



BC Farm Industry Review Board

August 28, 2020

File: 4200-60/BHEC CMB

DELIVERED BY EMAIL

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BC Broiler Hatching Egg Commission

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Dear All:

LONG TERM CHICKEN SECTOR PRICING – THIRD PARTY LIAISON AND FINAL PRICING REVIEW PROCESS

The BC Farm Industry Review Board (BCFIRB) supervisory panel has now considered all comments received on the alternative review process proposed by the BC Chicken Marketing Board (Chicken Board) and the BC Broiler Hatching Egg Commission (Commission) in their July 17 and July 28, 2020 letters, and is setting out the final process for the Chicken Sector Pricing Review (the Review), as attached to this letter.

The process sets out three phases, with the conclusion tentatively scheduled for March-April 2021.

The panel is appointing Wendy Holm as a third-party contracted project liaison to support the Review. Wendy Holm is an award-winning (retired) Agrologist, agricultural economist, farm journalist, writer and educator with over 30 years of professional experience in Canada and internationally. For the past decade, Wendy's work has focused on cooperatives and governance. Wendy's resume and background can be reviewed at this link: <http://www.wendyholm.com/HOLM.RESUME.pdf>

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Wendy's start date will be September 1, 2020 and she will be engaging in constructive discussion with the Chicken Board, Commission and parties to support the development of meaningful and timely pricing options and recommendations for a long-term chicken price formula and to address the price linkage agreement and the exit notice provided by the Commission in January 2020.

Wendy's responsibilities as project liaison will include the following:

- Observe the process directly as it unfolds and support decision-making that allows the boards and ultimately BCFIRB to make informed, defensible decisions.
- Support transparent communication between the boards and parties and that the interests of all parties are taken into consideration during the work carried out, prior to the finalization of any recommendations.
- Facilitate the production of "essential and appropriate information" in support of the boards' evidence-based decision-making while protecting business confidentiality.
- Support the identification and development, by the boards and parties, of key information components necessary for the determination of a long-term chicken pricing formula and to address the price linkage and the Commission's exit notice.
- Facilitate the dissemination of key information and data with the boards and parties and request feedback, while ensuring any confidential or sensitive business information is protected.
- Facilitate the sharing of feedback and suggestions and support the development of options and recommendations by the Commission and Chicken Board.
- Maintain regular liaison and provide updates to the BCFIRB Supervisory Panel.

To carry out these responsibilities, the BCFIRB panel is asking that the Commission, Chicken Board and all parties appoint a liaison person as a first channel of communication with Wendy by September 7, 2020. Each board is also asked to provide Wendy with a roadmap of tasks that they have committed to undertake to develop the key information components of this work by September 7.


Wendy will need to hold individual meetings with key persons and will need to be included at the table during each board's virtual committee meetings that relate to the Review. Wendy will advise directly of other documentation or information that she will need in order to carry out her support work to the boards, parties and BCFIRB.

Wendy is very open to be contacted by the boards and any of the parties to talk or zoom on an informal basis about the process. Wendy can be contacted at wendy@wendyholm.com or 604-417-2434.

BCFIRB again notes that it expects all parties to share data and information, as required and in good faith. The panel believes this will be critical to the development of meaningful pricing options and recommendations. BCFIRB expects the parties to share this information and data, prior to the Commission and Chicken Board finalizing any recommendations. BCFIRB, through Wendy and with support from BCFIRB staff, will work with the parties to establish an information sharing process to ensure confidential and sensitive business information is protected.

The panel looks forward to seeing the draft terms of reference developed by the Commission and Chicken Board in the near future, including the scope, goals, workplan, timelines, reporting schedule, and outcomes of the review.

Regards,

A handwritten signature in black ink, appearing to read "Peter Donkers". The signature is written in a cursive style with a large, sweeping initial "P".

Peter Donkers
Chair

cc: Wendy Holm, BCFIRB Project Liaison
Tom Ethier, Deputy Minister, Ministry of Agriculture
BCFIRB web site

BC Farm Industry Review Board (BCFIRB)

Chicken Sector Pricing Review Final Review Process Outline

Phase I – Establish Process and Data

Approx. 2-3 months: September-October/November 2020

1. Engagement of 3rd party liaison by BCFIRB

- a. Supervisory panel to engage a 3rd party liaison to support the Chicken Sector Pricing Review (Review) process.
- b. The supervisory panel to communicate the liaison's role and responsibilities to CMB, BHEC and parties.

2. Terms of Reference

- a. BHEC and CMB to develop a draft joint Terms of Reference (ToR) for the Review, in consultation with the BCFIRB liaison, and include scope, goals, workplan, timelines, reporting schedule, and outcomes.
 - i. The ToR to clearly demonstrate how the CMB and BHEC will both lead the Review, and work together and with parties, on developing their respective pricing recommendations.
 - ii. The ToR is to also describe the role and responsibilities of the BCFIRB liaison in carrying out the process and providing updates and reports to the BCFIRB supervisory panel.
- b. Draft ToR to be sent for review by all parties and input by CMB and BHEC.
- c. Final draft ToR to be provided to the supervisory panel.
- d. The supervisory panel to approve the final ToR, making any directions it deems appropriate.

3. Data/information identification and collection

- a. BHEC and CMB to identify, in consultation with the BCFIRB liaison, what outstanding data and meaningful information is needed to inform their respective pricing proposal work, and from whom the information is needed.
- b. BHEC and CMB to work with the parties, with support of the BCFIRB liaison, as to what data/information is needed and why.
- c. Supervisory panel and BCFIRB staff to establish a process for collecting, managing and exchanging potentially confidential or sensitive information.

Phase II – Development of CMB and BHEC Pricing Recommendations

TBD based on ToR: tentative November 2020-March 2021

1. Development of CMB and BHEC pricing recommendations

- a. The CMB and BHEC to follow the approved ToR workplan, timeline, and reporting schedule in reaching final pricing recommendations to the supervisory panel.
- b. The supervisory panel may make process or other directions as it deems necessary throughout the process.

Phase III – BCFIRB Review and Final Decision

TBD based on ToR: tentative March-April 2021

2. CMB BHEC final joint recommendations and rationale

- a. To be provided to the BCFIRB supervisory panel as per the ToR.
- b. Supervisory panel to assess if any further information or process is needed prior to making a decision.

3. BCFIRB final review and any decisions