

National Forum on Seed Meeting Report - March 2007



Ottawa March 26, 2007

The eighth meeting of the National Forum on Seed (NFS) was held at the Crowne Plaza Hotel in Ottawa on March 26, 2007. More than 30 Forum members and observers attended. The Forum reviewed a report from the Working Group on Crop Specific Consultative Groups (CSCGs), received a status report from the Canadian Food Inspection Agency (CFIA) on its Seed Program Modernization Consultative Initiative, and heard updates on the Canada Grain Council's project on Adventitious Presence (AP), the Plants with Novel Traits (PNT) Technical Working Group, and the exchange of correspondence with Agriculture and Agri-Food Canada on Genetic Use Restriction Technologies (GURTs). The meeting also looked at NFS accomplishments to date, discussed future funding scenarios and considered which items on the Current Issues Agenda should be priorities for action in the coming year.

Report of Working Group on Crop Specific Consultative Groups (CSCGs)

Dale Adolphe summarized the report of the CSCG Working Group which had met in Winnipeg on February 6, 2007. The meeting attracted 39 participants from across the country, representing various parts of the seed value chain. Discussion focused on the purpose, mandate and scope of the proposed CSCGs, guiding principles, organization structure, operational guidelines and membership.

Working Group conclusions documented in the report included the following:

- CSCGs should "walk before they run", hence start with seed, specifically Variety Registration issues for individual crop kinds;
- role clarity is needed to avoid overlap with other bodies such as Variety Recommending Committees and the Value Chain Roundtables;
- the mandate of CSCGs will depend on who recognizes them, with CFIA being the logical reporting point if the initial mandate is limited to Variety Registration matters;
- CSCGs should be guided by similar principles to those governing the NFS, including openness, honesty and forthrightness, inclusiveness, transparency and accountability;
- CSCGs should work towards building consensus where possible, making recommendations to government on this basis, while also recording and presenting dissenting views;
- no interested party should be excluded from the CSCG process; inclusiveness also implies that all key interests, including those of producers, are represented;
- the organization structure of CSCGs should be flexible in order to accommodate the uniqueness of crop kinds, regions and issues;
- it may be advisable to start with national CSCGs, in some cases grouping related crop kinds, letting membership and regional structures evolve;
- the NFS may have a role in facilitating communication and in identifying issues that cross crop kinds, but CSCGs should not report to the NFS, nor should the Forum filter their advice and recommendations;
- the operation of CSCGs will require resourcing to ensure stakeholder participation and to plan, facilitate and report on meetings;
- financing of CSCGs could be based on "user pay"; on the other hand, a stated principle of the federal government's Smart Regulation initiative was that whoever received the benefit of a consultative service should pay for it;

Ottawa March 26 2007

- the Working Group expressed concern that reliance on government funding could limit the CSCGs' ability to raise issues, while a "user pay" model could restrict participation by those not able to pay their own expenses;
- the Value Chain Roundtables may be a useful financing model;
- flexibility is critical so that CSCG membership fits the crop kind and reflects the entire value chain;
- pilot groups may be an appropriate way to start.

Forum discussion focused on several key points. It was noted that CSCGs might only need to meet once or twice, and if a crop sector is not seeking to change its Variety Registration status, no CSCG would have to be convened. Beyond discussing changes to crop placement, CSCGs could fulfill other functions such as identification of risks regarding contract registration, providing input on weed standards, and raising awareness of seed issues along the value chain. There was support for an NFS role to facilitate consideration of cross crop-kind issues and communication to ensure CSCGs aren't operating in isolation.

Several members expressed frustration with the prolonged discussion of CSCG details and suggested the Forum should urge the federal government to move forward and implement the concept for crop sectors like corn and canola where the industry has shown it is ready to proceed. The National Farmers Union representative expressed a dissenting view, stating that with so many questions being raised by the Working Group and key operational and funding issues remaining unresolved, it would be ill-advised to move quickly. Others agreed the Working Group report did leave unanswered questions, but felt these were challenges for the CFIA, not issues that could be further dealt with by the Working Group or the NFS. CFIA representatives said many considerations about how CSCGs would operate also emerged from their on-line Workbook Consultations; all this feedback, including the Working Group discussions, is shaping the Agency's thinking on the matter and will be taken into account when decisions on the consultative framework for the Seed Program Modernization Initiative are made.

Decisions:

- ➔ ***The Forum accepted the Working Group report and will forward it to the CFIA.***
- ➔ ***When the CFIA releases its revised consultative framework proposal, the NFS will review whether further Working Group discussions on CSCGs are required.***

Update on CFIA's Seed Program Modernization Consultations

Mike Sheffel gave a verbal report on the status of the CFIA Seed Program Modernization Consultative Initiative, indicating that the process is now winding down. CFIA staff have been analyzing the workbook responses and are beginning to post responses on the Web site. Following the March 27 & 28 stakeholder workshop and the March 31 deadline for submissions, CFIA staff will continue to post the responses received and will allow a reasonable time (at least till the end of April) for groups and individuals to clarify information and "comment on the comments".

In addition to the NFS discussions and the on-line workbook responses, CFIA held an open consultation session in Winnipeg and further meetings in Calgary, Saskatoon, Moncton, Guelph and St-Hyacinthe. These meetings were well attended and have permitted the CFIA to get a good sense of regional as well as national concerns. The workbook exercise was designed to take the pulse of interested parties on proposals around which there appeared to be some consensus for change. Many of these proposals were informed by the work of the NFS Variety Registration Working Group. Initial CFIA analysis of the workbook responses received to date suggests:

- strong overall support for the consultative framework proposals, but with some considerations and reservations;
- a national forum such as the NFS, working to build

National Forum on Seed Meeting Report - March 2007



Ottawa March 26, 2007

- understanding and consensus, has merit;
- there are concerns about having adequate producer involvement given time and money constraints;
- a majority of respondents support the proposals for tiered variety registration and for contract registration; however some are urging a more cautionary approach and are concerned about the proposed changes increasing risk exposure (importation of alien species, unapproved plant traits, cross-contamination of other crops);
- potential slippage in seed quality, use of variety names on common seed, intellectual property protection, and the capacity of CFIA to train, certify and support private testing facilities are also concerns for some.

At the consultation workshop being held in Ottawa on March 27, CFIA representatives plan to make a similar presentation on what they've heard to date, then use table discussions to better understand where various groups stand on the proposals, as well as on issues that weren't explored in the workbook such as deregistration, the need for performance information and administration of the Variety Registration system. On March 28, there will be crop-specific table discussions which will test the appetite for changes in tier positioning, identify other seed issues of specific interest to that crop kind, and consider who's missing from the table and how their involvement might be sought. Besides rounding out consultations on the Seed Program Modernization Initiative, the input from the two days will support development within CFIA of a three-to-five year Seed Program Action Plan.

Forum Members and observers posed several questions:

- *What have the consultations revealed about other topics such as the role of public plant breeding?*
The response was that support for public plant breeding had been raised as an issue both for minor crops and for mainstream crops where return-on-investment prospects are insufficient to attract private investment.
- *What is the expected time-frame for action on Seed Program Modernization?*
CFIA officials indicated that a draft Seed Program Action Plan should be done by the end of June; it will show what the Agency is moving ahead on; proposed regulatory changes must be drafted, approved and published in Canada Gazette, so these will take a little longer.
- *How is the CFIA sorting out the divergent input received on its seed modernization proposals? Is it "weighting" the responses it has received?*
CFIA is in the process of completing both qualitative and quantitative analysis of the input received. The consultation process was extended until March 31, 2007 to provide additional opportunity for stakeholders to provide input. That input will inform decision making by CFIA on Seed Program modernization. It was suggested that the approach being used to assess consultation input should have been stated at the outset of the consultation process.

Updates on Other Work

Canada Grains Council Project on Adventitious Presence:

Dale Adolphe reported that the Canada Grains Council AP project has received funding from Agriculture and Agri-Food Canada to identify issues and develop potential responses to them. The project will focus on operational barriers to the introduction of new varieties in Canada, industry tools and processes to respond to client needs and how to overcome non-tariff trade barriers related to AP in Canadian seed and grain exports. The Grains Council plans to hold workshops and develop a discussion paper that explores ways to encourage introduction of innovative plants and varieties to meet the needs of Canadian farmers while continuing to preserve and protect Canada's reputation as a supplier of safe, high quality grains and other crops.

Ottawa March 26 2007

Guidelines for Plants with Novel Traits

Bill Leask reviewed the decision taken at the Forum's December meeting to convene a Technical Working Group to provide input to the CFIA on the development of PNT guidelines intended to clarify the "triggers" which determine when PNT regulations apply and must be followed by plant breeders/developers. Dr. Leask reported that 14 names, mostly from the public sector, have been forwarded to the Agency, but the group has not yet been convened because CFIA officials are still developing the draft guidance document. Kirstin Finstad reported that she and her colleagues in the Plant Biosafety Office (PBO) hope to have a portion of the document ready in the next month or so, but they are seeking legal advice on some points, as well as getting input from the horticulture and forestry sectors, and will not likely have a full guidance document ready for public consultation before sometime in 2008.

Forum participants reiterated the importance of making progress on these guidelines and expressed concern that the Plant Biosafety Office's guidelines will only cover the trigger related to environmental safety, while novel feed and novel food triggers remain unaddressed. Health Canada and CFIA's Feed Section are aware of this concern, but do not have the same risk assessment component in their regulations and, therefore, are looking at how they could address the desire for a common set of guidelines.

Feedback from AAFC re: Genetic Use Research Technologies Symposium

Warren Wilson circulated copies of the correspondence with Agriculture and Agri-Food Canada which followed the GURTs information seminar held in conjunction with the Forum's December meeting.

Decision:

- ➔ **Several Forum members are participating on the Steering Committee for the Canada Grains Council**

AP project. They will provide further updates to the NFS as the project progresses so that any gaps related to seed stakeholder interests can be identified and addressed.

- ➔ **The NFS will send letters to CFIA's Feed Section and to Health Canada reminding them of the recommendations made by the PNT Working Group regarding the need for clear definitions and guidelines so plant developers can determine which plant traits may trigger novel feed and novel food regulations, and asking them to provide NFS with an update. The PNT Technical Committee will provide input to the Plant Biosafety Office on its draft guidelines when these are ready for review.**
- ➔ **It was agreed that no further action is required on the GURTs issue at this time.**

Future Funding

Barry Reisner made a presentation summarizing the history and accomplishments of the National Forum on Seed to date. Prior to the Seed Sector Review in 2003-2004, the seed sector and other stakeholders generally met bilaterally with the CFIA and other government officials and had little experience talking together across the value chain. The Seed Sector Review resulted in three meetings between the Canadian Seed Trade Association, the Canadian Seed Growers Association, the Grain Growers of Canada and the Canadian Seed Institute, a report to the CFIA in May of 2004 and the subsequent creation of the Forum in the spring of 2005. Most of the early Forum meetings focused on governance, but on the substantive side, there were four meetings of the Variety Registration Working Group whose deliberations and reports have had a significant influence on the CFIA's Proposal for Seed Program Modernization. The NFS also convened a Workshop on Innovation, which led to Working Groups on Plants with Novel Traits (PNT) and Adventitious Presence

National Forum on Seed Meeting Report - March 2007



Ottawa March 26, 2007

(AP). Meetings of these two working groups led to a broader understanding of these issues and their impacts on plant breeders, seed growers and marketers, crop producers, regulators and other interested parties. Discussions by the PNT and AP Working Groups also provided regulatory input to government and gave rise to the GURTs information session held last December.

Dale Adolphe related the funding history for the Seed Sector Review and the NFS, explaining that Agriculture and Agri-Food Canada's ACAAF program cannot provide ongoing support for the Forum so other financing options must be looked at for the longer term. He also noted that the time lags between applying for support, receiving approval and signing a funding agreement have been growing longer, which suggests that it may be several more months before there is a response to the current request for Phase IV support (covering the period April 2007 to March 2009). He presented various funding scenarios which outlined how costs for the NFS process could be apportioned to stakeholders and government.

The ensuing discussion focused on the value of the NFS to date, and based on that value, participants' inclinations for providing direct funding in the future. Forum participants agreed there had been value in exchanging information and viewpoints across the seed sector and its value chain. CFIA representatives said they wouldn't be where they are with their Seed Program Modernization Proposal if they hadn't had the high quality input the NFS process has produced. They cited the NFS for contributing to a consultative model that empowers stakeholders, ensures transparency, contributes to increased civility and should result in increased awareness and compliance with seed regulations. An AAFC official credited the NFS with putting seed issues on the departmental radar screen and suggested the Forum may be able to expand its future influence beyond the current seed regulatory work.

However, several members expressed frustration that no concrete regulatory change had yet been achieved

despite the time and effort that stakeholders have put into the process. It was noted that the budget does not capture in kind contributions from stakeholders, nor the expenses some organizations absorb for their representatives to attend NFS and Working Group meetings, so the funding history considerably understates the total cost. Should additional direct contributions from stakeholders be required, member organizations will be forced to prioritize NFS work against other activities on their agendas as total budgets are limited. This underscores the need for the NSF to produce concrete results and benefits for stakeholders.

One participant commented that the seed and crop sectors need to get costs out and value in; in that sense "what isn't" as a result of this consultative process could also have value (i.e. fewer regulations, streamlined regulatory processes), but he wasn't sure that's what is happening at this point. Others cautioned against measuring success in terms of regulatory change, noting that change doesn't always produce financial benefits, and that costs and benefits are rarely evenly distributed.

On the question of the balance of government vs. stakeholder financial support for the NFS, and the various scenarios proposed, several members argued that some degree of greater stakeholder funding was necessary for the sake of independence and retaining administrative control. However, a few questioned the assumption that this process needs to be at arm's length from government. The Value Chain Roundtables and the National Stakeholder Reference Group working on the next generation of the Agriculture Policy Framework were cited as examples where government pays most of the costs of an effective consultation process.

CFIA representatives acknowledged they have been the largest government beneficiary of the NFS process to date and will continue to have a large role to play, but stressed there need to be benefits for, and contributions by, everyone. One member commented that

Ottawa March 26 2007

the best way to resolve problems is to talk about them; the best way to talk about them is to get around a table and the best way to create that table is to get involved and take your place and responsibility at the table. Another expressed concern that if stakeholders are expected to pay for the process and some groups can't pay, the credibility and value of the process would be diminished.

It was agreed that the funding question is key for the future of the NFS, but acknowledged that more thinking and analysis is needed. This discussion represented a starting point. It was agreed that each member would come to the next meeting with their organization's view regarding future funding. CFIA officials cautioned that they wouldn't be able to give a definitive response at that meeting and indicated the NFS funding issue will require discussion across the agri-food portfolio.

Decision:

- ➔ **Forum members agreed that the funding issue will require further serious discussion at the next meeting. The Management Committee was asked to rework and flesh out at least one funding scenario taking account of what was learned from the March 26 discussion.**

Issues Agenda and 2007-2008 Work Plan

Warren Wilson directed the group's attention to the list of issues which had been discussed at the Forum meeting in December and sorted according to those identified as priorities for action in the 2006-2007 fiscal year and those which might be addressed later under Phase IV of the NFS funding application to ACAAF. Bearing in mind that there would not likely be a Forum meeting this summer and that fall (post harvest) has proven to be desirable timing for Working Group meetings, he sought direction from participants as to which issues should be tackled first if/when funding approval is forthcoming.

The ensuing discussion focused on Impediments to Innovation and Competitiveness, Seed Standards and Seed Purity, Variety Deregistration, Plants with Novel Traits (PNT), and Variety Names.

Several participants expressed ongoing concern about areas impacting innovation and competitiveness in the Canadian seed and grain production sectors. These included KVD (Kernel Visual Distinguishability) requirements, level of government investment in plant breeding, and co-existence issues related to new developments and products. A previous NFS workshop on Innovation resulted in further work being done on PNTs, AP and GURTs. It was suggested that another planning session might be useful in "unpacking" issues related to innovation and identifying additional priorities meriting NFS attention. In addition, there was endorsement for continuing to give a high priority to efforts to resolve outstanding concerns on the PNT file.

A series of points were raised around variety deregistration, DUS (Distinctness, Uniformity, Stability) requirements for variety registration, how pure seed lots have to be to use variety and grade names, usage of seed tags and bar codes, differential targets and compliance records for common and pedigreed seed, and sampling, testing and labeling protocols related to seed standards. CFIA officials saw value in discussing "what is a variety" and the whole concept of seed purity, perhaps as part of the proposed discussion of variety names. A Forum member commented that years could be spent arguing about variety naming, whereas resolution of concerns might be more achievable by focusing on seed purity from the seed standards perspective. It was suggested that seed standards and purity might be more appropriately discussed at the crop-specific level, but CFIA officials indicated the Agency would welcome discussion of basic parameters that cut across crop kinds. For instance, one might want to consider whether the general policy should be to set minimum standards with certified grades existing above that as voluntary standards. Another policy issue that could be discussed is whether grade names are the best way to go or whether providing the specifics of

National Forum on Seed Meeting Report - March 2007



Ottawa March 26, 2007

higher seed quality on the label might be a better alternative. Participants agreed that while there are already a number of technical aspects of seed testing and labeling being dealt with by the Seed Alliance, there are general issues around seed purity and standards which merit input from the whole value chain, so it would be useful to have a Working Group looking into these areas.

CFIA representatives noted they would be probing some of these issues in the course of the stakeholder consultation sessions being held during the following two days (March 27 and 28). An example cited was what to do about the lower regulatory compliance rate the Agency is observing with common seed. The Agency is developing a Seed Program Action Plan which will guide its internal resourcing decisions in the seed area over the next 3-5 years. It was suggested that the NFS leave the door open for other issues until they have seen this document, which should be available by the fall.

Decision:

➔ **The Management Committee and/or Executive Committee will develop plans for following up on two or three of the proposed priority issues this fall based on the March 26 discussions, funding availability and further information about CFIA's plans.**

Governance Issues

No governance issues were raised at this meeting.

Next Meeting

It will not likely be necessary to convene another NFS meeting before late fall. Agenda items at that time may include:

- an update from CFIA on final results of consultations on its Proposal to Modernize the Seed Regulatory Framework;
- updates on the Canada Grains Council AP project and any related international developments;
- update on PNT issues, correspondence with Heath Canada and the Feeds Section, discussion and decision on whether to reconvene the PNT Working Group;
- review of funding options;
- review of reports from any working groups that may have been convened.