

THE CAPI CONNECTION

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Elise Bigley | Editor

What's New at CAPI

Understanding Our Past and Present: Designing Our Future: Federal-Provincial-Territorial Policy Making and Canadian Agriculture

CAPI Perspective Report by Douglas Hedley

CAPI in the News

Alberta uses hunters to reduce deer numbers in effort to slow spread of debilitating disease

Bill Macfarlane, CTV News Calgary

Group calls for comprehensive strategy to control CWD

Michael Robin, Western Producer

More flexibility urged for next ag policy round

Karen Briere, Western Producer

Understanding ag policy past and present to design a better future

RealAgriculture

The risks of extreme weather are real: Just ask Canada's farmers

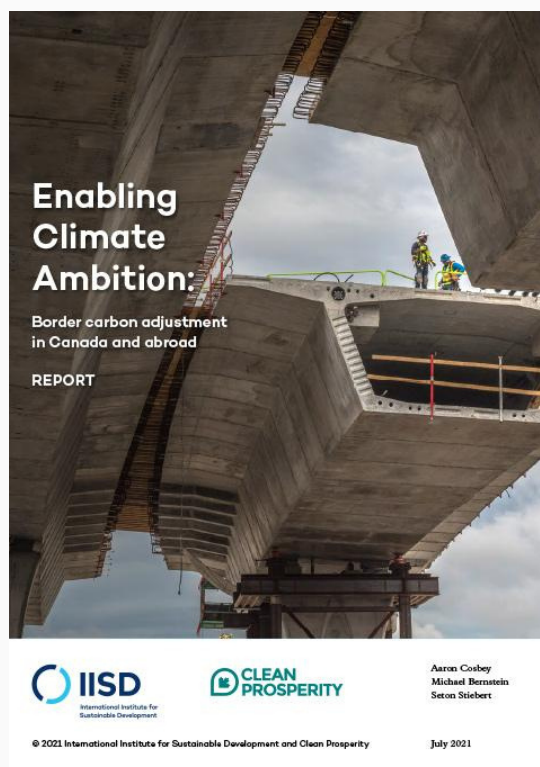
Tyler McCann, CAPI's Managing Director for The Hub

What We're Reading

The recent report *Enabling Climate Ambition: Border carbon adjustment in Canada and abroad* by Aaron

Cosbey, Michael Bernstein and Seton Stiebert explores the interest in border carbon adjustments (BCA) from countries, like Canada, who are pursuing ambitious climate policies. This interest stems from increasing climate ambition but also from concerns of carbon leakage and industry competitiveness.

With the European Union mandate to implement a BCA system by 2023 and Canada's commitment, along with the United States and the United Kingdom, to explore a BCA in response, this paper explains what a Canadian BCA might look like, including how Canada might respond to and coordinate with other countries' potential BCA.



Funding Opportunities at CAPI

Your commitment is vital. It is urgent to intensify our efforts as agriculture and agri-food can be essential solution providers for the economy, environment, health and global food security. But creative policy changes are critical.

CAPI is pleased to announce it will be hosting its first-ever Agri-Food Policy Competition in the fall of 2021!

CAPI is committed to seeking out bold, innovative policy ideas that will address the Canadian agri-food system's critical need: to build a more resilient agri-food system that produces more and better, sustainably, and profitably to meet the growing needs of consumers in Canada and around the globe.

The competition will call for creative ideas on how public and private actors can help meet this need. Grants will be awarded to turn those ideas into concrete policy proposals.

Investing in the Environment

New technologies and tools are changing the way today's farmers operate. However, there can be a cost to adopting new technologies or changing the way food is produced that can prevent farmers from increasing their contributions to the fight against climate change and protecting biodiversity.

These new technologies and practices can positively impact the environment, but that only happens if farmers adopt them.

The project *Spearheading Solutions: Helping Farmers Operate Better, Smarter, and Environmentally Sustainably* aims to determine what public and private policies can be used to rapidly increase the adoption, implementation of new tools, and the practices to maximize environmental outcomes.

This project is funded in part by the RBC Foundation and we are actively seeking additional private and foundation partners to officially launch the project.

Support CAPI

You can make a difference! Become a partner or supporter of our work through the Canadian Agri-Food Foundation, a registered charity. Your commitment is vital as it is urgent to intensify our efforts as agriculture and agri-food can be essential solution providers for the economy, environment, health, food and global security but creative policy changes are essential. [Click here to learn more.](#)

CAPI acknowledges the overall support of its many partners particularly
Agriculture and Agri-Food Canada.



Policy Research: What Is It Good For?

From its genesis, CAPI was conceived as a policy research entity- the platform from which the issues and results obtained from science and economics could engage with research on how governments could or should act, and how we identify the public interest, in coordination with the policy community itself. It is a unique space, and one that is critical to informed and science based agri-food policy.

Issues and challenges in agri-food are typically defined by their tangible nature- a new technology; a livestock or plant disease; a portfolio of environmental effects; a shift in consumer preference trends. As such, the first line of inquiry in agri-food research focuses on the subject matter- the science/causation/efficacy related to the issue- the benefits and side effects of a new technology; the cause and mechanisms of spread of a disease and potential treatment/control mechanisms; the relationships among agricultural practices and observed environmental effects; the change in factors influencing consumer preferences. The findings of research in these (and other areas) commonly define the prospective scope for collective solutions- public policy- to address the situation, and potential courses of action.

The question must then turn to how we act collectively in agri-food to address the issues identified and understanding offered by scientific research and fact-finding. This entails a different set of considerations and approaches. Who is impacted? How are the various parties represented and organized- producers, commodities, regions, upstream and downstream supply chain players, consumers, citizens? What authorities are vested with the various levels of government? How do government departments work together on shared files? How are Canada's international interests and obligations impacted? What are the interests of each of these groups- how do they interface with potential courses of action identified from scientific/fact finding? What are the benefits and costs, borne by whom?

If policy defines the course of public action, politics represents a component of the process through which policy is developed. Factors such as timing, history, precedent, perceptions of fairness and equity, and public influence each impart constraints on the forms of policy that are possible. The reach of agri-food policy extends broader in regions relatively more dependent upon agriculture and food for economic development, and as such becomes an element of mainstream politics and compromise across economic sectors more so than in other regions. Agri-food is among the most sensitive areas of international politics, and agri-food products often get embroiled in international trade disputes unrelated to agriculture through trade retaliation.

Agri-food is complex as a subject matter. Agri-food is also highly complex as a matter of public policy. Agriculture occupies a unique position in Canada as a joint jurisdiction of federal and provincial governments (along with immigration). Within this envelope, the federal government is pressured to provide perceived equity of treatment to producers, commodities, and regions- even as provinces and territories press the diverse needs of their agricultural sectors and economic development objectives. Canada has an export-oriented agri-food sector but is also dependent on specific agri-food imports and has certain segments that have more of a protectionist interest. Agriculture has an extensive land base, impacting a variety of natural resources that are shared with other industries and components of society, giving rise to potential sources of conflict- but equally an important contributor to broad societal goals. When costs imposed on the Canadian agri-food sector by policies and regulations are passed on in higher food prices, it falls regressively on lower-income households; if these costs are not passed on, it creates the risk of a competitiveness gap for Canadian agri-food.

Policy research builds upon subject matter research (such as plant science, animal science, engineering, economics, and environmental science) to establish how we can or should act collectively for and through the subject matter. Just as policy decision making is ongoing and not a single event, the best policy research is coordinated and ongoing with the issues framing the policy process.

As the awareness grows of intrinsic relationships among aspects of the agri-food system- such as environmental sustainability and food security- the need for broadly coordinated and collective solutions is growing. Alternatively, working together in developing policy solutions often entails a renewed focus on institutions that secure the working of free markets, competition, and trade.

Policy Research: What Is It Good For?

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The expectations that lie ahead of us in the Canadian agri-food sector are exceptionally high, at a time when we are facing sobering challenges- from increasingly variable weather, more volatile markets and trade, the re-emergence of global hunger, and challenges to our sustainability. Focusing and engaging these challenges were featured outcomes of CAPI's **Big Solutions Forum**- to encourage strategic thinking, a systems approach, public private partnerships and aspirational leadership in the development of future agri-food policy in Canada.

CAPI looks forward to an emboldened role and redoubled efforts in leading research on how we come together as individuals, industries and governments, to harness the information and knowledge generated in agri-food policy to meet these challenges.

Al Mussell, Research Coordinator

One Great Graphic

In light of the discussion around border carbon adjustments that may be levied by various countries, including Canada, the U.S. and the EU to level the playing field and prevent carbon leakage, it is important to understand to what extent carbon emissions are embedded in Canada's exports and how carbon intensive they are relative to our competitors.

Canada generally has a relatively high carbon intensity, as measured by CO2 emissions as a share of GDP, given our role

as a major exporter, an oil and gas producer, long travel distances and relative dependence on fossil fuels. However, Canada like most other countries have seen reductions in carbon intensities over the past two decades, due to the adoption of greener technologies and productivity improvements. Canada's carbon intensity fell from 42% to 34% of GDP over the 2000 to 2019 period. However, that of the United States fell by more, from 42% to 24% while that of China fell from 70% to 45%. For Canada's agriculture and food sectors to remain competitive, they must continue to reduce their carbon intensity.

