



Statement by Cereals Canada and the Canadian International Grains Institute Amalgamation Discussions

June 28, 2019, Winnipeg

Over the past months, the Boards of the Canadian International Grains Institute (Cigi) and Cereals Canada have reviewed the benefits and synergies that would arise from amalgamating the organizations under the governance of a single Board of Directors and unified management team.

During the past week, both Boards have met and agreed to sign a letter of intent to pursue amalgamation. The management teams of Cereals Canada and Cigi are charged with the development of a comprehensive governance structure that will be presented to both Boards for approval and to allow the Boards to bring forward recommendations to the respective Member organizations. Any amalgamation proposal will be subject to approval by votes of the Member organizations of both Cigi and Cereals Canada.

The goal, outlined in the letter of intent, is to complete the amalgamation of operations by March 31, 2020, providing the Member organizations of both Cereals Canada and Cigi approve of the proposal.

The proposal will be developed on the following key principles:

1. National in scope – Members are Canadian entities with investment in the Canadian grain business (development, handling, exporting, processing).
2. Pillars of the Canadian value chain are represented (growers, life science/ seed, handlers/exporters, processors).
3. Representation on the Board is based on membership dues (pillars/members that pay more will have greater representation on the board).
4. Direct participation on the board is not the same as participation in the activities of the organization. The board is responsible for the strategic direction and annual approval of the activities and budget of the organization. All members, whether or not they are directly represented on the Board, have the opportunity to participate in the priority setting and feedback on activities of the organization at the Annual General Meeting and on standing and ad hoc committees, as examples.
5. The organization will strive for consensus decision making at both the Board and Member level. Clear consultative processes will be established to help reach consensus. A clear process to allow for Member dissent will be established for (rare) cases where consensus is not possible.

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