



Australian Government

Australian Quarantine and Inspection Service

# **Export Documentation** **- Audit Regime**

**A Guideline to Compliance with the**  
***Export Control (Fish & Fish Products) Orders***  
**2005**

**EXDOC**

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## **Background**

The Fish Exports Program recognises the existing open, transparent and meaningful relationship that has been built up with the export seafood industry and the support given by companies to maintaining compliance with HACCP-based food safety systems since 1993.

As part of AQIS's continued commitment to strengthening the co-regulatory arrangements already in place, the Fish Exports Program will continue to provide assistance and advice by way of the E-Bulletin and other correspondence to ensure all EXDOC users are made aware of updates, upgrades and EXDOC system changes (including changes to known importing country requirements) in a timely manner.

The new *Export Control (Fish & Fish Products) Orders 2005* deal with product integrity from a food safety perspective as well as export documentation integrity (eg. export permits and government certificates). This audit regime is concerned only with export documentation and a separate audit regime has been developed for food safety. See AQIS Guideline – Audit Regime.

An essential part of maintaining the integrity of documentation issued by AQIS is that EXDOC users are aware of their legislative responsibilities. For a copy of relevant legislation see: - [www.AQIS/Exportlegislation](http://www.AQIS/Exportlegislation) or visit: <http://www.aqis.gov.au/fish>

## **Definitions**

For the purpose of this document all AQIS clients, company or individuals, who interact with EXDOC software will be defined as EXDOC users. The below terms will also fall under the term of EXDOC user and are used in this document to explain specific definitions of EXDOC software and the individual persons using the software:

### **EDI User- Electronic Data Interface User**

This is the term used for the EXDOC software used to communicate with EXDOC when obtaining an export permit and/or government certificate. The term EDI User relates to the company (agent and/or exporter) and not to the individual person using AQIS accredited software to communicate with EXDOC. Each company is issued an individual number and it is this number that identifies the client when interacting with EXDOC.

### **AQA User ID - Approved Quality Assurance identification**

This is an ID issued to an individual by EXDOC and must be only be used by the person it is issued to. It is an electronic signature version of an authorised signatory in EXDOC. It is the same as a written signature in the manual documentation system and carries the same responsibilities. An AQA User ID must be linked to an EDI User number and listed on management and control against a registered Establishment.

### **RFP – Request For Permit**

This is an application for an export permit and when a government certificate is required, is also an application for a government certificate.

## **1.0 Purpose of Documentation**

The basis for documentation issued by AQIS is two fold; firstly, it allows the exporter, through the issue of an export permit, to export product from Australia and secondly, the issuance of a government certificate (where required) facilitates the entry of the goods into an overseas country.

Government certificates should only be provided if it is a requirement of the importing country and if the product listed on the government certificate meets the requirements of that country to be eligible for importation. It is important to note that AQIS issuance of governments certificates does not guarantee entry of the product into an importing country, but AQIS is recognised worldwide as a competent certifying authority and able to issue certification on the basis of the effective food safety and documentation systems operated by the industry.

Effective control of food safety and documentation prior to goods being exported is an integral part of those systems and provides greater assurances that goods and certification will be accepted by an importing country.

The introduction of the new *Export Control (Fish & Fish Products) Orders 2005* confers changed responsibilities on EXDOC Users. This document will be used by AQIS to monitor on-going compliance of EXDOC User systems to meet legislative obligations, although it can also be used by EXDOC Users to monitor the effectiveness of their own documentation systems.

The following document outlines the categories of defects, which an EXDOC user can create when raising documentation, and highlights the risk to Australia of the failure to effectively manage documentation. The document further categorises the range of sanctions that may be applied to EXDOC Users to bring them back into compliance and reinstate the integrity of documentation for which they are responsible.

AQIS will consider each case individually when determining appropriate sanctions and may apply a combination of sanctions. The aim of sanction is to ensure future compliance and to upgrade business operating procedures. More stringent controls will be applied to defects of greater significance.

## **2.0 Potential risks to the integrity of AQIS export documentation:**

- New EXDOC users or minimal experience using EXDOC
- EXDOC users intergrading with EXDOC system with limited or no testing via the Fish Testing Officer or infrequent use of system eg seasonal or infrequent exports
- Failure to input correct data to generate certification
- Information, business rules or important system changes not being passed on within company or to prospective clients leading to incorrect documentation
- Failure to reconcile documentation, accuracy prior to export
- EXDOC users failure to update software or use appropriate upgrades
- Failure to apply business rules for a range of commodities in a multi-commodity establishment
- Additional responsibility for operators when *Export Control (Fish & Fish Products) Orders 2005* are implemented

### **3.0 Audit frequency**

Audits will initially be conducted on a yearly basis. The frequency of subsequent audits will be based on EXDOC users compliance with AQIS requirements and take into consideration the checks which have been put into place by clients to manage the documentation trail between all clients leading to an export, as well as the level of interaction the client has with the EXDOC system.

It is in the best interest of the EXDOC user to be compliant as this means fewer audits and potentially less of a financial cost to the EXDOC user.

### **4.0 Critical Non-Compliance**

**What should be regarded as a Critical non-compliance when using EXDOC?**

#### **Principles**

- Potential to impact on credibility of AQIS fish and fish product certification and relationship with importing countries
- Potential to impact on credibility of AQIS certification for multi commodities/other than fish and fish products and the relationship with importing countries
- Potential of foodborne illness occurring as a result of incorrect or inappropriate assurance on certification
- Not completing RFP before departure, therefore not obtaining required export permit from AQIS or obtaining government certification when it is an importing countries requirement
- Inaccurate certification leading to detained or rejected consignments or inaccurate certification leading to period of interruption of trade or ongoing sanctions
- Action leading to fraudulent issue of government certification
- Systematic failure to comply
- Falsely providing details to obtain an RFP eg processing dates

#### **Examples**

- Government certificates provided via EXDOC altered manually by clients
- Product actually exported different from RFP product description leading to actual or perceived false trade description on certification
- Falsely describing products to avoid quotas
- Falsely describing products where processor not approved to process (no approved arrangement)
- Harvest areas incorrect (bivalve molluscs) eg sourced from closed area
- Failure to comply with different business rules associated to different commodities
- Failure to use EXDOC for mandatory destinations eg EU, China, Taiwan with the exception of manual documentation issued under contingency arrangement

## **4.1 Major Non-compliances**

**What should be regarded as a Major non-compliance when using EXDOC?**

### **Principles**

- Low potential to impact on credibility of AQIS fish and fish product certification and relationship with importing country but incurring a breach in Australian legislation
- Import requirements not fully complied with
- Export requirements not fully complied with

### **Examples**

- Export legislation breached when exporting that would not impact upon AQIS credibility e.g. no government certificate issued
- Frequent breaches/errors in certification when using EXDOC
- Failure to maintain auditable documentation trail between all parties involved in export chain
- Not completing RFP before departure, therefore not obtaining required export permit from AQIS
- Incorrect weights not reflecting the order or leading to over shipment
- Incorrect product description e.g. manually altering description and/or entering incorrect description
- EXDOC users, using AQA ID that does not belong to them

## **4.2 Minor Non-Compliances**

**What should be regarded as a minor non-compliance when using EXDOC?**

### **Principles**

- No impact on credibility of AQIS certification
- General operations and procedures need improvement

### **Examples**

- Minor or infrequent errors when raising documents via EXDOC but a complete RFP is still obtained prior to export
- Consistent requests for out of hours support for untrained or inexperienced staff
- Failure to inform AQIS of employee status (when employee has left the company etc)
- Failure to return documentation (cancelled certificates)
- Incorrect authorisation estab used – not correct inspection establishment
- EXDOC user, specifically the AQA ID owner has not completed formal EXDOC testing with EXDOC helpdesk
- Failure to notify AQIS of unused RFPs and not deleted

## **5.0 Sanctions**

These are some of the sanctions that could be applied to the EXDOC user. The type of sanction to be applied may differ depending on the type of non-compliance, but the significance of any sanction should reflect the significance of the non-compliance.

If a critical non-compliance is found then AQIS will take immediate action over validation of RFPs. As a final resort AQIS does have the ability of removing EXDOC users access to EXDOC altogether.

All critical breaches are to be recorded on the EXDOC Breach database and incident reports submitted to the AQIS Compliance and Investigations Unit for their records in case of future breaches.

Breaches across a range of commodities will be referred to an AQIS internal working group to determine cross commodity and possible AQIS-wide sanctions.

The types of sanctions can be broadly drawn into 3 levels or categories, namely:

Breach, warnings and advisory letters: where breaches have occurred but when on balance it is felt that there has been a legitimate mistake made for which clients need to be advised.

Administrative: where sanctions can be directly managed by AQIS with regard to applying the most appropriate and effective mechanism to bring EXDOC Users into compliance.

Prosecutions: especially for offences committed for which penal provisions apply.

As indicated the application of sanctions will be considered on a case-by-case basis and the following will also be taken into consideration when making decisions:

- Severity of breach
- Frequency or history of breaches
- Degree of co-operation from EXDOC user

### **Level 1 - Breach, advice or warning letters**

This form of sanction would be used for minor breaches and mainly to educate EXDOC users in the first instance on the importance of providing correct and complete information when using EXDOC.

No further actions are likely to be taken on a first warning but a follow up will be requested from client as to what procedures will be implemented to correct issues. Access will not be taken away from EXDOC user at this level.

### **Level 2 - Administrative**

Below is a list of possible EXDOC sanctions to be imposed when major breaches have occurred and may be imposed to restrict and control clients found to have misused the system.

## EDI User

- **Remove AQA from one or more establishments:** This enables RFPs to be raised but takes away the ability to authorise using the registered EDI number. This eliminates the ability for all AQA ID owners in the company to authorise. An AQIS inspector would then have to authorise on behalf of the EDI, at the cost to the EDI user. EDI user incurs a fee for service charge, which is automatically generated. This sanction can be left in place until the EDI user reaches a satisfactory level of compliance.
- **Certificate Review:** EXDOC has the ability to send all RFPs to certificate review. This can be activated for one or more EDI user. This will mean all Fish RFPs will need to be reviewed by an AQIS inspector before going to COMP. EDI user incurs a fee for service charge, which is automatically generated.
- **Remove Fish commodity from EDI:** This prevents the EDI user from raising any documentation for Fish. EDI user to reapply and to undergo testing for fish before being reinstated for Fish on EXDOC.
- **Remove the QA tick for certain products or operations:** This disables the ability of AQA ID users within the company to authorise RFPs. EXDOC checks that the appropriate QA tick is available for the inspection Establishment in order for the Establishment to be AQA authorised. If one of the QA ticks is missing the RFP can only ever reach FINAL and will require an AQIS inspector to authorise. Again a fee for service charge will automatically be generated to the registered EDI.
- **End date EDI:** EDI number can be end dated if EDI owner no longer able/allowed to use EXDOC for Fish and or multi commodities

## AQA ID owners

- **Remove AQA Id from one or more establishments:** This enables the RFPs to be raised but takes away the ability for the individual AQA ID owner to authorise. AQIS inspectors would then have to authorise on behalf of the AQA ID owner, at the cost to the registered EDI. Charge automatically generated. **However the ability of other AQA ID owners within the company is still available.**
- **End date AQA Id:** AQA ID owners' ability to raise and authorise RFPs can be end dated. AQA ID owner will have to apply in writing to Fish Exports Program to be reinstated and undergo full testing before having AQA ID reinstated.

## Level 3 – Legal action, prosecution

Where critical breaches have occurred, a more severe penalty may be imposed which may include prosecution under the *Export Control Act 1982* and its subordinate legislations, especially where offences have been committed and where penal provisions apply.

As stated above, AQIS may remove access to EXDOC if a breach is investigated and found to be of a high-risk level.