

Appendix Two: Calculation of the Border Clearance Levy (BCL) and Biosecurity System Entry Levy (BSEL).

The Border Clearance Levy (BCL)

- The BCL recovers the costs associated with clearing international passenger arrivals at the border. It is collected on all international passenger arrivals.
- Under the Biosecurity (Border Processing) Levy Order 2010, BCL rates (calculated separately for cruise ship and non-cruise ship passengers) must be calculated using a prescribed formula and set annually by the Director-General of MPI by notice in the Gazette.³
- Under the formula, the BCL is set by calculated by dividing estimated border processing costs by estimated traveller volumes. Any over- or under-recovery from the previous are also included.

The Biosecurity System Entry Levy (BSEL)

- The BSEL recovers the costs associated with the clearance of imported goods at the border. It is collected on all imported goods for which an import entry or equivalent documentation is lodged (leviable imports) with the New Zealand Customs Service (Customs).
- Under the Biosecurity (System Entry) Levy Order 2015, BSEL rates must be calculated using a prescribed formula and set annually by the Director-General of MPI by notice in the Gazette.⁴
- Under the formula, the BSEL rate is calculated by dividing the estimated border costs for the next year⁵ by the estimated number of imports. Any over- or under-recovery from the previous year are also included.

³ Provided it remains below the maximum rate specified, which is currently \$17.90 for cruise ship passengers and \$8.80 for non-cruise ship passengers).

⁴ Provided it remains below the maximum rate specified, currently \$23.

⁵ This can include any over- or under-recovery from the previous period.