

BC Poultry Association

British Columbia Poultry Captive Insurance Company

ARI Project #40193

Executive Summary

The impact and effect of a discovery of Notifiable Avian Influenza (NAI) in commercial poultry extends beyond the infected premise to the poultry industry as a whole within the province and nationally. The confirmation of the presence of NAI results in movement controls within the country and closure of export markets for poultry and poultry products from the province. Facilitating a prompt response and recovery is critical to restoring the system of orderly marketing of poultry in the province.

Funding support provided through the AgriRisk Initiatives (ARI) and the BC poultry marketing boards and commission was instrumental in enabling the poultry industry in British Columbia make informed decisions regarding the need for licenced producers to maintain disease insurance to cover the financial implications of NAI discoveries and to explore risk transfer mechanisms. The funding enabled the BC poultry industry to complete a five-phase review that examined the need for, and scope of a financial response; whether the conditions of insurance existed; the options for transferring the risk and the appropriate insurance delivery mechanism.

As of March 31, 2018, the BC poultry industry remains committed to implementing a collective approach and have a plan in place for the fall of 2018 to provide an assured and predictable response for licenced poultry producers in British Columbia to cover the extraordinary cost of C&D of infected premises resulting from future NAI discoveries to enable a prompt and timely return to a system of orderly marketing in the BC poultry industry.

The ability to return to a system of orderly marketing in as short of time possible following a NAI discovery is critical to the recovery efforts of the poultry value chain in British Columbia. Through experience gained from managing and recovering from NAI outbreaks in 2004, 2005, 2009 and 2014, and the information generated through the ARI funded activities, the British Columbia poultry industry concluded the need for a predictable response to cover the extraordinary costs of cleaning and disinfecting (C&D) premises declared infected. The conclusion is further reinforced by the notification received from the federal and provincial governments following the 2014 Highly Pathogenic Notifiable Avian Influenza (HPNAI) outbreak that they would not consider future requests for financial assistance to cover the cost of C&D for infected poultry premises in British Columbia.

The poultry marketing boards and commission were also able to conclude that they did not need to exercise powers authorized under the *Natural Products Marketing (BC) Act* to secure full participation of all licenced producers. The extraordinary costs of infected premises C&D can be considered an operational cost of maintaining a system of orderly marketing. Based on estimates provided through an actuarial analysis, there would be minimal to nil impact to producers as the current levy structure could accommodate the cost to establish and maintain an Infected Premises C&D Cost Recovery Fund.