

## BIOSECURITY COSTS REGULATIONS/LEVY ORDERS REVIEW PROJECT – PROGRESS UPDATE No. 8 – September 2009

Work has been completed with the preparation of the Consultation Paper and the Cabinet Paper on the Costs and Levy Orders Review.

In early August the Minister for Biosecurity, Hon. David Carter, was briefed on the project. He was pleased with the approach and the project's progress to date.

The Consultation Paper has been reviewed internally and the proposed options have been put through a sensitivity analysis by MAF Finance. The analysis found minor alteration requirements with the fixed vs variable activity split, and very little else.

The decision was made to remove the Japan used vehicle operations from the costs recovery review, to simplify the charging structure and ensure that the activities we are basing our charges and levies on are New Zealand based. The Japan offshore operation will be charged on a daily rate basis, which is consistent with other off shore operations.

As mentioned in previous Progress Updates, MAFBNZ has undertaken a review of its border operations. The outcomes of this review have now been factored in to the resource allocation model and the costs regulations model, allowing the project to accurately determine the activity required to clear goods and thus the costs of those activities. In addition, these models allow the business to forecast import expectations to ensure that we have the right resources in the right place at the right time.

The site by site review, sensitivity analysis, and peer review of the Consultation Paper has taken more time than was originally planned. We had planned to be in consultation in October 2009 but this has now changed to November, and will continue to keep everyone informed of the project's progress through the various stages of its development.

We have completed our work with the Joint Border Management System (JBMS) stage two business case team, in developing a JBMS fee structure. The business case has yet to obtain Cabinet approval (Nov. '09) but we have included the proposed fee structure in the Consultation Paper to inform our stakeholders of the possible future import clearance costs.

With the additional work now complete, we have reviewed our project calendar and are intending to go out for public and industry consultation for the six weeks beginning 16<sup>th</sup> November 2009.

Information on the project activities and progress can be found at:  
<http://www.biosecurity.govt.nz/regs/cont-carg/costs-regs-levy-orders-project>

If you have any questions about the project, or wish to provide feedback to assist the Project Team, please contact me directly (029 909 8519) or via e-mail at [howard.webber@maf.govt.nz](mailto:howard.webber@maf.govt.nz)

The Project Team and I look forward to working with you.

Howard Webber, Project Manager, MAFBNZ.

