EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR HEALTH AND FOOD SAFETY

Health and food audits and analysis

DG(SANTE) 2018-6460

FINAL REPORT OF AN AUDIT

CARRIED OUT IN

BRAZIL

FROM 22 JANUARY 2018 TO 05 FEBRUARY 2018

IN ORDER TO

FOLLOW UP THE IMPLEMENTATION OF THE ACTIONS TAKEN BY THE BRAZILIAN AUTHORITIES TO ADDRESS THE RECOMMENDATIONS OF AUDIT REPORT DG(SANTE)/2017-6261

Executive Summary

The report describes the outcome of an audit carried out by Directorate-General for Health and Food Safety in Brazil from 22 January to 5 February 2018. The objective of this follow-up audit was to a) verify the implementation of the actions proposed by the central competent authority to address the recommendations contained in the report of an audit carried out in May 2017 (ref. DG(SANTE) 2017-6261), and b) to assess the effectiveness of these measures in correcting the observed deficiencies. In the absence of EU listed establishments for the production of horse meat, this commodity was not covered during the audit and therefore the two recommendations relating to horse meat production were not followed-up.

In summary, the audit found that the competent authority has in part implemented, or is, in respect of some recommendations, in the process of implementing the actions it announced subsequent to the previous audit. A number of issues identified in the course of the audit will require further action:

- *Since December 2017, the hire of a sufficient number of official veterinarians on a temporary basis provides for the time being the required EU guarantees. Prior to their recruitment and deployment, the reliability of these guarantees could not be ascertained as the measures intended to compensate for the inadequate number of official veterinarians –segregation of production batches- were found in most cases not workable, and/or very difficult if not impossible to control.*

- *The official controls are effective overall in identifying non-compliances with the EU requirements, and are followed by adequate enforcement actions.*

- *The oversight over the official controls, through increased supervision and audits, has improved considerably, although targets were not yet met in certain States. This audit established that nonetheless, there is scope to reinforce in particular the verification of the staff performance component in these supervision and audit activities.*

- *Poultry ante-mortem inspection, including examination of individual birds, is now performed by an official veterinarian. Nonetheless, the procedures in place initially did not comply with the EU requirements as only the first load of birds from the same origin were subject to inspection. The central competent authority modified the ante-mortem inspection procedures in the course of the audit, which are now in line with the EU requirements. In respect of bovine animals, the audit found that slaughterhouse staff performs post-mortem inspection. This is not in line with EU rules.*

- *The competent authority has updated the lists of establishments approved for export to the EU. The provisions in place for suspension and de-listing of non-compliant establishments do not ensure that, where warranted, non-compliant establishments are de-listed swiftly. In addition, there is no framework in place to notify the Commission of the prolonged suspension of certification out of listed establishments.*

- *The audit team noted, contrary to the previous audit, comprehensive actions at establishment and farm level on foot of investigations by the competent authorities carried out after RASFF*

notifications from the EU.

- *Consignments rejected at the EU border are now controlled by the competent authority and downgraded to prevent re-export to the EU. The recently introduced procedures specify how to retrieve and handle products from the same batch as the rejected consignments. However, these procedures do not specifically state that remaining products from these batches at the food business operator premises also need to be excluded from EU exports.*

- *As regards the developments in the wake of the Brazilian authorities' "Carne Fraca" operation, the judicial and/or administrative proceedings against (possibly) implicated officials are ongoing, with several officials imprisoned and all the officials subject to judicial proceedings suspended from the service. Moreover, the government has initiated a substantial re-organisation of the structure of the services, aimed at strengthening the role and powers of the central authorities while at the same time increasing (the efficiency of) its oversight. Ultimately, the aim is to reduce, in the medium and long term, the risk of incidents such as the one unearthed in the course of "Carne Fraca".*

Both the full implementation of this reorganisation as well as the sustained recruitment of official veterinarians rely on continued support at political level in Brazil.

This report contains recommendations to the competent authorities to address the shortcomings identified.

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ABBREVIATIONS AND DEFINITIONS USED IN THIS REPORT

Abbreviation	Explanation
CA	Competent Authority
CCA	Central Competent Authority
DG(SANTE)	Directorate-General for Health and Food Safety of the European Commission
DIPOA	Department of Inspection of Products of Animal Origin *(Departamento de Inspeção de Produtos de Origem Animal)*
EC	European Community
EU	European Union
FBO	Food Business operator
HACCP	Hazard Analysis of Critical Control Points
MAPA	Ministry of Agriculture, Livestock and Food Supply (*Ministério da Agricultura, Pecuária e Abastecimento*)
OV	Official Veterinarian
RASFF	Rapid Alert System for Food and Feed
STEC	Shiga toxin–producing *Escherichia coli*

1 INTRODUCTION

The audit took place in Brazil from 22 January to 5 February 2018. This audit was a follow-up to an audit carried out in May 2017 (ref. nr. DG(SANTE)2017-6261).

The audit team comprised four auditors from Directorate-General for Health and Food Safety of the European Commission, (DG SANTE) constituting two sub-teams. These sub-teams were accompanied during the whole audit by at least one representative of the federal competent authority (CA), the Department of Inspection of Products of Animal Origin (DIPOA). In addition, the availability of representatives of other (local or State) authorities involved in the control systems was ensured during the relevant part of the audit.

An opening meeting was held on 22 January 2018 with the central competent authorities (CCA), the Ministry of Agriculture, Livestock and Food Supply (MAPA). At this meeting, the audit team confirmed the objectives of, and itinerary for, the audit, and additional information required for the satisfactory completion of the audit was requested.

2 OBJECTIVES AND SCOPE

The objectives of the audit were:

- to verify the implementation of the actions proposed by the CCA to address the recommendations contained in audit report DG(SANTE)2017-6261, and
- to assess both the suitability as well as the effectiveness of these actions in rectifying the shortcomings identified during that audit.

In terms of scope, the audit covered the production of beef, poultry meat, meat preparations, and meat products derived therefrom. In the absence of EU listed establishments for the production of horse meat, this commodity including the follow-up of any relevant recommendations was excluded from the scope of this audit. In the areas covered, the audit focused on the implementation of the actions referred to above and their impact on:

- the organisation and competencies of the competent authorities, including oversight and enforcement, at all relevant levels;
- their performance in terms of the design and on-the-ground implementation of the official control systems in place covering the production, processing and distribution chains of meat and product derived therefrom and intended to be exported to the EU;
- the operation of export certification procedures:

The table below lists the sites visited and the meetings held during the audit:

COMPETENT AUTHORITY		
Central	1	Opening and closing meetings.
Regional	5	States of Goias, Parana, Santa Catarina, Mato Grosso, Sao Paulo.
Local	15	In all establishments visited.

FOOD BUSINESS ESTABLISHMENTS		
Slaughterhouses	13	Nine for poultry and four for bovine.
Cutting plants	13	All integrated in slaughterhouses.
Meat preparations establishments	9	All integrated in poultry slaughterhouses.
Meat products establishments	8	Two stand-alone and six integrated in slaughterhouses

3 LEGAL BASIS

The audit was carried out under the general provisions of EU legislation and, in particular, Article 46 of 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.

A full list of the EU legal instruments referred to in this report is mentioned in the Annex to this report. Legal acts quoted refer, where applicable, to the last amended version.

4 BACKGROUND

Following federal police investigations (operation "Carne Fraca") on foot of reported irregularities in main meat producing Brazilian States, involving major meat producing food business operators (FBO) and including alleged corruption amongst MAPA officials, DG SANTE carried out an audit in May 2017 (ref. (DG(SANTE)2017-6261). That audit identified a range of critical deficiencies, raising serious questions about not only the reliability of guarantees given by the Brazilian authorities to address previous audit recommendations, but more generally about the overall credibility of the official controls in place and the guarantees provided -and attested to- in respect of meat and meat products exported to the EU. That audit resulted in all horse meat exports being halted, the suspension of further listing of meat producing establishments by the Brazilian CA, and a requirement for 100% pre-export checks for *Salmonella* in poultry meat, meat preparations and meat products exported to the EU. In addition, a regime of re-enforced checks for Brazilian meat, meat preparations and meat products was introduced at EU border inspection posts.

In response to the recommendations contained in the DG(SANTE)2017-6261 audit report, the Brazilian CCA forwarded an initial action plan in June 2017 to DG SANTE followed by clarifications and additional information in August and October 2017. Further information and documentation regarding the action plan and its implementation was provided in the course of the preparation of this audit and during the audit itself.

Audit report DG(SANTE)2017-6261 is available on the Commission's website at:

http://ec.europa.eu/food/audits-analysis/audit_reports/details.cfm?rep_id=3874

5 FINDINGS AND CONCLUSIONS

5.1 RECOMMENDATION NO 1 AUDIT REPORT DG(SANTE)2017-6261 (AUDIT AND SUPERVISION)

To re-inforce the audits/supervision at all levels of administration in order to ensure that the guarantees given by the CA while signing the certificates are correct.

The main findings that prompted this recommendation were that the audit and supervision of the official controls, intended to ensure that these are properly carried out, were - aside from not meeting the established frequencies - not properly implemented. Moreover, the resulting enforcement actions were limited and insufficient to ensure compliance.

Action plan proposed by the competent authority

1. The main areas covered by the action plan provided by the CA in response to this recommendation included the following:

    a. Up-to-date information regarding the audit and supervision activity envisaged before the end of the year 2017, including a target to perform audits in all the EU approved poultry slaughterhouses in the country.

    b. Actions initiated to address deficiencies identified by audit DG(SANTE)2017-6261 in the State of Sao Paulo concerning mainly one establishment visited. These actions included specific instructions to improve the performance of the supervisor in charge of the establishment in question. The subsequent supervision performed resulted in the de-listing of this establishment.

    c. Information related to six and five training courses, carried out in 2016 and 2017 respectively, for supervisors performing controls in export approved establishments in different States. A recent training event in Parana focussed on EU HACCP requirements and the handling of Rapid Alert System for Food and Feed (RASFF) notifications. The CA also launched an on-line training module for Official Veterinarians (OV) which has been used, in conjunction with on-the-job training, to train the newly recruited OVs.

Findings regarding the implementation of the action plan for this recommendation

A) Audits of the State services by the central level:

2. Under the current procedures detailed in Circular No 88 of 2015 and Memorandum 2 of 2016 DIPOA must carry out annually a minimum of two audits of the State services responsible for official controls of food of animal origin in accordance with an established procedure.

3. During the first semester of 2017 DIPOA audited the State services of Santa Catarina and Rio Grande do Sul. The State of Parana, which was most affected by the "Carne Fraca" operation and subsequently subject of a re-organisation (its management team being replaced), was audited in October 2017. Audits in the States of Minas Gerais and Sao Paulo are planned for 2018.

4. The procedures detailed in point 2 above require DIPOA to audit only the State service activities related to EU listed establishments involved in beef production. Nonetheless, and in contrast, the scope of the audit referred to in point 3 performed in Parana included all EU listed establishments, including poultry, which in this particular State represents the majority of EU listed establishments (see point 7).

5. These DIPOA audits include documentary verification of different areas of official controls, with emphasis on the supervision of EU listed establishments. It does not include an *in situ* verification of the reliability of the supervision activity performed by the State services, nor of the performance of OVs at establishment level. The latter is available to DIPOA through audits performed at that level by its own team, but is not compiled/evaluated in order to be used during the audits of the State services.

B) Supervision and audits of EU approved establishments:

6. The CA defines, in the framework of Internal Standard No 2 of 2017, “supervision” as the controls performed by State services over EU approved establishments and the performance of the OV posted there. This supervision is generally performed by one OV based in another establishment in the same State. The term “audit” is used for this type of control when performed by DIPOA at central level.

7. In order to verify compliance with the EU requirements, DIPOA carried out 58 audits including all EU poultry slaughterhouses approved in Brazil, and all EU approved establishments in the State of Parana, in the second semester of 2017.

8. With this number of audits, compliance with the 2017 target for audit and supervision improved significantly. Nevertheless, the States of Parana and Santa Catarina, which were the most affected by the lack of human resources, failed to meet the supervision targets for 2017. This mainly affected EU approved bovine slaughterhouses which, under the current procedures, must be supervised or audited twice per year while the frequency for poultry slaughterhouses is annual. In the States visited by the audit team the bovine slaughterhouses were supervised or audited at least once in 2017.

9. The official controls performed by the OV and the supervisions and audits performed by the State and central levels regularly identified issues that were subject of enforcement actions. The audit team noted examples of the actions taken, including slaughter line stoppages and regular reductions of line speeds. Suspension of certification to the EU was imposed on 35 out of these 58 audited establishments. These suspensions were due to a wide range of issues, ranging from deviations in the application of HACCP procedures to sampling and laboratory analysis. The CA only lifted these suspensions

upon completion, by the FBO, of an agreed action plan. As part of the enforcement actions the CA delisted several establishments for EU exports.

10. The assessment and follow-up of the action plans presented to address such deficiencies by the FBOs was, with the exception of one bovine slaughterhouse visited by the audit team, generally satisfactory. The issues not satisfactorily addressed by the FBO within the required timeframe in this particular slaughterhouse related to water quality. The CA immediately suspended certification for the EU from this establishment, pending the satisfactory resolution of this issue.

11. The audit team noted that the supervisions and audits identified issues related to the OV's performance. The corrective actions taken led to in the majority of cases immediate rectification. In some other cases the corrective actions ranged from retraining of the officials to opening administrative procedures.

12. Nonetheless, the audit team noted examples of supervisions and audits that did not raise issues related to OV performance when the non-compliances identified in the establishment would have warranted this. For example, in the State of Mato Grosso the supervision reports identified the following issues without highlighting the performance of the OV: a) the recurrent failure of one FBO regarding the removal of visible contamination from bovine carcasses before post-mortem inspection and b) the non-compliant analytical results for water were not identified and properly followed-up by the OV in one establishment, although highlighted in several supervisory reports.

13. Overall, the establishments visited complied with the relevant EU requirements, with only minor issues identified by the audit team not having been detected by the CA. The CA took immediate corrective action to address such issues.

Conclusions on recommendation No 1 of audit report DG(SANTE)2017-6261

14. The identification, by the official controls exerted by the CA at different levels, of non-compliances with the EU requirements and the enforcement actions including their follow-up has improved significantly since the previous audit.

15. The CA has stepped up the activity in the performance of supervisions and audits of EU approved establishments which are now carried out almost at the established frequencies. The verification of the performance of the OV during the supervisions and audits at establishment level does not fully ensure consistency in the level of performance of such officials.

16. The limitation of the scope of audits (up to the time of the audit, see Section 7) of the State services by the CCA to their activities in certain categories of EU approved establishments, and the absence of an *in-situ* component in these audits prevent the CCA from fully assessing the overall effectiveness of the delivery of the official controls in the audited State.

5.2 RECOMMENDATION NO 2 AUDIT REPORT DG(SANTE)2017-6261 (CONFLICT OF INTEREST)

To ensure that measures in place for avoiding conflict of interest of officials performing controls, offer sufficient guarantees to respect this principle.

This recommendation was prompted by the findings during audit DG(SANTE)2017-6261 that a veterinarian employed by the FBO was performing certain duties envisaged, under EU legislation, to be carried out by OV only.

Action plan proposed by the competent authority

17. The CA stated that this situation was isolated and immediate action was taken to solve this issue. In addition, DIPOA reminded, through Memorandum No 32 of 2017, the State CA to ensure that similar situations did not take place. The States did not identify any similar situations.

18. The CA also highlighted that the request made in the above Memorandum is verified during the routine supervisions and audits under the Chapter Identification of the Federal Inspection Service of the supervision/audit check-list in place.

19. The CA stressed that their audits are designed to detect food safety issues and during the audits performed so far they did not identify any criminal acts such as the ones identified by police and judicial investigations. According to the CA the police and judicial investigations in the context of the "Carne Franca", which are equipped to deal with fraud and corruption issues, have resulted, so far, in 26 officials prosecuted from which six have been acquitted of all charges. These six officials have resumed performing official tasks that in any case do not include EU certification. The remaining 20 officials are still undergoing judicial proceedings with several, including former State superintendents and head of State services, currently imprisoned. All of them are subject to ongoing administrative proceedings expected to be concluded in mid-2018.

Findings regarding the implementation of the action plan for this recommendation

20. The audit team noted in all establishments visited that the supervision reports did not identify FBO employed veterinarians performing official duties and this corresponded with the situation on the spot.

21. The competent authority presented the following measures intended for the medium and long term to prevent conflict of interest issues, similar to the ones that led to the “Carne Fraca” operation, arising in the future:

    a. Presidential Decree 9250 was enacted on 10 January 2018. This Decree sets the basis for a deep re-organisation of the structure of the veterinary services. The plan envisages that the 27 State competent authorities will be reduced to 10 regional authorities that will be responsible for a similar number of establishments (300-400) each.

    b. The above Decree also provides for changes in the line of command removing

most of the present powers from the State superintendents (maximum hierarchical position at State level). The superintendents will lose their administrative authority over personnel involved in official controls (currently they can transfer staff, influence the work programme, nominate the heads of the service at State level and they are in charge of disciplinary procedures) and their hierarchical position over official control personnel. According to the competent authority the present structure concentrates too much power in the hands of the superintendent and the envisaged measures will represent direct control over technical and administrative issues from the central level.

c. The necessary administrative procedures already started and the competent authority estimated that this new structure will be in place by March 2018. Nonetheless, the audit team noted that the full implementation of the new structure will require longer time and political support to be delivered.

d. Also the re-organisation foresees that the audits of establishments, which includes the evaluation of the performance of officials in such establishments, will be exclusively performed by a dedicated specialised team directly dependent from central level. This measure aims to avoid conflict of interest at State level as the current supervisors are sourced from OVs performing their routine OV tasks at another establishment within the same State. In this regard the central competent authority already audited a large number of EU approved establishments (see point 7) since June to December 2017. DIPOA already commenced working on the establishment of auditor teams and auditor training. This new structure is expected to be fully in place by the second semester of 2018.

e. In the aftermath of the "Carne Fraca" operation the competent authority replaced key personnel including several superintendents and heads of service in five key States for exports to the EU. The appointed officials were sourced from central level. The audit team noted in the States visited that significant improvements in the organisation and delivery of official controls have taken place since audit DG(SANTE)2017-6261.

f. The audit team noted that bovine post-mortem inspection was performed by slaughterhouse staff (see section 5.4).

g. The competent authority has enacted nine new provisions and is in the final steps of developing an ethics code of conduct with the aim of reducing the risk of conflict of interest for personnel involved in official controls. Among other measures these provisions oblige the declaration of officials' assets and create a specific team to deal with relevant information provided by whistle-blowers.

h. MAPA has launched a national label (Agro+integridade) for agro-industry sector including compliance programmes regarding anti-corruption measures.

Conclusions on recommendation No 2 of audit report DG(SANTE)2017-6261

22. The competent authority ensured that veterinarians employed by the FBO do not perform any official duties.

23. As a consequence of the "Carne Fraca" operation, a major overhaul of the competent authority organisation is underway aiming to, when fully implemented, enhance accountability by the State level to the central level and, also in conjunction with the new provisions introduced, to reduce the risk of conflict of interest. Nonetheless, the full implementation of the new system will require longer time and political support to be delivered.

5.3 RECOMMENDATION NO 3 AUDIT REPORT DG(SANTE)2017-6261 (ELIGIBILITY OF RAW MATERIALS)

To ensure that the raw material used for meat products destined for EU export meet the requirements for fresh meat as stipulated in Section VI of Annex III to Regulation (EC) No 853/2004 and does not include meat unfit for human consumption, as defined in Chapter V of Section II of Annex I to Regulation (EC) No 854/2004.

This recommendation was prompted mainly due to issues identified regarding EU eligibility of raw materials used for meat products intended for export to the EU.

Action plan proposed by the competent authority

24. In their response to this recommendation the competent authority stated that:

    a. The findings related to the usage of ineligible raw materials identified during audit DG(SANTE)2017-6261 were one-off findings and were not representative of the overall situation.

    b. According to the Brazilian procedures all raw materials used to prepare products for export to the EU must meet the EU requirements and this is achieved by the performance of official controls at establishment level in accordance with Internal Standard No 1 of 2017 and the supervision exerted over the establishment and the official services in accordance with Internal Standard No 2 of 2017.

    c. Regarding the internal transit within Brazil of raw materials for the production of meat products destined to the EU market the Regulatory Instructions No 34 of 2009 and No 10 of 2014 ensure that only raw material for the intended market is issued with the necessary health certificate.

    d. Furthermore, additional specific instructions are issued to satisfy the market requirements. One such example is the inclusion of the additional attestation regarding *Salmonella* testing currently in place for exports of poultry meat, meat preparations and meat products for the EU.

Findings regarding the implementation of the action plan for this recommendation

25. The audit team could confirm, after verification in the establishments visited, that in

order to ensure compliance with EU requirements, internal transit certificates covering raw materials to be supplied to other EU approved establishments for further production for meat products for the EU were not issued when the certification was suspended. In addition, the raw materials produced and received met the EU requirements and this was stated in the internal transit certificates issued.

26. The audit team noted internal transit certificates for EU productions for meat defined as "carne de sangria" ("bloody meat"). This meat originates from the anatomic part of the neck that includes the sticking point. Circular No 40 of 2015 clearly states that "carne de sangria" may be used as EU-eligible material only if it does not contain meat coming from the sticking point. The audit team verified during the visit to two bovine slaughterhouses that the trimming procedures in place ensured that meat from the sticking point was disposed and thus not certified for EU productions.

27. The audit verified in the meat product establishments visited that the official controls in place ensured that only meat products produced with raw materials meeting the EU requirements were certified for export to the EU.

Conclusion of recommendation No 3 of audit report DG(SANTE)2017-6261

28. The competent authority has in place adequate procedures to ensure that only raw materials in compliance with EU requirements are used for the manufacture of meat products certified for export to the EU.

5.4 RECOMMENDATION NO 4 AUDIT REPORT DG(SANTE)2017-6261 (OV PRESENCE)

To ensure that official supervision and permanent presence during slaughter by an OV and that ante-mortem and post-mortem inspection is carried out in accordance with Regulation (EC) No 854/2004. In particular, requirements laid down in point B.1. (a) Chapter II Section I of Annex I and paragraph 1 Part B Chapter V, Section IV of Annex I to Regulation (EC) No 854/2004 shall be taken into account (checks to be carried out personally by the OV).

Audit DG(SANTE)2017-6261 identified that the ante-mortem and post-mortem inspection of poultry did not fulfil the requirements of point II.1 c of Model veterinary certificate POU of Part 2 of Annex I to Commission Regulation (EC) No 798/2008. The main issues identified related to a) the performance of ante-mortem inspection by official auxiliaries instead of the OV, b) a detailed post mortem inspection was not personally carried out for all the slaughtered batches having the same origin by the OV of a random sample of parts of birds or of entire birds declared unfit for human consumption after post-mortem inspection and c) the lack of presence of an OV during poultry slaughter for the EU.

Action plan proposed by the competent authority

29. The competent authority issued the following Memoranda:

    a. Memorandum 55 of 13 October 2017 (completing Memorandum 79 of 2013) which specifies that:

i. Regarding ante-mortem inspection of poultry intended for slaughter for the EU market, the OV must perform a clinical evaluation of a minimum of 1% of the birds of the first load received from the same origin (slaughter batch).

ii. Regarding post-mortem inspection the OV must inspect a minimum of 1% of birds for each slaughter batch. A minimum of 1% of carcases declared unfit for human consumption must be inspected by the OV for each batch of birds from the same origin slaughtered for the EU.

b. Memorandum 56 of 13 October 2017 that restricts certification for poultry for the EU market only to birds that have been slaughtered in slaughter shifts that fulfilled the requirements of Memorandum 55 of 2017.

30. The following actions were outlined by the competent authority with the aim to address the OVs shortage:

a. In January and June 2017 the competent authority organised two internal competitions for the reassignment of MAPA OVs to slaughterhouses. The outcome of these competitions was not sufficient to ensure that all the staff needs, as evaluated by MAPA, were covered. These reassignments will not represent, when concluded, an overall meaningful gain of staff for the EU approved slaughterhouses.

b. On the clarifications received by DG Health and Food Safety in August the Brazilian competent authority stated that they intended to place 72 MAPA OVs in the EU approved slaughterhouses. Further information received in October clarified that this placement did not take place.

c. As the recruitment process of OVs was delayed the competent authority established in the second semester of 2017 a task force that sourced veterinarians, with experience in poultry slaughter, from other services. As an example, in the State of Santa Catarina the task force was manned by 26 OVs that were allocated, for a period of three weeks each, to one of the seven State´s EU approved poultry slaughterhouses. This staff allocation did not ensure that all slaughter shifts were covered by an OV.

d. Order No 231 was published on 19 June 2017. This order authorised MAPA to hire 300 OVs on a temporary basis for a period of one year with the possibility to extend the contract for another year. The selection process took place during September-October 2017. The deployment of this staff commenced on 15 December 2017. Their duties are restricted to the performance of ante and post-mortem inspection. After recruitment they underwent on-line and on-the-job training.

e. Order No 232 of 19 July 2017 allows MAPA to hire 300 officials on a permanent basis. The selection process already started with the written test which is part of the selection process performed on 21 January 2018 and the publication of the

final results expected in April 2018. The competent authority stated that they expect the deployment of these veterinarians within 2018. It is expected that the presence of these veterinarians will overlap with the temporary veterinarians already hired or in the process of being hired.

Findings regarding the implementation of the action plan for this recommendation

31. In the establishments visited ante mortem inspection was performed in line with Memorandum 55 of 2017 and the OV carried out the individual clinical examination (after removing the birds from the transport trays) of at least 1% of the birds from the first load delivered for slaughter from the same origin. Some of the OVs interviewed stated that they also carried out a visual inspection of the received loads at their own initiative. Nevertheless, these additional checks are not provided for in the Memorandum, were not systematic, and were not documented.

32. In respect of Memorandum 55 of 2017, the audit team noted that:

    a. One single origin of birds intended for slaughter for the EU can include several houses from the same location which in most cases represents several loads of birds for slaughter. As an example, in one turkey slaughterhouse 24 loads from the same holding were delivered for slaughter on the same day. Therefore, Memorandum 55 of 2017 does not ensure that a flock inspection is performed in line with point A (6) Chapter V of Section IV of Annex I to Regulation (EC) 854/2004. At the final meeting the competent authority presented Memorandum No 5 of 4 February 2018 which introduces the additional requirement for the OV to inspect visually all loads submitted for slaughter.

    b. Memorandum 55 of 2017 does not require that the OV has to be present during slaughter, as required by point 1(a) of Chapter II of Section III of Annex I to Regulation (EC) No 854/2004. In one poultry slaughterhouse visited the audit team noted that, before the availability of temporary OVs, the OV performed ante and post-mortem inspection for EU export but was not always present during slaughter. In addition, in this particular case the OV performed the ante-mortem inspection of other loads than the first load from the same origin as requested by Memorandum 55 of 2017. This situation was resolved with the permanent presence of the OVs.

33. The audit team noted that the introduction of Memorandum 56 of 2017 did not ensure that only meat from birds that underwent ante and post-mortem inspection in line with Memorandum 55 of 2017 was certified for export to the EU (see point 28b). With the exception of one slaughterhouse visited, this procedure could in practice not be applied effectively, and therefore not certified in a reliable manner. This was mainly due to the fact that the separation of those slaughter batches (group of animals from the same origin) that had, and had not undergone ante and post-mortem inspection, could not be maintained during the cutting operations and therefore not controlled. Therefore, in the absence of very strict slaughter batch segregation at cutting (achieved in one slaughterhouse emptying the cutting room between batches), and without the presence

of OVs during slaughter activity to perform ante and post-mortem, the competent authority was not in a position to certify compliance with the EU ante and post-mortem procedures in all but one of the visited poultry slaughterhouses. With the improved situation in OV numbers temporarily available to the competent authority the application of the procedure at the time of the audit was no longer necessary.

34. An evaluation of the staff situation in EU listed slaughterhouses was provided at the request of DG SANTE on 15 December 2017. The estimated shortage of OVs needed to fulfil the EU requirements (presence during slaughter and ante and post-mortem performed by an OV) for all the current slaughter shifts was calculated at 77 officials, in addition to the 207 OVs already deployed at that date. At the time of the audit, the remaining lack of OVs was estimated at 14 and were, according to the competent authority, in the process of being recruited.

35. This shortage of staff was concentrated in poultry slaughterhouses, with the States of Santa Catarina and Parana being the most affected. This was highlighted also by the audit performed by DIPOA in October in Parana which identified that only 35% of the necessary OVs were allocated to the EU listed slaughterhouses:

    a. In the States of Parana and Santa Catarina, 16 and 13 newly recruited temporary OVs were already deployed in EU approved slaughterhouses with the remaining two required in Parana in the process of recruitment. In the State of Mato Grosso, eight permanent and four temporary OVs recruited since December 2017 were already deployed in EU approved slaughterhouses, while in Sao Paulo this number amounted to six temporary OVs.

    b. In the slaughterhouses visited, the temporary veterinarians were already present (with the first ones arriving on 15 December) and performed their duties competently. The presence of these newly recruited veterinarians enabled the EU certification requirements regarding the presence of the OV during slaughter to be met, and ensured the availability of OVs for the ante-mortem and post-mortem inspection.

36. The audit team noted that poultry post-mortem inspection was carried out in accordance with the EU requirements and the OV performed a detailed inspection of a random sample, for each batch of birds having the same origin, of parts of birds or entire birds declared unfit for human consumption following post-mortem inspection. In two slaughterhouses, the OV did not document correctly that all slaughter batches of birds from the same origin were subject to post-mortem inspection. In all cases the competent authority identified this shortcoming, well before this audit took place, and corrected it.

37. The audit team noted that in poultry slaughterhouses for the performance of official tasks including post mortem inspection the OV availed of a sufficient number of slaughterhouse staff, in line with Chapter III, Section III, Annex I to Regulation (EC) No 854/2004.

38. The audit team noted that the allocation of official auxiliaries to meat product

establishments ensured the presence of such officials during all production activities. The Brazilian requirements in this respect go beyond the EU requirements.

39. In bovine slaughterhouses the competent authority also availed of slaughterhouse staff to perform official auxiliary tasks, primarily post-mortem inspection, in accordance with and under the conditions described in paragraphs 39-41 below. This is not in line with Regulation (EC) No 854/2004 which only permits, under certain conditions, the involvement of slaughterhouse staff to take over the activities of official auxiliaries in controlling the production of poultry and rabbit meat.

40. Article 73 of Decree No. 9013 of 29 March 2017 (amending previous legislation), requires that FBOs must deploy personnel to MAPA, whenever necessary, to assist in the performance of inspection work. This requirement was in place before the introduction of this Decree.

41. Article 125 of the above Decree allows post-mortem inspection and other inspection procedures to be carried out by official auxiliaries and inspection auxiliaries (slaughterhouse staff performing duties for the competent authority under Article 73). Both must be supervised by the OV.

42. In addition to this Decree the competent authority issued Circular No 44 of 2006 which includes, among others, the following points:

    a. The FBO must publish in a national or regional newspaper the number of vacancies, the selection criteria and deadlines to provide documentation when the need to hire this slaughterhouse staff to perform duties for the competent authority arises.
    b. The minimum education level must include secondary school studies.
    c. Candidates with experience in sanitary inspection and quality control will have preference.
    d. The slaughterhouse staff hired will work under the direction and supervision of the OV.

43. The competent authority stated that this Circular was in practice difficult to implement as, for example, in slaughterhouses located in remote areas the availability of staff with secondary education was limited.

44. According to the figures provided by the competent authority the staff allocation regarding auxiliary staff for the 53 active EU approved bovine slaughterhouses was as follows:

    a. 187 official auxiliaries;
    b. 761 slaughterhouse staff deployed to the competent authority under Article 73 of Decree No 9013 of 2017.

45. The overall figures including the 40 active EU approved poultry slaughterhouses were as follows:

a. 282 official auxiliaries;
b. 4753 slaughterhouse staff deployed to the competent authority under Article 73 of Decree No 9013 of 2017. The largest poultry slaughterhouses availed of over 200 slaughterhouse staff while in bovine slaughterhouses this figure amounted to over 40.

46. In the slaughterhouses visited the audit team noted that the OV was in charge of the selection of the slaughterhouse staff assigned to him/her and also trained this staff. In addition, the OV had the power to dismiss this staff from the official tasks-related duties. Selected slaughterhouse staff could only exclusively perform duties assigned by and under the supervision of the OV.

47. Nevertheless, the slaughterhouse staff performing these duties was under contract and paid directly by the FBOs.

48. The audit team noted that, in general, the slaughterhouse staff in bovine slaughterhouses performed post-mortem inspection under the supervision of the OV in a satisfactory way.

Conclusions of recommendation No 4 of audit report DG(SANTE)2017-6261

49. The procedures introduced by the competent authority in response to this recommendation did not guarantee, until a sufficient number of OVs were deployed to EU approved slaughterhouses, the compliance of poultry meat exported to the EU with the relevant EU requirements (ante and post-mortem inspection by an OV and presence of an OV during slaughter).

50. The competent authority has initiated several actions to address the shortage of OVs in EU approved establishments. These actions resulted, since December 2017 onwards, in a significant improvement albeit temporary of the staffing situation in EU approved establishments, thus allowing the certification of EU requirements. The conclusion, in a timely manner and hiring the necessary number of personnel, of the permanent OVs recruitment process underway will be necessary to sustain the EU certification requirements when the contracts of the recruited temporary OVs expire.

51. The ante-mortem procedures did not ensure compliance with the requirements of point A (6) Chapter V of Section IV of Annex I to Regulation (EC) 854/2004 as the flock inspection performed by the OV was limited to the first load of birds from the same origin. The competent authority corrected this, before the end of this audit, by introducing new procedures which meet the EU ante-mortem requirements.

52. The post-mortem inspection procedures in poultry slaughterhouses were in line with the EU requirements.

53. Slaughterhouse staff perform post-mortem inspection in cattle slaughterhouses. This practice is not in line with the requirements of Regulation (EC) No 854/2004.

5.5 RECOMMENDATION NO 5 AUDIT REPORT DG(SANTE)2017-6261 (RASFF REJECTIONS)

To ensure that appropriate measures are taken to avoid that consignments part of batch subject to RASFF are re-exported and certified as being compliant without verification and corrective action.

This recommendation was triggered by the insufficient controls after RASFF notifications including measures to avoid that batches rejected at the EU borders, are re-exported to the EU.

Action plan proposed by the competent authority

54. In response to this recommendation the competent authority stated that Memo/Circular No 9 issued on 9 May of 2017 addresses this issue:

    a. When a RASFF notification occurs, and at the request of the competent authority, the OV must ensure that the FBO retrieves the production belonging to the batches present in the consignment subject of the RASFF notification.

    b. The FBO must, within 72 hours, inform the OV of all the consignments related to the same product to verify that the product is returned to the FBO.

    c. The OV will inspect each returned consignment; these consignments, in any event, lose their eligibility for EU export (downgrading).

55. In order to clarify the responsibilities and actions to be taken by the FBOs and the different levels of the competent authority, the competent authority issued in December 2017 Circular No 108. According to this circular:

    a. The FBO must retrieve already certified consignments when the RASFF notification concerns *Salmonella tiphymurium or enteritidis* and Shiga toxin–producing *Escherichia coli* (STEC), and;

    b. The competent authority must immediately suspend certification to the EU in case of RASFF notification involving the above pathogens, or when ten RASFF notifications for *Salmonella* spp take place within a period of six months. These suspensions can only be lifted after the implementation of a satisfactory action plan and when the sampling performed by the FBO and the competent authority renders negative results. The latter, in practical terms, may take up to 16 weeks.

    c. The CAs are always informed about consignments rejected at the EU borders as, when applying for an import licence for such consignments, the FBO is required to mention the reason for re-import.

Findings regarding the implementation of the action plan for this recommendation

56. The audit team noted, in some establishments visited in which certification was suspended by the competent authority due to RASFF notifications, that comprehensive

actions plans including measures at farm, feed production and establishment level were taken and after a period of negative results the suspensions were lifted by the competent authority. In one particular case the suspension was effective for approximately one year.

57. The competent authority stated that the application of Memo/Circular 9 of 2017 is reviewed during the supervision of official controls in place. The audit team noted that the follow-up of RASFF notifications was documented in the supervision and audit reports.

58. The audit team verified in the establishments visited that procedures in place ensured that the consignments subject to RASFF lost the EU export status and were not re-exported to the EU.

59. In case that the rejected consignments were returned to a cold store in another location the OV in charge of the producing establishment availed of documentary evidence from the OV in charge of the cold store that the product was downgraded.

60. In two poultry establishments visited, the investigation performed by the OV did not verify if remaining products from the same batches subject to the *Salmonella* spp RASFF notification were still available in order to avoid certification to the EU. The competent authority stated that at that time (before December 2017) the new procedures were not in place and in the notification request did not require, as it does currently, the implementation of Memo/Circular 9 of 2017.

61. Nevertheless, the audit team noted that Circular 108 of 2017 is not clear in respect of the downgrading of remaining products (in the establishment concerned) from batches subject to RASFF notifications. In the establishments visited the audit team did not identify any products from batches subject to RASFF notifications that had been certified after the notifications were issued.

62. In one bovine slaughterhouse subject to several STEC RASFF notifications, the OV seized all products in stock belonging to the same batches subjected to the RASFF notification and diverted them for thermal processing. A recall of products including already certified product in transit to the EU took place. Other additional measures applied included lowering the slaughter line speed by 30% and improving slaughter procedures. The competent authority suspended the certification to the EU from this establishment until all the outlined measures were put in place and had been verified as effective.

63. In another establishment the competent authority suspended certification to the EU after one RASFF notification regarding *Salmonella tiphymurium* in May 2017. The FBO presented an action plan to correct the deficiencies, which was assessed favourably by the OV. However, the State authority assessment of the action plan was not favourable and the suspension of certification was still not lifted at the time of this audit.

64. The audit team noted another example of a large poultry producer suspended after one

consignment of chicken liver was rejected at the EU border due to the presence of *Salmonella tiphymurium*. The competent authority explained that a significant recall of consignments already certified and dispatched took place and the FBO still remained suspended until a suitable action plan was in place and a set of negative results was achieved.

Conclusion of recommendation No 5 of audit report DG(SANTE)2017-6261

65. The procedures in place dealing with rejected consignments due to RASFF notifications ensure now that products contained in such consignments cannot be re-exported to the EU. The implementation of these procedures was found to be satisfactory. Nonetheless, these procedures do not specifically stipulate that products from these batches still present at the FBO premises, also need to be excluded from EU exports which, in turn, could lead to some of this product still being certified for export to the EU.

5.6 RECOMMENDATION NO 8 AUDIT REPORT DG(SANTE)2017-6261 (LISTING)

To ensure that the lists of approved establishments exporting to the EU are kept up-to date.

During audit DG(SANTE)2017-6261 the audit team noted that the implementation of the procedures for de-listing of establishments for export to the EU was inadequate in ensuring that the list of approved establishments was kept up-to-date.

Action plan proposed by the competent authority

66. In their response to this recommendation the competent authority stated that:

    a. Circulars 29 and 53 of 2015 govern the delisting procedures. In addition, Normative Instruction No 27 of 27 August 2008 specifies that when an establishment cannot demonstrate control over the production process, the competent authority shall suspend certification for export.

    b. The competent authority stated that for a period of time, they had forwarded the de-listing requests to the Commission services, to an obsolete e-mail address.

    c. Memorandum 72 of 2017, specifically addressed to the State of Sao Paulo, requested among other corrective measures, the up-date of the EU-approved establishments list. Information note No 1754 confirms that a request to up-date the list of EU approved establishments from this State has been issued in accordance with the procedures in place. The audit team verified that the information reached the relevant Commission services, and that the establishments requested were de-listed.

    d. DIPOA requested the State services to up-date the list. The audit team noted in the States visited that those establishments not active in EU exports for a long period of time, were delisted in June-July 2017.

67. Circular 29 of 2015 states that after 90 days of the communication by the FBO to the competent authority that activity has ceased, the State services have to request DIPOA to

suspend the authorisation for export for the activity in question. Subsequently a circular will be published confirming the suspension of activities. After 90 days of the publication of this circular, and if the establishment did not resume such activities, the State services will request de-listing of the establishment for the relevant export market.

68. According to Circular 53 of 2015, after an establishment has its certification for export suspended (for reasons other than RASFF notifications) with the publication of a suspension circular, and if the shortcomings that led to the suspension have not been addressed within 90 days of the publication, the State authorities must request DIPOA to de-list the establishment for the suspended activities. DIPOA, as in the case of the application of Circular 29 of 2015 above, must inform the relevant services in the importing market.

Findings regarding the implementation of the action plan for this recommendation

69. At the time of the audit 15 out of ± 230 active establishments listed for exports to the EU were suspended. These 15 establishments concerned mainly poultry slaughterhouses which, as part of the action plan, had been subject to audits by DIPOA (see section 5.1) as well as poultry slaughterhouses suspended in the context of RASFF notifications.

70. The audit team noted that several of these establishments were suspended for up to six months, while developing and implementing action plans to address RASFF notifications.

71. The provisions of Circular 53 of 2015 concerning the de-listing of plants having exceeded the 90 days suspension are not systematically applied. As an example in Sao Paolo State the completion deadlines were extended until the completion of the action plan presented by the FBO.

72. The certification IT system ensured that certificates for export to the EU were not issued when the suspension was activated in the IT system. Also the procedures as implemented ensured that no internal health certificates of raw materials for further processing for the EU market were issued. Nevertheless, the establishments remained on the EU list and, as consequence, the EU border inspection posts are not aware that certification from this establishment is suspended, or that these establishments could be involved in triangular trade. Also in the case that re-enforced checks are in place for the establishment at EU border, the information of the suspension is not available to the Commission.

73. The procedures in place for suspension and de-listing do not include time frames for the State authorities to inform DIPOA when the prescribed 90 day periods have been exceeded, in order to render the suspension effective in the IT system, or to de-list the establishment for EU exports. In addition, the procedures do not include a timeframe for DIPOA to make the suspensions effective in the certification IT system. As a consequence the audit team noted

    a. In the State of Parana a supervision control carried out on 16 September 2017 in a

bovine slaughterhouse identified serious non-conformities that led the supervisor to recommend to DIPOA suspension of certification. This suspension was not effective in the certification IT system until 10 October despite the fact that the State authority informed DIPOA on 16 September. In this particular case no certificates were issued during this period. At the time of the audit (23 January) the establishment was still suspended, despite the 90 days of suspension prescribed in Circular 53 of 2017 having elapsed, without a request from the State authority to de-list the establishment.

b. In the same State, one establishment ceased production on 5 May 2017. The State authority informed DIPOA on 4 October and requested suspension (approximately two months after the 90 days of ceasing activities). On 6 October the suspension circular was published by DIPOA and on 18 January 2018 the State authority required de-listing of the establishment. In the best case scenario the de-listing of an establishment for the EU due to cessation of activities takes six months; however, and as illustrated above, in practice this period can be longer.

c. During verification of one audit report, authorities at central level deemed the findings identified as sufficiently serious to merit suspension. However, there was a delay of one week between the suspension request and its formalisation in the IT certification system. During this period, certification to the EU took place.

74. In the State of Mato Grosso, one slaughterhouse with an attached cutting plant was partially destroyed by a fire in September 2017. The establishment was not de-listed for export to the EU despite obviously not meeting the EU requirements, and not being in production. In another case in the same State, the competent authority lifted the suspension of one establishment but documentation recording that the suspension was lifted was not available.

Conclusion of recommendation No 8 of audit report DG(SANTE)2017-6261

75. In order to address this recommendation the competent authority updated the list of establishments approved for export to the EU, removing a number of establishments that ceased activities. Nonetheless, the procedures available for suspension and delisting of establishments for the EU market are not adequate because a) they include long periods of time to complete the necessary steps to de-list an establishment for export to the EU and b) the procedures are not sufficiently prescriptive to ensure that de-listing and suspension of establishments requests are issued swiftly and c) the prescribed periods are exceeded. As a consequence, the EU border inspection posts, the Commission services and the competent authorities of other non-EU countries (risk of triangular trade) are not aware that these establishments are suspended for export to the EU.

5.7 RECOMMENDATION NO 9 AUDIT REPORT DG(SANTE)2017-6261 (*SALMONELLA* TESTING)

The CCA should ensure that the sampling plan for Salmonella in poultry meat intended for export to the EU is equivalent to that in points 1.28 of Annex I to Regulation (EC) No 2073/2005.

Audit DG(SANTE)2017-6261 identified that the samples taken for *Salmonella* testing of fresh poultry meat other than carcasses were not in line with the requirements of point 3.2 of Annex I to Regulation (EC) No 2073/2005. This was due to the fact that five unit samples were not taken from the same batch.

Action plan proposed by the competent authority

76. In response to the recommendation the competent authority issued Memorandum 91 of 2017 which requires the FBO to collect a minimum of five unit samples per production day, from the same batch, in the case of fresh meat and meat preparations for the testing for the presence of *Salmonella*. The same Memorandum requires that for meat products the sampling, also from the same batch is performed at least weekly. In addition, the competent authority has to collect five unit samples weekly, from the same production batch, of fresh poultry meat and poultry meat preparations.

77. These provisions were updated with Memorandum 6 of 12 January 2018 which requires the FBO to collect daily a minimum of five unit samples, from the same batch for the testing for the presence of *Salmonella* for meat products. This Memorandum also introduces the requirement of testing poultry carcasses for enumeration of *Campylobacter* spp.

78. As a consequence of audit DG(SANTE)2017-6261 findings the Commission requested additional guarantees such as the introduction of 100% pre-export microbiological checks for *Salmonella* for poultry meat, meat preparations (all species) and meat products (all species) exported to the EU. These guarantees resulted in the introduction of an additional attestation stating that *"the products covered by this Health Certificate have been sampled and analysed in accordance with Regulation (EC) No 2073/2005, before consignment. According to these pre-shipment analyses, the products comply with EU legislation"*. The certificate has to specify the production lot (batch) with the sampling date, method of analysis and the results obtained.

Findings regarding the implementation of the action plan for this recommendation

79. In all the establishments visited the *Salmonella* test results of the certified batch was evaluated as part of the certification procedures by the OV, and positive batches were not subject to certification.

80. The provisions in place do not specify that all the batches of products to be exported to the EU must be tested for the presence of *Salmonella* in order to ensure that the statement contained in the additional certificate currently in place are met. In several

establishments visited, at the initial phases of the implementation of this additional attestation requirement only one sample corresponding to five sample units was taken for one day production while the batch as specified by the FBO was not tested. In all these cases the situation was corrected and the FBO was, at the time of the audit, testing the defined batches for the presence of *Salmonella* in accordance with Regulation (EC) No 2073/2005.

81. The audit team noted that few FBOs defined batches as a full day production while most FBOs day´s production comprised several batches. In one case the FBO had defined the batch as a few hours' production for a specific cut.

82. In some instances, and mainly in response to RASFF notifications, the number of samples taken by the FBO exceeded five sample units which is the minimum number requested by Regulation (EC) No 2073/2005 (i.e. 10 sample units).

83. In one of the establishments visited, where the certification to the EU was suspended for almost one year, the competent authority identified during an audit *Salmonella* testing issues including sample traceability. The suspension of the establishment was lifted after the introduction of an array of corrective measures including testing samples for the presence of *Salmonella* in an external MAPA approved laboratory. In another establishment visited the competent authority identified among other issues that the information accompanying *Salmonella* laboratory results was incomplete. This was addressed as part of the action plan.

84. Memorandum No 193 of 2017 of 20 November 2017 introduced the requirement, from that date, that all the laboratory results supporting certification to the EU had to be performed in MAPA approved laboratories, besides FBO own laboratories. [1]

85. Normative instruction 57 of 2013 requires that all MAPA approved laboratories must, among other requirements, have all the relevant laboratory methods accredited under the scope of ISO17025.

86. Memorandum 190 of 8 November 2017 established the requirement that in order to be recognised for the performance of own laboratory tests, FBO own control laboratories must either a) hold ISO 17025 accreditation for all the laboratory methods related to the own controls, or b) obtain certification from a metrological institution for all the methods used to support the own control programme.

87. In the establishments visited the audit team noted, for the batches certified to the EU, that the OV verified systematically the availability of *Salmonella* negative results; where so requested by the audit team, this documentation was readily available.

88. The audit team noted in one establishment that heat treated meat products to be exported

[1] Memorandums No 190 and No 193 of 2017 and Normative Instruction 57 of 2013 were provided by the CA at request of the audit team after the finalisation of the audit and on foot of the announcement by the CA, on 5 March 2018, that certain private laboratories had tampered with *Salmonella* sampling results.

to the EU were tested for the presence of *Salmonella* despite this not being a requirement under the agreed *Salmonella* re-enforced checks.

89. Normative Instruction No. 20 was enacted in October 2016 and establishes the control and monitoring of *Salmonella* spp. in commercial broiler and turkey farms, and in poultry slaughterhouses. This normative establishes procedures for testing poultry houses before birds are sent for slaughter, and if positive results are obtained at slaughterhouse, measures have to be applied to avoid certification of meat obtained from such birds to the EU.

Conclusions on recommendation No 9 of audit report DG(SANTE)2017-6261

90. The procedures on *Salmonella* testing in poultry meat intended for export to the EU is equivalent to that in points 1.28 of Annex I to Regulation (EC) No 2073/2005.

91. The additional attestation for *Salmonella* introduced as part of the measures taken on foot of audit DG(SANTE)2017-6261 is only endorsed by the OV after the presentation of negative *Salmonella* results by the FBO. The provisions in place for *Salmonella* testing do not fully reflect the requirements contained in the additional attestation (batch versus day).

92. As a consequence of the newly introduced requirements the laboratory tests performed to support certification to the EU must be performed since November 2017 in MAPA approved laboratories.

5.8 OTHER POINTS NOTED BY THE AUDIT TEAM

93. In the slaughterhouses visited, the animals were systematically stunned, in accordance with the EU requirements. The Brazilian provisions require stunning to be performed even if slaughter takes place under the halal rite.

94. In the slaughterhouses visited the control on identification and eligibility of cattle for EU export was performed correctly.

95. The certification procedures for EU exports and their implementation were generally satisfactory.

96. The official controls over maturation of beef, regarding pH and temperature/time, were generally satisfactory.

6 OVERALL CONCLUSIONS

In summary, the audit found that the competent authority has in part implemented, or is, in respect of some recommendations, in the process of implementing the actions it announced subsequent to the previous audit. A number of issues identified in the course of the audit will require further action:

- Since December 2017, the hire of a sufficient number of official veterinarians on a

temporary basis, provides for the time being the required EU guarantees. Prior to their recruitment and deployment, the reliability of these guarantees could not be ascertained as the measures intended to compensate for the inadequate number of official veterinarians – segregation of production batches- were found in most cases not workable, and/or very difficult if not impossible to control.

- The official controls are effective overall in identifying non-compliances with the EU requirements, and are followed by adequate enforcement actions.

- The oversight over the official controls, through increased supervision and audits, has improved, although targets were not yet met in certain States. This audit established that there is scope to reinforce in particular the verification of the staff performance component in these supervision and audit activities.

- Poultry ante-mortem inspection, including examination of individual birds, is now performed by an official veterinarian. Nonetheless, the procedures in place initially did not comply with the EU requirements as only the first load of birds from the same origin were subject to inspection. The central competent authority modified the ante-mortem inspection procedures in the course of the audit, which are now in line with the EU requirements. In respect of bovine animals, the audit found that slaughterhouse staff performs post-mortem inspection. This is not in line with EU rules.

- The competent authority has updated the lists of establishments approved for export to the EU. The provisions in place for suspension and de-listing of non-compliant establishments do not ensure that, where warranted, non-compliant establishments are de-listed swiftly. In addition, there is no framework in place to notify the Commission of the prolonged suspension of certification out of listed establishments.

- The audit team noted, contrary to the previous audit, comprehensive actions at establishment and farm level on foot of investigations by the competent authorities carried out after RASFF notifications from the EU.

- Consignments rejected at the EU border are now controlled by the competent authority and downgraded to prevent re-export to the EU. The recently introduced procedures specify how to retrieve and handle products from the same batch as the rejected consignments. However, these procedures do not specifically state that remaining products from these batches at the food business operator premises also need to be excluded from EU exports.

As regards the developments in the wake of the Brazilian authorities' "Carne Fraca" operation, the judicial and/or administrative proceedings against (possibly) implicated officials are ongoing, with several officials imprisoned and all the officials subject to judicial proceedings suspended from the service. Moreover, the government has initiated a substantial re-organisation of the structure of the services, aimed at strengthening the role and powers of the central authorities while at the same time increasing (the efficiency of) its oversight. Ultimately, the aim is to reduce, in the medium and long term, the risk of incidents such as

the one unearthed in the course of "Carne Fraca". Both the full implementation of this reorganisation as well as the sustained recruitment of official veterinarians rely on continued support at political level in Brazil.

7 CLOSING MEETING

A closing meeting was held 5 February 2018 with MAPA. At this meeting, the audit team presented the main findings and preliminary conclusions of the audit and advised the central competent authorities of the relevant time limits for the production of the report and their response.

The representatives of MAPA acknowledged the findings and conclusions presented by the audit team. In addition, information on action already taken and planned, in order to address particular findings in the establishments visited was provided. These actions included, in particular, Memorandum 5 and Memorandum 15 of 4 February 2018. The first includes the requirement for the OV to inspect during ante-mortem inspection all poultry loads presented for slaughter, while the latter expands the scope of the State audits performed by DIPOA to include, beside bovine slaughter, also equine slaughter, fish and gelatine for EU export. In addition, the competent authority highlighted, in the context of the findings related to de-listing and suspension, that currently the Brazilian authorities are not in a position to pre-list any establishments.

8 RECOMMENDATIONS

An action plan describing the actions taken or planned in response to the recommendations of this report and setting out a timetable to correct the deficiencies found should be presented to the Commission within one month of receipt of the report.

No.	Recommendation
1.	To increase the effectiveness of State audits and supervisory activities by strengthening their assessment of the performance of the on-site official services with a view to ensuring consistent and, where necessary, improved delivery of controls. *Recommendation based on conclusion No. 15* *Associated finding No. 12*
2.	To increase the effectiveness of the central level audits of the overall performance of official controls in the States, by including an *in-situ* component in the assessment of the delivery of these controls and the effectiveness of the States' oversight.

No.	Recommendation
	Recommendation based on conclusions No. 16 *Associated findings No. 5*
3.	To amend the provisions in place (Memorandum 56 of 2017 and 5 of 2018) in order to ensure - that the production, and official certification, of batches of poultry products intended for export to the EU is strictly and demonstrably limited to products derived from birds that have been slaughtered while the official veterinarian was present, and were subject to ante- and post-mortem inspection by the official veterinarian in line with the requirements of Chapter V of Section III of Annex I to Regulation (EC) No 854/2004; and - that these products are, and have been, kept strictly separated throughout production from products derived from birds slaughtered without official veterinary presence and/or ante and post-mortem inspection by the official veterinarian. *Recommendation based on conclusions No. 49* *Associated findings Nos. 32 and 33*
4.	To ensure that slaughterhouse staff do not perform activities which under EU law are restricted to official auxiliaries, in particular post-mortem inspection (other than in poultry and rabbits), in order to meet the requirements of the public health attestation of, among others, model certificate BOV in Part 2 of Annex II to Regulation (EU) No 206/2010. *Recommendation based on conclusions No. 53* *Associated findings No. 47*
5.	To ensure that the procedures to deal with RASFF notifications clearly specify that all products still stocked by the food business operator from batches involved in RASFF notifications are controlled and downgraded in order to avoid certification to the EU. *Recommendation based on conclusions No. 65* *Associated findings Nos. 61*
6.	To ensure that the procedures for suspension and de-listing establishments for EU exports ensure a) swift timeframes for the exchange of information between the different actors involved in the processes, b) reduced periods of time (currently 90 days periods) in order to speed the process and c) that suspensions due to RASFF notifications are covered by the provisions in order to ensure that non-compliant establishments are promptly de-listed for export to the EU.

No.	Recommendation
	Recommendation based on conclusions Nos. 75 *Associated findings No. 70, 71, 72, 73 and No. 74*

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

http://ec.europa.eu/food/audits-analysis/rep_details_en.cfm?rep_inspection_ref=2018-6460

ANNEX 1 – LEGAL REFERENCES

Legal Reference	Official Journal	Title
Reg. 178/2002	OJ L 31, 1.2.2002, p. 1-24	Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety
Reg. 852/2004	OJ L 139, 30.4.2004, p. 1, Corrected and re-published in OJ L 226, 25.6.2004, p. 3	Regulation (EC) No 852/2004 of the European Parliament and of the Council of 29 April 2004 on the hygiene of foodstuffs
Reg. 853/2004	OJ L 139, 30.4.2004, p. 55, Corrected and re-published in OJ L 226, 25.6.2004, p. 22	Regulation (EC) No 853/2004 of the European Parliament and of the Council of 29 April 2004 laying down specific hygiene rules for food of animal origin
Reg. 854/2004	OJ L 139, 30.4.2004, p. 206, Corrected and re-published in OJ L 226, 25.6.2004, p. 83	Regulation (EC) No 854/2004 of the European Parliament and of the Council of 29 April 2004 laying down specific rules for the organisation of official controls on products of animal origin intended for human consumption
Reg. 882/2004 - Article 46 (TC)	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. 2073/2005	OJ L 338, 22.12.2005, p. 1-26	Commission Regulation (EC) No 2073/2005 of 15 November 2005 on microbiological criteria for foodstuffs

Reg. 2074/2005	OJ L 338, 22.12.2005, p. 27-59	Commission Regulation (EC) No 2074/2005 of 5 December 2005 laying down implementing measures for certain products under Regulation (EC) No 853/2004 of the European Parliament and of the Council and for the organisation of official controls under Regulation (EC) No 854/2004 of the European Parliament and of the Council and Regulation (EC) No 882/2004 of the European Parliament and of the Council, derogating from Regulation (EC) No 852/2004 of the European Parliament and of the Council and amending Regulations (EC) No 853/2004 and (EC) No 854/2004
Reg. 1664/2006	OJ L 320, 18.11.2006, p. 13-45	Commission Regulation (EC) No 1664/2006 of 6 November 2006 amending Regulation (EC) No 2074/2005 as regards implementing measures for certain products of animal origin intended for human consumption and repealing certain implementing measures
Reg. 1881/2006	OJ L 364, 20.12.2006, p. 5-24	Commission Regulation (EC) No 1881/2006 of 19 December 2006 setting maximum levels for certain contaminants in foodstuffs
Reg. 798/2008	OJ L 226, 23.8.2008, p. 1-94	Commission Regulation (EC) No 798/2008 of 8 August 2008 laying down a list of third countries, territories, zones or compartments from which poultry and poultry products may be imported into and transit through the Community and the veterinary certification requirements
Reg. 1069/2009	OJ L 300, 14.11.2009, p. 1-33	Regulation (EC) No 1069/2009 of the European Parliament and of the Council of 21 October 2009 laying down health rules as regards animal by-products and derived products not intended for human consumption and repealing Regulation (EC) No 1774/2002 (Animal by-products Regulation)

Reg. 206/2010	OJ L 73, 20.3.2010, p. 1–121	Commission Regulation (EU) No 206/2010 of 12 March 2010 laying down lists of third countries, territories or parts thereof authorised for the introduction into the European Union of certain animals and fresh meat and the veterinary certification requirements
Reg. 1169/2011	OJ L 304, 22.11.2011, p. 18-63	Regulation (EU) No 1169/2011 of the European Parliament and of the Council of 25 October 2011 on the provision of food information to consumers, amending Regulations (EC) No 1924/2006 and (EC) No 1925/2006 of the European Parliament and of the Council, and repealing Commission Directive 87/250/EEC, Council Directive 90/496/EEC, Commission Directive 1999/10/EC, Directive 2000/13/EC of the European Parliament and of the Council, Commission Directives 2002/67/EC and 2008/5/EC and Commission Regulation (EC) No 608/2004
Reg. 2015/1375	OJ L 212, 11.8.2015, p. 7–34	Commission Implementing Regulation (EU) 2015/1375 of 10 August 2015 laying down specific rules on official controls for Trichinella in meat
Dir. 96/22/EC	OJ L 125, 23.5.1996, p. 3-9	Council Directive 96/22/EC of 29 April 1996 concerning the prohibition on the use in stockfarming of certain substances having a hormonal or thyrostatic action and of beta-agonists, and repealing Directives 81/602/EEC, 88/146/EEC and 88/299/EEC
Dir. 96/23/EC	OJ L 125, 23.5.1996, p. 10-32	Council Directive 96/23/EC of 29 April 1996 on measures to monitor certain substances and residues thereof in live animals and animal products and repealing Directives 85/358/EEC and 86/469/EEC and Decisions 89/187/EEC and 91/664/EEC
Dir. 96/93/EC	OJ L 13, 16.1.1997, p. 28-30	Council Directive 96/93/EC of 17 December 1996 on the certification of animals and animal products
Dir. 98/83/EC	OJ L 330, 5.12.1998, p. 32-54	Council Directive 98/83/EC of 3 November 1998 on the quality of water intended for human consumption

Dir. 2002/99/EC	OJ L 18, 23.1.2003, p. 11-20	Council Directive 2002/99/EC of 16 December 2002 laying down the animal health rules governing the production, processing, distribution and introduction of products of animal origin for human consumption
Dec. 97/747/EC	OJ L 303, 6.11.1997, p. 12-15	97/747/EC: Commission Decision of 27 October 1997 fixing the levels and frequencies of sampling provided for by Council Directive 96/23/EC for the monitoring of certain substances and residues thereof in certain animal products
Dec. 2007/777/EC	OJ L 312, 30.11.2007, p. 49-67	2007/777/EC: Commission Decision of 29 November 2007 laying down the animal and public health conditions and model certificates for imports of certain meat products and treated stomachs, bladders and intestines for human consumption from third countries and repealing Decision 2005/432/EC
Dec. 2000/572/EC	OJ L 240, 23.9.2000, p. 19-24	2000/572/EC: Commission Decision of 8 September 2000 laying down animal and public health conditions and veterinary certification for imports of minced meat and meat preparations from third countries and repealing Decision 97/29/EC