

Recommendations for Managing Specialty Agri-Food Products in the BC Supply Managed System

BC Agriculture Minister John Van Dongen met with key members of the organic community in January to present and discuss proposed changes to the supply management system as it relates to the organic sector. The Minister stated that he was fully committed to the initiative and that change will happen, whether the boards and stakeholders like it or not.

The Leroux Report was presented at these meetings with the Minister and stakeholders. The Minister and BCFIRB have endorsed the report and will be implementing the recommendations over the next 6 months.

The time line on this is very short - FIRB is to review and approve each Board's proposed orders by March 31, and the programs are to be implemented by June 30. A COABC Implementation Team will be working very closely with FIRB to ensure that the organic sector needs are addressed and met.

Anne Macey, who attended the meeting in Victoria on Tuesday, provided an excellent summary of the key points, noted below. The mood at the Tuesday meeting was "cautiously optimistic" for the recommendations provided by the consultant (and endorsed by the minister and BCFIRB) were more in line with the needs of the organic sector than anything that has been discussed/presented in previous years. It is important to note that the consultant was tasked with examining ways in which specialty production can be better accommodated within supply managed systems -- not whether specialty production should be regulated within the supply managed systems. Therefore, complete exemption for specialty/organics is not an option.

Specialty products are defined as those with unique attributes which are 3rd party certified. As far as "organic" is concerned, products would meet that criteria if certified by an agency accredited by COABC or one that has national accreditation.

Summary of recommendations:

1. Exemption levels to be increased probably to meet or exceed minima found in other jurisdictions. The levels have still to be determined but it is hoped (realistically) that for eggs will be 500 (rather than 99) and for broilers possibly 2000 -- these new exemption limits will take care of over 95% of organic producers.

2. All classes of production from small-scale/back yard to mainstream production should be regulated. For small-scale production (within exemption limits), this will be a registration process only.

3. Producers seeking to produce specialty products at levels greater than the exemption limits should initially establish their operations under permit. A permit system will allow for start ups without the need to own quota. A permit system will be comprised of 3 levels to span a period of 10 years with each permit representing a stage in product/market development (ie. Innovation, Market Development, Production Development) - Organic production is now considered to be beyond the "Innovation" level.

4. A separate class of quota should be available for specialty production and should only be transferable within the same class.

5. Allocations should be based on demonstrated growth in each product class.

6. Any fees should reflect services provided.

7. To remain eligible for specialty status, the producer must maintain certification status.

8. The system will be managed by the existing boards but the concerns regarding appropriate allocations, conflict of interest and the need for greater transparency were recognised; these concerns will be addressed in several ways - for example: appointments of board members by government; setting up of specialty product advisory committees, seat on the board for specialty producers, 3rd party review of applications & applicants business plans.

Timelines:

The time line on all this is very short - the minister hopes to have the system in place before the election (May), -- FIRB is to review and approve each Board's proposed procedures by March 31, and the programs are to be implemented by June 30.

There is a real concern that if the recommendations are not implemented immediately those who oppose changes to the status quo (eg. conventional producers) will be able to effectively lobby against the proposals and if it is delayed until after the election, the opportunity to resolve the issues may be lost.

Feedback from the organic sector should be immediate. COABC is currently establishing an Implementation Team to assist with the feedback and implementation process. (upon FIRB's request).