

Chicken Farmers of Ontario
Local Niche Chicken Markets
Policy
No. 215-2015

Made under: *The Farm Products Marketing Act*

Effective: September 16, 2015

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Section 1.0 – Our Farming Philosophy

- 1.01 Chicken Farmers of Ontario is committed to being the premier provider of fresh, high quality, locally farmed chicken by:
- a) meeting and exceeding the ever-changing needs and expectations of consumers, markets and our customers;
 - b) responsibly growing chicken with disciplined, high assurance standards for food quality and safety, farming practices, animal health and welfare, biosecurity, and
 - c) continually striving to create value in the communities within which we live and conduct our farming business.
- 1.02 Local niche chicken farmer-members, as part of the Ontario chicken farming community, are committed to being active farmer-members by:
- a) using the best ingredients and resources to responsibly grow safe, high quality chicken;
 - b) meeting CFO's quality standards programs including the On-Farm Food Safety Assurance Program; the Animal Care Program; and, the Farm Worker Safety Program;
 - c) building close and productive relationships with their business partners;
 - d) meeting the local niche market needs of consumers;
 - e) conducting business digitally; and
 - f) growing and branding their products in the best interests of the Ontario chicken industry.

Section 2.0 – Purpose

- 2.01 The purpose of this Policy, through appropriate chicken supply, is to meet well defined, distinct and discrete local niche markets through various means including geographic identification, marketing channels, products, brands and/or business approaches.
- 2.02 This Policy sets out the terms and conditions by which the CFO Local Niche Chicken Markets Program will:
- a) permit locally-based chicken farmer-members holding 1,000 to 10,000 quota units to grow approximately between 6,000 and 60,000 chickens annually, based on the amount of quota units held;
 - b) foster close and productive relationships between businesses partners meeting local niche markets; and
 - c) serve Ontario consumers in local niche markets.

Section 3.0 – Strategic Vision and Focus

- 3.01 The strategic intent of this Policy is reflected in the following Statement of Vision and identification of key outcomes.
- 3.02 The Vision is a growing and dynamic chicken industry serving the local niche needs of Ontario consumers.
- 3.03 The key outcomes to be measured are:
- a) focus on the consumer: to meet the local niche market demand for chicken;
 - b) focus on the highest quality and safety standards: to grow safe, high quality chicken; and
 - c) focus on industry leadership: to accelerate and maintain sustainable growth performance, build strong business relationships and foster product development for local niche chicken markets.

Section 4.0 – The Role of CFO

- 4.01 CFO, as the steward and regulator will:
- a) become the strategic business partner, through close and productive relationships with local niche chicken farmer-members and others businesses, by providing leadership, knowledge and resources to grow and market chicken to meet local niche chicken markets; and
 - b) foster, through governance, strategy, regulation and professionalism in any and all respects the growing and marketing chicken for local niche chicken markets.

Section 5.0 – Definitions

- 5.01 This Policy includes the following new terms:
- a) “*Local Niche Chicken Market*” means a defined, distinct and discrete market segment having a local provenance for Ontario chicken;
 - b) “*Local Niche Chicken Market Applicant*” means a person, acting in collaboration with local value chain business partners, who requests the opportunity to grow and market chicken to a local niche chicken market;
 - c) “*Local Niche Chicken Farmer-Member*” means a person growing chicken for a local niche market to whom CFO has allotted basic quota; and
 - d) “*Local Niche Chicken Processor*” means a person who slaughters chicken, is licenced by CFO and is in compliance as a registered establishment under the Meat Inspection Act (Canada) and applicable regulations, or as a plant under the Food Safety and Quality Act (Ontario) and applicable regulations.
- 5.02 Other words and phrases used in this Policy shall have the same meaning as found in the “Words and Meanings Regulation” made by CFO.

Section 6.0 – Policy Fundamentals

- 6.01 This Policy sets out the terms and conditions by which chicken farmer-members will annually produce, based on 1,000 to 10,000 quota units (approximately between 6,000 and 60,000 chickens), in partnership with another business(es) to serve a local niche chicken market(s).
- 6.02 This Policy defines local niche chicken market and makes it a requirement of a local niche chicken farmer-member, on a continual basis, to grow and market chicken in a local niche chicken market. This Policy is made pursuant to The *Farm Products Market Act* regulations and CFO’s authority in relation to quota generally.
- 6.03 A local niche chicken farmer-member, and the processing partner, will grow and market chicken products while maintaining compliance with the provisions of The *Farm Products Marketing Act* and all relevant federal, provincial, regional, municipal, or other governmental boards or agency requirements, including, but not limited to animal health, labour, transportation, environmental, animal care and food safety regulations. Specifically, including but not limited to CFO’s:
- a) On Farm Food Safety Assurance and Animal Care Policy;
 - b) Infectious Poultry Disease Isolation Policy;
 - c) General Regulation 2518-2015
 - d) Digital Communication and Transactions Regulation; and
 - e) Licence Fees, Levies, Service Charges and Penalties Regulation.
- 6.04 Chicken grown under this Policy is to be commercially marketed in accordance with all applicable regulations, including appropriate refrigeration requirements found under the

Food Safety and Quality Act, Meat Regulation, and shall not be grown for home consumption.

- 6.05 CFO will limit the number of farmer-members participating in the program in each year based on the total allocation growth available in each year; and initially not to exceed five percent of the total allocation growth, as determined and communicated annually by CFO.

Section 7.0 – Applications

- 7.01 A person, in collaboration with a local business partner(s), may apply to CFO for approval to engage in the producing and marketing of chicken to meet the demand of a local niche chicken market within Ontario
- 7.02 Local Niche Chicken Markets Program applications are to be submitted in conjunction with a quota transfer request. Completed applications will be considered in the order they are received until the allocation in that year is reached.

Section 8.0 – Local Niche Chicken Farmer-Members

- 8.01 Local niche chicken farmer-members may hold basic quota in the amount of a minimum of 1,000 basic quota units, up to a maximum amount of 10,000 basic quota units.
- 8.02 Local niche chicken farmer-members will have the same rights and obligations as farmer-members unless otherwise stated in this Policy.
- 8.03 Chicken produced under the Local Niche Chicken Markets Program must be marketed at a price not less than the minimum live price determined under Ontario Regulation 402.
- 8.04. Local niche chicken farmer-members, as holders of less than the minimum quota requirement, may be allotted new units of new basic quota under applicable CFO policies on a 70 percent pro-rata only basis. Any new basic quota may be held in addition to holding the maximum 10,000 basic quota units.

Section 9.0 – Local Niche Chicken Markets Allotment

- 9.01 Basic quota will be allotted based on a CFO application and approval process.
- 9.02 Basic quota, specific only to the particular local niche chicken farmer-member to whom it is transferred, is transferable through the CFO transfer administration.

Section 10.0 – Cancellation of Local Niche Chicken Markets Allotment

- 10.01 CFO may cancel all or part of a local niche market allotment for any of the following reasons:
- (a) the local niche chicken farmer-member and/or local niche business partner(s) are not in good standing with the Board and/or are not acting in the best interest of the Ontario chicken industry;
 - (b) The local niche chicken farmer-member and/or local niche chicken business partner(s) is/are bankrupt, insolvent, has made an arrangement or proposal with creditors, is

incapacitated to such an extent as to be unable to carry on business as an active chicken farmer-member or is deceased; and

- (c) The local niche chicken farmer-member and/or local niche chicken business partner(s) is/are found to have contravened provisions of The *Farm Products Marketing Act* or regulations, any Plan, order or direction of The Ontario Farm Products Marketing Commission or any regulation, Policy, order or direction of CFO. In addition, CFO may take similar action against every other local niche chicken business partner(s) who has been a party with an local niche chicken farmer-member to any growing and marketing of chicken contrary to this Policy.

10.2 Once cancelled, basic quota must be transferred within three quota periods or it will be cancelled by CFO or the farmer-member is required to meet the minimum quota holding requirement.

Section 11.0 – Continuous Improvement

11.01 CFO, in consultation with the local niche chicken stakeholders, will monitor and analyze the performance of the Local Niche Chicken Markets Program, so that the intended outcomes of this Policy are achieved.

11.02 The Local Niche Chicken Markets Policy will be reviewed on an annual basis, and determined whether to vary or amend it. CFO may also review the status of any local niche chicken farmer-member, their local niche chicken business partner(s), and issue such orders and directions as it may deem appropriate to give effect to this Policy.

Section 12.0 – Effective Date

12.01 This Policy is effective on the 16th day of September, 2015.

BY ORDER OF Chicken Farmers of Ontario

DATED AT Burlington, Ontario this 16th day of September, 2015



Chair



Secretary