

Partnership Committee on Agriculture and Environment

Minutes of meeting number 32 held on June 19th and 20th, 2007 in Ft. St. John

Attendees	Affiliation
George Derksen	Environment Canada
Rae Fawcett	Horse Council of BC (BCAC)
Steve Thomson	BC Agriculture Council
Jennifer Dyson	BC Agriculture Council
Garnet Berge	BC Grain Producers
Henry Wiens	BC Horticultural Association (BCAC)
Denise MacDonald	BC Fruit Growers Association
Irmi Critcher	BC Grain Producers Association
George Hamilton	BC Agriculture Council
Lynn Lashuk	BC Agriculture Council
Linda Allison	BC Agriculture Council
Lynn Wilson	BC Agriculture Council
Brian Baehr	BC Agriculture Council
Lorne Hunter	BC Dairy Producers
Bert Miles	Investment Agriculture Foundation
Kim Lonsdale	Integrated Management Group - Bio-diesel Consultant
Denise Mason	Integrated Management Group - Bio-diesel Consultant
Sylvia von Schuckmann	Ministry of Environment
Mike Badry	Ministry of Environment
Al Martin	Ministry of Environment
Randy Cairns	Ministry of Environment
Margaret Crowley	Ministry of Environment
Jeff Morgan	Ministry of Environment
Nick Baccante	Ministry of Environment
Janet Demarcke	Union of BC Municipalities
Lloyd McKimmon	Union of BC Municipalities
Philip Bergen	Agriculture and Agri-Food Canada
Terry Dash	Agriculture and Agri-Food Canada
Julie Robinson	Peace River Farmers Association
Rick Kantz	Peace River Farmers Association
Doug Summer	Peace River Farmers Association
Harvey Sasaki	Ministry of Agriculture and Lands
Randelle Lusk	Ministry of Agriculture and Lands
Harvey Glasier	Ministry of Agriculture and Lands
Ken Nickel	Ministry of Agriculture and Lands
Wray McDonnell	Ministry of Agriculture and Lands
Todd Bondaroff	Ministry of Agriculture and Lands
Gustav Rogstrand	Ministry of Agriculture and Lands
Ted van der Gulik	Ministry of Agriculture and Lands

Chair – George Hamilton – BCAC

Recording secretary – Ted van der Gulik - MAL

Minutes

June 19th, 2007

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

Bio-Diesel Focus Session

Chaired by Gustav Rogstrand

Harvey Glasier – provided an overview of bio-diesel production. The various types of bio-fuel production and use around the world were discussed. An outline of Canada's National Renewable Fuels Strategy was provided. The intent of the strategy is to provide incentives for locally produced renewable fuels. British Columbia provides a tax exemption of \$0.145/ liter on ethanol and \$0.09/ liter on bio-diesel.

British Columbia is developing an alternative energy strategy that includes 25 Million for a clean energy fund, 89 Million for a fleet of hydrogen buses and fueling infrastructure, 5 percent renewable energy fuel and a bio-fuel energy strategy.

Garnet Berge – presentation on why the BC Grain Producers are pursuing a bio-diesel facility. Bio-fuels are seen as a light at the end of the tunnel for the current low commodity prices being experienced in the Peace River. The proposed plant will produce 22 million liters of bio-diesel and will cost approximately \$22 million. The plant will require 56,000 tons of canola that will require an equal amount of production from Alberta and British Columbia.

At this time Alberta has additional incentives to build the bio-diesel plant in Alberta.

Kim Lonsdale – provided a presentation on the BC Grain Producers Association proposed facility in the Peace River. This plant will use locally grown canola that can produce up to 500 liters of oil per acre. There are three methods of extracting the oil from the canola seed. The extraction process used for the production of bio-diesel will also produce a high grade feed product for cattle. The glycerine that is produced as a by-product will be burned to offset natural gas costs.

Denise Mason – provided a presentation on the cost comparisons of building a plant in Alberta or British Columbia. There is an \$8.5 million advantage to build the plant in Alberta instead of British Columbia during the five-year construction and initial production phase.

The Peace River bio-diesel plant will create 24 new jobs, increase the local GDP by \$25 million, reduce dependence on imported fuel and add tax revenue of \$1.5 million. The benefit to the local economy will be increased 56% with local ownership as opposed to being built elsewhere.

A more detailed summary is attached to the minutes.

Action: The BC Agriculture Council help facilitate a presentation by the BC Grain Producers Association to the Provincial Minister of Agriculture, the Minister of Energy, Mines and Petroleum Resources and others as necessary on the bio-diesel initiative in the Peace River.

Lunch

Tour of Peace River Area

Barbecue at Critcher Farm

Minutes of June 20th, 2007

Wildlife Focus Session

Chaired by Wray McDonnell

Harvey Sasaki – provided an overview of the wildlife compensation program to date. The Minister of Agriculture and Lands and the Minister of Environment are conducting a review of wildlife compensation programs and a review of the wildlife act.

Wray McDonnell – reviewed the terms of reference of the Wildlife Committee.

Al Martin – Director of Fish and Wildlife Branch, Ministry of Environment. Environmental sustainability is now a chaired responsibility among government agencies. The resource ministry's will likely have a smaller portion of provincial budgets as budget pressure increase for health care and education. This will make the forging of new partnerships with other organizations a necessity to ensure a healthy environment.

Brian Baehr – provided an overview of the major provincial wildlife issues. These include wildlife predators feeding on livestock, waterfowl eating forage crops, bird damage to berries, cherries and grape crops, ungulates eating stored feed as well as ungulates and waterfowl eating cereal crops. Various mitigation and crop protection methods were discussed.

Limited funds are available for prevention and mitigation through AEPI and NFSP. Equitability of access to programs for all sectors and regions is an issue.

Mike Badry – provided a presentation on the Provincial Wildlife Conflict Strategy. Conflicts include property damage, agricultural damage, vehicle collisions and human injury or death. Costs to the BC taxpayer are in the millions of dollars each year. The biggest issue province wide is bear and cougars, primarily for human safety.

The province provides management, information and data sharing, scientific and technical support, regulations and standards and partnership facilitation. The benefits of the strategy are improved public safety, reduced property damage and fewer animals being killed.

Wildlife management tools include harvest management (hunting); population control; reactive options such as translocation, hazing and aversive conditioning; and others including education, habitat enhancement, diversionary feeding, fencing, repellents/deterrents, and fertility control.

Some of the current initiatives include “bear smart” communities, wild predator loss control program, private land habitat enhancement incentive, wildlife control operator training and vehicle collision reduction program.

George Derksen – gave a presentation on the mandate of Environment Canada regarding wildlife and species at risk.

Wray McDonnell provided information on Spot Loss Compensation Programs in other provinces and the APF program in British Columbia. APF is funding 5 pilot projects in British Columbia; 2 ungulate projects in the Cariboo and East Kootenay, 2 waterfowl projects in Delta and Comox and the wildlife predator program administered by the BCCA.

Jeff Morgan gave a presentation on the private landowner incentive program. It is a fish and wildlife program but is supported by MAL and MOE. Proposed solutions are:

Solution 1 - develop agriculture zone specific regulations such as harvest strategies and monitoring that target agricultural zones.

Solution 2 - develop hunter access programs/ reservation systems. The intent is to create or maintain hunter access to private land.

Solution 3 - develop agriculture zone specific hunting licenses. Bag limits may be higher in the agriculture zone as compared to the crown zone.

Solution 4 - integrate programs, both strategic and operational. One organization does not hold all of the tools. Compensation and wildlife control or management must work together.

Solution 5 - develop partnerships based on stewardship programs.

Harvey Sasaki provided a summary of the presentations given in the morning and how the various agencies can move forward to resolve many of the wildlife damage issues.

Linda Allison commented that agriculture wildlife issues should be communicated in a timely and consistent manner to the various producer groups to ensure that they are informed.

Action: The Wildlife Committee take the comments and ideas presented at the meeting under advisement and work with MAL executive to develop a strategic wildlife damage control plan and compensation funding for farmers in British Columbia in a timely manner.

The Wildlife Committee will report back to the Partnership Committee on an as needed basis.

Lunch

Water Strategy

Ted van der Gulik provided an update on the committee formed to address agriculture and water issues. The principles that have been developed have been provided to other agencies and were also a part of an agriculture focus session presented to the Okanagan Water Stewardship Council. A meeting of the committee will be held in the fall.

Habitat and Farmland Committee

Building Setbacks – Ted van der Gulik provided an update on the building setback standards. Ministry of Environment requested a change to the watercourse classification definitions in April. The draft building setback standards were changed to accommodate the new definitions of a channelized stream. MOE and DFO now must approve the draft standard. Once approved by the agencies the building setback standard will be presented to BCAC for approval.

Biodiversity Guide – Sylvia Von Schuckmann updated the committee on the status of a request for proposal for the development of a biodiversity guide. The draft will be ready in July and will be field tested later this summer in a number of areas around the province. This will be another supplemental guide to the Environmental Farm Planning program.

BC Nutrient Management Working Group

The Nutrient Management Working Group will be meeting at the end of June.

Okanagan Soil Survey – Ted van der Gulik indicated that a coordinator has been hired and the Okanagan Soil Survey is underway. Approximately 160 sites will be part of the survey, which is expected to be completed this fall.

Science Forum on Nitrate in the Abbotsford- Sumas Aquifer

George Derksen provided a short update. A forum was held on April 26th in Abbotsford with 14 presentations. A subsequent open forum policy session is being planned.

New APF Agreements

Philip Bergen provided an update on the consultations for the next generation of agricultural policy framework. There is a strong interest in continuing the environment programming under the new framework. The Agriculture Ministers will be meeting in June 2007 to pull together a new APF framework agreement.

Ecological Goods and Services

Ken Nickel reported on the May 7th session held in Richmond. One model on Ecological Goods and Services was presented by Gary Stoneham from Australia. Notes from the AAFC lead-off presentation by Darrell Gumieny on May 7th meeting are attached to the minutes.

Planning for November meeting

The focus session for the November meeting will be on alternative fuels and air quality. Gustav Rogstrand will coordinate the session.

Updates

SRM – Ken Nickel reported on the funding available for operations that are handling Specified Risk Material to adapt to new regulations that are coming into force in July. An issue was raised on how wildlife will be processed as many butchers will no longer slaughter wildlife with the new regulations coming.

AEI Update – A written report from Brian Baehr is attached to the minutes.

EFP National Farm Stewardship Program – A written report from Ron Bertrand is attached to the minutes.

CBCWSEP – A written report from Phil Bergen is attached to the minutes.

Agenda Items for future meetings:

- 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
- Wildlife Act Update – Chris Hamilton
- Alien Species – Laura Darling
- Waterbucket – Ted van der Gulik

Next meeting: Scheduled in early November in Richmond.

Biofuels Focus Session

Partnership Committee Meeting, Fort St John, 2007-06-19

Biofuels 101

By: Harvey Glasier

Why?

The three main drivers for biofuels production is:

1. Reduced reliance on imported fuel (focus on local production)
2. Environmental benefits (due to more efficient combustion and carbon neutrality)
3. Rural economic development

Who?

- The current major producers of ethanol are Brazil, USA and EU.
- Biodiesel production is most prevalent in EU (due to high frequency of diesel cars) and it is emerging on a smaller scale in the US and in Asia
- Biogas is produced for use as vehicle fuel primarily in EU with some production capacity emerging in the US.
- Canada has been slow to develop in all of these fields.

North American fuel consumers are primarily using petrol for vehicle propulsion which has led to a biofuels production industry that is focused on ethanol production. EU is about 50/50 with respect to diesel/petrol usage and that has resulted in a more diversified biofuels production with about 50% of the production capacity directed towards biodiesel and 50% towards ethanol.

What?

Biofuels include:

- Biodiesel
- Biogas
- Ethanol
- Biobutanol and
- Biooil

(Biobutanol and Biooil is at a research stage and are minuscule in terms of production capacity compared to the other three)

When?

Viable Biofuels industries have emerged where the conditions are right. The required conditions include:

- Aggressive **policies** such as carbon taxes, stipulated biofuels content in “normal fuel”, financial incentives for biofuels use and production.
- Suitable incentive **programs** that favours local/domestic production such as producer tax incentives (as a complement to or instead of distribution tax incentives) and public procurement programs.
- Favourable **economies** of scale which includes access to substantial amounts of canola (or other raw material), market for biofuels and access to a distribution network suitable for biofuels.

Current Canadian/BC policies

- Federal goal of 5% Ethanol content in gasoline by 2010 and 2% biodiesel content in diesel by 2012.
- BC tax exemption of \$0.14/l for ethanol and \$0.09/l for biodiesel

BC Grain Producers motives for exploring opportunities related to biodiesel production

By: Garnet Berge

BC grain producers have seen the profit margins gradually disappear from their industry. The recent drought is just one of many factors that have put the industry as we know it in question. Garnet and the BC Grain Producers Biofuels Committee view the biofuels opportunities that exist in the Peace region as the “light at the end of the tunnel”.

Some factors that make the BC Peace region suitable for biofuels production include:

- It is the closest canola producing prairie region to the biofuels market in the lower mainland.
- Climate is well suited for canola production and the infrastructure for grain handling already exists.
- The region has a built-in fuel distribution system and is well accustomed to the concept of fuel production due to the existing oil and gas industry in northern BC and Alberta.

BC Grain producers have moved from feasibility study mode to business planning mode. They are planning for a facility with the following specs:

- 22 Million litre/year biodiesel production capacity (expandable to 37 Million litre/year)
- 56,000 tonnes of canola utilized annually by the plant
- 24 skilled workers would be required to run the facility
- \$23 Million in capital cost

BC Grain producers would like the plant to be located on the BC side of the Peace region but Alberta offers better economic conditions. Alberta has offered a capital grant of \$2.5 Million on top of the already superior production incentives. Garnet is requesting that BC matches Alberta’s bid to ensure that the facility will benefit the rural area on the BC side of the border. A certain frustration was expressed by the Grain Producers Biofuels Committee over a perceived lack of BC government initiative to try to match Alberta’s incentive levels.

Background on proposed biodiesel production facility for the Peace Region

By: Kim Lonsdale and Denise Mason from Interactive Management Group (IMG)

IMG was the successful consultant in the bid for the contract to do Peace Region Biodiesel Production Feasibility Study. One of the main goals for the feasibility study was to establish when the economies of scale arrive in a biodiesel project and if that “entry level” was compatible with potential markets, available resources and situation in the Peace region.

The Peace region has a competitive advantage in that that it generates a canola crop with a higher oil fraction than a canola crop that is grown further south.

Three technology concepts are available for biodiesel production:

- Cold press
- Warm press
- Solvent extraction

It is proposed that the Peace project would utilize the warm press technology. The warm press technology deactivates certain enzymes which make the canola meal (residue) useful as animal feed and since no solvents are used the meal can be used as feed in the aquaculture industry.

The plant would have no other discharge than wash water and the process will not cause odour problems.

The economic value of premium canola meal (i.e. aquaculture quality standard) will offset the relative extraction inefficiency caused by not using chemical solvents. In addition, the cost for chemicals are reduced and it is no longer necessary to employ a full time chemical engineer.

It is very important that the produced biodiesel meets the standard of the market place for vehicle fuel. The produced biodiesel will be tested before delivery to ensure that the quality is sufficient for distribution. The plant will recycle any batch of biodiesel that does not meet the standard.

The feasibility study showed that it is necessary to source canola from both the BC and Alberta side of the Peace region. Since the investors will likely be both from Alberta and BC, the plant should be placed where it makes most economic sense for the investors. An economic comparison at all levels shows that Alberta has an advantage at a 25 year perspective due to capital grants, production incentives and tax effects.

- **What can BC do in terms of policy changes and production incentives to match Alberta?**
- **What can BC do to ensure that the rural development benefits that would result from the plant itself fall within the realm of BC instead of Alberta?**

Discussion

By: All participants

It was asked what the presenters would suggest in terms of required BC policy changes to facilitate the establishment of the Peace Region Biodiesel plant on the BC side of the border.

The consultants referred to a policy paper that had been submitted to the government. In short the policy options consist of various combinations of:

- Tax incentives
- Production incentives
- Consumer incentives

No details were given in the discussion regarding more specific policy suggestions. It was noted that whatever incentives that BC may come up with it would have to amount to approximately \$5 million in value to the biodiesel endeavour over 25 years to match Alberta's support levels.

In the consultants opinion there seemed to be a lack of coordination and cohesion at a senior executive policy making level within the BC government. This was presented as a potential reason for the perceived lack of BC government initiative to try to match Alberta's incentive levels.

During the discussion a general timeline for the implementation face of the biodiesel facility was presented:

- The decision on where to build the plant is expected to be made around July 15th, 2007.
- The Business Plan should be finalized by the end of July, 2007.
- Subsequently, site selection and local government discussion is to occur
- The autumn, up to November 2007 is to be spent on capital raising efforts.
- Once capital is secured preliminary engineering studies and environmental assessments can be made and the process to secure applicable permits can be started.

- Construction will commence when all the permits are in place and it is projected that biodiesel production could start sometime during the summer of 2009.

A discussion followed on how to reach a decision regarding potential BC incentive programs that would facilitate the construction of the biodiesel plant on the BC side of the border. BC MAL asked for a specified request to respond to such as policy change suggestions and required value levels. The Grain Producers Biofuels Committee and the consultants argued that such requests had already been made to the government.

As a suggested way to move forward BCAC offered to broker further communication between MAL and the Grain Producers Biofuels Committee with the aim to get the information packaged in a way that facilitates policy decisions to the right people within MAL. BCAC also proposed that they could facilitate a meeting regarding the Peace Biofuels Project with the Ministers of Agriculture and Lands, Environment, Economic Development and Energy, Mines and Petroleum Resources.

AEI Update

Operations Update:

- As noted below, the funds left uncommitted in both the Agriculture Environment Partnership Initiative (AEPI) and the Agriculture Environment Stewardship Initiative (AESI) funds are becoming quite limited. Efforts to identify and free up committed but unexpended funds have begun with the objective of knowing about all potentially unutilized funds that may be available for current and future projects.
- In late April the BCAC was invited to participate in an agricultural panel at the BC Wildlife Federation (BCWF) annual general meeting in Dawson Creek. The purpose of participating was to explore opportunities for improving relationships between hunters and farmers and at the same time understand how hunting can be used more effectively to manage wildlife populations in problem areas. The result of the effort was very positive as far as opening lines of communications and encouraging with respect to participation by BCWF in projects aimed at reducing wildlife impacts on farms and ranches.
- A proposal to Investment Agriculture Foundation for establishment of a new fund similar to the AEPI is under development and in the process of being forwarded to IAF in the near future. The proposed fund, Agriculture Environment and Wildlife Fund would continue to focus on the two main strategic priorities and facilitate proactive initiatives by the AEI Management Committee need to meet key objectives.

Financial Update:

- To date 134 applications have been fully or partly approved of the 189 submitted and 74 projects completed.
- Financial status to date
 - \$11.5 million of \$12 million in AEPI funds have been committed by MC decisions to date. Included in that is \$69,000 expended of the \$1,000,000 committed for new and supplemental BMP's.
 - \$990,000 of AESI funds has been fully committed.
 - A further \$353,000 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 Water Supply Expansion Program

Update for Partnership Committee on Agriculture and the Environment June 1, 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 last application date was 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.

Program Activity Highlights:

- Program figures since inception up to March 31, 2007:
 - Tier 1 - 590 applications reviewed, 415 approved (214 completed and 129 canceled). Total funding of \$744,000 expended for projects valued at \$2,501,000. Total funding expended and committed to Tier 1 projects: \$1,113,000.
 - Tier 2 – 29 applications reviewed, 21 approved, 8 completed, and 13 under construction. Total funding expended \$555,000. Total funding expended and committed to Tier 2 projects: \$2,350,000.
 - Tier 3 – 54 applications reviewed, 31 approved, 18 completed, and 13 in-progress. Total funding expended \$1,067,000. Total funding expended and committed to Tier 3 projects: \$1,845,000.
- 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. The last application date for all Tiers was June 1, 2007. The Program Working Group will be meeting in June and likely again in July and it is expected that all Program funds will be committed.

Prepared by: Philip Bergen
Agriculture and Agri-Food Canada
June 1, 2007

CBCWSEP Tier 1									
Number of completed (paid) projects by type and region as of May 31, 2007									
		Region							
	Project Type	Vancouver Island/North Coast	Lower Mainland	Okanagan	Thompson Shuswap	Cariboo-Prince George	Peace River	Kootenays	B.C.
Tier 1	SD	23	55	14	21	8	7	5	133
	LD/EX	2		1					3
	DO	16	1	1	1	1	25	1	46
	OS	3	5	2	7	2	2	2	23
	ST	2							2
	PH		1	1	3				5
	PP				1	2			3
	Total	46	62	19	33	13	34	8	215

Project Type:

SD – Small Diameter well

LD/EX – Large Diameter or Excavated well

DO – Dugout

OS – Other Source Development - Small dams, spring development and/or pipeline, (also includes Water treatment equipment)

ST – Off-Stream Storage

PH – Pipeline connection

PP – Pasture Pipeline

Incentive Funding Activities to March 31, 2007

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

- Applications reviewed 1650
- Applications approved 1454
- Program funds to producers (committed and expended) \$7.7 M
- Total project value (approximate) \$26 M
- Ducks Unlimited Canada funding for selected BMP's \$325,000

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

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Notes from Ecological Goods and Services Meeting on May 7th, 2007

EG&S are:

- The benefits that human populations derive, directly or indirectly, from healthy functioning ecosystems (Adapted from UN Millennium Ecosystem Assessment (2005))
- Healthy agro-ecosystems can provide numerous EG&S, such as clean water, flood and erosion control, carbon sequestration, wildlife habitat

Context

- Public Policy Issues:
- Producers are paid for market goods, but rarely for public goods;
- May overuse resources and under-supply ecological services:
E.g.: May drain wetlands and cultivate marginal land in spite of crucial waterfowl habitat.

Reasons to be careful:

- We need to ensure that the chosen policies have the desired effect;
- Other sectors are subject to the Polluter Pays Principle, and receive no particular EG&S support;
- Linking ecological benefits to incentives requires scientific and economic information that is often lacking.

Policy development activities completed or underway:

- F/P Working Group established;
- 2006 National Symposium on EG&S;
- Eight pilot projects being implemented;
- Cost-benefit analysis of potential EG&S options being tendered;

Other policy research:

- Environmental tax credit programs;
- Overview of Fed/Prov research.

Cost Benefit Analysis of EG&S Options:

- Ministers directed Fed/Prov Working Group to evaluate costs and benefits of potential EG&S programming in Canada;
- A Sub-committee of federal and provincial officials formed to guide analysis (BC, Alberta, Manitoba, Ontario, and Quebec);
- Contract to be let by mid-year;
- Analysis based on achieving measurable environmental improvements;
- Will assess efficiency of a range of instruments, including current programming, tax credits, credit trading, acreage payments, BMP insurance, etc.

Current Federal EG&S activities:

APF Programming:

- National Farm Stewardship Program - \$260 million program;
- Greencover Canada - \$110 million program;
- EG&S Agro-Forestry Workshops
- (NRCan);
- Environment Canada and AAFC
- Reverse Auction Economic Analysis;
- Greenhouse gas offset system

A range of options being researched may complement existing programs...

- A review of funding levels for BMPs and/or Greencover Canada;
- Trading and offset systems;
- Tax measures;
- Auctions and tenders (e.g. Bush Tender);

- Education/awareness;
- Annual payments e.g. Alternate Land Use Services (ALUS) proposal

Still plenty of tough questions...

- How to measure and place value on public demand for EG&S?
- When does 'polluter pay' stop and 'provider get' begin?
- How to ensure results are accountable to the market place (private buyer) and/or public?
- How to select most efficient and effective policy tools?

Next Steps:

Complete research for the development of EG&S policy framework by:

- Research EG&S policy options to discover the cost-effectiveness, environmental effectiveness, and feasibility of particular approaches in particular circumstances;
- Engage other federal departments who are now becoming interested in EG&S policy development (Natural Resources Canada and Environment Canada);
- Being ready to provide advice for Next Generation of Policy Development

Notes from Darrell Gumieny (AAFC Policy Branch) presentation at Gary Stoneham tour stop in BC