Subject: MAF ACCREDITATION OF EXPORTING OPERATORS

Wayne

Further to your invitation at the meeting 27 March in Auckland, I have made some notes below for you.

You may remember, this concerns the issue of Exporting Operators being accredited under PEO.OAR when they do not perform any functions deemed to be critical control points. You said you saw no reason for the accreditation of such companies. I said I felt there were reasons why exporters saw it in their interests to be accredited.

At this time the Standards are being reviewed and much will change in the near future. That's good. However my comments below can only take into account the rules & the scene as it exists right now.

Accredited exporters will have contracts with MAF. I believe these exporters have a right for MAF to honour existing contracts, unless the exporter breaches compliance.

If MAF does not want to accept any further organizations in future that do not perform inspection or phyto documentation functions, then I suggest they should decline applications (& return any fees payable) at that time. The lack of critical control points will be apparent to MAF when looking at the attachment to the application.

There are three main reasons, in my view, why an exporter will want to be accredited (or to maintain accreditation/approval), in situations where they are not doing either inspections or phyto documentation work.

1. The Dynamics of Exporting.

Exporters frequently find the phytosanitary type functions they wish to perform, will change from year to year. Naturally exporters want if at all possible to maintain their accreditation (or approval), as any future approval process would consume both time & money.

A good example of the type of change faced by exporters, can be found with a client who in the last 12 months has had the following 3 different situations.

- Initially they employed a non-accredited company to do their phyto documentation (with the IVA printing certificates). The exporter’s system described how Supplying Operator DOCs were checked & how IVA verification requests were made by this outside company. These documentation people were audited under the exporter’s System.
- Then this documentation company itself became MAF accredited. So the
exporter System was changed & at that point no CCPs were done under it.

Then the exporter employed a fellow from an associate company to export onions & a section was added so phyto inspections of these onions could be done under the exporter system.

One common way in which an exporter’s situation can change is if they change their Trans-Tasman shipping agent from (say) one who is MAF accredited to one who is not (and in that case the phyto documentation functions may need to be done under the exporter’s System). The reverse can also occur.

Whilst many exporters can have changes (as described above) affecting them, there are others who appear permanently to perform no CCP functions. It is however difficult to determine absolutely that a situation is permanent.

2. **Listing of non-accredited exporters on Supplying Operator Systems.**

Under the existing prescriptive regime, with PEO.OAR, any Supplying Operator must register the names of any non-accredited companies (that they supply phyto cleared product to) in its System. This creates a potentially difficult situation for a non-accredited exporter. eg. If mid-season an exporter unexpectedly finds its intended MAF accredited supplier(s) are unable to front with product, then the exporter has to source product from some other Supplying Operator(s). The exporter may have to beg for product. The (accredited) Supplier may well say, “Yes, I will supply you, but no DOCs. You will have to get the product end point inspected. I don’t have time to update & put your name on my System just now.”

We can see there is much greater operational flexibility if the exporter is MAF accredited. For this reason some exporters get or maintain MAF accreditation.

I think we agree this situation is silly. Let’s hope this requirement (for the listing of non-accredited exporters on Registers) is excluded from the revised Standard. NB. It has been said PIPS has been the reason for this requirement. I suggest that’s a poor reason. Most accredited exporting Operators are not responsible for PIPS on most of their product between packhouse & point of export. PIPS just prior to point of export is usually provided by a MAF accredited coolstorer or freight forwarder, for both accredited & non-accredited exporters. The degree of product security is (predominantly) no different whether an exporter is accredited or non-accredited.

2. **MAF charges for end-point inspections.**

Recent changes to MAF funding incorporate differences to charges made to IVAs, depending on whether the exporter is accredited of non-accredited. From memory the difference is $20.00 per certificate (or inspection). It is therefore simple to see that there will be a break point beyond which it is more economical for an exporter to be MAF accredited.
Conclusions.

I can see why MAF feels there is no reason for non-CCP exporters to be accredited or approved. Hopefully I have adequately explained why some exporters want to be accredited. Clearly if MAF were to remove most of the reasons why such exporters would want to be accredited, then few would bother. I suggest that MAF:-

a) Removes any requirement for non-accredited exporters to be Registered on Supplying Organisation’s Systems (perhaps also making this change clear to IVAs).

b) Removes any difference in its charges to IVAs for inspections for accredited & non-accredited exporters.

Wayne; I hope you will find these comments constructive.

Regards

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