

GIA explained

A resource for communicators in primary industry organisations

December 2013

GIA Secretariat (Government Industry Agreements for Biosecurity Readiness and Response)

> secretariat@gia.org.nz 04 894 0766 www.gia.org.nz

CONTENTS

INTRODUCTION
ABOUT BIOSECURITY AND GIA - KEY MESSAGES
New Zealand's biosecurity challenge5
Delivering biosecurity thorough GIA5
SUPPORTING MESSAGES BY ISSUE
About biosecurity
Biosecurity risk to and impact on business7
Government Industry Agreement on Biosecurity Readiness and Response
The GIA Deed and Operational Agreements9
Industry role in developing the GIA deed9
The process from here
GIA Biosecurity Forums
CASE STUDIES
DISCUSSION POINTS
SIGNING THE DEED: THE PROCESS
QUESTIONS AND ANSWERS ON THE GIA DEED OF AGREEMENT
APPENDIX A: CURRENT AND FUTURE STATE COMPARISON TABLE
APPENDIX B: GIA PRESENTATION
APPENDIX C: GIA FACTSHEETS

INTRODUCTION

About this document

This information pack has been compiled to help industry organisations discuss the GIA (Government Industry Agreements for Biosecurity Readiness and Response) with their members and other stakeholders.

It has been compiled by the GIA Secretariat in response to a request by industry communicators attending the first Biosecurity Forum hosted by the GIA Interim Governance Body in September 2013. It covers key messages about biosecurity and GIA, and discussion points and case studies to help industry organisations and their members think about biosecurity and the value of joining GIA.

It is hoped this resource will be of value to all industry organisations interested in managing biosecurity risk, whether or not they are currently considering signing the GIA. Both industry and public interest in the GIA is expected to grow once the GIA Deed is available for signing (anticipated in December 2013 or early 2014) and alongside the activities of some industries that are preparing to consult their members on participating in the GIA.

The GIA Secretariat can provide support to industry organisations considering signing the GIA Deed, and coordinate responses to any questions arising from industry about the GIA.

IMPORTANT NOTE: This document is based on the Draft Deed that has gone to Cabinet for approval. Should, for what ever reason, the draft be altered before it receives Cabinet approval, this document will be reviewed.

Other supporting material

The following documents and resources provide further relevant background material:

1. Current and future state comparison table

This table compares the current state with how things will change under the GIA for signatory and non-signatory industries (Appendix A).

2. Powerpoint presentation

This powerpoint presentation provides information on the GIA, the Deed and operational agreements, and the opportunities GIA offers to potential signatories. You can use this presentation yourself or request a GIA Secretariat representative to present it to your organisation (Appendix B).

3. GIA Factsheets

You can distribute these GIA factsheets to your members, or use the content in your own newsletters and other correspondence (Appendix C).

4. KPMG Agribusiness Agenda 2103

This report prepared each year by KPMG captures the thoughts and ideas of New Zealand agribusiness leaders across the country. <u>Volume 1: The State of the Nation</u> flags biosecurity as the priority issue for industry leaders.

5. www.gia.org.nz

The GIA Secretariat website provides detailed information, regularly updated, about the GIA and how it will work. Specific information and guidance regarding joining the GIA available on the website includes:

- The GIA and the Biosecurity Act
- Detailed eligibility guidelines
- FAQs on demonstrating eligibility
- Industry decision tree for signing up to GIA
- <u>Government Industry Agreements Business Case Guidance and Template</u>
- Developing an Operating Agreement
- <u>Key components of the GIA</u>

6. Biosecurity.org.nz and mpi.org.nz

These Ministry for Primary industry websites provide information about biosecurity related issues, risks and activities.

Contacts and further information

If you have any questions or would like support from the GIA secretariat in communicating about the GIA with your members, please contact the GIA secretariat:

Lois RansomSarSecretariat ManagerSersecretariat@gia.org.nzsar04 894 0419 or 021 894 04804

Sarah Vaughan Senior Advisor, Communications <u>sarah.vaughan@mpi.govt.nz</u> 04 894 0766 or 021 905 769

MPI staff are keen to help guide you through the processes for gaining mandate and demonstrating your eligibility to sign the deed. Please contact them early to learn about the legal requirements and how they might apply to you.

David Talbot GIA Business Lead <u>david.talbot@mpi.govt.nz</u> 04 894 0008 or 021 894 003 Fleur Matthews Senior Policy Analyst <u>fleur.matthews@mpi.govt.nz</u> 04 894 0139

ABOUT BIOSECURITY AND GIA - KEY MESSAGES

New Zealand's biosecurity challenge

Biosecurity is one of the biggest business risks primary industries face.

Given the importance of the primary sector to New Zealand's economy, a major biosecurity incursion could have a significant impact across New Zealand. The agriculture, food, forestry and fishing industries are major drivers of employment and NZ's economy. In the 2011 financial year they accounted for more than 12 percent of our gross domestic product (GDP) and generated around \$31.5 billion or 70 percent of our merchandise export earnings.

Biosecurity risk management is a major logistical and financial investment, but this risk needs to be managed because a pest or disease incursion can devastate an industry.

Biosecurity risks and the size of the readiness and response task is increasing as New Zealand trade continues to grow and open up.

Industry and government can achieve better outcomes by working in partnership. The government can not "do it alone". Industry leaders say it's time for industry to step up and take more ownership of biosecurity issues.

Industry expertise, capability, time and resources will help improve biosecurity planning, decision making and management – at all levels including on the ground.

Delivering biosecurity thorough GIA

GIA is a new approach to managing biosecurity risks.

GIA is an integrated approach to prepare for and effectively respond to biosecurity risks through partnership. It creates a partnership between government and industry for better biosecurity.

GIA originated as a government initiative. It is provided for by the Biosecurity Act 1993. The GIA Deed has been developed by government and industry representatives. Primary industry organisations now have the choice to sign up.

Key elements of the GIA are joint decision making and cost sharing.

Things won't change overnight, but the GIA will set industry and government on the path to work together to improve biosecurity outcomes.

GIA will give primary industries a direct say in managing biosecurity risk. Partners will share decision making, costs, and responsibility in preparing for and responding to biosecurity incursions.

Joint decision making will give industry, government and others the confidence that the best decisions are being made about managing biosecurity.

This partnership approach will ensure decisions about managing biosecurity risks more closely reflect and address industry concerns and priorities. It makes industry joint partners, alongside government, in managing their most important biosecurity risks.

GIA is not about cost cutting. The government is on record as committing to maintain at least its current spend on biosecurity – and bringing it to the partnership table.

SUPPORTING MESSAGES BY ISSUE

About biosecurity

Biosecurity is the exclusion, eradication or effective management of risks posed by pests and diseases to the economy, environment and human health. (Biosecurity Strategy 2003)

Biosecurity is more than just border protection. The biosecurity system covers a broad range of risk management activities undertaken at various points:

- Overseas: to reduce the risks posed by goods, vessels and people coming into NZ from other countries and provide assurance about our exports
- At the border: to stop pests and diseases entering NZ
- Within NZ: by eradicating or managing those pests and diseases that have newly arrived or established here.

Biosecurity involves a wide range of organisations and people:

- The Ministry for Primary Industries and other central government agencies
- Regional councils
- Maori
- Primary sector industries, trade, and the travel industry
- Landowners, including farmers and growers, community groups, and the general public.

No biosecurity system can be completely effective at preventing the arrival of new pests. This is why it is important to have the right measures in place to prepare, respond to and, if needed, manage on an ongoing basis, pest or disease incursions.

The Ministry for Primary Industry reports that in 2012:

- 10,000+ calls were to the biosecurity hotline
- Of these, about 800 warranted investigation
- 29 responses were initiated, at a cost of \$3.6 million
- 5 incursions were eradicated, 5 were mitigated or managed, and 1 became established.

Biosecurity risk to and impact on business

Biosecurity is one of the biggest business risks primary industries face.

A major biosecurity incursion could have significant impact on individual business, industries or the entire economy.

A pest or disease incursion could effect human health, Maori values, native ecosystems, urban trees and gardens, access to sports grounds and.

Direct impacts on farmers and growers include:

• Lower quality crops, decrease crop yield

- Increased production costs, lower returns
- Temporary or permanent loss of market access, or additional requirements (eg spraying) to maintain access.

Government Industry Agreement for Biosecurity Readiness and Response

GIA is a new approach to managing biosecurity risks. It seeks to achieve better biosecurity outcomes.

GIA aims to bring industry and government together as partners to:

- Engage across the end-to-end biosecurity system
- Make joint decisions-and share costs for agreed readiness and response activities to better prepare and respond to unwanted organisms.

GIA is a major change to the way decisions are made about biosecurity. Currently, the government is the final decision maker, although it takes steps to consult and act in partnership with stakeholders and affected parties.

A biosecurity partnership through the GIA offers industry:

- Transparency:
 - o Involvement in decision making
 - o Defined commitments for both industry and government
 - o Clear attribution of "industry good" and "public good" responsibilities, activities and costs
 - Clarity on where and how costs are shared
 - Defined limits on how much is spent to achieve agreed outcomes
- Responsibility:
 - o Derived from shared decision-making, shared planning and shared investment
- Confidence:
 - Arising from a wider range of parties being involved in identifying priorities and making decisions, based on agreed biosecurity outcomes.

Through GIA, Government and industry will:

- Identify the pests and diseases of most concern to a signatory industry
- Discuss how to minimise the risk of an incursion, or prepare for and manage a response in the event than an incursion occurs.

Before signing the Deed, an organisation must demonstrate to the Minister for Primary Industries that it has the agreement of its members to represent its sector for Deed purposes, and that the organisation can fund its Deed commitments.

The GIA Deed and Operational Agreements

GIA partners enter into a legal contractual agreement by signing the GIA Deed of Agreement. The Deed commits signatories to a partnership for:

- Engagement across the end-to-end biosecurity system
- Joint decision-making and sharing of costs for agreed readiness and response activities for unwanted organisms.

The GIA Deed sets out:

- The principles of the partnerships, the outcomes sought and the commitments that the signatories make.
- The rights, legal obligations, roles, responsibilities and commitments of each Signatory for delivering the GIA outcomes
- Governance arrangements for decision-making, resourcing and operations, which support the Deed's implementation.

Operational agreements are practical documents that give substance and meaning to the outcomes that partners are working towards and the activities they will undertake. They can focus on either an industry's biosecurity risk or on an organism that has the potential to effect several industries.

Operational agreements are not mandatory. They will only be developed where there are shared interests and MPI and industry agree the outcomes to be achieved through the OA.

Industry role in developing the GIA Deed

A Joint Working Group of individuals nominated by industry and government developed the current version of the Deed.

The members of the joint working group included representatives from the Meat Industry Association, Federated Farmers, Horticulture NZ, NZ Kiwifruit Growers, Dairy NZ, Poultry Industry/Egg Producers, MPI and the GIA Secretariat

Industry feedback on the draft deed was taken into account through a consultation process, resulting in a number of changes.

The Joint Working Group considers that the current draft deed is the version that has the best chance of being acceptable to both government and industry partners.

Industry organisations can sign the Deed after it has receive the approval the Government's Cabinet.

The process from here

The draft deed is currently in the Cabinet approval process.

Once approved, industry organisations may sign it if they have demonstrated to the Minister for Primary Industries that they meet the eligibility requirements, and his agreement has been published in the government's Gazette. Organisations may take part in negotiating Operational Agreements in tandem with gaining mandate to sign the deed, or following signing the deed.

MPI has indicated its priorities for the next six months include:

- Piloting the OA template through developing equine and fruit fly OAs: MPI plans to work closely with industry partners to do this. The plan is that the template and pilot OAs will establish effective processes and pave the way for other GIA partnerships.
- Connecting GIA partners with the Biosecurity Response Model: The model outlines MPI's current processes for responding to incursions and will need to accommodate GIA. Joint decision making kicks into gear as soon as an organisation signs the Deed, so MPI is aware of the need to make sure all partners understand their own, and others, roles.

GIA Biosecurity Forums

GIA Biosecurity Forums are the opportunity for GIA partners and potential partners to discuss the implementation of the Deed and the biosecurity system. They are held twice a year.

The next Biosecurity Forum will be held on 5 March 2014.

Papers from the 2013 Biosecurity Forum can be found on the GIA website.

CASE STUDIES

These case studies provide insight into the biosecurity challenge, the impact of incursions, and how partnerships can work in practice.

Agribusiness leaders' views on the biosecurity challenge

KPMG's Agribusiness Agenda 2013, which draws on the input of over 115 industry leaders, ranks "Maintaining a robust biosecurity framework" the number one priority facing the agribussiness sector for the third consecutive year. It states "There is a clear view this year that the industry needs to take greater ownership of the biosecurity system to ensure that relevant risks are identified and managed appropriately."

The report goes on to note that many leaders feel New Zealand 'could do better' in respect of biosecurity, and that the 2013 Auditor General's report on biosecurity preparation and response reinforces this view.

In the roundtable discussion informing the report, there was a "regularly expressed view that the time has come for farmers to truly recognise how critical a robust biosecurity framework is to their businesses. They need to step up – and take greater interest in, and ownership of, the issues and their management".

(http://www.kpmg.com/NZ/en/IssuesAndInsights/ArticlesPublications/agri-agenda-2013/Documents/KPMG-NZ-2013-Agribusiness-Agenda.pdf)

Psa and kiwifruit – a major economic impact

A report by Lincoln University noted that Psa is expected to cost the kiwifruit industry between \$310 and \$410 million over the next five years. Over the next ten years the estimated costs increase to \$500 to \$600 million, and over a 15 year period the costs increase to between \$740 and \$885 million. These costs include the immediate impact on net industry returns of the disease outbreak (in the shorter term) and of delays in expected industry development in the longer term. The report also estimates that the loss of employment in the Bay of Plenty between 2012 and 2016 would be an average of between 360 to 470 full-time-equivalent jobs per year.

(http://www.kvh.org.nz/financial_impact)

Plant Health Australia – biosecurity partnership in action

Plant Health Australia is a good example of how government and industry can partner to improve biosecurity outcomes.

PHA is the national coordinator of the government-industry partnership for plant biosecurity in Australia. The close association between governments and industry allows for the delivery of coordinated, effective biosecurity measures, to prevent pests from entering and establishing in the country.

PHA works with its members to develop Industry Biosecurity Plans (IBPs), which provide a framework to identify high priority biosecurity risks to a particular industry, crop or geographical area and risk mitigation measures for those risks. Each IBP is jointly approved by the respective industry and governments, cementing the shared approach to protecting the industry.

(http://www.planthealthaustralia.com.au/)

DISCUSSION POINTS

Taking part in GIA is not a decision that can be made lightly, as signing the deed has legal and financial implications. Industry organisations must also be able to demonstrate they have the mandate to sign the deed from their industry.

Questions to help your organisation and membership discuss whether or not to sign the Deed include:

- Is biosecurity important to your industry?
 - Are there biosecurity threats that could severely impact your industry, were they to enter New Zealand and become established?
 - How do good biosecurity practices reduce the impact of pests and diseases on production, productivity and export market access?
- Is it a business risk?
 - o Is prevention cheaper than managing the effects of a pest or diseases?
 - How would an incursion affect your industry's growth plans or potential?
 - What would it cost you, your community and your industry if you were affected by a major or minor biosecurity incursion?
 - What will be the effects of an incursion on-farm (eg, increased spraying requirements) and off-farm (eg, reduced market access for your products)?
- What value do you get from your current investment?
 - What are you currently spending? What are you spending it on?
 - Does your industry feel the right decisions being made its biosecurity risks?
 - Would partnering with government through the GIA improve decision making?
- What opportunities do the Deed the offer, at what value?
 - o Joint decision-making
 - o Early involvement in response
 - Engagement in the wider biosecurity system
 - New and emerging risks
 - o Joint investment and leverage of co-contribution to readiness
 - More effective response and more transparent transition.
- Will your organisation be able to gain mandate from your industry sector to sign the GIA? Will it be able to put in place the necessary financial arrangements to support your involvement?

In or out? Some considerations

Signatories will benefit from:

- Joint readiness activities
- Pre-agreed response strategy for priority industry pests
- Joint decisions on response
- Wider engagement across the biosecurity system to reduce risk.

Non signatories to the GIA:

 Will be consulted on responses – but won't share decision making or have wider engagement with MPI across biosecurity system

- Will be subject to cost recovery of any response costs if they are identified as benefiting from those activities
- Have no certainty that MPI will respond to new and emerging risks.

Incentives to join include:

- A seat at the response decision making table
- Transitional arrangements to ease transition to cost sharing, including not cost sharing for response activities until 2016
- Agreed approach to new and emerging risks
- Participation in Biosecurity Fora
- A role in implementing the Deed, including policy and process arrangements.

How will things change under GIA?

Currently:

- MPI decides response and strategy
- Determines stop and start
- Initiates transition
- Government pays
- Industry 'consulted'
- May or may not undertake surveillance or maintain laboratory capacity
- Ad-hoc assessment of new risks.

Under the Deed, things will change for signatories:

- Government and industry make joint decisions on response
- Response costs shared after 2016 in-kind contributions, accessing industry expertise
- Pre-agreed response strategy
- Joint readiness activities
- Leverage co-investment
- New and emerging biosecurity risks targets for early detection
- Engagement in risk reduction strategies.

SIGNING THE DEED: THE PROCESS

Very briefly, the steps an industry organisation must go through to sign the deed are:

- Establish that GIA is likely to be of value to the organisation's members or the sector (eg, kiwifruit, avocados, pork) it represents
- Ensure the organisation meets the definition of an industry organisation under the Biosecurity Act 1993
- Seek mandate to sign the deed from members of the industry sector that will be represented by the organisation (this includes, but is not necessarily limited to the organisation's own members)
- Demonstrate to the Minister for Primary Industries that the organisation adequately represents the interests of industry participants, that it has their mandate to sign the deed, and that it meets the eligibility requirements outlined in the Biosecurity Act 1993.

If the minister agrees that the organisation meets the statutory requirements, MPI will arrange for a confirmation notice to be published in the New Zealand Gazette.

Once this notice is published, the organisation may sign the GIA deed.

Eligibility requirements

The Biosecurity Act 1993 contains the requirements that must be met for an industry organisation to sign the Deed.

The five core requirements are:

- Legal entity: an eligible Industry Organisation needs to be a body corporate
- Sector representation: the industry organisation must be able to demonstrate it represents the interests of the sector it says it represents
- Funding arrangements: arrangements for meeting the organisation's cost sharing commitments must be evident an adequate plan to fund those commitments may suffice
- Consultation: the eligible industry organisation needs to adequately consult the sector organisations and individuals they claim to represent, and
- Sector feedback: the organisation must be able to show it has taken into account the views of its members and sector that it received during consultation.

Further information

Detailed guidance on the process is available on the GIA website (http://www.gia.org.nz/Join):

- Detailed eligibility guidelines
- FAQs on demonstrating eligibility
- Industry decision tree for signing up to GIA

QUESTIONS AND ANSWERS ON THE GIA DEED OF AGREEMENT

- 1 What is the Government Industry Agreement (GIA) for Biosecurity Readiness and Response?
- 2 What is the GIA Deed?
- 3 Why has the Government Industry Agreement (GIA) framework for biosecurity been developed?
- 4 How will the GIA work in practice?
- 5 What are the expected benefits for industry?
- 6 How has the Deed been developed?
- 7 Have all members of the Joint Working Group agreed the final version?
- 8 Is the Deed legally binding?
- 9 What commitments come with signing the Deed?
- **10** What will these commitments cost?
- **11** What good is the Deed to small industries that can't afford to pay cash for readiness activities or meet response costs?
- 12 Who will decide what incursions to prepare for or respond to?
- 13 What happens to industries that don't sign the Deed?
- 14 What happens to the Deed now? What are the next steps?
- **15** How will the Deed be governed?
- **16** What are operational agreements? How are they negotiated?
- 17 What say I disagree with something in the Deed? Can I put a case for changes?
- 18 Can changes be made to the Deed in the future?
- 19 What mandate does an industry organisation need to have from its members in order to sign the Deed?
- 20 What are the steps for negotiating an OA?
- 21 When does the Deed become operational?
- 22 When does joint decision making and cost sharing begin?
- 23 What happens if there is more than one body that represents a sector?
- 24 Does an industry have to have mandate to sign the Deed?
- 25 Who can I talk to?

1 What is the Government Industry Agreement (GIA) for Biosecurity Readiness and Response?

The GIA is a collaborative approach to developing proactive, risk-based readiness and response capability in New Zealand, to improve our biosecurity outcomes – for the benefit of our economy, environment and community.

Under the GIA, industry organisations and MPI, as the government's representative in the GIA partnership, will sign a Deed that formally establishes the biosecurity partnership to prepare for and effectively respond to biosecurity risks.

The Deed outlines the formal commitments that signatories make to this partnership.

GIA will give primary industries a direct say in managing biosecurity risk. Partners will share decision making, costs and responsibility in preparing for and responding to biosecurity incursions.

This partnership approach will ensure decisions about managing biosecurity risks more closely reflect industry concerns and priorities. It makes industry joint partners, alongside government, in managing their most important biosecurity risks.

2 What is the GIA Deed?

The GIA Deed is an agreement between government, through the Ministry for Primary Industries, and industry organisations that sign it. It provides the formal commitment that each Signatory makes to a partnership that will deliver better biosecurity outcomes.

The Deed outlines the principles for the partnership and the commitments that each Signatory makes to engage in the wider biosecurity system and co-invest to improve the collective capacity and capability of industry and government to prepare for and respond to exotic pests and diseases.

Explanatory notes in the Deed summarise the intent of the commitments in each section.

3 Why has the Government Industry Agreement (GIA) framework for biosecurity been developed?

The GIA has been developed as a mechanism to establish strong and effective partnerships between government and industry to prepare for and effectively respond to biosecurity risks. Its ultimate aim is to improve biosecurity outcomes. This approach recognises that Government and industry can achieve more by working together.

The GIA dates back to the 2003 Biosecurity Strategy and the 2005 Biosecurity Funding Review, which both recommended that industry should share funding and decision-making on biosecurity readiness and response services that directly benefits them. Joint decision-making and co-investment in biosecurity are the key elements of the GIA Deed, and are directed at delivering better biosecurity outcomes for New Zealand, to the benefit of industry and the community.

More recent reviews, for example the KPMG Agribusiness Agenda 2013 report, have recognised that Government cannot 'do' biosecurity alone and that there will be better outcomes when industry is more directly involved.

Increased industry interest in and understanding of biosecurity risks means that some industry groups have expressed the wish to be at the decision-making table during discussions about biosecurity readiness and response.

4 How will the GIA work in practice?

Under the GIA, working collaboratively will be the norm rather than the exception, and it will extend to genuine partnership.

The Deed sets the ground rules for minimum commitments, joint decision making and shared resourcing. It provides for a biosecurity forum for all signatories, to be held twice a year for discussions on the whole biosecurity system. Industry signatories will also be able to meet annually or as otherwise agreed with MPI to discuss industry specific issues.

Signatories may also agree Operational Agreements. These are practical documents that describe arrangements to achieve outcomes related to:

- Specific unwanted organisms
- Groups of unwanted organisms
- Activities that improve overall biosecurity readiness and/or response.

During biosecurity responses, MPI and affected industry signatories will be partners through the process, with shared and decision-making responsibilities.

5 What are the expected benefits for industry?

The key benefit for primary industries is a formal role, alongside MPI, in making decisions about biosecurity readiness and response activities. This should lead to reduced impact from unwanted pests and diseases.

Specific benefits will be different for each industry, according to their interests, biosecurity risks and priorities.

The partnership will likely begin with a conversation between MPI and the industry organisation that signs the Deed. This conversation will explore the biosecurity risks and development priorities that represent business risks and/or opportunities for the industry and MPI.

It may progress to the development of an Operational Agreement (OA) that commits government and industry to jointly deliver readiness activities. Or, it may be limited to joint decision-making for a response to an unwanted organism affecting the industry and participating in biannual biosecurity forums, which will offer opportunities for Signatories to improve the wider biosecurity system.

The GIA also opens the door for industry and MPI to discuss actions that they each can take across the wider biosecurity system (pre border and border control, pest management, as well as readiness and response) to improve biosecurity outcomes, but again the specific benefits for industry will vary depending on their current level of engagement.

6 How has the Deed been developed?

The Deed has been drafted by a Joint Working Group of experienced and skilled individuals nominated from within government and industry to address the collective interests within the final Deed. It has been guided by a wider industry group to develop an agreement that the working group believes has the best chance of being acceptable to both government and industry partners.

The draft Deed was circulated widely in December 2012 and all comments received, together with those raised at an industry workshop at the end of February 2013, were considered by the JWG in negotiating the final Deed.

The members of the Joint Working Group included representatives from the Meat Industry Association, Federated Farmers, Horticulture NZ, NZ Kiwifruit Growers, Dairy NZ, Poultry Industry/Egg Producers, MPI and the GIA Secretariat.

7 Have all members of the Joint Working Group agreed the final version?

Yes.

8 Is the Deed legally binding?

The Deed is a legal and moral contract between Signatories and its provisions are enabled by the Biosecurity Act 1993. The relationships between the Deed, any Operational Agreements, the legislation and the GIA Handbook are described in the Deed Preamble.

9 What commitments come with signing the Deed?

Industries commit to the following by signing the Deed:

- Joint decision-making during a response affecting the industry
- Cost sharing readiness activities agreed in an Operational Agreement to start from 2014
- Cost sharing for responses from 2017 (phase in discounts to 2023)
- Engaging in the wider biosecurity system including the Biosecurity Forum
- Meeting with MPI annually to define and review risk profiles
- Meeting minimum commitments
- Participating in Deed governance arrangements.

10 What will these commitments cost?

The cost of these commitments will vary and depend on the current level of investment made by each industry organisation and MPI.

Cost for readiness activities under an Operational Agreement will be agreed and a cost-share based on accrued benefits applied.

The Government has agreed to apply transitional discounts to costs for readiness and response activities that are shared. These arrangements mean that industry cost shares will start at a low level and gradually increase over six years. Cost sharing is planned to start in 2014 for readiness activities, and 2017 for response activities. In addition, government has agreed to cap the industry cost share for readiness and response at 50 percent.

Government has agreed transitional discounts for industry Signatories to assist industries transition to costsharing arrangements under the Deed. See section 2.3 of the GIA Handbook for details.

11 What good is the Deed to small industries that can't afford to pay cash for readiness activities or meet response costs?

Signatories will benefit from having a seat at the response decision-making table and being involved in the decisions that impact their sector, even if they only have a small amount of resources directed towards biosecurity.

Also, the Deed allows costs to be met by Signatories through in-kind contributions, rather than just cash contributions.

Initial commitments and costs for industries signing the Deed have been kept to a minimum so that all Signatories can access the benefits arising from more access and engagement on biosecurity with MPI and with other industries that may have common interests through common pests or linked risks.

Industries will decide whether to co-invest with MPI in an Operational Agreement. An Operational Agreement is not obligatory.

12 Who will decide what incursions to prepare for or respond to?

The priorities for readiness and response activities will be set through discussions between government and industry or industries in the course of defining the biosecurity risk profile of that industry and establishing any Operational Agreement.

13 What happens to industries that don't sign the Deed?

If an industry chooses not to join it will not have a seat at the response decision-making table, although it will continue to be consulted in a response that impacts that particular sector.

When cost-sharing for response is implemented in 2016, MPI will initially meet the cost share of nonsignatory beneficiaries but will seek to recover these costs from non-signatory beneficiaries as legislated under the Biosecurity Act 1993 where it is equitable and efficient to do so.

14 What happens to the Deed now? What are the next steps?

Industry organisations may sign the Deed once they have demonstrated to the Minister for Primary Industries that they meet the eligibility requirements and have the mandate of their respective industries, and the Minister's agreement to this is published in the New Zealand Gazette.

Organisations may take part in negotiating Operational Agreements in tandem with gaining mandate to sign the deed, or following signing the deed.

15 How will the Deed be governed?

The Deed is administered by a Governance Group. An independent GIA Secretariat has already been established and is responsible for facilitating the implementation of the Deed and its provisions. The Secretariat acts in the interests of all Signatories and is accountable to the Governance Group. It currently reports to an Interim Governance Group, which will transition into the Deed Governance Group when the Deed becomes operational.

16 What are operational agreements? How are they negotiated?

Operational agreements are practical documents that give substance and meaning to the outcomes that partners are working towards and the activities they will undertake. They can focus on either an industry's biosecurity risks, or on a single organism that has the potential to affect several industries.

Operational agreements are not mandatory. They will only be developed where there are shared interests and MPI and industry agree the outcomes to be achieved through the OA.

Organisations thinking of developing an Operational Agreement should contact the GIA Secretariat.

The document "<u>OA development process</u>" describes the steps to scope, negotiate and agree an OA.

A standard OA template is being developed by a joint industry-government working group. It will be available in the GIA handbook, on the GIA website, when it is completed.

17 What say I disagree with something in the Deed? Can I put a case for changes?

Any issues or concerns over the Deed and its provisions should be raised with the GIA Secretariat in writing and will be directed to the Interim Governance Body for consideration and necessary action.

18 Can changes be made to the Deed in the future?

The JWG considered it would be best not to change the Deed within the first year of its commencement so that Signatories would be confident that they were considering the same Deed.

19 What mandate does an industry organisation need to have from its members in order to sign the Deed?

MPI has developed advice for industry organisations wanting to sign the Deed, based on the requirements in the Biosecurity Act 1993:

- <u>Detailed eligibility guidelines</u>
- FAQs on demonstrating eligibility
- Industry decision tree fro signing up to GIA
- <u>Government Industry Agreements Business Case Guidance and Template</u>.

Industry organisations should contact the GIA Secretariat and MPI early in their process for seeking mandate, as this will smooth the process for seeking ministerial approval to sign the deed once you have mandate.

20 What are the steps for negotiating an OA?

Organisations thinking of developing an Operational Agreement should contact the GIA Secretariat. The document, <u>OA development process</u>, describes the steps to scope, negotiate and agree an OA. A standard OA template is being developed by a joint industry-government working group. It will be available in the GIA handbook when it is completed.

21 When does the Deed become operational?

The Deed commences when it has been signed by MPI and the first industry Signatory. It is likely to take some time before a majority of industries come under the Deed and transition arrangements will need to recognise and accommodate this, while ensuring that the value to Signatories is realised.

22 When does joint decision making and cost sharing begin?

Joint decision-making for response activities will commence as soon as an industry organisation signs the deed.

Joint decision-making and cost sharing for readiness activities will commence as agreed in the Operational Agreement.

23 What happens if there is more than one body that represents a sector?

The Biosecurity Act 1993 requires that only one industry organisation can represent the interests of a sector and its members. There are several models for representation that a sector could consider, such as forming a separate organisation (eg. Kiwifruit Vine Health Ltd) to undertake biosecurity activities or nominating an existing organisation within the sector to sign the Deed (eg. Equine Health Association). Nominated organisations must be a body corporate and demonstrate that they have consulted and secured the mandate of their sector.

24 Does an industry have to have mandate to sign the Deed?

Yes.

25 Who can I talk to?

For more information on the Deed and GIA contact :

Lois Ransom Secretariat Manager <u>secretariat@gia.org.nz</u> 04 894 0419 or 021 894 048 Sarah Vaughan Senior Advisor, Communications <u>sarah.vaughan@mpi.govt.nz</u> 04 894 0766 or 021 905 769

The GIA website (<u>www.gia.org.nz</u>) provides information on the GIA, the GIA Deed, Operational Agreements and the statutory requirements for industries considering signing the Deed.

APPENDIX A: CURRENT AND FUTURE STATE COMPARISON TABLE

The following table compares the current situation for how biosecurity risk is managaged now, with how it will be managed under the GIA. This highlights the benefits to industry organisations of signing up to GIA.

How biosecurity will change for primary industries under the GIA



What you get now	The Deed offers signatories	If you don't sign
Government delivers biosecurity programs to reduce the risk of entry of unwanted pests at the international border.	A framework for government and industry to work together in partnership to strengthen the biosecurity system and achieve better outcomes.	Government and industry work through consultation, for the most part, on biosecurity initiatives.
Import health standards are developed in consultation with industry and community stakeholders.	An environment for enhanced engagement in the risk analyses underpinning import health standards through provision of technical information and expertise.	Import health standards are developed in consultation with industry and community stakeholders.
Standards are implemented by government.	The opportunity to participate in processes to actively identify and take action to address new and emerging biosecurity risks.	Standards are implemented by government.
Decisions about the biosecurity continuum are made by Government on behalf of stakeholders.	Processes and fora for sharing information on biosecurity issues that will have a negative impact on New Zealand's biosecurity, and the systems in place to deal with them.	Decisions about the biosecurity continuum are made by Government on behalf of stakeholders, including non-Signatories.
Government is accountable for biosecurity outcomes that are its responsibility.	Greater accountability of GIA partners for their performance in managing the biosecurity risks that are their responsibility.	Government sets its priorities consistent with national interest and its commitments to Deed partners.
Biosecurity incident response systems are maintained. Response policies evolve from government policies and drivers.	Agreed response policies ¹ for priority pests that are developed over time by Deed signatories.	MPI's response policies for specific pests may not be clear or pre- agreed.
A range of readiness activities is undertaken according to Government priorities and objectives and subject to available resources.	Readiness work that is undertaken jointly by MPI and industry through Operational Agreements, and that address the biosecurity needs and priorities of the partners.	Existing readiness work may or may not continue. MPI may cost- recover from industries who benefit from readiness work, e.g. existing surveillance programmes. New readiness work is undertaken at industry's own cost.
Biosecurity incident response decisions are taken by MPI staff without mandated consultation or engagement with affected industries.	Signatories impacted by an incursion of an unwanted organism to have a seat at the decision-making table from the beginning of a response to its end.	In the event of an incursion, MPI investigates, it may respond, and will pay for the response.
Government will determine which pest or disease incursions will be responded to in the national interest.	MPI and signatories commit to joint decision-making including deciding whether and how to respond to an unwanted organism.	MPI decides whether to respond or not. Industry is consulted but does not make or share response decisions.
Government pays for responses that it chooses to undertake.	 Industry readiness and response costs that are capped at a maximum 50%, even where industry benefit is greater than this and: In event of incursion in the first three years, MPI pays and does not cost recover response costs. Industry participates in decision making Industry pays a share of response costs post-2016, where it benefits. 	MPI will recover response costs from industry members that benefit, and where it is equitable and efficient to do so.

Note

1. Agreed strategies which provides guidance and direction, and reduces ambiguity.

APPENDIX B: GIA PRESENTATION

This presentation provides information on the GIA, the Deed and operational agreements, and the opportunities it offers to potential signatories. You can use this presentation yourself or request a GIA representative to present it to your organisation. To obtain a powerpoint version of this presentation please contact Sarah Vaughan at the GIA secretariat.



Biosecurity through Partnership

The Government Industry Agreement on Biosecurity Readiness and Response

24 July 2013

Biosecurity through Partnership

The Government Industry Agreement on Biosecurity Readiness and Response is:

- The GIA
- An integrated approach to prepare for and effectively respond to biosecurity risks through partnership

Outcome

Achieving better biosecurity outcomes

Key elements

Joint decision-making and cost sharing



Biosecurity through Partnership

The Deed of Agreement

- Higher level policy and principles
- Provides for Operational Agreements and joint investment
- Heavy on partnerships: government & industry organisations
- References the powers of the revised Biosecurity Act
- Will need to have implementation processes developed
- A final Deed is expected to be available for signing later this year

Operational Agreements

- Provide the contractual vehicle for delivering specific biosecurity outcomes agreed by government and industry(s)
- Readiness and/or response



GIA Elements

- GIA MoU and value propositions
- Interim Governance Body
- Biosecurity Act 1993 review
- GIA Secretariat
- The Deed
- Mandate process and guidance
- Operational Agreement template
- GIA response model
- GIA logo and website <u>www.gia.org.nz</u>



What's in the Deed?

- GIA objectives and partnership principles
- Scope:
 - Wider biosecurity system
 - Readiness
 - Response
- Minimum commitments Government, industry, all Signatories
- Governance and Administration
- Financial arrangements cost-sharing, cost-recovery, exacerbators
- Operational Agreements specific commitments in a contract
- Cost share categories



The wider biosecurity system

Working together to make it better

- Biosecurity Fora twice a year to discuss biosecurity and the system
- New and emerging risks system
- Increasing awareness of biosecurity, its benefits, risks and good practice/behaviour
- Accountability of GIA partners for biosecurity performance
- Assessing the performance of the system including MPI operations and outcomes
- Annual meetings between each industry Signatory and MPI
- Greater knowledge and focus on industry risk profile



Minimum commitments

Readiness and Response

- Technical capacity and capability to detect, identify and respond to unwanted organisms
- Communication with members and stakeholders
- Early reporting and notification of new pests
- Participation in developing risk analysis
- Integrated response capacity, capability and processes
- Participation in readiness activities
- Deed administration and implementation commitments



Deed Governance

Deed governance and administration

- Interim Governance Body transition to Deed Governance Group
 - Oversight of Deed process
 - Direct the Secretariat
- GIA Secretariat
 - Facilitate implementation of the partnership in the Deed
- GIA identity/logo and website <u>www.gia.org.nz</u>
- GIA handbook
 - Policy and process good practice guide



Operational Agreements

- Operational Agreements
 - Defines specific joint commitments for readiness and response <u>activities</u>
 - Outcomes based
- OA template under development

•	The Parties] Who
•	Scope	1
•	Governance	How
5	Administration	
•	Financial processes	1
e.	Annexes – technical] What

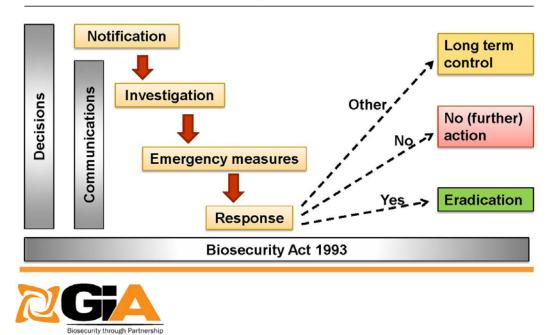


Partnership in response

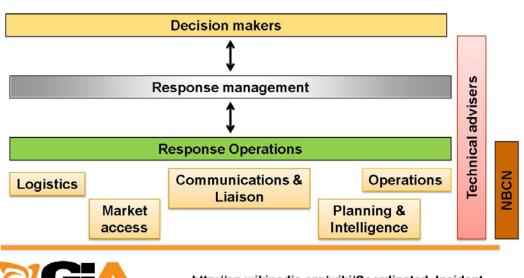
- Industry is a part of the response system and processes
- Nominated contacts for:
 - Notification
 - Decision making
 - Technical advice
 - Communications
- Pre-agreed response strategies
- Joint decision-making
- Cost sharing
- Cost recovery



Partnership in response



Partnership in response





http://en.wikipedia.org/wiki/Coordinated_Incident_ Management System

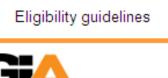
Can I sign my sector up?

The Biosecurity Act 1993

- The Deed
- Eligibility to sign the Deed (demonstrating mandate)
- Biosecurity Levy ÷.

How do I go about signing the Deed?

- Decision Tree



- ? Primary industry organisation 🔨
- ? Biosecurity is important 🔨
- ? GIA offers value
- ? Represent your members 🔨
- ? The Act 🗸
- ? The Minister √
- ? Sign up √

Demonstrating eligibility

Why?

To safeguard your industry, organisation and representatives

How?

- The signing industry organisation is a body corporate
- Represents the sector (as defined)
- Has consulted with the sector (growers/processors)
- Has a strategy to fund Deed obligations (levy(s), savings, loans)

The Minister is satisfied that these requirements have been met



Talk to MPI early

What do I commit to if I sign?

- Joint decision-making during a response affecting the industry
- Cost sharing readiness activities agreed in an Operational Agreement
- Cost sharing for response from 2016 (phase in discounts to 2021)
- Participating in the wider biosecurity system
- Meeting minimum commitments
- Participating in Deed governance arrangements



Comparison – now and the future

Current arrangements

- MPI decides response and strategy
- Determines stop and start
- Initiates transition
- Government pays
- Industry 'consulted'
- May or may not undertake surveillance or maintain laboratory capacity
- Ad-hoc assessment of new risks

Non-signatories - Some of the above, and possibly the bill



Under the Deed

- Government and industry make joint decisions on response
- Response costs shared after 2016 – in-kind contributions, accessing industry expertise
- Pre-agreed response strategy
- Joint readiness activities
- Leverage co-investment
- New and emerging biosecurity risks – targets for early detection
- Engagement in risk reduction strategies

To sign or not to sign...

- Is biosecurity important to your industry?
- Is it a business risk?
- What value do you get from your current investment?
- What opportunities does the Deed the offer, at what value? :
 - Joint decision-making
 - Early involvement in response
 - Engagement in the wider biosecurity system
 - New and emerging risks
 - Joint investment and leverage of co-contribution to readiness
 - More effective response and more transparent transition



APPENDIX C: GIA FACTSHEETS

You can distribute these factsheets to your members, or use the content in your own newsletters and other correspondence.

An Introduction to GIA: Government Industry Agreements for Biosecurity Readiness and Response



GIA is a new approach to managing biosecurity risks. It creates a partnership between government and industry for better biosecurity. Primary industries organisations now have the choice to sign up.

GIA will give primary industries a direct say in managing biosecurity risk. Partners will share decision making, costs, and responsibility in preparing for and responding to biosecurity incursions.

Biosecurity is one of the biggest business risks primary industries face. This partnership approach will ensure decisions about managing biosecurity risks more closely reflect industry concerns and priorities. It makes industry joint partners, alongside government, in managing their most important biosecurity risks.

This is a major change to the way decisions are made about biosecurity. Currently, the government is the final decision maker, although it takes steps to consult and act in partnership with stakeholders and affected parties.

GIA originated as a government initiative. It is provided for by the Biosecurity Act. The concept was then developed into an agreement (the Deed) by a joint industry and MPI working group.

The members of the joint working group included representatives from the Meat Industry Association, Federated Farmers, Horticulture NZ, NZ Kiwifruit Growers, Dairy NZ, Poultry Industry/Egg Producers, MPI and the GIA Secretariat

What is the Deed?

The Deed is a legal agreement that outlines the principles for the partnership and the commitments that each Signatory makes to:

- engage in the wider biosecurity system
- co-invest to improve the collective capacity and capability of industry and government to prepare for and respond to exotic pests and diseases.

Why have GIA?

Biosecurity is a shared responsibility, and industry and government can achieve better outcomes by working together. GIA provides the platform for shared decision making, cost sharing and priority setting.

Through GIA, government and industry will:

- identify the pests and diseases of most concern to a signatory industry
- discuss how to minimise the risk of an incursion, or prepare for and manage a response in the event than an incursion occurs.

The key benefit of GIA or primary industries is a formal role, alongside MPI, in making decisions about biosecurity readiness and response activities. This should lead to reduced impact from unwanted pests and diseases.

The GIA also opens the door for industry and MPI to discuss actions that they each can take across the wider biosecurity system (pre-border and border control, pest management, as well as readiness and response) to improve biosecurity outcomes.

Specific benefits of the GIA will be different for each industry, according to their interests, biosecurity risks and priorities.

Who can join?

Industry organisations that have mandate from a primary sector can join the GIA by signing the Deed.

As signing the GIA brings with it legal and financial obligations, industry organisations must go through a process to show they can meet these obligations and that they have the support of the members of their sector.

Government Industry Agreements for Biosecurity Readiness and Response: How it will work in practice



GIA makes industry joint partners, alongside government, in managing their most important biosecurity risks. Working collaboratively will be the norm rather than the exception.

Under the GIA, industry organisations and MPI, as the government's representative in the GIA partnership, will sign a Deed that formally establishes the biosecurity partnership to prepare for and effectively respond to biosecurity risks.

The Deed sets the ground rules for minimum commitments, joint decision making and shared resourcing. It provides for a biosecurity forum for all signatories, to be held twice a year for discussions on the whole biosecurity system. Industry signatories will also be able to meet annually or as otherwise agreed with MPI to discuss industry specific issues.

Setting priorities

Having signed the Deed, industry organisation and MPI will explore the biosecurity risks and development priorities that represent business risks and/or opportunities. Partners will discuss actions that they each can take across the wider biosecurity system (pre border and border control, pest management, as well as readiness and response) to improve biosecurity outcomes.

During Biosecurity responses, MPI and affected industry signatories will be partners through the process, with shared and decision-making responsibilities.

Operational agreements

Partners may also agree Operational Agreements. These are practical documents that describe arrangements to achieve outcomes related to:

- Specific unwanted organisms
- Groups of unwanted organisms
- Activities that improve overall biosecurity readiness and/or response.

Commitments

Industries commit to the following by signing the Deed:

- Joint decision-making during a response affecting the industry
- Cost sharing readiness activities agreed in an Operational Agreement
- Cost sharing for responses activities
- Engaging in the wider biosecurity system including the Biosecurity Forum
- Meeting with MPI annually to define and review risk profiles
- Meeting minimum commitments
- Participating in Deed governance arrangements.

Cost sharing and transitional discounts

Sharing costs will give industry strong incentives to identify readiness activities that will best protect them and to decide what risk organisms should be a priority for a response.

Where significant beneficiaries from biosecurity activities can be clearly identified, it is fair to expect those beneficiaries to contribute directly towards them. With this expectation, comes the right to make decisions about when and how those activities are undertaken.

The cost of the commitments in the Deed will depend on the current level of investment made by each industry organisation and MPI.

The Government has agreed to apply transitional discounts to costs for readiness and response activities that are shared. These arrangements mean that industry cost shares will start at a low level and gradually increase over six years. In addition, government has agreed to cap the industry cost share for readiness and response at 50 percent.