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Is There Something Wrong With The Doha Development Round?

nother high profile ministerial meeting ended in failure this July in Geneva. Seven years into the Doha Round, one begins to seriously ask if these trade talks are ever going to yield any results – or if they should, in fact, even continue – or if something shouldn't change about them – or who is to blame for what seems to be a perpetual failure - or what prevents success? Many who are anxious after seven years of talks rightly ask themselves if something is deeply wrong with Doha...

The answer is no, nothing is really wrong with Doha. Putting everything into a historical perspective and into a full, broad context, this Round of multilateral trade negotiations is behaving pretty much as it should. It does indeed take time to sign off on such a comprehensive agreement on all areas of the negotiations and to consent to such an ambitious deal as the one mandated in the Doha Development Round Agenda. And it does indeed take time to get an agreement among 153 countries (full WTO membership)... or 35 (represented this July in the Green Room in Geneva)... or even among seven (the small group of key players that Lamy conjured).

With so many failures on the record, critics weren't shy to point the finger at different "malfunctions" in the system. Let's have a look at some of them:

- The fact that the WTO decision making is by "consensus". Yes, it takes longer to reach an agreement but, especially in a developmental context (don't forget that Doha is the "Development Round"), what better safeguard for small players against the big sharks than the power of vetoing a possible bad deal for them?
- The fact that results of multilateral negotiations come as a "single undertaking". The oft-repeated principle that "nothing is agreed until everything is agreed" slows down the process and makes an agreement harder to reach, but it represents yet another insurance for smaller players or issues of lesser importance that they are also given the appropriate consideration at the negotiating table. Rightly though, this should have its limits. "Cotton" is in, but do "Bananas" also have to be part of the single undertaking? Probably not.



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Cotton Four – A small group of four African countries (Benin, Burkina Faso, Chad, Mali), each producer of cotton who demand from United States a steeper reduction in trade-distorting subsidies for cotton than for other agricultural commodities. They claim they cannot take full advantage of exporting cotton at a fair (higher) world price because of subsidized U.S. cotton.

Bananas

Banana Case – A trade dispute that has been before various WTO Panels and the Appellate Body for the past 10 years. A group of Latin American banana exporters demanded from the European Union that they reduce the preference margin given to imports of bananas from a group of "traditional" ACP suppliers (African, Caribbean and Pacific countries - basically the former EU colonies). The EU was "found guilty" and in order to escape implementing right away an arbitrator's decision, the EU is now trying to sneak in the issue as part of the Doha single undertaking.

Another critique refers to the process usually followed during intensive periods of negotiations or even during a ministerial like the one in Geneva this July. Negotiating in a group of 153 countries is impractical and non-realistic. This is why the WTO Director General or the Chairs of various negotiating areas usually call to the table (in a process known as "Green Room") a limited number of countries, usually the key players, plus representatives of the various country groupings at WTO. This is usually the format where 20 to 30 countries can advance the talks.

However, at critical times, an even smaller group is needed to push a deal forward. This July in Geneva, Lamy created a group of 7 players (EU, U.S., Brazil, India, China, Japan and Australia) to lead the talks. Of course, this created frustration on the part of the other Ministers present who complained they were left in the "waiting room". Unfortunately, the basic reality of WTO negotiations is that one must first have some kind of agreement among the heavy weights and from there, move outwards in circles to cover all the membership. Whether the "inner circle" should have 5, 10 or 15 countries – this is a totally different question and has a lot to do with the circumstances of a meeting, topics discussed and the relationships among the individual country representatives.

Despite its several hiccups, the Doha Round is following its own natural track and one should remain certain that at some point a

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For a weekly update on the WTO trade negotiations, visit the CFC website @ www.chicken.ca and click on the Geneva Watch button

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comprehensive deal will be reached. As the seven past years have shown, the task is not easy but it's doable. With so many issues to deal with (see the box) and so many interests to accommodate (see the box) one cannot hope for a speedy outcome. Even with the failure of the Geneva ministerial in July, basically all participants recognized how far they advanced this time compared to previous occasions and expressed the desire to preserve what has been achieved and reconvene at a future date when the political context will be again favorable.

The Doha Round will not crumble!

SSILES

The following is a list of all the ingredients that will be part of the Doha single undertaking:

- **Agriculture** reductions in subsidies, tariff cuts, market access, elimination of export subsidies
- Non-agricultural market access (NAMA/industrial products) tariff cuts and sectoral negotiations (further ambition for some sectors on a voluntary basis)
- Services market access and clearer disciplines on domestic regulations
- Rules anti-dumping, subsidies and countervailing duties, subsidies in fisheries, regional trade agreements
- Intellectual property geographical indications (GIs) and disclosure of genetic material and traditional knowledge
- Other issues environment, trade facilitation, dispute settlement system

Players

In very broad terms the rules that are being negotiated at WTO will apply to three categories of WTO members:

- developed countries
- · developing countries
- least-developed countries

This distinction has existed since the '60s and was based on the principle of "special and differential treatment" under which developing members were asked to make a lesser effort during negotiations (in recognition of their lower level of development). While in the case of developed members things are straightforward and simple, there is a great deal of differentiation between developing countries... as some are more developed than others, or some claim a particular treatment for certain reasons that make them special. Specific criteria are used to designate the least-developed countries, but the developing country status is a self designation, which creates difficulties with new emerging economies (Brazil, for example). In addition to the general class of "developing countries" there are additional "types" of differentiations:

- small, vulnerable economies (SVEs) 31 members
- recently acceded members (RAMs) 12 members
- members with low binding coverage (few bound tariffs) 12 members

In one way or another, in all areas of negotiations all these types of developing countries have to be given a special treatment and additional flexibilities.

Anatomy of a Failure

he following is an account of what happened during the nine days of ministerial talks in Geneva between July 21, when negotiations formally opened, and July 29, when the collapse was announced.

First, however, a word of clarification: was the meeting a "ministerial" or a "mini-ministerial", a "formal" or "informal" gathering? The "Ministerial Conference" is the supreme WTO body, a gathering of the full WTO membership, normally represented at trade or foreign affairs minister level, which takes decisions on major issues. The Conference usually meets every two years and the last one was in Hong Kong in December 2005. In between Conferences, decisions at WTO are taken by the General Council where the full WTO membership is usually represented at the ambassador's level. These two bodies meet regardless if comprehensive multilateral negotiations such as those that are part of the Doha Round take place.

In the context of the Doha Round, there is a WTO body that supervises the totality of negotiations in all areas: the Trade Negotiations Committee (TNC). This is also a gathering of the full membership where countries are represented most often at ambassador level. The TNC exists only as long as comprehensive negotiations take place.

The July meeting in Geneva was called by Pascal Lamy, the WTO Director General. So it was not a gathering that was open to the full membership. Lamy called trade and agriculture Ministers, representing about 35 countries to meet informally (outside of the formal WTO bodies) to try reaching an agreement. Meetings took place in the "Green Room" format, meaning in an informal manner. The process proposed by Lamy included Green Room discussions, followed by

information sessions for transparency purposes, which were open to the full WTO membership in the form of TNC meetings. As it appeared, even talks in the Green Room proved difficult, as the group was too large and after few days, Lamy decided to create the "Group of Seven (G7)" key countries to lead the talks (EU, U.S., India, China, Brazil, Japan and Australia).

So, the July Geneva gathering can be qualified as an informal ministerial meeting. Had there been an agreement in the end, Lamy would have taken the proposal emerging from the Green Room and present it to the TNC. Had the countries signaled that they agreed with it, he would have brought the proposal into the General Council for final formal approval by all 153 WTO members.

July 21-22 - The Beginning

- The ministerial gathering opens (Green Room); countries take time to make general statements.
- EU comes to Geneva with a little "bonus": the offer that it would cut agricultural tariffs, on average, by 60% (the draft modalities text asks for 54% average cut); EU gesture is symbolic it means really nothing in concrete terms.
- Following EU, the U.S. also presents its own "bonus": Americans finally commit to cut trade distorting subsidies down to a level of \$15 billion annually (in the past U.S. stayed firm on the position of \$17 billion); the gesture is also symbolic in these times of high world food prices, U.S. subsidies are about \$7 billion annually
- The mood is qualified as "cautiously optimistic" however, the
 offers by EU and U.S. clearly create a relaxed atmosphere and
 shows openness on their side.

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 The Indian Trade Minister (Kamal Nath) had to fly back to India for a key confidence vote in their Parliament; in the absence of such a key player as India, the general level of engagement is minimal.

July 23

- Lamy has noticed in previous days that Green Room discussions where not very effective; too many countries, too many areas and more often than not talks were taking place in smaller groups
- With the Indian Minister now back in town, Lamy decides to break talks in the Green Room and creates the smaller "Group of Seven" (G7) (EU, U.S., Brazil, India, China, Japan and Australia) to lead discussions on 9 key areas: 6 in agriculture and 3 in Non-Agriculture Market Access (NAMA).
- Negotiations in the new group (G7) are very tense and last into the early hours of the morning.

July 24

- The G7 meets again during the day; nothing transpires from the talks.
- All other Ministers present in Geneva are frustrated; they complain they are being kept in the "waiting room"; they have no official information on what happens in the G7.
- Late in the evening, Lamy convenes a short Green Room to debrief the larger group of Ministers in Geneva and to shake off criticism of not being transparent.

July 25 - The Climax

- Throughout the day, most Ministers and other countries not represented at Ministerial level voice increased concern over the lack of progress and over the G7 process that leaves many in the dark.
- Some Ministers threaten they will leave town unless they also get involved in negotiations.
- Lamy has to juggle between the TNC (informing full WTO membership), the Green Room (accommodating frustrated Ministers) and the G7 (where atmosphere is tense, but tough negotiations are actually taking place).
- Early in the evening, the G7 Ministers announce a breakthrough in negotiations: they have managed to put together a proposal on the key elements in agriculture and NAMA; G7 members did not necessarily agree on the full content but felt it was ready to be presented to the Green Room. Everything is cryptically summarized by Lamy on one single page of bullet points and from that moment, the document becomes known and the "Lamy proposal".
- Lamy presents the proposal in the Green Room; spirits calm down and Ministers agree to take a full day to analyze the paper.

If agreed, the Lamy proposal would have meant the following for Canadian supply management:

- tariff cuts of 23%
- a minimum TRQ expansion of 4% of domestic consumption
- difficulty in placing all SM tariff lines in the sensitive products category: the paper allows for only 4% of tariff lines to be designated as sensitive, or up to 6% against payment with some extra TRQ expansion, while Canada needs 7.3% of tariff lines to be designated as sensitive in order to cover all sectors under supply management
- Special Agriculture Safeguard (SSG) to be limited to 1% of tariff lines at the start and completely eliminated over 7 years

July 26

- In the Green Room, Ministers discuss the Lamy proposal; no one is happy with everything that is in the document, but no one tries making changes for fear of losing everything else.
- Some countries, though, voice specific concerns: China over sectoral issues in NAMA and India over the SSM (the special agricultural safeguard mechanism to prevent a surge of imports for developing countries).
- A TNC also takes place, Lamy giving the opportunity to all WTO members to comment on the proposal.
- The postponed "Signaling Conference" in services finally takes place, obviously shadowed by negotiations in agriculture and NAMA (the conference is meant to allow countries to "signal" their readiness to exchange concessions on trade in services).

July 27-28

- Intensive negotiations alternate between the G7 and the Green Room.
- Lamy is throwing additional elements on the table: the compromise paper only covered key issues in agriculture and NAMA, but there are so many other topics to agree upon.
- All Ministers try closing gaps on as many issues as possible; they work long hours into the nights and early mornings.
- Messages that transpire from meetings are mixed several times a day the mood changes as if it were up and down on a roller coaster; nobody can really predict if everything will end in success or failure; everybody speculates on the outcome and those speculations change few times during the same day.
- More and more often the issue of SSM is mentioned as a very difficult hurdle to overcome; India supported by several developing countries seem to remain hard on their position.

July 29 - The End

- Spirited discussions take place throughout the day, among the G7
 Ministers
- Lamy does everything in its power to save the talks; same do other countries; the focus in G7 seems to be on SSM; Ministers in the small group or in the Green Room try approaching other areas to divert attention from the delicate topic.
- Early in the evening Lamy and the G7 Ministers concede failure; Lamy calls for a Green Room to formally announce to all Ministers that negotiations have collapsed.
- The media rooms are red hot Ministers, high officials and WTO representatives offer their comments and views on the situation.
- The blame seems to fall on India and the United States, who could not agree over a technicality as part of the agricultural safeguards for developing countries.
- Slowly over time, more and more information transpires from
 what has happened during the past few days and the public learns
 that many more were the areas with still significant divergence of
 opinions among countries the SSM may have only been the tip
 of an iceberg of contentious issues.
- Lamy calls a TNC the following day and prepares a "rescue operation" in an effort to salvage as much as possible of the 9 days of hard, intensive negotiations.

July 30 - The TNC

- Most countries reiterate the importance of keeping the progress achieved over the last few days.
- Negotiations Chairs Falconer for Agriculture and Stephenson for NAMA are asked to prepare a report identifying the areas of convergence achieved during the ministerial gathering.
- No decisions are taken on the process to resume the negotiations.



What Lies Ahead for Doha?

uly 29th marked the collapse of 9 days of intensive trade talks among a group of ministers gathered in Geneva. July 30 was the day when numerous countries at a Trade Negotiating Committee (TNC) meeting formally expressed their wish to preserve everything that has been achieved during the previous 9 days and build upon those elements of convergence when negotiations resume.

In order to realize what an effort was invested by countries over 9 days of hard negotiations, here are some of the G7 members' comments made right after the collapse:

- It was a "collective failure" said EU Trade Commissioner Peter Mandelson.
- "Never, never, before have we been so close just to see everything fall apart," said EU Agriculture Commissioner Mariann Fischer Boel
- An observer "would not believe that after the progress made here, we could not conclude," said Celso Amorim, Brazil's foreign minister.
- "It is unfortunate that in a development round we couldn't run the last mile because of an issue concerning livelihood security," said Kamal Nath, India's commerce minister.
- "Even today, 5 of the 7 countries in the leadership group were prepared to accept the Friday proposal by Director-General Lamy," said US Trade Representative Susan Schwab referring to China and India who opposed the deal.

And here is Pascal Lamy at the TNC meeting "the day after":

- "Much has been achieved this week. We were very close to finalizing modalities in Agriculture and Non-Agriculture Market Access (NAMA). A very few issues [...] led us not to establish modalities, but a huge amount of problems which had remained intractable for years have found solutions. Negotiators have been prepared to reach out beyond their entrenched positions and seek compromise, which they did."
- "[...] my view is that the progress we have made in Agriculture and NAMA and in all the other Groups should be preserved. This represents thousands of hours of negotiation and serious political investment by all the Members of the WTO. This should not be wasted."

Ministers and other country representatives who took the floor after Lamy at the TNC meeting agreed that the progress has to be preserved

and negotiations resumed as soon as feasible and possible. The Indonesian Trade Minister, Mari Pangestu, perfectly summed up the situation: "Multilateral talks never fail, they just continue." The only question that remains is when?

In terms of immediate process, Lamy informed delegations that the two chairs of agriculture (Crawford Falconer) and NAMA (Don Stephenson) negotiations would soon release their reports on the 9 days of negotiations, reports that would indicate the elements of convergence. There will be, though, no new draft modalities text released in the near future. When they resume, talks would build upon what has been achieved at this end of July in Geneva. The problem is that many changes are going to occur over the next year or so, all with a direct impact on the dynamics of the Doha negotiations:

- there will be a presidential election in U.S. in fall 2008
- there will be general elections in India in spring 2009
- the mandate of the EU Commission (in charge with EU trade negotiations) will expire in 2009 and new Agriculture and Trade Commissioners will be appointed
- the mandate of Pascal Lamy as WTO Director General will expire in December 2009

Given all the variables enumerated above, here are some possible scenarios over what can happen next in the Doha Round (keeping in mind that your guess as a reader is as good as anyone else's):

- an overly optimistic scenario: talks resume in fall 2008 building on the progress achieved in July in Geneva; the new U.S. administration picks up quickly the trade file and a deal is signed around March 2009, before changes in other countries have time to take place by mid 2009.
- a more realistic scenario: the Round is kept alive by meetings of negotiators and officials over the next year and a true high level political involvement does not take place until mid to late 2009, with the possibility of a deal signed at the end of 2009.
- a very long term and pessimistic scenario: negotiations go into a long period of "deep freeze", not to thaw until 2-3 years from now; by then the convergence achieved in July in Geneva is long time forgotten and talks have to resume on a totally new base with completely unpredictable outcomes.

One way or another, though, the Indonesian minister would be right: "Multilateral talks never fail, they just continue."



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CASS Funding Deadline Quickly Approaching

arm businesses are ever changing. Today's business reality is that new skills need to be learned to expand horizons and keep up with the demands of the marketplace.

Canadian Agricultural Skills Services (CASS) provides advice and funding to farmers interested in learning new skills. The funding deadline is a few months away so it's important to start the process now.

The Canadian Agricultural Skills Service is a Renewal program under

the federal-provincial territorial Agricultural Policy Framework (APF) initiative. Its goal is to help eligible farm producers and their spouses increase their net family income by adding to their farming and/or other marketable skills. Agriculture and Agri-Food Canada provides funding to provincial and territorial governments, Service Canada, or other organizations to deliver CASS, depending on the province or territory.



CASS Federal: http://www4.agr.gc.ca/AAFC-AAC/display-afficher.do?id=1176222540186&lang=e

CASS Federal Overview: < http://www4.agr.gc.ca/AAFC-AAC/display-afficher.do?id=1177519893406&lang=e>

Contact information: < http://www4.agr.gc.ca/AAFC-AAC/display-afficher.do?id=1176828423671&lang=e>

Farmers understand first-hand the need to keep their skills up to date. The Pfeffer farm is an example of an operation working to keep pace. The Pfeffers produce grain and oil seed crops and raise ostrich-like rheas. Mary Pfeffer also takes courses funded by CASS which range from writing, leadership development and health and wellness, to business planning workshops.

CASS is specifically geared to farmers. More than 900 farmers and spouses have already benefited from funding that has enabled them to take courses on everything from welding to cheese-making. Other learning opportunities include programs on environmental management, food safety and food quality, and new product and market development. Some farmers have used the program to upgrade their farm management or technical skills. One enterprising farmer applied her new skills to operate a bakery and catering service from the farm using some of her home-grown produce.

One farm spouse took accounting training funded by CASS and is putting her new skills to use on and off the farm. She manages their farm's accounting and works parttime off the farm. The training makes it possible to save accounting fees while adding to the household income. She feels good about herself and appreciates the off-farm experience and networking.

Depending on a farm family's net income, a farmer or spouse can receive up to \$16,000 through CASS. It doesn't matter if a farmer is just getting started or is established. One can choose to

learn a brand new skill or take courses that will help turn the farm's raw product into something new for a value-added market.

When applying for funding a skills assessment advisor is assigned to the applicant. That advisor helps plan the training.

Farmers should take a few minutes to find out more about CASS. The cut-off date for funded training through CASS is January 31, 2009. If farmers have participated in the Canadian Farm Family Options Program the deadline is November 20, 2008.

CASS is funded through a federal-provincial Agricultural Policy Framework to position Canada as the world leader in food safety, innovation and environmentally responsible agriculture production.





2008 Summer Meeting Report

very year, Chicken Farmers of Canada holds its Summer Meeting in a different location across Canada. The Summer Meeting serves as CFC's greatest yearly opportunity to meet somewhere other than in Ottawa for meetings. By switching the scenery every year, CFC gets to enjoy some of the most beautiful surroundings in the country!

This summer was no exception, with CFC's meeting being held in historic Halifax, and hosted by Chicken Farmers of Nova Scotia.

The original gateway to Canada and certainly the gateway to the Atlantic, Halifax is home to peaceful nature scenes, the taste of salty ocean air, ships from around the world and a rich cultural heritage. Once again, it was difficult for Directors and staff to tear themselves

away from their beautiful setting in order to get the necessary work done. Still, they did manage to get in a little activity, such as golf, tours, as well as a down-home lobster cook-off.

Despite the difficulty they must have had, Directors were extremely successful in maintaining their focus on their extremely charged meeting agenda. The meeting



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provided CFC Directors an opportunity to discuss important matters at length, especially at this mid-point in CFC's year, when it is important to review activities and determine if any strategic direction must be changed.

Directors heard an extensive update on the WTO negotiations in Geneva, animal care issues and food safety programming, along with a plethora of other issues, including CFC's new five-year Strategic Plan.

A Brief about the Strategic Plan

2008 marks the last year of CFC's current five-year strategic plan. A Strategic Plan Renewal Committee comprised of eight members representing various sectors of the industry, from farm to processing to retail, was formed in 2007 to develop the next five-year plan, spanning 2009-2013.

Over the course of 2007 and into 2008, the Committee members discussed their outlook for the industry in the next five years, as well as key trends which are currently influencing or will impact the industry in the future, and began the process of shaping the next five-year plan. Consultations also included a panel of experts from the fields of demographics and consumer attitudes, restaurants and foodservice, finance and business, and environmental trends and drivers. This carefully-planned priority setting process provides the industry with a well-paved path to the future, buttressed by the support and cooperation of all involved.

By interpreting the needs of Canadians and industry stakeholders, Chicken Farmers of Canada has been able to realize important goals, implement industry-wide policies and programs, increase our efficiency and build consumer confidence.

The new strategic plan was presented to Directors in the early Spring and was approved at this year's Summer Meeting. More details on the plan will be made available in the next issue of *Chicken Farmer*.

CFC Bids Farewell to Tony Tavares

Every year, CFC welcomes new partners to the CFC Board table. Unfortunately, this means that CFC must bid "adieu" to our other partners who have to retire from their positions on CFC's Board. Every one of CFC's Directors has made a valuable contribution to the agency's growth and development over the years and this contribution cannot be underestimated.

This year, CFC bade farewell to retiring Director Tony Tavares, a tireless CFC Board Member and contributor, whose objective insights and hard work on various issues have assisted in strategic planning and in developing CFC policies.

Tony had previously served as a Governor-in-Council appointee on the Canadian Chicken Marketing Agency (now CFC) board from 1994 to 1996. He rejoined the CFC board in 2002 and served since that time as one of the CPEPC representatives. As such, he is one of CFC's longest-serving Directors. Tony had been a key member of the Market Development Committee and the Production Policy Committee since 2002.

CFC Chairman David Fuller took the opportunity to recognize Tony and to thank him for his enormous contribution to CFC over the years. \bigcirc

Chicken Farmers Unite in Food Safety

anadian chicken boards from coast to coast signed a landmark agreement on August 12th in Halifax, Nova Scotia at the 2008 summer meeting. The "On-Farm Food Safety Assurance Program Memorandum of Understanding" represents the commitment to the ongoing implementation and maintenance of a national on-farm food safety program.

This is an important milestone for CFC, as it represents the next step in moving towards CFIA's full recognition of the program.

The program, called *Safe, Safer, Safest*, has been in place for nearly a decade and is practiced on Canadian chicken farms across the country. Today's signing reaffirms the provincial chicken boards' commitment to the system, which involves extensive record keeping, on-farm audits and certification services for all Canadian chicken farmers.

It was developed in 1998 with support from Agriculture and Agri-Food Canada and CFC was the first national farmer organization program to complete Phase 1 of the Federal-Provincial-Territorial government's technical review process, led by the Canadian Food Inspection Agency.

"Our program was developed by farmers, for farmers," said CFC Chairman, David Fuller. "Canada has high food safety standards and our program ensures they are being met and exceeded."

"Under *Safe*, *Safer*, *Safest*, top-notch safety practices and procedures will be found on each Canadian farm. This will ensure that Canadian chicken farmers continue to produce a safe and high quality product, as they have been doing for generations," he added.

The Memorandum of Understanding signed today and witnessed by the Honourable Brooke Taylor, Nova Scotia Minister of Agriculture, outlines the division of roles, responsibilities and authorities between the provincial chicken boards and Chicken Farmers of Canada to reaffirm Canada's commitment to deliver high quality chicken consumers can trust.

"Being able to demonstrate the good production practices being followed on-farm proves to consumers and industry stakeholders that chicken is a quality product," explains Fuller, "We are very proud of this program and what it represents for consumers and farmers alike."

David Fuller also took the opportunity to thank Minister Taylor and his fellow provincial agriculture ministers from across Canada who actively supported supply management and the interests of Canadian dairy, poultry and egg farmers during the WTO negotiations in Geneva. The minister received a standing ovation from the over 200 meeting participants in attendance.

Removing the skin from chicken parts before or after cooking doesn't affect the fat content – but eating it does! About two thirds of the fat in chicken is in the skin. But you may not want to run away from it just yet. Chicken skin has protein, phosphorous, iron, calcium and vitamin A!

Canada Day - Sweet 16

uly 1, 2008 marked the 16th Canada Day in a row of the *Great Canadian Chicken BBQ*; not only was it CFC's sweet sixteen as national sponsor of Canada Day in the capital, but it is also Chicken Farmers of Canada's 30th Anniversary this year!



CFC is celebrating 30 years of delivering the

economical, safe, quality chicken that consumers trust. The barbeque in Ottawa on Canada Day was attended by both local residents and thousands of tourists visiting the region.

Visitors to Major's Hill Park were welcomed to the new "Chicken Corner" which featured the barbeque, several cooking demonstrations by Chef Fouad El-Jaydyle of the Centurion Conference and Event Center, who showed his culinary expertise with savoury chicken dishes made on the grill and live entertainment on the Chicken Corner Stage. Flying torches, eggs and frying pans were just a part of the show.

CFC views its sponsorship of Canada Day as a way of celebrating the country that allows us to be such a prominent chapter in Canada's success story. It's also a way of thanking the entire National Capital Region for giving the CFC team such a wonderful place to work.

The barbeque also serves as a way for CFC to provide ongoing support for The Ottawa Food Bank. CFC believes that all Canadians deserve to have nutritious food on their tables every day – so much so that 50 cents from every chicken purchase at our BBQ was donated to The Ottawa Food Bank.

Over \$5,000, which includes the proceeds of the chicken sales, was donated to the cause.

Back to the Sandwich

"Dad's Favourite Chicken Sandwich", created by Larry Smith of Southampton, Ontario, the winner of the 2002 "Canada Day Chicken Challenge", features hot sauce, a slice of cheddar cheese and a touch of everybody's favourite, beer and honey.

The sandwich was also chosen the runner-up in last year's Best-Ever Sandwich celebrity panel and has been pronounced a crowd favourite each time it has been served. The Canada Day sandwich draws "sandwich groupies" from all over.

"Dad's Favourite Chicken Sandwich", along with over 200 other recipes, is available on the CFC website at www.chicken.ca.

Ottawa Food Bank Facts

- The Food Bank provides 40,000 people each month with emergency food assistance, 40% of whom are children.
- The Food Bank supports more than 130 food programs throughout the National Capital Region.
- 12 tons of food leaves the Michael Street warehouse each and every working day.
- \$1 donated to The Food Bank generates \$5 worth of food for the community.

Avian Influenza Surveillance: New Protocols

s previously reported in the June edition of *Chicken Farmer*, the Canadian Food Inspection Agency (CFIA) is set to expand its surveillance activities for Notifiable Avian Influenza (also referred to as "NAI") to commercial flocks. Testing is expected to start by the end of August and run until October or November.

The intent of the surveillance is to detect the presence of low pathogenic NAI. The prevalence of low pathogenic NAI is expected to be very low in Canadian poultry flocks. CFIA is only looking for H5 and H7 NAI viruses; no action will be taken if CFIA finds other low pathogenic AI virus types other than H5 or H7.

Three categories of birds will be tested – chickens, mature chickens (layers and hatching egg layers) and turkeys. At this point, CFIA does not expect to test broilers; only roaster birds will be tested in the chicken category.

Broilers are not being included as the European Union (EU) has indicated that sampling broilers has very little value of indicating the NAI levels in Canada. One reason is that broilers would need to be tested prior to 28 days in order to ensure availability of test results prior to processing. Testing prior to 28 days of age is not recognized as acceptable by the international community.

CFIA will be presenting the current NAI sampling plan to the (EU) in August; after which additional changes could be made to the number and type of flocks being tested. The plan needs to be accepted by the EU to meet their new rules for product that is exported to, or through, EU member companies. In order to qualify, the EU requires that countries have implemented an acceptable NAI testing program.

Included in this edition of the *Chicken Farmer* are a set of Questions & Answers that should be read by each producer. These questions outline the protocols of the survey and the roles and responsibilities of the producers.

CFIA will be obtaining the shipment information directly from processors. When a producer is selected, they will be contacted by CFIA to set up the sampling process.

In the case that CFIA detects an NAI virus the infected premise will be quarantined and the flocks on the premise will be depopulated. For any farm that has tested positive, there will be a minimum 21-day required downtime after cleaning and disinfecting is completed and approved by CFIA.

For neighboring operations to the infected premise, in the case of low pathogenic NAI, all farms will be quarantined within a minimum 3 km radius and they will be required to submit birds for surveillance once per week for three weeks, to submit weekly mortality and production statistics to CFIA and to participate in sick-call testing in the case of suspicious clinical signs. These flocks will need to test negative for NAI prior to shipment to processing. Planned re-stocking dates may be affected by the results of NAI testing within the area.

More information on CFIA's actions as a result of NAI positive flock can be found in the "Notifiable Avian Influenza and Your Operation" booklet issued by the national poultry organizations, and distributed through provincial boards.

ENHANCED AVIAN INFLUENZA SURVEILLANCE SYSTEM FOR COMMERCIAL POULTRY IN CANADA

QUESTIONS AND ANSWERS

GENERAL

Q1 What is CanNAISS?

A1 The Canadian Notifiable Avian Influenza Surveillance System (CanNAISS) is being developed by the Canadian Food Inspection Agency (CFIA) in collaboration with provincial and territorial governments and poultry industry representatives. It is an enhanced surveillance system to detect notifiable avian influenza (NAI) in commercial poultry flocks in Canada. When fully implemented, CanNAISS will include a number of components, including onfarm, pre-slaughter surveillance.

This program is one of a number of domestic and international initiatives that have been implemented by governments, industries and Canadian farmers, to prevent, detect and eliminate the presence of H5 and H7 subtypes of NAI in Canada's domestic poultry flocks.

Q2 Why was CanNAISS developed?

A2 CanNAISS has been designed to meet the current NAI guidelines from the World Organization for Animal Health (OIE) and new trade requirements from the European Union (EU) that take effect in January 2009. It is being designed to detect the presence of NAI in live Canadian poultry. CanNAISS will enhance Canada's on-going surveillance program and provide information about NAI viruses in Canada's domestic poultry flocks that will be required for Canadian poultry producers and processors to continue doing business internationally.

Q3 What is notifiable avian influenza (NAI)?

A3 NAI is defined by the World Organization for Animal Health (OIE) as any "type A" avian influenza (AI) viruses with high pathogenicity and all H5 and H7 virus subtypes with high or low pathogenicity. The pathogenicity refers to the severity of the illness caused in birds. While most AI viruses pose little to no animal health risk, the H5 and H7 subtypes may lead to serious illness in birds.

Q4 How is Canada currently doing surveillance for NAI?

A4 There are three surveillance activities. Canada currently monitors for NAI through: (1) wild bird surveillance; (2) passive surveillance when clinical signs suggestive of NAI are reported; and (3) targeted surveillance when NAI is detected. CanNAISS will enhance these surveillance activities to meet new international requirements.

PRE-SLAUGHTER SURVEILLANCE COMPONENT

Q1 How will the pre-slaughter surveillance component be implemented?

A1 Commercial poultry farms will be selected based on the dates that poultry flocks are scheduled to be shipped to federally inspected processing plants. These scheduled poultry flocks will be tested on-farm before being shipped and this will be arranged with producers in advance by processors and/ or the CFIA. Samples will begin to be taken in August 2008. The program will be phased in across the country and the various commercial poultry sectors.

Q2 Who is expected to participate in the pre-slaughter surveillance?

A2 Commercial poultry producers, federally inspected poultry processing plants, the Canadian poultry health community, as well as national and provincial poultry organizations will all have a role to play in this component of CanNAISS. The CFIA, provinces, territories and poultry organizations are working together to finalize a detailed plan to implement this enhanced surveillance system, in a way that will be efficient for all partners and keep all key players informed of these developments.

Q3 How many commercial poultry flocks will be sampled across Canada in the pre-slaughter surveillance component?

A3 During the first phase of this component, the current plan is to test about 1000 commercial poultry farms by the end of 2008. This will include on-farm preslaughter testing of chickens and turkeys sent to federally inspected poultry processing plants. The production types being targeted in 2008 will include breeding flocks, spent laying hens sent to poultry

processing plants and poultry raised for meat. Sampling of commercial ducks, geese and other poultry categories will start in 2009.

Q4 Who will take the on-farm samples?

A4 It is expected that the producer's private veterinarian will collect samples from the birds on-farm. The CFIA is available to help the producer find a poultry veterinarian who can perform these tasks.

Q5 Will there be a cost to producers for blood collection and testing in this program?

A5 The CFIA will assume all costs for private veterinarians related to blood collection and testing. The cost of testing the samples at the CFIA's Winnipeg laboratory, as well as shipping costs, will be the CFIA's responsibility.

Q6 What kind of samples will be taken?

A6 Blood samples will be taken for serology testing to detect the presence of antibodies. Antibodies for AI indicate that the bird was exposed to the virus at some point in its life, but that it has recovered, and the virus may or may not still be present.

For certain birds, fecal swabs may also be taken at the same time. These would be used for virology testing if the blood (serology) test is positive for NAI. Virology tests detect the presence of the live NAI virus.

Q7 What happens if birds tested through CanNAISS are positive for NAI through virology testing?

A7 If NAI virus is detected in a flock, the CFIA will implement actions described in the NAI Hazard Specific Plan. The flock will not be allowed to go for normal slaughter, the farm will be quarantined and all the birds on the farm will be depopulated by CFIA personnel. CFIA will initiate a full investigation in order to prevent and detect disease spread to other poultry farms. Details of the NAI Hazard Specific Plan can be found at the CFIA Web site (www.inspection.gc.ca).

Q8 What compensation can I expect if my flock is depopulated?

A8 The CFIA bases compensation amounts on the estimated costs of replacing destroyed animals, up to a maximum amount regulated by the *Health of Animals Act*. In addition to the compensation for replacing animals, compensation is provided for:

- other items ordered destroyed, such as contaminated feed or animal products, including eggs; and
- the disposal costs of animals and items ordered destroyed The producer must undertake cleaning and disinfection of the premises following depopulation, according to CFIA-approved protocols.
 These costs are not covered under disposal costs.

While CFIA compensation is intended to encourage producers to report signs of disease at the earliest possible moment, it also recognizes the economic loss that may result. Early reporting of diseases helps the CFIA contain disease situations as quickly as possible.

Beyond the CFIA's compensation, other financial assistance may be available through programs administered by Agriculture and Agri-Food Canada, and, in some cases, provincial or territorial governments. Costs and losses considered by these programs may include business disruption and other extraordinary costs incurred due to disease. For more information, producers can contact their local Agriculture and Agri-Food Canada office and/or provincial/territorial agriculture ministry office.

IMPLEMENTATION OF THE ENHANCED NOTIFIABLE AVIAN INFLUENZA SURVEILLANCE SYSTEM FOR COMMERCIAL POULTRY IN CANADA

QUESTIONS AND ANSWERS

GENERAL

Q1 When will my sector be tested?

A1 The pre-slaughter sample collection will start as soon as possible and will continue through to October or November, 2008.

The first round of sampling to be completed in 2008 will include chickens and turkeys sent to federally inspected poultry processing plants. The production types being targeted during this phase will include breeding flocks, spent laying hens sent to poultry processing plants and chickens and turkeys raised for meat.

Since the objective is to achieve good representation of the poultry population in all regions of Canada, some minor adjustments will be made to the sampling plan during the coming months. It is expected that some spent laying hens from operations which don't normally send their fowl to poultry processing plants will also need to be sampled in 2008 or 2009.

Sampling of commercial ducks and geese will start in 2009.

Q2 Will the poultry genetics sector be targeted by CanNAISS in 2008?

A2 Yes, in a separate component of the CanNAISS – the voluntary component. Canada's major poultry genetic export companies already actively test for Notifiable Avian Influenza (NAI).

The exporting poultry genetics companies have provided testing results and data from the last one and a half years to the CFIA. These data are being used to describe and improve the NAI surveillance within the poultry exporters sector (chicken and turkey breeders and multipliers with substantial export).

Q3 Will multi-age poultry farms/facilities be part of this surveillance program?

A3 Yes. In order to get a good representation of the poultry population, all types of poultry farms will be selected.

Q4 Will hobby farms and backyard poultry flocks be sampled in 2008?

A4 No, the surveillance will only target commercial poultry. As part of Canada's ongoing passive surveillance, any poultry owner, including backyard flock owners, who notice clinical signs of infection suggestive of a federally reportable disease like avian influenza or Newcastle disease in their birds are required to report it to the CFIA. Testing of hobby farms and backyard poultry is being considered for after 2009.

Q5 Will hatchery supply flocks be targeted by CanNAISS in 2008?

A5 The portions of the hatching egg supply flock sector not already covered in the pre-slaughter surveillance component are expected to be targeted towards the end of 2008 or beginning of 2009 in a separate component of CanNAISS. Work is underway to develop the details of how this surveillance component will be implemented. The hatchery supply flock surveillance component will target premises with breeder and multiplier flocks of chicken, turkeys, ducks and geese. It is expected that this component would involve serological surveillance of registered, healthmonitored hatchery supply flocks in Canada. Because the entire NAI surveillance program aims to be representative of the Canadian domestic poultry population, this component will yield data about breeder-type birds that were not covered in the pre-slaughter surveillance component.

Q6 Will spent fowl from the United States imported into Canada for slaughter in Canadian processing plants be tested?

A6 No. Spent fowl from the U.S. will not be tested if they come directly for slaughter. The U.S. has its own on-farm NAI testing surveillance program. The goal of the CanNAISS is to determine the extent of NAI in Canada. In order to better understand the Canadian situation for high and low pathogenic NAI, the program will target poultry raised in Canada, including day old birds imported from the U.S. and raised in Canada.

THE ROLE OF POULTRY PRODUCERS AND PROCESSORS

Q7 How will I, as a poultry producer, be made aware that my farm has been selected for sampling?

A7 The CFIA has required the processing plants to provide their slaughter schedules, in accordance with Section 38 of the Health of Animals Act.

These slaughter schedule records, which have information about the farms' location and poultry type are required in order for the CFIA to contact the selected farm and to arrange the on-farm sample collection in a timely manner.

Q8 What are the roles and responsibilities of the selected producers for the pre-slaughter surveillance component?

A8 The CFIA will contact selected producers by telephone and by mail. Selected producers will fill out a contact form, and inform the CFIA when the flock will be made available to be sampled. Sampling can be done by the producer's own private veterinarian wherever possible, and the CFIA can assist producers in identifying a veterinarian if their regular practitioner is unavailable or if the producer does not have a regular veterinarian. The CFIA will provide the veterinarian with all the procedures for collecting and shipping the samples, and the private veterinarian will be paid directly by the CFIA.

While the sampling is being performed, producers need to provide assistance and provide information required for the completion of the CanNAISS pre-slaughter survey sample submission form.

Finally, once the sampling has been performed, the tests have been completed, and the flock is ready to go to slaughter, producers will be required to send in a NAI Pre-slaughter Status Certificate along with their flock sheet to the federally inspected processing plant.

Q9 How soon after being notified can I expect someone to visit my farm and perform the sampling?

In order to allow enough time for all the test results to be available, poultry flocks will be tested roughly 4 weeks before going to their scheduled slaughter date. It will be the producer's responsibility to arrange a specific sampling date for the veterinarian's visit and communicate this date back to the CFIA coordinator. This is so the CFIA knows the sampling arrangements have been made far enough in advance to obtain results, as well as when to expect the samples at the lab.

The CFIA will work with producers to find dates which work for them and for the veterinarian doing the sampling on-farm. In all cases, the CFIA will make sure that the test results are available before the planned date of slaughter.

Q10 If I am selected, do I have to participate?

Α9

A10

Yes. Your participation is required under Section 38 of the Health of Animals Act, which outlines the CFIA's authority to require that birds be made available and be sampled for the purpose of detecting disease. The pre-slaughter surveillance will add to Canada's understanding of the prevalence of NAI viruses in domestic poultry flocks and is also a critical component of the overall enhanced surveillance system which has been designed to meet guidelines from the World Organization for Animal Health. Your cooperation is vital and greatly appreciated.

Q11 How will producers know the NAI status of their flocks?

A11 The CFIA will send producers a "NAI Pre-slaughter Status Certificate" attesting that the flocks have a negative test result for NAI and may go to slaughter. Then the producer will send the "NAI Pre-slaughter Status Certificate" along with the flock sheet to the federally inspected plants. If the sampled birds have tested positive on a serology (blood) test, the producers will not receive a "NAI Pre-slaughter Status Certificate" and will be contacted directly by CFIA (see Q12).

Q12 If the sampled birds test positive on a serology test, will there be more testing? What will happen on the farm?

A12 If your flock is seropositive, you will be notified by the CFIA that further tests for the presence of the NAI virus will be required. Your farm will be quarantined while further tests are conducted.

A positive serology test indicates that the birds have AI antibodies – that is, the bird was exposed to the virus at some point in its life, but it has recovered. The virus may or may not still be present. The CFIA is interested in determining the presence on farm of the notifiable strains of AI, meaning any strain with high pathogenicity, or the H5 and H7 subtypes of low or high pathogenicity. If the serological test for H5/H7 is negative, the producer will be issued a "NAI Pre-slaughter Status Certificate, the flock can go to slaughter as planned and the quarantine will be lifted.

Any premises where a flock has tested as serologically positive for H5/H7 will be quarantined while the CFIA investigates and performs additional virological testing in order to detect if the virus is still present within the flock(s) on the premises. This may require sampling a number of birds other than those originally selected for blood collection, in order to better understand the entire farm's health status.

Again, if no virus is detected, the producer will be issued a "NAI Preslaughter Status Certificate, the flock can go to slaughter as planned and the quarantine will be lifted. The CFIA is making every effort to have the serological and, if necessary, virological test results available in time for the birds to go to slaughter as scheduled, which is why the on-farm sampling should occur roughly 4 weeks before the scheduled slaughter date. If for some reason the lab results are not available, the flock will go for slaughter as planned, and the samples will be destroyed.

Q13 How many birds will be sampled on a selected farm?

A13 A total of 15 birds (or 20 for young turkey toms) in one barn from the selected farm will have samples taken. Only one barn needs to be selected for each selected poultry farm. More blood samples are required from

young turkeys in order to have a useable amount of serum for testing. The CFIA needs to have 10 good quality serum samples from each selected farm to be tested at the laboratory.

THE ROLE OF VETERINARIANS IN THE PRE-SLAUGHTER SURVEILLANCE COMPONENT

Q14 Can selected poultry producers get their usual poultry veterinarian to perform the sampling?

A14 Yes. Producers may ask their usual poultry veterinarian to perform the sampling of the birds on-farm. These veterinarians are asked to contact the CFIA locally to register their services for this surveillance component, and to receive more details about their role and responsibilities, poultry sampling procedures, on farm biosecurity, and the terms of the veterinary services contract. The CFIA is communicating with veterinarians through their professional associations so veterinarians across Canada are aware of the program and their potential involvement.

Q15 Will there be a list of approved veterinarians who can perform the sampling?

A15 Yes. The CFIA is developing a list of veterinarians who work in poultry health full or part time, and are interested in collecting samples for the preslaughter surveillance component. It is expected that each producer will select his usual private veterinarian, and if their services are not available, the CFIA will try to secure the services of another private veterinarian on the list, or send a CFIA veterinarian.

Q16 Are veterinary technicians also allowed to perform the sampling?

A16 Yes. A veterinary technician may assist the veterinarian in performing sampling. In certain provinces, technicians are also allowed to perform sampling under the authority of the supervising veterinarian.

Q17 Will the veterinarian visiting the farm to take the samples be aware of important on-farm biosecurity protocols?

A17 Yes. In order to avoid the transmission of infectious diseases from one poultry premises to another during the sample collection process, it is essential that veterinarians take precautionary measures and follow all biosecurity requirements.

National and provincial veterinary organizations and poultry health veterinarians in particular, are being informed of the importance of biosecurity protocols, and of the role that veterinarians will play in the on-farm sampling component of this surveillance initiative. The minimum biosecurity measures that a visiting veterinarian or technician must follow are outlined in the CFIA's Sample Collection Protocol for the 2008 preslaughter NAI Surveillance Component.

Producers should also inform all farm visitors, including veterinarians and technicians, of any biosecurity protocols currently being practiced on-farm. Veterinarians must respect the producer's on-farm biosecurity requirements.

Q18 Where can I get more information about poultry biosecurity?

A18 The CFIA has developed a number of resources for poultry producers and veterinarians about poultry biosecurity. Guidelines and recommendations for bird owners and poultry producers to protect their birds from avian influenza and other diseases are available at:

http://www.inspection.gc.ca/english/anima/heasan/disemala/avflu/bacdoc/prevent e.shtml

You may also contact the national poultry associations for poultry health and biosecurity information in your national on-farm programs.

Q19 How will the poultry blood samples be collected on-farm? Are there any guidelines on blood collection for the veterinarians involved in this pre-slaughter NAI surveillance component?

A19 Yes. The CFIA has developed a "Sample Collection Protocol" to direct participating veterinarians on how to select birds and collect blood. The veterinarians will follow this protocol, be responsible for the quality of the collected samples, and should be able to explain the protocol to any technicians taking samples under their supervision.

Q20 What if a bird dies during the blood collection?

A20 This would be a rare occurrence and may not be related to the sample collection. It is expected that the veterinarians and technicians involved in this project have collected blood samples from birds on a regular basis and that they are covered by professional responsibility insurance.

Q21 What are the overall roles and responsibilities of veterinarians participating in the pre-slaughter surveillance component?

- A21 Veterinarians involved in this component will:
 - Fill out and sign three forms:
 - 1. Veterinarian contact form
 - 2. Submission form
 - 3. Contract
 - · Arrange the sample collection date with CFIA
 - Take appropriate on-farm biosecurity measures
 - Collect the blood samples according to the sample collection protocol
 - Ship the samples along with the forms and the contract to the CFIA laboratory in Winnipeg
 - Supervise technicians who have been authorized to take the samples (if applicable)

Q22 You say that pre-slaughter surveillance is just one component; what are the other components of the NAI surveillance system in Canada?

A22 The full system will make use of passive and active, mandatory and voluntary surveillance.

Previous AI outbreaks, as well as the CFIA's public awareness campaigns about AI and biosecurity, have raised the level of public and producer understanding about avian influenza, and the need to report sick birds to the CFIA. This kind of passive surveillance system is very useful to detect high-pathogenic strains of the disease, but different types of surveillance activities (components) are required to detect low-pathogenic AI strains.

Four components of active serological surveillance for NAI will complement the usual passive surveillance. The active serological surveillance components include: pre-slaughter surveillance, voluntary onfarm surveillance, hatchery supply flock surveillance and ad hoc surveys.

The sixth component is targeted surveillance of poultry showing signs of sickness that are not typical of an AI infection. Also any follow-up sampling of farms which have tested sero-positive for NAI (antibody positive) found by the active serological surveillance is also considered to be 'targeted' surveillance.

Q23 Who should I contact if I have questions about the CanNAISS?

A23 Questions regarding the CanNAISS and its implementation, including the producer registration process, can be directed to national poultry industry associations or to the project's regional contacts within the CFIA. If these people are unable to answer your questions, they will try to get answers for you as soon as possible.

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