strategies to reduce GHG emissions from manure storage facilities

Project lead: Agropur Cooperative and partners

**Production system<sup>1</sup>:** Integrated crop/livestock production

**Project geography:** Dairy farms in Eastern Canada (Quebec, New Brunswick, Nova Scotia) **Project timeframe:** Proposed project timeline 5 years.

#### 1- What gap(s) does this project seek to address?

Manure is the second largest GHG emissions contributor on a dairy farm, representing 33% of a farm's footprint. The strategies to reduce GHG emissions from manure have a very low rate of adoption due to high implementation barriers. This project proposes to address these barriers to increase adoption rates.

## 2- What opportunities will be created to address the identified gaps? Environmental:

- Airtight covering of manure storage facilities leads to reduced emissions of GHGs, mainly methane (CH4) and nitrous oxide (N2O).
- Improving manure management practices can reduce ammonia (NH3) emissions (a precursor of N2O, which is a potent GHG), and reduce odours and hydrogen sulfide (H2S).

#### Agronomic:

- Reducing the NH3 level in the atmosphere directly affects GHG emissions in the environment but also the nitrogen content of the manure, as NH3 is a byproduct of the degradation of the nitrogen molecules found in the manure that fertilizes plants. If we can reduce the loss of NH3 we can increase the level of N in manure which would lead to a more nutrient dense manure.
- Impermeable covers reduce the volume of water from rain and snow that accumulates in storage. As a result, there would be added storage capacity available for manure. In addition, the manure in storage wouldn't be diluted by precipitation. Manure spread on the fields would be more concentrated, requiring less transport.

#### **Economic:**

- Reduced fertilizer needs.
- Delays investment in larger storage facilities, avoids storage of diluted manure by eliminating the volume of water from precipitation.

#### Cultural:

The main immediate benefit for the community is odour reduction. The mentioned solution is very effective at mitigating unwanted smells.

#### 3- What strategies will the project employ? What specific actions will be taken?

The proposed objective is reducing the GHG emissions from liquid manure storage facilities. The specific interventions and solutions are various (e.g., plastic tarps, roofs with methane capture and/or destruction, hay covers, acidification, aeration, etc.) and can be adjusted to reflect the reality of each farm.

The project is of very low risk and high environmental reward. Farmers can expand and refine practices through communication and exchange of ideas. The reduction in GHG on the farm could be between of 20% to 30%, representing a significant impact on the objective to reduce milk's environmental footprint.

#### 4- What actors will be involved? What will they contribute?

*On-farm stakeholders*: Dairy producers in-kind and financial contribution *Off-farm stakeholders*:



- Government: Financing via grants, guidance, regulatory framework
- Applied research organisations: Research, guidance
- Additive or ingredient seller: Guidance, in-kind contribution
- Dairy processors: Financing, co-designing projects (systems-based approach), critical link between brands / retailers and dairy producers
- Food and beverage Companies (brands): Drivers of emissions reductions in value chain due to shareholder pressure, financing, co-designing projects (systems-based approach).
- Food retailers: Financing, co-designing projects (systems-based approach)
- Private philanthropic organizations: Financing, recommendations on project measuring, reporting, verification to meet international standards
- 5- How will the project interventions become self-sustaining within the evolving agri-food markets at the conclusion of the project period?

Agriculture plays a significant role in Canada's 2030 Emissions Reduction Plan. To achieve a reduction of 40% below 2005 levels by 2030, we need collaborative partnerships along the agriculture value chain, ensuring producers do not carry the burden alone. Manure management solutions are proven to be most effective at reducing GHG emissions on dairy farms, however they come with significant costs. This project aims to provide producers with the financial and technical assistance required to implement these solutions and transition towards a climate-smart commodity market.

By way of the project, we aim to understand the roadblocks producers face when implementing projects with higher up-front capital costs and identify solutions across the value chain to eliminate these challenges, increasing adoption rates.

### 6- What are the expected outcomes from this project (including environmental, agronomic, economic, and cultural outcomes)?

The GHG mitigation potential is very high.

- Reduced emissions of N<sub>2</sub>O
  - $\circ$  -30% N<sub>2</sub>O with a floating plastic cover<sup>[1]</sup>
  - -40% N<sub>2</sub>O with a permeable crust <sup>ii</sup>
- Reduced emissions of ammonia.
  - -90% to -98% NH<sub>3</sub> with floating plastic cover<sup>i-ii</sup>
  - -60% NH<sub>3</sub> with a permeable crust <sup>ii</sup>
- Reduction of CH<sub>4</sub>
  - +3% CH<sub>4</sub> to -27% for a straw layer of 14cm to 30cm thick<sup>[1]</sup>, but can also cause methane oxidation up to 4.5 gCH4  $m^{-2}d^{-1 i-ii}$
  - -11% to -13% CO2eq for a solid cover<sup>[iii]</sup>
  - -43% CO2eq from methane for aeration "
  - -87% CO2eq from methane for acidification <sup>ii</sup>

#### Cost

- The covering strategies are of two kinds, permeable or non-permeable. Permeable cover can include a straw cover, which is on the lower end of cost at around 1\$/sq m<sup>2</sup>.<sup>i</sup>
- The impermeable covers, for example floating plastic or geotextile tarps, can cost upwards of 20\$/sq m<sup>2</sup>. <sup>i</sup>
- For other interventions such as aeration, the costs will greatly vary depending on the chosen technology and the size of the manure tank. Costs (e.g., energy, maintenance, etc.) will range from 2000 to 15 000\$ per year.
- For acidification, a range of cost was estimated to be from \$6.55 to \$19.6 per cow per year. **[iv]**



<sup>[i]</sup> <u>https://www.ctc-n.org/technologies/manure-coverage</u> [ii]

https://www.sciencedirect.com/science/article/pii/S1751731113000736?ref=pdf\_download& fr=RR-2&rr=85273377fcc6369e

<sup>[iii]</sup> <u>https://www.ontario.ca/page/aeration-liquid-manure</u> <sup>[iv]</sup> <u>https://acsess.onlinelibrary.wiley.com/doi/abs/10.2134/jeq2018.10.0355</u>



#### 3. Reduced enteric methane emissions from dairy cattle

**Project lead:** Agropur Cooperative and partners

Production system<sup>1</sup>: Integrated crop/livestock production Project geography: Dairy farms in Eastern Canada (Quebec, New Brunswick, Nova Scotia) Project timeframe: Proposed project timeline 5 years.

#### 1- What gap(s) does this project seek to address?

Enteric methane is the largest contributor to GHG emissions on dairy farms, representing 35% of emissions. With new advancements of feed additives and strategies, enteric methane emissions on farm can be reduced by up to 30%. Producers have been burdened with navigating and financing these advancements on their own. This project will enable producers to select among various CFIA approved feed ingredients and feed additives. By leveraging partnerships within the value chain, producers will have the financial and technical assistance to implement effective feed strategies to reduce emissions from enteric fermentation.

#### 2- What opportunities will be created to address the identified gaps?

Environmental:

- Reduced enteric methane emissions- enteric methane alone represents 35% of a dairy farms' GHG footprint.
- Depending on the feed ingredient used, this can represent a 0.5- 1.2 tCO2e per cow per year (9 to 18% methane reduction for linseed based ingredients, up to 30% for additives).
- Potential reduction in utilisation of imported ingredients such as palm oil derivatives. *Agronomic*:
  - Potential improvements in cow health, longevity, and reproductive outcomes.
  - Potential increase in milk production per cow, further reducing emission intensities.
  - Some feed strategies would see a reduction in the utilisation of corn sileage. Farms then have the possibility of creating better crop rotations, promoting biodiversity and soil health.

Economic:

- Some feed strategies are cashflow positive for producers with additional benefits including improved productivity and/or improved animal health.
- Project will provide basis for scaling up feed strategies.
- Enhanced feed strategy knowledge and technology innovations to support the dairy sector.
- Enhanced feed strategy knowledge and technology innovations to support emissions reductions as part of a climate-smart dairy production system.
- Employment opportunities for technical experts and support systems.
- Diversified agricultural economy resulting in enhanced resiliency of agricultural communities.
- Historically underserved producers will be encouraged to apply for this project.

#### 3- What strategies will the project employ? What specific actions will be taken?

The Canadian dairy industry has set an ambitious goal of decreasing GHG emissions by 30% per kg of milk processed by 2030. Achieving this goal will involve implementing strategies to reduce enteric methane on dairy farms through socially acceptable, cost-effective, replicable strategies that support animal welfare and productivity. Some feed ingredients (e.g., Linseed-based feed ingredients) or additives (e.g., 3-NOP) offer a potential strategy to abate enteric methane emissions by up to 18% and 30% respectively.



The participation of research institutes and universities is encouraged to measure the effectiveness of implemented methods and comparing it to data found in literature. The reduction in GHG on the farm could be between 20% to 30%, representing a significant impact on the objective to reduce milk's environmental footprint.

#### 4- What actors will be involved? What will they contribute?

*On-farm stakeholders*: Dairy producers in-kind and financial contribution *Off-farm stakeholders*:

- Government: Financing via grants, guidance, regulatory framework
- Applied research organisations: Research, guidance
- Additive or ingredient seller: Guidance, in-kind contribution
- Dairy processors: Financing, co-designing projects (systems-based approach), critical link between brands / retailers and dairy producers
- Food and beverage Companies (brands): Drivers of emissions reductions in value chain due to shareholder pressure, financing, co-designing projects (systems-based approach).
- Food retailers: Financing, co-designing projects (systems-based approach)
- Private philanthropic organizations: Financing, recommendations on project measuring, reporting, verification to meet international standards.
- 5- How will the project interventions become self-sustaining within the evolving agri-food markets at the conclusion of the project period?

Agriculture plays a significant role in Canada's 2030 Emissions Reduction Plan. To achieve a reduction of 40% below 2005 levels by 2030, we need collaborative partnerships along the agriculture value chain, ensuring producers do not carry the burden alone.

This project aims to provide producers with the financial and technical assistance required to implement these solutions and transition towards a climate-smart commodity market. By way of the project, we aim to understand the roadblocks producers face when implementing projects with higher up-front capital costs and identify solutions across the value chain to eliminate these challenges, increasing adoption rates.

### 6- What are the expected outcomes from this project (including environmental, agronomic, economic, and cultural outcomes)?

Mitigation potential depends on the feed strategy selected.

For example, a linseed-based ingredient has an estimated abatement potential between 9 and 17% reduction of enteric fermentation. In many cases there is no financial impact for using some feed ingredients as they increase productivity and other metrics.

Another example is the feed additive 3-Nitrooxypropanol (3-NOP). The manufacturer reports that 3-NOP can reduce enteric methane emissions by 30% among dairy cattle.

Cost

- Feed ingredient: Variable.
  - Example: linseed-based ingredient, without considering collateral positive outcomes, estimated costs between \$900 - \$1700 /tCO2e. As this is an ingredient, it replaces other ingredients in the feed, so the real cost is much lower, estimated to be around neutral for the farm by the industry leaders that were consulted.
- Feed additive: Variable.
  - Example: 3-NOP estimated cost of \$104/tCO2e



#### 4. Regenerative Organic Oats (ROO) Program

**Project lead:** Canadian Organic Growers; Dorthea Gregoire, Program Manager **Production system:** primarily small grains (oats), diversification and livestock inclusion

encouraged **Project geography:** Canadian Prairies (MB, SK, AB) **Project timeframe:** Pilot 2022-2024, Core Program 2024-2029 (5-year cycle) ongoing

#### 1. What gap(s) does this project seek to address?

Mainstream agricultural practices have severely degraded soils, with the UN FAO warning that only 50 harvests remain if current trends continue. Yet, many farmers, our best soil stewards, lack the tools to assess and regenerate their soils.

In recent years, incentive-based programs from various federal, provincial, and nongovernmental sources have emerged to help farmers adopt soil-focused, regenerative practices. Concurrently, COG has been actively providing extension services across the Prairies to support producers interested in transitioning to more regenerative practices.

The Regenerative Organic Oats (ROO) program supports Prairie organic oat growers in transitioning to regenerative organic management, aiming to expand Canada's regenerative organic oats supply while increasing resilience to climate change.

ROO addresses several critical gaps in the support needed for farmers making this transition, including:

- A lack of extension services and context-appropriate resources tailored to regenerative organic farming.
- Insufficient peer support and communities of practice for farmers to connect, share expertise and best practices, and support one another on their regenerative organic journey.
- Limited involvement and participation from supply chain actors in supporting farmer transitions and developing domestic regenerative organic supply chains.
- A need for robust benchmarking and monitoring systems to guide on-farm decisions and build trust and accountability within the supply chain.

#### 2. What opportunities will be created to address the identified gaps?

ROO advances the three pillars of sustainability — environmental, social, and economic — benefiting producers, the environment, and society as a whole.

Environmental:

- Promoting regenerative, soil health-focused farm management.
- Enhancing agroecosystem diversity through context-specific practices that support biodiversity and ecosystem health.
- Implementing benchmarking systems to measure and improve environmental outcomes.

Social:

- Establishing Communities of Practice (CoPs) including producers, agronomists, extension specialists, and supply chain partners to share knowledge and best practices.
- Providing producers with direct access to expert guidance and support during their transition to regenerative agriculture.



- Facilitating peer-to-peer knowledge transfer and continuous learning and improvement.
- Partnering with existing grassroots organizations to enhance in-person support and resource sharing, foster collaboration as the foundation for CoPs.

Economic:

- Developing supply chains and "supply shed" networks to spread risk and promote farmer-forward practices, including forward marketing strategies, leading to more stable and profitable markets for regenerative organic products.
- De-risking the transition to regenerative organic agriculture through knowledge sharing and exploring market creation, making it a more economically viable option for producers.
- Improving farm planning and adopting best regenerative organic practices to boost crop yields and quality, leading to increased profitability for producers.

What's "in it" for producers?

- Direct access to extension specialists, subject matter experts, and peers for knowledge transfer, technical assistance, and farm system plan creation.
- Technical assistance and financial support for on-farm benchmarking, monitoring, and soil carbon measurement tools.
- Participation in a peer support network and CoP with like-minded producers navigating similar contexts.
- Access to bespoke field days, in-person gatherings, and open-access resources on regenerative organic management.
- Individual farm coaching and whole farm systems planning support.
- Early positioning for carbon payment programs and pioneering regenerative practices that enhance profitability, soil health, and climate resilience.
- Opportunity to provide input on program direction.

#### 3. What strategies will the project employ? What specific actions will be taken?

The ROO program employs a multi-faceted approach to de-risk the adoption of regenerative practices, enhance peer learning, improve data management, and develop markets for climate-smart systems, through:

- 1. **Peer-to-peer networks:** Establishing a Prairie-wide CoP for producers and experts to share knowledge and support new practice adoption. Supporting in-person gatherings of localized CoPs.
- 2. **Supply chain collaboration:** Bridging market demands with producers' needs to achieve regenerative goals, and creating opportunities for ground-up collaborations that support regenerative production systems.
- 3. **Experiential learning:** Hosting field days, chat groups, and virtual interactive webinars to foster learning.
- 4. **Individual consulting:** Offering one-on-one business and agronomic consulting to support holistic farm planning and management for long-term resilience.
- 5. **Online resource hub:** Providing an open-access online hub with regenerative resources and input opportunities for producers.
- 6. **On-farm benchmarking and monitoring:** Supporting producers with a 5-year data collection cycle, free soil testing, and development of a farmer-owned data framework to monitor regenerative impacts.
- 7. **Train-the-trainer:** Training regenerative practitioners and agronomists to support and provide extension services to more producers.



Early adopters are essential to the program, serving as cornerstones of the CoP by sharing their experiences. Teaching allows early adopters to learn while drawing on innovations from new practitioners. COG provides organizational infrastructure and support for their teaching efforts. The program includes farms of varying sizes (from small to large-scale), production methods, and experience levels, fostering collaboration, innovation, and widespread adoption of regenerative organic practices, leading to positive outcomes across environmental, social, and economic pillars.

#### 4. What actors will be involved? What will they contribute?

ROO involves diverse actors to support on-farm transitions while developing markets for regenerative organic products, including:

- Producers: Participate in CoP and share expertise, implement regenerative plans and practices, conduct benchmarking and monitoring.
- Agronomists: Provide extension services and consulting support to producers.
- Supply chain actors (e.g. millers, buyers, organic brands): Provide program funding, engage in supply chain networks and market development, and assist with producer recruitment.
- Benchmarking and data analysis partners: Analyze soil tests, conduct organic carbon mapping, support farm monitoring.
- Government: Provide funding for scale-up, support climate initiatives, and develop data frameworks.
- NGOs: Foster CoPs and supply chain/shed networks, coordinate program execution, increase extension capacity.

Government resources would be strategically used to complement private sector contributions by:

- Funding the scale-up of the ROO program (increase enrollment, increase partners) and increasing program impact.
- Enhancing COG's role in developing supply chain networks and expanding to new crops, systems, and regions, as well as supporting the development of localized regenerative hubs emerging geographically from our CoPs.
- Funding training and hiring of more independent regenerative organic agronomists, supporting collaboration with universities to offer credentialed training, creating a regenerative agronomist directory, and ensuring sector-based extension capacity complements current and future public programming.
- Partnering with government and university researchers to scale up on-farm research on subjects of interest (e.g. agronomic, nutrient density, life cycle assessments, etc.), and integrating with programs such as Living Labs.
- Ensuring connection of ROO program with federal, provincial, and sector-based incentive programs to ensure access to financial support for transitioning producers.
- Accessing national data frameworks to ensure collected data is shareable and addresses producer privacy concerns while being usable for research.

## 5. How will the project interventions become self-sustaining within the evolving agri-food markets at the conclusion of the project period?

The ROO program aims to achieve self-sustainability within evolving agri-food markets by:

• **Creating market opportunities:** Supporting transitions to organic and other certifications such as Regenerative Organic Certification (ROC) opens access to premium markets that value sustainability.



- Enhancing producer profitability: Supporting access to premium markets through certifications, and promoting regenerative practices that help reduce risk, build soil health, and increase net profits.
- **Fostering supply chain coordination:** Collaboration between producers and endproduct users ensures alignment with market demands and new opportunities.
- **Building on-farm and community resilience:** Using a systems-based approach, the program aligns farm management with long-term resilience through regenerative management, fostering internal capacity for adapting to changing environmental and economic conditions. Alumni are encouraged to lead within CoPs, enhancing community resilience.
- **Evolving consumer preferences and market standards:** Maintaining direct partnerships with supply chain players keeps participants aligned with market and consumer trends. Educational initiatives will inform consumers about the benefits of regenerative practices, driving demand for regenerative products.

While the program operates on a five-year cycle, the CoPs are designed to be ongoing and grow independently. Producers will have indefinite access to program resources, and alumni are encouraged to take on leadership roles within the CoPs.

# 6. What are the expected outcomes from this project (including environmental, agronomic, economic, and cultural outcomes)?

Outcomes:

- Improved soil health after five years of participation in the program, measured through establishment of baselines and ongoing soil health monitoring campaign.
- 100% adoption of context-appropriate regenerative practices by participants, supported by customized extension services and peer networks.
- Increased financial literacy and use of regenerative economic frameworks.
- Long-term changes in stewardship mindset and behavior.
- Widespread dissemination of regenerative organic farming resources for maximum impact and uptake by other growers.
- An ongoing and continually growing farmer-to-farmer network of regenerative organic oat growers.
- A more resilient and increased oat supply in the face of climate change.
- Improved atmospheric carbon capture and retention in farm soils.
- Increased use and development of best organic regenerative practices, resulting in higher yields, crop quality, and resilience to extreme weather, with improved soil fertility and minimized crop issues.

Measurement:

- Regular soil health testing and assessments.
- Modeling of soil carbon using cutting edge monitoring, reporting and verification (MRV) tools.
- Annual participant survey to track adoption of practices, knowledge transfer, and farm planning.
- On-farm visits to support monitoring of progress and practice adoption.
- Surveys and interviews to measure changes in mindset and behavior.
- Community-level impact evaluations to assess network growth, geographic impacts, and contributions to local initiatives.

Accountability and transparency:



- Accountability is internal to each participating farm, and is supported by annual on-farm visits by program staff and agronomists.
- Collective accountability and mutual support through inclusion and interactions with peer network/CoP.
- Regular reporting to program partners.
- Public communications to ensure transparency.

The program contributes to the development of on-farm benchmarking and monitoring procedures that can be used by any farmers transitioning to regenerative organic management, and which can be adapted for use in the broader Sustainable Agriculture Growth Initiative (SAGI).



#### 5. Eastern Canada Value Chain Collaborations

Project lead: FoodBridge (Terre à table)

Production system: Production systems currently focused on annual grain and oilseeds cropping but expected to expand to include other annual crops and livestock production
Project geography: Eastern Canada (Ontario, Quebec)
Project timeframe: 5 years

#### 1- Challenge

The Ontario-Quebec 'cornbelt' has developed into an agricultural landscape concentrated on two main crops: corn and soy. These crops have been bred to be extremely productive under high use of synthetic fertilizers, herbicides and pesticides, and are mainly used for animal feed and more recently for biofuels. High market prices for these commodities and variety and insurance programs geared toward them make these crops the most logical and lucrative choice for growers. Meanwhile, rotations of small grains like oats, rye and barley that were once common crops in eastern Canada have declined dramatically, along with markets for them. Pulses like beans and peas, grown either as cover or harvested crops, and fall-planted crops like winter wheat, rye and canola as well as cover crops that keep living roots in the ground over the winter and get a head start on growth in the spring, are still minor crops in eastern Canada despite positive ecological and economic potential. Tillage is also the dominant practice in eastern Canada's cool and wet climate.

An increasingly erratic climate combined with high input and labour costs have made profitability elusive for many growers. While diversified crops and sustainable, regenerative practices are long term solutions that build resilience, they face resistance from producers without effective market incentives.

#### 2- Opportunity

Efforts have been on-going for decades to support farmers to take up more sustainable practices, including through government subsidies and educational programming, with limited success. Recently, the potential for significant change has emerged with large consumer-facing companies adopting ambitious sustainability targets and suppliers in the middle of the chain gradually following. Smaller manufacturing companies are also starting to develop sustainable development plans that include procurement.

FoodBridge's work is to link buyers and producers along the value chain, helping companies meet their environmental targets in a way that is economically profitable and socially beneficial to farmers. FoodBridge works to equip farmers meet sustainability demands in three key ways (the 'three-legged stool'):

- 1. helping to design effective programs that pay producers for sustainable practices
- 2. ensuring high quality technical advising about these practices, notably soil health
- 3. supporting farmer networks that promote peer learning.

A fourth, overarching element is measurement, reporting and verification systems. FoodBridge has undertaken research to provide a typology of MRV tools and continues to assess the evolving landscape of tools relevant to eastern Canadian landscapes. Our projects aim to support producers and companies in the selection, use and coordination of tools to collect data and tell credible impact stories while ensuring that the reporting burden on farmers is as light as possible.

#### 3- Strategy and action



FoodBridge is focusing work on driving the adoption of regenerative practices using markets, working with food companies of all sizes, farmers, agronomists, researchers and governments. The goal is to demonstrate the economic and environmental feasibility of such supply chain collaborations, showcasing successes and multiplying projects across regions. Supply chain collaborations in two key regions are being advanced:

- 1. **Montérégie**, Québec: Building on research into existing experience and initiatives in this rich grain-growing region, multi-stakeholder workshops and discussions, the *Guarding the Grain for a sustainable future* collaborative is currently focusing on three crops or crop groups for pilot projects: malting barley, oilseeds (including sunflower, camelina and pumpkin) and feed rye. The pilot projects aim to de-risk inclusion of these crops in rotations and support sustainable practices through: on-going interactions along the supply chain, farm and manufacturing site visits, testing of new varieties, technical support for meeting quality standards, farmer cohorts supported by agronomists, and improved contracts. Expected economic benefits to farmers include stable contracts, premium prices and/or payments for environmental practices.
- 2. **Southern Ontario**: In this grain and food manufacturing hub, the collaboration includes major manufacturing companies, farmers and organizations supporting their work. It aims to strengthen shared learning among farmers and companies about supply chain needs, farm practice adoption, and jointly managing a transition. It will test interest among companies sourcing in southern Ontario to collaborate by, for example: participating in Trusted Agricultural Advisor Network to upgrade capabilities of implementing partners; using a shared, landscape-level MRV mechanism and understanding what is needed to credibly include biodiversity in measurement schemes; and aggregating funding (public, private, philanthropic) for adoption of practices in supply chains.

#### 4- Actors and funding

The multi-stakeholder, pre-competitive collaborations that FoodBridge fosters include diverse growers and buyers of all sizes as the main actors, as well as agronomists, researchers, government representatives and relevant NGOs, including farmer-led and farmer-serving organizations.

The **Montérégie (Quebec) project** currently focuses on grain and oilseed farmers (but expecting to broaden to dairy and livestock growers in coming years), and primarily mid-sized manufacturing companies (brewing and malting companies, mills, oil and feed manufacturers and snack producers). Other participating organizations include Concertation grain Québec, Producteurs de grains du Québec (Quebec grain producers' association), Groupe Proconseil and PleineTerre (independent agronomy organizations), the Quebec ministry of agriculture and researchers from CEROM and Laval university. It is currently funded by various provincial, regional and national programs and philanthropic as well as corporate funds, but larger and more long-term funding is needed to sustain work.

The **southern Ontario project** has developed a core group of major manufacturing companies and is looking to expand to retailers, grain traders and other buyers over time. Support organizations include the Ontario Soil Network and the Sustainable Food Lab.

While companies are responsible for improvements in their own supply chains, few have the capabilities and relationships needed for change across farming systems and landscapes – they must be modelled and supported. As so often with systems change work, it is the behind-the-scenes work of knitting together actions beyond organizational boundaries which is needed to



drive collective change. Public funding is critical to provide support for efforts beyond the mandate of individual companies.

#### 5- Viability and continuity

FoodBridge's regional supply chain collaboration projects aim for built-in viability and continuity, in the sense that projects developed are created to respond to new market demands in a way that embed the practice changes in profitable business models.

#### 6- Expected outcomes

- The feasibility of adopting regenerative practices including diversified crop rotations in Montérégie and southern Ontario has been demonstrated using research that supports producer decision-making.
- Buyers are supporting adoption of sustainable and regenerative practices through financial, technical and peer learning supports
- A vibrant network of engaged participants from across the value chain, including producers, agronomists, researchers and companies is sharing knowledge and collaborating for impact
- Projects are using and testing measurement, reporting and verification systems and sharing impacts publicly.



#### 6. CANZA - Canadian Alliance for Net Zero Agri-food

#### Project lead: CANZA Secretariat

**Production system:** Production systems could include (i) annual grain cropping, (ii) livestock production, (iii) integrated crop/livestock production, (iv) perennial forage production, (v) other.

#### Project geography: National

Project timeframe: Started in October 2023 and running until 2028

#### 1- What gap(s) does this project seek to address?

We are a coordinating mechanism bringing together actors from up and downstream of value chains in pre-competitive collaborations to take action on achieving a net zero agri-food system.

We have two initiatives feeding into this, the Climate-Smart Farming Initiative (CSFI) and National Biodigester Initiative (NBI).

- The CSFI is focused on developing a national, scalable, efficient, and low-cost soil organic carbon measuring, monitoring, reporting, and verification (MRV) framework. This will allow the valuing of soil organic carbon with the aim of creating credible carbon credits based on outcomes and practice change, as well as providing accurate carbon data to support claims, Scope 3 reporting, and work around science-based targets.
- ✓ The NBI is focused on addressing the issues in the biodigester space, including advocating for a better enabling environment, investment, incentives, etc., educating and building the capacity of farmers, and, when possible, supporting the creation of a methane credit market.

#### 2- What opportunities will be created to address the identified gaps?

Our work delivers against all three pillars, below is a selection only.

#### Economic:

- ∉ Supporting the creation of a carbon market that will enable farmers to earn an income from the sale of credible carbon credits.
- ∉ Supporting on-farm climate-smart practices that will improve soil health and lead to improved productivity, yield, and profitability on farms.
- ∉ Engaging the whole value chain where possible in supporting carbon removals and reductions and leveraging funds to do this from the private sector.
- ∉ For the NBI, we are working to create the right enabling environment, including addressing the need for investment and incentives from the government and other sources to fund and stand up new projects and continue to support the existing ones, this support needs to be directed at de-risking.

#### **Environment:**

- ∉ Soil organic carbon is being built through removals and sequestration.
- ✓ Creating an MRV Framework that is open access and with interoperability capabilities to enable the framework to be used with other platforms. This approach should support increased access and use, meaning more value chain actors engaged in transitioning to a climate-smart and net zero agri-food system.
- ∉ Creating circularity between the two initiatives will see the diversion of waste to anaerobic digestion facilities, the production of digestate as an alternative to synthetic inputs, and improved yields on farms.

#### Social:

∉ Behaviour change along value chains, from producer to consumer.



- ∉ Building economic and social resilience on farms to improve farmer livelihoods.
- ∉ Rural development increased productivity and profitability of farms.
- ∉ Creating career pathways into agriculture.

**The MRV Framework** is being developed to measure, capture, report on, and enable the verification of soil organic carbon data. This will enable farmers to prove carbon outcomes and monetize carbon on their farms (i.e. create carbon assets and generate an income). At the same time, they are improving their soil health and overall productivity.

**Farmer-first approach**: Working with farmers to ensure they have the soil organic carbon data, and are able to use this data to inform decision-making on the farm, including adoption of new practices / best management practices (BMPs). Hopefully, there will be increased agency in farmers' negotiations with offtakers (those who purchase carbon credits, often the private sector), and ultimately will lead to better contracting terms, including forward contracts, price premiums, etc. Ideally, the sale of credible carbon credits and potentially the stacking of credits, incentives, and enterprises, will generate additional and new income streams and open up new finance options for farmers.

**NBI:** Raising awareness amongst producers of the value of their manure and other farm waste that can be used in biodigesters. Again, creating an alternative income stream.

**For both initiatives:** CANZA is the coordinating mechanism, bringing together actors from across the supply chain and across the eco-system to collaborate and take action to reduce and remove carbon and achieve net zero. By working in the pre-competitive collaborative space, we intend for all stakeholders to receive the benefits and be positively impacted – this is not about intentionally increasing the profitability of one, but rather raising all ships in the harbour.

#### What is missing that CANZA cannot address?

There needs to be accessible investment and funding from different sources that will enable stacking and blending. For producers, there needs to be support in the broadest sense to get through the 3-5 years needed to realize the benefits of climate-smart farming practices. This could be through incentives, new and alternative financial products, or extension / technical services.

CANZA can bring all the actors to the table to take action, we can support collaboration.

3- How will the project interventions become self-sustaining within the evolving agri-food markets at the conclusion of the project period?

The creation of a credible carbon and methane credit market.

4- What are the expected outcomes from this project (including environmental, agronomic, economic, and cultural outcomes)?

We have developed a comprehensive theory of change for CANZA overall, and this is now being translated into an impact assessment framework for the Climate-Smart Farming Initiative. In turn, this will be carried through to on-the-ground projects, with each having its own impact indicators.

We are just in the process of standing up projects and implementing the processes that will generate the needed outputs and outcomes in the future. Bear with us, we will have some soon.



### **ANNEX B – LETTERS OF SUPPORT**

- 1. Hon. Roy Kostyshyn, Minister of Agriculture, Manitoba
- 2. Hon. Robert Black, Chair, Standing Senate Committee on Agriculture and Forestry
- 3. Beth Hunter, Director, Food Bridge
- 4. Holly Jones, Director of Global ESG/Sustainability, Agropur
- 5. Nick Betts, Managing Director, Canadian Alliance for Net-Zero Agri-Food (CANZA)
- 6. Kate Murchison, Executive Director, Canadian Organic Growers



#### 1. Hon. Roy Kostyshyn, Minister of Agriculture, Manitoba<sup>2</sup>

Minister of Agriculture
Room 165 Legislative Building Winnipeg, Manitoba R3C 0V8 CANADA
April 29, 2024
Amanda Karst Manitoba Program Director Nature United Suite 331 366 Adelaide Street East Toronto ON M5A 3X9
Dear Amanda Karst:
This letter is in response to your correspondence of March 7, 2024 regarding the Sustainable Agriculture Value Chain Initiative (SAVCI).
I affirm my appreciation for your organization's efforts. I fully support your goals in relation to Agricultural Natural Climate Solutions Manitoba.
Manitoba is committed to our producers. Through Sustainable Agriculture Manitoba and funding under the Sustainable Canadian Agricultural Partnership, we are encouraging farmers to adopt practices to help adapt to climate change and decrease impacts on the environment. These practices include reducing tillage, improving fertilizer management, reducing pesticide use, seeding sensitive lands (i.e. saline or highly erodible) to perennial crops, improving manure application, composting manure, and improving efficiencies with irrigation and drainage water management.
Our province continues to promote 4R Nutrient Stewardship, (using the Right Source at the Right Rate, Right Time, and Right Place), to support emissions reductions from nitrogen fertilizer use. This includes the adoption of soil health practices through a focus on extension, education and training of farmers, agronomists, and industry partners.
Thank you again for connecting, and I look forward to staying in touch on SAVCI
Sincerely,
Honourable Ron Kostyshyn
c: Brenda DeSerranno, Deputy Minister

<sup>&</sup>lt;sup>2</sup> This letter was written following discussions centred on SAGI's predecessor proposal, the <u>Sustainable Agricultural</u> <u>Value Chains Initiative (SAVCI)</u>. The basic principles of these two proposals remain the same, whilst SAGI provides more detail.



2. Hon. Robert Black. Chair, Standing Senate Committee on Agriculture and Forestry<sup>3</sup>

	- <del></del>
The Honourable Robert Black Senator – Ontario	L'HONORABLE ROBERT BLACK Sénateur – Ontario
SEN	ATEISÊNAT
November 21, 2023	CANADA
The Hon. Chrystia Freeland	The Hon. Lawrence MacAulay
Deputy Prime Minister and	Minister of Agriculture and Agri-Food
Minister of Finance	House of Commons
House of Commons	Ottawa ON, K1A 0A2
Ottawa ON, K1A 0A2	
The Hon. Steven Guilbeault	
Minister of Environment and Climate Chan	ge
House of Commons	
Ottawa ON, K1A 0A2	
Dear Ministers Freeland, MacAulay, and Gui	ilbeault,
Please find attached a copy of a brief sent to	o me from Nature United, regarding sustainable
agricultural value chains (SAVC).	
Leading commercial actors across Canadian	agri-tood value chaine educational institutions and
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<sup>3</sup> This letter was written following discussions centred on SAGI's predecessor proposal, the <u>Sustainable Agricultural</u> <u>Value Chains Initiative (SAVCI)</u>. The basic principles of these two proposals remain the same, whilst SAGI provides more detail.



-2-

I have reviewed Nature United's proposal in detail. Not only does SAVC recognize the importance of multistakeholder partnerships in bringing these interventions to farmers in a way that is context-specific, integrated, and centered on producers' interests and well-being, I believe it could represent a viable means for scaling and accelerating existing efforts to reduce greenhouse gas emissions while improving the resilience and productivity of Canada's agricultural soils and rangelands.

I respectfully request your review of the attached, and I look forward to your response.

Sincerely,

The Honourable Robert Black Senator – Ontario Chair, Standing Senate Committee on Agriculture and Forestry

#### Attachment

c.c: Hadley Archer, Executive Director, Nature United haracher@natureunited.ca

Parliament Buildings | Édifices du Parlement • Ottawa, Ontario K1A 0A4 © 613-943-3416 • 1-800-267-7362 • Robert.Black@sen.parl.gc.ca • SenCanada.ca



#### 3. Beth Hunter, Director, Food Bridge



August 14, 2024

Hon. Lawrence MacAulay Minister of Agriculture and Agri-Food 1341 Baseline Rd Ottawa, ON K1A 0C5 Hon. Chrystia Freeland Deputy Prime Minister and Minister of Finance 90 Elgin St Ottawa, ON K1A 0G5

Hon. Steven Guilbeault Minister of Environment and Climate Change 200 Bd Sacré-Coeur Gatineau, QC J8X 4C6

Dear Ministers MacAulay, Freeland, and Guilbeault:

I am delighted to communicate FoodBridge's support to agri-food stakeholders' proposal that the Government of Canada launch a Sustainable Agricultural Growth Initiative (SAGI). An initiative on the MakeWay shared platform, FoodBridge (Terre à table) builds bold collaborations for regenerative food and farming. We work with farmers, food companies, crop advisors, investors, governments and others to shift the fundamental conditions for agricultural producers toward sustainability. Using action research, facilitation, advocacy and communication, FoodBridge helps build resilient food and agriculture systems that aim to ensure healthy soils, clean water, abundant biodiversity, a stable climate, and sustainable livelihoods for all.

In addition to national capacity building work, including a nascent initiative to support learning by non-profits working with food companies, we carry out place-based supply chain collaborations in eastern Canada. Our current initiatives are in Montérégie (Quebec) and southern Ontario, with other regions currently in exploration. Collaborators include farmerserving organizations (such as Groupe ProConseil in Quebec and the Ontario Soil Network), food companies across the supply chain as well as national organizations in Canada and the Sustainable Food Lab in the US.

The SAGI proposal reflects our belief that successful agri-environmental programs must balance all three pillars of sustainability (social, economic and environmental) and involve producers from the outset. The proposal also integrates our understanding that scaling change requires a combination of coordinated public and private financing, technology and innovation

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ecosystems, and action-oriented, multi-stakeholder partnerships to align and disseminate resources and knowledge across geographically defined-supply sheds.

While companies are responsible for improvements in their own supply chains, few have the capabilities and relationships needed for change across farming systems and landscapes – they must be modelled and supported. As so often with systems change work, it is the behind-the-scenes work of knitting together actions beyond organizational boundaries which is needed to drive collective change. By enabling and supporting innovative collaborations among actors working in specific regional geographies, we believe that SAGI can help create the supply chain conditions to ensure producers are the main beneficiaries as they transition their operations to more sustainable production practices. Through a well-designed federal program, SAGI can also support systems-level innovations and coordination that will position Canadian agri-food sector to be competitive within a growing global marketplace for sustainably-produced food.

Because it was developed with input and support from stakeholders in industry, finance, government, academia and civil society, SAGI presents a user-driven approach that we believe can demonstrate and inspire new ways of working in agricultural contexts across Canada, thereby accelerating the transition to improved agri-environmental outcomes at scale.

Sincerely,

Beth Hunter Director

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#### 4. Holly Jones, Director of Global ESG/Sustainability, Agropur



August 12, 2024

Hon. Lawrence MacAulay Minister of Agriculture and Agri-Food 1341 Baseline Rd Ottawa, ON K1A 0C5

Hon. Steven Guilbeault Minister of Environment and Climate Change 200 Bd Sacré-Coeur Gatineau, QC J8X 4C6 Hon. Chrystia Freeland Deputy Prime Minister and Minister of Finance 90 Elgin St Ottawa, ON K1A 0G5

Dear Ministers MacAulay, Freeland, and Guilbeault:

Agropur is pleased to add our support to agri-food stakeholders' proposal that the Government of Canada launch a Sustainable Agricultural Growth Initiative (SAGI).

SAGI reflects our experience that successful agri-environmental programs must balance all three pillars of sustainability (social, economic and environmental) and involve producers from the outset. SAGI also reflects our understanding that scaling change requires a combination of coordinated public and private financing, technology and innovation ecosystems, and through action-oriented, multi-stakeholder partnerships to align interests, capacities and resources and disseminate resources and knowledge across geographically defined-supply sheds.

By encouraging and enabling innovative collaborations among actors working in a given geographical context, we believe that SAGI can create the conditions beyond the farmgate that will ensure producers are the main beneficiaries as they transition their operations to more sustainable forms of production. By ensuring these collaborations are connected through a federal program, SAGI can also support systemslevel innovations and standardizations that will position Canadian agri-food sector to be competitive within a growing global marketplace for sustainably-produced, nutritious food.

Developed with input and support from stakeholders in industry, finance, government, academia and civil society, SAGI presents a user-driven approach that we believe can demonstrate and inspire new ways of working in agricultural contexts across Canada, thereby accelerating the transition to improved agrienvironmental outcomes at scale.

Sincerely yours,

Holly Jones V V Director of Global ESG/Sustainability

Better Dairy. Better World. 4600 Armand-Frappier St., Longueuil, Qc J3Z 1G5



5. Nick Betts, Managing Director, Canadian Alliance for Net-Zero Agri-food (CANZA)





August 11, 2024

Hon. Lawrence MacAulay Minister of Agriculture and Agri-Food 1341 Baseline Rd Ottawa, ON K1A OC5 Hon. Chrystia Freeland Deputy Prime Minister and Minister of Finance 90 Elgin St Ottawa, ON K1A OG5 Hon. Steven Guilbeault Minister of Environment and Climate Change 200 Bd Sacré-Coeur Gatineau, QC J8X 4C6

Dear Ministers MacAulay, Freeland, and Guilbeault:

CANZA is pleased to add our support to agri-food stakeholders' proposal that the Government of Canada launch a Sustainable Agricultural Growth Initiative (SAGI).

SAGI reflects our experience that successful agri-environmental programs should consider the complexities of sustainability (social, economic and environmental) and involve farmers from the outset. SAGI also reflects our understanding that scaling change requires a coordinated public/private financing, technology and innovation ecosystems, and through action-oriented, multi-stakeholder partnerships to align interests, capacities and resources and disseminate resources and knowledge across geographically defined-supply sheds.

By encouraging and enabling innovative collaborations among actors working in a given geographical context, we believe that SAGI can create the conditions beyond the farmgate that will allow farmers to be the main beneficiaries as they transition their operations to greater levels of sustainability. By ensuring these collaborations are connected through a federal program, SAGI can also support systems-level innovations and standardizations that will position the Canadian agri-food sector to be competitive within a growing global marketplace for sustainably-produced, nutritious food.

Developed with input and support from stakeholders in industry, finance, government, academia and civil society, SAGI presents a user-driven approach that we believe can demonstrate and inspire new ways of working in agricultural contexts across Canada, thereby accelerating the transition to improved agri-environmental outcomes at scale.

Sincerely yours,

Nick Betts Managing Director



#### 6. Kate Murchison, Executive Director, Canadian Organic Growers



/1/PO Box 1376 Ottawa PO B, ON K1P 5R4 Canada

September 6, 2024

Hon. Lawrence MacAulay Minister of Agriculture and Agri-Food 1341 Baseline Rd Ottawa, ON K1A 0C5 Hon. Chrystia Freeland Deputy Prime Minister and Minister of Finance 90 Elgin St Ottawa, ON K1A 0G5

Hon. Steven Guilbeault Minister of Environment and Climate Change 200 Bd Sacré-Coeur Gatineau, QC J8X 4C6

Dear Ministers MacAulay, Freeland, and Guilbeault:

Canadian Organic Growers (COG) is pleased to support agri-food stakeholders' proposal for a Sustainable Agricultural Growth Initiative (SAGI). As a national nonprofit, COG provides education, advocacy, and leadership to empower farmers and consumers, enhance health, build community, mitigate climate change, and increase Canadian food sovereignty.

COG has a strong track record in providing extension services and resources to producers to advance ecological agriculture, including through handbooks, communities of practices, and courses, such as developing the cover crop training for Farmers for Climate Solutions' FaRM program, which aims to train 10,000 farmers nationwide on beneficial management practices (BMPs) supported by the On-Farm Climate Action Fund (OFCAF).

Our Regenerative Organic Oats (ROO) program, in partnership with Nature's Path, Riverside Natural Foods, MGM Seed and Grain/Bay State Milling, and Prairie oat growers, works up and down the organic oat supply chain to foster network connections, create farmer networks, and drive on-farm resilience and soil regeneration. ROO supports organic farmers transitioning to regenerative organic management through tailored support, farm planning, field days and on-farm demonstrations, extension and resources, benchmarking data, and soil monitoring tools.

ROO brings value to producers by building supply chains and "supply shed" networks that spread risk, support forward marketing strategies, and create more stable, profitable markets for regenerative organic products. It also de-risks the transition to regenerative organic management through knowledge sharing and exploring market creation, making it more economically viable for producers.

SAGI aligns with our experience that supply chain coordination is key to successful regenerative transitions. By bridging market demands with producers' needs, supply chain coordination initiatives foster collaborations that support sustainable, resilient production systems. Fostering direct partnerships with supply chain players helps producers stay aligned with evolving market and consumer trends.

info@cog.ca | 1-888-375-7383 | www.cog.ca





By fostering collaborations among value chain actors, SAGI can help drive value back to the farmer as they transition to more regenerative and resilient food production. The proposed coordinated federal approach will support systems-level innovations and standardizations in critical areas such as soil health monitoring, positioning Canada's agri-food sector to compete in the global marketplace for sustainably-produced, nutritious food, including growing domestic and global organic markets.<sup>1</sup>

As Canadian farmers and ranchers face rising input costs and extreme climate change impacts, organic agriculture offers a proven pathway to build soil health and resilience, and boost net incomes by cutting costs and accessing new markets. SAGI will enable more producers to participate in the organic opportunity, while strengthening the Canadian economy, supply chains, and food security, and helping Canada achieve its environmental, climate, and economic goals.

Developed with input from stakeholders across industry, finance, government, academia, and civil society, SAGI offers a collaborative, user-driven approach to advancing agri-environmental outcomes at scale.

Sincerely,

Lane Ma

Karen Murchison Executive Director,

<sup>&</sup>lt;sup>1</sup> Valued at over \$10 billion in 2022, Canada's organic market is one of the fastest-growing in the world, while the North American organic market is expected to triple in the next decade. See: https://canada-organic.ca/en/what-we-do/research.