

Partnership Committee on Agriculture and Environment

Minutes of meeting number 31 held on February 22, 2007 in Victoria

Attendees	Affiliation
Ed Woo	Fisheries and Oceans Canada
George Derksen	Environment Canada
Allen James	BC Poultry Association (BCAC)
Rae Fawcett	Horse Council of BC (BCAC)
Steve Thomson	BC Agriculture Council
Jennifer Dyson	BC Agriculture Council
Henry Wiens	BC Horticultural Association (BCAC)
Lorne Hunter	BC Milk Producers
Glen Lucas	BC Fruit Growers Association
Denise MacDonald	BC Fruit Growers Association
Irmi Critcher	BC Grain Producers Association
Christine Koch	BC Agriculture Council
George Hamilton	BC Agriculture Council
Hans Buchler	BC Agriculture Council
Brian Baehr	BC Agriculture Council
Mary Margaret Gaye	BC Agriculture Council
Bert Miles	Investment Agriculture Foundation
Greg Norton	AEPI
David Borth	Ministry of Forests and Range
Jim Mattison	Ministry of Environment
Sylvia von Schuckmann	Ministry of Environment
Kaaren Lewis	Ministry of Environment
Helene Roberge	Ministry of Environment
Bob Cox	Ministry of Environment
Randy Cairns	Ministry of Environment
Scott Black	Ministry of Environment
Lynn Bailey	Ministry of Environment
Janet Demarcke	Union of BC Municipalities
Lloyd McKimmon	Union of BC Municipalities
Philip Bergen	Agriculture and Agri-Food Canada
John Berry	Agriculture and Agri-Food Canada
Ken Nickel	Ministry of Agriculture and Lands
Wray McDonnell	Ministry of Agriculture and Lands
Kathleen MacDonald-Date	Ministry of Agriculture and Lands
David Coney	Ministry of Agriculture and Lands
Orlando Schmidt	Ministry of Agriculture and Lands
Ted van der Gulik	Ministry of Agriculture and Lands

The meeting was chaired by – Jim Mattison – MOE
Recording secretary – Ted van der Gulik - MAL

Minutes

Minutes of meeting 30 held on November 8th, 2006 in Chilliwack – adopted. Final minutes will be posted on MAL website.

Web link to Partnership Committee Minutes and background information:

<http://www.agf.gov.bc.ca/resmgmt/partners/index.htm>

Partnership Committee Administrative Items

Partnership Business

Newsletter – discussion about the newsletter and distribution

Focus Session on Water

Jim Mattison gave a brief overview of the status of water in British Columbia. He identified three main areas of interest regarding future water action plans – Human Health and Safety, Healthy Ecosystems, and Wise and Sustainable Water Use. These were all viewed within the uncertainty of climate change.

Ted van der Gulik gave a presentation on agriculture water principles that have been collated by the Ministry of Agriculture and Lands together with industry input. A total of 28 principles were identified.

The following key priority issues were identified by the agriculture industry for the Water Task Group to tackle:

- Livestock watering and the ability to secure licenses
- Water pricing for agriculture
- Proportional sharing vs priority rights – Drought Management Planning
- Water conservation practices and water conserved by agriculture will be used for agriculture sustainability or growth
- Reclaimed water use is for the extension of agricultural production – not a substitution for fresh water access.
- Infrastructure Funding

Participants were asked to write down comments or suggestions and provide them to Ted vdG. Comments will be used by the Agriculture Water Task Group in the formation of an agriculture issue paper. Environment Canada mentioned that there were also Federal Statutes concerning water quality. A strategy could acknowledge International Boundary Waters Treaty, Canadian Environmental Protection, Fisheries Act and the Migratory Birds Convention Act.

Action: Agencies are asked to provide names for representatives to sit on the Water Task Group.

Next steps:

Water Task group to meet and develop an action plan around the initial priority issues above and report back to PC committee at the next meeting.

Minister Bell joined the meeting at 11:45

Minister Bell provided some additional background to the throne speech of 2007. The message is that the province will be taking a more proactive role with respect to climate change. The challenges facing the province will provide new opportunities to the agriculture sector with bio-fuel production and carbon credits.

The province will be taking a Pacific Rim approach to this initiative and will be engaging discussions with California, Oregon, Washington and Alaska.

Steve Thomson pointed out that the wildlife/agriculture interactions was a growing problem and the industry will be coming back to government to address this issue.

Lunch

BC Nutrient Management Working Group

Orlando Schmidt provided a quick update on the Nutrient Management Meeting held in early February. Highlights include:

- Planning for an Okanagan Nutrient Management Study is underway for the summer of 2007. This project will be similar to the work that was done in the Fraser Valley.
- Environment Canada updated the committee on a poultry manure movement pilot project that is proposed along with MAL for the Fraser Valley. The first phase is to scope methodology and determine the hauler's participation support.
- Presentation from LEPS on a manure management demonstration project in Langley that is funded by AEI.
- MaryLou Swift provided information on animal nutrition and how better nutrition can help with nutrient management issues.

Fraser Valley Soil Nutrient Survey

Orlando Schmidt reported the results of the 2005 Fraser Valley Soil Nutrient Survey. A draft executive summary was circulated to the PC. The executive summary is attached to the minutes. A full report will soon be posted on the Resource Management Branch Website. The link is:

<http://www.agf.gov.bc.ca/resmgmt/EnviroFarmPlanning/index.htm>

Science Forum on Nitrate in the Abbotsford- Sumas Aquifer

George Derksen provided a short update. A notice for the science forum being held in Abbotsford on April 26th is attached to the minutes – contact Gevan Mattu.

Environmental Management Act Code of Practice and Regulatory Review

Presentation by Helene Roberge

Environmental Management Act (EMA) came into force in 2004, replacing the Waste Management Act. EMA provides for a more flexible format for authorizations. Only introduction of wastes from industries, trades, businesses and activities which are prescribed in the Waste Discharge Regulation require authorization. All other industries, trades, businesses and activities are subject to a general provision to not cause pollution.

The process for developing codes of practice and reviewing regulations under EMA includes the following stages:

- Information gathering and scoping
- Policy intentions paper for consultation
- Consultation
- Drafting
- Implementation

The agriculture industry will get notified of any regulations that are under review pertaining to agriculture. There are 5 codes of practice and one regulation currently being developed as well as 5 other regulations under review. Codes of Practice and Regulations that are of note for agriculture are:

- Soil Enhancement using Wastes Codes
- Organic Matter Recycling Regulation
- Slaughter Industry Code of Practice
- Poultry Processing Code of Practice
- Finfish Aquaculture Waste Control Regulation
- Open Burning Smoke Control Regulation
- Hazardous Waste Regulation
- Municipal Sewage Regulation

Policy intentions papers can be found at:

http://www.env.gov.bc.ca/epdiv/ema_codes_of_practice/index.html

Wildlife Act Review

Scott Black provided an update on current status of the review of the Wildlife Act update. The current time frame is the spring of 2008. A discussion paper will be posted on MOE's website if the Wildlife Act is to be reviewed. The Agriculture Industry is considered a stakeholder and will be contacted directly if the review proceeds.

Questions regarding the Wildlife act review can be emailed to: Scott.Black@gov.bc.ca

New APF Agreements

Philip Bergen provided an update on the consultations for the next generation of agricultural policy that are currently underway. The Agriculture Ministers will be meeting in June 2007 to pull together a new APF framework agreement.

Ecological Goods and Services

A session with BCAC, MAL and other agencies was held in November. A session on May 7th, 2007 in Richmond is being planned for the EFP working group and Partnership Committee members. Graham Stoneham from Australia is the guest speaker.

Planning for June Partnership Committee

There are two focus sessions planned for the June PC meeting in the Peace River. The BC Grain Producers Association will be hosting the meeting.

Wildlife Policy Issues – Lead: Wray McDonnell

Energy Strategy / Bio-fuels – Lead: Gustav Rogstrand, Harvey Glazier to assist

The next meeting will be held in the Peace River June 19th and 20th, 2007. MAL regional staff will work with Irmi Critcher to plan the meeting.

Updates

Biodiversity Guide – Sylvia von Schuckmann provided an update. A Request for Proposals to develop the guide has been advertised. A draft guide is expected to be completed by the end of June 2007 and field tested by August 2007. The guide will be used in the EFP program.

NAESI - A written report with a website for more information has been included in the minutes – contact Laura MacLean.

EFP National Farm Stewardship Program – Ron Bertrand provided a written update on the NFSP. The report is attached to the minutes.

AEI Update – Steve Thomson provided an update. A report is attached to the minutes.

CBCWSEP – Phil Bergen provided an update. A report is attached to the minutes.

LWTI - Ken Nickel provided a short update on the Livestock Waste Tissue Initiative. There is \$5 million available to work with processors for the management and disposal of livestock waste tissue material. A regulation from the Federal Government governing the disposal of this material comes into effect July 12th, 2007. This program will help processors meet the new regulations. Next meeting of the committee is March 9th.

Bio-Diesel – Irmi Critcher circulated results of a report on the funding of a Bio-diesel plant in the Peace River. A copy of the report is attached to the minutes.

Agenda Items for future meetings:

- Wildlife Act Update – Mike Badry
- GVRD Presentation on Air Emissions and Alternate Fuels for Greenhouse Industry – target for presentation at November meeting – Steve Thomson
- Organic Waste Management Strategy for the Fraser Valley – Jack Bryden
- Alien Species – Ted Lea
- Water Bucket – Ted van der Gulik
- Bio-Fuels – BC Grain Producers
- IAMC – Jennifer Tudhope

Next meeting: June 19th and 20th 2007 in the Peace River



This Issue:

Feedback from Stakeholder Workshop
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Status of Work 2006 – Updates from each Theme
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What's Coming:

Comparing the NAESI standards to CCME guidelines and other provincial criteria

Peer-review process and how to get involved

Theme updates

What do you think?

Let us know what you think of the first issue and send us topics you would like to see in future issues. Just send an e-mail to:
Elizabeth.Roberts@ec.gc.ca

To have a name added to the newsletter mailing list please contact: Michelle Bowerman at:
Michelle.Bowerman@ec.gc.ca

Feedback from the March 2006 Stakeholder Workshop

On March 21-22, 2006, Environment Canada (EC) and Agriculture and Agri-Food Canada (AAFC) met with 58 representatives from provincial environment and agriculture ministries, environmental non-government organizations, producer associations, aboriginal groups, and Health Canada to introduce the National Agri-Environmental Standards Initiative (NAESI). EC and AAFC staff presented the goals of NAESI within the context of the Agricultural Policy Framework. The approaches being used to develop the specific environmental performance standards for air, biodiversity, water, and pesticides were also described and explained. Participants were asked: What do you like about NAESI? What are your concerns? What is your vision for NAESI's future?

The "NAESI Newsletter" is part of our continued quest to improve the transparency of the program and the standard development process and establish closer ties with our Stakeholders / Partners. The partnership between EC and AAFC continues to be strong as we finalize the standards and begin to wind-down NAESI One.

Let's meet again!

The next Stakeholder Workshop will take place following the March 31st, 2008 submission of the standards to AAFC.

A full report on the March 2006 Stakeholder Consultation Workshop has been produced and is available on the NAESI website.

Connecting with NAESI:

NAESI is now on-line! Please visit our website for program description and information on how to contact us!
www.agr.gc.ca/env/naesi_e.php

DRAFT

Nitrate Contamination of the Abbotsford-Sumas Aquifer Groundwater Nitrate Science Forum

"What we know, what do we need to know, where do we go from here?" - Science to support informed decision making

University College of the Fraser Valley, Abbotsford, B.C.

Thursday, April 26, 2007

Preamble: This science meeting is being organized as a result of discussion at the Partnership Committee on Agriculture and the Environment meetings. It is the third such forum in ~15 years. The Science Forum organizing committee will prepare a report that will form part of the basis for a second forum day (to be held at a later time) to deal with the policy, economic, legal, and regulatory issues. *The goal is to determine what is needed to understand why groundwater nitrate is not declining to a level below the drinking water standard by providing a venue for exchange of scientific understanding, and panel discussion on data gaps and 'where we should go from here'.*

Moderator: Dr. Dave Rudolph (Professor, Dept. Earth Sciences, University of Waterloo)

Part 1: Overview and long term trends		
Al Kohut, TBA	Overview and history of issue	
Ray Copes, BC Centre for Disease Control	Groundwater nitrate health concerns	
Env. Canada and/or BCMOE	Long term groundwater monitoring, and 2004-5 sampling	
Len Wassenaar, Environment Canada	Decadal trends in groundwater nitrate contamination	
Coffee break		
Part 2: Soil zone		
Grant Kowalenko, Agriculture and Agrifood Canada	Plant and soil N considerations, berry fertilizer management	
Shabtai Bittman, Agriculture and Agrifood Canada	NLOS or N models?	
TBA	Recent soil survey?	
LUNCH – in the UCFV cafeteria at individual expense		
Part 3: Groundwater zone		
Robert Mitchell, Western Washington University	Groundwater nitrate studies in the Sumas aquifer	
Cathy Ryan, University of Calgary	Field scale study on nitrate leaching under raspberries	
Diana Allen, Simon Fraser University	Groundwater flow/modeling	
Steve Cox, USGS	TBA	
Coffee break		
Part 4: Panel Discussion		
Gap Topic #1:	Gap Topic #2:	Gap Topic #3:
Speakers and organizing committee dinner		

Agriculture Environment Initiatives Update

Operations Update:

- The response to the AEI program continues to remain strong, with as many as 10 new applications for consideration at the current AEI Management Committee meeting. The steady intake underscores the continuing interest of producer groups and their partners in addressing wildlife and environmental issues facing the industry. Over the next few months the BCAC and Investment Agriculture Foundation will be discussing possibilities for additional funds for the AEPI.
- A coordinated AEI communications initiative has commenced with assistance from IAF. To date 3 “stories” have been released featuring the Comox Valley Waterfowl Program, the Surrey SHaRP initiatives and the Bird Management in Blueberries project. A fourth release, on the Sustainable Poultry Farming Group, is nearing completion. The intent of this initiative is to raise awareness amongst farm and non-farm audiences about the types of issues being tackled by the industry with AEI funding assistance.
- The emerging policy and program area which recognizes the environmental goods and services (EG&S) provided by agriculture is gradually unfolding in British Columbia. During the the initial stages there may be opportunities for the AEI to support some of the more promising applications of the EG&S concepts

Financial Update:

- To date 115 applications have been fully or partly approved of the 173 submitted and 65 projects completed.
- Financial status to date
 - \$11.1 million of \$12 million in AEPI funds have been committed by MC decisions to date. Included in that is \$15,000 expended of the \$1,000,000 committed for new and supplemental BMP's.
 - \$990,000 of AESI funds has been fully committed.
 - A further \$303,000 has been received by BCAC for contributions towards AESI/AEPI projects and operations.
 - \$4.23 million is the estimated MAL expenditure to the end of the 06-07 fiscal year for the wildlife compensation initiatives. One million is committed for 07-08.

Canada-British Columbia Environmental Farm Plan Program

Update Report

Introduction

Environmental farm planning is a voluntary process that producers can use to identify both environmental strengths and any potential risks on their farms.

The British Columbia Agriculture Council (BCAC) is delivering the program on behalf of Agriculture and Agri-Food Canada, and in co-operation with Fisheries and Oceans Canada, Environment Canada, and the British Columbia ministries of Agriculture and Lands and Environment.

In British Columbia, delivery groups lead the delivery of EFP services at the local level. Delivery groups co-ordinate the delivery of EFP programs to commodity groups and/or to producers in a certain geographic area. Delivery groups are farm organizations with strong connections to the agricultural community. The number of delivery groups has been reduced from 18 to 16 with the termination of the group operated by the BC Pork Producers Association and the amalgamation of the berry and field vegetable groups into a single group.

Delivery groups employ the services of recognized EFP planning advisors. Through workshops or one-on-one meetings with producers, EFP planning advisors help to identify strengths and concerns, suggest appropriate corrective measures, and help prioritize any action items. EFP planning advisors are responsible for approving environmental farm plans, issuing Statements of Completion and assisting producers to access incentive funding.

Delivery Groups and Contact Information

Delivery Group	Primary Contact	Telephone
BC Cattlemen's Association	Peter Spencer	250-764-0376
BC Fruit Growers Association	Don Magnusson	250-762-5226
BC Grain Producers Association	Julie Robinson	250-782-4501
BC Greenhouse Growers Association	Amandeep Bal	604-591-5349
BC Landscape and Nursery Association	Hedy Dyck	604-574-7772
BC Milk Producers' Association	Dave Melnychuk	604-534-2639
BC Potato and Vegetable Growers Association	Jyl Singh	604-807-5659
BC Poultry Association	Allen James	604-795-7656
Certified Organic Association of B.C.	Kirsten Kane	250-260-4429
Comox Valley Farmers' Institute	Mary-Jane Douglas	250-337-1834
Creston Valley Agricultural Society	Val Miller	250-229-5313
District "C" Farmers' Institute	Warren Wilson	250-967-4545
Horse Council British Columbia	Vicki Pauze	604-856-4304
Island Farmers' Alliance	Peter Versteeg	250-743-2243
Peace River Forage Association of British Columbia	Julie Robinson	250-782-4501
United Flower Growers Cooperative Association	Susan McLeod	604-290-1185

Environmental Farm Planning Activities to December 31, 2006

The following statistics are totals from throughout the province since the inception of the program:

- Communication events 445
- Workshops 993
- Producer participants 3466
- Statements of Completion 1302

Incentive Funding Activities to September 30, 2006

The following statistics are totals from throughout the province since the inception of the program:

- Applications reviewed 1169
- Applications approved 996
- Program funds to producers (committed and expended) \$5.4 M
- Total project value (approximate) \$18 M
- Ducks Unlimited Canada funding for selected BMP's \$172,406

Delivery Groups Approved for 2007 / 2008

The Working Group approved continued funding for the 16 Delivery Groups for the 2007/2008 fiscal year:

- Total approved budget for Delivery Groups \$1.72 M

Contacts

For additional information contact

Niels Holbek, PAg Tel: 1 877 334-6547 (within B.C.) 1 250 334-6547 (outside B.C.) Fax: 1 250 337-5710 E-mail: efp@island.net		Ron Bertrand, PAg Tel: 604 308-6755 Fax: 604 854-4485 E-mail: rbertrand@shaw.ca
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Feb 9, 2007

Canada-British Columbia Water Supply Expansion Program

Update for Partnership Committee on Agriculture and the Environment February 22, 2007

Program Summary:

- The objective of the Program is to provide financial and technical support for the planning and development of sustainable water supplies for agriculture.
- The Program has three components:
 - Tier 1 – On-farm water infrastructure projects such as wells, dugouts and small dams. Irrigation equipment is not eligible. The Program contributes up to one-third of the eligible costs to maximum of \$5,000 per project.
 - Tier 2 – Multi-user infrastructure projects that are larger and will provide water for agricultural purposes. The Program contributes up to one-third of the eligible costs.
 - Tier 3 – Strategic work projects that will serve to increase opportunity for strategic partnerships and enhance understanding of the operational and developmental limitations to the water resources for agriculture in their community or region.
- Total Program funding available: \$5,600,000. **The remaining application deadlines are April 1 and June 1, 2007. The Program ends March 31, 2008.**
- The Program is managed by a Program Working Group that includes federal, provincial and industry members. The application contact point for Tier 1 is the BC Agriculture Council, (604) 854-4483 and for Tiers 2 & 3, Agriculture and Agri-Food Canada, (250) 782-3116. Application forms are available at www.agr.gc.ca/h2o.

Program Activity Highlights:

- Program figures since inception up to and including the Jan 1, 2007 application date:
 - Tier 1 - 549 applications reviewed, 345 approved (153 completed and 192 under construction), and 101 canceled. Total funding expended and estimated expenditures for Tier 1 projects: \$1,068,000. Original allocation: \$1,900,000.
 - Tier 2 – 40 applications reviewed, 24 approved, 3 completed, and 20 under construction. Total funding expended and committed to Tier 2 projects: \$2,313,000. Original allocation: \$2,500,000.
 - Tier 3 – 56 applications reviewed, 32 approved, 11 completed, and 21 in-progress. Total funding expended and committed to Tier 3 projects: \$2,115,000. Original allocation: \$1,100,000.
- There is continued interest in all three categories of projects. The Program Working Group has re-allocated some Tier 1 funds to priority Tier 2 and 3 projects to prevent funds originally allocated to Tier 1 from lapsing when the Program ends in March 2008. Applications for all Tiers will still be accepted until June 1, 2007, however unless additional funds are made available to the Program, it is unlikely that the Program Working Group will be able to fund additional Tier 2 or 3 project applications as sufficient funds need to be reserved for all Tier 1 projects that can be completed before March 2008. Continued effort will be made to promote the Tier 1 component of the Program.

Prepared by: Philip Bergen
Agriculture and Agri-Food Canada
February 6, 2007

Peace Region Biodiesel Project

B.C. Grain Producers Association

Background

Biodiesel is an environmentally friendly fuel that can be made from canola oil, mixed with diesel fuel and used in unmodified diesel engines to reduce emissions.

The British Columbia Grain Producers Association (BCGPA) hired a consulting firm (Interactive Management Group Ltd.) to conduct a \$75,000 feasibility study funded by the B.C. Government to assess the potential for a biodiesel plant for the Peace Region. The study, which was presented on February 12, 2007, suggests that a suitable sized plant for the Peace would:

- Produce 22.7 million litres of biodiesel (6 million U.S. gallons) per year
- Process 56,000 tonnes of locally produced canola annually with an estimated value of approximately \$19 million
- Contribute \$25 million to the local economy annually
- Create 24 skilled jobs with an annual payroll of approximately \$1.7 million
- Generate \$1.5 million per year in local, provincial and federal taxes
- Cost \$22 million to build
- Create a 56% greater benefit to the local economy with local ownership
- Be one of the most operationally efficient plants and is designed to be one of the most environmentally-friendly projects in Canada (no chemical oil extraction)
- Be funded with 60% equity, half of which could potentially come from a matching federal program for farmers

The next steps for the project include:

- Engage a project manager
- Establish governance model
- Identify tax issues and establish corporate structure
- Public awareness/founder investor attraction/establish founders share structure and compensation process
- Begin site location due diligence
- Begin discussions with governments/cities
- Evaluate and establish potential partnerships — production and marketing
- Identify R&D projects and pilot projects
- Revise engineering cost estimate and identify the potential construction engineering firm
- Recruit key personnel
- Raise the equity by developing the business plan and offering memorandum and conducting meetings with potential farmer investors
- Initiate environmental assessment and application
- Order the required equipment and raise the capital for the deposits.

It is expected that it will take three years from the time these next steps are initiated to when a plant would be operational in the Peace.

Additional Issues

Federal level:

- In December, the federal government announced two major programs in support of farmer participation in biofuels projects. These projects include a \$200 million matching equity program and a \$145 million research and development program.

- It was expected that the federal government would announce a production incentive of approximately \$0.20 per litre that would level the playing field for Canadian firms in relation to U.S. biodiesel firms which receive a \$0.31 per litre incentive.
- However, the federal government has indicated that further announcements would have to wait for the federal budget which is expected next month.

Provincial level:

- The Alberta government has announced a \$0.09 per litre incentive which is paid to biodiesel producers who locate in that province.
- In British Columbia, a regionally adjusted consumption tax credit of \$0.15 to \$0.21 is available for on-road use regardless of where the fuel is produced. (From \$0.15 per litre in most of B.C., including the Peace to \$0.21 in the Lower Mainland.)

These factors raise two key issues:

1. The outcome of the 2007 federal budget, in relation to the anticipated federal per litre incentive, will be critical to the plant going forward. Every cent of per litre incentive represents \$230,000 in revenue per year for the plant.
2. A preliminary analysis of locating the plant in B.C. versus Alberta indicates that there are no major advantages to the plant being located in either province — except for Alberta's \$0.09 per litre production incentive which would provide a \$2 million annual benefit to a plant locating in Alberta. Alberta also has a grant program that assists with the cost of plant construction. The financial benefits of this program have yet to be examined.

Regardless of where the plant locates, the economic benefits to the B.C. Peace region are considerable.