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FINAL REPORT OF AN AUDIT
CARRIED OUT IN
DENMARK
FROM 25 FEBRUARY TO 01 MARCH 2013
IN ORDER TO EVALUATE THE USE OF THE TRACES SYSTEM

In response to information provided by the Competent Authority, any factual error noted in the draft report has been corrected; any clarification appears in the form of a footnote.

Executive Summary

This report describes the outcome of an audit carried out by the Food and Veterinary Office in Denmark from 25 February to 1 March 2013.

The overall objective of the audit was to determine whether Denmark was entering in the Trade Control and Expert System (TRACES) all required data and whether this information is entered correctly and timely. The audit also assessed the implementation of the competent authorities' action plans addressing the relevant recommendations of the FVO audit report DG(SANCO)/2010-6822.

In terms of scope, the audit covered live animals, products of animal origin and certain products of non-animal origin related to import, export and intra-EU trade. The audit covered all user levels for TRACES within the competent authority in Denmark but did not cover the use of TRACES by private operators and authorities in third countries.

Overall, the report concludes that the Danish Veterinary and Food Administration, the central competent authority for TRACES issues, effectively coordinates TRACES-related questions between relevant authorities.

Appropriate staff and infrastructural resources are available and the administrative framework in place provides information and instructions to TRACES users which contributes to the correct use of the system by the different users.

Staff had good working knowledge on TRACES due to on-the-job training, the information provided by the competent authority and ad hoc courses.

There is a well developed verification activity in relation to the correct use of TRACES at Border Inspection Posts (BIPs). However, the less developed verification at Local Veterinary Unit (LVU) level is reflected in the more numerous mistakes in the use of TRACES detected at this level.

BIPs and LVUs are generally using TRACES correctly but the absence of a formal system/instructions for screening incoming messages weakens the system as the need to confirm appropriate follow-up action in TRACES is not identified and acted upon in all cases.

Regarding follow-up of report DG(SANCO)/2010-6822, recommendations Nos 5, 7 and 8 were satisfactorily addressed.

The report makes two recommendations addressed to the competent authority, aimed at rectifying the shortcomings identified and further enhancing the value of the TRACES system.

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ABBREVIATIONS AND DEFINITIONS USED IN THIS REPORT

Abbreviation	Explanation
AHD	Animal Health Division of DVFA
BIP	Border Inspection Post as defined in Council Directives 97/78/EC and 91/496/EEC
Central competent authority	Danish Veterinary and Food Administration (DVFA)
CN-code	The goods nomenclature code as laid down by Annex 1 to Council Regulation (EEC) No 2658/87 (i.e. the Combined Nomenclature)
CVED	Common veterinary entry document for products of animal origin as laid down in Annex III to Commission Regulation (EC) No 136/2004 and for live animals as laid down in Annex I to Commission Regulation (EC) No 282/2004.
DVFA	Danish Veterinary and Food Administration, the central competent authority
EU	European Union
FVO	Food and Veterinary Office
LVU	Local veterinary unit
TRACES	TRAdE Control and Expert System introduced by Commission Decision 2004/292/EC

1 INTRODUCTION

The audit formed part of the Food and Veterinary Office's (FVO) planned audit programme. It took place in Denmark from 25 February to 1 March 2013. The audit team comprised two auditors from the FVO and one Trade Control and Expert System (TRACES) expert from Unit G2, DG SANCO.

An opening meeting was held on 25 February 2013 with the central competent authority, the Danish Veterinary and Food Administration (DVFA).

At this meeting, the objectives of, and itinerary for, the audit were confirmed and the control systems were discussed with the authorities. Additional information required for the satisfactory completion of the audit was requested from the central competent authority. Representatives from the central competent authority accompanied the team during the audit.

2 OBJECTIVES

The objective of the audit was to determine whether the competent authorities enter in TRACES all required data and whether the information was entered correctly and in a timely manner.

This involved examining the distribution of responsibilities, the procedures and communication mechanisms in place, whether there was adequate guidance and training of staff using TRACES to support its correct use and the existence and effectiveness of verification mechanisms.

The other objective of this audit was to assess how the competent authorities' action plans to relevant recommendations from the FVO audit report DG(SANCO)/2010-6822 (hereinafter, the 2010 report) were addressed.

Regarding the scope, the audit covered

- live animals, products of animal origin and certain products of non-animal origin;
- imports, exports and intra-EU trade;
- all TRACES user levels within the competent authorities. The use of TRACES by private operators and authorities in third countries was excluded from the scope of this audit.

The table below lists the sites visited and the meetings held in order to achieve the above objective:

Location		Comments
DVFA Headquarters	DVFA	Opening and closing meetings National coordinating office for TRACES
BIP Copenhagen Airport	DVFA	Issues covered included: - CVEDs (imports, transits, transhipments, laboratory results) - Super LVU - CHEDs/CEDs
LVU Glostrup (former Rødovre)	DVFA	Issues covered included: - Intra-trade certificates for live animals / products - CVEDs

3 LEGAL BASIS

The audit was carried out under the general provisions of EU legislation and, in particular Article 45 of Regulation (EC) No 882/2004 of the European Parliament and of the Council on official controls performed to ensure the verification of compliance with feed and food law, animal health and animal welfare rules.

Annex 1 comprises a list of legislation and other reference documents used as audit criteria for this report. Legal acts quoted in this report refer, where applicable, to the last amended version.

4 BACKGROUND

TRACES is an integrated web-based system, maintained by the European Commission 'Health and Consumer Protection Directorate General' (DG SANCO) which notifies, certifies and monitors imports, transits, exports and intra-EU trade in animals and animal products. Economic operators (private sector) and competent authorities all over the world can use this web-based network to trace back and forth animal and animal product movements. The system integrates the functions previously performed by the ANIMO and SHIFT systems into a single architecture.

The specific situation of the EU common border requires fluent and complete communication between the different border inspection posts dealing with import/transit controls of live animals and products of animal origin, allowing each official to take decisions in accordance with the information available from other entry points, what is available in TRACES when the system is correctly used.

All the information contained in the common veterinary entry documents (CVEDs) provided for in Commission Regulation (EC) No 136/2004 (for products of animal origin), in Regulation (EC) No 282/2004 (for live animals) and in the certificates for intra-Union trade as harmonised by Commission Regulation (EC) No 599/2004 must be entered into TRACES by Member States. This requirement was introduced by Commission Decision 2004/292/EC and is fully applicable from 1 January 2006.

Traditionally, the use of TRACES for import controls of products of animal origin and live animals was covered by some FVO audits to Member States. Those audits described non-compliances and the reports included recommendations in those areas.

Some of the problems referred to the inconsistency between the data in documents accompanying products and/or animals and the information recorded in TRACES, delays in the filling of data, incomplete entry of data and lack of documented feedback when consignments are destined to controlled destinations.

As a live communication system, the system has been continuously evolving and had been upgraded numerous times to adapt it to current needs. Although new versions are usually notified via relevant release notes, TRACES users in Member States were not always found to be aware of the changes.

The Commission continues to encourage competent authorities of Member States and third countries, and private operators to use TRACES and its correct use is paramount to ensure fluent cross border communication and effective EU import and animal movement controls. The use of the system is expanding to cover other areas such as products of non-animal origin. In this context, the Commission considered it important to audit TRACES implementation and use in more depth with the aim of identifying the root cause of the shortcomings so they can be addressed in an effective and efficient manner, contributing to more effective controls at EU level.

The following figures refer to the use of TRACES by the competent authorities during 2012:

- There are 13 BIPs in Denmark. During 2012, they issued 746 CVEDs for animals and 6,230 for products.
- There is one warehouse approved under Article 13 of Directive 97/78/EC for ship supplies. The Super Local Veterinary Unit (SLVU) responsible for this warehouse, did not issue CVEDs during 2012. The competent authority stated that the warehouse currently does not handle any non-compliant consignments.
- There are ten LVUs in TRACES who between them issued 49,516 intra-trade certificates during 2012 (44,419 for live animals and 5,097 for products). There was also 3,982 welfare checks entered into TRACES.
- During 2012, 7,163 intra-trade certificates were sent to LVUs in Denmark.
- Denmark used the export module of TRACES on a few occasions and made exporters aware of the template export certificates via an export website, the Certificate Database.

In relation to imports of products of non-animal (plant) origin, an assessment of use of the CED (Common Entry Document) module was implemented in June 2011: it is used by 16 Member States. 25 to 30% of the imports covered by CED legislation (Commission Regulations (EC) No 669/2009 and 1152/2009) are recorded in TRACES. Denmark is not using this module at the time of the audit.

The Commission is currently working intensively to increase the awareness amongst officers of the competent authorities of the Member States on the use of TRACES application at DPE level. For this purpose there are several courses developed within the BTSF programme.

At the time of the audit, the competent authorities were not using TRACES for products of non animal origin.

5 FINDINGS AND CONCLUSIONS

5.1 COMPETENT AUTHORITIES

5.1.1 Designation of and coordination between competent authorities

Legal Requirements

Article 1 of Commission Decision 92/486/EEC requires Member States to designate an authority to be responsible for coordination between authorities within each Member State.

Articles 2 and 3 of Commission Decision 2004/292/EC require Member States to ensure that certain data are entered into TRACES.

Article 4(3) of Regulation (EC) No 882/2004 requires efficient and effective coordination and cooperation between different competent authorities. Article 4(5) requires that, when more than one unit within the same competent authority is competent to carry out official controls, efficient and effective coordination and cooperation is ensured between those units.

Findings

The DVFA is the agency- under the supervision of the Ministry of Agriculture, Food and Fisheries- responsible for TRACES. More detail on the DVFA can be found in the country profile for Denmark available at:

http://ec.europa.eu/food/fvo/last5_en.cfm?co_id=DK

The Animal Health Division (AHD) of the DVFA has overall responsibility for TRACES and is responsible for the actions in TRACES regarding matters of intra-EU trade of live animals and animal by-products, import of live animals and animal by-products and EU establishment lists. It also has overall responsibility for coordination on TRACES related issues. The International Trade Division (ITD) of the DVFA is responsible for Border Inspection Control in general, import of food and the List Management System for third country establishments.

The Alert Unit for Food of the Food and Feed Safety Division is responsible for the Rapid Alert System for Food and Feed module.

There have been two meetings between the DVFA, the Danish Customs Services and representatives from other relevant official authorities regarding the single window system. DVFA informed the Customs Services that TRACES must be involved in the creation and operation of the single window system, and that the link between TRACES and the single window system should be established in a harmonized way for all EU countries.

The Veterinary Task Force within the DVFA has cooperated with the Police and Customs in several areas where the use of TRACES was involved, (e.g., on-road checks, checks in holdings, campaigns, etc.).

In general, AHD will provide reports on data in response to requests from other ministries, industry or other organisations. AHD will either provide the information directly or request reports via the TRACES team in Brussels.

AHD is the main contact point for queries related to TRACES from other Member States or from the Commission. Officials from that Division participate in the TRACES working group meetings.

The audit team noted that:

- Data related to checks carried out at abattoirs in Denmark on intra-EU movements of animals for slaughter are not currently being entered into TRACES. Discussions have begun between AHD and Meat Control with a view to entering this data into TRACES in the future.

Conclusion

A competent authority has been designated and the responsibilities allocated to various divisions within it are clear. The DVFA effectively coordinates TRACES related questions between relevant authorities.

5.2 RESOURCES FOR THE PERFORMANCE OF CONTROLS

5.2.1 Staff and provision of facilities

Legal Requirements

Decision 2009/821 defines ‘veterinary unit’ and it states that TRACES shall comprise all veterinary units and Member States shall designate a veterinary unit only if that unit has the adequate equipment to make it compatible with the functioning of TRACES and ensure that all parts of their territory fall within the responsibility of a local unit and, where appropriate, of a regional unit.

Article 4.2(c) of Regulation (EC) No 882/2004 requires the competent authority to ensure that they have access to a sufficient number of suitably qualified and experienced staff.

Article 4.2(d) of Regulation (EC) No 882/2004 requires the competent authority to ensure that they have appropriate and properly maintained equipment.

Findings

LVUs in Denmark sometimes use “mobile offices” (a laptop with mobile broadband connection and printer) to certify live animals from holdings. There are some locations where broadband coverage is weak and certification/use of TRACES has to be carried out in the local office.

The audit team noted the following:

- Appropriate facilities and all the necessary equipment were available at all locations visited during the audit.

5.2.2 Staff qualifications and training

Legal Requirements

Article 6 of Regulation (EC) No 882/2004 requires competent authorities to ensure that staff receive appropriate training, and are kept up-to-date in their competencies.

Findings

Veterinarians, fish inspectors and administrators within the DVFA enter data into TRACES.

Formal training courses were provided in 2004 and in 2010 but the system mainly relies on on-the-job training, regular use of the system and updating knowledge via information provided by the competent authority (the 2004 course was an introduction to TRACES and the 2010 course focused on trade in animals and breeding materials).

TRACES training courses are offered for the competent authority's users on a voluntary basis. Currently, three different courses are offered for the users of the DVFA:

- TRACES - User and Organisation Management,
- TRACES - CVEDs and IMPORT certificates, and
- TRACES - INTRA and EXPORT certificates.

The courses are held when enough participants have signed up.

As part of the obligatory training of BIP staff, courses on matters regarding BIP controls include the use of TRACES and issuing CVEDs.

The audit team noted the following:

- Officials met at all locations visited during the audit had a good understanding of TRACES and its use.

5.2.3 Procedures for performance and reporting of control activities

Legal Requirements

Article 8.1 of Regulation (EC) No 882/2004 requires that competent authorities carry out their official controls in accordance with documented procedures, containing information and instructions for staff performing official controls.

Article 4.4 of the same Regulation requires the competent authorities to ensure the impartiality, consistency and quality of official controls at all levels.

Article 4.2(f) of Regulation (EC) No 882/2004 requires the competent authority to ensure that they have contingency plans in place. and that they are prepared to operate such plans in the event of an emergency.

Article 9.1 of Regulation (EC) No 882/2004 requires the competent authority to draw up reports on the official controls that it has carried out.

Findings

Information on TRACES-related issues (e.g. updates, new versions, system failures, new guidelines) are communicated to TRACES users via the website of the DVFA, which includes a TRACES section:

<http://www.foedevarestyrelsen.dk/Selvbetjening/TRACES/Sider/forside.aspx>

There are pages in this website covering:

- New versions including links to release notes,
- Guidelines to the use of TRACES,
- System failures (status and issues related to a system failure),
- Frequently asked questions on TRACES,
- Maintenance on the system,
- Error messages in TRACES and
- News on TRACES.

A “TRACES Newsletter” is circulated regularly by e-mail and provides short information on TRACES related issues and links to the TRACES micro-site. Issues include matters such as new versions, other updates and system failures and they are communicated as soon as possible upon receiving the information. The newsletter is issued as needed, sometimes several times a day in the case of system failures. Subscription is optional but all competent authority's users have been requested to sign up and most have.

The AHD is responsible for issuing the TRACES Newsletter and updating the information on the micro site.

For the competent authority's users, there is also information on TRACES on the intranet of the DVFA. Furthermore, special emails for active measures to be carried out (so-called 2600-mails) are forwarded when required to the responsible LVUs and/or BIPs on TRACES related matters.

There are two TRACES Help Desks in Denmark:

- one for Economic Operators and transitairs which is based in the “EksportKontrolCentret”, at the Veterinary Control Office, South, and
- one for all competent authority's users (including “EksportKontrolCentret”) which is based in the AHD.

The audit team noted the following:

- There is no official contingency plan available in the event that access to TRACES is unavailable for an extended period of time.
- Although there is a wide range of information available to TRACES users from several sources such as the newsletters, micro-site and the TRACES home page/Toolkit, formalised written procedures for individual tasks can be difficult to locate or may not be specific enough to facilitate completion of a task (e.g., see screening of incoming notifications at LVUs as described below in section 5.4 of this report).

- TRACES users interviewed were aware of the information available on the homepage of the TRACES website and the existence of the TRACES Toolkit.

Conclusions

Staff with appropriate knowledge, and infrastructural resources, are available. An administrative framework provides information and instructions to TRACES users mainly via a website and the circulation of regular updates via a newsletter.

5.3 VERIFICATION AND REVIEW OF OFFICIAL CONTROLS AND PROCEDURES

5.3.1 Verification procedures

Legal Requirements

Article 4.2(a) of Regulation (EC) No 882/2004 requires competent authorities to guarantee the effectiveness and appropriateness of official controls.

Article 8.3 requires that they must have procedures in place to verify the effectiveness of official controls, to ensure effectiveness of corrective action and to update documentation where needed.

Findings

Centrally, the TRACES coordination unit within the AHD carries out verification in cooperation with the responsible LVU/BIP on the use of TRACES within Denmark in response to queries received, e.g., from competent authorities in other Member States or from the European Commission.

Verification of correct use of TRACES at regional/local level is conducted in connection with controls or audits of other related control activities, where the use of TRACES is a part of the activities. An overview of “Control and quality of the inspection” within the DVFA is available at:

http://www.foedevarestyrelsen.dk/english/Inspection/Control_and_quality_of_the_inspection/Pages/default.aspx

All veterinarians within the DVFA undergo an annual supervision as part of the job review and this can include the use of TRACES.

There is an instruction that BIPs examine a certain number of CVEDs periodically (e.g., number and period depend on throughput of BIP) and record the result on file.

The International Trade Division carry out annual verifications on the control activities at BIPs which include the use of TRACES in creating CVEDs.

Findings and related corrective actions from verification activities are typically communicated through the TRACES Newsletters and information on the TRACES micro website and/or the intranet of the DVFA depending on the nature of the errors or measures to be taken.

The audit team noted the following:

- The TRACES coordination unit within the AHD carries out verification in response to queries. There is no system at the central competent authority level for routine/pro-active verification. The coordination unit stated that pro-active verification is now being considered based on the recent introduction of Qlickview and the potential this provides in this area (in addition to the data warehouse).
- The internal audit unit within the DVFA is evolving from supervision to an audit approach. It carried out supervision of assembly centres in November 2012 which involved the use of TRACES. The report was not available at the time of the FVO audit.

- Records were available at the BIP visited to show that CVEDs had been examined by the head of the BIP on a three monthly basis. These indicated that problematic issues had been identified and discussed with relevant staff.
- The verification activities carried out by the International Trade Division are planned on the basis of risk with the busier BIPs being audited annually, Copenhagen Port/Airport, Aalborg, Aarhus, Esbjerg/Billund and Fredericia.

Reports of the verification controls carried out at these BIPs during 2011 were provided to the FVO audit team. These demonstrated that the Data Warehouse of TRACES was interrogated in advance of the audits and a number of CVEDs with “unusual data” were chosen for discussion at the BIP. A record of the discussion/issue was included in the reports and indicated that issues were discussed and clarified with relevant staff.

5.3.2 Audits

Legal Requirements

Article 4.6 of Regulation (EC) No 882/2004 requires competent authorities to carry out internal audits, or have external audits carried out. These must be subject to independent scrutiny and carried out in a transparent manner.

Findings

An internal audit unit carries out audits in relation to all control activities carried out by the DVFA according to a three year risk based audit plan. This includes control activities related to intra-EU trade, import and animal welfare during transport and will also include matters related to the use of TRACES.

The audit team noted the following:

- The internal audit unit within the DVFA plans to carry out an audit of intra-EU trade of live animals in 2015 which will involve TRACES.

Conclusions

Verification of the correct use of TRACES at BIPs is well developed and contributes to improving the quality of data entered. It is not so developed at the central and at LVU levels, so repeated errors remain undetected. The evolution from supervision to audits and the proposed use by the TRACES coordination unit of Qlickview for verification activities are expected to improve the situation.

5.4 USE OF TRACES

Legal requirements

All the information contained in the common veterinary entry documents provided for in Commission Regulation (EC) No 136/2004 (for products of animal origin), in Regulation (EC) No 282/2004 (for live animals) and in the certificates for intra-Union trade as harmonised by Commission Regulation (EC) No 599/2004 must be entered into TRACES by Member States.

5.4.1 Use of TRACES at BIPs

Findings

About 75% of consignments are pre-notified electronically by private operators via TRACES. There is no difference in the fee charged between electronic or other forms of pre-notification.

BIPs are aware of and sometimes check third country certificates in TRACES. Economic operators are encouraged to use the cloning function within TRACES to copy these certificates and have been provided with relevant written guidance.

BIPs correct minor problems with Part I of CVEDs but return them for correction to the person responsible for the load when more significant problems are detected.¹

The competent authority indicated that high throughput BIPs check all incoming TRACES messages every day and low throughput BIPs check messages less frequently. There is no official written instruction to cover this.

There is an instruction that the results of laboratory tests should be entered into TRACES by the BIP when received. There is also an instruction that BIPs should ensure that confirmation of receipt (box 41 of CVED) of consignments is completed by LVUs within TRACES when required.

The audit team noted the following:

- 30 CVEDs selected randomly did not present significant issues regarding the use of TRACES.
- In a number of CVEDs selected by the audit team from the TRACES database before arriving in Denmark, several shortcomings were detected. The CVEDs related to both the BIP visited and other BIPs in Denmark. These were discussed and issues clarified with the central competent authority and BIP staff.
- In the BIP visited:
 - one consignment had been sampled several months before the FVO visit and the laboratory result was back at the BIP but not entered into TRACES. The competent authority could not explain this or why the weekly reminder notifications within TRACES had not triggered a response.
 - Box 41 of a CVED for one rejected consignment had not been completed, although receipt of the channelled consignment has been confirmed in the BIP's register.
- For consignments imported via other Danish BIPs:
 - CVEDs related to consignments in transit had box 23 incorrectly completed for “means of transport after BIP” as the transport being used after exit BIP (ship) was incorrectly inserted instead of the transport after the entry BIP which actually issued the CVED (road vehicle). The authority indicated that this would be corrected for the future.
 - The Customs Nomenclature code 150430 “fats and oils from marine mammals (“cetacea”)” was wrongly entered for numerous CVEDs instead of “krill oil”. The authority indicated that this would be corrected for the future.

¹ In its response to the draft report the competent authority noted that at the BIP in Aarhus, no CVEDs have been corrected by the BIP staff at all. All errors on the CVEDs are corrected by the person responsible for the load. Once the original CVED is received all corrections of CVED are carried out electronically, and the BIP staff prints out a corrected version of the CVED from TRACES.

- BIPs in other Member States have been forwarding CVEDs to Danish BIPs as part of the transshipment module (about 50 in the last two years). Danish BIPs have not been using this function. The authorities agreed to do so in the future.²

5.4.2 Use of TRACES at LVUs

Findings

Outgoing trade

1.- Live animals

There is a well developed system set up for processing trade of live animals with other Member State or exports to third countries.

This involves a national electronic system, i.e., the Eksportportalen (the Export Portal - Electronic booking system) which allows the Economic Operator to book a time for the official control and the information from Part I of the intra-trade certificate can be used to fill in the required information in the Eksportportalen.

After the official veterinarians have inspected the animals and validated the certificate on TRACES, information is again transferred from TRACES to the Eksportportalen related to the specific consignment.

The Eksport Kontrol Centren is responsible for the pre-journey controls on journey logs. Some data of the part 1 of the journey log (e.g. the organiser) in TRACES system do not correspond to the data defined in Regulation (EC) No 1/2005. The possibility to define correct data on paper journey log is not applied.

2.- Products

Most animal by-products move out with commercial documents created by economic operators in the Docom module within TRACES. However, of the 1670 “Intra-certificates” created to date in TRACES, only 870 (52%) have had Part III completed in TRACES.

Incoming trade

1.- Live animals

LVUs cover geographical areas and within them, the competent authorities are usually organised on a sectoral basis (e.g. public health, animal health, animal by-products, animal welfare). There is no formalised system to cover screening of incoming messages at the different LVU's e-mail addresses. Some sectors screen for messages which fall within their own area of responsibility. For instance, the veterinary units screen incoming messages for ungulates, excluding horses, as they need to be tagged with a red ear tag to facilitate certification to third countries. An annual report for ungulates, excluding horses, is produced to ensure that all consignments have been followed up as required.

2.- Products

In the absence of a coordinated formal system to screen all incoming messages at LVUs, International Trade Division has established a system in which it is contacted directly by establishments when they receive consignments that require confirmation of receipt at destination,

² In its response to the draft report, the competent authority noted that the information on the module was, when received from the TRACES team, forwarded to all receivers of the TRACES Newsletter. The International Trade Division provided the information separately to the BIPs, but the BIPs did not assumed that the information required action. Since neither the TRACES coordination unit within the Animal Health Division nor International Trade Division followed up on the use of the new module, the module has not been used up till the time of the FVO audit team.

e.g. channelled or re-imported consignments. The CVEDs associated with these consignments are not pro-actively identified within TRACES and if the establishment (or the BIP) does not contact the LVU, then the control will not be entered into TRACES.

The audit team noted the following:

- Animal by-product establishments receiving Category I and II material from other Member States do not have a permanent official presence and are visited on a risk-based frequency. During these visits, the records, intra-trade certificates and documents for incoming by-products are checked and subsequently entered into TRACES. Therefore, it could be a considerable period before part III of the intra-trade certificate is completed for some consignments.
- Outgoing trade: EU legislation (Article 48.3 of Regulation (EC) No 1069/2009) places the responsibility to complete Part III of TRACES on the competent authority of destination but does not specify a time limit for this. 48% of TRACES messages related to intra-EU movements of animal by-products have Part III non completed. There is no EU guidance on what should be done and by whom if Part III is not completed, e.g. it may never have arrived at the declared destination.
- Incoming trade: screening all incoming messages at LVUs presents a challenge. Most LVUs include a wide range of sectors who are interested in messages related to issues which fall within their area of responsibility (e.g. animal health or public health). The authorities and the audit team discussed various potential possibilities within TRACES to help facilitate the screening of messages at LVU level (e.g. changes to how messages are circulated in order to facilitate screening). Any potential change would take time and would have to be discussed at a TRACES working group in Brussels.
- During 2012, Denmark was notified of three consignments of animals intended for slaughter. One consignment did go to an abattoir but the other two were incorrectly certified and were intended for a university for research purposes. Denmark has not requested the Member State of origin for these two consignments to rectify the information in TRACES.³
- The FVO audit team had selected a number of intra-trade certificates from the TRACES database of relevance for LVUs. These were discussed and clarified with the central competent authority and BIP staff, e.g.
 - A consignment of one horse temporarily imported into the EU via a BIP in another Member State but destined for Denmark had not been confirmed at destination in TRACES.
 - A consignment of crocodiles that entered Denmark via a BIP in Denmark and arrival at destination was not confirmed in TRACES.

Conclusion

BIPs and LVUs use TRACES correctly. However, incoming messages are not screened routinely, so appropriate follow-up is not recorded in TRACES, and this is not detected and acted upon as necessary.

³ In its response to the draft report the competent authority noted that after the completion of the audit, part 3 for the two mis-certified consignments had been completed and it had communicated with the authority of origin on the matter. The certificates have not yet been replaced by this authority.

5.5 FOLLOW-UP OF RECOMMENDATIONS FROM PREVIOUS FVO REPORTS

The 2010 report recommended (No 5) ensuring that monitoring plans for imported consignments were based upon the nature of the products and the risk they represent and to consider all factors mentioned in Regulation (EC) No 136/2004.

In their answer to the 2010 report, the Danish authorities provided detail on how the monitoring plan for imported consignments was developed, the risk considered and the scoring system to decide products to be sampled.

During the audit, the central competent authority provided a copy of the national sampling plan which includes sampling at BIPs. The plan is based on a number of projects and can be modified as frequently as necessary based on risk.

The 2010 report recommended (No 7) ensuring that Customs authorities only allowed the intended Customs-approved treatment or use of the consignment in accordance with the conditions set out in the CVED as required in Article 3.4 of Directive 97/78/EC.

In their answer to the 2010 report, the competent authorities indicated that training had been scheduled for Customs officials in this regard.

During the audit, the central competent authority stated that the proposed training had been provided to Customs and another training course was planned for 2013. The DVFA met with Customs four times a year and issues like this one were discussed. There were no known repeat incidents since 2010.

The 2010 report recommended (No 8) ensuring that the entry or handling of consignments in the free area of Copenhagen port was allowed by Customs services only after the competent authority had given its agreement as foreseen in Article 24 (2) of Regulation (EC) No 882/2004.

In its answer to the 2010 report, the competent authority indicated the amendment of certain Executive Orders to require a specific pre-notification from persons responsible for consignments of food of animal origin to the food control office, which would decide if the food may enter the Copenhagen Freeport and provide Customs Services with a copy of the decision.

During the audit, the central competent authority confirmed that the Executive Order requiring pre-notification of consignments containing animal products entering Copenhagen Freeport has entered into force. At the time of the audit, the BIP had not been pre-notified of any relevant consignments but randomly checked manifests to ensure that consignments of products of animal origin were not entering the Freeport without the BIP's agreement.

6 OVERALL CONCLUSIONS

The DVFA is the central competent authority for TRACES issues and it effectively coordinates TRACES related questions between relevant authorities.

Appropriate staff and infrastructural resources are available and the administrative framework in place provides information and instructions to TRACES users which contributes to the correct use of the system by the different users.

Staff had good working knowledge on TRACES due to on-the-job training, the information provided by the competent authority and ad hoc courses.

There is a well developed verification activity in relation to the correct use of TRACES at BIPs. However, the less developed verification at LVU level is reflected - in the more numerous mistakes in the use of TRACES detected at this level.

BIPs and LVUs are generally using TRACES correctly but the absence of a formal system/ instructions for screening incoming messages weakens the system as the need to confirm appropriate follow-up action in TRACES is not identified and acted upon in all cases.

Regarding follow-up of report DG(SANCO)/2010-6822, recommendations Nos 5, 7 and 8 were satisfactorily addressed.

7 CLOSING MEETING

A closing meeting was held on 1 March 2013 with representatives from the DVFA. At this meeting, the main findings and the preliminary conclusions of the audit were presented by the audit team. The central competent authority requested clarification in relation to some issues but did not express disagreement with the findings and conclusions presented.

8 RECOMMENDATIONS

The competent authorities are invited to provide details of the actions taken and planned, aimed at addressing the recommendations set out below, within twenty five working days of receipt of this audit report.

N°.	Recommendation
1.	To establish an official contingency plan in the event that access to TRACES is unavailable for an extended period of time as required by Article 4.2(f) of Regulation (EC) No 882/2004.
2.	To provide BIPs and LVUs with instructions as required by Article 8.1 of Regulation (EC) No 882/2004 to ensure that all required data is entered into TRACES especially in the context of incoming notifications which require confirmation that appropriate follow-up has been implemented, e.g., results of laboratory test or confirmation of receipt at destination.

The competent authority's response to the recommendations can be found at:

http://ec.europa.eu/food/fvo/rep_details_en.cfm?rep_inspection_ref=2013-6756

ANNEX 1 - LEGAL REFERENCES

Legal Reference	Official Journal	Title
Reg. 1069/2009	OJ L 300, 14.11.2009, p. 1-33	Regulation (EC) No 1069/2009 of the European Parliament and of the Council of 21 October 2009 laying down health rules as regards animal by-products and derived products not intended for human consumption and repealing Regulation (EC) No 1774/2002 (Animal by-products Regulation)
Reg. 669/2009	OJ L 194, 25.7.2009, p. 11-21	Commission Regulation (EC) No 669/2009 of 24 July 2009 implementing Regulation (EC) No 882/2004 of the European Parliament and of the Council as regards the increased level of official controls on imports of certain feed and food of non-animal origin and amending Decision 2006/504/EC
Reg. 1/2005	OJ L 3, 5.1.2005, p. 1-44	Council Regulation (EC) No 1/2005 of 22 December 2004 on the protection of animals during transport and related operations and amending Directives 64/432/EEC and 93/119/EC and Regulation (EC) No 1255/97
Reg. 136/2004	OJ L 21, 28.1.2004, p. 11-23	Commission Regulation (EC) No 136/2004 of 22 January 2004 laying down procedures for veterinary checks at Community border inspection posts on products imported from third countries
Reg. 282/2004	OJ L 49, 19.2.2004, p. 11-24	Commission Regulation (EC) No 282/2004 of 18 February 2004 introducing a document for the declaration of, and veterinary checks on, animals from third countries entering the Community
Reg. 599/2004	OJ L 94, 31.3.2004, p. 44-56	Commission Regulation (EC) No 599/2004 of 30 March 2004 concerning the adoption of a harmonised model certificate and inspection report linked to intra-Community trade in animals and products of animal origin
Dir. 97/78/EC	OJ L 24, 30.1.1998, p. 9-30	Council Directive 97/78/EC of 18 December 1997 laying down the principles governing the organisation of veterinary checks on products entering the Community from third countries

Legal Reference	Official Journal	Title
Dir. 91/496/EEC	OJ L 268, 24.9.1991, p. 56-68	Council Directive 91/496/EEC of 15 July 1991 laying down the principles governing the organization of veterinary checks on animals entering the Community from third countries and amending Directives 89/662/EEC, 90/425/EEC and 90/675/EEC
Dec. 2009/821/EC	OJ L 296, 12.11.2009, p.1	2009/821/EC: Commission Decision 2009/821/EC of 28 September 2009 drawing up a list of approved border inspection posts, laying down certain rules on the inspections carried out by Commission veterinary experts and laying down the veterinary units in Traces
Dec. 2006/677/EC	OJ L 278, 10.10.2006, p. 15-23	2006/677/EC: Commission Decision of 29 September 2006 setting out the guidelines laying down criteria for the conduct of audits under Regulation (EC) No 882/2004 of the European Parliament and of the Council on official controls to verify compliance with feed and food law, animal health and animal welfare rules
Dec. 2004/292/EC	OJ L 94, 31.3.2004, p. 63-64	2004/292/EC: Commission Decision of 30 March 2004 on the introduction of the Traces system and amending Decision 92/486/EEC
Dec. 2003/24/EC	OJ L 8, 14.1.2003, p. 44-45	2003/24/EC: Commission Decision of 30 December 2002 concerning the development of an integrated computerised veterinary system
Dec. 94/641/EC	OJ L 248, 23.9.1994, p. 26-27	94/641/EC: Commission Decision of 8 September 1994 laying down rules applicable to veterinary checks to be carried out on products imported into certain Greek islands from third countries
Dec. 92/486/EEC	OJ L 291, 7.10.1992, p. 20-21	92/486/EEC: Commission Decision of 25 September 1992 establishing the form of cooperation between the Animo host centre and Member States
Legal Reference	Official Journal	Title

OTHER REFERENCES

TRACES toolkit	https://circabc.europa.eu/webdav/CircaBC/Sanco/TracesToolkit/Information/traces_toolkit.html
General guidance for consignments of live animals and animal products from third countries in transit or transshipment (SANCO/10844/2011 - 08.04.2011)	http://ec.europa.eu/food/animal/bips/docs/guidance_transit_transshipment.pdf