

MAF Biosecurity New Zealand, MAF Standard: BMG-STD-SCADT

Requirements for the Audit of Sea Containers

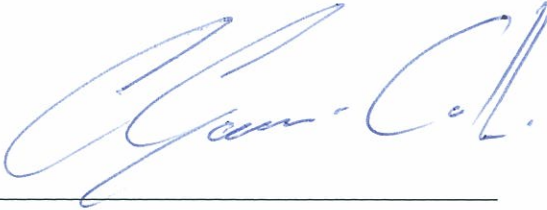
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Endorsement

Pursuant to the Biosecurity Act 1993 and acting under the authority delegated to me by the Director-General of the Ministry of Agriculture and Forestry, I hereby issue this Standard.



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Deputy Chief Technical Officer
MAF Biosecurity New Zealand

Date: August 2008

1. Scope

This MAF Biosecurity New Zealand (MAFBNZ) Standard specifies the requirements for the audit of imported sea containers. Its purpose is to describe the system to be used by Inspectors to ensure they are auditing to meet the specifications of the MAF Biosecurity New Zealand *Import Health Standard for Sea Containers from All Countries*, BMG-STD-SEACO.

2. Definitions

For the purposes of this document the following definitions apply.

Accredited person – means a person who has attended and passed a course in basic biosecurity awareness associated with imported sea containers and container checking, and has been approved (see definition) to conduct certain checks under this standard. An accredited person may be the operator or staff member of a transitional facility, a stevedore, port company staff or a private contractor.

Approved – means approved by the Director-General MAF, or delegate, for the intended purpose.

Consignment – means any unaccompanied goods covered by one bill of lading, imported by one importer, on one conveyance, at one time.

Container – means a sea freight container built to specifications promulgated by the International Organisation for Standardisation (ISO), or a similar structure.

Contamination – means animals, insects or other invertebrates (alive or dead, in any life cycle stage, including egg casings or rafts), or any organic material of animal origin (including blood, bones, hair, flesh, secretions, excretions); viable or non-viable plants or plant products (including fruit, seeds, leaves, twigs, roots, bark); or other organic material, including fungi; or soil or water; where such products are not the manifested cargo being imported.

Note: Empty used cartons used for packaging meat, fruit and plant products should be considered to be restricted packaging material and should be treated as biosecurity contaminants.

CusMod – means the New Zealand Customs Service database used to issue holds and releases for imported consignments.

Declarant – means the person, generally an importer or importer's agent, who makes the electronic declaration into the CusMod program (e.g., the person

supplying information about the container and any goods inside) using an import entry or ECI report.

Dunnage – means material (often wood) used to secure or support a commodity but which does not remain associated with the commodity.

ECI Report – means a report generated through the web-based Electronic Cargo Information (ECI) New Zealand Customs Service interface. This facility is generally used by irregular and low volume customers to make detailed declarations for imported consignments.

Exporter – means the person or company who supplies the goods for export. The name of this person or company appears in the exporter field of the import entry or ECI report in the New Zealand Customs Service CusMod program.

High Risk Container – means containers which have a higher than average probability of being contaminated or carrying un-manifested or prohibited packaging material, or those without a compliant quarantine declaration. Such containers will be identified by risk profiling.

Import Entry – means an electronic declaration generally made by a customs broker or freight forwarder into the New Zealand Customs Service CusMod program. The declaration relates to an individual consignment that has been imported.

Importer – means the person or company who import the goods. The name of this person or company appears in the importer field of the import entry or ECI report in the New Zealand Customs Service CusMod program.

Inspection – means a visual inspection by an inspector, of sufficient thoroughness to detect the presence of insects and other contaminants that can be seen on or in the container. Such an inspection does not require magnification but may require additional lighting if the inspection is carried out at night or within a building.

Inspector – as defined by the Biosecurity Act 1993.

MAFBNZ – means the Ministry of Agriculture and Forestry Biosecurity New Zealand.

Non-Compliance – occurs in the event of:

- the false declaration about the existence of a quarantine declaration
- the incorrect transposition of the answers on the quarantine declaration into an import entry
- the presence of internal or external contamination that, in the opinion of an inspector, would render the quarantine declaration invalid

- undeclared wooden packaging material
- wooden packaging that is not clean and pest free
- wooden packaging that does not meet the requirements of the Import Health Standard for Wood Packaging Material from All Countries
- prohibited packaging material
- undeclared or improperly declared cargo.

Packaging – means packing material of the cargo within the container such as cases, crates, boxes, drums, and cartons. This also includes material used to stabilise cargo within the container such as dunnage.

Quarantine Declaration – means the declaration attesting to the interior and exterior cleanliness of the container and whether any restricted packaging or wooden packing material or dunnage is used within the cargo or container.

Transitional Facility (sea containers) – means a place approved as a transitional facility in accordance with section 39 of the Biosecurity Act 1993 for the purpose of inspection, storage, treatment, quarantine or holding of containers.

3. Selection of Containers for Audit

Selection of consignments for audit will be done electronically through the Customs CusMod system. Consignments will be chosen at random.

Where a consignment is selected for audit, the message 'MAF Audit' will be included with the import entry message or ECI report once the record has been loaded into CusMod. This message will also be electronically transmitted to the declarant and the port of arrival.

4. Audit Process

The audit will consist of the following parts.

4.1. *Import Entry/ECI Report*

The first step of the audit is to verify that the declarant holds a quarantine declaration for the container, and that the data supplied on the import entry or ECI report matches the information on the declaration. Upon receipt of the electronic response from the CusMod program indicating that the consignment has been selected for audit, the declarant must supply a copy of the quarantine declaration, bill of lading, MAF Biosecurity New Zealand (MAFBNZ) BACC application coversheet and other commercial documentation describing the cargo to MAFBNZ. This information must be presented to MAFBNZ before the container leaves the port of discharge.

The inspector will assess:

- that the data supplied in the import entry or ECI report matches the information on the quarantine declaration;

- that all biosecurity risk cargo described on the commercial documentation appears on the import entry or ECI report;
- that the container is being directed to an approved transitional facility.

This assessment will be carried out against all containers in consignments with less than ten containers. For consignments of greater than ten containers, 10% of the containers will be assessed.

If any of the above information does not comply it will be deemed non-compliance against the declarant.

Non-compliances occur when a declarant:

- is not in possession of a quarantine declaration for a consignment and has indicated in the import entry that he/she is; or
- does not answer the questions on the import entry in respect to cleanliness, packaging material and wood packaging in the same way the questions are answered on the quarantine declaration; or
- uses a tariff code that is substantially different than the description of the goods on the commercial documentation and this has lowered the biosecurity risk status of the goods.

If the consignment is not accompanied by a quarantine declaration, and this has been declared correctly on the import entry/ ECI report then the consignment does not need to go through the remaining sections of the audit. This consignment will be subject to the usual inspection procedures.

4.2. External Cleanliness

The second step of the audit is to verify the external cleanliness of the container. MAFBNZ will issue a direction for the container to be taken directly to a transitional facility where an inspector will undertake a 4-sided external inspection. However, in some circumstances, MAFBNZ may direct that the external inspection be carried out at the port of arrival.

For consignments with ten or less containers, only one container in the consignment will require external inspection. For consignments with greater than ten containers, 10% of the containers will require external inspection. The inspector will select the containers for inspection. However, all containers in the consignment must be held unopened at the transitional facility until the audit inspection is complete. If external contamination is found, other containers covered by the import entry or ECI report will require external inspection.

If contamination is found on the exterior of the container it will be deemed non-compliance against the exporter.

4.3. Internal Cleanliness

The third stage of the audit is to verify the internal compliance of the container. Containers requiring audit will be directed by MAFBNZ to a transitional facility where an inspector must be present for the devanning. The container must not be opened until an inspector is present.

The internal compliance of containers will be assessed against the information supplied on the quarantine declaration and the import entry. During devanning the inspector will verify, in conjunction with the accredited person, that:

- the cargo is as described on the import entry and other commercial documentation and that no unlisted biosecurity risk cargo is present;
- the cargo, packaging and internal container surfaces are free of contaminants; and
- the packaging is as described on the quarantine declaration; and
- that any wood packaging meets the requirements of the Import Health Standard for Wood Packaging Material from All Countries.

For consignments with ten or less containers, only one container in the consignment will require internal inspection (unless the other containers require inspection for other reasons). For consignments with greater than ten containers, 10% of the containers will require internal inspection. The inspector will select the containers for inspection. However, all containers in the consignment must be held unopened at the transitional facility until the audit inspection is complete. If unlisted biosecurity risk cargo; contaminants; prohibited, non-conforming or incorrectly described packaging is found in this container all other containers covered by the import entry or ECI report will require internal inspection.

If unlisted biosecurity risk cargo; contaminants; prohibited, non-conforming or incorrectly described packaging is found, these will be deemed as non-compliances against the exporter.

4.4. Accredited Person and Transitional Facility

The fourth stage of the audit is to verify that there is an accredited person present during the inspection and that the equipment needed to meet the requirements of the transitional facility standard is available.

The inspector will request a subsequent audit of the transitional facility by a MAFBNZ Biosecurity Inspector if:

- an accredited person is not present during the inspection;
- any of the equipment or facilities defined in the Requirements of Transitional Facilities for Sea Containers (Section 4) are not available; or
- the container was opened prior to the inspector carrying out the audit.

The accredited person or transitional facility will not be subject to the increased audit frequencies defined in section 5, but will be subject to any corrective action requests issued as a result of the audit by a MAFBNZ Biosecurity Inspector.

5. Compliance

5.1. Audit Frequency

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|----------------|--|
| Level 1 – X% | This is the normal baseline audit level. This audit level will run across all containers unless non-compliances have been identified. This level may be altered from time to time depending on operational requirements. |
| Level 2 - 100% | This is the enhanced audit level, for use when non-compliance is detected. The declarant or exporter will remain at level 2 until they have passed 5 consecutive audits or until a period of 12 months has elapsed. |

5.2. Non-compliances

MAFBNZ's container risk profilers will implement changes in audit levels and update audit rates in the electronic risk profiling system.

Import Entry/ECI Report

Non-compliance in relation to an import entry or ECI report (section 4.1) will be assigned to the declarant.

Enhanced audits of the declarant at level 2 will be carried out as per section 4.1 only.
(Documentation check only)

External Cleanliness

Non-compliance in relation to external contamination (section 4.2) will be assigned to the exporter.

Enhanced audits of the exporter at level 2 will be carried out as per section 4.2 only.
(External check only) All containers in the consignment will require this inspection.

Internal Cleanliness

Non-compliance as a result of unlisted biosecurity risk cargo; contaminants; prohibited, non-conforming or incorrectly described packaging (section 4.3) will be assigned to the exporter.

Enhanced audits of the exporter at level 2 will be carried as per section 4.3 only. (Internal check only). A 10% representative sample of containers in the consignment requires internal inspection during enhanced auditing.

5.3. Breaches

Where a quarantine declaration is found to be false or intended to conceal a biosecurity breach, MAFBNZ will investigate and, where appropriate prosecute under the Biosecurity Act (1993).

6. Disputes

If the declarant or exporter believes that there were extenuating circumstances in respect to the occurrence of non-compliance they may dispute the decision. They should clearly set out their reasons for the dispute and forward it to the:

National Programme Manager – Sea Containers
PO Box 53 066
Auckland International Airport

MAFBNZ will make a decision on the dispute, in writing, within 10 business days of the receipt of all available facts relating to the matter.

7. Charges

MAFBNZ inspection charges are specified in the Biosecurity (Costs) Regulations 2003.

The Sea Container levy will fund the costs of the audit inspections at Level 1.

When an audit of documentation (Level 1) detects non-compliance; or a history of non-compliance results in MAFBNZ conducting enhanced audits (Level 2) of the Import Entry/ECI Report (section 4.1), the inspection of documents will incur charges at the hourly rate as specified in the Biosecurity (Costs) Regulations.

When an audit inspection (Level 1) of the container detects non-compliance, or a history of non-compliance results in MAFBNZ conducting an audit (Level 2) of the cleanliness of a container (section 4.2 and 4.3), the inspection will incur charges at the hourly rate as specified in the Biosecurity (Costs) Regulations. Travel costs may also be incurred at the rate specified in the Biosecurity (Costs) Regulations.

When an organism that requires identification (as defined by the MAFBNZ Standard 'Requirements for the Identification and Reporting of Organisms Intercepted at the Border or Within Transitional Facilities') is detected, a charge in accordance with the Biosecurity (Costs) Regulations will apply. If more than one species is found within the sample, a charge per species will apply.

All charges are inclusive of GST.

Charges will be billed to the importer or their agent.

8. Enquiries

All communications concerning this standard should be addressed to:

Senior Adviser
Operational Standards and Facilities
Border Standards Directorate
MAF Biosecurity New Zealand
PO Box 2526
Wellington
New Zealand

Fax: + 64 4 894 0228

Email: standards@maf.govt.nz