



Canada Food Brand Project

Notes: “Reliable & Resilient Supply” Lab,
Sept. 11, 2019, Winnipeg

The Lab’s Intent // This discussion, our final lab in the series, explored how Canada can demonstrate that it is a reliable and resilient supplier of agricultural ingredients & food products to markets. Canada 2020 appreciates the collaboration with Protein Industries Canada (PIC) in helping to arrange this lab. (Lab agenda is reproduced below.)

The Lab’s Outcome //

Reliability depends on how customers/consumers define it. (If the product doesn’t show up on time and meet expected quality requirements, business can be taken elsewhere.) **Resiliency** is about mitigating risks and adapting to change at every stage of growing and supplying food – making reliability possible.

Achieving both requires greater ‘shared leadership’:

- Across complex supply chains, issues will arise amongst the players and can involve challenging conversations. Working across the food system, and with good data in hand, is increasingly required to meet market needs, remain a reliable supplier and protect Canada’s food reputation.
- Competing on sustainability is becoming far more visible as global companies set targets to reduce “food prints”, the environmental impacts of food. Delivering on these requires supply chain collaborations.
- How Canada’s food system works together to maintain a sustainable, productive landscape, ensure access to modern agriculture tools and protect the country’s reputation is, perhaps, the ultimate test of resilience.
- For all food system stakeholders, this may mean thinking beyond ensuring “quality product”; players may benefit from working together to advance a “quality system”; good metrics encourage accountability.

Canada 2020 thanks our project partners:

Food & Consumer Products of Canada, Genome Canada, GS1 Canada, National Research Council, Nutrien, Olds College, Protein Industries Canada, Syngenta, University of Guelph

(These notes do not imply endorsement by partners or participants.)

Highlights //

- **Reliability** is essential to Canada's competitiveness and food reputation. As an export-based economy and surplus producer of many ingredients and foods, including grains and oilseeds, getting product reliably to markets matters. Canada faces its share of transportation challenges (weather, geography) and shipment performance issues (e.g., capacity) have tested this reputation. Future reliability hinges on how the players adapt and collaborate.
- Continuous improvement and infrastructure investment is part of the response. Rail carriers have been investing and innovating, from adding more horsepower to rail engines so to better traverse the Rockies to adopting machine vision technology to inspect rail car safety.
- For governments and industry, Canada's ambitious strategy to attract investment to grow the ingredient processing sector needs to include market access/shipment considerations. Metrics count. Commodity sectors, agri-businesses, governments and the rail sector continue to develop shipment metrics to track performance. Greater collaboration for jointly-developed metrics could become more important going forward. Canada requires predictability to protect markets from emerging grain competitors and encourage investment here. Transporting bulk commodities have different capacity requirements than smaller ingredient shipments destined to food processors; expected growth in the latter introduces more variability in shipment requirements. Having proactive conversations about meeting future opportunities, informed by data and commercial prospects, would be a win-win; involving other commodities and modes (trucking) is necessary, too.
- Both agri-food and transport sectors have a role to play in protecting the Canada brand. As one stakeholder said, "This is Canada's challenge, not rail's problem, to protect the brand." The market may expect more from working together; e.g., reducing GHGs requires collaboration to calculate the total carbon footprint of food.
- Canada is being assessed abroad by the World Bank's Global Logistics Performance Index. Canada ranks in 20th position (2018; down from 14th in 2016). More sub-sector analysis is required to be useful here but this could be flagging other issues that need to be addressed, such as improving its "customs" rating.
- **Resiliency** can mean many things, from coping with climate stress, adhering to tightening phytosanitary standards, dealing with trade barriers, etc. As one participant noted: "Achieving resilience is becoming more complex. But to live up to our reputation, we need to prove it. Do we have the courage to measure this and collaborate to do so?"
- If "sustainability" will be the differentiator of the future, as one person stated, then Canada needs better sustainability data. Producers and companies need to decide how to use this to drive-up value, demonstrate responsibility and enhance natural capital (i.e., soil, water, etc).
- Data should capture the benefits of leading sustainability practices, such as producers' widespread use of no-till to improve soil health and leveraging new science and technology-based innovations (e.g., using sensor technology to track grain quality and shipments through to the customer – a means to reassure the market about quality or consistency issues when they arise). This information needs to be more fully used by supply chains to differentiate themselves. And, rolling up relevant data can present a global picture of Canada's performance.
- Work is now underway to scope out a data strategy. The challenge: there is little agreement on what sort of sustainable food system we want, including how we even define "sustainability".
- As global signals become more clear (e.g., the attention to the UN Intergovernmental Panel on Climate Change and from global food companies' GHG-reduction targets), how Canada's food system maintains a sustainable productive landscape, ensures access to modern agriculture tools and protects the country's reputation is, perhaps, the ultimate test of resilience. This may mean thinking beyond ensuring "quality product"; players may benefit from working together to advance a "quality system".

Policy Lab “Reliable and Resilient Supply”

Agenda | September 11, 2019 | 8:00 a.m. - 1:00 p.m.

Delta Winnipeg Downtown, Charleswood A Room, 350 St. Mary Ave., Winnipeg

8:00 a.m.	Coffee available	
8:15 a.m.	Intro from PIC	Tiffany Stephenson, Chief Marketing Officer, Protein Industries Canada
	Overview of Canada 2020 project & lab purpose	David McInnes, Senior Fellow, Canada 2020
8:40 a.m.	Reliably shipping to markets: a. How are the agri-food & transport sectors working to be a recognized dependable supplier? b. How do we define “reliability”; are the metrics adequate in today’s marketplace? c. What needs to be done to ensure reliability in the future?	Gene Morales, Market Manager, CN Jean-Marc Ruest, Senior Vice President, Corporate Affairs & General Counsel, Richardson International Greg Northey, Vice President, Corporate Affairs, Pulse Canada
10:00 a.m.	Break	
10:20 a.m.	Reliably producing food & production resilience: a. While much is being done now, do we have a resilient production system? b. What commitments are we (our supply chains, our innovation sectors and as a country) making - or should make - to demonstrate this?	Chris Anderson, Chief Technology Officer, PIC Harvey Chorney, Vice President Portage Operations, Prairie Agricultural Machinery Institute
12:00 p.m.	Informal lunch & carrying on the discussion: “How will we know that Canada will be a reliable food supplier in the future?”	
12:55 p.m.	Wrap-up	David McInnes
1:00 p.m.	Conclusion	