Highlights from 2008

- AEPA as a forum for agricultural input: The Land-use Framework, the Alberta Water Council (AWC) and the Clean Air Strategic Alliance (CASA) now view the AEPA as a forum for agriculture industry engagement and for representation of agricultural interests on natural resource management issues. The Land-use Framework is aimed at addressing land management issues arising from the rapid growth of Alberta's economy and population. AWC and CASA are consensus-based partnerships that recommend strategies for water management and improved air quality, respectively.
- Industry consensus on suggested actions for the federal government regarding plants with novel traits (PNTs): A PNT is a plant that contains a trait which is both new to the Canadian environment and has the potential to affect the specific use and safety of the plant with respect to the environment and human health. These traits can be introduced using biotechnology, mutagenesis, or conventional breeding techniques. The AEPA recognizes the federal government's regulatory approach to PNTs is intended to protect human and livestock health, as well as the environment; however, there was a concern that this approach may hinder the commercialization of innovative technologies and products that could have environmental benefits.

The AEPA's discussion on this topic was the first time that all of Alberta's agriculture industry discussed the agri-environmental implications of PNTs at one table. It assessed the issue from both the cropping and livestock perspectives. The AEPA recommended that PNTs regulations and processes be science-based, effective, transparent, and representative of stakeholders' interests. The suggested actions included harmonization of definitions and regulations, as well as ensure appropriate evaluation of PNTs that are aligned with the levels of benefit/risk to the environment, and human and livestock health.

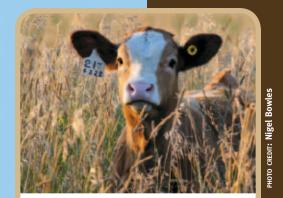
• Industry input into bioenergy policy: The AEPA provided industry-supported feedback to the Alberta Government's *Nine-Point Bioenergy Plan*. The AEPA's recommendations focused on opportunities for streamlining and improving policies, regulations, extension and investment to increase the production of green energy through a viable, rural community-based, bioenergy industry.

The key principle underlying the AEPA's recommendations was that the Alberta Government's bioenergy policy should benefit the agriculture sector as a whole. The policy must also be realistic, practical to implement, long term, viable, balanced, integrated with current polices and programs, and proactive for the environment and agriculture.

Many of the recommendations are in support of bioenergy clusters, particularly biogas clusters. For example, manure from local livestock operations and wastes from a municipality could be managed together to produce biogas. The AEPA views the cluster approach as the best opportunity to significantly enhance economic, environmental and social outcomes in rural communities. Some aspects of the recommendations were incorporated into the new Provincial Energy Strategy.

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Plans for 2009

In 2009, the AEPA's innovative efforts to develop balanced, integrated agri-environmental policy recommendations will continue and progress, through the five project teams created in 2008:

- The Bioenergy Cluster Project Team will complete its work by December 2009, when it will submit its policy recommendations to support the formation of bioenergy clusters to the AEPA Board.
- The Ecosystem Services Project Team's recommendations on rewarding agricultural producers for stewardship practices will be vetted through the AEPA partners in Spring 2009 and forwarded to the Institute for Agriculture, Forestry and the Environment by June 2009.
- The Environmental Market Opportunities Project Team expects to complete its work to assess "green" market opportunities by March 2009.
- The Manure Nutrient Market Project Team will finalize its policy recommendations on ways to more fully capture manure's economic value by March 2009.
- The recently created Complex Strategic Planning Project Team will be expanding its efforts. It will be fleshing out the details of its draft objectives and actions so the AEPA will be able to provide effective input on Alberta's major policy frameworks.

AEPA Board Members, 2008

The AEPA's Board of Directors was formally established in January 2008. The 16 board members are committed to two-way communication between the agencies they represent and the Board, to enable the AEPA to develop a unified voice on priority issues.

Board Member/Alternate	Agencies Represented
LIVESTOCK INDUSTRY GROUPS	
Glenda Elkow	Alberta's 7 diversified Commission, Alberta C Reindeer Association, Association, Bison Pro Association of Alberta,
Rients Palsma, Co-Chair	Alberta Milk
Jurgen Preugschas	Alberta Pork
John Richter/Martin Van Diemen	Alberta's 4 poultry org Alberta Egg Producers Hatching Egg Produce
Rich Smith	Alberta Beef Producers
CROP INDUSTRY GROUPS	
Graham Caskey	Alberta Canola Commi
Tom Jackson	Alberta Pulse Growers Association
Wayne Tuck	Alberta Winter Wheat
John Wozniak	Alberta Barley Commis
ENVIRONMENTAL NON-GOVERNMENT	ORGANIZATIONS
Kim Schmitt	Ducks Unlimited Canad
Murray Marsh	Society for Environmen as selected by the Alb
GOVERNMENTS	
Bob Barss	Alberta Association of
Colin Jeffares, Co-Chair/Carol Bettac	Alberta Agriculture and
Dan Wilkinson/Kate Lindsay	Alberta Sustainable Re
Bev Yee/Janet Mclean	Alberta Environment
LIAISON	
Rodney Dlugos	Agriculture and Agri-Fe

Contact the AEPA

For more information about the Agri-Environmental Partnership of Alberta, please contact the AEPA Secretariat:

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Executive Manager	Project
Phone: 780-427-3908	Phone:
Email: carrie.selin@gov.ab.ca	Email: j

Or visit the AEPA's website, **www.agpartners.ca**, which will be coming online in the spring of 2009.

vestock organizations (Alberta Elk at Breeders Association, Alberta Alberta Whitetail and Mule Deer ducers of Alberta, Horse Industry Ostrich Association of Alberta)

nizations (Alberta Chicken Producers Alberta Turkey Producers, Alberta and Alberta Oat, Triticale and Rye

Illy Responsible Livestock Operations erta Environmental Network

Aunicipal Districts and Counties

Rural Development ource Development

d Canada

Dietrich t Manager

780-427-3629 janet.dietrich@gov.ab.ca



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AGRI-ENVIRONMENTAL PARTNERSHIP OF ALBERTA

2008 ANNUAL REVIEW

ABOUT US

The Agri-Environmental Partnership of Alberta (AEPA) is an inclusive partnership of the agricultural industry, government and public stakeholders This diverse group provides a unique forum for developing balanced policies and programs to encourage a vibrant, profitable agricultural industry and a <u>healthy, sustainable environment.</u>

The AEPA grew out of a need identified by many agricultural organizations for a transparent partnership between government and the agricultural industry, and for a collaborative approach to resolving agri-environmental issues.

The AEPA provides a unified voice on agri-environmental issues in Alberta. The 16 members of its Board of Directors provide direct communication links to 24 agricultural organizations, as well as federal, provincial and municipal government agencies, and two environmental non-government organizations. The Board is jointly chaired by a representative of Alberta's agricultural

> industry and a representative of the Alberta overnment. The AEPA Secretariat carries out dministrative functions for the AEPA.

Using a consensus-based approach, the AEPA dentifies its agri-environmental priorities, sets broad policy directions and coordinates esources to address priority issues. It takes a strategic, proactive approach to achieving its three goals, which are:

- Agricultural producers in Alberta are recognized as good stewards of the environment.
- Alberta has a growing, profitable agricultural industry.
- Environmental health in the agricultural areas of Alberta shows measurable improvement.

By working together, the AEPA aims to ensure that agriculture and the environment both flourish in Alberta.

ABOUT THIS REPORT

AEPA

The AEPA was formed near the end of 2007, and its Board of Directors was established in January 2008. This report reviews the AEPA's activities and accomplishments in 2008 and outlines plans for 2009.

VISION

Alberta's agriculture industry is profitable, thriving, accountable and recognized for its pro-active, responsible environmental stewardship.

MISSION

Facilitate a robust dialogue to reach consensus on policy decisions that are balanced and fair, and will impact both agriculture and the environment.

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A MESSAGE FROM THE AEPA'S INDUSTRY CO-CHAIR

RIENTS PALSMA

Dairy producer and Director on Alberta Milk's Board

I have truly enjoyed being a part of the development of the Agri-Environmental Partnership of Alberta. The seed of the idea was sown in June 2006, when representatives from the need to more effectively address the environmental challenges facing agriculture. We felt that the solution lay in all sectors of the agricultural industry working together in partnership with government.

During 2006 and 2007, the idea germinated and took root through a series of task team meetings, presentations to stakeholder organizations, stakeholder workshops, and two industry forums. In those sessions, the stakeholders confirmed the need for such a partnership, and together we began the first steps to create the AEPA and develop its strategic direction. The AEPA Board was formally established in January 2008.

As I see it, the AEPA's purpose is to bring together the agriculture industry, government, and other closely tied stakeholders in the same room to discuss and develop policies that are consistent across government and that we can all live by. With so many different agencies involved in the AEPA, you're guaranteed to have a lot of different perspectives brought to the table. But our Board members also bring a willingness to listen and understand other people's views, so we have chosen to use the consensus process for making decisions.

Simply put, the consensus process is a way of coming to a win/win decision. Rather than seeking compromise or accepting the will of the majority, consensus is about ensuring that everyone's interests have been met. It means looking beyond your own position to understand others' viewpoints. It involves all participants working collaboratively to craft creative solutions that will be best for all.

My first experience with working in a consensus process was with the Clean Air Strategic Alliance. At first I found the length of time it took to make a decision to be very

frustrating. But through the dialogue and discussion, I gradually began to understand the other stakeholders' points of view and where they were coming from. I soon realized that the several of Alberta's livestock industry groups met to discuss consensus building discussions were really essential to what we were doing.

> In my experiences with the AEPA I have found that our discussions, dialogues and debates have enabled us to build the solid foundation needed for making good decisions. That is what has allowed us to accomplish so much in such a short time.

To me, our greatest achievement so far is that the whole agriculture sector is talking with each other. We have been able to find shared perspectives, to see agriculture as a whole rather than focusing only on our own commodities. And we are talking directly with senior-level government people who have an impact on government policies.

As of December 2008, I am no longer on the AEPA Board. Since I have completed a six-year period on the Alberta Milk Board, I am required to step down, which includes my role as their representative on the AEPA. I'll really miss being a part of this great partnership but I'm happy that new people are coming along to add their ideas into the mix.

It has been an honour for me to work with all the Board members and with Carrie Selin, the AEPA's hard working Executive Manager. I thank each of you for your dedication and commitment to the AEPA's goals.

I believe there is great potential for the AEPA. We have already built a strong foundation through dialogue and discussion. As long as we have creative thinkers willing to partner with each other, I think the outcome can be way beyond anybody's belief.

A MESSAGE FROM THE AEPA'S GOVERNMENT CO-CHAIR **COLIN IEFFARES**

Assistant Deputy Minister, Alberta Agriculture and Rural Development

I first heard about the Agri-Environmental Partnership of Alberta when John Donner, the previous Assistant Deputy Minister with responsibility for agri-environmental issues, brought the concept to the Executive Team at Alberta Agriculture and Rural Development (ARD) in 2006. We immediately saw the potential value of such a partnership and strongly supported the concept right from the beginning.

In June 2008, when I became the AEPA's new Co-Chair, I was truly impressed by what had already been accomplished. The Board members were successfully bringing together a wide range of differing perspectives and creating unified approaches to several priority issues. As a result, the AEPA was already being recognized by other agencies as a valuable source for agri-environmental input.

The Alberta Government is committed to and values the AEPA, providing resources to assist with its development. They believe that the AEPA's broad membership and consensus-based approach make it the right body to build a common understanding within the agri-environmental community, to engage in policy discussions, and to develop informed recommendations for integrated solutions and balanced policies on agri-environmental issues.

The AEPA is a great example of the Alberta Government's business model for multi-stakeholder policy and strategy development. The Alberta Government has found that shared governance is the best approach for dealing with complex issues, and agri-environmental issues are surely complex. The agriculture sector is facing increasing competition with other sectors for limited water and land resources, growing demands from the public to prove that agricultural practices are environmentally friendly, and continuing financial pressures that affect agriculture's ability to adopt improved practices.

The AEPA is helping to turn these challenges into opportunities by creating a foundation of strong agrienvironmental policies, capturing economic opportunities from environmental stewardship, providing a credible,

consistent voice on agri-environmental issues, enhancing the industry's understanding of and ability to address environmental issues, and building and maintaining relationships between industry, government and other stakeholders.

The Alberta Government needs and welcomes the AEPA's input in many areas, from our major policy frameworks – the Land-use Framework, Water for Life Strategy and the Clean Air Strategy – to the various policy pieces being developed to link into those three frameworks.

In 2008, the AEPA was already actively providing this type of input. For instance, it became the agriculture industry's input mechanism into the Institute for Agriculture Forestry and the Environment (IAFE). The Institute's goal is to develop a recommended framework to use market-based instruments to enhance the environmental performance of Alberta's agriculture and forest industries. In other words, it is seeking ways to enhance market competitiveness through environmental excellence. The IAFE is also leading the development of the Conservation and Stewardship Strategy, an essential element in the Land-use Framework. The AEPA understands the crucial importance of its input into the IAFE and has created strong, direct ties.

The AEPA has also built links with the Alberta Livestock and Meat Agency (ALMA). This Agency was created in 2008 to act as a catalyst to help revitalize Alberta's livestock industry. ALMA provides strategic advice to the Alberta Minister of Agriculture and Rural Development to help the livestock industry compete globally and transition to sustainability. The AEPA's balanced understanding of the challenges around blending economic and environmental sustainability makes it a valuable source of stakeholder input for the ALMA.

The AEPA offers a unique opportunity to be proactive, to look at agri-environmental issues on the horizon and develop recommendations on how to address them. I am looking forward to all the AEPA will accomplish in 2009.



PROIECT TEAMS **ADDRESS PRIORITIES**

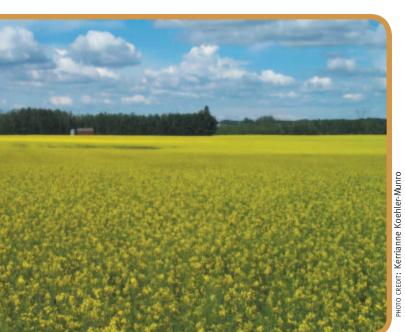
The Agri-Environmental Partnership of Alberta's roles include identifying agri-environmental priorities and developing broad policy directions for dealing with those priorities. In 2008 the AEPA set up five project teams to explore five identified priorities in detail and develop innovative, balanced policy recommendations.

Project teams are typically composed of people from various parts of Alberta's agri-environmental community, including agencies participating on the AEPA Board and others. An agency with an interest in a particular issue can send a representative to sit on the project team for that issue.

The project team members work together to build a common understanding of their issue by gathering information and creating an inventory of the state of knowledge on the topic. They identify the gaps and key requirements, and look for creative and innovative solutions to the issue. They do this by brainstorming, seeking out expertise if need be, and engaging the industry.

The team develops a set of draft recommendations and brings them forward to the AEPA Board. The Board members take the draft recommendations back to the agencies they represent, so all agencies can have input. That input is then discussed by the Board, with the goal of reaching consensus on recommendations to take forward to the Alberta Government and/or other relevant agencies. In many cases, these agencies will have been part of the decision making process, so there is a strong likelihood that they will accept the AEPA's recommendations.

In 2008, the **Bioenergy Cluster Project Team** began developing a policy framework that facilitates and promotes the development of bioenergy clusters. A bioenergy cluster is a facility that produces bioenergy from multiple feedstocks and/or produces several energy outputs. The cluster provides mutual benefits to the partners involved in the cluster, such as reduced costs or increased investment opportunities. Aligning bioenergy-related regulations and policies, and increasing the awareness of the agriculture, municipal and forestry sectors of the potential for integrated bioenergy facilities will help increase the production of green energy, reduce the potential environmental impacts of biowaste, and provide rural development benefits.





In its first year, the Ecosystem Services Project Team made good progress on developing policy recommendations and engaging the agriculture industry on ways to compensate producers for using stewardship practices that enhance ecosystem services (see box). The team's recommendations will provide valuable input for the Institute for Agriculture, Forestry and the Environment.

In 2008, the Environmental Market Opportunities Project Team made progress on its objective to identify the real environmental market opportunities and market risk of verifying production systems for Alberta's agriculture industry. An environmental marketing opportunity is one that has the potential to capture a viable market share for sustainable ecosystem services. A market opportunity is considered "real" if it reduces costs, enhances revenue or maintains a market position. The team's objective is based on two principles: that environmental management is systematic, authentic and beneficial to the producer based on the real opportunities in the market; and that existing management tools are enhanced

During 2008, the Manure Nutrient Market Project Team worked to develop policy recommendations for innovative, market-driven ways to better capture of the value of livestock manure. Manure enhances soil quality and it contains nutrients that crops need, but manure management includes hurdles like high transportation costs. A manure nutrient market based on greater integration of livestock and cropping systems would create a stronger demand for manure nutrients, with potential to achieve significant economic and environmental benefits for the whole agriculture sector.

The **Complex Strategic Planning Project Team**, which formed in late 2008, started developing a strategic plan to identify key drivers and critical control points for the agriculture sector to address Alberta Government policy frameworks. The agriculture sector faces many challenges and opportunities to engage with and provide input to these frameworks, primarily the Land-use Framework, *Water for Life* and the Clean Air Strategy. A strategic plan that identifies agriculture's long-term objectives and specific actions would help the AEPA to provide input to ensure these frameworks are congruent with an environmentally and economically sustainable agriculture industry.

Examples of agriculture's roles in ecosystem services

- Agriculture provides provisioning ecosystem services: food, fuel, fibre, wood.
- Agriculture provides regulating ecosystem services: air quality through carbon capture; water quality through riparian management; erosion control through good rangeland and cropland management; storm and flood protection through natural habitat areas.
- Agriculture provides cultural ecosystem services: panoramic views; sense of place.
- Agriculture provides supporting ecosystem services: nutrient cycling through manure application; soil formation through reduced or zero tillage, perennial forages and rangelands; photosynthesis by crops and grassland plants; wildlife habitat in wetlands, riparian zones, rangelands and treed areas.