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from:	Mr Vítor CALDEIRA, President of the European Court of Auditors
date of receipt:	30 October 2012
to:	Mrs Erato KOZAKOU-MARCOULLIS, President of the Council of the European Union

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Subject:	Special report No 14/2012: Implementation of EU hygiene legislation in slaughterhouses of countries that joined the EU since 2004
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Sir,

I enclose a copy of special report No 14/2012 entitled "Implementation of EU hygiene legislation in slaughterhouses of countries that joined the EU since 2004" together with the Commission's replies.

The special report was adopted by the Court at its meeting on 25 July 2012 and is accompanied by the replies from the Commission, which was notified of the preliminary findings on 30 May 2012.

(Complimentary close).

(s.) Vítor CALDEIRA

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Encl.: Special report No 14/2012: Implementation of EU hygiene legislation in slaughterhouses of countries that joined the EU since 2004<sup>1</sup>

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<sup>1</sup> In English only. The other languages of this report are available on the European Court of Auditor's website: <http://eca.europa.eu/>.

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## Special Report No 14/2012

(pursuant to Article 287(4), second subparagraph, TFEU)

Implementation of EU hygiene legislation in **slaughterhouses** of countries  
that joined the EU since 2004

together with the Commission's replies

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**ABBREVIATIONS**

BTSF	Better Training for Safer Food
Agriculture and Rural Development DG	Directorate-General for Agriculture and Rural Development
Health and Consumers DG	Directorate-General for Health and Consumers
EAFRD	European Agricultural Fund for Rural Development
EAGGF	European Agriculture Guidance and Guarantee Fund
EAHC	Executive Agency for Health and Consumers
ECDC	European Centre for Disease Prevention and Control
EFSA	European Food Safety Authority
FBO	Food Business Operator
FVO	Food and Veterinary Office
HACCP	Hazard Analysis and Critical Control Points
MANCP	Multi-Annual National Control Plan
OLAF	European Anti-Fraud Office
RDP	Rural Development Programme
SAPARD	Special Accession Programme for Agriculture and Rural Development

## **GLOSSARY**

**Better Training for Safer Food (BTSF):** "Better Training for Safer Food" (BTSF) is a Commission initiative aimed at organising a Community (EU) training strategy in the areas of food law, feed law, animal health and animal welfare rules, as well as plant health rules. Training is designed for all staff of competent authorities of Member States involved in official control activities so as to keep them up-to-date with all aspects of Community law in the areas specified above and ensure that controls are carried out in a more uniform, objective and adequate manner in all Member States.<sup>2</sup>

**Cold chain:** Food Business Operators must provide throughout the food production process, from animal slaughter until the dispatch of products to the final consumer, an uninterrupted chain of suitable temperature-controlled handling and storage conditions of sufficient capacity for maintaining foodstuffs at appropriate temperatures. These temperatures are intended to maintain and extend the shelf life of fresh products by preventing the growth and multiplication of microorganisms.

**Critical Control Points (CCP):** These are the step or steps at which control is essential to prevent or eliminate a hazard or to reduce it to acceptable levels (see HACCP).

**Hazard Analysis and Critical Control Points (HACCP):** Food Business Operators have to put in place, maintain and apply procedures based on HACCP principles in their activity:

- identifying any hazards that must be prevented, eliminated or reduced,

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<sup>2</sup> Source: Executive Agency for Health and Consumers  
<http://ec.europa.eu/eahc/food/about.html>

- identifying the Critical Control Points at the step or steps at which control is essential to prevent or eliminate a hazard or to reduce it to acceptable levels,
- establishing critical limits at Critical Control Points which separate acceptability from unacceptability,
- establishing and implementing effective monitoring procedures at Critical Control Points,
- establishing corrective actions when monitoring indicates that a Critical Control Point is not under control,
- establishing procedures to verify that the measures mentioned above are working effectively,
- establishing documents and records to demonstrate the effective application of the measures<sup>3</sup>.

**Microbiological testing:** Food Business Operators shall ensure that foodstuffs comply with the relevant microbiological criteria, and to take specific samples from carcasses and meat, as required by Regulation (EC) No 2073/2005<sup>4</sup>.

**Multi-Annual National Control Plan (MANCP):** Member States shall enforce food law, and monitor and verify that the relevant requirements of food law are fulfilled by Food and Feed Business Operators. For that purpose, they have to maintain a system of official controls<sup>5</sup>. In order to ensure the effective implementation of these requirements, each Member State has to prepare a single integrated Multi-Annual National Control Plan that contains general

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<sup>3</sup> Article 5 of Regulation (EC) No 852/2004.

<sup>4</sup> Annex I of Regulation (EC) No 2073/2005.

<sup>5</sup> Article 17 of Regulation (EC) No 178/2002.

information on the structure and organisation of the systems of feed and food control, and of animal health and animal welfare control in that Member State. The MANCP is designed to promote a consistent, comprehensive and integrated approach to official controls and to identify risk-based priorities and criteria for the risk categorisation of the activities concerned and the most effective control procedures<sup>6</sup>.

**Own control programme:** Food Business Operators at each stage of food production, processing and distribution have to take samples to ensure that the production process is functioning at acceptable levels and the contamination level does not require corrective measures. Sampling frequencies of carcasses at slaughterhouses are set in Annex I to Regulation (EC) No 2073/2005. Samples also need to be taken from processing areas and equipment used in food production. Sampling by Food Business Operators (own control programme) is differentiated from the sampling performed by Member States' veterinarians in the framework of the Multi-Annual National Control Plans.

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<sup>6</sup> Title V of Regulation (EC) No 882/2004.



## **EXECUTIVE SUMMARY**

I. Slaughterhouses are a crucial step in the food processing chain. Under the European Union's hygiene legislation, Food Business Operators (FBOs) in charge of slaughterhouses must have appropriate conditions and procedures in place to ensure food safety. EU funds were allocated to slaughterhouses in countries that joined the EU from 2004 onwards, to facilitate their compliance with the provisions of the legislation. As the requirements were generally more onerous than existing national requirements, this was a major challenge. The associated upgrading of slaughterhouses was supported by EU contributions under the Special Accession Programme for Agriculture and Rural Development (SAPARD) and later by the European Agricultural Guidance and Guarantee Fund (EAGGF) and the European Agricultural Fund for Rural Development (EAFRD).

II. The audit of the Court examined whether the Commission and the Member States concerned took the necessary steps to ensure that slaughterhouses were brought up to the EU hygiene standards. This involved an examination of the supervision, guidance, implementation and funding of measures relating to hygiene requirements (paragraphs 1 to 21).

III. The audit revealed weaknesses in the application of the rules and procedures in the Member States visited which are summarised below. These weaknesses do not call into question the overall design of the systems but demonstrate the need for increased rigour in the application of checks at all levels to mitigate risks and avoid potentially serious problems to food safety (paragraph 51).

IV. The implementation of the requirements of the applicable hygiene Regulation was partially reviewed by the Commission's Food and Veterinary Office (FVO) in the Member States (paragraphs 22 to 25). Weaknesses were found in the implementation by Member States of the Multi-Annual National Control Plans (MANCPs) (paragraphs 26 to 27). The supervision by national

competent authorities did not prevent problems occurring with the implementation of hygiene requirements by FBOs (paragraphs 28 to 35).

V. While the Commission published guidance documents in order to facilitate the implementation of hygiene requirements, some of the Member States involved did not produce national guidelines (paragraphs 36 to 38).

VI. There was a lack of systematic consultation between the Commission and the Executive Agency for Health and Consumers concerning the initiative (paragraph 39) and a lack of appropriate procedures in the Member States to disseminate results of the BTSF initiative (paragraphs 40 to 44).

VII. The contribution of EU funds to facilitating the implementation of hygiene requirements at slaughterhouses was affected by weaknesses related to the sustainability and selection of projects (paragraphs 45 to 50).

VIII. The Court recommends that the Commission improves supervision and guidance of hygiene implementation of newly acceding Member States. Considering the use of EU funds for the implementation of the hygiene requirements in those Member States, the Commission is recommended to effectively supervise the implementation of the related programmes and evaluate the impact of these EU funds.

## **INTRODUCTION**

1. Maintaining high levels of food safety at a reasonable cost, by addressing key risks and ensuring effective implementation of food safety legislation, is a key priority of the Commission<sup>7</sup>. A series of crises concerning food and feed (for example, bovine spongiform encephalopathy, dioxin) have highlighted weaknesses in the design and implementation of food regulations in the European Union (EU). Since the “White Paper on Food Safety” of 2000<sup>8</sup>, the Commission has taken steps towards a comprehensive overhaul of EU legislation on food hygiene and veterinary issues.

2. The European Parliament and Council adopted a Regulation concerning food safety<sup>9</sup> in 2002. Specific Regulations concerning hygiene and food safety in slaughterhouses and the monitoring of their implementation were adopted by the Hygiene Package of 2004, which came into force in January 2006 and included:

- (a) rules on foodstuff hygiene<sup>10</sup>;
- (b) specific hygiene rules for food of animal origin<sup>11</sup>; and

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<sup>7</sup> [http://ec.europa.eu/food/intro\\_en.htm](http://ec.europa.eu/food/intro_en.htm)

<sup>8</sup> COM(1999) 719 final of 12 January 2000.

<sup>9</sup> Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety (OJ L 31, 1.2.2002, p. 1).

<sup>10</sup> Regulation (EC) No 852/2004 of the European Parliament and of the Council of 29 April 2004 on the hygiene of foodstuffs (OJ L 139, 30.4.2004, p. 1, Corrigendum OJ L 226, 25.6.2004, p. 3).

<sup>11</sup> Regulation (EC) No 853/2004 of the European Parliament and of the Council of 29 April 2004 laying down specific hygiene rules for food of animal origin (OJ L 139, 30.4.2004, p. 55, Corrigendum OJ L 226, 25.6.2004, p. 22).

(c) specific rules for the organisation of official controls on products of animal origin intended for human consumption<sup>12</sup>.

3. Official controls<sup>13</sup> are performed to ensure the verification of compliance with feed and food law, animal health and animal welfare rules. In maintaining a high level of food safety, slaughterhouses<sup>14</sup> are a crucial step in the food processing chain. The main hygiene and food safety requirements to be applied in slaughterhouses<sup>15</sup> are set out in the **Annex I**.

4. Member States joining the EU from 2004 faced particular challenges in meeting the new requirements of the Hygiene Package, compared with the existing Member States which had already been applying EU hygiene legislation. EU funds were therefore allocated to slaughterhouses in newly acceding Member States to facilitate their compliance with the legislation.

5. At December 2011, 2 361 slaughterhouses had been approved by the national authorities of these Member States (see **Table** in paragraph 45) as respecting the EU hygiene Regulations.

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<sup>12</sup> Regulation (EC) No 854/2004 of the European Parliament and of the Council of 29 April 2004 laying down specific rules for the organisation of official controls on products of animal origin intended for human consumption (OJ L 139, 30.4.2004, p. 206, Corrigendum OJ L 226, 25.6.2004, p. 83).

<sup>13</sup> According to Regulation (EC) No 882/2004 of the European Parliament and of the Council of 29 April 2004 on official controls performed to ensure the verification of compliance with feed and food law, animal health and animal welfare rules (OJ L 191, 28.5.2004, p. 1). 'Official control' means any form of control that the competent authority or the Community performs for the verification of compliance with feed and food law, animal health and animal welfare rules.

<sup>14</sup> According to the definition of Regulation (EC) No 853/2004, a slaughterhouse is an "establishment used for slaughtering and dressing animals, the meat of which is intended for human consumption".

<sup>15</sup> Article 3 of Regulation (EC) No 852/2004.

### ***Responsibilities***

6. The Hygiene Package assigns responsibilities for hygiene and food safety between the Commission, Member States, and Food Business Operators.

### **The Commission**

7. The Commission (Health and Consumers Directorate-General (DG)) is responsible for developing the EU's food safety policy, and in particular for risk management concerning food safety. It is assisted by two agencies in this task. The European Food Safety Authority (EFSA), based in Parma, provides expert opinions on food safety issues which serve as the scientific basis for EU measures. The European Centre for Disease Prevention and Control (ECDC), based in Stockholm has also a scientific and risk assessment role, but with a greater focus on human health.

8. The Commission verifies the implementation of the EU's food safety policy by Member States, notably by checking whether Member States develop a system of national official controls in compliance with EU law. This verification is carried out by a specific Directorate of the Health and Consumers DG, the Food and Veterinary Office (FVO), which performs audits of Member States' national official controls. The Health and Consumers DG also develops food safety training for Member States under the BTSF programme. These training courses are administered by the Executive Agency for Health and Consumers (EAHC), based in Luxembourg.

### **The Member States**

9. Each Member State has a competent authority charged with implementing the Hygiene Package of 2004, and for verifying compliance by FBOs with its requirements. The main tasks of the competent authorities include:

- (a) development and dissemination of national guidelines;
- (b) approval of slaughterhouses;

- (c) preparing a single Multi-Annual National Control Plan (MANCP) to describe their system of official controls and other activities to enforce the application of food safety requirements by FBOs at all stages of the food chain;
- (d) preparing MANCP implementation reports;
- (e) performance of official controls, (in addition to those of the official veterinarians (OV) located in the slaughterhouse) of FBOs in accordance with the MANCP;
- (f) promoting training of officials performing controls;
- (g) arranging for the designation of national reference laboratories;
- (h) carrying out audits of the official control systems to ensure that they are achieving the objective of Regulation (EC) No 882/2004.

10. Member States report annually to the Commission on the results of their controls and audits of the previous year.

### **Food Business Operators**

11. FBOs are responsible for ensuring that all stages of production, processing and distribution of food under their control satisfy the relevant hygiene requirements. FBOs which manage slaughterhouses in Member States are responsible for ensuring adherence to requirements relating to:

- (a) providing appropriate facilities and equipment to allow the official veterinarian to perform ante-mortem and post-mortem inspections;
- (b) traceability of the animal products;
- (c) sampling for microbiological contamination;
- (d) separation of activities in space or time to avoid cross-contamination;

- (e) maintenance of the cold chain and appropriate wrapping or packaging and dispatch;
- (f) correct disposal of all waste resulting from the operations carried out in the slaughterhouses' premises.

12. All food hygiene procedures should be based on the Hazard Analysis and Critical Control Point (HACCP) principles<sup>16</sup>, which is the international standard methodology for managing food related risks.

### ***Specific funding for newly acceding Member States***

13. Member States acceding to the EU from 2004 had to ensure that their slaughterhouses met the EU's hygiene requirements. As these requirements were generally to a much higher standard than existing national requirements, EU funds were provided to modernise slaughterhouses in order to facilitate their compliance with hygiene requirements.

14. The Special Accession Programme for Agriculture and Rural Development (SAPARD programme)<sup>17</sup> provided around 117 million euro to 241 slaughterhouses under the measure "Improving the processing and marketing of agricultural and fishery products"<sup>18</sup>. This measure provided funds

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<sup>16</sup> See Glossary for a definition of these principles.

<sup>17</sup> Regulation (EC) No 1268/1999 on Community support for pre-accession measures for agriculture and rural development in the applicant countries of central and eastern Europe in the pre-accession period (OJ L 161, 26.6.1999, p. 87).

<sup>18</sup> This measure had a total allocation of 1 025 million euro. The amount of 117 million euro for slaughterhouses is an estimate by the Court based on available information at the Commission and Member States.

Levels of assistance under SAPARD were determined and recorded at "Measure" level. As there was not a measure specifically for slaughterhouses, there is a lack of reliable and complete information on their funding.

Assistance under SAPARD was available until 2006. If projects undergo a substantial modification during five years after the date of final payment of the

to help Member States deal with the structural adjustment in their agricultural sectors and rural areas, including the hygiene legislation relating to slaughterhouses. It focused on the priorities identified in the Accession Partnership Agreements where details for each country are set down in a Rural Development Plan.

15. SAPARD funding was spent on aid such as the construction of slaughterhouse premises, the purchase of equipment, the refitting of production rooms using hygienic materials (for example no normal wall painting allowed), sterilisation and cleaning installations to meet the hygiene standards.

16. Slaughterhouses were then supported by the European Agriculture Guidance and Guarantee Fund (EAGGF)<sup>19</sup> under the measure “Improving the processing and marketing of agricultural products” and subsequently the European Agricultural Fund for Rural Development (EAFRD)<sup>20</sup> under the measure “Adding value to agricultural and forestry products”. These funds are managed by the Directorate-General for Agriculture and Rural Development (Agriculture and Rural Development DG) and the Member States.

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SAPARD contribution, recoveries may be made by Member State competent authorities before the closure of the programme.

In practice a SAPARD programme will be closed after a maximum of seven years after final payment was made to the projects. For the Member States which joined the EU in 2004, recoveries may therefore be made until 2013. For Bulgaria and Romania the last declaration of expenditure was submitted in 2009, and recoveries may be made until 2016.

<sup>19</sup> Council Regulation (EC) No 1257/1999 of 17 May 1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) and amending and repealing certain Regulations, (OJ L 160, 26.6.1999, p. 80).

<sup>20</sup> Council Regulation (EC) No 1698/2005 of 20 September 2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD), (OJ L 277, 21.10.2005, p. 1).



## **AUDIT SCOPE AND APPROACH**

17. The objective of the audit was to examine whether the Commission and the Member States that received funds from the SAPARD, EAGGF and EAFRD programmes<sup>21</sup> took the necessary steps to ensure that slaughterhouses brought themselves up to the European Union (EU) hygiene standards. This involved examining the following questions:

- (a) Was there adequate supervision by the Commission and competent authorities in the Member States of the implementation of the hygiene requirements applicable to slaughterhouses?
- (b) Was there adequate guidance and training to support the implementation of the hygiene requirements applicable to slaughterhouses?
- (c) Were there adequate procedures to implement hygiene requirements at slaughterhouses?
- (d) Were the procedures for the provision of EU funding to slaughterhouses, for the implementation of the EU hygiene and food safety requirements, effective?

18. The audit included visits to relevant services of the Commission, the EAHC and EFSA. Five of the above mentioned newly acceding Member States (Czech Republic, Hungary, Poland, Romania and Slovenia) were visited and 25 slaughterhouses that benefited from EU funding (five in each Member State) were audited on the spot.

19. The audit work at the Commission services responsible for food safety included an examination of documentation and procedures concerning food

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<sup>21</sup> Bulgaria, Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland, Romania, Slovenia and Slovakia.

safety audit and inspection missions, the management of training programmes, and relevant guidelines for use by FBOs and competent authorities.

20. At the Commission services responsible for funding, the audit included the examination of documentation concerning the Rural Development Programmes (RDPs) through the pre-accession funds (SAPARD), EAGGF and EAFRD and examination of relevant documentation concerning the implementation of the programmes in the Member States visited during the audit.

21. In the Member States, the audit focused on the examination of the management systems for implementing the EU hygiene legislation in slaughterhouses, and included a review of the contribution of EU funded programmes to this end. The audit at slaughterhouses examined the application of the related procedures.

## **OBSERVATIONS**

### ***Supervision of the implementation of hygiene requirements***

22. The audit examined the Commission supervision of the actions taken in Member States and the Member States' supervision of FBOs' activities. The Court's audit found that overall, the design of systems for supervision of hygiene requirements by the Commission, and the competent authorities in the Member States visited (paragraph 18) was adequate, but that there was scope for improvement of their implementation in a number of important respects as set out hereunder.

23. The implementation of hygiene requirements had not yet been completely reviewed by the Commission (paragraphs 24 to 25). At the level of the Member States audited, there were weaknesses in the implementation of the MANCPs (paragraphs 26 to 27) and the performance of veterinary controls (paragraph 28).

## **The Commission has only partially reviewed the implementation of the 2004 Hygiene Package in the Member States**

24. The Health and Consumers DG checks the implementation of hygiene requirements in Member States through inspections carried out by its FVO Directorate. The FVO performs some 250 inspection missions per year, of which more than one third are carried out in Third Countries. The Health and Consumers DG establishes priorities for their inspections on an annual basis, and considers risk, regulatory factors, current strategy, and previous inspection results. Sector specific inspections<sup>22</sup>, general follow up inspections, and specific follow up inspections are performed.

25. In 2006, the FVO reviewed the implementation of the requirements of the 2004 hygiene package (paragraph 8) concerning the red meat sector in all the Member States that joined the EU since 2004. A follow-up of unsatisfactory levels of implementation identified during that review was being completed at the time of the audit in 2011. In the poultry meat sector, however, the review started only in 2008. At the time of the audit in 2011 (five years after the deadline for implementation of the hygiene requirements) this review, and its subsequent follow up was also still in progress<sup>23</sup>.

## **Shortcomings in the implementation of Multi-Annual National Control Plans (MANCP) by the Member States audited**

26. The implementation of Member States' MANCPs (paragraph 9 and Glossary) is evaluated by the FVO during general follow-up audits. Weaknesses in that implementation<sup>24</sup> were identified by the FVO in the

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<sup>22</sup> E.g. "Food Hygiene - Food of animal origin" audits carried out in 2006 in all Member States.

<sup>23</sup> Estonia and Romania had not yet been covered.

<sup>24</sup> E.g. in Hungary, the MANCP did not provide sufficient information on specific aspects relating to the poultry sector; responsibilities of approved veterinarians;

MANCPs of three of the newly adhering Member States visited (Hungary, Romania and Slovenia), which reduced their suitability as a basis for the performance of official controls.

27. In addition, the Court's audit found that in Romania the controls planned by the MANCP for 2009 had not been fully implemented.

### **Weaknesses in implementation of Member States' veterinary controls**

28. Member State competent authorities should carry out official veterinary controls in slaughterhouses in accordance with documented procedures<sup>25</sup>. Effective controls require these procedures to be clearly established, and correctly implemented (see **Annex II**). The audit found that in general there were suitable procedures in place to comply with the requirements. However, specific shortcomings were detected. These related to problems with coordination, and the documentation of sampling programmes and control results (see **Box 1**).

#### **Box 1 – Weaknesses in official veterinary controls**

In Poland, the audit of official veterinary controls by the competent authorities was, at the time of the Court's audit, performed under the responsibility of the same inspection services which perform veterinary controls. This poses a risk to the independence of the work.

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the risk assessment; and the system used to establish the frequency of the official controls.

In Romania, the MANCP did not provide sufficient information on whether sanctions were effective, proportionate and dissuasive; the prioritisation of official controls was not detailed in a harmonised way; and the plan did not cover the procedures for verifying the work of official veterinarians.

In Slovenia, the MANCP did not provide sufficient information on procedures to ensure impartiality and consistency of official controls; and the plan was incomplete.

<sup>25</sup> Article 8(1) of Regulation (EC) No 882/2004.

In Romania one report of an inspection carried out by the competent authorities to verify the performance of the official veterinarian's tasks contained findings regarding the activity of the slaughterhouse and the implementation of own controls which are in fact the responsibility of the FBO.

Member States' veterinary services check whether the design and implementation of FBOs' HACCP systems meets regulatory requirements. In Hungary, however, the central veterinary services did not have an overview of the application of HACCP. Furthermore, the information concerning shortcomings frequently identified was not sufficiently collated. Consequently, it was not possible to supervise the overall application and implementation of the HACCP system.

In Slovenia there was a lack of clear guidelines and standard documentation for reporting veterinary control results, resulting in differences in the reporting of controls. This created a risk to their quality and completeness.

In some of the small slaughterhouses visited during the audit, there was an inadequate demarcation between the responsibilities of the FBO and those of the official veterinarian. This may affect the independence of official controls.

### ***Implementation of hygiene and food safety requirements in slaughterhouses by the FBOs***

29. The Court examined the implementation by the FBOs of hygiene and food safety requirements at slaughterhouses, under the supervision of Member States' competent authorities. The audit found that overall there were suitable procedures in place in FBOs to comply with the requirements. Nevertheless the following observations show that the implementation of hygiene and food safety requirements by the FBOs still requires a reinforced verification by the National competent authorities and a close supervision of the latter by the Commission.

### **Shortcomings in implementation of hygiene requirements**

30. The audit noted weaknesses in the implementation of hygiene requirements in nine of the 25 slaughterhouses visited. These related to inappropriate cleaning, disinfection and stunning equipment, the separation of "clean" from

“dirty” areas, and a lack of adequate storage facilities for meat declared unfit for human consumption (see **Box 2**).

**Box 2 – Shortcomings in the implementation of the hygiene requirements**

Although the flow of production in slaughterhouses should be designed to prevent cross-contamination, in one slaughterhouse visited in Romania staff could move freely from dirty to clean areas and the audit team had to go back on the flow from the dirty area to the clean area because no other exit was available. In a second Romanian slaughterhouse the meat from the storage facilities had to be brought back to the cutting plant to be labelled for dispatch. In both slaughterhouses, the lack of separation in space or time of activities in the slaughterhouse may present a risk of cross contamination. In a third slaughterhouse, knives were not stored properly during the slaughtering operation. In a fourth slaughterhouse, staff handled pig carcasses immediately after cleaning the floors without first washing their hands.

In a slaughterhouse visited in the Czech Republic, facilities for cleaning hands and boots were not appropriate to ensure that all staff actually used them before entering the clean areas. In this case and in a second slaughterhouse, there was no clear separation between different areas, allowing free access to facilities without taking appropriate disinfection measures. In a third slaughterhouse visited cages used to transport live chickens were not completely cleaned after the unloading of the birds which could lead to a risk of cross-contamination.

In one slaughterhouse visited in Poland, the stunning equipment used did not function properly causing unnecessary distress to the animals as replacement equipment was not readily available to finish the stunning in a reasonable time. In another slaughterhouse visited in Poland there were no available separate cooling facilities for the storage of meat unfit for human consumption.

### **Insufficient assurance related to the Hazard Analysis and Critical Control Points (HACCP) system**

31. Appropriate documentation (for example, concerning the cold chain) forms an essential part of HACCP systems<sup>26</sup>. The HACCP plans of the slaughterhouses visited provided for the recording of monitoring activities of Critical Control Points (CCPs). However, in five of the slaughterhouses visited, HACCP procedures were not applied for CCPs related to temperature and the documentation of CCP checks was incomplete and/or unreliable (see **Box 3**). This reduced the assurance of the reported critical control.

#### **Box 3 – Incomplete checks on Critical Control Points**

In a slaughterhouse visited in Slovenia, the maximum temperature of meat before dispatching fixed by the Regulations (7°C) was used as a limit for CCP, and temperature readings were systematically taken. If a temperature reading found that meat ready for dispatch was not cold enough, it should be chilled further. However the audit noted documented deliveries of meat from the slaughterhouse with temperature readings over 8°C without further chilling.

In a slaughterhouse visited in Hungary, the temperature in chilling rooms was subject to a CCP. However the temperature monitoring system did not give sufficient warnings in case of temperature deviations from levels set in the HACCP plan. In another slaughterhouse visited, the documentation for CCPs was only completed when problems occurred. No documentary evidence of temperature readings within permitted levels was available.

In one slaughterhouse visited in Romania, the temperature records in chilling rooms were not considered reliable. The same temperature was consistently recorded in these records for temperature readings taken four times a day over several weeks by the same person.

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<sup>26</sup> Article 5 of Regulation (EC) No 853/2004 (see also the Glossary).

In a second slaughterhouse visited in Romania, the temperature records were filled in advance showing always “C” for “compliant”.

### **Deficiencies in the implementation of the own control programme**

32. The legislation requires FBOs to perform an own control programme involving sampling of carcasses for microbiological contamination at least once per week, except in certain cases where the veterinary authorities may allow sampling to be performed on a fortnightly basis. In five of the slaughterhouses visited in three Member States the sampling frequency or the handling of samples was not carried out in accordance with the requirements. In four cases, where the veterinary authorities approved sampling on a fortnightly basis, the actual sampling was performed at less frequent intervals. In one case the results of the testing were not available (see **Box 4**).

#### **Box 4 - Sampling of carcasses not always carried out in accordance with the rules**

The FBOs of slaughterhouses shall take samples for microbiological analysis at least once a week. In two slaughterhouses visited in Romania, sampling for Salmonella by the FBO was reduced below the legal requirements without appropriate prior approval by the veterinary authorities.

In addition, the official veterinarian took the samples although this is the responsibility of the FBO.

In one slaughterhouse visited in Poland, sampling by the FBO was reduced in some cases to once a month. In another slaughterhouse, there was no evidence that all the required tests are carried out.

In one slaughterhouse visited in the Czech Republic, while the FBO complied with the sampling frequency, samples were only sent to the laboratory once a month or even less. This practice constituted a risk to production process hygiene as it would have been impossible to take immediate corrective measures in case positive sample results of microbiological analysis were not known quickly.



### **Lack of compliance with traceability requirements**

33. Food and feed which may be sold in the EU should be adequately labelled or identified to facilitate its traceability, through relevant documentation or information<sup>27</sup>. The audit noted weaknesses in six of the 25 slaughterhouses visited. These related to inappropriate systems for the identification of carcasses and flocks and incomplete systems to trace the processing of live animals to carcasses in the food chain (see **Box 5**).

#### **Box 5 – Lack of traceability information**

Slaughterhouse operators must not accept animals on the slaughterhouse premises unless they have been provided with relevant food safety information contained in the records kept at the holding of origin. In two slaughterhouses visited in Poland, no food chain information was available for cows slaughtered during the visit.

In two pig slaughterhouses visited in Romania, and one in the Czech Republic the rules regarding the identification of the carcasses, in view of ensuring traceability, were insufficient. In both Romanian cases, the FBO stated that the date of slaughter was the batch number. In the cold storage room of the first slaughterhouse, pig heads with no identification were seen during the on-the-spot visit. The absence of specific information for the identification of the parts of carcasses or the batch could then represent a risk to assuring traceability. In the case for the Czech Republic, the carcasses were numbered only with the order number of the slaughter and the date of slaughter was not recorded. This would hinder the rapid traceability of meat to farm in the event of a crisis.

In two poultry slaughterhouses visited in Poland, there was no reconciliation between the number of delivered and slaughtered birds. In one of the slaughterhouses there were differences between the number of birds confirmed for slaughter by the ante mortem veterinary inspection on the farm holding, and the number of birds delivered to the slaughterhouse.

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<sup>27</sup> Article 18(4) of Regulation (EC) No 178/2002.

In the second slaughterhouse, there was not a physical count of slaughtered birds. Furthermore, in this case, the identification documents accompanying birds for slaughter identified the farm but information regarding the identification of the flock was missing. Where farms have more than one flock this leads to a lack of traceability between the flock checked and the flock slaughtered. A similar lack of identification of flocks was noted at a poultry slaughterhouse visited in Hungary.

### **Incompatibility of rules regarding flexibility**

34. As outlined in paragraph 11, FBOs are required to perform microbiological sampling at slaughterhouses. The legislation<sup>28</sup> provides for exemptions from the sampling frequencies in the case of small slaughterhouses, provided a risk analysis is performed which indicates that the reduction is justified.

35. There is no definition of small food businesses in the EU hygiene legislation. Furthermore, there is an inconsistency in the requirement that all establishments, irrespective of their size, have to apply the hygiene legislation in force and Regulation (EC) No 2073/2005 which allows derogations for small slaughterhouses.

### ***Guidance and training***

36. The audit examined whether the Commission and Member States developed relevant guidelines and promoted appropriate training for the interested stakeholders. While guidelines are established at Commission level, few guidelines for hygiene practices at slaughterhouses were developed by the national professional sectors (paragraphs 37 to 38). The training programme organised by the Commission was considered by the Member States visited as very useful, but the audit noted that there was scope for improvement (paragraphs 39 to 44).

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<sup>28</sup> Annex I of Commission Regulation (EC) No 2073/2005 of 15 November 2005 on microbiological criteria for foodstuffs (OJ L 338, 22.12.2005, p. 1).

### **Limited guidance by the Member States on the implementation of legislation**

37. The Commission is required by the food safety Regulations to establish guidelines for official controls<sup>29</sup> and guides to good practice<sup>30</sup> for hygiene and for the application of HACCP principles, and should ensure that they are developed and disseminated. For that purpose the Commission publishes and updates relevant guidelines after consultation with Member States and other stakeholders.

38. Member States should also encourage the development by food business sectors of national guides to good practice for hygiene and for the application of HACCP principles<sup>31</sup>. These guides would be an important tool to prevent the situations described in the Court's audit findings at Member State level, as well as weaknesses identified by the FVO inspections. However, in three Member States audited (Poland, Romania, Slovenia), no such guides had been established by the national professional associations.

### **Lack of systematic consultation between the Health and Consumers DG and the EAHC**

39. Topics for training and the design of BTSF training courses are selected by the Health and Consumers DG and provided in a very detailed manner to the EAHC. For the period under review (based on audit visits up to January 2011), there was a lack of systematic consultation between the EAHC and the Health and Consumers DG on the design of these training courses, which created a risk that the knowledge which the Agency has gained in implementing the programmes was not exploited.

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<sup>29</sup> Article 8(4) of Regulation (EC) No 882/2004.

<sup>30</sup> Chapter III of Regulation (EC) No 852/2004.

<sup>31</sup> Article 7 and Article 8 of Regulation (EC) No 852/2004.

### **Shortcomings in the implementation of the BTSF**

40. In order to harmonise official veterinary controls by Member States, the Commission may organise training courses for Member States' staff<sup>32</sup>. The BTSF training initiative was developed by the Health and Consumers DG and is implemented by the EAHC. In order to ensure better communication with the Member States, regular meetings are organised between the Commission and Member States' National Contact Points.

41. One basic principle of the BTSF training courses is not to replace national training programmes or to train all staff of competent authorities but to promote a "train the trainer" approach whereby Member States should pass on the information received by participants at BTSF training sessions to their veterinary services. The "train the trainer" approach is not yet fully implemented at EU level. Currently there is no common framework for the manner in which the dissemination activities are to be performed and no criteria for monitoring the dissemination results at Member State level in order to carry out a follow-up of these activities.

42. In Hungary and Romania, the role of the National Contact Points of the BTSF is limited to the transmission of information about the progress of the actions to the Commission and is not sufficient to monitor the training programme, provide feedback, and disseminate the related information.

43. The intermediate evaluation of BTSF<sup>33</sup> showed that the participants consider that the training activities were too theoretical and lacked sufficient practical demonstrations. Furthermore the Court's audit in Member States noted that the dissemination of information in Member States after participation

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<sup>32</sup> Article 51(1) of Regulation (EC) No 882/2004.

<sup>33</sup> Intermediate Evaluation of the 'Better Training for Safer Food' training activities, Final Report, Food Chain - Evaluation Consortium, for the Health and Consumers DG, 4 April 2009.

on BTSF courses lacked sufficient practical demonstrations which would improve the results and impact of dissemination activities at Member State level (see **Box 6**).

44. A subsequent evaluation of the BTSF, which was initially planned for 2011, was delayed and is expected to be completed in 2012.

#### **Box 6 – Training improvements needed**

In the Member States visited during the audit, the competent veterinary authorities consider the BTSF initiative very useful, although they suggested improvements regarding:

- (a) Renewal of topics for BTSF training, as most of their central level inspectors already participated in existing training courses and there were other topics relating to current issues that needed to be covered to ensure a harmonised approach of official controls;
- (b) Revision of training languages, as the training courses are normally provided only in English, French or German.

The authorities underlined the difficulty in finding inspectors with sufficient language skills to participate in these courses. Moreover, not all the establishments selected to be visited by the participants in training courses were considered compliant with current hygiene requirements or provided examples of best practices.

In Romania and Hungary, due to lack of exchange of information between the National Contact Point and the veterinary authorities, proposals for improvements to training courses were not considered.

#### ***Procedures for the use of EU Funds***

45. The audit examined the procedures to provide EU funding to slaughterhouses in order to facilitate the implementation of hygiene requirements. The Court identified weaknesses related to the sustainability and selection of projects (paragraphs 46 to 50). The **Table** shows the financing

made available by SAPARD to slaughterhouses aimed at bringing them up to EU hygiene standards. These operations are currently being supported by the measure “Adding value to agricultural and forestry products” of the EAFRD<sup>34</sup>.

**Table – SAPARD – Measure “Improving the processing and marketing of agricultural and fishery products”**

Member State	Number of slaughterhouses supported by SAPARD under the measure	Amount of EU contribution for slaughterhouses financed by SAPARD under the measure (million euro)	Average amount of EU contribution per slaughterhouse (million euro)	Number of approved slaughterhouses at 31.12.2011
(A)	(B)	(C)	(D)=(C)/(B)	(E)
Bulgaria <sup>(1)</sup>	42	29	0,69	108
Czech Republic <sup>(2)</sup>	30	4	0,13	239
Estonia <sup>(2)</sup>	4	1	0,25	60
Latvia <sup>(1)</sup>	4	1	0,25	78
Lithuania <sup>(1)</sup>	9	12	1,33	78
Hungary <sup>(2)</sup>	13	3	0,23	490
Poland <sup>(2)</sup>	77	22	0,29	1 003
Romania <sup>(2)</sup>	51	40	0,78	156
Slovenia <sup>(2)</sup>	4	3	0,75	61
Slovakia <sup>(2)</sup>	7	2	0,29	88
<b>Total</b>	<b>241</b>	<b>117</b>	<b>0,49</b>	<b>2 361</b>

Sources:

- <sup>(1)</sup> SAPARD annual implementation reports and ex-post evaluations available.  
<sup>(2)</sup> Information sent to the Court by Member States' paying agencies.

46. The national programmes contained general provisions for their implementation, including management, monitoring and controls. This was required before the Commission approved SAPARD programmes.

47. The 2008 Annual Activity Report of the Commission's Agriculture and Rural Development DG included a reservation concerning the management and control system for SAPARD in Romania and Bulgaria. The reservation was serious enough to cause the Commission to interrupt payments to those

<sup>34</sup> Article 28 of Regulation (EC) No 1698/2005. In total this measure contributed 1 025 million euro to 1 936 projects.

Member States. In Romania (where the problems were more severe), out of 197 SAPARD projects supported under the measure “Improving the processing and marketing of agricultural and fishery products”, 104 had already been investigated by the European Anti-Fraud Office (OLAF) by the time of the Court’s audit, following concerns over public procurement procedures. Serious irregularities were found for 64 projects, with recommendations for the total recovery of public aid. For 60 of these projects, fraud was suspected and the appropriate judicial authorities informed.

### **Weaknesses related to the sustainability of funded projects**

48. One criterion for financing under SAPARD was that projects should meet the new standards in terms of hygiene and food safety by the end of realisation of the investment. Project sustainability was also an objective. Funded projects should be maintained at target levels of activity for at least 5 years after the end of the investment.

49. The audit noted that EU funds contributed to the restructuring of slaughterhouses to facilitate compliance with the EU’s hygiene standards, and to maintain economic activity. The impact of the funded investments on meeting the new hygiene standards was not subject to a specific evaluation by the Commission services. The audit noted cases in each Member State visited where either the 5 year minimum period of activity was not achieved, or where the targeted levels of activity were not achieved (see **Box 7**). This diminished the impact of the funds used to facilitate compliance with hygiene requirements in the slaughterhouses.

### **Inappropriate award criteria for SAPARD projects**

50. In the Czech Republic, the award criteria for SAPARD sub-measure “Assistance in the introduction of Hazard Analysis and Critical Control Points’ (HACCP)” included the existence of a HACCP team. Applicants who already had a HACCP team in place and were already well advanced in the application of HACCP were therefore selected over those which had made less progress

and in fact required more assistance. This was not consistent with the objective of encouraging the implementation of HACCP. In the case of two of the slaughterhouses visited by the auditors benefiting from this sub-measure the only award criteria applied for the selection of these two slaughterhouses were the existence of a HACCP team and ISO certification. Therefore, SAPARD funds' contribution to the implementation of EU hygiene legislation was limited as establishments which were already developing the procedures to comply with these requirements were more likely to be selected.

**Box 7 – Examples where the planned level of activity was not attained or sustained**

In Romania two of the five slaughterhouses visited (1,03 million euro of SAPARD funds) had not achieved their targeted level of slaughter activity. This was due to a combination of weaker than expected demand for their meat products, and lower than expected supply of suitable animals.

In Poland one of the funded slaughterhouses initially selected to be visited (0,7 million euro of SAPARD funds) ceased its activity in 2010 due to lack of economic performance.

In Hungary one of the sites visited had a pig slaughterhouse supported by SAPARD in 2003 (60 000 euro) which had been inactive since 2006. The FBO transferred slaughter activity to another of its slaughterhouses. While the paying agency recovered the SAPARD funds due, the objectives of the EU funding were not achieved.

## **CONCLUSIONS AND RECOMMENDATIONS**

51. The Court's audit found that overall, the design of systems for supervision of hygiene requirements by the Commission and the competent authorities in the newly acceding Member States were adequate. The audit revealed a number of weaknesses in the application of the rules and procedures in the Member States visited. In addition the audit found weaknesses related to the



sustainability and selection of the funded projects. While the weaknesses detected do not individually or collectively call into question the overall design of the systems to ensure that hygiene requirements are applied, they demonstrate the need for increased rigour in the application of checks at all levels to mitigate the risks which could lead to serious food safety problems.

52. Implementation of hygiene requirements in the countries that joined the EU from 2004 onwards had not yet been completely reviewed by the Commission (paragraphs 24 to 25). At Member State level, weaknesses were noted in the implementation of the MANCPs, veterinary controls (paragraphs 26 to 28), and implementation of hygiene requirements by FBOs (paragraphs 29 to 35).

#### **Recommendation 1**

Concerning the supervision of the implementation of the hygiene requirements, the Commission should:

- (a) complete the follow-up by the FVO of its earlier recommendations to the Member States resulting from the review of the implementation of the 2004 hygiene package;
- (b) improve its guidance and supervision of Member States' preparation and implementation of the MANCPs in order to assure an effective system of official controls;
- (c) encourage Member States to effectively perform their veterinary controls, mainly through training, FVO inspections and review of Member States' reports.
- (d) improve its supervision of Member States' controls in order to minimise the weaknesses detected by the Court's audit.

53. The Court's audit found insufficient support and guidance to the FBOs and certain shortcomings in the implementation of the BTSF (paragraphs 36 to 44).

#### **Recommendation 2**

Concerning guidance and training, the Commission should:

- (a) encourage Member States to develop national guides that can contribute to prevent the shortcomings identified by the Court's audit;
- (b) consider actions to improve training actions and complete the evaluation of the BTSF initiative;
- (c) ensure that there is appropriate effective communication between its services to improve training actions;
- (d) encourage Member States in promoting increased guidance and training addressed to FBOs.

54. While EU-funds contribute to the implementation of the EU hygiene requirements, there were problems with the selection and sustainability of funded projects (paragraphs 45 to 50).

### Recommendation 3

Concerning the use of EU funds for the implementation of hygiene requirements in slaughterhouses in countries that joined the EU from 2004 onwards, the Commission is recommended to:

- (a) provide guidance to Member States to encourage the effective use of EU funds, in particular concerning the effective selection of sustainable projects;
- (b) evaluate the impact of the EU funds allocated to the implementation of the hygiene standards and food safety;
- (c) consider, on the basis of that evaluation, whether further actions should be taken in order to assure a high level of hygiene standards in slaughterhouses.

This Report was adopted by Chamber I, headed by Mr Ioannis SARMAS, Member of the Court of Auditors, in Luxembourg at its meeting of 25 July 2012.

*For the Court of Auditors*

Vítor Manuel da SILVA CALDEIRA

*President*

**Annex I****Hygiene and food safety standards to be applied by Food Business Operators**

FBOs shall place products of animal origin manufactured in the EU on the market only if they have been prepared and handled exclusively in authorised establishments that meet the relevant requirements of food law (Regulation (EC) No 853/2004 laying down specific hygiene rules for food of animal origin).

The procedures put in place by the FBO must guarantee that animals accepted onto the slaughterhouse premises are properly identified.

Slaughterhouses must have adequate and hygienic lairage facilities.

There must be a separation in space or time of the operations. Slaughter lines must allow constant progress of the slaughter process and avoid cross-contamination between the different parts of the slaughter line.

Slaughterhouses must have facilities for disinfecting tools with hot water supplied at not less than 82°C, or an alternative system having an equivalent effect.

There must be lockable facilities for the refrigerated storage of detained meat and separate lockable facilities for the storage of meat declared unfit for human consumption.

The layout, design, construction, siting and size of food premises must allow for:

- (a) adequate working space to allow for the hygienic performance of all operations, permit good food hygiene practices, including protection against contamination,
- (b) suitable temperature-controlled handling and storage conditions, and

- (c) an adequate number of washbasins, suitably located and designated for cleaning hands (Regulation (EC) No 853/2004 on the hygiene of foodstuffs).

There must be an adequate supply of potable water, which is to be used whenever necessary to ensure that foodstuffs are not contaminated.

Every person working in a food-handling area must maintain a high degree of personal cleanliness and wear suitable, clean and, where necessary, protective clothing.

Salmonella should be absent in fresh meat, requirements concerning other microbiological criteria and sampling requirements should be observed.

Training should be ensured for food handlers and for persons responsible with the implementation of the HACCP system.

**Annex II****Specific requirements for official veterinary controls**

Annex II, Chapter II of Regulation (EC) No 882/2004 specifies the requirements for official veterinary controls:

1. The organisation of the competent authority and the relationship between central competent authorities and authorities to which they have delegated tasks to carry out official controls.
2. The relationship between competent authorities and control bodies to which they have delegated tasks related to official controls.
3. A statement on the objectives to be achieved.
4. Tasks, responsibilities and duties of staff.
5. Sampling procedures, control methods and techniques, interpretation of results and consequent decisions.
6. Monitoring and surveillance programmes.
7. Mutual assistance in the event that official controls require more than one Member State to take action.
8. Action to be taken following official controls.
9. Cooperation with other services or departments that may have relevant responsibilities.
10. Verification of the appropriateness of methods of sampling, methods of analysis and detection tests.
11. Any other activity or information required for the effective functioning of the official controls.

# **REPLIES OF THE COMMISSION TO THE SPECIAL REPORT OF THE EUROPEAN COURT OF AUDITORS**

## **"IMPLEMENTATION OF THE EU HYGIENE LEGISLATION IN THE SLAUGHTERHOUSES OF THE COUNTRIES THAT JOINED THE EU FROM 2004 ONWARDS"**

### **EXECUTIVE SUMMARY**

I. The general food law and the 'hygiene package', including Regulation (EC) No 882/2004, came into being in 2002 and 2004 respectively. The new regulations merge, harmonise and simplify detailed and complex hygiene requirements previously contained in a number of Council Directives covering the hygiene of foodstuffs and the production and placing on the market of products of animal origin. They innovate in making a single, transparent hygiene policy applicable to all food and all food operators right through the food chain "from the farm to the fork", together with effective instruments to manage food safety and any future food crises throughout the food chain.

The Commission welcomes the Court's conclusion that overall the design of systems for supervision of hygiene requirements by the Commission and the competent authorities in the newly acceding Member States were adequate. The Commission agrees with the Court that the observed weaknesses do not individually or collectively call into question the overall design of the systems to ensure that hygiene requirements are applied.

II. Under EU food law, food business operators are required to ensure the safety of the food they produce. Member States are responsible for the implementation and enforcement of food law through a system of official controls and the Commission oversees that these official control systems are effective in ensuring food safety across the Union. Within the Commission, the Health and Consumers DG takes the lead and verifies the enforcement of EU food law, in part through the audits carried out by its Directorate F – FVO under Regulation no. (EC) 882/2004 on official feed and food controls. Where weaknesses are identified, the FVO issues recommendations and the actions taken by the Member States to address these recommendations are systematically followed up to ensure real improvements in food safety.

Concerning investment support to slaughterhouses under rural development, Article 28 ( c ) of Regulation 1698/2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) stipulates that support under this measure shall be granted for investments which respect the Community standards applicable to the investment concerned (e.g. EU hygiene standards). If this is not respected the support shall be recovered.

III. The Commission is committed to encouraging Member States to effectively perform their veterinary controls and will use every opportunity to do so for the future.

IV. and V. The Commission will continue to work with the Member States using the mechanisms and processes already established (Guidelines, MANCP network, Annual Reports) to ensure that Multi-Annual National Control Plans (MANCPs) are useful tools in ensuring the effectiveness of official controls.

As part of the Commission's General Audit process, the shortcomings identified by the Food and Veterinary Office (FVO) in the first round of MANCPs produced by the Member States were the subject of detailed feedback to each Member State.

VI. Clear standard operating procedures between the Commission and the Executive Agency for Health and Consumers (EAHC) adequately address mutual exchange of information on a regular basis.

Through regular meetings with Member States on the "Better Training for Safer Food" (BTSF) programme, the Commission ensures a clear involvement of Member States in the design of the annual BTSF programmes and regular feedback on their implementation.

VII. The Commission is of the opinion that it has adequately addressed in its legislation and in the SAPARD and IPARD programmes the issues of sustainability and the selection of projects. However, the final implementation of the projects is under decentralised management.

The future rural development policy post 2013 clearly requires Member States to set selection criteria in the rural development programmes.

VIII. The Commission through FVO audits regularly reviews the implementation of food safety legislation by the Member States and this is a constant and ongoing task. The Commission will continue to work with the Member States using the mechanisms and processes already established.

Under the rural development policy, the Common Monitoring and Evaluation Framework (CMEF) provides a single framework for monitoring and evaluation of all rural development interventions. The CMEF establishes means for improving programme performance, ensuring the accountability of programmes and allowing an assessment of the achievement of established objectives.

The Commission set up, as part of the European Rural Development Network, an Evaluation Network, to facilitate an exchange of expertise and supporting implementation and evaluation of the rural development policy. The overall aim of the evaluation network is to help establish good practice and capacity building in evaluation, thereby increasing the utility of monitoring and evaluation as tools for programme management.

In the rural development policy post 2013, the monitoring and evaluation system will be further simplified and improved.

## **OBSERVATIONS**

### *Combined reply to paragraphs 23 to 26*

Under EU food law, food business operators are required to ensure the safety of the food they produce. Member States are responsible for the implementation and enforcement of food law through a system of official controls and the Commission oversees that these official control systems are effective in ensuring food safety across the Union. Within the Commission, the Health and Consumers DG takes the lead and verifies the enforcement of EU food law, in part through the audits carried out by its Directorate F – FVO under Regulation no. (EC) 882/2004 on official feed and food controls. The FVO reports on its audit findings and makes recommendations for improvement where appropriate.

The FVO systematically follows up on the implementation by all Member States of its recommendations through a combination of General and Specific Follow-up Audits (as outlined in paragraph 24 of the Court's observations). These verification mechanisms continue to be deployed in the Member States which joined the EU in 2004 and after and corrective actions have already

been taken in the majority of cases. Any remaining open recommendations continue to be the subject of monitoring through to completion of necessary corrective actions.

The shortcomings identified by the FVO in the first round of MANCPs produced by the Member States were the subject of detailed feedback to each Member State as part of the General Audit process.

Member States prepare their MANCPs with the aid of guidelines contained in Commission Decision of 21 May 2007 on guidelines to assist Member States in preparing the single integrated multi-annual national control plan provided for in Regulation (EC) No 882/2004 of the European Parliament and of the Council (2007/363/EC).

With a view to the continuous improvement of MANCPs, a network of Member State experts was established in 2008 by the FVO and meets twice a year. This network provides a forum for the exchange of good practice.

In addition, Art. 44 of Regulation (EC) no 882/2004 requires the Member States to provide the Commission with an Annual Report on the implementation of their MANCP. These Annual Reports are reviewed by the FVO and feedback is given to the Member States.

27. With regard to the implementation of its MANCP by Romania in 2009, the Commission continues to monitor the implementation of official controls by Romania through a range of mechanisms, including through FVO audits, review of the Annual Report on the implementation of the MANCP and by other reports required under various sectoral legislation.

28. EU hygiene regulations provide the competent authorities with the possibility to allow alternative control arrangements as long as the objective of the legislation is met.

### **Box 1 – Weaknesses in official veterinary controls**

Regulation (EC) no 882/2004 does not require supervision of official controls to be carried out by services different from the service performing official controls. Supervision, through verifying the effectiveness of official controls and implementing corrective action, is a normal function of line management. The requirement for independent scrutiny relates only to the conduct of audits by the competent authority.

It is the responsibility of the FBO to implement own-controls and it is the responsibility of the competent authorities to verify that the FBO has an appropriate own-control system in place. If this is not the case, the competent authorities have to act, report the deficiency and if required take action, which is what the Court is describing.

EU legislation does not require the central competent authority to have 'an overview of the application of HACCP systems'. The absence of such an overview is not a hindrance to the competent authority's supervision of the effective and appropriate application overall of the HACCP system.

29. See reply to paragraph 28.

30. The Commission is committed to ensuring that Member States effectively perform the controls required under EU food law and, through a range of measures including the audits carried out by the



FVO and their follow-up, BTSF training, high level contacts with the Member States and ultimately infringement proceedings, works to ensure that EU food law is implemented throughout the Union.

### **Box 2 – Shortcomings in the implementation of the hygiene requirements**

See reply to § 30

In Box 2 the Court observes that in one slaughterhouse in Romania 'the meat from the storage facilities had to be brought back to the cutting plant to be labelled for dispatch.' This is not a deficiency and is not an issue for food safety as long as cross-contamination is avoided.

Regulation EC (No) 853/2004 requires slaughterhouses to have available lockable cooling facilities for the storage of meat unfit for human consumption. However, it should be noted that competent authorities may accept alternative arrangements.

### **Box 3 – Incomplete checks on Critical Control Points**

See reply to § 30

Regarding the Court's observation concerning the system for monitoring the temperature in chilling rooms in a slaughterhouse in Hungary, it should be noted that alternative monitoring systems (e.g. manual monitoring) are acceptable as long as the objective of the legislation is met.

32. See reply to paragraph 28.

### **Box 4 - Sampling of carcasses not always carried out in accordance with the rules**

See reply to § 30

The corrective measures provided for in Regulation (EC) No 2073/2005 require improvements in slaughter hygiene and review of process controls as well as withdrawal from the market as the case may be. Nonetheless, sending the samples for analysis as soon as possible is good practice.

33. See reply to paragraph 28.

### **Box 5 – Lack of traceability information**

See reply to § 30

35. In the EU hygiene legislation, the legislator does not provide a definition of "small food businesses" because it is the Competent Authorities and FBOs who are best placed to decide who should be covered by this definition and who could profit from the derogation foreseen for "small slaughterhouses". The Commission considers that this does not result in an inconsistency with the requirement that all establishments, irrespective of their size, have to apply the hygiene legislation in force and Regulation (EC) No 2073/2005 which allows derogations for small slaughterhouses. For example, the minimum requirement foresees to take a sample once a week independent from the size of slaughterhouse. Small slaughterhouses can do less based on a risk analysis.

39. The smooth implementation of the BTSF programme is ensured firstly, by formal meetings every two months between the Health and Consumers DG and the EAHC, and secondly by routine information exchanged on a day-to-day basis. Clear standard operating procedures between the

Commission and EAHC have been formalised and adopted in 2011 to adequately address working relations, including the regular exchange of information and consultation

41. The Commission started in 2010 to exchange views with Member States on possible methods for disseminating and monitoring dissemination. However, the Commission considers that a "common framework on EU level for the manner in which the dissemination activities are to be performed" would not increase effectiveness or efficiency.

To assess dissemination and its progress is one of the objectives of the Commission's regular evaluation of the BTSF programmes.

42. The fundamental role played by National Contact Points to monitor the BTSF training programme at national level is raised/recalled at each meeting with Member States when BTSF is discussed.

43. The Commission took immediate actions and fully addressed the findings of the BTSF intermediate evaluation of 2009. Following the first assessment of participants' satisfaction with the BTSF training, the Commission undertook substantial efforts to propose more practical activities during BTSF training sessions.

Moreover the fact that the dissemination of information in Member States after BTSF activities lacked sufficient practical demonstrations at Member States level depends solely on the Competent Authorities rather than on the BTSF programme.

44. The evaluation report of the BTSF programme is expected to be finalised in Autumn 2012. The Commission will endeavour to improve further the running of BTSF on the basis of the evaluators' recommendations.

#### **Box 6 – Training improvements needed**

BTSF training priorities are set down following a very broad yearly consultation process both within the Commission and with the Member States. Whether or not a programme should be continued is an integral part of this process. Training topics are regularly renewed and replaced by new technical areas.

New training techniques such as distance learning are currently tested within BTSF and may offer a way out for linguistic issues. However, when organising training workshops, one basic principle of BTSF is to ensure a mix of Member State participants for networking and experience sharing. For budgetary reasons, it is not possible to offer interpretation in all EU languages.

The Commission closely follows the assessments made by participants and Commission officials who participate in training activities. However, it would be far too expensive to offer interpretation in all EU languages. Therefore, it is up to the Competent Authorities in the Member States to identify the best placed person to attend the BTSF courses. The choice of the establishments to be visited is done in agreement with the local Competent Authorities, the contractors and the FBOs. The objective for participants being also to learn to identify non-conformities and to suggest corrective measures, selecting only fully compliant establishments would not meet this learning objective appropriately.

See reply to paragraph 42.

45. Sustainability and the selection of projects which meet best the identified objectives was a basic principle under SAPARD programming and implementation.

The sustainability of funded projects was based on two pillars: the need to demonstrate viability of the project and to monitor each project for five years after its final payment.

For the selection of projects Council Regulation No 1268/1999 set forth that each SAPARD programme "*shall ensure that priority is given to measures to improve market efficiency, quality and health standards and measures to create new employment*".

The verifications of the respect of these provisions and thus of the hygiene requirements in slaughter houses was the responsibility of the national competent authorities. The Commission is performing the audits for SAPARD (Bulgaria, Romania and Croatia) in order to ascertain the correct implementation of the national procedures related to the ex-post checks, in particular if the countries respect the five-year monitoring period.

46. In case of decentralised management under SAPARD, the national programmes contained the general provisions for implementation, monitoring and controls. This plan had then to be approved by the Commission as a "SAPARD programme". For national accreditation and the resulting conferral of management, detailed working procedures (national procedures) had to be elaborated by the implementing structures based on the general provisions.

47. Following the information received from OLAF, DG AGRI carried out an immediate follow-up of those cases: the Paying Agency in Romania was visited on 24 and 25 November 2010 and again in February 2011. Another conformity audit mission was carried out in November 2011.

DG AGRI's auditors assessed during those missions that the Paying Agency had dealt with the different cases opened by OLAF investigation in a correct way, and assessed that the Romanian Development and Fisheries had recorded the debts on the debtors' ledger according to the rules set out in MAFA.

Another conformity audit mission is scheduled for the end of 2012. The main purpose of the audit will be to assess the follow-up of the OLAF cases in Romania.

49. As required by the SAPARD regulation, the impact of the funded investments on meeting the new hygiene standards was subject of a review by the ex-post evaluation reports of the SAPARD programmes of eight beneficiary countries which joined the EU in 2004. The synthesis report of these evaluations by independent evaluators concluded under chapter "4.2.1 *Meeting EU standards and acquis communautaire*: The most important impacts were reached in the field of hygiene, sanitary and veterinary conditions and environment"<sup>35</sup>. The report was published and can be found under:

[http://ec.europa.eu/agriculture/evaluation/rural-development-reports/index\\_en.htm](http://ec.europa.eu/agriculture/evaluation/rural-development-reports/index_en.htm)

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<sup>35</sup> The Commission is currently preparing a synthesis report for the three remaining ex post evaluations of Bulgaria, Romania and Croatia, as soon as received from the three countries.

Synthesis reports go beyond the requirements of the SAPARD regulation and are being done on the initiative of the Commission.

50. The implementation of the Czech SAPARD programme has been finalised. Until the end of 2013, the Commission is following up on the Member State's compliance with the five-year monitoring period.

The existence of a HACCP team could be considered as an indication of both the commitment and the ability to meeting EU standards. There was also the competitiveness objective to be fulfilled. An establishment which had already made steps towards HACCP implementation had a better prospect than one which had not. Standards and competitiveness are complementary objectives.

#### **Box 7 – Examples where the planned level of activity was not attained or sustained**

See also reply to paragraph 45.

The Member State is responsible for the implementation of the measure. The Commission controls the existence of the selection criteria which need to be in line with the priorities and objectives defined in the programme. The effectiveness of the selection criteria are checked during audits (e.g. on-going audit on M123 in Hungary) and analysed via the different evaluations (e.g. mid-term evaluation). This can result in penalties or/and recommendations addressed by the Commission to the Member State.

The need for proof of economic viability and the respect of the monitoring period of five years ensured - to a certain extent – the sustainability of the investment and prevented the loss of Community funds. However, any private project supported by the EU is exposed to market developments and changes that might render the investment non-viable after a certain period.

Having received additional information from the Court, the Commission will follow up on this project to check if the five year monitoring period was respected in accordance with the respective rules of the MAFA.

In Hungary the project was supported by SAPARD. The beneficiary is a major enterprise in Hungary. The beneficiary explained the suspension of the activity by the decrease in the pig population in Hungary, which is mainly due to the increased feed prices in the market. The Hungarian authorities did not accept this justification as a 'case of force majeure', and it was considered as an irregularity as the project was not operational for the obligatory 5 years after approval.

#### **CONCLUSIONS AND RECOMMENDATIONS**

51. The Commission welcomes the Court's conclusion that overall the design of systems for supervision of hygiene requirements by the Commission and the competent authorities in the newly acceding Member States were adequate despite a number of observed weaknesses. In addition the Commission notes that in the Court's view these weaknesses do not individually or collectively call into question the overall design of the systems to ensure that hygiene requirements are applied.

52. The Commission will continue to work with the Member States using the mechanisms and processes already established and described above (Guidelines, MANCP network, Annual Reports) to ensure that MANCPs are useful tools in ensuring the effectiveness of official controls. As part of the Commission's General Audit process, the shortcomings identified by the Food and Veterinary Office (FVO) in the first round of MANCPs produced by the Member States were the subject of detailed feedback to each Member State.

## **Recommendation 1**

(a) The Commission through FVO audits regularly reviews the implementation of food safety legislation by the Member States and this is a constant and ongoing task. Where weaknesses are identified, the FVO issues recommendations and the actions taken by the Member States to address these recommendations are systematically followed up to ensure real improvements in food safety.

(b) The Commission will continue to work with the Member States using the mechanisms and processes already established (Guidelines, MANCP network, Annual Reports) to ensure that MANCPs are useful tools in ensuring the effectiveness of official controls.

(c) The Commission is committed to encouraging Member States to effectively perform their veterinary controls and will use every opportunity, including FVO audits and BTSF training, to do so for the future.

(d) The Commission has an effective system for detecting weaknesses in Member States' food and feed controls and for ensuring that the actions promised by the Member States are delivered. However, the Commission recognises the need to ensure that its supervision of official controls responds effectively to the realities of the food and feed sector.

53. See reply to Recommendation 2.

## **Recommendation 2**

*Reply to recommendation 2 a) to d)*

The Commission is of the opinion that the current set of guidelines, tools and procedures are appropriate and efficient to ensure high quality guidance and training in the framework of the BTSF initiative. Striving for continuous improvement, the Commission will address the results of the most recent evaluation, to be finalised in autumn 2012, by adequate future actions.

54. The Commission is of the opinion that it has adequately addressed in its legislation and in the SAPARD programmes the issues of sustainability and the selection of projects. However, the final implementation of the projects under decentralized management is the responsibility of the beneficiary countries.

The future rural development policy post 2013 clearly requires Member States to set selection criteria in the rural development programmes.

## **Recommendation 3**

*Common reply to points (a) – (c)*

Under the rural development policy, the Common Monitoring and Evaluation Framework (CMEF) provides a single framework for monitoring and evaluation of all rural development interventions. The CMEF establishes means for improving programme performance, ensuring the accountability of programmes and allowing an assessment of the achievement of established objectives.

The CMEF includes a series of evaluation guidelines and guidance notes on common indicators for monitoring and evaluation.

The Commission set up, as part of the European Rural Development Network, an Evaluation Network, to facilitate an exchange of expertise and supporting implementation and evaluation of the rural development policy. The overall aim of the evaluation network is to help establish good practice and capacity building in evaluation, thereby increasing the utility of monitoring and evaluation as tools for programme management.

In the rural development policy post 2013, the monitoring and evaluation system will be further simplified and improved.