

pro **Action**[®]



2019-20 PROGRESS REPORT



As world leaders in the production of high quality and safe food, Canadian dairy farmers take great pride in proAction®, the national on-farm quality assurance program. Farmers' commitment to the high standards set for food production excellence under proAction reflects the values they share with their customers and the assurance that underpins the Blue Cow logo. The logo is a symbol of quality found on thousands of milk and dairy products made with 100% Canadian milk and milk ingredients.



Acknowledgments

DFC would like to thank the many farmers, experts, researchers and other industry partners who have contributed to the development and implementation of the proAction program through research, services, and expert working groups. Other technical committees include representatives from Humane Canada, Ducks Unlimited Canada, veterinary associations, governments, and the retail sector.

DFC would also like to acknowledge funding received to develop proAction from Agriculture and Agri-Food Canada's Assurance Program of the Canadian Agricultural Partnership.



Message from Pierre Lampron, President, Dairy Farmers of Canada

On behalf of Dairy Farmers of Canada's (DFC) Board of Directors, I would like to thank Canadian dairy farmers for their continued dedication in demonstrating, through proAction, the high standards practiced on their farms every day. I am pleased to share the 2019-20 progress report, highlighting the achievements and advancements made under the program.

The past year has been a trying time: the COVID-19 pandemic, evolving consumer expectations and tastes, and additional market access granted to foreign dairy products are just a few of the issues facing our sector, and proAction is integral to addressing those challenges.

Under proAction, dairy farmers show, in a transparent and demonstrable way, how we adhere to some of the most stringent standards in the world for milk quality, animal welfare, food safety, biosecurity, traceability and environmental stewardship.

proAction is essential to educating and reminding consumers of the high standards behind every single drop of milk produced in Canada. It is the foundation for our marketing initiatives, which under the powerful Blue Cow brand, remind Canadians of the high quality and production standards behind our milk, highlight our contributions as dairy farmers to a healthy, sustainable future for our country, and reinforce the value of dairy products made with 100% Canadian milk. The program is also central to our communications with both consumers and government, as the robust requirements of the program reflect our industry's long-standing values and commitments to excellent animal care practices, producing high quality, nutritious dairy products, and environmental stewardship.

We can all be proud of the milestones we've reached under proAction. I am especially grateful for all the hard work and leadership provided by proAction Committee Chair, David Wiens, and the Chairs of each Technical Committee. The progress report demonstrates our commitment to excellence and continuous improvement, and we look forward to building on this momentum in 2020-21 and beyond.

Message from David Wiens, Chair, proAction Committee

Over the last 18 months, we have made tremendous progress on proAction. The biosecurity module was launched in the fall of 2019, new partnerships and programs were announced, and in the wake of the COVID-19 pandemic, farmers and industry partners demonstrated their resilience and ongoing commitment to the values of proAction. The program continues to be an essential indicator of the high-standards and excellent practices we commit to applying on our farms every day.

The launch of the Biosecurity module was a major success, with provincial associations reporting a smooth roll out. Considering the animal health challenges faced by other livestock groups around the world, biosecurity on farms is more important now than ever before, demonstrating as an industry how we protect dairy cattle health, farm premises and farm families from disease outbreaks.

After a successful pilot of the Environment module, which included some 100 farms, improvements have been made to the module, incorporating farmers' feedback. When the module is launched in 2021, it will provide clear benchmarks for the industry reflecting the many ways Canadian dairy farmers have always shown stewardship for the environment.

DairyTrace, a new national dairy cattle traceability database and platform for all Canadian dairy farmers, will be launched in the Fall of 2020. This program will position Lactanet to fully deliver the Canadian Food Inspection Agency's administration requirements for dairy cattle traceability.

And finally, on behalf of DFC, I would like to thank our dairy partners for their invaluable support and contributions to proAction, which ensures it continues to be a collaborative national success story.

The 2019-20 proAction progress report contains information and updates on the status of the program's delivery and implementation. It demonstrates the ongoing dedication of dairy farmers to meet the national standards for milk quality, food safety, animal care, traceability, biosecurity and the environment.

It is founded on proAction principles designed to show consumers that dairy farmers are proactive in providing high-quality, safe and sustainable food. Farmers meet the national standards daily and demonstrate, through proAction requirements and reporting, how they maintain excellence in milk production, in the care they provide their animals and safeguard dairy cattle health and in the environmentally sustainable practices they apply on their farms.

proAction®

WHY proAction?

proAction is designed to demonstrate that Canadian dairy farmers meet clearly defined, world-leading standards; provides proof that farmers produce milk responsibly; and, builds a framework and structure for the consistent delivery of outcomes that show dairy farmers' commitment to continuous improvement and excellence.



OUR VISION

Through proAction, Canadian dairy farmers collectively demonstrate responsible stewardship of their animals and the environment, sustainably producing high quality, safe and nutritious food for consumers.

PROACTION STRUCTURE

proAction's six modules – Milk Quality, Food Safety, Animal Care, Livestock Traceability, Biosecurity and Environment – together form the national standards of practice and care to be met every day on each Canadian dairy farm.

The program's governance structure reflects the key principles that proAction be designed by dairy farmers, for dairy farmers and that it be transparent and show accountability. To provide ongoing assurance that all farms are adhering to the program requirements, farmers decided that the program be mandatory.

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The proAction Committee reports to DFC's Board of Directors and is responsible for program policy and standards development, program implementation and reporting oversight in collaboration with provincial members.

The proAction Committee has 16 voting dairy farm representatives, as well as program coordinators and technical experts from each province. Decisions

are reached by consensus, whenever possible, and a majority vote is taken when necessary. In the last year, the

Committee met 10 times and, among many initiatives, focused on the review and approvals to update the proAction Workbook

and Reference Manual (2019) and the launch

of the Biosecurity module. A special face-to-face

meeting was also held with five processor representatives

and the Dairy Processors Association of Canada (DPAC), bringing their perspectives as buyers and distributors of consumer-facing brands to the table.

➤ Technical Committees are formed for each module to ensure the application of practical and credible science-based requirements across the country.

Technical Committees include provincial proAction coordinators, external experts and stakeholder partners. Since January 2019, the Dairy Processors Association of Canada have had a representative on the proAction Animal Care and Environment Technical Committees.



Milk Quality

Farmers strictly adhere to provincially regulated milk quality standards every day in order to produce some of the world's highest quality milk.



Food Safety

Farmers prevent, monitor and reduce food safety risks on farms, based on the principles of Hazard Analysis and Critical Control Points (HACCP) and Canadian Food Inspection Agency (CFIA) recognized requirements.



Animal Care

Farmers care for cattle by following the requirements in the *Code of Practice for the Care and Handling of Dairy Cattle*. Verification of these practices includes an assessment of animal-based measures.



Livestock Traceability

All farms have a unique premise identification number, cattle are tagged and their movements will be traceable. This will ensure the industry is prepared to respond to emergencies should they occur.



Biosecurity

To improve herd health, farmers work with veterinarians to manage risks and focus on preventing the introduction of disease into, and its spread within their herds.



Environment

Farmers strive to improve efficiencies and embrace innovation to reduce their environmental impact. In the context of this module, farmers will use existing provincial environmental farm plans, and will apply best management practices for nutrient management, soil health, and water management, while enhancing biodiversity and reducing waste.

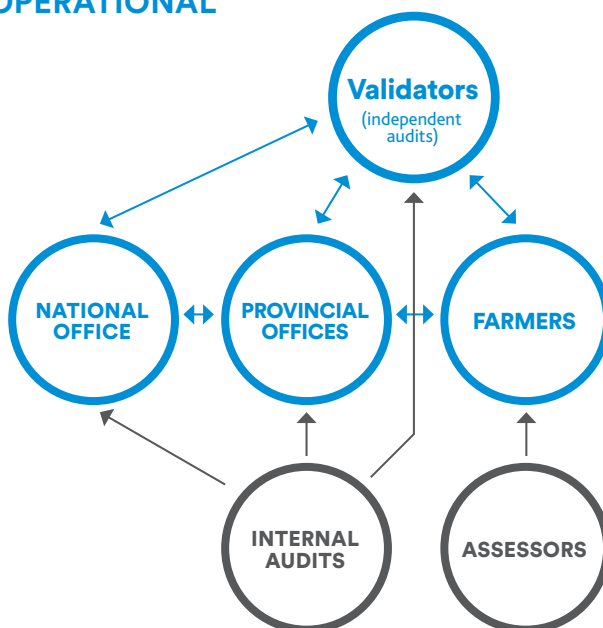


proAction Structure

DECISIONAL



OPERATIONAL



KEY DEFINITIONS ?

ASSESSOR – a professional trained to complete cattle assessments for the Animal Care module of proAction.

VALIDATOR – a trained professional responsible for verifying a farm's adherence to the proAction standards. They observe animals and farm premises, interview farmers and staff, and verify farm records. They evaluate the farm according to proAction requirements and identify areas that require corrective actions. Farmers have a specific timeframe to implement corrective actions, depending on the requirement. Continued non-conformance can generate a process of progressive sanctions.

INTERNAL AUDIT – performed by an independent professional, trained to verify the processes and practices in the program's implementation in the national and provincial offices as well as audit the work of validators.

proAction Committee membership

- 5 representatives from the BC Dairy Association – 1 voting
- 3 representatives from Alberta Milk – 1 voting
- 2 representatives from SaskMilk – 1 voting
- 2 representatives from Dairy Farmers of Manitoba – 1 voting
- 5 representatives from Dairy Farmers of Ontario – 1 voting
- 4 representatives from Les Producteurs de lait du Québec – 1 voting
- 2 representatives from Dairy Farmers of New Brunswick – 1 voting
- 1 representative from Dairy Farmers of PEI – 1 voting
- 1 representative from Dairy Farmers of Nova Scotia – 1 voting
- 1 representative from Dairy Farmers of Newfoundland and Labrador – 1 voting
- 12 representatives from DFC – 6 voting

Assuring compliance with proAction

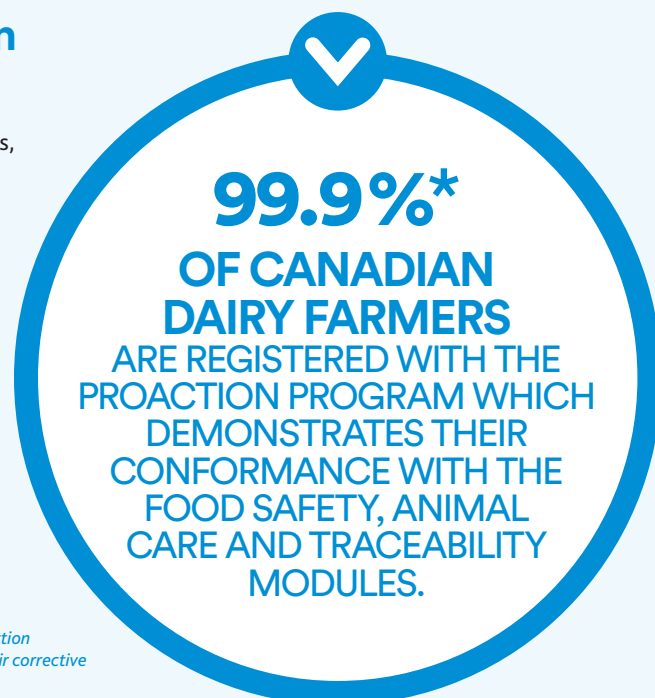
For accountability and transparency, cattle assessments and independent validations are performed on each farm every two years. In alternative years, farmers self-declare on how they met the program requirements.

- Dairy cattle assessments are completed by trained professional assessors.

These individuals are animal experts that receive updated training regularly. They assess the adherence to the animal-based measures that are part of the Animal Care module.

Validators verify farm records and confirm dairy farmers are meeting proAction requirements. All recommended corrective actions are followed by provincial offices. There were 51 validators ensuring proAction farm conformance as of December 31, 2019.

**The 0.1% difference is attributed to new farm operations in the process of implementing the proAction requirements, or existing farm operations in the process of updating their practices and showing their corrective actions to comply with the proAction requirements.*



PROGRAM IMPLEMENTATION STATUS

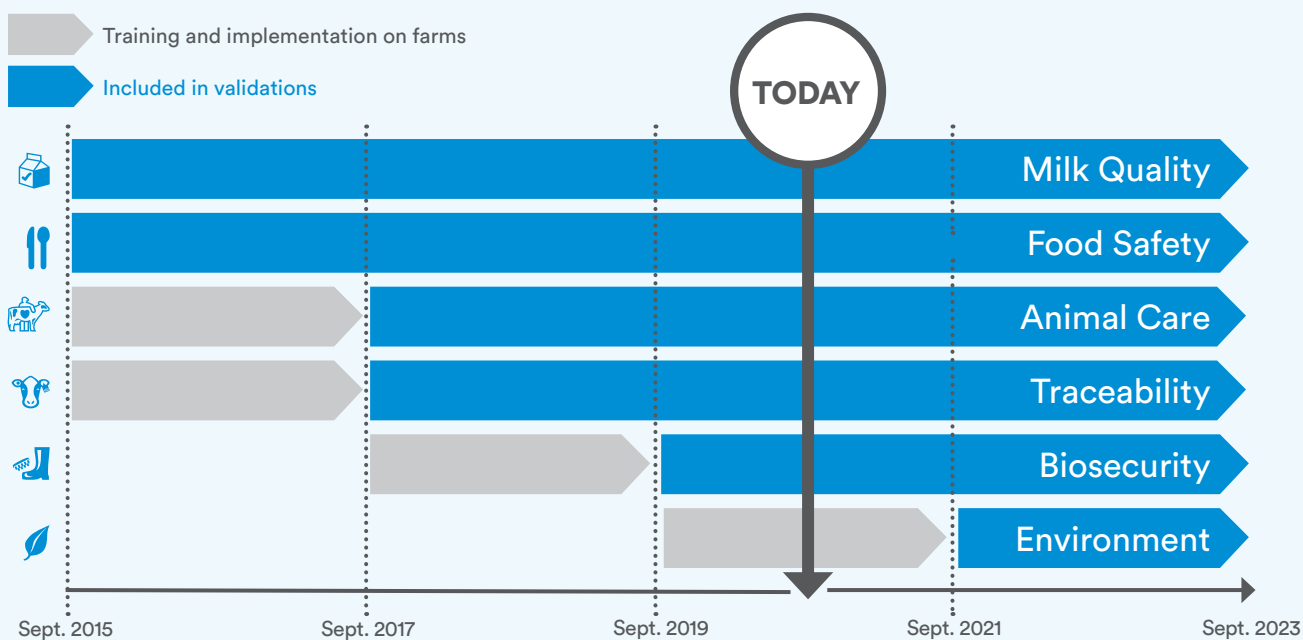
The planned, phased-in approach to proAction implementation is on schedule. Since 2015, five of the six proAction modules – Milk Quality, Food Safety, Animal Care, Traceability and Biosecurity – have been implemented.

- There are 79 requirements dairy farmers must meet to achieve the national standards for the five modules implemented to date. Of the 79 requirements, they have to develop and maintain 15 Standard Operating Procedures (SOPs) and provide 20 detailed records to report on how they meet the requirements.

KEY DEFINITION

SOP – A standard operating procedure (SOP) is a documented procedure that describes step-by-step how a production process should be carried out by the farmer, family members or employees.

Module implementation schedule



proAction Workbook and Reference Manual updated

In July 2019, the proAction Workbook and proAction Reference Manual were shared with Canadian dairy farmers. The documents are publicly available online on DFC and provincial organizations' websites. The Workbook and Reference Manual are updated when a new module is released or to reflect changes required as a result of new science-based recommendations for best farm practices. The 2019 edition includes the new requirements for the Biosecurity module, new and updated requirements for dry cattle housing, cattle cleanliness, pain control, and SOPs for down cattle and euthanasia, which were updated and approved by the proAction Committee. The Reference Manual also includes a chapter introducing the Environment module, making it the first integrated version.

PROACTION BY THE NUMBERS

51
TRAINED PROFESSIONALS
performed the independent
validations on all farms over a
two-year period.

31
PROFESSIONAL CATTLE ASSESSORS
conducted cattle assessments
on farms across Canada
(assessors are re-trained
every six months).

99.9%
OF CANADIAN DAIRY FARMS

were evaluated on their performance and validated by August 31, 2019 for the Food Safety, Traceability and Animal Care modules of proAction. Due to the COVID-19 pandemic, validators were restricted from entering farm premises starting in March 2020. Nonetheless, 2,500 farms had been validated for the Biosecurity module by March 2020.

proAction and COVID-19



On March 11, 2020 the WHO declared the outbreak of COVID-19 a pandemic. Canadian public health officials ordered all Canadians to stay home and physically distance themselves from others to reduce the spread of the deadly virus. In line with public health guidelines, DFC published information to heighten dairy farm biosecurity protocols to protect the health and safety of dairy farmers, their families, service providers and farm premises. All proAction visits by assessors and validators were suspended to respect public health guidelines. Assessments and validations resumed after a few months based on the strict guidance from provincial public health agencies.

➤ While there was a temporary lapse in assessments and validation services, plans were put in place to mitigate impacts on the proAction modules.



SPOTLIGHT ON PROACTION BIOSECURITY

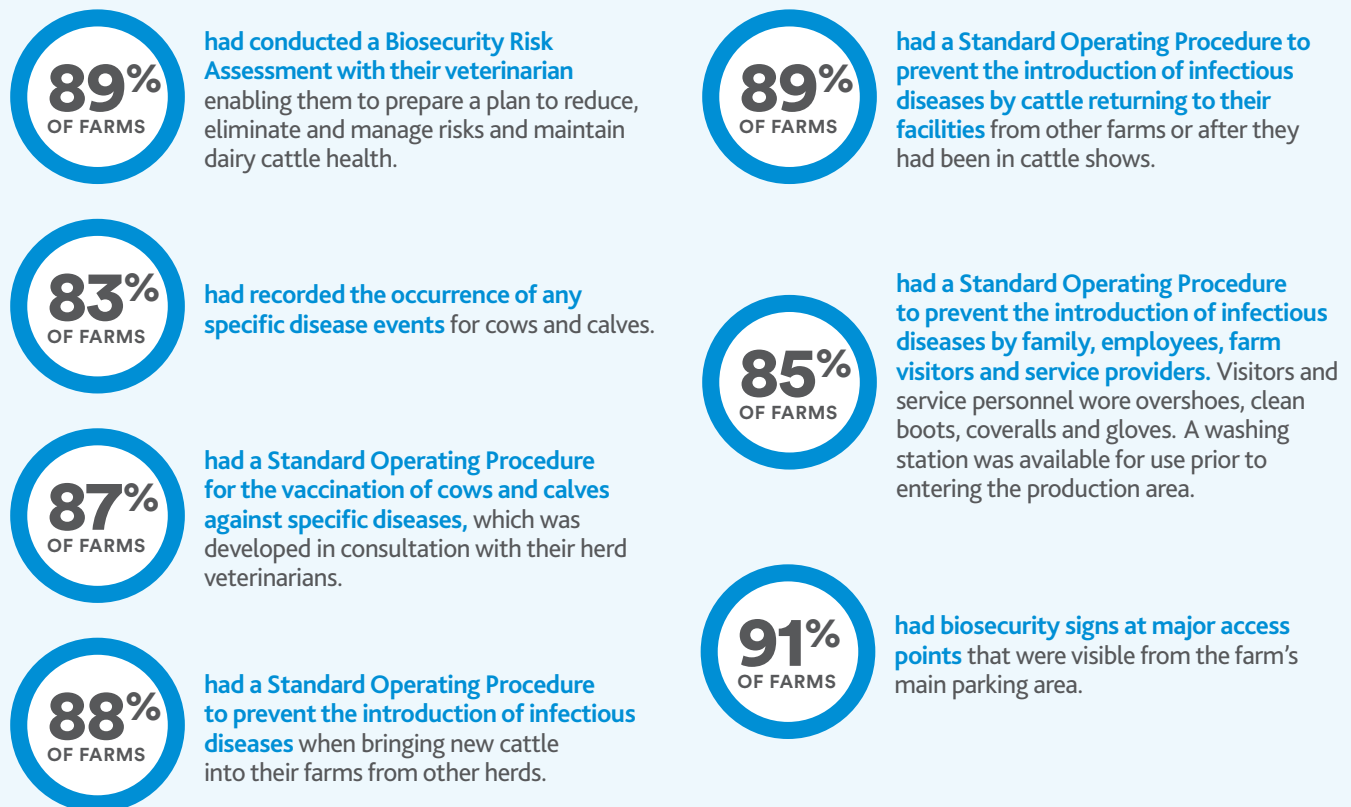
In September 2019, the proAction Biosecurity module was launched, making seven requirements in the module mandatory on all farms. This module relates to the practices of preventing, reducing or eliminating the introduction of infectious diseases among cattle and builds on the existing requirements and accountability measures for food safety, animal care, and livestock traceability. Assessments of biosecurity farm practices were carried out to evaluate and validate practices against the biosecurity standards in a consistent and transparent way.

Farmers are equipped with a risk assessment tool and the records that need to be kept and maintained to address practices to prevent, reduce, or eliminate the introduction of infectious diseases to cattle. These practices include identifying points of entry and spread of disease throughout the farm and implementing best practices to manage the risks of people, vehicles and equipment in transmitting diseases.

The Biosecurity module is based on the national standards recognized by the CFIA and lists Best Management Practices and Standard Operating Procedures for dairy farmers to manage biosecurity hazards on farms.

Biosecurity benchmarking

On-farm validations for the Biosecurity module began September 1, 2019. There were 2,447 farms validated between September 1, 2019 and February 29, 2020 (before interruptions from COVID) for conformance with the biosecurity requirements. Farms that are required to take corrective actions to fully comply with the requirements are given a timeframe to resolve any issues and be in full conformance. Data collected so far for the seven requirements shows the following validation findings:



Based on the validations to maintain the program, dairy farmers made the corrective measures necessary to comply with the requirements of this module. They were working to mitigate disease risks on their farms and protect the health of their herds. The ongoing support provided by veterinarians and provincial members through training for farmers as well workshops for biosecurity implementation have been effective.



LIVESTOCK TRACEABILITY

Livestock traceability is an integral part of the dairy sector's rigorous system that assures consumers high standards for the production of safe food are met. Traceability enables farmers to prepare for, manage and reduce the impact of an animal disease outbreak. It allows the tracking and tracing of animals in the event of animal health or food safety issues to ensure adequate emergency management to help protect the public, limit losses and maintain market access.

- Since 2017, 100% of farms have had a premise ID and all dairy animals born since 2017 are identified with unique tags to track the animal's life and movements.

Farmers report and record their animals' life events and movements in the Canadian Livestock Traceability System (CLTS) and Agri-Traçabilité Québec (ATQ administers the traceability database for dairy farmers in Quebec) to manage food safety and protect animal health in the event of the spread of an infectious disease or a natural disaster.



ANIMAL CARE

Through proAction Animal Care, 20 questions must be addressed by dairy farmers to confirm that a farm is meeting the module requirements. From September 2017 to September 2019, Canadian dairy farms were assessed and validated for adherence to the proAction animal care requirements for the first time and corrective actions, where necessary, were issued to help farmers keep improving their practices. Validations are continuing on an ongoing basis.

- Cattle assessments are one of the core requirements in the module, which involve a trained assessor evaluating a sample of cattle in each herd for key indicators of animal care and comfort.

Holstein Canada is the primary service provider for the coordination and implementation of cattle assessments, ensuring that the requirements for the animal-based measures (body condition score; hock, knee and neck injuries; lameness) are met. The results of the first round of cattle assessments were reported in the previous progress report, and preliminary data from the second round is indicating positive progress across all animal-based measures.



KEY AREAS EXPLAINED ?

PERSONNEL, VISITORS, VEHICLES AND EQUIPMENT – Controlling traffic and visitors is an essential part of biosecurity. The risks of people, vehicles and equipment transmitting pathogens to cattle can be managed if those involved understand and adhere to the biosecurity measures in place on a farm.

CATTLE ADDITIONS AND MOVEMENT – Cattle may be introduced in a herd to add genetic diversity, used for replacement or to expand the herd. A documented SOP can help minimize the risk of introducing infectious diseases through cattle additions.

CATTLE HEALTH MANAGEMENT – A Biosecurity Risk Assessment Questionnaire allows a farmer to assess risks and take action to maintain the health of the herd and prevent the introduction and spread of disease.



FOOD SAFETY

The Food Safety module has 42 requirements designed to maintain milk and meat safety on dairy farms. Formerly called the Canadian Quality Milk program, the food safety requirements have been mandatory since 2015.

- The Food Safety module is recognized by the CFIA for the consistent application of food safety management practices on farms using a science-based, preventative approach, internationally known as HACCP.

The Food Safety module is reviewed by CFIA every 20 months for regulatory compliance and updated as necessary. In July 2019, DFC, in collaboration with Health Canada's Veterinary Drugs Directorate, updated its list of approved teat dips, antiseptic teat solutions, wipes, udder washes and other topical udder/teat products that can safely be used as directed for animal health and food safety.



ENVIRONMENT

The next and final module of proAction is Environment, which is scheduled to become available for validation on farms in September 2021. Over the past few years, DFC, through the proAction Environment Working Group, developed an on-farm pilot to test requirements for the module.

- Close to 100 farmers across the country took part in the pilot, and feedback from farmers, validators, and provincial coordinators was gathered with the goal to improve the program.

The piloted requirements covered a range of topics including Environmental Farm Plans (*Plan d'accompagnement agroenvironnemental or the equivalent in Quebec*), milking centre wastewater, manure storage and management, farm waste, soil health, greenhouse gas emissions, biodiversity, and silage seepage. Participating farms performed well in the pilot and provided constructive feedback for the development of the module.

- As part of proAction's Environment module development, DFC commissioned a study on biodiversity in the Canadian dairy sector in collaboration with Ducks Unlimited Canada.

Conducted by researchers at the University of Guelph, the study explored the contributions of dairy farming to biodiversity in Canada and provides a number of ways the sector can contribute positively to maintain biodiverse, sustainable ecosystems with best practices. Recommendations address the need to balance biodiversity enhancement programs with considerations for farm profitability and the need for education to inform dairy farmers of new practices in biodiversity enhancement and their benefits. The authors conclude that small adjustments to current practices in agri-environmental stewardship can have significant environmental effects, demonstrating Canadian dairy farmers' leadership in promoting environmental change for the better.



Unilever recognizes DFC commitments towards sustainable milk production practices

- DFC received international recognition from Unilever for its commitments towards sustainable milk production practices in 2019.

Unilever recognized that 100% of milk produced in Canada is sustainably sourced according to the company's Sustainable Agriculture Code. The Code is a collection of good practices, which aim to codify important aspects of sustainability in farming and to apply them to the supply chain.



RESEARCH CORNER: INVESTMENTS IN RESEARCH AND INNOVATION TO SUPPORT PROGRESS IN PROACTION

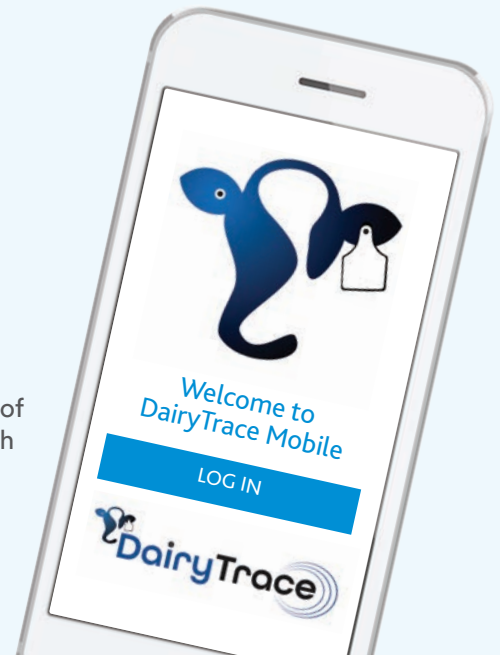
DFC invests in research to support science-based evidence to continue improving best management practices in animal care and health, milk quality and food safety and environmental sustainability. DFC approved support for a new five-year research initiative to enhance biosecurity practices on farms that is currently under review through a matching funding approval process.

DFC also renewed its commitment to support the Natural Sciences and Engineering Research Council (NSERC) Industrial Research Chairs in Dairy Cattle Welfare (University of British Columbia) and Infectious Diseases of Dairy Cattle (University of Calgary) to advance best practices and standards for animal comfort and welfare and improve dairy cattle health. The NSERC Industrial Research Chair in the Sustainable Life of Dairy Cattle is in its final year of operation in 2020 and has been successfully delivering research outcomes that will help farmers adapt existing housing systems for increased animal comfort.

- Additionally, new long-term investments in research (five years) were made in 15 research projects under the Dairy Research Cluster 3 announced in July 2019. The Cluster is led by DFC, in collaboration with Lactanet, Novalait and other partners, to support national multidisciplinary research projects in dairy production and human nutrition and health through Agriculture and Agri-Food Canada's AgriScience Clusters program.

FUTURE OUTLOOK: INITIATIVES TO SUPPORT CONTINUOUS IMPROVEMENT IN PROACTION

The 2019-20 proAction progress report provides a comprehensive picture of Canadian dairy farmers' commitment, work and achievements to meet high national standards for food production. The future outlook and program initiatives are driven by dairy farmers' leadership and the value they place on achieving excellence.



DairyTrace

DairyTrace, a new national dairy cattle traceability program, including its own database and platform, will be officially launched this fall and accessible by all Canadian dairy farmers.

- DairyTrace will offer a single point of access to dairy farmers as the technical database for collecting and storing traceability data for emergency management and industry value-added purposes.

When it is live, dairy farmers will transition to reporting their data to DairyTrace to meet the proAction traceability requirements. To respect provincial regulations, Quebec dairy farmers will continue to report directly to ATQ using its SimpliTRACE system.

Lactanet and DFC, along with other key partners, have been developing the structure, governance and design of the DairyTrace program since September 2017. With DairyTrace, Lactanet and DFC will be in a position to fully deliver the administrative responsibilities required by the CFIA under the regulations for the administration and coordination of traceability. Moreover, Lactanet will manage all data collected for the DairyTrace national traceability system; provide added value customer services to dairy farmers; enable ordering and distribution of a new white single button tag; and communicate and train dairy farmers and industry personnel on traceability requirements.



Update of the Code of Practice for the Care and Handling of Dairy Cattle

DFC dairy farmer representatives and expert advisors have been part of a process in association with the National Farm Animal Care Council to review and update the *Code of Practice for the Care and Handling of Dairy Cattle* (2009). Announced in March 2019, the Code update includes multiple stakeholders who provide input through a Code Development Committee.

- In this process, dairy farmers remain committed to providing excellent care for their cattle as the 2009 Code is the foundation of the proAction Animal Care module.

The Code development process provides an opportunity for dairy farm leaders to ensure any revisions reflect the latest scientific evidence and best farm practices. It is scheduled to end in the Spring 2022 and at that time, revisions to the Code will be considered under proAction to ensure dairy farmers continue their pursuit of excellence in dairy cattle health and welfare.