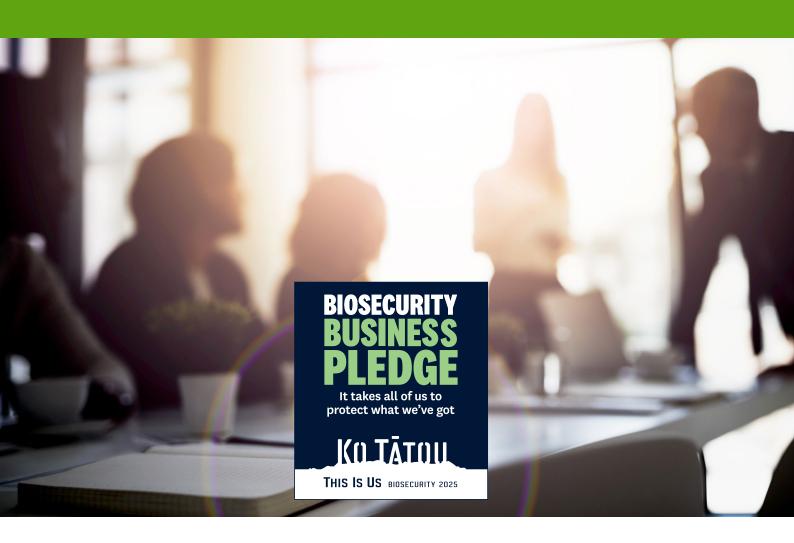
CEO guide to the management of biosecurity risk

Protecting your business, New Zealand's unique natural environment, its economy and our way of life.



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The Biosecurity Business Pledge

For more information on the Pledge and other useful guidance and business tools please visit our website: www.thisisus.nz/biosecurity-business-pledge

If your business is not a member we encourage you to join today.

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Disclaimer

While every effort has been made to ensure the information is accurate, the Biosecurity Business Pledge Steering Group does not accept any responsibility or liability for any error of fact, omission, interpretation or opinion that may be present, nor for the consequences of any decisions based on this information. Any view or opinion expressed does not necessarily represent the view of the Biosecurity Business Pledge Steering Group.

Welcome

It is in the interest of all New Zealand businesses to ensure that biosecurity risks to the nation are minimised. Biosecurity impacts upon our cultural, economic, environmental and social values.

A significant portion of the exports which deliver revenue into the New Zealand economy are dependent on good biosecurity. Keeping out unwanted pathogens and pests is also important for New Zealand's natural environment, which supports many of the recreational pursuits we enjoy and underpins tourist and film industry activities. Biosecurity is also about keeping New Zealanders safe from potentially harmful pests and diseases. COVID-19 is a good example of a health incursion.

As businesses we respect these values, and seek to have good biosecurity outcomes for the communities we live and work in. We recognise that any one business's activities associated with the movement of goods and people between eco-systems can have far reaching impacts for many other people, businesses and communities.

The following is the Biosecurity Business Pledge's guidance to understanding your biosecurity risk, assessing where you are at now and helping you to plan to strengthen your approach.

This guidance is intended to help you understand what biosecurity risks are and what some of these could be for your business. This is necessarily general to cover the breadth of the Pledge's membership and it is not exhaustive.

Your business may have specific biosecurity requirements under the Biosecurity Act 1993 and its regulations that outline compliance measures for businesses to operate safely. We do not cover this information within this guidance, if you have any compliance questions we strongly recommend that you seek independent advice or speak to the regulator - Biosecurity New Zealand. Some CEOs may ask why their business should add biosecurity to the risk register when their operations may not be disrupted by unwanted pests and diseases? The reality is that protecting our economy, our primary sectors, our environment and our way of life is everyone's

We say to you, yes, your business has a role to play too. No one wants to be the head of an organisation importing goods in a shipping container, or using a ship determined to be the source of a biosecurity incursion, impacting or effectively shutting down other businesses, or an entire sector. Good biosecurity risk management is simply good business for all of us.

responsibility.

The consequences of a failure may be costly

The consequences could include an increased regulatory footprint at your business, business disruption or your business unable to trade due to the biosecurity impact (e.g. fruit fly or brown marmorated stink bug impacts). The impact could affect everyone across the value chain, e.g. primary producers, transporters, importers, exporters and even the New Zealand public.

It is important for all importers to be constantly aware of any changes to Import Health Standards (IHS) as you may face new or increased consequences, for example, there have been recent changes to the Sea Containers from All Countries Import Health Standard. This impacts all importers. It is the importer's responsibility to ensure the requirements of this Standard are met. Consignments that do not comply with the requirements of this IHS may not be cleared for entry into New Zealand, and/or MPI may seek further information from importers which may cause delays to your containers. Consignments that do not comply with the requirements of this Standard may be reshipped under the Biosecurity Act 1993 (the Act) or tested/treated in accordance with MPI Standards before being released or equivalence determined. Importers are liable for all associated expenses. The costs to MPI in performing functions relating to the importation of sea containers will be recovered in accordance with the Act and any regulations made under the Act. All costs involved with documentation, transport, storage and obtaining a biosecurity clearance must be covered by the importer or agent.

How to use this guide

We recognise that the following may be daunting for smaller businesses with less resources to invest in biosecurity. Read through and take what works for you now, knowing you can add on later. For others this will look like compliance so we encourage you to go further, maybe setting yourselves higher standards.

Minimising biosecurity risk requires strong leadership, systems and processes and a culture that enables every team member to play their part. It also requires reaching beyond your organisation's boundaries including into your supply chains offshore.

But first you need to be able to take a look at yourself and what you know, where your organisation is at, and what you need to do next on your biosecurity journey.

This guide was developed following consultation with Biosecurity Business Pledge members in 2021.

Members requested guidance for senior executives and directors to enable discussion operationally and around the board table. Individual businesses are encouraged to tailor this guidance to your industry and sector and use it to normalise biosecurity as part

of your normal business risk management. Members also identified biosecurity as being as important as health and safety. Therefore as a part of the development of this guidance we looked to the work of the Business Leaders' Health & Safety Forum.

The framework and approach contained in this guide is based on the Business Leaders' Health & Safety Forum's *CEO Guide to Risk*. We thank the Forum for its work and for permission to use their framework which they developed and tested here in New Zealand.

Some businesses have specific biosecurity compliance and due diligence duties

This guide will help CEOs and directors meet their legal duties by supporting them to:

- Understand the biosecurity risks in their business
- · Manage these biosecurity risks
- Verify the effectiveness of their biosecurity risk management.

Keep a record of using this guide, as part of your due diligence records.

Step 1: Where am I at?

 Questions to help CEOs think about how well they lead biosecurity risk management

Step 2: Where are we at?

 A team assessment to help CEOs, their boards and their people understand current performance

Step 3: What next? Actions

 Suggested actions to improve biosecurity risk management

Monitor outcomes

To maximise resilience.

Step 1: CEO questions - Where am I at?

Enable the work

So your intentions

The CEO's leadership role in biosecurity risk management is to:

Set expectations

Because this sets the tone for

biosecurity risk management.	become reality.					
To see how well they are leading biosecurity risk management, CEOs can ask themselves these 3 questions:						
Set expectations:	Enable the work:	Monitor outcomes:				
Have I clarified my commitment, expectations and approach to biosecurity risk management?	Have I ensured biosecurity risks are understood, controls implemented and risk management properly resourced?	Have I ensured we are effectively monitoring activity, verifying, and continually looking for ways to learn and improve?				
Taking into account my business goa and environment.	als By building functional, technical and organisational capability.	To build confidence in our biosecurity risk management activities.				
I'm not really involved	I'm not really involved	I'm not really involved				
I'm doing it but need to do more	I'm doing it but need to do more	I'm doing it but need to do more				
I do this well	I do this well	I do this well				

Step 2: Team assessment - Where are we at?

Together with their directors and teams, CEOs can use these questions to assess their business' progress against nine essentials of good biosecurity risk management.

Setting expectations	Enabling the work	Monitoring outcomes	
Clarify your commitment, expectations and approach to managing biosecurity risks.	Ensure biosecurity risks are understood, controls implemented and risk management properly resourced.	Monitor activity, verify, and continually look for ways to learn and improve.	
Clarify attitude Have we articulated our commitment and attitude to biosecurity risk management, relevant to our business objectives and context?	Identify risks Have we identified and assessed our biosecurity risks? Have we considered hosts or the pathways for the risks to impact our business?	Monitor and verify Do we monitor and verify biosecurity risk management activity, and hold ourselves accountable to our commitment?	
Going ok	Going ok	Going ok	
Needs attention	Needs attention	Needs attention	
Set expectations Have we set clear expectations for the management of biosecurity risk?	Control risks Have we removed or managed risks, especially critical risks that can cause business disruption, increased regulatory intervention, inability to trade, introduction of a pest or disease that could harm NZ's environment or people?	Reflect Do we reflect on the effectiveness of our biosecurity risk management activity?	
Going ok	Going ok	Going ok	
Needs attention	Needs attention	Needs attention	
Develop approach Have we developed a consistent approach to biosecurity risk management across our business?	Resource the work Have we resourced the management of biosecurity risk?	Learn and improve Do we reflect to learn and improve our approach, based on our verification and reflection activity?	
Going ok	Going ok	Going ok	
Needs attention	Needs attention	Needs attention	

Step 3: Actions - Set expectations

Consider actions you've already undertaken and those that need more work.

Clarify attitude

Define and communicate your commitment

Be clear about why biosecurity risk management is important to you. Communicate this to your people. You could do this through a policy statement, and formal and informal communications. Leaders are always leading so ensure all your actions align with your commitment.

Define and communicate your attitude to biosecurity risk

Decide how much biosecurity risk you are willing to accept or manage to meet your business objectives. Your risk appetite (the degree of risk you will accept and manage to achieve your goals) and risk tolerance (the maximum level of risk a business is willing to operate within) should be set with your board. This can then be cascaded within your organisation through your management approach, and risk management systems.

Define your risk criteria, operating environment and goals

Together with the board, decide what different levels of biosecurity risk mean to you (with reference to your risk appetite and risk tolerance) and what reporting and actions are required at each risk level.

Set expectations

Define roles and responsibilities

Be clear and explicit when setting and communicating the roles, responsibilities and accountabilities for biosecurity risk management activities. Do this with the board, senior executives, management, supervisors, workers, and your supply chain. Clarify what they are accountable for, the standard they are expected to perform to, and how they will be held accountable. Ensure clarity around who can manage what level of risk and your escalation processes when things go wrong. Some things will need to go to the CEO/Board, while others may be managed at other levels.

Risk ownership

Once you are clear about your risks, roles and responsibilities, also be clear on who "owns" each risk. This is likely best to be someone who has the authority to do something about it.

Integrate biosecurity into broader business risk management

Define how you will consider biosecurity risk as a part of broader business risk discussions, such as adding specific biosecurity risks to your organisation risk register. This will help you integrate the opportunities and impacts of your business activities on biosecurity and vice versa.

Develop approach

Develop your approach to risk management

Create a risk framework and process that articulates how biosecurity risks will be identified, assessed, evaluated and controlled, and how risks and risk controls will be communicated. This should include the methodologies you will use and the standards that your process will meet.

Step 3: Actions - Enable the work

Consider actions you've already undertaken and those that need more work.

Identify risks

Identify your biosecurity risks

Identify the biosecurity risks that could lead to business disruption, regulatory intervention, disruption to another sector, or eventuate in insolvency. Develop a risk profile for all of your biosecurity risks those here in New Zealand, those that exist as a part of your operational biosecurity practices and those offshore in your supply chain. Prioritise these risks as you do other critical risks to your business.

Your industry body or business association may have guidance on the key biosecurity risks to your sector and some mitigation strategies. While we provide some high-level information in this guidance you will need to evaluate what is most relevant to your business. Also remember that your operation and activities may also result in an incursion or introduction of pests and/or diseases to New Zealand and you must make sure to mitigate this situation occurring.

Identify controls for your biosecurity risks

With your board, executive team and workers, identify controls for your biosecurity risks, paying special attention to your most critical risks. Specify whether you can remove the risk or minimise likelihood. Ensure the full range of controls (prevention, protection, detection and recovery) are identified. Assess whether the identified controls are being implemented, any additional controls that could be implemented, and resources required to do this.

Set control standards for biosecurity risks

With your people, set and communicate expectations and performance standards for managing biosecurity risks - especially critical risks. Identify key risk controls for these critical risks. Require your people to define the parameters of these controls, how you will test they are

working as intended, and how everyone will know if the controls are in place and are effective. Develop positive performance indicators for these key risk controls, and monitor them as part of the CEO and executive monitoring programme.

Assess whether risks are managed within defined risk tolerances

For each biosecurity risk, determine whether the controls in place are managing the risk to within the tolerances and expectations set by the leadership team and board. Take action where they are not.

Resource the work

Implement the controls

With your people, plan how to implement any controls not currently in place. Develop information and training to inform people about the controls and your expectations for implementing and monitoring them.

Build workforce capability to manage risk

Ensure those with accountabilities and responsibilities for managing biosecurity risks have the resources they need to meet your expectations. This will include: training; plant and equipment; capacity and capability; information; budget; and technology. Embed an organisation-wide approach including leadership; adaptability; collaboration; business intelligence; technical/functional capability; processes; and infrastructure. Hold your management team accountable for this. Communicate a unified narrative about risk across your business. Ensure processes are supportive of this practice

Develop your capacity to anticipate and respond to deviation and unexpected situations

Take time to learn about the way work is managed by those exposed to the risks. Practice your recovery controls, emergency plans, etc. Ask your people how they will respond when (not if) something doesn't go according to plan.

Step 3: Actions - Monitor outcomes

Consider actions you've already completed and those that need more work.

Monitor and verify

Monitor your key risk measures

Require your organisation to develop a monitoring framework that is appropriate to the different levels and activities of your business. At the executive level, develop, monitor and verify the key risk measures for critical biosecurity risks on a frequent basis. This will help you understand if critical risk measures are being implemented and how effective they are.

Develop formal assurance programmes

Develop an assurance programme. This could include internal and/or external audit and verification processes, and monitoring frameworks for your biosecurity management system and risk measures practices.

Reflect

Reflect on the information you are given

Use the information from your monitoring and assurance programmes to help you evaluate whether you are doing the right things. Consider if your approach to biosecurity risk management is working, and try new methods if it isn't. Seek to learn from why things go right, as well as what is not going well.

Learn and improve

Use incidents and events to learn and improve

Identify learnings for your organisation from investigations, emerging trends, issues and relevant regulatory changes. Encourage innovation, and support workers to raise their ideas. Close the feedback loop and communicate how you have acted on their suggestions.

Experience risk measures on the ground

Learn how biosecurity risk and risk measures translate at the point of exposure by visiting sites, and holding discussions with staff, contractors and other partners, or take part in biosecurity training and incursion simulations. Be curious, ask questions and listen. Consider biosecurity impacts and opportunities in discussions about how work is carried out.

Learn from others external to your business and sector

Benchmark key information and processes with others within and outside your sector. This could be through informal mechanisms like the Biosecurity Business Pledge, or more formally through mechanisms like the minimum commitments reporting under the Government Industry Agreement for Biosecurity Readiness and Response. In some sectors your business industry association also provides guidance you can learn from.

Key risk concepts explained

Risk appetite: The degree of risk an organisation will accept and pursue to achieve its objectives. Provides a framework for making decisions about which risks will be accepted and sets boundaries for the organisation's activities.

Risk tolerance: This is the maximum level of risk a business is willing to operate within. Risk tolerances translate risk appetite into operational limits for the day-to-day management of risks.

Risk framework: This enables effective implementation of the risk management process. It is the glue that gives cohesion and consistency to risk management efforts.

Risk profile: An organisation's entire risk landscape, reflecting the nature and scale of its risk exposures in each relevant category of risk.

Key risk measures: Measures which are critical to the management of a risk. The performance of key risk measures should be monitored.

Escalation requirements: Sets out the process for when and how critical risks should be brought to the attention of those accountable for the risks - who can decide what to do.

Risk criteria: Define the causes and consequences of the risk, and how they will be measured. Set out how the level of risk will be determined, the views of stakeholders, and the level at which the risk becomes acceptable. Covers how the 'likelihood' of the risk occurring will be defined, and timeframes for any consequences. States whether combinations of risks should be considered and, if so, which combinations.

Risk velocity: How fast a risk travels from the initiating event to the consequence. Indicates how much time you will have to respond, and therefore if your controls are appropriate.

Risk measures effectiveness: Whether a risk control operates in a consistent, repeatable and defined way.

Examples of biosecurity importance and risks with mitigating practices

Good business Activity Importance and risks biosecurity practices The New Zealand economy and New Zealanders benefit from two-way trade. This commitment seeks to support continuation of two way trade, whilst also · Incorporating trusted trader schemes within supporting good biosecurity outcomes. There are supply chains. **General** many things New Zealanders are good at making. · Adopting biosecurity considerations within There are many other things that we benefit from Goods' procurement policies. importing like cars, machinery, farming inputs, out · Promote biosecurity awareness with customers. imports of season fruit and vegetables, and a wide array · Keep a register of the biosecurity capability of goods purchased via online direct shopping. As within your organisation to call upon when an New Zealanders take advantage of the opportunities incursion or other biosecurity incident occurs. of globalisation, and we import more, the risk of some of those imports carrying pests or diseases increases. New Zealand imports more than 750,000 containers every year, from all parts of the world. This · Managing containers at the Place of First represents a 37% increase in containers imported Arrival (PoFA) or at Transitional Facilities (TFs) over the last 10 years, and the trend is set to in accordance with the standards set down and agreed to with Biosecurity New Zealand. continue. Container imports are a major channel · Reporting any contaminants and pests **Importing** for cargo imports into New Zealand. They are also detected to Biosecurity New Zealand. a critical part of the supply chain for New Zealand containers · Actively monitoring and managing exports (a container must be imported before it can and contaminants, pests, and non-compliance for the be used to export New Zealand goods). container and containerised goods imports. containerised Both empty and loaded containers are a potential Taking into account biosecurity performance goods pathway for the import of a number of 'hitchhiker' information in the selection of goods suppliers pests like the red imported fire ant, black widow and logistics providers. spider, Asian gypsy moth, painted apple moth, · Information sharing at all business levels. For

Importing vehicles & machinery

Vehicles and machinery are a critical part of New Zealand economic activity. A significant number of both vehicles and machinery is imported. These can bring 'hitchhiker' pests along with them like Africanised bees, black widow spider, brown marmorated stink bug, spongy moth and red imported fire ants. The complexity and high mobility of vehicles and some machines after arrival increases the potential spread of biosecurity risks. New Zealand has a broad interest in avoiding the introduction of these pests as they present risks to our environment, horticulture and forestry sectors.

and the brown marmorated stink bug. These pests

present risks for New Zealand's native environment,

and our forestry and horticulture sectors.

· Sourcing imported vehicles and machinery from suppliers who are accredited to MPI Import Health Standard/s and have undergone the necessary pre-shipment cleaning, treatment or other approved pathway measures.

example, new risks or updates from Biosecurity

New Zealand on potential risks.

- · Including requirements for effective preshipment cleaning and/or treatment of vehicles and machinery in procurement contracts.
- · Considering the biosecurity performance records as part of selection processes for machinery and vehicle suppliers and logistics providers.

Activity

Importance and risks

Good business biosecurity practices

Importing bulk stock feed

More than 2 million tonnes of stock feed is imported into New Zealand each year, for supply to a broad range of agricultural industries. Imported feed plays an important role in animal nutrition. There is the potential that they contain stored product pests such as the khapra beetle. This grain-eating beetle is considered a significant pest by a number of our trading partners, especially Australia so New Zealand needs to be able to demonstrate that it is not here. Also, by nature, the act of moving biological matter from one ecosystem to another creates a biosecurity risk pathway.

- · Sourcing products from suppliers who are accredited to MPI Import Health Standard/s and have necessary local Government plant listings and certifications.
- · Adopting best practice guidelines for feed imports and include biosecurity as a consideration in procurement strategies for feed imports.
- · Consider adopting voluntary standards above compliance.

Importing seeds for sowing

Seeds for sowing enter New Zealand as commercial cargo imports, for use on New Zealand farms and orchards, by nursery's and for supply to home gardeners, and in sports public venues and sports fields. Seeds for sowing are also imported by individual travellers and through the mail. These imports can result in the unintended introduction of pathogens, pests and weed seeds into New Zealand, such as the khapra beetle and velvet leaf, which could impact both upon our horticultural and pastoral industries, and on New Zealand's natural environment and biodiversity.

- · Sourcing products from suppliers who meet the required Import Health Standard/s and can provide valid certification.
- Adopting best practice guidelines for seeds for sowing imports and include biosecurity as a consideration in procurement strategies for imports.
- · Consider adopting voluntary standards above compliance.

Importing grains

Grain is imported into New Zealand to produce animal feed or food for human consumption. There is the potential that they contain stored product pests such as the khapra beetle. This grain eating beetle is considered a significant pest by a number of our trading partners, especially Australia so New Zealand needs to be able to demonstrate that it is not here. Also, by nature, the act of moving biological matter from one ecosystem to another creates a biosecurity risk pathway.

- · Sourcing products from suppliers who meet MPI Import Health Standard/s and provide valid certification.
- · Ensuring MPI's operational requirements set down in the Grain Import System agreement are met in full on arrival.
- · Increasing the usage of full container liners for imported grain in containers as these are the most effective method for preventing spillage.
- · Ensuring that all grain movements are covered by MPI authorisation.
- · Include biosecurity as a consideration in procurement strategies for grain imports.
- · Consider adopting voluntary standards above compliance.

Activity

Importance and risks

Good business biosecurity practices

Providing international travel services

Before the COVID-19 pandemic New Zealand was a popular tourist destination. Also New Zealanders were always keen international travellers. More than 7 million passengers entered New Zealand in the year to end of December 2019.

Visitors and returning New Zealanders support New Zealander's economic activity, and New Zealand's status as a destination that is free from many of the pests and diseases present in other countries is a large part of our attraction to visitors. There is potential for travellers to introduce pests and diseases, either as 'hitchhikers' on their persons and belongings, e.g. brown marmorated stink bug and myrtle rust, or through deliberate action to import a restricted high-risk good, such as fruit infested with fruit fly, or meat that may be infected with foot-and-mouth disease.

- · Actively support and reinforce the biosecurity awareness of travellers by sharing biosecurity information pre-departure (including for New Zealanders heading offshore for work and holidays) and pre-arrival.
- Encouraging disposal or declaration of risk goods.
- · Ensuring food for passengers is free from pests and diseases.
- · Adopting biosecurity as a consideration within Corporate Social Responsibility frameworks and looking for biosecurity win-wins when investing in community projects.

Providing postal services

New Zealanders are receiving an increasing volume of goods via internet purchasing and postal shipment.

- · Engaging with their international peers to ensure that information related sending packages to New Zealand includes information that seeds, food, or wooden products must be declared.
- · Seeking to raise biosecurity awareness with customers.

Operating ports and airports

Ports and airports are the gateway for New Zealand for the travellers and imported goods. They are a critical point in the biosecurity system as the 'place of first arrival' and the point of biosecurity clearance. There is a high degree of interest from New Zealand stakeholders in ports and airports operating efficiently and effectively with respect to biosecurity.

- · Managing their ports as Place of First Arrivals (and any associated TFs) in accordance with both required standards and the systems and processes set down in the operating manual.
- · Carrying out good biosecurity surveillance practices.
- · Working actively and cooperatively with MPI to manage and minimise risk of unwanted organisms establishing and being able to leave the port/ airport of first arrival.
- · Reinforcing the need for biosecurity good practice to be followed by companies importing goods and people via the port/airport.
- · Conduct staff training to raise awareness of risks and how to report these risks to MPI via the 0800 hotline.
- · Adopting biosecurity as a consideration within Corporate Social Responsibility frameworks and look for biosecurity win-wins when investing in community projects.

National sports organisations

New Zealand has a great track record in the global sporting arena. This is part of our national identity, we are part of our sports teams, and they are role models for future generations. They are also heavy travellers, and travelling for sport can means travelling with equipment that many become contaminated with soil or water from other ecosystems. This creates a risk of 'hitchhiker' pests.

- · Including references to biosecurity best practice in codes of conduct.
- Monitoring trends for biosecurity noncompliance.
- · Actively promoting and role model good biosecurity practice.

Activity

Importance and risks

Good business biosecurity practices

Moving goods and equipment domestically

If an unwanted organism does make it past New Zealand's border controls limiting its spread is key to limiting its impact.

- · Actively working with MPI to ensuring vehicles and machinery are completely clean before transportation from the port of first entry or biosecurity clearance transitional facility to avoid pests, seeds and soil escaping into the environment.
- · Maintaining records to support traceability of vehicles and machinery.
- · Adopting good biosecurity practices, which limit the potential for hitcher pests to move between properties on machines and vehicles (including cleaning agricultural and recreational equipment between properties).
- · Monitoring trends for contamination in machinery being imported by requiring companies along the supply chain (e.g. mechanical workshops) to report all instances where contamination is found.

Storing, processing and selling animal and plant products

Businesses that store, process or retail imported plant or animal products have an important role to play in post-border biosecurity surveillance and response. It is important that premises have plans in place which ensure a smooth and efficient response if an unwanted or unknown pest is identified on site, or if a regional or national biosecurity response is launched which impacts upon the business.

- · Maintain biosecurity response plans for all animal and plant product stores, processing facilities, and retail outlets.
- · Participating in the National Biosecurity Capability Network (or its successor).



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