



BC Farm Industry Review Board

August 21, 2023

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DELIVERED BY EMAIL

Bill Vanderspek
Chair
BC Broiler Hatching Egg Commission

Janice Comeau
Chair
BC Milk Marketing Board

Kevin Klippenstein
Chair
BC Chicken Marketing Board

Kalpna Solanki
Chair
BC Turkey Marketing Board

Gunta Vitins
Chair
BC Egg Marketing Board

Dear Commodity Board and Commission Chairs:

REPORTING ON NEW ENTRANT PROGRAMS IN THE PUBLIC ACCOUNTABILITY AND REPORTING PROJECT (PARP)

On behalf of the BC Farm Industry Review Board (BCFIRB), thank you for providing in-depth information on your new entrant programs (NEPs) in response to BCFIRB's May 2022 request. Following this request, BCFIRB staff shared proposed graphics for additional reporting on NEPs in PARP with your staff, which they provided feedback on.

Based on this feedback, BCFIRB has identified a new phased approach outlined below for increased mandatory reporting on NEPs moving forward. This identified approach considers the feedback from board and commission staff that more context about different NEPs is needed, and that a one-size-fits all approach would be impractical.

Phase 1: 2023 PARP Report

Starting with the 2023 PARP Report (2023 data), supply managed commodity boards and commissions will be asked to:

- Provide a high-level description of your NEP;
- Identify and report on NEP goal(s) in the Performance Target section of PARP; and
- Provide annual numerical data on new entrants over the past 10 years.

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Phase 2: PARP 2024 Report

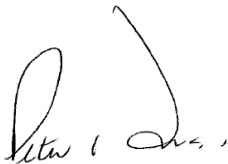
Starting in the 2024 PARP Report (2024 data), in addition to the continued reporting of the information identified in Phase 1, supply managed commodity boards will also be asked to identify metrics by which they will measure and report back on their progress towards their NEP goal(s) identified in their Performance Targets section of PARP.

Please see the attachment to this letter for more information on the purpose, proposed timing, and the draft proposed PARP template for this reporting. It is important to BCFIRB that this template supports each board and commission in explaining how their NEP works and the overall goals of their NEP.

As a first step in implementing this new reporting, BCFIRB staff will be reaching out to organize a meeting in October with the supply managed commodity board and commission staff. The purpose of this meeting is to discuss the NEP additions in PARP, and seek feedback before finalizing the NEP additions to the PARP template by November 30, 2023.

Please feel free to reach out to Olivia.Mattan@gov.bc.ca or Martha.Anslow@gov.bc.ca if you have any questions in the meantime.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter Donkers". The signature is fluid and cursive, with a large initial "P" and "D".

Peter Donkers, Chair

BC Farm Industry Review Board

CC: Martha Anslow, Executive Director
Olivia Mattan, Senior Manager
Matthew Huijsmans, Policy Analyst

Attachments: Appendix A: NEPs PARP Reporting

APPENDIX A: NEW ENTRANT PROGRAMS (NEPS) PARP REPORTING

Background

The regular entry of new producers to supply-managed (SM) sectors can:

- Support development of new farms (sector succession);
- Provide opportunities for regional diversification (production outside of Fraser Valley);
- Provide opportunities for new products and innovation; and
- Support Ministry of Agriculture and Food objectives for provincial food security.

A primary barrier for new farmers entering the SM sectors is access to quota. NEPs provide quota at no cost for new producers in SM sectors, and program parameters for NEPs assist in meeting broader policy goals and objectives as outlined above.

Currently, SM Boards must report in the Public Accountability and Reporting Project (PARP) each year on the number of NEP producer entrants and exits (PARP Tables 3.15, 3.17). Some supply managed commodity boards ('SM boards') also voluntarily report on some aspects of their NEPs through the Performance Targets section of PARP (PARP Table 1.1). Following its 2022 NEP assessment, BCFIRB determined that further reporting on NEPs in PARP by the SM Boards will be mandatory moving forward.

This mandatory reporting will take place in a phased approach:

- **Phase 1:** For next year's 2023 PARP Report (2023 data), the SM Boards will be asked to include the goals of their NEP as a Performance Target, describe their current new entrant programs, and provide numerical data on their programs; and
- **Phase 2:** For the following year's 2024 PARP report (2024 data), the SM Boards will also be asked to develop and include in their NEP Performance Targets the metrics by which to measure their progress towards achieving their NEP goal(s).

Setting goals and evaluating progress through performance metrics supports on-going transparent and accountable evaluation of NEP effectiveness in fulfilling sound marketing policy by SM Boards and BCFIRB. Over time this reporting will enable BCFIRB to conduct program reviews and determine if further BCFIRB direction is needed to guide program criteria or goals to further support broader policy goals and objectives. This process will provide an opportunity for SM Boards to clarify for themselves the goals of their NEP programs and enable the SM Boards to evaluate their success in achieving those goals.

The additions to the PARP template for Project Phase 1 will be finalized by April 2024 for distribution to SM Boards in an updated PARP Template to report on 2023 data, and additions for Project Phase 2 will be finalized by April 2025 for distribution to SM Boards to report on 2024 data.

Timeline

A timeline for implementation is outlined below by project phase:

PHASE 1: Adding NEP Program Description, Goals, & Numbers		
Date	Task	Description
Oct 2023	BCFIRB Staff Meeting with SM Boards	<ul style="list-style-type: none">• BCFIRB ED hosts a kick-off meeting with all SM ED's to discuss purpose of expanded NEP reporting in PARP

Oct to Nov 2023	BCFIRB staff meet with Individual Boards	<ul style="list-style-type: none"> BCFIRB staff work with each SM board on identifying goals Adjust the PARP template based on board input as needed
Dec 2023	BCFIRB Finalizes PARP Template	<ul style="list-style-type: none"> Final PARP template for NEP reporting is shared with boards
Jan-March 2024	SM Boards Approval	<ul style="list-style-type: none"> SM Boards develop and finalize NEP Performance Target goals, program description and data for 2023 Report in consultation with FIRB staff
Apr 2024	PARP 2023 Report Request	<ul style="list-style-type: none"> Letter sent to SM Boards requesting information for 2023 Report, including Template with new NEP additions
Aug 2024	Receive SM Boards 2023 PARP Reports	<ul style="list-style-type: none"> BCFIRB staff receive 2023 PARP reports, and review and summarize information into the PARP summary report
Aug-Dec 2024	Confirm Format of 2023 PARP Summary Report	<ul style="list-style-type: none"> BCFIRB staff to confirm format of 2023 New NEP section in the 2023 PARP summary report with SM board staff BCFIRB staff confirm format of 2023 New NEP section in the 2023 PARP summary report with BCFIRB
<i>PHASE 2: Establishing Performance Metrics for NEP Goals</i>		
Sep 2024	Project Phase 2	<ul style="list-style-type: none"> Letter to boards from BCFIRB to start developing and implementing performance metrics for NEP goal(s) in PARP
Oct to Dec 2024	BCFIRB staff meet with Individual Boards	<ul style="list-style-type: none"> BCFIRB staff work with each SM board on developing performance metrics SM Boards provide feedback on draft PARP template to incorporate performance metrics
Jan 2025	SM Boards Approval	<ul style="list-style-type: none"> SM Boards performance metrics are finalized
Feb-Mar 2025	BCFIRB Finalizes PARP Template	<ul style="list-style-type: none"> BCFIRB finalizes 2024 PARP template and shares with SM Boards for review BCFIRB reviews final PARP template for 2024 Report
Apr 2025	PARP 2024 Report Request	<ul style="list-style-type: none"> Letter sent to SM Boards requesting information for 2024 PARP Report, including inclusion of new performance metrics
Aug 2025	Receive SM Boards 2024 PARP Reports	<ul style="list-style-type: none"> BCFIRB staff receive 2024 PARP reports, and review and summarize information into the PARP summary report

Proposed PARP Template for Reporting: Project Phase 1

The following proposed new additions to PARP are outlined below by the existing sections in the PARP report for reference.

PARP Section 1: Sector Performance Targets

Table 1.1 Sector Performance Targets

Purpose

- SM Boards are to identify their overall long-term NEP strategic goal(s)

Target	Target Description	Target Status	Timeline
<i>(i.e., long-term goal(s) for NEPs)</i>	<ul style="list-style-type: none"> • Target (i.e., long-term goal) description 	In-progress/ Started/ Completed	(e.g., annual)

PARP Section 3: Sector Summary

Table 3.2 NEP Program Description

Purpose

- Boards are to provide a maximum 500-word program overview on how their NEP program works, and any plans for review or updates. This section can also include details on how they ensure programs reflect SAFETI principles¹ (i.e., application intakes held annually, waitlists established, etc.)

Program Name	Program Overview
NEP	<i>Example:</i> The BC Egg Marketing Board concluded a review of its New Producer Program (NPP) in 2020 and launched the updated program in 2021. Applicants to the NPP must be Small-Lot Permit holders in regions outside of the lower mainland and they must produce with Enriched (extra space) or Specialty eggs. Restricting applicants to existing Small-Lot Permit holders ensures applicants already have experience with egg production. Program applications are reviewed by a panel of farmers and must include a robust business plan. Applications that meet all criteria are added to a pool of names which are drawn from to select invitees to the NPP. Invitees are provided with an industry mentor, and an allotment of 1,000 quota units with an option to also purchase the first 1,000 quota units available on the quota exchange - obtaining a maximum of 3,000 quota units at the end of three years.

Table 3.22 Number of New Entrants in Past 10 Years

Purpose

- BCFIRB will also include a quantitative summary of NEPs in the past ten years.
- BCFIRB will utilize the quantitative data received in August 2022 from the SM Boards to prepopulate the table. SM Boards will be asked to provide new data for the new PARP reporting period annually.

¹ Strategic Accountable Fair Effective Transparent Inclusive

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total (2013-22)
# of Draws											
# of Applicants											
# on Waitlist											
# Invited into NEP*											
# of New Entrants**											
Lower Mainland											
Vancouver Island											
Interior											
North											
(auto populate) Total											
Exits***											
Total (auto populate)****											
* Have not started production											
** Started production											
*** Total "# of New Entrants" who started production between (2013-22) <i>no longer</i> operating on Dec 31, 2022.											
**** Total "# of New Entrants" who started production between (2013-22) <i>still</i> operating on Dec 31, 2022.											

Proposed PARP Template for Reporting: Project Phase 2

PARP Section 1: Sector Performance Targets

Table 1.1 Sector Performance Targets

Purpose

- SM Boards are to develop key performance metrics to report on their long-term NEP strategic goal(s).

Target	Target Description	Target Status	Timeline
<i>(i.e., long-term goal(s) for NEPs)</i>	<ul style="list-style-type: none"> Target (i.e., long-term goal) description Key performance metrics 	In-progress/ Started/ Completed	(e.g., annual)