



USCA BACKGROUND & INFORMATION

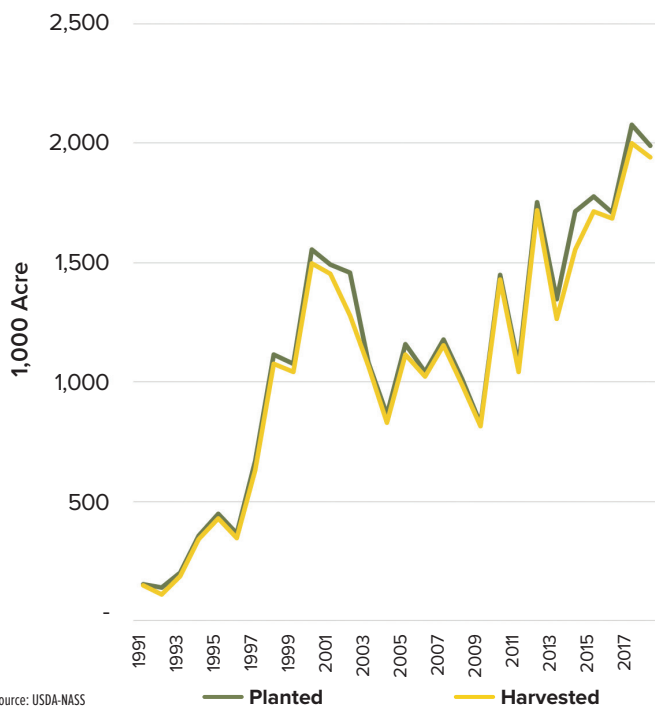
HISTORY: The U.S. Canola Association (USCA) was organized in June 1989, three years after canola oil was granted Generally Recognized as Safe (GRAS) status by the U.S. Food & Drug Administration (FDA). Interested producers and representatives of oilseed processors, seed companies and food manufacturers decided to establish a national trade association to promote canola as a viable commercial crop in the United States. The founding stakeholders included producers and companies from various regions where there was interest in initiating or expanding canola production.

The original goals of the USCA were to remove existing obstacles to canola production in the United States. In 1989, these obstacles included restrictions on planting non-program crops, such as canola, on program crop acreage bases, and the lack of farm program benefits for canola. They also included the ineligibility of canola for federal crop insurance and the absence of federal funding for canola production research. Finally, canola had only three U.S. registrations for crop protection products in 1989 compared to over 30 in Canada.

ACCOMPLISHMENTS:

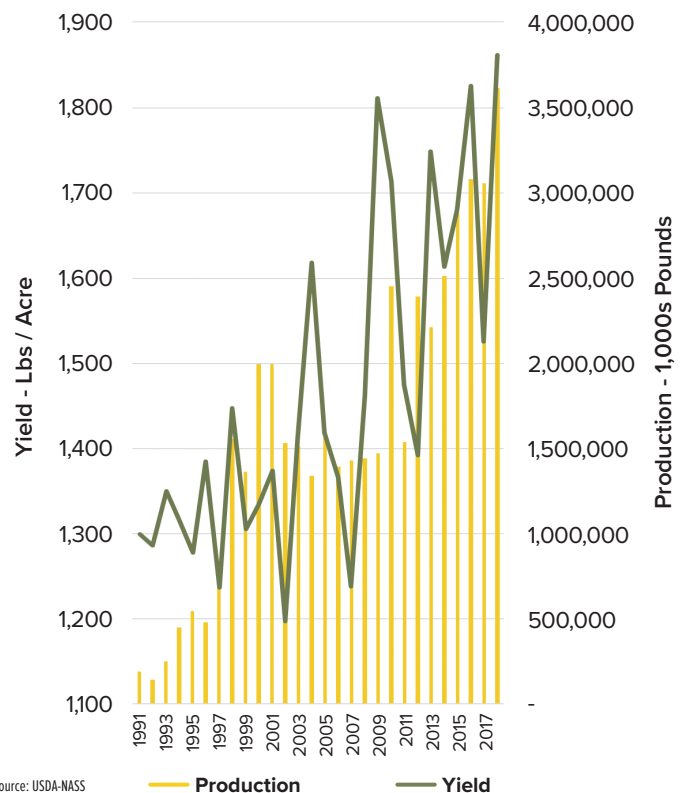
The USCA has largely succeeded in overcoming these obstacles. The 1990 Farm Bill opened up program crop base acres to production of minor oilseeds without penalty, while maintaining 92 percent of income deficiency payments. It also authorized price support marketing loan programs for minor oilseeds for the first time. A pilot crop insurance program was initiated for canola in 1993, which became nationwide in 1996. Also, in 1993, Congress agreed to appropriate funds for the National Canola Research Program, which supports agronomic research projects approved by regional land

U.S. CANOLA ACRES PLANTED / HARVESTED 1991 -2018



Source: USDA-NASS

U.S. CANOLA YIELD / TOTAL PRODUCTION 1991 -2018



Source: USDA-NASS

grant university researchers and industry members. Funding for this program grew to \$1 million in FY2019, bringing the total since its inception to nearly \$20 million.

The 1996 Farm Bill eliminated all program crop planting restrictions and increased minor oilseed loan rates relative to loan levels for other crops. Both of these changes contributed to the increase in canola acreage when crop prices fell after late 1997.

Also, the USCA worked successfully to maintain existing crop protection product registrations for canola, shift emergency registrations to permanent status and gain approval of additional products available in Canada. The association also worked with other oilseed organizations to achieve equity under federal farm programs with competitive crops for acreage when the 2002 Farm Bill restored crop acreage bases for the purpose of providing

income support without re-instituting planting restrictions. These efforts continued during the 2008 Farm Bill. Expansion of crop insurance coverage to the Southern Great Plains and other growing regions was also achieved in 2006 through the “similar crops” amendment that was attached to the FY2006 agriculture appropriations bill. It amended the federal crop insurance statute to allow the Risk Management Agency to provide written agreements to producers in counties that did not have policies for canola.

In the 2014 Farm Bill, the USCA successfully advocated for a \$20.15 cwt reference price for canola. As a result, producers with canola base acres received \$238 million in price support payments for the 2014 to 2017 crop years. The 2018 Farm Bill retains the canola reference price at the 2014 levels. The USCA urged the U.S. Department of Agriculture’s Natural Resource Conservation Service to include a Conservation

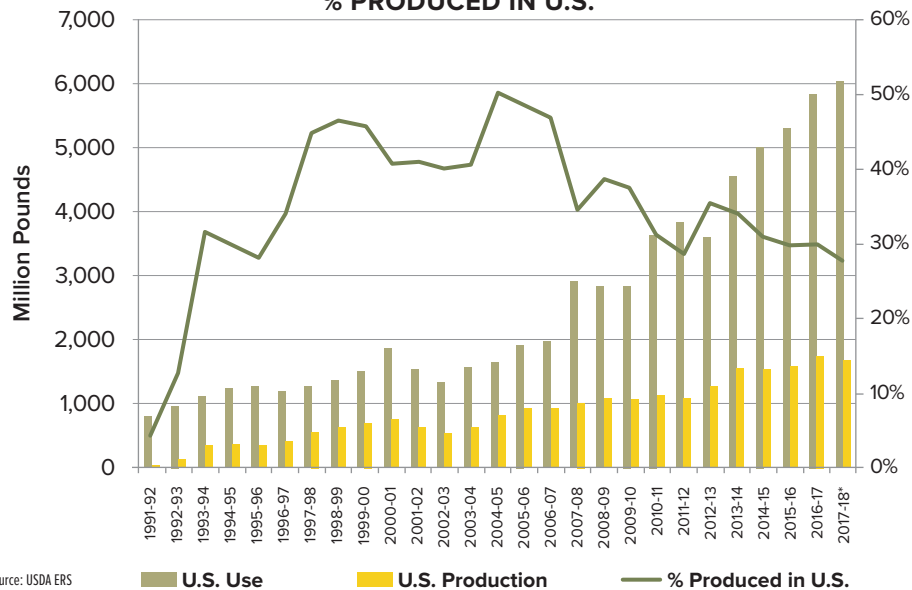
Security Program enhancement that encourages producers to include sunflower and/or canola crops in rotations to provide habitat for pollinators. This enhancement will be implemented for the 2019 crop year.

In addition, the USCA successfully petitioned the Environmental Protection Agency to include biodiesel produced from canola oil when it was initially excluded in the Renewable Fuel Standard (RFS2) Final Rule announced in 2010.

Finally, the association has increased efforts to promote the healthy attributes of canola oil. It produced a “white paper” urging the differentiation of healthy and unhealthy fats, which was submitted to the 2005 Dietary Guidelines Advisory Committee, Food Guide Pyramid Reassessment Team and FDA officials. The USCA petitioned the FDA in January 2006 for a qualified health claim for canola oil on its ability to reduce the risk of coronary heart disease due to high unsaturated fat content. This claim was authorized by the FDA in October 2006. Canola oil bottlers and makers of eligible products can use the claim on their labels.

PRODUCTION: U.S. canola acreage has grown to about 2 million acres in recent years, with record production and average national yield in 2018 at 3.6 billion pounds and 1,861 pounds per acre, respectively. Acreage is expected to increase further in 2019. Yet this growth in production has not kept up with demand as the U.S. still imports 72 percent of current domestic canola consumption. ❀

**U.S. CANOLA OIL / USE / PRODUCTION /
% PRODUCED IN U.S.**



Source: USDA ERS
* Forecast

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