

# **DFC Departmental Update**

## **February 8, 2017**

# OVERVIEW

- Yves Leduc, Director of Policy and Trade
- David Wiens, DFC Board of Directors, proAction update
- Isabelle Bouchard, Director of Communications and Government Relations
- Caroline Emond, Executive Director, international update





# **Policy and Trade**

## **Presented by Yves Leduc**

# OVERVIEW

1. 2017 Deliverables
2. Economic Analysis
3. Policy Issues
4. Trade
5. proAction – David Wiens

# 2017 DELIVERABLES

- Ongoing Implementation of proAction
- Engage and support the Social License/Public Trust Hub Initiative
- Promote and disseminate DFC's key messages and objectives under the new Agricultural Policy Framework (APF)
- Foster the position of NMIC as DFC's sounding board for the development of consensus on national positions
- Monitor bilateral/plurilateral trade negotiations as well as the WTO negotiations on agriculture.
- Facilitate the exchange of information on Economic Research and Market Information through the development and implementation of dashboards
- Contribute to improve the data gathering on demand on dairy products in Canada

# ECONOMIC ANALYSIS

# ÉCORESSOURCES STUDY

## Canadian Dairy

- An important economic contributor
  - \$19.9B to GDP
- An engine for jobs
  - 221 thousands of jobs
- A social player
  - \$3.8 B in tax revenues
- No direct subsidies



# INFORMATION GATHERING AND DISSEMINATING

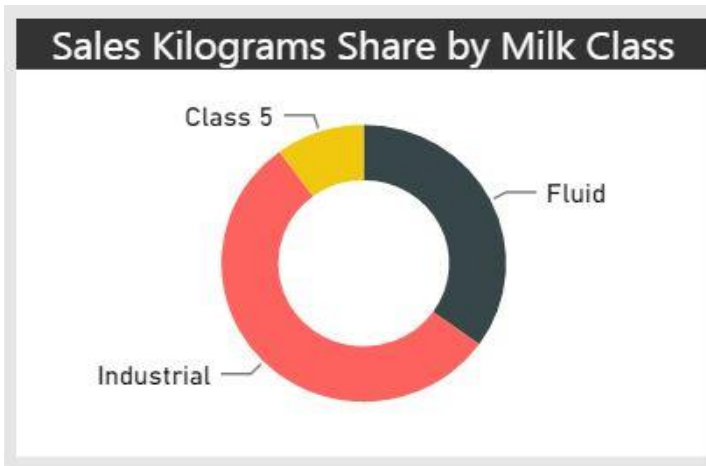
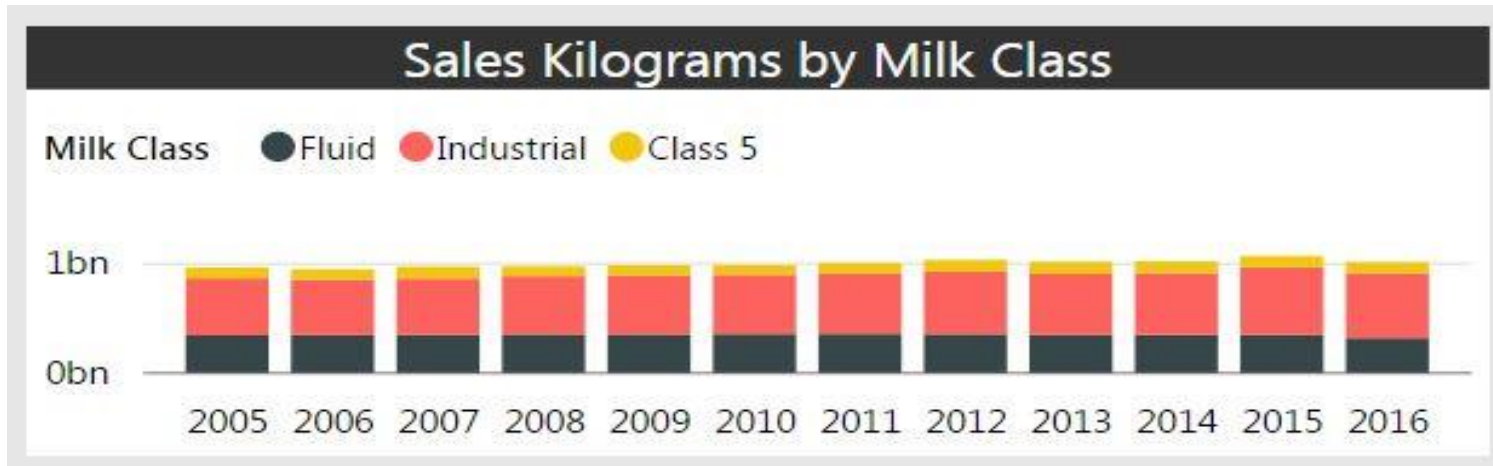
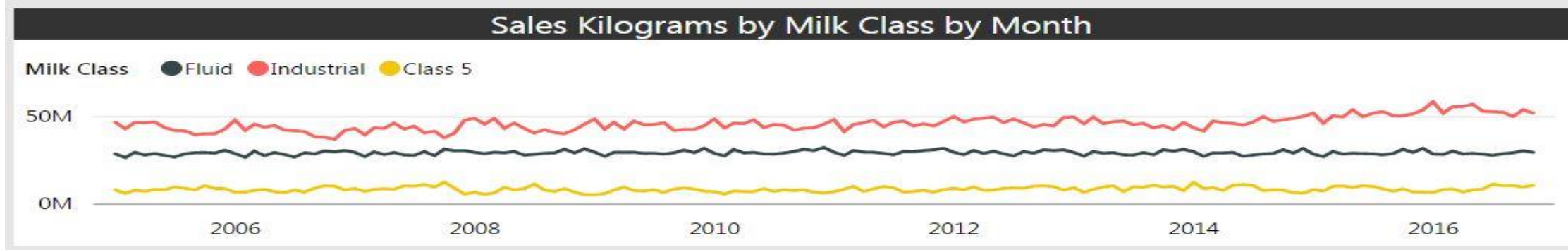
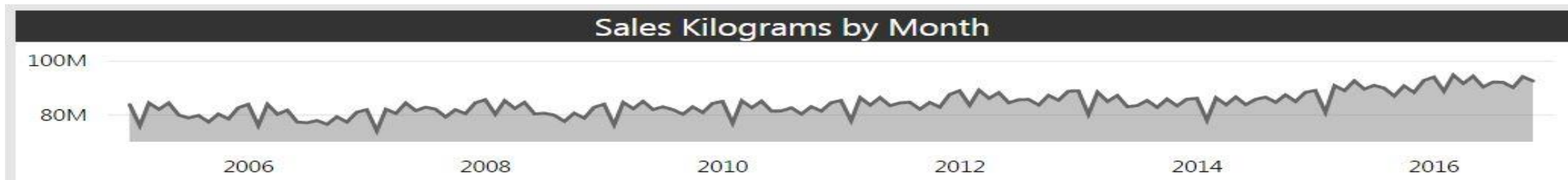
- International Milk Price Comparison
- World Dairy Markets Overview
- Monitoring Imports
- Assessing impacts of policy outcome
- In support of marketing and policy work



# DATA SHARING (DASHBOARD)

- 4 Dashboards developed and updated monthly as a means to share statistical information with members (limited access) in a timely manner
  - Milk Utilization and Sales
  - Dairy Markets Overview
  - Retail Sales
  - Tariff Walls

# DATA SHARING (DASHBOARD)



# BORDER MEASURES

- Import monitoring
  - Imports of dairy products and products containing dairy ingredients
  - Supplementary imports
  - Investigate suspicious imports
- Information sharing via the NMIC and DFC members and communications with the Board
- Bi-Annual Participation in the Border Measures Workshop

# NATIONAL MARKET INTELLIGENCE COMMITTEE

- Chair the NMIC committee
- Hub of expertise
- Technical reference platform for market information and evaluation of a broad range of issues



# POLICY

# NEW MARKET ENVIRONMENT

- Agreement in principle last July
- An initiative that is part of an effort by the sector to continuously respond to a changing business environment
- Policy and Trade Staff have and will continue to play an active role

# CONSULTATIONS WITH GOVERNMENT

- New Agricultural Policy Framework (funding; research; knowledge transfer)
- Trade Remedies
- DRP and IREP
- CETA TRQ Allocation
- Dairy Farm Investment Program
- Health of Animals Act related to Livestock Identification and Traceability
- Feed Regulatory Steering Group
- Food and Drug Regulations – Antimicrobial resistance
- Specific veterinary drug and pesticide products
- Proposed changes to the Health of Animals Act related to transportation of animals

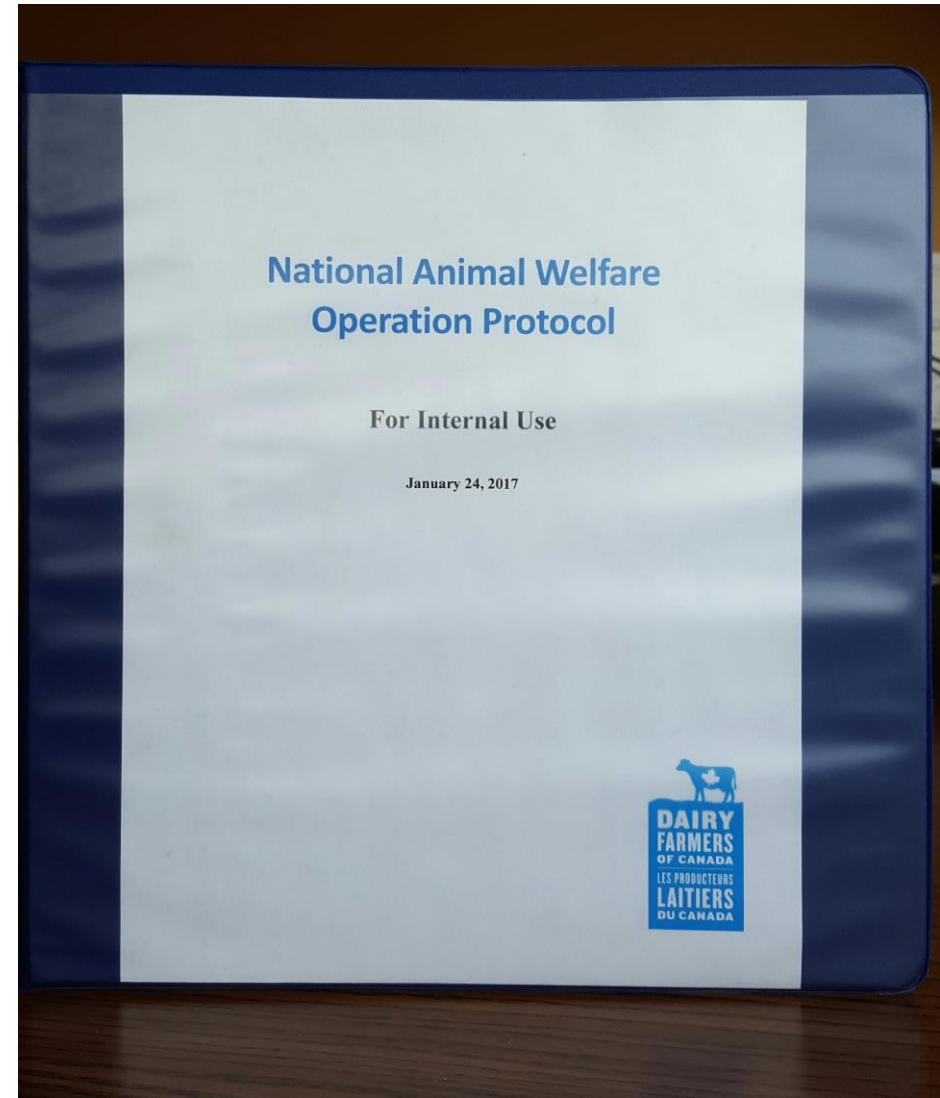
# SUSTAINABLE DEVELOPMENT

- Participation in several fora/advisory committees focussing on issues closely related to sustainable development
- Public Trust Initiative
- Dairy Sustainability Framework
- Issues to watch for:
  - Animal welfare
  - Environment/Carbon Tax
  - Anti-animal products movement
  - Farmers and Farm Workers Welfare and Safety (mental and physical health issues)



# ANIMAL WELFARE

- Coordinating the development of the National Animal Welfare Operation Protocol



# INTERNATIONAL ACTIVITIES

- Participate in the International Dairy Federation
- DFC represented on a number of Standing Committees
  - Environment, Farm Management, Animal Health and Welfare, Nutrition, Marketing and Dairy Policy and Economics
  - Attended the mastitis conference in Nantes in 2016
- International Farm Comparison Network (IFCN)
- Monitor the activities at the OIE (animal health and animal welfare), FAO, Codex and ISO
- World Farmers Organization
- North American European Union Agricultural Conference





# Dairy Declaration of Rotterdam

The global Dairy Community comprises one billion people living and working around the World...

**Milk is one of the most produced and valuable agricultural commodities worldwide!**

**END HUNGER**  
Secure milk plays an important role in the provision of energy, protein and micronutrients. We can help to end hunger and achieve food security!

**Milk is a local commodity!**

**Milk is a global commodity!**

**THE DAIRY SECTOR WILL MAKE A SUBSTANTIAL CONTRIBUTION TO THE REDUCTION OF GHG PER LITER OF MILK BY 2050 AGAINST 2010 LEVELS INCREASING PRODUCTION**

**THE DAIRY SECTOR CONTRIBUTES TO GREENHOUSE GAS EMISSIONS...**

**DAIRY THROUGH ARE KEY TO NUTRITION AND HEALTH**

**THE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS**

**DAIRY COUNTRIES ARE RESPONSIBLE FOR REDUCING GHG EMISSIONS FOR ALL**

**DAIRY COUNTRIES SHOULD LEAD IN REDUCING GHG EMISSIONS FOR ALL**

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**Reduce inequality within and among countries**

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**Let's end poverty!**

**THE DAIRY SECTOR CONTRIBUTES TO GREENHOUSE GAS EMISSIONS...**

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This declaration will enable Focus: better coordination of efforts

The World Population is growing at a rapid rate!!



# TRADE



- Increased activities in Geneva in anticipation of the 11<sup>th</sup> Ministerial Conference
  - Buenos Aires, Argentina - December 11<sup>th</sup>-14<sup>th</sup>, 2017
    - domestic support as a potential deliverable
- U.S. – China dispute over domestic support
  - WTO Panel
    - Canada and 22 other countries have requested third party rights
- Return of David Walker to Geneva as New Zealand Ambassador



- Canadian dairy attracting attention
  - U.S., New Zealand, Australia and the EU are closely monitoring the evolution of Canada's dairy policy
  - Questioning Canada on the ingredient strategy at the WTO Committee on Agriculture:
    - Over 77% of the questions on the ingredient strategy
  - US Dairy Sector has intensified its lobby on the ingredient strategy

# CETA – RATIFICATION/IMPLEMENTATION

- EU Parliament to vote on February 15, 2017
  - BREXIT not seen as an obstacle
- Canadian Parliament process to resume in early February
  - no date yet determined for a vote in the HoC
  - Senate likely to require up to a month before voting
  - Royal assent not before early to mid March
  - Regulatory changes
- Entry into force not before June/July 2017 at the earliest - must be mutually agreed to by both parties

# CETA – TRQ ALLOCATION

- Announcement to take place after Royal Assent
- Last we heard was that Minister Champagne had yet to be briefed
- No details were shared with DFC but rumblings suggest a basket approach is being considered
  - Cheese Makers/Processors
  - Importers/Brokers
  - Retailers
- DFC and DPAC request for a joint meeting with Minister Freeland and Minister Champagne



# CETA – TRANSITION PROGRAM

- Program announced on November 10, 2016
  - to support the competitiveness of the dairy sector in anticipation of the entry into force of CETA
- Dairy Farming Investment Program - \$250 million over 5 years
  - Matching funds basis up to a maximum tbd
  - Investments in equipment
- Dairy Processing Investment Program - \$100 million
- DFC submitted written comments building on members inputs

# TPP & NAFTA

- **Uncertain Trade Environment**

- US Presidential Memorandum of January 23, 2017 spelling out the withdrawal of the US from the TPP
- President Trump has signalled his intention to launch renegotiations of NAFTA at "an appropriate time"
- US Agriculture Industry (letter by 130+ associations) prepared to work with the Trump Administration towards modernizing NAFTA
- DFC closely monitoring the situation



# **proAction**

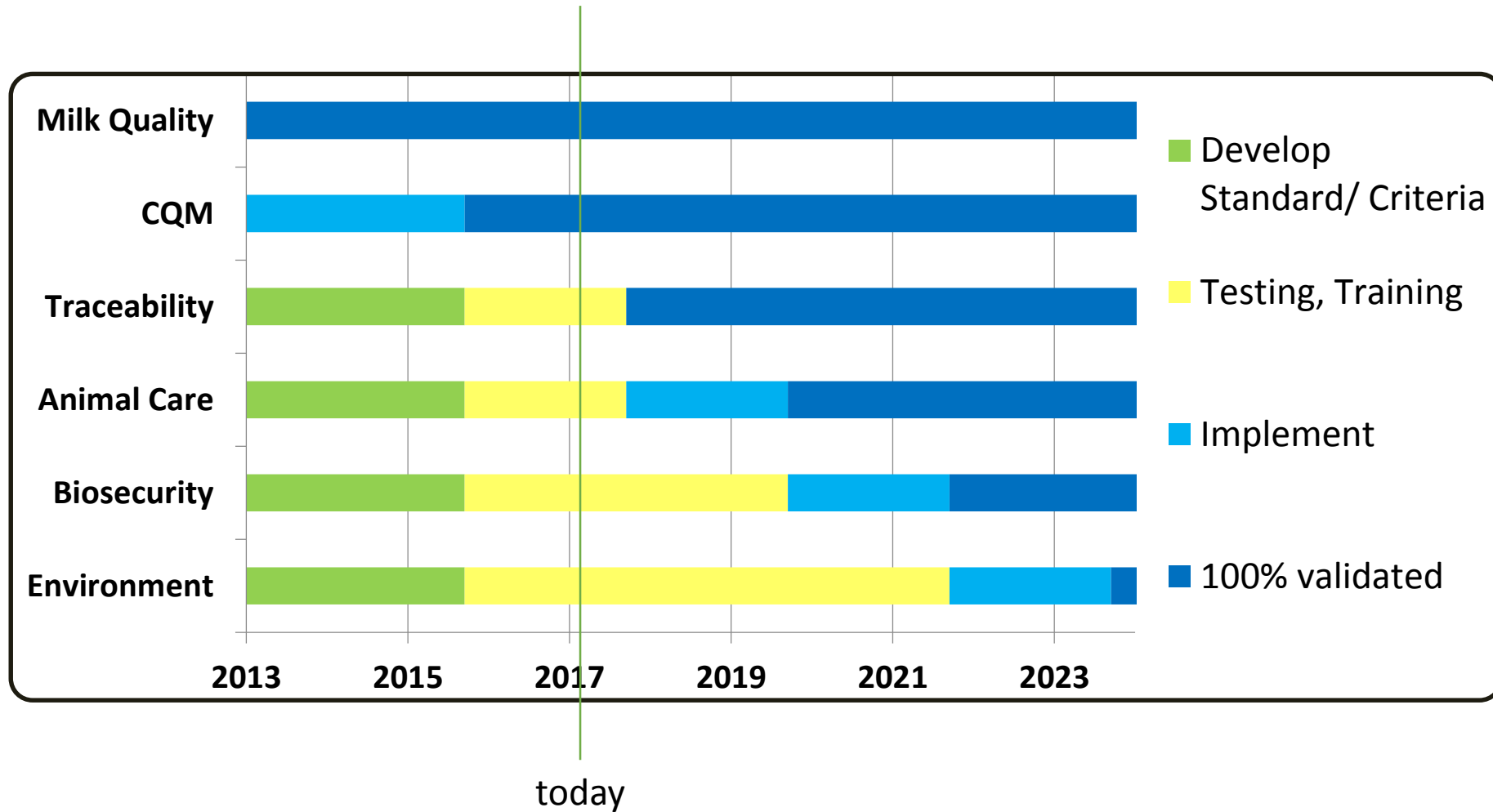
## **Presented by David Wiens**

# VISION

Through proAction, Canadian dairy farmers collectively demonstrate responsible stewardship of their animals and the environment, sustainably producing high-quality, safe and nutritious food for consumers.



# TIMELINES



# RECENT DEVELOPMENTS - HIGHLIGHTS

## July

- Trace Canada terminated – Alternatives currently under consideration

## October

- Holstein Canada begins roll-out of Animal Assessment benchmarking project on farms in BC

## December

- Draft materials for integration pilot completed and circulated to provinces
- Integration pilot launched in provinces

# RECENT DEVELOPMENTS - HIGHLIGHTS

- Two applications for Growing Forward 2 funding submitted and approved
  - additional \$933,086 for proAction integration and traceability module - until March 2018
- Transition from Biosecurity Working Group to Technical Committee approved
- Traceability - 98.5% of farms have a premises ID

# ONGOING WORK

- Integrated pilot project - to test whole program & validation scoring before launch in September (January – March 2017)
- Animal assessments benchmarking project (October 2016 – October 2018)
- National Environmental Farm Plan (NEFP) - DFC participating in steering committee



# ONGOING WORK

- Tremendous progress is made in 2016
  - proAction Committee
  - Provincial Coordinators committee
  - Technical Committees and Working Groups

80+ technical experts,  
farmers and dairy staff

~50 conference calls and  
face-to-face meetings

# NEXT STEPS – 2017 AND BEYOND

**Jan - Mar  
2017**  
Integrated  
pilot project

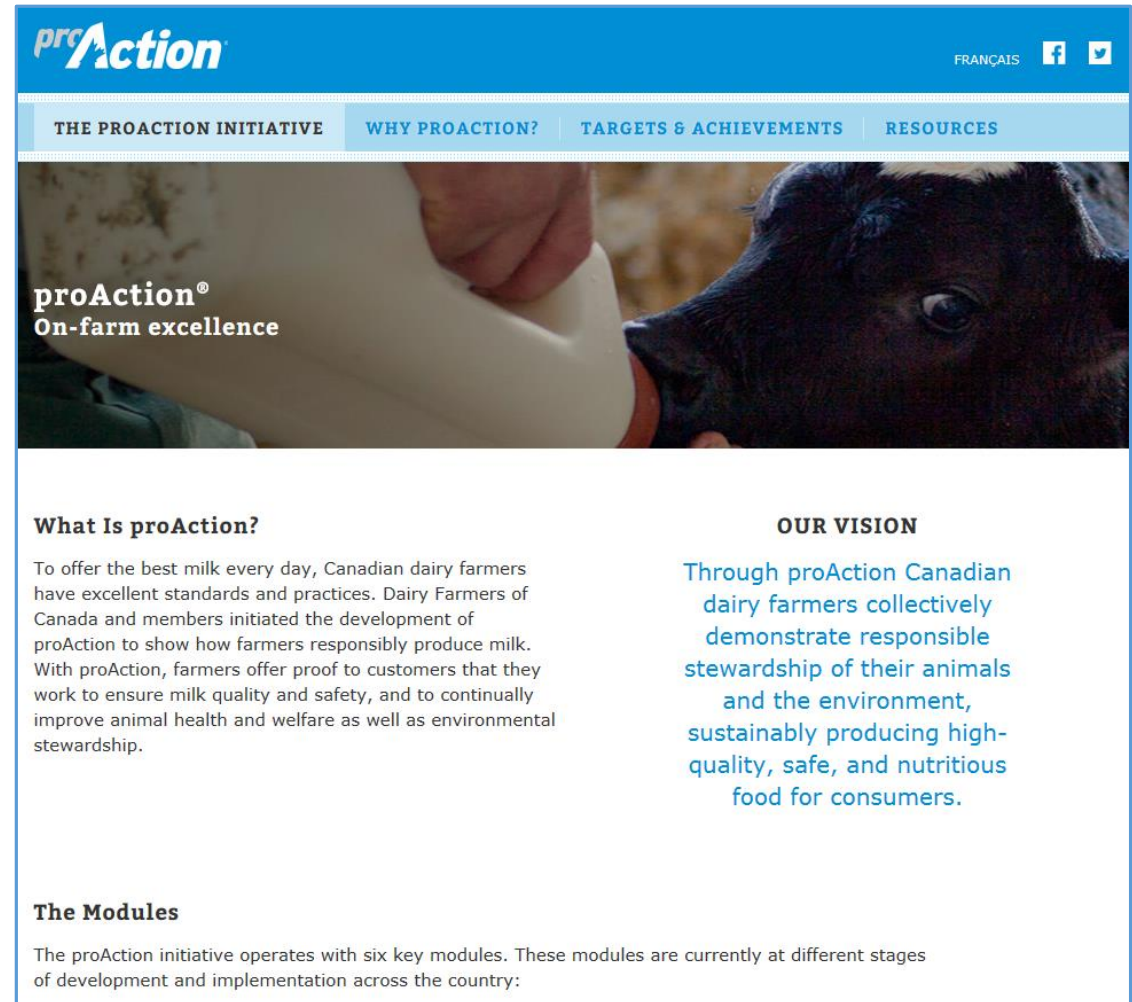
**Sept 2019**  
Biosecurity  
**validations &  
training** for  
Environment

**Sept 2017**  
Animal Care &  
Traceability  
**validations**  
**AND training**  
for Biosecurity

**Sept 2021**  
Environment  
validations

# ONGOING WORK - COMMUNICATIONS

- Communications with farmers
  - Dairy Express – regular updates
  - Updates in the Milk Producer, Le Producteur de lait, provincial newsletters
- Adding new information to website
  - [www.dairyfarmers.ca/proAction](http://www.dairyfarmers.ca/proAction)
- Social media
- Fact sheets





Provides assurance to customers about what we do  
“Our sustainability story”

# COMMUNICATIONS STAKEHOLDERS

- Stakeholder meetings
- Farm visits
- *Dairy Insights* e-newsletter
- Articles in food industry media
- Ongoing Media relations
- Ongoing social media



# IN 2017

- Virtual Farm tours in 360°  
live on January 16
- Sustainability Conference  
November 7-8
- Coming this Fall: From “Targets and Achievement” webpage to more formal method to measure and report on our progress

**What do all of these have in common?**



**Stay tuned  
January 16th  
to find out!**





# MARKETING TO CONSUMERS



WE TAKE CARE  
OF OUR COWS

WE WOULD NEVER ALLOW FOR  
ANTIBIOTIC RESIDUES

WE REFUSE ARTIFICIAL  
GROWTH HORMONES

WE BELIEVE IN PRODUCING  
ONLY QUALITY MILK



## Animal care is our priority.

That's why Canadian dairy farmers invest in new technologies and equipment, as well as support research at top Canadian universities to ensure continuous improvements in animal comfort.

## Healthy cows are happy cows.

Canadian dairy farmers regularly consult experts like veterinarians and ruminant nutritionists to maintain the health and well-being of the animals under their care.

## We produce milk within a system of caring and sharing.

Every Canadian dairy farm provides animal care and handling that respect the regulations and/or guidelines of the Canadian Food Inspection Agency, provincial departments

## HELPFUL LINKS

Source: [Code of Practice for the Care and the Handling of Dairy Cattle](#) ➔

Video: [Healthy Cows](#) ➔

# WHY DOES PROACTION MATTER?

- ✓ We know Canadian dairy farmers have a great story to tell
- ✓ proAction tracks data & proof points
  - ✓ to tell this story with credibility
  - ✓ anyone in food chain can check overall performance
  - ✓ to back up the positive story about sustainable practices on Canadian dairy farms
- ✓ It provides one consistent, single program for farmers in all Canada



# We stand by our values

**DAIRY FARMERS OF CANADA**



# **Communications and Government Relations**

**Presented by Isabelle Bouchard**

# OVERVIEW

- 2017 deliverables
- Canada 150
- What is lobbying?
- DFC's lobbying goals
- The importance of strategy
- Provincial lobbying
- Communications
- Tim Hortons partnership

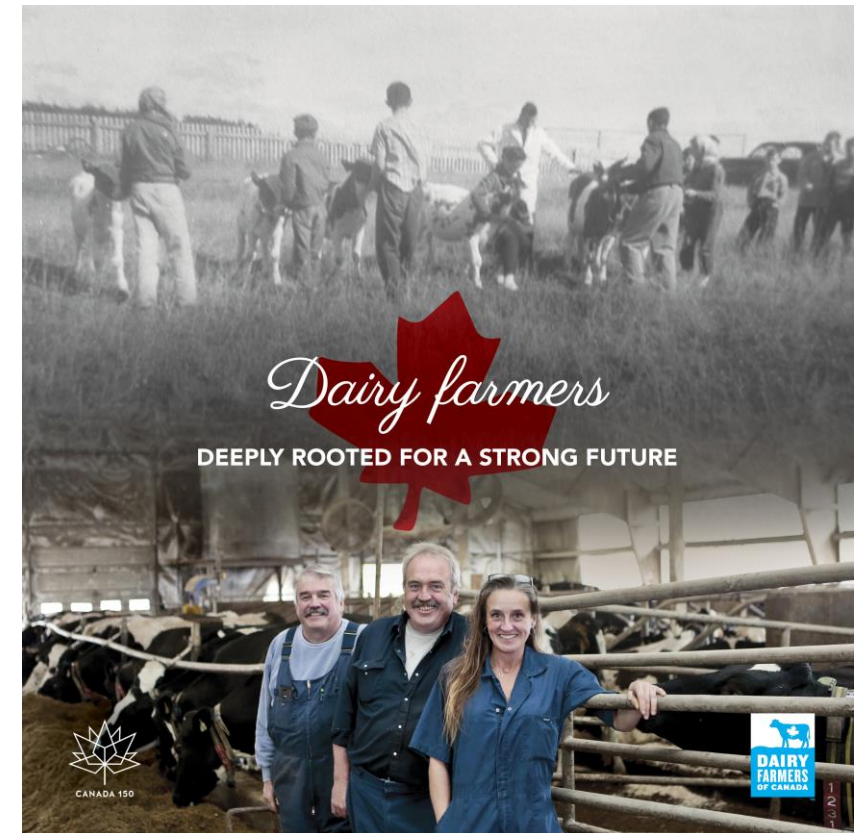
# GOVERNMENT RELATIONS AND COMMUNICATIONS DELIVERABLES 2017

- GR and Communications strategies
  - Nutrition issues-added sugar, Food Guide, trans fats, labelling, marketing to children
  - Trade
  - DFC's involvement in Canada Games
  - proAction
  - Improve communication with farmers



# CANADA 150

- Historical farm project
  - Goal to highlight the history, contributions, and sustainability of dairy sector in Canada
  - One farm in each province profiled
  - Booklet, media outreach, social media, other
- Why is this important for lobbying?



# WHAT IS LOBBYING

- Why do we lobby?
- Who do we lobby?
- How do we lobby?



# DFC'S LOBBYING GOALS

- Foster/improve strategic relations with the Canadian government and advance DFC's priorities and vision
- Evolve and adapt to changing situations
- Through strategic relations, it advances understanding of, and support for, DFC's mission





# THE IMPORTANCE OF STRATEGY

- Understanding the political landscape
- Knowing government priorities
- Awareness of external factors
- Planning, execution
- Flexibility to evolve to changing environment





# PROVINCIAL LOBBYING

- Critically important for key issues in every province
- Supplemental for national strategy



# COMMUNICATIONS

- Different types of communications
  - Internal
  - External
    - Media relations
    - Public Relations



# TIM HORTON CHILDREN'S FOUNDATION

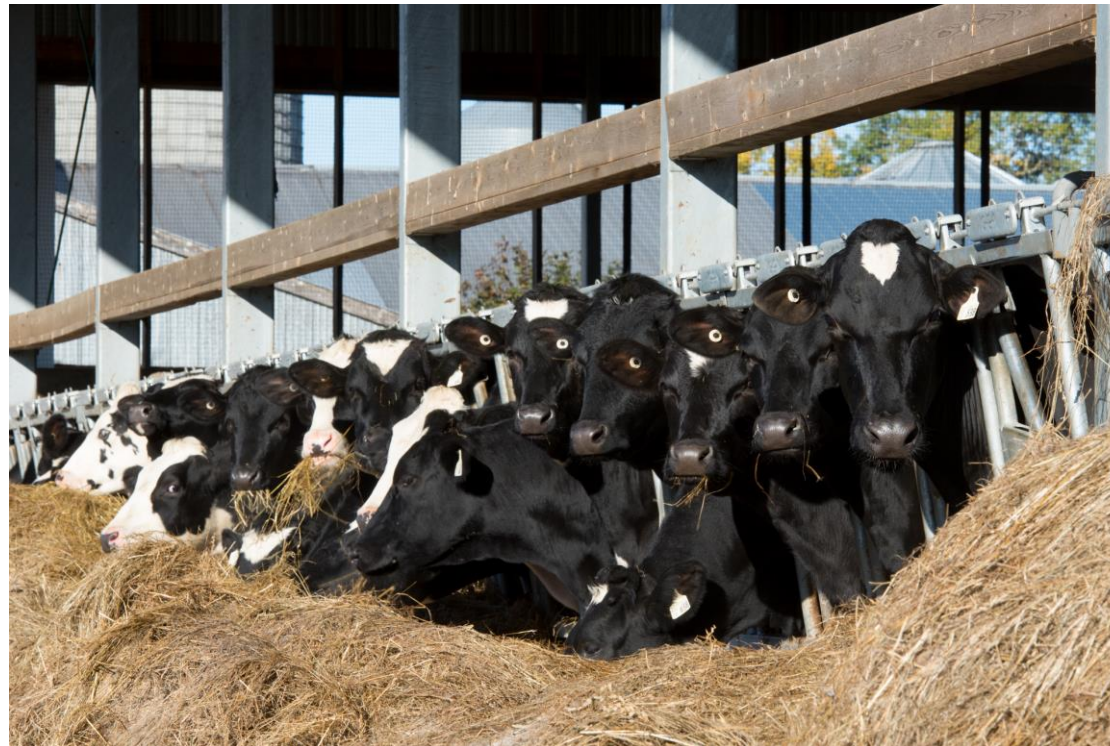
- Kilimanjaro Summit Climb
- Pierre Lampron-DFC Board, Promotion Committee
- February 16-26 2017
- You can donate!


<http://bit.ly/2017PierreDonation>



# THE IMPORTANCE OF UNITY

- Critically important to stay united
- Being together makes us stronger-being fractured makes us weaker/a target





# **DFC International Update**

## **Presented by Caroline Emond**

# INTERNATIONAL STRATEGY-CONTEXT

- International organizations have an impact on Canadian dairy farmers;
- Canadian dairy farmers have knowledge and knowhow to contribute to global policy-shaping and expertise in sustainable development;
- Canadian dairy farmers wish to give back to fellow dairy farmers and communities worldwide;
- Sustainable milk production should be encouraged and developed to achieve the Zero Hunger goal and food sovereignty.

# DFC INTERNATIONAL STRATEGIC PLAN 2017-2020

## Strategic pillars

**Contribute to a  
positive policy  
and regulatory  
environment**

**Share expertise in  
dairy farming**

# IMPLEMENTATION OF INTERNATIONAL STRATEGIC PLAN

- Creation of DFC International Foundation
  - Approved by DFC Board of Directors
  - Charitable status in 2018
  - Interest to collaborate by stakeholders



# DFC'S INTERNATIONAL FOUNDATION

## **Vision**

To create the sustainable production of milk throughout the world.

## **Mission**

To transfer milk production knowledge, expertise and best practices to dairy farmers in developing countries to improve their socio-economic conditions by creating a sustainable livelihood.

# DFC'S INTERNATIONAL FOUNDATION

- Next Steps:
  - Assessing community-based project opportunities in Africa or Asia in order to select a project in line with the Foundation's vision and mission
  - Develop communications tools to promote the Foundation



# THANK YOU