

# New Zealand Zero Scheme Rules

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# 1. Introduction

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## 1.1. Purpose

The purpose of the New Zealand Zero Certification Scheme, hereinafter called the “Scheme”, is to enable certification for fossil fuel-free growing and processing of New Zealand-produced food products, creating clear guidance for consumers identifying sustainable growing practices in the retail space.

## 1.2. Scope

The New Zealand Zero Standard covers the foundation criteria for orchards, farms, and vineyards (referred to as ‘farms’) and processing sites. These criteria are intended to avoid all fossil fuel combustion on site during all growing and transportation processes and minimise emissions from fossil fuel combustion elsewhere in the supply chain. Emissions unrelated to fossil fuel combustion are not included in this Standard; however, all Certified Operators are expected to record and minimise emissions from non-fossil sources, such as refrigerants, purchased materials, carbon dioxide gas emissions from processing, and carbon dioxide, methane, and nitrous oxide emissions from other processes on the site. Certified Operators are also expected to take a proactive approach to other environmental and social impacts, demonstrating a high level of responsibility.

## 1.3. New Zealand Zero Scheme Rules

This set of Scheme Rules provides the framework and requirements for how the Scheme will operate and the accountabilities of the stakeholders. This enables the implementation of the NZO Standard to be assessed against the requirements of the certification scheme.

The overall aim of certification against this Scheme is to give confidence to all interested parties that the operation fulfils the requirements of the Scheme. The value of certification is the degree of confidence and trust that is established by an impartial and competent demonstration of fulfilment of specified requirements.

## 2. References and Definitions

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**Audit** - A systematic and independent examination to determine whether activities comply with the stated objectives being audited e.g., documented procedures in a program / standard.

**Audit Scope** - Extent and boundaries of an audit.

**Auditee** - A person or site being audited.

**Auditor** - Person employed or contracted by the CAB to carry out certification audits.

**Biofuel** - Liquid or gaseous fuel that comes from plants, including (but not limited to) biodiesel, biogas from organic waste, and other oils from crops.

**Biomass** – Renewable organic solid material that comes from plants, including (but not limited to) wood, wood chips, wood pellets, sawdust, straw, chaff, and other agricultural residues.

**CAB** - Conformance Assessment Body (AsureQuality).

**Certified Site** - Any farm or processing site in New Zealand verified as fulfilling the NZ0 requirements.

**Certified Operator** - Operator of an NZ0 Certified Site.

**Contractor** – Entity providing contracted services to an operator (includes subcontractors).

**Corrective Action** - Measures taken to rectify a non-conformity.

**Covered Activities** - activities within the legal property boundary of the site being assessed. This includes (but is not limited to) employee accommodation, packhouse, and use of workshop, sheds, outbuildings etc.

**Emergency** – situation in which there is significant health and safety risk, or risk of loss or significant damage of crop.

**Farm** - One or more blocks of land no more than 20 kms apart linearly that are managed as one entity including one set of farm policies and records.

**Fossil Fuel** – non-renewable, organic material, other than biomass, used as fuel. This includes (but is not limited to) petrol, diesel, natural gas, LPG, coal, and peat.

**ICE** - Internal Combustion Engine vehicle.

**MC** - Managing Committee for the New Zealand Zero Scheme.

**NC** – Non-conformance.

**NZ0** – New Zealand Zero.

**Operator** – Owner or nominated representative of the farm or processing site being audited.

**Overseas Port** – First port the product arrives in within the country where the product is to be consumed or further processed.

**Processing Site** - A site where raw produce from one or more NZ0 certified farms undergoes further processing to manufacture an added value food product.

**Scheme Owner** - Owner of the NZ0 certification scheme and marks (New Zealand Zero Inc).

**Staff** – All persons employed by the Operator (excludes contractors).

**TOR** – Terms of Reference.

**Transitional Membership** – A status of the Scheme where the Operator is transitioning to a fossil fuel free system.

**Transitional Operator** – An operator that has been accepted for Transitional Membership in the Scheme.

### 3. Pricing

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- The CAB shall charge the Scheme Owner for time and materials for all audits, including random audits.
- The Scheme Owner shall charge a per hectare fee to Suppliers, depended on crop type and Transitional or Certified status.
- NZO Transitional Membership and Certification fees shall be published and available on the NZO website and shall be reviewed updated periodically.
- The CAB shall charge the Scheme Owner for technical support, administration, and management of the Scheme as per the Scope of Work.

### 4. Responsibilities

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#### 4.1. Operators

- The Operator shall apply to be accepted to the NZO Scheme using the approved Application form.
- The Operator shall make all necessary arrangements for:
  - The CAB to conduct the audit, including provision for examining documentation and records, and access to the relevant equipment, location(s), area(s), personnel, and Operator's contractors,
  - Investigation of complaints,
  - The participation of observers, if applicable.
- The Operator shall allow for the CAB to visit the site at any time without notice during working hours.
- The Operator shall meet the certification requirements, including implementing appropriate changes when they are communicated by the CAB.
- The Operator shall ensure that when the certification applies to ongoing production, the certified product must continue to meet certification requirements.
- The Operator shall not use its product certification in such a manner as to bring the CAB or Scheme Owner into disrepute and does not make any statement regarding its product certification that the CAB may consider misleading or unauthorised.
- Upon suspension, withdrawal, or termination of certification, the Operator shall discontinue its use of all advertising matter that contains any reference to the certification scheme and takes any other measures required by the CAB or Scheme Owner. This clause includes Transitional Operators that have been suspended, withdrawn or terminated.
- If the Operator provides copies of the certification documents to others, the documents shall be reproduced in their entirety.
- The Operator shall only make claims regarding certification consistent with the scope of certification;
- In referring to its product certification in communication media such as documents, brochures, packaging, or advertising, the Operator complies with the requirements of the CAB and as specified by the Scheme in the Marketing & NZO Certification Copywriting guide.
- The Operator shall comply with any requirements that may be prescribed in the Scheme relating to the use of marks of conformance, and on information related to the product.
- The Operator shall keep a record of all complaints and NCs made known to them relating to compliance with certification requirements, make these records available to the CAB when requested and take appropriate action with respect to such complaints and any deficiencies found in products that affect compliance with the requirements for certification.
  - The Operator shall document the actions taken to resolve any complaints or NCs.
- The Operator shall inform the CAB, without delay, of changes that may affect its ability to conform to the certification requirements.

#### 4.2. Conformity Assessment Body (CAB)

- The CAB shall fulfil its obligations under this Scheme according to its documented processes to meet the requirements of ISO 17065.
- The CAB shall have a legally enforceable agreement for the provision of certification activities to each operator.
- Certification agreements shall take into account the responsibilities of the CAB and its Operators.

#### 4.3. Management Committee (MC)

- The Scheme Owner shall facilitate a MC to enable the governance and oversight of the Scheme.
- MC members shall keep all information obtained during MC duties confidential
- The Terms of Reference (TOR) for the MC is in Appendix 2.

### 5. Resource requirements

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#### 5.1. CAB personnel

- The CAB shall employ, or have access to, a sufficient number of personnel to cover its operations related to the scheme.
- The personnel shall be competent for the functions they perform, e.g., programme coordination, auditing, certification decision making.
- Those personnel carrying out on site audits and/or remote audits are required to:
  - Hold auditor qualifications as required for normal CAB audit activities,
  - Complete training in NZO requirements,
  - Understand the technical and operational requirements of the Scheme,
  - Be assessed as competent by the CAB.
- CAB personnel, or personnel acting on the CAB's behalf, shall keep confidential all information obtained or created during the performance of the certification activities, except as required by law or by the Scheme.

### 6. Control of NZO Mark

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- The Scheme Owner shall control of the use of the NZO Mark through the Marketing & NZO Certification Copywriting guide.
- Incorrect references to the Scheme, or misleading use of certificates, marks, or any other mechanism for indicating a product is certified, found in documentation or other publicity, shall be dealt with by suitable action, which may include an Operator's suspension from the Scheme.
- The CAB shall review certification and branding claims annually and/or when requested by the MC.

### 7. Process requirements for certification

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#### 7.1. Application

- For application, the CAB shall obtain all the necessary information from the Operator to complete the certification and/or Transitional Membership process in accordance with this Scheme.

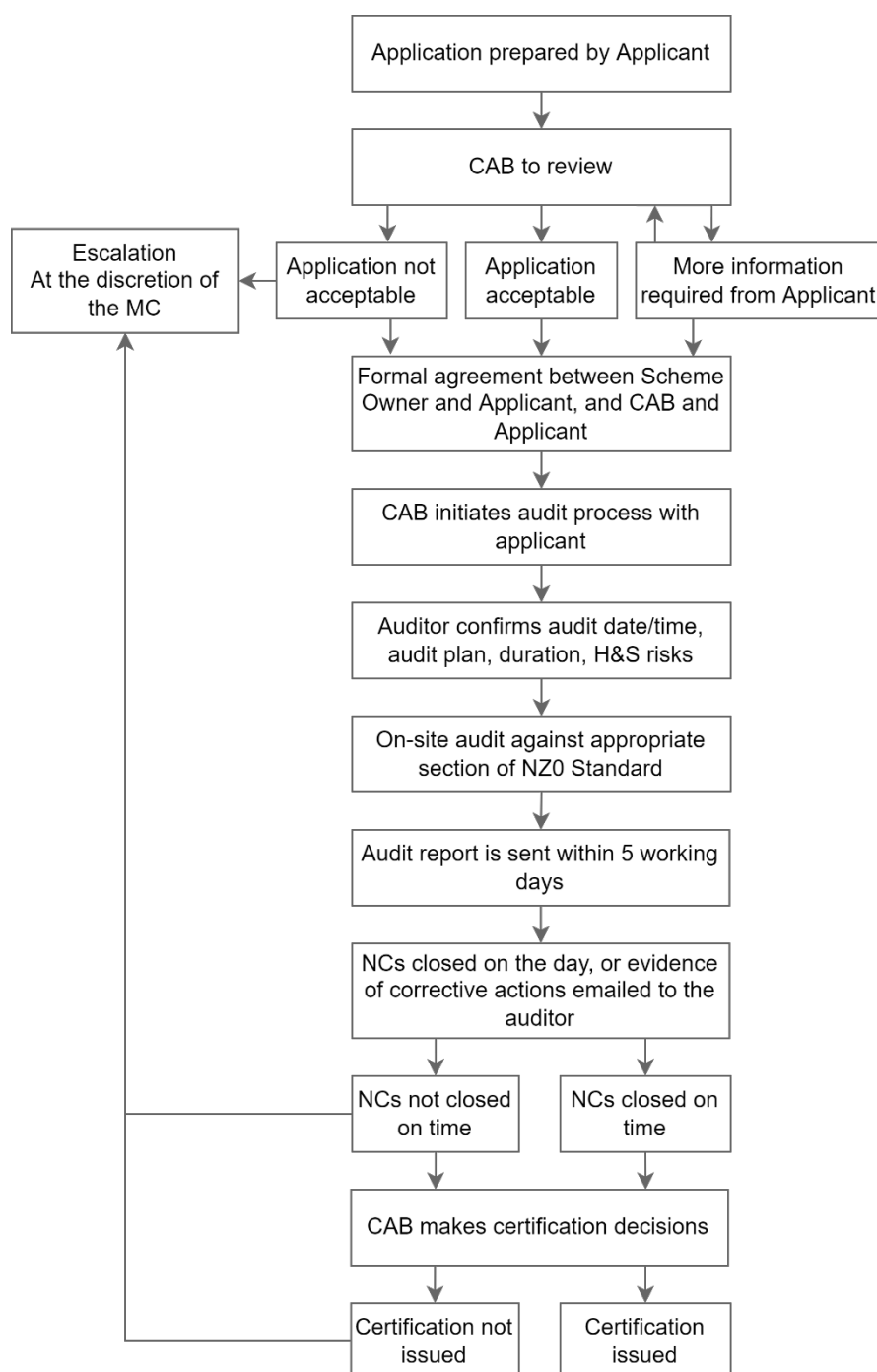
#### 7.2. Application review

- The CAB shall conduct a review of the information obtained in the application process to ensure that:
  - The information about the Operator and the product is sufficient for the conduct of the certification process,
  - Any known difference in understanding between the CAB and the Operator is resolved, including agreement regarding standards or other normative documents,

- The scope of certification is defined as meeting the requirements of the New Zealand Zero Standard as a Certified or Transitional Operator,
- The means are available to perform all evaluation activities,
- The CAB has the competence and capability to perform the certification activity.
- If the CAB relies on certifications it has already granted to the Operator or has already granted to other Operators to omit any activities, then the CAB shall reference the existing certification(s) in its records. If requested by the Operator, the CAB shall provide justification for omission of activities.

### 7.3. Audit process

- The Operators shall be audited against the requirements covered by the NZ0 Standard.
- The audit process may be summarised as follows:



- If one or more NCs have arisen during an audit the CAB shall provide information regarding the evidence needed to verify that NCs have been corrected and root cause addressed.
  - The Operator shall supply sufficient evidence to enable the CAB to close the NCs.
- The results of all audit activities shall be documented to enable the auditor to recommend certification.

#### 7.4. Certification decision

- The CAB shall be responsible for, and shall retain authority for, its decisions relating to certification.
- The CAB shall assign at least one person to make the certification decision based on all information related to the evaluation. The certification decision shall be carried out by a person or group of persons that has not been involved in the process for evaluation.
- The CAB shall notify the Operator of a decision not to grant certification and shall identify the reasons for the decision in the audit report.

#### 7.5. Certification documentation

- The CAB shall provide the Certified Operator with a formal certificate containing the following:
  - The name and address of the CAB,
  - The name and address of the Certified Operator,
  - The scope of certification (including which Site(s) are certified),
  - Certification number
  - The date certification is granted
  - The expiry date of certification, being 12 months after the successful certification.

#### 7.6. Directory of Certified Operators and Transitional Operators

- The Scheme Owner shall maintain a public list of all Certified and Transitional Operators.

#### 7.7. Changes affecting certification

- When the NZO Standard has revised requirements that affect Certified and Transitional Operators, the MC shall ensure these changes are communicated to all Operators. The CAB shall verify the implementation of the changes at the next scheduled audit.

#### 7.8. Termination, suspension, or withdrawal of certification

##### 7.8.1. Suspension

Certification and/or Transitional membership will be suspended at the MC's discretion for a period of up to 6 months. Operators with suspended certification shall not claim or advertise certification during this time. Suspension shall be lifted at the MC's discretion if an operator meets the conditions outlined by the MC. If lifted, the Operator shall be treated as a Certified and/or Transitional Operator. If the Operator does not meet the conditions to re-enter the programme within the period specified by the MC, certification shall be terminated.

##### 7.8.2. Termination

Termination means indefinite revocation of certification and therefore, removal of the privileges to claim or advertise certification and use of any NZO logo or trademark. This includes termination of Certification and Transitional Membership. If NZO Certification has been terminated, Operators will be treated as new suppliers if seeking to re-enter the programme.

##### 7.8.3. Withdrawal

Certified and/or Transitional Operators may at any stage request to voluntarily withdraw from Certification and/or Transitional Membership. Operators who withdraw from the scheme shall not claim or advertise certification from the date of withdrawal. Operators with withdrawn certification shall be treated as new operators.



#### 7.8.4. General

- CA Certified Operator may choose to withdraw certification at any time by communicating with the CAB and MC.
- The Certified Operator may decide to reduce the scope of certification (e.g., due to selling off a parcel of land) by communication with the CAB and MC. The CAB will verify changes at the next scheduled audit.
- Continued failure to address a major non-conformance may result in suspension. All decisions relating to suspension shall be made by the CAB.
- Certified Operators will be granted a time period defined by the MC (e.g., 6 months), in which to address outstanding issues and allow re-entry to the programme.
- If certification is suspended, the CAB shall communicate the actions needed to end suspension and restore certification for the product(s) in accordance with the NZO Standard.
- Failure to address outstanding issues within the defined period will result in the CAB withdrawing certification.
- If certification is reinstated after suspension, the CAB and MC shall make all necessary modifications to formal certification documents, public lists, and authorizations for use of marks.

#### 7.9. Unannounced site visits

- The CAB may visit Certified Operators at any time within working hours to ensure that no fossil fuels are being used at any given time.
- If no persons in management are present, the auditor shall stay within the carpark/site accessway area.
- Unannounced visits are in addition to routine certification audits.
- If there are more than 10 Certified Operators in the Programme, 10% may be audited annually without announcement.
- Unannounced site visits shall include:
  - Sighting of activities,
  - Sighting of electric or other non-fossil fuel-using equipment in use,
  - Visual assessment of the site,
  - Sighting of key infrastructure.

#### 7.10. Transitional Membership

- Operators shall apply for Transitional Membership through the application process outlined in 6.2 to 6.6.
- Operators that meet the Transitional Membership requirements in the New Zealand Zero Standard will be considered Transitional Operators.
- Transitional Operators shall provide documented progress reports to the CAB every 6 months.
- The CAB shall inform the MC after review of the progress reports if progress is not satisfactory.
- Transitional Operators may not use the NZO certified label or claim or imply certification, and all branding and documentation must at all times comply with the branding and communications guidance for Transitional Operators found in the Marketing & NZO Certification Copywriting guide.
- Transitional Operators must achieve full NZO Certification within 3 years.
- If the Transitional Operator is not certified within 3 years, they may request a 6-month extension from the MC. An extension may be granted if MC determines that the extension is necessary due to circumstances outside the Transition Operator's control, and that the Transitional Operator is very likely to be ready for certification within the 6-month period.
- If extension is not granted or expires, the Transitional Operator will be suspended from the Transitional Membership but may apply for certification at any future stage.

## 8. Standard

At all times during the term of certification the Certified Operator must comply with the NZO Standard.

- The NZO Standard will be reviewed at least annually.
- Stakeholders may suggest changes and amendments to the NZO Standard in writing to the MC at any time. The MC will consider the proposed amendments at the next planned annual meeting, or before based on urgency.
- The current version of the NZO Standard will be made available on the Scheme Owner's website.

## 9. Non-Conformance Structure

- A non-conformance (NC) is identified when the Standard criteria have not been met.
- NCs will be classified as minor or major (see detail below).
- The Operator must take steps to address the NC within the required timeframe and supply acceptable evidence to the CAB.
- The Operator may request an extension to the closure date in extenuating circumstances.

The non-conformance and corrective action structure will be:

### 9.1. Minor NC

- The non-conformance is a minor deviation from scheme requirements
- The criteria for Minor NCs are described in the Standard
- The closure of Minor NCs related to fuel use is required through carbon calculations and compensation in line with the Standard and the Approved Fossil Fuel Compensation Guidance.
- Closure of Minor NCs is required within 14 days or at the MC's discretion.
- Minor NCs have no impact on any associated use of a certification mark.
- Failure to close Minor NCs by the due date may result in escalation to Major.

### 9.2. Major NC

- The non-conformance is a major deviation from scheme requirements.
- The criteria for Major NCs are described in the Standard
- Closure of Major NCs requires:
  - A Root Cause Analysis (RCA), including a description of the non-conformance, the corrective action to address the NC, and an action plan to ensure the same NC does not happen again.
  - Evidence of compensation in line with the Standard and the Approved Fossil Fuel Compensation Guidance.
- Closure of Major NCs is required within 30 days.
- One Major NC shall have no impact on any associated use of a certification mark.
- Suspension of certification shall occur if;
  - Any major NC remains unresolved after the defined timeframe, OR
  - Two or more major NCs are identified at audit, OR
  - More than 200 litres (or equivalent) of fuel are used via minor non-conformances.
- Suspension will remain in place until the NC(s) are satisfactorily addressed with a maximum period of 6 months.
  - If the suspension period exceeds 6 months or the actions taken are unacceptable to the MC, the Operator will be terminated from the Scheme.

## 10. Change of ownership

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- The Operator shall inform the CAB where there is a change of ownership once a purchase and sale agreement is confirmed.
- If the new owner wishes to continue certification, they shall lodge a formal application with the CAB within 60 days.
- The CAB shall establish a formal agreement with the new owner
- The current certificate for the Site shall remain valid for a period of 90 days after the sale
- The CAB shall complete an audit to determine if the new owner has maintained NZO Standard requirements.
- Once any corrective actions (if applicable) have been accepted by the CAB, the new owner shall receive a new certificate.
- Upon completion of certification for the new owner, the previous certification will be withdrawn

## Appendix 1: List of approved exclusions and thresholds

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- The driveway/carpark where contractors, employees or visitors may park ICE vehicles used for the sole purpose of commuting to/from the Site.
- Lubricants required for non-combustion equipment and machinery where there are no non-fossil-based alternatives.
- Emergency service or government agency vehicles for the purpose of providing an emergency response e.g., fire, medical, biosecurity, police etc.
- Emergency repairs required on farm, including but not limited to urgent plumbing and electrical repairs.
- Regional council and local territorial authority vehicles for the purpose of compliance monitoring and regulatory purposes.
- Fossil fuel infrastructure that is capped or retired so that it cannot be returned to service by the operator.
- Consumables that may contain fossil fuels in small quantities (under 500 millilitres or 500 grams) such as blowtorches, paraffin candles, lighters.
- Embodied fossil fuel emissions and fossil fuel-based ingredients within essential equipment and infrastructure including but not limited to plastics, bitumen, concrete, fertiliser etc.

## Appendix 2: Terms of Reference for the Management Committee

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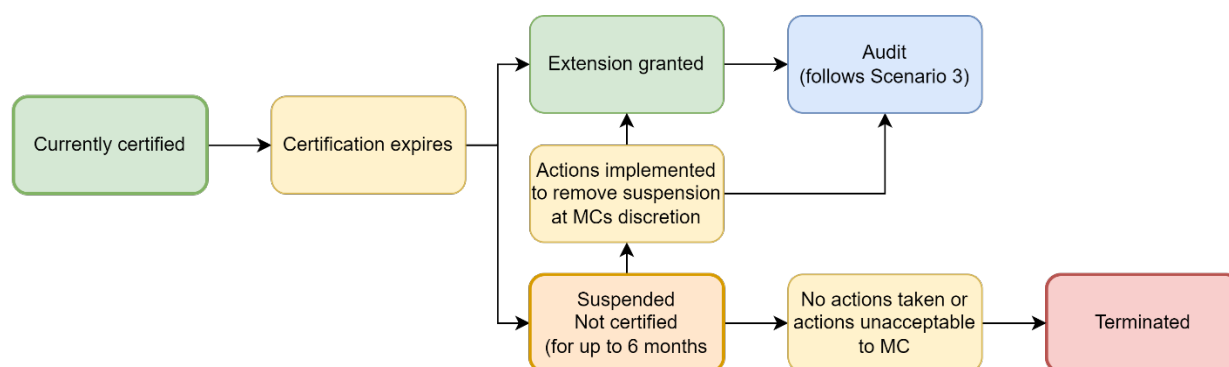
The Management Committee (MC) provides the governance oversight for the Scheme.

- New Zealand Zero Incorporated (NZO) shall retain authority to appoint and withdraw Members of the Committee.
- Members of the Committee will be appointed for an initial term of two years.
- The MC is to be made up of relevant industry stakeholders, and is to include representatives from:
  - The Scheme Owner,
  - The CAB,
  - Up to two industry technical specialists as nominated and accepted by the MC,
  - Up to two representatives of Certified Operators, as nominated and accepted by the MC.
  - Other advisors as required for specialist advice.
- Members of the Committee are expected to attend all meetings
- Members of the Committee who are unable to attend a meeting can be represented by a substitute from the same organisation.
- A Member of the Committee may resign from the group by notifying the MC Chairperson in writing
- The MC Chairperson will be appointed by NZO and NZO will provide reasonable secretariat services to the groups, including circulation of the agenda and papers, preparation, and circulation of meeting minutes.
- The MC shall meet formally at least once every six months with the agenda to consist of, but not be limited to:
  - Review of previous meeting minutes and actions,
  - Confirm NZO Standard Milestones and Objectives are being achieved based on:
    - Review participating company conformance to the programme,
    - Review and Analysis of Corrective Action findings,
    - Company and/or supplier complaints and disputes lodged,
    - Documented feedback from participating companies.
  - Approving recommendations for significant alterations and enhancements to the NZO Standard
  - Consideration of any supplier disputes appeals or complaints,
  - Consideration of scheduled or unscheduled audit for any suppliers based on disputes, appeals or complaints,
  - CAB(s) performance measured by KPI's, disputes, complaints, and documented feedback.
  - Maintaining the list of allowable exclusions and thresholds within the scheme (see Appendix 1).

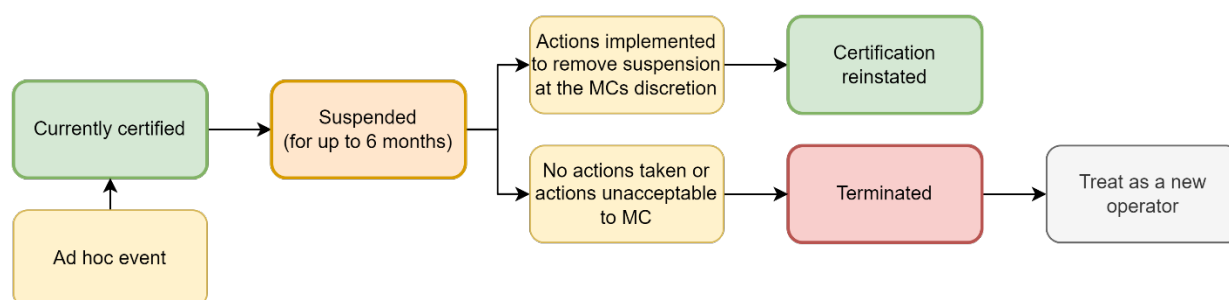
## Appendix 3: Key lifecycles of Certification

The diagrams below demonstrate the possible pathways Certificates can take. These are only included in the scheme rules to assist with conversations between NZO Operators and AsureQuality.

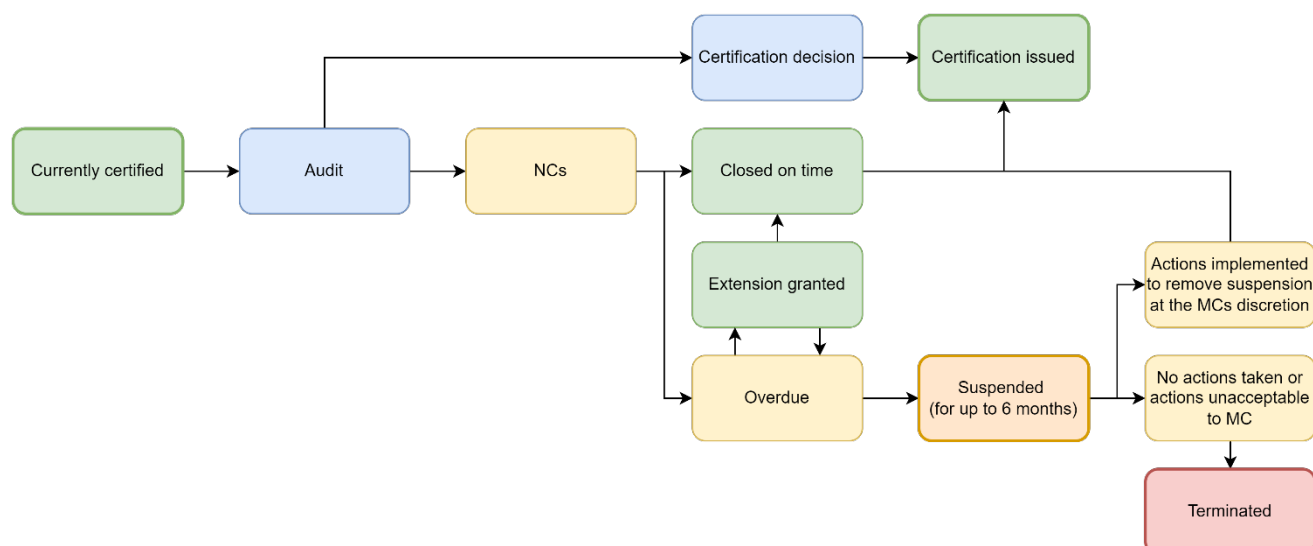
### Scenario 1



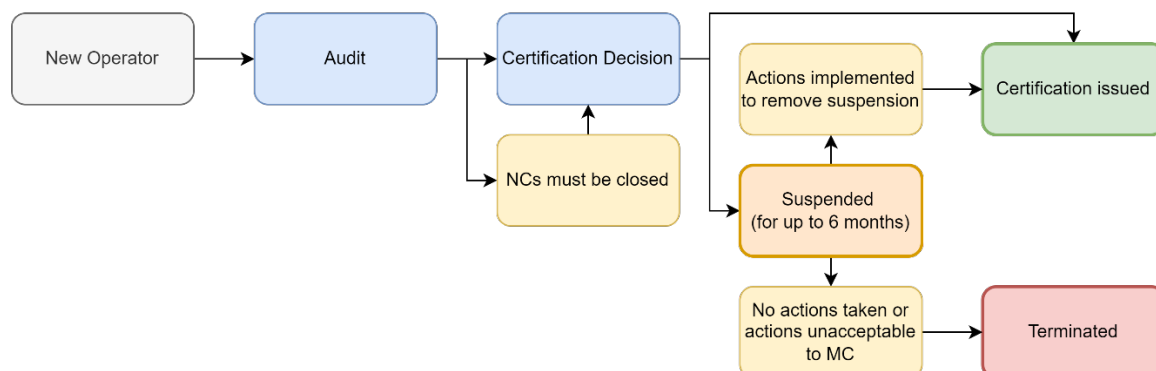
### Scenario 2



### Scenario 3



## Scenario 4



## Scenario 5

