



DRAFT NAIT Standard **Registration of Entities Trading** **in NAIT Animals**

1 INTRODUCTION

PURPOSE

- 1.1. The purpose of this Standard is to set expectations for entities trading in NAIT animals and define their obligations in relation to NAIT animal movements. Ultimately this is to provide for data accuracy in the NAIT scheme to support a biosecurity response.
- 1.2. The objective of this Standard is to require entities that are trading in NAIT animals to be registered with the NAIT organisation; set out these entities' obligations under the NAIT scheme once registered; and to create a uniform standard of engagement to bolster support for traceability.
- 1.3. This Standard specifies:
 - 1.3.1. the definition of an entity trading in NAIT animals
 - 1.3.2. the requirements that must be met by an entity trading in NAIT animals when seeking registration, and the timeframes within which registration must be sought
 - 1.3.3. the obligations of entities trading in NAIT animals, once registered, and
 - 1.3.4. the processes for dealing with non-compliance and disputes arising under this Standard.

APPLICATION

- 1.4. This Standard applies to any entity trading in NAIT animals.
- 1.5. The term 'entity trading in NAIT animals' is defined in clause 2 of this Standard.
- 1.6. Regardless of the roles and responsibilities set out in this Standard, or in any contract, a person in charge of animals (PICA) retains ultimate responsibility for complying with their obligations under the National Animal Identification and Tracing Act 2012 (the NAIT Act).

THE NAIT SCHEME

- 1.7. The NAIT scheme is mandatory and is used to identify and trace livestock in New Zealand.
- 1.8. The animals subject to the NAIT scheme are set out in Schedule 1 of the NAIT Act.
- 1.9. The NAIT organisation is the organisation designated to implement the NAIT scheme under section 8 of the NAIT Act.

ABOUT THIS STANDARD

- 1.10. This Standard is made under section 12(1) of the NAIT Act. Under section 12, the Minister responsible for the NAIT Act can issue standards in relation to the performance of a function, duty or exercise of a power under the NAIT Act or any regulations made under the NAIT Act.
- 1.11. This Standard relates to the performance of the function relating to NAIT animal movements, as defined in section 4 of the NAIT Act.
- 1.12. This Standard is effective from 28 days after its date of notification in the New Zealand Gazette.
- 1.13. This Standard may be updated as required by the Minister responsible for the NAIT Act.
- 1.14. The NAIT organisation may amend any timeframe or fee specified in this Standard by notice in the *Gazette*.

PROVISIONS IN OTHER NAIT STANDARDS

- 1.15. Where a provision in this Standard conflicts with the NAIT Act or another NAIT regulation or standard, the terms of the other instrument prevail.

2 DEFINITIONS

- 2.1. Terms that are defined in the NAIT Act have the same definition in this Standard as in the NAIT Act. This includes the following terms: 'NAIT animal', 'NAIT device', 'NAIT number', and 'PICA'.

DEFINITION OF 'ENTITY TRADING IN NAIT ANIMALS'

- 2.2. In this Standard, an 'entity trading in NAIT animals' means an individual or organisation that is regularly engaged as a third party in the sale, gift, or exchange of NAIT animals. This includes stock and station agents, livestock brokers, livestock traders, and meat processor procurement representatives.
- 2.3. The Standard recognises two types of entity trading in NAIT animals:
- 2.3.1. A 'corporate entity' – this means an organisation (body corporate) that is an entity trading in NAIT animals, and
 - 2.3.2. A 'natural person entity' – this means a natural person that is an entity trading in NAIT animals.
- 2.4. The requirements relating to corporate entities and natural person entities in this Standard may differ. Where this is the case it will be stated. Where no difference is stated, it should be assumed that any reference to an 'entity trading in NAIT animals' applies to both corporate and natural person entities.
- 2.5. The NAIT organisation may publish further guidance on the definitions of the terms 'trading in' and 'entity trading in NAIT animals', if required.

DISCRETION TO DEEM ENTITIES TRADING IN NAIT ANIMALS

- 2.6. NAIT officers and NAIT authorised persons have the discretion to deem that an entity or class of entity is (or is not) an entity trading in NAIT animals, and should (or should not) register in accordance with this Standard.
- 2.7. A NAIT officer or NAIT authorised person may request, obtain and use any further information considered reasonably necessary, from an entity, to inform the exercise of this discretion.
- 2.8. In exercising this discretion the NAIT officer or NAIT authorised person must consider:
- 2.8.1. the definition of an entity trading in NAIT animals in clause 2.2 of this Standard
 - 2.8.2. whether the entity or class of entity has the authority and ability to carry out the obligations arising under this Standard, and
 - 2.8.3. any other matters it considers appropriate.
- 2.9. Where a NAIT officer or NAIT authorised person deems that an entity is an entity trading in NAIT animals, and should register as such, they must:
- 2.9.1. give notice of their decision in writing to the entity, and
 - 2.9.2. advise the entity of the compliance activity that may result from breaches of this Standard.

3 REQUIREMENT TO REGISTER

- 3.1. Any entity trading in NAIT animals must be registered with the NAIT organisation in accordance with this Standard.
- 3.2. This requirement to register applies regardless of an entity's status under any other NAIT regulations or standards. Entities that have a particular status under any other NAIT regulation or standard must still register under this Standard, if they come within the definition of an entity trading in NAIT animals in clause 2.

ENTITIES WITH OTHER NAIT OBLIGATIONS

- 3.3. Once registered, if an entity trading in NAIT animals is fulfilling its NAIT obligations in another capacity, for example as a PICA, it does not have to comply with the obligations set out in this Standard at the same time. The entities' other NAIT obligations will take precedence, and their obligations as an entity trading in NAIT animals are not additional to those primary obligations in that instance.

TRADING WHILE NOT REGISTERED

- 3.4. Any entity that is regularly engaged as a third party in the sale, gift, or exchange of NAIT animals without being properly registered under this Standard (including while its registration is cancelled or suspended), is in breach of this Standard and may be subject to the non-compliance processes set out in clause 13.

4 APPLICATION FOR REGISTRATION

- 4.1. Entities trading in NAIT animals must apply to the NAIT organisation to become registered. An application for registration must be made on the appropriate form provided by the NAIT organisation.
- 4.2. To be registered, the entity trading in NAIT animals must:
- 4.2.1. be a legal person (either a natural person or a body corporate)
 - 4.2.2. have one or more places of business (with a physical address) in New Zealand, and
 - 4.2.3. be a fit and proper entity for trading in NAIT animals, and fulfil the registration criteria in clauses 7 and 8 of this Standard, as applicable.
- 4.3. In addition:
- 4.3.1. corporate entities must nominate and provide the contact details for the person who will act as the corporate entity's primary contact, once registered, and
 - 4.3.2. natural person entities must complete an educational module provided by the NAIT organisation.
- 4.4. The NAIT organisation may obtain additional information from an entity in order to assess its application for registration and ascertain its ability to comply or its ongoing compliance with this Standard. This may include, for example, a criminal records check, evidence of good character, information on shareholders and directors, and information about the entity's past compliance with biosecurity requirements.

APPLICATION FEE

- 4.5. A 'one-off' non-refundable fee is payable with each application for registration to cover the NAIT organisation's costs. This fee is:
- 4.5.1. \$200 for natural person entities, and
 - 4.5.2. \$1500 for corporate entities.
- 4.6. Where a natural person entity is employed by or contracts to a corporate entity, there is no requirement to pay an additional natural person entity application fee. The natural person entity is covered by the corporate entity's fee.
- 4.7. An entity trading in NAIT animals may pay the application fee at any point within 12 months after it submits its application to become registered.

CERTIFICATE OF REGISTRATION

- 4.8. Upon registration, the NAIT organisation will provide the registered entity trading in NAIT animals with a certificate of registration. The certificate can be used as proof of registration as an entity trading in NAIT animals.

5 TEMPORARY PROVISIONAL REGISTRATION AT START OF STANDARD

- 5.1. Upon this Standard coming into force, as specified in clause 1.12, all entities trading in NAIT animals shall be deemed to be provisionally registered for an initial period of 3 months.
- 5.2. During this initial 3-month period, all entities trading in NAIT animals must apply for registration in accordance with clauses 3 and 4 of this Standard.
- 5.3. Once the NAIT organisation has received an entity trading in NAIT animals' application to be registered, the entity shall continue to be registered on a provisional basis until its application is accepted and it becomes fully registered, or until its application is declined.

6 REGISTRATION PERIOD

- 6.1. Registration as an entity trading in NAIT animals lasts for 1 year from the date that the NAIT organisation approves the entity's application.
- 6.2. The NAIT organisation may reassess an entity trading in NAIT animals' suitability for registration at any time within the registration period. This assessment will be conducted in accordance with clause 12 of this Standard.
- 6.3. An entity trading in NAIT animals may cancel its registration at any time by giving written notice to the NAIT organisation.
- 6.4. An entity trading in NAIT animals may renew its registration in accordance with clause 14 of this Standard.

7 REGISTRATION CRITERIA FOR ENTITIES TRADING IN NAIT ANIMALS

- 7.1. Any entity applying to be registered under this Standard must demonstrate that it is fit and proper to be registered as an entity trading in NAIT animals. This means the entity, subject to clause 7.4:
 - 7.1.1. has acted, and will continue to act, in accordance with the purpose of the NAIT scheme, as set out in section 3 of the NAIT Act; and, more broadly, in support of New Zealand's biosecurity system.
 - 7.1.2. understands and will comply with its obligations under the NAIT scheme, NAIT Act and all applicable associated regulations and standards, and
 - 7.1.3. has not committed (and undertakes not to commit during the registration period) any wrongdoing that would call into question its status as being fit and proper to be registered as an entity trading in NAIT animals. This means wrongdoing that could result in prosecution or infringement action related to the following:
 - 7.1.3.1. biosecurity, including the NAIT Act, Biosecurity Act 1993, Animal Products Act 1999 and Wild Animal Control Act 1977
 - 7.1.3.2. dishonesty, including Part 10 of the Crimes Act 1961, and
 - 7.1.3.3. animal welfare, including the Animal Welfare Act 1999.
- 7.2. For corporate entities, the requirement in this clause 7 not to commit or have committed any offences applies only to offences committed by the corporate entity itself. It does not, for example, apply to those committed by its contractors or employees.
- 7.3. The entity trading in NAIT animals must declare, in its application and throughout the period of its registration, any charges laid, convictions entered, sentences imposed or infringement notices issued against it for the offending listed in this clause 7. This declaration must be made to the NAIT organisation.

- 7.4. Where an entity trading in NAIT animals does not meet some or all of the criteria set out in this clause 7, the NAIT organisation will consider the context and circumstances of the non-fulfilment, and assess the entity trading in NAIT animals' fitness for registration accordingly. The NAIT organisation may publish a guideline for this purpose.
- 7.5. Any entity that provides information in relation to this clause 7 that is materially false or misleading to the NAIT organisation may commit a criminal offence under clause 13 of Schedule 2 of the NAIT Act.

8 ADDITIONAL REGISTRATION CRITERIA FOR CORPORATE ENTITIES

- 8.1. Where a corporate entity employs or contracts one or more natural person entities, these natural person entities must meet the criteria to operate as a natural person entity.
- 8.2. Where a corporate entity employs or contracts one or more natural person entities, these natural person entities are exempt from the processes to register and re-register in this Standard including:
- 8.2.1. clause 4, relating to the requirement to register
 - 8.2.2. clause 4.8, relating to the provision of a certificate
 - 8.2.3. clause 4.5, relating to the payment of a registration fee, and
 - 8.2.4. clause 14, relating to renewal of registration.
- 8.3. Natural person entities who are employed by or contracted to corporate entities remain subject to all other provisions in this Standard, including but not limited to the requirement to comply with the fit and proper entity criteria in clause 7, and the requirement to complete the educational modules in clauses 4.3.2 and 14.2.
- 8.4. Where a corporate entity employs or contracts one or more natural person entities, the corporate entity must, in its application for registration:
- 8.4.1. provide a list of all the natural person entities it employs and contracts with, including their contact details, and
 - 8.4.2. declare that it has undertaken all lawful and reasonable enquiries about these natural person entities, and is not aware of any issues that would materially affect their status as fit and proper to be registered as an entity trading in NAIT animals (in accordance with clause 7).
- 8.5. When a corporate entity becomes registered, any natural person entities that it has listed in its application, as set out in clause 8, will also automatically become registered as natural person entities under this Standard.
- 8.6. Where a corporate entity employs or contracts one or more natural person entities, the corporate entity must, throughout the period of its registration:
- 8.6.1. require each natural person entity to complete an annual declaration to the corporate entity that they continue to comply with the registration criteria in clause 7, and
 - 8.6.2. notify the NAIT organisation of any concerns it has about any of these natural person entities' continued compliance with the criteria in clause 7.

9 POWERS OF REGISTERED ENTITIES TRADING IN NAIT ANIMALS

- 9.1. This clause 9 is effective from 1 November 2022.
- 9.2. Registered entities trading in NAIT animals may perform the following actions for the purpose of complying with this Standard, supporting the purposes stated in section 40(1)(b), (e), and (i) of the NAIT Act, and more generally contributing to the NAIT scheme:

- 9.2.1. access information relating to the general (that is, not street addresses or farm names) current and previous locations of a NAIT animal, where the entity has the NAIT device information for that animal
 - 9.2.2. access a NAIT number for a PICA where the registered entity trading in NAIT animals has provided two pieces of information about the PICA, and
 - 9.2.3. notify the NAIT organisation that a movement of animals has occurred by providing the required movement details, without formally making a declaration on behalf of the sending and receiving PICAs involved. Meaning the obligation to declare the movement remains with the PICAs.
- 9.3. Registered entities trading in NAIT animals may be given direct logon access to the NAIT information system for the purpose of fulfilling clause 9.2.
- 9.4. Registered entities trading in NAIT animals must:
- 9.4.1. keep all information obtained under this clause 9 secure, private and confidential, and
 - 9.4.2. use information obtained under this clause 9 for the purpose stated in clause 9.2.
- 9.5. If a registered entity trading in NAIT animals does not comply with clause 9.4, this will be considered a breach of this Standard and may result in revocation of the entity's registration. This may also be considered a criminal offence under clause 13(3) of Schedule 2 of the NAIT Act.

10 OBLIGATIONS ON REGISTERED ENTITIES TRADING IN NAIT ANIMALS

PROVIDING NAIT INFORMATION

- 10.1. Where a receiving PICA asks a registered entity trading in NAIT animals to provide the NAIT number or sub-region of a sending PICA, for the purpose of facilitating a trade, the entity must provide that information, in a timely manner, if it is available to the entity.
- 10.2. Where a sending PICA asks a registered entity trading in NAIT animals to provide the NAIT number or sub-region of the receiving PICA, for the purpose of facilitating a trade, the entity must provide that information, in a timely manner, if it is available to the entity.
- 10.3. Where a NAIT animal movement is taking place or is contemplated, the registered entity trading in NAIT animals must inform the sending and receiving PICAs the NAIT animal movement involves legal obligations under the NAIT scheme, including that the final destination of the NAIT animals must be a registered NAIT location.
- 10.4. Where a registered entity trading in NAIT animals holds NAIT information, if a PICA could be required to provide that NAIT information to the NAIT organisation under the NAIT Act, the registered entity must provide that NAIT information to the PICA or directly to the NAIT organisation upon the PICA's or NAIT organisation's request. This information must be provided in a usable form and in a timely manner.
- 10.5. If a registered entity trading in NAIT animals conceals or forges, or attempts to conceal or forge, any of the information referred to in clauses 10.1 to 10.4, this will be considered a breach of this Standard and the entity's registration will be revoked. The entity may also be committing a criminal offence under clause 13 of Schedule 2 of the NAIT Act.

11 OBLIGATIONS ON ONLINE PLATFORMS FOR THE SALE OF NAIT ANIMALS

- 11.1. An online platform that has a sole or key purpose of facilitating the sale, gift or exchange of NAIT animals must:
 - 11.1.1. have one or more places of business (with a physical address) in New Zealand, and
 - 11.1.2. enable

- 11.1.2.1. registered entities to fulfil their obligations under clause 9 of this Standard, and
- 11.1.2.2. other parties to access the information they need to fulfil their NAIT obligations.

12 COMPLIANCE OF REGISTERED ENTITIES TRADING IN NAIT ANIMALS

- 12.1. The NAIT organisation will assess registered entities trading in NAIT animals, throughout the period of their registration, to monitor their ongoing compliance with this Standard.
- 12.2. Compliance will be assessed against:
 - 12.2.1. the fit and proper entity test specified in clause 7 of this Standard, and
 - 12.2.2. compliance with other matters specified in this Standard.
- 12.3. NAIT officers and NAIT authorised persons may request, obtain and use any further information considered necessary, to determine whether a registered entity trading in NAIT animals continues to comply with the fit and proper test in clause 7.
- 12.4. NAIT officers and NAIT authorised persons may use any compliance method or action in clauses 12 and 13 in isolation, without taking a graduated compliance approach.

METHODS TO ADDRESS UNSATISFACTORY COMPLIANCE

- 12.5. Where the NAIT organisation, a NAIT officer or NAIT authorised person has concerns about a registered entity trading in NAIT animals' continued compliance with this Standard, they will notify that entity of those concerns and any proposed actions. Notification must be made in writing.
- 12.6. During those five business days, the registered entity trading in NAIT animals may respond in writing, including with details of how it intends to address any concerns. The NAIT organisation, a NAIT officer or NAIT authorised person must take the entity's response into account when determining a course of action.
- 12.7. The NAIT organisation may use one or more of the following methods to address unsatisfactory compliance with this Standard:
 - 12.7.1. assistance, including providing information, education or engagement
 - 12.7.2. a notice of non-compliance, as set out in clause 13
 - 12.7.3. performance management, audit or other oversight methods
 - 12.7.4. reduction of a registered entity trading in NAIT animals' remaining registration period
 - 12.7.5. suspension or revocation of the registered entity trading in NAIT animals' registration, and/or
 - 12.7.6. other legal mechanisms available.
- 12.8. A NAIT officer or NAIT authorised person may use one or more of the following methods to address unsatisfactory compliance with this Standard:
 - 12.8.1. assistance, including providing information, education or engagement
 - 12.8.2. a notice of non-compliance and/or direction to comply, as set out in clause 13
 - 12.8.3. prosecution or infringement action under the NAIT Act
 - 12.8.4. a recommendation to the NAIT organisation that it takes one of the actions in clause 12.7, and/or
 - 12.8.5. a direction under clause 4 of schedule 2 of the NAIT Act to comply with this Standard.
- 12.9. The registered entity will be notified of any action taken under clauses clause 12.7 or 12.8.

- 12.10. To avoid doubt, the methods outlined in clause 12.7 or 12.8 are subject to the dispute resolution process in clause 17. Where the use of one of these methods is referred to dispute resolution, the method will be suspended until the dispute resolution process is concluded.

PROCESS FOR PUBLIC TO NOTIFY COMPLIANCE CONCERNS

- 12.11. The NAIT organisation will provide a process, including a point of contact, for third parties to anonymously notify it of concerns about an entity trading in NAIT animals' conduct. This will include concerns about compliance with this Standard and any conduct that may call an entity's fit and proper status into question.

13 NOTICES OF NON-COMPLIANCE AND DIRECTIONS TO COMPLY

NOTICE OF NON-COMPLIANCE

- 13.1. Where a NAIT officer or NAIT authorised person determines that an entity trading in NAIT animals or other person is not complying with this Standards, he or she may issue a notice of non-compliance to that person if it is reasonable to do so.
- 13.2. The NAIT officer or NAIT authorised person shall forward a copy of any issued notice of non-compliance to the NAIT organisation where applicable.
- 13.3. Where a notice of non-compliance had been issued to a natural person entity who is employed by or contracts to a corporate entity, the NAIT organisation will forward the notice to the corporate entity.
- 13.4. Any person issued with a notice of non-compliance has 30 calendar days from when it received the notice to demonstrate to the NAIT organisation it has addressed any areas of non-compliance identified in the notice. The NAIT organisation may extend this timeframe if the person has a legitimate reason why the timeframe cannot be met.

DIRECTION TO COMPLY

- 13.5. A NAIT officer or NAIT authorised person may, at his or her discretion, direct any entity trading in NAIT animals or other person to comply with any part of this Standard. This direction will be made under clause 4 of Schedule 2 of the NAIT Act.
- 13.6. The direction to comply may include a requirement for an entity trading in NAIT animals to prove that it is registered, in accordance with this Standard.
- 13.7. Non-compliance with a direction under clause 4 of Schedule 2 of the NAIT Act is grounds for commencing legal proceedings under clause 20 of Schedule 2 of the NAIT Act.

14 RENEWAL OF REGISTRATION

- 14.1. The NAIT organisation will renew the registration of any registered entity trading in NAIT animals. The entity must:
- 14.1.1. apply to renew its registration on the appropriate form, before its existing registration expires
 - 14.1.2. satisfy the NAIT organisation that it continues to be a fit and proper entity for trading in NAIT animals, in accordance with the requirements in clause 7 of this Standard, and
 - 14.1.3. advise the NAIT organisation of any changes to its registration information. This includes situations such as:
 - 14.1.3.1. change in contact details
 - 14.1.3.2. changes in corporate entity structure e.g. the merging of two entities, and

- 14.1.3.3. a person that used to work for a corporate entity is now operating as a natural person entity.
- 14.2. In addition, natural person entities must complete a further educational module provided by the NAIT organisation.
- 14.3. Where a registered entity trading in NAIT animals fails to apply to renew its registration before its existing registration expires, it may be required to resubmit a full application for registration, as set out in clauses 7 and 8 of this Standard.
- 14.4. There is no fee for a registered entity trading in NAIT animals to renew its registration.
- 14.5. Where a registered entity trading in NAIT animals has previously had its registration revoked, cancelled or non-renewed, any subsequent application to the NAIT organisation will be considered an application for renewal of registration (with no fee per clause 14.4).
- 14.6. The NAIT organisation may request, obtain and use any further information considered necessary from an entity, in order to assess an application to renew registration and ascertain an entity's ability to comply with this Standard.
- 14.7. The NAIT organisation may, at its discretion, decline to renew the registration of a registered entity trading in NAIT animals, where the entity has not met the requirements of this Standard and the NAIT organisation has concerns about its fitness to be registered. This means the entity may no longer trade in NAIT animals.
- 14.8. To avoid doubt, any decision to decline to renew an entity's registration is subject to the dispute resolution process in clause 17.
- 14.9. Any entity that provides information under this clause 14 that is materially false or misleading to the NAIT organisation may commit a criminal offence under clause 13 of Schedule 2 of the NAIT Act.

ADDITIONAL RENEWAL CRITERIA FOR CORPORATE ENTITIES

- 14.10. Where a corporate entity that employs or contracts one or more natural person entities applies to renew its registration it must:
- 14.10.1. provide with its renewal application an updated list of all of the natural person entities that it employs or contracts with, including their updated contact details, and
 - 14.10.2. declare that it has undertaken all lawful and reasonable enquiries, and is not aware of any issues that would materially affect the fit and proper status of any of the natural person entities on the updated list, in accordance with clause 7 of this Standard.
- 14.11. Where a corporate entity's registration is renewed, the natural person entities on the corporate entity's updated list will automatically become registered natural person entities under this Standard. Any natural person entities whose names have been removed from the list will automatically have their registration cancelled.

15 INFORMATION PROTECTION AND MAINTENANCE OF A REGISTER

- 15.1. The NAIT organisation will maintain a public register of all currently registered entities trading in NAIT animals.
- 15.2. The NAIT organisation will maintain the register of entities on its information systems. In accordance with the Privacy Act 1993:
- 15.2.1. the NAIT organisation will remove registered entities' information from its information systems when the information is no longer required for business purposes, and
 - 15.2.2. registered entities trading in NAIT animals may contact the NAIT organisation to request correction of information held under this Standard.
- 15.3. The NAIT organisation will:
- 15.3.1. keep all information it acquires under this Standard secure and private, and

15.3.2. comply with all legal obligations with respect to the information it acquires, including, but not limited to, the Privacy Act 1993.

15.4. The NAIT organisation, NAIT officers and NAIT authorised persons reserve the right to share information acquired under this Standard on a confidential basis with other agencies, only where the information is shared for the purpose of administering this Standard.

16 NAIT TRADEMARK

16.1. Registered entities trading in NAIT animals are hereby granted a licence to use the “NAIT” word trademark (New Zealand registered trademark number 1138339), free of charge, for the sole purpose of demonstrating that it is registered in accordance with this Standard.

16.2. For other purposes, a registered entity trading in NAIT animals may apply to the NAIT organisation for a licence to use the NAIT logo. It is an offence under sections 78(4) and 78(5) of the NAIT Act to use a logo, mark, or design that identifies the NAIT organisation without the prior written approval of the NAIT organisation.

17 RESOLUTION OF DISPUTES UNDER THIS STANDARD

17.1. The NAIT organisation will work in good faith with any registered entity trading in NAIT animals, and any other party with an interest in the operation of this Standard, to resolve any dispute that arises in respect of this Standard.

17.2. A Registration Standard Governance Panel (“Panel”) is hereby established.

17.3. The core function of the Panel is to consider and determine the outcomes of any dispute that arises in respect of this Standard. The Panel may not delegate this core function.

ESTABLISHMENT OF A GOVERNANCE PANEL

17.4. The Governance Panel is made up of independent members: a chairperson, deputy chairperson and three other members.

17.5. Governance Panel members are appointed by the NAIT organisation and must include:

- 17.5.1. stock and station agents
- 17.5.2. online platforms for the sale of NAIT animals
- 17.5.3. farmers, and
- 17.5.4. legal practitioners.

17.6. Governance Panel members must not be NAIT officers or NAIT authorised persons, or employees or agents of any entity carrying out the functions, duties and powers of the NAIT organisation.

17.7. Governance Panel appointments are for a term of up to three years.

17.8. In considering the suitability of any person for inclusion on the Governance Panel, the NAIT organisation must have regard to the person’s knowledge and experience of matters that are likely to come before the Panel.

17.9. A member of the Governance Panel will be appointed for a term lasting until:

- 17.9.1. the member resigns, in writing, with 20 business days’ written notice
- 17.9.2. a three-fifths majority of the Panel agrees to remove the member
- 17.9.3. the member is convicted by any court in New Zealand or elsewhere of any offence punishable by imprisonment for a term of 3 months or longer

17.9.4. the member is adjudged bankrupt under the Insolvency Act 2006, or

17.9.5. the member dies.

APPLICATION TO THE PANEL

17.10. Where the parties to a dispute about this Standard cannot resolve the matter within 20 business days of the dispute becoming known to all parties, then any of the parties can apply to the Governance Panel to resolve the matter.

17.11. All parties to the dispute must continue to comply with this Standard until the dispute is resolved.

17.12. The Governance Panel has a discretion whether it will hear any dispute referred to it.

17.13. In using its discretion to hear a dispute, the Panel must consider:

17.13.1. the number of entities and other parties affected

17.13.2. the importance of the matter to the agricultural industry

17.13.3. whether a substantial wrong or error is alleged or could potentially have been committed, and

17.13.4. the value of a decision on the matter as precedent.

17.14. Where the Governance Panel decides to hear a dispute about the revocation or non-renewal of a registered entity trading in NAIT animals' registration, the revocation or non-renewal will cease to take effect until the Panel makes a determination.

ORDERS BY THE PANEL

17.15. The Governance Panel may make an order:

17.15.1. registering an entity trading in NAIT animals

17.15.2. renewing an entity trading in NAIT animals' registration

17.15.3. cancelling an entity trading in NAIT animals' registration

17.15.4. decreasing the period of an entity trading in NAIT animals' registration

17.15.5. suspending an entity trading in NAIT animals' registration

17.15.6. requiring increased oversight of a registered entity trading in NAIT animals

17.15.7. adding to, or removing, performance management measures that the NAIT organisation has put in place for a registered entity trading in NAIT animals

17.15.8. censuring a registered entity trading in NAIT animals or the NAIT organisation

17.15.9. requiring the NAIT organisation to revisit a decision it has made under this Standard

17.15.10. altering a timeframe in this Standard issuing opinions or reasons for its decisions, and/or

17.15.11. publicising any of its orders or opinions.

17.16. The Governance Panel may not:

17.16.1. order damages or proprietary relief as remedies for any dispute, or

17.16.2. override any part of this Standard or other governing law.

17.17. An order by the Governance Panel must:

17.17.1. be in writing

17.17.2. contain a statement of the reasons for the order

- 17.17.3. be signed by the chairperson or deputy chairperson of the Panel, and
 - 17.17.4. be distributed to the NAIT organisation and the other parties to the dispute.
- 17.18. Any order made by the Governance Panel is final, notwithstanding any other remedies available in, for example, a court of law.

OPERATION OF THE PANEL

- 17.19. The Governance Panel will act without actual, potential or perceived conflicts of interest.
- 17.20. The Governance Panel may request, obtain and use any further information it considers necessary from the parties that it reasonably requires to make its decisions.
- 17.21. In making decisions, the Governance Panel will:
- 17.21.1. consider fairness, pragmatism, and the purpose of the NAIT scheme set out in section 3 of the NAIT Act
 - 17.21.2. decide by a majority vote, and
 - 17.21.3. use best efforts to ensure the decision can be commenced and conducted expeditiously.
- 17.22. The Governance Panel will prepare an annual report on its activities, orders and costs.
- 17.23. No member of the Governance Panel is under any criminal or civil liability in respect of any act done or omitted in the course of the performance or exercise or intended performance or exercise of any of their functions, duties, or powers under this Standard.

REMUNERATION OF PANEL MEMBERS

- 17.24. The chief executive of the NAIT organisation must from time to time determine the remuneration by way of fees, salary, or allowances, and travelling allowances and expenses to be paid to the chairperson and other members of the panel.
- 17.25. In determining the remuneration under this Standard, the chief executive must have regard to the fees framework determined by the Government from time to time for the classification and remuneration of statutory and other bodies for which the Crown has an interest.