

**AMENDING ORDER #019
TO THE
CONSOLIDATED ORDER OF NOVEMBER 1, 2017**

**MADE BY
THE BRITISH COLUMBIA EGG MARKETING BOARD
ON MAY 15, 2021**

The British Columbia Egg Marketing Board orders as follows:

1. PART IV - NEW PRODUCER PROGRAM RULES of the Consolidated Order of November 1, 2017 is repealed and replaced with the following:

- 1. Application to Participate in the New Producer Program**

- (1) The Board may from time to time announce on its website that a draw or draws will be conducted for the purpose of selecting a specified number of applicants to become entrants in the New Producer Program. In such event, the announcement will remain on the Board's website for a period not less than 30 days before the expiry of the deadline for the submission of applications to participate in a draw.
- (2) The Board may, in its sole discretion:
 - (a) restrict participation in a New Producer Program draw to applicants who will:
 - (i) be actively engaged in production of, or from, a specified class or classes of Regulated Product;
 - (ii) engage in egg production within a Region, identified by the Board as warranting additional production capacity having regard to the interests of the industry as a whole; and/or
 - (iii) employ a specified mode of production or marketing of Regulated Product.
 - (b) establish, impose and announce special terms, conditions and restrictions with respect to any New Producer Program Draw, including terms, conditions and restrictions governing continued participation in the New Producer Program, and/or the terms, conditions and restrictions regarding the allotment, purchase, suspension or cancellation of Layer Quota.
- (3) A Person may apply to participate in a New Producer Program draw only when the Board has announced on its website that a draw or draws will be conducted for the purpose of selecting an applicant to become an entrant in the New Producer Program, and within the deadline for the submission of applications to participate in a draw which shall not be less than 30 days from the date of the Board's announcement.

- (4) Applications to participate in a New Producer Program draw are made by filing with the program administrator:
- (a) an application form, obtainable from the Board, duly completed by the applicant;
 - (b) a certified true copy of the applicant's birth certificate or other certified true copy of proof of age acceptable to the Board;
 - (c) a certified true copy of the applicant's Canadian passport, Canadian citizenship card, or Canadian permanent resident card;
 - (d) a certified true copy of the applicant's British Columbia driver's license or British Columbia identification card;
 - (e) a non-refundable application fee of \$750.00, payable to the "British Columbia Egg Marketing Board" by way of cheque;
 - (f) proof, in a form satisfactory to the Board, of the applicant's financial ability to establish an Independent Production Unit conforming to all applicable requirements under the Consolidated Order and the applicable New Producer Program draw for the production of eggs;
 - (g) proof, in a form satisfactory to the Board, that the applicant has economically viable plans to sustain the production of eggs;
 - (h) proof, in a form satisfactory to the Board, that the applicant will be able to establish an Independent Production Unit conforming to all applicable requirements under the Consolidated Order and the applicable New Producer Program draw for the production of eggs within a time period acceptable to the Board;
 - (i) proof, in a form satisfactory to the Board, that the applicant's Independent Production Unit will be within economic access of a Grading Station Operator. This may include grading station sign-off or a plan to become a producer-vendor;
 - (j) proof, in a form satisfactory to the Board, that the applicant owns, or will own prior to the commencement of egg production, an Independent Production Unit, independent of any other supply managed production unit, conforming to all applicable requirements under the Consolidated Order and the applicable New Producer Program draw;
 - (k) if applicable, further proof, in a form satisfactory to the Board, that the applicant meets the program requirements as determined by the Board;
 - (l) an essay communicating:
 - (i) why the applicant wishes to be actively engaged in egg production;
 - (ii) the applicant's past experience in, or knowledge of, farming in general and egg production in particular;

- (iii) why it would be in the interests of the industry as a whole for the applicant to be actively engaged in egg production;
 - (m) a statutory declaration declaring:
 - (i) that the applicant understands, and agrees to be bound by and to comply with the terms and conditions of the New Producer Program as specified herein;
 - (ii) that the applicant does not object to the publication of the applicant's identity by the Board;
 - (iii) that the applicant owns, or will own prior to the commencement of egg production, an Independent Production Unit conforming to all applicable requirements under the Consolidated Order and the applicable New Producer Program draw;
 - (iv) if applicable, further details specifying that the applicant meets the program requirements as determined by the Board;
 - (v) that neither the applicant, nor the Spouse of the applicant, nor any co-applicant, holds, or has held at any time, any legal or beneficial interest in quota or any similar transferable production right issued by a supply management commodity board or commission in Canada, including Layer Quota, whether directly or indirectly, through any organization or entity.
 - (n) proof, in a form satisfactory to the Board, the demonstrated market need for the number of hens requested and the timeframe to be in production.
- (5) No Person may submit more than one application for any one draw, either directly, or indirectly as a partner or as an officer, director or shareholder of a corporate applicant. Spouses may submit a joint application, or they may each submit their own applications, but they may not submit a joint application and individual applications. If an applicant applies for more than one draw and is successful in a draw, that applicant is immediately ineligible for all future and concurrent draws.
- (6) An applicant for a New Producer Program draw may be a partnership in which case each partner must qualify under subsection (8).
- (7) Where the Board has announced on its website that it will be conducting more than one draw because it has decided to restrict participation in one or more draws to any of the categories described in subsection 1(2), an applicant for a New Producer Program draw must specify on the application form (or in each application form, if the applicant is applying under more than one category) the draw in which the applicant seeks to participate. If an applicant applies under more than one category, the applicant must comply with all of the requirements hereunder for each application.
- (8) A Person seeking to participate in a New Producer Program draw must have the following qualifications:
- (a) a genuine intention to be actively engaged in egg production from an Independent Production Unit conforming to all applicable requirements under the

Consolidated Order and the applicable New Producer Program draw that is owned by the applicant, or will be owned by the applicant prior to the commencement of egg production;

- (b) be a Canadian citizen, or permanent resident, and a permanent resident in the Province of British Columbia;
 - (c) be at least 19 years of age at the time of application;
 - (d) neither the applicant, nor the Spouse of the applicant, nor any co-applicant, may hold, or have held at any time, any legal or beneficial interest in quota or any similar transferable production right issued by a supply management commodity board or commission in British Columbia, including Layer Quota, whether directly or indirectly, through any organization or entity;
 - (e) must be willing to produce 400 to 3000 hens, based on their demonstrated market needs;
 - (f) must be able to demonstrate financial ability to establish an Independent Production Unit conforming to all applicable requirements under the Consolidated Order and the applicable New Producer Program draw for the production of eggs.
- (9) An applicant will not be eligible to participate in a New Producer Program draw where:
- (a) the applicant is in breach of Board Orders, or applicable legislation;
 - (b) the applicant has failed to provide the requisite information in the application form, or has made false statements in the application form;
 - (c) the applicant has failed to specify on the application form the draw in which the applicant seeks to participate, if the Board had announced on its website that it will be conducting more than one draw;
 - (d) the applicant does not qualify to participate in a draw having regard to the restrictions, if any, imposed by the Board pursuant to subsection 1(2);
 - (e) there have been changes in circumstances such that an applicant no longer qualifies to participate in a New Producer Program draw;
 - (f) there have been changes in legislation adversely affecting the New Producer Program; or
 - (g) the applicant's cheque for the application fee is returned NSF.
- (10) Applications to participate in a New Producer Program draw:
- (a) are non-transferable, under any circumstances;
 - (b) are not available to be pledged as security; and

- (c) must be mailed or sent by courier to the Board and marked “Attention: Program Administrator” (applications received other than by mail will not be processed).

2. Determination of Eligibility

- (1) From the applications received, the Board will first make determinations concerning the ineligibility of applicants to participate in a New Producer Program draw by having regard to the technical requirements specified in section 1. For that purpose, the Board may, in its sole discretion, require an applicant to provide such supplemental documentation and information as the Board may deem necessary to make that determination. Failure to satisfy the technical requirements specified in section 1, or to provide any required supplemental documentation or information within the time specified by the Board, will result in immediate termination of the applicant’s participation under the program.
- (2) After having made the determinations described in subsection (1), the Board will then grade each of the remaining applications that have satisfied the technical requirements specified in section 1 as follows:
 - (a) the Board will award between 0 and 75 points to a viable business plan based on the extent to which the applicant has economically viable plans to sustain the production and marketing of eggs within their region. The business plan must include an Operations Management section that describes in detail how the applicant will conform to all applicable requirements under the Consolidated Order and the applicable New Producer Program draw;
 - (b) the Board will award between 0 and 25 points for an essay containing the following information:
 - (i) the applicant’s past experience in, or knowledge of, farming in general and egg production in particular, and an explanation of why the applicant wishes to be actively engaged in egg production;
 - (ii) why the applicant’s involvement in egg production would be in the interests of the industry as a whole.
- (3) An applicant must score a minimum of 50 out of 75 points for the business plan and 15 out of 25 points for the essay, plus a total minimum of 75 points in order to be considered further. Any applicant scoring less than what has been outlined will not be given any further consideration. Applicants that have scored 75 points or more will be eligible to participate in a New Producer Program draw.
- (4) The Board may appoint a review committee for the purposes of grading the applications as per subsection (2). The committee shall be chaired by the Program Administrator and be comprised of a minimum of three and a maximum of six well-respected and knowledgeable representatives that may include:
 - (a) A Registered Producer that is not a Director of the BCEMB;
 - (b) A current NPP Registered Producer;
 - (c) A representative from the financial sector;

- (d) A representative from the agri-business sector;
 - (e) A representative from the BC Egg Processors Council;
 - (f) An Egg Industry Advisory Committee Member; and
 - (g) A BCEMB Producer-Vendor.
- (5) The Board may, in its sole discretion, interview candidates who scored 75 points or more. In the interview, candidates should be prepared to answer questions about themselves and their applications and should be prepared to provide additional information about their proposed egg operations.
 - (6) Based on the interview the Board may, in its sole discretion, determine a candidate does not meet all criteria and should be removed from the New Producer Program.
 - (7) After all qualifying applications have been reviewed, all applicants will receive formal notification from the Board regarding the status of their applications.
 - (8) The Program Administrator will request the Performance Deposit from qualifying applicants who scored 75 points or more either 30 days after qualifying applicants were notified of their scores, or after the conclusion of any appeals resulting from the comprehensive review process. At that time, the applicants will have 30 days to provide a \$10,000 deposit.
 - (9) Failure to make the said deposit within the time specified will result in immediate termination of the eligible applicant's participation under the program, in which event the applicant will not be permitted to participate in a New Producer Program draw. Any interest earned on this account will remain with the administration.

3. Conduct of Draw

- (1) Where an applicant is randomly selected by the Board under a New Producer Program draw, the applicant's name will be published on the Board's website for a minimum of 30 days.
- (2) The draw administrator will simultaneously inform all Grading Station Operators of the name and contact information of each successful applicant.
- (3) Following the conduct of the draw, the Board will return to each unsuccessful applicant the \$10,000.00 deposited by the unsuccessful applicant.

4. Entry in Program

- (1) When a person is notified of their opportunity to start, the Program Administrator will simultaneously inform all Grading Station Operators of the name and contact information of each entrant.
- (2) If a person is unable or unwilling to start when directed to do so by the Board, their further participation under the program will be immediately terminated.

- (3) Where an entrant has established an Independent Production Unit conforming to all applicable requirements under the Consolidated Order and the applicable New Producer Program draw within such period as the Board may determine in its sole discretion:
 - (a) that successful applicant will be issued between 400 and 3,000 units of Layer Quota units as determined through the application process; and
 - (b) the Board will return to that successful applicant the deposit of \$10,000.00.
- (4) Where an entrant has failed to establish an Independent Production Unit conforming to all applicable requirements under the Consolidated Order and the applicable New Producer Program draw within such period as the Board may determine in its sole discretion:
 - (a) the entrant's further participation under the program will be terminated; and
 - (b) the deposit of \$10,000.00 will be forfeited to the Board.

5. Special Terms, Conditions and Restrictions on Layer Quota Issued Under the Program

- (1) Layer Quota issued under the New Producer Program may be held for production by the entrant subject to all special terms, conditions and restrictions imposed with respect to the applicable New Producer Program draw, and only for so long as the entrant:
 - (a) permits Board audits of the farm operation to ensure compliance with Board orders and all applicable legislation, including all terms and conditions of the New Producer Program;
 - (b) is in good standing with all applicable Board orders and all applicable legislation, including all terms and conditions of the New Producer Program;
 - (c) is actively engaged in egg production;
 - (d) continues to own an Independent Production Unit conforming to all applicable requirements under the Consolidated Order;
 - (e) continues to be actively engaged in production of, or from, the applicable class or classes or Regulated Product; within the applicable Region; and in accordance with the applicable mode of production or marketing; as outlined in their original application and as made applicable under the New Producer Program draw;

failing which the Layer Quota so issued shall thereupon be subject to immediate cancellation on notice by the Board to the entrant.
- (2) An entrant issued Layer Quota under the New Producer Program may only change:
 - (a) production of, or from, the applicable class or classes or Regulated Product;

(b) the applicable Region; or

(c) the applicable mode of production or marketing;

upon the express, written approval of the Board.

6. Purchase or Acquisition of Additional Layer Quota

(1) Subject to any special terms, conditions and restrictions imposed under a New Producer Program draw regarding the allotment, purchase, suspension or cancellation of Layer Quota:

(a) an entrant may purchase or acquire Layer Quota; and

(b) entrants under the New Producer Program are eligible to receive general issuances of new Layer Quota arising from an increase to the Province's allocation, and are subject to general adjustments or reductions of Layer Quota, and for that purpose, such receipts, adjustments or reductions shall be calculated against the Layer Quota then issued to the entrant.

2. This Order comes into effect June 24, 2021.

DATED at Abbotsford, British Columbia, on June 24, 2021.

BRITISH COLUMBIA EGG MARKETING BOARD



Gunta Vitins, Chair