



Canadian Seed Growers' Association

ANNUAL REPORT

2019–2020

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• Audited Financial Statements for 2019–2020 and Minutes of the 2019 Annual Meeting are available at seedgrowers.ca.

MESSAGE FROM THE PRESIDENT

In my second year as President, I remain committed to strengthening the Canadian seed system by keeping the CSGA engaged with its members. This Annual Report provides an accountability opportunity for members to review whether CSGA's priorities align with theirs.

Last year, the Board of Directors endorsed a Seed Synergy White Paper that outlines a high-level blueprint for change and proposes a new National Seed Organization with a broad mandate that includes responsibility for delivering seed certification. The vision is a public-private partnership model for an industry governed, not-for-profit organization enabled and overseen by government.

The NSO would replace CSGA and its Branches, the Canadian Seed Trade Association (CSTA), the Canadian Seed Institute (CSI), the Commercial Seed Analysts Association of Canada (CSAAC) and the Canadian Plant Technology Agency (CPTA). Like most major plans with many players, the devil is in the details and this move forward is no exception. There will be a lot of work in planning how the NSO will work and then getting members' feedback on those plans.

On our core business, this report reminds members that the hard-working directors and staff of CSGA continue to modernize the delivery of certification and member services. While inspected acreage and membership levels remained stable in 2019, progress continued on modernization of CSGA standards, upgrading of assurance and online data management systems, building a professional development program for the seed sector. With seed sector partner organizations at the Seed Sector Value Chain Roundtable, CSGA also continued working closely with the Canadian Food Inspection Agency on seed regulatory modernization plans.

With a focus on members, an important change to CSGA's membership structure, approved at a Special General Meeting of members last fall after

discussions at the summer Annual Meeting, should provide more cost-effective access to membership and recognize the contributions of family members and employees to the production of certified seed.

As approved at a Special General Meeting of members, membership fees have evolved in a revenue-neutral manner. The first member on an account will be charged a set fee with additional individual memberships available for a nominal fee. This change aims to increase the representation of those involved in seed production and to encourage succession planning.

Additionally, CSGA By-laws have been updated to allow the Board of Directors, at their discretion, to provide members the opportunity to vote remotely (ex. electronic voting, mail in votes), ensuring all members, regardless of their location, can actively participate in future CSGA Annual Meetings.

The 2019 Interprovincial meeting in Saskatoon was the first opportunity for members to look at a draft plan for a new National Seed Organization and provide feedback. I believe the plan points us in the right direction and that all our organizations can work together towards a final plan where everyone can see value. No one said this was going to be easy, but all our organizations have high-level common interests. Shared goals bind us together and, while we all come from a different place, building a successful seed sector means moving forward together. We need to continue to move forward in building consensus on the form and function of a new National Seed Organization.

As I have said since becoming President, and at many meetings of members last year, every voice matters. I want to hear from CSGA members, and I do look forward to a time when we can meet face-to-face again.

Jonathan Nyborg
President



WHO WE ARE

*The **Canadian Seed Growers' Association (CSGA)** is the national standards and certification organization assuring seed crop varietal integrity for the seed certification system in Canada. Since 1904, this not-for-profit organization, with 3,500 members in nine provinces and seven regional Branches, has managed the varietal certification of seed crops that produce the pedigreed seed for commercial crop production.*

Working closely with value chain partners within the official seed certification system administered by the Canadian Food Inspection Agency (CFIA), the CSGA annually certifies seed crops of more than 2,200 different varieties of more than 40 different crop kinds on 1.3 million acres, one of the largest diverse national acreages of certified seed in the world. This ensures a reliable supply of high-quality seed with assured genetic identity for both Canadian and export markets.

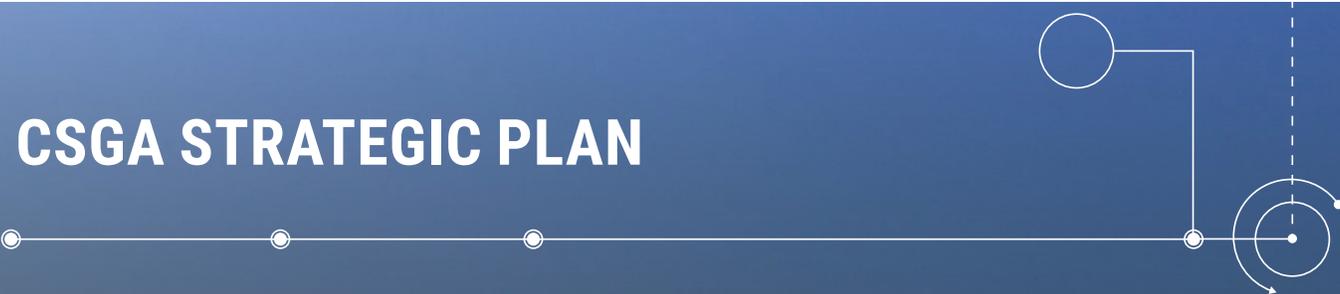
From its unique position in the agri-food sector, the CSGA's mission, vision and values also include representing seed growers and certified seed through a broad national and international network of stakeholders. These activities are reported in

Our Results: Communications, member services and stakeholder relations.

CSGA members range in size and scope from independent family farms to large seed companies. As leaders of innovation in Canadian agriculture, seed growers are at the heart of the agri-food sector. The CSGA is committed to representing and supporting them, advancing the seed and agriculture sector with its partners, and explaining their importance to society.

CSGA membership, crops and acreage certified in 2019 are reported in *Our Results: Certification and Technology Services.*

CSGA STRATEGIC PLAN



OUR MISSION

Represent and support our members, advance the seed industry and with our partners, deliver and promote a flexible, responsive, and cost effective seed certification system in Canada

OUR VISION

The CSGA is an innovative, science-based organization committed to supporting a competitive Canadian agriculture sector as a respected global leader in seed quality assurance and genetic traceability

OUR VALUES

Responsibility, Integrity, Accountability, Transparency, Collaboration, and Respect



STRATEGIC PLAN 2017–2023

Launched at the 2017 Annual Meeting in Halifax, the Strategic Plan for 2017–2023 provides CSGA with a clear vision for the future with specific work plan goals. Starting with a members' workshop at the 2016 Annual Meeting at Clear Lake, Manitoba, the CSGA launched a major review of every aspect of its business. Simply stated, the purpose was to chart a course to build a stronger CSGA and overall seed system for the future.

In the extensive consultations required in 2016–2017 to develop the Strategic Plan, CSGA members were asked to take a step back, look at the big picture and the many changes underway in the agri-food sector. The federal government had revealed plans to modernize the entire seed regulatory system. Information technology innovations were rapidly providing new ways to manage seed information. Disruptive biotechnologies were providing new ways to develop seed traits and varieties.

The five other national seed organizations and CSGA had initiated discussions that would result in the Seed Synergy Collaboration Project to develop a vision for a Next Generation Seed System.

The CSGA Strategic Plan for 2017–2023 involves **five Key Result Areas (KRAs)** which are the deliverables of the Strategic Plan:

OUR FIVE KEY RESULT AREAS (KRA)

KRA 1 OBJECTIVE

The right regulations and systems to support a growing, sustainable seed and agriculture sector

TRUSTED, HIGH PERFORMING SEED SYSTEM

KRA 2 OBJECTIVE

The right professional development and technical support services to enable members' business opportunities

SUPPORTING MEMBERS

KRA 3 OBJECTIVE

A growing seed industry that provides members access to profitable new varieties and value creation and sharing opportunities

SECTOR GROWTH

KRA 4 OBJECTIVE

Industry and Government partners mobilized to enable seed sector success

PARTNERSHIPS

KRA 5 OBJECTIVE

A CSGA that cost-effectively enables all the above

ORGANIZATIONAL EFFICIENCY & EFFECTIVENESS



OUR RESULTS:

CERTIFICATION AND TECHNOLOGY SERVICES

In 2019, over the six-month crop production season in Canada, 3,224 CSGA members applied for crop certification of 13,865 fields and 2,818 plots on 1,297,767 acres (525,188 ha) which included 2,270 different varieties of 43 different crop kinds.

Crop certification trends of 2019 and acreage changes from 2018 included:

- Increased: Barley (132,726 ac.) up 26% from 2018, Peas (103,850) 9%, Oats (73,508) 30%, Lentils (25,842) 8%, Flax (25,663) 17%, Hemp (6,995) 25%, Ryegrass (24,572) 34%.
- Decreased: Wheat (358,940 acres) 5%, Soybeans (318,268 acres) 26%, Alfalfa (55,354) down 25% from 2018.

The top five certified crops by acreage in 2019 were wheat, soybeans, barley, peas and oats. The next five certified crops by acreage were canola, alfalfa, lentils, flax and timothy.

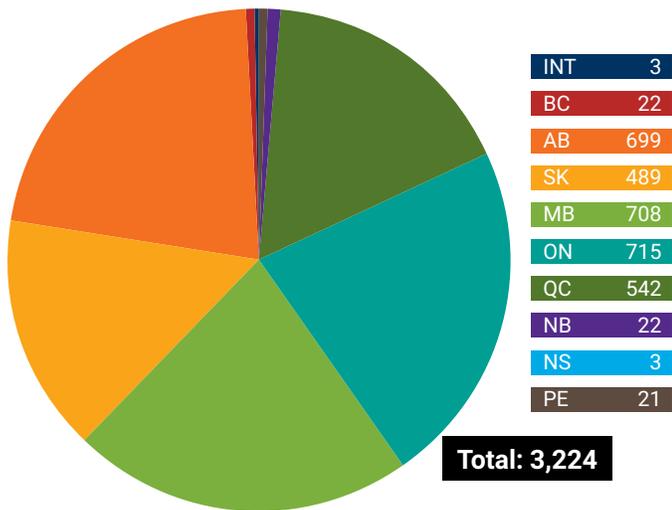
The following reports provide membership as well as national and provincial summaries of acreage and crop kinds inspected for CSGA certification.

Table 1: 2019 Inspected Acreage

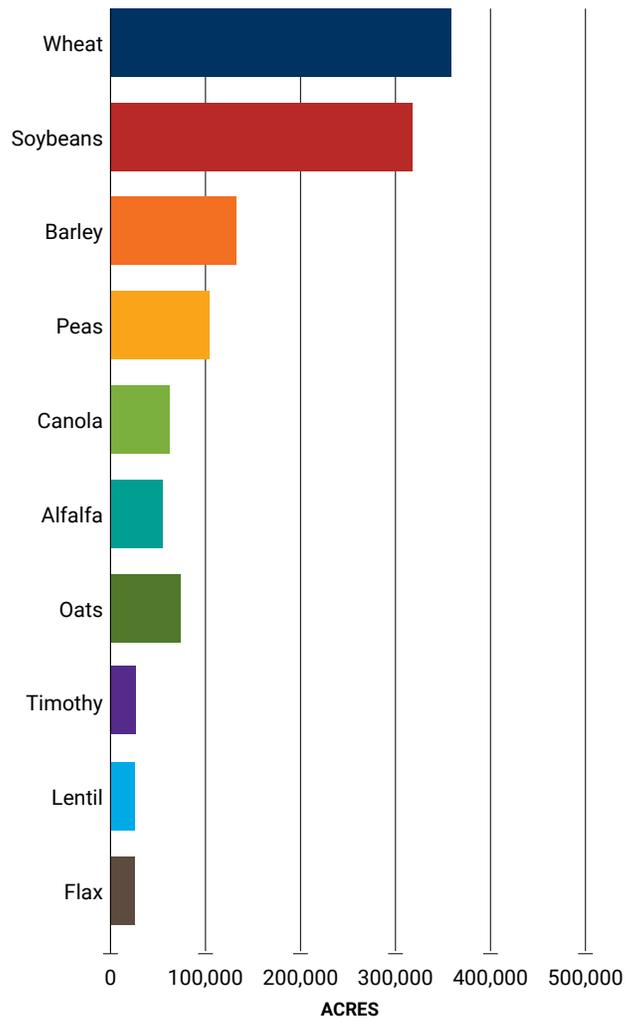
CROP KIND	PE	NS	NB	QC	ON	MB	SK	AB	BC	INT	2019	2018	2017	2016	2015	CHANGE (+/-)*
ALFALFA						10,354	13,714	31,286			55,354	69,650	81,573	81,260	69,967	-14,296
BARLEY	486		857	7,454	3,551	13,679	47,136	59,221	343		132,726	98,298	93,440	118,207	111,474	34,428
BEAN					3,107	1,064	54				4,225	3,436	4,163	3,348	3,846	789
BIRDSFOOT TREFOIL						3,109	100				3,209	2,337	2,872	2,107	2,606	872
BROMEGRASS						544	2,497	4,246	481		7,767	7,425	10,750	9,872	6,685	342
BUCKWHEAT				348		610					958	867	1,352	1,582	1,141	91
CANARYGRASS						150	55	25			230	2,150	1,624	550	195	-1,920
CANOLA					98		121	51,182	0	10,465	61,866	72,951	59,263	58,801	53,831	-11,085
CHICKPEA							1,445	1,416			2,861	5,209	3,207	2,814	956	-2,348
CLOVER						277	2,312	1,854			4,443	4,596	6,243	6,106	5,870	-153
FABA BEAN						406	2,734	3,373			6,513	4,424	6,331	8,528	13,421	2,089
FESCUE						5,374	1,840	6,369	610		14,193	13,457	18,675	19,398	14,501	736
FLAX				30		4,822	13,656	7,107	48		25,663	21,200	21,341	21,081	40,017	4,463
HEMP		37	149	431	760	1,432	2,969	1,217			6,995	5,193	13,373	7,248	8,322	1,802
HYBRID CORN					17,787						17,787	15,297	18,224	18,487	13,692	2,490
LENTIL							22,752	3,090			25,842	23,776	35,390	43,266	29,454	2,066
MUSTARD						245	880	1,197			2,322	4,247	1,443	4,162	3,126	-1,925
OATS	175		1,759	11,606	4,571	23,718	19,143	11,997	539		73,508	50,809	48,919	51,939	59,966	22,699
PEAS	920	14	117	247	15	9,018	51,119	41,907	492		103,850	94,044	85,565	92,668	71,426	9,806
RYE	37			162	83	1,430	773	2,425			4,909	2,758	3,581	7,783	6,186	2,151
RYEGRASS						21,223	2,331	1,018			24,572	16,104	19,204	25,386	24,851	8,468
SOYBEANS	789		475	47,428	124,553	140,395	4,343	285			318,268	401,033	402,254	314,533	338,769	-82,765
TIMOTHY						10,957	4,209	8,604	1,643		25,413	26,284	37,177	42,246	43,763	-871
TRITICALE				196	156	471	1,269	4,756			6,848	3,340	1,650	4,136	3,511	3,508
WHEAT	577		245	16,157	16,934	91,510	131,585	100,626	1,305		358,940	378,429	366,009	365,045	399,470	-19,489
WHEATGRASS						10	1,349	5,326	30		6,715	6,146	6,387	6,376	5,044	569
MINOR CROP					82	144	680	884			1,790	1,511	3,221	9,136	3,716	279
2019	2,983	51	3,603	84,058	171,697	340,942	329,065	349,411	5,491	10,465	1,297,767					
2018	4,253	53	4,020	86,749	174,728	380,139	324,284	349,340	5,070	6,337		1,334,971				-37,204
2017	2,873	74	3,660	87,139	178,398	390,982	330,473	345,766	6,874	6,935			1,353,231			-18,260
2016	2,105	125	4,052	93,684	181,200	357,791	327,480	345,216	5,655	8,758				1,326,065		27,166
2015	2,162	123	6,463	99,692	193,732	380,131	333,293	304,971	6,426	8,812					1,335,806	-9,741
2014	2,126	88	6,015	94,596	184,924	311,190	276,310	279,331	7,094	10,103						164,027
2013	3,471	62	6,563	89,356	205,373	330,648	330,040	325,708	5,962	12,736						-138,141
CHANGE (+/-)*	-1,270	-2	-417	-2,691	-3,031	-39,197	4,781	71	421	4,128						

*Change between 2019 and 2018

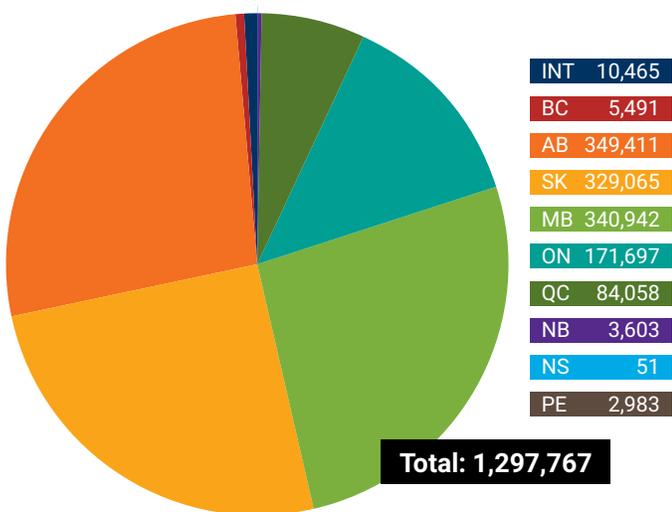
CSGA Membership by Province 2019



Canada's Top 10 Pedigreed Seed Crop Kinds 2019



Pedigreed Seed Crop Acreage by Province 2019





OUR RESULTS:

CERTIFICATION AND TECHNOLOGY

Forward planning endeavours in 2019–2020, for modernizing CSGA information management (IM/IT) systems, outlined plans to radically advance future service options and features. These plans envisage enhanced distributed ledger traceability, single-window access to services and digital end-to-end certification.



FORWARD PLANNING ADVANCED SERVICES

SeedCert 2.0 and Blockchain Pilot

SeedCert is an end-to-end digital platform that enables Canada's seed crop certification system. End-users range from members, CFIA, seed companies, inspection services, inspectors.

At the 2019 CSGA Annual Meeting, the OECD Global Blockchain Policy Forum and the technical working group of the OECD Seed Schemes, CSGA shared with members, regulators and other seed certification authorities, lessons learned from its 'farm-to-fork' Identity-Preserved Soybean Blockchain Pilot Project in 2019 with Grain Discovery. CSGA explained how blockchains and other distributed ledger technologies (DLT) work, their potential practical value in the seed sector and some current examples of 'smart contracts'.

Also outlined was how SeedCert 2.0 modernization could expand CSGA's current 'info hub' (SeedCert 1.0) to provide cost-effective end-to-end digital seed traceability to support a broad range of business models. Potential advantages include enhanced recognition of existing Quality Management Systems (QMS), red tape reduction,

more reliable data records, strengthened data security, enhanced transparency and safety assurance, increased QMS resilience and threat protection and support for small and medium sized enterprises (SMEs).

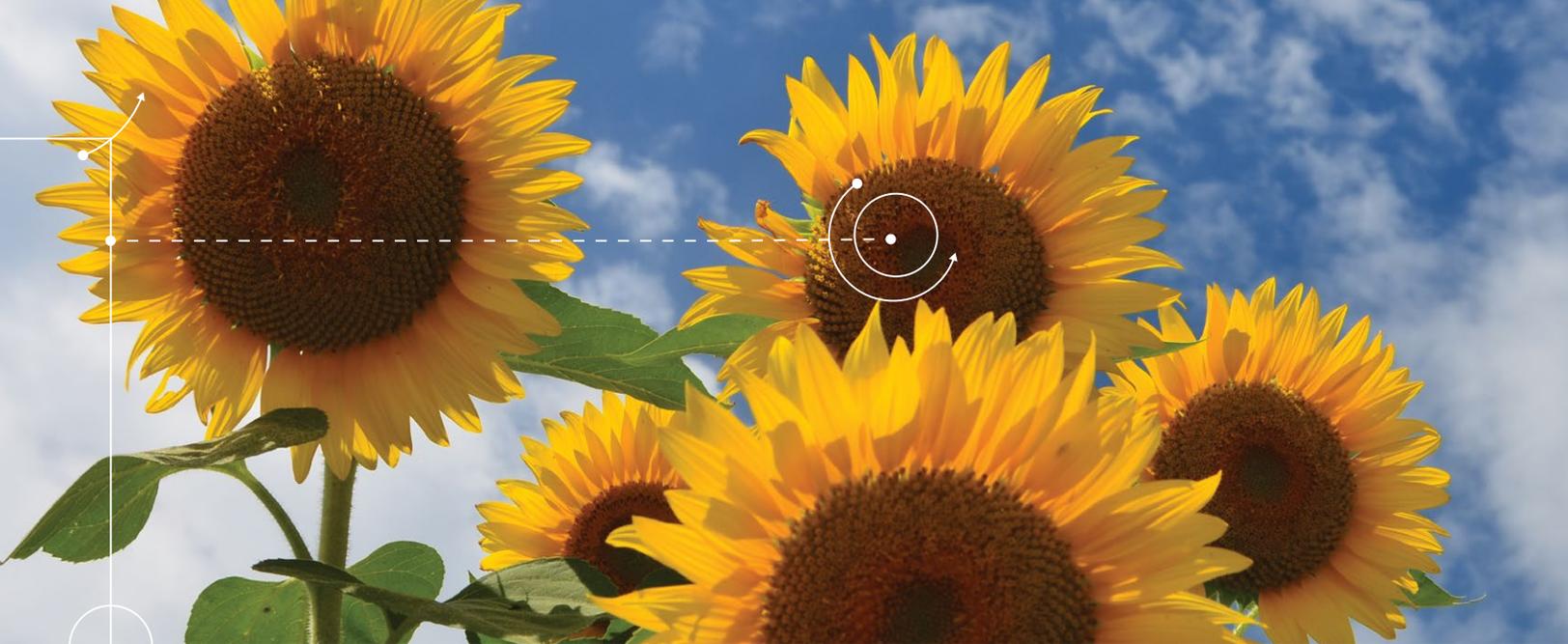
The CSGA continues to explore a digital version of the CSGA seed crop certificate and a voluntary digital tool for electronic pedigreed seed declarations to achieve an end-to-end certification system.

Variety Profile Platform Workshop

In June 2019, the CSGA, Seed Synergy Partners and the Canada Grains Council hosted a two-day Variety Profile Platform (VPP) workshop where members of value chain and government officials were able to review and discuss the structure of the potential VPP. The result of the workshop was a blueprint on which the VPP can be developed.

Where currently variety information is held in data silos across multiple organizations and sites, the Variety Profile Platform (VPP) will provide a single-window approach for accessing the information by the agri-food sector and government regulators.





OUR RESULTS:

MODERNIZING CSGA'S ASSURANCE SYSTEM AND STANDARDS

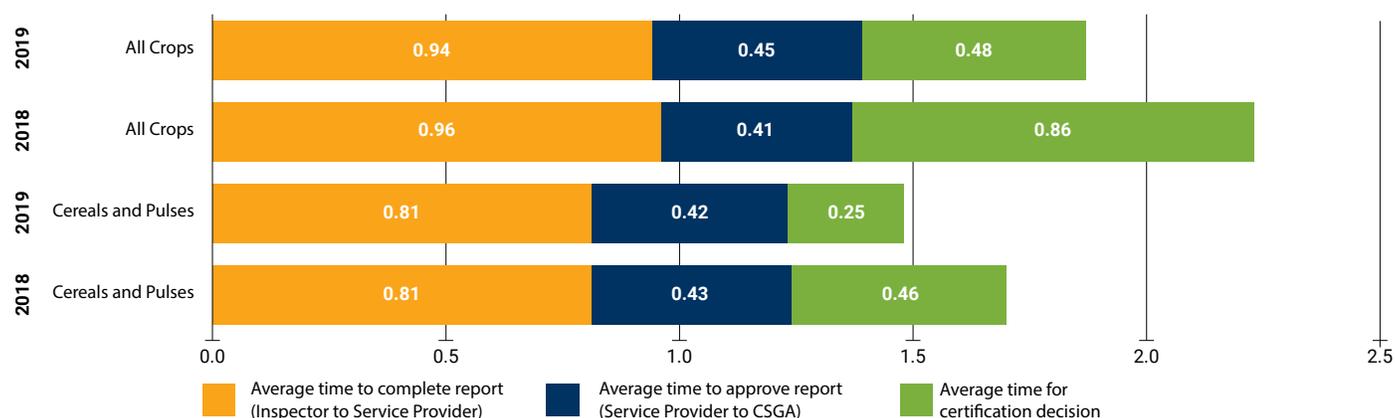
An Assurance System Modernization initiative, launched in 2017 with the five-year Strategic Plan, involves ongoing comprehensive updating of CSGA's certification assurance system, standards and procedures.

ASSURANCE SYSTEM

Continuous improvement is an essential element of the CSGA's ISO-certified quality management system (QMS). This includes modernizing information management and technology (IM/IT) systems, vital to improving organizational efficiency and effectiveness, a Key Result Area in the CSGA Strategic Plan. Improvements in 2019 included:

- Improvement within the *Members' Area* of the CSGA website allowing increased efficiency and access for members to appraisal data, variety descriptions, applications, and certification data.
- Enhancements to the varietal purity and genetic identity monitoring controls with the addition of varietal concern alert flags. These flags improve CSGA's tracking and CFIA's oversight of crops planted with potentially problematic parent seed.
- A new workflow process to expedite notifications to growers regarding varietal concerns identified by the CFIA's Variety Verification (VV) post-control testing program, which audits samples from plots and from inspectors. VV samples from inspectors increased to 79 in 2019, up 26% from 2018.
- Transition to an enhanced ISO certification level (ISO 9001:2015) which includes all aspects of CSGA: certification, standard setting, and member services. This expanded scope supports corporate objectives for customer satisfaction, reduction in errors and delays, cost effective increased productivity, evidence-based decision making and continuous improvement.
- Expansion of the Remote Appraiser Program included appraisals of certification applications.

Certification Decision Timeline



In 2019, this program further reduced average appraisal times of inspection reports by 40%, from 0.86 business days in 2018 to 0.46 in 2019. Additional training and work process improvements also reduced average appraisal times by 55% for corn and by 25% for forage crop inspection reports. These improvements provide senior full-time appraisers more time to manage other business priorities and, most importantly, reduce the turnaround time for getting this CSGA appraisal data out to growers.

POLICIES, STANDARDS AND PROCEDURES

Circular 6

The Assurance System Modernization initiative at CSGA included a complete review of its *Regulations and Procedures for Pedigreed Seed Crop Production* (Circular 6), seed sector value chain consultations, and standards changes recommended by crop-specific working groups. These changes involved requirements for land use, minimum isolation, and maximum impurity standards, primarily in cereal, pulse, hemp, and soybean crops. The crop-specific working groups included plant breeders, government advisors, seed crop inspectors, seed growers and variety developers and distributors.

The entire user interface for CSGA's seed crop certification requirements (Circular 6) was completed in 2019, including significant re-formatting of the contents. With the online *search tool*, members can now quickly access specific crop certification standards.

Standards Development

In response to member and client requests, a Hybrid Corn working group was formed, standards were introduced for hybrid mustard crop certification, and work began on guidelines for non-traditional hemp seed crops. Complimenting the work of AOSCA and the Canadian Hemp Trade Alliance (CHTA), a sub-committee of CSGA's Plant Breeders' Committee helped develop guidelines for feminized hemp seed (FHS) and hybrid hemp seed crop certification. These certification standards will be brought forward in 2020.

Policy Modernization Initiatives

The Board approved a revised Terms of Reference for a Regulatory Services Committee to replace the Standards and Circular 6 Committee. This approval was based on the positive sector feedback for modernizing CSGA standards using value chain impact assessments, and the expert crop-specific working group model.

At the 2019 Annual General Meeting, modernization panel sessions on policy and governance changes to support evolving member needs were held. Members supported the Board's decision to review the definitions of membership and seed grower. The Board and members agreed to explore recognition of seed production businesses and professional development options that could support a new pathway to becoming an accredited plot producer. The CSGA's recourse (appeal) mechanism was also reviewed, with members expressing support for providing clients with formal standing in the appeal process and a recourse mechanism for all issues.

OUR RESULTS:

COMMUNICATIONS, MEMBER SERVICES AND STAKEHOLDER RELATIONS

CSGA is committed to providing prompt effective services and communications in both official languages. Members have secure online access anytime to seed crop certification requirements and their own certification data and can contact the CSGA office by phone, email or online chat. Moreover, the CSGA Executive, Board and staff are proactively involved year-round on issues that impact members and seed certification.

COMMUNICATIONS

- *Seed Scoop*, an e-newsletter on CSGA activities, certification and members' concerns
- *Seed to Succeed*, a semi-annual publication on current seed sector issues
- *Surveys, Questionnaires and SeedTALK*, CSGA's member engagement platform, to capture member feedback on specific issues like updating CSGA standards, a review of membership structure, Seed Regulatory Modernization and Seed Synergy proposals including development of a Next Generation Seed System for Canada.

MEMBER SERVICES

- *A National Pedigreed Seed Locator*, an online searchable database tool for all seed crops annually certified by the CSGA including members' previous

year carryover seed data which is also provided to publishers of provincial seed guides.

- Access to seed education modules for colleges, universities, secondary and elementary schools
- Access to an [Agri-Retailer Education Program on Certified seed](#) with the Canadian Association of Agri-Retailers (CAAR)

2019–2020 Highlights include:

- Adjusting membership fees in a revenue-neutral manner. The first member on an account will be charged a set fee with additional individual memberships available for a nominal fee. This change aims to increase the representation of those involved in seed production and to encourage succession planning.



- Continuing the three-year professional development project to develop and implement a national online training program for seed production. Currently in Year 2, this project will provide the seed sector with modern learning materials to support on-the-job training and seed grower quality management systems development. In 2018, experienced seed growers helped develop practical national occupational standards which provided the foundation for launching curriculum frameworks and online eLearning modules in 2019.
- Updating CSGA By-laws to allow the Board of Directors, at their discretion, to provide members the opportunity to vote remotely (ex. electronic voting, mail in votes), ensuring all members, regardless of their location, can actively participate in future CSGA Annual Meetings.
- Developing frequently asked questions and answers (FAQs) on hemp seed certification for more effective response to the surge of inquiries to CSGA following CBD hemp market developments and cannabis legalization.
- Expediting entry of members' new varieties with three new service improvements:
 - a database quick entry tool for new varieties, used by 394 of the 605 new varieties entered into CSGA certification in 2019.
 - an online e-form for *Variety Certification Eligibility Applications (Form 300)*, for crop kinds exempt from CFIA registration, which increased 65% in 2019 to 122 new varieties.
 - an upgraded Objective Description Form (ODF) template, developed for hemp, which will provide the framework for variety description e-forms for the 50+ crop kinds certified by CSGA.

STAKEHOLDER RELATIONS

Always a priority at CSGA, stakeholder relations ensure that the seed grower's voice is heard. Strategic Plan priorities include building a common seed and agriculture sector vision with value chain partners and coordinating government relations activities. Initiating development on a new National Seed Organization proposal in 2019 required unprecedented levels of coordination with seed sector partners.

Branch Associations ensure strong regional representation of seed growers and seed certification interests. CSGA Directors are nominated by one of seven branches to the CSGA Board and provincial

government advisors are nominated by their respective Ministers. An Interbranch Coordination Committee ensures effective communication and coordination between national and provincial associations.

Plant Breeders who meet CSGA competency requirements, are recognized by the CSGA for seed certification purposes. In 2019–2020, seventeen (17) Plant Breeders and five (5) Associate Plant Breeders joined more than 600 Plant Breeders and Variety Maintainers recognized by CSGA.

Seed Synergy Partners have overlapping memberships and work closely on many seed sector issues. Details on some of their activities in 2019 are outlined in the next section of the Report: *Our Results: Seed Synergy*. The Seed Synergy Partners are:

- **Canadian Seed Growers' Association**
- **Canadian Seed Trade Association**
- **Canadian Seed Institute**
- **Commercial Seed Analysts of Canada**
- **Canadian Plant Technology Agency**
- **CropLife Canada**

Value Chain Partners

- **Canadian Federation of Agriculture (CFA):** Active membership by CSGA, especially leadership in the Seed Sector Innovation Committee, supports seed sector policy coordination with the positions of CFA and other primary producer organizations on agricultural policies and programs.
- **Canada Grains Council (CGC):** CSGA participation in the Grains Roundtable ensures seed sector policy coordination with grains and oilseed sectors.
- **Canadian Association of Agri-Retailers (CAAR):** CAAR delivers the Agri-Retailer Certified Seed Training Program developed with CSGA.
- **Canadian Agricultural Human Resource Council (CAHRC):** In 2019, CSGA continued a professional development project to create and implement a national online training program for seed production. This three-year project, currently in Year 2, will provide modern learning materials for the seed sector to support on-the-job training and seed grower quality management systems development. CAHRC has supported and approved the funding for this project from Employment and Social Development Canada (ESDC).

- **Canadian Roundtable for Sustainable Crops (CRSC):** CSGA actively supports the CRSC's mission to create value for all members of Canada's grains sector as a national forum for advancing, reporting on, and communicating the sustainability of Canada's grain production.

Federal Government

- **Agriculture & Agri-Food Canada (AAFC):** CSGA has been active on several AAFC Value Chain Roundtables that impact seed growers. In particular, CSGA played a lead role in Seed Sector Value Chain Roundtable work in 2019 to develop Terms of Reference for a new a Seed Regulatory Modernization Working Group.
- **Canadian Food Inspection Agency (CFIA):** CSGA works closely with the CFIA in the delivery of the seed certification program. Priorities in 2019 included a range of improvements to the seed certification system relating to variety description quality and accessibility, lab liaison and the Variety Verification Program.
- **Health Canada (HC), (Controlled Substances and Cannabis Branch):** CSGA is an original member of the Interdepartmental Working Group on Hemp Cultivars which annually recommends the hemp varieties eligible for HC's List of Approved Cultivars. In 2019, frequently asked questions and answers (FAQs) on hemp seed certification were developed by CSGA to respond more efficiently to increased inquiries following CBD hemp market developments and cannabis legalization.
- **Environment and Climate Change Canada (ECCC):** CSGA and its Plant Breeders' Committee provide technical and policy input to ECCC committees developing input for seed-related meetings such as the Convention on Biological Diversity and the Food and Agriculture Organization (FAO) Treaty of the United Nations on Plant Genetic Resources for Food & Agriculture.
- **Industry, Science and Economic Development Canada (ISED):** CSGA and partner organizations in the agri-food sector explored project opportunities under the Strategic Innovation Fund (SIF) which supports projects that improve Canada's innovation performance while advancing industrial research and technology demonstration through collaboration between academia, non-profit organizations and the private sector.

- **Canadian General Standards Board (CGSB):** CSGA provides input to CGSB committees developing national standards for the agri-food sector such as organic certification.

Provincial Governments

- Provincial government Advisors on the CSGA Board, appointed by provincial Ministers of Agriculture, provide important input on all CSGA's work. CSGA engages on an ongoing basis with all provincial ministers on its strategic priorities and issues of common interest.

International

- **Association of Official Seed Certifying Agencies (AOSCA):** The CSGA is a recognized leader and founding member of AOSCA, which involves seed certification agencies from 44 U.S. states, Argentina, Australia, Brazil, Chile, New Zealand and South Africa. The CSGA is represented by Doug Miller as Global Region co-chair on the Certification Standards Council, Mike Scheffel with his many years of regulatory experience, and Glyn Chancey on the Board of Directors. The CSGA is also represented by Gail Harris on the Grass and Alfalfa Committees, and Caroline Lafontaine on the Education and Publicity Committee. In 2019, CSGA's Plant Breeders' Committee worked with AOSCA and the Canadian Hemp Trade Alliance to develop breeders' guidelines for the unprecedented certification of feminized hemp seed. At its 100th anniversary Annual Meeting in 2019, Chet Boruff, CEO of AOSCA, reminded the meeting of Canada's critical role in its 1919 founding and the vital role of many Canadians in AOSCA over the last century.
- **OECD Seed Schemes:** At meetings of 61 member countries, CSGA actively supports the CFIA in representing Canadian concerns in the development of internationally recognized seed varietal certification standards and liaison with the International Seed Federation (ISF), the International Seed Testing Association (ISTA) and the International Union for the Protection of New Varieties (UPOV). In January 2020, the CSGA presented an update to the OECD Seed Schemes on its blockchain technology initiative and its standards development work for the certification of non-traditional hemp seed crops



OUR RESULTS: SEED SYNERGY

Since 2016, six national seed organizations have been working to build a next generation seed system in Canada. By 2018, the Canadian Seed Growers' Association (CSGA), Canadian Seed Trade Association (CSTA), Canadian Seed Institute (CSI), Commercial Seed Analysts of Canada (CSAAC), Canadian Plant Technology Agency (CPTA) and CropLife Canada (CLC) agreed on a shared vision that is outlined in the *Seed Synergy White Paper* available at seedsynergy.net.

A key component of this shared vision was amalgamation of five of the six partner organizations to create a new National Seed Organization (NSO) designed to strengthen the voice of the seed industry, consolidate and modernize delivery of services to the seed sector and streamline access to those services.

BUILDING THE NEXT GENERATION SEED ORGANIZATION

At the 2019 CSGA-CSTA Annual Meeting, the Seed Synergy Oversight Committee (OC) introduced the StrategyCorp (SCI) consultants responsible for developing the Target Operating Model for an industry-led, government-enabled National Seed Organization (NSO). SCI outlined plans for fall data collection, winter consultations with members and the development of an amalgamation proposal by Spring 2020. Member feedback included reminders that an NSO Business Plan should outline its practical value to commercial producers as well as seed growers and include a governance structure which reliably represents seed sector stakeholders.

Stimulating Innovation

1. Improved delivery of the regulatory scheme for plant breeding innovation
2. Seed variety use agreement (trailing royalty) for intellectual property (IP)-protected varieties

Modernizing the Seed Regulatory Framework

3. Amend the Seeds Regulations to allow for incorporation by reference and other changes
4. Delegate authority for the seed certification program to a consolidated industry body
5. Create a single window for all seed regulatory services

Building the Next Generation Seed Organization

6. Create a more efficient and effective industry organizational model

CSGA members and branch boards were heavily engaged through the late Fall and Winter meetings of CSGA's provincial Branches. The NSO proposal remains member-driven, future-focused and grounded in the vision of the *Seed Synergy White Paper*:

“ Create a single, consolidated seed industry organization ready and able to speak with one voice, deliver the seed certification program, provide services to its members, deliver the training required to keep the sector current, and enabling the quality assurance of the seed system and lead this sector into the future, to the benefit of Canadian agriculture. ”

In November 2019, the CSGA Board's position on the amalgamation exercise was endorsed at a Special General Meeting of Members. At subsequent Fall and early Winter meetings of Synergy partner organizations, the merits of an iterative draft Target Operating Model (TOM) for the NSO were considered and changes proposed.

By January 2020, consensus had formed around key elements of the proposed TOM, including:

- an effective governance model that ensured regional representation;
- accessible and affordable membership and services;
- a renewed relationship with CSGA Branches as Regional Seed Associations; and
- a fit-for-purpose organizational structure where 'form follows function'.

CSGA members will receive a ratification package in July 2020 and vote on amalgamation by late August 2020.

MODERNIZING THE SEED REGULATORY FRAMEWORK

At the CSGA-CSTA Annual Meeting in 2019, policy modernization panel sessions focused on changes required to support the evolving needs of members. Representatives from Agriculture and Agri-Food Canada (AAFC) and the Canadian Food Inspection Agency (CFIA) updated members on Seed Regulatory Modernization plans, revitalization of the Value Chain Round Tables (VCRTs) and the Government of Canada's 'Agri-food and Aquaculture Regulatory Roadmap'. Members supported recent Board decisions to actively engage in the SRM working group of the Seed Sector VCRT, tasked with developing recommendations to CFIA and to develop research papers and member surveys to support development of policy positions.

STIMULATING INNOVATION

Opening the 2019 CSGA-CSTA Intellectual Property meeting, AAFC and CFIA representatives reviewed preliminary economic impact analyses and outcomes from their recent consultations on two potential funding models to support future investment in variety development, an End Point

Royalty (EPR) and a trailing royalty introduced as a Seed Variety Use Agreement (SVUA).

A facilitated interactive audience session on value creation options challenged these models with diverse perspectives from panelists Lynn Jacobsen of the Alberta Federation of Agriculture, Gunter Jochum of the Western Wheat Growers, Rod Merryweather of FP Genetics, and Laurie Wakefield of the CSGA. Several producer organizations requested more policy options and more on-farm economic impact analysis.

While confirming its preference for the trailing royalty model, the CSGA Board strongly supported continued engagement with producer groups to build consensus. Kevin Runnalls, a CSGA Executive Committee member and a past president, was tasked with leading CSGA work in this area. In his capacity as CSGA's Canadian Federation of Agriculture (CFA) Board representative and Chair of their Seed Innovation Committee, he supported efforts to coordinate CFA policy positions with the Grain Growers of Canada, the CSTA and the CPTA to develop a principles document, to provide common terms of reference for producer organizations and the seed sector.

OUR RESULTS: FINANCIAL UPDATE

The Financial Statements for 2019–2020 cover a twelve-month period, and the statements for 2018–2019 cover a nine-month period. Any comparison between the current and previous reporting period should take this important distinction into account.

STATEMENT OF FINANCIAL POSITION

The financial position of the association has decreased as of January 31, 2020, relative to the previous year, with the Association's net assets lower by \$98,386. There was an operational deficit of \$410,846 which was offset by an increase in the defined benefit pension fund asset of \$497,371. The continued high level of investment in the Seed Synergy Collaboration Project and a significant increase in pension fund portfolio performance are the principal explanatory factors respectively, for these changes.

The association's net assets have an operating reserve ratio of 60.74% (available net assets over total expenses). This ratio is equal to 75.51% when third party expenses that flow through CSGA are taken into consideration (Branch fee paid out, CFIA inspections). These ratios are down slightly from 2018–2019 levels of 61.08% and 79.86% respectively but are still very healthy.

As a result, the association has the financial ability to fund future programs and support its mission. However, continued high levels of investment in the Seed Synergy Collaboration Project are not sustainable without additional transitional revenues.

CSGA is committed to continuing its amalgamation negotiation with the four other national seed industry organizations as part of the Seed Synergy Collaboration Project. A temporary fee increase to fund this work was approved for 2020–2021, for up to three years, subject to annual review. The association should continue to target higher assets over current liabilities to ensure the required funds are available to meet future obligations.



STATEMENT OF OPERATIONS

Fee revenue relative to the previous year remained stable, despite the different lengths of the respective reporting periods. Interest and other revenue were higher in 2019–2020 while membership fees and acreage fees were slightly lower. Differences in the length of the respective reporting periods between 2018–2019 and 2019–2020 did not noticeably impact year-over-year revenue changes, as most revenue is generated in the May to January period each year.

On an adjusted basis (12 vs 9 months), overall operational expenses in 2019–2020 tracked closely to those in 2018–2019. Direct and indirect Seed Synergy Collaboration Project expenses in 2019–2020 were also comparable (\$305,000 / 2018–2019 versus \$320,000 / 2019–2020). Core salary costs on an adjusted basis increased approximately 14% as a result of the implementation of an independent compensation review commissioned by the CSGA Board. All other expenses remained comparable on an adjusted basis.

Overall, the general administrative expenses of the association were higher than the previous year by \$432,238. This is attributable primarily to the different lengths of the respective reporting periods, which as noted above would be similar on an adjusted basis. Actual expenses in 2019–2020 were substantially less than budgeted expenses. This was the result of a mid-year CSGA Board decision to defer planned investments in CSGA systems modernization and to focus efforts on the Seed Synergy amalgamation project.

*Audited Financial Statements for 2018–2019 are available at seedgrowers.ca.

Statement of Operations

Period ended January 31, 2020, with comparative information for the year ended January 31, 2019

	BUDGET 2020	ACTUAL 2020	ACTUAL 2019 (9 MONTHS)
Revenue:			
Acreage fees	\$ 1,312,500	\$ 1,279,364	\$ 1,312,385
Membership fees	684,000	668,200	699,400
Branch acreage fees	425,000	427,427	480,049
Client service fees	439,954	406,304	429,014
Assessment for CFIA inspections	200,025	171,688	195,891
Branch membership fees	125,000	135,425	146,780
Interest and other revenue	33,000	109,137	58,102
Plot fees	73,500	88,890	87,120
Project contributions	100,000	52,480	-
	3,392,979	3,338,915	3,408,741
Expenses:			
General and administrative expenses (schedule)	3,251,139	2,721,623	2,418,059
Branch fee paid out	550,000	562,852	626,829
CFIA inspections	200,025	172,308	195,641
Project expenses		302,963	86,979
	4,001,164	3,759,746	3,327,508
Excess (deficiency) of revenue over expenses before the undernoted	(608,185)	(420,831)	81,233
Other income (expense):			
Amortization of deferred capital contributions	14,055	14,055	59,955
Loss on disposal of capital assets	-	(4,070)	-
	14,055	9,985	59,955
Excess (deficiency) of revenue over expenses	\$ (594,130)	\$ (410,846)	\$ 141,188

Statement of Changes in Net Assets

Year ended January 31, 2020, with comparative information for the nine-month period from May 1, 2018 to January 31, 2019

	INTERNALLY RESTRICTED	INVESTED IN TANGIBLE CAPITAL AND INTANGIBLE ASSETS	UNRESTRICTED	2020	2019
Balance, beginning of year	\$ -	\$ 245,146	\$ 2,137,075	\$ 2,382,221	\$ 2,231,095
Excess of revenue over expenses	-	(4,070)	(406,776)	(410,846)	141,188
Remeasurements related to pension liability	-	-	312,460	312,460	9,938
Purchase of tangible capital and intangible assets	-	46,186	(46,186)	-	-
Amortization of tangible capital and intangible assets	-	(117,482)	117,482	-	-
Amortization of deferred capital contributions	-	14,055	(14,055)	-	-
Fund transfer for transition fund and contingency reserve	2,000,000	-	(2,000,000)	-	-
Balance, end of year	\$ 2,000,000	\$ 183,835	\$ 100,000	\$ 2,283,835	\$ 2,382,221



Schedule of General and Administrative Expenses

Period ended January 31, 2020, with comparative information for 2019

	BUDGET 2020	ACTUAL 2020	ACTUAL 2019 (9 MONTHS)
Amortization of tangible capital and intangible assets	\$ 203,461	\$ 117,482	\$ 110,732
Annual general meeting (net)	-	32,576	16,293
Bad debts	3,000	316	2,572
Contracted services	240,166	163,872	125,527
Data processing	93,683	122,642	91,450
Employee benefits	240,167	233,088	213,833
Honoraria	100,000	99,000	83,500
Insurance	33,080	35,067	26,466
Internet and web site service	17,220	14,399	9,364
Membership fees	32,902	20,303	9,956
Office supplies and stationery	22,359	19,136	18,141
Postal services	12,459	11,292	10,819
Presentations and sponsorships	20,100	22,179	11,330
Printing	4,860	2,808	5,770
Professional fees	335,270	71,504	56,560
Publicity	57,000	15,565	21,955
Rent	106,056	106,279	79,595
Rental of equipment	14,442	13,616	12,361
Salaries	1,105,736	1,075,130	803,540
Special projects	-	6,157	160,296
Subscriptions	980	526	243
Technical and data development	255,471	104,508	89,426
Telephone	12,780	11,540	8,007
Travel, directors	188,613	279,165	308,913
Travel, staff	151,334	143,473	141,410
	\$ 3,251,139	\$ 2,721,623	\$ 2,418,059

Note: Annual general meeting expenses are shown on a net basis.



OUR 2019 ANNUAL MEETING

The joint CSGA-CSTA Annual Meeting was held July 7–10, 2019, in Whistler, BC.

Amidst Whistler's snow-capped peaks, the meeting opened on July 8 with a Children and Youth Program, Companion Program and a facilitated Joint CSGA-CSTA Session on Seed Synergy with a focus on Seed Regulatory Modernization (SRM) and governance of a future National Seed Organization (NSO).

Monday afternoon, after a joint CSGA-CSTA lunch, Jonathan Nyborg, CSGA President, welcomed all to CSGA's 115th Annual Meeting, reviewed 2019 priorities and reminded members to share their thoughts on transition planning with the StrategyCorp consultants in attendance. In his Executive Director's Report, Glyn Chancey, reviewed highlights of 2019 activities, especially the additional Synergy projects, as well as the annual Audited Financial Report. Members were reminded that to gauge their support for a temporary levy required to sustain all present priorities a Special Meeting of members may be required Fall 2019.

In a facilitated 'Directors' Perspective' session, a panel of CSGA Board directors asked members for feedback on future CSGA proposed changes. CSGA Board Grower Directors, Peter Boswall, André Lussier, Eric McLean, Kevin Runnalls and Laurie Wakefield, concluded by

asking whether CSGA should invest more, the same or less in the future structure of the seed sector and received an overwhelming majority response for more investment.

Closing the Monday afternoon business meeting, Chet Boruff, CEO of the Association of Official Seed Certifying Agencies (AOSCA), outlined highlights of international seed certification issues in 2019, AOSCA's 100th anniversary, with a reminder of Canada's critical role in its founding and the vital role of Canadians in AOSCA activities over the last 100 years.

After a Monday evening atop Blackcomb Mountain at a Joint Family Fun Night with CSTA, the CSGA business meeting opened Tuesday morning with an interactive session on 'SeedCert 2.0', a technology enabled vision for seed certification in Canada, presented by Doug Miller, CSGA Managing Director of Certification and Technology Services. A facilitated discussion of this vision with members was led by the following seed sector panelists: Annie Bergeron of Les Grains SemTech, Jeff Reid of SeCan, Craig Riddell of Riddell Seed and Kevin Runnalls of Country Aida Farms.

At the Annual Awards Lunch Tuesday afternoon, CSGA President Jonathan Nyborg presented a service recognition plaque to Richard Stamp of Alberta who retired from the CSGA Board of Directors. Kevin Runnalls, Past-President and Awards Committee chair welcomed Bob Rugg of Saskatchewan as the new Honorary CSGA President for 2019 to 2022. Honorary Life Awards for distinguished service to the CSGA and to the advancement of Canadian agriculture were presented to Patti Rothenburger of Manitoba and Brenda Trask of Ontario. Robertson Associate Awards, for exceptional service to CSGA, were presented to Ed Hadland of British Columbia, Doug Heaman of Manitoba, and Les Trowell of Saskatchewan.

Tuesday afternoon business included an update on current modernization and professional development activities by Glyn Chancey, Executive Director and Caroline Lafontaine, Managing Director of Communications and Client Services. Additionally, a dialogue with members on how to address several operational challenges was led by the Executive Committee and following panelists: Shannon Bieman of SeCan, Roy Klym of Rolo Farms, Portia MacDonald-Dewhirst of CAHRC, Richard Stamp of Stamp's Select Seeds and Sarah Weigum of Alect Seeds. Some of the current challenges discussed with CSGA members included:

- clarifying the definition of 'seed grower' by supporting an outcome-based policy that is more production system and business model neutral;
- exploring new professional development pathways for plot producer accreditation; and
- reforming CSGA's recourse (appeal) mechanisms to improve appellants' options for presenting appeals.

Tuesday closed with an evening Joint Gala Banquet with CSTA. On Wednesday, the CSGA business meeting opened with Jonathan Nyborg welcoming new members and thanking retiring members of the Board. He also thanked members who drafted resolutions and encouraging all to participate in upcoming discussion of resolutions. Kevin Runnalls, CSGA Past President, presented the Nominations Report, introduced the eight Advisors to the CSGA Board appointed by their provincial Ministers as well as the fifteen Grower Directors elected by members of their Branches.

The CSGA's response to 2018 resolutions was reviewed and new 2019 resolutions were considered. New resolutions supported by members involved direction on CSGA transition planning, maintaining adequate recognition of seed growers on the Board of a new National Seed Organization (NSO) and considering alternative transition models.

Closing the 2019 Annual Meeting, a panel at the Joint CSGA-CSTA Biotechnology Meeting reviewed improvements required in the regulation of Plants with Novel Traits (PNTs). Claudio Feulner of CSTA and Krista Thomas of the Canada Grains Council described global regulatory developments and grain value chain signals for more transparency in regulating plant biotech products. Ian Affleck of CropLife Canada outlined the work plan for a new PNT Technical Working Group (TWG) and Heather Shearer, of the Plant Biosafety Office, provided CFIA's perspective on the TWG's workplan.

Member discussions at the meeting generally supported updating delivery of the novel products regulations for plant breeding innovation.

* Minutes of the 2019 Annual Meeting are available at seedgrowers.ca.



OUR BOARD

EXECUTIVE

Jonathan Nyborg

President

Joe Rennick

1st Vice President

Dale Connell

2nd Vice President

Kevin Runnalls

Past President

Djiby Sall

Provincial Government Advisor

Glyn Chancey

Executive Director

BRITISH COLUMBIA

David Wuthrich

Cecil Lake, Seed Grower Director

Lori Vickers

Taylor, Provincial Government Advisor

ALBERTA

Glenn Logan

Lomond, Seed Grower Director

Scott Horner

Lethbridge, Seed Grower Director

Mark MacNaughton

Lacombe, Provincial Government Advisor

SASKATCHEWAN

Joe Rennick

Milestone, 1st Vice President,
Seed Grower Director

Laurie Wakefield

Maidstone, Seed Grower Director

Mitchell Japp

Regina, Provincial Government Advisor

MANITOBA

Eric McLean

Oak River, Seed Grower Director

Ryan Murray

Decker, Seed Grower Director

Chami Amarasinghe

Morden, Provincial Government Advisor

ONTARIO

Dale Connell

Palmerston, 2nd Vice President,
Seed Grower Director

Dave MacKellar

Alvinston, Seed Grower Director

Kevin Runnalls

New Liskeard, Past President,
Seed Grower

Joanna Follings

Stratford, Provincial Government Advisor

QUÉBEC

André Lussier

St-Hyacinthe, Seed Grower Director

Martin Provencher

Bécancour, Seed Grower Director

Djiby Sall

Québec, Executive Committee,
Provincial Government Advisor

NEW BRUNSWICK

Jonathan Nyborg

New Denmark, President,
Seed Grower Director

Peter Scott

Fredericton, Provincial
Government Advisor

NOVA SCOTIA

Jim Baillie

Tatamagouche, Seed Grower Director

Steven Tattrie

Kentville, Provincial Government Advisor

PRINCE EDWARD ISLAND

Peter Boswall

Charlottetown, Seed Grower Director

Steven Hamill

Charlottetown, Provincial
Government Advisor

ACADEMIC ADVISOR

Dr. Bryan Harvey

Saskatoon, Academic Advisor

OUR COMMITTEES

EXECUTIVE

Jonathan Nyborg*
Glyn Chancey
Dale Connell
Joe Rennick
Kevin Runnalls
Djiby Sall

APPEALS

Dale Connell*
Chami Amarasinghe
Peter Boswall
André Lussier
Dave MacKellar
Mark MacNaughton
Ryan Murray
Djiby Sall
Peter Scott
Laurie Wakefield

AUDIT

André Lussier*
Glenn Logan
Roy Klym
Joe Rennick
Peter Scott

AWARDS

Kevin Runnalls*
Jim Baillie
Dale Connell
Eric McLean
Martin Provencher
Joe Rennick
David Wuthrich

BUSINESS DEVELOPMENT

Scott Horner*
Annie Bergeron
Peter Boswall
Dale Connell
Dustin Klym
Jeff Reid
Craig Riddell

EDUCATION & PUBLICITY

Ron Markert*
Joanna Follings
Mitchell Japp
André Lussier
David McKellar
Ryan Murray
Marian Stamp
Lori Vickers

HUMAN RESOURCES

Laurie Wakefield
Jim Baillie
Bryan Harvey
Glenn Logan

PLANT BREEDERS

Bryan Harvey*
Annie Claessens
Bruce Coulman
Kevin Falk
Greg Gingera
Rale Gjuric
Robert Graf
David Hume
Art McElroy
Jay Patel
Istvan Rajcan
Tom Warkentin

INTERBRANCH COORDINATION

Colleen Acres
Ed Hadland
Robert Vander Linden
Shannon Bieman
Kelly Chambers
Shawn Fraser
Laurie Hayes
Shawn Fraser
Renee Hoyme
Daniel Lanoie
Daniel Savoie
Jennifer Seward
Andrew Ayre
Peter Szentimrey
Frank McCardle
André Lussier

POLICY, PLANNING & GOVERNANCE

Jonathan Nyborg*
Peter Boswall
Dale Connell
Mitchell Japp
Bryan Harvey
Scott Horner
Norm Lyster
Ryan Murray
Joe Rennick
Martin Provencher
Kevin Runnalls
Djiby Sall
Richard Stamp
Laurie Wakefield
David Wuthrich

SCIENCE ADVISORY

Bryan Harvey*
Chami Amarasinghe
Steve Hamill
Glenn Logan
Mark MacNaughton
Eric McLean
Ron Markert
Kevin Runnalls
Joe Rennick
Djiby Sall

REGULATORY SERVICES

Joe Rennick*
Chami Amarasinghe
Jim Baillie
Cathy Breadner
Jim Downey
Willy Drost**
Steve Hamill
Bryan Harvey
Wendy Jahn**
Glenn Logan
Rick Love
André Lussier
David MacKellar
Mark MacNaughton
Eric McLean
Bridgette Moore
Christina Rowan**
David Wuthrich

* Chair

** Official Observers

OUR STAFF

GLYN CHANCEY

Executive Director

PAM COLES

Managing Director, Finance and Administration

CAROLINE LAFONTAINE

Managing Director, Communications and Member Services

DOUG MILLER

Managing Director, Certification and Technology Services

MIKE SCHEFFEL

Managing Director, Policy and Standards

GAIL HARRIS

Manager, Standards

BRIANNA CHOUINARD

Manager, Certification

EMMANUEL FONDI

Policy and Certification Officer

KELSEY COURTNEY

Policy and Certification Officer

LUCIE LAFLEUR

Client Service Coordinator and Assistant to the Executive Director

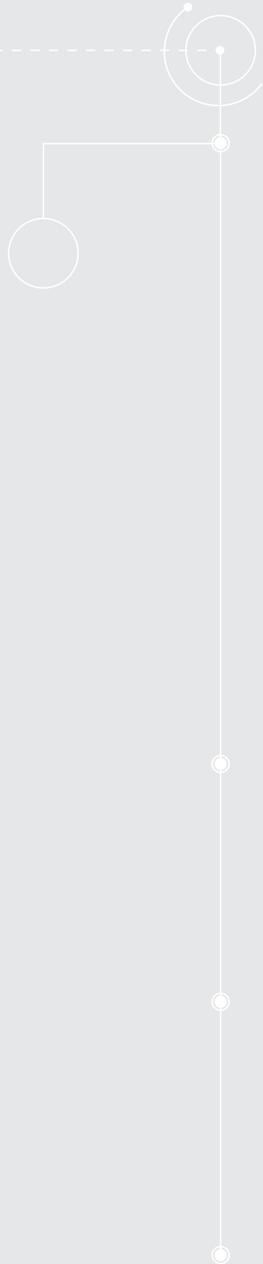
RABYA KHANAN

Communications Officer

LAKSHANA MAHABIR

Policy Officer





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