



BCVVMC

BC VEGETABLE MARKETING COMMISSION

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General Orders



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Consolidated General Order Maintenance

This document contains all amending orders, up to and including Amending Order No. 59.

Amendments

Authority to make amendments to the Consolidated General Order rests with the Commission Board exclusively. All amendments must be approved by the Commission Board and are only published after the issuance of an Amending Order signed by the under the authority Commission Board.

Document Maintenance

The responsibility for maintenance (ensuring Amending Orders incorporated) and annual review of the Consolidated General Order rests with the General Manager, BC Vegetable Marketing Commission.

Revisions

All requests for change must be made through the General Manager, BC Vegetable Marketing Commission using the Revision Request Form located in this section of the manual.

Revision Request Form

Requested by:		Date:
Dept/ Agency:		Phone No.:
Revision Type: ___ Addition ___ Deletion ___ Correction		
Manual Section:		Page:
Revision (attach separate sheet if necessary):		
Signature of Requestor:		
Send to: General Manager BC Vegetable Marketing Commission 207 - 15253 – 32 nd Avenue Surrey, BC V3Z 0R7 Canada Fax: 604-542-9735 Email: info@bcveg.com		
To be completed by General Manager		
Date Received:	Comments:	
Date Reviewed:		
Issued as Revision: Y/ N		
If No, reason for Rejection:		

Revision Control Sheet

Revision Number	Date of Revision	Change(s)
1		
2		
3		
4		
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1. In this General Order:

“**Act**” means the Natural Products Marketing (BC) Act.

“**Administration Levy**” means that portion and amount of the annual Producer levy that is charged to Producers and retained by the Commission for meeting expenses, including, among others, operational expenses.

“**Agency**” means a Person designated by the Commission as an Agency licensed for the marketing of Regulated Products with retailers; Commission licensed Wholesalers and Processors; other Agencies; or all of them irrespective that the marketing is intra-provincial, inter-provincial or export trade in nature and is in accordance with the stipulations set out in Schedule 1.

“**Agency Customer**” means a Consumer, Retailer, Food Service, Food Service Distributor, Wholesaler, Commission Salesperson, Processor, and Agency, but does not include a Producer, Producer-Shipper, or any other Regulated Entity.

“**Agency Functions**” means business activities associated with the Marketing of Regulated Product.

“**Arms-length**” means the parties engaged in a transaction act independently, have the same access to information about each other and the transaction, have the ability to negotiate freely without the other party imposing any course of action upon them, and act in their own self-interest.

“**BC No. 1 Grade**” means a label used by an Agency for marketing purposes in BC only.

“**BC No. 2 Grade**” means a label used by an Agency for marketing purposes in BC only.

“**Biosecurity Program**” means a program that, for the purpose of protecting and promoting the safety of a natural product, does one or more of the following:

- (a) establishes standards or certification programs;
- (b) requires persons engaged in the production of the natural product to:
 - (i) meet established standards,
 - (ii) be certified according to an established program,
 - (iii) take specified measures,
 - (iv) implement specified procedures or procedures for specified purposes,
 - (v) keep specified records;
- (c) imposes conditions, restrictions or prohibitions on persons engaged in the production of natural products.

“**Canada No. 1 Grade**” means Canada No. 1 Grade as defined in the Safe Foods for Canadians Act.

“**Canada No. 2 Grade**” means Canada No. 2 Grade as defined in the Safe Foods for Canadians Act.

"**Certificate of Authority**" means a document authorized by the Commission granting authority to an employee, agent, or representative of the Commission to perform specified tasks for the Commission within a specified time frame.

"**Certified Organic**" means certified by the Certified Organic Association of British Columbia or any other certification body approved by the Commission.

"**Cole Crops**" means broccoli, cauliflower, Brussels sprouts, and any other crop designated by the Commission.

"**Commercial Producer**" means a Producer whose name has been entered and remains registered in one or more of the registers of Commercial Producers referred to in Section 5 of the Scheme. In accordance with Section 7 of the Scheme, a Producer qualifies to be registered as a Commercial Producer if, during the immediately preceding 12 months, Regulated Product of at least a gross value to the Producer of \$5,000 has been grown on the farm and marketed through an Agency, through a licensed processor, or as a Producer-Shipper.

"**Commission**" means the British Columbia Vegetable Marketing Commission.

"**Commission Inspector**" means an employee designated by the Commission to carry out the Compliance and Enforcement function on behalf of the Commission.

"**Commission Salesperson**" means a Person who purchases Regulated Product from an Agency to offer for sale, sell or supply to Retailers and sells that Regulated Product directly from a delivery vehicle."

"**Consumer**" means an individual who purchases Regulated Product for use and consumption by that individual or by that individual's immediate family.

"**Container**" means any covering, bag, box or other container or receptacle in which the Regulated Product can be packed, transported, or marketed.

"**Crop Year**" means the calendar year (January 1st to December 31st) in which a Regulated Vegetable was produced and harvested.

"**Delivery Allocation**" means an authorization issued by the Commission to a Producer to deliver to an Agency, or to market as otherwise directed or approved by the Commission, a specified amount of a Regulated Product within a specified time period.

"**Earned Delivery Allocation**" means storage crop Delivery Allocation determined from actual shipments attributable to a Producer.

"**Farm**" means all the land, facilities, and equipment used for the production of a Regulated Product and includes a Greenhouse.

"**First-Instance Packinghouse**" means a Person who operates a facility where Raw Regulated Product is delivered for the purpose of washing, sorting, grading, sizing, or packing directly into a container for sale, but does not include an Agency or a Producer-Shipper with such facilities.

“Food Service” means a food establishment where food intended for service to individuals for consumption is prepared and provided, or simply provided ready-to-eat, whether consumption is on or off the premises.

“Food Service Distributor” means a Wholesaler that provides food and non-food products to restaurants, cafeterias, industrial caterers, hospitals, schools, nursing homes, and anywhere food is served away from the home.

“Granted Delivery Allocation” means storage crop Delivery Allocation assigned by the Commission to a producer that is not the result of actual shipments.

“Greenhouse” means an enclosed structure where Regulated Product is grown.”

“Greenhouse Vegetable Crop” means tomatoes (all types); peppers (all types); cucumbers (all types); lettuce (as defined) grown in a greenhouse and includes regulated Greenhouse Vegetable Crops certified as organic.

“Lettuce” means any of various Lettuce plants, cultivated in a greenhouse for its edible non-bitter leaves. Included cultivar groups are Iceberg (Crisphead), Summer Crips (Batavian), Romaine (Cos Lettuce), Butterhead (Butter Lettuce), Loose-Leaf.

"Manifest Sales" means when a Producer supplies local products directly to smaller outlets which are not Customers of an Agency or other Person specified by the Commission.

"Marketing" includes producing, packing, buying, selling, storing, shipping for sale, offering for sale or storage, and in respect of a natural product includes its transportation in any manner by any Person.

"Master Contract" means an industry wide contract applicable to a particular regulated Processing Crop which has been approved by the Commission.

"Municipal Market" means any public market authorized and/or maintained by a City, Municipality, Provincial or Federal Government.

"Order" means an Order issued by the Commission and includes these General Orders.

“Order Filling” refers to the process of receiving and storing inventory, and picking, packing, and shipping each order. It is also known as order fulfillment and is comprised of the steps needed to send a customer their order.

"Person" includes an individual, firm, partnership, corporation, association, sole proprietorship, or any other Regulated Entity specified by the Commission.

"Processing" includes freezing, canning, packing or in any way preserving or altering a Regulated Product.

"Processing Crops" includes peas, beans, corn, cauliflower, broccoli, Brussels sprouts, strawberries, potatoes, and any other crop designated by the Commission that are destined for processing or manufacturing.

"Processor" means any Person who processes or manufactures the Regulated Product by mechanical means or otherwise and markets, offers for sale, supplies, stores or transports the processed or manufactured product.

"Producer" means a Person who operates a Farm on which one ton or more of the Regulated Product has been produced during the immediately preceding 12 months and includes a Producer who is producing Regulated Product that has been certified as organic.

"Producer Marketing Agreement" means an agreement between a Producer and an Agency which sets out the terms and conditions upon which the Regulated Product shall be provided by the Producer and sold by the Agency.

"Producer-Shipper" means a Person licensed by the Commission to produce Greenhouse or Storage Crops and to market some or all of the Greenhouse or Storage Crops produced by that person directly to commercial trade channels but, unless authorized by the Commission, does not include marketing to an Agency or another Producer-Shipper.

"Production Allocation" means an authorization issued by the Commission to a producer to produce, in a defined area, a specified Greenhouse Regulated Product within a Crop Year.

"Province" means the Province of British Columbia.

"Purchase Order" means a commercial source document that is issued by a business' purchasing department when placing an order with its vendors or suppliers. The document indicates the details on the items that are to be purchased, such as the types of goods, quantity, and price.

"Raw Regulated Product" means any Regulated Product that has not yet been washed, sorted, graded, sized, or packed directly into a container for sale.

"Regulated Entity" means A person or business subject to regulatory requirements of the Natural Products Marketing (BC) Act; Natural Products Marketing (BC) Act Regulations; British Columbia Vegetable Scheme; and the British Columbia Vegetable Marketing Commission General Orders and includes (but not limited to):

- a) Producer;
- b) Producer-Shipper;
- c) Agency;
- d) First-Instance Packinghouse;
- e) Processor;
- f) Wholesaler;
- g) Commission Salesperson.

"Regulated Product" means the crops listed on Schedule II of this Order.

"Retailer" means any Person who offers for sale, sells, or supplies the Regulated Product directly to Consumers from a fixed commercial establishment located in B.C.

"Scheme" means the British Columbia Vegetable Scheme.

“**Service Fees**” means a fee charged in relation to a specific application (Schedule VIII) before the Commission but does not include any portion or amount of an Administration Levy.

“**Source Document**” is the original document that contains the details of a business transaction. A source document captures the key information about a transaction, such as the names of the parties involved, amounts paid (if any), the date, and the substance of the transaction. It is inclusive but not limited to quotes, invoices, purchase orders, delivery dockets, receipts, packing slips, bills of lading, and shipping labels.

“**Specialty Crops**” means crops with unique production based attributes which give rise to market differentiation from mainstream commodity crops which are preserved through grading, packing, marketing, and distribution to the final consumer. Differentiating attributes may include some or all of unique genetics, specialized production programs, and unique facility and management requirements. Greenhouse Vegetable Crops designated as specialty crops are listed in Schedule V to these Orders.

“**Storage Crops**” mean potatoes, onions, parsnips, cabbage, carrots, beets, rutabagas, white turnips, and any other crop designated by the Commission.

“**Transport Order**” means a permit, that must be in either electronic or written form, issued in the name of the Commission by a duly authorized nominee of the Commission authorizing the movement or transporting of Regulated Product from a Producer's farm to an Agency, a Processor, or Wholesaler each of whom must be designated by the Commission and specifying the day or days between which the Regulated Product covered by the Transport Order may be moved.

“**Types**” means all varieties of an individual Greenhouse Vegetable Crop except crops specifically designated by the Commission as specialty crops.

“**Vehicle**” includes any motor vehicle, wagon, railway car, ship, boat, or airplane or any other thing in which the Regulated Product can be transported.

“**Wholesaler**” means a Person, other than an Agency, who sells or offers for sale the Regulated Product to a Retailer, Processor, Food Service, or other Wholesaler but does not sell or offers for sale directly to a Consumer nor a Person who has no facilities to store or transport the Regulated Product.

“**Varieties**” means “a subdivision of a vegetable crop consisting of naturally occurring or selectively bred populations that differ from the remainder of the species in certain minor characteristics”.

PURPOSE OF ORDERS

2. The Commission has approved these General Orders to provide for the effective promotion, control, and regulation of the production, transportation, packing, storage, and marketing of Regulated Product grown in British Columbia.
3. These Orders may be amended from time to time by the Commission and such amendments take effect as noted therein when signed by the Chair and one of either the Vice Chair or the Secretary.

Power to Exempt

4. The Commission is vested with the power to exempt from a determination or order a Person or class of Persons engaged in the production, packing, transporting, storing, or marketing of a Regulated Product or a class, variety, or grade of it.

Application

5. This Order shall apply to Regulated Product grown in British Columbia under the Scheme. The onus of proving that any Regulated Product sold or offered for sale, or bought or offered to be bought, was not grown in British Columbia, shall be upon the Person asserting the same.

Authority of Commission

6. The Commission exercises its powers under the following enactments:
 - a) Natural Products Marketing (BC) Act;
 - b) Natural Products Marketing (BC) Act Regulations;
 - c) British Columbia Vegetable Scheme;
 - d) Order in Council 631/2000; and
 - e) British Columbia Vegetable Order.

7. To ensure the effective and transparent administration and compliance with these General Orders, the following Policy and Procedure manuals are established:
- a) Governance Policy and Procedures Manual;
 - b) Administration Policy and Procedures Manual;
 - c) Operations Policy and Procedures Manual;
 - d) Compliance and Enforcement Policy and Procedures Manual.

COMMISSION BOARD MEMBERS

8. The Commission Board consists of:
- a) at least 4 but no more than 6 members who are commercial producers, elected by the commercial producers in accordance with election rules and procedures:
 - (i) established and published by the commission, and
 - (ii) approved by the Provincial Board before taking effect;
 - b) 2 members who are not commercial producers, appointed by the commission using a merit-based selection process approved by the Provincial Board (British Columbia Farm Industry Review Board {BCFIRB});
 - c) a chair appointed by the Lieutenant Governor in Council.

Annual General Meetings

9. An Annual General Meeting will be held by the Commission on or before April 30th of each year.

Certificates of Authority

10. The Commission may issue a Certificate of Authority, which authorizes a Person to perform specific tasks on behalf of the Commission under the direction of the Commission within a specified time frame. Employees, by virtue of their employment, do not require a Certificate of Authority.

Commissioner and Employee Indemnification

11. If an action or prosecution is brought against a Commission member or employee in connection with the performance of the Person's duties, the Commission will, subject to Sections 12 and 13, pay amounts required for the protection, defence or indemnification of the member, or employee.
12. The Commission will not pay a fine that is imposed on a member or employee as a result of the Person's conviction for a criminal offence.
13. The Commission will not pay amounts required for the protection, defence or indemnification of the member or employee in respect of any action of the Person that results in a claim for damages if:
 - a) the claim arises out of the gross negligence of that Person, or;
 - b) in relation to the action that gave rise to the claim against a member or employee, they willfully acted contrary to the Commission's established policies or procedures or contrary to the order of a superior.

BOOKS AND RECORDS

Requirement to Keep Records and Information

14. Every Regulated Entity shall keep in the English language complete and accurate books and records of all matters including the production and Marketing (including grading) of the Regulated Product by that Regulated Entity, or any other books and records as may be specified by the Commission from time to time.
15. For the purposes of ascertaining whether the Orders, rules and regulations of the Commission are being complied with, every Regulated Entity shall, upon request, produce for inspection by the Commission, any member of the Commission, its employees, or any other Person authorized by the Commission for that purpose, all such books and records kept by that Person.

16. Every Regulated Entity shall, upon request, furnish to the Commission any information relating to the production, grading, processing, and marketing by that Regulated Entity, of the Regulated Product and shall make specific answers to any questions submitted to them by the Commission, any member of the Commission, its employees, or any other Person authorized by the Commission for that purpose.

COMPLIANCE AND ENFORCEMENT

17. The Commission has established the Compliance and Enforcement Policy and Procedures Manual to ensure a transparent, consistent, and fair application of its regulatory responsibilities.
18. The Commission has the authority to designate any employee of the Commission as a Commission Inspector.
19. Once designated, a Commission Inspector has the authority to:
 - a) require from any Regulated Entity full information relating to the production, packing, transporting, storing, and marketing of a Regulated Product and to inspect the books and premises of a Regulated Entity during business hours without a warrant;
 - b) require the person in charge of a vehicle or other form of conveyance in which a Regulated Product could be transported to permit a search the vehicle or conveyance;
 - c) seize and dispose of any regulated product kept, transported, produced, packed, stored or marketed in violation of an order of the Commission;
 - d) for the purpose of inspecting and examining a Regulated Product that is contained or that the Commission Inspector has reason to believe is contained, in a vehicle, conveyance, land or premises:
 - (i) stop and detain a vehicle or other form of conveyance that contains or that the Commission Inspector has reason to believe contains, a Regulated Product;
 - (ii) if accompanied by a Peace Officer, without a warrant, enter and search a vehicle or other form of conveyance and require that the driver or operator of the vehicle or conveyance take it to a place specified by the person searching the vehicle or conveyance so that all or part of the cargo may be there unloaded and detained;
 - (iii) if the Regulated Entity denies entry may obtain a warrant, and accompanied by a Peace Officer, to enter land or premises in which a Regulated Product is being marketed or in which the Commission Inspector has reason to believe a Regulated Product is being marketed and search the land or premises;

- (iv) require the licensee, occupier, or person in charge of the vehicle, conveyance, land or premises or the owner or consignee of a Regulated Product found in the vehicle, conveyance, or premises or on the land, to give all reasonable assistance in connection with the stoppage, detention, entry, inspection, or examination and, for those purposes, require that person to attend at the vehicle, conveyance, land, or premises;
 - (v) if, during an inspection or examination, it appears that the Natural Products Marketing (BC) Act and its Regulations; the British Columbia Vegetable Marketing Scheme; an order, rule, determination, or decision of the British Columbia Farm Industry Review Board; or an order, rule, determination, or decision of the Commission is not being complied with may seize and take away, for the purpose of evidence:
 - a. any property, including books, records, and other documents that the Inspector has reason to believe relate to the marketing of a Regulated Product, and retain them until their production in a court proceeding arising out of the failure to comply is required or until it otherwise appears that retention is no longer required or make copies of them; and
 - b. any Regulated Product or a natural product that the Inspector has reason to believe might be a Regulated Product and a receptacle containing that product.
 - e) issue a notice of non-compliance requiring a Regulated Entity to take action to correct the matter.
- 20.** No Person other than a member or employee of the Commission shall move, destroy, sell, or offer for sale any Regulated Product on which there has been put a detention tag or seizure tag, or with respect to which a notice of seizure has been given by any member or employee of the Commission or individual authorized by the Commission to effect such a seizure, without the written authority of the Commission.

LEVIES AND SERVICE FEES

- 21.** Unless otherwise exempted by the Commission, all Regulated Entities engaged in the production or marketing of Regulated Crops shall pay levies or service fees to the Commission based on the volume of Regulated Product produced or marketed, or on the area producing Regulated Product. The Commission may also impose and collect temporary or ongoing special levies or service fees applicable to one or more Regulated Products. Levy fee amounts are established and amended from time to time by the Commission and are described in Schedule IV to these General Orders.

22. The funds derived from levies or service fees may be used for any purposes approved from time to time by the Commission.
23. Each Agency or Processor shall deduct the appropriate Commission levy or service fee from the producer's net proceeds as directed by the Commission, for the Regulated Product which the Agency or Processor is appointed to handle, and each Agency shall hold such funds in trust and shall remit the funds to the Commission as laid out in these General Orders.
24. Where a producer is licensed as a Producer-Shipper or exempted from the requirement to market Regulated Product through an Agency or a Processor, the levies or service fees applicable to that production, unless otherwise exempted by the Commission, are due and payable directly to the Commission as laid out in these General Orders or as otherwise directed by the Commission.

LICENSING

General

25. No Regulated Entity shall, grow, purchase, process, or market a Regulated Product unless that Regulated Entity:
 - a) is registered with the Commission;
 - b) is qualified to and obtains annually from the Commission one or more of the required licences herein described; and
 - c) pays to the Commission annually the fees for such licences described in Schedule III to these General Orders.
 - d) Has a Biosecurity Program in place appropriate to the Licence they hold.
26. A Class I Licence may be issued to any Regulated Entity on the initial application to the Commission, or on any other subsequent application by any Regulated Entity who has not had a licence of any class suspended or cancelled pursuant to these General Orders.
27. If any licence is suspended or cancelled, the Commission may issue a Class II, Class III, Class IV, or Class V Licence at its discretion; such a classification will be for a minimum of one year unless otherwise ordered by the Commission.

Issuance, Cancellation or Suspension of Licences

- 28.** Every licence is subject to cancellation or suspension by the Commission:
- a) for a period of time to be determined by the Commission at its discretion if, in the opinion of the Commission, the licence holder has violated any Order, policy or direction of the Commission or if, in the opinion of the Commission, the actions of a licence holder are detrimental to the best interests of the industry;
 - b) before cancelling or suspending a licence, Commission shall notify the Regulated Entity in Person, by facsimile transmission or email and by registered mail, to appear before the Commission to address the alleged violation and, where appropriate, to show just cause why the licence in question should not be cancelled or suspended for a period of time. The Regulated Entity may be represented by legal counsel, an agent or themselves. If the Regulated Entity, legal counsel, or agent, do not appear before the Commission at the hearing, the hearing shall proceed and the Regulated Entity shall be sent, by registered mail, a copy of the decision of the Commission;
 - c) if the Commission cancels or suspends a licence, the Commission shall notify the licensee, or their legal counsel, or agent by facsimile transmission or email and by registered mail;
 - d) if the Commission suspends or cancels a licence, the licensee may be subject to a service fee, representing all or part of the expenses associated with the investigation, hearing and determination of the Commission leading to the cancellation or suspension of the licence.
- 29.** All Regulated Entity Licences are valid for a one (1) year period and are renewed in accordance with the dates out in Schedule VII. Every application for a licence, whether it is an initial application or a renewal, must be made on a form prescribed by the Commission.
- 30.** Each application for a Producer's or producer-Shipper licence made in the name of a Person, farm, partnership, or corporation must list on the licence application, the name of each owner, partner, or shareholder, including percentage of shareholdings, as appropriate, and must identify the signing or voting authority for the farm, partnership proprietorship, or corporation, as the case may be, and must identify an individual who operates the farm.
- 31.** Each licence issued by the Commission shall be issued to a named individual, or an individual and a corporation jointly, or to an individual and a farm name jointly, or, in the case of a partnership, to the partnership, at least one of the partners and an individual jointly.
- 32.** Producers holding, in aggregate, less than 2,000 M² of Greenhouse Vegetable Production Allocation are not required to be licensed as Producer-Shippers nor are they required to

market through an Agency unless otherwise directed by the Commission. Multiple registrations on the same physical site or several facilities under common ownership and management shall be considered single units for the purposes of determining applicability of this 2,000 M² exemption.

33. A Producer licence is not required for the production of strawberries destined for processing or manufacturing if less than 30 tons of such strawberries is grown and shipped by the producer to a processor in a crop year.
34. A Processor licence is not required for the processing of strawberries if;
 - a) less than 30 tons of strawberries is processed in the crop year; or
 - b) at least 50% of the strawberries so processed is sources from a producer that is owned or controlled exclusively by the processor.

REQUEST TO REGULATE A NEW PRODUCT

35. Upon receipt of a request to regulate a product, not currently regulated, from the majority of Producers involved in the production of the crop in question, or their representatives, who hold the majority of production, the Commission will follow the procedures outlined in the Operations Policy and Procedures Manual section titled “Procedures for the Regulation of Produce”.
36. The Commission, after considering any written or oral submissions, retains the sole discretion to decide whether to regulate or not to regulate any new product not currently regulated.

MARKETING OF REGULATED PRODUCT

37. No Person other than an Agency shall purchase Regulated Product from a Producer or market Regulated Product, within British Columbia or in interprovincial or export trade, except that:

- a) Regulated Product may be purchased from a Producer by a Consumer or by a Processor licensed by the Commission as permitted by these General Orders;
- b) Regulated Product may be marketed by a Producer, Producer-Shipper, Processor, Commission Salesperson or Wholesaler who is licensed in accordance with these General Orders in the manner permitted by the term of the licenses, these General Orders, and any other Order of the Commission; and
- c) A Person who is specifically exempted from the requirements of this section pursuant to these General Orders or otherwise by Order of the Commission may market Regulated Product as permitted by the Commission.

DELIVERY AND PRODUCTION ALLOCATIONS

General

- 38.** The purposes of the Delivery and Production Allocation System is to identify the principles and guidelines by which the Commission will support and enhance a regulated marketing system for the intraprovincial, interprovincial and export trade of Regulated Products. These purposes include:
 - a) the preservation of market access for Producers who have served the market over time;
 - b) the provision of access for new entrants;
 - c) the desire to create and maintain long-term, sustainable, food safe, farming and greenhouse operations;
 - d) the provision of opportunity for industry growth; and
 - e) the provision of an orderly marketing system.
- 39.** In the event a Producer or any other Person realizes a benefit or advantage in regard the utilization of or access to Delivery or Production Allocations, that are not consistent with the object and purpose of these General Orders, the Commission may deny such Producer or Person that benefit or advantage.
- 40.** Delivery and Production Allocations are a privilege granted by the Commission under a Producer's licence. Delivery and Production Allocations shall have no monetary value.
- 41.** Only Persons nineteen (19) years of age and over and holding a valid Producer's licence from the Commission may hold or be assigned Delivery or Production Allocations.

42. Only Persons holding Canadian citizenship or Permanent Resident Status may hold Delivery or Production Allocations. If the applicant for a Delivery or Production Allocation is a corporate applicant, then 51% common beneficial ownership must be retained by a Person or Persons holding Canadian citizenship or Permanent Resident Status.
43. Only Persons permanently residing in British Columbia may hold Delivery or Production Allocations. If the applicant for a Delivery or Production Allocation is a corporate applicant, then 51% common beneficial ownership must be retained by a Person or Persons permanently residing in British Columbia.
44. A change of name on a registration or a Delivery or Production Allocation does not necessarily constitute a transfer of a Delivery or Production Allocation.
45. A change of name on the registration of a Delivery or Production Allocation does not negate any Grower Marketing Agreement between a Producer and an Agency.
46. Throughout the Province, Delivery and Production Allocation is transferable between and amongst licensed producers and prospective producers intending to obtain a producer licence.
47. Agencies having the authority to market storage crops are to use each individual producer's assigned Delivery Allocation for the purpose of determining the Producer's delivery opportunity in accordance with the established Delivery Allocation period.

GRANTING DELIVERY ALLOCATION FOR STORAGE CROPS

General

48. Only Regulated Product shipped through an Agency or Producer-Shipper shall be used for the calculation of Delivery Allocation levels or adjustments.

49. Delivery Allocations shall be established on a rolling 5-year average for Storage Crops, unless otherwise directed by the Commission.
50. No Producer shall ship in excess of their Delivery Allocation, unless otherwise authorized by the Commission.
51. Delivery Allocation within a period does not commence until supply exceeds demand. Any shipments made within a Delivery Allocation period prior to commencement of Delivery Allocation will count towards the building of Delivery Allocation.
52. After one round (100 percent) of all Delivery Allocations has been shipped for any Storage Crop in any Delivery Allocation period, Delivery Allocations shall be awarded equally to each registered Producer. For the purposes of this section registered Producers operating as a Family Unit may be grouped together and in those instances the Family Unit will receive the Delivery Allocation of only one registered Producer.
53. Where a Producer is called to provide Regulated Product and cannot or will not supply the Regulated Product demanded by the market, that Producer will be bypassed and will be deemed to have shipped the quantity of Regulated Product requested, and other Producers will be contacted. Producers holding a Delivery Allocation will be contacted first and new Producers will be contacted if Producers holding a Delivery Allocation cannot supply the Regulated Products requested.
54. Regulated Product produced outside of British Columbia shall not be used to fill or increase a Delivery Allocation for a Producer.
55. Regulated Product produced by one Producer may not be used to fill or increase a Delivery Allocation of another Producer.
56. Unless there are special circumstances, if a Producer ceases production for two consecutive years, then the Commission shall rescind their Delivery Allocation.
57. If a Producer is found guilty of violating a Commission Order, the Commission shall have the authority, in addition to any other measures set out in these orders, to suspend a Producer's Delivery Allocation for a period of time. Sales made during the period of violation will not be allowed to build Delivery Allocation.

Transfer of Delivery Allocations

- 58.** Except in extenuating circumstances, transfer of a Delivery Allocation by any Producer can only take place once a year and is subject to the following conditions:
- a) all applications for transfer of a Delivery Allocation must be on a form prescribed by the Commission;
 - b) all applications for transfer of Delivery Allocations must be filed with the Commission not later than March 15 each year; and
 - c) unless otherwise specified by the Commission, all transfers of Delivery Allocation shall take effect the following crop year.
- 59.** When transferring a Delivery Allocation, only that portion of a Delivery Allocation that has been earned can be transferred. Earned Delivery Allocation constitutes Delivery Allocation based on actual shipments and shall not include any Delivery Allocation that has been previously granted by the Commission.
- 60.** In the case of potatoes only, to qualify for transfer, the minimum earned Delivery Allocation must total an aggregate ten tons when all categories and Delivery Allocation periods are combined.
- 61.** Any Delivery Allocation earned or acquired must be utilized by the licensed Producer for a minimum of two (2) years before it may be transferred, except in extenuating circumstances.
- 62.** Delivery Allocation periods for Storage Crops shall be as set out in Schedule VI – Delivery Allocation Periods for Storage Crops.

GRANTING PRODUCTION ALLOCATION FOR GREENHOUSE CROPS

General

- 63.** Only Persons assigned one or more Greenhouse Vegetable Production Allocations may produce Greenhouse Vegetable Crops in British Columbia and a Greenhouse Vegetable Production Allocation may only be used as approved by the Commission.

64. A Greenhouse Vegetable Production Allocation is specific to a Greenhouse Vegetable Crop.
65. A Producer may use up to 500 square meters (m²) of the aggregate of their Greenhouse Vegetable Production Allocations for research or market trials without impacting their approved Greenhouse Vegetable Production Allocation.

Marketing a Greenhouse Vegetable Crop

66. A greenhouse vegetable Producer shall, with the approval of the Commission, market their Greenhouse Vegetable Crop to an Agency, or directly if licensed as a Producer-Shipper.
67. A Greenhouse Vegetable Producer marketing a designated specialty crop may, with the approval of the Commission and subject to any existing commercial agreements or contracts between the Producer and their Agency, market that portion of their Greenhouse Vegetable Production Allocation dedicated to specialty or organic crops as a Producer-Shipper.

Applications for New Greenhouse Vegetable Production Allocation

68. Applications for new or additional Greenhouse Vegetable Production Allocation may be made to the Commission by licensed Producers or prospective new Producers at any time.
69. An applicant for new or additional Greenhouse Vegetable Production Allocation must satisfy the Commission that they:
 - a) possesses or has access to sufficient capital to complete the proposed greenhouse and bring it into production;
 - b) has a marketing plan acceptable to the Commission or can confirm to the Commission that they have an agreement with an Agency to market their production;
 - c) has the knowledge or employs or intends to employ a Person or Persons with sufficient horticultural knowledge so as to be likely to produce a high quality product; and
 - d) undertakes to remain informed of and comply with Commission Orders as amended from time to time.
70. All applications for new or additional Greenhouse Vegetable Production Allocation must include an application fee in an amount established from time to time.

71. Applications for new Greenhouse Vegetable Production Allocation will be processed as follows:
 - a) prior to starting construction of a new greenhouse facility, Producers are required to make application in writing on a form prescribed by the Commission; and
 - b) Producers will be required to demonstrate, at a minimum, the date at which they anticipate setting seed in a propagation facility and that they have a marketing plan, a production plan and financial capability to construct and operate the facility and/or increased capacity applied for.
72. Upon receiving notice of conditional approval for the new Greenhouse Vegetable Production Allocation, at its discretion, the Commission may require the applicant to provide a performance security deposit within 30 days of receiving such notice. The performance security deposit is to be in the form of a cash deposit or an irrevocable letter of credit made in favour of the Commission equivalent to \$1.00 per square metre of the approved new production area.
73. Failure to make the performance security deposit within 30 days of receiving conditional approval will result in the Commission immediately revoking the approval.
74. The Producer will keep the Commission apprised of construction progress by providing the date when footings are installed and the date when the Greenhouse is scheduled to be completed.
75. Should the Producer encounter delays or circumstances which may or will impact the anticipated seed setting date, the Producer will immediately provide the Commission with the revised seed setting date and the reasons for the change.
76. The Producer will advise the Commission, in writing, at least 30 days in advance of seed set in the propagation house that plants are being started for the new capacity.
77. The Producer will advise the Commission, in writing, the date when propagated plants were placed in the new Greenhouse facility.
78. Upon demonstrating to the Commission's satisfaction that the subject Greenhouse Vegetable Crop is set out in the Greenhouse facility as seedlings the performance security placed with the Commission is to be returned.

79. Should the Producer abandon the construction of the new facility the Commission will be advised, in writing, that the project is being abandoned and the reasons for the abandonment.
80. Upon abandoning the project, the Commission will cancel the conditionally approved Production Allocation and will return the performance security deposit less a 10% commitment fee.

Changing Between Greenhouse Vegetable Crops

81. A Producer who wishes to change their Greenhouse Vegetable Production Allocation from one Greenhouse Vegetable Crop to another must apply to, and obtain permission from, the Commission prior to making any changes.
82. Applications to change from one Greenhouse Vegetable Crop to another may be made at any time during the year.

Changing Type within a Greenhouse Vegetable Crop

83. A Producer who intends to change the type of their Greenhouse Vegetable Crop must notify the Commission in writing on a form prescribed by the Commission prior to making any changes.

Suspending or Cancelling a Greenhouse Vegetable Production Allocation

84. If a Producer ceases Greenhouse Vegetable production in all or part of their Greenhouse Vegetable Production Allocation for one year, all or a portion of the Greenhouse Vegetable Production Allocation may be cancelled.
85. A Producer holding a Greenhouse Vegetable Production Allocation and not intending to produce Greenhouse Vegetables for one year regarding the entirety or a part of the assigned Greenhouse Vegetable Production Allocation may make advance application in writing for preserving the Greenhouse Vegetable Production Allocation and the Commission may approve the request.
86. A Producer, approved for a preservation of assigned Greenhouse Vegetable Production Allocation, may make advance application in writing to the Commission requesting that

preservation of the Greenhouse Vegetable Production Allocation continue beyond the initial one-year period and the Commission may approve such requests.

- 87.** The Commission may cancel or suspend a Producer's Greenhouse Vegetable Production Allocation for cause if the continued use of the Greenhouse Vegetable Production Allocation puts other Producers or Producer-Shippers at material risk of injury.

PRODUCERS

- 88.** All Producers (Storage and Greenhouse Crops) are only permitted to market through one (1) Agency.

AGENCIES

General

- 89.** Agencies play a strategic role and assist the BCVMC to regulate, manage and grow the regulated vegetable sector in an orderly fashion. They are the means by which the Commission achieves its main policy objective of maximizing producer returns through centralized, coordinated marketing of Regulated Product.
- 90.** Agencies must maintain control and oversight of all Agency Functions for which they have been licensed by the Commission.
- 91.** An Agency is not permitted to contract out the management and administration of Agency Functions to a Person, including but not limited to service providers / suppliers and Wholesalers, that is not the holder of the Agency Licence.
- 92.** An Agency maintains control and oversight of all Agency Functions by being actively engaged. The Commission will determine in its sole discretion if an Agency is actively engaged by having regard to the following considerations:

Whether or not the Agency:

- a) Is directly receiving the Source Document from the Agency Customer.
 - b) Is directly overseeing the Order Filling of the Purchase Order from the Agency Customer.
 - c) Is directly issuing the Source Document to the Agency Customer.
 - d) Is directly collecting revenues from the Agency Customer.
 - e) Is directly responsible for issuing the Source Document to the Producer.
 - f) Is directly responsible for the distribution of proceeds to the Producer.
 - g) Is directly receiving payments on receivables and making payments on payables on all Agency Functions.
 - h) Directors, officers, employees are directly involved in the business relationships with the Producer and the Agency Customer.
 - i) Directly implements the series of steps to promote their products or services to the customer or potential Agency Customers, including identifying the target audience, creating a marketing strategy, implementing the plan, and capturing customer value.
 - j) Maintains direction and control over all acts, operations, or services through which the Producer, Regulated Product, and the Agency Customer are linked together.
- 93.** To qualify for an Agency licence, the Agency must be actively engaged in the Marketing of all Regulated Product received from licensed Producers.
- 94.** Agencies and the Regulated Product each are authorized to handle are listed on Schedule I to this General Order.
- 95.** An Agency shall maintain an office located within the Province.
- 96.** Agencies, with the written approval of the Commission, are authorized to issue Transport Orders for the transport of Regulated Product. All Transport Order must be in either electronic or written form.
- 97.** Each Agency shall deduct the appropriate service fees from the Producer's net proceeds as prescribed by these General Orders or as directed by the Commission for the Regulated Product which the Agency is authorized to market, and for each month's sales Agencies shall hold such funds in trust and shall remit the funds to the Commission not later than the 20th day of the following month.

- 98.** The Commission may withdraw the authority of an Agency to market Regulated Product and may cancel or suspend an Agency licence and strike the name of an Agency from the records of the Commission for failure to comply with an Order, directive, or resolution of the Commission.
- 99.** No Agency shall receive or market any Regulated Product from a Person in respect of which there has occurred any violation of, or non-compliance with, any Orders or directions of the Commission, unless specifically ordered to do so by the Commission.
- 100.** No Agency shall receive or market any Regulated Product from a Producer who does not have a valid and current Producer Licence.
- 101.** No Agency shall receive any Regulated Product from a Producer that was not grown by that Producer unless expressly authorized by the Commission.
- 102.** Every Agency shall be entitled to charge each Producer the service fees from time to time approved by the Commission for packing, cooling, grading, storing, washing, handling, transporting and Marketing the Regulated Product.
- 103.** An agreement between an Agency and a Producer, which addresses terms and conditions upon which the Regulated Product shall be provided by the Producer and sold by the Agency (e.g., a Producer Marketing Agreement), shall be reduced to writing and is to be consistent with Commission policy.
- 104.** All agencies shall cooperate with each other in the Marketing of Regulated Product and enter into inter-Agency agreements when directed by the Commission. This may mean that Agencies with an excess of Regulated Product will be required to sell Regulated Product to Agencies in need of Regulated Product. On-going communication between Agencies is encouraged by the Commission in this regard.
- 105.** Each Agency is authorized to and may conduct a pool or pools as directed by the Commission, for the distribution of all proceeds received from the sale of the Regulated Product. Each Agency shall distribute the proceeds of sale of each pool, after deducting necessary and proper disbursements, expenses and charges as permitted or required by the Commission.

- 106.** All Agencies shall distribute the proceeds of sales not more than 20 days following the month during which the sales were made. If an Agency is unable or does not wish to pay the proceeds within the specified time frame, it may apply to the Commission for a variance, stating the reasons for the request, the duration of the variance and the payment schedule requested. The Commission may approve, amend, or deny the request as it sees fit.
- 107.** Prices for all Regulated Products subject to minimum pricing must be approved in writing by the Commission, a member of the Commission, or the Commission's General Manager.
- 108.** An Agency must be legally able to use any brand name it may adopt.

Agency – Wholesaler Relationship

- 109.** An Agency may enter into contractual business relationships with a Wholesaler. Information on these relationships and copies of the contracts are to be submitted to the Commission on request.
- 110.** A Producer Marketing Agreement (PMA) cannot include any terms or conditions that assign any Agency responsibilities to a Wholesaler.

Products of Unmarketable Quality

- 111.** An Agency shall be entitled to refuse to accept or market any Regulated Product delivered to it, which in the opinion of the Agency or Processor, is not of marketable quality.
- 112.** Any dispute arising by the refusal to accept or market and/or by the manner in which the Regulated Product is handled by an Agency shall be resolved by the Dispute Resolution Clause in the Producer Marketing Agreement.

Transfer of Producers between Agencies

- 113.** If a Producer and the Agencies involved agree, a Producer in good standing with the Commission may transfer from one Agency to another Agency. The parties must notify the Commission of the transfer before it takes effect.
- 114.** If a producer wishes to transfer from one Agency to another Agency, or if an Agency wishes

to discontinue receiving Regulated Product from a producer, but one or more of the involved parties does not agree, the Commission may make a decision that is binding upon the Producer and the Agency or Agencies.

- 115.** No transfer registered with the Commission and no determinations made by the Commission pursuant shall be intended to negate, terminate, or diminish established, agreed commercial arrangements or contracts between an Agency and a Producer.

Agency Responsibilities

- 116.** Each Agency marketing Regulated Crops subject to Commission minimum pricing shall notify the Commission and obtain approval from the Commission for the establishment of any price or change in price.
- 117.** Each Agency marketing Regulated Crops subject to Commission minimum pricing shall file with the Commission a copy of any price list, local or export, and particulars of any sales other than at listed prices.
- 118.** No sales of Regulated Crops, subject to Commission minimum pricing, can be made below listed minimum price without the prior approval of the Commission.
- 119.** Each Agency shall supply to the Commission details of each individual Producer's Delivery and/or Production Allocation and shipments. These details are required to be supplied to the Commission within 60 days of the close of a pool period or in the case of storage crops within 60 days of the close of a Delivery Allocation period.
- 120.** Each Agency shall provide pool settlement statistics showing quantities, price ranges and final pool prices to the Commission on request.
- 121.** Before finalizing a contract, each Agency shall provide to the Commission, for its prior approval as to form, any proposed contracts with Processors or other firms approved by the Commission located in BC that are to receive Regulated Products regardless of end use.
- 122.** Each Agency shall make available, upon request, their year-end financial statements to the Commission. A financial audit shall be undertaken if requested by the Commission.

123. Each Agency shall file a business plan or Marketing plan with the Commission upon request.
124. Each Agency shall make available, upon request, all signed Producer Marketing Agreements with all Producers of Regulated Product shipped through that Agency to the Commission.
125. Each Agency shall have a trace-back and recall system which adequately identifies and traces the Regulated Product from the time it is specifically shipped by a particular Producer until it is received and purchased by a Wholesaler or Retailer.
126. Each Agency shall file with the Commission, for approval each year, a proposed list of fees or charges for Agency services provided to Producers for Marketing. Any fee or charge that has not been submitted to the Commission for its approval is a nullity. Where the Commission has exercised its discretion to decline to approve a fee or charge, such fee or charge becomes a nullity.
127. Each Agency shall provide the Commission with any other information relevant to Agency or inter-Agency transactions as may be required by the Commission from time to time.
128. An Agency shall accept for marketing and shall market the Regulated Product from any licensed producer directed to that Agency by the Commission. If the Commission directs a Producer to an Agency, that Producer's Regulated Product shall be marketed, and they shall receive returns, in the same manner as other Persons delivering Regulated Product to that Agency.
129. Any sale of all or a portion of an Agency by way of sale of assets or shares, or a change in the Agency's business plan, must receive prior approval from the Commission. Without prior approval, the Agency designation in question will terminate.
130. Producer Marketing Agreements (PMAs) become null and void with any sale of all or a portion of an Agency by way of a sale of assets or shares that does not receive prior approval from the Commission. Without prior approval, the PMAs will terminate.

Review of Existing Agencies

131. The Commission may from time to time review existing Agencies and assess whether Agency status should be maintained, suspended, made subject to terms and conditions, or revoked.

- 132.** After providing an existing Agency with an opportunity to be heard, the Commission may suspend, impose terms or conditions with respect to, or revoke, the existing Agency's Agency status where it is not satisfied with respect to any of the following:
- a) there is a market requirement for the Agency, and the Agency benefits the industry as a whole having regard to the interests of all Producers, including those marketing through other Agencies;
 - b) it is in the interests of the industry for Regulated Product to be marketed by the Agency;
 - c) the presence of the Agency is not disruptive to orderly marketing and does not result in increased competition among Agencies on price, which may have a detrimental effect on Producer returns;
 - d) the Agency has demonstrated an understanding of the regulatory system and has adequately expressed its intention to follow Commission Orders and the enabling legislation and regulations;
 - e) there is evidence-based demand for the specific product(s), grouped by end use customer, that are marketed by the Agency, which demand is not satisfied by other existing Agencies;
 - f) there is evidence-based support from Producers who market Regulated Product through the Agency;
 - g) the primary responsibility for marketing Regulated Product rests with the Agency, rather than Wholesalers who may market regulated product on behalf of the Agency;
 - h) the Agency complies with the Commission's orders, including all applicable minimum pricing orders in relation to sales occurring both within and outside the Province;
 - i) the Agency does not have a detrimental effect on the delivery allocation and production allocation of existing producers not represented by the Agency; and
 - j) the Agency has the knowledge, capacity, and ability to operate effectively as an Agency.

FIRST-INSTANCE PACKINGHOUSE

- 133.** No Person shall receive Raw Regulated Product from a Producer for the purpose of washing, sorting, grading, sizing, or packing directly into a container for sale, except for:

- a) a First-Instance Packinghouse that is duly licensed and in good standing with all applicable provisions herein;
 - b) an Agency that operates a facility where Raw Regulated Product is delivered for the purpose of washing, sorting, grading, sizing, or packing directly into a container for sale;
 - c) a person who is specifically exempted from the requirements of this section pursuant to these General Orders or otherwise by Order of the Commission.
- 134.** A First-Instance Packinghouse must be assigned to an Agency or to a Producer Shipper. Unless otherwise ordered by the Commission, no other Agency or Producer Shipper shall receive regulated product from a First-Instance Packinghouse without approval of the assigned Agency or Producer Shipper, as the case may be.
- 135.** No Person may ship Regulated Product from a First-Instance Packinghouse other than:
- a) the Agency assigned to that First-Instance Packinghouse;
 - b) the Producer Shipper assigned to that First-Instance Packinghouse; or
 - c) a Person who is specifically exempted from the requirements of this section pursuant to these General Orders or otherwise by Order of the Commission.
- 136.** The First-Instance Packinghouse licence is handled as part of the Agency/Producer-Shipper licensing process, as the case may be. Where an Agency applies for a packing-house licence, the Producer Marketing Agreement (PMA) between the Producer and the Agency is to assign a Packinghouse to the Producer.

PRODUCER-SHIPPER

General

- 137.** A Producer-Shipper licence is an extraordinary licence issued under exceptional circumstances. The circumstances are inclusive of, but not limited to, the history, geography and economics associated with the applicant.
- 138.** The intent of licensing certain Producers as Producer-Shippers is to provide qualified Producers the opportunity to market and distribute directly to commercial trade channels. Commercial trade channels, for the purposes of Producer-Shipper licensing, are defined as individual retail stores, farm markets, individual foodservice establishments and

Wholesalers. It is not intended that Producer-Shipper licensing is a means for individual producers to sell or market to Agencies or other Producer-Shippers, whether located inside or outside B.C.

139. For most intents and purposes, Producer-Shipper licensing replaces previous exemptions from Marketing through an Agency.
140. The Commission may place market restrictions on the licence or deny an applicant all together if it is not in the best interests of the industry.

Responsibility to Market

141. A Producer Shipper must pack, market, and distribute Regulated Products produced by them in accordance with the approved Marketing plan.
142. A Producer-Shipper may, with the prior permission of the Commission, from time to time when they are either long or short of requirements to meet their markets and marketing plan, temporarily, and for periods not greater than fifteen (15) days:
 - a) market a portion of the greenhouse or storage vegetable crop to another Producer-Shipper;
 - b) sell a portion of the greenhouse or storage vegetable crop to an Agency;
 - c) Unless an exception is granted by the Commission, the portion shall not exceed 5% of the Greenhouse Vegetable Production Allocation, or Storage Crop Delivery Allocation Period for that crop in the crop year.
143. Other than as provided in these General Orders, no Producer-Shipper shall market any Regulated Greenhouse or Storage Crop Vegetables produced by any other Producer, nor shall they offer to purchase for subsequent sale by them any Greenhouse or Storage Crop Vegetables produced by any other Producer.
144. Other than as provided in these General Orders, no Producer-Shipper shall offer for sale any Regulated Greenhouse or Storage Crop Vegetables produced by them to any other Producer-Shipper or Agency.
145. All sales must comply with Commission pricing procedures.

Reporting Requirements

- 146.** A Producer-Shipper must report all Greenhouse and Storage Vegetable crop marketing, including but not limited to volumes shipped and prices received, as directed by the Commission.
- 147.** A Producer-Shipper must report production, shipments, and marketing activity that may be required by Commission programs that collect and disseminate market information or used to regulate orderly marketing.
- 148.** A Produce-Shipper must report to the Commission any change in its Marketing Plan.

Levies and Service Fees

- 149.** A Producer-Shipper must remit all charges and levies due on the production and marketing of the Regulated Product produced under the approved Production and Delivery Allocation.

Limitations on Producer-Shippers

- 150.** A Producer-Shipper may not:
- a) sell or offer to sell Regulated Product to, or buy or offer to buy Regulated Product from, an Agency, other Producers, other Producer-Shippers, or Wholesalers except as specifically provided for in these Orders or as otherwise authorized by the Commission.
 - b) serve as a director or an officer of an Agency;
 - c) have a contract, agreement, or understanding with an Agency for the Marketing of any or all of the Greenhouse or Storage Vegetable Crops;

PROCESSORS

- 151.** No Processor shall sell or offer for sale or supply the Regulated product except in a processed or manufactured form.
- 152.** No Processor shall buy, accept, or receive Regulated Product from any Person other than a Wholesaler licensed by the Commission, an Agency designed and licensed by the

Commission, or pertaining and limited to Processing Crops a Producer licensed by the Commission.

- 153.** No Processor, or other authorized receiver of Regulated Product for Processing, shall receive or pay for any Regulated Product unless the Producer is currently registered with the Commission and is party to a current Commission approved Processing contract.

Products of Unmarketable Quality

- 154.** A Processor shall be entitled to refuse to accept or market any Regulated Product delivered to it, which in the opinion of the Processor, is not of marketable quality.
- 155.** Any dispute arising by the refusal to accept or market and/or by the manner in which the Regulated Product is handled by a Processor shall be resolved by the Dispute Resolution Clause in the written contract.

WHOLESALEERS

- 156.** A Wholesaler shall only buy, accept, or receive a Regulated Product from an Agency or Producer-Shipper.
- 157.** A Wholesaler cannot be licensed as a First-Instance Packinghouse for an Agency, unless authorized by Order of the Commission.

MINIMUM PRICING

- 158.** When implemented, the purpose of the Commission Minimum Pricing is to:
- a) provide a coordinated approach to marketing;
 - b) maximize the returns to Producers;
 - c) maximize market penetration;
 - d) establish base prices for all Regulated Entities;
 - e) facilitate regular monitoring of Regulated Entities sales.

- 159.** Should minimum pricing for a Regulated Product be implemented, the Commission, a member of the Commission, or the Commission's General Manager, will establish minimum prices as often as necessary, in accordance with Commission's price setting policy then in effect for the fixing of contract and weekly minimum prices.
- 160.** Regulated Entities may, with the prior knowledge and written approval of the Commission, a member of the Commission, or the Commission's General Manager, be permitted to give advertising discounts or volume discounts for advertised specials, at prices which are below the minimum price fixed by the Commission, a member of the Commission, or the Commission's General Manager.
- 161.** No Regulated Entity shall sell or offer for sale Regulated Products subject to minimum pricing at a price less than the applicable minimum price fixed from time to time by the Commission, a member of the Commission, or the Commission's General Manager for each variety and grade of the Regulated Product, unless otherwise expressly authorized in writing by the Commission, a member of the Commission, or the Commission's General Manager.
- 162.** No Regulated Entity shall buy Regulated Products subject to minimum pricing at a price less than the applicable minimum price fixed from time to time by the Commission, a member of the Commission, or the Commission's General Manager for each variety and grade of the Regulated Product, unless otherwise expressly authorized in writing by the Commission, a member of the Commission, or the Commission's General Manager.

MARKETING OF NEW OR ADDITIONAL REGULATED PRODUCT

- 163.** No new or additional Regulated Product shall be marketed by existing Agencies or Producer-Shippers without Commission approval.
- 164.** An Agency or Producer-Shipper seeking to market new or additional Regulated Product shall submit a Business Plan covering a period of time specified by the Commission which addresses matters relating to promotion, market development and planned expansion.
- 165.** At its discretion, the Commission may determine whether a hearing will be held, in either oral or written form, concerning the application by an existing Agency or Producer-Shipper

to market new or additional Regulated Product. In exercising its discretion, the Commission shall consider:

- a) if and how other existing Agencies / Producer-Shippers, if any, will be affected;
- b) how the Commission will notify interested parties of the application and its decision to approve or dismiss the application.

166. The Commission shall consider:

- a) what benefits, if any, not currently available to Producers will accrue to them if new or additional Regulated Product is marketed by the Agency / Producer-Shipper;
- b) whether the Agency / Producer-Shipper has sufficient staff with the necessary experience to market the new or additional Regulated Product;
- c) whether a market exists for the new or additional Regulated Product; and
- d) whether the new or additional Regulated Product would enhance orderly marketing.

MANIFEST SALES

167. The purpose of Manifest Sales is to allow Producers to supply Regulated Product directly to smaller outlets who are not customers of any Agency or any other Regulated Entity. It is not intended to create a Producer-against-Producer or Producer-against-Agency conflict.

168. An Agency shall obtain Commission approval before instituting a Manifest Sales program.

169. Prior to shipping any Regulated Product, a Producer must obtain the approval of the Agency through which the Commission has directed it to market its Regulated Product. The Producer shall not interfere with Agency-direct sales.

170. At the request of the Commission, an Agency shall provide a customer list that clearly defines which customers are not eligible for Manifest Sales purchases. The list may be updated at any time by the Agency, filed with the Commission, and re-distributed to the Agency's Producers. When authorizing Manifest Sales, the Agency must ascertain that the sales are to customers that are not customers of the Agency.

171. Manifest Sales shall not be made to Agencies, Wholesalers, Processors, Producers, Producer-Shippers, Commission Salespersons or to any other Persons prohibited by the Commission.

- 172.** All Manifest Sales shall be recorded by the Agency along with a Transport Order number approved by the sales manager of that Agency.
- 173.** All sale invoices shall be complete with:
- a) customer's name and address as well as the Producer's name, and BCMVC Licence Number;
 - b) all details of produce sale including grade, price, and total pounds of each type of Regulated Product delivered;
 - c) Agency name and address; and
 - d) Manifest Sales or transport number.
- 174.** All Regulated Product sold under Manifest Sales:
- a) shall, unless otherwise directed by the Commission, have a 15 percent minimum mark-up above the minimum price fixed by the Commission, a member of the Commission, or the Commission's General Manager. Agencies shall publish a sales price list to be sent to Producers weekly;
 - b) shall meet Canada No. 2 Standard Grade or better;
 - c) shall comply with like Regulated Product sold by Agencies (i.e., clean Containers and washed product where applicable); and
 - d) shall be identified with a tag or label that identifies the Producer making the sale.
- 175.** The Producer is directly responsible for:
- a) the grade of Regulated Product, any detention or seizure of Regulated Product and any costs related to the sale that may occur;
 - b) the collection of all amounts owing from their own Manifest Sales; and
 - c) packaging materials; Regulated Product shall not be sold in Agency packaging materials without the prior approval of the Agency.
- 176.** All sales by the Manifest Sales system shall be reported to the Agency's sales desk:
- a) with an electronic or hard copy of the invoices in detail;
 - b) an Agency fee approved by the Commission; and
 - c) on a daily basis, unless otherwise approved by the Commission.
- 177.** The Agency shall also be responsible for collecting all fees approved by the Commission and any other assessment that may occur from time to time.

- 178.** All Manifest Sales transactions can only be made within the Province.
- 179.** Reported sales, for Storage Crops only, will qualify to build Delivery Allocation provided sales invoices are documented properly and processed through the Agency.
- 180.** A Producer must have a confirmed sale prior to delivery and must have the Manifest Sales invoices completed with all the required information.
- 181.** If an Agency suspect one of its Producers is non-compliant, the Agency shall provide the Producer's name, customer name, and transaction location to the Commission for investigation.

MARKETING REGULATED PRODUCT FOR PROCESSING

General Provisions

- 182.** No Producer shall sell or offer for sale and no Processor shall buy or offer to buy Regulated Product except by the terms of a written contract approved by the Commission.
- 183.** Every Processor and every Producer entering into a contract must have a valid licence issued by the Commission.
- 184.** Any decisions or determinations of any Committee, including those of a mediator or arbitrator, are recommendations to the Commission and do not take effect until approved by the Commission.
- 185.** The Commission shall be charged with the general supervision of Processing Crop contracts between Producer and Processor.
- 186.** The Commission will use its best efforts and take all reasonable steps to ensure that the terms of contracts are followed and enforced.

- 187.** Final payments may not be made by a Processor to a Producer for any crop until the Commission has confirmed such payment is authorized.
- 188.** The Commission shall, from time to time, appoint a Chair for the Processing Crop Master Committee and the Processing Crop Negotiating Committee. The Chair may be the General Manager of the Commission, or a designate, or such other Person as the Commission may choose, and the Chair so appointed shall not have a vote.
- 189.** Every Producer who is also licensed as a Processor shall report each month to their Agency any and all marketings of Regulated Product for Processing.

Processing Crop Master Committee

- 190.** A Processing Crop Master Committee will be established by the Commission comprised of an equal number of representatives selected by the Producers of Regulated Processing Crops and of representatives selected by the Processors licensed by the Commission.
- 191.** The Processing Crop Master Committee shall meet at the request of either the Processors, the Producers, or the Commission.
- 192.** The Processing Crop Master Committee shall make recommendations to the Commission on amendments to any Processing Crop Master Contract required by the Commission. The Processing Crop Master Contract will include those matters and procedures which would otherwise be common to all or several individual processing crop contracts. All terms and conditions of a Processing Crop Master Contract must be consistent with all Orders of the Commission and do not take effect until approved by the Commission.

Processing Crop Negotiating Committees

- 193.** Processing Crop Negotiating Committees shall be established by the Commission for each Regulated Processing Crop other than Strawberries. Each Committee shall be comprised of the Chair, and an equal number of representatives selected by the Producers of Regulated Processing Crops and representatives selected by Processors licensed by the Commission. The Chair may determine an equal number of representatives for each party and may approve the attendance of additional Persons as the Chair sees fit and those Persons may only participate in the meetings as the Chair may approve.

- 194.** Processing Crop Negotiating Committees shall determine the terms and conditions of the contract for each Regulated Processing Crop.

Processing Crop Negotiating Committee Procedures

- 195.** Unless mutually agreed by the Processors and the Producers, annual negotiations for each Processing Crop Negotiating Committee shall be completed by the following deadline date:
- a) Peas, Bush Beans, Corn, and Cole Crops by March 31.
- 196.** The Chair, in consultation with the appropriate Processor and Producer representatives, shall determine the dates to commence negotiations each year so that negotiations and any mediation or arbitration is concluded by the deadline dates.
- 197.** Negotiations, prior to mediation and arbitration, shall not occupy more than two days and shall end no later than fourteen (14) days prior to the deadline dates.
- 198.** If a Processing Crop Negotiating Committee does not reach agreement after meeting for two days, or if in that period the committee determines it is at an impasse, a mediation subcommittee will be struck comprised of the Chair, one member selected by the Producers and one member selected by the Processors. The subcommittee may meet for not more than one day.
- 199.** If no agreement is reached by mediation, the matter will be referred to arbitration for settlement. If the parties agree on an arbitrator and the format of the arbitration process, those agreements will be the basis of the arbitration.
- 200.** If the parties do not reach agreement on the arbitrator or on how the arbitration will be conducted, the Commission will select the arbitrator and determine the arbitration process to be followed.

Processing Crop Contracts

- 201.** Every contract made by the authority of these General Orders shall refer to them and to any applicable Processing Crop Master Contract and shall be amended by any changes made to these General Orders or to the Master Contract.

- 202.** Every Processing Crop Contract shall include terms and conditions as appropriate for each crop and may include terms and conditions relating to prices, terms of payments, preparation, seeding, growing, harvesting and delivery.
- 203.** No contract is valid unless it is signed by a Processor, a Producer and by the Commission. Contracts signed by a Processor and a Producer must be submitted to the Commission for signature not later than ten (10) days after it is signed by the Processor and the Producer.
- 204.** Every contract shall provide for Producer levies and service charges payable to the Commission, as the Commission may from time to time determine. Levies and service charges are the first charge against the gross proceeds otherwise due to a producer.
- 205.** Levies and service charges due to the Commission are due and payable, in the case of peas, beans and corn on or before the 15th day of November, and in the case of Cole crops on or before the 15th day of December, in each year in which the contract is made.

EXEMPTIONS

- 206.** The power to grant an exemption may be delegated by the Commission to an officer or employee of the Commission, except as it affects the granting, suspension or cancellation of a licence or the affixing of licence fees, and all such exemptions are subject to ratification by the Commission.
- 207.** A Producer may sell Regulated Product (except a Regulated Product excluded from this section by resolution of the Commission) to a Consumer for use and consumption by that Consumer or by that Consumer's immediate family provided that:
- a) where the Producer is not a Producer-Shipper:
- (i) the Producer has a current and subsisting Producer's licence;
 - (ii) the sale is carried out on the Producer's Farm, or at a Municipal Market situate within British Columbia, or at road-side stand owned, controlled, and managed by the Producer situate within British Columbia;
 - (iii) the Regulated Product meets or exceeds Canada No. 2 Grade or BC Grade No. 2;

- (iv) the Producer's privilege to sell such Regulated Product has not been withdrawn by the Commission because it has found or suspects that the Producer has abused or intends to abuse the privilege or, in the opinion of the Commission, has failed to comply with any general or specific Order of the Commission;
 - (v) the sale does not contravene any of the provisions concerning Manifest Sales in any general or specific Order of the Commission; and
 - (vi) the maximum amount of all Regulated product sold to any Consumer in any one day does not exceed 300 pounds each of storage crops and 60 pounds each of greenhouse crops.
- b) where the Producer is a Producer-Shipper:
- (i) the Producer-Shipper has a current and subsisting Producer-Shipper licence;
 - (ii) the Regulated Product meets or exceeds Canada No. 2 Grade or BC Grade No. 2; and
 - (iii) the Producer-Shipper's privilege to sell such Regulated Product has not been withdrawn by the Commission because it has found or suspects that the Producer-Shipper has abused or intends to abuse the privilege or, in the opinion of the Commission, has failed to comply with any general or specific Order of the Commission.
 - (iv) the maximum amount of all Regulated product sold to any Consumer in any one day does not exceed 300 pounds each of storage crops and 60 pounds each of greenhouse crops
- 208.** The onus of establishing that a Person purchasing the Regulated Product is a Consumer is on the Producer or Producer-Shipper, as the case may be.
- 209.** A Person seeking an exemption must advise the Commission of any contractual relations which may be affected, unless special circumstances exist, and will not nullify existing contractual relations.
- 210.** A Person who purchases a Regulated Product as a Consumer may transport the Regulated Product so purchased from the place of purchase to their residence without obtaining a Transport Order.
- 211.** A Producer may apply to the Commission for permission to sell or offer for sale the Regulated Product to a Person other than an Agency, or an exempted Person. If the Commission gives the Producer permission, subject to such terms and conditions as the

Commission may prescribe, such Producer may sell and offer for sale or supply the Regulated Product to such Person and such Person may buy, accept, and receive the Regulated Product from such Producer.

- 212.** The following classes of Producers are not required to market their Regulated Crop production through an Agency or Processor unless otherwise directed by the Commission:
- a) all Producers of organically certified Regulated Storage crops with the exception of those producers marketing through Fraserland Organics Inc;
 - b) all licensed Producer-Shippers of Greenhouse Vegetable Crops; and
 - c) licensed Producer holding, in aggregate, less than 2,000 M2 of Greenhouse Vegetable Production Allocation.

GRADING AND PACKING

- 213.** A wholesaler, Agency or Producer-Shipper may sell only Regulated Product which meets at least a Canada No. 1 Grade, Canada No. 2 Grade, BC No. 1 or BC No. 2 Grade, or such other grade as the Commission may from time to time approve.
- 214.** All Regulated Product shall be packed in Containers which comply with all regulations set out in the Safe Food For Canadians Act.
- 215.** An Agency must receive approval from the Commission prior to marketing the Regulated Product in non-standard containers. If approval is granted, product in non-standard containers may only be marketed in British Columbia.

PROVISIONS SPECIFIC TO STRAWBERRY PROCESSING

- 216.** Levies and service charges due to the Commission are due and payable on or before the 15th day of August.
- 217.** Strawberry Processing Crop Contracts between a producer and a processor may be negotiated directly between the producer and the processor, who may fix the prices between them.

- 218.** In the event of a dispute arising out of the terms of a processor Strawberry Processing Crop Contract, the dispute shall be resolved by mediation and arbitration as follows:
- a) as the first step in the dispute resolution process, the general manager of the Commission shall attempt to resolve the dispute through mediation between the parties;
 - b) where the parties to this agreement at the mediation stage request a mediator, other than the general manager, the Arbitrator's office at 650 West Georgia Street, Vancouver, BC, shall be requested to appoint a mediator;
 - c) in the event the mediator is unable to resolve the dispute within 15 days of the mediator being requested to resolve the dispute, the dispute shall be referred to a three-person panel comprising of one member appointed by the Producers, one member appointed by the Processor(s), and a third member agreed to and appointed by the Producers' and Processors' representatives;
 - d) if the Producers' and the Processors' representatives are unable to agree on a third member within seven (7) days, the B.C. International Commercial Arbitration Centre shall be requested to appoint a third panel member;
 - e) the third member of the mediation panel appointed under either Clause c) or Clause d) of this section shall act as chair of the panel;
 - f) no person may convey any information to the third member of the arbitration panel concerning any matters which may have arisen prior to arbitration;
 - g) the arbitration panel's decision shall be final and binding on the parties; and
 - h) The costs of the mediation and arbitration shall be shared equally by the parties directly involved in the dispute.

NEW REGULATED ENTITY ENTRANT PROGRAM

General

- 219.** All new Regulated Entity entrants are required to:

- a) be at least 19 years of age;
- b) have a business office in the Province;
- c) obtain and produce to the Commission a business licence for the Municipality they operate in;

- d) register with the BC Registrar of Companies under the Business Corporations Act and produce to the Commission:
 - (i) a Certificate of Incorporation;
 - (ii) a Notice of Articles;
- e) have a Biosecurity Program appropriate to the licence they are applying for; and
- f) submit an application in the form prescribed, submit all application fees (Schedule VIII), and submit all documentation requested by the Commission;

Producers (New Entrant)

220. All new entrant Producers must have:

- a) a letter of support from the prospective Agency who will be marketing their Regulated Product (unless granted an exception from marketing through an Agency).

Agencies (New Entrant)

Application for Agency Status

221. A Person may apply in writing to the Commission for an order designating that Person as an Agency through which a regulated product may be marketed in accordance with the Commission's General Orders as amended from time to time.

222. Unless otherwise specified by the Commission in writing, applications for Agency status must be submitted to the Commission on or prior to June 1, for consideration by the Commission between June 1 and September 15 of that calendar year.

223. Applications for Agency status must include a detailed business plan addressing:

- a) the structure of the proposed Agency, including:
 - (i) the identities of the principals of the proposed Agency;
 - (ii) the identities of all shareholders and other Persons with a direct or indirect financial interest in the proposed Agency; and
 - (iii) particulars of the management and staff of the proposed Agency, including their marketing experience and skill level.

- a) commencement and operational capacity, including:
 - (i) the date that the applicant proposes to commence operations;
 - (ii) particulars of the facilities from which the proposed Agency will operate;

- (iii) particulars of any other facilities that may be owned or operated by the proposed Agency including grading, packing, warehouse, and storage facilities; and
 - (iv) particulars of the applicant's capacity to market regulated product, the methods by which this is to be achieved, and the applicant's short and long-term objectives in relation thereto;
- b) access to regulated product, including:
- (i) particulars of how the applicant intends to secure arrangements with Producers who will ship regulated product to the proposed Agency, and the dates on which such arrangements are expected to be secured;
 - (ii) a copy of the applicant's proposed PMA in a form that complies with the minimum standards established by the Commission;
 - (iii) copies of letters of commitment obtained from at least two (2) prospective Producers, who are at arms-length from each other, who wish to market regulated product through the proposed Agency; and
 - (iv) the amount of existing storage crop delivery allocation (tons) and/or greenhouse production allocation (M²) that is proposed to be transferred to the proposed Agency;
- c) marketing strategy and framework, including:
- (i) particulars of the applicant's target market, including the type of regulated product intended to be marketed, the total amount of regulated product to be marketed by the applicant, and the total amount of regulated product to be received from each Producer who will market through the proposed Agency;
 - (ii) the applicant's assessment of market supply and demand, including an assessment of market supply and demand in areas where the proposed Agency intends to market regulated product;
 - (iii) particulars of the applicant's intended market placement of delivery and production allocation by target market category as defined by the Commission;
 - (iv) particulars of the applicant's intended application of delivery and production allocation towards the domestic (BC) market and towards the export (external to BC) markets;
 - (v) particulars of the applicant's intended volumes of sales packed for end use and in bulk for further processing and/or repacking;
 - (vi) the names and contact information of proposed customers of the proposed Agency;

- (vii) copies of all letters of commitment obtained from proposed customers of the proposed Agency;
 - (viii) particulars of any commercial agreements with third parties that may assist with transportation, grading, packaging, storage, or marketing on behalf of the proposed Agency;
- d) operational procedures, including:
- (i) particulars of quality assurance procedures relating to:
 - a. Biosecurity Program, including an acceptable trace-back and recall system;
 - b. grade compliance;
 - c. handling and distribution;
 - d. record keeping; and
 - e. any label or product identification system;
 - (ii) particulars of the manner in which shared market access will be managed among the proposed Agency's Producers, including the method by which proceeds from sales would be distributed;
 - (iii) particulars of the manner in which shipments of regulated storage crops will be monitored in relation to delivery allocation, and the proposed Agency's production plan;
- e) financial viability and risk management, including:
- (i) an asset statement;
 - (ii) a breakdown of all disbursements, expenses, and charges to be deducted from sales proceeds on payment to Producers;
 - (iii) forecasts of anticipated earnings, cash flow and sales;
 - (iv) copies of all letters of reference obtained from financial institutions supporting the proposed Agency;
 - (v) a copy of a valid business licence;
 - (vi) a copy of a performance bond, letter or credit, or particulars of a contingency plan addressing how Producers will be paid for regulated product in the event that the Agency encounters financial difficulties;
 - (vii) proof of product, third party, and director liability insurance;
- f) advancement of Producer and industry interests, including:

- (i) particulars of how the proposed Agency would prioritize the marketing of regulated product;
- (ii) particulars of how the proposed Agency would encourage collaboration in Agency decision-making with their Producers regarding the production, transportation, packaging, storage, and marketing of Regulated Crops; and
- (iii) details on how the proposed Agency would comply with all applicable minimum pricing orders in relation to sales occurring both within and outside the Province.

224. Applications for Agency status must also:

- a) demonstrate to the satisfaction of the Commission that the applicant's primary business objective is the marketing of regulated product in a manner that benefits the Commission and the British Columbia industry as a whole;
- b) demonstrate to the satisfaction of the Commission that the applicant has knowledge and understanding of the regulatory requirements and limitations imposed on Agencies under the Commission's General Orders;
- c) demonstrate to the satisfaction of the Commission that the applicant has knowledge and understanding of the market access system established under the Commission's General Orders for all applicable regulated products;
- d) demonstrate to the satisfaction of the Commission that the applicant has sufficient knowledge and ability to service markets in British Columbia and Canada;
- e) demonstrate to the satisfaction of the Commission that the applicant has the capacity to directly market regulated product without excessive reliance on wholesalers, or third-party grading, packing, warehouse, and storage facilities, or that the applicant will otherwise have arrangements with third parties that:
 - (i) would retain the proposed Agency's control throughout the marketing channel and permit the proposed Agency to be responsive to the changing needs and desires of the end-user;
 - (ii) would not expose the industry to unnecessary food safety risk;
 - (iii) would not be disruptive to orderly marketing;
 - (iv) demonstrate to the satisfaction of the Commission that the applicant has taken all reasonable steps to meet with, and seek the cooperation of, existing Agencies, and provide particulars of the result of such initiatives;
 - (v) provide a rationale in support of the application with specific reference to the following:

- a. existing and anticipated requirements of the market that could be serviced by the proposed Agency;
- b. how the proposed Agency would benefit producers shipping through that Agency;
- c. how the proposed Agency would benefit the industry as a whole; and
- d. the impact that the proposed Agency would have on existing Agencies.

Review of Applications by the Commission

- 225.** Applications for Agency status will be reviewed by a five-member panel of the Commission selected by the Chair.
- 226.** The panel may, in its sole discretion, request that an applicant clarify any part of the application submitted or rectify any perceived omission or deficiency in the application.
- 227.** The applicant will be provided with an opportunity to present its application to the panel.
- 228.** Following the applicant's presentation, the panel may summarily dismiss the application if it is satisfied that it would not be in the interests of the industry to grant Agency status.
- 229.** Whereas the panel has decided that the application should not be summarily dismissed, the panel will engage in further consultation with industry stakeholders concerning the application. The applicant will be given an opportunity to prepare a redacted version of the application for review by industry stakeholders, provided that only information that is confidential, proprietary or constitutes a trade secret may be so redacted from the application reviewed by the panel.
- 230.** Following consultation with industry stakeholders, the panel will decide whether to grant Agency status to the applicant. The panel will grant Agency status only where it is satisfied that:
- a) there is a market requirement for the proposed Agency, and the designation of that Agency would benefit the industry as a whole having regard to the interests of all producers, including those marketing through other Agencies;
 - b) it would not be in the interests of the industry for the proposed regulated product to be marketed by an existing Agency;
 - c) the presence of the proposed Agency will not be disruptive to orderly marketing and will not result in increased competition among Agencies on price, which may have a detrimental effect on producer returns;

- d) the proposed Agency has demonstrated an understanding of the regulatory system and has adequately expressed its intention to follow Commission Orders and the enabling legislation and regulations;
- e) there is evidence-based demand for the specific product(s), grouped by end use customer, that are to be marketed by the proposed Agency, which demand is not already satisfied by existing Agencies;
- f) there is evidence-based support from at least two (2) licensed Commercial Producers, who are at arms-length from each other, and who intend to market regulated product through the proposed Agency;
- g) the primary responsibility for marketing regulated product will rest with the proposed Agency, rather than wholesalers who may market regulated product on behalf of the proposed Agency;
- h) the proposed Agency will comply with the Commission's orders, including all applicable minimum pricing orders in relation to sales occurring both within and outside the Province;
- i) the proposed Agency will not have a detrimental effect on the delivery allocation and production allocation of existing producers not represented by the proposed Agency; and
- j) the proposed Agency has the knowledge, capacity, and ability to operate effectively as an Agency.

Producer-Shippers (New Entrant)

231. To obtain a Producer-Shipper licence an applicant must:

- a) be assigned one or more Greenhouse Vegetable Production Allocations or Storage Crop Delivery Allocations;
- b) demonstrate that they are not committed, aligned, or connected by commercial contract, ownership or any form of legal undertaking that requires that they market through an Agency;
- c) obtain approval from the Commission for their Business and Marketing plan; and
- d) satisfy the Commission that they have the expertise and facilities to successfully produce, pack (or have a contract to have their produce packed), market and distribute their Greenhouse or Storage crop.

REPEAL AND TRANSITION

- 232.** The Consolidated General Orders of March 16, 2005 (as amended), is hereby repealed, but such repeal shall not affect any offences committed or any penalty incurred under the General Orders so repealed.

COMMENCEMENT

- 233.** This Order comes into effect on January 1, 2024.

Dated at Delta, British Columbia this 15th day of December 2023.

BC VEGETABLE MARKETING COMMISSION



Derek Sturko, Chair

Schedule I - Regulated Products Agencies Authorized to Market

1. **BC Hothouse Foods Inc.** is hereby designated as an Agency through which greenhouse tomatoes, greenhouse peppers, and greenhouse cucumbers grown in the Province may be packed and stored and shall be Marketed unless otherwise ordered by the Commission.
2. **Country Fresh Produce Inc.** is hereby designated as an Agency through which greenhouse tomatoes, greenhouse peppers, and greenhouse cucumbers grown in the Province may be packed and stored and shall be Marketed unless otherwise ordered by the Commission.
3. **Fraserland Organics Inc.** is hereby designated as an Agency through which organic potatoes grown in the Province may be packed and stored and shall be Marketed unless otherwise ordered by the Commission.
4. **Global Greenhouse Produce Inc.** is hereby designated as an Agency through which greenhouse tomatoes, greenhouse peppers, and greenhouse cucumbers grown in the Province may be packed and stored and shall be Marketed unless otherwise ordered by the Commission.
5. **Greenhouse Grown Foods Inc.** is hereby designated as an Agency through which greenhouse tomatoes, greenhouse peppers, greenhouse cucumbers, and greenhouse lettuce grown in the Province may be packed and stored and shall be Marketed unless otherwise ordered by the Commission.
6. **Okanagan Grown Produce Ltd.** is hereby designated as an Agency through which greenhouse cucumbers, greenhouse tomatoes, greenhouse peppers, greenhouse lettuce, beets (tops off), green cabbage, red cabbage, carrots (tops off), yellow onions, parsnips, potatoes, rutabagas, and white turnips grown in the Province may be packed and stored and shall be Marketed unless otherwise ordered by the Commission.
7. **Island Vegetable Co-operative Association** is hereby designated as an Agency through which greenhouse tomatoes, greenhouse peppers, greenhouse cucumbers, beets (tops off), green cabbage, red cabbage, carrots (tops off), yellow onions, parsnips, potatoes, rutabagas,

and white turnips grown in the Province may be packed and stored and shall be Marketed unless otherwise ordered by the Commission.

8. **BC Fresh Vegetables Inc.** is hereby designated as an Agency through which beets (tops off), green cabbage, red cabbage, carrots (tops off), yellow onions, parsnips, potatoes, rutabagas, and white turnips grown in the Province may be packed and stored and shall be Marketed unless otherwise ordered by the Commission.
9. **Vancouver Island Farm Products Inc.** is hereby designated as an Agency through which greenhouse tomatoes, greenhouse peppers, greenhouse cucumbers, greenhouse lettuce, beets (tops off), green cabbage, red cabbage, carrots (tops off), yellow onions, parsnips, potatoes, rutabagas, and white turnips grown in the Province may be packed and stored and shall be Marketed unless otherwise ordered by the Commission.
10. **Village Farms Operations Canada Inc.** is hereby designated as an Agency through which greenhouse tomatoes, greenhouse peppers, and greenhouse cucumbers grown in the Province may be packed and stored and shall be Marketed unless otherwise ordered by the Commission.
11. **MPL British Columbia Distributors Inc.** is hereby designated as an Agency through which greenhouse tomatoes, greenhouse peppers, greenhouse lettuce, and greenhouse cucumbers grown in the Province may be packed and stored and shall be Marketed unless otherwise ordered by the Commission.

Schedule II - Regulated Crops

Storage Crops (Regulated for fresh and processing use)	Greenhouse Crops (Regulated for fresh and processing use)	Processing Crops (Crops only regulated for processing use)
Beets (tops off)	Cucumbers (all types)	Beans
Green Cabbage	Tomatoes (all types)	Broccoli
Red Cabbage	Peppers (all types)	Brussels Sprouts
Carrots (tops off)	Lettuce (as defined)	Cauliflower
Parsnips		Corn
Potatoes (all types & varieties) when end use is not for seed		Peas
Rutabaga		Strawberries
White (purple top) Turnips		
Yellow Onions		

Schedule III - Annual Licence Fees

Licensee	Class 1	Class 2	Class 3	Class 4	Class 5
Designated Agency ¹ \$4,000 plus an amount equivalent to 0.0475 % of annual sales ²	Base amount	Class 1 times 2	Class 1 times 3	Class 1 times 4	Class 1 times 5
Packinghouse	N/A	\$1,250	\$2,500	\$12,500	\$50,000
Producer					
Storage/Greenhouse/Processing Crops (except Strawberries)	\$250	\$1,250	\$2,500	\$12,500	\$50,000
Processing - Strawberries	\$50	\$1,250	\$2,500	\$12,500	\$50,000
Producer – Shipper ³ \$500 plus an amount equivalent to 0.025 % of annual sales ⁴	Base amount	Class 1 times 2	Class 1 times 3	Class 1 times 4	Class 1 times 5
Processor	\$1,000	\$2,000	\$6,000	\$10,000	N/A
Wholesaler	\$1,000	\$2,000	\$6,000	\$10,000	N/A
Commission Salesperson	\$250	\$2,000	\$6,000	\$10,000	N/A

¹ New Agencies, upon initial designation, first year Licence fee is \$10,000.00.

² Annual sales based on previous calendar year total sales.

³ New Producer-Shipper, upon initial designation, first year Licence fee is \$2,000.00.

⁴ Annual sales based on previous calendar year total sales.

Schedule IV - BCVMC Levies and Charges

Schedule IV - BCVMC Levies and Charges												
Administrative Levies								Research & Industry Development Levies				
	BCVMC Admin. Levy	Association Admin. Levy	Trade Support Fund	BCAC ¹ Levy	FVGC ² Levy	UPGC ³ Levy	TOTAL	BCGGA ⁴	PID ⁵ Fund	Brassica Fund	Processor Levy	Total
Greenhouse Crops												
Producer	\$0.05 M ²						\$0.05 M ²	\$0.15 M ²				\$0.15 M ²
Producer-Shipper	\$0.05 M ²						\$0.05 M ²	\$0.15 M ²				\$0.15 M ²
USITC Levy ⁶			\$0.0227 M ²									
Japanese Export Market Bell Pepper Levy ⁷			\$0.01 M ²				\$0.01 M ²					
Storage Crops												
Fresh Crops (Except Potatoes)	\$2.82 Ton			\$0.11 Ton	\$0.22 Ton		\$3.15 Ton					
Fresh Potatoes	\$2.82 Ton		\$2.11 Ton ⁸	\$0.11 Ton	\$0.22 Ton	\$0.06 Ton	\$5.32 Ton		\$1.00 Ton			\$1.00 Ton
Contract Crops (Except Potatoes)	\$2.22 Ton			\$0.11 Ton	\$0.22 Ton		\$2.55 Ton					
Contract Potatoes	\$2.22 Ton		\$2.11 Ton ⁹	\$0.11 Ton	\$0.22 Ton		\$4.66 Ton		\$1.00 Ton			\$1.00 Ton
Cabbage, Rutabagas, Turnips										\$0.50 Ton		\$0.50 Ton
Processing Crops												
Broccoli, Brussels Sprouts, Cauliflower	\$3.32 Ton			\$0.25 Ton	\$0.25 Ton		\$3.82 Ton					
Peas	\$3.59 Ton	\$0.20 Ton		\$0.24 Ton	\$0.17 Ton		\$4.20 Ton					
Beans	\$2.92 Ton	\$0.20 Ton		\$0.21 Ton	\$0.14 Ton		\$3.47 Ton					
Strawberries	\$2.29 Ton	\$11.43 Ton ¹⁰		\$1.40 Ton	\$1.50 Ton		\$16.62 Ton				\$5.00 Ton ¹¹	\$5.00 Ton

¹ BCAC – British Columbia Agriculture Council

² FVGC – Fruit and Vegetable Growers of Canada (Formerly the Canadian Horticultural Council)

³ UPGC – United Potato Growers of Canada

⁴ BCGGA – British Columbia Greenhouse Growers Association

⁵ PID – Potato Industry Development

⁶ USITC Levy – Special Levy is support of Bell Pepper Trade Support legal expenses (assessed for 2021 Production Allocation year)

⁷ Japanese Export Market Bell Pepper Levy – Levy to support specialized inspections for Tobacco Blue Mold of Bell Pepper producers marketing/exporting to Japan

⁸ Potato Trade Support Fund

⁹ Potato Trade Support Fund

¹⁰ Strawberry Growers Association Fund

¹¹ Strawberry Research Fund

Amended: January 01, 2023

Schedule V - Specialty Greenhouse Vegetables

Tomatoes	Peppers	Cucumbers
Cocktail	Mini	Mini
Roma	Baby Bells	Mini Cocktail
Strawberry	Sweet Tooth	
Cherry	Hot	
Grape		
Mini (gems, teardrop, and berry)		

Schedule VI - Delivery Allocation Periods for Storage Crops

POTATOES				
Delivery Allocation Category	Period A	Period B	Period C	Period D
Non-Count Size Russet	Start of new crop to July 31	August 1 to September 30	October 1 to January 31	February 1 to end of old crop
Count Size Russet	Start of new crop to July 31	August 1 to September 30	October 1 to January 31	February 1 to end of old crop
Fresh - White	Start of new crop to July 31	August 1 to September 30	October 1 to January 31	February 1 to end of old crop
Fresh - Red	Start of new crop to July 31	August 1 to September 30	October 1 to January 31	February 1 to end of old crop
Fresh - Yellow	Start of new crop to July 31	August 1 to September 30	October 1 to January 31	February 1 to end of old crop
	Period 1	Period 2	Period 3	Period 4
Food Service	Start of new crop to July 31	August 1 to September 30	October 1 to January 31	February 1 to end of old crop
RUTABAGAS				
Period A	Period B		Period C	
Start of new crop to July 15	July 16 to August 31		September 1 to end of crop	
BEETS (tops off)				
Period 1	Period 2 to 11		Period 12	
Start of new Crop to June 30	Monthly		May 1 to end of crop	
OTHER STORAGE CROPS				
Crop	Period			
Cabbage (red & green)	Monthly			
Carrots (tops off)	Monthly			
Yellow Onions	Monthly			
Parsnips	Monthly			
White (Purple Top) Turnips	Monthly			

Schedule VII – Annual Licence Renewal Cycle

Annual Licence Renewal Cycle	
Agency	March 2 nd to March 1 st of the following year
Wholesaler	March 2 nd to March 1 st of the following year
Processor	March 2 nd to March 1 st of the following year
Commission Salesperson	March 2 nd to March 1 st of the following year
Storage Crop Producer	May 16 th to May 15 th of the following year
Storage Crop Producer-Shipper	May 16 th to May 15 th of the following year
Strawberry Producer	May 16 th to May 15 th of the following year
Greenhouse Producer	November 2 nd to November 1 st of the following year
Greenhouse Producer-Shipper	November 2 nd to November 1 st of the following year

Schedule VIII– Application Fees and Service Fees

Application Type	Fee	GST (5%)	Total Fee
Application Fees			
Agency	\$20,000.00	\$1,000.00	\$21,000.00 ⁵
Producer – Greenhouse Crops	\$500.00	\$25.00	\$525.00
Producer – Storage Crops	\$500.00	\$25.00	\$525.00
Producer – Processing Crops	\$500.00	\$25.00	\$525.00
Producer – Strawberries (for processing over thirty (30) tons)	\$500.00	\$25.00	\$525.00
Producer - Shipper	\$6,000.00	\$300.00	\$6,300.00 ⁶
Processor	\$1,000.00	\$50.00	\$1,050.00
Wholesaler	\$1,000.00	\$50.00	\$1,050.00
Commission Salesperson	\$1,000.00	\$50.00	\$1,050.00
Service Fees			
Established Producer – Greenhouse Crops– Increase in Production Allocation	\$500.00	\$25.00	\$525.00
Established Producer – Storage Crops – Increase in Delivery Allocation	\$500.00	\$25.00	\$525.00
Ministerial Exemption Application	\$500.00	\$25.00	\$525.00

All Application Fees and Service Fees are non-refundable.

⁵ Plus, the cost of any non-commission costs incurred by the Commission (e.g.: legal fees, financial expertise, subject matter experts, etc.), if any, on a cost recovery basis as a precondition of being considered for a licence. If an application is approved, the applicant must also pay the annual licence fee established for New Agencies, \$10,000.00, to complete the process.

⁶ Plus, the cost of any non-commission costs incurred by the Commission (e.g.: legal fees, financial expertise, subject matter experts, etc.), if any, on a cost recovery basis as a precondition of being considered for a licence. If an application is approved, the applicant must also pay the annual licence fee established for New Producer-Shippers, \$2,000.00, to complete the process.