



BC Farm Industry Review Board

November 8, 2022

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DELIVERED BY EMAIL

Debbie Etsell
Chair
BC Vegetable Marketing Commission

Dear Ms. Etsell

COMMISSION MEMBER CONFLICT OF INTEREST AND REQUEST FOR INFORMATION

The BC Farm Industry Review Board (BCFIRB) recently became aware that a British Columbia Vegetable Marketing Commission (Commission) member, Armand Vander Meulen, also holds the position of Chair with the BC Greenhouse Growers' Association (Association).

On October 25, 2022, Mr. Vander Meulen met with BCFIRB as part of the BC Agriculture Council Ag Day event, along with other industry and regulated marketing representatives. At the meeting, Mr. Vander Meulen advised BCFIRB of the Association's lobbying efforts with the Minister of Agriculture and Food to establish a separate regulatory body for greenhouse vegetables. At the time of the meeting, BCFIRB understood Mr. Vander Meulen to be an elected producer Commissioner of the Commission.

Subsequently, BCFIRB became aware that Mr. Vander Meulen is also Chair of the Association. While not clear at the time of the meeting on October 25, it appears that Mr. Vander Meulen was speaking to BCFIRB at the meeting in his capacity as Chair of the Association. In the meeting, BCFIRB advised that the regulatory amendments necessary to enact a new scheme and create a new regulatory board or commission are within the purview of the Ministry, and it was likely BCFIRB would be consulted by the Ministry as part of any proposed regulatory amendment process.

As you are aware, BCFIRB has long held the view that it is inappropriate for elected producer members of commodity boards and commissions to concurrently hold a board position on a producer association in the same sector.

On April 8, 2019, I wrote to you to address concerns with respect to Commissioners holding positions on the BC Potato and Vegetable Growers Association board. A copy of that letter is enclosed for ease of reference. In order to assist the Commission with

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managing the risk of real or perceived conflict of interest issues when members sit on multiple boards, BCFIRB provided the following direction:

Organization Purpose and Responsibilities

As regulatory decision-makers, Commission members have a duty to be fair to, and balance the interests of the regulated vegetable supply chain in accordance with their statutory authority under the BC Vegetable Scheme and the *Natural Products Marketing (BC) Act*. While members are not expected to check their backgrounds or their interests at the door, they have a duty to be independent, unbiased and fair in their decision making.

However, the responsibility of a producer association is quite different and may include representing and advocating for vegetable producers – sometimes on the very issues that the commodity board is actively regulating. Unlike the Commission, producer advocacy associations have no duty to be impartial and do not have regulatory responsibilities for which they are accountable to BCFIRB and, ultimately, the public. Association members must act in the best interest of their organization, and as such their duty may conflict with the broader legislative role of a Commission member.

I also highlighted your responsibilities as Chair to manage conflict of interest and reasonable apprehension of bias concerns.

It appears that in his role as Chair of the Association, Mr. Vander Meulen is lobbying for a separate regulatory body for greenhouse producers. Among other troubling comments, Mr. Vander Meulen spoke of the need to address the “inherently dysfunctional structure” of the Commission. At the same time, Mr. Vander Meulen is an elected Commissioner who carries fiduciary responsibilities to fulfil the broad statutory mandate of the Commission under the *Natural Products Marketing (BC) Act*. In short, this appears to be a clear case of conflict of interest which directly undermines public confidence in the Commission and regulated vegetable industry more generally.

The fact that this situation has arisen is extremely concerning given the extensive work the Commission and BCFIRB have undertaken to improve Commission governance and manage real or perceived conflicts of interest in Commission decision-making. This work continues in light of the BCFIRB’s 2019-2020 Vegetable Supervisory Review and the on-going 2021 Review of Allegations of Bad Faith and Unlawful Activities.

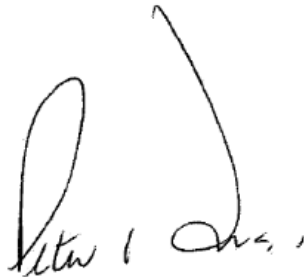
In order to assist BCFIRB in carrying out its supervisory mandate, and to determine appropriate next steps, please provide the following information no later than November 14, 2022:

1. When did Mr. Vander Meulen assume his position as Association Chair?
2. When did the Commission first become aware of Mr. Vander Meulen’s position as Association Chair?
3. Provide copies of any Annual Disclosure Statements completed by Mr. Vander Meulen.

4. Was the Commission aware of Mr. Vander Meulen's lobbying efforts on behalf of the Association? If so, who on the Commission was aware and when?
5. What steps has the Commission taken or are being taken to manage Mr. Vander Meulen's real or perceived conflict of interest in light of good governance practices and the Commission's Code of Conduct?

If you have any questions, please contact me directly.

Regards

A handwritten signature in black ink, appearing to read "Peter Donkers". The signature is stylized with a large, looped initial "P" and a long, sweeping stroke for the "D".

Peter Donkers,
Chair

Attachment:

cc: Andre Solymosi, General Manager
BC Vegetable Marketing Commission