

British Columbia Marketing Board
**Procedural Policy for
Appointment or Designation of Agencies**

This policy is established to clarify when an appointment or designation requires approval by the BCMB, and to establish a procedure for processing approval requests.

Licensing of firms which market regulated product, by itself, is not affected by this policy. All boards and commissions have the power under 11. (1) (f) of the *Natural Products Marketing (BC) Act* to license persons who markets the regulated product. The exercise of this power does not require any additional approval.

However, there are certain actions that some boards or commissions may take, in regard to firms, which in effect appoints or designates those firms as agencies of the board or commission. If a board or commission exercises any of the following powers, that board or commission is in all likelihood designating an agency(ies).

- * Limiting the number of parties who can market regulated product.
- * Authorizing a price pool.
- * Setting the price paid, for regulated product, by a specific vendor.

Any board or commission using any of the listed powers must obtain prior approval for the appointment or designation of agencies.

I. Application

1. Marketing boards and commissions must obtain prior approval of the BCMB, for the designation of an agency through which a regulated product shall be marketed¹. Prior approval must also be obtained for the appointment of an agency to carry out or perform certain functions or duties for the marketing of a regulated product².
2. The BCMB considers that a designation or appointment of an agency has occurred when:
 - a) only one or a limited number of agencies is authorized or required to perform a marketing function or duty; and/or
 - b) a board or commission is exercising a power (granted under section 11 of the Act) which is contingent upon the designation or appointment of an agency. The affected powers are:
 - Direction of product [11. (1) (a)]
 - Conducting pools [11. (1) (l)]
 - Fixing the price paid by a designated agency [11. (1) (k)]

The delegation of power under 11. (1) (f) may also be in effect an appointment of an agency [if it falls under criteria (b) above].

1. Section 8, *Natural Products Marketing (BC) Act* Regulations.

2. Section 10. (4) and 12. (4), *Natural Products Marketing (BC) Act*, RS Chapter 330.

II. Responsibilities of Boards and Commissions

1. Unless the BCMB has agreed otherwise, the board or commission will follow the BCMB Guidelines for the appointment of Agencies in circumstances covered by I. 1.

In other circumstances the board or commission shall consult with the BCMB as to the procedure to be used in the consideration of the appointment or designation.

2. The board or commission shall establish appropriate policy concerning the function or duty for which the appointment is proposed.
3. When applying for BCMB approval the board or commission shall:
 - (a) state the purpose of the proposed appointment or designation;
 - (b) give their reasons for wishing to do so;
 - (c) provide evidence that the Guidelines or agreed procedure has been followed; and
 - (d) provide a copy of any relevant order and/or policy.
4. Marketing boards and commissions are responsible for conducting periodic reviews and assessments whenever an agency has a substantial change in operations. Such assessments and reviews may be requested by the BCMB.

III. BCMB process

1. The BCMB will give due consideration to all the information required under II.3 and may request further information prior to making its decision.
2. The BCMB may give approval for the appointment or designation of a specific agency or a group of agencies.
3. The approval will be limited to the function or duty specified in the application.
4. The BCMB may make an approval subject to any conditions it deems appropriate.