

# CANADIAN PORK COUNCIL

## ANNUAL REPORT

Winter 2015-2016

### Trade agreements - many steps closer

The Canada-European Union Trade Agreement (CETA) is currently targeted for implementation in 2017. In the year ahead, the document will be filtered through the government lawyers on both sides of the Atlantic, then translated into 23 languages for the EU member countries. It is hoped that around mid-2016, the document will go to the EU council before moving on to the union's parliament.

The Investor/State Dispute provisions - which provide access to dispute settlement proceedings against a foreign government - remain controversial in the EU, with some countries claiming the provisions are unconstitutional. The provisions are especially worrisome to some EU countries since similar rules are also included in other trade agreements, such as the Transatlantic Trade and Investment Partnership with the United States. Meanwhile, the Canadian meat industry seeks clarification and agreement on sanitary and phytosanitary rules. Collectively, the industry says if these non-tariff barriers are not adequately addressed, support of CETA could be withheld.

With the Trans-Pacific Partnership (TPP) agreement, the CPC sought - and achieved - a level playing field between TPP countries on access conditions to Japan, Vietnam and other markets. In addition to

expected growth for TPP pork exports to Japan, the agreement also offers a significant improvement on import conditions for several important pork markets. As well, it's important to note that as one of the founding members, Canada can negotiate concessions from other countries seeking to join the TPP.

Other trade negotiations, like the Canada-Japan Economic Partnership Agreement (EPA), have been overshadowed by the focus on TPP. The EPA nevertheless remains of interest to the CPC, given the importance Japan remains for Canadian pork exports. That country imports 60% of its food as the third largest economy in the world and there needs to be the best possible terms of access for Canadian pork.

Other agreements of interest to the Canadian pork industry, completed or still being negotiated, are Canada-Ukraine and Canada-India.

The CPC maintains that Canadian pork producers need to be at the negotiating table during free trade negotiations, especially with high value markets in Asia. Countries like Japan, and the ever-growing demand for food imports in China, are a significant opportunity for Canadian pork producers. It's important for Canada to take every opportunity to secure favourable terms of access to foreign markets, including through new, or expanding existing, trade agreements.

### Food safety and animal care programs - by producers for producers

Following our commitment of continuous improvement to industry on-farm programs, the CPC is pleased to introduce the revised Food Safety / Biosecurity and Animal Care Programs. The revised programs present the same proven content that has garnered respect and benefited the Canadian pork industry in gaining market access internationally and domestically. The enhanced programs will present a new structure to provide additional transparency and simplify program comprehension and completion on-farm.

The programs have also been renamed to avoid confusion with the Canadian Quality Assurance (CQA) and Animal Care Assessment (ACA) Programs. The revised program umbrella name is Canadian Pork Excellence which is comprised of the Food Safety/Biosecurity and Animal Care Programs.

#### Food safety program

Originally launched in 1998, and regularly updated, the food safety component presents requirements and good production practices based on the internationally recognized Hazard Analysis Critical Control Point (HACCP) model. The Food Safety Program is the basis for maintaining and accessing new international markets, as well as hosting the Ractopamine-Free program. It is also an auditable program with objective questions and precise Standard Operating Procedures (SOP).

#### Animal care program

The Animal Care Program was launched in 2005 to demonstrate how producers take great pride in caring for their pigs and treat them with respect at all times. The Animal Care Program is being revised to reflect

the 2014 Code of Practice for the Care and Handling of Pigs requirements. An auditable program that examines the environment, comfort, nutrition, health and housing of pigs to ensure the highest standards of animal care are maintained, the Animal Care Program demonstrates to the value chain how producers care for their animals.

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### Human nutrition and health

Whether consumption of red meat is a cancer risk continues to be a controversial topic debated in the scientific community. On Oct. 26, the World Health Organization's International Agency for Research on Cancer (IARC) announced that consumption of processed meat as "carcinogenic to humans" (Group 1) on the basis of sufficient evidence for colorectal cancer. Additionally, a positive association with the consumption of processed meat was found for stomach cancer. However, despite being classified in the same category as smoking and asbestos it does not mean that they are all equally dangerous.

IARC classified consumption of red meat as "probably carcinogenic to humans" (Group 2A). This association was observed mainly for colorectal cancer, but associations were also seen for pancreatic and prostate cancers. Group 2 includes acrylamide and the profession of hairdressing.

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## Chairman's Report from Rick Bergmann

**Successful management spells success**

Great things are happening in our industry.

We have more than 7,000 pig farms across Canada producing more than 25.5 million animals a year. With direct farm gate annual sales at \$4.1 billion, the pork sector is the fourth largest source of farm cash receipts of any Canadian agriculture commodity. The industry supports 31,000 farm jobs which, in turn, contribute to 103,000 direct, indirect and induced jobs across the country. The total economic activity or output of direct, indirect and induced jobs generates \$23.8 billion when farms, inputs, processing and pork exports are factored in.

Canada's herd health status is a huge strength for our industry. We have an enviable record in terms of the overall health of our swine herd. We can

demonstrate significant programs and services, as well as producer management practices, which provide assurances about the health of the herd and therefore the quality of the products.

Canada's previous government was active on a range of international trade files. The Canada-European Trade Agreement provides opportunities for our industry. The Trans Pacific Partnership agreement also has the potential to provide benefits for us, and if Canada can implement agreements with individual countries, like South Korea, and perhaps Japan, additional benefits can accrue.

Most recently, the news of President Barack Obama signing an omnibus bill repealing the U.S. Country of Origin Labelling law is very good news. The bill now includes a provision which should finally resolve the longstanding issue between Canada and the U.S. over their COOL rules. Challenging COOL has been a long and expensive fight for us and it is gratifying to know the legislation has been repealed.

These are opportunities for our sector moving forward that I am very excited about. I am proud of us for successfully managing our businesses in the turbulent environment we faced in recent years. During a very difficult economic period, we made great strides in addressing our competitiveness.

It is also exciting that our pork producer's national representation reaches a significant milestone this year. The Canadian Swine Council, now the CPC, was born on July 12, 1966. That means the CPC is approaching its 50th year in mid-2016!

Moving forward, the CPC will continue to focus on its commitment to strengthening the pork industry through its four pillars for long-term success, namely industry integrity, competitiveness, market penetration and industry leadership.

These pillars of success respond to the industry's situation in terms of the economic circumstances, industry performance, industry structure and societal pressures. In combination, they can provide us with the resources and support necessary for our long-term success. There is no doubt, the CPC has identified an aggressive program of key initiatives which, in combination with the strategic programs of our partner organizations, will enable the industry to move into a period with a stronger future. The future is indeed bright and I look forward to being there with you every step of the way.

Thank you.



Canadian Pork Council  
Conseil canadien du porc

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## Human nutrition and health

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Based on an analysis of data from 10 studies, the Working Group estimated that every 50 gram portion of processed meat eaten daily increases the risk of colorectal cancer by about 18% and 17% for every 100 gram portion of red meat eaten daily. On average, Canadians consume half these amounts: 22 grams of processed red meat and 52 grams of fresh red meat a day.

Canada's Food Guide recommends one to three daily servings of 75 grams of Meat or Alternatives. Men may benefit from keeping their meat portions to 225 grams a day and replacing meat calories with vegetables and whole grains, while children, teen and adult females of childbearing age may benefit from additional servings of pork.

The Working Group did not reach consensus on its classifications; rather, had to settle on an atypical majority vote. Nor did their mandate include consideration of meat's nutrient benefits or the consequences of drastically reducing or removing meat from the diet.

The announcement received extensive media coverage with the CPC conducting over 15 interviews, most within 24 hours. Retail and foodservice contacts were alerted prior to the announcement and

provided with key messages for addressing customer questions. An online consumer survey was conducted to gauge the residual impact of the announcement.

The release of the IARC report may have implications that trickle down to farms. There could be erosion of consumer confidence, a call for warning labels on processed meat packaging, advertising or calls for limited red and processed meat in public institutions. However, it's critical the focus of the report, and cancer-causing issues as a whole, remain at the forefront.

What we know for certain is this: based on years of scientific evidence, no one single food - including red and processed meats - can cause or cure any type of cancer. There simply is no causal relationship. In addition, eating pork can be beneficial, providing essential nutrients for people of all ages.

In fact, the best ways to minimize cancer risk is to live a healthy lifestyle. Do not smoke, maintain a healthy weight, be physically active, eat plenty of vegetables and whole grains and, if you choose to consume alcohol, do so responsibly. Genetics and aging, factors that cannot be controlled, must also be considered as factors in the development of cancer.

## Swine Health Initiative

The Swine Health Initiative was formed to improve and maintain health initiatives at a national level through co-ordination and communication, policy development, national representation and program integration.

### Co-ordination and communication

The CPC holds swine health initiative calls every three to four weeks with a group of provincial participants. The purpose is to share swine health initiatives among provinces as well as to discuss projects or topics that may require a national strategic plan. The CPC may expand this to include calls to discuss animal welfare concerns.

The CPC has also begun issuing swine health bulletins to inform producers about various health issues. Most recently, the CPC released swine health bulletins on Senecavirus A (Seneca Valley Virus) including information about the virus and an updated version following emergence of the virus in Canada the week of Oct. 19, 2015.

### Policy development and national representation

The CPC is currently developing policies on antimicrobial resistance and antimicrobial usage, as well as on pain control. Nationally, the council has representation on the National Farmed Animal Health and Welfare

Council, the Canadian Animal Health Surveillance System and the Centre for Emerging and Zoonotic Disease Integrated Intelligence and Response.

The National Farmed Animal Health and Welfare Council focuses on animal welfare and health initiatives across commodities. It has recently formed a working group to address antimicrobial stewardship in Canada. The Canadian Animal Health Surveillance System is an initiative of the National Farmed Animal Health and Welfare Council and exists to improve the surveillance system across commodities in areas such as better organization, improved decision making and better information and data sharing.

The Canadian Food Inspection Agency and Public Health Agency of Canada are the lead agencies involved in the Integrated Intelligence and Response beta pilot program at the Centre for Emerging and Zoonotic Disease. This program is intended to enhance the knowledge of areas pertaining to zoonotic and emerging disease. It offers a platform where information on zoonotic and emerging disease can be found and shared.

### Program integration

The CPC's Swine Health Initiative is currently working on a voluntary biosecurity self-check list for producers based on the National Swine Health Farm-Level Biosecurity Standard and other biosecurity assessments from other provinces. The biosecurity self-check list will help producers assess the biosecurity measures of their facilities in a short, user-friendly manner so that producers can gain a better awareness on their biosecurity measures and this will help them identify possible problematic areas which needs improvement. The CPC plans to have the check-list available to producers in the spring 2016.

Communication and co-ordination remain key to the success of the Swine Health Initiative and the CPC is committed to identifying new projects and priorities which may need national strategic plans. The CPC will continue to participate in projects and organizations that promote swine health initiatives that better integrate beneficial programs at the national level.

## Traceability

### Usage

Registration for PigTrace continues to increase. Since Aug. 1, 2014, the CPC has seen a 24% increase, mostly due to backyard producers and hobby farms (those selling direct to consumers or producing for personal use) entering the program under the new premise regulations. Particularly notable is the significant growth in Ontario, with over 900 new registrants between August 2014 and November 2015. Overall, PigTrace has approximately 9,771 producers registered.

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## Traceability

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PigTrace records reflect producer use of the system. Between July 1, 2014 and Oct. 19, 2015, there were 705,549 movements - that's 10,690 a week and 1,527 a day - reported. Those numbers came from a total of 5,780 premises reporting - an increase of 957 since April 2015.

Since July 2014, over 1.8 million ear tags have been sold, with the producers experiencing the economic advantages of trace back to farm of origin. Pigs without a PigTrace tag going to U.S. processing plants lose \$10 to \$50 per pig.

### Enforcement

The Canadian Food Inspection Agency continues with enforcement of PigTrace and efforts vary by region, province and district.

The CPC has noticed problems with the CFIA prohibiting delivery of unidentified pigs at abattoirs, even though they have no regulatory power to do this. The CPC has issued a formal complaint with the new, centralized Complaints and Appeals office of the CFIA office, but there has been no resolution yet. Still, many inspectors have been very helpful in spreading program awareness.

While fines for noncompliance are scheduled to happen, implementation is expected to be postponed until mid-2016. The fines are an amendment to federal administrative money penalties regulations, and implementation was delayed due to the fall federal election.

Looking ahead to further changes to the Health of Animal Regulations, the CFIA remains focused on Part XV, Animal Identification and Traceability. Most changes to these regulations are connected to introducing traceability movement reporting for other livestock species.

Comments and recommendations from the pork industry were submitted to the CFIA in June 2015 and those comments, along with those received from other groups, are set to soon be released in the CFIA's Comments Received document. The regulations are scheduled for publication in Canada Gazette I in late 2016.

The CPC comments and recommendations to the CFIA include the need to correct identification requirements for assembly yard to assembly movements, and exemption of identification reporting requirements by auctions. As well, the CPC requested exemption of identification requirement for bred gilts and simplified criteria for the registration of linked premises. As well, the request was made for exemption of identification requirements for custom slaughter and inclusion of insemination centres under the definition of farm. Overall, the goal of the CPC is to simplify requirements and reduce unnecessary burden. Combined, these elements will help increase compliance.

## AMU/AMR

Because antimicrobials use (AMU) and antimicrobial resistance (AMR) are issues affecting both human and animal health, antibiotics have become a public health issue. As a result, the use of antimicrobials in agriculture is currently under global scrutiny.

### Past developments

**June 2015:** The U.S. Food and Drug Administration announced changes in use of antibiotics in food animals to remove use in growth promotion and to bring all use of antibiotics in food animals under veterinary oversight. This is similar to changes announced in April 2014 by Health Canada's Veterinary Drug Directorate and Canadian Animal Health Institute in the use of Category I, II and III antimicrobials in food or water of food animals in Canada, to be implemented by December 2016.

**March 2015:** The Government of Canada announced a federal action plan for addressing antimicrobial resistance and use. Claims for growth promotional use of important antibiotics will be removed and Health Canada and the Canadian Food Inspection Agency will implement the requirement to increase veterinary oversight of medically-important antibiotics in livestock feed and water by December 2016.

The CPC continues to be open to continuing to work with provinces on the operations agreement of PigTrace. Under the agreement, the CPC circulated the first draft agreement among each provincial pork organization for delivery of the PigTrace program in July 2014. The proposed agreement is now a flow-down agreement of the CPC's Administration Agreement with the CFIA, pursuant to the Health of Animals Regulations. The CPC's preference is to use a single agreement template for every province.

The CPC and provincial organizations still need to settle formalized roles and details such as the provincial involvement benefits, operational responsibilities for staff and handling the CPC exposure to liability and risk.

Overall, the core issue of provincial ownership and handling of the data needs resolution. Particulars such as responsibility for their correct data entry errors, submitting movement data on behalf of provincial producers and data disclosure by provincial staff are priorities to be settled.

## Main elements of the CPC-provincial agreement:

- Optional assistance to the CPC in program operations
- Access to PigTrace data for authorized users
- Provincial empowerment to facilitate the sale of PigTrace ear tags
- Details of privacy and security restrictions
- Management of CFIA data and provincial data
- Outlines of requirements for contractors
- Optional inclusion in errors and omissions insurance

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## AMU/AMR

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**October 2014:** The Government of Canada released a federal framework for action to address the issue of antibiotic resistance in humans and animals. The key areas of focus are surveillance of use, resistance, stewardship and innovation.

### Latest developments

#### **Medicated feed moving to prescription only**

In the past, discussion around increased veterinary oversight was going towards the implementation a new type of oversight called veterinary authorization. The conversation is now moving towards making medicated feed prescription only. The CPC prepared comments for Health Canada on these new advancements in December.

#### **Zootechnical feed additive project**

The CPC provided support for the Animal Nutrition Association of Canada (ANAC) Zootechnical Feed Additive project in order to get alternatives to antimicrobials into the Canadian marketplace faster. Currently, these products are categorized as drugs, which requires a longer process and a higher burden of proof and higher standards of manufacturing in order to be approved for sale in Canada. For this reason, many of the products never make it to the Canadian marketplace. Canadian producers are at a competitive disadvantage to other producers in Europe and the United States, who would have access to these products. This proposal fits into the Innovation Pillar of the Federal Action Plan and is coming at an opportune time with the removal of the growth promotion claim in 2016.

#### **Medically Important Antimicrobials (MIAs) symbol**

The Veterinary Drugs Directorate is working on a warning on labels for medically important antimicrobials, which are Category I-II-III drugs. The warning would serve as notice of handling an animal health product that is medically important to human health. Canada would be the first on the international scene to implement a warning like this and would be considered a world leader with this initiative.

#### **The CQA and responsible antibiotic use**

Without directly mentioning the use of antibiotics, many aspects of the current CQA program ensure that the pork industry uses antibiotics in a responsible manner. Everything from building designs, to vaccination protocols, to proper disinfection of feed mixing equipment plays a role in reducing antimicrobial resistance. Any illness that requires treatment with antibiotics increases the risk of drug residues and AMR. By reducing the burden of disease, we reduce the need to use antimicrobials. The CQA also encourages working with herd veterinarians to evaluate current medicine usage and treatment plans and recommends establishing a durable veterinary-client-patient relationship.

Reading the label and following its instructions are essential steps in the proper use of livestock medicines. Choosing the correct drug, injection site and dosage to treat a particular disease is important for effective drug usage and health management. Proper and prudent use of drugs ensure that producers treat animals correctly. One of the most important roles of our On-Farm Food Safety Program is enabling us to reach out to producers and educate them on new and evolving issues.

The CPC will be working on ways to communicate what the current CQA program is doing for producers and is focused on continually improving antimicrobial usage through the development of the new On-Farm Food Safety Program.

The RWA label in Canada does not harmonize with other countries that only include "medically important to human health" in that category. This puts Canadian producers at a competitive disadvantage. Discussions are underway with the CPC, the Canadian Animal Health Institute (CAHI) and different industry members to look at how the industry can either modify the current regulation or come up with a new label.

It is important for the pork industry to be proactive regarding responsible AMU to build and maintain consumer trust but also to ensure that we protect the right to use antimicrobials in animal production. Antimicrobials play an essential role in providing safe food by reducing disease and reducing any potential food safety problems and we need to preserve our ability to use antibiotics responsibly when animals are sick or at risk of getting sick and for them to remain effective.

## Government relations and advocacy

Looking back at communications for 2015, the CPC was involved in a number of issues and sent out more than 30 media releases on issues related to trade, market access and industry priorities. In comparison, over the previous five years, the CPC sent an average of 21 releases per year.

Along with distributing media releases, the CPC continued to work at increasing its online presence through its website and social media. The

website was revised and now has a section on swine health including information on the Canadian Swine Health Board's Biosecurity Program. The CPC continues to develop its social media presence on Facebook and Twitter. The goal for 2016 is to use them more effectively with the intent of increasing the number of followers on each of these platforms. This will allow us to further increase the number of followers on each of these platforms. We will evaluate our efforts to determine the most effective platform to focus our attention.

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## Government relations and advocacy

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A large communication task over the past year was the creation of the Priority Areas for Strengthening the Canadian Pork Industry document, which was used to promote a country-wide, grassroots lobbying effort by pork producers during the election campaign. This was a great undertaking which the CPC will continue to build upon with new messaging on issues throughout 2016.

### Government relations

As the communications projects demonstrate, it has been an extremely busy year for government relations and advocacy. The CPC participated in more than 30 formal meetings with elected Members of Parliament and senior government officials prior to the election. This number does not include other chance encounters that take place in Ottawa, such as at informal meetings and other organizations' events, which are a daily occurrence. The CPC takes all opportunities to discuss the issues facing the hog industry.

It was a busy year leading up to the Oct. 19 election with all parties developing their platforms and holding roundtable or stakeholder meetings to seek input on issues and priorities from industry. Parliament was dissolved on Aug. 2, launching the 42nd general election and effectively stalling advocacy on industry issues and contact with department officials within the federal government.

The country saw a change in government on Oct. 19 with the Liberal Party elected with a strong majority. The party took 184 of 338 seats with representation in every province. However, there has been a split between the urban and rural vote, with the exception of Eastern Canada, with most urban voters voting in Liberal representatives for the House of Commons while rural regions kept their Conservative Party MPs.

The CPC members identified 77 priority ridings to follow where pork production exists in the country. Out of those 77, all remained with Conservative Party representation except for 19, 11 of which became Liberal ridings. The fact that rural representation is not strongly reflected in this government means the pork industry needs to ensure its priorities are clear and consistent across Canada. The pork industry needs to remain focused on building, or re-building, relationships as well as setting clear priorities including updating and revising industry goals to match the

government's agenda, listening and adapting, and, if necessary, picking its battles.

As with any new government, the Liberal government has a lot of expectations to deal with from loyal voters in exchange for their support. Across Canada, the government has made a number of commitments to improve infrastructure, particularly for municipalities, and projects in collaboration with provincial governments.

From an agricultural perspective, many in the industry expect an end to austerity measures and that business risk management programs will return to its historical funding levels. During the election, the CPC identified priorities in a number of areas including issues in market access, competitiveness, risk management, innovation and production, social responsibility and animal health. We will work on these priorities as a basis moving forward.

### Stay Connected

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## Pork Promotion Research Agency

The CPC submitted an application on July 30 to the Farm Products Council of Canada (FPCC) to establish a Pork Promotion Research Agency (PPRA). On Oct. 3, a notice to hold a hearing as part of an inquiry into the merits of establishing a PPRA appeared in a Canada Gazette Notice.

The FPCC requested written submissions by the end of October with a cut off for requests to appear at the hearings set at Nov. 23. The CPC then issued a request to members and the board of directors for help identifying and contacting third parties to submit comments or to appear at a hearing in support of an agency.

The FPCC requested more information including the number of pork producers verses member numbers, the number of importers or names of importers and clarification on the methodology for calculating the levy on imports and how it differs from the United States.

In response to its request for comments, the FPCC received 15 written submissions by the Oct. 30 deadline, including 11 in opposition and four in support. Concerns included the treatment of animals, the consideration of the expense as another tax, the financial impact, the expectations that the agency would deliver more services and have a broader focus and that there would be a need for increased representation.

There will be a hearing in Calgary on Jan. 19 and another in Montreal on Feb. 16. At the hearings, the CPC will present as an applicant for 60 minutes, explaining the application, followed by a Q&A session. Because the FPCC wanted different groups to appear at the hearings, Canadian Pork International and the Canadian Meat Council are also expected to attend.

Following the presentation, the panel will report on the presentations then make a recommendation to the FPCC board of directors. The FPCC will then make their recommendation to the Minister of

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## Domestic marketing

Established in 2014, the National Pork Marketing Program (Canada Pork) is the domestic market development division of Canadian Pork International. Governed by a national marketing committee of stakeholders, it is a joint initiative of participating provincial pork producing associations and pork processing plants.

### Objectives

Canada's only producer/processor funded domestic market development initiative, the National Pork Marketing Program's objectives are to:

- Maintain and increase per capita consumption of Canadian pork verses other protein choices
- Expand market share of Canadian pork by displacing imports
- Increase carcass utilization and value optimization in all channels
- Develop and implement a national Canadian pork branding strategy
- Increase end-user customer/consumer confidence and awareness in the quality and safety of Canadian pork
- Develop solutions-based programs, strategic alliances and close working relationships with top tier retail and foodservice operators

In collaboration with the CPC, Canada Pork has developed and implemented a national pork branding program focusing on Farm to Table quality assurance systems including CQA, PigTrace, Responsible Animal Care and HACCP Certified Processing Plant supply partners that are members of the National Pork Marketing program. The Verified Canadian Pork™ (VCP) brand and support programs are available in all distribution channels and eligible product categories including fresh, frozen, further processed and prepared food sectors in Canada and will be extended into the export marketplace in 2016. Use of the VCP brand requires a licensing agreement between the licensees, Canada Pork and its VCP supply partners to insure and protect the integrity of the brand in the marketplace.



The VCP brand value proposition provides a credible national platform for generic and premium brand building programs that support National Pork Marketing processors and provincial organizations with a national Farm to Table quality assurance promise.

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## CPI poised to help pork industry grow

For 25 years, Canadian Pork International has served the Canadian pork industry, fulfilling its mandate of:

- Working with the Canadian government and Canada's trading partners to resolve specific foreign market access issues impacting on Canadian pork exports
- Developing, co-ordinating and implementing the generic international and national marketing efforts of the Canadian pork industry
- Providing foreign customers with information on Canadian pork products and on the Canadian pork industry
- Keeping the Canadian industry apprised of changes in export markets

Market access remains a top priority for CPI and its focus is on market development and seeking resolution to technical market access issues. Lobbying is left to the CPC and the Canadian Meat Council (CMC). The CPC and CMC have the lead in trade negotiations and are also responsible for developing and implementing export-related, on-farm and in-plant programs, such as the ractopamine-free program. CPI provides the required support for these initiatives.

Slaughterhouses requiring ractopamine-free hogs are increasing and it is anticipated that all major Canadian slaughterhouses will be ractopamine-free by the end of 2016. The CPC recognizes that the ractopamine-free certification program is very costly and is looking for other ways to demonstrate to trading partners that the industry is no longer using the product.

India is looking for processed products at retail and for high-end hotels and its (early stage) processing industry will require raw material. The CPC and CPI are sponsoring, with other national groups, a study on the opportunities in the Sub-Saharan Africa region.

CPI has been busy this past year with various promotional activities in Japan, South Korea, Ukraine, Vietnam, China and Paris, including in-store demos, seminars and participation at trade shows such as the Seoul Food show in South Korea and SIAL China. As soon as possible, CPI will organize a seminar in Moscow and have a stand at Moscow's 2017 ProdeExpo and three seminars in New Delhi, Mumbai and Bangalore, India.

CPI's next step is to introduce the Verified Canadian Pork logo into selected international markets. Verified Canadian Pork is a trademarked brand owned by participating farmers and pork processors dedicated to offering premium quality Canadian pork traditionally raised and minimally processed under the highest food safety standards in the world.

## Swine Innovation Pork

Projects within the Swine Cluster 2 research program are well underway and some have started to report results. The program began in 2013 with 15 projects and three more were added in 2015.

A few numbers about the program:

- 18 research projects
- 5 areas of research
- + 20 industry partners
- + 30 research institutions
- + 95 researchers

A unique part of the Swine Cluster 2 program is designed to help Swine Innovation Porc (SIP) address emerging issues in the swine sector. Two of the three new projects recently added are funded by this program:

- Technology and methodology development for improved biosecurity in livestock transport vehicles - Phase 2
- Objective methods for the evaluation of marbling and other meat quality traits

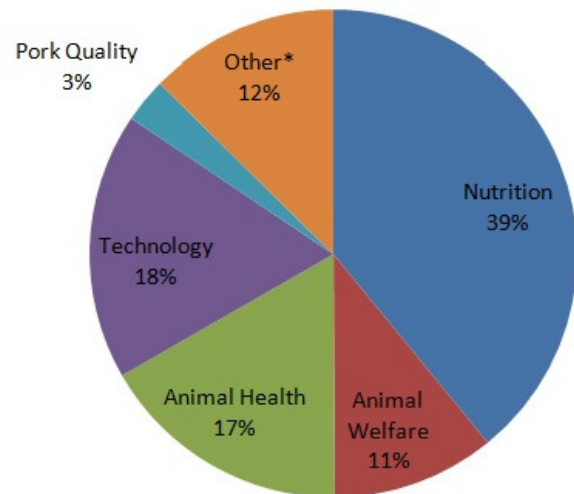
While Swine Cluster 2 is a major component of SIP's activities, there are a number of other files the organization is managing. A business plan was created in 2015 identifying several strategies to help grow the business. A communication strategy was also developed and approved by the board of directors. Finally, a committee of the board has been working on creating a list of well-rounded research priorities that identify both emerging issues and those that are more long term in nature.

SIP is pleased to announce that BC Pork has recently signed the memorandum of understanding, which commits \$2.5 million over a

five-year period to swine research. Eight provincial pork organizations have now signed this MOU.

SIP has started planning for the Growing Forward 3 program and is looking forward to having more results available from Swine Cluster 2 projects. You are invited to check out the website for more information about this program and other activities at: [www.swineinnovationporc.ca](http://www.swineinnovationporc.ca).

## Allocation of Swine Cluster 2 Funding



\* Includes management fees and Adaptability theme activities

## Domestic marketing

*Continued from Page 7*

### National pork quality grading system

A national pork quality grading system will be developed to allow participating national pork marketing processors to utilize national standards, methods and technology to identify and select carcasses and cuts based on desirable meat quality attributes. This voluntary marketing tool will provide quantifiable selection criteria for higher quality pork to achieve a premium and differentiate Canadian pork in the domestic and export marketplace.

End-user customers and consumers will benefit from higher levels of product performance and consumer satisfaction by purchasing standardized trademarked grades for Canadian pork quality. A national pork grading system is not designed to replace traditional producer/packer payment settlement systems but comprehensive meat quality information beyond lean meat yield and back fat thickness will provide important economic signals that will allow the Canadian pork industry to make strategic changes to meet changing demand trends and intensifying competition from commoditized supply partners in all markets of interest.

The development and implementation of a new voluntary pork grading system will be linked to the VCP brand.

### Return on Investment

Participating pork producing associations and processors invest 50/50, which is matched with agri-marketing funds and invested into national pork marketing programs and services.

VCP end-user partners and customers invest in branded labels, point-of-sale marketing and advertising to promote CQA, PigTrace, Animal Welfare and Country of Origin directly to their valued consumers through VCP partner programs and consumer marketing events. The VCP branding initiative differentiates national pork marketing producers, processors and end-user customers in the marketplace with a national Farm to Table quality assurance promise.

## Pork promotion research agency

*Continued from page 6*

Agriculture, who will subsequently decide on the establishment of an agency before preparing the proclamation for review by Justice Canada and the Treasury Board. The final step is publication of the proclamation in the Canada Gazette.

All along this process, the CPC is committed to regular engagement with members to keep them informed and up-to-date on the status.



## Meat and livestock industry tackle climate change

The CPC is a member of the International Meat Secretariat (IMS), a non-profit organization that brings together livestock producer associations, national and regional meat associations, meat exporter associations, meat processing companies, government and corporate partners from around the world.

The organization recently presented its position paper for the 21st session of the Conference of the Parties (COP21) Climate Change Meeting in Paris, Nov. 30 to Dec. 11.

Here are some highlights from that report:

Reducing greenhouse gas emissions and improving the environmental performance of meat and livestock are key priorities for the meat and livestock industry. According to the Food and Agriculture Organization (FAO) of the United Nations, livestock - including dairy - contributes about 14.5% of global greenhouse gas emissions.

## Food safety and animal care programs - by producers for producers

*Continued from Page 1*

The CPC accepted the most recent Code of Practice for the Care and Handling of Pigs launched in March 2014. The Code of Practice is the result of a rigorous multi-stakeholder development process, including the CPC pork producer members. The code takes into account the best science available as well as the practical requirements for the care and handling of pigs. Although the Code of Practice is not yet assessed through the Animal Care Program, the CPC encourages producers to follow the code requirements.

### Launch 2016

The launch will take place in 2016. The Canadian Pork Excellence Programs will be pilot tested on Canadian pork farms in every province to evaluate the administration, completion and validation process of the program on-farm. Upon completion of the pilot testing the programs will be reviewed and revised.

### Implementation 2017

In 2017, Canadian Pork Excellence Programs will be implemented on-farms through provincial pork organizations.

### Validation 2018

In 2018, through the existing validation cycle, Canadian pork farms due for a full validation in 2018 will be seen joining the Canadian Pork Excellence Program by completing the Food Safety and Animal Care Programs. Therefore, three years of implementation will take place to allow all producers to join the revised programs.

The meat and livestock industry is reducing GHG emissions by adopting innovative health and husbandry practices and tools that support sustainable and environmentally responsible production of animal protein, utilizing less resources and resulting in less environmental impact.

Working together with all partners in the production chain, the industry is:

- Improving animal breeding and health programs to raise productivity and developing better animal nutrition to avoid carbon or nitrogen losses in the atmosphere
- Promoting manure management practices to recycle nutrients and energy and enhance profitability from this natural fertilizer, while reducing ammonia and methane emissions
- Preserving the soil by optimizing grass production, managing grazing land for ruminants, preventing erosion, and avoiding overgrazing, with benefits in carbon sequestration
- Significantly reducing deforestation through sustainable intensification
- Utilizing best technologies in meat processing to optimize resources, significantly reducing the use of water and energy, while at the same time improving working conditions

Livestock underpins rural society, and by continuing to be committed to environmental responsibility, the meat and livestock industry is committed to producing in a sustainable manner.

Members of the IMS around the world are actively engaged in multi-stakeholder actions to design cost effective and fair mitigation strategies tailored to the diversity and complexity of the sector, based on sound science, robust data, and constructive dialogue.



Canadian Pork Council  
Conseil canadien du porc

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