

February 6, 2019 File: 44200-60/EMB QUOTA ALLOCATION

DELIVERED BY EMAIL

Katie Lowe **Executive Director** BC Egg Marketing Board

Dear Ms. Lowe:

QUOTA DISTRIBUTION APPROVAL – BCFIRB EXPECTATIONS

On December 14, 2018, the Farm Products Council of Canada (FPCC) notified the Egg Farmers of Canada (EFC) that it approved a national production increase.

The purpose of this letter is to summarize the BC Farm Industry Review Board's (BCFIRB) condition, and its general expectations regarding the upcoming quota distribution recommendations from the BC Egg Marketing Board (Egg Board).

BCFIRB Condition and Expectations

As set out in the BC Egg Marketing Scheme¹ (Egg Scheme), the Egg Board is required to obtain prior approval from BCFIRB for the terms and conditions used to issue quota.

¹ British Columbia Egg Marketing Scheme s. 37(c)

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Condition

As per BCFIRB's August 28, 2018 allocation prior approval decision², BCFIRB will consider the upcoming and future allocation recommendations if the Egg Board clearly demonstrates how it will integrate distribution of growth quota with its "program plans" referred to in its August 3, 2018 submission. These program plans included:

- bringing in additional new entrants/supporting early entry;
- supporting egg farm development across the province (regional development); and,
- providing growth opportunities for small farms.

BCFIRB anticipates that as part of this work, the Egg Board will also consider any other strategic measures to use quota allocations to sustain and grow overall market demand for BC eggs.

Expectations

Process Expectations:

BCFIRB expects the Egg Board will meet SAFETI-based³ process and outcome expectations, as have been previously communicated and summarized below:

☐ Effective and strategic engagement with its stakeholders (e.g. the Egg Board's program plan objectives). ☐ Evaluation of whether the Egg Board's quota distribution policy is effective and strategic in meeting sound marketing policy objectives. ☐ Identification of issues and gaps in addition to any other questions it determines are important from a sound marketing policy and public interest point of view. ☐ Consideration of options and proposed solutions (e.g. consideration in light of stakeholder feedback, data, policy objectives, industry vision). ☐ Findings, recommendations and rationale reported to its stakeholders and BCFIRB. Outcome Expectations ☐ Recommendations adhere to legislative requirements, including sound marketing policy (e.g. objectives such as flexibility to meet market demands, innovative, efficient approaches to production, opportunity for industry growth and development of markets). ☐ Recommendations reflect the intent of supply management. ☐ Recommendations consider provincial agricultural policy. ☐ Reflect a principles-based approach to regulation.

² 2018 August 28. BCFIRB. <u>In the Matter of the Natural Products Marketing (BC) Act</u> and the Prior Approval of the <u>British Columbia Egg Marketing Board 2018 Quota Distribution Policy.</u>

³ SAFETI principles – Strategic, Accountable, Fair, Effective, Transparent, Inclusive. For definitions and further information about principles-based regulation, see the BCFIRB web site "Governance Initiative".

Looking forward

The Egg Board is encouraged to be proactive and maintain current information and a process so that it can make timely submissions to BCFIRB when future national allocation increases are approved by FPCC.

BCFIRB staff remains available to address any questions the Egg Board may have in preparing its prior approval request should FPCC approve the national allocation.

Yours truly,

Kirsten Pedersen, Executive Director

cc: Peter Donkers, Chair, BC Farm Industry Review Board Gunta Vitins, Chair, BC Egg Marketing Board BCFIRB web site