



March 12, 2018

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Jim Collins, Chair
BC Broiler Hatching Egg Commission

Robin Smith, Chair
BC Chicken Marketing Board

Gunta Vitins, Chair
BC Egg Marketing Board

Kevin Klippenstein, Chair
BC Turkey Marketing Board

Ben Janzen, Chair
BC Milk Marketing Board

Jack Brown, Chair
BC Cranberry Marketing Commission

Bert van Daltsen, Chair
BC Hog Marketing Commission

Debbie Etsel, Chair
BC Vegetable Marketing Commission

Dear Chairs:

PUBLIC ACCOUNTABILITY AND REPORTING PROJECT – DRAFT TERMS OF REFERENCE FOR REVIEW AND COMMENT

As you are aware, boards and commissions (commodity boards) created and operating under the authority of the *Natural Products Marketing (BC) Act (NPMA)* must be responsive to the needs of BC producers, processors, consumers and other participants in the agri-food system. As the Provincial supervisory board, the BC Farm Industry Review Board (BCFIRB) expects commodity boards to fulfill their responsibilities as first instance regulators through strategic and accountable governance using a principles-based approach to regulation.

In addition to its supervisory accountabilities, BCFIRB has legislated reporting requirements under the *Administrative Tribunals Act*. To properly fulfill these obligations, BCFIRB will be working to develop and establish improved annual performance measures and reporting for both itself and the commodity boards, along with improved data collection and analysis, from what has been in place to date with respect to its supervisory mandate of the marketing boards and commissions.

**British Columbia
Farm Industry Review Board**

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BCFIRB's February 2, 2018 supervisory decision – Quota Assessment Tools Supervisory Review – requires supply-managed commodity boards to report publically and annually to demonstrate whether quota management policies and rules continue to be reflective of sound marketing policy and serve the public interest.

The decision notes that a BCFIRB member and staff team will work with the commodity boards to develop reporting criteria and performance measures to evaluate the effectiveness and impact of the quota management rules and policies established by each board on an on-going basis. The reporting criteria and measures will use objective data, be made public and evaluate and demonstrate whether sound marketing policy continues to be met under each of the board's quota management rules and policies.

The Quota Assessment Tools Supervisory Review decision further notes that the quota management criteria and measures will be incorporated into a broader set of reporting expectations and performance measures around commodity board governance, to be developed in consultation with the commodity boards. BCFIRB has determined that all broader reporting expectations and performance measures related to industry performance and board governance, that are established as part of this Project, will apply to all commodity boards and commissions.

Lastly, the outcomes from all criteria, performance measures and indicators established as part of this Project will need to be used by all supply managed commodity boards to develop a standalone public report, submitted annually to BCFIRB by April 1, 2019 and each year thereafter. The non-supply managed boards will also be required to annually submit a standalone public report to BCFIRB by April 1, 2019, but these reports will only be focused on industry performance and governance criteria.

Accountability Project Team

A BCFIRB team comprised of Al Sakalauskas, Board Member, and staff members Kirsten Pedersen, Wanda Gorsuch, Katia Gauvin and Michelle Irwin has been established. We will be working with you over the next several months to establish meaningful and consistent criteria and measures focused on industry performance, quota management and movement and board governance.

Timeline and Next Steps

As a first step, please find attached a draft Terms of Reference for the Public Accountability and Reporting Project. Please provide any questions, additions or comments to Kirsten Pedersen no later than March 30, 2018. Once all input is received, the Project Terms of Reference will be finalized and distributed per the process and dates set out in the attached Terms of Reference.

In addition, can you please identify both a board and staff member to work with the BCFIRB team on this project by March 30, 2018.

BCFIRB, based on the consultations and process set out in the attached Terms of Reference, will finalize and establish criteria, performance measures and indicators no later than September 1, 2018. The first standalone public reports based on these criteria and measures will be due to BCFIRB by April 1, 2019.

If you have any questions, please contact Kirsten Pedersen, Executive Director at 250-387-3915 or at Kirsten.Pedersen@gov.bc.ca

Yours truly,

A handwritten signature in black ink, appearing to read 'A Sakalauskas', with a long horizontal line extending to the right.

Al Sakalauskas
Board Member

cc: All EDs/GMs Commodity Boards and Commissions

Wes Shoemaker, Deputy Minister
Ministry of Agriculture

James Mack, Assistant Deputy Minister
Ministry of Agriculture

BCFIRB website