

BRITISH COLUMBIA VEGETABLE MARKETING COMMISSION

Policy

Provision of Performance Security for New Greenhouse Vegetable Production Allocation

Overview

The policy regarding the provision of performance security to the BC Vegetable Marketing Commission (VMC) when new greenhouse vegetable production allocation for a certain regulated greenhouse vegetable crop(s) is approved is based on the below displayed criteria.

Provisions set out in Section 11 of Part XVIII of the General Order –*Procedures for Assigning Production Allocations for Greenhouse Crops* apply when new greenhouse vegetable Production Allocation is sought by an applicant, whether a licensed Producer or an unlicensed Person, and approved.

Approval may be unconditional and in that instance performance security is not required or approval may be conditional. In that instance the condition is placing with the VMC a refundable performance security in the amount of \$1.00 per square metre. At its discretion the VMC may waive application of the criteria.

Performance security is refunded when the greenhouse is constructed and it can be demonstrated that the Production Allocation (area) is planted to regulated crop(s) for which approval was granted.

If the new greenhouse vegetable Production Allocation does not come to fruition or the planting of the approved regulated crop(s) cannot be demonstrated the performance security is to be refunded save 10 %. The un-refunded portion of the performance security is retained by the VMC as a commitment fee.

Criteria for the Requirement of Performance Security

Refundable Performance Security in the amount of \$1.00/m² is required in the following instances:

- When the incremental production area exceeds 40 % of an existing producer's current production allocation
- When the incremental production area exceeds 20 % of the aggregate Provincial Production Allocation for a greenhouse vegetable crop
- When the approved amount of new greenhouse vegetable Production Allocation is greater than 5,000 m² and the applicant is not currently engaged in the BC greenhouse vegetable industry

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