



Biosecurity New Zealand

Ministry for Primary Industries
Manatū Ahu Matua



NEW ZEALAND
CUSTOMS SERVICE
TE MANA ĀRAI O AOTEAROA

Border Processing Levies – Report on Performance for the Year to 30 June 2021

December 2021



Te Kāwanatanga o Aotearoa
New Zealand Government

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1 Overview

The New Zealand Customs Service (Customs) and Biosecurity New Zealand (BNZ) – a business unit within the Ministry for Primary Industries (MPI) – provide border processing services for people arriving and departing New Zealand (travellers), for the purpose of protecting New Zealand from biosecurity and other risks and threats, while facilitating travellers to move across the border. Since 1 January 2016, Customs and BNZ have collected border processing levies (the levies) to recover border processing costs related to travellers.

Prior to the introduction of border restrictions related to COVID-19 in February 2020, Customs and BNZ were processing increasing numbers of travellers each year and were focused on improving border processing services through investment in technology and staff capability. The introduction of border restrictions resulted in the number of travellers reducing by 98 percent. The number of travellers increased during the latter part of the 2020/21 financial year as a result of quarantine-free travel (QFT). The New Zealand maritime border remained closed to foreign cruise ships during 2020/21.

The drop in the number of travellers had a corresponding effect on levy revenue, resulting in deficits accumulating in the memorandum accounts that Customs and BNZ operate for the levies. Given the extraordinary circumstances surrounding COVID-19, the Crown provided \$165.9 million funding to eliminate the memorandum account deficits as at 30 June 2021.

There remains uncertainty about the future number of travellers and requirements to mitigate health risks related to COVID-19. Work is underway to adapt to changing circumstances so that border processing services continue to be delivered as efficiently and effectively as possible.

Customs' border processing services changed in response to COVID-19

To reduce border processing costs in response to the lower number of travellers during 2020/21, Customs temporarily redeployed staff from processing travellers to other work such as enforcing COVID-19 restrictions at the maritime border. Costs of staff involved in work unrelated to travellers, including the costs of staff redeployed to other work areas, are not charged to Customs' border processing levy memorandum account. After the Government introduced QFT and the requirement for a pre-departure test, most redeployed staff returned to processing travellers at the border.

BNZ's border processing services changed in response to COVID-19

In response to the substantial fall in the number of travellers due to the COVID-19 pandemic, BNZ responded by temporarily redeploying staff to other areas within MPI, and suspending, where possible, external service contracts.

Balanced against this, BNZ recognises the importance of retaining sufficient capability to process travellers as the number of travellers continue to recover. After the commencement of QFT, BNZ managed travellers from red zone flights separately from those travelling on QFT flights. Redeployed BNZ staff will continue to return to border processing duties as required to meet these increasing demands.

The New Zealand maritime border remains closed to foreign cruise ships. As travel through this pathway resumes, BNZ will continue to ensure it provides robust border biosecurity services. Similar to the non-cruise pathway, these services will likely need to take account of additional health risks related to COVID-19.

2 Introduction

Customs and BNZ are the border agencies with the primary responsibility for processing travellers. Since 1 January 2016, Customs and BNZ have used border processing levies to recover the costs related to travellers.

This report on the performance of the levies is published annually by Customs and BNZ to support transparency and accountability.

Legislation authorises the levies

The levies are authorised by section 413 of the Customs and Excise Act 2018 and section 140AA of the Biosecurity Act 1993. The levies are given effect by the Customs and Excise (Border Processing Levy) Order 2015 and the Biosecurity (Border Processing Levy) Order 2015 (the levy orders). Customs' levy order provides four levy rates, for arriving and departing cruise and non-cruise travellers. The Biosecurity levy order provides for two levy rates, for arriving cruise travellers, and arriving non-cruise travellers. There are two kinds of exempt traveller: those whose costs are met through the levies, and those whose costs are met by the Crown (see Appendix 2).

Each levy order sets out the method for setting levy rates and uses the following formula:

an estimate of the border processing costs for the levy period, adjusted as described below	divided by	an estimate of the number of travellers for the levy period excluding exempt travellers
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The estimated border processing costs are adjusted to take account of:

- any estimated under or over-recovery of costs for the previous levy period
- any remaining under or over-recovery for the period before the previous levy period.

Airlines and cruise lines collect the levies from travellers on their craft through their ticket prices. For travellers on other craft such as yachts, Customs and BNZ collect the levies from the person in charge of the craft, or an agent of the owner or operator of the craft.

In April and July 2021, levy rates were carried over at their existing rates

To relieve the immediate impact of the COVID-19 pandemic on the aviation sector, the Government agreed to a relief package in March 2020 that included suspending funding reviews across all transport and border agencies for 12 months. BNZ's levy rates were carried over at their existing rates for the levy period that started on 16 April 2021 and ended on 30 November 2021. Similarly, Customs' levy rates were carried over for the levy period that started on 1 July 2021 and ended on 30 November 2021.

New levy rates for the levy period starting 1 December 2021

Between 4 June and 9 July 2021, Customs and MPI consulted publicly on options to return to full cost recovery of border processing services. The consultation process included engaging with industry stakeholders. Following the Government's decisions in September 2021 to return to full cost recovery of border processing services, the Comptroller of Customs and the Director-General of MPI set new levy rates for the levy period starting on 1 December 2021 and ending on 30 November 2024.

Table 1 – Border processing levy rates^[1]

	Until 30 November 2021	From 1 December 2021	Change
Non-cruise			
Arrival - Customs	\$6.43	\$16.59	+158%
Arrival - MPI	\$8.50	\$16.92	+99%
Departure - Customs	\$2.56	\$4.52	+77%
Total - non-cruise	\$17.49	\$38.03	+117%
Cruise			
Arrival - Customs	\$10.40	\$11.48	+10%
Arrival - MPI	\$3.81	\$10.58	+178%
Departure - Customs	\$4.10	\$4.55	+11%
Total - cruise	\$18.31	\$26.61	+45%

^[1] Levy rates are shown exclusive of any applicable Goods and Services Tax (GST).

The levies recover border processing costs

The levies recover the cost of activities carried out by Customs and BNZ related to travellers. These activities are described in Appendix 1.

Customs and BNZ both use memorandum accounts to transparently record revenue and expenditure associated with their respective levies. Customs and BNZ monitor this revenue and expenditure monthly, and report annually through this performance report, and in the annual reports each agency tables in Parliament in accordance with the Public Finance Act 1989.

The levy orders require that any under or over-recovery is taken into account when setting levy rates. Accordingly, any surpluses or deficits in the levy memorandum accounts result in lower or higher levy rates in the next levy period.

Cost recovery follows Treasury and Auditor-General guidance

Customs and BNZ use cost recovery frameworks that are consistent with guidance published by the Treasury and the Controller and Auditor-General. The four key principles that guide Customs' and BNZ's approach to cost recovery are:

- equity
- efficiency
- transparency
- justifiability.

The key principle is equity – those who create the need for a service should fund that service.

3 The number of levied travellers

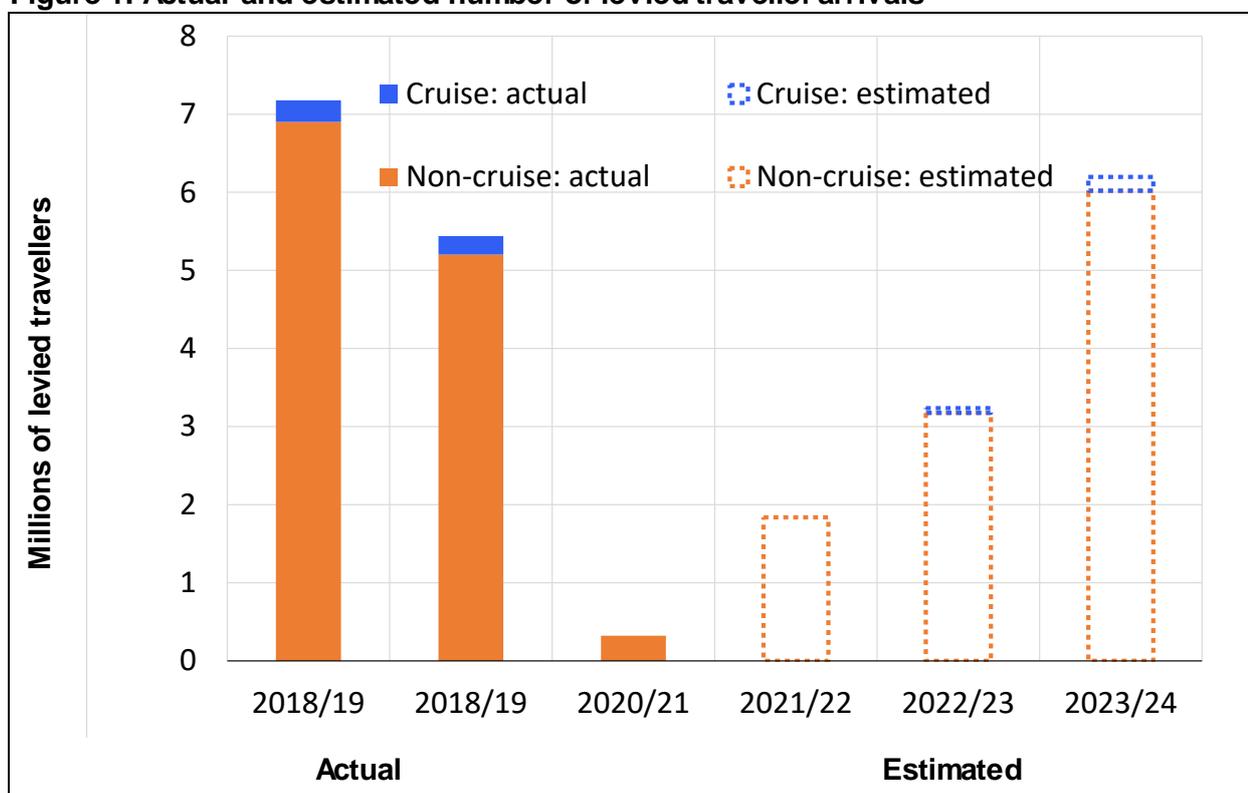
The number of arriving levied travellers in 2020/21 was 0.3 million. This was 6.9 million (96 percent) less than in 2018/19 (the last full financial year before the COVID-19 pandemic). In 2020/21, the number of non-cruise travellers was limited by the capacity of managed isolation and quarantine (MIQ) facilities, but increased after New Zealand allowed QFT from the Cook Islands, Niue and Australia. There were no cruise travellers in 2020/21.

The future number of travellers will depend on the timing and nature of decisions on travel restrictions. The estimates in this performance report are based on a scenario that the Border Executive Board (BEB) agreed in June 2021 for border and transport agencies to use for planning purposes. This scenario informed Cabinet’s decision on returning to full cost recovery of border processing services, and was still current at the time this performance report was prepared. BEB intends to update this scenario in December 2021.

Table 2 – Actual and estimated number of levied travellers

	2018/2019 Actual (Million)	2019/2020 Actual (Million)	2020/2021 Actual (Million)	2021/2022 Estimated (Million)	2022/2023 Estimated (Million)	2023/2024 Estimated (Million)
Non-cruise						
Arrival	6.901	5.203	0.321	1.837	3.176	6.020
Departure	6.855	5.047	0.355	1.846	3.205	6.000
Cruise						
Arrival	0.275	0.236	-	-	0.060	0.178
Departure	0.275	0.230	-	-	0.060	0.177

Figure 1: Actual and estimated number of levied traveller arrivals



4 Customs

Work Programme

Customs' border processing services mitigate risks posed by travellers, while facilitating their movement across the border effectively and efficiently.

Customs focused on mitigating risks posed by travellers

During 2020/21, Customs focused on mitigating health risks at the border to keep New Zealanders safe from COVID-19. This included:

- processing QFT flights separately from red zone flights
- for red zone flights, manually processing all travellers, and escorting each traveller through the health, customs and biosecurity checks, and to their transport to a MIQ facility
- checking travellers' pre-departure test documentation.

Customs also continued to operate its usual risk management processes during 2020/21. The risk profile of travellers changed compared to before the COVID-19 pandemic because, aside from QFT, travel was almost exclusively restricted to New Zealand citizens and residents.

Customs improved its ability to mitigate risks

During 2020/21, Customs improved its ability to detect risks through:

- launching its Operational Analytics Platform, which highlights non-obvious connections in the data, helping Customs officers to explore new lines of enquiry
- developing a seizure dashboard that provides faster access to information and a wider understanding of drug seizures at the border.

Customs temporarily suspended its assurance programme for travellers due to COVID-19 border restrictions. The programme randomly samples travellers to check their compliance, helping Customs to understand whether it is focusing on the right areas.

Border processing is likely to continue to change

Activities to mitigate the COVID-19 risks posed by travellers are part of work to reconnect New Zealanders to the world. Initiatives to deliver these activities more efficiently include implementing a traveller health declaration system and the future use of eGates. When foreign cruise ships are permitted to arrive in New Zealand, border processing of cruise travellers is likely to also include activities to mitigate COVID-19 risks.

Financial Performance

Customs' border processing costs were lower than budgeted in 2020/21

Customs took actions to reduce its costs after the Government imposed border restrictions to protect New Zealand from COVID-19. Costs of \$83.0 million for 2020/21 were budgeted immediately before the impact of the COVID-19 pandemic.

As a result of savings actions, actual costs in 2020/21 were \$64.8 million, a reduction of 22 percent. Actions included redeploying staff to other services such as enforcing the Maritime Border Order, delaying recruitment, reducing staff travel, and reducing expenditure on contractors and professional services. When QFT with Australia opened in April 2021, redeployed staff returned to airports due to the resource-intensive processing needed to process those flights.

Although there were no cruise travellers in 2020/21, some residual costs related to cruise travellers continued. These costs included staff costs related to intelligence, quality assurance, targeting, and compliance activities, and \$0.036 million costs to maintain the cruise module in Customs' computer system.

Table 3 – Customs border processing costs^[1]

	2019/20 Actual (\$m)	2020/21 Budgeted (\$m)	2020/21 Actual (\$m)	2021/22 Estimated (\$m)	2022/23 Estimated (\$m)	2023/24 Estimated (\$m)
Non-cruise						
Arrival	58.897	62.557	50.866	63.808	65.084	66.386
Departure	15.136	17.020	13.332	17.360	17.707	18.062
Total non-cruise	74.033	79.577	64.198	81.168	82.791	84.448
Cruise						
Arrival	1.794	2.513	0.394	0.026	0.918	2.241
Departure	0.787	0.911	0.174	0.010	0.333	0.812
Total cruise	2.581	3.424	0.568	0.036	1.251	3.053
Total cost	76.614	83.001	64.766	81.204	84.042	87.501

^[1] Customs' border processing costs related to each class of levied traveller excludes the cost of border processing services funded by the Crown, such as processing travellers arriving on non-cruise commercial marine craft and military craft.

Customs' levy revenue was less in 2020/21 than in 2019/20

Levy-related revenue in 2020/21 was less than in 2019/20 due to the lower number of levied travellers (discussed in Section 3).

Table 4 – Customs' border processing levy-related revenue

	2019/20 Actual (\$m)	2020/21 Actual (\$m)	2021/22 Estimated (\$m)	2022/23 Estimated (\$m)	2023/24 Estimated (\$m)
Non-cruise					
Arrival	34.201	2.045	24.242	52.687	99.865
Departure	12.890	0.906	7.209	14.487	27.119
Total non-cruise	47.091	2.951	31.451	67.174	126.984
Cruise					
Arrival	2.449	-	-	0.688	2.038
Departure	0.942	-	-	0.272	0.806
Total cruise	3.391	-	-	0.960	2.844
Total levy revenue	50.482	2.951	31.451	68.134	129.828

Crown funding reduced deficits in Customs' memorandum account

Border processing services are provided on a full cost recovery basis funded by the levy. The memorandum account summarises financial information related to providing those services, including any accumulated surplus or deficit resulting from revenue and expenses not equating in any given period. Levy rates are set with the intention of returning the balance in the account to zero by the end of each levy period.

The significant reduction in the number of levied travellers resulted in large accumulated deficits in the memorandum account. The Government agreed to provide funding so that travellers from 1 July 2021 are not required to fund the deficits that accumulated up to 30 June 2021. In 2020/21, Crown funding reduced the total closing balance in the memorandum account to zero as at 30 June 2021. Since this date, Customs recognised small surpluses that existed in the cruise components of the account before the COVID-19 pandemic, and applied additional Crown funding in 2021/22 to return the cruise components to a surplus of \$1.571 million.

The non-cruise components of the memorandum account balance will go into deficit in 2021/22, but are estimated to return to a balance position by the end of the next levy period (30 November 2024). The surpluses in the cruise components of the memorandum account are estimated to reduce to zero by the end of the next levy period.

Table 5 – Customs’ memorandum account balance

	2020/21 Actual (\$m)	2021/22 Estimated (\$m)	2022/23 Estimated (\$m)	2023/24 Estimated (\$m)
Non-cruise arrival				
Opening balance	(23.784)	(1.361)	(39.566)	(51.963)
Revenue	2.045	24.242	52.687	99.865
Cost	(50.866)	(63.808)	(65.084)	(66.386)
Crown funding applied	71.244	1.361	-	-
Closing balance	(1.361)	(39.566)	(51.963)	(18.484)
Non-cruise departure				
Opening balance	1.203	(0.211)	(10.151)	(13.371)
Revenue	0.906	7.209	14.487	27.119
Cost	(13.332)	(17.360)	(17.707)	(18.062)
Crown funding applied	11.012	0.211	-	-
Closing balance	(0.211)	(10.151)	(13.371)	(4.314)
Cruise arrival				
Opening balance	1.630	1.236	1.210	0.980
Revenue	-	-	0.688	2.038
Cost	(0.394)	(0.026)	(0.918)	(2.241)
Crown funding applied	-	-	-	-
Closing balance	1.236	1.210	0.980	0.777
Cruise departure				
Opening balance	0.510	0.336	0.326	0.265
Revenue	-	-	0.272	0.806
Cost	(0.174)	(0.010)	(0.333)	(0.812)
Crown funding applied	-	-	-	-
Closing balance	0.336	0.326	0.265	0.259
Total – closing balance	-	(48.181)	(64.089)	(21.762)

Financial key performance indicators

Border processing costs per levied traveller were higher in 2020/21 than in 2019/20 as a result of the resource-intensive processing needed to protect against the COVID-19 risk posed by travellers, and there being fewer travellers in 2020/21 than in 2019/20.

Table 6 – Customs’ border processing cost per levied traveller

	2019/20 Actual \$	2020/21 Actual \$	2021/22 Estimated \$	2022/23 Estimated \$	2023/24 Estimated \$
Non-cruise					
Arrival	11.32	158.46	34.73	20.49	11.03
Departure	3.00	37.55	9.40	5.52	3.01
Cruise^[1]					
Arrival	7.60	N/A	N/A	15.30	12.59
Departure	3.42	N/A	N/A	5.55	4.59

^[1] Cruise costs per traveller cannot be calculated in 2020/21 and 2021/22 because there were no cruise travellers in 2020/21 and none estimated for 2021/22.

Non-Financial Performance

Customs monitors the performance of border processing services against five output measures. All five measures were achieved in 2020/21. More detail on this performance is set out in Customs' Annual Report 2020/21 for the appropriation, *Travellers clearance and enforcement*.

Table 7 – Customs' non-financial performance measures related to travellers

Measure	2019/20	2020/21	2020/21	2021/22
	Actual	Standard	Actual	Standard
Air				
Minimum percentage of arriving international air passengers and crew who are deemed compliant based on risk assessment and facilitated without further intervention	99.5%	98%	99.0%	Measure amended ^[1]
Percentage of arriving international air passengers and crew who are selected for further risk assessment at Customs' secondary areas	0.5%	0.4%–0.7%	1.0%	0.4%–0.7%
Result rate of secondary searches of arriving international air passengers and crew ^[2]	N/A	6.0%–10.0%	8.2%	6.0%–10.0%
Sea				
Percentage of small marine craft arriving whose master of vessel reported to a Customs officer upon first arrival in a New Zealand port	99.8%	100%	100%	Measure replaced ^[3]
Percentage of arriving commercial marine craft assessed as high risk or requiring administrative process that are subject to planned interaction while in a New Zealand port	N/A	100%	100%	100%

^[1] For 2021/22, the title of this measure has been amended to "Minimum percentage of arriving international air passengers and crew not requiring intervention after risk assessment". This wording change is to better reflect the action taken by Customs and does not change the measure's purpose or measurement methodology.

^[2] An estimated 50 to 60 percent of travellers selected for further risk assessment are subject to a secondary search. A positive result is any outcome of a secondary search that supports the traveller being risk profiled. This includes, but is not limited to, finding prohibited, restricted or undeclared items; finding information on criminal activities, or referral to another border control agency. The result rate does not include any interceptions, seizures or arrests that occur at a later date or location as a result of the information gathered from a secondary search.

^[3] For 2021/22, this measure has been replaced with "Minimum percentage of arriving small craft subject to Customs secondary interaction". This new measure is to better reflect the secondary interactions undertaken as a result of an initial risk-based intervention. Secondary interactions are in addition to the initial screening and clearance activities for all arriving small craft.

5 Biosecurity New Zealand

Work Programme

BNZ remains committed to maintaining a viable border workforce. BNZ has retained the minimum capacity of personnel required re-open the country's borders. BNZ has reduced costs as much as possible through short-term deployments of staff to other areas of BNZ, however, a minimum staffing level is required for operations at the border. BNZ has retained sufficient staff to enable the operations to resume fully when border restrictions ease.

The implementation of travel bubbles has created deployment issues. For example, the requirement to operate separate red and green zones at Auckland Airport has affected workforce agility ie staff working in these red zones cannot be redirected to other areas within the biosecurity system, even when there are insufficient traveller volumes to sustain the operations at full capacity.

BNZ is committed to introducing further technology to help secure the border and continue to work with its technology partners and Australia's border agency to improve scanning equipment algorithms for use once the number of travellers return to more normal levels.

BNZ is progressing a change process aimed at producing a fully agile, demand-driven environment where all staff have both the capability and knowledge to work across all pathways as volume demands require. BNZ's target is to create a resource model that enables this environment.

Financial Performance

Expenditure on border clearance services

Table 8 shows BNZ's actual and estimated border processing costs.

Table 8 – BNZ Cost Breakdown

	2019/20 Actual \$m	2020/21 Actual \$m	2021/22 Estimated \$m	2022/23 Estimated \$m	2023/24 Estimated \$m
Non-cruise	66.48	49.74	65.86	66.64	68.01
Cruise	1.28	0.65	0.00	1.28	1.30
Crown	0.59	0.59	0.59	0.59	0.59
Total expenditure	68.35	50.98	66.45	68.51	69.90

The swift action taken by BNZ to reduce border resources and costs in response to COVID-19 has resulted in significant cost savings. Specifically, BNZ:

- temporarily redeployed more than 100 staff to other parts of MPI
- suspended baggage handling contractor operations at Auckland, Wellington, Christchurch, and Queenstown airports
- had 20 staff accept early retirement.

Since August 2021, BNZ has been working through a consultative change process that will set them up to more effectively support New Zealand's world-leading biosecurity system going forward. The purpose of the process is to ensure that future operating and deployment models developed by BNZ better reflect the importance of having a workforce made up of the right

people, with the right skills, and access to development and career opportunities within BNZ and beyond.

Revenue

Border restrictions due to COVID-19 significantly impacted revenue. Table 9 shows BNZ's actual and estimated revenue.

Table 9 – BNZ Revenue

	2019/20 Actual \$m	2020/21 Actual \$m	2021/22 Estimated \$m	2022/23 Estimated \$m	2023/24 Estimated \$m
Non-cruise	44.30	2.10	25.92	53.73	101.85
Cruise	0.90	0.00	0.00	0.63	1.88
Crown	0.59	0.59	0.59	0.59	0.59
Total revenue	45.79	2.69	26.51	54.96	104.32

Memorandum Account Position

Table 10 shows the balance of BNZ's memorandum account for border processing services.

Table 10 – BNZ memorandum account movement

	2020/21 Actual \$m	2021/22 Estimated \$m	2022/23 Estimated \$m	2023/24 Estimated \$m
Non-cruise				
Opening balance	(31.10)	-	(39.94)	(52.85)
Revenue	2.10	25.92	53.73	101.85
Cost	(49.74)	(65.86)	(66.64)	(68.01)
Write-off	78.74	-	-	-
Closing balance	-	(39.94)	(52.85)	(19.01)
Cruise				
Opening balance	0.50	-	-	(0.65)
Revenue	-	-	0.63	1.88
Cost	(0.65)	-	(1.28)	(1.30)
Write-off	0.15	-	-	-
Closing balance	-	-	(0.65)	(0.07)
Crown				
Opening balance	2.54	-	-	-
Revenue	0.59	0.59	0.59	0.59
Cost	(0.59)	(0.59)	(0.59)	(0.59)
Write-off	(2.54)	-	-	-
Closing balance	-	-	-	-
Total – closing balance	-	(39.94)	(53.50)	(19.08)

Following the drop in traveller volumes due to COVID-19, BNZ took action to reduce costs while continuing to process the small number of passengers still crossing the border.

In March 2021, Cabinet approved Crown funding (write-off) to eliminate deficits in border processing services up to 30 June 2021, recognising the extraordinary circumstances of COVID-19, and that future levy payers should not be required to fund the large deficits that had accumulated as a result of the impacts of the virus.

Financial key performance indicators

Table 11 shows BNZ border processing costs per levied traveller.

Table 11 – BNZ financial key performance indicators

Performance Measure	2019/20 Actual	2020/21 Actual	2021/22 Estimated
<i>Expenditure per arriving traveller:</i>			
- Cruise	\$5.41	N/A	N/A
- Non-cruise	\$12.69	\$156.90	\$35.84

Non-Financial Performance

Table 12 shows BNZ's non-financial performance measures. Non-financial performance measures were not applicable in 2020/21 due to the extremely low number of travellers.

Table 12 – BNZ non-financial performance measures

Performance Measure	2019/20 Actual	2020/21 Target	2020/21 Actual
Complaints relating to biosecurity clearance service	0.000%	< 0.01%	N/A due to low volume
Percent of airlines participating in a NZ biosecurity awareness programme	100%	100%	
% of international air travellers that comply with biosecurity requirements on leaving the airport	n/a	> 98.5%	
Average processing time at Auckland Airport for compliant passengers	5:09	< 10:00 mins	
Cruise line accreditation scheme			
- cruise lines accredited	25%	100%	
- port visits by accredited vessels	n/a		
Number of passengers with seizures per 1,000 cruise ship travellers	6.8	< 10 per 1,000	
- accredited vessels	1.0		
- non-accredited vessels	n/a		

COVID-19 and its associated border restrictions have seriously affected passenger numbers. As a result, the annual compliance monitoring survey continued to be suspended in 2020/21, and some of its measures were not assessed.

Appendix 1: Border processing activities

Customs' and BNZ's border processing costs that can be recovered by the levies are limited to costs related to relevant travellers and their baggage and other relevant goods. Table 1 describes the types of activities that give rise to these costs.

Table 1 – Illustrative list of border processing activities

Customs	BNZ
<p>Pre-border risk assessment and related activities</p> <ul style="list-style-type: none"> liaising with other government agencies about protecting against border risks related to travellers patrolling the coastline gathering intelligence on incoming travellers modelling and analysis of information processing electronic data related to travellers identifying travellers of interest. 	<p>Pre-border risk assessment and related activities</p> <ul style="list-style-type: none"> screening for targeted interventions and identifying travellers of biosecurity interest. <p>Pre-border processing travellers and their goods</p> <ul style="list-style-type: none"> en-route biosecurity processing where possible. <p>Planning</p> <ul style="list-style-type: none"> co-ordinating resourcing and tasking of border activities.
<p>Pre-border advice and engagement</p> <ul style="list-style-type: none"> providing advice to travellers liaising with industry, including planning and problem solving about processing travellers. 	<p>Pre-border advice and engagement</p> <ul style="list-style-type: none"> managing craft applications for arrival at non-approved Places of First Arrival.
<p>At-border processing travellers and their goods</p> <ul style="list-style-type: none"> primary processing (manual and via eGate): validating identity, completing health-related and immigration processes, identifying travellers of interest, including questioning and using detector dogs secondary processing: interacting with travellers of interest, including questioning, X-ray and search. <p>Search passenger craft, including using detector dogs.</p>	<p>At-border processing travellers and their goods</p> <ul style="list-style-type: none"> assessing arrival documentation against biosecurity requirements verifying compliance to biosecurity requirements of travellers using intervention tools, eg communications, searches, detector dogs, X-ray. <p>Collecting information related to pathways and effectiveness of interventions.</p>
<p>Investigations and compliance</p> <ul style="list-style-type: none"> disrupting illegal activity before travellers of interest arrive in New Zealand monitoring travellers of interest after they have completed at-border processing carrying out investigations resulting in enforcement action dealing with goods seized from travellers. 	<p>Investigations and compliance</p> <ul style="list-style-type: none"> reviewing and managing high-risk travellers verifying the process for disposing risk goods seized from travellers investigating non-compliance compliance monitoring and analysis to measure performance of pathways.

Appendix 2: Travellers exempt from paying the levies

Tables 1 and 2 shows the two kinds of travellers exempt from paying levies under Customs' levy order. Similar exemptions apply under the Biosecurity levy order.

Table 1 – Levy-funded exempt travellers

- | |
|---|
| <ul style="list-style-type: none">(a) a traveller under the age of 2 years(b) a traveller who arrives in, or departs, New Zealand on an international aircraft otherwise than as a passenger(c) a traveller who arrives in, or departs, New Zealand on a cruise ship otherwise than as a passenger(d) a traveller who—<ul style="list-style-type: none">(i) arrives in New Zealand on an aircraft(ii) is not required to report to a Customs officer at an arrival hall because the traveller is in transit to a place outside New Zealand(e) a traveller who, having arrived in New Zealand as referred to in paragraph (d), departs New Zealand on an aircraft for the place outside New Zealand without having been required to enter a departure hall. |
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Table 2 – Non-levy funded exempt travellers

- (f) a traveller who arrives in, or departs, New Zealand on any of the following:
 - (i) a craft being operated by the New Zealand Defence Force or the defence forces of any Government other than that of New Zealand
 - (ii) a craft being used wholly for diplomatic or ceremonial purposes of any Government
 - (iii) a craft being used wholly for the purposes of a mission being carried out or organised by any Government that is a humanitarian mission or a mission in response to an emergency or a crisis
 - (iv) a craft being used for the purposes of an official expedition of a Contracting Party
 - (v) a non-passenger commercial craft
- (g) a traveller who arrives in New Zealand after having been rescued at sea
- (h) a traveller who arrives in New Zealand wholly for the purpose of seeking temporary relief from stress of weather
- (i) a traveller who, having arrived in New Zealand as referred to in paragraph (h), departs New Zealand as soon as is reasonably practicable
- (j) a traveller who departs New Zealand on a craft on a journey—
 - (i) that is not intended to go beyond the exclusive economic zone
 - (ii) that is not intended to include a meeting with any craft or persons entering the exclusive economic zone from a point outside New Zealand
- (k) a traveller who arrives in New Zealand on a craft—
 - (i) that has returned to New Zealand after a journey that did not extend beyond the exclusive economic zone
 - (ii) that did not meet during that journey with any other craft or persons entering the exclusive economic zone from a point outside New Zealand
- (l) a traveller who arrives in, or departs, New Zealand before 1 January 2017 on an international aircraft as a passenger being carried on a ticket that was purchased, and fully paid for, before 1 January 2016
- (m) a traveller who arrives in, or departs, New Zealand before 1 January 2017 on a cruise ship as a passenger on an international cruise and whose place on the cruise was purchased, and fully paid for, before 1 January 2016.