

Prepared by, Margaret Walton

Planscape Inc.

104 Kimberley Avenue

Bracebridge, ON P1L 1Z8

T: 1.705.645.1556 F: 1.705.645.4500

IN COLLABORATION WITH

Jayeff Partners – James Farrar

Queen's Management Institute – Erik Lockhart

Niagara Region

AGRI-FOOD STRATEGY

To acquire this document in electronic format, please visit
www.niagararegion.ca

Niagara Region Agri-Food Strategy

Table of Contents

Background	1
So Why Is a Niagara Region Agri-food Strategy Needed?.....	2
What will be the result?.....	3
Building on the past to support the future	3
Consultations	4
The Mission	4
The Future.....	4
What Will Be Achieved?.....	5
Partners - Categories.....	5
Guiding Principles	5
Choosing the Actions	6
Strategic Framework.....	6
Actions	8
A. Grow the Cluster:	8
B. Link Food, Farming and Health:	8
C. Foster Innovation:	9
D. Enable the Agri-Food Cluster:	10
E. Cultivate New Approaches:	10
Implementing the Plan.....	12

This document has been a collaborative effort between the Consultants and Regional staff, with extensive contribution from the Working Group.

Project team:

Margaret Walton – PLANSCAPE Inc.
James Farrar - Jayeff Partners
Erik Lockhart - Queen’s Executive Decision Centre

Working Group:

Bill Hodgson
Len Aarts
Len Troup
Arden Vaughan
Kim Reep - OMAFRA
Tania Humphrey - Vineland Research and Innovation Centre
Danielle De Fields – Niagara Region Planning
Erik Acs – Niagara Region Planning
Lisa Gallant - Niagara Region Public Health
Bob Seguin - Niagara Region Economic Development
Nadine Taft - Niagara Region Economic Development

Background

Agri-food is an inclusive term that refers to all forms of commercial agricultural activity and all stages of food and beverage processing. Agri-food encompasses ornamental horticulture – flowers, shrubs and trees grown in greenhouses and in nurseries– as well as equine activities and bio-based products derived from agriculture that are used in the manufacture of materials and pharmaceuticals and for energy.

The Niagara Region agri-food sector contributes significantly to the economic prosperity and quality of life of Niagara residents. In 2011, just the primary agricultural activity alone was estimated to have an annual impact on the Regional economy of \$2.7 billion dollars with an associated employment impact of 17,227 jobs¹. When the balance of the sector represented by input suppliers, food and beverage processors, food service, hospitality, and retail businesses is factored in, the combined impact is significantly greater. Niagara is also a major component of the Golden Horseshoe food and farming cluster. This cluster is one of the leading economic sectors in the provincial and national economy and is estimated to be one of the largest agri-food clusters in North America.

Niagara Region has always supported and promoted its agricultural sector. In 2006 (reconfirmed in 2012), Regional Council endorsed the **Agricultural Action Plan - Growing the Industry: Farm Economic Viability for the Long-Term**. This plan identified a bundle of key actions that should be taken to strengthen the agricultural sector. These included:

- Re-establishing the research capability of the Vineland Research Centre;
- Reducing barriers to growing the agricultural industry;
- Addressing agricultural taxation issues generally and specifically related to on-farm value added activities;
- Providing raw water for agriculture;
- Developing small and medium processors;
- Re-visiting the use of the Agricultural Easement program; and
- Developing a Niagara brand for agricultural products.

Niagara has had success in implementing these actions:

- Vineland Research and Innovation Centre has been reborn as a world renowned research centre focused on a vibrant, prosperous and sustainable horticultural industry driven by innovation;
- The Region's value added policies have set the standard for innovative policies and have been adopted by the Province as a model for the recently updated **Provincial Policy Statement 2014**;
- Small and medium scale processing, including wine production and production of value-added floricultural products, is thriving;
- New craft breweries and distilleries are adding to Niagara's reputation for innovation and entrepreneurship, and as a major producer of beverages; and
- The Greenbelt has effectively protected the Specialty Crop Area; Niagara's reputation for producing high end agri-food products continues to grow.

¹ Golden Horseshoe Food and Farming Alliance, Agriculture and Agri-Food Economic Profile for the Golden Horseshoe, October, 2014, pg. 8.1.29. PLANSCAPE INC.

While many of the tasks outlined in the 2006 strategy were successfully implemented, there were a number which were not. Some required a shift in provincial and federal legislation and while Niagara successfully initiated discussion about possible changes, the process of review is ongoing. Other initiatives such as providing raw water for agriculture, are complicated and require a longer time horizon for consideration. As time has passed, priorities have shifted and the focus on agriculture has broadened to include the entire agri-food cluster. The Region needs an updated strategy to accommodate these shifts.

In 2008, in response to a series of closures and shifts in the food production system, Niagara Region acted to support its agri-food businesses by enacting the **Local Food Action Plan: Setting a Course for the Future of Food in Niagara**. This plan focused on:

- Establishing a database of local food producers, processors and distributors;
- Identifying the regional local food network and infrastructure;
- Educating and raising public awareness about local food; and
- Implementing appropriate policies and programs to support it.

All of these activities formed the foundation for the Region's next step: to become a partner in the development and ongoing implementation of the **Golden Horseshoe Agriculture and Agri-food Strategy Food and Farming: An Action Plan 2021** to strengthen the Golden Horseshoe Food and Farming cluster.

Changes Since 2006

Since 2006, Niagara Region has seen disinvestment by multi-national enterprises (MNE) in the food and beverage processing sector. While each decision has its own unique drivers, the decision by multi-national enterprises to close seasonal processing operations and the need for competitive input costs vis-à-vis other jurisdictions are significant factors. At the same time, significant multi-nationals remain and continue to invest in their Niagara facilities. Working with multi-nationals to ensure that they have access to competitively priced inputs, including energy, and a sufficient supply of skilled labour, will be important to their future in Niagara. The disinvestment by certain MNEs has been offset by the rise of entrepreneurial food and beverage processors. Future growth is likely to be driven most by these small to medium enterprises (SMEs) which flourish in Niagara.

The average age of those engaged in the agri-food sector continues to increase. The result is that more farms and food businesses will either need to transition to the next generation or be sold to new owners. The need for human resource renewal in the sector is unrelenting.

So Why Is a Niagara Region Agri-food Strategy Needed?

- The global market for food is growing, driven by rising world population and increasing incomes in Asia. Niagara is well positioned to deliver premium agri-food products to this market and achieve growth by actively pursuing opportunities beyond Ontario.
- Societal recognition of the importance of agri-food production to sustaining healthy and productive communities is growing, Niagara can capitalize on this trend.

- Agriculture is a fundamental pillar of the Niagara economy. Estimates based on the 2011 Census of Agriculture confirm that primary agricultural production in Niagara has an annual economic impact on the regional economy of \$2.7 billion and generates or sustains 17,227 jobs.² Niagara is the largest producer of grapes, tender fruit and floriculture products in Ontario.
- The Ontario agri-food cluster focused in the Golden Horseshoe is one of the largest in North America. Estimates of the economic impact of three of the primary components of the Golden Horseshoe food and farming cluster, input and service providers, primary agriculture, and food and beverage processing exceed \$35 billion annually with potential to grow³. Niagara is a significant component of this cluster.
- Niagara has the climate, land base, experienced operators, research capacity and skills to expand its position as a leader in the production of agri-food products.
- With the implementation of the Greenbelt, Niagara's unique Specialty Crop Area, with the benevolent climate that supports it, is protected for productive use for future generations. Provisions of the Growth Plan, and the Provincial Policy Statement mandate that the Good General Agriculture Area of Niagara is also meant to be protected for long term use.
- Premier's challenge – On October 7, 2013 at the Premier's Agri-Food Summit, Premier Wynne challenged the industry to double its annual growth rate and create 120,000 jobs by the year 2020.
- With many of the previous actions implemented, the time is right to address new challenges and opportunities in growing the agri-food economy in a global context.
- With a new Regional Council in place with a stated commitment to economic prosperity over their four year term, implementing a plan to capitalize on the unique Niagara agri-food cluster will contribute to this goal

What will be the result?

- Prosperous, thriving, world class businesses based on progressive innovation in food, farming, manufacturing, research and tourism.

Building on the past to support the future

Building on the success of past strategies in implementing a regional agri-food strategy, Niagara will:

- Form partnerships;
- Listen to and engage with stakeholders;
- Respect the contribution of enterprises of all sizes;
- Protect the land base; and
- Celebrate success.

² Golden Horseshoe Food and Farming Alliance, Agriculture and Agri-Food Economic Profile for the Golden Horseshoe, October, 2014, Planscape Inc.

³ The agriculture and agri-food system as defined by Agriculture and Agri-Food Canada is comprised of food service, food retail/wholesale, food, beverage and tobacco processing, primary agriculture and input and service providers.

Consultations

The process to develop this strategy was extensive and inclusive. Guided by the Niagara Agricultural Policy and Action Committee, two rounds of public workshops were held and interviews were conducted with a broad spectrum of stakeholders from the agri-food sector. Extensive discussions focused on identifying actions to support the ongoing sustainability of the Niagara agri-food sector. Once a set of actions was confirmed, additional consultation were held to refine and focus on those actions and the associated tasks that would be most effective in increasing the productivity of the value chain. The strategy presented below is the product of these efforts.



The Mission

Support agri-food prosperity and sustainability.

The Future

Protect the resource.

Enable the productivity of the value chain while protecting resources for future use.

Innovate to respond to growing global demand for high quality agri-food products and new technologies.

Support profitable primary production as the anchor for a sustainable value chain.

Link all aspects of the regional agri-food sector to enhance opportunities.

Promote opportunities arising from linking food, lifestyle and tourism.

Capitalize on rapidly growing links being made between local food and public health.

Leverage regional resources to enhance productivity and increase competitiveness.

Build on research and educational resources to support a broadly based, productive agri-food sector.

Encourage growth by rationalizing regulation.

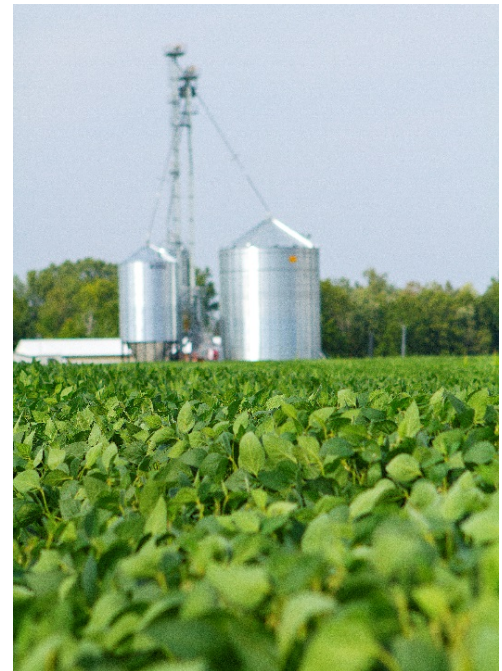
What Will Be Achieved?

THE VISION FOR THE FUTURE

Niagara is home to a broadly based, unique, innovative and progressive agri-food sector, which is a pillar of our economic prosperity and quality of life. Niagara Region leads in enabling the development, production and distribution of high quality agri-food products for local and global markets.

Partners - Categories

- Economic Development organizations
- Public Health agencies
- Education and Research Institutes
- Municipalities
- Farm sector – local farm organizations and individual operators
- Agri-food businesses



Guiding Principles

- Enhance productivity
- Focus on prosperity
- Be innovative and entrepreneurial
- Focus on products that serve growing markets
- Use manufacturing to add value to primary production
- Build for a sustainable future
- Support health and quality of life
- Sustain the agri-food system

Choosing the Actions

The actions chosen must be practical and achievable. To ensure the actions chosen meet this test, each action will be considered in reference to the following criteria:

1. Will it:
 - Support enhanced prosperity
 - Increase productivity
 - Innovate for value
 - Optimize flexibly
 - Protect and build existing resources
 - Contribute to well-being and quality of life
 - Be sustainable?
2. Can the Region make a difference?
3. How will success be measured?



Strategic Framework

The Region recognizes the strength to be gained from working with its partners in the Golden Horseshoe to achieve the broader vision of the **Golden Horseshoe Agriculture & Agri-Food Strategy Food and Farming: An Action Plan 2021**. Therefore pillars of that Plan were chosen as the basis for the Niagara Agri-food Strategy.



Actions

A. Grow the Cluster:

Grow the cluster by coordinating economic development, finding the voids, filling the gaps, and building on strengths in Niagara Region.

Niagara, with its unique land base and benevolent micro climate, produces a broad range of agri-food products. Expanding the capacity to produce, process and distribute these products will sustain the region's prosperity and increase productivity. While there are specific opportunities to increase the market share held by local food within Niagara, such as through government-operated institutions that have discretion over what food they source, the big opportunity for market growth lies in sales made outside Niagara and outside Ontario. Wealthy consumers for high value food products are increasing in Asia.

Action 1

Create enabling policies and support mechanisms that ensure agri-food continues as a leading economic engine in Niagara.

Tasks

- Provide resources to assist commodity groups with the creation of an irrigation system for lands to the north of the Escarpment.
- Establish an Agricultural Community Improvement Plan under the *Planning Act* that could be used to support agriculture and agri-food businesses.

Action 2

Identify opportunities and support businesses to export Niagara products outside of Ontario

Tasks

- Work with existing Niagara companies to take advantage of government opportunities (such as the new exporter program.)
- Implement policies that support a healthy and broadly based agri-tourism sector using visiting tourists as potential ambassadors for Niagara products in their home countries.

B. Link Food, Farming and Health:

Work closely with a broad range of stakeholders to educate and inform consumers about healthy food products from Niagara Region.

Access to nutritious, safe and diverse foods contributes to a healthy and enjoyable life style. The Region, specifically Public Health, can promote healthy living by connecting residents to local agri-food products, for both food and beverage consumption and, in case of ornamentals, for recreational purposes. Research has shown that eating patterns rich in vegetables and fruit contribute to health and prevention of disease. Niagara is a leading producer of fruit in Canada and can use its strength to provide healthy products to consumers in Niagara and beyond.

Action 1

Promote local food and encourage local food literacy – foster a “choose local first” approach for agri-food products

Tasks

- Identify agri-food linkages to understand the cluster (e.g. comprehensive approach, asset mapping, clarify requirements to government) and address gaps.
- Continue to ensure that the Region and its municipalities lead by example by giving prominence to Niagara-sourced products in all facilities under their jurisdiction (cafeterias, concessions, etc.). Investigate possible synergies between Regional Departments (i.e. Public Health and Public Works) to co-ordinate a food waste reduction program.
- Profile and promote health promoting Niagara agri-food products through various initiatives and opportunities including a ‘product of the month’, in which its health benefits are featured, and collaborating with local health partners on existing and new food-related events and annual campaigns. Encourage food literacy through health promoting aspects by capitalizing on “home grown” advocacy work.

C. Foster Innovation:

Position the agriculture, food processing, food retail and food service sector in Niagara Region as “the place to do business”.

The key to success in today’s markets is innovation. As home to outstanding research institutions focused on bringing new products to markets, Niagara can lead in developing new and successful agri-food businesses. Innovation requires successful commercialization, moving the idea from discovery to action. That’s where entrepreneurship comes in, with investors and hands-on ‘doers’ willing to take calculated risks and make things happen. Niagara can support entrepreneurs in managing risks and increasing the likelihood of successful innovations being introduced to the market. It can also serve attract young talent to the sector.

Action 1

Empower Institutions and private businesses, and entrepreneurs to develop and support opportunities in the agri-food sector.

Tasks

- Continue to support awareness of leading institutions and private businesses including Vineland Research and Innovation Centre, Brock University and Niagara College to promote leadership in programs to enhance innovation and commercialization in regional agri-food production.

Action 2

Support access to and facilitate introduction of new technologies including varietal introductions, growing systems, ways of storing and packaging, and of processing.

Tasks

- Host a biennial Agri-Food Innovation Forum in which Niagara innovations are showcased and recognized and where innovative solutions around the world are profiled.

D. Enable the Agri-Food Cluster:

Harmonize regulations and create an “open for business” government.

Canada’s reputation for producing safe, well regulated products is based on a comprehensive regulatory regime. While this world class regulatory regime is beneficial for trade and consumer confidence, the regulatory regime must also be flexible and efficient in order to allow businesses to thrive and have a predictable business environment in which to operate. Streamlining the regulatory regime to avoid duplication, conflict and overlapping jurisdiction can achieve increase its efficiency lowering its cost to government and its value to society.

Action 1

Establish and implement economic development and planning priorities including policies, programs and strategies to enable the agri-food value chain to prosper and to sustain individual agri-food businesses.

Tasks

- Participate in the reviews of provincial plans (Greenbelt Plan, Growth Plan, and Niagara Escarpment Plan) to advocate for the interests of the agri-food sector with policy that recognizes and addresses the needs of agriculture (e.g. setback, hydrological feature mapping, etc.).
- Provide support and advocate for the development of innovative policies that promote the agri-food sector as a priority, such as through local official plans and zoning by-laws.

Action 2

Reduce the burden on agri-food operators and bring more timeliness and certainty to approval processes while keeping the economy nimble and retaining the integrity of the regulatory regime.

Tasks

- Promote the expeditor function to assist agri-food business in working with all agencies that have jurisdiction over development approvals to streamline the approval process and maintain accountability.

Action 3

Sustain an agri-food system where farms can operate profitably without conflict.

Tasks

- Explore opportunities to further expand existing on-farm value-added and agriculturally related use permissions to support the agri-food sector (Niagara specific land use policies).

E. Cultivate New Approaches:

Be a leader in developing programs to support food and farming.

Niagara is endowed with skills and resources that can be used to support and grow the agri-food sector. Identifying and implementing alternative models for doing business; such as achieving higher levels of collaboration leading to economies of scale and efficiencies in logistics, and linking related opportunities will capitalize on these resources. In the Ontario market, for example, Niagara grown fruit can be tree ripened, offering a competitive advantage over imported product that has a shipping cycle of several days, provided that the standards for removing field heat are rigorously followed to maintain top quality.

Action 1

Support value chain integration (manufacturing, servicing, processing) and opportunities to increase the value that is added to agri-food products in Niagara, extend their market reach and capitalize on synergies to reduce costs.

Tasks

- Support the Beck Economic Cluster to ensure agri-food is included in the “incentive centre” as an existing asset that requires power.
- Identify major inputs and services used by Niagara agri-food enterprises that are sourced outside the region that could be generated in Niagara and target investment attraction in those opportunities. (Examples: metal fabrication for greenhouse construction, glass bottles recycling, transport and logistics services)

Action 2

Foster a culture of innovation and entrepreneurship. Ensure regulation is flexible to allow new approaches to be implemented.

Tasks

- Listen to the operators – keep open communications

Action 3

Explore new methods to address challenges related to: land prices, entry into agriculture, and succession planning.

Tasks

- Assist the tender fruit industry through support of a provincially funded agricultural easement program

Other Points We Heard

- Pilot an exchange portal that enables institutional buyers to securely post their needs and Niagara-based firms to bid on filling them.
- Encourage more physical activity by promoting gardening as recreation in which Niagara-grown floral products and nursery stock are used and which provide insight into what local products are available and how they are grown.
- Pilot an innovation opportunities fund to seed small projects with specific goals that include (a) trials of new varieties (b) adoption of new processes (c) recovery of value from culls or second quality fruit, vegetables and ornamentals.
- Support the development of a succession planning program through easements or other methods.
- Quantify and communicate raised awareness regarding ecological goods and services derived from normal and best farm practises.
- Support the use of new technology by encouraging continued expansion of high-speed internet to rural areas.

Implementing the Plan

The Niagara Agricultural Policy and Action Committee will be responsible for monitoring the implementation of the plan which will be coordinated as noted above by the Regional. The Region will work with identified partners to maximize success using existing resources. Once implemented, if there is an ongoing function associated with a task, monitoring should be ongoing to ensure the function continues to be up to date and effective.