

A New Biosecurity Border System

January 2010

What are we doing?

MAF Biosecurity New Zealand (MAFBNZ) is undertaking a number of work programmes to improve the way our border system works. These include matching resources to actual work (the Review of Border Operations), and working with the New Zealand Customs Service on a business case for the development of a new joint border management system (JBMS) to replace our aging border computer systems (Quantum and CusMod).

But the work goes wider than that. We are starting to reflect on the reality that the border is one part of a wider biosecurity system, and it is the wider system (starting from working offshore) that actually protects New Zealand – not just any one component of it.

We are now reviewing the way we develop import rules and the ways we ask people to comply with these rules. The changes needed aim to create an integrated approach to biosecurity whereby all the parts of the biosecurity system will work together to create layers of protection for New Zealand, starting at offshore locations all the way through to incursion response and pest management in New Zealand.

Why are we doing it?

We want to ensure our world-class biosecurity system continues to effectively manage the risks associated with harmful pests and diseases. To do this we need a system which is more responsive to change, cost-effective for users, and involves everybody doing their bit to manage the risks. Our aim is to get the balance right between managing biosecurity risks while minimising unnecessary impacts on trade and travel.

Ensuring our users' needs are met

The new system is being developed in consultation with some of the key users – both international and domestic. These users or clients include the transport and freight industries, primary industries, exporters and importers.

Past feedback from these users included some calls for easier conditions for trade, while others, however, wanted even higher levels of risk management. This has created differences on a number of issues, including whether:

- compliance costs should be reduced for compliant groups
- some import measures are excessive or inadequate
- inspections at the border should be increased or reduced
- some treatments should be used more or less
- there should be a single border agency versus a focused biosecurity agency

A number of common themes did, however, emerge about what stakeholders wanted for a future biosecurity system. These included:

- more incentives for those who comply
- tougher enforcement action against those who do not comply
- no reduction in biosecurity protection for New Zealand
- improved biosecurity responsibility by importers and passengers
- better targeting of resource to risk
- greater involvement of industry
- fewer and simpler import rules
- management of biosecurity risk offshore where possible
- greater flexibility and consistency in inspection clearance decisions
- better performance measurement and reporting

The new border system

Much of this previous stakeholder feedback is aligned with our thinking. We have been considering stakeholder suggestions, what a new system might look like and what we need to do to create it. We have further user workshops planned (including discussions with our people) as we go forward. In the meantime, here is a current (January 2010) outline of the areas we think need changing and how we will go about making the changes:

A new approach to requirements for importing goods

We want to make it easier for potential importers to find out and understand what is required in order to import goods that comply with biosecurity requirements. If there is an Import Health Standard (IHS) for a risk good, then all the information about its biosecurity import requirements will be available on our website (www.biosecurity.govt.nz).

Make standards easier to understand

To reduce the number of standards and make them simpler, we plan to write standards in language that is easier to understand and group standards together where possible. As with the current system, if an IHS does not exist for a risk good, then the importer will need to apply for a new standard to be developed.

Improve prioritisation

We plan to improve our prioritisation process for IHS's to ensure that we allocate resources to areas of highest risk and overall benefit to New Zealand, taking into account New Zealand's international obligations. We will be transparent about where we plan to focus our efforts and why.

Involve stakeholders earlier

To reduce the time it takes to develop an IHS and ensure better engagement, we will provide an earlier opportunity for stakeholders to be involved in discussions as standards are developed. We will simplify and target the standard-related information that we consult on to make it easier for stakeholders to provide us with useful feedback.

Appendix 1 (as presented to the November 2009 workshops) is a diagram of how the new process for developing and amending a standard might work, and the points of difference from the current system.

Provide tools for stakeholder involvement

Importers will have a greater role in the new system. Importers will need to make sure that they understand the requirements for importing goods and that they undertake good risk management. We will provide the tools to help importers to do this. For example, we are working to develop a “Trade Single Window” with other government border agencies, so that importers only have to enter the information about their goods once into a single system to meet the requirements of all agencies.

Focusing more on offshore risk management

Stakeholders told us that where possible we should try to move biosecurity risk management offshore and we agree. We plan to increase our efforts to manage risks from the export location of goods through greater use of bilateral arrangements with the relevant authorities in exporting countries, and arrangements with supply chain participants. We have already started to work towards this goal. A recent example is the Sea Container Hygiene System which has been successfully established in ports in Papua New Guinea, the Solomon Islands and Samoa. These collaborative industry–MAF arrangements target high risk pathways and have been proven to effectively manage risk offshore and reduce our intervention levels, in turn decreasing compliance costs for industry.

We will continue to put significant effort into negotiating international standards that can govern the management of biosecurity risks globally. We are also negotiating chapters in Free Trade Agreements that will enable us to improve communication and consultation with our trading partners so that risks can be more effectively and efficiently managed offshore.

Managing risk at the border

Stakeholders also told us that they want to see greater flexibility across the border system and tougher action against people who are not compliant. Infringement fines will increase from \$200 to \$400 in March 2010.

Greater use of profiling

We will develop and use profiles that use a variety of information sources including compliance histories.

These profiles will be used to target our resources at the goods, pathways, suppliers and importers that present the highest risk. For example, we propose to focus on parties with a poor compliance history with increased interventions: This could mean increased inspection, mandatory treatment or additional offshore requirements. These non-compliant parties could face substantial clearance costs and delays. By contrast, we would reduce interventions on consignments from highly compliant parties (for instance, by auditing a percentage of consignments rather than inspecting all consignments). This will reduce clearance time and compliance costs for parties and pathways with good compliance histories.

The proposed Joint Border Management System with Customs will play a vital role in this process by providing the computer-power needed to gather, store, and assess the information required to operate the profile-based approach.

Increased audit and verification

We will shift our focus from inspection to audit and verification. Importers' compliance will be audited and a range of tools put in place to recognise good performance and create disincentives for non-compliance.

Pathway-monitoring

Pathway-monitoring information will help us to better assess the overall risks and compliance in individual pathways. On the basis of this information we will make changes to the type and focus of border interventions we use (e.g. communications, inspection, audit activity and enforcement). We will focus on achieving desired compliance levels over time with whatever combination of interventions will work best for particular pathways.

Co-management with industry

To involve industry more and better manage risks, we plan to develop more co-management arrangements with industries. We will do this only where we are satisfied that we have sufficient confidence in the systems developed by the industries/importers involved.

After goods are cleared and enter New Zealand, MAF and/or industry-led surveillance programmes will continue to provide a "second line of defence" in the system. We will maintain our incursion response capability in MAF Biosecurity New Zealand to be able to respond to new pests and diseases found in New Zealand.

Appendix 2 (as presented to the November 2009 workshops) illustrates the proposed border system from a goods-based view.

Measuring performance

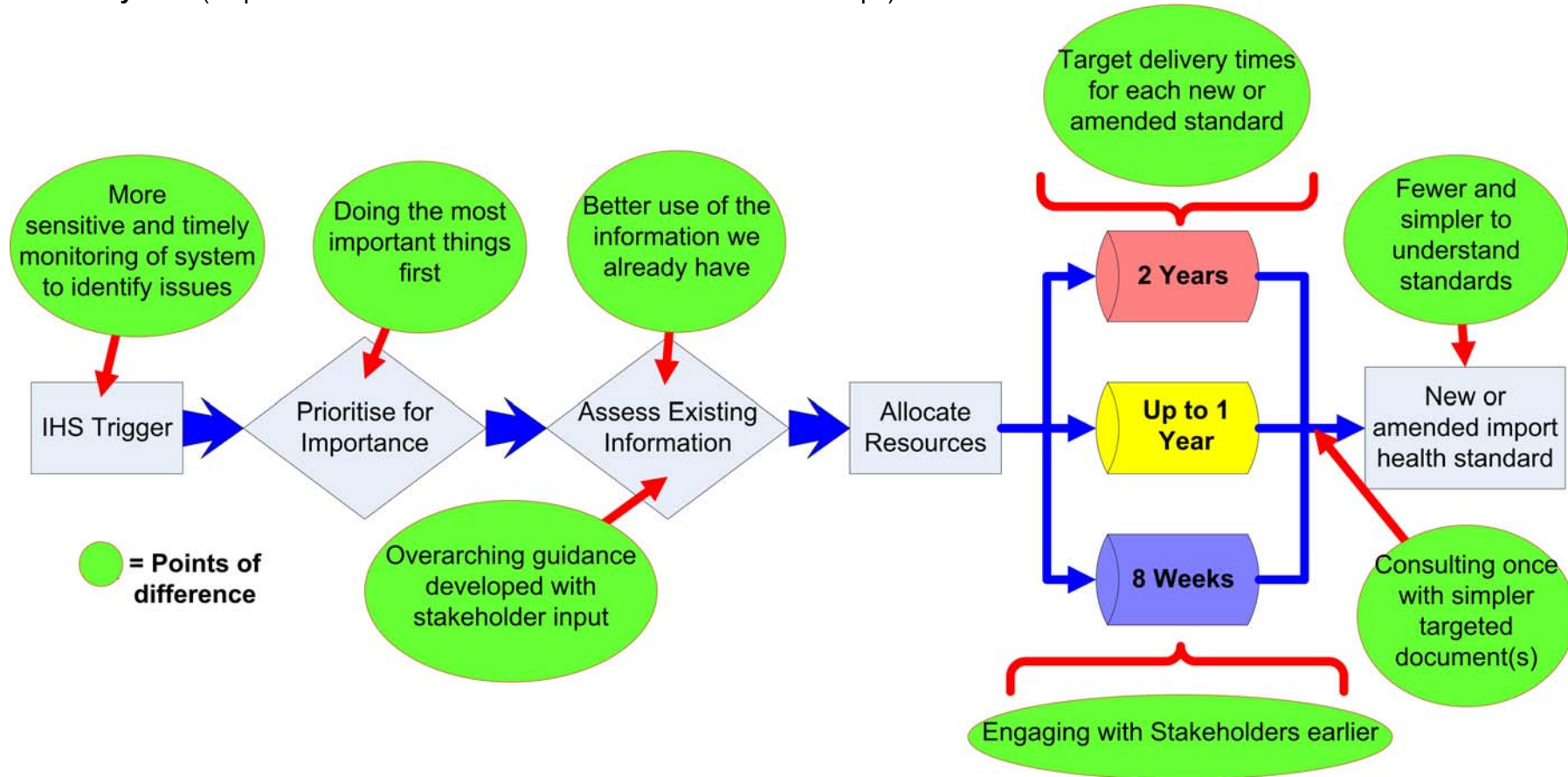
To ensure the system is working effectively, we propose to use a variety of performance measures developed around the following general areas:

- Keeping out pests and diseases
- Stakeholder confidence (e.g. the number of reported concerns)
- Compliance costs
- Industry partnerships/co-management arrangements
- Value for money/cost effectiveness
- Decision making
- International credibility (e.g. the confidence of our international partners)
- Service responsiveness

By measuring our performance, we will be able to adjust our approach to ensure the system is both effective at managing biosecurity risk and is cost-efficient for importers. Stakeholders will be able to see transparently how we are doing and provide us with feedback.

For any questions about the border work programme, or to make suggestions around improving the border system, contact: bordersystem@maf.govt.nz

APPENDIX 1: Revised process for developing and amending import health standards, showing points of difference from the current system (as presented to the November 2009 stakeholder workshops)



APPENDIX 2: A goods based view of the new border system

