



# NZFAI Approved Wool Facility & Exporter Audit Standard, Protocol, and Checklist

## Purpose

The New Zealand Farm Assurance Programme (NZFAP) is the foundation upon which the collective red meat and wool industries can deliver an authentic and independently verified best-practice animal raising and production assurance standard to our international consumers. (Ref: NZFAP Standard V3)

## Scope

This standard covers the Standard and verification of NZFAP wool from the farm gate through to testing certification and export.

## Definitions

AC	Assurance Code
APPROVED BATCH/ES	Parcels of NZFAI Approved wool for which test certificates have been issued that have been stamped with the NZFAI Logo.
APPROVED EXPORTER	Exporter that has been audited and passed the requirements under this wool facility protocol.
APPROVED FACILITY	Facility that has been audited and passed the requirements under this wool facility protocol.
CAR	Corrective Action Request
ERP	Enterprise Resource Management
EXPORTER	Any individual, company, or business involved in the exporting of NZ wool.
FACILITY	Any store where wool is located
FAF	Facility & Exporter Application Form
GROUP	The consolidation of wool from multiple farms where the number of bales in a lot is below the optimal sale size into a single saleable line of identical type, often identified with the brand GROUP.
LOT / LOTS	A unique number that has been allocated to a uniquely identifiable parcel of wool.
MEMBER DECLARATION	A declaration made by a member that the associated product is compliant with the NZFAP Standard, and they are holding traceability records to prove this.
MUST	refers to obligations arising from commercial requirements. Failure to comply with them will result in NC's and CARs being issued and could result in exclusion from the scheme until CARs have been closed.
NC	Non conformance
NZFAI	New Zealand Farm Assurance Incorporated
NZFAP	New Zealand farm Assurance Programme
NZFAP APPROVED	Parcels of NZFAI Approved wool that has traceability via lot numbers back to the supplying farm Assurance Code (AC).
NZFAP LOGO	Logo of New Zealand Farm Assurance Incorporated.
PIC	Person in Charge, the person who accompanies the auditor during the Site Audit
SAMPLE SELECTION CRITERIA	based on the number of lots/batches/consignments, apply a square root calculation to the total sample and use that selection up to a maximum of 20
SLIPE	Wool that is recovered from the fellmongery process from skins.
WOOL CONSIGNMENT	an export consignment made up of wool batch's
WS	Wool Specification Sheet

## WOOL FACILITY & EXPORTER STANDARD:

### Programme Membership

Any Facility or Exporter wishing to receive, handle, or process wool (including Group or Slipe) from NZFAP certified farms and store, advertise, promote, auction, trade or export such wool must comply with this Standard and any facility or exporter must become an 'Approved Facility' or 'Approved Exporter' respectively. To do so they...

1. Must be a NZFAI member.
2. Complete a Facility & Exporter Application Form (FAF), including an expectation to fully co-operate with NZFAI should they need to investigate the traceability or compliance with this standard.
3. Agree to comply with the Standard and be audited annually under this Protocol.

On acceptance of the Wool Facility & Exporter Application Form, NZFAI or their delegate will confirm to the applicant the date of acceptance on an 'Interim Approval' basis. Within 2 months an audit of the Facility or Exporter will then be undertaken and on passing the audit the parties will become an 'Approved Facility' or 'Approved Exporter' and be recognised as such on the NZFAI website.

### Programme Status:

**Interim Approval:** This is for a limited period of 2 months from the date of acceptance during which time the facility or exporter will be able to receive, handle, or process New Zealand origin wool from NZFAP certified farms and store, advertise, promote, auction, trade or export such wool.

**Approved Facility & Approved Exporter:** From the date of an approved audit and for a limited period of 12 months the Facility or Exporter will be able to receive, handle, or process New Zealand origin wool from NZFAP certified farms and store, advertise, promote, auction, trade or export such wool.

**Surveillance Audits:** These will be undertaken for both approved facilities and approved exporters on an annual basis and in advance of 12 months following the previous audit.

### Approved Facility Records

Approved Exporters and operators of all Approved Facilities must retain full traceability records for at least five years from the date the animal material or animal products first arrived at the premises.

### Non-Conformance Structure

Result	Non-Conformance	Description	Target Date
Blue = Pass	<b>Score = 0</b>	Requirements Met	N/A
Green = Pass	<b>Score = 1</b>	CARs identified where there is no risk to programme conformance. CARs issued with 30 days to rectify or sooner by agreement with the auditor.	30 days
Amber = Pass	<b>Score = 3</b>	CARs identified where there is a possible risk to programme conformance. CARs issued with 10 days to rectify or sooner by agreement with the auditor.	10 days
Red = Critical	<b>Score = 5</b>	CARs identified where there is an immediate risk to programme conformance. Immediate corrective action required. If not rectified the Approved Facility status is suspended for that site and checked by re-audit. NZFAI notified.	24hrs

### Traceability Procedure: (At Approved Facilities)

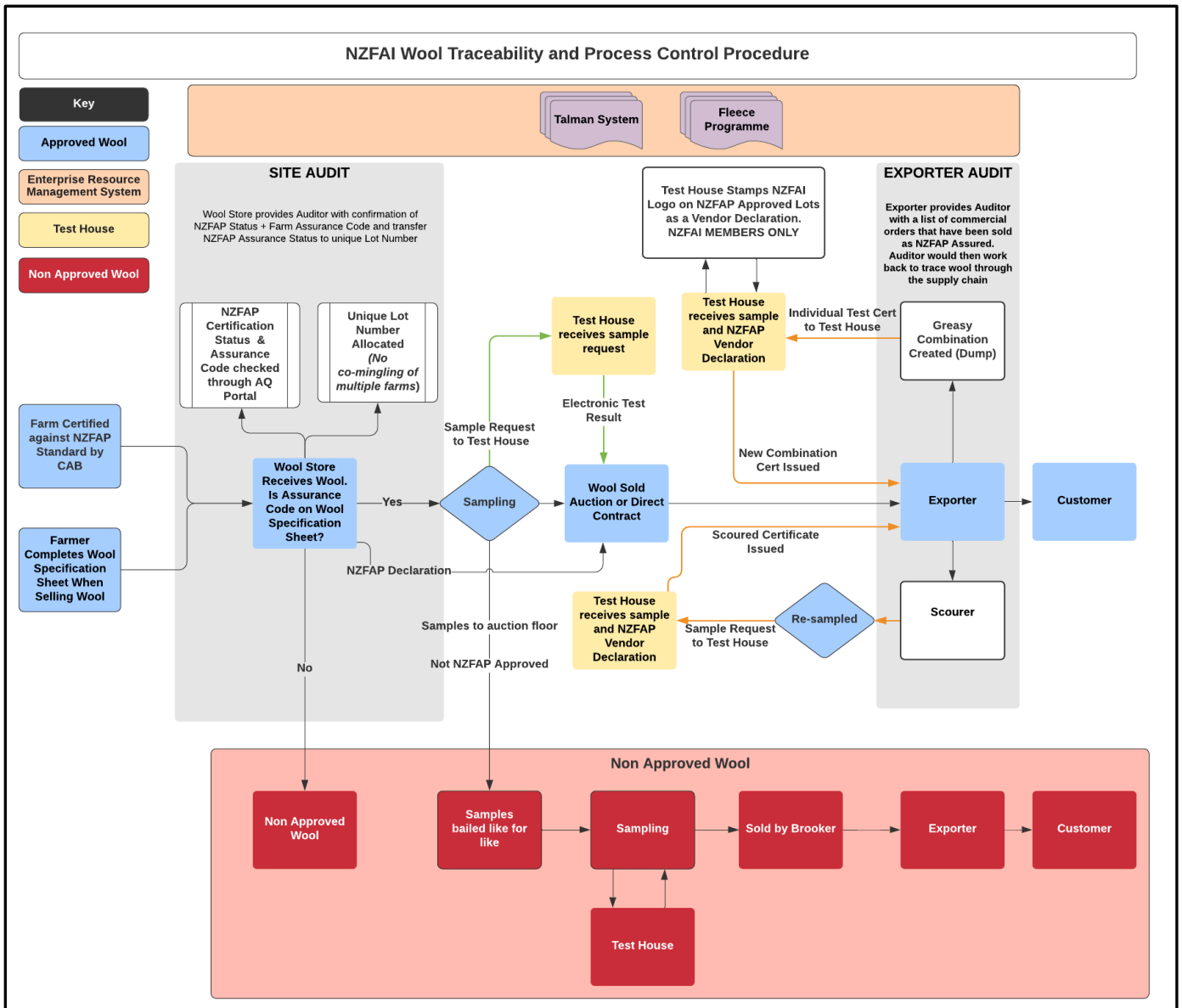
1. The Supplier must supply a completed WS, confirming the accompanying wool meets the requirements of the NZFAP and detailing the supplying farm AC.
2. On arrival the Approved Facility must allocate a unique lot number to such parcels.
3. This lot number and the supplying farm AC must be recorded and maintained in the Approved Facility ERP and a NZFAP Approved flag must be activated to show the lot is NZFAP Approved. This lot number and NZFAP Approved flag must then accompany the wool throughout the supply chain.

4. If any lots are combined at any time for any purpose through the NZ supply chain and a new lot or identifying number is allocated to the combined lot, the make-up of this must be retained within the Facilities ERP who have changed the lot numbers.
5. The lot number and the flag identifying the lot as NZFAP Approved must be referenced as a member declaration on any test certificate request.
6. On receipt of a member declaration that the wool is NZFAP Approved the test houses will include the NZFAI logo as a customer declaration on the associated test certificate.

**Traceability Procedure: (Exporters)**

1. Exporters, through lot numbers and the NZFAP Approved flag, must record and retain full traceability of NZFAP Approved wool through their supply chain.
2. If any lots are combined at any time for any purpose through the NZ supply chain and a new lot or identifying number is allocated to the combined lot, the make-up of this must be retained within the Facilities ERP who have changed the lot numbers.
3. The lot number and the flag identifying the lot as NZFAP approved must be referenced as a member declaration on any test certificate request.
4. On receipt of a member declaration that the wool is NZFAP approved the test houses will include the NZFAI logo as a customer declaration on the associated test certificate.

**Table 1: NZFAI Wool Traceability and Process Control Procedure.**



## Wool Audit Protocol and Checklist

Member Name:  Site Name:  Site Address:   Person in Charge: (PIC)	Audit Date:    Facility Assurance Code:
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### 1.0 Site Audit (Physical on-site audit)

FACILITY (EG. Wool Stores, Brokers and Merchants)

Any Facility wishing to be an Approved Facility must maintain records to enable the tracking and separation of certified NZFAP wool from non-certified NZFAP wool through to testing and export.

	Requirements	Auditor Guidance	Result 0/1/3/5
1.1	<p>Each parcel of NZFAP identified wool from the farm must be accompanied by an approved and fully completed Wool Specification sheet. (WS).</p> <p>On arrival the Approved Facility allocates a unique lot number to such parcels and within the Approved Facility ERP a flag is activated to show the lot is NZFAP certified. The Approved Facility must maintain a log linking the AC and Lot numbers.</p> <p>Randomly select WS sheets, check.</p> <p>1.1.1 Is each WS sheet the approved version?</p> <p>1.1.2 Does the certification status associated with the AC match the certification status recorded on the WS</p>	<ul style="list-style-type: none"> <li>Use the Sample Selection criteria and record the AC numbers and suppliers trading name.</li> <li>Ask the PIC to run the selected AC's on the assurance hub to check they are certified.</li> <li>Verify the selected AC's certification status was correctly recorded on the WS at the point of allotment.</li> <li>Verify the AC on the SS has been correctly recorded under the lot number in the Approved Facility ERP system and the flag activated to show the lot is NZFAP certified.</li> </ul> <p>Minor/Major NC – Not applicable. <i>(Facilities either comply or are noncomplying)</i></p> <p>Critical NC - If invalid AC - Corrective action is to remove NZFAP designation from that Lot.</p> <ul style="list-style-type: none"> <li>Check further Lots based on the Sample Selection Criteria. Should there be any further critical NC's, the Approved Facility will have its NZFAI approved status suspended. NZFAI must be immediately (within next 4 business hours) be advised by the auditor or CAB.</li> <li>There will need to be a successful full re-audit for the facility to have their suspension withdrawn while at the same time move to a 6-monthly re-inspection cycle.</li> </ul> <p>Revisit in 6 months, if audit result pass, back on 12 monthly audit cycles. If Fail audit result passed back to the NZFAI Wool TAG.</p>	
1.2	<p>Based on the number of Lots available for audit on the day, randomly select NZFAP lots on the Approved Facility floor/storage area and return to the office to validate for credibility.</p>	<ul style="list-style-type: none"> <li>Use the Sample Selection criteria and record the AC numbers and suppliers trading name.</li> <li>Ask the PIC to run the selected AC's on the assurance hub to check they are certified.</li> </ul>	

	Requirements	Auditor Guidance	Result 0/1/3/5
	<p>Where the facility is storing and selling Group/Slipe Wool, ensure that 10% of the Lots (using the Sample Selection criteria) are selected as part of the sample Lots.</p> <p>1.2.1 Does the Approved Facility hold a valid WS and AC to confirm the lot is NZFAP compliant?</p>	<ul style="list-style-type: none"> <li>Verify the AC on the SS has been correctly recorded under the lot number in the Approved Facility ERP system and the flag activated to show the lot is NZFAP certified.</li> </ul> <p>Minor/Major NC – Not applicable. <i>(Facilities either comply or are noncomplying)</i></p> <p>Critical NC - If invalid AC - Corrective action is remove NZFAP designation from that Lot.</p> <ul style="list-style-type: none"> <li>Check further Lots based on the Sample Selection Criteria. Should there be any further critical NC's, the Approved Facility will have its NZFAI approved status suspended. NZFAI must be immediately (within next 4 business hours) be advised by the auditor or CAB.</li> <li>There will need to be a successful full re-audit for the Facility to have their suspension withdrawn while at the same time move to a 6-monthly re-inspection cycle.</li> </ul> <p>Revisit in 6 months, if audit result pass, back on 12 monthly audit cycles. If Fail audit result passed back to the NZFAI Wool TAG.</p>	

## 2.0 NZFAI Exporter Audit (undertaken remotely)

	Requirements	Auditor Guidance	Result 0/1/3/5
2.1	<p>On an annual basis, the exporter members will provide the audit body with a list of all their Approved Batch/es of export wool consignments by lot number and in summary form only and excluding any commercial details.</p> <p>From that list the audit body will apply the Sample Selection Criteria.</p> <p>Where there are Lots of Group/Slipe Wool included in the consignments/scourments, ensure that 10% of the Lots (using the Sample Selection criteria) are selected as part of the sample.</p> <p>2.1.1 Does each Approved Batch of NZFAP certified wool link from an exporter and back through to a valid farm source?</p>	<ul style="list-style-type: none"> <li>The audit body Programme Coordinator will request the Exporter to email through an Excel spreadsheet (or similar report) of their Approved Batches of exported NZFAP wool consignments in summary and by lot number for the last 12 months.</li> <li>The Sample Selection Criteria will be used to select the Approved Batches to be traced back to the initial Approved Facility and back to the source farm.</li> <li>The audit body will check the Facility is an Approved Facility.</li> <li>The audit body will request the Approved Facility site to send through the Lot AC's that made up the Approved Batches selected under the Sample Selection Criteria.</li> </ul> <p>Minor/Major NC – Not applicable. <i>(Exporters either comply or are noncomplying)</i></p> <p>Critical NC - If invalid AC - Corrective action is to investigate NZFAP designation with the exporter and</p>	

	Requirements	Auditor Guidance	Result 0/1/3/5
		<p>complete a traceback for that Approved Batch/Lot. If the designation remains invalid, the NZFAP Approval will be removed for that Consignment. The exporter must provide evidence that the NZFAP approval has been removed.</p> <ul style="list-style-type: none"> <li>• Check further Lots based on the Sample Selection Criteria. Should there be any further critical NC's the Exporter will have its NZFAI programme status suspended. NZFAI must be immediately (within next 4 business hours) be advised by the auditor or CAB.</li> <li>• There will need to be a successful full re-audit for the Exporter to have their programme status re-approved while at the same time move to a 6-monthly re-inspection cycle.</li> </ul> <p>Revisit in 6 months, if audit result pass, back on 12 monthly audit cycles. if Fail audit result passed back to the NZFAI Wool TAG.</p>	

### Audit Summary

<b>Corrective Action</b> (Refer CAR Form summary sheet provided by the auditor)	CAR Form Number:
Auditor Name:  Signature:	PIC Name:  Signature