

# BRITISH COLUMBIA VEGETABLE MARKETING COMMISSION

## POLICY

### **Transferring Delivery Allocation**

Section 8 of Part XVI – *Production and Delivery Allocation –General* – of the General Order provides for the transfer of Delivery and Production Allocation.

*Throughout the Regulated Area Delivery and Production Allocation is transferable between and among licensed Producers and prospective producers intending to obtain a Producer license.*

### **Delivery Allocation Transfer Outcome**

Subject to the parties involved in the request to transfer Delivery Allocation, producers and respective Designated Agencies, two outcomes may result.

One outcome is when a Designated Agency's supply of regulated product is unaffected on the completion of a Delivery Allocation transfer while the second outcome is when a Designated Agency is to experience a supply reduction (migration of Delivery Allocation volume) while another agency is to experience a supply increase.

### **Delivery Allocation Transfer Application Submission Deadline**

The deadline for the VMC to receive delivery allocation transfer forms for having effect the ensuing crop year is March 15.

### **Procedures for the Transfer of Delivery Allocation Involving Licensed Producers**

#### **Non-Migrating Delivery Allocation Volume**

In the instance where the subject delivery allocation volume does not result in agency supply reduction because the involved parties have a common Designated Agency and this is to continue the VMC is to receive a completed and signed Delivery Allocation Transfer Application prior to the application submission deadline.

On the VMC receiving a Delivery Allocation transfer application prior to March 15, the application submission deadline, and it is in good order in all respects the transfer is to have effect at the start of the ensuing crop year.

All provisions of the General Order apply. More specifically Sections 12 – 16 of Part XVII – *Procedure for Determining Delivery Allocation for Root Crops or Storage and Field Crops* - of the General Order apply.

### Migrating Delivery Allocation Volume

In the instance where the subject delivery allocation volume is to migrate to another agency the transferor is to provide advance notice of that intention to the agency of record. Such notice must be provided to the VMC prior to October 31.

At the time the transferor provides advance notice to the agency of record the parties to the Delivery Allocation transfer are to complete, sign and submit to the VMC a Delivery Allocation Transfer Application. Subject to the application being in good order in all respects, the application will be held in abeyance and actioned after March 15 for coming into effect the ensuing crop year.

The licensed producer acquiring Delivery Allocation by way of transfer is to arrange for their Designated Agency of record to confirm with the VMC that it is aware of the future supply increase and it is prepared to market the incremental volume along with the producer's base regulated product volume.

The transferor must provide written assurance to the VMC that the production area equivalent to the volume of production that is the subject of the migrating Delivery Allocation will not be planted for two successive crops years following the completion of the Delivery Allocation transfer. The form of the written assurance is to be an enforceable, signed undertaking.

All provisions of the General Order apply. More specifically Sections 12 – 16 of Part XVII – *Procedure for Determining Delivery Allocation for Root Crops or Storage and Field Crops* - of the General Order apply.

### Procedures for the Transfer of Delivery Allocation Involving a Licensed Producer and a Prospective Producer

Licensed producers are able to transfer Delivery Allocation to persons not currently issued a Producer license contingent upon that that person's intention to obtain a license for the production for marketing of regulated products.

The prospective producer is to undertake measures for obtaining a producer license issued by the VMC.

### Non-Migrating Delivery Allocation Volume

In the instance where the subject delivery allocation volume does not result in agency supply reduction because the parties involved in the Delivery Allocation deliver or intend to deliver regulated product to the same agency the parties are to complete, sign and submit to the VMC a Delivery Allocation Transfer Application. The application submission deadline is March 15.

The unlicensed person is to undertake measures for the VMC to issue a producer license so that license issuance and assignment of Delivery Allocation occur at the same time. This includes electing the Designated Agency that is to receive regulated product for marketing.

On receiving a delivery allocation transfer application prior to the submission deadline of March 15 the VMC will approve the Delivery Allocation transfer for having effect at the start of the ensuing crop year. This is subject to the transfer application form being complete in all respects and the prospective producer is eligible for the issuance of a Producer license.

All provisions of the General Order apply. More specifically Sections 12 – 16 of Part XVII – *Procedure for Determining Delivery Allocation for Root Crops or Storage and Field Crops* - of the General Order apply.

#### Migrating Delivery Allocation Volume

In instance where the subject delivery allocation volume is to migrate to another agency the transferor is to provide advance notice of that intention to the agency of record. Such notice must be provided to the agency prior to October 31.

During the notice period the unlicensed person is to undertake measures for obtaining a producer license. The issuance of a producer license and the assignment of Delivery Allocation are to occur at the same time. This will be on a date when the VMC determines the Delivery Allocation transfer approved. The approved Delivery Allocation transfer is to have effect after March 15 and for the ensuing crop year.

The measures to be undertaken by the unlicensed person include electing the Designated Agency that is to receive regulated product for marketing. The elected Designated Agency is to confirm with the VMC that it is aware of the future supply increase and it is prepared to market the prospective producer's volume of regulated product.

The transferor must provide written assurance to the VMC that the production area equivalent to the volume of production that is the subject of the migrating Delivery Allocation will not be planted for two successive crops years following the completion of the Delivery Allocation transfer. The form of the written assurance is to be an enforceable, signed undertaking.

All provisions of the General Order apply. More specifically Sections 12 – 16 of Part XVII – *Procedure for Determining Delivery Allocation for Root Crops or Storage and Field Crops* - of the General Order apply.

Approved - May 14, 2009  
Revised – January 27, 2010