

VOTE *Biosecurity*

Biosecurity

Overview

Departmental Appropriations

Departmental appropriations sought for Vote Biosecurity in 2007/08 total \$139.051 million. This is intended to be spent as follows:

- \$2.158 million (2% of the departmental appropriations) on biosecurity approvals and assurance.
- \$4.508 million (3% of the departmental appropriations) on enforcement of biosecurity legislation.
- \$11.713 million (8% of the departmental appropriations) on biosecurity policy.
- \$26.865 million (19% of the departmental appropriations) on biosecurity standards.
- \$34.206 million (25% of the departmental appropriations) on biosecurity surveillance and incursion response.
- \$59.601 million (43% of the departmental appropriations) on quarantine services.

Non-Departmental Appropriations

Non-departmental appropriations sought for Vote Biosecurity in 2007/08 total \$29.658 million. This is intended to be spent as follows:

- \$29.528 million on the control of bovine tuberculosis vectors.
- \$130,000 on subscriptions to international organisations.

Crown Revenue and Receipts

\$1.3 million of Crown revenue is forecast to be collected from infringement notices imposed on persons entering New Zealand at ports of entry with undeclared goods.

Further information and explanations of the appropriations appear in Parts B1 and C of this Vote. Further information on Crown revenue and receipts appear in Part F.

Terms and Definitions Used

AHB	Animal Health Board
MAF	Ministry of Agriculture and Forestry
OIE	Office Internationale des Epizooties (World Organisation for Animal Health)
Tb	Bovine Tuberculosis

Biosecurity

ADMINISTERING DEPARTMENT: Ministry of Agriculture and Forestry
Minister of Agriculture is the Responsible Minister for the Ministry of Agriculture and Forestry

Part A - Statement of Objectives and Trends

Part A1 - Objectives for Vote

Related Government Outcomes

The appropriations in Vote Biosecurity will make a significant contribution to the Government's priorities. They will fund advice and services aimed at progressing New Zealand's economic transformation and supporting our national identity.

The primary sectors (including aquaculture and marine) are vital to the New Zealand economy. New Zealand's dependence on the primary sectors and on the natural environment and resources that underpin them, makes us particularly vulnerable to the threat of new pests and diseases. Managing risks to those resources and systems is important to achieving economic growth, continued market access for our products and protection of the natural environment.

Pursuing prosperity and growth is a long term priority. To be successful over the longer term, the changing expectations of consumers and communities will need to be addressed. This means meeting increasing public concerns about environmental integrity, animal welfare, human health and wellness issues associated with biosecurity pests and pest management activities. New Zealand also has diverse indigenous flora and fauna, which require protection. Economic growth must be matched with high quality environmental and sustainability outcomes.

Biosecurity New Zealand is the lead agency in New Zealand's biosecurity system and has been tasked with overall accountability and leadership for the biosecurity system from pre-border through to pest management and responsibility to protect the broader range of economic, environmental and social outcomes. It also has international trade and animal welfare responsibilities.

The appropriations in Vote Biosecurity will be largely devoted to purchasing outputs, which contribute primarily to the following key outcomes:

- Increased trade and market access for our products.
- Economic opportunities, growth and prosperity are maintained and enhanced.
- Our natural heritage, the integrity of our ecosystems, and the character of New Zealand landscapes are protected and enhanced.
- Human health and well-being is optimised.
- Healthy and rewarding lifestyles, freedom and respect for cultural expression, and enjoyment of the recreational value of the natural environment.
- The relationship of Māori and their culture and traditions with their ancestral lands, waters, sites, waahi tapu, and taonga is maintained.

Output Areas

Outputs purchased will contribute to government outcomes in varying degrees. The appropriations are intended to fund activities, which deliver on the following biosecurity system outcomes:

- Harmful and potentially harmful organisms do not cross New Zealand's borders and cause damage.
- The damage caused by harmful organisms that have established in New Zealand is reduced.
- The public are active, informed and supportive participants in the biosecurity system.

Strategic Issues

There are four primary activities within the biosecurity system:

- reducing the likelihood of risk organisms crossing the border while enabling access to imports
- ensuring and improving market access for New Zealand exports through safer and freer trade and provision of official assurances
- early detection and effective management of the risks associated with pests and diseases present in New Zealand, and
- encouraging stakeholders to become involved and take ownership for biosecurity risks.

The key strategic issue for Vote: Biosecurity in 2007/08 will be the integration of Biosecurity New Zealand and the MAF Quarantine Service. The objective of the integration is to improve the connection between the two biosecurity groups, resulting in:

- increased responsiveness
- increased effectiveness, and
- rapid adoption of new business models.

A better connection between biosecurity policy development, risk analysis, standard setting, and implementation functions will:

- encourage information sharing
- improve prioritisation
- ensure that decisions consider impacts across the whole system, and
- enable continuous feedback and improvement.

The new organisation will be able to work to a common strategy with clearer accountabilities, roles and responsibilities and with stronger business support capability.

It is intended that the new structure will take effect on 1 July 2007.

Part A2 - Trends in Vote

The appropriation trends for Vote Biosecurity are detailed in the attached table and are largely influenced by the levels of funding appropriated for responses to disease and pest incursions.

Responses funded between 2002/03 and 2007/08 include southern saltmarsh mosquito, painted apple moth, *varroa* bee mite, red fire ant, asian gypsy moth, fall webworm, *mycoplasma mycoides* subspecies *mycoides*, *didymosphenia* and *styela clava*.

Appropriations also increased from 2001/02 due to the Crown's decision to contribute \$350 million over a 12-year period to the National Pest Management Strategy for bovine tuberculosis. This was an increase in funding per annum of between \$9 million and \$13 million over previous years.

New Policy Initiatives by Appropriation

Initiative	Appropriation as shown in Part B	\$000 increase/(decrease)				
		2006/07	2007/08	2008/09	2009/10	2010/11
Painted Apple Moth Eradication programme	Departmental Output Expense - Biosecurity Surveillance and Incursion Response	1,947	-	-	-	-
Southern Saltmarsh Mosquito Eradication Programme	Departmental Output Expense - Biosecurity Surveillance and Incursion Response	11,132	-	-	-	-
Government Response to the Incursion of <i>Styela Clava</i> (Sea Squirt)	Departmental Output Expense - Biosecurity Surveillance and Incursion Response	1,330	850	-	-	-
Development of a Long-Term Management Programme for <i>Didymo</i>	Departmental Output Expense - Biosecurity Surveillance and Incursion Response	6,556	-	-	-	-
Nelson Varroa Incursion Eradication Programme	Departmental Output Expense - Biosecurity Surveillance and Incursion Response	1,250	-	-	-	-
Nelson Varroa Incursion Control Programme	Departmental Output Expense - Biosecurity Surveillance and Incursion Response	2,150	930	565	515	-
Red Imported Fire Ant Infestation Surveillance and Treatment Programme	Departmental Output Expense - Biosecurity Surveillance and Incursion Response	6,269	2,395	2,296	-	-
Effective Border Management	Departmental Output Expense - Biosecurity Enforcement	-	155	345	347	347
	Departmental Output Expense - Biosecurity Policy	-	1,744	2,198	2,202	2,202
	Departmental Output Expense - Biosecurity Standards	-	1,879	2,394	2,408	2,408
	Departmental Output Expense - Biosecurity Surveillance and Incursion Response	-	376	681	681	681
	Departmental Output Expense - Quarantine Services	1,775	3,422	4,307	4,311	4,311
Staff Remuneration	Departmental Output Expense - Biosecurity Approvals and Assurance	-	38	64	90	114
	Departmental Output Expense - Biosecurity Enforcement	-	139	230	327	415
	Departmental Output Expense - Biosecurity Policy	-	418	694	981	1,239
	Departmental Output Expense - Biosecurity Standards	-	607	1,010	1,429	1,800
	Departmental Output Expense - Biosecurity Surveillance and Incursion Response	-	449	747	1,055	1,331
	Departmental Output Expense - Quarantine Services	-	1,664	2,771	3,914	4,937
Total Initiatives		32,409	15,066	18,302	18,260	19,785

Part B - Statement of Appropriations

Summary of Financial Activity

	2002/03	2003/04	2004/05	2005/06	2006/07		2007/08 Appropriations to be Used				2008/09	2009/10	2010/11	
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budget \$000	Estimated Actual \$000	By the Department Administering the Vote		For Non-Departmental Transactions		Total \$000	Estimated \$000	Estimated \$000	Estimated \$000
							Annual \$000	Other \$000	Annual \$000	Other \$000				
Appropriations														
Output Expenses	157,378	158,424	151,103	174,364	186,127	183,592	139,051	-	29,528	-	168,579	172,604	170,768	171,400
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Other Expenses	316	178	91	80	130	116	-	-	130	-	130	130	130	130
Capital Expenditure	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	-	N/A	N/A	-	-	-	-
Total Appropriations	157,694	158,602	151,194	174,444	186,257	183,708	139,051	-	29,658	-	168,709	172,734	170,898	171,530
Crown Revenue and Receipts														
Tax Revenue	-	-	-	-	-	-	N/A	N/A	N/A	N/A	-	-	-	-
Non-Tax Revenue	1,611	1,528	1,574	1,236	1,300	1,300	N/A	N/A	N/A	N/A	1,300	1,300	1,300	1,300
Capital Receipts	-	-	-	-	-	-	N/A	N/A	N/A	N/A	-	-	-	-
Total Crown Revenue and Receipts	1,611	1,528	1,574	1,236	1,300	1,300	N/A	N/A	N/A	N/A	1,300	1,300	1,300	1,300

Part B1 - Details of Appropriations

Appropriations	2006/07				2007/08		Scope of 2007/08 Appropriations
	Budget		Estimated Actual		Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Departmental Output Expenses (General)							
Biosecurity Approvals and Assurance (M7)	2,121	-	2,046	-	2,158	-	- Administration of biosecurity standards and export certification. Involves auditing against biosecurity regulatory standards and providing assurance to trading partners that New Zealand exporters are complying with the relevant regulations.
Biosecurity Enforcement (M7)	4,217	-	4,217	-	4,508	-	- Investigation and (where appropriate) prosecution of individuals and organisations who breach biosecurity legislation.
Biosecurity Policy (M7)	9,557	-	9,507	-	11,713	-	- Policy advice in regard to biosecurity issues and ministerial servicing.
Biosecurity Standards (M7)	24,390	-	24,340	-	26,865	-	- Setting biosecurity standards, undertaking risk analysis to support standard development and monitoring border pathways.
Biosecurity Surveillance and Incursion Response (M7)	57,207	-	57,182	-	34,206	-	- Surveillance for new organisms in the terrestrial and aquatic environments, maintenance of the capability to investigate and respond to new organisms and if necessary the delivery of services for their eradication or management. Reason for Change: The decrease is due to one-off funding in 2006/07 for disease responses.
Quarantine Services (M7)	58,179	-	55,844	-	59,601	-	- Management of biosecurity risks at the border. Includes the inspection and clearance of aircraft, vessels, cargo, containers, mail and passengers in accordance with biosecurity legislation and standards.
Total Departmental Output Expenses (General)	155,671	-	153,136	-	139,051	-	
Non-Departmental Output Expenses							
Control of TB Vectors (M7)	30,456	-	30,456	-	29,528	-	- Crown contribution to the implementation of the Bovine Tuberculosis National Pest Management Strategy.
Total Non-Departmental Output Expenses	30,456	-	30,456	-	29,528	-	
Other Expenses to be Incurred by the Crown							
Subscriptions to International Organisations (M7)	130	-	116	-	130	-	- Subscriptions to international organisations such as the OIE.
Total Other Expenses to be Incurred by the Crown	130	-	116	-	130	-	
Total Appropriations	186,257	-	183,708	-	168,709	-	

Part C - Explanation of Appropriations for Output Expenses

Part C1 - Departmental Output Expenses

Biosecurity Approvals and Assurance

This output expense covers the administration of biosecurity standards and export certification. It involves auditing against biosecurity regulatory standards and providing assurance to trading partners that New Zealand exporters are complying with the relevant regulations.

Biosecurity Enforcement

This output expense covers investigation and (where appropriate) prosecution of individuals and organisations who breach biosecurity legislation.

Biosecurity Policy

This output expense includes providing analysis and advice on, and development of policies, legislation and organisational arrangements to be applied to: implementing the Biosecurity Strategy, developing the biosecurity system and managing responses, the provision of biosecurity advice to Ministers and participation in biosecurity and consultative fora; Māori responsiveness; and ongoing business support.

Biosecurity Standards

This output expense involves setting standards for imports, exports, border (including transitional facilities), post-border (including incursion response and surveillance), international agreements; undertaking risk analysis to support standard development, and monitoring border pathways. Standards need to comply with the Biosecurity Act.

Biosecurity Surveillance and Incursion Response

This output expense covers the delivery of services for surveillance for new organisms in the terrestrial and aquatic environments including: invasive species; pests and diseases of animal and plant populations (including forests); maintenance of the capability to investigate and respond to new organisms and if necessary, the delivery of services for their eradication or management.

Quarantine Services

This output expense involves the identification and management of biosecurity risk goods, and goods that may be contaminated with biosecurity risk organisms, entering New Zealand. This involves clearing in accordance with biosecurity legislation and MAF biosecurity standards:

- all direct overseas aircraft and vessels (approximately 23,000 aircraft and 3500 vessels per annum)
- an estimated 550,000 sea containers
- 35,000 personal effects consignments
- 180,000 used vehicles
- 45 million mail items
- 4.1 million passengers.

Part C2 - Non-Departmental Output Expenses

Control of Tb Vectors

This output covers the Crown's contribution to implementation of the Bovine Tuberculosis National Pest Management Strategy. The objective of the Strategy is to reduce the number of bovine tuberculosis (Tb)-infected cattle and deer herds to 0.2% annual period prevalence by 2013. The Strategy is funded both by the Crown and industry (under voluntary agreements and by way of regulatory levies).

The Animal Health Board (AHB) is appointed under the Biosecurity (Bovine Tuberculosis National Pest Management Strategy) Order 1998 as the pest management agency for the Strategy. The two main components of the Strategy are disease control, which is fully industry-funded, and vector control which is funded by the Crown (as an exacerbator), local government, some rural land occupiers and industry.

Key Strategy progress objectives are to:

- Prevent, from 1 July 2004 the establishment of infected vector populations within tuberculosis vector free areas.
- Increase the area of New Zealand in which the annual period prevalence rate of infected herds is 0.2% or less (226,000 km²) by 30 June 2006.
- Reduce by 30 June 2009, the mean annual number of infected vector-related breakdowns in tuberculosis vector risk areas to a rate of 1.2% or less.

Specifically under this output the Crown contributes to the purchase of services for the control of wild animal populations infected with Tb (called Tb vectors). Vector control measures and monitoring are undertaken on the Crown estate, adjoining land and private land for this purpose. The Crown funding is managed through a Vector Control Funding Agreement with the AHB. The AHB contracts vector management services from regional councils and the private sector.

Quantity and quality

Relevant performance measures for this output are in accordance with the Strategy and the Vector Control Funding Agreement and include:

- A copy of all vector management contracts entered into by the AHB are provided to the Crown within one month of signing.
- An independent review of the performance of contractors, and the achievement of the national objectives and regional targets relating to the Strategy, is completed by 30 September 2007.
- The AHB will provide the Crown with the programme of vector control operations by region that it intends to carry out during the 2007/08 financial year, its draft budget in respect of that year, and a projected programme for the 2008/09 financial year by 15 May 2008.
- The AHB will provide the Crown with its budget for vector control operations in 2007/08 by 31 July 2007.
- The vector control operations specified in the AHB-approved Vector Control Programme for 2007/08 are completed except where prevented by circumstances outside the control of the AHB, or where the Crown has been notified of any such variation.
- The AHB will conduct a review of the vector management standard at least annually and submit to the Crown.

- The AHB will provide a report on its annual programme by 31 August 2007, in respect of the 2006/07 year and in relation to each local government region of New Zealand.
- The AHB shall deliver to the Crown, within 20 working days of the end of each quarter, a report detailing its vector control operations during that quarter.
- The AHB will provide ad hoc reports where reasonably required by the Crown in accordance with the Vector Funding Agreement.
- The AHB will facilitate the carrying out of audits of the Board by the Crown for the purpose of verifying the accuracy and completeness of any information provided to the Crown under the Vector Control Funding Agreement, or ascertaining compliance with the Vector Control Funding Agreement, or the vector management standard.

Cost

This output expense will be provided within the appropriated sum of \$29.528 million.

Part F - Crown Revenue and Receipts

Part F1 - Current and Capital Revenue and Capital Receipts

	2006/07		2007/08	Description of 2007/08 Crown Revenue
	Budgeted \$000	Estimated Actual \$000	Budget \$000	
Non-Tax Revenue				
Biosecurity Act 1993 Fines	1,300	1,300	1,300	Infringement fines imposed on persons entering New Zealand at ports of entry with undeclared goods.
Total Non-Tax Revenue	1,300	1,300	1,300	
Total Crown Revenue and Receipts	1,300	1,300	1,300	