



**Investment  
Agriculture  
Foundation**  
*of British Columbia*

# EXPANDING HORIZONS



A REPORT TO THE AGRI-FOOD INDUSTRY 2005/2006

## OUR MANDATE

The Investment Agriculture Foundation of British Columbia is an industry-led organization with a mandate to manage and distribute federal and provincial funds in support of innovative projects benefiting the agri-food industry.

## OUR GROWING ROLE

Since 1996 the Investment Agriculture Foundation of British Columbia has worked closely with industry to play a lead role in fostering growth and innovation across the agri-food sector.

In recent times, our work has evolved and expanded – along with the array of programs we manage and administer – as the BC industry grasps new opportunities or comes to grips with extraordinary issues. In accepting this increased role, we recognize the responsibility we have to our funding partners to ensure that the dollars entrusted to us are spent where they'll have the greatest and longest-lasting impact.

To fulfill our mandate, the Foundation has forged closer ties with industry to assist in delivery of our programs. Our partners are now helping us define priorities and set strategic goals for use of funds and, in some cases, assisting in making decisions on where those funds are spent.

Our approach is to use a strategic planning framework. For a proposed program or emerging issue, we work with industry to establish a steering committee. Collaboratively with industry and government, we put together a strategic plan that identifies the priorities to

be addressed. A work plan is then developed that lays out the specific strategies and actions to be implemented and includes details on monitoring and reporting on progress. Sometimes that also includes how the program will be funded and at what level.

It is a careful and deliberate process. Our strategy focuses on issues most important to the future, including what groups are best suited to implement the plan.

The model has been used to ensure that the funds spent do the greatest good, whether it's for sudden, urgent issues – avian influenza or mad cow disease (BSE) – or to take advantage of new industry opportunities, such as building value-added capacity or promoting innovation.

And, as our duties have grown, we have taken note of the need to keep our partners and the public updated on what's going on, hiring additional staff to expand our accountability.

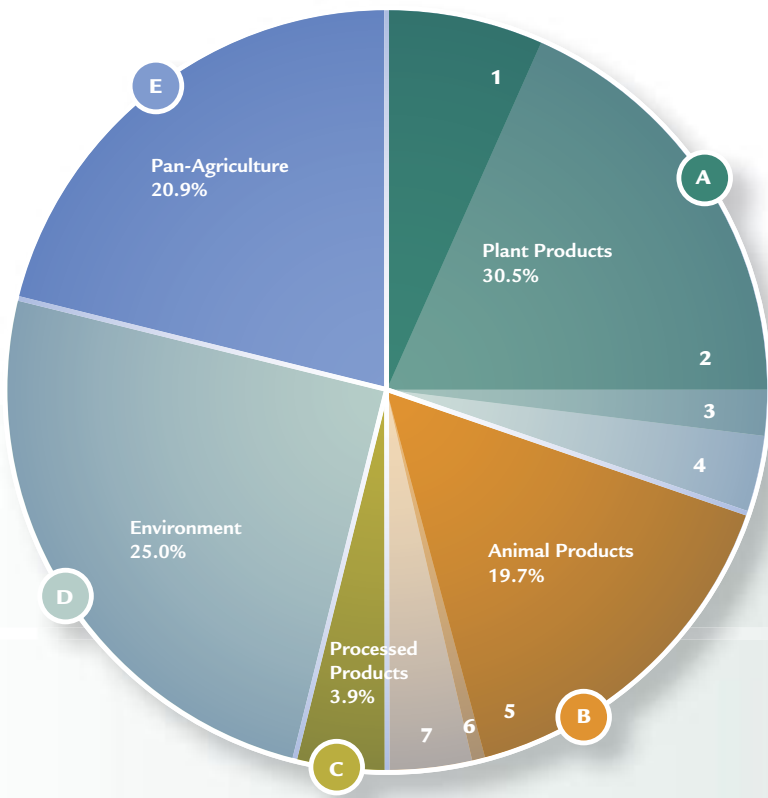
At its core, the Foundation process aims to ensure that we get the full wisdom of our stakeholders and partners so that the funds we have available are directed to the areas of highest priority, and will also bring the greatest long-term benefit to the BC agri-food industry.



Photo Credit: United Flower Growers Co-op

Cover Photo Credits:  
Cattle: BC Ministry of Agriculture and Lands,  
Chickens: Chicken Farmers of Canada

## OUR FUNDING COMMITMENTS



The Foundation has granted \$55,345,103 to programs and projects between 1997 and 2005.\*

<b>A. Plant Products</b>	<b>30.5%</b>
1. Nursery & Greenhouse	6.9%
2. Fruits*	18.2%
3. Vegetables	1.9%
4. Other Crops	3.5%

<b>B. Animal Products</b>	<b>19.7%</b>
5. Dairy & Livestock	15.5%
6. Other Animal	0.4%
7. Poultry & Eggs	3.8%

<b>C. Processed Products</b>	<b>3.9%</b>
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<b>D. Environment</b>	<b>25.0%</b>
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<b>E. Pan-Agriculture</b>	<b>20.9%</b>
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Photo Credit: BC Agriculture Council

\* Does not include Orchard Renovation Program



Photo Credit : BC Hatching Egg Commission

## A COLLABORATIVE PROCESS IN ACTION



The Agri-Food Futures Fund represents the Foundation's strategic process at work. The fund is a joint federal/provincial \$22.82 million dedicated trust fund established for the benefit of BC's agri-food industry. The trust allows for the financing of multi-year development initiatives.

As the fund trustee, the Foundation has reserved funding for 14 emerging sector initiatives that have received board approval for implementation of their strategic plans. These funds give industry groups themselves the administrative responsibility and decision-making authority for establishing funding priorities, approving projects and communicating results.

This process has led to stronger, more focused industry organizations that have taken responsibility for cost-sharing of development, have put self-funding systems in place, and are seeking partnerships with suppliers, researchers, funding programs and others in leveraging their own funds to the best possible advantage.

The success of the fund model was acknowledged nationally in November with the awarding of the

2005 Canadian Agri-Food Award of Excellence for Environmental Stewardship to the BC Agriculture Council. The council was recognized for its outstanding leadership in the design and delivery of programs – such as the Agriculture Environment Initiatives – to improve environmental practices on farms in BC.

### Our Industry Partners Help Us Set Priorities

Focus on the Future, an industry-driven province-wide consultation process, is key to identifying the issues most important to the BC agri-food industry's long-term profitability and developing the strategies and work plans to deal effectively with them.

Throughout 2005, the Foundation and industry partners completed: a thorough scan of existing information on BC's agri-food industry to identify the key issues faced; a competitive analysis to determine strengths, weaknesses, opportunities and threats; and province-wide industry consultations involving approximately 300 people to identify key issues and decide on appropriate options for action.

## OUR MEMBERS

BC Cattlemen's Association | BC Fruit Growers' Association | BC Grain Producers Association  
BC Greenhouse Growers' Association | BC Landscape & Nursery Association  
BC Milk Producers Association | BC Pork Producers' Association | BC Poultry Association  
FARM Community Council | Horse Council of BC

## BRING YOUR IDEAS FORWARD

The Foundation wants to invest with you in a strong future for the BC agri-food industry. Funding worthy and innovative projects that broadly benefit our industry is why we are here. Our Program Managers are eager to work with you to answer your questions and help you through the application and approval process. Contact them at any time to discuss your project ideas.

## OUR PARTNERS HELP US PLAN THE FUTURE

Focus on the Future spelled out 12 key issues broadly affecting the overall industry, from supporting development of value-added and niche-market products to improving innovation performance, and from enhancing environmental sustainability to building on our strong quality and safety systems. Results have been integrated into a report to define workable strategies and actions.

This information is vital to our work at the Foundation. We use it to develop strategic and corporate plans, to help determine funding priorities and to direct our funds to address these needs through our various trusts.

### Ready in Times of Crisis

Urgent threats to BC's agri-food sector – from avian influenza to BSE – are without question a high priority for the Foundation, the agri-food sector and our funding partners.

Biosecurity concerns have heightened consumer interest in the safety and quality of our food and water. For the industry, profitability and growth depend on continued consumer confidence, access to markets and assurance that production systems and products are protected

against key diseases and pests, and related risks to human health are minimized. Government acted quickly with new funding to mitigate these risks and help industry recover.

The poultry industry, for one, is a major contributor to the BC economy. In concert with the Foundation and government, the BC poultry industry is working to put in place a mandatory and auditable biosecurity and emergency response program by 2007. An advisory management committee will develop and implement the \$1.5 million initiative's strategic plan to ensure the BC industry has enhanced biosecurity and is prepared for an infectious disease outbreak. The federal government will be matching this amount in 2006 to fund pilot projects for on-farm biosecurity.

Likewise, the Foundation is teaming with government and the beef, dairy, pork, poultry, slaughter and rendering industries in support of the \$5-million Livestock Waste Tissue Initiative. The program will make BC's meat industry a leader in waste tissue management by helping producers and processors deal with disposal of specified risk material.



*Photo Credit: BC Greenhouse Growers' Association*

## AN UPDATE ON NEW AND KEY PROGRAMS

At the Foundation, our mandate is to manage and distribute federal and provincial funds in support of innovative projects benefiting the agriculture, agri-food and post-farm gate industries in BC.

We administer 11 programs in accordance with criteria spelled out in various trust agreements with our funding partners. Some of our new or key programs include:

### + **Advancing Canadian Agriculture and Agri-Food**

ACAAF replaced the Canadian Adaptation and Rural Development fund in April 2004. It focuses on industry-led solutions to emerging issues, as well as capturing market opportunities by advancing research results and sharing information to advance the sector. The Foundation manages the \$1.7 million annual budget of the five-year program.

+ **Orchard Renovation Program** The Foundation delivers this program through an agreement with the BC government. The ministry provided an additional \$4.65 million in March 2005 in support of the objective to replant 75 per cent of tree fruit acreage in the Okanagan to higher density orchards. The program comes to an end March 31, 2007.

+ **Sterile Insect Release** The Foundation has served as escrow agent for this fund to control codling moth damage in apple and pear orchards since 1998. In March 2005, the provincial government provided an additional \$1 million as a one-time contribution to help transition the program to full financial and environmental self-sustainability. Late in 2005, the Foundation's board approved a request for \$1.6 million to complete the introductory phase of area-wide codling moth control.

+ **Poultry Biosecurity Initiative** The Foundation received \$1.5 million from the province in March 2005 to help implement recommendations from the Canadian poultry industry forum, Avian Influenza: Lessons Learned and Moving Forward. In early 2006, the federal government approved an additional \$1.5 million to fund pilot projects for on-farm biosecurity.

+ **Livestock Waste Tissue Initiative** The BC government provided a one-time, \$5 million contribution in March 2005 to help producers and processors dispose of specified risk material (tissues that could contain the agent that may transmit disease) and other slaughter plant waste tissue in an efficient, cost-effective manner.



Photo Credit: Tourism BC

## 2010 INDUSTRY OPPORTUNITIES

The Foundation received \$1 million in March 2005 from the province to enable industry groups to develop strategies and programs to identify and capitalize on opportunities associated with the 2010 Winter Olympics.



## PROGRESS REPORT Food Quality and Safety

The Foundation is helping industry respond to emerging consumer concerns and protect public health by providing financial support to industry to assist on-farm food safety and quality. With funding from both the Agri-Food Futures Fund Food Quality and Safety Initiative and the Advancing Canadian Agriculture and Agri-Food program, the Foundation is investing in such projects as:

**+ Safe, Safer, Safest** The Foundation provided \$101,000 to the BC Chicken Marketing Board's quality assurance program that audited and certified the province's 348 chicken growers.

**+ Verified Beef Production** The Foundation is investing \$54,000 for a BC Cattlemen's Association project to promote good production practices, reduce food safety risks and provide consumer assurances that BC beef meets the highest safety standards.

**+ Good Agricultural Practices** The BC Blueberry Council was granted \$134,000 for a project to develop a food safety program for berry producers that will be recognized by buyers and regulatory agencies. The project also involves the Raspberry Industry Development Council and the Fraser Valley Strawberry Growers' Association.

## PROGRESS REPORT Plant Health

With the Foundation's assistance, industry is also taking action on plant health issues in the province's horticulture sector. Two noteworthy projects underway are:

**+ Eastern Filbert Blight** The BC Hazelnut Growers' Association is working to control the spread of this infection and prevent it from devastating commercial hazelnut orchards in the eastern Fraser Valley. The Foundation is providing \$24,000 in funding.

**+ Sudden Oak Death** The Foundation is contributing \$140,000 for a BC Landscape & Nursery Association led project to manage the implications of Sudden Oak death in BC.

## PROGRESS REPORT Organic Sector Development

Part of the Foundation-administered Agri-Food Futures Fund, this cost-shared program assists projects that expand the production capacity of organic operators and create market opportunities. Some 28 projects – from workshops on seed-saving techniques to a post-harvest growers' handling guide – were approved in the program's first 30 months.

## PROGRESS REPORT Agri-Tourism Accreditation

The Agri-Food Futures Fund also provides funding for an agri-tourism initiative. One approved project enabled the BC Agri-Tourism Alliance to develop a code of standards to raise the bar for agri-tourism operators. This led to creation of a quality assurance program to accredit operators in time for the 2010 Olympic Games, making BC the first jurisdiction in Canada to bring in industry-wide agri-tourism standards.

## OUR FUNDING SOURCES 1997-2005

GENERAL PROGRAM FUNDS	
Agri-Food Futures Fund	22,818,001
Safety Net	21,800,000
Canadian Adaptation and Rural Development	9,046,106
Advancing Canadian Agriculture and Agri-Food	2,968,604
SPECIFIED PROGRAM FUNDS	
Orchard Renovation Program	18,225,618
Sterile Insect Release	5,000,000
Livestock Waste Tissue	5,000,000
Poultry Industry Biosecurity	1,500,000
National Soil and Water Conservation Fund	1,000,000
2010 Industry Opportunities	1,000,000
Agriculture Environmental Stewardship	990,000
Wildlife Damage Prevention Fund	100,000
<b>TOTAL 89,448,329</b>	

## AGRICULTURE POLICY FRAMEWORK



Photo Credit: BC Ministry of Agriculture and Lands

The federal-provincial-territorial Agriculture Policy Framework identifies five key elements to sustain sector growth and profitability: food safety and food quality; environment; science and innovation; renewal; and business risk management.

The Foundation's strategic priorities, as determined by our board and industry partners, ensure that our initiatives complement the framework's five elements and achieve the outcomes described in the trust agreements with our funding partners.

For example, the Foundation is the trustee of the Environmental Farm Planning program, developed and administered by the BC Agriculture Council. The program flows from the framework's objective to both achieve a comprehensive

assessment of actual and potential risks to the environment from agriculture operations, and to work with industry to reduce those risks. The council has engaged 18 industry delivery groups to deliver the program to producers and has certified some 60 environmental planning advisors. By December 2005, more than 2,500 farms and ranches had participated in the program and 500 environmental plans had been completed.

Likewise, new Foundation-administered initiatives, such as poultry biosecurity and livestock waste tissue disposal, further the framework's objective to ensure that food produced in Canada continues to be among the safest and highest quality in the world.

### PROGRESS REPORT Integrated Pest Management

In this comprehensive, cross Canada research program, the Foundation took a lead role in obtaining funding from nine regional councils for a Canadian Nursery Landscape Association initiative to promote adoption of integrated pest management techniques in Canadian nurseries.

With funding support from the Foundation, Industrial Research Assistance Program technology advisers in BC and Ontario collaborated with the association to plan the project, identify a managing research associate and involve scientists. This project clearly demonstrates how industry groups from across Canada can work together to cost-effectively solve a national issue.

*“Cooperation between the Ministry of Agriculture and Lands, Agriculture and Agri-Food Canada, the Foundation and industry improves BC’s ability to deal with these issues and makes the industry stronger.”*

## PROGRESS REPORT Peace Forage Seed Project

A model of inter-provincial cooperation, BC’s turf and forage seed producers are working with their Alberta counterparts on a research program to improve forage seed quality and consistency.

Jointly funded by the Foundation and Alberta’s CARD fund, the \$440,000 project is organized by the Peace Region Forage Seed Association, representing growers, seed trade companies and researchers in both provinces. The Alberta-led project enables Peace Region producers to start new research and extension initiatives aimed at building the industry’s competitiveness, profitability and self-sufficiency.

## STRENGTH BY COOPERATION

I am delighted to have this opportunity to recognize the contributions made to the BC agri-food industry by the Investment Agriculture Foundation of BC. On behalf of the province, the Foundation manages and distributes funding and provides a valuable program delivery service for programs such as Orchard Replant.

Industry has faced some tough times recently as a result of issues such as BSE and avian influenza, but the cooperation between the Ministry of Agriculture and Lands, Agriculture and Agri-Food Canada, the Foundation and industry improves BC’s ability to deal with these issues and makes the industry stronger.

BC’s agriculture industry must be able to compete globally amongst other agriculture industries, but also amongst all industries to attract investment dollars. We all need to work together to ensure the industry remains competitive and responsive to global market conditions. The Investment Agriculture Foundation plays an important leadership role in helping BC producers, processors and rural communities thrive and prosper. I thank the Foundation for its contributions to the BC agri-food industry and look forward to an ongoing successful partnership.



Pat Bell  
Minister of Agriculture  
and Lands





## OUR CHAIR, ON EXPANDING HORIZONS

The agri-food industry is undergoing a period of unprecedented change causing both hardship and opportunities for producers and processors in British Columbia. The Investment Agriculture Foundation is also changing as it helps the sector adapt and grow.

Agriculture and Agri-Food Canada and the BC Ministry of Agriculture and Lands continue to work together to provide new and enhanced program funds to enable the BC industry to seize these new opportunities and deal with extraordinary challenges. As a result, the Foundation's total number of funding programs has grown from five to 11 – a testament to our funding partners' confidence in the Foundation.

Critical to the success of the Foundation is our close cooperation with the industry. This is most evident in the amount of

time and effort the BC Agriculture Council has devoted to joint planning sessions and the creation of a joint working group on communications. By working together, we can make sure the Foundation is attuned to industry's needs and continues to provide highly responsive service and programs.

Senior representatives from industry and government accepted the Foundation's invitation to lead in the development of a strategic issues analysis called Focus on the Future. This initiative will enable the Foundation, industry and government to strategically direct resources and energies to those areas of most long-term benefit to the sector.

Our success is also due in no small measure to the dedicated efforts of our board and staff to forge solid working relationships with the BC industry and fulfill the Foundation's mandate. With each board member bringing the perspective of a different

sector group, the industry is well represented and board decisions benefit from these different points of view.

Increases in the number of programs the Foundation administers led to internal changes, including the addition of new staff to improve program delivery, better serve the industry, meet the accountability requirements of our funding partners and achieve our communications objectives.

For me personally, it has been exciting and rewarding to lead the Foundation during this period of expansion. As the Foundation approaches its ten-year anniversary later this year, I am convinced it is poised and ready to face the challenges awaiting us in the future.

On behalf of the Board,

Walter R.J. Goerzen, PAg  
*Chair*



*“The IAF has played a strong leadership role in helping British Columbia producers, processors and rural communities thrive and prosper. It takes great pride in the high standards maintained by British Columbia’s agriculture industry in all areas.”*



*Photo Credit: Walter Goerzen*

## MARKET SUCCESS THROUGH INNOVATION

I’m delighted to have this opportunity to send greetings to the Investment Agriculture Foundation of British Columbia and all who are involved in the agriculture and agri-food sector in my home province.

As members of the agriculture and agri-food sector, you are some of the most valuable contributors to the Canadian economy. You help to provide Canadians and global consumers with safe, high-quality food and you do so with the utmost respect for our environment. The future of Canadian agriculture lies in taking full advantage of all potential market opportunities and research and innovation are the keys to capturing these opportunities.

As the Minister of Agriculture and Agri-Food and the Minister for the Canadian Wheat Board, I want to help you meet those very important expectations. One of the ways to do this is through Agriculture and

Agri-Food Canada’s Advancing Canadian Agriculture and Agri-Food (ACAAF) Program.

With funding from ACAA, the IAF – and its thirteen counterparts across the country – are able to fund innovative projects aimed at raising the bar for best practices in all areas of this vibrant sector. Keeping our standards high, while assisting British Columbia producers to “expand their horizons,” is the most effective route to market success.

The IAF has played a strong leadership role in helping British Columbia producers, processors and rural communities thrive and prosper. It takes great pride in the high standards maintained by British Columbia’s agriculture industry in all areas. It was the IAF that took the initiative of nominating the British Columbia Agriculture Council for the 2005 Canadian Agri-Food Award of Excellence

for Environmental Stewardship, which it subsequently won.

When this government says it’s going to stand up for Canada, that means we’re going to stand up for you. The agriculture and agri-food sector is the backbone of this country and we intend to make sure, through programs like ACAA, that you have every opportunity to be successful and innovative in today’s highly competitive marketplace.

I congratulate the IAF for its continued efforts to promote agriculture in British Columbia and look forward to working with you in the future.

Chuck Strahl  
*Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board*



# 2005 / 2006 IAF BOARD AND EXECUTIVE DIRECTOR



Back Row, Left to Right: **William Cheuk**, Horticulture: Greenhouse, Floriculture and Nursery, *Vancouver* | **Gerry McClintock**, Community Agriculture, *Courtenay* | **Garnet Berge**, Grains, Oilseeds and Forage, *Dawson Creek* | **Walter Siemens**, Poultry and Eggs, *Abbotsford* | **Cornelis Hertgers**, Dairy, *Agassiz* | **Bob McCoubrey**, Emerging Sectors, *Lake Country* | **Gary Sandberg**, Other Livestock, *Chilliwack* | **Tony DiMaria**, Horticulture: Tree Fruits, *Winfield* | **Rhonda Driediger**, Horticulture: Berries and Field Vegetables, *Langley*

Front Row, Left to Right: **John Berry**, Federal Ex-officio, Agriculture and Agri-Food Canada | **John Schildroth** (deceased 2006), Provincial Ex-officio, Alternate, BC Ministry of Agriculture and Lands | **Jens Larsen**, Vice Chair, Cattle, *Merritt* | **Walter Goerzen**, Chair, Post Farm Gate, *Chilliwack* | **Deborah Henderson**, Secretary, Farm Supply Sector, *Vancouver* | **H.A. (Bert) Miles**, Treasurer, Post Farm Gate, *Coquitlam* | **Rob Simon**, Executive Director (to March 2006)



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