



Traceability and DairyTrace...the way forward

DFC AGM
July 18, 2018



Why Traceability

- Important priority for Canada's dairy producers, dairy industry stakeholders, Canadian consumers, and the federal government
- Full traceability is about helping consumers find an answer to the question “where does my food come from?”



Why Traceability: Accountability & Credibility

- Dairy processors/food manufacturers, retailers, consumers, and the general public are increasingly requiring various measures of quality assurance
- Accountability largely falls to the producers through the milk processors/food manufacturers, who also have an increased desire for national dairy cattle traceability
- Dairy farmers need to show consumers that we have very high standards in Canada for dairy cattle traceability



DairyTrace | Background

- Dairy Farmers of Canada
 - Longstanding advocate and supporter of the federal government national livestock traceability objectives (i.e.: TraceCanada) and the Canadian Food Inspection Agency (CFIA) traceability regulations
 - Demonstrated by the inclusion of Livestock Traceability in proAction[®]
 - Dedicated involvement of directors and staff on various committees related to national traceability



DairyTrace | Background

- Demise of TraceCanada in 2016
 - Created opportunities
 - Resulted in the DairyTrace Vision
- DFC partnered with the Canadian Dairy Network (CDN)
 - The goal is for CDN to become the national Responsible Administrator for dairy cattle traceability
- Good news! CFIA has confirmed that CDN meets the necessary criteria to become a Responsible Administrator



CFIA Trace Program: Issues to Overcome

- OIE identified significant performance issues with the CFIA TRACE Program
- Under the 19 BSE cases recorded in Canada, **up to 30% of cattle were never traced even after months of investigation**

OIE - Livestock Traceability Advancement Levels	
Countries	Ranking
Australia	5/5
Uruguay	5/5
Argentina	4/5
Canada	3/5
Brazil	3/5



DairyTrace commitment

- Dairy farmers and its partners are committed to national livestock traceability that "provides timely, accurate, and relevant information to enhance emergency management, market access, industry competitiveness, and consumer confidence." (AAFC)
- A global average ranking is not satisfactory
- DairyTrace provides the fundamentals required to join the group of countries with a quality traceability system



DairyTrace: A Good News Story

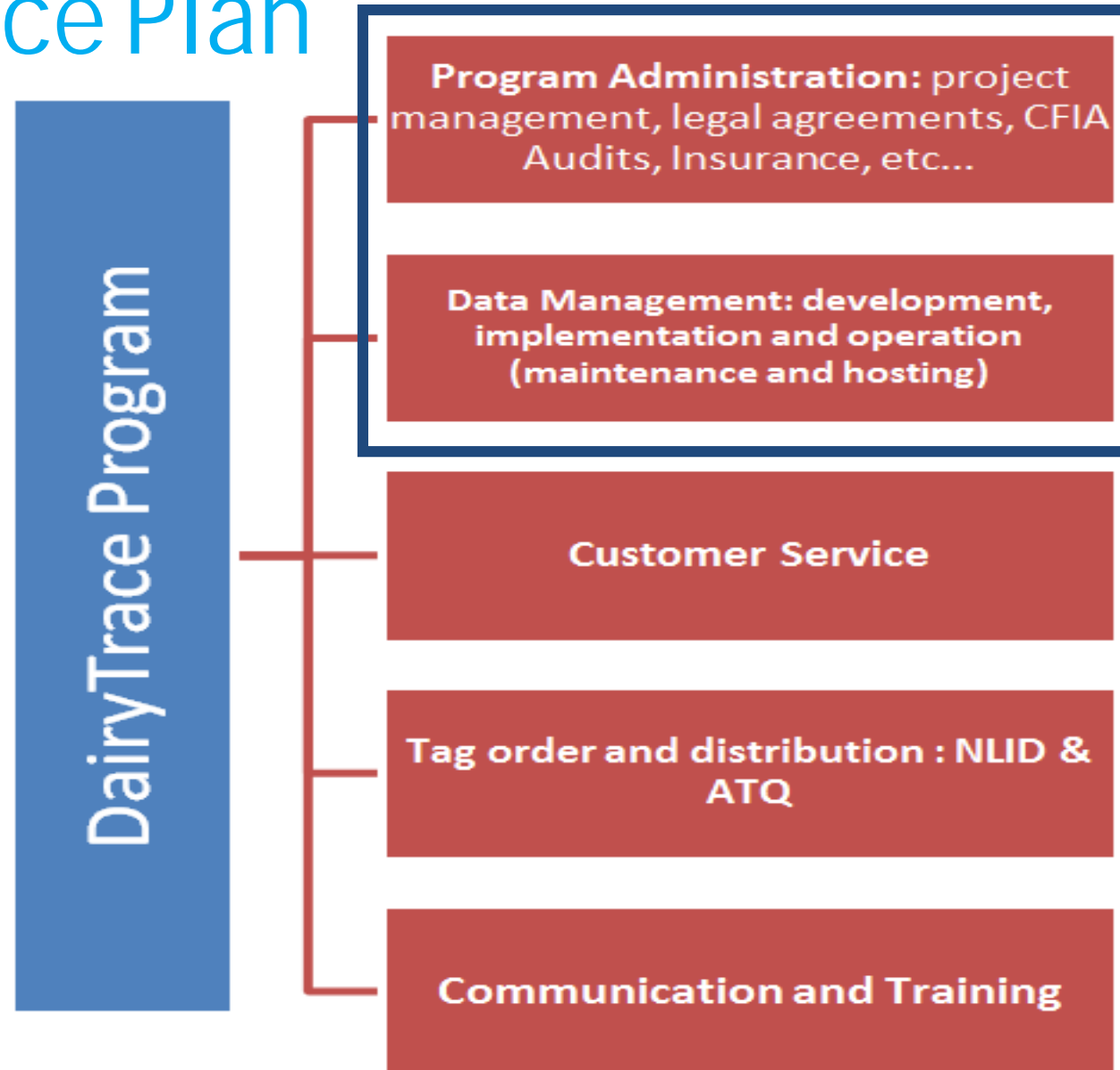
- Supported by all provincial associations and our key dairy partners
- Very pleased with the significant progress made towards achieving the dairy cattle industry goal of a national traceability system



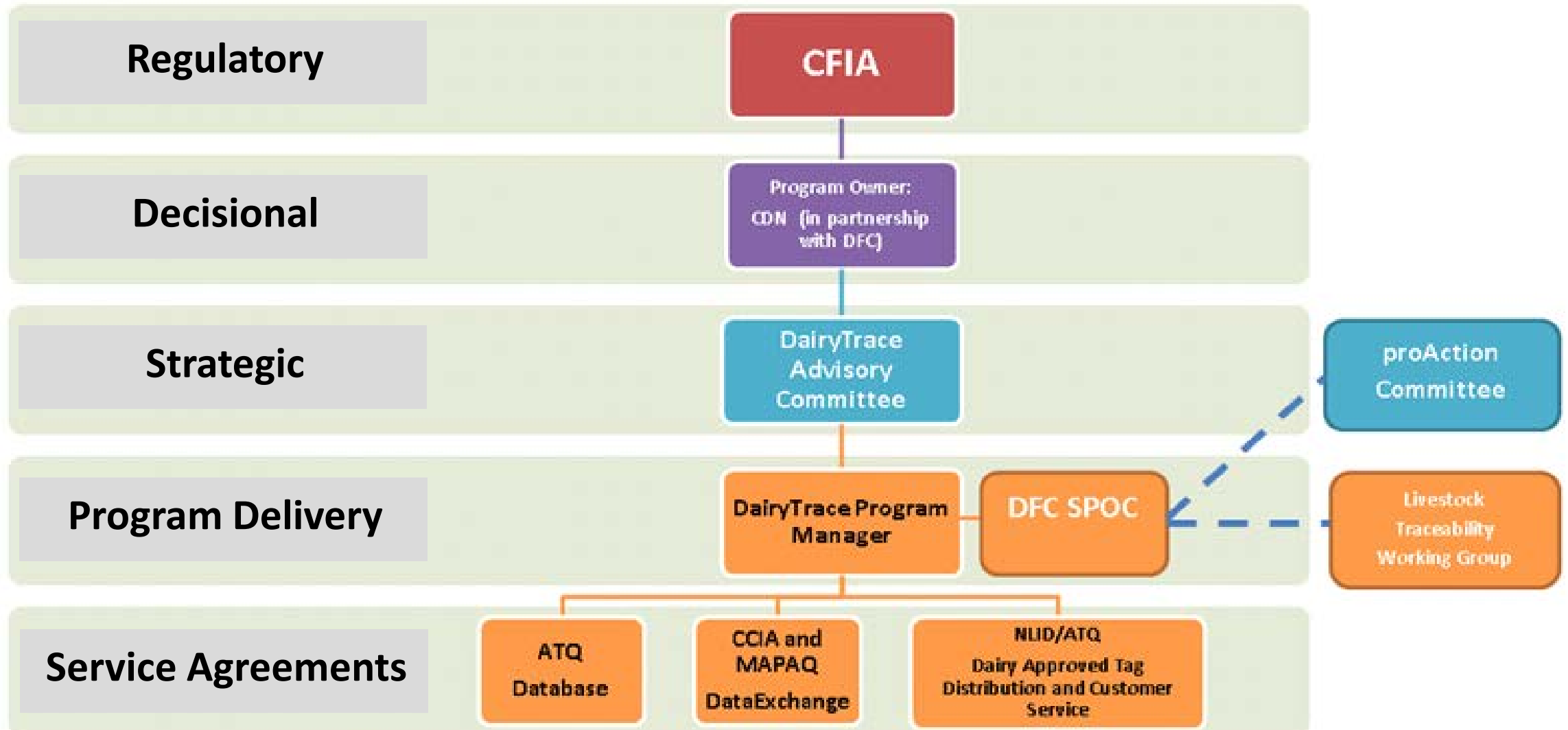
DairyTrace | Goal

- Implement and manage an efficient infrastructure and data management system that would deliver a high quality dairy cattle traceability system
 - Includes a customer service platform and communication strategy
 - Under the responsibility of the Canadian Dairy Network (CDN)
 - Works in conjunction **with the proAction Traceability module**
 - Builds on the Agri-Trace Web platform

DairyTrace Plan



DairyTrace Governance Structure





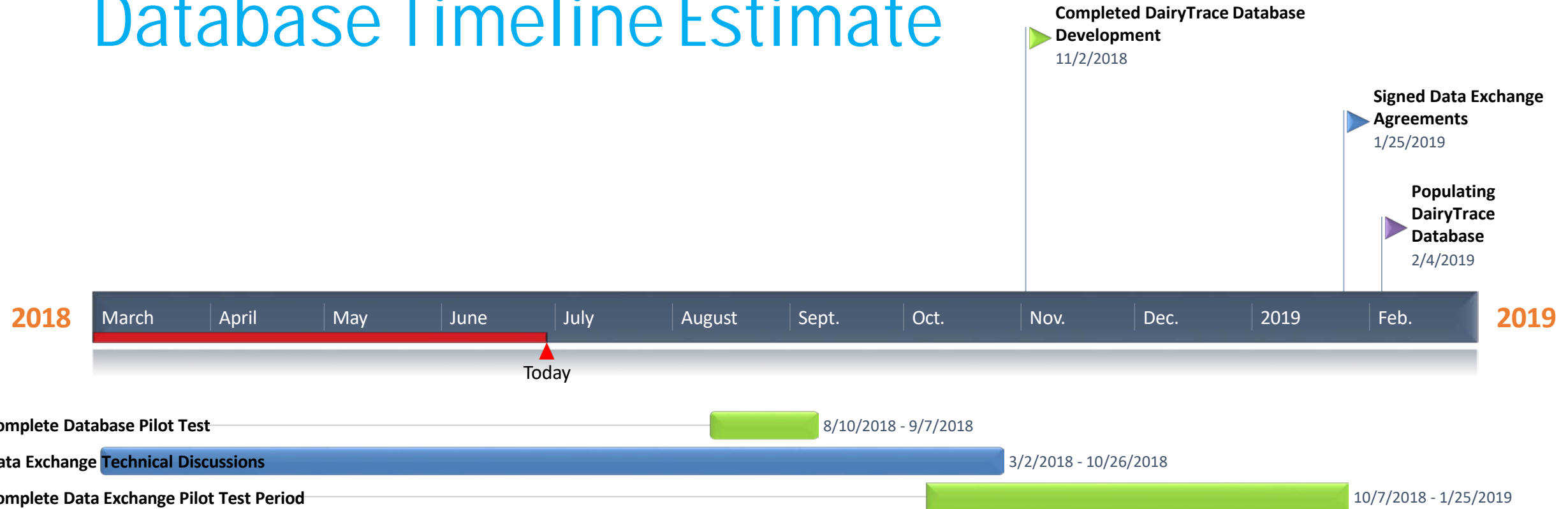
Work in Progress...



- CDN and ATQ are advancing in the development of the DairyTrace solution using the AGTWeb platform
- Request submitted to AAFC under the Canadian Agricultural Partnership (CAP)
- Discussions continue with CFIA to finalize the Administrator Agreement



Database Timeline Estimate





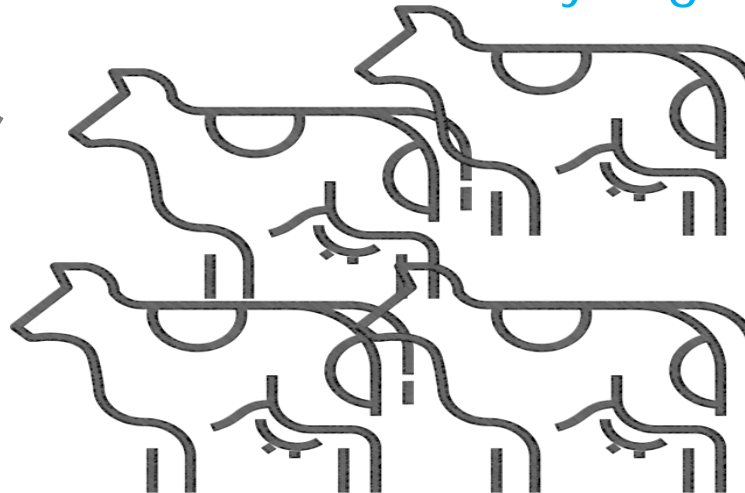
1-Agreements are signed



2-Data exchange protocols are in place



3-Data collection may begin



Database completed





DairyTrace Benefits

- Provides strategic advantage for a national dairy cattle traceability solution including all provinces, as well as the federal government via the Canadian Food Inspection Agency (CFIA)
- **The program will help farmers:**
 - implement best management practices
 - strive for continuous improvement
 - meet customer expectations
 - **provide consumers with evidence to support their confidence in Canadian dairy products**



DairyTrace Benefits

- National livestock traceability is extremely important to better manage emergencies and help gain and maintain international market access
 - Conversely, to help distinguish Canadian milk on its domestic market
- A strong traceability system with effective trace-back capabilities is critical to the industry in the event of an emergency such as a disease (reportable or non reportable) outbreak

DairyTrace Benefits

- The Canadian dairy industry is world-renowned for its quality breeding stock and genetics – Data management that can be used to refine the attributes of the national dairy herd
- Technological advances that have come with the RFID tags have allowed multiple industry partners to input information on individual animals throughout their lives



Conclusion

Our dairy traceability program adds value on the domestic market to support the differentiation of our products through the proAction registration and DairyTrace, which is part of our Canadian brand



Thank you