Helping Create New Opportunities in Bioproducts

Bioproducts

Agriculture and Agri-Food Canada (AAFC) is committed to facilitate the development of a world-leading bioproducts sector in Canada. Our overarching goal is to help the agriculture and agri-food sector capture value-added opportunities from an expanded bioproducts market while effectively meeting the resource demands from industry and the product demands of consumers. AAFC is currently engaged in a wide array of programs and activities geared toward meeting departmental objectives in bioproducts. By focusing on the creation of effective policies, attracting and providing timely investments, and the development of cutting-edge science, AAFC is contributing to the viability, as well as the profitability, of the bioproducts sector. Listed below are some of the program details and highlights from a number of current departmental activities and ongoing projects.

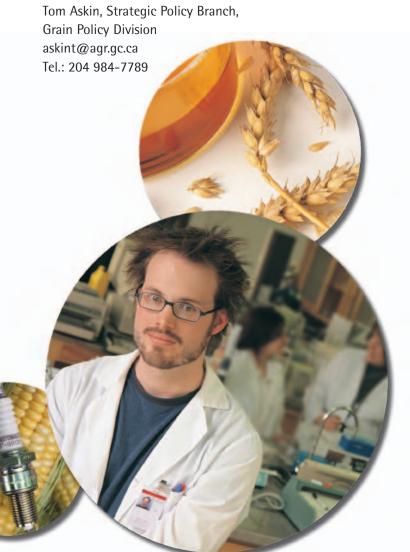
Policy and Regulatory Environment

Biofuels Policy

Biofuels produced from agricultural materials are environmentally and economically beneficial to Canadian agriculture and are a step towards creating a cleaner global environment. AAFC is working with Environment Canada, Natural Resources Canada and provincial and territorial governments to develop a national strategy to implement the federal government commitment to a five percent average renewable content in Canadian transportation fuel by 2010.

AAFC strongly supports measures that

will encourage domestic biofuel production and contribute to agricultural communities by providing farmers new market opportunities. AAFC is consulting with agricultural stakeholders and examining a variety of program options to help ensure opportunities exist for producers to participate in biofuels production.





Economic and Policy Research

Economic research is conducted at AAFC to understand the structure and performance of the agriculture and agri-food sector and to identify opportunities and challenges that will affect its future competitiveness and prosperity. This research includes the analysis of economic impacts on Canada of potential technology, market and policy scenarios for agricultural bioproducts.

New market opportunities are unfolding for the agriculture and agri-food sector as demand increases for products and constituents derived from agricultural biomass and commodities. Innovation in product development and in cost-reducing production methods

are key drivers in the development

of these opportunities.

Economic research at AAFC helps to quantify these opportunities and to identify policies to facilitate their development.

In this context, for example, AAFC works together with Statistics Canada and other government departments to develop data and information on the size, structure and importance of bioproduct firms and the products they develop, and on the nature of biomass feedstock supplies available in Canada for the development of bioproducts. The Bioproduct Development Survey conducted by Statistics Canada in 2004, as commissioned by AAFC, also identified barriers and impediments to bioproduct development and the nature of the human capital used in this industry. Further analysis in this area will focus on the technologies being used to develop bioproducts and R&D required for further development.

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Industry and Market Development

Attracting Investments

By assisting Canadian firms and institutions to form advantageous, strategic alliances with firms in other countries, AAFC fosters the development of investment opportunities within the bioproducts industry. Efforts include connecting



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APF Science and Innovation -**Broker and Agri-Innovation Programs**

Industrial Biotechnology to Canada.

The Agricultural Policy Framework's Science and Innovation Programs, Broker and Agri-Innovation, are designed to bring together a full spectrum of organizations to develop ideas that will accelerate the adoption of innovation and the commercialization of opportunities. The Broker Program supports the development and implementation of broker and producer organizations working between industry, government and universities to identify strategic innovation opportunities. The Agri-Innovation Program supports projects identified and promoted through broker processes to bring together key players in the value chains and act as a mechanism for cooperation in research, production and marketing. Support is provided to 10 to 15 large and long-term projects, such as Flax 2015 and Soy 20/20. Outcomes of projects supported by the Broker and Agri-Innovation Programs lead to developments in the areas of functional foods, bio-fuels and the use of agricultural fibres in composite materials, and also create opportunities for agricultural producers and rural communities.

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Scientific Research and Development

Scientific Research and Development: to discover and develop value added biobased products and processes.

Advances in the biological sciences, informatics and process engineering provide new possibilities for producing a wide range of industrial, pharmaceutical and nutritional products from renewable resources such as crops, livestock and micro-organisms. AAFC research in this area seeks to:

- Enhance human health and wellness through food, nutrition and innovative products. The focus is to improve understanding of the link between food, nutrition, health and wellness leading to increased opportunities for agriculture in producing foods and nutraceuticals and other innovative health related products;
- Enhance economic benefits for all stakeholders. The focus is to provide bio-based solutions to national issues and priorities while seeking opportunities to enhance profitability and competitiveness of farmers, the agri-food system, rural communities and Canadian industry; and,
- Develop new opportunities for agriculture from bioresources. The focus is to identify and develop bioplatforms for effective industrial development of agri-based ingredients and products as well as collaborative work in developing authoritative information on biorefinery processes to help position agriculture and rural communities for future success.

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