



Animal Products Notice

Regulated Control Scheme - Dairy Export Quota Products

26 August 2015

TITLE

Animal Products Notice: Regulated Control Scheme - Dairy Export Quota Products

COMMENCEMENT

This Animal Products Notice comes into force on 31st August 2015.

REVOCACTION

This Animal Products Notice revokes and replaces the Animal Products (Regulated Control Scheme – Dairy Export Quota Products) Notice 2012.

ISSUING AUTHORITY

This Animal Products Notice is issued pursuant to sections 40(1), 60(1) and 167(1)(g) of the Animal Products Act 1999, and the Animal Products (Regulated Control Scheme – Dairy Export Quota Products) Regulations 2008.

Dated at Wellington this 26th day of August 2015

Matthew Stone
Director, Animal and Animal Products
Ministry for Primary Industries
(acting under delegated authority of the Director General)
A copy of the instrument of delegation may be inspected at the Director-General's office.

Contact for further information
Ministry for Primary Industries (MPI)
Regulation & Assurance Branch
Animal Products
PO Box 2526,
Wellington 6140
Email: animal.products@mpi.govt.nz

Contents	Page
Introduction	4
Part 1: Requirements	6
1.1 Incorporation of material by reference	6
1.2 Definitions	6
Part 2: General requirements for quota compliance programmes	9
2.1 Requirement to hold an approved QCP	9
2.2 Multiple QCPs may be approved	9
2.3 General requirements for a QCP	9
2.4 Register of approved QCPs	9
2.5 Amendments to an approved QCP	9
2.6 Specific obligations to be met by the operator of an approved QCP	10
Part 3: Designated market requirements for dairy quota butter and cheese for the EU	11
3.1 IMA butter and IMA cheese	11
3.2 QCP provisions for designated market access requirements	11
3.3 CN Code for IMA butter and IMA cheese	11
3.4 Manufacture of IMA butter	11
3.5 Fat content of IMA butter	11
3.6 QCP procedures for fat content of IMA butter	11
3.7 Sampling of IMA butter	12
3.8 Testing of IMA butter for the fat content declared on an IMA certificate	12
3.9 Manufacture of IMA cheese	12
3.10 Weight of IMA butter or IMA cheese	12
3.11 IMA lot selection of butter or cheese	13
Part 4: Designated market requirements for dairy quota product for the USA, Japan or Dominican Republic	14
4.1 QCP provisions for designated market access requirements	14
4.2 Dairy quota products	14
Part 5: Quota Compliance Programme verification	15
5.1 QCP verification audit for dairy quota product intended for Japan, the Dominican Republic and USA	15
5.2 QCP verification audit for dairy quota product intended for the EU	15
Part 6: Export approvals	16
6.1 Approval required to export dairy quota products	16
6.2 Requirement for the Director-General to hold and maintain a register of export licence holders	16
6.3 Approval to export dairy quota products	16
6.4 Dairy quota product specification approval	16
6.5 Application for dairy quota export approval	16
6.6 Summary of records	17
6.7 Decision to issue an export approval	17

6.8	Form of the export approval	17
6.9	Approval may be revoked, or replaced	17
6.10	Export once quota filled in certain market	18
Part 7:	Export approvals for the EU	19
7.1	Information provided for issue of IMA certificates	19
7.2	Verification of IMA butter fat content and weight and IMA cheese weight	19
7.3	Manufacturing stock report for butter or cheese	19
7.4	Issuance, authentication, validity and duration of IMA certificates	19
7.5	Approval for IMA certificate may be replaced, revoked, or revoked and reissued	20
7.6	Requirements on the Issuing Body	20
7.7	Records and test results provided to the authorised person for surveillance monitoring	21
Part 8:	Miscellaneous	22
8.1	Consequences of non-compliance with this Notice	22
8.2	Record keeping	22
Part 9:	Transitional provisions	23
Schedule 1 – Dairy quota product specification application form		24
Schedule 2 – Further information, documentation and verification requirements for export approval applications		26
Schedule 3 – Summary of records templates for designated markets		27

Introduction

This introduction is not part of the Animal Products Notice, but is intended to indicate its general effect.

Purpose

- (1) The purpose of this Notice is to:
 - a) amplify the manner in which the requirements of the Animal Products (Regulated Control Scheme - Dairy Export Quota Products) Regulations 2008 are to be met; and
 - b) specifying requirements that are necessary for the purpose of facilitating access to overseas markets including:
 - i) requirements for obtaining approval for a Quota Compliance Programme (QCP); and
 - ii) matters relating to the verification of QCPs; and
 - iii) matters relating to compliance of QCPs; and
 - iv) requirements for obtaining an export approval for the export of dairy quota products to designated markets.

Background

- (1) In 2000, the Ministry of Agriculture and Forestry (MAF) issued standards for Inward Monitoring Arrangement (IMA) certification under the Dairy Industry (IMA Certification) Regulations 2000 to allow for the export of IMA dairy products to the European Union (EU) in accordance with European Commission (EC) Regulations 1374/98 and 970/2000. These standards were called 'the Dairy IMA Certification (D203.1)' and 'the Quota Compliance Programme (D204.1)', which set rules e.g. for certification, manufacturing, storage, transport and testing of dairy product being exported to the European communities.
- (2) In 2008, the Animal Products (Regulated Control Scheme – Dairy Export Quota Products) Regulations 2008 came into effect, following the expansion of designated markets under the Dairy Industry Restructuring Act 2001 by an Amendment Act in 2007. This new Regulated Control Scheme took the main components from the previous IMA Certification regulations, but had a framework allowing for more designated markets, and more licence holders. This was supported by the Animal Products (Export Approvals – Dairy Quota) Notice 2008 issued by the New Zealand Food Safety Authority (NZFSA).
- (3) In 2012, the Ministry for Primary Industries issued the Animal Products (Regulated Control Scheme – Dairy Export Quota Products) Notice 2012, that combined the previous standards issued by MAF and NZFSA and increased the scope of the export approvals and QCPs to all designated markets.
- (4) In 2015, the 'Animal Products Notice: Specifications for Laboratories' came into effect which required consequential changes to the 'Animal Products Notice: Dairy Export Quota'. These changes are editorial in nature. At the same time the document has been reformatted into MPI's latest format and a number minor amendments were also made.

Who should read this Animal Products Notice?

- (1) The following persons should read this notice:
 - a) applicants who seek approval of a QCP; and
 - b) operators of approved QCPs; and
 - c) export licence holders (including but not limited to licence holders who seek approval of a QCP or export approval of a consignment of dairy quota product).

Why is this important?

1. Operating other than in accordance with this notice is an offence under Part 10 of the Animal Products Act 1999.

Other information

- (1) This Notice forms part of the regulated control scheme established by the Animal Products (Regulated Control Scheme—Dairy Export Quota Products) Regulations 2008.
- (2) The Animal Products Notice: Specifications for Laboratories commenced on 31 August 2015 and specifies requirements for laboratories.
- (3) The requirements of the Animal Products Notice (Regulated Control Scheme – Dairy Export Quota Products) related to laboratories remain in force until a laboratory performing tests is recognised as a laboratory under section 101 of the Act for the purposes of the Animal Products Notice: Specifications for Laboratories.

Part 1: Requirements

1.1 Incorporation of material by reference

- (1) Under section 168 of the Act, the following document is incorporated into, and forms part of this notice:
- a) Commission Regulation (EC) No 2535/2001 of 14 December 2001 (laying down detailed rules for applying Council Regulation (EC) No 1255/1999 as regards the import arrangements for milk and milk products and opening tariff quotas).

1.2 Definitions

- (1) In this Notice unless the context otherwise requires:

Act means the Animal Products Act 1999

Approved product specification means the document describing dairy quota product for a designated market which is submitted by the export licence holder, for pre-approval by the authorised person and assigned a unique identification number prior to any applications for export approval for dairy quota product of the specification

Approved QCP means an approved quota compliance programme as defined in regulation 8(1) of the Regulations

Authorised person means a person designated by the Director-General under section 65 of the Act as an authorised person for the purpose of issuing official assurances for dairy quota product

Commission Regulation 2535/2001 means Commission Regulation (EC) No 2535/2001 of 14 December 2001 and subsequent amendments

CN code is the Combined Nomenclature code and is comprised of the Harmonised System nomenclature of the World Customs Organisation with further Community subdivisions under Council Regulation (EEC) No 2658/87

Cypher means the quantity of product produced according to one product specification in one production plant during a single manufacturing run. In terms of this quota notice, the term 'cypher' is as defined in Annex IV of Commission Regulation (EC) No 2535/2001

Designated market has the same meaning as in the Dairy Industry Restructuring Act

Designated person means a person notified to the Director-General by the operator of an approved QCP as being responsible for the provision of data and signing declarations in the form of a Summary of Records for the purpose of export approval and IMA certification

EC means the European Commission

Entry into free circulation means dairy quota product has been cleared through designated market customs processes

EU means the European Union

Export approval means an approval to export a consignment of dairy quota product into a designated market issued by the Director-General under Parts 6 and 7 of this Notice

Export licence holder means the person who holds an export licence for the export of dairy quota products into designated markets under the Dairy Industry Restructuring Act 2001

Global mean weight and standard deviation means a calculation of the overall mean and standard deviation of weight of the IMA lot

IMA means inward monitoring arrangement as contained in Commission Regulation 2535/2001

IMA butter or IMA cheese means dairy quota butter or cheese for the EU and includes IMA whole cheddar cheese and IMA cheese for processing

IMA lot means a consignment, which may include one or more whole or part cyphers, of product produced according to one approved product specification in one approved QCP factory covered by a single IMA certificate

Issuing Body for the IMA certificate means the body listed in Commission Regulation 2535/2001 for New Zealand

Lot means a consignment of product covered by a single export approval

Mean net weight is the mean net weight for a particular cypher of IMA butter

Non-compliance means any failure to comply with processing and export regulatory requirements of dairy quota product for designated markets

Operator of an approved QCP means the person under Part 2 of the Regulations who is responsible for the approved QCP

QCP means a quota compliance programme as required under Part 2 of the Regulations

QCP verification audit means an audit described under Part 5 of this Notice or an ongoing check that the operations and dairy quota product that are subject to the Regulations are in compliance with the requirements of the Regulations

QMR means the electronic Quota Management Register provided by MPI for maintaining a current tally of an export licence holder's volume for each designated market

QMS means the electronic Quota Management System provided by MPI for the requesting and issuing of export approvals for dairy quota product

Recognised laboratory means a laboratory recognised under section 101 of the Act and Animal Products Notice: Specifications for Laboratories

Regulations means the Animal Products (Regulated Control Scheme—Dairy Export Quota Products) Regulations 2008

Standard deviation in relation to calculation of the weight of EU quota butter means the standard deviation of the weight of all product in the IMA lot, excluding packaging, in kilograms

Summary of Records means the information submitted to the Director-General by a designated person which relates to a specific consignment of dairy quota product and includes declarations made in relation to the product

Total gross weight means the weight of the entire consignment, including packages, in kilograms

Total net weight means the weight of the entire consignment of dairy quota product only, excluding packaging, in kilograms

Tranches means a portion of the annual quota, for butter, this is divided into two equal half-yearly quota tranches (January to June, and July to December)

USA means the United States of America

Verifier is an animal products officer appointed under section 78 of the Act, to carry out functions and activities that include QCP verification audits

Working day means a working day as defined in the Interpretation Act 1999

- (2) Any other term or expression used in this Notice and defined in the Act, the Dairy Industry Restructuring Act 2001 or regulations made under these Acts has the same meaning as in those Acts or those regulations.

Part 2: General requirements for quota compliance programmes

2.1 Requirement to hold an approved QCP

- (1) All persons who process for export, or export, dairy quota product to a designated market must carry out that activity in accordance with an approved QCP. In order to be approved under Part 2 of the Regulations, a QCP must, in addition to the requirements contained in the Regulations, provide adequately for:
 - a) the general requirements for a QCP specified in this Part of this Notice; and
 - b) the designated market requirements in Part 3 of this Notice when dairy quota butter and cheese is intended for the EU; and
 - c) the designated market requirements in Part 4 of this Notice when dairy quota product is intended for the USA, Japan or Dominican Republic.

2.2 Multiple QCPs may be approved

- (1) For the purposes of regulations 10(1) and 11 of the Regulations, the Director-General may approve multiple QCPs where the applicant is:
 - a) processing more than one type of dairy product for export to a designated market; or
 - b) operating a dairy processing business from more than one site or premises.

2.3 General requirements for a QCP

- (1) A QCP must include provisions to ensure that:
 - a) any of the matters set out in regulations 11(b) - (j) of the Regulations that are relevant to that designated market are met; and
 - b) the designated operator of the QCP is identified in the QCP and notified in writing to the Director-General; and
 - c) the dairy quota product is of New Zealand origin; and
 - d) the gross weight and net weight of each lot of dairy quota product is accurately assessed and recorded; and
 - e) the procedures required to manage dairy quota product that does not meet designated market access requirements under regulation 11(d) of the Regulations cover the entire manufacturing and supply chain for the products.

2.4 Register of approved QCPs

- (1) The Director-General must hold and maintain a register of approved QCPs.

2.5 Amendments to an approved QCP

- (1) An application to amend a QCP under regulation 14 of the Regulations must be made in writing and set out:
 - a) the nature of the proposed amendment; and
 - b) the reasons for the proposed amendment; and
 - c) the anticipated impact (if any) of the amendment on the operations subject to the QCP.

2.6 Specific obligations to be met by the operator of an approved QCP

- (1) The operator of an approved QCP must:
 - a) ensure the approved QCP is kept up to date by reviewing the QCP when necessary and at least annually; and
 - b) notify the Director-General in writing of designated persons authorised by the operator under regulation 11(i) of the Regulations to sign declarations for the purposes of IMA certification; and
 - c) the operator must keep the notified list of designated persons up to date.

Part 3: Designated market requirements for dairy quota butter and cheese for the EU

3.1 IMA butter and IMA cheese

- (1) In this Part and Part 5 references to "IMA butter" or "IMA cheese" mean the dairy quota products butter and cheese, respectively, for the EU.

3.2 QCP provisions for designated market access requirements

- (1) A QCP for IMA butter or IMA cheese must make adequate provision for the designated market requirements in this Part of this Notice.

3.3 CN Code for IMA butter and IMA cheese

- (1) IMA butter must comply with CN code 0405 10 11 or 0405 10 19 except 'Ammix' or 'Spreadable' butter which must comply with CN code 0405 10 30.
- (2) IMA cheddar cheese must comply with CN code 406 90 21 and IMA cheese for processing must comply with CN code 0406 90 01.

3.4 Manufacture of IMA butter

- (1) IMA butter must be manufactured directly from milk or cream without the use of stored materials, in a single, self-contained and uninterrupted process.
- (2) IMA Ammix or Spreadable butter may involve the cream passing through a stage where the milk-fat is concentrated and/or fractionated.

3.5 Fat content of IMA butter

- (1) IMA butter must have a fat content of not less than 80% but less than 85%, by statistical determination in accordance with Annex IV of Commission Regulation 2535/2001.

3.6 QCP procedures for fat content of IMA butter

- (1) To be approved by the Director-General, a QCP covering manufacture of IMA butter must contain adequate procedures for:
 - a) verifying that the arithmetic mean of the fat content of the IMA butter is unlikely to exceed 84.4% (the maximum mean milk fat content of the sample) when tested by competent authorities in the EU (refer to Annex IV of Commission Regulation 2535/2001); and
 - b) testing a minimum of five samples per whole cypher and at least one sample per part cypher of IMA butter for fat content; and
 - c) accurately calculating the mean and standard deviation of the fat content for each cypher and lot of IMA butter.

3.7 Sampling of IMA butter

- (1) All sampling of IMA butter to verify that the fat content declared on an IMA certificate is not less than 80%, but less than 85%, must:
 - a) be carried out as per the International Dairy Federation IDF Standard 50C:1995 or a sampling method that is validated to the Director-General's satisfaction; and
 - b) comprise a minimum of five butter samples per cypher; and
 - c) be at an interval fixed in advance to ensure that the samples are regularly spaced and equally represented throughout the cypher.

3.8 Testing of IMA butter for the fat content declared on an IMA certificate

- (1) All testing of IMA butter for verifying the fat content declared on an IMA certificate is not less than 80%, but less than 85% must:
 - a) be carried out in a Category 1 Laboratory (as specified in the Animal Products (Dairy) Approved Criteria for Recognition of Agencies and Persons, Amendment No. 4, July 2011); and
 - b) use the method described in EC regulation 880/98, Annex 1, or a test method that is validated to the Director-General's satisfaction.

3.9 Manufacture of IMA cheese

- (1) IMA whole cheddar cheese must have a fat content of 50% or more by weight in dry matter.
- (2) IMA whole cheddar cheese must be either:
 - a) in a conventional flat cylindrical shape with a net weight of not less than 33 kg but not more than 44 kg; or
 - b) in cubic blocks or in parallelepiped shape with a net weight of 10 kg or more.

3.10 Weight of IMA butter or IMA cheese

- (1) A QCP covering manufacture of IMA butter must include adequate procedures for:
 - a) accurately calculating the cypher mean and standard deviation for weight of IMA butter or IMA cheese to 3 decimal places; and
 - b) accurately calculating the global mean weight and standard deviation data for weight of IMA butter or IMA cheese accurate to 3 decimal places of a kilogram; and
 - c) ensuring the weight of the butter in an IMA lot will comply when tested by competent authorities in the European Commission using the following formula referenced in Commission Regulation 2535/2001:

$$w \leq W + \frac{2.326\sigma}{\sqrt{n}}$$

Where:

w is the arithmetic mean of the net weight of the sample boxes;

W is the mean net weight per box specified on the IMA certificate;

σ is the standard deviation of the net weight per box specified on the IMA certificate, however, the sample standard deviation of the net weight per box (**s**) shall be used instead of **σ** where required;

n is the sample size; and

- d) internally verifying the accuracy of the global mean weight and standard deviation data for weight for an IMA lot of butter and cheese that are provided to MPI with applications for IMA certification; and
- e) providing the following tare weight information for butter wrappers from each factory operating under an approved QCP factory at the start of each manufacturing season:
 - i) the arithmetic mean tare weight of butter wrappers, which must be provided to the Director-General; and
 - ii) representative samples of the butter wrappers, which must be supplied by the export licence holder to the EU; and
- f) providing revised tare weight information during the manufacturing season by repeating clause 3.10(e)(i) and (ii) when the wrap weights no longer match the tare weight on the IMA butter certificate.

3.11 IMA lot selection of butter or cheese

- (1) The consignment selected for an IMA lot of butter must:
 - a) consist of butter manufactured according to one product specification in one butter factory; and
 - b) be a minimum of 20 tonnes; and
 - c) be at least six weeks old on the date of entry into free circulation in the EU; and
 - d) may consist of one or more whole or part cypher.
- (2) The consignment selected for an IMA lot of IMA whole cheddar cheese must:
 - a) consist of cheddar cheese manufactured according to one product specification in one cheese factory; and
 - b) be matured for at least three months on the date of entry into free circulation in the EU.

Part 4: Designated market requirements for dairy quota product for the USA, Japan or Dominican Republic

4.1 QCP provisions for designated market access requirements

- (1) A QCP for dairy quota products for the USA, Japan, or Dominican Republic must make adequate provision for the designated market requirements in this Part of this Notice.

4.2 Dairy quota products

- (1) Dairy quota products must comply with the product description in the designated markets schedules to the Dairy Industry Restructuring Act 2001 (Schedules 5 and 5A).

Part 5: Quota Compliance Programme verification

5.1 QCP verification audit for dairy quota product intended for Japan, the Dominican Republic and USA

- (1) The Director-General may require a verifier to undertake a QCP verification audit of operators systems and processes supporting export approval for dairy quota product to Japan, the Dominican Republic or the USA where satisfied that such an action is required to continue access to the relevant designated market.

5.2 QCP verification audit for dairy quota product intended for the EU

- (1) A QCP verification audit of all systems and processes supporting the issuing of IMA certificates must be undertaken by the Director-General:
 - a) annually and preferably at the start of each manufacturing season; and
 - b) in the event of a significant change, including but not limited to:
 - i) amendment to EU legislation; or
 - ii) new manufacturing facilities for dairy quota product; or
 - iii) following a significant amendment to an approved QCP.
- (2) A QCP must identify all storage facilities for IMA butter and cheese. A verification audit of the storage facility may be undertaken if required by the Director-General.
- (3) A verification audit for IMA certification includes, but is not limited to, verification:
 - a) that the approved QCP meets the requirements of regulation 11 of the Regulations and clauses 2.3, 2.5, 2.6, 3.1-3.11 and 4.1-4.2 of this Notice; and
 - b) that the operator of the approved QCP is processing and the export licence holder is exporting in accordance with the approved QCP.
- (4) A QCP premises is not required to undertake an annual verification audit if there is no intention to produce dairy quota product during the manufacturing season. However, a QCP audit must be fulfilled prior to the start of manufacture of any EU quota product in the manufacturing season.

Part 6: Export approvals

6.1 Approval required to export dairy quota products

- (1) An exporter who wishes to export a consignment of dairy quota product to a designated market must obtain an export approval in accordance with this Part before the consignment leaves New Zealand.

6.2 Requirement for the Director-General to hold and maintain a register of export licence holders

- (1) The Director-General must hold and maintain a register of each export licence holder's allocated volume of dairy quota product and the current volume of dairy quota product for each designated market for each quota year.
- (2) The quota year for all designated markets as described in Schedule 5A of the Dairy Industry Restructuring Act 2001, starts on 1 January except for prepared edible fat for Japan, which starts on 1 April.

6.3 Approval to export dairy quota products

- (1) In order to apply for approval under clause 6.5 to export dairy quota products, an exporter must:
 - a) be a registered dairy exporter (under Part 5 of the Act); and
 - b) be an export licence holder for the designated market; and
 - c) hold an approved QCP for the export of dairy quota product; and
 - d) supply for export dairy quota product that is processed and prepared for export under an approved QCP.

6.4 Dairy quota product specification approval

- (1) Pre-approval of new or amended dairy quota product specification documents using the form set out in Schedule 1 must be obtained from the Director-General before an application for dairy quota export approval is submitted under clause 6.5.

6.5 Application for dairy quota export approval

- (1) An export licence holder must apply to the Director-General for approval to export each consignment of dairy quota product to a designated market.
- (2) The application must:
 - a) be in the electronic form on the QMS or in a form approved by the Director-General; and
 - b) be made at least three working days before the intended final date of issue; and
 - c) include the information specified in Schedule 2 and clauses 6.6, 7.1, 7.2 and 7.3 of this Notice; and
 - d) in respect of a particular designated market, be accompanied by any additional information, documentation or attestation specified in this Notice.
- (3) The Director-General may require the information accompanying the application to be verified in a manner specified by the Director-General.

6.6 Summary of records

- (1) An export licence holder intending to export dairy quota products to a designated market must provide to the Director-General with the application in clause 6.5 a completed Summary of Records for each consignment for which an export approval is being sought in the form set out in Schedule 3 at least three working days before the intended final date of issue.
- (2) A designated person must sign the Summary of Records and include their name and the date of issue.

6.7 Decision to issue an export approval

- (1) An export approval may be issued by an authorised person provided the requirements of the Act, the Dairy Industry Restructuring Act 2001, the Regulations and this Notice have been met.
- (2) The authorised person may issue an export approval to an export licence holder for a consignment of dairy quota product if satisfied that:
 - a) the application is made by a person who is lawfully entitled to export dairy quota product; and
 - b) the quantity would not exceed the total quantity of dairy quota product permitted under the export licence; and
 - c) the dairy quota product has been processed and tested and is being exported in accordance with an approved QCP.
- (3) The authorised person must not issue a dairy quota export approval if he or she is aware of any information that suggests that the consignment does not meet designated market requirements.
- (4) When an export approval is issued the quantity must be subtracted from the export licence holders' allocated volume for the designated market and must be recorded by the Director-General. This may be on the QMR.

6.8 Form of the export approval

- (1) The approval issued by the Director-General must be in the form as described in clauses 6.8(2) and 6.8(3) for the intended designated market specified.
- (2) Export approvals for designated markets in the EU must be issued on the IMA certificate templates for butter or cheese prescribed in Commission Regulation 2535/2001.
- (3) Export approvals for other designated markets may be issued electronically on QMS.

6.9 Approval may be revoked, or replaced

- (1) The authorised person may revoke an export approval if he or she is satisfied that:
 - a) the approval was issued incorrectly or inappropriately; or
 - b) events or circumstances occurring since the approval was issued mean that the approval is no longer valid or is misleading, or would no longer meet the requirements of this Notice.
- (2) If the authorised person proposes to revoke an export approval, he or she may if appropriate in the circumstances notify the export licence holder stating the reasons for the decision to revoke the approval.
- (3) Where an export approval has been revoked by the authorised person under clause 6.9(1), he or she may reissue an approval for the whole or part of the consignment if satisfied that the export licence holder has adequately rectified the problems with the original approval that caused the authorised person to revoke it.

6.10 Export once quota filled in certain market

- (1) This clause applies to trade at the normal tariff (outside the terms of the quota) for the following designated markets:
 - a) prepared edible fat to Japan; and
 - b) milk powder to the Dominican Republic.
- (2) For the designated markets listed in clause 6.10(1):
 - a) only holders of export licences for trade at the normal tariff may export a particular type of dairy product to those markets once the quota in respect of that product is filled in any given quota year (as determined under the Dairy Industry Restructuring Act 2001); and
 - b) those licence holders may export the product at trade over the normal tariff rates only once the quota has been filled in any quota year (as determined under the Dairy Industry Restructuring Act 2001).

Part 7: Export approvals for the EU

7.1 Information provided for issue of IMA certificates

- (1) The following information must be submitted to the Director-General by the export licence holder in the application for export approval of each IMA lot at least three working days before the intended final date of issue:
 - a) global mean weight and standard deviation of the weight of the butter or cheese; and
 - b) cypher mean and standard deviation of the weight of the butter or cheese; and
 - c) global mean and standard deviation for fat content of the butter; and
 - d) cypher mean and standard deviation for fat content of the butter.

7.2 Verification of IMA butter fat content and weight and IMA cheese weight

- (1) To be eligible to obtain an IMA certificate for butter or cheese, the export licence holder must provide the authorised person with the following information at least three working days before the intended final date of issue for the purposes of verification:
 - a) an assessment that the IMA butter lot meets the fat content requirements using the Fat Verification Spreadsheet (FatTests) in the QMS help notes; and
 - b) global mean weight and standard deviation for each IMA butter lot using the spreadsheet (butterg1) in the QMS help notes; and
 - c) an assessment that the IMA cheese weight data meets the requirements using the spreadsheet (IMAActualWgtMaster) in the QMS help notes.

7.3 Manufacturing stock report for butter or cheese

- (1) To be eligible to obtain an IMA certificate for butter or cheese the export licence holder must provide the Director-General with a manufacturing stock report at least three working days before the intended final date of issue to verify :
 - a) that the IMA lot was manufactured according to one product specification in one approved QCP factory; and
 - b) cypher/batch details; and
 - c) manufacturing date; and
 - d) gross and net weight of the IMA lot; and
 - e) details of the units shipped; and
 - f) vessel name and voyage number; and
 - g) exporter reference number.

7.4 Issuance, authentication, validity and duration of IMA certificates

- (1) Dairy quota product must not leave New Zealand prior to the corresponding IMA certificate being issued by the Issuing Body.
- (2) IMA certificates shall be valid only if duly completed and authenticated by an Issuing Body listed in Annex XII of Commission Regulation 2535/2001.
- (3) IMA certificates are duly authenticated where they show the date and place of issue; are sealed by the Issuing Body and bear the signature or signatures of the person authorised to sign them.

- (4) MPI must notify to the Commission, the seals and signatories of persons authorised to issue IMA certificates for each quota year from 1 January to 31 December.
- (5) IMA certificates for entry of butter or cheese into free circulation for each quota year starting 1 January may be issued from 1 November of the previous year.
- (6) IMA cheese certificates are valid from the date of issue up to the end of the eighth month following the month of issue, and not beyond 31 December of the quota year of issue.
- (7) IMA butter certificates are valid from the date of issue up to 31 December of the quota year of issue.
- (8) The annual quota for butter is divided into two equal half-yearly quota tranches. IMA certificates for the second half butter tranche valid from 1 July may be issued from the preceding 1 May.
- (9) Quantities of butter not exported in the first tranche may be carried over into the second quota tranche.

7.5 Approval for IMA certificate may be replaced, revoked, or revoked and reissued

- (1) Without limiting clause 6.3, the authorised person may at his or her discretion revoke an approval for the whole consignment or part of the consignment and issue a replacement approval on one or more of the following grounds:
 - a) a change of Member State; or
 - b) a clerical error on the original approval; or
 - c) an administrative or technical error in the application or supporting documentation; or
 - d) any butter or cheese in the consignment is destroyed or rendered unfit in circumstances beyond the control of the exporter.
- (2) If a product intended for import in a given quota year becomes unavailable, due to exceptional circumstances beyond the control of the exporter, and the only means of filling the quota, in the light of normal shipping time from New Zealand, is to replace it with a product originally intended for import the following year a new IMA certificate may be issued for the replacement quantity on the sixth working day after notification to the Commission.
- (3) Replacement certificates, where required, will be issued only following the return to MPI of the original certificate and all certified copies of the previously issued certificates.
- (4) Replacement certificates cannot be issued to replace certificates that have expired.
- (5) Where all or part of the quantity covered by an IMA certificate is destroyed or rendered unfit for sale due to circumstances beyond the exporters' control, the quantities may be added back to the export licence holders' allocated volume.

7.6 Requirements on the Issuing Body

- (1) The Issuing Body for New Zealand of IMA certificates must:
 - a) send to the Commission a faxed copy of each authenticated IMA certificate for the total quantity covered on the date of issue or within seven days of that date at the latest and, where appropriate notification of any cancellation, correction or amendment; and
 - b) send to the Commission monthly reports of all IMA certificates issued; and
 - c) notify to the Commission by 31 January of each year, for each quota separately, reconciliation reports for:
 - i) the number of IMA certificates issued for the previous year with the identification number of each and quantity covered by it together with the total number of certificates issued and the total quantity covered by them for the quota year concerned; and
 - ii) the correction or amendment of IMA certificates.

7.7 Records and test results provided to the authorised person for surveillance monitoring

- (1) The exporter must provide to an authorised person records and test results, within two weeks of a written request by that authorised person, to enable the authorised person to undertake monitoring spot checks to verify accuracy and robustness of the supplier's systems. This includes a trace back from IMA certificates to original product manufacturing data to verify accuracy and robustness of QCP systems.
- (2) Initially 10% of an export licence holder's IMA certificates will be randomly selected and traced back. This monitoring rate may be reduced to 5% after compliance is demonstrated for at least one dairy manufacturing season.

Part 8: Miscellaneous

8.1 Consequences of non-compliance with this Notice

- (1) Non-compliance of a QCP with the requirements of clause 2.3 may result in the QCP not being approved under Part 2 of the Regulations.
- (2) Non-compliance of an operator of an approved QCP with the requirements of the QCP or the Regulations or this Notice may result in revocation of the QCP.
- (3) Non-compliance of an export licence holder with the requirements of the Regulations or this Notice may result in suspension or withdrawal of export approval including IMA certification.
- (4) Where a non-compliance that could affect the integrity of the IMA certificate is identified in butter or cheese or in fat or weight information supplied during a surveillance spot check by the Director-General of an IMA certificate:
 - a) a 100% surveillance monitoring rate of applications for certification will be applied to the export licence holder until MPI is satisfied that the export licence holder has corrected the non-compliance; and
 - b) the export licence holder must undertake traceback to identify whether previously-supplied butter or cheese was affected, and implement any necessary corrective actions.
- (5) Where a critical non-compliance is identified by a verifier during a verification audit, the exporter of the butter or cheese will be required to undertake a traceback and implement any necessary corrective actions. If a discrepancy is identified, the Director-General may require the butter or cheese to be isolated and put on hold. The Director-General may require appropriate actions to be taken to address the discrepancy.
- (6) If analysis by an independent European laboratory identifies a discrepancy with the fat content of butter, the dispute may be resolved using procedures based on Annex IV of Commission Regulation 2535/2001. The Director-General may require the butter to be isolated and put on hold or recalled.
- (7) Nothing in clauses 8.1(1)-(6) above limits section 135 of the Act.

8.2 Record keeping

- (1) In addition to the matters set out in regulation 11(e), (f) and (i) of the Regulations all records associated with the approved QCP, verification audit, surveillance monitoring and export approvals issued under Part 5, Part 6 or Part 7 of this Notice must be securely retained for seven years by the QCP operator or export licence holder, as applicable.
- (2) Records may be kept in electronic or any other form, but must be clear and accurate and kept in a readily accessible and retrievable format.

Part 9: Transitional provisions

- (1) This part applies to laboratories that are not recognised under the Animal Products Notice: Specifications for Laboratories.
- (2) For the period 31 August 2015 to 31 August 2017 the terms in the column in Table 1 below headed 'New terms' as used in this Notice are to be read to include the equivalent terms in the column in the table below headed 'Previous terms'.

Table 1: Terms

New Terms	Previous Terms
Recognised laboratory	Category 1 laboratory

- (3) For the period 31 August 2015 to 31 August 2017 the definitions in Table 2 below apply to the previous terms used in Table 1.

Table 2: Definitions

Term	Meaning
Category 1 Laboratory	means a recognised dairy laboratory that tests dairy product for export certification and tests samples to determine whether dairy product is fit for intended purpose or to meet overseas market access requirements
Recognised dairy laboratory	means a laboratory that is a recognised agency for testing of dairy material or product

Schedule 1 – Dairy quota product specification application form

(Use for approval of new or amended product specifications)

Request made by	
Contact telephone/email	

EXISTING RECORD DETAILS (Amendments to specifications only)

Record number to modify/delete	
--------------------------------	--

NEW/AMENDED SPECIFICATION DETAILS

Exporter name/identifier	
Factory name	
Approved QCP factory number	
Product identifier/formulation (Specification number/material number) For example: <ul style="list-style-type: none"> 123456 	
Specification title (manufacturer's description) For example: <ul style="list-style-type: none"> Bulk creamery salted butter 	
Product description (short description)	
Package type code Choose from international trade codes <ul style="list-style-type: none"> BK = block CT = carton SA = sack DR = drum BG = bag 	
Designated market	
Package type description For example: <ul style="list-style-type: none"> 20 Kg block, 20 Kg block (actual weight), 25 Kg Carton 	
Nominal weight (Kg) (EU only) (Appears on EU IMA certificates)	
Specification issue date	
Butter wrap weight for factory Kg (EU only)	

(Appears on EU Butter IMA certificate and must be current for the manufacturing season)	
Cheese packaging tare weight Kg (EU only)	
Product type and code Select from: <ul style="list-style-type: none"> • Fritz butter, B35, B • Ammix/Spreadable butter, B35, B • Cheese for processing, C40, ChP • Cheddar for direct consumption, C42, Ch • Milk powder, Dominican Republic, M01 • Prepared edible fat, Japan, PEF • Cheddar cheese, USA, CCH • Low-fat cheese, USA, LFC • NSPF cheese, USA, NSPF • Other American-type cheese, USA, ACH 	
CN code (EU only) Choose from: <ul style="list-style-type: none"> • ex 0406 10 19 – Butter • ex 0405 10 30 – Ammix/Spreadable • ex 0406 90 21 – Cheddar for direct consumption • ex 0406 90 01 – Cheese for processing HS code (Japan only) <ul style="list-style-type: none"> • ex HS 2106.90 – Prepared edible fat 	
Tables Text	
Tables Text	
Tables Text	

Modifications Approved

QMS Senior Adviser	
Date	

Schedule 2 – Further information, documentation and verification requirements for export approval applications

- (1) All of the following Information is required by the Director-General to be submitted by the export licence holder with an application for export approval using the QMS:
 - a) quota programme;
 - b) quota period;
 - c) product type;
 - d) CN code (for EU only);
 - e) exporter reference number;
 - f) export licence holder (Exporter);
 - g) invoice number and date;
 - h) buyer details: The full name and physical address of the organisation or person who will receive the exported product;
 - i) transport mode;
 - j) vessel/aircraft: The name of the vessel or flight details;
 - k) voyage number/Airfreight waybill number: The number assigned to the voyage or the number from the airfreight waybill;
 - l) port of loading: The place or port where the product is loaded on the vessel or aircraft;
 - m) port of discharge: The border crossing where the quota consignment is presented for entry to the country specific quota;
 - n) destination country: The country of entry into free circulation;
 - o) intended date of export: For sea freight, provide the "deep sea date": the date on which the ship will leave New Zealand territory. For airfreight, provide the date of departure;
 - p) total gross weight: Weight of the quota consignment, including packaging, in kilograms;
 - q) total net weight: Weight of the quota lot of product only, excluding packaging, in kilograms;
 - r) total number of packages;
 - s) request submitter: The name of the person who submitted the application for quota export approval in QMS.
- (2) The information below must be provided per product item in the application using the QMS:
 - a) approved QCP factory number;
 - b) product specification (approved product specification number);
 - c) grade (PASS);
 - d) date of manufacture;
 - e) batch/lot/cypher;
 - f) number of packages.
- (3) The information below must be provided for EU consignments using the QMS:
 - a) for cheese the mean net weight for each cypher and the global mean net weight for the IMA lot; and
 - b) for butter the mean net weight and standard deviation per cypher and the global mean weight and standard deviation per IMA lot.
- (4) The following information is automatically system generated i.e the market serial number (EU only) when the IMA application is issued by MPI:

Schedule 3 – Summary of records templates for designated markets

Template G1: Template for IMA butter (fritz Process) Summary of Records

Identification

Approved QCP factory number:

Exporter reference number:

Product Specification:

Batch/lot/cypher:

Declarations:

- 1 I hereby declare that the milk and cream contained within this aforementioned product is of New Zealand origin.
- 2 I hereby declare that this product is at least six weeks old, of a fat content of not less than 80% but less than 85% and has been manufactured directly from milk or cream without the use of stored materials, in a single, self-contained and uninterrupted process.
- 3 I hereby declare that the aforementioned product was processed, tested and exported in accordance with the Animal Products (Regulated Control Scheme – Dairy Export Quota Products) Regulations 2008 and the Animal Products (Regulated Control Scheme – Dairy Export Quota Products) Notice 2015.
- 4 I hereby declare that this is a true, complete, accurate and correct summary of all the records and test results pertaining to the aforementioned product.

Signature of designated person:

Name:

Date:

Template G2: Template for IMA butter (ammix process) summary of records**Identification**

Approved QCP factory number:

Exporter reference number:

Product Specification:

Batch/lot/cypher:

Declarations:

- 1 I hereby declare that the milk and cream contained within this aforementioned product is of New Zealand origin.
- 2 I hereby declare that this product is at least six weeks old, of a fat content of not less than 80% but less than 85% and has been manufactured directly from milk or cream without the use of stored materials, in a single, self-contained and uninterrupted process, which may involve the cream passing through a stage of concentrated milkfat and/or the fractionation of such milkfat.
- 3 I hereby declare that the aforementioned product was processed, tested and exported in accordance with the Animal Products (Regulated Control Scheme – Dairy Export Quota Products) Regulations 2008 and the Animal Products (Regulated Control Scheme – Dairy Export Quota Products) Notice 2015.
- 4 I hereby declare that this is a true, complete, accurate and correct summary of all the records and test results pertaining to the aforementioned product.

Signature of designated person:

Name:

Date:

Template H1: Template for IMA whole cheddar cheese summary of records**Identification**

Approved QCP factory number:

Exporter reference number:

Product Specification:

Batch/lot/cypher:

Declarations:

- 1 I hereby declare that the milk and milk products contained within this aforementioned product is of New Zealand origin.
- 2 I hereby declare that the fat content by weight (%) referred in the dry matter is at least 50%.
- 3 I hereby declare that the ripening period is at least three months from the date of manufacture for the aforementioned product.
- 4 I hereby declare that the aforementioned product was processed, tested and exported in accordance with the Animal Products (Regulated Control Scheme – Dairy Export Quota Products) Regulations 2008 and the Animal Products (Regulated Control Scheme – Dairy Export Quota Products) Notice 2015.
- 5 I hereby declare that this is a true, complete, accurate and correct summary of all the records and test results pertaining to the aforementioned product.

Signature of designated person:

Name:

Date:

Template H2: Template for IMA cheese for processing summary of records**Identification**

Approved QCP factory number:

Exporter reference number:

Product Specification:

Batch/lot/cypher:

Declarations:

- 1 I hereby declare that the milk and milk products contained within this aforementioned product is of New Zealand origin.

- 2 I hereby declare that the aforementioned product was processed, tested and exported in accordance with the Animal Products (Regulated Control Scheme – Dairy Export Quota Products) Regulations 2008 and the Animal Products (Regulated Control Scheme – Dairy Export Quota Products) Notice 2015.

- 3 I hereby declare that this is a true, complete, accurate and correct summary of all the records and test results pertaining to the aforementioned product.

Signature of designated person:

Name:

Date:

Template I1: Template for milk powder, prepared edible fat and cheese for designated markets in the Dominican Republic, Japan and the USA summary of records

Identification

Approved QCP factory number:

Exporter reference number:

Product Specification:

Batch/lot/cypher:

Declarations:

- 1 I hereby declare that the milk and milk products contained within this aforementioned product is of New Zealand origin.

- 2 I hereby declare that the aforementioned product was processed, tested and exported in accordance with the Animal Products (Regulated Control Scheme — Dairy Export Quota Products) Regulations 2008 and the Animal Products (Regulated Control Scheme – Dairy Export Quota Products) Notice 2015.

- 3 I hereby declare that this is a true, complete, accurate and correct summary of all the records and test results pertaining to the aforementioned product.

Signature of designated person:

Name:

Date: