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FINAL REPORT OF AN AUDIT
CARRIED OUT IN
ITALY
FROM 04 TO 08 NOVEMBER 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 Italy from 4 to 8 November 2013.

The objective of the audit was to evaluate the completeness and correctness of the use of TRACES (Trade Control and Expert System) by the competent authorities. This included, amongst other points, the procedures and communication mechanisms in place, guidance and training of staff using TRACES to support its correct use and the verification mechanisms. The audit also assessed the implementation of the competent authority's action plan addressing recommendations from recent FVO (Food and Veterinary Office) audit reports on official import controls.

Overall, the report concludes that Italy has designated the competent authority responsible for the activities under the scope of this audit. The competent authority coordinates TRACES related issues by the BIPs (Border Inspection Posts), the LVUs (Local Veterinary Units) and other involved parties.

The competent authority has suitably qualified and experienced staff relating to TRACES activities. The administrative framework that provides information and instructions on the use of TRACES at the BIPs can contribute to the consistency and quality of the use of TRACES. The lack of a contingency plan at the BIPs and LVUs could lead to a situation where there is no guarantee that TRACES messages would be sent within the legally required time period, if TRACES was unavailable for a prolonged period.

In general, staff at BIPs and LVUs are using TRACES correctly with the exception of the confirming receipt at destination for certain animal by-products, consignments channelled from BIPs and live animal controls at control posts and abattoirs under the responsibility of LVUs. The lack of available instructions and/or awareness on specific issues reduces the performance of the use of TRACES on these issues.

There is a systematic approach to assess the use of TRACES in the BIPs, by means of supervision and auditing. At the LVUs the verification does not cover sufficiently the use of TRACES. Verification activities did not identify any of the issues raised by the FVO as described in finding 14 and in section 5.4. This means that the system, especially in the LVUs does not ensure that deficiencies are detected and/or corrective actions are implemented when required.

Regarding follow-up of recommendations from reports DG(SANCO)/2012-6501 and DG(SANCO)/2011-8964, the two recommendations followed-up remain open.

This report includes three 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
2012 report	Report DG(SANCO)/2012-6501
2011 report	Report DG(SANCO)/2011-8964
BIP	Border Inspection Post
CED	Common Entry Document
CVED	Common Veterinary Entry Document
Competent authority	Italian Ministry of Health
CN code	The goods nomenclature (i.e. the Combined Nomenclature)
DGSAF	General Direction Animal Health and Veterinary Drugs (<i>Direzione Generale della Sanita Animale e dei Farmaci Veterinari</i>)
DPE	Designated Point of Entry (as defined in Article 3(b) of Commission Regulation (EC) No 669/2009)
DSVETOC	Department for Veterinary Public Health, Food Safety and Collegial Bodies for Health Protection (<i>Dipartimento della Sanita Pubblica Veterinaria, della Sicurezza Alimentare e degli Organi Collegiali per la tutela della salute</i>)
FVO	European Commission Food and Veterinary Office
LVU	Local veterinary unit
TRACES	Trade Control and Expert System
UVAC	Veterinary Offices for Compliance with European Union Obligations (<i>Uffici Veterinari per gli Adempimenti Comunitari</i>)

1 INTRODUCTION

The audit formed part of the Food and Veterinary Office's (FVO) planned audit programme. It took place in Italy from 4 to 8 November 2013. The audit team comprised two auditors from the FVO.

An opening meeting was held on 4 November 2013 with the representatives from the Italian central competent authority, office VIII of General Direction Animal Health and Veterinary Drugs (DGSFAF-*Direzione Generale della Sanita Animale e dei Farmaci Veterinari*) and office II of the Department for Veterinary Public Health, Food Safety and Collegial Bodies for Health Protection (DSVETOC-*Dipartimento della Sanita Pubblica Veterinaria, della Sicurezza Alimentare e degli Organi Collegiali per la tutela della salute*) and other Departments and Directorates within the Ministry of Health.

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 evaluate the completeness and correctness of the use of TRACES (Trade Control and Expert System) by the competent authorities. This included, amongst other points, the procedures and communication mechanisms in place, guidance and training of staff using TRACES to support its correct use and the existence and effectiveness of verification mechanisms.

A second objective of this audit was to assess how the competent authorities' action plans to address relevant recommendations from the FVO audit reports DG(SANCO)/2012-6501 (hereinafter, the 2012 report) and DG(SANCO)/2011-8964 (hereinafter, the 2011 report) were implemented.

Regarding the scope, the audit covered:

- live animals and products of animal origin,
- imports, exports and intra-EU trade,
- all user-levels for TRACES within the competent authority,

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
Headquarters	Ministry of Health	Opening and closing meetings
Two BIPs (Port Civitavecchia and Airport Fiumicino)		Use of TRACES (CVEDs)
One LVU		Use of TRACES (Intra trade and 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. Annex 1 comprises a list of legislation 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.

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 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 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.

During 2012, the Italian border inspection posts (BIPs) issued 3,771 CVEDAs and 49,253 CVEDs. At the time of the audit there were 23 operational BIPs in Italy. There were six warehouses approved under Article 12 of Directive 97/78/EC for the temporary storage of products of animal origin in transit which do not meet EU requirements, and five warehouses approved under Article 13 of Directive 97/78/EC for the temporary storage of products of animal origin destined for the direct supply of ships.

There are 176 local veterinary units (LVUs) in Italy who, between them, issued 12,004 INTRA-CERTS and received 82,742 INTRA-CERTS during 2012. Italy uses the export module in TRACES.

In relation to imports of products of non-animal (plant) origin, an assessment of the use of the CED (Common Entry Document) module was implemented in June 2011 and it showed that it was being used by some Member States. 25 to 30% of the imports covered by CED legislation (Commission Regulations (CE) No 669/2009 and 1152/2009) are recorded in TRACES. Italy was 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 designated points of entry-designated points of import (DPE/DPI) level. For this purpose there are several courses developed within the BTSF programme.

5 FINDINGS AND CONCLUSIONS

5.1 COMPETENT AUTHORITIES

Legal Requirements

Article 1 of Commission Decision 92/486/EEC, establishing the form of cooperation between the Animo host centre and Member States, requires Member States to designate an authority to be responsible for coordination between authorities within each Member State. Article 4(1) of Regulation No 882/2004 requires Member States to designate the competent authorities responsible for official controls.

Article 4(3) of Regulation 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

Details on the designation of responsibilities and coordination between authorities can be found in the country profile for Italy available at:

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

1. The Ministry of Health is the competent authority responsible for the use of TRACES. Two offices are mainly involved in the coordination of the use of TRACES. They are office II of DSVETOC and office VIII of DGSAF.
2. The use of TRACES for the activities on Intra-EU trade of live animals and animal by-products is carried out by the LVUs that are under coordination of by veterinary service of Regions. Moreover, a dedicated service of Ministry of Health at peripheral level, UVAC (Offices for Compliance with European Union Obligations-*Uffici Veterinari per gli Adempimenti Comunitari-Veterinary*) co-ordinate, in collaboration with Regional Services the checks at destination performed by the LVUs on intra-community trade. There are 17 UVAC offices that cover all regions.
3. The competent authority is not using TRACES for products of non-animal origin in the DPEs. Currently CEDs are issued for feed of non-animal origin at BIPs (which also function as DPEs) via “S.INTE.S.I” (National information system for imports-*Sistema INTEgrato per gli Scambi e le Importazioni*) and at DPEs for food of non-animal origin via NSIS USMAF (National sanitary information system for Peripheral Port, Airport, and Border Health Offices of the Ministry of Health-*Nuovo Sistema Informativo Sanitario Ufficio di Sanita Marittima, Aerea e di Frontiera*). The use of TRACES for feed of non-animal origin is planned for the 1st January 2014.¹
4. The following Directorates and Departments are also involved in issuing instructions and/or using TRACES:

¹ In their response to the draft report the competent authority noted that “The system NSIS USMAF is able to ensure, for food of non-animal origin, all the information traced in the TRACES, and to make them available through various possible systems of computer application at all authorized parties in accordance with their login credentials.”

- Office VI of DGSAF which coordinates the national check activities on animal welfare.
 - Office III of DSVETOC. This office is responsible to coordinate the export certification activities relating to TRACES.
 - Office VIII of Directorate General for Food Safety (DGISAN-*Direzione Generale per l' Igiene e la Sicurezza degli Alimenti e della Nutrizione*) as the national contact point for RASFF.
5. Office VIII of the DGSAF circulates instructions to the BIPs and the UVACs and provides updated information, guidance and clarification on TRACES related issues. It is also coordinating TRACES related training with Office II of DSVETOC.

Conclusions on competent authorities

Italy has designated a competent authority responsible for the activities under the scope of this audit. The competent authority coordinates TRACES related issues by the BIPs, the LVUs and other involved parties.

5.2 RESOURCES FOR THE PERFORMANCE OF CONTROLS

5.2.1 Staff and provision of facilities

Legal Requirements

Article 4.2 of Regulation 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

6. Registered users of TRACES are official veterinarians, technical staff and administrators. (sections 5.4.1 and 5.4.2).
7. In the sites visited appropriate facilities and equipment were available for the use of TRACES.

5.2.2 Staff qualifications and training

Legal Requirements

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

Findings

The general framework for training is described in the country profile (pages 9-10).

8. The competent authority provides a range of training courses relating solely to the use of TRACES or including it as part of wider training themes. In 2013, training on TRACES was delivered to the officials of LVUs in Liguria region, Piemonte region and the BIP Genova. These courses included a theoretical and a practical part.²
9. The officials from the competent authority participate also in the TRACES-related BTSF training.
10. The competent authority stated that on the job training and practice is sufficient in enabling the correct use of TRACES.
11. When version 6 of TRACES was released the competent authority organised a video conference in April 2013 with BIPs to explain the major changes and to keep TRACES users up-to-date.
12. Officials met at all locations had a good understanding of the use of TRACES related to their roles.

5.2.3 Procedures for performance and reporting of control activities

Legal Requirements

Article 8.1 of Regulation 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 4.2(f) of Regulation 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.

Findings

13. An instruction to be used when the TRACES website is unavailable for an extended period of time was not available at the BIPs or LVU visited. The competent authority stated that this is not currently available in other BIPs and LVUs also.
14. Contrary to the requirements laid down in Article 8.1 of Regulation No 882/2004, some instructions either are not currently available or do not provide sufficiently detailed guidance (findings 18, 32, 37, 38, 43, 44, 47). The related official controls were either not recorded in TRACES or in some cases were recorded incorrectly.

² In their response to the draft report the competent authority added that the competent authority also provides courses and training specifically dedicated to the use of NSIS USMAF, with particular attention to the new features enabled in order to follow the evolution of Community legislation relating to increased levels of official controls on imports of food of non-animal origin and for the implementation of the Customs Single Window.

- In relation to BIPs
15. In addition to the manuals and release notes available on the TRACES website, detailed instructions for recording official controls in TRACES are available via a range of standard operating procedures for staff.
 16. The users met were aware of whom to contact at central level with any TRACES-related questions.
 17. The instructions were available via the office computer shared drive. However the officials interviewed could not find some TRACES-related instructions in the system.
- In relation to LVUs
18. Only one national instruction related to the use of TRACES exists, which covers the intra-EU trade of animal by-products. According to the instruction all animal by-products of Categories I and II being sent to or arriving from other Member States should be recorded in TRACES. This instruction does not cover Category III, processed animal protein which is contrary to the requirements laid down in Article 48 (3) of Regulation (EC) No 1069/2009.
 19. The competent authority refers to the TRACES website for documented procedures related to the use of TRACES. However in the LVU visited the officials stated that they have difficulties in understanding some of the available instructions on the TRACES website as these are not provided in Italian and they have to use the English version.
 20. The instruction described in finding 18 was not available at the LVU visited. The instruction was sent to the relevant UVAC. The competent authority stated that there was no procedure in place to ensure that these documents were made available to the LVUs when necessary.

Conclusions on resources for the performance of the controls

The competent authority has suitably qualified and experienced staff relating to TRACES activities. There are appropriate facilities and equipment for the use of TRACES. The administrative framework that provides relevant information and instructions to the BIPs can contribute to the consistency and quality of the use of TRACES.

In some areas there are no sufficiently detailed documented procedures (instructions) in both BIPs and LVUs. For these areas the relevant official controls are either not recorded or recorded incorrectly in TRACES, contrary to the legal requirements as described in section 5.4 of the report.

The lack of a contingency plan could lead to a situation where there is no guarantee that TRACES messages would be sent within the legally required time period, if TRACES was unavailable for a prolonged period.

5.3 VERIFICATION AND REVIEW OF OFFICIAL CONTROLS AND PROCEDURES

5.3.1 *Verification procedures*

Legal Requirements

Article 4.2(a) of Regulation 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, and to ensure that corrective action is taken when needed and that the relevant documentation is updated and appropriate.

Findings

21. Verification of the correct use of TRACES is conducted by supervision of controls and audits of other control activities, where the use TRACES is a part of the activities, e.g. veterinary import controls at BIPs.
22. A new supervision procedure has been introduced and implemented since the beginning of 2013 at BIPs (findings 48 and 49). For one of the BIPs visited during this audit the main shortcomings identified by this supervision activity related to the wrong weight of consignments and dates.
23. The deficiencies in the use of TRACES found by the audit team during the audit as described in finding 14 and in section 5.4 had not been detected by this supervision activity.
24. Since September 2013, the competent authority has implemented a pilot project in one BIP for supervision of TRACES. In this project the competent authority is using access to the customs IT system to manually compare with TRACES records with the objective to screen for potential errors in the use of TRACES.
25. There is no routine or pro-active analysis/verification of data within the TRACES database. This is done upon a need whenever a problem is identified or during the preparation of an audit (finding 28).
26. At the LVUs there is no supervision or other activity to assess the correct use of TRACES.

5.3.2 *Audits*

Legal Requirements

Article 4.6 of Regulation No 882/2004 requires competent authorities to carry out internal audits, or have external audits carried out. Article 8.3 of the same Regulation requires competent authorities to ensure that corrective action is taken when needed and that the relevant documentation is updated and appropriate.

Findings

There is a system of internal audits organised and coordinated by the Audit Office. It includes horizontal (system) audits that are conducted by the Audit Office and sectoral audits that are conducted by the relevant departments/offices.

The competent authority is using the sectoral audit activities to assess the correctness of data in TRACES in the wider context that covers related official controls, e.g. in BIPs, audits on official import controls, and in LVUs, audits on Intra community trade of live animals, animal welfare, etc.

A description of the audit system is provided in the country profile (pages 18-19).

27. The deficiencies in the use of TRACES found by the audit team during the audit as described in finding 14 and in section 5.4 were not detected by the audit activities of the competent authority in BIPs and LVUs.

- In relation to BIPs

28. There is a well developed audit activity relating to the use of TRACES in the BIPs. It includes interrogation of the TRACES database during the audit preparation. The audit team verified that issues relating to TRACES were identified and addressed via internal audits (e.g. lack of adequate equipment in one of the BIPs visited).

29. The audits of the BIPs are conducted by officials of the Office VIII of DGSAF from central level, who are also responsible for drafting the procedures for the official import controls (findings 4, 5).

- In relation to LVUs

30. The report of an internal audit carried out in 2011 covering intra-EU trade of bovines in the Lazio region (Province of Viterbo) stated that TRACES-related training was not provided to the staff audited and that the use of TRACES in the case of intra-community trade of live animals was not sufficient. No action plan had been created or implemented to address this issue and the competent authority did not follow-up this case.

31. No audits had been conducted on the LVU visited which included the use of TRACES. No sectoral or horizontal audits on animal by-products which included the use of TRACES had been conducted.

Conclusions on verification and review of official controls and procedures

There is a systematic approach to assess the use of TRACES in the BIPs, by means of supervision and auditing. At the LVUs the system does not sufficiently cover the use of TRACES. Verification activities did not identify any of the issues raised by the FVO as described in finding 14 and in section 5.4. This means that the system, especially in the LVUs, does not ensure that deficiencies are detected and/or corrective actions are implemented when required.

5.4 USE OF TRACES

5.4.1 Use of TRACES at BIPs

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.

Regulation No 136/2004 includes the template CVED for products of animal origin, and Regulation No 282/2004 includes the CVED for live animals. Both Regulations requires that the person responsible for the load shall notify the border inspection post to which the products / animals are to be submitted before the physical arrival of the consignment on Community territory using the CVED set out in their Annexes.

Findings

The competent authority stated that notification of the BIP via part I of the CVED is electronic via TRACES for the vast majority of consignments in Italy.

BIP Civitavecchia has three official veterinarians registered as TRACES users and all had received training on-the-job. The BIP had 540 consignments presented for import during 2012.

A number of CVEDs which had been selected by the audit team from the TRACES database before the audit were discussed with BIP and central competent authority staff. These CVEDs contained unusual or incorrect data. Many of them related to complex/unusual consignments where the final veterinary decision was acceptable but the situation was difficult to record in TRACES, e.g. consignments moving from an approved warehouse controlled by the BIP and destined for destruction which appeared on the relevant CVED and which was presented at the port BIP on a lorry was subsequently rejected and destroyed.

32. Re-imports are not always confirmed in box 41 of their CVEDs as being received at destination by the relevant LVU but the BIP had evidence of receipt on file. There is a national instruction which covers consignments that require channelling under Article 8.4 of Directive 97/78/EC which specifies that the BIP should ensure that the destination confirms receipt of the consignment. The instructions make no reference to completion of box 41 of the CVED.³
33. The BIP supervises a warehouse approved to store non-compliant consignments destined for ship supplies. The exit of consignments in the last 18 months was confirmed as required.
34. The BIP had a system in place to verify whether part I of CVEDs, for which a certificate had been entered into TRACES by a competent authority in a third country, had been cloned. This reduces the administrative burden on the BIP and increases the accuracy of the data in TRACES.

BIP Fiumicino has 17 officials registered to use TRACES (seven official veterinarians, seven technicians and three administrators). All had received on-the-job training on the use of TRACES.

³ In their response to the draft report the competent authority noted that specific instruction about use of TRACES with the reference to completion of box 41 of CVED has been included in the "Linea Guida" (Guideline for BIPs), and that the Office of coordination of BIPS gave specific instruction to the BIPs in the years 2010 and 2012.

Thirty randomly selected BIP files were examined by the audit team (CVEDs and health certificates) and discussed on the spot.

The audit team noted the following:

35. The majority of files indicated the correct use of TRACES by the BIP.
36. A number of CVEDs related to imports of live worms with the intended use as fish bait. The recording of the total number of animals on the CVED matched the total number of containers of animals e.g. "4 containers" and "total number of animals = 4". However, the related health certificate stated that there was between 7,500-15,000 worms in the consignment and the BIP had accepted the incorrect figure on part I of the CVED.
37. A number of CVEDs related to imports of live ornamental aquatic animals and covered more than one CN code, e.g. 0301 and 0308. This is not in line with the guidance document on the DG Sanco website for the implementation of the relevant EU legislation which states that health certificates issued by TCs should not include more than one CN code. The guidance is available at the webpage:

<http://ec.europa.eu/food/animal/liveanimals/aquaculture/SANCO-4788rev3.pdf>

The BIP and central level staff were unaware of this guidance. The audit team noted that there is no national instruction relating to this issue.

38. Several channeled consignments were not confirmed as having been received at destination by the relevant LVU in box 41. One CVED for an animal by-product was not channeled but the competent authority agreed that it should have been. The BIP was unaware of the national instructions on channeling and stated that they relied on the approval conditions of animal by-products establishment of destination to decide whether a consignment should be channeled or not. Those conditions do not refer to Article 8.4 of Directive 97/78/EC.
39. Several CVEDs related to imports of fresh lobster and box 21, Part I of the CVEDs indicated that the intended use was for "animal feedingstuff". In box 32, Part II of the CVEDs indicated an intended use of "Human Consumption".
40. Several CVEDs related to imports of fresh fish had both boxes 21 and 32 indicating that the intended use was for "animal feedingstuff". However the competent authority admitted that the consignments were intended for human consumption and should have been recorded as such in TRACES.
41. Some CVEDs had animals destined for "approved bodies", but those bodies were not on the relevant approved list. The competent authority had circulated information on this to BIPs in October 2013 following discussions at the Vet Checks Working Group meetings in Brussels in July 2013.

Conclusions on the use of TRACES at BIPs

In general, staff at BIPs are using TRACES correctly. However the lack of available instructions and/or awareness on specific issues reduces the performance in the use of TRACES on these issues.

5.4.2 Use of TRACES at LVUs

Legal Requirements

Article 3 of Decision 2004/292/EC states that Member States shall ensure that parts I and II of health certificates relating to intra-Community trade in animals and products of animal origin for which the rules require prior notification and Part III where a check is undertaken are entered in Traces.

Regulation No 599/2004 concerns the adoption of a harmonised model certificate and inspection report linked to intra-Community trade in animals and products of animal origin.

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)

(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.

For live animals, article 4.2 of Council Directive 90/425/EEC requires the competent authority of the Member State of origin which issued the certificate or document accompanying the animals and products to communicate data via TRACES on the day on which they were issued.

Findings

The audit team visited an LVU which has 12 registered users of TRACES, all of whom had received on-the-job training on the use of TRACES. Until May 2013 the LVU had only one registered user.

The LVU receives on average 6-7 notifications per week for incoming consignments and all users regularly check the office email account for TRACES notifications relevant to their own areas. The majority of both outgoing and incoming animals relate to trade in pet animals, i.e., birds, rodents and turtles.

A number of CVEDs which had been selected by the audit team from the TRACES database before the audit were discussed with LVU and central competent authority staff.

- In relation to outgoing trade

1.- Live animals

42. A consignment of birds certified by the LVU to another Member State had the attestations in Part II of the health certificate issued from TRACES completely deleted.
43. Some consignments of animals were certified to approved bodies in other Member States which were not on the relevant list of approved bodies. The LVU staff had no instructions/information about the requirement and were not aware of what should be done.

2.- Products

The LVU visited does not issue documents in TRACES for the outward movement of animal by-products to other Member States. Staff were unaware of whether the animal by-products companies were using the DoCom module to issue documents from TRACES when required.

The competent authority stated that the DoCom module is used in Italy and that commercial operators issue commercial documents from TRACES when required.

- In relation to incoming trade

1.- Live animals

44. The competent authority stated that animals consigned to "controlled destinations" are checked at destination but that the control is not recorded in TRACES. There are currently no national instructions that require the recording in TRACES of official controls that are carried out on a) animals coming from other Member States and destined for slaughter in Italy or b) stopping at a control post. In the case of animals certified for slaughter the LVU communicates any anomalies detected between the consignment and the TRACES message to the central competent authority. The central competent authority disputed whether the requirements of Article 3 of Decision 2004/292/EC included ante-mortem inspection of animals being slaughtered in Italy arriving from another Member State.

2.- Products

45. The competent authority stated that the LVU visited does not receive any notifications related to incoming trade of animal by-products from other Member States.
46. Relating to the instruction described in finding 18, the central competent authority was not aware of the extent to which consignments were being controlled and recorded in TRACES. A check of the TRACES database by the audit team indicated that the level of recording in TRACES of confirmation of receipt for incoming relevant consignments of animal by-products in Italy was very low, i.e. for CN code 2301 over last 18 months (2301 = "Flours, meals and pellets, of meat or meat offal, of fish or of crustaceans, molluscs or other aquatic invertebrates, unfit for human consumption; greaves" which includes many animal by-products which require confirmation of receipt at destination).
47. The LVU referred to a consignment which was channeled and confirmed as being received at destination within TRACES by the LVU. The LVU stated that it confirmed receipt in

TRACES following a request from the relevant BIP and it did not have any instructions covering this area to deal with a consignment if the BIP did not contact them directly.

Conclusions on the use of TRACES at the LVUs

In general, staff at LVUs are using TRACES correctly with the exception of the confirmation of receipt at destination for certain animal by-products and consignments channelled from BIPs and live animal controls at control posts and abattoirs. The lack of available instructions and/or awareness on specific issues reduces the performance in the use of TRACES.

5.5 FOLLOW-UP OF RECOMMENDATIONS FROM PREVIOUS FVO REPORTS

5.5.1 DG(SANCO)/2011-8964

The 2011 report recommended (No 1): "To ensure that verification of the controls performed at Italian BIPs is carried out in accordance with "Linea Guida"(BIP manual) and as required by Article 8 (3) (a) of Regulation No 882/2004 and that it includes the areas of this report where shortcomings are mentioned (e.g. information entered into TRACES, availability of information from courses)."

In their answer to the 2011 report, the competent authority stated that the system of verification would be improved via an analysis of the deficiencies detected and the implementation of a documented procedure to check critical points in control activities. The competent authority provided an update in November 2012 and stated that it had prepared a questionnaire in order to gather relevant information from all BIPs about verification procedures already implemented and the competent authority could then monitor the implementation of those local procedures.

Findings

48. The competent authority has introduced a new procedure since the beginning of 2013 in which BIPs have to check/supervise a certain percentage of certificates they issue. The percentage depends on the throughput of each BIP and CVEDs are checked against the health certificate. BIP managers report on these reviews twice per year to the central competent authority, i.e. a quantitative report based on the percentage of certificates checked. The reporting procedure also allows for some qualitative assessment and where analysis of root cause should focus, not currently carried out.
49. The manager in one of the BIPs visited has informed officials by email of the main findings of this assessment with a view to decreasing any errors detected in the future. In the other BIP visited the supervision for the first half of 2013 was not completed at the time of the audit and the number of certificates assessed was low compared to the target.
50. The central competent authority stated that they had prepared a questionnaire which would be distributed to all BIPs before the end of 2013. This would allow BIPs to report more detailed findings of their local supervision activities (qualitative report). Training is also foreseen for BIP staff on procedures for the verification of effectiveness of the official controls which is planned for the end of 2013/beginning of 2014.

5.5.2 DG(SANCO)/2012-6501

The 2012 report recommended (No 1): "To ensure that appropriate actions are taken when needed to correct the deficiencies detected at BIPs in order to ensure that all operating BIPs maintain compliance with approval requirements of Commission Decision 2001/812/EC and Directive 91/496/EEC."

In their answer to the report, the competent authority stated that they had requested all BIPs with non-compliance to forward an action plan and that the central competent authority monitored the implementation of those plans including the deadlines for their resolution. The deadlines were stated to be those set out in Article 6 of Decision 2001/812/EC, i.e. six months (however, where new, replacement facilities are under construction and the time limits for completion of action may be determined by agreement between the Member State and the Commission on a case by case basis). The competent authority also proposed changes to the list of approved Italian BIPs included in Decision 2009/821/EC in order to modify the authorisation of some BIPs or their Inspection Centres that were not fully compliant.

The Italian authorities provided additional information in September 2012 that they monitor the implementation of the action plans of all non-compliant BIPs via a specific spreadsheet. Monitoring takes place every two months or quarterly and, in cases where the deadlines are not respected, an urgent request is sent. If the non-compliance remains unresolved, the central competent authority limits the authorisation of the BIP and, in the most serious cases, the relevant companies/authorities are notified of the beginning of the procedure to suspend the BIP from the approved list in Decision 2009/821/EU.

Additional information provided also stated that for some specific situations (Ancona Port BIP, and Trapani Port BIP) which required major interventions related to structural deficiencies and to a different suitable location within the customs area of the port, a proposal to prolong the 6 months period will be formulated to the Commission in accordance with Article 6 of Decision 2001/812/EC.

Findings

51. Progress has been made on this recommendation and the list of BIPs has been changed in Commission Decision 2009/821 following requests by the Italian competent authority. The following BIPs have been delisted since April 2012 - Ancona Airport & Brindisi Port, Milano-Linate is suspended, Torino-Casell was suspended for a period – and several BIPs have had their approval categories changed, i.e. Bergamo, Livorno-Pisa Port, Milano-Malpensa, Roma-Fiumicino, Taranto and Venezia Port.
52. The competent authority maintain a spreadsheet in order to monitor the implementation of the action plans in response to the detection of non-compliance facilities or equipment at Italian BIPs.
 - Out of the 23 BIPs currently approved 15 are compliant
 - 5 are non-compliant and have no deadline, i.e. Ancona*, Genova Port*, Milano-Malpensa*, Palermo and Salerno. (* non-compliance relates to one Inspection Centre at each BIP)

- 3 are non-compliant but have a deadline to be compliant, i.e. Trapani, and Trieste have deadlines of 31/12/13. Livorno-Pisa Port has non-compliances related to each of its 3 Inspection Centres which have deadlines of 31/12/13, 01/02/15 and 01/03/16 respectively.)

53. The central competent authority stated that there has been a lot of effort made to achieve progress for each of the BIPs which are non-compliant and which have no deadline for the resolution of their specific issues. However, for a variety of reasons, e.g., geographical or financial constraints, progress has been very slow.

Conclusions on follow-up of recommendations from previous FVO reports

Recommendation No 1 from DG(SANCO)/2011-8964 is partially addressed. There has been an improvement of the verification of the controls performed at Italian BIPs but some of the proposed actions have not been implemented as yet. This is supported by the findings and conclusions on the verification on the use of TRACES as described in section 5.3.

Recommendation No 1 from DG(SANCO)/2012-6501 is also partially addressed. Some non-compliances have been rectified but appropriate actions have not been taken within proposed deadlines at several BIPs and therefore the recommendation remains open.

6 OVERALL CONCLUSIONS

Italy has designated a competent authority responsible for the activities under the scope of this audit. The competent authority coordinates TRACES related issues by the BIPs the LVUs and other involved parties.

The competent authority has suitably qualified and experienced staff relating to TRACES activities. The administrative framework that provides relevant information and instructions to the BIPs can contribute to the consistency and quality of the use of TRACES. The lack of a contingency plan at the BIPs could lead to a situation where there is no guarantee that TRACES messages would be sent within the legally required time period, if TRACES was unavailable for a prolonged period.

In general, staff at BIPs and LVUs are using TRACES correctly with the exception of the confirming receipt at destination for certain animal by-products, consignments channelled from BIPs and live animal controls at control posts and abattoirs under the responsibility of the LVUs. The lack of available instructions and/or awareness on specific issues reduces the performance of the use of TRACES on these issues.

There is a systematic approach to assess the use of TRACES in the BIPs, by means of supervision and auditing. At the LVUs the verification system does not sufficiently cover the use of TRACES. Verification activities did not identify any of the issues raised by the FVO as described in finding 14 and in section 5.4. This means that the system, especially in the LVUs does not ensure that deficiencies are detected and/or corrective actions are implemented when required.

Regarding follow-up of recommendations from reports DG(SANCO)/2012-6501 and DG(SANCO)/2011-8964 the two recommendations followed-up remain open. There has been an improvement of the verification of the controls performed at Italian BIPs but some of the proposed

actions have not been implemented as yet. Some non-compliances have been rectified but appropriate actions have not been taken within proposed deadlines at several BIPs.

7 CLOSING MEETING

A closing meeting was held on 8 November 2013 with representatives of the competent authority. At this meeting, the main findings and the preliminary conclusions of the audit were presented by the audit team. The competent authority requested clarification in relation to some issues. They also reiterated the point of disagreement raised during the audit relating to the requirement of recording ante-mortem inspections in TRACES (finding 44). The competent authority did not express any other disagreement with the findings and conclusions presented.

8 RECOMMENDATIONS

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

N°.	Recommendation
1.	To ensure that all LVUs enter the required data into TRACES, including relevant official controls at abattoirs and control posts and controls on 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, to improve communication between Member States on the arrival of goods as well as the traceability of such consignments.
2.	To establish contingency measures in the event that access to TRACES is unavailable for an extended period of time, as required by Article 4.2(f) of Regulation No 882/2004.
3.	To ensure that the system for verification covers the use of TRACES in LVUs, and contributes to the improvement of the related official controls, as required by Article 4.2(a) of Regulation No 882/2004.

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=2013-6899

ANNEX 1 - LEGAL REFERENCES

Legal Reference	Official Journal	Title
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
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
Dir. 90/425/EEC	OJ L 224, 18.8.1990, p. 29-41	Council Directive 90/425/EEC of 26 June 1990 concerning veterinary and zootechnical checks applicable in intra- Community trade in certain live animals and products with a view to the completion of the internal market
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

Legal Reference	Official Journal	Title
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
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. 2001/812/EC	OJ L 306, 23.11.2001, p. 28-33	2001/812/EC: Commission Decision of 21 November 2001 laying down the requirements for the approval of border inspection posts responsible for veterinary checks on products introduced into the Community from third countries
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
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
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. 1152/2009	OJ L 313, 28.11.2009, p. 40-49	Commission Regulation (EC) No 1152/2009 of 27 November 2009 imposing special conditions governing the import of certain foodstuffs from certain third countries due to contamination risk by aflatoxins and repealing Decision 2006/504/EC