

## **September 20, 2021**

#### **CONSULTATION ON FEE REVIEW**

The Canadian Seed Growers' Association (CSGA) collects fees to deliver on its regulatory mandate to provide a national program of seed crop certification. This revenue enables CSGA to retain its leadership role in Canada's seed certification system and implement the objectives outlined in the CSGA 2.0 Business Plan.

The <u>CSGA 2.0 Business Plan</u> lays the foundation for a CSGA-led, government-enabled seed certification program in Canada. Its implementation will allow CSGA to play an enhanced role in the future of our seed regulatory system and improve the business of pedigreed seed certification through further modernization.

Achieving these objectives will create significant value for seed growers and the entire seed sector. Together, we deliver reliable plant breeding innovation to benefit all CSGA stakeholders and Canada's agri-food economy.

While we recognize this is a difficult year for many due to the drought, the Board of Directors must fulfill its fiduciary responsibility and decided a fee review was required to strengthen the position of the Association.

The Board recommends retaining most of the current fees with some specific increases as outlined in Appendix A. These changes are required in response to the increased cost of doing business, to ensure business continuity, and realize the vision set out in CSGA 2.0. The Board is **not** recommending an increase in membership or acreage fees for most crop kinds.

### **Consultation on Proposed Fees**

CSGA is asking for feedback on the proposed fees outlined in Appendix A and on an annual fee adjustment policy starting in 2023 outlined in Appendix B.

CSGA is committed to sustainable budgets and operational efficiency, and your insights and opinions are important to us. We encourage everyone involved in seed certification to submit comments directly by <a href="mailto:e

The Board will review the feedback received and communicate their final fee recommendation to Members before the virtual Special General Meeting.

## **Special General Meeting of Members**

Members will be invited to a virtual Special General Meeting this fall 2021 to vote on the proposed fees. As per <a href="By-law 14">By-law 14</a>, Regular Members must approve the fees prescribed by the Board of Directors.

For more information on the proposed changes or to provide direct feedback, please contact CSGA by <u>email</u> or call (613) 236-0497, ext. 241.

Sincerely,

Joe Rennick President

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# APPENDIX A Proposed Fee Schedule

CATEGORY	PROPOSED FEE	CHANGE FROM CURRENT	DESCRIPTION
Membership			
Membership Fees (per account)	\$240.00	No change	To be applied annually for each account (for the first member on an account with seed crop certification).
Additional Growers	\$25.00	No change	For each additional person added to an account.
Acreage			
Group 1 Crop Kinds			
Canola	\$3.50/acre	From \$2.00/acre	
Hybrid Corn	\$3.00/acre	From \$2.00/acre	Excludes open-pollinated
Special Crop Kinds (Hybrid Mustard, Hybrid Wheat, Feminized Hemp, Tobacco)	\$250.00 (minimum certification fee)	New fee	To be applied to special crop kinds grown on very small acreages with high value and/or where specific standards were recently developed.
Group 2 Crop Kinds			
All Other Hemp	\$1.75/acre	From \$1.30/acre	
Soybeans	\$1.75/acre	From \$1.30/acre	
All Grasses and Legumes (Section 6 & 7 crop kinds)	\$1.25/acre	From \$1.10/acre	
Group 3 Crop Kinds			
Barley	\$1.10/acre	No change	
Bean	\$1.10/acre	No change	
Buckwheat	\$1.10/acre	No change	
Canaryseed	\$1.10/acre	No change	
Chickpea	\$1.10/acre	No change	
Fababean	\$1.10/acre	No change	
Flax	\$1.10/acre	No change	
Lentil	\$1.10/acre	No change	
Mustard	\$1.10/acre	No change	
Oats	\$1.10/acre	No change	
Peas	\$1.10/acre	No change	
Rye	\$1.10/acre	No change	
Triticale	\$1.10/acre	No change	
Wheat	\$1.10/acre	No change	
All Other Crops	\$1.10/acre	No change	



CATEGORY	PROPOSED FEE	CHANGE FROM <u>CURRENT</u>	DESCRIPTION
Plots			
Foundation, Probation and Select Plot Certification	\$60.00 per sequence	No change	
Breeder Plot Certification	\$80.00 per sequence	From \$60.00 per sequence	
Variety Certification Eligibility			
Variety Eligibility Certification Application	\$600.00 per application	No change	Form 300
Variety Onboarding	\$100.00 per variety	No change	Applicable to varieties entering CSGA's system outside of Form 300 or CFIA Variety Registration Process. Accounts submitting more than 50 submissions per year as per CSGA guidelines will be eligible for a bulk discount.
Other Certification Fees			
Appeal Application	\$150.00 per sequence number	No change	Form 200
Recertification Fees	\$2,500.00 per seed source	No change	Additional fees may apply if CSGA is required to do additional consultations.
Midge Tolerant Wheat Testing Validation	\$1,200.00 per MTW blend	No change	Normally charged to the variety distributor.
Land Use Inspection Assessment	\$50.00 per application (sequence)	No change	
Re-inspection Assessment	\$50.00 per re-inspection	No change	
Bulk Application Processing	\$5.00 per application/field	No change	To process each field on a bulk application. Online applications are made available at no additional costs.
Breeder Seed Demotion Assessment	\$80.00 per form	From \$25.00/form	Form 45 Administrative fee correction.
Foreign Canola Support Document Assessment	\$60.00 per sequence number	No change	To process a foreign canola support document assessment; includes crop inspection report, transfer declarations, hybridity test results, and erucic acid results.
Hybrid Canola Support Document Assessment	\$50.00 per sequence number	No change	To process hybrid canola support document and related assessment.
Hybrid Corn Crop Inspection Report Assessment	\$50.00 per sequence number	No change	To process hybrid corn crop support document and related assessment.
Carry Over Seed Listing Fee (per variety/class)	\$50.00 per crop certificate/yr	No change	To process request for carry over seed listing per variety or class.
Varietal Additional Certification Requirements (ACR) Assessment	\$50.00 per sequence number	No change	Currently only applicable to midge tolerant wheat (MTW) varietal blends.
Additional Certification or Higher Voluntary Requirements (ACR/HVR)	\$250.00 per application/variety	New fee	To apply an existing ACR/HVR to a new variety (once/variety). Normally charged to the variety distributor.

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CATEGORY	PROPOSED FEE	CHANGE FROM <u>CURRENT</u>	DESCRIPTION
Onboard a new ACR/HVR	\$500.00 per variety	New fee	To onboard a new ACR/HVR (once/novel ACR/HVR). Normally charged to the variety distributor.
Modify an existing ACR/HVR	\$100.00 per variety	New fee	To modify an existing ACR/HVR as needed. Normally charged to the variety distributor.
SeedCert System Access Fees (Non-Members)			
ASCIS Annual Software Licensing Fee	\$500.00 per licence/yr	No change	Some ASCISs may have more than one license.
ASCIS Initial Software Licensing Fee	\$2000.00 per initial licence	No change	For the onboarding of new ASCISs.
ASCIS System Access Fee for Non-Hybrids	\$0.12/acre	No change	
ASCIS System Access Fee for Hybrids	\$0.22/acre	No change	
Other Third-Party System Access Fees (Non-Members)			
Third Party System Access Base Fee	\$300.00	No change	Non-Member client fee per account number for access to SeedCert applicable to tollers, third parties and assignees.



## APPENDIX B Proposed Inflationary Fee Adjustments

Starting in 2023, the CSGA Board of Directors is recommending an annual fee adjustment to reflect inflationary costs. The <u>Consumer Price Index (CPI)</u> represents changes in prices as experienced by Canadian consumers. It measures price change by comparing, through time, the cost of a fixed basket of goods and services.

If adopted by Members, CSGA would apply the previous year's CPI or the average of the previous ten years' CPI (whichever is less) to its fees as inflation adjustments. Please note that this inflationary consideration is excluded from the fee schedule to be voted on at the SGM.

This annual inflationary fee adjustment will help avoid the need for future fee reviews, enable cost-effective delivery of CSGA services, and improve transparency and oversight.

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