



COMMENTARY

“The Voice of Manitoba Farmers”

203-1700 Ellice Ave. ~ Winnipeg MB ~ R3H 0B1

ph: (204) 697-1140 ~ fax: (204) 697-1109

kap@kap.mb.ca ~ www.kap.mb.ca

Saying Goodbye to KVD

July 21, 2008

By Rob Brunel, KAP Vice President. Cell: (204) 447-7104.

As of August 1, farmers can say goodbye to KVD (kernel visual distinguishability) in our grain system. We do need a change in the way that grain is identified and registered in Canada because KVD can't keep up with the increasing demands for new varieties that could be used for livestock feed or to fuel the alternate energy industry. However, that doesn't mean that this new approach will be without its challenges.

Looking back, it's clear that KVD served a critical purpose in our industry. KVD helped to establish Canada's reputation as a supplier of consistent quality. We now have to find a way to continue to keep quality but also offer more varieties and more options for farmers and the agricultural industry as a whole. It's going to be a balancing act, and now farmers will be expected to take even more responsibility to make sure we're safely away from the edge.

Most farmers know that they are now expected to sign a declaration before they deliver any grains that clearly states that they will deliver what they say they will, and that they accept responsibility if this is ever found to not be the case. This is an extremely powerful document. It is clear that farmers will have to be very diligent about their grain deliveries, and that it is a wise decision to document all of the steps in their production systems. Since grains will no longer necessarily be visually distinguishable from one another, farmers will have to be 100% confident that the variety they're growing is actually what they believe it to be. Otherwise, the consequences for the farmer and the grain industry as a whole could be extremely damaging.

It will be critical for you to be able to prove what you've grown, what you've delivered, and what steps you've taken to document your entire growing season. As of August 1, the risk will be all yours. In fact, the declaration you have signed (or will be signing) says that if you deliver an ineligible variety, that you agree to have done so negligently or fraudulently and you will be held accountable. In this case, accountability means that the Canadian Wheat Board can cancel your contracts, and that the CWB and the grain company you've delivered to can sue you for all damages, losses, and costs related to the delivery.

Farmers: Make sure you know what you're signing and the liabilities that you will be assuming when you deliver grains. Take the extra precautions necessary to ensure that you are protecting yourself against these new risks, and keep samples of all your deliveries a little longer in this transition period to back up your documentation.