



Dairy Export Quota Products and Related Export Approvals

Regulated Control Scheme

8 November 2023

TITLE

Animal Products Notice: Dairy Export Quota Products and Related Export Approvals

COMMENCEMENT

This Animal Products Notice comes into force on 15 November 2023.

REVOCATION

This Animal Products Notice revokes and replaces the Animal Products Notices: Dairy Export Quota Products and Related Export Approvals issued on 24 May 2023.

ISSUING AUTHORITY

This Animal Products Notice is issued pursuant:

- To sections 167 (2)(a) for the purposes of 38 (2)(a) of the Animal Products Act 1999 (for Parts 1, 2, 3, 4, 5, 8 and 9); and
- To sections 167 (1) for the purposes of 60 (1)(a) of the Animal Products Act 1999 (for export approvals in Parts 6 and 7).

Dated at Wellington this 8th day of November 2023

Paul Dansted
Director, Food Regulation
Ministry for Primary Industries
(acting under delegated authority of the Director-General)

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Introduction

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

Purpose

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) specify 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 and the United Kingdom.

Background

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.

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).

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 QPCs to all designated markets.

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 of minor amendments were also made.

In 2020, the Commission Implementing Regulation (EU) 2020/761 of 17 December 2019 came into effect which required consequential changes to the 'Animal Products Notice: Dairy Export Quota'. These changes are editorial in nature.

In 2020, The Customs (Tariff Quotas) (EU Exit) Regulations 2020 came into effect which required consequential changes to the 'Animal Products Notice: Dairy Export Quota'. This new Regulation sets requirements for export of IMA dairy products to the United Kingdom (UK).

The United Kingdom Free Trade Agreement Legislation Act 2022 amended the Dairy Industry Restructuring Act 2001 to list the UK as a designated market. The UK designated market covers WTO tariff quota and the UK FTA transitional tariff rate quotas as provided for in the United Kingdom's Customs (Tariff Quotas) (EU

Exit) Regulations 2020 and the Customs (Tariff (Preferential Trade Arrangements) (EU Exit) Regulations 2020 respectively.

In 2023, the “Agreement between the European Union and New Zealand pursuant to Article XXVIII of the General Agreement on Tariffs and Trade (GATT) 1994 relating to the modification of concessions on all the tariff quotas included in the EU Schedule CLXXV as a consequence of the United Kingdom’s withdrawal from the European Union” entered into force. This amended the Commission Implementing Regulation 2020/761 and required consequential amendments to the ‘Animal Products Notice: Dairy Export Quota.’ These amendments included the removal of some restrictive quota conditions for cheddar and butter.

Who should read this Animal Products Notice?

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?

Operating other than in accordance with this Notice is an offence under section 135 (1)(c) of the Animal Products Act 1999.

Other information

This Notice forms part of the regulated control scheme established by the Animal Products (Regulated Control Scheme—Dairy Export Quota Products) Regulations 2008. In accordance with Regulation 9(1) of those Regulations, 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.

The Animal Products Notice: Recognised Laboratories specifies requirements for laboratories.

Dairy Industry Restructuring Act 2001 (DIRA):

Dairy quota products must comply with the product description in the designated markets schedules to the DIRA (Schedules 5 and 5A) or for the United Kingdom, the Customs (Tariff Quotas) (EU Exit) Regulations 2020.

The quota year for the United Kingdom and all designated markets as described in Schedule 5A, starts on 1 January except for prepared edible fat for Japan, which starts on 1 April.

A person must not export directly or indirectly any dairy product to a designated market that is described in Schedules 5 and 5A of the DIRA or dairy product to the United Kingdom that is described in The Customs (Tariff Quotas) (EU Exit) Regulations 2020 unless he or she is the holder of a current export licence for that market.

For the dairy quota products prepared edible fat to Japan and milk powder to the Dominican Republic:

- 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
- 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 DIRA).

Under section 29B of the DIRA, 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.

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 Implementing Regulation (EU) 2020/761 of 17 December 2019 (laying down rules for the application of Regulations (EU) No 1306/2013, (EU) No 1308/2013 and (EU) No 510/2014 of the European Parliament and of the Council as regards the management system of tariff quotas with licences.

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

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

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

Commission Implementing Regulation (EU) 2020/761 means Commission Implementing Regulation (EU) 2020/761 of 17 December 2019

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 XIV.5 of Commission Implementing Regulation (EU) 2020/761

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 official assurances and IMA certification

Deep sea date means the date on which a vessel leaves the territorial limits of New Zealand

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

IMA means inward monitoring arrangement:

- a) for the EU, as contained in Commission Implementation Regulation (EU) 2020/761; and
- b) for the UK, as contained in The Customs (Tariff Quotas) (EU Exit) Regulations 2020.

IMA butter or **IMA cheese** means dairy quota butter or cheese for the EU and the UK under the UK WTO tariff quota 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:

- a) for the EU, the body listed in Annex XIV.5 of the Commission Implementation Regulation (EU) 2020/761 for New Zealand; and
- b) for the UK, the body listed in Schedule 2 Part A of The Customs (Tariff Quotas) (EU Exit) Regulations 2020.

Lot means a consignment of product covered by a single official assurance

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 official assurances for dairy quota product

Regulations means the Animal Products (Regulated Control Scheme—Dairy Export Quota Products) Regulations 2008. **Regulation** has a corresponding meaning.

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)

UK means the United Kingdom

UK WTO tariff quota means UK WTO tariff quota listed in Schedule 5A of the Dairy Industry Restructuring Act 2001

UK transitional tariff rate quota means a UK transitional tariff rate quota under the Free Trade Agreement between the UK and New Zealand listed in Schedule 5A of the Dairy Industry Restructuring Act 2001

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 to designated markets

2.1 Requirements to hold an approved QCP

- (1) 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 butter and cheese is intended for the UK under the UK WTO tariff quota.

2.2 Multiple QCPs may be approved

- (1) For the purposes of Regulations 10(1) and 11, 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) In addition to Regulation 11 (b) – (j), a QCP must include provisions to ensure that:
 - a) the designated operator of the QCP is identified in the QCP and notified in writing to the Director-General; and
 - b) the dairy quota product is of New Zealand origin; and
 - c) the gross weight and net weight of each lot of dairy quota product is accurately assessed and recorded; and
 - d) the procedures required under Regulation 11(d) to manage dairy quota product that does not meet designated market access requirements cover the entire manufacturing and supply chain for the products.

2.4 Register of approved QCPs

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

2.5 Amendments to an approved QCP

- (1) An application to amend a QCP under Regulation 14 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) to sign declarations for the purposes of IMA certification; and
 - c) the operator must keep the notified list of designated persons up to date; and
 - d) ensure that personnel undertaking processes required under this Notice are sufficiently trained and suitably skilled to carry out their tasks effectively.

2.7 Consequences of non-compliance with QCP

- (1) Failure to meet the requirements of clause 2.3 will result in the QCP not being approved under Part 2 of the Regulations.
- (2) Non-compliance with the requirements of the approved QCP may result in revocation of the QCP.

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, 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 have procedures that 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.
- (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 IMA lot selection of IMA butter or IMA cheese

- (1) The consignment selected for an IMA lot of IMA 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) consist of one or more whole or part cypher.
- (2) The consignment selected for an IMA lot of IMA whole cheddar cheese must consist of cheddar cheese manufactured according to one product specification in one cheese factory.

Part 4: Requirements for IMA butter and IMA cheese under the UK WTO tariff quota

4.1 IMA butter and IMA cheese

- (1) In this Part, references to “IMA butter” or “IMA cheese” mean the dairy quota products butter and cheese, respectively, for the UK under the UK WTO tariff quota.

4.2 QCP provisions for UK access requirements

- (1) A QCP for IMA butter or IMA cheese must have procedures to ensure they make adequate provision for the UK requirements in this Part of this Notice.

4.3 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.

4.4 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.

4.5 Fat content of IMA butter

- (1) IMA butter must have a fat content of not less than 80% but less than 85%.

4.6 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 be carried out in a Recognised Laboratory recognised for the test.

4.7 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.

4.8 IMA lot selection of IMA butter or IMA cheese

- (1) The consignment selected for an IMA lot of IMA butter must be at least six weeks old on the date of entry into free circulation in the UK.

Part 5: Quota Compliance Programme verification

5.1 QCP verification audit for dairy quota product intended for Japan, the Dominican Republic, the UK under the UK transitional tariff rate quota and USA

- (1) The Director-General may require a verifier to undertake a QCP verification audit of operator's systems and processes supporting export approval for dairy quota product to **designated markets** where satisfied that such an action is required to continue access to the relevant designated market including but not limited to:
 - a) amendment to designated market legislation; or
 - b) new manufacturing facilities for dairy quota product; or
 - c) following a new or a significant amendment to an approved QCP.

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

- (1) A QCP verification audit of all systems and processes supporting the issuing of IMA certificates for dairy quota product to the EU **and UK** must be undertaken by the Director-General **every three years**, preferably at the start of **that** manufacturing season.
- (2) A QCP must identify all testing and storage facilities for IMA butter and cheese. A verification audit of the testing and 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 and clauses 2.3, 2.5, 2.6 and 4.1-4.11 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.

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 Approval to export dairy quota products

- (1) In order to apply for approval under clause 6.4 to export dairy quota products, an exporter must:
 - a) be a registered dairy exporter (under Part 5 of the Act); and
 - b) hold an approved QCP for the export of dairy quota product; and
 - c) supply for export dairy quota product that is processed and prepared for export under an approved QCP.

6.3 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 6.4.

6.4 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 which is on or before the deep sea date; and
 - c) include the information specified in Schedule 2 and clauses 6.5 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.

6.5 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 6.4, 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 which is on or before the deep sea date.
- (2) A designated person must sign the Summary of Records and include their name and the date of issue.

6.6 Decision to issue an export approval

- (1) An export approval may be issued by an authorised person provided the requirements of the Act, 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, 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.

6.7 Form of the export approval

- (1) The approval issued by the Director-General must be in the form as described in clauses 6.7(2), (3), (4) and (5) for the intended designated market specified.
- (2) Export approvals for designated markets in the EU must be issued on the IMA certificate templates for IMA butter or IMA cheese prescribed in Commission Implementing Regulation (EU) 2020/761 (Annex XIV.5).
- (3) Export approvals for the UK transitional tariff rate quota must be issued on the tariff rate quota certificate and must include the following information:
 - a) exporter's name and address;
 - b) importer's name and address;
 - c) a description of the good or goods;
 - d) quantity (alongside unit of measure); and
 - e) validity period (including applicable quota year).
- (4) Export approvals for the UK WTO tariff rate quota must be issued on an IMA certificate template for IMA butter or IMA cheese.
- (5) Export approvals for other designated markets may be issued electronically on QMS.

6.8 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 meaning 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 reasonably practical in the circumstances notify the export licence holder stating the reasons for the proposed decision to revoke the approval.
- (3) Where an export approval has been revoked by the authorised person under clause 7.8(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.

6.9 Record keeping

- (1) All records associated with export approval issued under Part 7 and 8 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 7: Export approvals for the EU and UK under the WTO tariff quotas

7.1 Issuance, authentication, validity and duration of IMA certificates

- (1) IMA certificates shall be valid only if duly completed and authenticated by an Issuing Body.
- (2) Dairy quota product must not leave New Zealand prior to the corresponding IMA certificate being issued by the Issuing Body.
- (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 European Commission and UK Government, 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 IMA butter or IMA 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) For the EU;
 - a) the annual quota for IMA butter is divided into two equal half-yearly quota tranches.
 - b) IMA certificates for the second half butter tranche valid from 1 July may be issued from the preceding 1 May.
 - c) Quantities of butter not exported in the first tranche may be carried over into the second quota tranche.

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

- (1) Without limiting clause 6.2, 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) For the EU, 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 IMA butter or IMA 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 European Commission or UK Government.
- (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.
- (6) Where full duty is paid on a lot because the maximum fat content requirement is not complied with, the corresponding IMA certificate may be cancelled and the IMA issuing body may add the quantities concerned to those for which IMA certificates may be issued for the same quota year.

7.3 Requirements on the Issuing Body

- (1) The Issuing Body for New Zealand of IMA certificates must send to the European Commission and UK Government:
 - a) a soft copy of each respective 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) monthly reports of all respective IMA certificates issued.
- (2) The Issuing Body for New Zealand of IMA certificates must notify to the European Commission or UK Government by 15 January of each year, for each quota separately, reconciliation reports for:
 - a) the number of respective applicable 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
 - b) the correction or amendment of respective IMA certificates.

7.4 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 an operator of an approved QCP with the Regulations or this Notice may result in revocation of the QCP.
- (2) 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.
- (3) Where a non-compliance occurs, the operator must carry out a root cause analysis and document any resultant corrective and preventative actions.
- (4) Where a non-compliance that could affect the integrity of the IMA certificate is identified in butter or cheese 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.

8.2 Record keeping

- (1) In addition to the matters set out in Regulation 11(e), (f) and (i) all records associated with the approved QCP, verification audit and surveillance monitoring 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.

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	
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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"> CT = block CT = carton SA = sack DR = drum BG = bag BI = Bin 			
Designated market			
Package type description For example: <ul style="list-style-type: none"> 20 Kg block, 20 Kg block (actual weight), 25 Kg Carton Bin 			
Nominal weight (Kg) (EU and UK WTO tariff quota only) (Appears on 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, UK WTO, B35, B Ammix/Spreadable butter UK WTO, B35, B Butter, EU, B35, B Cheese for processing EU or UK WTO, C40, ChP Cheddar for direct consumption EU or UK WTO, C42, Ch TTRQ Butter, United Kingdom, UKFTAB TTRQ Cheese, United Kingdom, UKFTAC 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) Choose from: <ul style="list-style-type: none"> ex 0406 10 19 – Butter ex 0405 10 11 – Butter ex 0405 10 30 – Butter ex 0405 10 50 – Butter ex 0405 10 90 – Butter ex 0406 90 21 – Cheddar for direct consumption ex 0406 90 01 – Cheese for processing CN code (UK WTO tariff quota only) Choose from: <ul style="list-style-type: none"> ex 0406 10 19 – Butter ex 0405 10 11 – Butter ex 0405 10 30 – Ammix/Spreadable ex 0406 90 21 – Cheddar for direct consumption ex 0406 90 01 – Cheese for processing CN code (UK Transitional Tariff Rate Quota) Choose from: <ul style="list-style-type: none"> 0405.10.11, 0405.10.19, 0405.10.30, 0405.10.50, 0405.10.90, 0405.20.10, 0405.20.30, 0405.20.90, 0405.90.10, 0405.90.90, 0406.10.30, 0406.10.50, 0406.10.80, 0406.20.00, 0406.30.10, 0406.30.31, 0406.30.39, 0406.30.90, 0406.40.10, 0406.40.50, 0406.40.90, 0406.90.01, 0406.90.13, 0406.90.15, 0406.90.17, 0406.90.18, 0406.90.21, 0406.90.23, 0406.90.25, 0406.90.29, 0406.90.32, 0406.90.35, 0406.90.37, 0406.90.39, 0406.90.50, 0406.90.61, 0406.90.63, 0406.90.69, 0406.90.73, 0406.90.74, 0406.90.75, 0406.90.76, 0406.90.78, 0406.90.79, 0406.90.81, 0406.90.82, 0406.90.84, 0406.90.85, 0406.90.86, 0406.90.89, 0406.90.92, 0406.90.93, 0406.90.99 HS code (Japan only) <ul style="list-style-type: none"> ex HS 2106.90 – Prepared edible fat 	

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, UK WTO tariff quota and UK Transitional Tariff Rate Quota 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; and
 - 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; and
 - f) number of packages.
- (3) The information below must be provided for EU and UK consignments using the QMS:
- a) for cheese the nominal net weight of packages; and
 - b) for butter the nominal net weight of packages.
- (4) The market serial number (EU, UK WTO tariff quota and UK Transitional Tariff Rate Quota only) is automatically system generated when the application is issued by MPI.

Schedule 3 – Summary of records templates for designated markets

Template G1: Template for IMA butter for the UK under the UK WTO tariff quota (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 Notice: Dairy Export Quota Products and Related Export Approvals.
- (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 for the UK under the UK WTO tariff quota (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 Notice: Dairy Export Quota Products and Related Export Approvals.
- (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 for the UK under the UK WTO tariff quota 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 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 Notice: Dairy Export Quota Products and Related Export Approvals.
- (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 H2: Template for IMA cheese for processing for the UK under the UK WTO tariff quota 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 Notice: Dairy Export Quota Products and Related Export Approvals.
- (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, butter and cheese for designated markets in the Dominican Republic, Japan, UK transitional tariff rate quotas, EU 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 Notice: Dairy Export Quota Products and Related Export Approvals.
- (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:**