

**Question/Interaction:**

**Senator Burey:** Good morning again. I love this committee. We learn about so much — sustainability, food security, mitigating the effects of greenhouse gases, risk management and looking at organic matter. I enjoyed your photosynthesis and botany lesson right there and, on the other hand, the information about loans for sustainable practices.

How can we get this information out about what you are doing here with your risk management increasing organic matter? On the loan side, in terms of best management practices, first, how can we get the information out? We heard this morning again from our previous panellists that we are not getting this information out. Federally, how can we get that information out? How can we also get information to farmers?

We went to Saskatchewan and learned about these sensors that are now put in the ground to measure nitrogen, CO<sub>2</sub> and water levels. Farmers aren't getting the financing to be able to put those mapping sensors in so that we can aggregate that data. How can we get that information to them?

Probably the most interesting question to me is whether or not we have any metrics, Ms. Hendricks, on the uptake from especially the marginalized groups and under-represented groups of your programs.

I know I said a lot there.

**Ms. Hendricks:** Let me maybe start with your last ask. We at FCC will track. As an example, I mentioned the program for young farmers under 40. We would structure a program like that, and then we would track how much lending has been given to those communities and the number of customers. We're also exploring new KPIs to be able to see the success.

An example of that, senator, would be if we see the young farmer under 40 still remain a farmer at 47. In my humble opinion, that would be an example of how we enabled something at a point in time and that longevity exists. We do that as well for women entering agriculture, but I'd like to also add that, coming from a financier, it's the package, right? It's how do you get started. How do we, as the first panel mentioned, support them in terms of learning events? At Farm Credit Canada, we have about 105 branches and we serve 105,000 customers. How do we continue to engage?

The other area I would like to share with you in terms of us getting measurement is we're partnering with some different organizations from an advisory perspective where FCC will fund part of an advisory project with a farmer in order to allow them to go and solve a problem. The concept we bring to the table is support not only for the financing short, medium and long term but also for those points in time in that journey, for example, if we hear from Mr. Chutter about a new technique. That is, to be able to directly support them but give them the advice to be able to do it as well. We'll fund a part of that to encourage the farmer to be able to get the advice that he or she needs at the right time in their journey. Does that help?

**Senator Burey:** Yes. I think that answered the first part in terms of the knowledge exchange as well.

**Ms. Hendricks:** We can provide you with data, senator.

**Senator Burey:** With the data, the metrics? Thank you very much. You'll send it in.

**Response:**

**Farm Credit Canada: Serving Under-represented Customer Segments**

For many years, Farm Credit Canada (FCC) has provided services and loan products to under-represented segments in the agriculture and food industry with a focus on Indigenous, women and young entrepreneurs. This document provides a summary of FCC's initiatives and the positive impact they have on the industry.

**Women Entrepreneur Program**

FCC is committed to empowering women in agriculture, agribusiness and food. Through research and discussions with women in our industry, we learned that women have three key needs: increased access to capital to start or grow their businesses, access to business management skill development, and access to tools, resources and people to learn from and provide inspiration.

Through the Women Entrepreneur Program, FCC has dedicated \$500 million in lending, offering enhanced events and creating resources specifically for women entrepreneurs to start or grow their businesses. The Women Entrepreneur Loan offers a one-time loan processing fee waiver that women entrepreneurs can invest in personal and professional development.

With access to financing, value-added offerings to expand business knowledge, and support with building connections across the industry, FCC is helping lead a diverse, open and forward-thinking industry that benefits everyone. Since the launch in 2019 and up to March 31, 2023, FCC has approved 3,350 such loans totalling \$2.2B of lending.

**Lending Products and Services for Young Farmers and Entrepreneurs**

Defined as those under the age of 40, young farmers and entrepreneurs count on FCC to provide financing and business management knowledge that will help their operations thrive. In fact, FCC is one of the top lenders in Canada to those under age 40. In the 2022-23 fiscal year, FCC served nearly 21,000 young customers with loans totalling \$5.05 billion. FCC offers specialized loan products tailored to the specific needs of those who are getting started or looking to take their business plans to the next level. Benefits of lending products to those under 40 include preferential interest rates, reduced fees, no loan processing fees and free subscriptions to AgExpert farm management software.

In addition to lending, FCC provides young farmers and entrepreneurs with specialized offerings, such learning programs, events, publications and partnerships. For example, the FCC Young Farmer Summit is a free event that brings farmers under 40 together to dig into the business side of farming. In 2022-23, more than 1300 young farmers participated in 6 in-person and one virtual events across Canada.

**FCC Advisory Services**

FCC Advisory Services is a complimentary program designed to help farm families gain clarity, identify goals and determine next steps in their transition journeys. FCC created this offering knowing that many farmers and operators looking to retire do not have a transition plan in place and they're unsure how to get started. Our national team of highly experienced business advisors is available to listen, ask important questions, start conversations and explore options. FCC also offers a transition loan that helps producers transfer farm assets or for young farmers to build their operations. The loan features guaranteed payments to the seller for up to five years with interest charged only on the disbursed amount. FCC will also finance down payments for a maximum of seven years for qualifying purchasers. The loan offers numerous benefits to both buyers and sellers and removes roadblocks to successful farm transfers. In the last fiscal year, FCC business advisors had more than 800 client engagements to help farmers looking to transition their operations to the next generation.

### **Indigenous Financing and Resources**

FCC recognizes the opportunity Indigenous communities have in agriculture, the historical contribution Indigenous people have made in this sector and the current challenges they face revitalizing their agriculture businesses. First Nations, Métis and Inuit people have played an integral role in agriculture and food in Canada, and they are uniquely positioned to reclaim food sovereignty and grow successful businesses. They can count on FCC to provide on and off-reserve financing to help entrepreneurs and Indigenous communities fully realize their goals. FCC also offers knowledge resources, sector outlooks and other targeted information to support Indigenous businesses.

FCC recently completed Phase 3 of the Canadian Council for Aboriginal Business Progressive Aboriginal Relations (PAR) Certification. This achievement demonstrates our commitment to improve Indigenous relations, and we intend to undergo external verification of our performance in the future. As part of our PAR activities, we are developing action plans for leadership, business development, community engagement and employment.

### **Sustainability Incentive Program**

In 2022, FCC launched a sustainability incentive program to aid customers participating in industry-led sustainability initiatives, while recognizing the changes they had already made and encouraging others to do the same. This program provides annual incentive payments to eligible customers who meet our partners' sustainability program requirements. The program's initial partnership was with the Canadian Roundtable for Sustainable Beef, and now includes the McCain Regenerative Agriculture Framework, Cargill RegenConnect™, and Dairy Farmers of Canada and Lactanet. In its first year, the sustainability incentive program received 262 successful applications from eligible FCC customers across all programs and paid over \$370K in incentives to producers. FCC continues to look for partnership opportunities for industry-led sustainability initiatives. On November 11, 2023, we [launched a partnership with Ducks Unlimited Canada](#) which will incentivize producers in Alberta, Saskatchewan and Manitoba to convert unproductive cropland into a more biodiverse state by planting perennial forage.