

Guaranteed Price Production Contract (Pre-harvest) Guaranteed Price Contract (Post-harvest)

What is it?

CashPlus is a cash-buying program that offers farmers an upfront, market-based cash price for their malting barley. Producers can sign a Guaranteed Price Production Contract (GPPC) before the start of the crop year and a Guaranteed Price Contract (GPC) after harvest.

CashPlus works as a three-way transaction. The CWB negotiates sales price and volume with selecting companies and establishes a guaranteed price for farmers. This price and volume are offered as a GPPC or GPC to producers for sign-up with the Selecting company. Selecting companies and farmers then directly negotiate their individual contract. While the CWB sets a guaranteed in store price to use in these contracts, buyers and farmers have the flexibility to negotiate premiums and discounts, including freight and elevation/cleaning back-off, before establishing the net price to the producer at a primary elevator location.

The CWB guaranteed price will vary in response to market conditions and CWB sales.

There are two types of Pre-harvest GPPC's - Act of God and non-Act of God.

- Act of God contracts protect producers against events such as flood, hail and drought. If the contract cannot be delivered against, the producer and selecting party can cancel the contract at no cost to the producer.
- Non-Act of God contracts do not have protection against events such as flood, hail or drought. Producers are responsible to deliver against the tonnes committed on the contract or liquidated damages, which include replacement costs, can be assessed by the CWB and the selector.

Read the terms and conditions to determine what type of pre-harvest contract you have committed to.

Farmers delivering selected barley using CashPlus contracts are not eligible for future adjustment, interim or final payments, Producer Payment Options (PPOs) or additional protein premiums. However, CashPlus offers producers the potential for a premium payout at the end of the year. This premium is derived from any market spreads between the upfront guaranteed cash price and actual CWB sales returns for malting barley.

CashPlus contracts are eligible for premiums from the value-added incentive program (VIP).

Sign up and commitment

- Producers commit to the program by contacting a selecting company.
- Producers will receive a confirmation letter from the CWB.
- Delivery period for CashPlus contracts is negotiated between the selecting company and the producer.
- CashPlus contracts are not eligible for PPOs or additional protein premiums.

For more CWB information, please call 1-800-275-4292 or e-mail: farmerservice@cwbc.ca.