CANADIAN SHEEP FEDERATION

2023 Annual Report



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Empowering the Industry: A Call for Collective Action

Welcome to the Canadian Sheep Federation's comprehensive report, detailing our concerted efforts to support and advance the Canadian sheep industry. As the nation's leading organization for sheep farmers and ranchers, funded and guided by producers and represented by a dedicated, producer-appointed Board of Directors, the CSF is steadfast in its mission to champion the interests of our industry. Our dedication is to the sustainability, growth, and prosperity of the sector, advocating for legislative changes and representing industry interests at all levels.

This report encapsulates a year of strategic initiatives, research findings, and innovative projects aimed at bolstering the industry's environmental, economic, and technological frontiers. From the promotion of a Sheep Sustainability Framework to pioneering ultrasound pregnancy training, we've embraced a future-focused approach that prioritizes both the well-being of our flocks and the health of our planet.

A key focus this year has been on enhancing traceability and advocating for improved access to veterinary pharmaceuticals, essential for animal health and welfare. Our work with national livestock groups and governmental agencies has aimed to streamline regulations and foster sustainable practices.

We've also made significant strides in animal health networks, contributing to national surveillance systems and research initiatives like CAHSS and CgFARAD. These efforts are crucial in keeping our industry at the forefront of health and safety standards.

As we navigate the challenges and opportunities ahead, the CSF calls upon producers to join forces. Your involvement is the cornerstone of our success. Whether through participation in training programs, contributing to industry discussions, or supporting our advocacy efforts, your engagement is invaluable. Together, we can continue to shape an industry that is resilient, sustainable, and thriving. Join us in our journey to elevate Canadian sheep farming to new heights.





Dear members, and fellow sheep producers,

I am pleased to present the Chairman's Report for the Canadian Sheep Federation for the fiscal year 2022-2023. As we reflect on the past year, it is evident that our organization has made significant strides in advancing the interests of the Canadian sheep industry.

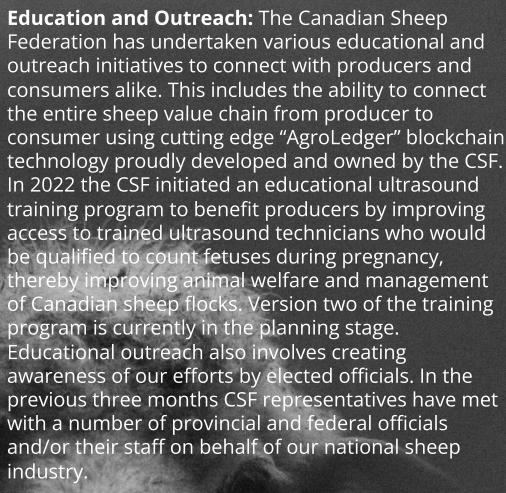
Overview of the Industry: The Canadian sheep industry continues to be a resilient and vital component of our agricultural landscape. Despite facing challenges such as market fluctuations, weather challenges, and feed shortages, our industry has demonstrated remarkable adaptability and perseverance. CSF represents the only animal protein sector with the potential to double domestic production without filling the domestic market.

Policy Advocacy: Throughout the year, the Canadian Sheep Federation has actively engaged with provincial producer representatives as well as the CSBA and CCWG to advocate as the mandated national voice for policies that support the growth and sustainability of the industry. We have participated in discussions on issues such as trade agreements, animal welfare regulations, national sheep traceability, animal transport regulations and interprovincial trade barriers, as well as many additional consultations relevant to sheep industry interests. Our efforts have been instrumental in ensuring that concerns and priorities of Canadian sheep producers are well-represented in decision-making processes.



Innovation: The Canadian Sheep Federation remains committed to supporting innovative initiatives that contribute to the growth and sustainability of our industry. In the past year, we have been leading projects aimed at addressing challenges faced by sheep producers, including improvements in FMD preparedness, access to veterinary medications and pharmaceuticals as well direct involvement in the development of innovative solutions to assist producers with future regulatory compliance. We continue to seek out opportunities to invest in innovative solutions that enhance the efficiency and productivity of Canadian sheep operations.





Financial Overview: I am pleased to report that the financial health of the Canadian Sheep Federation remains robust. Our prudent financial management and strategic investments have positioned us well to tackle future challenges and capitalize on emerging opportunities. Detailed audited financial statements are available for your review in the accompanying documents. CSF has set the standard with regard to value for producer investment within the Canadian producer representative models. Our budget represents one third and our staff numbers represent one seventh of some of our provincial counterparts. Our record regarding our many achievements speaks for itself, as do our executive reports.





In conclusion, the past year has been marked by progress and resilience for the Canadian sheep industry. As we look ahead, let us continue to work together to build a sustainable and prosperous future for our sector. I would like to add a personal thank you to all who supported me during the past five years, as my term has ended this will be my final report.

Thank you for your continued support of the Canadian Sheep Federation.

Allan Ribbink,

Chairman, Canadian Sheep Federation



Traceability and the Canadian Sheep Identification Program

The year 2023 was pivotal for the Canadian Sheep Federation (CSF) in advancing sheep traceability in Canada. A major focus was the proposed regulatory amendment consultations, initiated with the publication of proposed regulations in the Canada Gazette I in March. To engage the industry, the CSF hosted over 20 national townhall meetings, gathering invaluable feedback from producers and stakeholders. This input informed the CSF's comments submitted to the consultations, which closed in June.

The amendments aim to implement full movement reporting and tag retirement across the supply chain, a step towards achieving comprehensive traceability. Generally, the changes received support from stakeholders, recognizing their potential to enhance the effectiveness of the trace system. However, concerns were also raised about the challenges in reporting compliance.

Simultaneously, the CSF, with support from Agriculture and Agri-Food Canada (AAFC), conducted the Traceability Readiness Assessment Project. Running from January to March, this project involved preparing for the traceability consultations, orchestrating meetings regarding the CSF's Responsible Administrator Proposal, and integrating early adopters into the AgroLedger system. These early users are providing crucial feedback, shaping the future development trajectory of the technology.

Furthermore, the CSF submitted a proposal to the Canadian Food Inspection Agency (CFIA) in June 2022, seeking to be the 'Responsible Administrator' for the sheep traceability program outside of Quebec. Throughout the year, numerous meetings were held with CFIA, AAFC, and various industry groups to discuss and gain support for this proposal. The final documentation was presented to CFIA in November 2023, and a decision is currently awaited.

This year's efforts underscore the CSF's commitment to enhancing traceability within the industry, ensuring it aligns with modern standards and contributes to the sector's overall sustainability and efficiency.

Innovative Traceability Technology Developments in 2023

2023 saw the CSF making significant strides in advancing traceability technology, collaborating with the academia and innovators to develop groundbreaking tools.

Revolutionizing RFID Reading:

A key achievement was the prototype of a new RFID reader designed for affordability and efficiency. This reader, expected to be test-ready by late 2023 to early 2024, seamlessly integrates with mobile devices, directly feeding data into the AgroLedger system. This innovation eliminates the need for file transfers, enabling real-time reporting and making RFID technology more accessible.

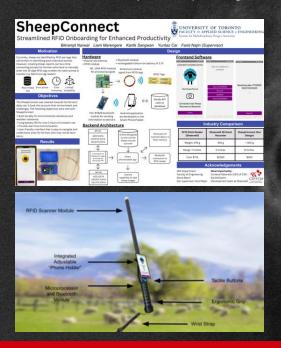
Advancing Facial Recognition for Livestock:

Further refinements in facial recognition technology, first developed in 2022, have enhanced its accuracy. Improvements in distance and angle recognition, even for moving animals, bring us closer to effortless trace data capture and simpler reporting processes.

OCR Technology for Paper-based Reports:

Recognizing the transitional phase of digital reporting, the CSF initiated the development of Optical Character Recognition (OCR) technology in 2023. This technology is designed to digitize paper-based traceability reports directly into AgroLedger, streamlining the transition from manual to digital reporting. The project is expected to continue through spring 2024, further simplifying traceability processes with Al integration.

These initiatives represent the CSF's commitment to leveraging technology to enhance traceability in the sheep industry, easing the reporting process and ensuring compliance with regulatory requirements.







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Global Initiative for Sustainable Parasite Management

The CSF is proud to announce its participation in a transformative global initiative aimed at revolutionizing the management of livestock gastrointestinal nematodes (GIN). The international collaboration, involving stakeholders from various sectors, aligns with our vision of minimizing the economic and welfare impacts of GIN. This global partnership seeks to develop sustainable management strategies that do not solely rely on anthelmintic drenches, which are facing increased resistance.

The work conducted by this initiative will directly benefit Canadian producers by equipping them with the tools and knowledge to manage GIN in an economically viable and animal-friendly manner. The initiative is committed to developing a suite of new tools and approaches that will form the basis of innovative management systems, promising a sustainable future for the control of GIN.

The CSF's involvement in this global conversation underscores our commitment to the health and welfare of sheep in Canada and worldwide. We bring our expertise to the table, ready to contribute to and learn from this collective effort to safeguard our industry against one of the most significant challenges it faces.

Advancing Flock Management with the Pregnancy Scanning Training Program

The Canadian Sheep Federation proudly reflects on the success of the 2022 Pregnancy Scanning Training Program, a milestone in our commitment to advancing flock management. Over a three-day beginner training program, participants honed their skills by scanning more than 320 ewes, while the advanced training enabled four individuals to apply high-level techniques to over 100 ewes. This practical skill set is invaluable, not only enhancing individual proficiency but also fortifying the collective expertise within our industry.

The program's financial summary highlighted the challenges of offering such specialized training. Despite the costs outweighing the revenue, the CSF is committed to establishing a sustainable financial model. Our 2024 session is poised to further this initiative by seeking partnerships, streamlining costs, and refining fee structures, ensuring the program's long-term viability. A significant waiting list indicates strong demand, and we are intent on delivering by centralizing the training, thereby reducing expenses and creating a focused, efficient learning environment.

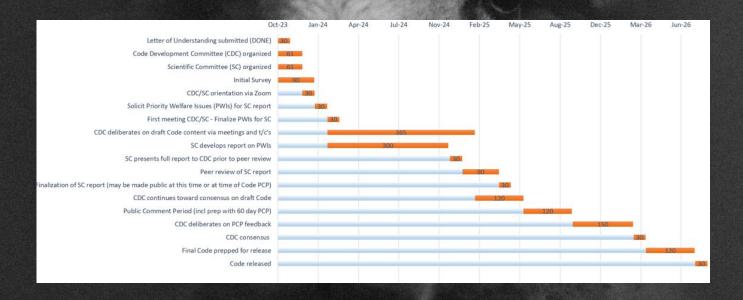
In line with our strategic goals, the CSF continues to advocate for policy changes that will permit independent technicians to perform pregnancy ultrasound scanning. This change is crucial for allowing trained professionals to directly contribute to the management and welfare of flocks across Canada. Through collective effort and shared expertise, we are equipping the next generation of sheep farmers with the necessary tools for success. Join us as we cultivate a future where the Canadian sheep industry is not only growing but thriving sustainably.

A Decade of Dedication: Code of Practice for Sheep

As we celebrate ten years of the Code of Practice for the Care and Handling of Sheep, we reflect on the progress made and the journey ahead. The Code has been a beacon, guiding welfare standards and ensuring that the best practices in sheep care are not just recommended but institutionalized. The ongoing review process is a testament to our commitment to continuous improvement, aligning with the latest research and field insights.

This year, the Canadian Sheep Federation (CSF) steps forward as the industry lead for this review, a role we embrace with the responsibility it entails. The review's focus will be to enhance the Code's relevance, ensuring it remains a practical and effective tool for producers, taking into account the dynamic nature of our industry and the welfare of the animals at its heart.

As we work towards refining the Code, we engage with a broad spectrum of stakeholders, from veterinarians to animal welfare experts, and most importantly, the producers themselves. This collaborative approach ensures that diverse perspectives are considered, leading to a well-rounded and robust set of guidelines. The CSF is dedicated to spearheading this initiative, setting the stage for the next decade of sheep welfare excellence.



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Integrated Health Programs: Commitment to Excellence in Animal Health

As stewards of animal health and industry integrity, the Canadian Sheep Federation (CSF) has continuously championed programs that not only enhance the welfare of our flocks but also fortify the trust placed in our industry by consumers and international trade partners.

Scrapie Flock Certification Program (SFCP)

In alignment with the World Organisation for Animal Health's (WOAH) compartmentalization standards, the SFCP stands as a testament to our proactive measures against scrapie. Recognized by the United States Department of Agriculture (USDA), the program facilitates the trade of live small ruminants, affirming the quality and health of Canadian livestock on the global stage. The forthcoming revisions by the Canadian Food Inspection Agency (CFIA) signal a potential turning point for the SFCP. As these changes take shape, the CSF is vigilant, assessing their implications to ensure that the program's benefits continue to incentivize participation and uphold our standards of excellence.

Canadian Verified Sheep Program (CVSP)

With its comprehensive scope, the CVSP embodies our holistic approach to flock management. This extensive assurance program covers critical aspects such as on-farm food safety, biosecurity, and animal care, ensuring that Canadian sheep producers are not just meeting but surpassing expectations. Currently under review by the CFIA's Food Safety Recognition Program (FSRP), the CVSP may encounter changes in recognition criteria. The CSF remains a staunch advocate for voluntary inclusion, reflecting our belief in empowering producers with choice while maintaining stringent health and safety standards.

Chronic Wasting Disease Herd Certification Program (CWD HCP)

While chronic wasting disease (CWD) does not directly affect sheep, its similarities to scrapie warrant our vigilant management. The CSF administers the CWD HCP across Saskatchewan, Manitoba, Ontario, and Quebec, dedicating resources to understand and mitigate the risks posed by CWD to our flocks. The forthcoming year is pivotal, with anticipated revisions to the program designed to strengthen our defenses against environmental transmission risks. These efforts underscore our commitment to adaptive management strategies that protect our livestock and, by extension, the viability of our industry.

The CSF's integrated health programs are more than a set of protocols; they are a reflection of our dedication to safeguarding the health of our flocks and the viability of our industry. As we navigate regulatory landscapes and emerging health challenges, our commitment to proactive, comprehensive, and compassionate animal care remains unwavering.

Shaping a Sustainable Future: The Sheep Sustainability Framework

In the stewardship of our land, care for our animals, and respect for the people who form the backbone of the sheep industry, the Canadian Sheep Federation (CSF) is proud to introduce the Sheep Sustainability Framework. This framework embodies our ethos—honoring the interconnection of our ecosystems, the well-being of our flocks, and the livelihoods of our farmers.

Defining Benchmarks:

The framework aspires to set definitive benchmarks for sustainable sheep farming in Canada, aligning practices with the standards of environmental stewardship.

Building Trust and Connections:

By establishing clear, science-backed sustainability claims, the initiative intends to bolster consumer confidence and strengthen the connection between producers and consumers.

Tools for Sustainability:

The ambitious goals of the framework include equipping farmers with the necessary tools and knowledge to adopt sustainable practices, thereby ensuring operational longevity and high-quality sheep production.

Community and Connection:

The framework is a collaborative tapestry, woven with the insights and experiences of all stakeholders. It is a living document, inviting input and adaptation as we collectively nurture the industry toward a resilient and thriving future.

Collaborative Development:

The CSF's approach is collaborative; the initial draft, created with the aid of summer staff, will benefit from broad stakeholder input. The framework will be introduced at the 2023 Annual General Meeting, inviting further contributions and refinement.

Engagement and Action:

The CSF invites all who share our vision of a balanced and conscientious sheep industry to contribute to the ongoing refinement of the framework, starting with its introduction at the 2023 Annual General Meeting.

Global Sheep Producers Forum: Pioneering Sustainable Practices

The Canadian Sheep Federation (CSF) is proud to present the advancements and initiatives undertaken in collaboration with the Global Sheep Producers Forum (GSPF) over the past year, marking significant strides towards sustainable development within the industry.

Unifying for Sustainability: The Global Sustainability Framework

In the fall of 2022, the GSPF achieved a pivotal milestone by aligning with the Global Sustainability Framework. This consensus is more than a commitment—it's a catalyst for a new era in agriculture, where environmental stewardship is a shared responsibility. The framework's adoption by member countries, with CSF's active involvement, underscores our collective vision for a greener future in livestock farming.

Amplifying Voices: The Next Generation Podcast Series

The CSF, in partnership with the GSPF, introduced the Next Generation podcast series—an innovative platform that brings together voices from across the globe to discuss sustainable agriculture. This series has successfully fostered a space for sharing transformative ideas and practices, paving the way for a new age of thought leadership within the global sheep industry.

Empowering Leaders: The Next Generation Sheep Producers Programme

In anticipation of LambEx 2024, the GSPF is gearing up to launch the Next Generation Sheep Producers Programme. This forward-thinking initiative is designed to nurture emerging talent from participating countries. GSPF members will select their country's delegation to the program, which aims to facilitate a comprehensive experience, including farm visits, processing insights, meetings with local senior leadership and an opportunity to take in LambEx 2024. This is more than an investment in individual growth; it's a commitment to cultivating a legacy of sustainable agriculture and industry leadership for years to come.

As we reflect on these achievements, the CSF reaffirms its dedication to the principles and goals set forth by the GSPF. By continuing to work hand-in-hand with international partners, we strive to enhance the vitality of the sheep industry, ensuring it thrives sustainably for generations.

Collective Efforts to Improve Animal Health

The Canadian Sheep Federation (CSF) has witnessed a pivotal shift in veterinary pharmaceutical access and availability, a change that has rippled across the entire livestock industry. In response to the diminishing range of available products in the Canadian market, the CSF, alongside other national livestock groups, has been proactive in convening discussions with federal government agencies. The aim is clear: to advocate for regulatory reform that ensures the availability of essential veterinary medications.

These conversations gained momentum and support at high-level meetings, including the 'Leadership Action for the Pan-Canadian Action Plan for AMR in Animal Health', where the consensus was that improved access is vital for managing resistance effectively. Recommendations for regulatory reform are currently being crafted, with the goal of safeguarding animal health and the integrity of the industry.

The CSF's commitment extends beyond dialogue to active support of CgFARAD, a cornerstone in veterinary pharmacological services. For over a decade, the CSF has provided both funding and advisory representation, recognizing the service's critical role in food safety. Despite industry support, there is a growing voice advocating for public funding for CgFARAD, reflecting its importance in food safety and the health of small ruminants. The annual reports published by CgFARAD, which detail common diseases and product recommendations, are invaluable to the industry.

In addition to pharmaceutical advocacy, the CSF has spearheaded the Small Ruminant Surveillance Network, enhancing disease monitoring capabilities in response to shifting climate patterns. The Vector-Borne Disease Network, another initiative supported by the CSF, has been crucial in tracking and mitigating emerging health threats, demonstrating the CSF's commitment to forward-looking health management.

With the introduction of federal funding for a national Foot and Mouth Disease Vaccine Bank in 2023, the CSF has taken a front-row seat in planning and strategizing for FMD prevention and preparation. The shared North American FMD vaccine bank's shift in status has prompted the CSF to contribute to Canada's own vaccine bank development and strategy, in collaboration with Animal Health Canada's AHEM division.

The work of the CSF in these areas remains a top priority, reflecting a dedication to addressing one of the most critical issues in domestic animal health. The strategies and SOPs being developed will be crucial in ensuring the CSF's readiness for any FMD outbreak, aligning with global health management practices. The upcoming AGM will be a platform for the CSF to share these significant developments and encourage industry-wide participation in these crucial health initiatives.

Strategic Advancements in the Sustainability of the Sheep Industry Supply Chain

The Canadian Sheep Federation (CSF) has conducted a comprehensive study to assess the environmental impact of inter-provincial sheep transportation. The critical findings underscore the significant role of transportation in greenhouse gas (GHG) emissions within the supply chain, with over half of all transportation emissions attributed to interprovincial movement. Sheep being transported between provinces accounts for a disproportionate share of emissions.

Our strategic recommendation advocates for adopting a decentralized provincial plant structure that will support a reduction in inter-provincial transportation of live sheep. By facilitating processing closer to the point of livestock production, we project an 11.85% decrease in GHG emissions across the supply chain. This shift towards regionalized processing capacities not only aligns with sustainable industry practices but also offers a robust response to the environmental challenges posed by long-distance animal transport.

The theoretical model explored in our study demonstrates a potential reduction to 375,408 tonnes of CO2EQ in total transport emissions, equating to 10.96 kg CO2EQ per pound of meat sold. This transition, bolstered by regulatory support, could pave the way for a more sustainable sheep industry, resonating with the global drive towards reduced emissions and heightened environmental stewardship.

The CSF is committed to leveraging these findings to inform policy discussions and industry practices, focusing on the environmental and sustainability benefits that come with reduced transportation of live animals. The implementation of regional processing facilities is a strategic move towards a greener future, one that promises significant advantages for the sustainability of the sheep industry's supply chain.

Advancing the Animal Protein Sector

The Canadian Sheep Federation's engagement with the Animal Protein Table has been instrumental in advancing the interests of Canada's animal protein sector. Our mandate has been clear: to fortify Canada's competitive edge globally. This has been pursued through our dynamic working groups focused on regulations, supply chain resiliency, labour, and technology—the latter co-chaired by the CSF's Executive Director, leading the charge in agricultural tech innovations.

Each group plays a pivotal role in our strategy, from streamlining regulations to bolstering the workforce and ensuring robust supply chains capable of withstanding global shifts. Our collaborative efforts underpin a unified vision to sculpt a resilient future for Canadian animal protein, leveraging cutting-edge technology and embedding sustainable practices.

This active participation echoes our dedication to shaping a sector that is sustainable, technologically advanced, and responsive to the evolving needs of our workforce and global market demands. The comprehensive details of our involvement can be explored further at <u>Sector Engagement Tables</u>.

ELD's and Livestock Transportation

In our unwavering commitment to the well-being of livestock and the needs of primary producers, the CSF has been actively advocating for essential changes to Electronic Logging Device (ELD) requirements for livestock haulers. Understanding the unique challenges faced in transporting living animals, we've engaged in collaborative efforts with livestock sector partners, striving to shape a regulatory environment that is both practical and compassionate.

Our activities have included participating in industry meetings, providing detailed briefings to ministerial staff, senators, and Members of Parliament, and presenting our insights and recommendations at the AGRI Committee hearings. These efforts are driven by our dedication to ensuring that transportation regulations are attuned to the realities of livestock hauling, thereby supporting our producers in their vital role of maintaining the integrity and efficiency of the livestock supply chain.

By advocating for these changes, we aim to safeguard the welfare of the animals while also reinforcing the operational viability and success of our primary producers.

United for Progress: A Positive Path Forward for the Canadian Sheep Industry

As we conclude this report, the Canadian Sheep Federation extends heartfelt gratitude to every individual who has contributed to the advancement of our industry this year. Our collective achievements stand as a testament to what we can accomplish when we unite in purpose and action.

In the spirit of camaraderie, we extend an open invitation to all members of our community to join hands in furthering the mission of the CSF. It is natural for a diverse industry such as ours to encompass a wide array of views and positions. We believe that this diversity is a strength, not a weakness. It is in the harmonious balance of differing perspectives that we find the most innovative solutions and the most robust strategies for growth.

We encourage every member of our community to actively participate and contribute to the discussions and initiatives that shape our sector. Let us set aside differences and focus on our shared vision of a thriving, sustainable, and resilient sheep industry in Canada. It is through positive engagement, constructive dialogue, and a collective will to succeed that we can overcome challenges and celebrate our successes together.

Let us move forward with a renewed sense of optimism, recognizing that while we may hold different opinions, our common goal is unwavering: to make the Canadian sheep industry a model of success and positivity. As we look to the future, let's embrace a spirit of cooperation and positivity, fostering an environment where innovation flourishes and negativity finds no foothold.

Together, we are building an industry that not only we can be proud of, but also one that will be revered for generations to come. Join us in this journey; your voice, your hands, and your passion are what will propel us forward. Here's to a future where we all contribute to making the Canadian sheep industry a beacon of excellence and a better place for all.