

# Canada's Agriculture and Food Innovation Statement and Recommendations

June 2026

## Introduction

Canada's agriculture and food innovation system has delivered major breakthroughs, supported by strong research and sustained innovation across the value chain. Innovation extends beyond early-stage R&D to include commercialization, scale-up, modernization, and adoption of technologies and practices that improve productivity, strengthen competitiveness, increase resilience and create value across the sector.

The central challenge facing the system today is not the generation of innovation, but how effectively innovation moves from proof to widespread use and measurable impact. Canada continues to produce strong research and promising technologies, but too few consistently reach commercialization, adoption at scale, and long-term economic return. That gap reflects challenges attracting investment, fragmentation across programs and jurisdictions, weak continuity along the innovation pathway, regulatory barriers, infrastructure and capacity constraints, workforce pressures, and a persistent 'missing middle' between validation and scale.

The challenges facing the innovation system occur alongside broader pressures facing the sector, including market and supply chain volatility, shortages of labour and capital, and intensifying global competition and disruption. Solving the challenges facing the innovation system can help solve these broader challenges and support productivity growth, resilience, domestic capacity, and long-term competitiveness across agriculture and food.

The Next Policy Framework (NPF) provides a critical opportunity to begin building a better innovation system. Without meaningful change, additional funding risks reinforcing existing bottlenecks rather than improving outcomes. New approaches to governance, regulatory performance, and program design are required to ensure that investments translate into adoption, scale, and measurable impact.

For years, stakeholders have worked to build consensus and alignment around the main challenges, priorities, and reforms needed for a more effective innovation system. The time has come to act. This Innovation Statement is a call to action with a focused set of recommendations that will ensure the NPF enables more aligned, impactful, outcome-oriented results across the agriculture and food innovation continuum.

The statement and recommendations are intended to support innovation outcomes across the broader agriculture and food system, including primary production, processing, and interconnected value chains.

## The Innovation Statement

***Canada becomes a global leader in turning innovation into impact across agriculture and food. Impact is achieved through increasing investment and adoption and measured by growing productivity, resilience, and value creation.***

Success is reflected in faster movement from proof to commercial use, stronger adoption at scale, increased private investment relative to public funding, and more innovations commercialized first in Canada.

The Innovation Statement defines the outcomes Canada's agriculture and food innovation should consistently deliver. It provides a clear guide for those developing innovations, shaping policy, and supporting adoption, helping ensure that efforts across the system are aligned and effective.

## Recommendations

The innovation statement is underpinned by three recommendations that are changes governments can make in the Next Policy Framework. They aim to support a more aligned discussion and help move the agriculture and food innovation system toward the North Star in a way that is ambitious and achievable.

1. **Strengthen innovation leadership and prioritization** to provide clear direction, stronger alignment, and accountability for results.
2. **Modernize the regulatory system** to improve predictability, transparency, and the conditions for commercialization, adoption, and investment.
3. **Reform and renew programs** to strengthen the path from proof-of-concept to commercialization, modernization, adoption and scale.

### 1. Strengthen Innovation Leadership and Prioritization

Canada needs clearer direction and stronger accountability across the agriculture and food innovation system. Significant work is already taking place across governments, industry, research institutions, and the private sector. The challenge is that priorities, decision-making, and responsibility for outcomes remain fragmented across mandates, jurisdictions, and policy areas.

Stronger leadership should focus on increasing ambition, setting priorities, aligning action, improving coordination across key levers, and tracking system performance across the innovation continuum. This includes recognizing that many of the conditions shaping innovation outcomes, including regulation, infrastructure, workforce, immigration, and investment conditions, extend beyond agriculture federal and provincial portfolios alone.

#### Priority actions

- **Establish a National Agriculture and Food Innovation Strategy** with focused priorities, clear outcomes, and performance measures to track results, guide investment and inform decision-making.
- **Create a senior-level Agriculture and Food Innovation Forum**, with federal, provincial, and private-sector participation to align priorities, identify system bottlenecks, and coordinate action across jurisdictions and departments.
- **Give the Forum a defined implementation and accountability role** by requiring it to identify priority bottlenecks, assign lead responsibility, track progress, and elevate unresolved barriers where needed.

### 2. Modernize the Regulatory System

Regulation shapes innovation outcomes through timelines, predictability, transparency, and the cost of bringing new products, tools, and processes into use. When regulatory systems work well, they support investment, adoption, and public trust. When they do not, they create uncertainty, slow commercialization, and weaken competitiveness.

While not traditionally part of the policy framework, regulations have a critical impact on the sector and modernization is critical to delivering the outcomes the framework should aim to achieve. The priority is modernization in the areas that most directly affect commercialization, adoption, and investment certainty, and time-to-market. The objective is a system that remains rigorous while becoming more predictable, responsive, and easier to navigate.

#### Priority actions

- **Create a Regulatory Burden Reduction Fund** to invest in regulatory modernization priorities and encourage more ambitious action.
- **Strengthen domestic harmonization and international alignment**, including changes to further reduce barriers to internal trade and recognition of equivalent foreign and international standards and approvals.
- Establish **shared regulatory modernization priorities**, pursue **pilots and conditional approval pathways** and report publicly on **timelines, desired outcomes** and work to deliver a more **forward-looking regulatory approach**.

### 3. Reform and Renew Programs

Program design should be judged by whether public support enables innovation to move from proof-of-concept to commercialization, adoption, and scale. Canada continues to generate strong research and innovation activity, but the system does not consistently translate that strength into widespread adoption and economic impact.

A persistent “missing middle” remains between validated innovation and commercial deployment. This reflects gaps in scale-up capital, modernization support, commercialization infrastructure, and adoption incentives. At the same time, current program structures often fragment support across multiple streams, are more concentrated in early-stage activity relative to later-stage needs, and track activity, with limited and delayed measurement of outcomes such as adoption, scale, and value capture.

Program reform should focus on strengthening continuity across the full innovation pathway, with greater emphasis on later-stage commercialization, modernization, adoption, and scale, while maintaining strong foundational research, regional capacity, and clear public-private roles.

#### Priority actions

- **Redesign programs to create a more continuous and outcome-oriented pathway** from research to commercialization, adoption, and scale, reducing fragmentation across funding streams.
- Maintain essential support for **foundational research**, rebalance support toward the **missing middle** with an emphasis on adoption, commercialization infrastructure, and scale-up, and strengthen conditions to crowd in **private investment** through co-investment and stronger alignment between public support and measurable outcomes.
- **Embed stronger performance measurement and feedback loops** tied to adoption, scale, productivity, value capture, and commercialization outcomes to support ongoing program design and renewal.