



**The Path Forward: A Blueprint for B.C.'s Tree Fruit Industry
(Tree Fruit Industry Stabilization Plan)
Project Update
December 22, 2023**

Executive Summary

On November 12, 2021, B.C.'s Ministry of Agriculture and Food (the ministry) announced and released The Path Forward: A Blueprint for B.C.'s Tree Fruit Industry, also known as the Tree Fruit Industry Stabilization Plan (TFISP). This is the third public update on the initiative. It complements the Honourable Pam Alexis' September 15, 2023, [Ministerial Statement](#).

This initiative brought together, for the first time, the larger tree fruit commodities (apples, cherries), the wine grape sector, and other key stakeholders along the entire tree fruit and wine production supply chains to address many of the significant challenges the sector is facing. This included issues such as: the fractured nature of the industry, the absence of sustained leadership, labour supply challenges, drought, increasing pest pressures, changing consumer expectations, retail consolidation, and opportunities to improve producer returns through technology and various marketing schemes.

An industry based Steering Committee, which to date has been led by the ministry, informed the development of the Stabilization Plan and the processes, engagement, and consultations which informed it. The steering committee and various sub-committees have been actively implementing the foundational recommendations in the Plan over the past two years.

Significant progress has been made to date. For instance, there has been success in:

- Identifying and collecting the information needed to inform enhanced market development and access domestic labourers to support fruit production.
- Establishing collaboration across the apple, cherry, and wine grape sectors to address common challenges such as access to consistent and reliable labour, by working together to provide the leadership and capacity to find solutions.
- Packers, apple growers, and key organizations working together to investigate the pros, cons, costs, and potential benefits for the orderly marketing of B.C. apples through an industry-wide approach to marketing and sales that would benefit everyone involved.
- Industry organizations creating a technology (called BC FruitWorks) which allows B.C.'s orchards to access willing, available domestic labourers to perform a variety of on-farm functions.
- The same organizations coordinating essential horticulture and extension services.

However, more work is needed to ensure the competitiveness and sustainability of B.C.'s tree fruit sectors.



This report provides:

- An overview and update on the status of each recommendation in the Stabilization Plan, in the form of a dashboard (Appendix 1).
- A detailed description of the activities, achievements, and investments for each of the foundational activities undertaken, prepared in collaboration with industry (Appendix 2).
- Some Frequently Asked Questions concerning the initiative (Appendix 3).
- A list of acronyms used in the industry and this report (Appendix 4).

Next Steps

The unprecedented collaboration between the ministry, primary producers, packers, marketers, most industry associations, and other stakeholders across several agriculture sectors has demonstrated what is possible when all partners come to the table and work to solve challenging and complex problems.

While the work is not complete, enough substantive progress has been made on several foundational recommendations that:

- There is no longer a need to proceed on the few outstanding initial recommendations.
- The ministry and industry have determined it is time to transition leadership for the ongoing implementation and sustainability of the work back to industry.

A detailed Leadership Transition Plan developed jointly by the ministry and industry over the past several months is being finalized. The Plan establishes a phased, orderly manner for industry to reassume leadership for those activities that have traditionally been under their management while the ministry maintains leadership for those which are naturally its business.

The approach seeks to ensure responsibility transfers on April 30, 2024. The ministry remains committed to be an active participant, but in a manner and with responsibilities more consistent with its mandate.

The ministry will continue to provide full leadership for the initiative until, and support and facilitate transition on, April 30, 2024.

The ministry would like to thank the following organizations for their dedication and hard work on the Steering Committee in support of this initiative:

- BC Grapegrowers Association
- BC Cherry Association
- BC Fruit Growers' Association
- BC Tree Fruits Cooperative
- New Tree Fruit Varieties Development Corporation
- Okanagan-Kootenay Sterile Insect Release Program



- Summerland Varieties Corporation
- Agricultural Land Commission
- Agriculture and Agrifood Canada
- Consolidated Fruit Packers
- Farming Karma Soda
- Investment Agriculture Foundation
- Wine Growers BC
- Sandher Fruit Packers

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Appendix 1
Tree Fruit Industry Stabilization Plan
Summary Status of Recommendations (Dashboard)

Recommendation	Status		
	Complete and/or ongoing	Sustained Progress	No Longer Necessary
1. New Leadership and Governance			
2. Data Sharing Strategy			
3. Access to Domestic Labour			
4. Extension and Horticultural Services			
5. Access to new apple varieties			
6. Apple Marketing Strategy (domestic market)			
0. Orderly Marketing of BC Apples			
7. National Retail (Grocery) Code of Conduct			
8. Globally Competitive Fruit Quality Standards			
9. Innovation and Technology			
10. Long-Term Sustainability of Sterile Insect Release Program			
11. Irrigation Programs			
12. One-time funding to apple producers			
13. Realign Ministry Financial Contributions to Industry			
14. Tree Fruit Industry Stabilization Fund			
15. Perennial Crop Renewal (Replant) Program			
16. Improve Understanding of Ministry Programs			
17. Enhanced Support to Bona Fide Farmers			
18. Sustain agricultural production on the ALR			
19. Consistent Local Governments' Approach to Agriculture			



Appendix 2

Tree Fruit Industry Stabilization Plan

Detailed Status of Each Recommendation

- #1 It is recommended a new industry agency be established to provide leadership, governance, and planning for the industry. The agency should be governed by board members appointed from key industry organizations and independent members with relevant skills and experience identified by the Ministry of Agriculture, Food and Fisheries.**

This recommendation is ongoing as the ministry transitions from a significant leadership role to a support role over the next six months.

All processes (i.e.: consultation with industry, Stabilization Plan, Leadership Sub-Committee working on this recommendation, TFISP Steering Committee) have confirmed:

- The complex leadership and governance challenges facing the industry.
- No existing organization has the mandate, membership, and capacity to provide the necessary leadership for the full industry.
- The solution (i.e.: consideration of a new organization) proposed in the Stabilization Plan.

An independent assessment of the missing elements of leadership (funded at \$50K) recommended possible approaches to deliver what is missing and can't be addressed was presented to the TFISP Steering Committee.

Despite strong support from most participants about the need for change, some representatives on the Leadership Sub-Committee did not support formation of a new industry agency as recommended in both the Stabilization Plan and the independent assessment.

As a result, a new approach was initiated to address leadership challenges and improve collaboration among industry organizations and complementary efforts to improve the availability of quality data to inform decision-making. This process is lead by industry, with Ministry support.

This is now reflected in a two-year pilot project, called the Cross-Commodity Leadership Support Project (CCLSP) funded at \$500K from the TFISP Fund, to improve collaboration and the capacity of organizations across commodities (apples, cherries, wine grapes) to address challenges faced by all of them (e.g., labour, extension etc.). A project manager has been hired and began in early September 2023 as well as a communications director hired in December 2023.

It is intended this collaboration will assume responsibility for supporting and potentially leading key cross-commodity projects (e.g., domestic labour supply) and, ultimately, might assume the overall leadership and Steering Committee processes. A further \$200K from TFISP Fund has been notionally allocated to support ongoing developments in support of this work.



#2 It is recommended the Ministry of Agriculture, Food and Fisheries facilitate the development and implementation of a data strategy for the tree fruit sector.

This recommendation is ongoing as the Ministry continues to provide leadership on this initiative.

Work to date has included:

- Data sharing with Agriculture and Agri-Food Canada and Statistics Canada.
- An evaluation and cataloguing of existing sources of industry data.
- Analysis of existing data and data needs, and identification of data gaps, such as the inclusion of Ambrosia apple variety in StatsCan import data collection.
- Production of a new acreage report for tree fruits that factors tree fruit maturity into the analysis.
- Development of two Decision Notes with options designed to support improved data submission by industry to their respective councils.

Revisions to the ministry's internal data collection and sharing processes are on-going to facilitate data analysis and inform policy and decision-making. While there has not yet been a need to allocate any funding to this work, the ministry has provided staff and other resources to support this work.

A key achievement is that the ministry developed and implemented the BC Apple Data Sharing Project. This gives apple packers an independent, secure, and confidential way of sharing commercial information (e.g., "after the fact" sales data) that will help them make business decisions in the best interests of the industry and growers. Data sharing by participating apple packing house began in September 2022 and continues to the present.

A recent internal evaluation of the project (presented to the Apple Marketing Strategy (Packer) Sub-Committee on July 6, 2023, and the Steering Committee on June 29, 2023) confirmed the benefits of, and industry support for, this work. As a result, the Ministry has confirmed:

- Continuation of the program through 2024.
- Improvements to data collection and reporting through development of a new system (at a cost of \$75K funded by the ministry).
- The likely expansion to include other commodities such as cherries and/or blueberries.
- Efforts to improve data provided by wine grape growers.

Other initiatives to improve data collection quality and access are being considered.

#3 It is recommended the Ministry of Agriculture, Food and Fisheries develop a comprehensive agriculture-centric labour strategy, make its expertise more accessible



to industry and decision makers, and support the industry's efforts to access labour pools.

This recommendation is ongoing as an industry-led initiative with the ministry providing a support role as needed into the future.

Access to qualified labour supply has been highlighted as one of the industry's most significant challenges. TFISP labour initiatives focus on encouraging participation of domestic workers and improving access to foreign workers.

A domestic labour sub-committee is addressing the labour challenges of hiring domestic workers. The work is being done collaboratively by industry and contractors under the title, "BC FruitWorks" by using technology and social media. The initial pilot project was intended as a proof of concept that farmers were able and willing to use technology to recruit domestic workers and domestic workers would respond to this method of labour organization.

The initial focus of this work targets three areas: recruiting workers, facilitating hiring, and providing human resources (HR) support to growers:

- The markets for recruiting are Canadian workers and those with legal work visas already in the country. The initial target markets were Quebec youth, and workers in other seasonal B.C. industries who's off-seasons complement the seasonal work of the tree fruit and wine grape industries.
- To facilitate hiring, BC FruitWorks uses a B.C. developed software, CrewDriver. Both workers and employers sign up for the CrewDriver service and the software texts job postings directly to job seekers, streamlining the hiring process.
- HR supports have been developed for employers to ensure that they are up to date with regulations and help them stand out as fair employers in the current, competitive job market.

The ministry provided \$130K in direct funding to support initiation of this project. Subsequently, \$198 K from the TFISP Fund was secured to improve the website used to support this initiative and hire a project manager to ensure the sustainability of, and enhance, efforts to connect apple, cherry, and grape producers with domestic workers.

Financial support for this work has been extended into 2024 and includes the capacity for industry to plan for the longer term. An additional \$200K from the TFISP Fund has been notionally allocated to support BC FruitWorks (likely a one-year extension of the initiative into 2024/25).

For foreign workers, the three Okanagan horticultural associations (BCFGA, BCCA and BCGA) continue advocacy work regarding the supply of foreign labour through the Western Agriculture Labour Initiative (WALI). For example, on August 8, 2023, the federal government announced a "Recognized Employer Program" which the national Fruit and Vegetable Growers of Canada advocated, with support from WALI.



Locally, an Okanagan Foreign Labour Committee has been notionally established, working on two Okanagan-specific projects:

- Opening Seasonal Agricultural Worker Program (SAWP) to small scale farms.
- Promoting the Canadian Experience Program (youth/backpacker program) in target countries.

A future amount of \$200K from the TFISP Fund has been notionally allocated in the TFISP Fund budget to support the two TFW projects in 2024/25 identified by the Okanagan Foreign Labour Committee, if approved by IAF.

The ministry, in collaboration with Social Development and Poverty Reduction, secured \$15M in funding for industry and other stakeholders to access through the Agriculture and Food Workforce Development Initiative (AWDI). The program is delivered by IAF with funding targeting workforce research, recruitment and retention, and skills grants for youth. Funding is now open for applications through IAF's webpage.

The ministry has also hired a new Manager of Labour Initiatives.

Going forward, the ministry and industry will need a longer-term labour strategy that integrates the work on foreign and domestic labour and improves collaboration and accountability on the work on international labour. As labour supply is one of the most significant challenges the industry faces, it is critical all organizations collaborate on the domestic and international labour file on behalf of the full industry.

#4 It is recommended the Ministry of Agriculture, Food and Fisheries enhance its support of, and contribution to, horticulture and extension services.

This recommendation is ongoing as an industry-led initiative with the Ministry providing a support role as needed into the future.

An Extension Sub-Committee was formed in the spring of 2022 to address Recommendation 4. To date, the sub-committee has:

- Surveyed growers and other relevant parties about extension services.
- Reviewed successful extension models in other jurisdictions.
 - The work indicated the BC Decision Aid System (BCDAS) has the potential to play a more substantive role in extension and will inform future horticulture and extension activities.
- Using \$22K from the TFISP Fund, a first of its kind two-day conference and workshop in Penticton in March 2023 brought together extension practitioners from throughout the region to:
 - Build/create collaboration among extension practitioners in the region.
 - Plan the "who" and "how" of the extension delivery process.



- Provide professional development in the practice of Extension.

The Extension Sub-Committee has been expanded to plan next year's program, including a date for the extension practitioners' event (building on the successful 2023 event).

An additional \$478K from the TFIS Fund has been allocated, but not yet accessed for initiatives to improve and coordinate access to extension services. This may include equipment, extension events, etc.

At the beginning of November 2022, the ministry announced the establishment of a new \$1.4M, two-year pilot Tree Fruit Extension Program which launched in January 2023. This includes the creation of two new full-time temporary staff (extension specialists) to collaborate with industry consultants, associations, and stakeholders. The program supports tree fruit and wine grape growers through the development of horticultural tools and resources for industry, focused on enhanced horticultural practices for farm management and support improved fruit quality, production, and farm business operations. Since March 2023, the ministry has committed over \$300K towards extension programming. Highlights include:

- Collaborating with industry partners to deliver Apple Day, a one-day knowledge transfer event for apple producers. The event focused on fruit quality and production efficiencies to increase profitability and attracted 137 attendees
- In response to the success of Apple Day, the ministry is piloting the 2024 Southern Interior Horticultural Show (SIHS), a cross-commodity knowledge and technology transfer event to support tree fruit and wine grape producers in the Southern Interior. The event will include two days of technical extension sessions and a trade show exhibiting products and services of agriculture support businesses. The event is set to take place February 16-17, 2024, at the Penticton Trade and Convention Centre and is expected to attract 300-500 attendees
- Providing funding and support to industry partners and consultants to deliver on farm events, including vineyard cover crops, apple pest scouting, fertigation and managing winter grapevine damage workshops
- Developing extension programming to complement industry events, including sprayer calibration workshops, new technology demonstrations for apple growers, and apple crop load management workshops
- Collaborating with tree fruit extension services from across North America to host a series of online webinars focused on climate adaptation strategies for orchards
- Collaborative development and launch of a pilot Horticulture Upskill Program to provide tangible training opportunities for agricultural workers employed by the tree fruit and wine grape industries. The program is delivered by Okanagan College, and the Ministry will pay for course fees, exams, and course materials for eligible agricultural workers that complete the program. This will help to increase industry capacity and improve access to skilled labour. To date, two cohorts have been completed, with a third offering Spanish translation occurring in early 2024



#5 It is recommended that industry leadership collectively establish a comprehensive process to support the acquisition, development, commercialization, and marketing of new varieties and new value-added products.

This recommendation is ongoing as an industry-led initiative with the ministry providing support as needed into the future.

Summerland Varieties Corp (SVC) led a sub-committee related to this recommendation. The sub-committee was supported by key industry stakeholders. The sub-committee has completed its work and identified ten internationally recognized commercial apple varieties that may become available to B.C. producers.

To be successful, responsibility for this work needed to transition to a different group to:

- Determine which of the ten internationally recognized commercial apple varieties that may become available in B.C. are of most interest.
- Engage with the owners of those varieties.
- Get plant material into B.C.

A project, administered by the NTFVDC and OKSIR, to assess the viability of those new varieties (e.g., anticipated returns to growers, costs, etc.) and consider the acquisition and adoption of some varieties has been funded (\$93K) from the TFISP Fund. A New Varieties Project Management Committee has been established to lead this process (e.g., consider potential contractors, etc.), beginning in July 2023. A public report of the project will be available towards the end of 2023.

An additional \$400K has been allocated, but not yet accessed, in the TFISP Fund for initiatives to improve the development and implementation of new varieties. This may include licensing fees, marketing of new varieties, etc. Progress to date has been promising, but introducing new varieties takes time.

B.C. producers face challenges in accessing improved and desired nursery stock such as replant disease tolerant rootstock. This is in part due to restrictions limiting import of rootstock and finished nursery trees from tree fruit producing regions, such as Washington State and Oregon.

The ministry and industry are working together to establish an alternative approach to the fumigation trade restriction limiting the movement of tree fruit nursery stock into B.C. It is anticipated that a solution could be achieved with federal/international agencies by 2024.

#6 It is recommended that Ministry of Agriculture, Food and Fisheries work with industry to develop and implement a coordinated 5-to-10-year Market Development Strategy for B.C. produced tree fruit(s). This strategy would identify priority markets for market access, development, and maintenance and include a rolling 2-3-year industry marketing and sales plan.



This recommendation is ongoing as the ministry transitions from a significant leadership role to a support role over the next six months.

Building on the successful model in B.C.'s cherry sector, B.C.'s commercial apple packers agreed to work collaboratively on opportunities (e.g., ensuring packinghouse quality standards are clear and upheld, increasing access to key, high return export markets, coordinated marketing, and promoting apple consumption to improve domestic market access) that could benefit the full industry (e.g., improve apple quality, consistency, and grower returns).

In support of that commitment, in 2022/23 the group finalized and signed:

- Terms of Reference for its work.
- A common message concerning their commitment to work together in the best interests of the industry circulated to all B.C. apple growers.
- A second common communication to all B.C. apple growers re: apple quality standards.
- An approach to sharing confidential, anonymous sales data among participating packinghouses (as noted in Recommendation #2 Data Strategy).

The group, the New Tree Fruit Varieties Development Corporation, and BCFGAs sent a joint communication to all B.C. apple growers which conveyed their commitment to collaborate to increase returns to growers as quickly as possible.

The communication conveyed their agreement it was in the best interest of everyone in the industry to build on the progress made to date by packers on the areas where there is overlap in all our objectives and, some time in the future, assess the progress being made, determine whether there is a need for a marketing commission, and identify what, if any, additional steps are required.

The packer group was expanded to include non-packers in recognition of the overlap between the work the packers are doing and the work on the concept of the orderly marketing of B.C. apples (e.g., minimum quality standards, transparency of historical sales and marketing information, and marketing/promotion programs), possibly through a marketing commission.

The group had preliminary discussions about how to formalize the Apple Marketing Strategy Sub-Committee relationship (e.g., through an association) to help achieve common goals, improve opportunities to access grants, etc.). However, while these efforts initially demonstrated unprecedented collaboration, challenges with the expanded membership and expanded mandate negatively impacted progress.

Recently, the ministry reengaged the packers by re-establishing the Apple Marketing Strategy Sub-Committee (comprised solely of B.C. apple packers), with two priorities:

- Enhancing the apple data sharing project (see details in Recommendation #2).



- Developing and implementing a multi-year, domestic and foreign apple marketing strategy.

All B.C. commercial apple packers participating on the sub-committee confirmed their commitment to actively participate and collaborate in discussions about those two topics.

Responsibility for the consideration of the orderly marketing of B.C. apples was transferred to a new Orderly Marketing Project Management Committee (PMC) (See Recommendation #0 following). \$205K from the TFISP Fund has been allocated to support this work.

The packing houses have reengaged with the ministry on development of a multi-year strategy for market development, maintenance, and access for B.C. apples.

The ministry invested \$250K (announced in November 2022) to conduct local and export market research that will inform the long-term apple market development strategy and an apple marketing and sales plan. This research was completed in February 2023, and shared with interested parties (e.g., B.C.'s commercial apple packers) in February and March 2023. The market research the ministry undertook for both the domestic and foreign markets suggested real opportunities exist. The ministry plans to begin work with a contractor in January 2024 to draft the B.C. domestic market development strategy for B.C. apples.

After the financial allocation to support the orderly marketing of B.C. apples, an additional \$46K from the TFISP Fund has been allocated, but not yet accessed, for initiatives to support new varieties (e.g., consultations, marketing support, etc.).

On November 3-9, 2022, the ministry also supported the tenth annual apple cup promotion held by Save-on-Foods in collaboration with the BC Tree Fruit Cooperative. Through the Buy BC program, the ministry will be providing funding in 2023 for point-of-sale marketing materials displayed at 125 Save-on-Foods locations across the province. The Buy BC program enables the promotion of B.C. food and beverage products to ensure consumers can easily identify and enjoy local products through the Buy BC brand. The support provided by the ministry enabled the use of the Buy BC brand on apple marketing materials to promote local B.C. apples to consumers at Save-on-Foods throughout B.C.

The ministry continues its unprecedented marketing support of B.C. apples through various marketing strategies. This includes ad campaigns (TV, digital, print and transit ads) encouraging B.C. consumers to support local producers, Meet your Farmer videos, and Brand Ambassador program with CTV Morning Live cooking segments.



Recommendation #0 (Orderly Marketing of BC Apples)

This recommendation is ongoing as an industry-led initiative with the ministry providing support as needed into the future.

This was not a stand-alone recommendation in the Stabilization Plan but was reflected as part of Recommendation #1. It has evolved into a separate recommendation to reflect changing circumstances.

A workshop on the orderly marketing of B.C. apples, involving the ministry, apple industry associations, producers, packers, and marketers, was held on March 15, 2023, and resulted in:

- Strong support from participants for most of the aspects required for orderly marketing such as mandatory quality standards, a comprehensive approach to marketing and promotion, etc.
- Majority agreement for all other aspects of orderly marketing such as minimum pricing, a legal way to discuss prices, a central group responsible for export market certification, prioritization, and promotion, etc.
- The willingness of the majority to pay for an organization to lead such activities
- Support for further consideration of a new central group (possibly a marketing commission)

As a result of the workshop and emerging out of the leadership and marketing conversations, a new Project Management Committee (PMC) was established to facilitate a process to:

- Allow industry to be informed about and consider some form of orderly marketing of B.C. apples, including the potential for an apple marketing commission
- If industry endorses a model for orderly marketing, request B.C.'s Minister of Agriculture and Food consider industry's proposed approach to orderly marketing

Membership on PMC includes the Ministry, BCFG, NTFVDC, representative apple producers, and apple packers who have demonstrated a willingness to consider a new approach in the best interest of the full industry.

This process has been implemented and funded with \$203,500 from the TFISP Fund. The PMC is meeting bi-weekly to ensure the timely consideration of possible approaches to the orderly marketing of BC apples.

Work has been initiated on the assessment of the current situation (Market Assessment Report), communications with producers and packers concerning orderly marketing, and the development of a business plan, governance model, and budget. However, the committee managing the project is re-considering the best ways to ensure an objective, orderly, and comprehensive consideration of how to ensure the most viable approach to the orderly marketing of B.C. apples, while building on the work completed to date.



In early 2023 the ministry allocated an additional \$900K in support of the orderly marketing of B.C. apples. This could support efforts to improve the orderly marketing of B.C. apples and/or improve B.C. apple access to lucrative new markets and improve returns for the industry, especially producers.

#7 It is recommended the Ministry of Agriculture, Food and Fisheries continue to work with its federal, provincial, and territorial counterparts to implement a retail code of practice.

This recommendation is complete.

Federal, Provincial, and Territorial Ministers of Agriculture have expressed the need for industry to develop a retail fee code of conduct/practice that improves transparency, predictability, and respect for the principles of fair dealing in supply chain relationships.

An industry led retail steering committee worked together to draft a Grocery Code of Conduct (the Code) and conduct consultations with agri-food organizations this past spring. The industry working group anticipates the finalization of the voluntary Code by year's end. Plans include the establishment of an office which will provide training, education, dispute resolution services and oversight, as well as send a signal to Canadian consumers that the grocery sector is improving its transparency.

In July 2023, Federal, Provincial, and Territorial Ministers, including B.C.'s Minister of Agriculture and Food, recognized the sector's progress in the development of such a Code and expressed strong support for the process and anticipated office. They continue to encourage widespread voluntary adoption of the Code.

The establishment of an office will require a one-time investment from federal and provincial Ministries. B.C.'s portion of the investment is not yet determined; however, it is anticipated funds will be allocated from the existing budget.

There is no formal Stabilization Plan sub-committee working on the Code or related activities.

#9 It is recommended the industry determine and act on ways that innovation and technology can support the sector.

This recommendation will continue as an industry-led initiative with the Ministry providing support as needed into the future.

There is no formal sub-committee working on this recommendation.



On March 15, 2021, the ministry provided \$375K over three years for the BC Decision Aid System (BCDAS) and the related weather stations. This includes an expansion of the Province's weather network into the Creston Valley allowing for tree fruit producers in the Kootenays to access BCDAS.

The stability of multi-year funding will provide opportunities to add new models and new crop types to the tool. The online BCDAS calendar will be utilized as a central hub for industry events and will offer increased opportunities for collaboration amongst industry stakeholders.

The ministry has significantly increased the capacity area coverage of its Provincial Agricultural Weather Network with the addition of new weather stations in the Okanagan and Similkameen through 2023 and 2024, through an investment of \$140K. These new stations are part of the BCDAS network.

The ministry supported an October 2022 re-launch of the Reflective Materials Program. The program provided cost-shared funding for producers to purchase light reflective materials for their orchards. The use of these materials in orchards has been proven to improve colouring and enhance product quality when apples are harvested at the proper ripeness (e.g., not overripe due to delays in harvest to attain higher colour saturation). This program was administered by IAF, with intake from November 2022 through March 2023. As of May 2023, the \$200K funding was fully subscribed.

Announced November 24, 2023, the new B.C. On-Farm Technology Adoption Program will provide as much as \$3.0M over the next two years from the governments of Canada and British Columbia. The Program provides cost-shared funding to eligible participants to adopt new technologies on-farm that will enhance profitability, productivity, and/or efficiency.

The Steering Committee will identify other important activities in support of this recommendation. An additional \$500K from the TFISP Fund has been notionally allocated, but not yet accessed to support innovation and technology.

#10 It is recommended an assessment of the Okanagan-Kootenay Sterile Insect Release Program be conducted to determine the value the Program provides to the apple industry. If the Program is determined to be critical to the success of the industry and its viability is at risk, funding models that could be put in place to support the producer portion of Program costs should be considered.

This recommendation will continue as an industry-led initiative with the Ministry providing support as needed into the future.

In March 2021, the ministry provided \$32K, with matching funds from the Okanagan-Kootenay Sterile Insect Release Program (OKSIR), for an evaluation of the economic and qualitative benefits of the Program. The evaluation demonstrated the program's financial benefits to apple producers, the environment, and B.C.'s economy (including an indirect impact on B.C.'s cherry exports). It



concluded B.C.'s commercial apple industry will have significant challenges to survive, and the cherry industry could lose access to key export markets without the OKSIR program, especially the organic sector.

The OKSIR program requested that the ministry provide bridge funding to sustain the program, supported by a business case developed by an independent contractor. In November 2022, the Ministry provided bridge funding (\$400K over two years) and has encouraged OKSIR staff to meet with industry stakeholders (BCFGA, BCCA, and BCGA) to determine and secure the additional funding.

At that time, the ministry also committed \$70K to support OKSIR's development of alternative business models to ensure long-term sustainability and address the negative impact of the decline in apple acreage. As a result of that commitment, on February 3, 2023, the OKSIR Board approved proceeding with development of a Financial Feasibility Study through an independent contractor.

A contractor has been selected to develop the long-term framework and options for the future of SIR consideration by the SIR Board and, as appropriate, other organizations (e.g., the Ministry). The SIR Sub-Committee has been expanded to support the project and the kick-off meeting with the sub-committee and the OKSIR Board of Directors was held on July 21, 2023. In November 2023, the contractor presented a draft strategy to the OKSIR Board of Directors for consideration. Additional details and direction will be decided in early 2024.

#11 It is recommended the Ministry of Agriculture, Food and Fisheries, in partnership with other agencies, develop a program to support the development of local irrigation systems to accommodate the impact of drought, climate change, and water shortages on B.C.'s agriculture industry (including the tree fruit sector).

This recommendation is ongoing to address the significant challenges faced by producers with the recent drought. The ministry continues to provide collaborative leadership on this initiative.

The Agricultural Water Infrastructure (AWI) Program, announced on June 27, 2023, is a three-year program with up to \$20M in funding from the ministry. The program is delivered by IAF.

The goal of the AWI Program is to improve water security in agricultural areas and food security in B.C. by targeting funding:

- In water scarce and drought-prone areas that will be increasingly stressed by climate change, and that will benefit from more efficient infrastructure or storage to maximize water available for agriculture (e.g., irrigation and livestock watering).
- In areas with sufficient water supply or with high potential for farmland expansion that could lead to an increase in agricultural production with additional water infrastructure.



Through the program, primary and Indigenous producers, agriculture and conservation groups, water purveyors and Indigenous Communities will have access to cost-shared funding to adapt to climate change by investing in water infrastructure.

The program has three funding streams:

- Stream 1: Improvement, rehabilitation, expansion, or new construction of water storage systems for farms (including agricultural dams) – up to \$4.0M, cost shared at 50 percent up to \$1.0M per project.
- Stream 2: Improvement, expansion or new construction of off-farm conveyance and water supply systems to farms – up to \$10.5 M, cost shared at 50 percent up to \$2.0M per project.
- Stream 3: Agricultural water supply assessments, engineering studies or plans – up to \$2.0M, cost shared at 75 percent up to \$100K per project.

AWI Program details can be found at: <https://iafbc.ca/agricultural-water-infrastructure-program/>. This includes eligible and ineligible participants, eligible and ineligible activities and expenditures, additional program requirements, funding details, etc.

#12 It is recommended the Ministry of Agriculture, Food and Fisheries investigate opportunities to provide one-time support to farmers experiencing difficult financial circumstances.

This recommendation is complete as the ministry will not be providing direct, one-time support to producers. Rather, the ministry and the Steering Committee have focused on other elements of the Stabilization Plan that address the industry's foundational challenges, help farmers be more successful, increase returns, etc.

This includes addressing foundational issues such as the need for extension services, more consistent access to seasonal labour, improved fruit quality, increased marketing support etc.

#14 It is recommended the Ministry of Agriculture, Food and Fisheries ensure any expenditures from the Tree Fruit Competitiveness Program (TFCP) reflect key elements of the Tree Fruit Industry Stabilization Plan. Financial contributions from the Fund should support initiatives that have sound business rationale (as defined above) and whole sector benefits.

This recommendation is complete.

As endorsed by the Steering Committee, the ministry reallocated unused funds in the TFCF to a new TFIS Fund to support implementation of the Stabilization Plan. Several recommendations in the Stabilization Plan address industry priorities identified by TFCF, including marketing, market access and industry competitiveness.



The IAF administers and makes decisions concerning the new TFIS Fund. The Steering Committee's endorsement of an application is required to demonstrate broad industry support prior to IAF consideration. TFISP sub-committees manage projects supported by the Fund (via a responsible designated organization).

Given the nature of recommendation #14, no funding allocation was required, other than administration of the program by IAF (estimated at \$120K).

#15 It is recommended the Ministry of Agriculture, Food and Fisheries consider some form of program focused on supporting industry efforts to plant commodities that are commercially viable and include modern varieties, proven to grow well under local climactic conditions and offer significant and reasonable market opportunities for B.C. farmers.

This recommendation is complete.

In May 2021, the ministry contracted KPMG to assess the previous seven-year Tree Fruit Replant Program. KPMG identified issues with the way the program was administered and with the ministry's oversight of the program.

The TFISP recommends a more general program applicable to additional commodities but requiring a reasonable business plan and endorsement from a horticulturist with expertise in the commodity.

A new Replant Sub-Committee (with representatives from the apple, cherry, and wine grapes sectors) was established to consider the best approach to a possible new multi-commodity replant program.

In addition, focussed, subsidiary discussions were held with all organizations in the wine grape sector and with tree fruit (apple and cherry) organizations. In both instances, participants considered the framework for, and likely characteristics (e.g., plant removal) of, an anticipated multi-year, multi-commodity replant program and industry obligations (e.g., strategic opportunities assessments, etc.) that would be a prerequisite for participation.

In April 2023, the ministry announced a new multi-commodity replant program titled the Perennial Crop Renewal Program (PCRP) and supported it with \$15M. PCRP is intended to increase the competitiveness and resiliency of the B.C. agri-food economy by supporting farmers to adopt or change perennial cultivars or crops (e.g., diversify, renew, or expand production, adopt new, innovative production systems, etc.). All perennial food sectors (other than forage crops) are eligible for PCRP, including hazelnuts, raspberries, wine grapes, tree fruits, blueberries, and other perennial crops.



PCRP has three funding streams, two of which provide cost-share funding to perennial crop producers, and one that supports perennial crop industry associations or stakeholder groups to complete sector development projects. These include Stream 1: Sector Development, Stream 2: Removal Projects, and Stream 3: Sector-Specific Planting Projects.

After initial substantial uptake on Stream 2 by producers, the industry-based group working on this initiative has been considering how best to ensure fair and equitable access to the remaining funds across the eligible commodities.

This program and the investment by the Province of British Columbia effectively concludes the ministry's obligations regarding this recommendation.

Outstanding Recommendations for which Action is No Longer Required

Action on the following recommendations is no longer required as:

- Some have been superseded by the foundational recommendations initiated to date and described in this Project Update
- Some represent the routine business of the ministry

- #8 It is recommended that globally competitive and consistent fruit quality standards and criteria be developed by industry, with a supporting marketing strategy.
- #12 It is recommended the Ministry of Agriculture, Food and Fisheries investigate opportunities to provide one-time support to producers experiencing difficult financial circumstances.
- #13 It is recommended the Ministry of Agriculture, Food and Fisheries realign the way it provides financial contributions to the tree fruit industry or individual farmers in support of sound business management practices.
- #16 It is recommended the Ministry of Agriculture, Food and Fisheries improve understanding and application of several Ministry programs that will benefit the full agriculture industry.
- #17 It is recommended the Ministry of Agriculture, Food and Fisheries establish a method to distinguish persons who are actively farming and producing agricultural products from persons who own land which is generally used for non-agriculture purposes (especially as it relates to land in the Agricultural Land Reserve (ALR)).
- #18 It is recommended that the Ministry of Agriculture, Food and Fisheries work with the Agricultural Land Commission to achieve the Commission's stated objective to ensure agricultural production remains the primary use of the Agricultural Land Reserve while supporting economic opportunities for farmers to be financially viable.



While this recommendation is an ongoing and regular feature of the Ministry's work with the ALC, it has evolved into preliminary discussions between the two organizations about joint communications efforts to improve growers' understanding and awareness of opportunities that exist.

- #19 It is recommended the Ministry of Agriculture, Food and Fisheries work with local governments to coordinate approaches to the industry.



Appendix 3

Tree Fruit Industry Stabilization Plan

List of Acronyms

AAFC	Agriculture and Agri-Food Canada
AFF	B.C. Ministry of Agriculture, Food and Fisheries
ALC	Agricultural Land Commission
ALR	Agricultural Land Reserve
ALCA	Agricultural Land Commission Act
BCAC	BC Agriculture Council
BCCA	BC Cherry Association
BCDAS	BC Decision Aid System
BCFGA	BC Fruit Growers' Association
BCGA	BC Grapegrowers Association
BCTF	BC Tree Fruits Cooperative
BCWGC	BC Wine Grape Council
BRM	Business Risk Management (insurance) programs
CFIA	Canadian Food Inspection Agency
FPT	Federal-Provincial-Territorial Ministers of Agriculture
IPSC	Implementation Plan Steering Committee
LEAN	Methodology to optimize an organization's people, resources, effort, and energy
LGA	Local Government Act
Ministry	B.C. Ministry of Agriculture and Food
NTFVCD	New Tree Fruit Varieties Development Council
OHAG	Okanagan Horticulture Advisor's Group
OKSIR	Okanagan-Kootenay Sterile Insect Release Program
PMC	Project Management Committee
SVC	Summerland Varieties Corporation
TB	Treasury Board
TFCF	Tree Fruit Competitiveness fund
TFISF	Tree Fruit Industry Stabilization Fund
TFISP	Tree Fruit Industry Stabilization Plan
TFRP	Tree Fruit Replant Program
TFW	Temporary Foreign Workers
VQA	Vintners Quality Alliance (the appellation of origin and quality standard for BC)
WALI	Western Agriculture Labour Initiative