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# **SAFETI and Regulated Marketing**

**Presentation for the  
Centre for Organizational Governance in Agriculture  
(COGA)**

**March 13, 2019**



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## Presentation Overview

Background – BC Farm Industry Review Board

Principles-Based Regulation and SAFETI

SAFETI in Action

Evaluating SAFETI – how is it working?

Public Accountability and Reporting Project



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# BC Farm Industry Review Board

Independent Administrative Tribunal

**Supervisory Role** – supervising BC's supply managed and regulated agricultural commodity boards to ensure sound marketing policy in the public interest  
Signatory to federal-provincial agreements

**Quasi-Judicial Role** - Hearing and making decisions on regulated marketing appeals, farm practices complaints, SPCA animal custody appeals



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## Background

- One of BC's oldest tribunals – established in 1934 (formerly BC Marketing Board)
- When regulated marketing first created in BC, it was recognized that enormous powers were being given to marketing boards – supervision, independent from government – essential to balance interests and protect the public interest
- Basic supervisory role over commodity boards unchanged to this day



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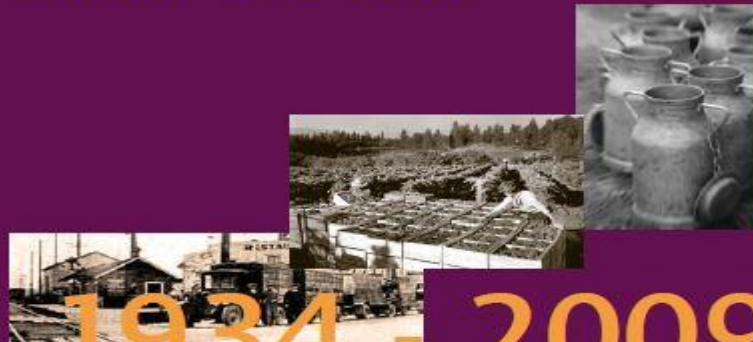


# History

## Looking Back at 75 Years

**of the British Columbia  
Farm Industry Review Board (BCFIRB)**

*Balancing interests  
in BC agriculture since 1934*



1934 - 2009





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# BCFIRB and Ministry of Agriculture

- BCFIRB independent in its decision-making – tribunal arms length from government
- BCFIRB is accountable to government for its operations and budget
- Ministry is responsible for overarching policy and legislation
- BCFIRB takes broad policy direction of government into consideration





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# PRINCIPLES-BASED REGULATION & SAFETY



# Principles-Based Regulation

- **Goal:** Tools and frameworks to help BCFIRB and the Boards use good governance & processes to make better decisions

***Sound marketing policy  
in the public interest***





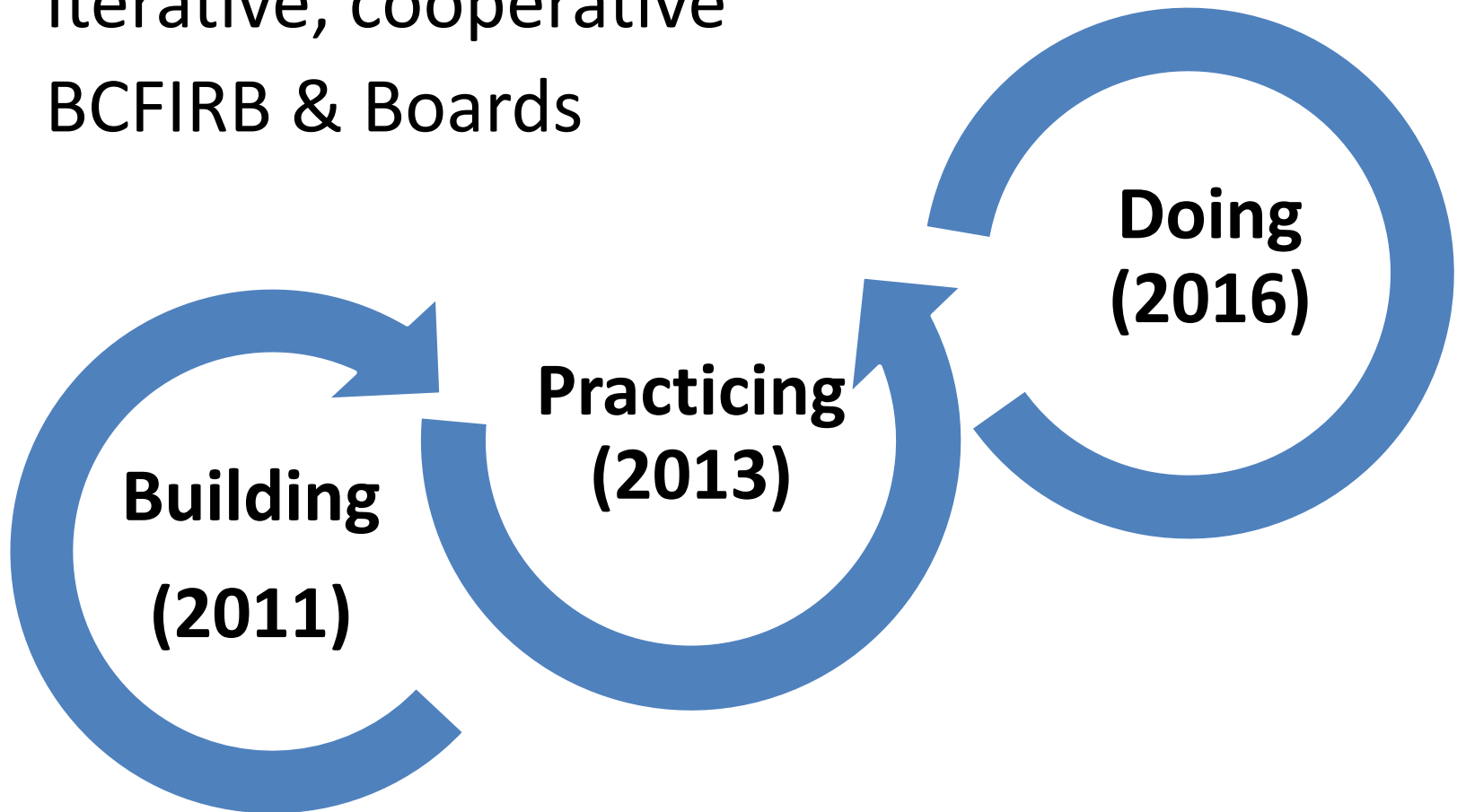


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# Development Process

Iterative, cooperative  
BCFIRB & Boards

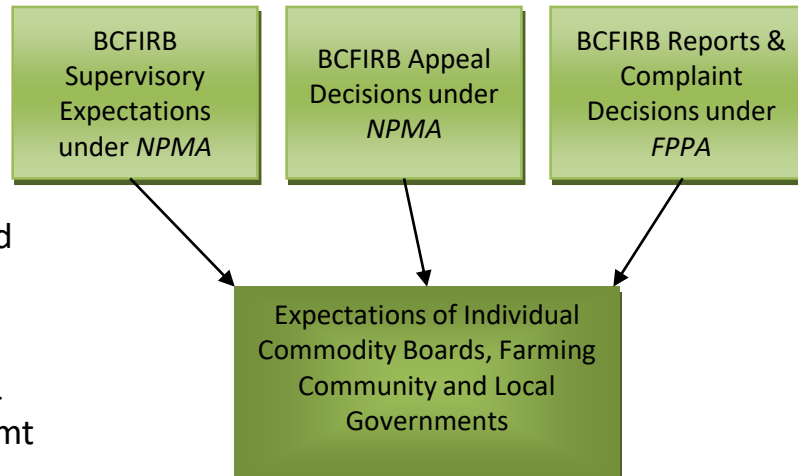


# Principles-Based Regulation

## Principles-based Regulatory Environment



- Focus on outcomes versus prescribing details
- Greater range of helpful and clearly sign-posted info
- Invest in communication & search and knowledge mgmt processes
- Increase flexibility in how commodity boards achieve required outcomes



- Well managed Boards that engage openly & positively strive for outcomes will benefit
- Boards & consumers benefit with a more innovative and competitive sector

- Behavioural Change
- Applying a risk-based or evidence-based approach
- Develop our expertise and judgement capabilities and those of the boards
- Measure performance against clearly articulated outcomes

# An Accountability Framework for Commodity Boards

## Provincial Policy

Policies affecting Agriculture & Regulated Marketing Agricultural Sectors in BC

Maintaining & gaining Markets	Entry of New Producers
National Systems	The Value Chain
Public Interest	Safety & Quality
Meeting BC Demand	Recognition of Standards
Regional Industries	First Nations

## Commodity Boards Principles & Governance

### Principles:

Documented in board/commission plans

### Governance:

Documented in board/commission plans

## Federal and Provincial Legislation/Regulations & Agreements Concerning Regulated Marketing Agricultural Sectors in BC

Legitimacy Established for Regulatory Authority and inter-provincial agreements

NPMA (Sound Marketing Policy)  
Federal Orders  
Provincial Schemes

BC FIRB Core Policy Expectations or Directives (e.g. 2005 Specialty Review and expectations regarding conflict of interest)

BC FIRB Sector-specific Expectations or Directives

Commodity Board's Amalgamated Orders

## Corporate Governance Expectations (LOEs)

Strategic Planning  
Conflict Management & ADR

Governance  
Reporting Communications & consultation

Commodity Board's Strategic Plans

Commodity Board sector management

Commodity Board Programs

Expectations of full stakeholder community

Expectations of Commodity Boards

Board & Commission Strategic Plans, Annual Reports, and Performance Measures  
Progressive Reporting & Integration Among Boards

Follow-up reporting & Consultation

Accountability & Compliance

# SAFETI Tool

- Check-list of principles
- **Goal:** Actions and decisions are procedurally fair and in accordance with sound marketing policy.
- **How?** Check-list that supports BCFIRB & commodity boards in
  - Developing sound processes
  - Making informed decisions
  - Using good governance



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## SAFETI – the Tool

### **Strategic**

Identify key opportunities and systemic challenges and plan for actions to effectively manage risks and take advantage of future opportunities.

### **Accountable**

Maintain legitimacy and integrity through understanding and discharging responsibilities and reporting performance.

### **Fair**

Ensure procedural fairness in processes and decision making.

### **Effective**

Ensure clearly defined outcomes with appropriate processes and measures.

### **Transparent**

Ensure that processes, practices, procedures, and reporting on how the mandate is exercised are open, accessible and fully informed.

### **Inclusive**

Ensure that appropriate interests, including the public interest, are considered.



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# SAFETY IN ACTION

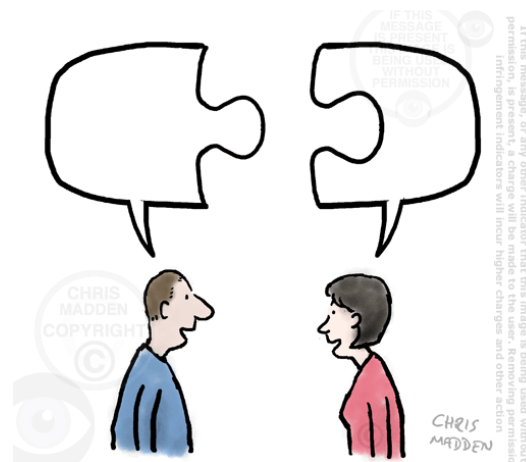




# Process

## BC Vegetable Marketing Commission

### Vancouver Island Supervisory Review Stakeholder engagement





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# Process

## BC Farm Industry Review Board

### Appeal Hearings





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# Governance

## BC Egg Marketing Board

Proactive Information Sharing





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# Decision-Making

## BC Chicken Marketing Board

### Schedule 15 Decision Summary





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# ***EVALUATING SAFETY HOW IS IT WORKING?***



## HOW WOULD WE KNOW?

*What does success look like?*

Actions and decisions are procedurally fair and in accordance with sound marketing policy and the public interest.



**How do we know we got there?**



**WHEN YOU'RE UP TO YOUR ASS IN ALLIGATORS**

**NO MORE ALLIGATORS  
(PROBLEMS)**

**IT'S DIFFICULT TO REMIND YOURSELF THAT YOUR  
ORIGINAL OBJECTIVE WAS TO DRAIN THE SWAMP.**



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# EVIDENCE

**Quantitative  
(Facts)**

**Qualitative  
(Fact-based Stories)**



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## WORK IN PROGRESS

### Goal - Using sound processes

- ✓ Boards generally demonstrating use of transparent, inclusive processes for major decisions.



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## WORK IN PROGRESS

### Goal - Making accountable, strategic decisions

- ✓ Boards moving towards demonstrating transparent, informed decision-making incorporating value chain considerations.





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## WORK IN PROGRESS

**Goal - Building & maintaining  
social licence**

**- BCFIRB has not formally assessed**



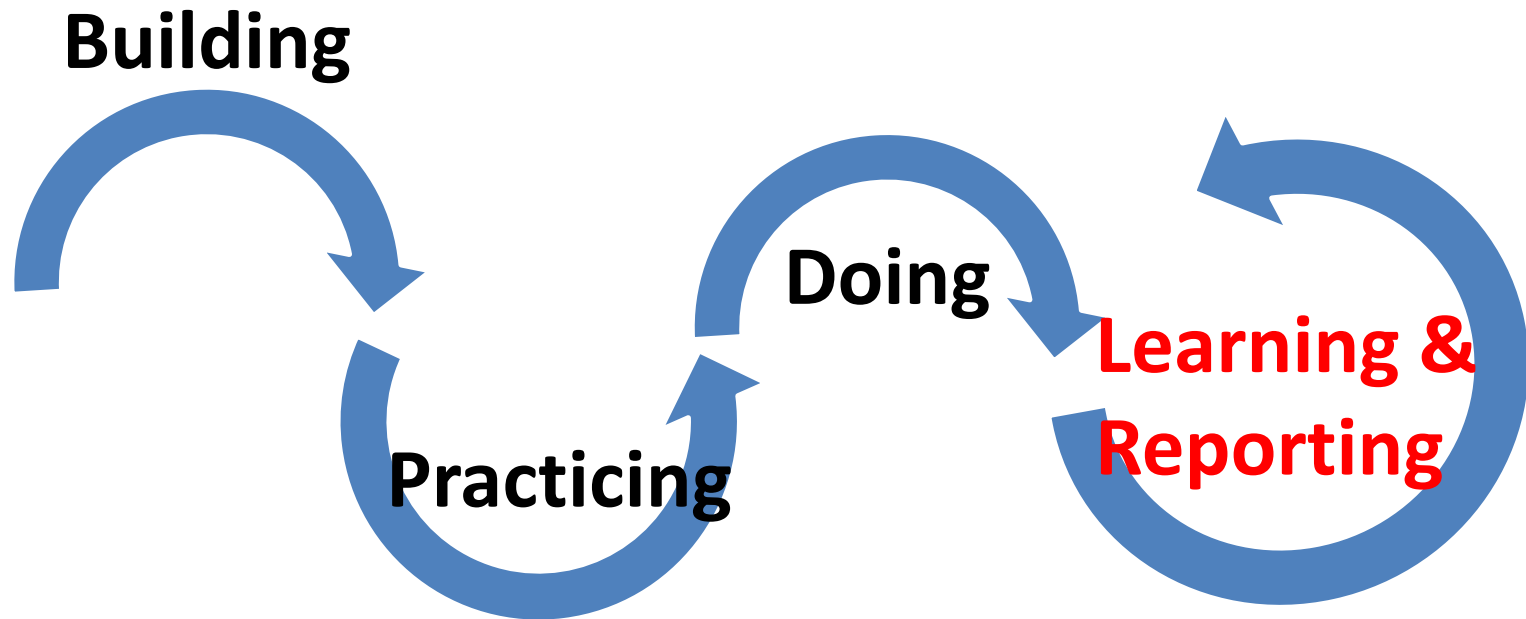
# General Feedback on SAFETI

- *Encourages & guides board discussion*
- *Decisions have a public rationale*
- *Provides a line in the sand for decision making*
- *Transparency is automatic now*
- *Provides a common language with stakeholders*





# THE MISSING LINK





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# Public Accountability and Reporting Project

- Launched in February 2018 as a result of BCFIRB's February 2018 Quota Review Decision
- Criteria and measures finalized in August 2018 after consultations with the eight commodity boards and commissions
- ***Overall goal – To support and demonstrate effective governance and sound leadership of the regulated agricultural sectors***
- Supports and will help measure the effectiveness of the SAFETI tool



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# Public Accountability and Reporting Project

## Reporting Focus:

1. Industry Performance Targets
2. Governance Measures
3. Quota Management and Movement (supply managed boards only)

Information will be very useful to describe strategic vision and operational realities for each sector over time – will help future decision making for all



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## Public Accountability and Reporting Project

- Reports due to FIRB June 1, 2019
- PARP reporting period to be determined by the boards based on data availability
- Separate report to BCFIRB (8-20 pages)



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**Q & A**