ADVANCING ALBERTA'S CROP SECTOR TO 2025 AND BEYOND

## Memo to Farmers regarding the Sustainable Canadian Agricultural Partnership (SCAP)

**August 2022** - Team Alberta Crops is pleased with the preliminary agreement reached for the Sustainable Canadian Agricultural Partnership (SCAP). SCAP includes the most critical set of programs to help Canadian farmers remain competitive and feed the world. We remain concerned about the planned introduction of environmental requirements into the business risk management programs and will closely monitor how they might impact farmers' goals of sustainable food production. The overall increase in funding and ongoing support for existing programs was a positive outcome from the agreement.

Team Alberta Crops – a working collaboration between eight Alberta crop commissions - met in April with the Honourable Nate Horner, Alberta Minister of Agriculture, Forestry and Rural Economic Development. We learned how closely aligned the provincial Ministry's views were with those of Team Alberta Crops on the various issues related to the next policy framework. Some Team Alberta members also had an opportunity to engage in separate meetings with Minister Horner and Marie-Claude Bibeau, Minister of Agriculture and Agri-Food Canada, during Stampede ahead of the annual Federal Provincial Territorial (FPT) Ministers of Agriculture meeting in Saskatoon.

We want to acknowledge Minister Horner for being a strong advocate for Alberta farmers at this important FPT meeting where the next five-year Agriculture Policy Framework Agreement was signed. Read the letter sent to the Minister on behalf of Team Alberta Crops <u>here</u>. A summary is below.

- We are pleased with the increased funding (\$500 million or 25%) to the cost-shared portion of the new SCAP envelope.
- Agrilnsurance is the most critical, responsive, and reliable risk management tool that crop sector farmers have available to them. We are pleased that this program will remain intact into the next ag policy framework.
- We are still waiting for more details with respect to the \$250 million of new funding destined for the Resilient Agricultural Landscape Program (RALP). We gladly offer to help facilitate farmer input for program development. Farmer engagement in further defining programs, like RALP, will be critical to ensure value to farmers (growth and competitiveness) while helping achieve environmental goals.
- We understand that there will be a review of potential environmental cross-compliance into business risk management (BRM) programs. While we appreciate the extension to ensure practicality as leaders in global food production, Canada's emission reduction targets must not impede the ability of farmers to access critical BRM programs and manage uncontrollable risk to their production and future viability.
- We're pleased to see the government acknowledge the importance of the health and population numbers of bees in Canada, and the value that the beekeeping industry adds to the crop sector from an environmental and economic perspective. In addition, the timely access to healthy, safe, and reliable honey bee stock is critical to ensuring Canada's ability to support valuable crop pollination activities and contribute to domestic and global food security. We were also pleased to hear of the government's commitment to work together on the safe import of honey bees.

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## Sustainable Canadian Agricultural Partnership Background

The Agriculture and Agri-Food Canada (AAFC) news release and backgrounder can be found here.

- SCAP consists of \$500 million in new funds to \$3.5 billion (over five years), which is a 25% increase in funding for cost share programs with half (\$250 million) dedicated to the Resilient Agricultural Landscape Program (RALP) to support ecological goods and services. Read more on RALP below.
- Ministers agreed to three goals to better measure impact of the investment.
  - 1) Three to five metric tonne reduction in greenhouse gases;
  - 2) \$250 billion in sector revenues; and
  - 3) \$95 billion in sector export revenues by 2028 (these later two goals represent a 20% increase by 2028).
- One-year review of cross-compliance into BRM programs. This is province-led (identify incentives, launch pilot) so provinces can decide the best approach.
- AgriStability compensation increase of 10% (\$72 million per year) from 70% to 80%. This will have a negligible impact on the crop sector as it will most impact those that are already seeing a response from the AgriStability program. AgriStability changes will be forthcoming in 2024.
- To receive **Agrilnvest** government contributions, producers with allowable net sales of over \$1 million need an agrienvironmental risk assessment such as Environmental Farm Plan by 2025.
- Fertilizer emission reduction targets were not on the agenda.
- At the conclusion of the meeting, Minister Horner and his Saskatchewan and Ontario counterparts issued statements criticizing the federal government's lack of consultation and flexibility on fertilizer emission reduction targets because it sounds like the targets are fixed and they are only consulting on how to reach the targets.
- Resilient Agricultural Landscape Program (RALP) \$250 million earmarked to start to reward ecological goods and services through incentives to those carrying out activities that don't have private incentives and put into place structures for adaptation and mitigation. This includes compensating farmers for maintaining and restoring grasslands, wetlands, and riparian areas. RALP aims to pay for practices that have a high public benefit and to help reward farmers. Program will be administered by province and territories. Technical details are being discussed and there is expected to be an opportunity to feed into this process. Includes implementation of Environmental, Social and Governmental (ESG) payment processes so that instead of a one-time payment, over time to maintain the practices until there is a practical benefit.

Visit *teamalbertacrops.com* to learn more about Team Alberta Crops and its advocacy work.









