



NEW ZEALAND SEED POTATO CERTIFICATION AUTHORITY

Requirements for Approved Organisations

23 September 2015

AMENDMENT RECORD

Date	Section	Nature of amendment
23 September 2015	Requirements for approved organisations	Corrected reference to section 1.3.3 of the rules Updated reference to audit frequency due to change to MPI standards.

REQUIREMENTS FOR APPROVED ORGANISATIONS

As described in Section 1.3.3 of the New Zealand Seed Potato Certification Scheme, the Authority provides an option whereby organisations (e.g., seed merchants) may be approved to undertake inspection activities on behalf of the Authority.

Approved organisations must maintain a documented system containing procedures for meeting the requirements of this Scheme. Procedures for staff competency must also be documented. Organisations must:

1. Specify the person(s) with overall responsibility for management of the organisation's system, the competency required and their job description;
2. Identify the competencies required for each seed certification activity;
3. Have a sufficient number of staff with the necessary competence to undertake these activities;
4. Implement safeguards to ensure staff engaged in seed certification decisions are free from commercial interest in their decisions;
5. Describe the method used to assess staff competency to undertake seed certification activities within the organisation's system; and
6. Describe how these competencies are maintained on an ongoing basis.

To obtain approval, Organisations must apply to the Authority following the process described in Annexure 1 using the form provided in Annexure 2. Auditors will evaluate the Organisation's procedures and conduct audits. Audit frequency will be that defined in MPI Technical Standard: Audit for Risk Category – Level 2. Audit fees are payable by the organisation seeking approval.

Upon satisfactory completion of evaluations and audits, the auditor will make a written recommendation to the Authority. The Authority will consider the recommendation and where appropriate sign the contract of approval (Annexure 3).

An annual Approved Organisation fee applies as set by the Authority from time to time.

ANNEXURE 1. PROCESS FOR APPROVAL OF ORGANISATIONS UNDERTAKING INSPECTION AND VERIFICATION ACTIVITIES¹.

Step	Organisation action	Audit body action	Authority action
1	Select audit body		
2	Mutually agree with the audit body a timeframe for submission and audit of procedures		
3	Document your system to meet the requirements of the Scheme.		
4	Submit the documented system to the selected audit body and attach completed and signed Application for Approval (Annexure 2) and Contract of Approval (Annexure 3)		
5		Assess the organisation's documented system against the Scheme requirements	
6		Request any additional information.	
7	Provide any additional information.		
8		Complete assessment of the organisation's documented system or repeat step 6. Upon satisfactory assessment, proceed to step 9.	
9		Undertake a system audit to validate that the actual operations correspond to the documented procedures at each of the organisation's locations where activities occur.	
10		Notify organisation of any noncompliance and request corrective actions, or move to step 12.	
11	Implement the agreed corrective actions.		
12		Verify the agreed corrective actions.	
13		Make a written recommendation to the Authority and attach a copy of the organisation's system.	
14			Authority considers the auditor's recommendation and where appropriate signs the contract of approval and returns a copy to the audit body.
15		Notify the organisation of their approval and forward copy signed by the Authority.	
16	Organisation commences implementation of their approved system.		

¹ The MPI standard "Organisation requirements" is acknowledged as the basis for this process. Requirements for Approved Organisations

ANNEXURE 2. APPLICATION FOR APPROVAL².

Application for approval of organisation for the operation of activities for and on behalf of the New Zealand Seed Potato Certification Authority for seed potato certification activities.

Please complete this application and forward to you chosen audit body.

Organisation name		
Address		
Business type (merchant, seed grower)		
Scope of service options		Tick Options required
	Field inspection	
	Tuber inspection	
	Verification of grower activities	
Contact name		
Phone		
Mobile phone		
Email		
Fax		
Name and title of person responsible for the organisation's system		

Organisation's statement.

I wish to apply for approval of(organisation name) ("the Applicant") as an organisation under the requirements set down in the New Zealand Seed Potato Certification Authority Seed Potato Scheme ("the Scheme"). I confirm that I am duly authorised by the Applicant to complete this application on its behalf.

1. The Applicant agrees to meet the requirements of the Scheme.
2. The Applicant agrees to document the organisation system meeting the requirements of the Scheme.
3. The Applicant agrees to operate the above documented system and procedures as approved by the New Zealand Seed Potato Certification Authority.

² The MAF standard "Organisation requirements" is acknowledged as the basis for this application form.
Requirements for Approved Organisations
NZ Seed Potato Certification Scheme

4. The Applicant agrees to the New Zealand Seed Potato Certification Authority making enquiries and using the information supplied by me, in connection with this application or any contract entered into as a result of this application, for the following purposes:
 - i. To ensure that the Applicant is a fit and proper person to hold the approved status conferred by the Authority under a contract of approval;
 - ii. To notify the public of the Applicant's approved status.
5. The Applicant consents to publication of its approved status in any publication available to the public.
6. The Applicant agrees to afford the New Zealand Seed Potato Certification Authority and its representatives reasonable co-operation and access necessary to carry out audits.
7. Included with this application is a non-refundable application fee of \$5000.00 (+ GST).
8. The Applicant acknowledges that any contract of approval will be subject to desk evaluation and subsequent audits and that the above fee excludes these costs.
9. The Applicant understands that if it fails to provide all or any of the information requested in connection with this application, it may be denied approval.
10. The Applicant understands that under the Information Privacy Principles of the Privacy Act 1993, it has rights of access to, and correction of, personal information held in connection with this application.

The audit body the Applicant is contracting to undertake pre-approval evaluation and initial audits of the Applicant's system is.....

.....

(Signature of Organisation's authorised representative) (Date)

.....

(Name - print clearly)

.....

(Title)

Send this application to:

The Secretary
 NZ Seed Potato Certification Authority
 Potatoes New Zealand
 P O Box 10232
 Wellington 6143.

the attached document entitled New Zealand Seed Potato Certification Authority Seed Potato Certification Scheme.

“Authority” means the New Zealand Seed Potato Certification Authority, operating as an unincorporated committee of Potatoes New Zealand Incorporated.

“Contract” means this contract, including the Scheme document and any other documents and requirements incorporated by reference.

“Organisation System” refers to the “Organisation System” defined in the Scheme.

“Scheme” means the New Zealand Seed Potato Certification Scheme published and amended from time to time by the Authority to govern the Scheme.

“Seed certification labels” means labels approved by the Authority used to provide assurances to seed potato buyers that seed meets the requirements of the Scheme.

“Seed Potato Certification” means all those activities leading to, and including, the official issuance of a seed certification label.

PRINCIPAL TERMS AND CONDITIONS

1 Term

1.1 This Contract commences on the date it is signed by the authorised representatives of both parties and, subject to clauses 6, 7 and 9.3, will terminate in accordance with Appendix 1 to this contract.

2 Correctness of Information

2.1 The Organisation warrants that the following information (including written and oral information) supplied by the Organisation to the Authority is correct and adequate in all respects:

2.1.1 all information supplied in or in connection with the application form entitled "Application for approval of organisation for the operation of activities for and on behalf of the New Zealand Seed Potato Certification Authority for seed potato certification activities.";

2.1.2 all other information supplied in connection with the approval of the Organisation under this Contract; and

2.1.3 all information required to be supplied under the Scheme.

3 Organisation's Other Warranties

3.1 The Organisation warrants that throughout the term of this Contract the Organisation will maintain its Organisation System and all other relevant practices to substantially correspond with all the information referred to in clause 2.1, except to the extent that any changes made are approved by the Authority in accordance with the Scheme.

3.2 The Organisation warrants to notify the Authority of any change to the Organisation's name.

3.3 The Organisation warrants that where it is an unlisted company, it will notify the Authority as soon as reasonably practicable of any:

3.3.1 change in the legal or beneficial ownership of any of its shares; or

3.3.2 issue of new capital; or

3.3.3 change to the rights and powers attaching to any of its shares; or

3.3.4 change to the composition of the board of directors (as this term is defined in section 127 of the Companies Act 1993).

3.4 The Organisation warrants to fully comply with all the requirements, and other specifications set out in the Scheme.

3.5 The Organisation warrants to take all reasonable steps to enable and facilitate the Authority, and any persons acting for or otherwise associated with the Authority, to perform their tasks and functions as envisaged in, or otherwise in connection with, the Scheme.

3.6 The Organisation warrants not providing activities for purposes not covered by this Contract. The Organisation will take all reasonable steps to ensure that these activities are not provided for such unauthorised purposes, or by unauthorised persons.

4 The Authority's Obligation

4.1 The Authority hereby approves the Organisation for the term of this Contract for the purpose of enabling the Organisation to provide activities on behalf of the Authority for Seed Potato Certification.

4.2 The Organisation accepts that nothing in this Contract or in any dealings of any kind between the Organisation and the Authority, or agents of or other persons associated with the Authority, represents to the Organisation or otherwise creates any kind of expectation on the Organisation's part that:

4.2.1 any other approval or any Certification of any kind will be granted by the Authority or will be granted within a certain time period; or

4.2.2 any seed potatoes that are accompanied by, or otherwise reliant on any service for the Seed Potato Certification provided by the Organisation on behalf of the Authority will be accepted by customers or will be accepted within a certain time period.

5 EXCLUSION OF LIABILITY

5.1 The Organisation accepts that under no circumstances will the Authority, or agents of or other persons associated with the Authority, be liable under the law of tort contract, or otherwise for any loss, claim, action, demand, expense, inquiry, harm, or damage, however caused, arising directly or indirectly from or connected in any way to:

5.1.1 The performance, or as the case may be, non-performance of the Organisation (or any of its contractors, sub-contractors, agents, or employees that are not a party to this Contract); or

5.1.2 The provision or non-provision of any activity for Seed Potato Certification by the Organisation.

6 Suspension and Termination by the Authority

6.1 The Authority may at any time suspend approval of the Organisation in accordance with Appendix 1 to this contract, in addition to any other rights of suspension provided by law.

6.2 The Authority may at any time terminate approval of the Organisation in accordance with Appendix 1 to this contract, in addition to any other rights of termination provided by law.

6.3 The Authority may at any time suspend or terminate approval of the Organization for breach of the Scheme relating to payment of fees.

6.4 Where a change of a kind that is specified in clause 3.3 occurs, the Authority may terminate the approval of the Organisation.

7 Extension following Audit of Organisation

7.1 Where the results of the audits in Section [6] of the Scheme indicate the requirements of the Scheme are being complied with, the Contract will be deemed extended, subject to clauses 6 and 9.3, beyond the last audit date.

8 INDEMNITY

8.1 The Organisation will indemnify and keep indemnified the Authority from and against any liability, loss, damage, costs and expenses (including legal costs and any expenses of going to arbitration), which the Authority may suffer or incur arising directly or indirectly from:

8.1.1 the performance, or as the case may be, non-performance of the Organisation (or any of its contractors, sub-contractors, agents, or employees that are not a party to this Contract) of any of its obligations in respect of this Contract;

8.1.2 negligent acts or omissions on the part of the Organisation (or any of its contractors, sub-contractors, agents, or employees that are not a party to this Contract);

8.1.3 suspension or termination of the Organisation's approval in accordance with clause 6; or

8.1.4 the provision or non-provision of activities for the Authority by the Organisation.

9 Force Majeure

9.1 Notwithstanding any other provision of this Contract, neither party shall be liable to the other for any act or omission, or any failure to comply with any warranty or to perform any of its obligations under this Contract, where such, act, omission, or failure is caused by fire, flood, storm, earthquake, civil disturbance, war, act of God, or any other event or circumstances reasonably beyond its control (called "Force Majeure"), provided that the party alleging Force Majeure has taken all reasonable precautions to avoid or mitigate the consequences of such occurrence.

9.2 The party unable to fulfil its obligations due to Force Majeure will immediately:

9.2.1 notify the other in writing of the reasons for its failure to comply with the warranty or to perform the obligation, and the effect of such failure; and

9.2.2 use all responsible endeavours to avoid or remove the cause and comply with the warranty or perform the obligation.

9.3 Upon receiving notice pursuant to clause 9.2, or upon otherwise being made aware of any Force Majeure circumstances affecting the Organisation, the Authority may at its absolute discretion suspend approval of the Organisation until such time as the circumstances have been avoided, removed or abated sufficiently to enable the Organisation to comply with the warranty or perform the obligation.

10 Assignment

10.1 The Organisation shall not assign all or any of its rights, obligations, or liabilities under this Contract. In the event of a purported assignment in breach of this clause, this contract shall terminate.

11 Disputes

11.1 The parties agree to use their best efforts to resolve any dispute which may arise under the Contract through good faith negotiations. Except as provided in clause 11.5, no party shall commence any arbitration or litigation in relation to this Contract unless it has first invited the chief executive of the other party to meet with its own chief executive for the purpose of endeavouring to resolve the dispute on mutually acceptable terms.

11.2 Should resolution of the dispute not be achieved at chief executive level, the dispute will be submitted to mediation before any litigation is commenced. Any party may initiate mediation by giving written notice to the other party of their intent to do so. Should the parties be unable to agree on a mediator within two (2) working days of receipt of notice of intent to seek mediation, then the mediator will be selected by the President for the time being of the LEADR NZ or its successor.

11.3 Any dispute arising under this Contract which cannot be settled by negotiation or mediation between the parties or their respective representatives shall be submitted to arbitration in accordance with the Arbitration Act 1996.

11.4 In the absence of agreement concerning the appointment of an arbitrator, either party may request the President of the New Zealand Law Society to appoint a suitably qualified independent arbitrator to hear and determine the dispute.

11.5 Nothing in this clause shall preclude either party from taking immediate steps to seek urgent equitable relief before a New Zealand Court.

12 **Entire Agreement** This Contract, including Appendix 1, sets out the entire agreement between the parties.

Signed for and on behalf of:

POTATOES NEW ZEALAND INCORPORATED (acting by and through the New Zealand Seed Potato Certification Authority

Name:

Position:

Date:

WITNESS:

Name: _____

Occupation: _____

Address: _____

Signed for and on behalf of

Name:

Position:

Date:

WITNESS:

Name: _____

Occupation: _____

Address: _____

APPENDIX 1:

Suspension of an Organisation's approval

Approval of an Organisation to perform certification activities may be suspended by the Authority in full or for a specified period where one or more of the following occurs:

- i) Where an Organisation's system has not been active for more than 12 months, or
- ii) An Organisation has not engaged the services of an audit body; or
- iii) An Organisation fails to make full payment of fees to the Authority unless in dispute; or
- iv) Requested by the Organisation.

The Authority shall formally advise the Organisation of their suspension.

During the period of the suspension, the Organisation shall not offer or perform any certification activities on behalf of the Authority.

All product inspected, produced or packaged by the Organisation from the date of initial suspension is ineligible for certification unless subjected to inspection by an approved organisation.

Certification of product that was produced since the last successful audit and the date of suspension is at the sole discretion of the Authority.

Reinstatement of an Organisation following suspension

Reinstatement of an Organisation's approval by the Authority to perform certification activities shall occur only when all conditions prescribed by the Authority and/ or its representatives have been met.

The Authority shall formally advise the Organisation the date from which their approval will be reinstated.

Process for termination of approval

Termination of an Organisation's approval shall occur:

- i) Where falsification of any record or abuse of a Potatoes New Zealand Inc. Trademark is found;
- ii) Where more than two critical non-compliances are identified within any 12 month period;
- iii) If the conditions for reinstatement in the suspension notice are not met within the specified time;
- iv) At the request of the Organisation.

The Authority shall formally advise the Organisation of the reasons for the termination of the approval, and the effective date of the termination.