



BC Farm Industry Review Board

February 27, 2020

File: 44200-60/BHEC SPEC

DELIVERED BY EMAIL

Jim Collins
Chair
BC Broiler Hatching Egg Commission

Dear Mr. Collins,

IMPLEMENTATION OF BCFIRB'S SPECIALTY (ASIAN BREED) HATCHING EGG REGULATION SUPERVISORY DIRECTIONS UPDATE AND EXTENSION REQUESTS

Thank you for your December 23, 2019 letter updating the BC Farm Industry Review Board (BCFIRB) on the BC Broiler Hatching Egg Commission's (Commission) progress in meeting BCFIRB's July 18, 2018 supervisory review decision¹ directions. The letter includes extension requests for the development of a new entrant framework and vision and strategic direction for the specialty (Asian Breed) sector. Finally, you ask BCFIRB to "...confirm that it has no objection to the Commission continuing to engage with its Asian Breeder sector as detailed...".

New Entrant Framework

BCFIRB agrees with the Commission including development of the new entrant framework for Asian Breeders in its upcoming review of the Commission's mainstream new entrant program. That said, we expect the Commission to manage any new entrant requests in the meantime in a manner consistent with all other requests, using a principle -based process (SAFETI²).

¹ 2018 July 17. BCFIRB. In the Matter of the *Natural Products Marketing (BC) Act* and the Regulation of Specialty (Asian Breed) Hatching Egg Production.

² Processes and outcomes reflect consideration of the following principles: Strategic Accountable Fair Effective Transparent Inclusive

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Vision and Strategic Direction

BCFIRB agrees with incorporating the development of a vision and strategic direction for the Asian Breeder sector in to the Commission's 2020 strategic plan. Given there appears to be no timeline for the "Chicken Industry Strategic Framework" we do not agree with delaying the development of an Asian Breeder sector vision and strategic direction for the purposes of synchronizing with this initiative. While BCFIRB understands the close connection between the hatching egg sector and the broiler chicken sector, it is important given the passage of time and continued industry uncertainty that the Commission finalizes the strategic direction in 2020. It recognizes that the Asian Breeder sector vision and strategy may need to be adjusted when the "Chicken Industry Strategic Framework" is completed.

Regulatory Tools

In its July 2018 supervisory decision, BCFIRB directed the Commission to revisit the question of regulatory tools for specialty hatching egg production no later than fall 2019 in light of a vision and strategic direction for the sector. Your report (December 23, 2019) a "regulatory solution" is yet to be reached, that the Commission authorized the extension of Temporarily Regularized Producer Chick Quota to December 31, 2020 and that there are "...still questions and differing views about the appropriate regulation of Asian Breeder producers and hatcheries."

The Commission and Asian Breeder stakeholders have now had over a year and a half to establish regulation that meets the needs of the Commission and the sector. For the benefit of business and regulatory certainty, we do not support a further extension to complete this work.

Developing and adopting comprehensive regulation is a challenge as the Commission continues to become familiar with Asian Breeder production, and as producers and hatcheries become familiar with the responsibilities associated with regulation. BCFIRB accepts there may be a need for adjustments to regulation in response to unexpected outcomes or the adoption of phased regulation in anticipation of unknown outcomes.

You report that the Asian Breeder producers have committed to monthly meetings with the Commission in 2020. Building on this positive dynamic, the passage of time since July 2018 and the progress reported to date, BCFIRB believes a July 2020 deadline is reasonable.

BCFIRB directs that:

- a) A progress report on the regulatory framework for the Asian Breeder sector be provided to BCFIRB and stakeholders by May 29, 2020; and,
- b) A regulatory framework for the Asian Breeder sector, in light of a vision and strategic direction for this sector, be completed, communicated to BCFIRB and stakeholders, and implemented no later than July 31, 2020.

BCFIRB prior approval of the regulatory framework is not required.

Please do not hesitate to contact me or BCFIRB staff if you have any questions.

Yours truly,

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" and a long, thin tail extending upwards and to the right.

Peter Donkers,
Chair

cc: BCFIRB web site