

AGRI-FUTURES NOVA SCOTIA

ANNUAL REPORT

2007 - 2008

Agri-Futures is a non-profit Association registered in Nova Scotia. Its membership is the Council of Leaders of the Nova Scotia Federation of Agriculture. Ten directors are appointed by the membership to conduct the business of the Association. In addition, Agriculture and Agri-Food Canada and the Nova Scotia Department of Agriculture each appoint an ex officio member to the Board. The sole mandate of the Association is to administer the ACAA, BOPI and CARD funds allocated to the province. As Agriculture and Agri-Food Canada is the only provider of those funds, it sets out general guidelines under which the Association must conduct its business.

Activity to August 31, 2008

The Board met eight times during the last fiscal year, to review applications and conduct Association business. In addition, the Chair and the Executive Director attended meetings regarding ACAA policies and issues in Ottawa and Quebec City in December 2007 and June 2008 respectively.

As of August 31, 2008, a total of \$ 6,560,625 had been received under the ACAA program, including \$ 361,703. received under Biofuels Opportunities for Producers Initiative (BOPI) funding. Of the total received, \$6,450,450 had been paid or committed to a total of 163 projects out of a total of 246 applications received.

During the year, seventeen CARD projects were approved, utilizing funds received from investments and from project decommitment as projects were completed. A total of \$136,076 was committed to these projects. At year end, twelve, projects with a commitment of \$523,400 remained to be completed. During the year, \$49,418 was received in interest and capital gains, providing additional funds for new projects and to cover on-going administrative costs. New projects approved are short term projects as the Board attempts to finalize the CARD program.

Board of Directors

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Michael Johnson
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Shelley Manning
Ex Officio

Rick Williams
Executive Director

A summary of approved projects is presented in Appendix I for ACAAf projects and in Appendix II for CARD Projects. A summary of activity under the ACAAf and CARD programs is provided under Appendix III and Appendix IV, respectively.



Appendix I: ACAAf Projects Approved during 2007-2008

NS0086—Nutrient Management Chair: The Nutrient Management Research Chair will provide overall leadership and coordination in refining Nova Scotia's nutrient management planning and water resource management. The Chair will take direction on research focus from an Industry Advisory Committee. The composition of the Advisory Committee will be comprised of all agencies making direct and in-kind contributions to the project.

Total Cost: \$645,000

AFNS Funds: \$150,000

NS0176CO/ NB0140CO—Accreditation of a Regionally-Based organic Certification Body for Atlantic Canada: The Maritimes Certified Organic Growers Co-op wishes to amalgamate with the Nova Scotia Organic Growers Association and, together, apply to become an accredited certification body so that it can be nationally recognized as certified organic, and compliant with the new national standards of Canada. This will expand the market potential for Certified Organic Atlantic Canadian products. The project would provide the start-up funds for this accreditation with a federally recognized accreditation body.

Total Cost: \$98,723

Total ACAAf Funds: \$48,253

AFNS Funds: \$ 22,679

NS0179CO—Development and Exercising the Atlantic Dairy Farmers Emergency Management Plan: This two year project will develop a comprehensive master emergency plan to guide the response to emergencies impacting the Atlantic dairy industry, such as a human flu pandemic, power outages, severe weather, animal health emergencies and processing and distribution disruption

Total Cost: \$330,850

Total ACAAf Funds: \$163,850

AFNS Funds: \$62,263

NS0181CO/ NB0149CO—Building the Soil: A Building the Soil workshop series will address various aspects of soil building and maintenance, including composting,

crop rotations, cover crops, low till methods, and nutrient cycling. These workshops will take place in each Maritime Province, starting in January 2009.

Total Cost: \$35,300

Total ACAA Funds: \$27,600

AFNS Funds: \$9,834

NS0185CO/ BC0112CO—Nutrient and Energy Recovery from Manure: This is a two year project that proposes to refine a technique to extract nitrogen, phosphorus, and potassium from dairy manure and produce a crystalline slow release fertilizer.

Total Cost: \$310,000

Total ACAA Funds: \$153,500

AFNS Funds: \$3,542

NS0186CO/QP6235CO—Strategies for Reducing the Economic Impact of Sanitary and Phyto-sanitary Crises for Farm Businesses: Drawing from the experience of farms affected by the nematode crisis, this project will attempt to give recommendations on how to reduce the economic impact of sanitary or phyto-sanitary crises on farm businesses.

Total Cost: \$215,949

Total ACAA Funds: \$215,949

AFNS Funds: \$1,300

NS0188CO—Physiology of Cold Acclimation in Balsam Fir Christmas Trees and Cold Acclimation Induction Technologies (CAIT): This project follows three previous projects, all of which have focused on the problem of needle drop in cut balsam fir Christmas trees. The goal in this series of projects is to understand the mechanism of the leaf drop and ameliorate the problem.

Total Cost: \$1,190,000

Total ACAA Funds: \$410,000

AFNS Funds: \$251,250

NS0196CO —Evaluating New Tree Fruit Cultivars for the Maritime Climate of Eastern Canada: This four year project will produce data to help determine suitable apple cultivars for the Maritime climatic region.

Total Cost: \$376,781

Total ACAA Funds: \$218,839

AFNS Funds: \$189,510

NS0197—Assessment of the Broiler Chicken Industry in Nova Scotia: The Chicken Farmers of Nova Scotia will obtain a better understanding of the needs of the Nova Scotia chicken industry in light of the recent change in the structure of the processing sector.

Total Cost: \$87,249

AFNS Funds: \$61,698

NS0200CO/NB0160CO—Policy Research Initiative for the Atlantic Provinces:

The Agricultural Alliance of New Brunswick is heading a project to prepare a document identifying common and non common business / policy issues affecting the Atlantic Provinces. Having the Farmers' Federations from the four Atlantic Provinces work together will also provide an opportunity for better farmer representation at the national level and enhance partnership among the provincial organizations.

Total Cost: \$121,000

Total ACAAF Funds: \$85,000

AFNS Funds: \$21,250

NS0201/PE0165CO—Atlantic Cranberry Management Course: PEI Cranberries is hosting a conferences geared towards the cranberry industry in Atlantic Canada.

The conference will serve to get growers up to date on production technology, emerging issues and marketing opportunities for this relatively new industry in Eastern Canada.

Total Cost: \$67,733

Total ACAAF Funds: \$29,450

AFNS Funds: \$7,363

NS0204—Development of the Atlantic Hay Pellet Boiler: Gus Swanson, of Waterside Ranch, will refine the design of a stove engineered to burn pelleted Reed Canary grass.

Total Cost: \$73,100

AFNS Funds: \$32,500

NS0205CO—Organic Apprenticeship Program: An apprenticeship program, first developed in British Columbia, will offer hands-on training and education, room and board, and a small stipend to apprentices in return for dedicated, season-long farm help.

Total Cost: \$30,300

Total ACAAF Funds: \$16,300

AFNS Funds: \$8,150

NS0206CO—Integrated Management of Insect Pests in Wild Blueberry: This project will fund the research of the Wild Blueberry Entomology Research Chair. This work will focus on developing and optimizing of IPM strategies and tactics to control insect pests in wild blueberries; on clarifying the ecological drivers of wild pollinator population dynamics; and on examining the influence of weed refuges and alternate hosts on the blueberry maggot.

Total Cost: \$529,089

Total ACAAF Funds: \$245,033

AFNS Funds: \$ 102,715

NS0207BF—Development of a Business Plan for the Creation of the Atlantic

Renewable Fuels Association: This BOPI project will research the feasibility of creating an Atlantic Renewable Fuels Association. The ARFA would be a non-profit organization with a mission to promote the production and use of renewable fuels through agriculture related activities in Atlantic Canada.

Total Cost: \$24,800

AFNS Funds: \$18,600

NS0210/PE0177CO—Maximizing Pasture and Grazing Techniques on PEI

Livestock Farms: Agri-Futures Nova Scotia is targeting its contribution to that portion of the project focusing on control of biting flies common to ordinary farm pastures. The project is encouraging a return to pasturing of dairy cattle, a practice not commonly seen on modern farms.

Total Cost: \$148,550

Total ACAA Funds: \$76,200

AFNS Funds: \$10,000

NS0211BF—Exploring the Potential For The Construction And Successful Long-Term Operation Of An Ethanol Fuel Bio-Refinery In The Annapolis Valley, Nova Scotia:

This is a follow-up project to NS0145BF which indicated that a 40,000,000 litre per year ethanol operation was viable under a particular set of business circumstances. Fundy Biofuels Ltd. wishes to take the next step and hire the services of a full-time research analyst to complete the exploration of the potential for the construction and successful long-term operation of an ethanol fuel bio-refinery in the Annapolis Valley.

Total Cost: \$166,000

AFNS Funds: \$124,500

NS0214CO—2008 Atlantic Canada Wine Symposium: Maritime growers of grapes, both fruit and wine, will meet in Wolfville Nova Scotia where they will share information on viticulture, winery design, winemaking techniques. The symposium will highlight the issue of marketing opportunities, placing emphasis on the steps that grape growers, fruit producers and wine makers need to take to ensure that Atlantic Canada wines meet the tastes and high quality expectations of wine consumers in Atlantic Canada, Canada and abroad.

Total Cost: \$99,200

Total ACAA Funds: \$29,000

AFNS Funds: 10,150

NS0215CO/NB0167CO—Non-Timber Forest Product Directory for Atlantic

Canada: This is a project to provide a directory and resource guide for non-timber forest products. This directory will list, by region and category, the various NTFP businesses that sell raw resources (examples being fiddleheads, fir sap, birch bark, figured woods) and value-added products (an example being rose-hip jelly), as well as NTFP-related services (examples being guided walking trails, ecotourism).

Total Cost: \$255,500

Total ACAA Funds: \$46,800

AFNS Funds: \$11,700

NS0216CO/ NB0173CO—Crisis Management Seminar: The ability of a food processing business to survive a crisis will depend, in part, on the preparations and business procedures practiced before a crisis; this seminar should give business owners an in-depth opportunity to familiarize themselves with the principles of crisis preparedness and management.

Total Cost: \$21,500

Total ACAA Funds: \$9,000

AFNS Funds: \$2,667

NS0217—Extension and Outreach for the Scotia Organic Milk Producers (SOMP) Co-operative Ltd.: Farmers interested in establishing an organic dairy operation will be provided with a variety of extension services: field tours and speakers, open farm days, mentoring of new farmers in transition, sourcing of organic grain, seed and soil amendments, and sharing of milk transportation costs.

Total Cost: \$63,228

AFNS Funds: \$47,128

NS0220CO/ NB0178CO—WBANA Symposium Conducted in Partnership with Wild Blueberry Grower Associations / Agencies in the Maritimes and Quebec:

The Wild Blueberry Association of North America, along with blueberry grower associations of the Maritimes and Quebec, is organizing an Industry Symposium to take place in Moncton in October 2008. The three day event will feature presentations by promotional agencies from Japan, Europe, the US and Canada.

Total Cost: \$82,712

Total ACAA Funds: \$43,659

AFNS Funds: \$7,277

NS0221CO/ NB0177CO— Strategic Directions for the Atlantic Grain and Oilseed Industry: The aim of this project is to create a strategic framework for the grain and oilseed industry. This plan will be developed in consultation with the livestock industry and other stakeholders by providing an opportunity to exchange information at a workshop.

Total Cost: \$78,140

Total ACAA Funds: \$43,870

AFNS Funds: \$10,968

NS0222—Developing Capacity around Farm Energy Audits and Renewable Energy Production for Agriculture in Nova Scotia: The Nova Scotia Federation of Agriculture will attempt to develop protocols for assessing the feasibility of alternate farm energy production. The project is an important step in creating an enhanced Environmental Farm Plan Program.

Total Cost: \$95,000

AFNS Funds: \$12,000

NS0226CO/QP6249CO—Guide for Blueberry Production from a Perspective of Sustainable Development: This guide will not only provide wild blueberry producers and other stakeholders with a complete reference document dealing with the important elements of production management, adapted to their own provincial conditions, but will also inform them of the importance of an integrated management approach in blueberry production.

Total Cost: \$169,896

Total ACAAF Funds: \$169,896

AFNS Funds: \$14,767

NS0227—A Plan for the Establishment of a Bio-Economy Accelerator Facility for NSAC: The Colchester Regional Development Agency is envisioning the establishment of a Bio-Economy Accelerator facility for the Nova Scotia Agricultural College. This study is to determine a business model for the proposed facility that will be located in the provincially-owned AgriTech Park.

Total Cost: \$30,000

AFNS Funds: \$20,000

NS0228—Nova Scotia Farm Energy Conservation Development: This project will provide operational funding for the recently established position of Farm Energy Coordinator and Farm Energy Conservation Industry Research Chair at the Nova Scotia College of Agriculture.

Total Cost: \$800,000

AFNS Funds: \$65,000

NS0230CO—2008 HortEast Conference: HortEast is organizing a conference program which will present talks on topics such as human resources, nursery certification programs, native plants, management coaching, and job efficiency. There will be a special focus on addressing the emerging trends in horticulture.

Total Cost: \$145,814

Total ACAAF Funds: \$23,827

AFNS Funds: \$9,650

NS0231/ PE0199CO—First Annual Maritime Beef & Pork Conference: The beef producer groups and the pork producer groups of the three Maritime Provinces are jointly organizing a conference in Charlottetown. The theme of the conference is "Adapting to New Realities" and the producers will be provided information on new production and marketing practices.

Total Cost: \$81,750

Total ACAAF Funds: \$45,750

AFNS Funds: \$15,250

NS0233CO—Effects of over-wintering environment on Nosema disease in

western honey bees (Apis Mellifera) in Nova Scotia: Maritime researchers hope to determine if the type of over-wintering practice can be linked with any subsequent effects on infection with either Nosema apis or Nosema ceranae. Data will assist in determining optimum over-wintering practices.

Total Cost: \$26,112

Total ACAA Funds: \$13,338

AFNS Funds: \$8,843

NS0235—Pacafiesta & the Atlantic International Fibre Fiesta: Pacafiesta was a three day event that took place in Exhibition Park in Halifax from September 26-28, 2008. This was a chance for new and established industry participants to share information, participate in workshops, meet key players in the industry and gain public market exposure.

Total Cost: \$91,385

AFNS Funds: \$25,000

NS0236—Evaluation of Market Potential for Industrial Hemp as a Raw Material for the Manufacture of Fuel Pellets: This project is a market feasibility study for the utilization of parts of the industrial hemp plant as a feedstock for making fuel pellets for residential stoves.

Total Cost: \$11,750

AFNS Funds: \$8,250

NS0237—Impact of land-applied alkaline treated municipal bio-solids on agricultural soils in Nova Scotia: The Nova Scotia Federation of Agriculture will develop a better understanding of the risks and benefits associated with municipal bio-solids applied to agricultural lands. The research should result in agronomic recommendations for the safe use of an alkaline treated municipal bio-solid (N-Viro Soil) in Nova Scotia.

Total Cost: \$282,500

AFNS Funds: \$33,000

Please note: The letters CO stand for Collective Outcome projects, in which more than one provincial ACAA council is providing funding. Where two numbers with CO are shown, such as NS0176CO/ NB0140CO, the second number reflects the ACAA council managing the project, in this case NB. Where only a Nova Scotia number followed by a CO is shown, such as such NS0205CO, it means Agri-Futures Nova Scotia is the lead council. Until all potential partners in a Collective Outcome project have been heard from, the level of commitment by the parties may vary, as more partners join a project. Also, figures shown for Collective Outcome (CO) projects do not reflect the amounts received back from AAFC; thus if a CO project shows a commitment of \$8,150 as in NS0205CO, Agri-Futures Nova Scotia will receive half of that back from AAFC. Projects with a BF following involve bio-fuels and are funded under the Biofuels Opportunities for Producers Initiative (BOPI). Where applicable, changes in project totals and commitments since year end are

reflected in the preceding.

Appendix II: CARD Projects Approved during 2007 -2008

CARD Project 406 - International Dairy Summit: Dairy Farmers of Nova Scotia sponsored two delegates to attend the International Dairy Federation World Summit. The theme of the Summit was “Dairying - Can it Manage Change” and was held in Ireland.

Total Cost: \$ 11,500

CARD Contribution: \$ 3,000

CARD Project 407 - Annual Meeting Speakers: Horticulture Nova Scotia hosted the 2008 Horticultural Congress sponsoring speakers on areas of interest to producers.

Total Cost: \$ 15,700

CARD Contribution: \$ 6,500

CARD Project 408 - Leadership Conference: The Nova Scotia 4-H Council organized the Rural Leaders Conference open to all members of the rural community. The program focused on leadership development, motivation, innovation and emerging issues.

Total Cost: \$ 53,000

CARD Contribution: \$ 20,000

CARD Project 409 - Bee Colony Management Workshop: The Nova Scotia Beekeepers’ Association hosted a workshop on colony management emphasizing non-chemical treatment for bee diseases and pests and methods for the introduction of new genetic stock.

Total Cost: \$ 2,000

CARD Contribution: \$ 1,250

CARD Project 410 - 2008 Dairy Focus: Dairy Farmers of Nova Scotia organized the 2008 Dairy Focus to provide its members with information on new and emerging issues affecting business and herd management.

Total Cost: \$ 65,000

CARD Contribution: \$ 6,000

CARD Project 411 - Annual Meeting Workshop: The Nova Scotia Fruit Growers’ Association hosted a workshop during its Annual Meeting to highlight opportunities for its members under the “Buy Local” theme.

Total Cost: \$4,400

CARD Contribution: \$ 2,131

CARD Project 412 - Sprayer Calibration Workshop: AgraPoint organized an air-blast sprayer calibration workshop. The workshop featured the use of a “patternator” to measure distribution of spray material.

Total Cost: \$12,600

CARD Contribution: \$ 4,500

CARD Project 413 - Produce Auction Feasibility Study: The Organic Agriculture Centre of Canada will research the feasibility of establishing a produce auction in Nova Scotia, based on the model used in Ontario and in the United States.

Total Cost: \$47,000

CARD Contribution: \$ 27,000

CARD Project 414 - 2008 Atlantic Food Industry Conference: The Nova Scotia Federation of Agriculture sponsored two industry delegates to attend the Conference. The Conference provided a forum for delegates to interact with the grocery retailers on emerging marketing trends and the chains’ approach to marketing.

Total Cost: \$2,000

CARD Contribution: \$ 1,154

CARD Project 415 - Sprayer Information Days: The Soil and Crop Improvement Association of Nova Scotia held two sprayer information workshops. Topics covered in the workshops included safety, calibration, nozzle selection and care and assessment of sprayer performance.

Total Cost: \$ 2,400

CARD Contribution: \$ 1,800

CARD Project 418 - Highbush Blueberry Production Conference: AgraPoint organized a workshop focused on operating a successful highbush blueberry farm. Topics included commercial production, marketing, IPM and food safety.

Total Cost: \$ 21,700

CARD Contribution: \$ 3,900

CARD Project 419 - Maritime Bee Tour: The Nova Scotia Beekeepers’ Association organized a summer tour in the Maritime region. The tour focused on value-added and further opportunities for beekeepers and honey producers.

Total Cost: \$ 11,000

CARD Contribution: \$ 6,000

CARD Project 420 - Queen Genetic Material: The Nova Scotia Beekeepers’ Association will import genetic material from Canadian sources to attempt to produce and breed queen bees for Nova Scotia beekeepers.

Total Cost: \$ 30,000

CARD Contribution: \$ 10,000

CARD Project 421 - Product Promotion: Pork Nova Scotia and Tony’s Meats

(Antigonish Abattoir) will cooperate with Sobeys to do four seasonal in-store product promotions for products with the “Tony’s” brand label.

Total Cost: \$ 101,358

CARD Contribution: \$ 27,216

CARD Project 422 - Directory of Local Producers and Processors: The Lunenburg Queens Regional Development Agency will coordinate the production of a Directory of local food producers, processors and brokers. The print version, initially listing 75 businesses, will be updated every two years and the web version will be updated monthly.

Total Cost: \$ 35,000

CARD Contribution: \$ 12,525

CARD Project 423 - National Agricultural Awareness Conference: The Nova Scotia Agricultural Awareness Committee will send two delegates to the National Conference being held in St. John’s in 2008.

Total Cost: \$ 6,500

CARD Contribution: \$ 3,100

Appendix III: ACAA Activity November 2004 - August 31, 2008

	Total Program
Applications Received	246
Applications Approved	163
Applications Not Approved	41
Applications Withdrawn	9
Applications Pending at Year End	10
Transferred to CARD	22
Transferred to National ACAA	1
Total Funds Received From AAFC (Includes base grant, B.O.P.I grant plus collective outcome amounts and translation reimbursement.)	\$6,560,625
Interest & Capital Gains Received	\$256,052
Funds Paid on Projects	\$2,436,195

Agri-Futures Funds Committed to Projects	\$4,014,255
Administrative Costs	\$482,451

Appendix IV : CARD Activity to August 31, 2008

	Total Program	2007-2008
Applications Received	423	18
Applications Approved	296	16
Applications Not Approved	105	1
Applications Withdrawn	23	1
Total Funds Received from AAFC	\$5,010,026	---
Interest and Capital Gains Received	\$669,165	\$49,418
Funds Paid on Projects	\$4,424,154	\$151,967
Funds Committed to Projects	\$523,401	\$136,076
Administration Costs	\$449,966	\$20,997