Lisa French
Vice-President, Sustainability Standards
Sustainability Standards Board
277 Wellington Street West
Toronto, Ontario M5V 3H2

May 30th, 2024

Re: Response to *Canadian Sustainability Disclosure Standard (CSDS) 2, Climate-related Disclosures*

Dear Ms. French,

In addition to our feedback shared at the National Index for Agri-Food Performance roundtable on May 23rd, 2024, we are writing to you to share our concerns regarding the Canadian Sustainability Standards Board's (CSSB) proposed Canadian Sustainability Disclosure Standard (CSDS). We are troubled about the unintended consequences for Canadian farmers should these standards be implemented. As the national voice for Canada's grain farmers, Grain Growers of Canada (GGC) represents over 65,000 cereal, pulse, and oilseed producers through our 14 grower groups. Our members are trade-oriented, sustainable, and innovative. As a farmer-driven association for the grain industry, GGC advocates for federal policy that supports the competitiveness and profitability of grain growers across Canada.

We understand that the proposed CSDS would only apply to publicly traded companies, and these standards would be voluntary unless Canadian regulators choose to make them compulsory. However, we note that these standards, whether voluntary or compulsory, could generate spill-over effects that impact the everyday operations of Canadian grain farmers.

Our primary concern regarding the proposed framework relates to *CSDS 2, Climate-related disclosures*. We are concerned about the unintended impacts Section 29, regarding climate-related metrics, could have on Canadian grain farmers. Section 29a of the proposed framework stipulates that companies shall disclose their scope 1, 2, and 3 emissions. If these standards are imposed on agricultural companies, particularly grain buyers, this will create an unnecessary burden on grain farmers, as the responsibility to calculate and/or share production information falls onto the producer.

To illustrate this, grain farmers typically sell their products to a number of different grain buyers, such as grain elevators, grain processors, feed mills, and brokers. Many of these companies are publicly traded and subject to the CSDS. As part of the proposed climate-related disclosures, these companies will have to report scope 3 emissions, many of which come upstream from farmers. Depending on how firms choose to make these calculations, this could require grain farmers to track their own on-farm emissions and supply their production information to grain companies for emissions calculations.

For most grain farms that are small family-owned businesses, it is not possible for them to calculate their greenhouse gas emissions. Calculating these emissions is challenging because of the highly complex nature of agriculture, difficulties in data collection, variability in emissions between fields and the lack of tools to perform these assessments. Asking farmers to calculate their emissions to share with grain buyers is simply unfeasible and raises serious privacy concerns.

We recommend that the CSSB removes scope 3 emissions entirely from reporting requirements or create an exemption for the agricultural sector.

Sincerely,

Kyle Larkin
Executive Director
Grain Growers of Canada