



Agricultural Compounds and Veterinary Medicines Amendment Act 2012

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Commencement see section 2

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The Parliament of New Zealand enacts as follows:**1 Title**

This Act is the Agricultural Compounds and Veterinary Medicines Amendment Act 2012.

2 Commencement

This Act comes into force on the day after the date on which it receives the Royal assent.

3 Principal Act amended

This Act amends the Agricultural Compounds and Veterinary Medicines Act 1997.

4 Interpretation

(1) The definition of **person** in section 2(1) is repealed.

(2) Section 2(1) is amended by inserting the following definitions in their appropriate alphabetical order:

“**notice of recognition** means, as applicable,—

“(a) a notice of recognition given to a recognised agency or a recognised person in accordance with section 44N(1)(b); or

“(b) a notification given to a recognised class in accordance with section 44N(1)(c)(i)

“**permissible functions and activities** means functions and activities that may be carried out by a recognised agency, recognised person, or recognised class for the purposes of this Act

“**public register** means the public register of recognised agencies, recognised persons, and recognised classes maintained by the Director-General in accordance with section 44ZH

“**recognised agency** means—

“(a) a person who is recognised by the Director-General under section 44C or 44D; and

“(b) a group of persons who are recognised by the Director-General under section 44D

“**recognised class** means a class of natural persons that is recognised by the Director-General under section 44G

“**specified functions and activities** means the permissible functions and activities that are specified by the Director-General in a notice of recognition in accordance with section 44N(2)(a) as functions and activities that—

“(a) a recognised agency is responsible for managing or carrying out; or

“(b) a recognised person may carry out; or

“(c) persons who are members of a recognised class may carry out”.

- (3) Section 2(1) is amended by repealing the definition of **recognised person** and substituting the following definition:

“**recognised person** means a natural person who—

“(a) is recognised by the Director-General under section 44E or 44F; or

“(b) is a member of a recognised class, but only—

“(i) to the extent that the person carries out the specified functions and activities for which the class is recognised; and

“(ii) while the person continues to hold the qualifications or meet the other membership criteria according to which the class is defined in the public register in accordance with section 44N(1)(a)”.

5 **Term of registration**

Section 22(1)(b) is amended by inserting “or 32A” after “section 27(6)”.

6 **Conditions on trade name products**

Section 23(1)(ja) is amended by omitting “a recognised person or any class or description of recognised persons” and substituting “a recognised agency or a recognised person”.

7 **Register of agricultural compounds**

- (1) Section 24(2)(j) is repealed.

- (2) Section 24(6) is amended by omitting “subsections (2)(b) and (j)” and substituting “subsection (2)(b)”.

8 Director-General may approve operating plans

Section 28(1)(a) is amended by repealing subparagraph (iii) and substituting the following subparagraph:

“(iii) recognition of an agency, a person, or a class of persons under Part 3A in relation to the carrying out of certain specified functions and activities:”.

9 New section 32A inserted

The following section is inserted after section 32:

“32A Cancellation of registration

- “(1) The Director-General may cancel the registration under section 21 of a trade name product if, in the Director-General’s opinion, 1 or more of subsections (2) to (4) apply.
- “(2) The registration may be cancelled if—
- “(a) the Director-General is unable to contact the registrant after reasonable efforts to do so; or
 - “(b) there are repeated failures, or there is a serious failure, to comply with any conditions imposed on the registration at a time when the registration is suspended under section 30A; or
 - “(c) a prohibition order has been issued under section 57A for the trade name product.
- “(3) The registration may be cancelled if—
- “(a) the registration depended on an approval being obtained under another enactment; and
 - “(b) the approval is no longer valid.
- “(4) The registration may be cancelled if—
- “(a) fees or charges under this Act or under regulations are payable for the registration or for the trade name product; and
 - “(b) the fees or charges are not paid within 20 working days after the Director-General sends a written demand for payment to the person liable to pay.
- “(5) If the Director-General decides to cancel any registration under this section, he or she must give written notice of the decision to the registrant, specifying—
- “(a) the reason for the cancellation; and

- “(b) the date on which or time at which it commences (which may not be earlier than the date or time of notification).
- “(6) If a person acting under the delegated authority of the Director-General cancels any registration under this section, the registrant may seek a review of the cancellation under section 77A.
- “(7) However, if registration is cancelled under subsection (2)(a),—
- “(a) subsection (5) does not apply; and
- “(b) any application for review must be provided to the Director-General under section 77A(3) within 20 working days after the date of the notice in the *Gazette* of the trade name product’s removal from the register.”

10 New section 33 substituted

Section 33 is repealed and the following section substituted:

“33 No compensation or damages for loss arising from certain changes

No compensation or damages are payable to any person for any loss whatsoever arising from—

- “(a) the revocation or amendment of an approval under section 8C(5); or
- “(b) the cancellation of the provisional registration of a trade name product under section 27(6); or
- “(c) the reassessment of a registered trade name product under section 29 or 30; or
- “(d) the suspension of the registration of a trade name product under section 30A; or
- “(e) the cancellation of the registration of a trade name product under section 32A; or
- “(f) the revocation of the registration of a trade name product under section 57; or
- “(g) the issuance of a prohibition order under section 57A.”

11 New Part 3A inserted

The following Part is inserted after Part 3:

“Part 3A
“Recognised agencies, persons, and classes
of persons

“44A Outline of this Part

This Part—

- “(a) establishes a procedure for the recognition of agencies that are responsible for managing and carrying out specified functions and activities for the purposes of this Act; and
- “(b) establishes a procedure for the recognition of persons or classes of persons who are to carry out specified functions and activities for the purposes of this Act; and
- “(c) sets out the duties of recognised agencies, recognised persons, and recognised classes, and when their recognition can be suspended or withdrawn; and
- “(d) provides for the establishment and maintenance of a public register of recognised agencies, recognised persons, and recognised classes, and for the public to access the register.

“44B Interpretation

In this Part,—

“**Crown entity** has the same meaning as in section 10(1) of the Crown Entities Act 2004

“**requirements of this Act** means any requirements or procedures specified in—

- “(a) this Act; or
- “(b) regulations; or
- “(c) a notice issued under section 44ZN or 76A

“**specified conviction** means—

- “(a) a conviction for an offence against this Act; or
- “(b) a conviction (whether in New Zealand or in another country) for any offence relating to fraud or dishonesty; or
- “(c) a conviction (whether in New Zealand or in another country) for any offence relating to management control or business activities in respect of businesses of a

kind (whether in New Zealand or in another country) that—

“(i) is regulated under this Act or any other Act administered by the Ministry; or

“(ii) is subject to an overseas regulatory regime similar to that set out in this Act

“**State enterprise** has the same meaning as in section 2 of the State-Owned Enterprises Act 1986.

“Recognition of agencies, persons, and classes of persons

“44C Recognition of agencies

“(1) The Director-General may, on the application of a person, recognise that person as an agency that is responsible for the management and carrying out of specified functions and activities.

“(2) Before recognising an applicant, the Director-General must—

“(a) consider whether to impose a condition under section 44M(1) requiring the applicant to manage or supply recognised persons to carry out some or all of the permissible functions and activities for which recognition is sought; and

“(b) be satisfied that the applicant is a fit and proper person to manage and carry out the permissible functions and activities for which recognition is sought.

“(3) In determining whether an applicant is a fit and proper person, the Director-General—

“(a) must take into account the following matters:

“(i) the competencies and resources of the applicant to manage and carry out the permissible functions and activities for which recognition is sought; and

“(ii) any specified conviction entered against the applicant or any director or manager of the applicant; and

“(iii) the applicant’s character and reputation, including, if appropriate, the character and reputation

- of the directors of the applicant or of those responsible for its management or control; and
- “(iv) the applicant’s ability to maintain an appropriate degree of impartiality and independence in managing and carrying out the permissible functions and activities for which recognition is sought; and
 - “(v) any applicable requirements of this Act; and
- “(b) may take into account any other matters that the Director-General considers relevant.

“44D Recognition of certain agencies without application

- “(1) The Director-General may, without receiving an application under section 44C(1), recognise any of the following, or any group of persons within each of the following, as an agency that is responsible for the management and carrying out of specified functions and activities:
- “(a) the Ministry;
 - “(b) a department of the public service listed in Schedule 1 of the State Sector Act 1988;
 - “(c) a Crown entity;
 - “(d) a State enterprise;
 - “(e) a territorial authority (as defined in section 5(1) of the Local Government Act 2002).
- “(2) Section 44C(2) and (3) apply to subsection (1) accordingly, with all necessary modifications.

“44E Recognition of persons

- “(1) The Director-General may, on the application of a natural person, recognise that person to carry out specified functions and activities.
- “(2) Before recognising an applicant, the Director-General must—
- “(a) consider whether to impose a condition under section 44M(1) requiring the applicant to be managed, employed, or engaged by a recognised agency to carry out some or all of the permissible functions and activities for which recognition is sought; and

- “(b) be satisfied that the applicant is a fit and proper person to carry out the permissible functions and activities for which recognition is sought.
- “(3) In determining whether an applicant is a fit and proper person, the Director-General—
 - “(a) must take into account the following matters:
 - “(i) the competency of the applicant to carry out the permissible functions and activities for which recognition is sought; and
 - “(ii) any specified conviction entered against the applicant; and
 - “(iii) the applicant’s character and reputation; and
 - “(iv) the applicant’s ability to maintain an appropriate degree of impartiality and independence in carrying out the permissible functions and activities for which recognition is sought; and
 - “(v) any applicable requirements of this Act; and
 - “(b) may take into account any other matters that the Director-General considers relevant.

“44F Recognition of certain persons without application

- “(1) The Director-General may, without receiving an application under section 44E(1), recognise any of the following natural persons to carry out specified functions and activities:
 - “(a) any officer or employee of the Ministry;
 - “(b) any officer or employee of any department of the public service listed in Schedule 1 of the State Sector Act 1988;
 - “(c) any officer or employee of a Crown entity or a State enterprise.
- “(2) Section 44E(2) and (3) apply to subsection (1) accordingly, with all necessary modifications.

“44G Recognition of classes of persons

- “(1) The Director-General may recognise a class of natural persons to carry out specified functions and activities.
- “(2) The Director-General may recognise a class of natural persons—
 - “(a) on the application of any person who the Director-General is reasonably satisfied—

- “(i) represents that class of persons; or
 - “(ii) is an appropriate person to make an application on behalf of that class of persons; or
 - “(b) without receiving an application.
- “(3) Before recognising a class of natural persons, the Director-General must—
- “(a) consult the members of the class and the applicant (if any) in accordance with section 44ZM about the application for recognition of the class; and
 - “(b) be satisfied that the class is an appropriate class to carry out the permissible functions and activities for which the class is proposed to be recognised.
- “(4) In determining whether a class is an appropriate class, the Director-General—
- “(a) must take into account the following matters:
 - “(i) whether the class can be defined with appropriate accuracy and specificity; and
 - “(ii) the degree to which members of the class share common characteristics (for example, qualifications, skills, and experience); and
 - “(iii) the degree to which the ordinary qualifications, skills, functions, and activities of members of the class correspond with, and demonstrate adequate competency to carry out, the permissible functions and activities for which the class is proposed to be recognised; and
 - “(iv) whether the class is supervised, regulated, governed, or controlled by or under a professional or regulatory body or system (for example, a disciplinary body or system), or an enactment; and
 - “(v) whether the class is subject to a code of ethics or standards of professional conduct to which members must adhere; and
 - “(vi) any applicable requirements of this Act; and
 - “(b) may take into account any other matters that the Director-General considers relevant.
- “(5) If the Director-General recognises a class of persons under this section, the Director-General may, if he or she considers on reasonable grounds that it is appropriate to do so, exclude 1 or

more members of the class, or categories of members of the class, from the recognised class (*see* section 44L).

“44H Interrelationship between sections 44C to 44G

To avoid doubt, a natural person may be recognised under any 1 or more of sections 44C to 44G despite already being recognised in another capacity under any 1 or more of those sections.

“Recognition process

“44I Application for recognition

An application for recognition under section 44C, 44E, or 44G must—

- “(a) be in the appropriate form and manner provided or approved by the Director-General for that purpose; and
- “(b) be accompanied by the prescribed application fee (if any).

“44J Director-General may require further information

- “(1) The Director-General may require a person who applies for recognition to supply further information or material before determining whether to grant the recognition.
- “(2) An application for recognition lapses if the additional information or other material is not supplied—
 - “(a) within 3 months after the date of the requirement; or
 - “(b) within any further time that the Director-General allows by notice in writing.

“44K Proposal to refuse application to recognise agency, person, or class of persons

- “(1) If the Director-General proposes to refuse an application for recognition in whole or in part, the Director-General must consult the applicant in accordance with section 44ZM about the proposed refusal.
- “(2) The notification given to the applicant in accordance with section 44ZM(a)(i) must—
 - “(a) specify the grounds for proposing to refuse the application; and

- “(b) include a copy (or an adequate summary) of all material information the Director-General relies on in proposing to refuse the application.
- “(3) If the Director-General finally determines to refuse the application (in whole or in part), the Director-General must, as soon as practicable, give the applicant written notice of—
 - “(a) the decision and the Director-General’s reasons for it; and
 - “(b) if applicable, the applicant’s right to seek a review of that decision under section 77A.

“44L Proposal to exclude members, or categories of members, from recognition of class

- “(1) If the Director-General proposes to exclude any members, or categories of members, from the recognition of a class, the Director-General must consult those members and the applicant (if any) in accordance with section 44ZM about the exclusion of the members.
- “(2) The notification given to the members and the applicant (if any) in accordance with section 44ZM(a) must—
 - “(a) specify the grounds for proposing to exclude the members; and
 - “(b) include a copy (or an adequate summary) of all material information the Director-General relies on in proposing to exclude the members.
- “(3) If the Director-General finally determines to exclude any members, or categories of members, from the recognition of a class, the Director-General must, as soon as practicable, give those members and the applicant (if any) written notice of—
 - “(a) the decision and the Director-General’s reasons for it; and
 - “(b) if applicable, the members’ and the applicant’s right to seek a review of that decision under section 77A.

“44M Director-General may impose or vary conditions of recognition

- “(1) The Director-General may impose any conditions the Director-General thinks fit when he or she recognises an agency,

a person, or a class of persons under any of sections 44C to 44G.

- “(2) The Director-General may vary any conditions by, as appropriate,—
- “(a) giving a recognised agency or a recognised person written notice of the variation; or
 - “(b) notifying a recognised class of the variation in accordance with section 44ZL.
- “(3) However, before varying a condition the Director-General must consult the recognised agency, recognised person, or recognised class in accordance with section 44ZM about the proposed variation, unless the agency is, or is within, the Ministry or the person is within the Ministry.
- “(4) If a person acting under the delegated authority of the Director-General varies a condition, the recognised agency, the recognised person, or a member of the recognised class to whom the condition applies may seek a review of the variation under section 77A.
- “(5) Subsections (3) and (4) do not apply if the variation is made on the application of the recognised agency, recognised person, or recognised class in accordance with the terms of that application.
- “(6) In this section, **vary** means—
- “(a) to impose additional conditions; or
 - “(b) to revoke or amend any conditions.

“**44N Grant of recognition**

- “(1) If the Director-General recognises an agency, a person, or a class of persons, the Director-General must, as soon as practicable,—
- “(a) enter the name of the recognised agency or recognised person, or a definition of the class that allows the class to be accurately and readily identified, in the public register; and
 - “(b) for a recognised agency or a recognised person, give the agency or person a notice of recognition; and
 - “(c) for a recognised class,—

- “(i) notify the class in accordance with section 44ZL of its recognition; and
 - “(ii) if there was an applicant, give the applicant written notice of the recognition of the class.
- “(2) A notice of recognition must specify—
- “(a) the permissible functions and activities for which the recognition is granted; and
 - “(b) for a recognised class, any members or categories of members that are excluded from the recognised class in accordance with section 44G(5); and
 - “(c) any conditions of recognition imposed under section 44M(1); and
 - “(d) the duration of the recognition under section 44P.

“44O Scope, effect, and transfer of recognition

- “(1) Recognition of a recognised agency or a recognised person applies only to the particular agency or particular person specified in the notice of recognition.
- “(2) If a class of persons is recognised,—
- “(a) that recognition applies—
 - “(i) to the class as defined in the public register; and
 - “(ii) to each member of that class, but only—
 - “(A) to the extent that the member carries out the specified functions and activities for which the class is recognised; and
 - “(B) while the member continues to hold the qualifications or meet the other membership criteria according to which the class is defined in the public register in accordance with section 44N(1)(a); and
 - “(b) each member of the class—
 - “(i) is a recognised person; and
 - “(ii) is subject to the duties of recognised persons set out in section 44W; and
 - “(iii) may independently carry out the specified functions and activities for which the class is recognised; and

- “(iv) may have the recognition of the class of which he or she is a member suspended or withdrawn for him or her only; and
- “(c) all conditions of recognition imposed on the class under section 44M, and all directions or other requirements that apply to the class, also apply to, and must be complied with by, each member of the class individually; and
- “(d) a suspension or withdrawal of the recognition of the class, and any condition or corrective action imposed under section 44Y(3) on the suspension of the class, also applies to each member of the class individually; and
- “(e) each member of the class who carries out the specified functions and activities for which the class is recognised—
 - “(i) does so on his or her own account; and
 - “(ii) is personally responsible for his or her own actions or omissions.
- “(3) Further to subsection (2), this Part applies to a recognised person who is recognised by virtue of being a member of a recognised class, as far as applicable and with all necessary modifications, as if—
 - “(a) a reference to a recognised person’s specified functions and activities were a reference to the specified functions and activities of the recognised class of which he or she is a member; and
 - “(b) a reference to a recognised person’s recognition were a reference to the class’s recognition; and
 - “(c) a reference to a recognised person’s notice of recognition were a reference to the class’s notice of recognition.
- “(4) Recognition may not be transferred to a different agency, person, or class of persons, and may not vest by operation of law in any person other than the agency, person, or class of persons specified in the notice of recognition.

“44P Duration of recognition

- “(1) Recognition has effect for—

- “(a) a specified period commencing and ending on the dates stated in a notice of recognition in accordance with section 44N(2)(d); or
 - “(b) if no period is specified, an indefinite period.
- “(2) However,—
- “(a) recognition ends if it is withdrawn under section 44ZC or 44ZD or surrendered under section 44ZF; and
 - “(b) recognition has no effect while it is suspended under section 44Y or 44Z.

“44Q Renewal of recognition before expiry

- “(1) If an agency, a person, or a class of persons is recognised for a specified period, then no later than 1 month before the end of that period—
- “(a) the agency, the person, or an appropriate representative may apply to the Director-General for renewal of the recognition; or
 - “(b) the Director-General may renew the recognition without application if the agency, person, or class was initially recognised by the Director-General without application.
- “(2) In determining whether to renew the recognition of an agency, a person, or a class of persons, the Director-General must consider the matters set out in (as applicable) section 44C(2) and (3), 44E(2) and (3), or 44G(3)(b) and (4) unless the Director-General is satisfied that—
- “(a) either—
 - “(i) the circumstances of the agency, person, or class have not changed; or
 - “(ii) if the circumstances of the agency, person, or class have changed, those changes do not adversely affect the current recognition; and
 - “(b) the reasons why the Director-General recognised the agency, person, or class still apply; and
 - “(c) the agency or person has, or a sufficient proportion of the members of the class have, complied with all applicable conditions of recognition imposed under section 44M and requirements of this Act during the period of recognition.

- “(3) If the Director-General proposes to vary any conditions of recognition imposed on the agency, person, or class of persons under section 44M when the Director-General renews the recognition, the Director-General—
- “(a) must vary the conditions in accordance with section 44M(2) to (6); and
 - “(b) may, by notice in writing to the agency, person, or class, temporarily extend the specified period of the existing recognition in order to allow consultation in accordance with section 44M(3) (if required) to be completed before the period of recognition ends.
- “(4) Sections 44J to 44P apply with all necessary modifications to applications under this section.
- “(5) An application under this section that is received by the Director-General after the deadline specified in subsection (1) must be treated as if it were a new application for recognition under section 44C, 44E, or 44G, as applicable.
- “(6) In this section, **appropriate representative** means any person who the Director-General is reasonably satisfied—
- “(a) represents the recognised class; or
 - “(b) is an appropriate person to make an application on behalf of the class.

“**44R Application for renewal of recognition**

An application for renewal of recognition under section 44Q must—

- “(a) be in the appropriate form and manner provided or approved by the Director-General for that purpose; and
- “(b) be accompanied by the prescribed application fee (if any).

“**44S Substituted notice of recognition**

- “(1) A recognised agency or a recognised person may apply to the Director-General for a new notice of recognition to be issued in substitution for an existing notice of recognition if—
- “(a) any conditions of recognition imposed on the agency or person are varied under section 44M(2); or
 - “(b) the existing notice has become disfigured or dilapidated, or contains a mistake; or

- “(c) the existing notice has been lost or destroyed.
- “(2) The Director-General must cancel the existing notice of recognition and give a new notice of recognition in substitution for it if—
 - “(a) an application for a substituted notice of recognition is made to the Director-General in the appropriate form and manner provided or approved by the Director-General for that purpose; and
 - “(b) the application is accompanied by the prescribed application fee (if any).

“44T Ongoing recognition fees, charges, or levies

Recognised agencies and recognised persons must pay the prescribed fee, charge, or levy (if any) for ongoing recognition for the prescribed period on or before the date provided or approved by the Director-General for that purpose.

“Performance of specified functions and activities

“44U Director-General may give directions on performance of specified functions and activities

- “(1) The Director-General may give a direction to any, all, or any combination of recognised agencies, recognised persons, or recognised classes as to how a recognised agency is to manage or carry out, or a recognised person or recognised class is to carry out, its specified functions and activities.
- “(2) A direction must be given—
 - “(a) to a recognised agency or a recognised person by notice in writing; and
 - “(b) to a recognised class by notifying the class in accordance with section 44ZL.

“44V Duties of recognised agencies

- “(1) When carrying out its specified functions and activities, a recognised agency must ensure that it—
 - “(a) carries out only functions and activities that are within the scope of those specified; and

- “(b) is adequately resourced and its systems are maintained to a level that ensures it is able to carry out those functions and activities; and
 - “(c) has documented policies and procedures to safeguard the confidentiality of the information obtained or created while carrying out those functions and activities; and
 - “(d) has systems, processes, and procedures to manage appropriately any conflict of interest that might arise while carrying out those functions and activities; and
 - “(e) complies with all conditions of recognition imposed under section 44M; and
 - “(f) complies with all applicable directions given under section 44U; and
 - “(g) complies with all applicable requirements of this Act.
- “(2) When carrying out its specified functions and activities, a recognised agency must also ensure that each recognised person that the agency manages and supplies (if any)—
- “(a) maintains all competency requirements applicable to his or her recognition; and
 - “(b) is not placed in a position or a situation that compromises his or her impartiality and independence in carrying out his or her specified functions and activities.
- “(3) The duties in section 44W apply to a recognised agency (in addition to the duties in subsection (1)), but only to the extent that the agency is recognised to carry out its specified functions and activities itself (instead of being recognised to manage or supply a recognised person to carry out its specified functions and activities).

“44W Duties of recognised persons

When carrying out his or her specified functions and activities, a recognised person must ensure that he or she—

- “(a) carries out only functions and activities that are within the scope of those specified; and
- “(b) maintains all competency requirements applicable to his or her recognition; and
- “(c) maintains an appropriate degree of impartiality and independence; and

- “(d) maintains appropriate confidentiality (particularly in respect of commercially sensitive matters) relating to operations and activities the person comes into contact with in the course of carrying out those functions and activities (except to the extent that the person is required to report under paragraph (e) or otherwise for the purposes of this Act), including matters relating to design, technology, systems, personnel, and practices; and
- “(e) reports to the Ministry (or any other specified authority) any matter that a recognised person is required to report in accordance with any applicable requirements of this Act; and
- “(f) complies with all conditions of recognition imposed under section 44M; and
- “(g) complies with all applicable directions given under section 44U; and
- “(h) complies with all applicable requirements of this Act.

“44X Recognised agency or person may act in other capacities

Nothing in section 44V or 44W prevents a recognised agency or a recognised person from carrying out functions and activities that are outside the scope of the agency’s or person’s specified functions and activities, provided that the agency or person does not do so—

- “(a) in the agency’s or person’s capacity as a recognised agency or a recognised person; or
- “(b) while purporting to act as a recognised agency or a recognised person.

“Suspension of recognition

“44Y Suspension of recognition of recognised agency, recognised person, or recognised class

- “(1) The Director-General may suspend all or part of the recognition of a recognised agency, recognised person, or recognised class if the Director-General has reasonable grounds to believe that—
 - “(a) the performance of the agency, person, or a significant proportion of the members of the class is unsatisfactory,

- taking into account the requirements of the recognition;
or
- “(b) the agency, person, or a significant proportion of the members of the class no longer meets 1 or more of the criteria on which that agency, person, or class was recognised under whichever of sections 44C to 44G applies; or
 - “(c) the agency, person, or a significant proportion of the members of the class has failed to comply with section 44V or 44W or any other applicable requirements of this Act, and that failure causes the Director-General to question the ability of the agency, person, or class to carry out the specified functions or activities of the agency, person, or class; or
 - “(d) for an agency or a person, the agency or person has failed to pay an ongoing recognition fee, charge, or levy within 30 days after the date on which it was due and payable.
- “(2) The maximum period of suspension is 3 months.
- “(3) The Director-General may do either or both of the following:
- “(a) impose conditions that must be satisfied before the suspension is lifted:
 - “(b) require a suspended agency, person, or class to take appropriate corrective action to remedy the deficiency or failure that resulted in the suspension.
- “44Z Director-General may extend suspension of recognition**
- “(1) The Director-General may extend the period of a suspension under section 44Y if the Director-General has reasonable grounds to believe that—
- “(a) any conditions imposed under that section have not been satisfied within the suspension period; or
 - “(b) any corrective actions imposed under that section have not been fulfilled within the suspension period.
- “(2) The period of extension—
- “(a) may be for any further period that the Director-General notifies in writing to the agency or the person, or notifies to the class in accordance with section 44ZL, before the expiry of the original suspension; but

- “(b) must not exceed a further 3 months.
- “(3) The Director-General may (in addition to any conditions or requirements imposed under section 44Y(3)) do either or both of the following:
 - “(a) impose conditions that must be satisfied before the extended period of suspension is lifted;
 - “(b) require a suspended agency, person, or class to take appropriate corrective action to remedy the deficiency or failure that resulted in the suspension.

“44ZA Method of suspension of recognition

- “(1) The Director-General must, as soon as practicable after deciding to suspend, or extend the suspension of, a recognised agency, recognised person, or recognised class, notify—
 - “(a) a recognised agency or recognised person of the suspension of the agency or person; and
 - “(b) a recognised agency of the suspension of a recognised person for whom the agency is responsible; and
 - “(c) a recognised person of the suspension of any recognised agency that is responsible for that person; and
 - “(d) a recognised class of the suspension of the class.
- “(2) A notice of suspension must—
 - “(a) be given to a recognised agency or a recognised person by notice in writing; and
 - “(b) be given to a recognised class by notifying the class in accordance with section 44ZL; and
 - “(c) specify—
 - “(i) the reason for the suspension; and
 - “(ii) the date and time the suspension starts; and
 - “(iii) the period of the suspension; and
 - “(iv) the specified functions and activities that the suspension relates to; and
 - “(v) any conditions or corrective actions imposed under section 44Y(3) or 44Z(3); and
 - “(d) if applicable, set out the right of the recognised agency, recognised person, or recognised class (under section 77A) to seek a review of the decision to suspend the recognition of the agency, person, or class.

- “(3) The Director-General may notify any suspension of recognition in the *Gazette*.
- “(4) In subsections (1) to (3), **suspension** includes an extension of a suspension.

“**44ZB Suspension does not limit other actions**

A suspension under section 44Y or an extension of a suspension under section 44Z does not affect any other actions that the Director-General may take under this Act.

“Withdrawal of recognition

“**44ZC Withdrawal of recognition of recognised agency or recognised person**

- “(1) The Director-General may withdraw all or part of the recognition of a recognised agency or a recognised person if the Director-General has reasonable grounds to believe that—
- “(a) suspending all or part of the agency’s or person’s recognition under section 44Y (or extending a suspension under section 44Z) would be justified, but repeated suspensions in the past have been ineffective; or
 - “(b) the agency or person is no longer a fit and proper person to carry out the agency’s or person’s specified functions and activities; or
 - “(c) the agency or person has failed to comply with section 44V or 44W or any other applicable requirements of this Act, and that failure causes the Director-General to question the agency’s or the person’s ability to carry out the agency’s or person’s specified functions or activities; or
 - “(d) the agency or person has ceased to operate as a recognised agency or a recognised person; or
 - “(e) the agency or person has continued to fail to pay an ongoing recognition fee, charge, or levy after the agency’s or person’s recognition has been suspended on the ground set out in section 44Y(1)(d); or
 - “(f) the agency or person has failed to comply with or maintain any criteria or competencies that led to the recognition of the agency or person; or

- “(g) the agency is no longer the appropriate agency to hold the recognition, but only if the agency is, or is within, the Ministry or a department of the public service listed in Schedule 1 of the State Sector Act 1988.
- “(2) However, before withdrawing recognition, the Director-General must consult the agency or person in accordance with section 44ZM about the proposed withdrawal of recognition, unless the agency is, or is within, the Ministry or the person is within the Ministry.
- “(3) The notification given to the agency or person in accordance with section 44ZM(a)(i) must—
 - “(a) specify the grounds for the proposed withdrawal; and
 - “(b) include a copy (or an adequate summary) of all material information the Director-General relies on in proposing to withdraw the recognition.

“44ZD Withdrawal of recognition of recognised class

- “(1) The Director-General may withdraw all or part of the recognition of a recognised class if the Director-General has reasonable grounds to believe that a significant proportion of the members of the class—
 - “(a) have ceased to hold a qualification or meet 1 or more other membership criteria according to which the class is defined in the public register in accordance with section 44N(1)(a); or
 - “(b) have failed to comply with section 44W or any other applicable requirements of this Act, and that failure causes the Director-General to question the class’s ability to carry out the class’s specified functions or activities.
- “(2) However, before withdrawing recognition on the ground set out in subsection (1)(b), the Director-General must consult the recognised class in accordance with section 44ZM about the proposed withdrawal of recognition.
- “(3) The notification given to the recognised class in accordance with section 44ZM(a)(ii) must—
 - “(a) specify the grounds for the proposed withdrawal; and
 - “(b) include a copy (or an adequate summary) of all material information the Director-General relies on in proposing to withdraw the recognition.

“44ZE Method of withdrawal of recognition

- “(1) The Director-General must, as soon as practicable after deciding to withdraw all or part of the recognition of a recognised agency, recognised person, or recognised class, notify—
- “(a) a recognised agency or recognised person of the withdrawal of recognition of the agency or person; and
 - “(b) a recognised agency of the withdrawal of recognition of a person for whom the agency is responsible; and
 - “(c) a recognised person of the withdrawal of recognition of any recognised agency that is responsible for that person; and
 - “(d) a recognised class and, if there was an applicant on behalf of the class, the applicant of the withdrawal of recognition of the class.
- “(2) A notice of withdrawal must—
- “(a) be given to a recognised agency, a recognised person, or an applicant by notice in writing; and
 - “(b) be given to a recognised class by notifying the class in accordance with section 44ZL; and
 - “(c) specify—
 - “(i) the reason for the withdrawal; and
 - “(ii) the date and time the withdrawal takes effect; and
 - “(iii) the specified functions and activities that the withdrawal relates to; and
 - “(d) if applicable, set out the right of the recognised agency, recognised person, or recognised class (under section 77A) to seek a review of the decision to withdraw the recognition.
- “(3) The Director-General may notify any withdrawal of recognition in the *Gazette*.
- “(4) An agency or a person who is recognised under any of sections 44C to 44F and whose recognition is withdrawn must return the agency’s or person’s notice of recognition to the Director-General as soon as practicable after the withdrawal of recognition takes effect.
- “(5) An agency or a person whose recognition is withdrawn must, as soon as practicable after the withdrawal of recognition takes effect, take reasonable steps to notify each person who was a client of the agency or person immediately before the with-

drawal that the agency's or person's recognition has been withdrawn.

“Surrender of recognition

“44ZF Surrender of recognition

- “(1) A recognised agency or recognised person may—
- “(a) surrender his, her, or its recognition by written notice to the Director-General; and
 - “(b) specify in the notice a future date on which the surrender is to take effect.
- “(2) Before the date on which a surrender takes effect, the recognised agency or recognised person that is surrendering his, her, or its recognition must,—
- “(a) for a recognised agency, notify the surrender to any recognised persons for whom the agency is responsible; and
 - “(b) for a recognised person, notify the surrender to any recognised agency that is responsible for that person; and
 - “(c) take reasonable steps to notify each person who will be a client of the agency or person immediately before the surrender that the agency's or person's recognition is surrendered.

“44ZG Effective date of surrender of recognition

A surrender takes effect on the later of—

- “(a) the date specified in the notice given in accordance with section 44ZF(1); or
- “(b) the date on which the Director-General records the surrender in the public register in accordance with section 44ZI(1)(b)(v) or removes the agency or person from the public register in accordance with section 44ZK(3).

*“Public register of recognised agencies,
recognised persons, and recognised classes*

“44ZH Public register of recognised agencies, recognised persons, and recognised classes to be kept

- “(1) The Director-General must keep and maintain a public register of each—
- “(a) recognised agency;
 - “(b) recognised person;
 - “(c) recognised class.
- “(2) The public register may be kept in any manner the Director-General thinks fit, including, either wholly or partially, by means of a device or facility—
- “(a) that records or stores information electronically or by other means; and
 - “(b) that permits the information so recorded to be readily inspected or reproduced in usable form; and
 - “(c) that permits the information to be accessed by electronic means, including by means of remote log-on access.
- “(3) The purpose of the public register is to—
- “(a) enable members of the public and persons operating industries regulated under this Act to know who is recognised to carry out particular functions and activities for the purposes of this Act; and
 - “(b) facilitate the compliance, audit, and other supporting and administrative functions of the Ministry under this Act.

“44ZI Contents of public register

- “(1) The public register must contain all of the following information:
- “(a) for each recognised agency and recognised person,—
 - “(i) the full name and the business or other contact address (including the electronic address, if available) of the agency or person; and
 - “(ii) any suspension of the agency’s or person’s recognition; and
 - “(b) for each recognised class,—
 - “(i) a definition of the class that allows the class to be accurately and readily identified; and

- “(ii) 1 or more of the following:
 - “(A) a list of the members of the class;
 - “(B) a statement specifying where a copy of a list of the members of the class may be obtained;
 - “(C) a statement specifying where information about the membership of the class may be obtained; and
 - “(iii) a list of any members, or a description of any categories of members, within the class that are excluded from the recognised class in accordance with section 44G(5); and
 - “(iv) any suspension of the class’s recognition; and
 - “(v) a list of any members of the class whose recognition has been suspended, withdrawn, or surrendered and the date on which the suspension, withdrawal, or surrender takes effect; and
 - “(c) the specified functions and activities of each recognised agency, recognised person, and recognised class; and
 - “(d) the date on which each agency, person, and class was recognised and the duration of that recognition; and
 - “(e) any other particulars that are prescribed in regulations.
- “(2) A suspension of recognition that is recorded on the public register must specify—
- “(a) the date and time the suspension starts; and
 - “(b) the period of the suspension; and
 - “(c) the specified functions and activities that the suspension relates to.
- “(3) If a person is recognised as both a recognised agency and a recognised person, the information referred to in subsection (1)(a)(i) and (c) to (e) must either—
- “(a) be recorded twice, once in the recognised person part of the register, and again in the recognised agency part of the register; or
 - “(b) be recorded in one of those areas of the register and cross-referenced in the other area of the register.

“44ZJ Inspection of public register

The Director-General must—

- “(a) make the public register available for public inspection, free of charge, at reasonable hours at the head office of the Ministry; and
- “(b) supply to any person, on request and on payment of a reasonable charge (if any), a copy of any entries on the public register.

“44ZK Removal from public register

- “(1) The Director-General must, as soon as practicable, remove the name of a recognised agency, recognised person, or recognised class from the public register if the period for which the recognition is granted expires and is not extended under section 44Q(3)(b) or renewed.
- “(2) Subsection (3) applies if the recognition of a recognised agency, a person who is recognised under section 44E, or a recognised class is—
 - “(a) withdrawn under section 44ZC or 44ZD; or
 - “(b) surrendered under section 44ZF.
- “(3) The Director-General must, as soon as practicable after withdrawing the recognition or being notified of the surrender,—
 - “(a) record the withdrawal or surrender and the date on which it takes effect; and
 - “(b) remove that agency, person, or class from the public register.

“Miscellaneous matters

“44ZL Notification to category or class of persons

- “(1) If any matter is required to be notified to a category or class of persons or a recognised class under this Part, it must be notified in 1 or more of the following ways:
 - “(a) by notice in the *Gazette*;
 - “(b) by publication in all major metropolitan daily newspapers on at least 2 occasions;
 - “(c) by notifying a person who the Director-General is reasonably satisfied represents the category or class or is an appropriate person to receive a notification on behalf of the category or class:

- “(d) if there was an applicant for the recognition of the class, by notifying that applicant:
 - “(e) by publication, either temporarily or permanently, on the Ministry’s public Internet site:
 - “(f) by mail or email to all members of the category or class:
 - “(g) in any other manner that the Director-General is reasonably satisfied will ensure that the matter is sufficiently notified to the category or class.
- “(2) In deciding which methods of notification are most appropriate in any particular case, the Director-General must consider—
- “(a) the nature and significance of the matter required to be notified; and
 - “(b) the size and type of the category or class of persons and its characteristics, geographical spread, and degree of representation and organisation.

“44ZM Means of consultation

If the Director-General is required to consult a person or a category or class of persons under this Part, the Director-General must—

- “(a) notify the person or persons of the matter to be consulted on (the **matter**) by, as applicable,—
 - “(i) giving the person written notice; or
 - “(ii) notifying the category or class of persons in accordance with section 44ZL; and
- “(b) give all persons who are notified of the matter a reasonable opportunity to make a written submission on the matter; and
- “(c) if provided for in the notice (at the discretion of the Director-General), give all persons who are notified of the matter a reasonable opportunity to make an oral submission on the matter; and
- “(d) consider any submissions that he or she receives on the matter from any person who was notified of the matter.

“44ZN Director-General may issue notices for certain matters

- “(1) The Director-General may issue notices specifying—

- “(a) requirements and procedures for the recognition and renewal of recognition of agencies, persons, and classes of persons under this Part:
 - “(b) competencies, qualifications, experience, or other requirements that must be met—
 - “(i) in order for a person to be recognised as a recognised agency or a recognised person under this Part:
 - “(ii) in order for a class of persons to be recognised as a recognised class under this Part:
 - “(iii) by a recognised agency, recognised person, or recognised class:
 - “(c) performance standards or other requirements that must be met by a recognised agency when it is managing or carrying out, or a recognised person or recognised class when it is carrying out, its specified functions and activities.
- “(2) Notices must be issued in accordance with the process set out in section 76A(2) to (7) (applied with all necessary modifications).
- “(3) Notices that are issued under this section are not regulations for the purposes of the Acts and Regulations Publication Act 1989 or the Regulations (Disallowance) Act 1989.

“44ZO Director-General must consider exemption, waiver, or refund of fees

- “(1) The Director-General must consider whether an exemption, a waiver, or a refund of all or part of a prescribed fee, charge, or levy is appropriate if—
- “(a) an application is made under section 44I by 1 person for more than 1 type of recognition (for example, if a person applies to be recognised as both a recognised agency and a recognised person); or
 - “(b) an application is made under section 44Q by 1 person to renew more than 1 type of recognition; or
 - “(c) 1 person is liable under section 44T to pay a prescribed fee, charge, or levy for ongoing recognition under more than 1 of sections 44C to 44G.

- “(2) However, subsection (1) only applies if regulations prescribing the relevant fee, charge, or levy authorise the Director-General to grant an exemption, waiver, or refund in these circumstances (*see* section 81H).”

12 Offences

- (1) Section 55(2)(c) is amended by omitting “or recognised person” and substituting “, a recognised agency, or a recognised person”.
- (2) Section 55(2)(d) is amended—
- (a) by omitting “or recognised person” and substituting “, a recognised agency, or a recognised person”; and
 - (b) by omitting “execution of any powers conferred on that person” and substituting “exercise or performance of any functions, powers, or duties conferred or imposed”.

13 Power to prohibit person from importing, manufacturing, selling, or using trade name product or agricultural compound

Section 57A(1)(b) is amended by omitting “restriction order” and substituting “prohibition order”.

14 Section 62 repealed

Section 62 is repealed.

15 Protection of ACVM officers and recognised persons

- (1) The heading to section 63 is amended by omitting “**and recognised persons**” and substituting “, **recognised agencies, and recognised persons**”.
- (2) Section 63 is amended by omitting “or recognised person” and substituting “, recognised agency, or recognised person”.

16 Regulations

- (1) Section 75(1)(cd) is amended by repealing subparagraph (iv) and substituting the following subparagraph:
- “(iv) the activities or behaviour of recognised agencies to manage or carry out, or recognised persons

- to carry out, specified functions and activities in relation to agricultural compounds:”.
- (2) Section 75(1) is amended by inserting the following paragraphs after paragraph (h):
- “(ha) prescribing requirements and procedures for the recognition and renewal of recognition of agencies, persons, and classes of persons under Part 3A:
 - “(hb) prescribing competencies, qualifications, experience, or other requirements that must be met—
 - “(i) in order for a person to be recognised as a recognised agency or a recognised person under Part 3A:
 - “(ii) in order for a class of persons to be recognised as a recognised class under Part 3A:
 - “(iii) by a recognised agency, recognised person, or recognised class:
 - “(hc) prescribing performance standards or other requirements that must be met by a recognised agency when it is managing or carrying out, or a recognised person or recognised class when it is carrying out, its specified functions and activities:
 - “(hd) prescribing any particulars that must be contained in the public register:
 - “(he) prescribing fees, charges, or levies for the purposes of this Act in accordance with the requirements for regulations made under section 81D or 81E, including—
 - “(i) fees or charges for applications, renewals, or related matters under this Act (for example, for applications for registration or certificates of compliance under Part 2 or for applications for recognition under Part 3A):
 - “(ii) fees, charges, or levies that are payable on an ongoing basis by a person given a particular status under this Act (for example, for ongoing recognition under Part 3A):”.

17 Director-General may set specifications and other detailed requirements

Section 76A(2) is amended by omitting “recognised by the Director-General as representing” and substituting “considered by the Director-General to represent”.

18 Right of review of registration decisions made under delegated authority

(1) The heading to section 77A is amended by omitting “**registration**”.

(2) Section 77A is amended by repealing subsection (1) and substituting the following subsection:

“(1) This section applies to any of the following decisions made by a person acting under the delegated authority of the Director-General:

“(a) any decision made under section 8C:

“(b) any decision made under section 21:

“(c) any decision made under section 27:

“(d) any decision made under section 30A:

“(e) a decision to cancel any registration under section 32A:

“(f) a decision to refuse an application to recognise an agency under section 44C:

“(g) a decision to refuse an application to recognise a person under section 44E:

“(h) a decision to refuse an application to recognise a class under section 44G:

“(i) a decision to exclude any members, or categories of members, from the recognition of a class under section 44G(5):

“(j) a decision to vary a condition of recognition under section 44M, unless the variation is made on the application of the recognised agency, the recognised person, or a member of the recognised class in accordance with the terms of that application:

“(k) a decision to suspend, or to extend the suspension of, recognition of an agency, a person, or a class under section 44Y or 44Z:

“(l) a decision to withdraw recognition of an agency, a person, or a class under section 44ZC or 44ZD.”

19 Consultation before making of Orders in Council

Section 78(1)(a) is amended by omitting “recognised by the Director-General as representing” and substituting “considered by the Director-General to represent”.

20 Transitional provision for persons recognised under principal Act

A person who, immediately before the commencement of this Act, was recognised to carry out specified functions under section 62 of the principal Act is deemed to have been recognised to carry out those specified functions under Part 3A of the principal Act, and anything evidencing the recognition is valid as a notice of recognition under Part 3A of the principal Act until it expires or is suspended or revoked.

21 Privacy Act 1993 consequentially amended

- (1) This section amends the Privacy Act 1993.
- (2) Part 1 of Schedule 2 is amended by inserting the following item in its appropriate alphabetical order:

Agricultural Compounds and Veterinary Medicines Act 1997 section 44ZH

Legislative history

22 August 2012	Divided from Regulatory Reform Bill (Bill 269–2) by committee of the whole House as Bill 269–3A
23 August 2012	Third reading
30 August 2012	Royal assent

This Act is administered by the Ministry for Primary Industries.
