

2001 Workshop Program

Identity Preservation of Agriculture and Food Products Program

October 25-26, 2001
Embassy West Hotel
Ottawa, Ontario

A Workshop Organized By
the



Société canadienne d'agroeconomie
Canadian Agricultural Economics Society

Co-sponsors



Agriculture and Agri-Food Canada Agriculture et Agroalimentaire Canada



Friday October 25th, 2002

8:00 - 9:00 am Registration / Continental Breakfast Buffet

9:00 - 9:15 am Welcome / Introduction

9:15 - 10:15 am Identity Preservation and Traceability Systems for the Canadian Agri-Food Chain - Opportunities and Implications
Sally Rutherford, Director general, Integrated Policy Systems, Agriculture and Agri-Food Canada

The presentation addresses identity preservation with respect to the Canadian food system and outlines some of the public and private sector infrastructures that are necessary to support traceability systems throughout the food chain.

10:15 - 10:45 am Coffee Break

10:45 - 11:45 am Traceability for Food Marketing & Food Safety in the United States
Elise Golan, Economic Research Service, United States Department of Agriculture



In the private sector, the goals for traceability of food supplies are mainly to assure buyers of the existence of quality attributes, to facilitate traceback for food safety and quality, and to improve supply chain management. The main goal of the public sector for traceability is to ensure that record keeping is sufficient for traceback, with the objective of mitigating food borne public health problems. When markets fail, the public sector may also have an interest in providing consumers with access to information about safety or quality standards maintained by private firms, and in protecting consumers and producers from fraudulent claims.

12:45 - 1:30 pm Lunch

1:30 - 2:30 pm Traceability, Identity Preservation and Branding - A Customer Perspective
Kathryn Cooper, Vice-President, Market Development and Client Services and Director, Training and Quality Systems, Guelph Food Technology Centre.



Canadian retailers, foodservice companies and processors are looking to their suppliers to provide credible assurance that products are safe and that they meet required quality specifications. These safety and quality requirements are growing as customers add "non-GMO", "environmentally friendly or sustainable", "animal welfare", "natural" and other parameters and "tags". One approach has been the Safe, Quality Food Standard developed by the Western Australia government in the early 1990s. This program is the only consumer branded HACCP-Quality standard in the world. Currently, administered by the SQF Insitute in Switzerland, the Standard is in over 15 countries and 3500 farms,

elevators, processors and foodservice operations. This presentation will discuss the requirements of Canadian retail and foodservice companies and the elements of the SQF program that meet their needs on traceability and identity preservation.

2:30 - 3:00 pm

Coffee Break

3:00 - 4:00 pm

Traceability in Meat Supply Chains: Issues and Analysis
Dr. Jill E. Hobbs, Professor, University of Saskatchewan



There is a growing interest "in "traceability" in the agri-food sector. Industry-wide initiatives to enhance traceability of food products are being implemented and the issue traceability has been raised in the recent Canadian Agricultural Policy Framework discussions. This presentation examines the economic basis for implementing farm-to-fork traceability systems. A central question is the extent to which traceability systems with, and without, additional quality assurances deliver an economic benefit to consumers. The results of laboratory market experiments measuring Canadian consumer willingness-to-pay for traceability information, food safety and farm animal welfare assurances are presented.

Saturday October 26th, 2002

7:45 - 8:50 am

Registration / Continental Breakfast Buffet

9:00 - 9:45 am

An Assessment of the Market Implications for the Introduction of Genetically Modified White Hilum Soybeans
Dr. George Brinkman, University of Guelph



A distinguishing characteristic of Canadian food-grade white hilum soybeans is that white hilum soybeans have remained free from genetic modification. Canadian food grade soybeans can be visually identified by their white hilum as GMO free. The paper provides an assessment of the white hilum soybean market and the potential market risk from genetically modified varieties to assess the various alternatives for responding to the introduction of a GMO white hilum soybean.

9:45 - 10:30 am

An Economic Analysis of Potential Demand and Marketing Scenarios for Genetically and Non-genetically Modified Canadian Canola
Robert Flick and Raquel Wylynko, Strategic Policy Branch, Agriculture and Agri-Food Canada

This presentation provides an economic assessment of potential demand and marketing scenarios for genetically modified (GM) and non-genetically modified (NGM) Canadian canola. The presentation addresses the current lack of information on the economic impacts of exports of canola shipments containing GM varieties. The broad goal is to contribute

to an understanding of the net benefits to Canada following the introduction of GM varieties in prairie agriculture and of the net benefits of enhanced tracking and tracing distribution systems in the grains and oilseeds sector.

10:30 - 11:00 am

Coffee Break

11:00 -11:45 am

The Strategic Decision to License Biotechnology: An Example From the North American Wheat Industry

Hartley Furtan, Richard Gray, and Jeff Holzman
University of Saskatchewan



The United States and Canada are faced with the decision whether to license GM spring wheat. Importing countries such as Japan and the European Union who purchase high quality spring wheat from both Canada and the United States have already stated they will not buy GM wheat. Normally this would not be a problem, as the two exporting countries would produce both non-GM and GM wheat. However, because of the similar appearance to non-GM wheat varieties, if there is not an effective segregation system in place the introduction of GM wheat varieties can spill over to affect the demand for the non-GM varieties. The authors examine the decision to license GM wheat without a segregation system in place and then with a costly segregation system and show that without the ability to segregate GM and non-GM varieties there is a value in waiting to make the irreversible licensing decision.

11:45:12:30 pm

Economic Impacts and Applications of Food Security Systems

Ralph Ashmead, Ph.D, P.Ag. Serecon, Calgary, Alberta



This paper investigates the pre-emptive use and economic benefits of Traceback and Identify Preservation (IP) systems within the Canadian livestock system to assist Canada in the management of a potential animal disease outbreak such as Foot and Mouth Disease (FMD). The major economic impact is from the immediate embargo of beef, hog and livestock products (Canadian annual livestock and meat products exports of over \$8.0 billion) in international trade markets for a minimum period of 3, but more likely 6 to 12 months, or even longer. The potential to mitigate and reduce this economic impact is high, but only if Canada can establish possible FMD-Free zones, which could be excluded from international trading embargoes in the event of an outbreak. The paper will also address the potential for the application of IP and trace-back systems in the agriculture and food sector as a tool for economic development, product differentiation, and branding.

12:30

Lunch