

The Board encourages you to visit the BCMMB website to review the NEP Consultation webpage, including a discussion paper which provides the background, guidelines and an overview of the consultation process, as well as the industry feedback to date.

However, here's a short version to aid discussion today:

The policy objective of a New Entrant Program (NEP) is simply to encourage and facilitate people to enter the dairy industry as new producers. Other higher-level objectives include: increasing access to the industry, renewal -- promoting innovation and new ideas, and ensuring the ongoing milk supply in BC.

The Board's previous new entrant program was the **Graduated Entry Program (GEP)**, which provided approved GEP entrants with 13.7 kgs of incentive Continuous Daily Quota (CDQ), plus a matching grant of up to 5.5 kgs of additional incentive CDQ, if the entrant purchased 5.5 kgs of CDQ.¹

The NEP Committee recently deliberated and suggested the following for a future NEP program:

Initial Suggested Policy Considerations from NEP Committee

- Buy 15 kgs quota; receive 35 kgs incentive quota grant
- Initial incentive quota grant (35 kgs) non-saleable forever; but growth is saleable
- No mergers
- Exempt family transfers by the existing NEP producer (to sons, daughters, nieces, nephews) of the incentive quota grant OK
- Create a "high bar" for initial qualifications (eg. mandatory proAction® training; agricultural experience/education components; 5-10-year business plan; recommendation dependent on interview with an independent selection committee)
- A lottery if enough qualified candidates (from above rigorous screening process)
- No regional priorities
- Annual audits
- Board decides number of entrants based on market opportunities

¹ Please see the BCMMB's [Consolidated Order](#), Schedule 1, for the GEP rules and [Amending Order 28](#), July 9, 2015, which amends Schedule 1.

Discussion Questions

Feel free to write on this page and hand in to BCMMB staff or Board members at the Fall Producer Meeting, December 8, 2017.

- 1) Is the purchase of 15 kgs of CDQ too great a financial obstacle for a new entrant to start a dairy farm?

- 2) What exactly do we mean by ***legitimate producers***?

- 3) Is it fair and reasonable to impose non-transferable restrictions on the **incentive quota** of NEP producers, when existing producers may transfer their quota (dependent on current assessment policy)? If yes, ***why is it reasonable to treat the two differently?***

- 4) *Should* sons/daughters/nieces/nephews of dairy farmers be eligible for an NEP program, which provides incentive quota? *Why or Why not?*

- 5) Who would you suggest sit on an outside NEP selection committee?

- 6) Any other policy suggestions/comments?