



MPI Certification Standard: IVA Requirements

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TITLE

Plant Export Requirement: MPI Certification Standard: IVA Requirements

COMMENCEMENT

This Plant Export Requirement comes into force on the 1st June 2015..

ISSUING AUTHORITY

This Plant Export Requirement is issued

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Peter Thomson
Director, Plants, Food & Environment
Ministry for Primary Industries
(acting under delegated authority of the Director General)

Contact for further information
Ministry for Primary Industries (MPI)
Regulation & Assurance Branch
Plants, Food and Environment Directorate
PO Box 2526
Wellington 6140
Email: standards@mpi.govt.nz

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Introduction

This introduction is not part of the Plant Export Requirement, but is intended to indicate its general effect.

Purpose

To specify the requirements an applicant Independent Verification Agency (IVA) must meet to gain authorisation to undertake pre-export verification services of plant and plant products on behalf of the Ministry for Primary Industries (MPI).

Background

MPI has developed a series of operating standards to manage the export certification of plants and plant products. This series of standards can be found on the MPI website.

This standard is also part of the MPI Treatment Supplier Programme to ensure that official treatments being applied to imported risk goods provide the best practicable level of control.

The MPI Regulatory model for plant exports operates through authorised IVAs and MPI approved organisations (MAOs) undertaking services on MPI's behalf.

Who should read this Plant Export Requirement?

This programme applies to IVAs that have gained an appropriate MPI agreed ISO accreditation and are seeking to provide verification services on behalf of MPI Plant Exports.

Why is this important?

Operating other than in accordance with this programme will result in the IVA losing their authorisation to provide verification services on behalf of MPI Plant Exports.

Document history

Previous Version Date	Current Version Date	Section Changed	Change(s) Description
1 July 2013	25 March 2015	Whole document	Full review and reissue of this standard.

Other information

MPI Plant Exports Certification Standard: Assurance System Framework: including;

- Appendix 1: References
- Appendix 2: Definitions

Part 1: MPI Authorisation of an IVA

1.1 General requirements

- (1) An Independent Verification Agency (IVA) must be formally recognised and authorised by the Ministry for Primary Industries (MPI) to undertake services on behalf of MPI.
- (2) An applicant seeking to become an MPI authorised IVA must
 - a) provide MPI with objective evidence they are a reputable organisation for the provision of services on behalf of MPI.
 - b) have obtained ISO accreditation to either AS/NZS ISO/IEC 17020:2012 or ISO/IEC 17065 for undertaking inspection and verification activities and;
 - c) document and implement an MPI authorised system that addresses the requirements of:
 - i) the independence criteria of a type A inspection body as described in AS/NZS ISO/IEC 17020:2012;
 - ii) this standard and other relevant MPI technical standards for the service delivery options for which they are seeking authorisation;
 - iii) the MPI summary of importing country requirements and import permits provided by New Zealand exporters;
 - iv) all relevant legislation affecting the delivery of MPI Plant Exports verification services.

Guidance

- Suitable ISO standards include ISO 17020 or ISO 17065.
 - *ISO/IEC 17020, Conformity assessment - Requirements for the operation of various types of bodies performing inspection* is recommended for those IVA's providing Inspection based services only (refer Option 5 Part 2.3).
 - *ISO/IEC 17065, Conformity assessment - Requirements for bodies certifying products, processes and services* is recommended for those IVA's providing evaluation, audit, and verification services (refer Options 1-4 and 6-9 Part 2.3).

1.2 Roles and responsibilities of an IVA

- (1) An IVA's role for and on behalf of MPI is to provide independent inspection and verification services.
- (2) IVAs are responsible to MPI for:
 - a) providing appropriate resources and documenting their IVA system applicable to the scope of their MPI authorisation (refer to Part 1.3);
 - b) operating in compliance with their MPI authorised IVA system (refer to Part 1);
 - c) maintaining their IVA system to meet the requirements of this standard and the applicable MPI technical standards (refer to Part 1 and Part 2);
 - d) ensuring their IVA system accurately verifies that plants and plant products comply with the importing country requirements.

1.3 IVA service delivery options

- (1) An IVA may gain MPI authorisation to undertake one or more of the following services:

Table 1: IVA Service delivery options and the applicable MPI Technical Standard

Option	Service	Reference MPI Standard
1*	Evaluation and/or audit of MAO systems (undertaking options 4-9).	Technical Standard: Audit.
2*	Supervision of treatment suppliers who are not MPI approved.	Treatment Supplier Programme - Requirements for the supplier of official treatments.
3*	Verification of MPI certificates.	Refer to Part 5 of this standard.
4	Seed Varietal certification activities.	Technical Standard: Seed Varietal Certification.
5	Phytosanitary inspection.	Technical Standard: Phytosanitary Inspection.
6	Activities associated with phytosanitary certificates.	Technical Standard: Phytosanitary Certificates.
7	Design and/or undertaking Pest Freedom surveys.	Technical Standard: Pest Freedom Survey.
8	Activities associated with the use of the certification mark for wood packaging.	Technical Standard: Certification mark for wood packaging.
9	Phytosanitary treatment.	Treatment Supplier Programme - Requirements for the supplier of official treatments: <ul style="list-style-type: none"> Note: IVAs incorporating 'treatments' within their scope of activities only need to have documented procedures for the following Parts - 2.6, 2.7, 4.1.1, 4.1.3, 4.2, 4.3, 4.6, 4.7, 4.8, and Appendix 3 1.0 of the MPI standard "Requirements for the supplier of official treatments".

Note: * These options can only be undertaken by an IVA.

1.4 Process for MPI authorisation of an IVA

- (1) The process for the applicant to become an MPI authorised IVA is summarised in Table 2.
- (2) The formal MPI authorisation record consists of:
- a copy of the MPI counter signed contract of authorisation (inclusive of a service level agreement);
 - the MPI approved copy of the applicant's system;
 - the version of the standard(s) the system was assessed against;
 - a copy of the certificate of authorisation.

Table 2: Pathway for MPI authorisation of an IVA

Step	Applicant IVA action	MPI action	Accreditation body action
1	Select an ISO accreditation body that operates under a memorandum of understanding with MPI.		Clarify any queries from the applicant IVA.
2	Document procedures to comply with the agreed ISO standard and Part 2 of this standard.	Confirm and agree the ISO standard selected.	
3	Apply and submit the procedures from step 1 to their selected accreditation body.		Upon receipt of the IVA application appoint a joint assessment team, with appropriate technical representation from MPI.
4	Apply using the application form and contract of authorisation (appendix 1 and 2 of this standard) sign and submit these along with the IVA system to MPI.		
5		The joint assessment team assesses the IVA application and their procedures for compliance to the agreed ISO standard and MPI standards.	
6	Provide any additional information.	Request any additional information needed, if required.	
7		The joint team assess additional information for compliance to associated standards.	
8	Undertake provisional service delivery as per MPI conditions.	MPI may provisionally authorise the IVA subject to specific conditions pending the IVA gaining their ISO accreditation.	
9		Joint assessment team undertakes an onsite system audit to validate the actual operations of the IVA correspond to the documented procedures at critical locations.	
10	Implement and verify corrective actions.		Notify the applicant of any non-compliance findings and agree on corrective action(s).
11		The joint team verifies the agreed corrective actions.	
12			Accredit the IVA, specifying accredited scope in accordance with Part 1.3 of this document. Notify MPI and IVA of the accreditation of the IVA's system. Provide a copy of the accredited IVA's system to MPI.

Step	Applicant IVA action	MPI action	Accreditation body action
13		<p>Countersign the contract of authorisation and return a copy to the IVA.</p> <p>Issue a certificate of authorisation and update the IVA register on the MPI website.</p>	
14	Operate services on behalf of MPI as per the scope of the ISO accreditation and MPI authorisation.		

1.5 Request for dispensation and recognition for equivalency

- (1) An IVA seeking a dispensation from any requirement within the plant export requirement series of standards must make a formal request to MPI Plant Exports.
 - a) when an MPI dispensation has been granted the IVA must supply a copy of the MPI dispensation and the IVA's amended procedures to their ISO accreditation body.
- (2) An IVA seeking a phytosanitary risk management process to be recognised as equivalent to phytosanitary inspection must submit a formal request to MPI Plant Exports.
 - a) when an IVA has received MPI recognition for equivalence the IVA must supply a copy of the MPI equivalence notification and their amended procedures to their ISO accreditation body.

Part 2: IVA System Requirements

- (1) The IVA system must include as a minimum:
 - a) an IVA system overview (refer to Part 2.1);
 - b) a copy of the certificate of accreditation from their ISO accreditation body;
 - c) documented procedures describing how they meet the following:
 - i) the applicable MPI technical standards (refer to Part 2.5);
 - ii) maintaining phytosanitary security (refer to Part 2.6);
 - iii) staff competency (refer to Part 2.7).
- (2) IVAs must meet the following minimum requirements in operating their system:
 - a) management review (refer to Part 2.2);
 - b) document control (refer to Part 2.3);
 - c) confidentiality (refer to Part 2.4);
 - d) internal audit (refer to Part 2.2.1);
 - e) trace-backs and investigations (refer to Part 2.8);
 - f) maintenance of records (refer to Part 2.9);
 - g) MPI reporting (refer to Part 2.10);
 - h) sub-contracting (refer to Appendix 2, Clause 14 of the Contract for authorisation);
 - i) transfer of organisations between IVAs (refer to Part 2.11).

Guidance

- Although MPI does not require documented procedures for the requirements specified above in Part 2(2), MPI expects to observe evidence of these requirements being met during audits of the IVA system. Please note the ISO standard may require these to be documented. The IVA should consider the value of including these documented procedures as part of the IVA system to help demonstrate the above requirements are being met.

2.1 IVA system overview

- (1) The IVA system overview must include:
 - a) name and contact details of the IVA organisation;
 - b) the name and contact details of person(s) responsible for:
 - i) management of the IVA's documented system;
 - ii) MPI liaison;
 - iii) audit arrangements;
 - iv) implementation of contingencies.
 - c) The IVA's organisational structure/chart showing line control (including all IVA competent staff);
 - i) the position titles of staff in the organisation chart must align with those listed in their procedures and the IVA's register of competent staff.
 - d) The scope of services to be undertaken with reference to the relevant technical requirements for which the applicant is seeking MPI authorisation to undertake on behalf of MPI (refer to Part 1.3, Table 1).

2.2 Management review

- (1) The IVA must:
 - a) review their IVA system at least annually to ensure its on-going suitability and effectiveness to comply with the MPI standards;
 - b) ensure records from their management reviews are maintained as per Part 2.9, Table 3 and reported to MPI as per Part 2.10, Table 4;
 - c) ensure the review includes an assessment of the resource needs to provide the level of service delivery as per the scope of their MPI authorised system.

2.2.1 Internal audit

- (1) The IVA must:
 - a) conduct internal audits at planned intervals (at least once every 12 months) to determine whether the documented IVA system:
 - i) complies with this standard, MPI Certification Standard: Assurance System Framework, the applicable MPI technical standards and the IVA system requirements;
 - ii) is effectively implemented and maintained.
 - b) identify the responsibilities and requirements for planning and conducting audits, establishing records and reporting results;
 - c) record any follow up activities including the verification of corrective actions;
 - d) ensure full records of these internal audits are maintained as per Part 2.9, Table 3 and reported to MPI as per Part 2.10, Table 4.

2.3 Document control

- (1) The IVA must ensure each page of their IVA system (including their operating procedures) has a unique version number and/or the date which identifies the most recent version of the system, procedure or individual page released.
- (2) Changes made to an IVA system, must be highlighted or tracked to assist with efficient evaluation of the changes.
- (3) Handwritten amendments are permitted to correct spelling mistakes and/ or alter records provided the original wording or finding is crossed out and not covered up using correction fluid or tape. Handwritten amendments must be initialled and dated.
- (4) Up to date procedures must be readily accessible to the person responsible for completing the activity.
- (5) Amendments to the IVA system as specified in Part 3 Table 5 must be approved by MPI prior to implementation.

2.4 Confidentiality

- (1) Information obtained by an IVA in the course of their IVA duties must be dealt with in accordance with the confidentiality provisions of the contract of authorisation (refer to Appendix 2).

2.5 Service delivery procedures

- (1) The IVA must document procedures relevant to the scope of service(s) for which (refer to Part 1.3, Table 1) they are seeking MPI authorisation to undertake on behalf of MPI.

2.5.1 Procedures for services

- (1) The documented procedures must describe:
 - a) what activities are to be undertaken;
 - b) how activities are undertaken;
 - c) where activities are undertaken;
 - d) when activities are undertaken;
 - e) who is responsible for completing the activities.
- (2) Documented procedures must be descriptive in nature. Specification statements using terms such as 'must', 'shall' or 'will' must not be used when documenting procedures.

Guidance

- The best examples of procedures are concise and list descriptive actions. Examples:
 - check pack labelling and record the relevant pack details and sample size onto the Inspection record sheet.
 - open each package & remove all wrapping from the produce.

2.5.2 Technical requirements

- (1) The IVA's documented procedures must describe how they meet the requirements contained in:
 - a) the relevant MPI technical standards (refer to Part 1.3, Table 1);
 - b) MPI recognised importing country requirements, e.g. phytosanitary, grade, residue/food safety;
 - c) import permits;
 - d) work plans for pre-clearance programmes;
 - e) Official assurance programmes (OAPs);
 - f) other MPI standards where applicable (e.g. MPI Standard:Treatment Supplier Programme).

2.5.3 MPI pre-approved procedures

- (1) MPI pre-approved procedures (e.g. those associated with OAPs) are available from MPI for the IVA to incorporate in their documented system.
- (2) Where these procedures are included in the IVA system without change MPI shall not re-evaluate the content except to check the content has not changed.
- (3) Where an IVA changes MPI pre-approved procedures (e.g. tailors these to reflect their method of operating) the modified procedures must be submitted for MPI evaluation and approval.

2.6 Maintaining phytosanitary security

- (1) The IVA's documented procedures must describe:
- a) how they ensure product eligible for certification is protected from becoming infested, contaminated or substituted (mixed) with product that is not eligible for MPI certification;
 - b) the actions taken to minimise the risk or monitor the occurrence of infestation, contamination and deterioration occurring to the point it leaves the IVA's responsibility;
 - c) the actions taken to prevent substitution or mixing and in particular, when plant products require rework, how the eligibility for certification is maintained;
 - d) the actions undertaken when the certification status is compromised or suspended;
 - e) corrective actions to bring any non-complying plant product and/or operational process back into compliance with specification;
 - f) how they manage product identification and traceability from the place of production to the point of export;
 - g) how they manage the transfer of responsibility to another IVA or MAO to ensure the product maintains its certification status;
 - i) eligibility for MPI certification will be lost if responsibility is transferred to a non-MAO unless this transfer is under the control of the IVA (i.e. responsibility is retained by the IVA);
 - ii) where an IVA elects to transfer their product to a non-MAO the IVA must provide the entity with documented procedures to follow that are monitored by the IVA.

2.7 Staff competency

2.7.1 Staff competency and conduct

- (1) The IVA documented procedures must describe:
- a) how the minimum staff competency requirements specified in each of the applicable technical requirements are met;
 - b) how conflicts of interest are managed and include:
 - i) competent staff must not be remunerated on the number of inspections/audits carried out and in no case on the results of such inspections/audits;

Guidance

- Consider how staff reporting lines and different methods of payment can impact employees.
- In cases where it is impossible to separate remuneration from the number of inspections (e.g. in very small inspection bodies), other means, such as recording the duration of inspections or digital photographic evidence should be established to ensure that the quality of inspections is not compromised by financial considerations.

- ii) the guidance the IVA provides its staff on conduct.

Guidance

- This guidance may be in the form of a code of conduct. It may include issues relating to work ethics, impartiality, personal safety, and relationships with customers, company rules and any other issues needed to assure the proper conduct of competent staff.
- Conflicts of interest registers can be used for staff to record how any conflicts or perceived conflicts are managed on an ongoing basis.

2.7.2 Competency assessment

- (1) The IVA's staff competency assessment documented procedures must describe:

- a) how trainee staff are supervised (i.e. within line of sight) by a competent staff member, where the outcome impacts the MPI certification decision.
 - i) one supervisor (i.e. competent staff member) to three trainees is considered to be the maximum for supervisory purposes;
- b) the method used to assess staff competency to undertake specified MPI activities;
- c) how the assessor of staff competency is involved in the observation of the trainees completing practical implementation tests;
- d) how competencies are confirmed annually unless otherwise agreed by MPI on a case by case basis;
- e) actions undertaken as a result of receiving a report on competency assessments undertaken.

2.7.3 Proof of identity

- (1) All IVA staff must carry photographic identification that identifies their name and IVA company name when performing certification services.

2.8 Trace-backs and investigations

2.8.1 Trace-backs

- (1) An IVA must conduct a trace-back when notified by MPI of a pest interception on an export consignment arriving in a market overseas. The notification may come from a number of sources including, the importing country's officials, an IVA, an exporter or an MAO.
- (2) When conducting a trace-back the IVA must gather and summarise the pertinent information from documents including:
 - a) phytosanitary inspection records;
 - b) Declaration of Intent (DOI) or Declaration of Conformity (DOC) (if applicable);
 - c) phytosanitary certificate;
 - d) any other documentation with pertinent information (e.g. load out reports, treatment certificates).
- (3) The information must be presented to MPI as a concise trace-back report with copies of the original documents appended. Refer to Part 2.10 for report format and timeframes.

Guidance

- Any costs associated with collating, analysing and reporting the requisite information are to be met by the IVA. The IVA may elect to recover reasonable costs from the pathway participants (e.g. exporters or MAOs responsible for conducting any phytosanitary related activities).
- These costs may be recovered regardless of whether any non-compliance has been identified.

2.8.2 Investigations

- (1) Investigations may be required in a number of circumstances including but not limited to:
 - a) a number of interceptions have been notified;
 - b) a non-compliance has been identified;
 - c) an incident occurs that results in the MPI phytosanitary certification process being challenged;
 - d) posing a possible threat to one or more overseas' markets.
- (2) Investigations will be initiated and directed by MPI:
 - a) IVAs may be requested to undertake or participate in investigations and where this occurs the IVA is to provide MPI with an investigation report (refer to Part 2.10 for the report format and timeframes).

Guidance

- Pre-agreed investigation costs may be recovered from MPI.
- MPI will determine the cost recovery from industry bodies or pathway participants.

2.9 Maintenance of records

- (1) The IVA must maintain and make available the records, listed in Table 3, in hard copy or electronic format to MPI.

Table 3: Records to be maintained

IVA record Type	Duration to be held (years)
Copy of their documented IVA system authorised by MPI.	Current year's version(s).
All service contracts with MPI and MAOs.	2 years after term of contract.
Records associated with the delivery of MPI services (e.g. audit, inspection, pest survey, certificate verifications and non-compliance findings/corrective actions, security paper inventory log).	2 (7 years for seed and propagatable material).
Records associated with internal audits and outcomes of the IVA management review.	2
Recommendations for approval of MAOs and supporting documentation.	2
Recommendations for the suspension/termination of MAOs.	2 years following the date of suspension /termination.
Interceptions associated MPI certified products as notified by importing countries of which the IVA have been made aware.	2
Register of competent staff including: <ul style="list-style-type: none"> • the name of competent staff employed by the IVA • scope of activity undertaken by the competent staff member • the date competency attained and/or lost • the date the annual assessment was completed. 	Current (whilst competent staff are employed, then one year from cessation of specific authorised activity or employment.)

2.10 Reporting to MPI

The IVA must provide MPI reports to meet the requirements in Table 4.

Table 4: IVA reporting requirements

Report type	Report format/content	Reporting timeframe
Notification of change: <ul style="list-style-type: none"> • Key personnel (as per part 2.1) 	Notify MPI by phone or email and provide a description of the change.	At least one working day prior to the change occurring.
Event report: <ul style="list-style-type: none"> • critical non compliance 	Notify MPI by phone or email and provide: <ul style="list-style-type: none"> • Name of IVA &/or MAO • Description of event. • Initial IVA/MAO action taken. 	Within 90 minutes of event awareness.

Report type	Report format/content	Reporting timeframe
<p>finding(s) during IVA audits of MAOs</p> <ul style="list-style-type: none"> • critical non-compliance finding(s) within the IVA's own MPI authorised system • Other discoveries considered likely to impact on the integrity of MPI certification. 	<p>Provide MPI a written report containing:</p> <ul style="list-style-type: none"> • Heading (event report: IVA reference) • Report prepared by • Date of event finding • Name of organisation • Description of event • Background • Implications of the event • IVA actions taken • Status of organisations corrective actions • IVA recommendations to MPI • Previous critical non compliances 	<p>Within 7 working days of initial notification.</p>
<p>Investigation reports.</p>	<p>Refer critical non-compliance report format. Note: Investigations are exempt from the initial notification.</p>	<p>Within 7 working days of MPI request.</p>
<p>Phyosanitary traceback reports.</p>	<ul style="list-style-type: none"> • The phytosanitary certificate number • Affirmation from the IVA that the inspecting organisation has confirmed that the product inspected is the product specified on the phytosanitary certificate • The MPL applied for the inspection; the actual number of products inspected and the lot size • The name of the organisation conducting the phytosanitary inspection • The name(s) of the phytosanitary inspector(s) • The competency status of the phytosanitary inspector(s) • The details of any mandatory treatment applied including (where relevant) any explanation of any non-completion of a treatment and any opportunities for secondary contamination following treatment • The name of the organisation conducting the phytosanitary treatment (if applicable) • The names of the treatment technician (if applicable) • The competency status of the treatment technician (if applicable) • Any identified non-compliance. 	<p>Within 10 working days of MPI request.</p>
<p>Interceptions of MPI phytosanitary certified product.</p>	<p>Provide MPI with a copy of the communication advising of the pest interception.</p>	<p>Within 5 working days of initial notification.</p>
<p>Importing country requirements from sources other than MPI.</p>	<p>Notify MPI by e-mail; plantexports@mpi.govt.nz.</p>	<p>Within 7 working days.</p>
<p>Monthly reporting.</p>	<p>Status of management events reported in the last month. Report must include:</p> <ul style="list-style-type: none"> • Date of event • Event name/reference • Status (open, closed or overdue) <hr/> <p>MAO audits outstanding by more than 2 months. Report must include:</p> <ul style="list-style-type: none"> • Name of organisation • Type of audit • Reason for delay. 	<p>Due within 10 working days of end of previous month (e-mail).</p>

Report type	Report format/content	Reporting timeframe
	<ul style="list-style-type: none"> • Likelihood of audit occurring. <hr/> <p>Disputes and appeal identifying issues, outcomes, legal actions and settlements. Report must include:</p> <ul style="list-style-type: none"> • Dispute or appeals description • Outcome if known • Legal action status • Description of settlements <hr/> <p>Register of new applicant organisations including:</p> <ul style="list-style-type: none"> • Name of organisation • IVA evaluation stage. <hr/> <p>Register of competent staff</p>	

2.11 Transfer of organisations between IVAs

- (1) IVAs must facilitate the transfer of MAOs between IVAs when this option is exercised by an organisation as per the following:
- a) IVAs must cooperate with each other in accordance with their ISO accreditation;
 - b) the new IVA must ensure:
 - i) the MAO's approval is current;
 - ii) the MAO's activities fall within the scope of the new IVA's authorisation;
 - iii) any non-compliances have been appropriately resolved and are not outstanding; and
 - iv) the audit frequency applied by the former IVA is known.
 - c) the former IVA must provide the information being requested by the new IVA and continue to provide verification services to the MAO until the new IVA has formally accepted the transfer;
 - d) upon transfer the new IVA must:
 - i) notify both MPI and the former IVA within 24 hours of acceptance of transfer;
 - ii) request, from the previous IVA, copies of all audit reports and non-compliance data in relation to MPI certification standards for the previous two years; and
 - iii) conduct a full system audit within one month of accepting the transfer or when the organisation is fully operational if the transfer occurs in the off-season. This system audit is to be regarded as the annual system audit.

Guidance

- The transfer of organisations with non-compliance findings not closed out is at the sole discretion of MPI on a case by case basis.

Part 3: IVA System Amendments

3.1 Amendments to existing IVA system

(1) The following approach must be taken when an IVA amends their MPI authorised system:

Table 5: Amendments to IVA systems:

Type of amendment	IVA action	Outcome
a) Correction of typos, non-operational procedural changes and updates to the IVA register of competent staff.	Make changes to procedures and inform MPI of these.	Immediate implementation.
b) Amending operational procedures where non-compliance has been identified by MPI/ISO accreditation body or the IVA itself.	Make changes to procedures and send to MPI within 20 working days.	Implementation following MPI re-authorisation.
c) New operational procedures within the IVAs existing scope of authorisation.	Submit new procedures to MPI.	Immediate implementation while MPI undertake a desk evaluation and consider need for field assessment.
d) IVA scope extension of MPI authorisation.	Submit new procedures to MPI.	MPI completes a successful desk evaluation and a field assessment in consultation with the ISO accreditation body.
e) MPI notifies a change to any MPI standard OAP or pre-clearance programme associated with the IVAs authorisation from MPI.	Make changes to procedures and send to MPI within 30 working days.	Implementation following MPI re-authorisation.

(2) The process for the authorisation of significant amendments to an existing IVA system must be undertaken as described in Table 6.

Table 6: Process for MPI authorisation of amended procedures:

Step	IVA action	MPI action	ISO accreditation body action
1	Submit the amended system and /or procedure to MPI and your nominated ISO accreditation body as per agreements. Note: This applies to amendment types b) and d) from Table 5.		
2		Upon receipt of the IVA amendment assess for technical impact of the amendment and initiate the joint assessment group as appropriate.	Respond to a request from MPI to undertake a joint assessment.
3		Participate in joint assessment team as appropriate.	
4		Request any additional information or clarification and copy this request to the ISO accreditation body.	Acknowledge receipt of MPI notification.
5	Provide any additional information.		
6		Assessment team verifies IVA implementation of the amendment where appropriate	
7		Notify IVA of the approval of the amendment and copy all approved amendments to the appropriate ISO accreditation body.	Acknowledge receipt of MPI notification.
8	IVA implements the approved amendment.		

Part 4: Non-compliance, suspension and termination

4.1 Suspension and termination

An IVA's authorisation may be suspended or terminated in accordance with the suspension and termination provisions in the contract of authorisation (refer to Appendix 2).

4.2 Retention of authorisation

- (1) In addition to the requirements of this standard to retain MPI authorisation an IVA must:
 - a) implement amendments to their authorised system in compliance with the MPI process outlined in Part 3.1;
 - b) comply with the annual joint ISO accreditation body and MPI audit outcomes of each service option (refer to Part 1.3) they are authorised for;
 - c) actively participate and cooperate in MPI trace-backs and investigations;
 - d) pay fees prescribed by MPI, in full and within agreed time frames.

4.3 Management of critical non-compliance findings

- (1) IVAs must comply with the agreed (MPI and IVA) critical non-compliance corrective action(s) and timeframe for implementation.
- (2) The process for managing critical non-compliance findings by MPI and/or the ISO accreditation body and those by the IVA themselves is described in the Tables 7 and 8.

Table 7: Critical non-compliance findings by MPI or the ISO accreditation body

Step	IVA action	MPI action	ISO Accreditation Body action
1		Confirm and gain agreement of the critical non-compliance (CNC) finding with IVA.	
2	Immediately initiate a non-compliance corrective action meeting amongst MPI, their IVA representatives and ISO accreditation body.		
3	During non-compliance corrective action meeting undertake an impact assessment and agree on: <ul style="list-style-type: none"> Contingency actions Corrective actions Implementation time frames; and MPI verification programme. 		
4	Submit an event report as per Part 2.10, Table 4 to MPI and forward a copy of this to their ISO accreditation body.	Receive an event report and schedule follow up verification activities with IVA. Consultation between MPI and ISO accreditation body as necessary to clarify responsibilities for follow up.	
5	Implement agreed contingency actions and corrective actions and notify MPI and ISO accreditation body when complete.		
6	Facilitate MPI or its representative's participation in the verification audit (including funding arrangements).	Verify (through partial or full system audit) agreed corrective action has been implemented. <ul style="list-style-type: none"> If YES, go to step 7; If NO, suspend IVA authorisation, issue an additional non-compliance and initiate ISO accreditation body action to the right. 	If MPI verification process is unsuccessful, and subject to MPI agreements, monitor the impacted IVAs ongoing service delivery associated with the non-compliance finding. If necessary provide the IVA with a letter notifying reason for intervention.
7		Consult and confirm that agreed corrective action has been implemented and notify IVA of the agreed outcome.	

Table 8: Critical non-compliance findings identified by the IVA within their own MPI authorisation system

Step	IVA action	MPI action	ISO Accreditation body action
1	Identify and confirm internal critical non-compliance and notify MPI within 90 minutes.	Clarify and confirm with IVA: <ul style="list-style-type: none"> Contingency actions Corrective actions Implementation time frames. 	
2	Submit an event report as per Part 2.10, Table 4 and forward a copy to MPI.	<ul style="list-style-type: none"> Acknowledge receipt of IVA event report Schedule a partial or full system audit to verify the agreed corrective actions Initiate consultation with ISO accreditation body as necessary to clarify responsibilities for follow up. 	Acknowledge receipt of MPI notification and follow up with MPI as necessary.

4.4 IVA cessation of service to an organisation

- (1) An IVA must notify MPI within 24 hours, with the reason, where they propose to no longer provide services to an organisation.

Part 5: Phytosanitary Certificate Verification Requirements

5.1 Registering for ePhyto

- (1) IVA's choosing service delivery option 3 must register with MPI to activate their participation in ePhyto.

Guidance

- The application form can be found at: mpi.govt.nz/exporting/food/fruit-and-vegetables/forms-and-templates/. The registrant will need a 'Real me' logon (www.realme.govt.nz/) to validate their identity.
- The registration does not infer any MPI authorisation to coordinate documentation, verify certificates, nor print phytosanitary certificates.
- 'Important information' on the use of ePhyto can be accessed on the left hand side of the Welcome to ePhyto system home page:
<https://epcsp.maf.govt.nz/MAF.PhytoECert.Web/Home/Login?ReturnUrl=%2fMAF.PhytoECert.Web%2f>

5.2 Verification of phytosanitary certificates

- (1) To gain authorisation to verify phytosanitary certificates, IVAs must:
- a) document and implement phytosanitary certificate verification procedures (refer to Part 5.2.1);
 - b) ensure certificate verification staff meet the competency requirements (refer to Part 5.2.2);
 - c) retain applicable records (refer to Part 5.2.3);
 - d) communicate problems or issues identified within ePhyto to MPI.

Guidance

- Approval to verify phytosanitary certificates does not infer the IVA has approval to print certificates.

5.2.1 Phytosanitary certificate verification procedures

- (1) The IVA must document their certificate verification procedures, which describe how they:
- a) confirm plant products within an export consignment comply with the appropriate ICPR or import permit conditions;
 - b) confirm the phytosanitary information received through a certificate request is from a legitimate source (i.e. IVAs, MAOs or ePhyto registered organisations) complies with importing country requirements (e.g. production site clearances, treatment certificates, declarations of conformity);
 - c) ensure they receive all supporting documents and process/verify a request from an organisation that is not approved to manage and retain supporting documentation;
 - d) verify material as acceptable from MAOs not approved to manage and retain supporting documents prior to finalising the processing of a certificate request;
 - e) ensure a certificate request is verified by a person other than the person who requested the certificate (i.e. when a certificate request is received internally from your organisation);
 - f) request the wet signature by MPI for those importing countries requiring them.
- (2) The IVA must document procedures describing the operation of and security of a business continuity plan if ePhyto is offline:
- a) The business continuity plan must only be actioned when MPI approval is given and describe how all certificates are:
 - i) produced in accordance with MPI Technical Standard: Phytosanitary Certificates, Part 2.3;
 - ii) uniquely numbered;
 - iii) maintained in a secure environment; and

- iv) recorded in an inventory control record of the printed certificate(s).

5.2.2 Certificate verification staff competency

- (1) In addition to the general staff competency requirements specified in Part 2.7 certificate verification personnel must also demonstrate the following specific competencies:
 - a) understanding and application of the MPI export certification system;
 - b) knowledge of required documents to facilitate phytosanitary certification;
 - c) understanding and following/applying written procedures;
 - d) understanding of the MPI export certification process;
 - e) ability to access and interpret importing country requirements (ICPRs, import permits and associated AD's) and translating these to specific documentation requirements;
 - f) ability to access and competently use the MPI ePhyto system;
 - g) ability to reconcile and verify the accuracy of certificate request information against the appropriate ICPR for the plant material.

5.3 Records

- (1) The IVA must retain the following records in a readily accessible form for at least two years:
 - a) an inventory control record of MPI security paper purchased from the printer;
 - b) an inventory control record of allocated MPI security paper to MAOs (and the IVAs own print locations) that shows by date of allocation, the volume allocated to each organisation;
 - c) all supporting documentation provided with certificate requests;
 - d) a register of all IVA staff involved as ePhyto user(s);
 - e) certificate verification records (other than for seed and propagated material);
 - f) copies of cancelled phytosanitary certificates;
 - g) copies of printed phytosanitary certificates.
- (2) The IVA must retain certificate verification records for consignments containing seed and propagatable plant material for at least 7 years.

Appendix 1: Application for Authorisation as an IVA

Applicant's Name	
Business Address	
Scope	
Phone/Fax	
E-mail	
Contact Name	
Name and title of person responsible for applicant's system	
Name of ISO accreditation body selected for accreditation	
Date of application to AS/NZS ISO/IEX 17020:2012 or 17065:2013	

Applicant's Statement

I wish to apply for authorisation to operate as an independent verification agency ("**IVA**") under the requirements set down in means the document entitled 'MPI Certification Standard: IVA Requirements' (the "**IVA Standard**") and for the following technical options:

Option		Please select
Option 1	Evaluation and/or audit of MAO systems (undertaking options 4-9).	Technical Standard: Audit.
Option 2	Supervision of treatment suppliers who are not MPI approved.	Treatment Supplier Programme - Requirements for the supplier of official treatments.
Option 3	Verification of MPI certificates.	Refer to Part 5 of this standard.
Option 4	Seed Varietal certification activities.	Technical Standard: Seed Varietal Certification.
Option 5	Phyosanitary inspection.	Technical Standard: Phyosanitary Inspection.
Option 6	Activities associated with phyosanitary certificates.	Technical Standard: Phyosanitary Certificates.
Option 7	Design and/or undertaking Pest Freedom surveys.	Technical Standard: Pest Freedom Survey.
Option 8	Activities associated with the use of the certification mark for wood packaging.	Technical Standard: Certification mark for wood packaging.
Option 9	Phyosanitary treatment.	Treatment Supplier Programme - Requirements for the supplier of official treatments:

- (1) I agree to meet the requirements of the MPI Certification Standard: Assurance System Framework, MPI Plant Exports Certification Standard: IVA Requirements and the requirements of the above standards as appropriate to my chosen service options.
- (2) I agree to document my IVA System meeting the requirements specified by the IVA Standard.
- (3) I agree to operate to the above documented system and procedures as authorised by MPI.
- (4) I agree to MPI making enquiries and using the information supplied by me, in connection with this application or any contract entered into as a result of this application, for the following purposes:
 - a) To ensure that I am a fit and proper person to hold the authorised status conferred by the contract;
 - b) To ensure that I have appropriate consents, permits, licences and authorities in respect of my business operations and my business premises that are required;
 - c) To notify the public of my authorised status.
- (5) I consent to such enquiries being made to or by the Police, Customs Department, New Zealand Horticultural Export Authority and any statutory Board involved in import and export of products. I consent to publication of my authorised status in any publication available to the public.
- (6) I agree to afford MPI or MPI's representatives' reasonable co-operation and access necessary to carry out audits.
- (7) Included with this application is a non-refundable application fee of \$480.00 (+ GST) for processing the application.
- (8) I understand that if I fail to provide all or any of the information requested in connection with this application, I may be denied authorisation.
- (9) I understand that under the Information Privacy Principles of the Privacy Act 1993, I have rights of access to, and correction of, personal information held in connection with this application.

Guidance

- This application does not in itself entitle the applicant to provide inspection, audit and/or documentation services for MPI. This application will be considered by MPI, and whether or not authorisation is granted by MPI is in MPI's absolute discretion.

State here the ISO Accreditation body you are contracting for accreditation of your system to AS/NZS ISO/IEC 17020:2012 or 17065:2013.

(ISO Accreditation body)

(Signature of IVA) (Date)

(Name – Please print)

(Title)

Post this application to:
Team Support Officer
Plant Exports
Plant Food and Environment
Ministry for Primary Industries
PO Box 2526
Wellington

Appendix 2: Template Contract

CONTRACT FOR AUTHORISATION OF AN IVA

Made this day of 20

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF NEW ZEALAND acting by and through the Minister for Primary Industries (“MPI”)

AND

[INSERT FULL LEGAL ENTITY NAME], a company having company number [insert company number] (the “IVA”)

WHEREAS

MPI is responsible for ensuring that forestry, plants and their products certified for export are properly and competently inspected and documented.

MPI is responsible for ensuring that treatments required for import risk goods provide the best practicable level of control, and that only competent organisations and individuals are involved with the delivery of treatment activities.

The IVA has demonstrated procedural ability and proficiency in the provision of verification services for export phytosanitary and seed certification programmes and treatment supplier programmes for import risk goods.

Under this Contract, MPI authorises the IVA to provide verification services for export phytosanitary and seed certification programmes and treatment supplier programmes for import risk goods for and on behalf of MPI.

(1) DEFINITIONS

“**Certificate**” means an officially recognised original MPI document, designed in accordance with international specifications, and used to provide assurances to control authorities in importing countries that produce meets their requirements. Certificates currently in use are:

- a) Phytosanitary Certificate (Ag.G81 Reg.4)
- b) Phytosanitary Certificate for Re-Export
- c) OECD Seed Scheme Varietal Certificate
- d) Grade Certificate

“**Certification**” means all those activities leading to, and including, the issuance of an official assurance.

“**Conflict of Interest**” in relation to the IVA means any conflict of the IVA’s interests or obligations with its rights or obligations under this Contract and the Service Delivery such that the IVA’s independence, objectivity or impartiality can be called into question, whether the conflict of interest is actual (where the conflict currently exists), potential (where the conflict is about to happen or could happen), perceived (where other people may reasonably think that a person is compromised), or otherwise.

“**Contract**” means the agreement between the parties, comprised of:

- a) this Contract for Authorisation of an IVA;
- b) the IVA Standard; and
- c) the IVA System;

in each case, as may be updated by MPI (or with MPI’s approval) from time to time.

“**IVA System**” refers to the IVA’s System which meets the IVA Standard.

“**IVA Standard**” means the document entitled ‘MPI Certification Standard: IVA Requirements’.

“**Loss**” includes liability, damage, cost, loss, expense, and harm, each however caused, and whether arising directly or indirectly.

“**Service Delivery**” means providing verification services for and on behalf of MPI for export phytosanitary and seed certification programmes and treatment supplier programmes for import risk goods. Scope of authorisation may include product inspection, auditing of inspection systems, supervision of treatment suppliers, carrying out of pest surveys, and the provision of a documentation service and registered certification mark (ISPM15) to prepare Certificates for an official signature and stamp of authorisation relating to Certification that are specified in the attached document entitled “IVA System”.

(2) INTERPRETATION

In this Contract, unless the context requires otherwise:

- a) to the extent that there is any conflict or ambiguity between the various parts of this Contract, the following descending order of priority shall apply:
 - this Contract for Authorisation of an IVA;
 - the IVA Standard; and
 - the IVA System;
- b) headings are for guidance only and do not affect interpretation;
- c) subject to clause 16, anything that this Contract requires to be done in writing, may be done by email;
- d) a reference to any statute, regulation, or expression of government policy includes any amendments, re-enactments or replacements of that statute, regulation, or expression of government policy from time to time;

(3) TERM

This Contract commences on the date it is signed by the authorised representatives of both parties and will continue indefinitely, subject however to any right of termination or suspension set out in this Contract.

(4) AUTHORISATION OF THE IVA

MPI hereby authorises the IVA for the term of this Contract to perform the Service Delivery.

- a) any other authorisation or any Certification of any kind will be granted by MPI or will be granted within a certain time period; or
- b) any forestry, plants, their products, or other things that are accompanied by or otherwise reliant on any service for MPI export certification provided by the IVA on behalf of MPI will be accepted by an importing country’s official control authorities, or will be accepted within a certain time period.

(5) WARRANTIES

5.1 The IVA warrants that all information (including written and oral information) supplied by the IVA to MPI is correct and adequate in all respects, including:

- a) all information supplied in or in connection with the application forms submitted to MPI and relevant to this Contract;
- b) all other information supplied in connection with the authorisation of the IVA under this Contract; and

- c) all information required to be supplied under the IVA Standard.

5.2 The IVA warrants that throughout the term of this Contract the IVA will maintain its IVA System and all other relevant practices to substantially correspond with all the information referred to in clause 5, except to the extent that any changes made are authorised by MPI in accordance with the IVA Standard.

5.3 The IVA will notify MPI of any change to the IVA's name.

5.4 The IVA warrants that where it is an unlisted company, it will notify MPI as soon as reasonably practicable of any change of control, including:

- a) change in the legal or beneficial ownership of any of its shares; or
- b) issue of new capital; or
- c) change to the rights and powers attaching to any of its shares; or
- d) change to the composition of its board of directors (as this term is defined in section 127 of the Companies Act 1993).

5.5 The IVA warrants that it will fully comply with all the requirements and other specifications set out in the IVA Standard.

5.6 The IVA warrants that it will take all reasonable steps to enable and facilitate MPI, and any persons acting for or otherwise associated with MPI, to perform their tasks and functions as envisaged in, or otherwise in connection with, the IVA Standard.

5.7 The IVA acknowledges that it is authorised to perform Service Delivery pursuant to this Contract, but that its status under this Contract does not authorise it to perform any other action, and therefore warrants that:

- a) it will not hold itself out as being associated with or endorsed by MPI in any other respect;
- b) in making reference to its authorisation status in all publicity and media forums it will use only the following phrase or an equivalent phrase approved by MPI: "Authorised by the Ministry for Primary Industries to provide "[service delivery options]".
- c) it will not use the MPI logo, crest, coat of arms, or any other device, other than as may be permitted by the Flags, Emblems, and Names Protection Act 1981.

(6) CONFIDENTIALITY

6.1 Each party will keep confidential and secure and not use or disclose to any third party any of the other party's Confidential Information except:

- a) to its professional advisers or personnel directly concerned with the implementation or operation of this Contract and to the extent necessary for performing its obligations under this Contract;
- b) as required by law, court order, other legal obligation, or Ministerial request, or parliamentary rules or convention;
- c) under the Official Information Act 1982;
- d) to the extent necessary to subcontract to parties as approved by MPI in accordance with this Contract;
- e) by MPI in accordance with its other contractual arrangements;
- f) where the information subsequently becomes part of the public domain through no fault of the party receiving the information.

6.2 Each party acknowledges that a breach of any obligation of confidence under this Contract may cause the other party irreparable damage for which monetary damages would not be an adequate remedy. Accordingly, in addition to any claim for damages and any other remedies available at law or equity, the non-breaching party may seek specific performance or injunctive relief against any breach or threatened breach by the other party, its Personnel, agents or contractors of this clause 6. Each party undertakes to provide the other party

with any assistance possible in any such action against any of that first party's Personnel, agents or contractors.

(7) INTELLECTUAL PROPERTY

7.1 Notwithstanding any other provision of this Contract, all means all intellectual property in existence at the commencement of this Contract or created outside the scope of this Contract ("**Pre-Existing IP**") will remain the property of its owner.

7.2 The ownership of all intellectual property developed or discovered by either party related to this Contract ("**New IP**") will vest directly in MPI on its creation. To the extent ownership does not so vest, the IVA irrevocably assigns such ownership to MPI.

7.3 The IVA grants MPI a non-exclusive, worldwide, royalty free, perpetual, irrevocable and sub-licensable licence to use, copy, distribute, sub-licence, reproduce, modify, adapt, publish, transmit, translate, create derivative works from, display and perform, whether publicly or otherwise any and all Pre-Existing IP provided by the IVA under this Contract.

7.4 MPI grants the IVA a non-exclusive, royalty free, non-licensable licence for the term of this Contract to use the New IP solely for the purposes of performing Service Delivery.

(8) CONFLICT OF INTEREST

8.1 The IVA:

- a) warrants that as at the commencement of this Contract, it has no conflict of interest except in accordance with the IVA Standard; and
- b) must do its best to avoid situations that may lead to any new conflict of interest arising during the term of this Contract.

8.2 The IVA must immediately notify MPI in writing of any matter, event or circumstance that gives rise to any conflict of interest. If a conflict of interest does arise the parties must discuss, and then, without prejudice to MPI's rights under this Contract, endeavour to agree and record in writing, how it will be managed.

8.3 The IVA will use all reasonable endeavours to minimise the impact on MPI of any conflict of interest. Each party must pay their own costs in relation to managing a conflict of interest.

(9) INSURANCE

9.1 The IVA must effect and maintain insurance with a reputable insurer sufficient to cover its obligations under this Contract, including but not limited to its liabilities and indemnities under this Contract. The IVA must, on request, provide MPI with sufficient evidence of its insurance cover in relation to this Contract.

(10) LIABILITY

10.1 Under no circumstances will MPI be liable to the IVA for any Loss.

10.2 The IVA hereby indemnifies MPI, Crown officers, and agents of (or other persons associated with) the same from and against any Loss arising from or connected with this Contract, including Loss arising from or connected with (directly or indirectly):

- a) the performance, or as the case may be, non-performance or partial performance, of the IVA (or any of its contractors, subcontractors, agents, or employees that are not a party to this Contract) of the Service Delivery or any of its other rights or obligations in this Contract;
- b) negligent acts or omissions on the part of the IVA (or any of its contractors, subcontractors, agents, or employees that are not a party to this Contract);
- c) suspension or termination in accordance with this Contract.

(11) SUSPENSION AND TERMINATION BY MPI

Termination

11.1 MPI may terminate this Contract, immediately on written notice to the IVA, where the IVA commits a breach of this Contract that:

- a) is not capable of being remedied (in the reasonable opinion of MPI); or
- b) is capable of being remedied:
 - (i) but has not been remedied to MPI's reasonable satisfaction within 10 business days (or such longer period as MPI may allow in writing) of MPI giving the IVA written notice stating the nature of the breach, what is required to remedy it and the time and date by which it must be remedied; or
 - (ii) in respect of which the IVA's authorisation has been suspended by MPI in accordance with this Contract, but the suspension conditions prescribed by MPI are not met by the IVA.

11.2 For the avoidance of doubt, it will be a material breach of this Contract if:

- a) MPI reasonably believes that the IVA is not:
 - (i) delivering output(s) in accordance with its IVA System;
 - (ii) operating in accordance with its authorised procedures;
 - (iii) meeting the requirements of this Contract, and any other export certification system standards associated with the scope of its authorisation from MPI;
 - (iv) following the process for (or achieving the relevant corrective actions for) critical non-compliances, as provided for in section 4 of the IVA Standard,
- b) the IVA fails to make full payment of fees to MPI.

11.3 MPI may terminate this Contract immediately on written notice to the IVA, if the IVA:

- a) becomes insolvent or bankrupt; has an administrator, receiver, liquidator, statutory manager, mortgagee's or chargee's agent appointed; becomes subject to any form of external administration; or becomes unable to pay its debts as they become due or is presumed to be unable to pay its debts under section 287 of the Companies Act 1993;
- b) is unable to perform its obligations for more than one month due to a Force Majeure event;
- c) if MPI is not satisfied that the IVA's business, or any aspect of it, remains compatible with the performance of the Service Delivery;
- d) fails or is unable to rectify any deficiency uncovered by MPI as a result of an audit conducted under clause 12;
- e) does something, or fails to do something, that, in MPI's opinion, results in damage to MPI's reputation or business, or the reputation or business of the New Zealand government;
- f) has any Conflict of Interest that:
 - (i) in MPI's opinion is so material as to impact adversely on the delivery of the Service Delivery, MPI or the New Zealand government;
 - (ii) the IVA failed to notify MPI of; or
 - (iii) in MPI's opinion, the IVA is unable or unwilling to resolve or deal with as required by MPI acting reasonably;
- g) any of the events in clause 5.4 occur; or
- h) provides information to MPI that is misleading or inaccurate in any material respect.

11.4 MPI may terminate this Contract:

- a) on the giving of one month's notice in writing to the IVA in the event that MPI undergoes a merger, amalgamation, restructuring, or other form of organisational change which results in the Service Delivery no longer being reasonably required or no longer being within the strategic mandate of MPI; or
- b) immediately by giving notice to the IVA that there has been a change in government policy.

11.5 MPI may terminate this Contract by giving one months written notice to the IVA.

11.6 Where MPI has a right to terminate this Contract, that right shall be deemed to include the right to terminate any severable part of this Contract.

Suspension

11.7 If either:

- a) MPI has a right to terminate this Contract; or
- b) the IVA Standard contemplates a right of suspension; or
- c) the IVA provides MPI with at least 30 days notice requesting suspension,

11.8 then MPI may temporarily suspend (in whole or in part) the operation of this Contract and the IVA's authorisation to perform Service Delivery for such period of time, and subject to such conditions, as MPI sees fit in its absolute discretion.

11.9 MPI's right of suspension is without prejudice to its right to later terminate this Contract in its entirety, or to take any action available to it at law.

11.10 During the period of the suspension, the IVA must not offer or perform any Service Delivery or hold itself out as being authorised by MPI for the relevant purposes.

Consequences of suspension or termination

11.11 In the event of a suspension or termination pursuant to this clause 11, the IVA must:

- a) acknowledge in writing its receipt from MPI of the suspension or termination;
- b) formally notify organisations to which they are providing IVA service options of the suspension or termination;
- c) not offer to perform, or perform, any Service Delivery;
- d) provide to MPI all records requested by MPI related to the IVA's Service Delivery.

(12) AUDIT

12.1 At any time during the term of this Contract, or following it if the parties are in dispute, MPI may conduct an audit of the IVA, including for the purpose of determining whether there has been a breach of this Contract.

12.2 During an audit conducted under this clause, MPI may, at the IVA's cost:

- a) enter any premises of the IVA or its subcontractors at any reasonable time during business hours;
- b) inspect any records held by the IVA in relation to the provision of the Service Delivery, or any matter in dispute between the parties;
- c) meet with and/or contact and speak to any or all the IVA's or its subcontractors' personnel involved with provision of the Service Delivery.

(13) DISPUTES

13.1 The parties agree to use their best efforts to resolve any dispute which may arise under the Contract through good faith negotiations. Except as provided in clause 13.4, no party shall commence any arbitration or litigation in relation to this Contract unless it has first invited the chief executive of the other party to meet with its own chief executive for the purpose of endeavouring to resolve the dispute on mutually acceptable terms.

13.2 Should resolution of the dispute not be achieved at chief executive level, the dispute will be submitted to mediation before any litigation is commenced. Any party may initiate mediation by giving written notice to the other party of their intent to do so. Should the parties be unable to agree on a mediator within two (2) working days of receipt of notice of intent to seek mediation, then the mediator will be selected by the President for the time being of the Lawyers Engaged in Alternative Dispute Resolution (LEADR) or its successor.

13.3 Any dispute arising under this Contract which cannot be settled by negotiation or mediation between the parties or their respective representatives shall be submitted to arbitration in accordance with the Arbitration Act 1996.

13.4 In the absence of agreement concerning the appointment of an arbitrator, either party may request the President of the New Zealand Law Society to appoint a suitably qualified independent arbitrator to hear and determine the dispute.

13.5 Nothing in this clause shall preclude either party from taking immediate steps to seek urgent equitable relief before a New Zealand Court.

(14) ASSIGNMENT AND SUBCONTRACTING

14.1 The IVA may not subcontract any of its obligations under this Contract except where it has MPI's prior written approval or MPI has approved the subcontractors and/or particular services to be subcontracted as specified in or in accordance with the IVA Standard.

14.2 The IVA must ensure that:

- a) each subcontractor is fully aware of the IVA's obligations under this Contract to the extent necessary in order for the subcontractor to properly perform its obligations;
- b) each subcontract it enters into is either approved by MPI in writing or is on terms that are consistent with this Contract, to the extent relevant and material for the performance of the subcontractor's obligations; and
- c) each subcontract restricts the ability of the subcontractor to further subcontract its obligations without first obtaining MPI's consent;
- d) its subcontractor's documented procedures are either a part of the IVA's own IVA system/procedures, or are independently authorised by MPI.

14.3 The IVA will not be relieved of any of its liabilities or obligations under this Contract by entering into any subcontract.

14.4 If a subcontractor has failed to deliver any aspect of the Service Delivery being subcontracted as approved under this Contract and the failure cannot be remedied, MPI may, by notice to the IVA, require the IVA to terminate that subcontract immediately. MPI will not be liable for any losses or costs of the IVA associated with such termination.

14.5 Neither party shall assign all or any of its rights, obligations, or liabilities under this Contract. In the event of a purported assignment in breach of this clause, this Contract shall be deemed to have automatically terminated without further action required by either party.

(15) FORCE MAJEURE

15.1 Notwithstanding any other provision of this Contract, neither party shall be liable to the other for any act or omission, or any failure to comply with this Contract, where such, act, omission, or failure is caused by fire, flood, storm, earthquake, civil disturbance, war, act of God, or any other event or circumstances reasonably beyond its control ("**Force Majeure**"), provided that the party alleging Force Majeure has taken all reasonable precautions to avoid or mitigate the consequences of such occurrence.

15.2 The party unable to fulfil its obligations due to Force Majeure will immediately:

- a) notify the other in writing of the reasons for its failure to comply with the warranty or to perform the obligation, and the effect of such failure; and
- b) use all responsible endeavours to avoid or remove the cause and comply with the warranty or perform the obligation.

15.3 Upon receiving notice pursuant to clause 15.2, or upon otherwise being made aware of any Force Majeure circumstances affecting the IVA, MPI may at its absolute discretion suspend authorisation of the IVA until such time as the circumstances have been avoided, removed or abated sufficiently to enable the IVA to comply with the warranty or perform the obligation.

(16) NOTICES

16.1 Any notice or other communication under this Contract will be deemed to be validly given if in writing and delivered by hand, registered mail, national post or international post, facsimile, or email (subject to the remainder of this clause 16) to the address specified below, as updated on written notice from that party.

16.2 Unless the contrary is shown, any notice will be deemed to have been given on the date when actually delivered personally or by registered mail, on the second business day following posting to a national address, on the seventh business day following international posting, on the date sent by facsimile transmission if transmitted before 5:00 pm or on the next business day if transmitted after 5:00 pm, and on the date that receipt of an emailed notice is acknowledged by the recipient personally (that is, not by any automatically generated system email).

16.3 The parties agree that no notice required or permitted to be given pursuant to clause 13 (Disputes) or clause 11 (Termination) may be given by email.

(17) GENERAL

17.1 No amendments to this Contract are effective unless they are in writing and signed by both parties, except in relation to the IVA Standard, which MPI may amend from time to time in its sole discretion.

17.2 Nothing in this Contract creates an employment, fiduciary, partnership, agency or joint venture relationship between MPI and the IVA. Neither party has authority to bind or represent the other party in any way or for any purpose.

17.3 This Contract is not an exclusive arrangement between the parties and each may enter into contracts with third parties in respect of the same or similar subject matters.

17.4 No waiver of any rights or benefits arising under this Contract is effective unless it is in writing and signed by the party waiving. A waiver of a breach does not prejudice the waiving party's rights in respect of any other breach. No delay, failure or forbearance by the parties to exercise (in whole or in part) any right, power or remedy under this Contract will operate as a waiver.

17.5 This Contract sets out the entire agreement between the parties.

EXECUTION

SIGNED for and on behalf of **MPI** by the person named below, being a person duly authorised to enter obligations on behalf of MPI:

SIGNED for and on behalf of the **IVA** by the person named below, being a person duly authorised to enter obligations on behalf of the **IVA**:

Signature

Signature

Name:

Name:

Title:

Title:

Date:

Date:

in the presence of:

in the presence of:

Witness Signature

Witness Signature

Name:

Name:

Occupation:

Occupation:

Address:

Address:

This section to be completed by MPI	
Date of accreditation to AS/NZS ISO/IEC 17020:2012 or 17065:2013	