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Extract taken from: NZTA Vehicle Portal > VIRMs > Border inspection of imported used vehicles > Introduction

Introduction

1 Purpose and Scope

The <u>NZ Transport Agency</u> Waka Kotahi (NZTA) has prepared this manual to assist vehicle inspectors and inspecting organisations in achieving correct and consistent standards for the border inspection of imported used vehicles entering New Zealand.

The purpose of the manual is to explain the conditions of appointment and the requirements for the border inspection of imported used vehicles that are entering New Zealand.

This manual applies to the border inspection of imported used vehicles. The types of vehicles that need to be inspected are listed in section 3.2.

Amendments to this manual will be issued from time to time as inspection requirements change and improvements are made. Details of amendments are available from the <u>Amendments</u> tab on the horizontal menu. Suggestions for improvement should be made using the feedback button found on every page.

2 Contacts

The following are contact details for the NZ Transport Agency:

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3 The border inspection process

In order to inspect a vehicle at the border the vehicle inspector and inspecting organisation must take the following steps:

- 1. Know the vehicle inspector's and inspecting organisation's responsibilities. Part 3.1 of this section lists the legal responsibilities. The vehicle inspector and inspecting organisation must read and understand them.
- 2. Establish whether the vehicle requires a border inspection. Part 3.2 of this section explains how to determine if a vehicle requires a border inspection.
- 3. Establish whether the vehicle with damage needs to be flagged. Part 3.4 of this section explains how to determine if a vehicle needs to be flagged with damage.

- 4. Complete the required inspection documentation. Part 3.5 of this section explains the requirements for handling of photographs and completing check sheets.
- 5. Record the inspection outcome. Part 3.6 of this section explains how to notify the Transport Agency of the information collected at the Border Inspection.
- 6. Collect fees. Part 3.9 of this section lists the requirements for the inspecting organisation when charging and collecting fees.

3.1 General duties and responsibilities

Applicable legislation: Land Transport Rule: Vehicle Standards Compliance 2002 (Rule 35001/1) ('the Rule')

3.1.1 Vehicle inspectors and inspecting organisations (definitions in the Rule)

Vehicle inspector means an individual appointed by the Transport Agency under section 2.2(1) of the Rule to carry out inspection activities in accordance with requirements and conditions imposed by the Transport Agency.

Inspecting organisation means a person or organisation appointed by the Transport Agency under section 2.2(1) of the Rule who is responsible for inspection outcomes.

In this manual, a vehicle inspector or inspecting organisation is appointed for the purpose of border inspection of imported used vehicles, unless stated otherwise.

To avoid doubt, any reference to a certifier in any legislation, notice of appointment, or any other relevant document is a reference to a vehicle inspector or inspecting organisation (as applicable) appointed by the Transport Agency under the Rule.

3.1.2 Document retention (section 2.3(4) of the Rule)

A vehicle inspector or inspecting organisation must:

a) keep, for at least two years, the original of any documents that have been collected in the inspection process

3.1.3 Advise incorrect inspection and/or vehicle defects (section 2.3(4) of the Rule)

A vehicle inspector or inspecting organisation must:

a) advise the Transport Agency as soon as practicable if there is a reason to believe that the inspection of a vehicle has been carried out incorrectly

3.1.4 Delegation (section 2.4(1) of the Rule)

A vehicle inspector or inspecting organisation may not delegate any function or power to carry out inspection activities for which they were appointed, except under conditions specified by the Transport Agency in writing.

The only tasks that may be delegated to non-approved staff are administrative processes such as recording vehicle attributes or removing and replacing components to enable the inspection process to be carried out.

3.2 Establishing whether a vehicle is required to have a border inspection

The inspection organisation will ensure that all used vehicles imported into New Zealand for the purpose of registration are inspected at the border before they are released to the owner/importer. The only exceptions are:

- a) New vehicles
- b) Vehicles imported by a person who is approved by the Transport Agency in accordance with the relevant Regulation, or Rule as a certifier for vehicles of that make
- c) Overseas visitor's vehicles (imported temporarily with overseas registration)
- d) Vehicles returning to New Zealand that have current New Zealand registration
- e) Vehicles that the owner declares are not going to be registered in New Zealand
- f) Vehicles that are described in section 6.1 of the Land Transport Rule: Vehicle Standards Compliance 2002, that is:
 - vehicles of class AB, TA or TB
 - armoured vehicles used exclusively as equipment of the New Zealand Defence Force
 - traction engines
 - mechanically propelled rollers
 - tractors (other than agricultural tractors) and machines, including trailers, for use solely in mom-agricultural land management or roading operations, whether for traction or otherwise
 - agricultural motor vehicles
 - vehicles registered for use on a road in a country other than New Zealand that are not going to be in New Zealand for a

continuous period of more than 18 months (see <u>VIRM: Entry certification Technical bulletin 5 – Inspection</u> requirements for temporary vehicle imports)

- · vehicles listed below:
- a) pedestrian-controlled goods service vehicles
- b) vehicles propelled and supported solely by self-laying tracks
- c) vehicles used on roads only in road construction zones in accordance with notices declaring those zones
- d) vehicles that are used on a road only when crossing or proceeding along a section of the road where the vehicles have been authorised to operate by an authorisation of a road-controlling authority that requires:
 - i. a written agreement by the vehicle's operator or the person for whom the vehicle is being operated, to construct, reconstruct, maintain, or restore to the satisfaction of the road-controlling authority all or part of the road used by the vehicle, and
 - ii. the erection and maintenance of warning devices, signs or control devices as required by the road-controlling authority and the director, and
 - iii. where the use of the road does not consist solely of the direct crossing of the road, the prior approval of the NZ Transport Agency
- e) all-terrain vehicles that are used on a public highway
- f) motor vehicles exclusively designed and used on a road for driving, carrying or propelling any of the following, which must be permanently attached to the vehicle:
 - i. aerodrome runway sweepers
 - ii. electrical substations
 - iii. filters for transformer oil
 - iv. log haulers that are stationary when hauling logs
 - v. aero engine test benches
- g) tractors owned by a local authority and used exclusively for the construction, maintenance or mowing of stopbanks and the banks of rivers, streams, drains, canals or other watercourses
- h) mobile or movable huts, galleys or similar motor vehicles that are used on a road solely in connection with the construction or maintenance of roads
- i) tractors used exclusively for shunting railway rolling stock
- j) traction engines
- k) forklifts
- I) aerodrome crash fire tenders that are used on a road only in emergencies
- m) trailers while being drawn by a motor vehicle specified in (n) to (s) of this schedule
- n) motor vehicles, used exclusively in connection with the embarking and disembarking of ships' passengers or for loading and unloading ships' mail, cargo, and passengers' baggage, and used on a public highway only when proceeding unladen from one wharf to another wharf or from its usual place of storage to a wharf and returning to that place of storage
- o) motor vehicles designed exclusively or principally as part of the armament of the New Zealand Defence Force
- p) cable jinkers
- q) front-end loaders
- r) log skidders
- s) tractor cranes
- t) rough-terrain cranes
- u) mobile crushing and screening plane machines, which are mounted on trailers
- v) motor graders
- w) motor scrapers
- x) trailer scrapers

- y) plant for servicing oil-filled cables
- z) post debarkers
- aa) saw bench apparatus
- bb) forestry chippers
- cc) tree feller bunchers
- dd) trench diggers and excavators
- ee) vehicles that are always used unladen on the road and that are designed exclusively for carrying earth or other bulk materials
- ff) mobile concrete mixers that are mounted on tractors
- gg) a vehicle that is similar in design, construction or purpose to a vehicle listed above that cannot be categorised by vehicle class.

3.3 Vehicle inspection

3.3.1 Inspecting a vehicle at the border (section 4.2 of the Rule)

The inspection of a vehicle at the border must be carried out in accordance with requirements and conditions imposed by the Transport Agency.

The vehicle inspection must be completed before a vehicle can be released from a customs-controlled area to the vehicle owner/importer. If the border inspection organisation wishes to use an alternative inspection procedure, they must contact the Transport Agency for prior approval.

From 21 May 2018 the vehicle inspection must include a check to see if the vehicle is on one of the lists of vehicles that must be damage flagged with notes recorded stating 'Open Airbag Recall'. See <u>Technical bulletin 1: Takata airbag recall</u> for how to do this.

3.3.2 Information to be recorded at the border inspection (section 4.3 of the Rule)

A vehicle inspector or inspecting organisation must record and provide to the Transport Agency, or to other persons specified by the Transport Agency, the following information about a vehicle inspected.

- a) its make, model, and vehicle identification number or chassis number
- b) the name and address of its importer
- c) its odometer reading
- d) any obvious defects or damage identified in the inspection
- e) left-hand drive
- f) border inspection date
- g) ship name
- h) country of export and port of arrival
- i) inspection site and inspector ID.

Note 1

When recording the VIN/other VIN' No. take the number from the manufacturer's stamp (into bodywork/chassis of the vehicle) or the manufacturer's ID plate.

Note 2

If it is not possible to record an odometer reading, write zeros in the odometer field on the check sheet.

Note 3

When checking the condition of the vehicle the following items shall be inspected but not necessarily in the order shown:

- · Engine compartment
- Right side
- Luggage cargo compartment
- Left side
- Under body or chassis frame

Passenger compartment.

Note 4

The vehicle inspector or inspecting organisation may refuse to inspect a vehicle because the vehicle is presented in such a condition that inspection is unreasonably difficult or cannot be completed (eg components covered in dirt, components missing etc), or

Note 5

Where the vehicle inspector requires further information in order to carry out an inspection, the inspector must reject the vehicle until the information has been obtained.

Note 6

The inspector ID is the person's initials, followed by a sequential number which identifies the inspector.

Note 7

Used vehicles (imported from Japan) that have had the vehicle identifier partially or totally removed cannot be border inspected for the NZTA unless the vehicle has been re-identified by the Japanese Ministry of Land, Infrastructure and Transport (MLIT) and issued with an authentic Export Certificate that list the new identifiers.

3.4 Establishing whether a vehicle with damage needs to be flagged

To establish whether a vehicle with damage needs to be flagged:

Refer to Reference material 1 for guidelines for the detection of reportable damage on imported used vehicles.

3.5 Checksheets, photographs and affixing inspection sticker

All inspections shall be recorded on an electronic or paper based check sheet (see Reference material 7a or Reference material 7b) that has the prescribed information and signed by the inspector. All locations where the inspector observes indications of structural damage or deterioration shall be recorded and photographed. In most cases two photographs (usually a wide shot showing the whole front, rear, or side of vehicle and under-body shot) of the damaged/deteriorated area and a close up shot is required. One photo is OK if the damaged/deteriorated area can be clearly identified and the extent of the damage is obvious. The inspector can use their discretion to determine how many photos are required. The maximum number of photographs required for any vehicle would be four.

If requested, a copy of the checksheet must be supplied to the vehicle owner.

At the completion of the inspection, affix an 'Border Inspected' sticker to the wiper arm on the driver's side of the vehicle.

Note 8

For motorcycles, place the inspection sticker onto the headlamp glass/lens.

3.6 Notification to the Transport Agency of the information collected at the border inspection

3.6.1 When the inspection has been completed the inspection organisation will notify the NZTA's database.

See Reference material 2 for the data transfer process.

3.6.2 On a vehicle where any damage or deterioration has been detected, the inspector will be required to attach a label (NZTA notice to the Importer).

See <u>Reference material 3</u> for a sample of the label. The label must be placed on the inside of the windscreen in the bottom right hand corner (when sighted from the driver's seating position).

Note 9

For water-damaged vehicles, mark the vehicle with a large "W".

3.7 Vehicles presented for a border inspection after being released from customs

If a vehicle is presented for a border inspection after it has been released from customs there are additional requirements. Refer **Reference material 9** for the additional inspection requirements.

3.8 Disputes

If an importer disputes the decision to report or flag damage they may present the vehicle to an approved Transport Agency entry inspector or repair certifier for re-consideration.

If an importer or owner dispute arises: report the incident to Transport Agency immediately.

3.9 Collecting fees

NZTA has a set regulatory fee (Section [8A of the <u>Land Transport (Certification and Other Fees) Regulations 1999</u>) for the border inspection process. The inspecting organisation will collect the \$6.33 (incl. GST) fee as part of their invoice to the customer for the full inspection service.

For inspections carried out offshore, the border inspection fee will not include GST and will be \$5.50 per vehicle.

The inspection organisation will be solely responsible for ensuring that the customer is charged the correct Transport Agency border inspection fee and that the fee is paid to the NZTA as specified in the flowchart below:

Border check inspection: Invoicing procedure

At the time of appointment the service provider completes a direct debit form which includes their signature and bank account details. On the first working day of the month, the NZTA Finance section receives a report out of the Border Inspection System (BIS) detailing data to be invoicved. The NZTA finance section generates invoices. Invoices will then be mailed to the customer and will be due for payment on the 20th of the month. The invoice will advise the date the money will be direct debited from the customer's bank account. The NZTA finance section will direct debit the money directly from the service provider's bank account.

Note: Accounts receivable are responsible for opening new customer accounts, invoicing and direct debiting. Customers requireing assistance can phone +64 4 890 4761 to speak a Finance Officer.

Encourage customers to direct any complaints to the inspecting organisation in the first instance.

To ensure that all written complaints are investigated, the inspecting organisation must maintain an effective complaints management process and provide the following:

- a) a clear and concise statement that recognises the positive value of complaints
- b) clear and concise instructions to all customers on how to register a complaint. This can be accomplished in several ways, for example:
 - a clear notice visibly displayed on the workplace wall
 - a clear statement on any receipt or invoice issued
 - a clear statement on the inspecting organisations checksheet
- c) a straightforward explanation of the expected standards for resolution and the customers right to appeal to the NZTA if they are dissatisfied with the proposed resolution
- d) documentation of complaint investigations, prepared in accordance with the Border inspection organisations (BIOs) manual so that details of the investigation can be readily checked
- e) acknowledgment in writing of all written complaints within three working days, with the investigation completed and a resolution proposed to the complainant within 20 working days, of the complaint being made
- f) a record of all complaints, both verbal and written, recorded in accordance with the BIOs manual
- g) directions, for any customer who wishes to make a complaint or appeal a decision made by an inspecting organisation, to use the NZTA free phone 0800 699 000.

5 Inspection premises and equipment

5.1 The inspector must carry out the border inspection in an inspection area that:

- a) enables a safe and thorough inspection
- b) is situated within a structure that has a roof and sides, and:
 - i. is of sufficient dimensions to enable the efficient and thorough inspection of any vehicle
 - ii. is on ground that is constructed of a material that will remain firm in all weather conditions
 - iii. is on ground that is even and level (the ground will be considered level when it can be demonstrated that a vehicle will remain stationary with all brakes released)
 - iv. is sufficiently clear of structural and equipment intrusions (other than those necessary for the inspection process) to enable the efficient and thorough inspection of any vehicle.
 - v. is provided with sufficient lighting to enable good visibility of the vehicle being inspected and the equipment used in the inspection process.

Note 1

The upper body and internal inspection can be carried out in an open area if the weather condition and natural light is good. When the weather is bad (rain and snow) and the natural lighting is poor the upper body and internal inspections must be carried out in the inspection area detailed in section 5.1 (above).

5.2 The inspection area must provide the following equipment for the inspector to use as required:

- a) an inspection hoist, pit or ramp that enables the efficient and thorough close visual inspection of the complete vehicle underbody
- b) an industrial-quality, hand-held inspection lamp (500 lux minimum)
- c) a digital camera which is capable of taking photos that meet the following specifications:
 - 640 x 480 pixels in size
 - RGB, 24 bits per pixel
 - Minimum DPI of 72, maximum of 180.

5.3 Compliance with statutory requirements

It is the inspection organisations responsibility to ensure that the premises and equipment comply with: occupational safety and health requirements and any other relevant acts, regulations and local bylaws.

5.4 Other requirements and considerations

The computer equipment, and document storage must be located and operated from a location where the public does not have access when staff are not present.

Inspection area lighting should conform to New Zealand standard code of practice for interior lighting design (NZS 6703:1984), or subsequent amendments. The code of practice establishes performance requirements for specific workplace lighting.

6 Appointments

Vehicle inspectors

To allow the inspecting organisation(s) to ensure continuity of service provision, vehicle inspectors will not be appointed by the NZTA. The approved inspection organisations(s) will have permission to delegate employees as vehicle inspectors if they meet and maintain the minimum NZTA vehicle inspector requirements. It will be a responsibility of the inspection organisation to track, monitor, record, audit and train the vehicle inspectors.

The vehicle inspector must:

- a) demonstrate a comprehensive knowledge of the requirements in the VIRM: Border inspection of imported used vehicles, sufficient to inspect a vehicle at the border
- b) have attended an approved two-day course in structural integrity and energy management, and achieve the required pass standard
- c) be a fit and proper person (section 2.6 of the Rule). Refer to the NZTAs <u>fit and proper person guidelines</u> for inspection organisations and vehicle inspectors
- d) be physically capable of carrying out the border inspection process
- e) be able to pass a basic eyesight test.

7 Definitions and abbreviations

NZTA	means the NZ Transport Agency
Make	in relation to a motor vehicle, means the name given for market identification to a group or groups of motor vehicles by a company or organisation which owns that name.
New motor vehicle	means a motor vehicle, which is not a used motor vehicle.
Structural damage	 Includes any of the following: distortion or buckling of panels or pressings forming part of the unitary body construction, which causes misalignment from the original state. corrosion of panels, pressings or welds in the unitary body structure which degrades the strength of the structure. deformation in the crush zones; cracking in or adjacent to welds; misalignment of the suspension or damaged to the attachment points to the body structure. cracking or deformation of cross members, sills or chassis rails. misalignment, deformation, cracking or corrosion of a separate chassis frame.
Used motor vehicle	 means a motor vehicle, which has been: supplied to the consumer market and sold; or used as a demonstration, test or courtesy vehicle by its manufacturer or importer; or used for training or testing purposes; or previously registered or licensed.