Explanation of the Risk Criteria used in the HMI Import Risk Assessment System (IRAS).

This document sets out definitions of the Criteria used in the HMI Risk assessment system and how they will be used to affect the risk status of particular consignments.

For more details of the PEACH system please download the user instructions.

For more details of the regulations behind the principle for the PEACH system and Import Risk Assessment please go to:

http://www.defra.gov.uk/hort/hmi/imp_reg1148.htm

Overall Summary of Risk Assessment.

The IRAS risk assessment system assesses the risk of each consignment on a PEACH application, using a set of defined risk factors and the past inspection history of similar consignments. After risk assessment each consignment is given a risk category the principle risk groups are: red: high risk, amber: medium risk or green: low risk. Red risk consignments will be inspected wherever possible; amber consignments will need an inspectors decision whether they will need inspection or not and green consignments will automatically have a certificate available for printing by the applicant or their agent.

There are10 criteria which form the Import Risk Assessment System. These Criteria will be used to determine the overall 'Risk' of a consignment failing to meet the EC Marketing standards on entry into the UK. The principle involved in the Risk Assessment system is that where a particular consignment has had it's status raised and flagged as a result of a particular criteria, it will then not be subject to further aspects of the risk assessment system.

Not all aspects of the IRAS Criteria will necessarily be applied at any given time. If it is felt that insufficient information is available to form a balanced judgement on a particular criterion, it can be turned off and this will immediately prevent this criterion being used in the risk assessment of newly submitted applications.

The list below explains how each criterion is defined and used in the system.

1) Automated Certificate Return.

It was felt important to build an emergency contingency into the risk based system to allow all consignments to be turned to green status. This would be where a problem existed and inspectors would be unable to carry out physical inspections at an entry point for some reason. In this case a conformity certificate will be generated by the PEACH system automatically. It is therefore possible for the HMI to 'close' either an individual office, or several offices depending on the circumstances.

On the PEACH system if a particular day is selected and shows "Closed" it means that any applications which are submitted where the date of inspection falls on that day will be automatically given a green status and the consignment allowed to clear automatically. It is not envisaged that this option will be used unless there are no other options to cover the inspection or certification from another HMI office.

2) Approved Inspections.

On occasions a consignment will arrive from a country which has Approved Inspection Status (A.I.S.) without a Conformity Certificate. Under these circumstances the application will be raised to a higher level of risk.

Random Sample Percentage.
A certain number of consignments from A.I.S countries with certificates are also required to be randomly inspected by the HMI under Reg 1148/01 in order to check the conformity levels of the country producing the certificate. These consignments will be chosen at a lower rate than inspections on produce from non Approved Countries. An automated sampler chooses them randomly. The same level of randomness is applied to all countries, though on an individual basis.

3) Consignment Weight

Very small consignments or samples generally confer a low risk and are resource intensive from an inspectors point of view. Therefore there will be a minimum number of boxes in a consignment, or a minimum weight of the total consignment below which an automatic return will be made to the applicant supplying them with a certificate. These minimum numbers and weights will be kept as confidential information to the HMI.

The minimum weight and number will be different figures by each commodity and for each transport method.

4) Inspection History

The main part of the Risk Assessment engine deals with the previous history of consignments. Each night a list is passed to the Risk assessment engine of all the goods imported into the country by commodity and country for each importer in the UK which have been inspected by the HMI. This list is based upon the HMI's previous inspections of those commodities. The list comprises:
1) The total weight previously inspected,
2) The total weight of consignments found not to meet the standards, and
3) The percentage of the total inspected that has resulted in a failure of conformity ('action').

The HMI will then set out minimum weights for inspection, 'action' and percentage, above which a higher risk will be triggered.

When a new consignment is entered into the system, this list is checked, and if there is no reference in the list of that combination of Importer, commodity and country, the consignment will be moved to a higher level of risk as data on the consignment needs to be collected.

Where data is present about such consignments and shows that the consignment is low risk or not subject to the minimums, the consignment will move through to the remaining criteria.

Where one of the settings in the criteria is exceeded the consignment will become a higher risk and subject to inspection.

Minimum values to be set for each type of commodity.

5) Seasonality.

The Fresh Produce Journal has provided the HMI with a detailed table, indicating the time of year and length of season for each product and in some cases variety from each country of origin.

For all products and for all country of origins, the number of days in a season where commodities are at risk or the percentage of the season when a commodity is at risk will be defined. The percentage is useful as where a season is particular short, and less than the number of days selected, the percentage figure will apply rather than the number of days.

Where the consignment concerned is in a higher risk period of it's season, the result may be an increase to either high risk or an increase in its risk such that a decision is required from an inspector.

6) Mode of Transport.

HMI inspectors strongly felt that the type of transport had some bearing on the risk of a particular consignment being more or less likely to be below the standards. However no data yet exists to prove this definitively, though through analysis of data in PEACH this may become possible.

HMI will be able to set the risk level result of a particular consignment dependant on the method of transport into the UK. This criteria will not be active initially.

7) Random Sampling.

It is envisaged that a significant proportion of consignments will be cleared on the basis of low risk in the automated system. Part of the Risk Assessment process will be to randomly check consignments which would otherwise go through the 'Green' or automatically certificated channel to check the effectiveness of the risk assessment system, and the settings entered Random checks will also help the HMI to determine the overall level of compliance of lots being imported into the UK.

Such inspections are chosen randomly according to a recognised random number generator.

Regular reports will be created which will compare the levels of action found in random inspections against a) those found in consignments perceived as High Risk inspections by the Risk System, and also b) against those which were initially medium risk but were changed to high risk by the inspector.

Where produce for processing is packed in small market packs, there is a greater danger of such consignments ending up on the fresh rather than the processing market. Consignments for processing packed in small market type containers will have a greater percentage of physical inspections.

8) Automatic Release.

Due to the fact that sometimes applications for certificates for some consignments may not be seen by inspectors there has to be a default setting which will enable consignments to be automatically released with a conformity certificate returned if no action takes place on the consignment concerned within a certain period of time.

These defaults are set for each risk state and for each mode of transport.

9) Flagged Importer.

This criterion is used to alter the number of consignments from a particular importer that are subject to inspection.

Where a trader is making particular efforts to improve the quality of the produce that they are bringing into the country, the trader can be rewarded by a reduction in the consignments subject to a physical examination.

Similarly, In order to have a sanction against a particular trader who might attempt to circumvent the PEACH system or manipulate the data, the HMI can increase the overall rates that particular traders may be subject to a physical inspection of their produce.

Traders will be notified individually of any intention to use this criteria to either increase or decrease the level of inspection they are subject to.

10) Certificate Validity Period

As many consignments will automatically receive a certificate, it is important that the period of validity present on the certificate is sufficient to allow customs clearance but also does not give so long a period that the product may in fact fail a physical inspection due to deterioration.

The period of validity will be set as a separate value for each commodity. A highly perishable crop may receive a validity period of 24 hours, whereas a less perishable crop may receive a validity period of 10 days.

The period of validity is added to the number of days between the date of application and the date of arrival of the consignment. For example if the application is made on Monday for a product whose validity period is one day arriving on Wednesday, the period of validity would be three days; the two days between application and arrival, added to the validity period of one day.

Any questions about the risk assessment system or PEACH applications should initially be directed to the RHMI for your area list available at :

http://www.defra.gov.uk/hort/hmi/address.htm