

PARTNERSHIP WITH **PURPOSE**

2019 ANNUAL REPORT



WHAT DOES IT TAKE TO MOVE FORWARD IN DIFFICULT TIMES?

It takes a strong commitment to **partnership** and a clear sense of **purpose**. It takes the ideas and resources of the entire value chain, focused on the greatest needs and opportunities.

In 2019 we built on these strengths, guided by the Priorities Review completed in 2018.

We adopted a new work plan, well-aligned with the needs and challenges of a dynamic and evolving industry. We found new ways of working together as we navigated a landscape that was constantly changing and often uncertain.





OUR PARTNERSHIP

The Canola Council of Canada involves all parts of the value chain, including growers, processors, exporters, life science companies and other partners. We all sit down at the same table to discuss and advance our collective success.

“2019 was the first year of implementation for our new work plan, based on the findings of our Priorities Review. It was a well-timed change. As the year unfolded, we saw just how important it is to focus resources where they can provide the best support for all parts of the value chain.”

Charlene Bradley
Chair, Canola Council of Canada



OUR PURPOSE

We are the marshalling point to confront the industry's shared challenges, whether they are in the marketplace, in the field or in the halls of government. Working together, we speak with one strong voice and combine our individual strengths to make the greatest collective impact.

Our work is guided by *Keep it Coming 2025*, the strategic plan for the industry. We focus on three strategic priorities:

SUSTAINABLE, RELIABLE SUPPLY

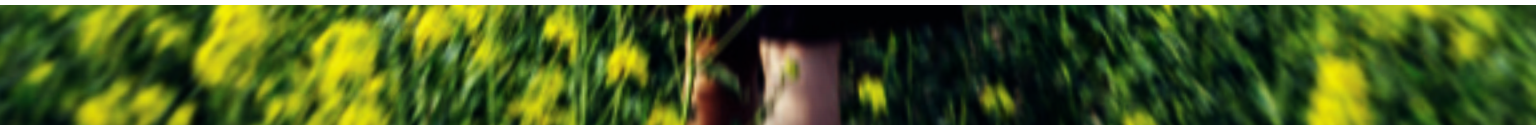
Meeting growing global demand for Canadian canola while increasing the economic and environmental benefits of every acre

DIFFERENTIATED VALUE

Demonstrating the quality characteristics of canola seed, oil and meal

STABLE AND OPEN TRADE

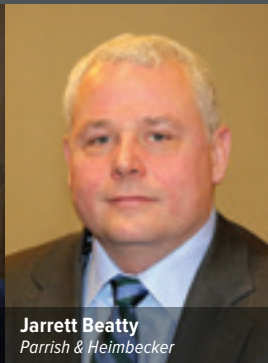
Creating a trade environment that consistently allows the industry to attain maximum value for canola



2019 BOARD OF DIRECTORS



Chair: Charlene Bradley
SaskCanola



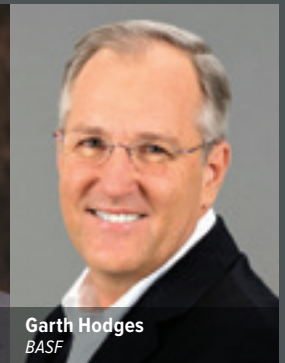
Jarrett Beatty
Parrish & Heimbecker



Brian Conn
Louis Dreyfus Company



Gerry Hertz
Canadian Canola Growers Assoc.



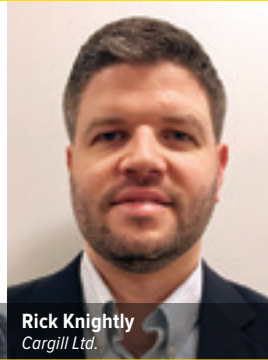
Garth Hodges
BASF



Michael Irons
Archer Daniels Midland Company



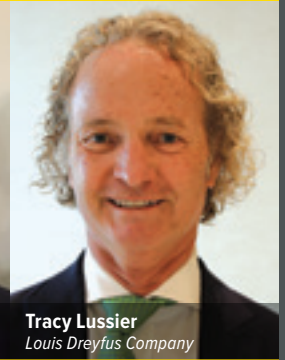
David Kelner
Bayer, Crop Science Division



Rick Knightly
Cargill Ltd.



Ryan Law
Bunge



Tracy Lussier
Louis Dreyfus Company



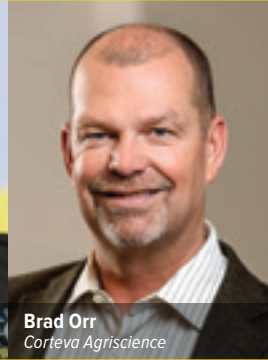
Jennifer Marchand
Cargill Ltd.



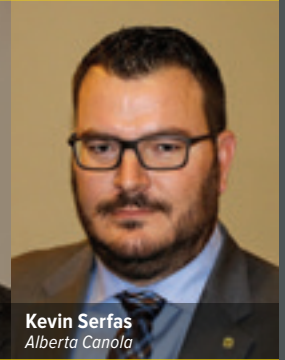
Dean McQueen
Viterra



Curtis McRae
Manitoba Canola Growers



Brad Orr
Corteva Agriscience



Kevin Serfas
Alberta Canola

OUR 2019 CORE FUNDERS



OUR FOCUS IN 2019



In a year of many challenges, three pressing issues dominated:

TAKING ACTION TO BRING BACK PREDICTABLE TRADE

The sudden halt of seed exports to one of our biggest markets necessitated action and teamwork to resolve issues and diversify our customer base.

LEADING ON PRESSING AGRONOMY ISSUES

In one of the toughest years ever, growers received timely, researched-based advice to maintain their competitive edge and keep canola supply strong.

STRONGER SUPPORT FOR SCIENCE-BASED DECISIONS

Industry-wide cooperation produced real-world data and a compelling rationale in support of neonicotinoid seed treatments.





THE YEAR AT A GLANCE

	2019 RESULTS	2025 TARGET
Exported Seed	8.6 MMT ¹	12 MMT
Domestic Processing	9.6 MMT	14 MMT
Acres	21 million	22 million
Yield	40 bu/acre	52 bu/acre
Production	18.6 MMT	26 MMT
Oil Content (average of No. 1 Grade)	44.6 ²	Maintain global competitiveness in oil content (10 yr average = 44.4%)
Saturated Fat Content	6.6% ²	Global leadership position in oil saturated fat content
Meal Crude Protein Content (oil-free, 12% moisture basis)	38.3% ²	Increase protein availability by target species (10 yr average = 37.9%)

MMT= Million Metric Tonnes
All statistics are for 2019 calendar year.

¹ Based on preliminary Canadian Grain Commission data
² Canadian Grain Commission

OUR 2025 SUSTAINABILITY GOALS



18%
reduction
in fuel
use/bushel

40%
decrease in
land needed to
produce 1 tonne
of canola

5 million
tonne increase
in soil carbon
sequestration
each year

4R nutrient
stewardship
utilized on
90%
of acres

Safeguarding
2000+
beneficial insects that
call canola fields and
surrounding habitat home

TAKING ACTION TO BRING BACK PREDICTABLE TRADE

In a year of challenges beyond the industry's control, one of the most difficult was the market disruption with China, one of our biggest customers.

As government and industry worked closely together to pursue a return to market stability, the CCC leveraged all of the organization's strengths as a technical adviser, advocate and mobilizer. As co-chair of the Canola Working Group, we were able to focus Ottawa's attention on the need to resolve the disruption and push for concrete actions to diversify canola markets at home and abroad.



Providing technical advice to government:

CCC's trade and scientific specialists continued to support technical engagement by the federal government throughout the dispute. At the end of October, key staff were on the ground at the World Trade Organization in Geneva to provide advice as the first face-to-face meeting about the dispute took place between China and Canada.

Urging growth of canola biofuels in Canada:

Industry partners agree that canola biofuels are one of Canada's best opportunities to grow a larger, more diversified domestic market that is free from international trade actions. It's a proven pathway for lowering greenhouse gas (GHG) emissions while creating jobs and economic growth in value-added processing.

In 2019 we seized on this potential by pushing hard for higher renewable fuel targets in Canada. Working alongside partners like the Canadian Canola Growers Association (CCGA), we urged governments to increase the minimum requirement for renewable content in diesel from 2% to 5%. We've made progress provincially, including the Manitoba government's commitment to increasing the renewable content in diesel to 5% and the Quebec government's proposed increase to 4% by 2025.

“Clearly, our trading system is under strain because of geopolitical conflicts. But we should be careful not to declare the era of rules-based trade to be over. It's vital that we keep standing up for the principles of stable and predictable trade.”

Jim Everson
President, Canola Council of Canada



Canola representatives met with Agriculture and Agri-Food Minister Marie-Claude Bibeau (left) in July to bring canola priorities to the forefront.



1.3 MMT
OF CANOLA

would be used in Canada if the minimum renewable content in diesel was increased to 5%, and



3.5 MMT
OF GHGs

would be taken out of the atmosphere every year.

Boosting canola's value in international biofuel markets:

We also strongly promoted the advantages of canola for biofuel in export markets. Through engagement with the EU Commission and key stakeholders in Brussels, we are working to have the environmentally friendly practices of Canadian growers recognized in Europe. This will ensure that the GHG number assigned to Canadian canola returns the most value for our exports.

To help growers capitalize on this growing export opportunity, we hosted a podcast and provided online resources on the process to certify farms for export to the EU.

Reaching out to emerging markets:

Through our partnership with AAFC’s AgriMarketing Program, we continued to build deeper appreciation of our products among oilseed importers, processors and end-users in promising emerging markets. Trade visits to South Korea, Japan, Thailand, Vietnam and Pakistan helped improve customer understanding of Canadian canola oil and meal attributes. The CCC also hosted a visit from Thailand-based C.P. Group, one of the world’s largest feed producers, so the company could learn first-hand about quality assurance in the Canadian canola industry.

Keeping the value chain informed:

As the trade dispute with China unfolded, we served as a reliable source of information for the value chain via numerous media interviews as well as our own communication channels. We created a central information hub on our website, spoke at numerous meetings, hosted hundreds on our webinars with federal trade and agriculture ministers, and created podcasts and video updates that have been widely consumed. We continue to update the value chain as the situation evolves.

“We can’t lose sight of the opportunities that are just opening up. Thanks to trade agreements such as CETA, CPTPP and CUSMA, Canada has tariff-free access to 62% of the world’s economy. It won’t be easy but canola is moving forward with some definite advantages, including the backing of the whole value chain and products customers want.”

Dean McQueen
Viterra




4,710 MEDIA STORIES
with a reach of over 4 billion mentioned CCC and the China trade dispute.

8,674 PAGE VIEWS
of the CCC’s central online resource for updates on canola and China.



(left to right): Alberta Canola director Andre Harpe, CCC chair Charlene Bradley and CCGA CEO Rick White met with Costco Japan, a key customer of Canadian canola oil.



Canola representatives joined International Trade Diversification Minister Jim Carr (centre) in Korea to meet with canola importers and discuss growing opportunities for canola oil in this thriving market.



KEEPING DEMAND STRONG

5 new educational resources



helped maintain and nurture the canola brand in well-established markets like the U.S. and Mexico. These resources included CanolaInfo fact sheets on canola sustainability and canola oil myths, a new Canola Meal Feeding Guide and targeted guides for dairy and aquaculture industries.

140 copies



of the new Mandarin language feeding guide were distributed at aquaculture and dairy events in China, where canola meal continued to rise in popularity.

44,000 readers



heard good news about canola meal through the *Canolamazing.com* website and information campaign. Data shared in 2019 included an updated nutrient profile with positive comparisons to soybean meal.

752



influential nutrition professionals in the U.S. received the updated dairy feed guide.



KEEPING QUALITY HIGH

54,702 visits

to *keepingitclean.ca* helped growers adopt market-friendly production practices for canola, cereals and pulses.



Continued industry-government partnership to drive canola's value and market access was announced in July at Alberta Canola director Ian Chitwood's farm near Airdrie.

LEADING ON PRESSING AGRONOMY ISSUES

If there was ever a year to test the skill and resilience of Canadian canola growers, it was 2019.

The season began with moisture challenges. Disease and pest threats followed. Flea beetles showed up early, fed aggressively and were high in numbers in most canola regions in the spring. Later in the season, a new clubroot pathotype was discovered in Manitoba.

Then came the “harvest from hell.” Frequent rain showers impeded progress and limited crop drydown. Early snowfall created some of the toughest harvest conditions seen in recent years in many parts of the Prairies, with Alberta being the hardest-hit province.

On top of all of this, growers had to deal with the impact of the China trade dispute, which left a lot of canola in storage on farms.

In such a difficult year, the final production numbers were a testament to Canadian growers’ capabilities, the resiliency of the crop and the ability of the CCC to bring all partners together to help manage challenges in the field.



Despite the disease and moisture challenges and a very difficult harvest, Canadian growers achieved an average yield of **40 BUSHELS PER ACRE** IN 2019.



Expert advice for a soggy harvest:

A top priority of the CCC in 2019 was to provide the information growers needed to deal with the unusual fall weather. We shared timely, research-based tips on how to harvest and store snow-covered crops through online tools like Canola Watch, social media, media outreach and direct connections with CCC members and provincial agriculture staff. Combine College events in Manitoba and Alberta provided hands-on learning about harvest timing, minimizing losses and proper use of harvest aids.

Amplifying the message through partners:

It took an abundance of teamwork to share best management practices and advice with 43,000 growers amid constantly changing conditions. In 2019, we ensured commercial agronomists, retailers and grower groups were well-equipped for the task. More than 80 CCC “train the trainer” events were attended by 1,600 commercial advisers and other experts, helping to build a bigger and better cohort of experts capable of providing sound advice.

Teamwork to tackle the toughest long-term challenges:

The whole value chain joined forces to address ongoing agronomic issues through CCC-led steering committees and events like Canola Discovery Forum.

With support from canola partners and coordination by the CCC, nearly \$5 million in research was underway in 2019. The CCC continued to transform the latest findings and research data into practical tips and best management practices. Tools for sharing knowledge with growers, agronomists and industry stakeholders in 2019 included a new clubroot management video, hands-on CanolaPalooza learning events and a seed cost feature on *CanolaCalculator.ca* to help growers make more refined seeding decisions.



THE BEST ADVICE, AMPLIFIED

161,051 visits

to *CanolaEncyclopedia.ca*
for comprehensive information
about growing canola.



More than
21,000 people

attended presentations by
CCC's agronomy specialists.



135,244 visits

to *CanolaWatch.org* for timely
agronomic updates.



“When so many factors are beyond our control, it’s even more important to control the things we can. That’s why the Canola Council’s agronomy team was a real lifeline for canola growers in 2019.”

Kevin Serfas
Alberta Canola

(left): CCC agronomy director Clinton Jurke (centre) spoke about sclerotinia stem rot management at a crop walk hosted at SaskCanola director Keith Fournier’s farm.

STRONGER SUPPORT FOR SCIENCE-BASED DECISIONS

Smart pest management is one reason canola has become such a great Canadian success story.

But like many commodities, canola is facing challenges linked to public perception of widely used crop protection products. In the absence of sound scientific data, this sentiment can lead to regulations that hold the industry back without providing any significant environmental benefit.

A concerning case in point for the canola industry is the proposed phase-out of neonicotinoid seed treatments, which was recommended by the Pest Management Regulatory Agency (PMRA) in 2018. These seed treatments play an important role in sustainable crop production and integrated pest management because they protect canola from flea beetles without affecting beneficial insects like pollinators.

With so much at stake, neonics have been the top regulatory focus for the CCC over the past two years. In partnership with CCGA and registrants, we have used our expertise and convening power to provide PMRA with compelling information that supports maintaining these tools, backed up by comprehensive and scientific real-world data.



\$700 MILLION IN LOSSES
could result each year if neonic seed treatments for canola are banned.



17 WETLANDS

across three provinces were sampled in 2019 in support of evidence based decisions on crop protection products.

Focusing on facts and filling the data void:

Our first step was to take a close look at the evidence and uncertainty that led to PMRA's proposed decision. The next step was to address concerns about runoff from neonic seed treatments. Seeing a clear need for real-world evidence of how canola seed treatments affect nearby water courses, the CCC and CCGA spearheaded a massive data collection effort on wetlands across canola-growing country.

Mobilizing the industry to deliver compelling results:

The wetland monitoring program was a challenging undertaking that would not have been possible without the active support of grower groups, farmers and industry partners across the Prairies. Together, we were able to sample 17 different wetlands over a three-month period. The results showed that the amount of clothianidin and thiamethoxam accumulating in ponds and creeks is in the parts per billion – well below the established risk threshold. Even after heavy rainfall, significant accumulation was not detected.

The monitoring results were then provided to PMRA to inform their regulatory decision.

A model for moving forward:

PMRA's decision on neonic seed treatments won't be known until sometime in 2020. In the meantime, CCC and CCGA will continue advocating for a national water monitoring program that will provide regulators with the data they need for evidence-based regulation of crop protection products in the future.

“Canola's success is driven by continuous innovation. Having a regulatory environment that evolves to facilitate the adoption of new developments is a Canadian advantage and a critical component for our industry's continued growth.”

Brad Orr
Corteva Agriscience

“With good regulatory decisions, innovation can do good things for the environment. As we increase the yield of every canola acre, we take more carbon out of the atmosphere. By 2025, we expect another 5 million tonnes of GHG emissions to be sequestered each year by canola cropland.”

Brian Conn
Louis Dreyfus Company



TEAMWORK ON A WIDE RANGE OF REGULATORY ISSUES

As a member of the **Canada Grains Council**, we play a key role in the cross-commodity organization advocating for trade facilitating solutions for crop protection products and plant breeding innovation.

We work closely with the **Canadian Oilseed Processors Association** on issues such as modernization of feed ingredient definitions.

We provide strong leadership in the **Canadian Roundtable for Sustainable Crops**, including chairing the scientific advisory committee on the Code of Practice for grains and oilseed production.

**INNOVATIVE.
SUSTAINABLE.
RESILIENT.**

Creating superior value
for a healthier world.



400-167 Lombard Avenue, Winnipeg, MB R3B 0T6
Tel 204 982 2100 Fax 204 942 1841 Toll Free 866 834 4378

CANOLACOUNCIL.ORG