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General Guidance on Exporting U.S. High Quality Beef to the EU.

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Livestock and Products

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Report Highlights:

The European Union applies uniform import requirements for High Quality Beef (HQB). For the U.S., qualified HQB may enter the European Union under two import quotas: 1) The “First Come First Served” or “newer” quota established at 48,200 MT at zero duty, and 2) The “Hilton” or “older” quota established at 11,500 MT at 20 percent duty. U.S. Department of Agriculture (USDA) certification of product in accordance to EU specifications defined for each quota is required. As of May 13, 2013 the European Union recognized 15 U.S. facilities involved in the export of HQB from the United States.

Note: Both quota programs are open to third country suppliers.

General Information:

Disclaimer: The enclosed information is intended to provide a basic framework of the requirements for U.S. HQB trade to the European Union. Before commencing your business transaction verify import requirements with relevant authorities.

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I. Overview

U.S. High Quality Beef (HQB) classification and eligibility for export to the EU is based on an MOU between the European Union and the United States. The U.S. Department of Agriculture's (USDA) Food Safety Inspection Service (FSIS) is the competent authority in the United States authorized to sign the Certificate of Authenticity required under the MOU. FSIS issues the Certificate of Authenticity based on the Verification Statement provided by the USDA's Agricultural Marketing Service (AMS) which administers the Non-Hormone Treated Cattle (NHTC) Program in the United States.

U.S. suppliers interested in supplying markets in the European Union should be well versed in AMS and FSIS program requirements (see III. Criteria for Production Classification as High Quality Beef (HQB)). European companies seeking to import U.S. HQB should be aware of EU certification requirements (See IV. Certification Requirements) and should seek out U.S. companies currently authorized to supply to the EU market directly or via EU-based distributors (See VI. U.S. Product Source Information). Quota Programs are differentiated by both tariff level and feed ration program during production.

II. Definition of High Quality Beef (HQB)

The European Union defines High Quality Beef (HQB) as meat sourced from non-hormone treated animals raised according to defined feed ration programs.

III. High Quality Beef Production Classification Criteria

Qualification criteria for U.S. HQB and eligibility for export to the European Union are defined via excerpts from the FSIS and AMS web-sites appearing below. U.S. producers are recommended to seek further clarification directly through consultation with identified AMS and FSIS.

1. Exert from Food Safety and Inspection Service on Export Criteria

FSIS/USDA Export requirements (exert from FSIS/USDA web-site-linked below)

X. Non-Hormone Treated Cattle (NHTC) Program: Beef and Veal (An NHTC Program is not required for bison.)

All bovine meat exported to the European Union must originate from animals that have never been treated with hormonal growth promotants. In order for FSIS to provide export certification for this product, there must be assurances that there are effective controls in all phases of production, from birth to slaughter, and subsequent processing and final packaging activities. FSIS has developed guidelines for the industry, which provide the system requirements and components of the program ([Program for Certifying Non-hormone Treated Beef to the European Union](#)).

Each phase of the production of these animals will maintain a written control program that describes the procedures for maintaining identity of and segregating non-hormone treated cattle, as well as the controls that are in place to prevent the administration of restricted compounds to the animals. The documented system will be audited by the Agricultural Marketing Service (AMS), or by an AMS-accredited independent third party. AMS has developed instructions providing the general policies and procedures for providing service under the [NHTC Program](#), [ARC Instruction 1013 Procedure](#). Contact FSIS Office of International Affairs, Export Program Staff, Washington, DC, Phone: (202) 720-0082, or (855) 444-9904, Fax: (202) 720-7990, if necessary, for a copy of these documents.

A. Beef and Veal Production

- 1) Each phase of the production of these cattle, from birth through delivery at the slaughter establishment, must receive third party verification prior to FSIS certifying NHTC to the EU.
- 2) A copy of a signed producer affidavit certifying that the animals have never been treated with hormonal growth promotants must accompany each lot of cattle presented to the slaughter establishment ([Example of Producer Affidavit](#)). This affidavit can be transmitted electronically or by facsimile, but must be available when the shipment of cattle arrives at the establishment.
 - a. All cattle must be slaughtered and processed in a federally inspected establishment approved for production of products destined for the EU.
 - b. Each establishment must have a written program and procedures in place that will assure the production and shipment of product derived from animals that have never been administered hormonal growth promotants. AMS (or AMS accredited independent third party) will review the program

documentation for receiving cattle into the beef slaughter operations to ensure adequacy and continuity of animal identification procedures from the producer to the slaughter facility. Contact AMS, ARC Branch for additional information regarding this program and to schedule the initial compliance review, which will be coordinated with the FSIS Office of International Affairs, Export Program Staff. FSIS in-plant inspection personnel will ensure adequacy of the controls through the slaughter and processing establishment and will maintain operational oversight in the establishment.

B. Dairy/Breeding cow product production

Pending further discussion with the EU, cow meat and cow offal will not be eligible for export to the EU unless it is produced according to the NHTC program guidelines referenced above.

C. In-process Controls.

Each establishment involved in the production of NHTC beef must maintain documentation in accordance with an approved written control program and follow procedures that will assure the production and shipment of product derived from non-hormone treated cattle. Mandatory in-plant controls include:

- 1) Plant management must maintain documents to record the number of animals presented for slaughter and the number of animals slaughtered under EU mode of production.
- 2) Product destined for the EU must be appropriately identified and segregated throughout production according to the establishment's written control program.
- 3) Slaughter establishments must perform 100% palpation of the ears for hormone implants of all cattle or veal to be slaughtered under the NHTC program. This is to be done with the oversight of the FSIS/IIC.
- 4) Slaughter establishments must issue an affidavit confirming that non-hormone treated status of meat shipped to cutting plants without an EU Health Mark applied in a tamper evident fashion ([Example of Transfer Affidavit](#)). Adequate records supporting control of product transferred to separate processing facilities and cold storage warehouses must be maintained by plant management.

D. FSIS Inspector-in-Charge Responsibilities ([IIC Procedures](#))

The IIC will verify that the establishment's written control program is adequate to maintain product and identification controls throughout the slaughter, fabrication, processing, packaging process, to the point that the EU Health Mark is applied in a tamper evident fashion. FSIS inspection personnel will perform random checks of these producers in operation throughout the EU production, as well as checks of the records maintained by plant management. In addition, FSIS will check company records, when necessary, to verify proper transfer for subsequent storage prior to certification of the product to the EU.

Compliance oversight by FSIS includes:

- 1) Familiarity with the establishment's written control program.

2) Verification that the NHTC lot comes from an AMS approved premise. The affidavit will be reviewed to confirm that it complies with the parameters outlined in the establishment's written control program, including animal identification and authorized affidavit signer controls. The affidavit can be transmitted electronically or by facsimile but must be available for the verification check at the time the shipment of cattle arrives at the slaughter establishment. Cattle arriving at the slaughter establishment without adequate identification or certification (producer affidavit) will not be permitted to be slaughtered for the EU until the deficiency is corrected according to the company's control procedures.

3) Performing additional random procedures to determine compliance with the program. Procedures will include all aspects from receiving through shipping and may include observation, review of records, or both. All records from an entire lot of product will be reviewed on a periodic basis. Reviewed records will be signed and dated.

4) If there is noncompliance with EU requirements or with the establishment's control program, the IIC will notify management and request correction of the deficiency. If a deficiency is not corrected, the IIC will withhold the EU health mark label (or brand). The labels (or brand) will be returned to the IIC and secured until correction is made. The IIC will document the noncompliance.

5) If repeated deficiencies occur, or non-compliance is not corrected in a reasonable time period, the Office of International Affairs, Export Programs Staff, Washington, DC, Phone: (202) 720-0082 or (855) 444-9904, Fax: (202) 720-7990 shall be notified through supervisory channels.

2. Exert from Agricultural Marketing Service on program Criteria

The Non-Hormone Treated Cattle (NHTC) Program (excerpt from AMS/USDA web-site-linked below)

The Non-Hormone Treated Cattle (NHTC) Program has been in effect since 1989, when the European Union (EU) and the U.S. agreed to control measures to facilitate the trade of non-hormone treated beef, including veal.

There are three principal components of this Program:

- Cattle are to be grown in approved farms/feedlots and delivered to the slaughter establishment with shipping documentation that includes the statement "Cattle Meet EV Program Requirements for the EU" and clearly identifies the animals and the quantity.

- Non-hormone treated cattle and beef are segregated at the slaughter establishment and handled in a fashion that ensures that they are not commingled with other animals or meat.

- Tissue samples from non-hormone treated cattle are collected at slaughter and analyzed in order for FSIS to provide export certification for this product.

The Food Safety and Inspection Service (FSIS) has designated the GV Division as the competent authority for providing verification that cattle meet the specified product requirements outlined in GVD

1013 Procedure. The specified product requirements must be met through an approved USDA Quality System Assessment (QSA) Program. The QSA Program ensures that the specified product requirements are supported by a documented quality management system and is verified through independent, third-party audits conducted by the GV Division in accordance with GVD 1000 Procedure.

To operate an approved NHTC Program, a supplier must submit a documented quality manual that meets the program requirements outlined in GVD 1002 Procedure and GVD 1013 Procedure. Approved NHTC Programs that meet the specified product requirements outlined in GVD 1013 Procedure are listed on the Official Listing of Approved NHTC Programs.

In order for FSIS to provide export certification for product:

- All farms, ranches, and feedlots approved under these programs and that raise beef destined for shipment to the European Union (EU) as non-hormone treated cattle must be listed on the FSIS PartnerShare website.

- There must be verification that there are effective controls at the slaughter establishment.

- [Official Listing of NHTC Programs PDF file](#)

(source:<http://www.ams.usda.gov/AMSV1.0/ams.fetchTemplateData.do?template=TemplateD&navID=NHTCProgram&rightNav1=NHTCProgram&topNav=&leftNav=GradingCertificationandVerification&page=LSNHTCProgram&resultType=&acct=audrevcom>).

IV. Certification Requirements

Information regarding certification required for exported HQB to the European Union can be found in the USEU Brussels Food and Agricultural Import Regulations and Standards – Certification (FAIRS) Report:

<http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Food%20and%20Agricultural%20Import%20Regulations%20and%20Standards%20-%20Certification%20Brussels%20USEU%20EU-27%2012-28-2012.pdf>

Per referenced report the following certification should accompany the HQB shipment to the European Union:

A. FSIS (9180-3) Certificate of Authenticity for high quality beef or veal:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2009:195:0008:0008:EN:PDF>

1) One of the following certificates may be issued if the applicant provides a completed and signed [AMS Statement of Verification](#) (SOV) for High Quality Beef and has documentation that associates the SOV with the specified product:

a. FSIS Form 9180-3, Certificate of authenticity Beef and Veal if Statement A on the SOV is marked **OR** the beef is graded U.S. Choice or higher. When used for exports to the European Union, the phrase

“Regulation (EC) No 810/2008” must be added to Box 5 of FSIS form 9180-3 prior to being presented to the FSIS veterinarian for signature.

b. For product arriving in the EU on or after July 1, 2012 use the following [FSIS Letterhead Certificate of Authenticity for Beef and Veal Regulation \(EC\) No 481/2012](#) if Statement B on the SOV is marked. The export stamp should be applied in Box 11 to the left of the signature, as well as to the second page of the certificate. Note: details of the labeling requirements in statement #4 of this certificate are provided in Section XIV-Labeling B of these requirements.

c. If both Statements A and B are checked, either certificate may be issued based upon request of the applicant.

B. FSIS 9060-5 Export Certificate of Wholesomeness/FSIS requires that all exporters obtain this document to export; for EU importing countries the EU certificate is the most important document. Some countries consider the 9060-5 unnecessary.

C. Veterinary certificate for fresh meat, including minced meat of domestic bovine animals (including Bison and Bubalus species and their cross-breeds).

[FSIS letterhead certificate Community \(FSIS Form 2630-9 Model BOV\)](#)

V. High Quality Beef Quota Programs

A. “First Come-First Served (FCFS)” or “Newer” Quota

On August 1, 2012, the FCFS quota for HQB with a zero-duty rate increased from 20,000 MT to 48,200 MT. The United States, Canada, Australia, New Zealand and Uruguay are eligible to export beef to the EU within the FCFS quota. The FCFS quota is allocated in four equal parts during the year or 12,050 MT per quarter. For the first quarter of 2012/2013 quota year (July-June) the allocation was only 9,825 MT as the quota increase did not take effect until August 1, 2012. Unfilled amounts of quota are rolled over from one quarter to the next within a given year.

As of July 1, 2012, quota administration shifted from the previous Simultaneous Examination of Import License Applications system, managed by the Agriculture Directorate-General of the EU Commission Services and its counterparts in member-states, to a first-come, first-served (FCFS) system.

COMMISSION IMPLEMENTING REGULATION (EU) No 481/2012 of 7 June 2012 lays down rules for the management of a tariff quota for high-quality beef.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:148:0009:0014:EN:PDF>

Under the new FCFS system effective as of July 1, 2012:

- Product qualifying under the high-quality beef regulation is presented at the port of entry and is received into the EU with no duty, until the quota is fully utilized.

- The quota is administered over four equal periods throughout the quota year, with equal amounts of

quota available in each quarter.

- Product presented for entry under the high-quality beef regulation must be accompanied by a certificate of authenticity issued by the competent authority of the exporting country in order to guarantee that the imported goods qualify as high quality beef.

- There is no allocation of quota neither per EU country nor per country of origin.

B. "Hilton" or "Older" Quota

The "Hilton" or "older" quota for beef is still in effect. EC regulation 810/2008 specifies that 11,500 MT of beef from the United States and Canada can be imported under a 20 percent ad valorem tariff. In practice this quota becomes active once the newer "0" duty quota is filled. Under the "Hilton" quota regime, feed ratio requirements are more stringent (70 percent of grains in feed ratios versus 62 percent for the newer quota) thus meeting the HQB standard is more expensive under that quota. FSIS manages the verification program for the "Hilton" quota. The "Hilton" quota operates by means of import licenses. Therefore, only importers who have applied for and obtained import licenses for the desired period of exports are eligible to participate in the program.

Detailed information about administration of the "Hilton" quota can be found at the following link to the EU Commission Regulation 810/2008:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:219:0003:0016:EN:PDF>

VI. Additional U.S. Product Source Information

i.e. USDA FSIS, USMEF Trade Information for U.S. Beef, USDA European Offices

For information regarding eligibility for export of U.S. HQB to the EU and certification requirements, the U.S. exporter should contact the regional FSIS office which can be located under the following link:

http://www.fsis.usda.gov/Contact_Us/Office_Locations_& Phone_Numbers/index.asp?src_page=IWT

For information related to trade of U.S. HQB to the European Union and for the latest list of authorized U.S. beef suppliers, the European importer can contact the EU office of the U.S. Meat Export Federation (USMEF) (attention John Brook); Phone: 011-32-2-514-1506; Fax: 011-32-2-503-2984; E-mail:

eu@usmef.org or the USMEF headquarters in Denver web site:

<http://www.usmef.org/international-markets/europe/>

For additional general information related to the U.S. certification process, product certification or list of eligible U.S. suppliers of U.S. HQB to Europe, the European importer can contact any USDA office in the European Union. A list of such offices follows:

VII. FAS Offices in the EU Member States

AUSTRIA (Local Staff only)

Phone 43-1-31-339-2249

AgVienna@fas.usda.gov

BULGARIA (Local Staff only)

Phone 3592-939-5774

AgSofia@fas.usda.gov

<http://bulgaria.usembassy.gov/fas.html>

CZECH REPUBLIC (Local Staff only)

Phone 420-257-022-026

AgPrague@fas.usda.gov

http://prague.usembassy.gov/agr_contacts.html

FRANCE

Phone 33-1- 4312-2277

AgParis@fas.usda.gov

www.usda-france.fr

GERMANY (also covers AUSTRIA, HUNGARY, and SLOVENIA)

Phone 49-30- 8305-1150

AgBerlin@fas.usda.gov

www.usda-mideurope.com

HUNGARY (Local Staff only)

Phone 36-1- 475-4162

AgBudapest@fas.usda.gov

ITALY (also covers ALBANIA, BOSNIA AND HERZEGOVINA, CROATIA, GREECE, MALTA and SERBIA)

Phone 39-06- 4674-2396

AgRome@fas.usda.gov

<http://italy.usembassy.gov/agtrade.html>

NETHERLANDS (also covers BELGIUM, DENMARK, FINLAND, ICELAND, LUXEMBOURG, NORWAY, and SWEDEN)

Phone 31-70- 310-2299

AgTheHague@fas.usda.gov

<http://thehague.usembassy.gov/fas.html>

POLAND (also covers BULGARIA, CZECH REPUBLIC, ESTONIA, LATVIA, LITHUANIA, ROMANIA, and SLOVAKIA)

Phone 48-22- 504-2336

AgWarsaw@fas.usda.gov

<http://poland.usembassy.gov/poland/agric.html>

ROMANIA (Local Staff only)

Phone 40-21-200-3374

AgBucharest@fas.usda.gov

<http://romania.usembassy.gov/embassy/fas.html>

SPAIN (Also covers Portugal)

Phone 34-91-587-2555

AgMadrid@fas.usda.gov

UNITED KINGDOM (Also covers Ireland and Scotland)

Phone 44-20-7894-0464

AgLondon@fas.usda.gov

<http://london.usembassy.gov/fas/index.html>

FAS Overseas Offices

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