

ATTACHMENT D

PRINCIPLES FOR THE REGULATION OF AMMONIUM NITRATE

Policy Aims

1. A nationally-consistent, effective and integrated approach to control access to security-sensitive ammonium nitrate to those with a legitimate need.
2. To ensure accountability at all stages of the ammonium nitrate supply chain, in order to address security and safety concerns.
3. To establish a framework for control which may be applicable for other materials of security concern.

Agreed Principles

1. An authority would be required to import, manufacture, store, transport, supply, export, use or dispose of security sensitive ammonium nitrate (SSAN).
2. Security sensitive AN (SSAN) shall be defined as ammonium nitrate, ammonium nitrate emulsions and ammonium nitrate mixtures containing greater than 45 per cent ammonium nitrate, excluding solutions. (These include dangerous goods under the Australian Dangerous Goods Code with the UN numbers 1942, 2067, 2068, 2069, 2070, 2071, 2072, 3375 and 3139 where applicable.)
3. Persons seeking an authority will be required to:
 - a) demonstrate a legitimate need for access to SSAN¹;
 - b) provide safe and secure storage and handling procedures;
 - c) report any loss, theft, attempted theft or unexplained discrepancy to the regulatory authority and police in each jurisdiction;
 - d) undergo background checking;
 - e) be a minimum of 18 years of age; and
 - f) provide verifiable proof of identity, and if a company, details of the company.
4. Background checking must include police and ASIO checks.
 - a) As a minimum, background checks will be required for the person responsible for the security of SSAN at a workplace ('responsible

¹ Legitimate need is likely to include use in commercial production processes, mining, quarrying, the manufacture of fertilizer and explosives, educational, research and laboratory use, commercial agricultural use by primary producers, and services for transportation, distribution and use of the product. Household and domestic use, and the fertilisation of recreational facilities will not be considered a legitimate need.

person'), as well as for any person who has unsupervised access to SSAN.

- b) The owners and directors of companies which are not publicly listed will also undergo background checking.
 - c) Police checking should be done regularly.
 - d) ASIO checks need only be done once, provided ASIO is notified of the change of name of a person who is subject to security checking.
5. An authority to import, manufacture, store, transport, supply, export, use or dispose of SSAN will impose requirements on the holder of that authority.

The following is a description of the requirements for each type of authority.

6. Importation from overseas

- a) Importers of SSAN must have an authority to import.
- b) Importers must inform the regulatory authority² of each importation at least seven days prior to import.
- c) This notification must include:
 - i. Vessel identification,
 - ii. details of the quantity to be imported,
 - iii. location of arrival,
 - iv. authorisation details of the recipient and contact details,
 - v. storage location of the SSAN,
 - vi. authorisation details of the agent transporting from the arrival point, and
 - vii. confirmation of dangerous goods classification, with a certificate of analysis for each batch comprising the imported SSAN.
- d) The Australian Customs Service should notify the regulatory authority of each importation of ammonium nitrate, and hold any importation which is not properly authorised.

7. Manufacture

- a) Manufacturers of SSAN must have an authority to manufacture (including storage) from the regulatory authority.
- b) An application for an authority to manufacture SSAN must be accompanied by an approved security plan based on a risk assessment and which is to include:
 - i. the location and details of the manufacturing facility (and note storage requirements below),
 - ii. details of the production process to be used,

² The regulatory authority will be the body within each state and territory which administers the system of authorising access to ammonium nitrate. In most cases, the regulatory authority will be the current regulators of explosives or dangerous goods.

- iii. details of the ingredients to be used, and their sourcing if dangerous goods,
- iv. recording and reconciliation protocols,
- v. designating a responsible person to maintain the security plan, and in the case of a company or other entity, training audits and ongoing maintenance of the plan must be confirmed regularly by the owners and senior officials,
- vi. procedures for checking and authorising persons with unsupervised access to SSAN,
- vii. certificate of analysis for each batch,
- viii. confirmation of dangerous goods classification,
- ix. the recording system for authorisation details of any recipient of SSAN and the quantities taken by them, and
- x. procedures for reporting to authorities any loss, theft, or attempted theft of SSAN.

8. Storage

- a) Those who store SSAN must have an authority to store from the regulatory authority.
- b) An application for an authority to store SSAN must be accompanied by an approved security plan based on a risk assessment and which must include:
 - i. the location and details of the facility,
 - ii. precautions to ensure it is safe,
 - iii. procedures for controlling access,
 - iv. recording and reconciliation protocols,
 - v. procedures for checking and authorising persons with unsupervised access to SSAN and designating a responsible person to maintain the security plan. In the case of a company or other entity, training audits and ongoing maintenance of the plan must be confirmed regularly by the owners and senior officials,
 - vi. the recording system for details of persons taking SSAN from the storage and the quantities taken by them, and
 - vii. procedures for reporting to authorities any loss, theft, or attempted theft of SSAN.
- c) As a minimum, SSAN must be stored in a locked facility/container or be under constant surveillance. (A detailed national code for safe and secure storage will be developed.)
- d) The storage facility must also conform to Australian Standards and the Australian Dangerous Goods Code.

9. Transport

- a) Transporters of SSAN must have an authority to transport from the regulatory authority.
- b) An application for an authority to transport SSAN must be accompanied by an approved security plan based on a risk assessment, and which must include:
 - i. precautions to ensure it is secure for the duration of the entire journey,
 - ii. procedures for checking and authorising crew members and designating a responsible person to maintain the security plan. In the case of a company or other entity, training, audits and ongoing maintenance of the plan must be confirmed regularly by the owners and senior officers,
 - iii. the recording system for authorisation details of persons taking delivery of SSAN and the quantities taken by them, and
 - iv. procedures for reporting to authorities any loss, theft or attempted theft of SSAN.
- c) As a minimum, SSAN must be transported in a locked container or vessel or be under constant surveillance by an authorised crew member.
- d) An authority would not be required for the transport of quantities of SSAN of 20kg or a lesser weight.
- e) The transportation must also conform to Australian Standards and the Australian Dangerous Goods Code.

10. Supply

- a) A person may only supply SSAN to another authorised person, under the conditions of their authority.
- b) Records must be kept of all transactions, including the recipient's authorisation type and number, the date, quantity, and a description of the product (name and UN number).
- c) The supplier must sight the authorisation or a certified copy of the authorisation (and if applicable, proof of employment) and confirm the bona fides of the purchaser, and as a minimum sight and record photo identification details.

11. Export

- a) Exporters of SSAN must have an authority to export and must inform the regulatory authority of each exportation at least seven days prior to the date of exportation.
- b) This notification must include details of the type and quantity to be exported, to where the goods will be sent, and documentation confirming that the shipment complies with import regulations in the receiving country.

- c) The Australian Customs Service should notify the regulatory authority of each exportation of SSAN.
- d) The exporter of SSAN must keep records of all transactions, and report any loss, theft, or attempted theft.

12. Use/disposal

- a) A person may only acquire SSAN from another authorised person.
- b) Records must be kept of all transactions, including the authorisation type and number and identification details of the supplier, the date, quantity, and a description of the product (name and UN number).
- c) Records must also be kept of use or disposal.

13. Offences

- a) It will be an offence to import, manufacture, store, transport, supply, export, acquire, use or dispose of SSAN without an authorisation.
- b) It will also be an offence to breach the requirements of an authorisation.
- c) Penalties will be consistent with penalties for breaches of explosives legislation in each jurisdiction.
- d) Penalties will include loss of authorisation and confiscation of the product.

14. Reporting of loss, theft, attempted theft and discrepancies

- a) Such incidents must be reported to the regulatory authority in each jurisdiction, as well as to the police in each jurisdiction.
- b) The police will be responsible for reporting these types of incidents, as well as discoveries of abandoned or illegally-held SSAN to the Australian Bomb Data Centre, which will maintain a national data base of such incidents.

15. Explosives regulations

In view of these measures to be introduced for SSAN, which in some cases are more stringent than those for the control of explosives, states and territories should review their explosives regulations. In particular, states and territories should quickly move to:

- a) implement security checking for persons having access to explosives, and
- b) ensure penalties for breaches of explosives regulations are appropriately severe.