

**BC Farm Industry Review Board (BCFIRB)**  
**DRAFT Terms of Reference – for Discussion Purposes**  
**Public Accountability and Reporting Project**

**I. Participants**

This project will engage all eight of BC’s regulated and supply-management marketing boards and commissions (commodity boards): the BC Broiler Hatching Egg Commission, BC Chicken Marketing Board, BC Cranberry Marketing Commission, BC Egg Marketing Board, BC Hog Marketing Commission, BC Milk Marketing Board, BC Turkey Marketing Board, and the BC Vegetable Marketing Commission.

The BCFIRB project team is led by Al Sakalauskas, BCFIRB Member, and supported by staff including Kirsten Pedersen, Wanda Gorsuch, Michelle Irwin and Katia Gauvin.

**II. Purpose and Areas of Focus**

***All Commodity Boards***

To work with all commodity boards to establish 1) industry performance indicators and 2) governance criteria and performance measures

Industry Performance

Data collection and reporting on industry performance in areas such as provincial competitiveness, future goals, sustainability and growth, innovation and animal welfare, is needed to support strategic, long-term planning and policy development by commodity boards, BCFIRB and government. Provincial, regional and national considerations would need to be taken into consideration where relevant.

All commodity boards will be expected to develop draft industry performance measures for discussion based on a framework to be provided by the BCFIRB team.

Governance

Governance refers to “governance tools” (e.g., conflict of interest policies, codes of conduct) and “governance processes” (e.g., how governance tools are used), in areas such as financial accountability, compliance with legislation and strategic informed decision making to deliver sound marketing policy that reflects industry and public interests.

The BCFIRB team will develop draft governance criteria and performance measures for discussions.

***Supply-managed Boards***

To work with supply-management boards to establish reporting criteria and performance measures with respect to quota and quota movement in each sector

Quota Management and Movement

Measuring and assessing quota management and movement over time are key to understanding supply-managed industry performance and health in BC over the long term.

Data to be collected and assessed will establish baseline industry quota structure, management and movement of quota over time and will monitor industry quota structure into the future. For example, potential indicators include the amount of provincial and regional quota distribution, distribution and actual production by region, farm size and type of production, and the volume, regional and type of quota transfers on an annual basis.

The BCFIRB team will develop draft quota management and movement measures for discussion.

### **III. Deliverables and Outcomes**

Project deliverables are:

- Clear and meaningful criteria and performance measures in each area of focus for each regulated sector by September 2018;
- Annual public reports starting in April 2019, and each year after, from each commodity board submitted to BCFIRB that includes the data, information and performance indicators identified in the purpose and area of focus section above.
- Annual public report from BCFIRB, incorporating information from the commodity board reports in September 2019.

The anticipated outcomes from this project include:

- Building on commodity board transparency and accountability through effective, consistent annual public reporting by commodity boards to BCFIRB, and subsequently, by BCFIRB to government and the public; and
- Ensuring baseline and changing industry information is available to support informed, strategic decision making by the commodity boards and BCFIRB to achieve sound marketing policy outcomes.

### **IV. Rationale**

Good governance (including transparency and accountability) and informed, strategic decision making are essential elements for commodity boards and BCFIRB, in order to deliver sound marketing policy outcomes that matter for agriculture and the public.

BCFIRB has worked with the boards on multiple initiatives over the past several years to promote use of a principles-based approach to regulation, including principles to support policy development and decision-making known as SAFETI (Strategic Accountable Fair Effective Transparent Inclusive). In a June 6, 2016 letter “Delivery of Principles-Based Regulation – Expectations Going Forward”, BCFIRB directed boards to focus on delivering outcomes that matter for producers, the value chain and the public; continuous improvement; and, public reporting.

BCFIRB believes that additional work is necessary to fulfill these directions. This project is in part, intended to help move these directions forward.

In addition, BCFIRB’s recent February 2, 2018 supervisory decision – Quota Assessment Tools Supervisory Review – requires supply-managed commodity boards to collect and report objective data to evaluate and demonstrate whether supply-managed board quota management rules and polices continue to fulfill sound marketing policy.

Given the above, BCFIRB determined that a more coordinated approach is needed to improve consistency, effectiveness and transparency in information collection and public reporting. This information in turn can be used to establish the current status of quota and movement in the province and support informed strategic decision-making in the future.

Finally, in addition to its supervisory accountabilities, BCFIRB has legislated reporting requirements under the *Administrative Tribunals Act*. To properly fulfill these obligations, BCFIRB requires better performance measures and data collection than what has been in place to date with respect to its supervisory mandate of the marketing boards and commissions.

## **V. Process**

This project will use a SAFETI-based process and will involve several steps, including opportunities for discussion, meetings and collaboration, and follow a 5 month timeline.

### ***Overall Project Deadlines***

See Figure 1 on the next page for key project steps, for project timeline and related activities for development of reporting criteria, measures and indicators.

#### Commodity boards

- a. ID lead board member & staff person by March 30, 2018
- b. Provide feedback on Draft Terms of Reference by March 30, 2018

#### BCFIRB team

- c. BCFIRB team to develop draft measures and industry performance measure framework by March-April 27, 2018
- d. Finalize and distribute Terms of Reference to commodity boards by April 16, 2018
- e. Distribute industry performance measure framework and draft criteria and measures on quota and governance to commodity boards by April 27, 2018

#### Commodity boards

- f. Provide draft industry performance measures and indicators to BCFIRB based on the BCFIRB framework by May 25, 2018
- g. Provide written feedback on draft criteria and measures on quota and governance to BCFIRB by May 25, 2018

#### BCFIRB team

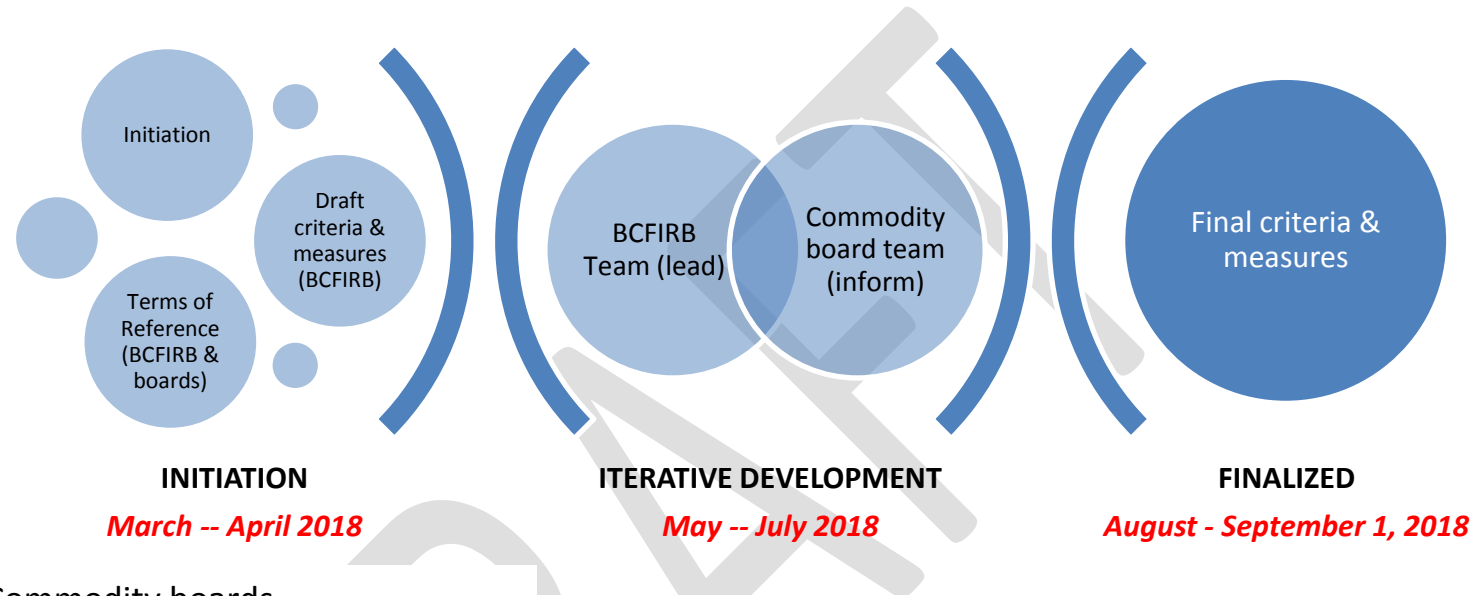
- h. Review written feedback and schedule meetings, as necessary, between BCFIRB team and board contacts, number and format of meetings TBD (June-July 31, 2018)

***September 1, 2018*** - BCFIRB finalizes and approves reporting criteria, measures and indicators for each commodity board.

***April 1, 2019*** - Commodity board annual public reports based on approved criteria, measures and indicators submitted to BCFIRB.

***September 1, 2019*** – BCFIRB annual public report based on approved performance measures and commodity board April 1 reports.

**Figure 1: Timeline and Actions – Developing Criteria, Measures & Indicators**



1. Commodity boards
  - a. ID lead member & staff persons
  - b. Provide feedback on Draft Terms of Reference **(by March 30, 2018)**
2. BCFIRB team
  - a. Develop draft measures
  - b. Finalize and distribute Terms of Reference **(by April 16, 2018)**
  - c. Distribute draft measures and framework to commodity boards **(by April 27, 2018)**

1. Commodity boards
  - a. Provide written feedback and measures **(by May 25, 2018)**
2. BCFIRB team
  - a. Review written feedback
  - b. Schedule meetings with BCFIRB team and board contacts, meeting format to be determined **June – July 31, 2018)**

1. BCFIRB
  - a. Finalizes and communicates reporting criteria, measures and indicators **(by September 1, 2018)**