

How has Strategic Environmental Assessment Affected Canadian Agricultural Policies?

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The wilds of Canada

Farm policies make a difference to the environment



Milk River
Region

Alberta,
Canada

Montana,
U. S.

Legislative and non-legislative requirements for SEA for Canadian federal agricultural policies:

- Farm Income Protection Act (FIPA), 1990
- Cabinet Directives on the Environmental Assessment of Policy, Plan and Program Proposals (1990, 1999 and 2004)

Analytic tools developed for agri-environmental policy analysis:

- National Agri-environmental Health Analysis and Reporting Program (NAHARP)
 - Agri-environmental indicators (bio-physical)
 - Integrated agri-environmental modelling
 - Economic valuation
- Policy guidance
 - Guide to the Environmental Analysis of Agricultural Policies, Plans and Programs
- Data Warehouse

Major changes in Canadian agricultural policies since 1990:

- Termination of subsidies to particular crops or inputs (e.g. WGTA, GRIP)
- Establishment of whole-farm, net-income stabilization programs (NISA, CAIS)
- Agricultural Policy Framework
 - Integrated approach
 - Quantitative environmental targets

Major environmental assessments of agricultural policies

- Net Income Stabilization Account
- Western grain transportation reform
- Crop Insurance
- Safety Net Review
- Initial environmental assessment of the WTO trade negotiations

Major results of environmental policy analyses:

- Market forces far more important than policies
- Subsidies raise input use and intensify land use
- Low-level subsidies and whole-farm programs have minimal impact on production decisions
 - E.g. Canadian crop insurance programs increase cropped acreage about 2%
- Environmental impacts vary enormously depending on local conditions and regulations
- Performance improving, but much room to improve

Impact on policy formation

- Increased confidence that environmental factors are taken into account
 - Public, stakeholders, auditors
- Increased transparency of policy formation process
 - Public release of reports, consultation
- Generally less impact on policy decisions than economic factors and timing

Impact on policy formation (con't)

- Eased reform of transportation subsidies
 - Dropping rail subsidies shown to lower, not increase, air pollution
- Made Canadian policies less subject to environmental criticism
 - Commodity-specific programs tend to intensify land use
- Provides basis to compare environmental and economic impacts