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FINAL REPORT OF AN AUDIT
CARRIED OUT IN
GERMANY
FROM 02 TO 06 DECEMBER 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 Germany from 2 to 6 December 2013.

The overall objective of the audit was to determine whether the German competent authorities were entering in TRACES all required data and whether this information is entered correctly and in a timely manner. The audit also assessed the implementation of the competent authorities' action plan addressing recommendations No 2, 3 and 5 from the FVO audit report DG(SANCO)/2011-8918.

Overall, the report concludes that:

The competent authority is using TRACES correctly for the majority of the consignments. The TRACES-relevant administrative structures of competent authorities vary between Länder. No overlaps or gaps of the allocation of the responsibilities were identified during the audit at the federal level or in the Länder visited.

The competent authority has suitably qualified and experienced staff in charge of TRACES activities. There is a system to ensure that staff receive appropriate training and are kept up to date in their competencies. However, as levels of completeness of instructions vary between Länder this may affect the consistency and quality of the use of TRACES.

The competent authority verifies the correct use of TRACES at individual Länder level. However, the verification activities did not address all of the issues raised by the FVO. In addition, as the audits are organised within the framework of the QMS, TRACES-related activities not covered by the QMS are not audited. This means that the system, does not ensure that deficiencies are detected and/or corrective actions are implemented when required, which may lead to persistent problems not being identified and rectified (e.g. transshipment, recording official controls related to animals arriving from other Member States for slaughter and cross references between outgoing and incoming CVEDs issued for non-conforming consignments at customs warehouses, confirmation by LUs of receipt at destination for relevant consignments).

The actions proposed in response to recommendations Nos. 2, 3 and 5 from the 2011 report are still ongoing and the recommendations have not yet been satisfactorily addressed.

The report also includes 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
2011 report	FVO audit report DG(SANCO)2011-8918
ABP	Animal by-products
BIP	Border inspection post
BMELV	The Federal Ministry of Food, Agriculture and Consumer Protection (Bundesministerium für Ernährung, Landwirtschaft und Verbraucherschutz)
BTSF	Better Training for Safer Food
BVL	The Federal Office for Consumer Protection and Food Safety (Bundesamt für Verbraucherschutz und Lebensmittelsicherheit)
CED	Common entry document
CN code	The goods nomenclature (i.e. the Combined Nomenclature)
CVED (CVEDP)	Common veterinary entry document for products of animal origin
CVEDA	Common veterinary entry document for live animals
DPE	Designated Point of Entry
EU	European Union
FIS-VL	German information system
FLI	Federal Institute for Animal Health (Friedrich Loeffler Institute)
FLI-FAQ	Friedrich Löffler Institute website including frequently asked questions on the use of TRACES
FVO	Food and Veterinary Office
INTRA-trade certificate	Intra-trade certificate
LAV AGED	The <i>Länder</i> working group for Import and Transit (Länderarbeitsgesellschaft Ein- und Durchfuhr)
LU	Local Unit listed in Annex II to Decision 2009/812/EC
QMS	Quality management system
RASFF	Rapid Alert System for Food and Feed of the European Commission
SOP	Standard operating procedure
SuperLU	Specific TRACES account allowing issue of CVED for split non-EU complying consignments at customs warehouse
TRACES	Trade Control and Expert System

1 INTRODUCTION

The audit formed part of the Food and Veterinary Office's (FVO) planned audit programme. It took place in Germany from 2 to 6 December 2013. The audit team comprised two auditors from the FVO.

An opening meeting was held on 2 December 2013 with the Federal Ministry of Food, Agriculture and Consumer Protection (Bundesministerium für Ernährung, Landwirtschaft und Verbraucherschutz – BMELV), and the representative of the Friedrich Löffler Institute (FLI) and representatives of the *Land* Brandenburg and *Land* Hamburg.

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 were entering 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 plan to address relevant recommendations from the FVO audit report DG(SANCO)/2011-8918 (hereinafter, the 2011 report) was implemented.

Regarding the scope, the audit covered:

- live animals and products of animal origin,
- the activities covered during the audit included imports, exports and intra-EU trade,
- all user-levels for TRACES 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	Competent Authority	Comments and data covered
BMELV	BMELV FLI	Opening and closing meeting National coordinating office for TRACES
<i>Land</i> Brandenburg	Ministry for Environment, Health and Consumer Protection	<i>Land</i> TRACES coordination, training, instructions and verification of use of TRACES
BIP Schönefeld		- Training, instructions and verification of use of TRACES - Use of TRACES for different procedures and issuing CVEDs for import, transit, transshipment, reimport

LU Potsdam-Mittlemark		<ul style="list-style-type: none"> - INTRA-trade certificates for live animals - INTRA-trade certificates for products - CVEDs – confirmation of arrival to controlled destination
<i>Land</i> Hamburg	Health and Consumer Protection Authority Hamburg	<i>Land</i> TRACES coordination, training, instructions and verification of use of TRACES
BIP Hamburg Port		<ul style="list-style-type: none"> - Training, instructions and verification of use of TRACES - Use of TRACES for different procedures and issuing CVEDs for import, transit, transshipment, reimport
LU Hamburg (Professional Office for Consumer Protection, Commerce and Environment Altona)		<ul style="list-style-type: none"> - INTRA-trade certificates for live animals - INTRA-trade certificates for products - CVEDs – confirmation of arrival to controlled destination

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.

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 Consumers Directorate General', 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, which is available in TRACES when the system is correctly used.

All the information contained in the common veterinary entry documents (CVED) provided for in Commission Regulation (EC) No 136/2004 (for products of animal origin), in Commission 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 over a period and was fully applicable as from 1 January 2006 through Commission Decision 2004/292/EC.

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

Some of the problems detected included mismatching of data between documents accompanying products and/or animals and the information recorded in TRACES, delayed entry of data, incomplete entry of data and lack of feedback from 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 the use of TRACES 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 control systems are described in the Country Profile which is available at:

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

According to the data entered into TRACES, 15 Border Inspection Posts (BIP) in Germany issued 15,105 CVEDAs and 58,384 CVEDPs during the first ten months of 2013.

There are 52 warehouses approved under Article 12 and 13 of Directive 97/78/EC for the temporary storage of non-EU conforming products of animal origin in transit.

There are 370 Local Units (LU) who issued 85,572 INTRA-trade certificates and received 112,680 INTRA-trade certificates during the first ten months of 2013. In addition the economic operators and local veterinary officials issued 14,950 commercial documents in Germany for animal by-products (ABP) destined to other Member States and 12,406 commercial documents issued for ABP destined to Germany.

The *Länder* visited currently do not use the export module of TRACES.

In relation to imports of products of non-animal (plant) origin, no harmonization of use of TRACES for issue of the Common Entry Document (CED) is in place between *Länder*. This module was not regularly used in Germany at the time of the audit, even though some *Länder* used it randomly. In total, 337 CEDs was issued at eight German Designated Points of Entry (DPE) during the first ten months of 2013.

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 Better Training for Safer Food (BTSF) programme.

5 FINDINGS AND CONCLUSIONS

5.1 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.

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 are competent to carry out official controls, efficient and effective coordination and cooperation is ensured between those units.

Findings

The audit team noted the following:

1. BMELV is the central competent authority for the implementation of TRACES responsible for the policy and the general legal issues.
2. FLI is the National coordinating office for TRACES and serves as the National administrator and technical coordinator.
3. According to the National legislation, the *Länder* are responsible for implementation of TRACES, including the provisions for resources, training, instructions and verification of the use by both the BIPs and the LUs. At one *Land* visited the responsibility was allocated by the *Land* constitution to the local authorities.
4. No overlaps or gaps of the allocation of the responsibilities were identified during the audit at the federal level or in two *Länder* visited.
5. The BIPs are responsible for issuing the CVEDs for consignments of live animals, products of animal origin and certain products of non-animal origin intended for import, transit, transshipment and re-import.
6. The *Länder* working group for Import and Transit (LAV AGED) deals with the specific issues related to the controls at BIPs.
7. The LUs are in charge for issuing INTRA-trade certificates and for the control of journey logs and for confirmation of arrival of the channelled and re-imported consignments to controlled destination.
8. The Federal Office for Consumer Protection and Food Safety (BVL) is the National contact point for the RASFF.
9. There is no harmonised policy on the use of TRACES by the DPEs, its use is on a voluntarily basis and varies between different *Länder*.

Conclusions on competent authorities

The administrative structures of competent authorities vary between *Länder*. No overlaps or gaps of the allocation of the responsibilities were identified during the audit at the federal level or in two *Länder* visited.

5.2 RESOURCES FOR THE PERFORMANCE OF CONTROLS

5.2.1 Staff and provision of facilities

Legal Requirements

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

Article 4(2) 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 and that they have appropriate and properly maintained equipment.

Findings

The audit team noted the following:

10. Official veterinarians and technical staff are registered users of TRACES. Appropriate facilities and the necessary equipment were available in the offices at all locations visited during the audit.
11. In some cases of trade with live animals the INTRA-trade certificates were entered into TRACES one working day before the loading. The competent authorities explained that this was necessary for the places of departure, where there is no office available. No mobile offices for such cases were available to the certifying official veterinarians. If there are any changes of data, which shall be entered into TRACES, the certifying official veterinarian replaces the INTRA-trade certificate without delay after the return to the office.

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

The audit team noted the following:

12. The *Länder* are responsible for the training of the official staff on the use of TRACES. There is compulsory training for the new TRACES users in place. In most *Länder* the annual or biennial frequency of the ongoing TRACES related training was indicated in the pre-audit questionnaire.
13. FLI organises the annual training on the use of TRACES for all 16 *Länder* TRACES coordinators, who are responsible for the technical part of training of the TRACES users within their Land.
14. Participants from different *Länder* regularly participate on the BTSF training (Better Training for Safer Food) organised by the European Commission.
15. The available training materials from the national training organised by FLI and from the BTSF are uploaded into information system called “FIS-VL” to which all officials have online access.

16. An important part of the training is on-the-job training under the supervision/tutoring by experienced staff.
17. The training organised by FLI reflects the changes of TRACES and/or legislation and addresses the users needs/requests. Records of the training programmes, training material and participant lists were kept and available at FIS-VL. The annual frequency of the FLI training was observed except of 2013. The planned workshop was postponed to spring 2014, due to the relocation from the site Wusterhausen (previous location of TRACES contact point (MS-ADM)) to Riems *IsLand* from the capacity reasons.
18. The training organisation vary between *Länder*. Usually the training is covered by the quality management systems (QMS) developed by *Länder*. Significant differences were noted between the two *Länder* visited.
19. In Brandenburg, the last training for LUs was organised in 2010. The training of the BIP staff relies more on the FLI and BTSF training.
20. In Hamburg the FLI and BTSF are also used for the training of the officials, but in addition a training course organised by the *Land* is in place. A new training method for TRACES users was used recently under the project “TRACES training offensive” using computer for each trainee to better interact. An expert from another *Land* was invited to provide peer level training on the ABP specific issues, including the use of TRACES for INTRA-trade of ABP.
21. The staff interviewed during the audit showed a good knowledge of the TRACES issues.

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 Regulation (EC) No 882/2004 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

The audit team noted the following:

22. The *Länder* are responsible for developing the instructions and procedures for correct implementation of TRACES. This is usually achieved by the adopted instructions and manuals, in a form of standard operational procedures (SOP) incorporated into *Länder* QMS, in combination with the EU legislation and the instructions on Commission websites (e.g. TRACES release notes, TRACES tool-kit, Guidelines).
23. The FLI provide the answers to 50 of the most frequently asked questions (FLI-FAQ) on their website specifically dedicated to TRACES issues.

24. The information system FIS-VL provides to the TRACES users as well as the instructions also the updated EU legislation and other useful documents (e.g. Codex Alimentarius–certification rules).
25. The *Länder* working group for Import, Export and Transit LAV AGED adopted a framework BIP manual (Handbuch) dealing with specific issues related to the veterinary checks and different procedures (e.g. import, transit, transshipment, re-import, channelling). Levels of completeness of instructions vary between *Länder*. Instructions usually are part of the QMS.
26. The BIP manual describes the different procedures applicable for the veterinary checks carried out at BIPs, including the requirements for the use of TRACES. However, some of the instructions are not detailed enough (e.g. the use of TRACES for the follow-up of consignments requiring further monitoring – channelled consignments, re-imports...).¹ A local instruction for compensation of this weakness has been developed at one BIP visited.
27. The FLI-FAQ provides some general and some very specific answered questions on the TRACES and its use. However, some instructions are not detailed enough or are incomplete, e.g. in the case of unavailability of TRACES only the need for issue of a hard copy of the relevant certificate and its later entering into TRACES is indicated but nothing is written about the notification of the consignment to the destination.
28. Several instructions for the use of TRACES in Hamburg were adopted as SOP within the *Land* QMS (for BIP users) or as the decision-taking charts (for LU users). However, not all procedures requiring the use of TRACES are covered by the SOP yet (e.g. the SOP for channelling and transit are under development).
29. In the *Land* Brandenburg a methodological instruction for the veterinary clearance and control of consignments is under development. Apart from other issues, it deals with the use of TRACES by the LUs in the INTRA-trade certification of live animals and products. No instruction on the use of TRACES for the INTRA-trade of ABP is adopted or developing yet.
30. The SOP - “VEQSAVA-04.02 - on the use of TRACES” adopted in Hamburg makes a reference to the TRACES contingency plan for the case of long-standing unavailability of TRACES; however, the competent authorities were not able to demonstrate the updated list of contact points for notification of the consignments destined to other Member States.²

Conclusion on resources for the performance of controls

The competent authority has suitably qualified and experienced staff in charge of TRACES activities. The competent authority ensures that staff receive appropriate training and are kept up to date in their competencies. An administrative framework provides information and instructions to TRACES users which contribute to the correct use of TRACES. As levels of completeness of instructions vary between *Länder* this may affect the consistency and quality of the use of TRACES.

1 The central competent authority in their response to the draft report stated that the LAV AGED adopted BIP manual is a German-wide applicable document within the quality management systems of the *Länder* and therefore cannot provide specific working instruction.

2 The central competent authority in their response to the draft report stated that actually the list of TRACES contact points was not updated in a timely manner by the Commission (missing contact point for Croatia at the time of audit).

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) of the same Regulation requires the competent authority to have procedures in place to verify the effectiveness of official controls, to ensure effectiveness of corrective action and to update documentation where needed.

Findings

The audit team noted the following:

31. The deficiencies in the use of TRACES found by the audit team during the audit as described in section 5.4 were not addressed in all cases by the verification activities of the competent authority regarding the BIPs and the LUs.
32. The Federal competent authorities have no legal power to verify the implementation of the use of TRACES by the *Länder*.
33. The *Länder* are responsible for implementation of verification procedures. The verification systems and procedures vary between different *Länder*.
34. According to the reply (not all *Länder* participated) to the pre-audit questionnaire in most *Länder* the verification is covered by the audit within the QMS.
35. Verification of the correct use of TRACES is conducted in connection with controls or audits of other related control activities, where the use of TRACES is a part of the activities.
36. In *Land* Hamburg, in accordance with the Hamburg Constitution, the LUs are responsible for their own compliance with the legal requirements. The Land's legal feedback on the use of TRACES by the LUs are the quarterly organised meetings and the annual reports, which provide more quantitative overview than qualitative review.
37. The BIPs in Hamburg are usually supervised by the *Land* authority once a year to verify implementation of a specific issue. The supervision in 2012 was focused on the official controls on non-EU conforming products. The main shortcomings identified by the *Land* supervision were related to the missing so called Super LU account enabling distinguishing the controls carried out in customs warehouse and those carried out at the BIP.
38. The BIP Hamburg representative also described the local supervision on the use of TRACES carried out by the TRACES-coordinator by checking the data entered into TRACES. Any identified problem is discussed with the BIP staff, but no records are kept on the verification nor on the corrective measures; however, rectification of identified problems resolvable by the BIPs was evident in some cases.
39. In *Land* Brandenburg there is a multi-annual control plan 2011-2015 in place indicating different areas of responsibility to be covered by the planned supervision, with the typical frequency of four to seven supervisions per annum. At least two areas where TRACES use is foreseen (import control and animal transport control) were supervised in 2012. The use of TRACES in these reports was recorded only superficially.

40. At the BIP Schönefeld the Head of the BIP supervise randomly the records in the TRACES. In a case of identified problem, this is immediately discussed with the relevant staff or addressed on the next meeting (depends on the nature of the problem) and recorded in the meeting minutes.

5.3.2 Audit

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

The audit team noted the following:

41. The QM working group of Federal States Working Committee on Consumer Protection (LAV) adopted a standard operating procedure for Internal Audits for all *Länder*.
42. Responsibility for carrying out audits lies within *Länder*. *Länder* decide on the type of audits to be conducted. In the *Länder* visited an Internal Audit was established as a part of their QMS.
43. Not all official activities, where the use of TRACES is foreseen, are covered by the QMS yet and the level of coverage differs between *Länder*. As the audits are organised within the framework of the QMS, the areas not covered by the QMS are not audited.
44. Annual audit plans are established in *Land* Brandenburg. The audit plans for 2012 and 2013 were provided to the audit team. No official audit plan for 2014 was adopted at the time of the FVO audit.
45. The BIP Schönefeld was audited in 2012. The audit covered the use of TRACES and no shortcomings were reported in the audit report of 15 October 2012. The competent authorities in Brandenburg stated that no other audit covering the use of TRACES was held yet.
46. In Hamburg no audit covering the use of TRACES has been held yet. According to the competent authorities they plan an external audit of the BIP Hamburg in 2014; however, no official audit plan was established at the time of the FVO audit.

Conclusion on verification and review of official controls and procedures

The competent authority verifies the correct use of TRACES as part of the verification of compliance of other official controls at individual *Länder* level.

Verification activities did not detect all of the issues raised by the FVO. This means that the system, does not ensure that deficiencies are detected and/or corrective actions are implemented when required, which may lead to persistent problems not being identified and rectified.

5.4 USE OF TRACES

Legal requirements

Article 3 of Decision 2004/292/EC states that Member States shall ensure that CVEDs for all animals and products of animal origin entering the Community are entered in Traces.

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.

For animal by-products article 48.3 of Regulation (EC) No 1069/2009 requires the competent authority of the Member State of origin to inform the competent authority of the Member State of destination, by means of the TRACES system in accordance with Decision 2004/292/EC, of the dispatch of each consignment, of:

- (a) animal by-products or derived products referred to in paragraph 1 (i.e. Category 1 and 2 material and meat-and-bone meal or animal fat derived from Category 1 and 2 materials), and
- (b) processed animal protein derived from Category 3 material.

When informed of the dispatch, the competent authority of the Member State of destination shall inform the competent authority of the Member State of origin of the arrival of each consignment by means of the TRACES system.

5.4.1 Use of TRACES at BIPs

Findings

The audit team visited two BIPs located in different *Länder*. One is in a port (Hamburg) with high throughput using the local information system COACH with interface to TRACES, the other is in an airport (Schönefeld) with less than 200 consignments a year using TRACES directly to record the activities and official decisions on consignments.

Data of 23,252 consignments were entered into TRACES by BIP Hamburg in the first ten months of 2013. The vast majority of them were intended for import into EU. The audit team selected from the TRACES database 21 CVEDs for verification of specific procedures (import, transit, transshipment, re-import and rejection) and another 25 CVED randomly selected at the BIP. All checked CVED were discussed on-the-spot.

The BIP Hamburg representative presented to the audit team the use of the COACH. The notifications of the incoming consignments are entered into the system by the person responsible for the load usually well before the arrival. After documentary checks the COACH system communicates with TRACES to get the unique TRACES number. Then the scanned certificates are made available at the inspection centre where the control is to be carried out. Following the completed veterinary checks, the results of the checks and the decision are put into COACH and the completed CVED is entered into TRACES via the interface. In the case of the failure of the transmission of the data, the system flags this situation and the certifying officer manually enters the data into TRACES. In any case, the local procedure requires the certifying officer to verify the appearance of the issued CVED in TRACES.

The audit team noted the following:

47. TRACES is not used directly by all German BIPs. In eight BIPs there is a different IT support system called COACH. The interface COACH-TRACES works correctly for all procedures except for transshipments.³ A significant workload and the need for a double data entry lead to a delayed entry into TRACES (COACH entered first). The delayed data entry into TRACES, even though there is no legal deadline for doing it, leads to duplication of data entry for transshipments as the terminal BIP completes the import checks and issues the CVED before the results of the documentary checks, at the first BIP of entry, are manually put into TRACES. CVEDs are issued by BIPs for non-conforming consignments leaving customs warehouse which are not cross referenced to the incoming CVED.
48. The majority of files assessed indicated the correct use of TRACES by the BIPs visited.
49. Both BIPs check daily all incoming TRACES messages in order to be aware of the consignments that will arrive at the BIP. At BIP Hamburg they also check the COACH system as all persons responsible for the load in Hamburg use this system for notification of consignments in advance.
50. No problems with missing notifications in advance were reported by the BIPs. The only issue was the notification of consignments of ornamental fish at the airport BIP, less than one working day prior arrival, due to the fact, that the certification of this commodity is usually completed shortly before the flight.
51. The use of TRACES for transshipment is complicated by the use of COACH as the primary database for recording the official controls at the BIP. In a case when the BIP Hamburg is not the first BIP of entry and they get the notification by the person responsible for the load, they complete the CVED in COACH, which means that second CVED is issued for the same consignment without the link to the CVED created by the first BIP.⁴ The BIP stated that this is not a problem, as no legal requirement forces them to keep traceability of the consignment to the first BIP of entry.
52. Another issue is the completion of the CVED for transshipment in a case, where BIP Hamburg is the first BIP of entry.⁵ Due to problems with the interface for transshipment, the CVEDs must be entered into TRACES manually. This is done with certain a delay as a result of the workload of the staff. Even though all the CVEDs for transshipments are ultimately entered into TRACES, the delay causes at the second EU port a new CVED for the same consignment to be issued, which affects the total number of consignments recorded into TRACES. The BIP stated that there is no deadline for entering the data on transhipped consignments into TRACES, therefore they do not consider this as a shortcoming.
53. There is no Super LU account in TRACES for recording activities at customs warehouses managed by the BIP in Hamburg. Therefore, the BIP does not received notifications within TRACES of consignments sent to these warehouse. The BIP issues CVEDs for consignments leaving the warehouse which are not cross referenced to the incoming CVED which is not in compliance with Article 1.6 of Commission Decision 2000/571/EC. The BIP representative informed the audit team that they had already taken steps to be granted with the Super LU account by the TRACES EU administrator.

3 The central competent authority in their response to the draft report stated that even though the interface for data transmission on transhipped consignments between the COACH and TRACES systems was under development at the time of audit, it is fully operational since January 2014.

4 The central competent authority in their response to the draft report clarified that the control of consignments in transshipment is done via other IT systems, where the TRACES entry data are not available. If the Hamburg port is a destination of a consignment entered via another EU port, regular notification via COACH system are provided by persons responsible for the load.

5 See footnote 3.

54. More than half the consignments, which need confirmation of arrival to the control destination (transit, channelled, re-imported), were not confirmed in Box 41 of the CVED. Some of the consignments were confirmed by other means. Limited follow-up of consignments without confirmation was demonstrated by the BIP. This was explained by the experience of the BIP staff with previous consignments under Customs control, which all arrived to the control destination and the workload.
55. Some consignments were recorded into TRACES with favourable results of physical checks and unfavourable result of laboratory tests. Since September 2013, when this issue was identified, the practice was rectified.
56. No shortcomings with entered data into TRACES were identified by the audit team at the other BIP visited, except for one consignment for which multiple CN codes for different ornamental aquatic animals was accepted and recorded in TRACES which does not comply with the “Guidance document for veterinary controls on consignments of fishery products originating from third countries (SANCO/10949/2010 - Rev 1 of 19.04.2012”
57. The high number of CVEDs which remain in TRACES as “In Progress” was discussed. The competent authority explained that this is a specific issue for the airport BIPs receiving samples for research and diagnosis resulted from the new requirement for notification of these samples by BIP to the LU of destination.
58. The BIP staff have the BIP Manual, relevant legislation and training materials via FIS-VL, official Commission websites and commercial database available.

5.4.2 Use of TRACES at LUs

Findings

The audit team visited two LUs in two different *Länder*. The organisation of the use of TRACES was different in those LUs.

In *Land* Hamburg there is only one LU listed in Decision 2009/821/EC. This LU account is used by users of seven districts (*Bezirken*) of Hamburg. All incoming TRACES messages are selected according to the indicated destination and forwarded to the specific e-mail box at each of the seven *Bezirken*.

At the other LU visited there is also a system in place for selection of the incoming TRACES messages based on the indicated reason of import or INTRA-trade.

Outgoing trade

1.- Live animals

The process begins with the economic operator submitting a written request via a standard template, usually Part I of the INTRA-trade certificate along with passports or identification documents depending on the species being traded. The documents are checked and the consignment is inspected prior to loading. The official veterinarian completes the INTRA-trade certificate in the TRACES if there is an office at the point of departure. If there is no office available, the certificate is created in TRACES before the inspection and signed after the completed checks. In a case of a change of the certified data, these are made by hand in the original INTRA-trade certificate and the changes are entered into TRACES without delay after being returned to the office via the issuing of a replacement certificate.

The audit team noted the following:

59. The interviewed official veterinarians knew the procedure for the case of unavailability of TRACES for a long time-period and they indicated they would contact the *Land* TRACES coordinator in order to get the contact details for the National TRACES coordinator of the Member State of destination.
60. Generally correct INTRA-trade certificates were issued by the LUs at visited *Länder* with a few shortcomings (e.g. example of incorrect certification of several species, with different animal health requirements, put into one INTRA-trade certificate). The competent LU was prompted by the superior *Land* authority to correct the certificate.
61. The issue of INTRA-trade certificate for registered horses with more than one animal entered in the certificate differs between LUs. Even though Article 8(3) of Directive 2009/156/EC allows issue one certificate only for other than registered equidae, the FLI-FAQ instructs on how to issue one certificate for more than one registered horse.
62. In some cases of exported live animals the incorrect place of destination in the INTRA-trade certificate was indicated (DPE instead of BIP – example PLKOR3P). None of these incorrect data entries was identified by the verification procedures of the German competent authorities.

2.- Products

Most animal by-products originating in Germany move out with a commercial document entered into TRACES by economic operators using the DOCOM module (11,980 commercial documents comparing to 7,610 INTRA-trade certificates).

Incoming trade

1.- Live animals

63. The incoming consignments of live animals are inspected in accordance with the non-discriminatory principle. Article 3(2)(a) of Decision 2004/292/EC requires entering the Part III of the INTRA-trade certificate following the undertaken checks of the consignment. This, however, was not always the case of consignments of live animals intended for slaughter. From 71,047 consignments of slaughter animals dispatched from another Member State to Germany in the first ten months of 2013, only 3,199 are recorded or have undergone documentary checks, 3,004 had documentary and identity checks and only 2,979 consignments with full control including physical checks, which represents about 4% of all animals traded for slaughter.
64. There is a procedure in place to notify the competent authority at dispatch if there is an indicated destination.

2.- Products

The FVO audit team had selected more than 30 INTRA-trade certificates from the TRACES database, relevant for LUs in Germany. These were discussed and clarified with the central competent authority and LU staff.

65. The majority of files assessed indicated the correct use of TRACES by the LUs visited.
66. In the *Länder* visited the LU staff have available instructions on confirmation of arrival of the consignment to the controlled destination (channelled, re-import). The instructions require the confirmation by using the Box 41 of the CVEDP.
67. Similar instructions were in place as regards the INTRA-trade of ABP in the *Länder* visited. Nevertheless, only 3,416 DOCOM out of 12,406 issued for ABP destined to Germany were recorded or undergone checks entered into TRACES, even though the Article 48(3) of Regulation (EC) 1069/2009 requires the Member State of destination to inform the

competent authority of the Member State of origin of the arrival of each consignment by means of the TRACES system.

68. In one LU visited they have issued INTRA-trade certificates for turkey meat to other Member State not requiring additional guarantees. The explanation by the LU staff for this was, that the food business operator requested them to keep him informed on the sent consignments.

Conclusions on the use of TRACES

In general, the competent authority is using TRACES correctly. However, for some procedures (transshipment, recording official controls related to animals arriving from other Member States for slaughter and cross references between outgoing and incoming CVEDs issued for non-conforming consignments at customs warehouses, confirmation by LUs of receipt at destination for relevant consignments) there are persisting shortcomings as regards the use of TRACES.

5.5 FOLLOW-UP OF RECOMMENDATIONS FROM 2011 REPORT

The 2011 report recommended (recommendations No 2 and 3) ensuring verification of the effectiveness of the official controls throughout the whole of Germany and ensuring the consistency and efficient and effective co-ordination of official controls.

The audit team noted the following:

69. The verification procedures in place were discussed on the opening and closing meetings and during the audit. The outcome of these discussions described under the heading 5.3 of this report show some further progress in comparison to the FVO report DG(SANCO)2012-6517 but still the QMS as a framework for the audits is not finalised yet.

The 2011 report recommended (recommendation No 5) ensuring the correct use of the TRACES to avoid the entry of non-required data.

The audit team noted the following:

70. The problems with duplicated records of the CVEDs due to the incorrect functioning of the COACH-TRACES interface have been solved. However, the delayed entry of transshipments into TRACES increase the number of non-required data entry into TRACES.

Conclusion on the follow-up of previous recommendations

The actions proposed in response to recommendations Nos. 2, 3 and 5 from the 2011 report are still ongoing and the recommendations have not yet been satisfactorily addressed.

6 OVERALL CONCLUSIONS

The competent authority is using TRACES correctly for the majority of the consignments. The TRACES-relevant administrative structures of competent authorities vary between *Länder*. No overlaps or gaps of the allocation of the responsibilities were identified during the audit at the federal level or in the *Länder* visited.

The competent authority has suitably qualified and experienced staff in charge of TRACES activities. There is a system to ensure that staff receive appropriate training and are kept up to date in their competencies. However, as levels of completeness of instructions vary between *Länder* this may affect the consistency and quality of the use of TRACES.

The competent authority verifies the correct use of TRACES at individual *Länder* level. However, the verification activities did not detect all of the issues raised by the FVO. This means that the system, does not ensure that deficiencies are detected and/or corrective actions are implemented when required, which may lead to persistent problems not being identified and rectified (e.g. transshipment, recording official controls related to animals arriving from other Member States for slaughter and cross references between outgoing and incoming CVEDs issued for non-conforming consignments at customs warehouses, confirmation by LUs of receipt at destination for relevant consignments).

The actions proposed in response to recommendations Nos. 2, 3 and 5 from the 2011 report are still ongoing and the recommendations have not yet been satisfactorily addressed.

7 CLOSING MEETING

A closing meeting was held on 6 December 2013 with representatives from the BMELV, BVL, FLI and the representatives of the *Länder* visited. 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 with the reservation to comment upon the draft report.

8 RECOMMENDATIONS

The competent authorities are invited to provide details of the actions taken and planned, aimed at addressing the recommendation set out below, within 25 working days of receipt of this audit report.

N°.	Recommendation
1.	To implement actions to ensure that CVEDs issued for non-conforming consignments leaving approved customs warehouses are cross referenced to the original incoming CVEDs as required by Article 1.6 of Decision 2000/571/EC.
2.	To ensure that all LVUs enter the required data into TRACES, including consignments which require confirmation of receipt at destination, e.g. intra-EU movements of certain animal by-products, channelled or re-imported consignments as required by Decision 2004/292/EC.

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=2013-6901

ANNEX 1 - LEGAL REFERENCES

Legal Reference	Official Journal	Title
Reg. 882/2004	OJ L 165, 30.4.2004, p. 1, Corrected and re-published in OJ L 191, 28.5.2004, p. 1	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
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
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
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
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
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

Legal Reference	Official Journal	Title
Dir. 2009/156/EC	OJ L 192, 23.7.2010, p. 1-24	Council Directive 2009/156/EC of 30 November 2009 on animal health conditions governing the movement and importation from third countries of equidae
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)
Dec. 2000/571/EC	OJ L 240, 23.9.2000, p. 14-18	2000/571/EC: Commission Decision of 8 September 2000 laying down the methods of veterinary checks for products from third countries destined for introduction into free zones, free warehouses, customs warehouses or operators supplying cross border means of sea transport