

# Emerging Principles for Industry Governance Stakeholders

## Producers:

### Principles:

- Industry leads...government enables
- Industry needs to be competitive, viable and sustaining
- United we stand...divided we fall
- Farming must be a business – not just a lifestyle
- Member in good standing
- Support and practice good governance

### Elements to Consider:

- Is the required leadership in place?
- What entices producers to be engaged in the industry?

## Working Group(s)/Task Team(s)

### Principles:

- United we stand...divided we fall
- Government listens to this voice
- Based on democratic principles
- Multi-stakeholder collaboration
- Collaboration enables efficiency and effectiveness
- Exercise good governance
- Members have to be empowered to make decisions
- Need to have the maturity to know when to work together and when not to (i.e. not tackle divisive issues)
- Develop a consensus building process rather than a policy development process
- Shared leadership
- Proactive vs. reactive

### Roles/Responsibilities:

- Provide a common message outside of specific commodity interests/developments – address critical, over-arching issues
- Policy and advocacy development advisory role
  - Provide a forum for government dialogue and policy development
- Overall strategic role for industry to interact and collaborate with government

- Areas of focus/issues that this organizational structure (s) would address may include the following:
  - Competitiveness
  - Environmental issues
  - Industry Communication
  - Insurance and financial services
  - Land, air and water policy
  - Link between food and health
  - On-farm food safety
  - Public awareness and education
  - Regulatory harmonization
  - Research and development/innovation
  - Right to farm (i.e. land use)
  - Rural development
  - Succession Planning
  - Taxation
  - Trade Policy
  - Youth and Leadership Development

Elements to Consider:

- What is the basis of Board member selection (operations, science, geographical, skill sets & experience) and what is the selection process? (appointment, election, representative)
- Do these organizations support/enable value-chain representation/membership?
- What should the funding base be for these organizations? (Mandatory check-off, Refundable check-off, Membership fees, Incentive pool from government, Royalties, Investment income)
- Is there opportunity for greater efficiency of resources?
- Is the required leadership in place for these organizations?
- How do organizations ensure that they adequately represent their members?

## **Industry Organizations**

Principles:

- Industry should lead industry development
- Industry leads...government enables
- Coordination and collaboration among industry stakeholders is key to future success
- Accountability is based on performance as determined by the membership
- Exercise good governance

Roles/Responsibilities:

- Provide good governance for their industry:

- strategic direction
- leadership performance, criteria and outcomes
- financial (health of the organization, fiduciary responsibility)
- organization's effectiveness
- board performance
- liability
- risk management
- Policy and advocacy development for the industry (ies)
- Actively represent the membership
- Areas of focus for the organizations may include the following:
  - Industry development and competitiveness
  - Market development
  - Applied R&D/Innovation
  - Commodity regulation and policies of government
  - Strategic planning and leadership
  - Membership services
  - Risk management
  - Product promotion and education
  - Industry operating practices/standards
  - Intellectual Property/investment

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- What should the funding base be for these organizations? (Mandatory check-off, Refundable check-off, Membership fees, Incentive pool from government, Royalties, Investment income)
- Is there opportunity for greater efficiency of resources?
- Is the required leadership in place for these organizations?
- How do organizations ensure that they adequately represent their members?
- What are the required accountability mechanisms?

**Government-Supported Industry Organizations**

Principles:

- Formed to complete a specific purpose
- Government supports the creation and operation of these organizations and Industry provides the leadership
- Accountable to the source for effective and efficient use of funds – to government and industry
- Exercise good governance

- Have clearly structured plans with defined goals and measures
- Industry leads...government enables
- Due diligence is a key tool in ensuring transparency and accountability

Roles/Responsibilities of some Gov't supported organizations :

- Advisory role to government or program delivery for government
- Regulatory oversight
- Marketing and promotion
- Policy and advocacy
- R&D
- Programs and services
- Revenue generating asset ownership
- Industry capacity building

Elements to consider:

- What is the basis of Board member selection (operations, science, geographical, skill sets & experience) and what is the selection process? (appointment, election, representative)
- Do these organizations support and enable value-chain representation/membership?
- What should the funding base be for these organizations? (Mandatory check-off, Refundable check-off, Membership fees, Incentive pool from government (envelope funding), Royalties, Investment income)
- Who should determine whether or not a new organization should be created or existing organizations should cease operation?
- What are the required accountability mechanisms?

**'Marketing' Council(s)**

Principles:

- "Noses in, fingers out!"
- Lead by example
- Enable change – not force it
- Exercise good governance

Roles/Responsibilities:

- Facilitate/enable advice to the AF Minister on governance policy
- Define and administer enabling legislation/regulation where needed
- Facilitate/enable advocacy support and policy development for industry with government
- Facilitate/enable governance and leadership skills development opportunities
- Facilitate the collaboration of stakeholders as needed
- Regional and national representation on issues of governance
- Facilitate/enable advice and facilitation for operational improvements

- Encourage collaboration and integration
- Supervision of the Groups under the legislation/regulation
- Neutral advocate
- Provide assistance for dispute resolution, mediation and arbitration

Elements to Consider:

- Is there a need for a MC? Is there a need for multiple MCs?
- What is the basis of Board member selection (operations, science, geographical, skill sets & experience) and what is the selection process? (appointment, election, representative)
- How does industry 'direct' the role of the MC?
- Reporting – directly to Minister of AF? To members?
- What are the required accountability mechanisms?

**Government – Agriculture and Food (and other ministries)**

Principles:

- Position the industry for competitiveness
- “Noses in, fingers out!”
- Transparency – “listening to the people”
- Exercise good governance
- Identify, promote and support cross-ministry initiatives
- Support selective investment in areas that have a potential to sustain global competitiveness
- “Lead, follow or get out of the way”

Roles/Responsibilities:

- Create and promote policy that supports industry competitiveness
- Provide regulatory oversight
- Enable marketing and promotion
- Direct and support policy and advocacy
- Support R&D/innovation
- Provide programs and services
- Encourage collaboration and integration
- Provide the required resources for change

Elements to Consider

- What are the required accountability mechanisms?
- Where should the government’s direction come from?
- How should government ‘hear’ from its ‘customers’?
- How can the government best communicate with its customers?

## Overall Agriculture and Ag-Related Industry

### Desired Future State:

- Enhanced global perspective and presence (self-determined)
- Improved industry competitiveness
- Enhanced ability to think and respond strategically
- Be more proactive than reactive
- Increased collaboration (no more commodity sector only focus)
- Increased customer/consumer orientation
- Increased focus, coordination and integration between key stakeholders within the industry
- Have an efficient, Industry-led, responsive, and effective R&D/innovation system
- Enhanced awareness, influence and impact on ensuring a sustainable industry (economic, environmental and social)
- Ability to conceptualize that frameworks of yesterday and today are not the ones for the future – recognize and adapt to change!!

### Principles:

- Governance framework must provide sufficient flexibility – empower and enable
  - Industry leads...government enables
  - There is a need for balance among short, medium and long term goals, objectives and outcomes
  - United we stand...divided we fall
  - Alberta can not do it alone – need to work with partners
  - Farming must be a business – not just a lifestyle
  - Stay home; stay stupid
  - Enable business to be done the best way for business

### Elements to Consider:

- What are Alberta's competitive strengths in agriculture/food/beyond?  
Areas of focus?
- Is the required leadership in place?
- Is the required political support in place?
- Should there be selective investment in areas that have a potential to sustain global competitiveness?