

**Proposals to improve cost recovery in MPI’s Food System**

We would like to hear your views on the proposals in the consultation document: *Proposals to improve cost recovery in MPI’s food system*

Please feel free to use this template to prepare your submission. Once complete, please either email to [costrecovery@mpi.govt.nz](mailto:costrecovery@mpi.govt.nz), or mail to:

*Consultation: Cost Recovery Proposals for 1 July 2019*  
Cost Recovery Directorate  
Ministry for Primary Industries  
PO Box 2526  
Wellington 6104

As stated in section 2 of the discussion document, please make sure you include your name and title, postal address, phone number and email address.

For more information about how to make a submission, please refer to section 2 of the consultation document.

## Privacy Act 1993

Where you provide personal information in this consultation MPI will collect the information and will only use it for the purposes of the consultation. Under the Privacy Act 1993 you have the right to request access and correction of any personal information you have provided or that MPI holds on you.

## Official Information Act 1982

All submissions are subject to the Official Information Act 1982 and may be released (along with the personal details of the submitter) under the Act. If you have specific reasons for wanting to have your submission or personal details withheld, please set out your reasons in the submission. MPI will consider those reasons when making any assessment for the release of submissions if requested under the Official Information Act.

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| --- | --- |
| Contact details | |
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| Name: |  |
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| Title: |  |
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| Postal address: |  |
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| Phone number: |  |
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| Email address: |  |
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| --- | --- | --- | --- |
| Are you submitting: | | | |
|  | | | |
| **- as an individual?** | | | **Yes  No** |
| In which region are you located? | Northland | Auckland | Waikato |
| Bay of Plenty | Gisborne | Hawke’s Bay |
| Taranaki | Manawatu-Wanganui | Wellington |
| Marlborough | Tasman-Nelson | West Coast |
| Canterbury | Otago | Southland |
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| **- as a business?** | | | | | **Yes  No** | |
| What is the name of your business? | |  | | | | |
|  | |  | | | | |
| How many people work in your business (full time/ part time)? (including owner-operators) | | 0 - 5 | | 6 - 9 | | 10 -19 |
| 20 - 49 | | 50 - 99 | | 100+ |
|  | |  | | | | |
| In which region(s) do you operate? | Northland | | Auckland | | Waikato | |
| Bay of Plenty | | Gisborne | | Hawke’s Bay | |
| Taranaki | | Manawatu-Wanganui | | Wellington | |
| Marlborough | | Tasman-Nelson | | West Coast | |
| Canterbury | | Otago | | Southland | |
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| **- on behalf of an organisation?** | | **Yes  No** |
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| What is the name of your organisation? |  | |
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| How many members do you represent? |  | |
|  | | |

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| --- | --- | --- | --- | --- |
| Additional details | | | | |
| What industry are you (or your members) primarily involved in? | | | | |
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| Agriculture | | | Aquaculture | | |
| Fishing | | | Seafood processing | | |
| Meat & meat product manufacturing | | | Dairy product manufacturing | | |
| Other food Manufacturing | | | Other (non-food) manufacturing | | |
| Food Product wholesaling & retailing | | | Food & beverage services (e.g. cafes & restaurants) | | |
| Transport, warehousing & related services | | | | | |
| Other: |  | | |  | |
|  | | |  | |
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| Which proposals do you wish to comment on? | | | | |
|  | | | | | |
| Proposal 1: Update base hourly rates across the food system  Proposal 2: Update trade name product registration fees under the Agricultural Compounds and Veterinary Medicines Act  Proposal 3: Cost recovery for approvals of manufacturers or suppliers of Official Devices under the Animal Products Act  Proposal 4: Update Official Assurance (animal material and non-live animals) Fees Under The Animal Products Act  Proposal 5: Align charges for Animal Welfare Export Certificates under the Animal Welfare Act and Official Assurances for live animals or germplasm under the Animal Products Act  Proposal 6: Update unit charges for export of live animals and animal germplasm under the Animal Products Act  Proposal 7: Update circuit verification charges under the Animal Products Act  Proposal 8: Simplify the process for amending levy rates under the Agricultural Compounds and Veterinary Medicines Act and the Wine act  Proposal 9: Clarify the provisions governing the levy under the Agricultural Compounds and Veterinary Medicines Act  Proposal 10: Modify dairy levies for small processors and exporters under the Animal Products Act  Proposal 11: Minor updates to cost recovery provisions under the Animal Products Act | | | | | |

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| --- |
| How did you read the consultation document? |
|  | |
| Tick all that apply:  On a phone  On a tablet, iPad or similar device  On a laptop or desktop computer  On paper as a printed document | |

**Questions for submitters**

# PROPOSALS CHANGING HOW MUCH MPI RECOVERS

# Proposal 1: Update Base Hourly Rates Across the Food System

Proposal: Decrease the base hourly rates across the food system from $155/hour to $135/hour and replace 51 variable charges with fixed fees

1. Do you agree with the proposal to decrease approval fees across the food system?

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| --- | --- | --- |
| Agree | Disagree | No opinion |

1. What are the reasons for your opinion?

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1. What impact will the proposed reductions in approval and related fees have on you or your business?

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Significant negative impact | Negative impact | No impact | Positive impact | Significant positive impact | Don’t know |

1. Please describe any impact and quantify this if possible.

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1. Do you agree with the proposal to convert the majority of approval and related fees to fixed charges?

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| --- | --- | --- |
| Agree | Disagree | No opinion |

1. If not, why?

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1. Are there any other issues with approval and related fees that you think MPI should be aware of?

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# Proposal 2: Update Trade Name Product Registration Fees under the Agricultural Products and Veterinary Medicines Act

Proposal: Change fees from $540 for pre-screening or registering (currently waived for minor amendments and renewals) to:

* A minimum charge for pre-screening of $67.50 for the first 30 minutes plus an assessment charge of $135 per hour after the first 30 minutes
* $405 per registration for Trade Name Products.

1. Do you agree with the proposed changes to Trade Name Product registration fees?

|  |  |  |
| --- | --- | --- |
| Agree | Disagree | No opinion |

1. What are the reasons for your opinion?

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1. What impact will the proposed changes in Trade Name Product registration fees have on your business?

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| --- | --- | --- | --- | --- | --- |
| Significant negative impact | Negative impact | No impact | Positive impact | Significant positive impact | Don’t know |

1. Please describe any impact and quantify this if possible.

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1. Are there any other issues with Trade Name Product Registration fees that you think MPI should be aware of?

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# Proposal 3: Cost recovery for approvals of manufacturers or suppliers of official devices

Proposal: Amend regulations to clarify approval of an Official Device also covers applications to be an approved manufacturer or supplier and introduce a fee of $135 per application, plus $135 per hour after the first 60 minutes.

1. Do you agree that the cost of assessing applications to be approved manufacturers or suppliers of Official Devices should be recovered from applicants?

|  |  |  |
| --- | --- | --- |
| Agree | Disagree | No opinion |

1. What are the reasons for your opinion?

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1. What impact will the proposed charge have on your business?

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| --- | --- | --- | --- | --- | --- |
| Significant negative impact | Negative impact | No impact | Positive impact | Significant positive impact | Don’t know |

1. Please describe any impact and quantify this if possible.

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1. Are there any other issues associated with the proposal to clarify this charge that you think MPI should be aware of?

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**Proposal 4: Update Official Assurance (non-live animals) fees under the Animal Products Act**

Proposal: Align the fee with the base hourly rate used in the Food System ($33.75 plus $135 per hour after the first 15 minutes).

1. Do you agree with the proposal to align the minimum charge for Official Assurances with the food system base hourly rate?

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| --- | --- | --- |
| Agree | Disagree | No opinion |

1. What are the reasons for your opinion?

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1. Will the proposed charges for Official Assurance fees have a significant impact on you or your business?

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| --- | --- | --- | --- | --- | --- |
| Significant negative impact | Negative impact | No impact | Positive impact | Significant positive impact | Don’t know |

1. Please describe any impact and quantify this if possible.

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1. Are there any other issues with official assurance fees that you think MPI should be aware of?

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**Proposal 5: Align charges for Animal Welfare Export Certificates and Official Assurances for live animals or germplasm**

Proposal: Align charges for Animal Welfare Export Certificates and Official Assurances for live animals or germplasm at a fee of $46.58 plus $186.30 per hour after the first 15 minutes for both fees

1. Do you agree with the proposal to update fees for Official Assurances and Animal Welfare Export Certificates?

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| --- | --- | --- |
| Agree | Disagree | No preference |

1. What are the reasons for your opinion?

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1. What impact will the proposed increase in charges for Official Assurance and Animal Welfare Export Certificate fees have on you or your business?

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| --- | --- | --- | --- | --- | --- |
| Significant negative impact | Negative impact | No impact | Positive impact | Significant positive impact | Don’t know |

1. Please describe any impact and quantify this if possible.

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1. Are there any other issues with these fees that you think MPI should be aware of?

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**Proposal 6: Update UNIT CHARGES FOR EXPORT OF LIVE ANIMALS AND ANIMAL GERMPLASM**

Proposal: Update Unit Charges for export of live animals and animal germplasm.

1. Do you agree with the proposal to increase unit charges for the export of live animals and animal germplasm?

|  |  |  |
| --- | --- | --- |
| Yes | No | Don’t know |

1. What are the reasons for your opinion?

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1. What impact will the proposed increase in charge have on you or your business?

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| --- | --- | --- | --- | --- | --- |
| Significant negative impact | Negative impact | No impact | Positive impact | Significant positive impact | Don’t know |

1. Please describe any impact and quantify this if possible.

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1. Are there any other issues with the proposed unit charges that you think MPI should be aware of?

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**Proposal 7: UPDATE CIRCUIT VERIFICATION CHARGES UNDER THE ANIMAL PRODUCTS ACT**

Proposal: Update Circuit Verification Charges under the Animal Product Act to $176/hour.

1. Do you agree with the proposal to increase charges for circuit verifications and combine the charges into a single inclusive rate?

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| --- | --- | --- |
| Yes | No | Don’t know |

1. What are the reasons for your opinion?

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1. What impact will the proposed increase in charges for circuit verifications have on you or your business?

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| --- | --- | --- | --- | --- | --- |
| Significant negative impact | Negative impact | No impact | Positive impact | Significant positive impact | Don’t know |

1. Please describe any impact and quantify this if possible.

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1. Are there any other issues with circuit verification charges that you think MPI should be aware of?

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**PROPOSALS TO SIMPLIFY, IMPROVE TRANSPARENCY, AND mAKE CHANGES MORE EQUITABLE**

**Proposal 8: SIMPLIFY THE PROCESS FOR AMENDING LEVY RATES UNDER THE AGRICULTURAL COMPOUNDS AND VETERINARY MEDICINES ACT AND THE WINE ACT**

Proposal: Amend the Regulations to specify a maximum levy rate and formula to calculate the levy rate, enabling the Director-General of MPI to change the levy rate by Gazette notice.

1. Do you (or your members) currently pay the:
   1. Wine Export Levy?

|  |  |  |
| --- | --- | --- |
| Yes | No | Don’t know |

* 1. ACVM Levy?

|  |  |  |
| --- | --- | --- |
| Yes | No | Don’t know |

1. Do you agree with the proposed process for the Director-General of MPI setting the levy rate through notice in the Gazette?

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| --- | --- | --- |
| Yes | No | Don’t know |

1. What are the reasons for your opinion?

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1. Are there any other issues associated with the proposal for the Director-General to set the levy rate that you think MPI should be aware of?

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**Proposal 9: CLARIFY THE PROVISIONS GOVERNING THE LEVY UNDER THE AGRICULTURAL COMPOUNDS AND VETERINARY MEDICINES ACT**

Proposal: Clarify that the levy is payable for each Trade Name Product registration and to more accurately reflect the services that are funded by the levy.

1. Do you agree with the proposal to clarify the basis of the ACVM levy (an annual charge for each registered Trade Name Product)?

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| --- | --- | --- |
| Agree | Disagree | No opinion |

1. What are the reasons for your opinion?

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1. Do you agree with the proposal to clarify the services funded by the ACVM levy?

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| --- | --- | --- |
| Agree | Disagree | No opinion |

1. What are the reasons for your opinion?

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1. Are there any other aspects of the levy that you think MPI should be aware of?

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**Proposal 10: Modify APA Dairy levies for Small processors and exporters**

Proposal: Amend the amounts and thresholds for small processors and exporters levies, with the new rates set at:

* Small processors: $400 per year
* Medium processors: category disestablished; will pay $0.000432 per kg milk solids processed
* Small exporters: $200 per year.

1. Do you agree with the proposed rates and thresholds for the small processor levy?

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| --- | --- | --- |
| Agree | Disagree | No opinion |

1. What are the reasons for your opinion?

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1. Do you agree with the proposal to eliminate the medium processor levy?

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| --- | --- | --- |
| Agree | Disagree | No opinion |

1. What are the reasons for your opinion?

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1. Do you agree with the proposed rates and thresholds for the small exporter levy?

|  |  |  |
| --- | --- | --- |
| Agree | Disagree | No opinion |

1. What are the reasons for your opinion?

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1. Are there any other aspects of the dairy levies that you think MPI should be aware of?

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**Proposal 11: Minor updates to apa cost recovery provisions**

Proposal: Five small changes that will have no or minor financial impact.

**Which proposal(s) do you wish to comment on?**

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| --- |
| Proposal 11-1: expand APA levy categories to include dairy coolstores  Proposal 11-2: expand APA levy categories to include all Export Approved Premises  Proposal 11-3: provide for an hourly charge for market access services in the Non-Dairy APA Regulations  Proposal 11-4: change fees for infant formula declarations to a fixed charge  Proposal 11-5: change reporting requirements |

1. **Proposal 11-1: expand APA levy categories to include dairy coolstores**
   * 1. Do you agree with the proposal to expand this levy category to include dairy coolstores?

|  |  |  |
| --- | --- | --- |
| Agree | Disagree | No preference |

* + 1. What are the reasons for your opinion?

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* + 1. Are there any other aspects of the levy that you think MPI should be aware of?

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1. **Proposal 11-2: expand APA levy categories to include all Export Approved Premises**
   * 1. Do you agree with the proposal to expand this levy category to include all Export Approved Premises?

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| --- | --- | --- |
| Agree | Disagree | No opinion |

* + 1. What are the reasons for your opinion?

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* + 1. Are there any other aspects of the levy that you think MPI should be aware of?

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1. **Proposal 11-3: provide for an hourly charge for market access services in the Non-Dairy APA Fee Regulations**
   * 1. Do you agree with the proposal for an hourly charge for market access services in the Non-Dairy Fee Regulations?

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| --- | --- | --- |
| Agree | Disagree | No opinion |

* + 1. What are the reasons for your opinion?

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* + 1. Are there any other aspects of this fee you think MPI should be aware of?

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1. **Proposal 11-4: change fees for infant formula declaration to a fixed charge**
   * 1. Do you agree with the proposal to change the fee for infant formula declarations to a fixed charge (similar to Official Assurance Fees)?

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| --- | --- | --- |
| Agree | Disagree | No opinion |

* + 1. What are the reasons for your opinions?

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* + 1. Are there any other aspects of this fee that you think MPI should be aware of?

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1. **Proposal 11-5: change reporting requirements**
   * 1. Do you agree with the proposal to change the requirements for reporting volumes of certain species to the Director-General of MPI, for the purposes of calculating levies?

* actual monthly or annual volumes for large fish and shellfish processors

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| --- | --- | --- |
| Agree | Disagree | No opinion |

* some species of animals and birds (other than those currently listed in the regulations)

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| --- | --- | --- |
| Agree | Disagree | No opinion |

* + 1. What are the reasons for your opinion?

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* + 1. Are there any other aspects of the report requirements that you think MPI should be aware of?

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