

**COMMISSION REGULATION (EC) No 2777/2000**  
**of 18 December 2000**  
**adopting exceptional support measures for the beef market**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to the Council Regulation (EC) No 1254/1999 of 17 May 1999 on the common organisation of the market in beef and veal <sup>(1)</sup>, and in particular Article 38(2),

Whereas:

- (1) The Community beef market is currently going through a deep crisis due to a lack of consumer confidence in beef created by the appearance of new cases of bovine spongiform encephalopathy (BSE). Consumption as well as production have recently fallen to unprecedented levels followed by substantial reduction of producer prices. It is estimated that the crisis is likely to continue still for some time. In such circumstances, Article 38(1) of Regulation (EC) No 1254/1999 provides for exceptional market support measures to be taken with a view to re-balancing the market. One of those measures should be a scheme whereby animals which otherwise would produce heavy surpluses on the market are withdrawn from meat production through a purchasing scheme with subsequent destruction of the animals.
- (2) Commission Decision 2000/764/EC <sup>(2)</sup> lays down specific rules for testing for BSE of animals above 30 months and in particular the approved methods for such testing. In accordance with that Decision, at the latest from 1 July 2001 all animals above 30 months subject to normal slaughter for human consumption must be tested for BSE. Until then, it is appropriate to concentrate the withdrawal of animals from the market as referred to above to animals of that age which at slaughter are not tested for BSE and only allow for human consumption in the Community and in third countries meat from animals which have been tested negatively.
- (3) In order to seek a quick improvement of the beef market, voluntary testing of animals above 30 months should be encouraged in the meantime. Provisions should therefore be adopted providing for Community co-financing of the tests required while guaranteeing that no double payment are made from the Community budget.
- (4) In order to take off the market such animals which in real terms would reduce the output otherwise intended for consumption, it is essential that animals for destruction comply with all veterinary requirements before slaughter including such *ante mortem* inspection requirements which would apply in the case of slaughter for human consumption.
- (5) Where the market situation so requires, it is appropriate to allow the purchase scheme to be extended to Member States which operate testing of all animals above 30 months or of a substantial percentage of such animals.
- (6) Where the market situation so permits, it is appropriate to allow for the possibility to stop the application of the purchase scheme in a Member State which can provide evidence that sufficient testing capacity for BSE is available for the normal production of the animals concerned in that Member State.
- (7) In order to ensure the proper functioning of the scheme appropriate provisions should be laid down with regard to the organisation of purchases and deliveries of animals.
- (8) The purchase price per animal should be fixed by Member States at such level which will ensure that the objective of the measure is met. In fixing that price, account should in particular be taken of the current representative market price and the weight of the animal.
- (9) In view of the large number of animals expected to be purchased under the scheme it would be appropriate to share the expenditures between the Community and the Member States. The Community co-financing should be limited to 70 % of the purchase expenditures, while the rest of the purchase expenditures as well as all other costs related to the scheme should be financed by the national authorities.
- (10) The provisions regarding the slaughter premium referred to in Article 11 of Regulation (EC) No 1254/1999 apply to animals slaughtered under this scheme.
- (11) In order to improve the control of the animals and their products before, during and after slaughter, special provisions should be laid down, in particular with regard to separation and handling of such products.
- (12) The market situation in Member States with particularly low risk of BSE has not deteriorated to the same extent as in the rest of the Community. The purchase for destruction scheme need not therefore be obligatory in those Member States provided that all products from animals not tested for BSE remain in the Member State concerned.
- (13) With a view to providing for an effective monitoring of the scheme, Member States should on a weekly basis provide the Commission with the necessary relevant information.

<sup>(1)</sup> OJ L 160, 26.6.1999, p. 21.

<sup>(2)</sup> OJ L 305, 6.12.2000, p. 35.

- (14) Provision should be made for Commission experts to check compliance with the conditions as specified.
- (15) The Management Committee for Beef and Veal has not given an opinion within the time limit set by its President,

HAS ADOPTED THIS REGULATION:

#### Article 1

This Regulation shall apply in all Member States with the exception of United Kingdom where Article 2(1) only shall apply.

#### Article 2

1. Meat from bovine animals aged more than 30 months and slaughtered in the Community after 1 January 2001 can only be released for human consumption in the Community or for export to third countries if tested negatively for bovine spongiform encephalopathy (BSE) by an approved rapid test as referred to in Annex IV(A) of Commission Decision 98/272/EC<sup>(1)</sup>.

2. The Community shall co-finance the tests referred to in paragraph 1. The financial participation by the Community shall be at the rate of 100 % of the costs (VAT excluded) of the purchase of test-kits and reagents up to a maximum of EUR 15 per test in respect of tests carried out on animals slaughtered before the entry into force of the obligatory testing program as provided for in Article 1(3) of Decision 2000/764/EC, and in any case before 1 July 2001.

Excluded from this co-financing are tests performed on:

- animals which are referred to in Article 1(1) of Decision 2000/764/EC,
- animals which benefit from the purchase scheme as provided for in Article 3(3) of this Regulation.

Member States shall take the necessary measures to avoid any double payment from the Community budget.

#### Article 3

1. A Member State shall purchase, in view of its slaughter and full destruction without being subject to a test as referred to in Article 2(1), any animal aged more than 30 months offered to it by any producer or his agent.

The animal must:

- (a) during a period of at least 6 months prior to its sale, have been present on one or several holdings located in the Member State concerned;
- (b) comply with the relevant veterinary legislation, in particular the provisions laid down in Annex I, Chapter VI, to Council Directive 64/433/EEC<sup>(2)</sup>, allowing them to be passed as fit for slaughter for human consumption.

2. In addition and by way of derogation from the requirement in paragraph 1 of not having been tested, bovine animals referred to in Article 1(1) of Decision 2000/764/EC shall be purchased for destruction only where the Member State ensures that such animals are examined in conformity with the provisions of the said Article 1(1) and where the test results are negative.

3. Following the procedure provided for in Article 43 of Regulation (EC) No 1254/1999, it may be decided that the purchase scheme provided for in paragraph 1 is also applicable to animals having been subject to a test referred to in Article 2(1) giving a negative result, if the market situation so requires, in the Member State where the testing is done in a generalised way or to a substantial extent.

4. Member States who can demonstrate to the satisfaction of the Commission that sufficient capacity is available for testing as referred to in Article 2(1) of the normal slaughter throughput of animals above 30 months of age may be authorised by the Commission, following the procedure for in Article 43 of Regulation (EC) No 1254/1999, to stop the application of the purchase scheme provided for in paragraph 1 unless a decision as referred to in paragraph 3 is taken.

5. Member States shall indicate the slaughter houses at which the animals shall be taken for slaughter. In doing so, the Member State shall as far as possible seek to minimise the geographical distance for the animals to be transported.

#### Article 4

1. The prices to be paid by the Member State to producers or their agents for animals referred to in Article 3(1) shall be calculated on the basis of:

- (a) the weight of the carcase as defined in Article 2(1)(a) of Council Regulation (EEC) No 1208/81<sup>(3)</sup> and
- (b) the price per kg deadweight fixed by the Member State. However, the basic price applicable under this scheme shall be the average of the market prices for the category concerned recorded in week Nos 45, 46, 47 and 48 of the year 2000.

In determining weekly prices, the Member State shall take as far as possible into account the current market price where representative prices are available for the relevant categories and carcase qualities. Account should equally be taken of the traditional price hierarchy between categories and classes in the Member State concerned.

In all circumstances, the prices shall be fixed at levels which guarantees a proper functioning of the destruction scheme. However:

- any fixing of average prices per category below the above-mentioned basic price, and
- any fixing of average prices per category exceeding the above-mentioned basic price by more than 5 %,

can only be made upon prior approval from the Commission.

<sup>(1)</sup> OJ L 122, 24.4.1998, p. 59.

<sup>(2)</sup> OJ L 121, 29.7.1964, p. 2012/64.

<sup>(3)</sup> OJ L 123, 7.5.1981, p. 3.

Member States shall no later than Wednesday of each week inform the producers of the purchase prices to be applied in the following week.

The payment for the animal shall be made as soon as possible after slaughter.

2. For each fully destroyed animal the Community shall co-finance the expenditure incurred under paragraph 1 at a flat rate calculated on the basis of the basic prices, the average weight per category and a co-financing rate of 70 % to be financed by the Community leaving 30 % to be financed by the national authorities. The flat rate amounts are fixed in Annex I.

No later than 1 October 2001, the Member States shall communicate to the Commission the total purchase expenditures. The community co-financing shall be limited to 70 % of this total amount.

An advance equal to 80 % of the Community contribution may be provided after the animal concerned has been slaughtered and rendered in accordance with Article 5.

Except for the Community co-financing fixed above, all costs of the operations from the offer for slaughter of the animal until its full destruction shall be financed by national authorities.

3. The provisions regarding the slaughter premium referred to in Article 11 of Regulation (EC) No 1254/1999 and Chapter V of Commission Regulation (EC) No 2342/1999 <sup>(1)</sup> shall apply to animals slaughtered under the present Regulation. These costs shall not be deemed to be incurred under the present Regulation.

#### Article 5

1. Slaughterhouses slaughtering animals which are intended for destruction under this scheme shall be organised and operated in such a way as to ensure that:

- all animals and animal products which are intended for human or animal consumption shall at all times be completely separated from animals and products slaughtered and produced under this scheme, and
- where it is necessary for bovine animals to be slaughtered under the scheme to be held in lairage, they shall be kept separate from bovine animals which it is intended to slaughter for human or animal consumption,

2. The carcasses, after having been appropriately slashed shall together with all other parts of the animals be permanently stained. They shall subsequently be rendered and fully destroyed by way of incineration or any other appropriate means.

3. Where specified risk material are not removed, the entire carcass shall be treated as specified risk material.

4. No parts of the animals may be used for human food or animal feed, or in cosmetic or medical products or medical devices. By way of derogation from paragraphs 2 and 3 hides do not have to be stained or destroyed provided that they are treated in such a way that they can only be used for leather

production. Fatty material attached to the internal side of the hide must be removed and destroyed. Member States shall ensure that such hides are stored and treated separate from other hides.

5. Member States shall carry out the necessary administrative checks and effective on-the-spot supervision of all operations to verify that all relevant products have been rendered and fully destroyed.

#### Article 6

1. Without prejudice to the provisions of Decision 98/272/EC and Decision 2000/764/EC, and by way of derogation from the provisions of Article 2(1), the Member States listed in Annex II may allow the slaughtering for human consumption of bovine animals over 30 months of age, without the examination for BSE referred to in Article 2(1).

2. Member States making use of the derogation referred to in paragraph 1 shall ensure that the following products, originating from such animals which have been slaughtered for human consumption after the entering into force of this Regulation, are dispatched to other Member States or exported to third countries only if the animals concerned are tested negatively, by a test referred to in Article 2(1):

- 'fresh meat' as defined by Directive 64/433/EEC,
- 'minced meat' and 'meat preparations' as defined by Council Directive 94/65/EC <sup>(2)</sup>,
- 'meat products' as defined by Council Directive 77/99/EEC <sup>(3)</sup>.

3. The meat and products referred to in paragraph 2 originating from animals not having been tested by a test referred to in Article 2(1) shall be marked with a national mark, which cannot be confused with the Community health mark and in particular is not oval.

#### Article 7

Member States shall adopt all measures necessary to ensure proper application of this scheme and full compliance with the provisions of this Regulation.

Member States shall as soon as possible establish a detailed report of the controls which they have taken under this Article and communicate this to the Commission.

#### Article 8

For animals aged more than 30 months. Member States shall on Wednesday of each week in respect of the preceding week notify the Commission of:

- the number of animals under each category referred to in Article 3(1) of Regulation (EEC) No 1208/81 having been offered for slaughter and destruction,
- the number of slaughtered animals for human consumption under each category having been tested and the total weight per category as well as the outcome of the tests,

<sup>(1)</sup> OJ L 281, 4.11.1999, p. 30.

<sup>(2)</sup> OJ L 368, 31.12.1994, p. 10.

<sup>(3)</sup> OJ L 26, 31.1.1977, p. 85.

- the number of slaughtered animals for destruction under each category having been tested and the total weight per category as well as the outcome of the tests,
- the number of slaughtered animals under each category having not been tested and the total weight per category,
- the price offered to producers under each category and, where available, under each class,
- the number of animals rendered,
- the number of animals fully destroyed,
- any other information permitting an efficient monitoring of the operations.

*Article 9*

Without prejudice of Article 9 of Council Regulation (EC) No 1258/1999 <sup>(1)</sup>, Commission experts accompanied where appropriate by experts from Member States shall carry out

on-the-spot checks to verify compliance with all the provisions of this Regulation.

*Article 10*

The measures taken under this Regulation shall be considered to be intervention measures within the meaning of Article 1(2) of Regulation (EC) No 1258/1999.

*Article 11*

This Regulation shall enter into force on the day following its publication in the *Official Journal of the European Communities*.

It shall be applicable from 1 January 2001 until 30 June 2001 at the latest.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 18 December 2000.

*For the Commission*  
Franz FISCHLER  
*Member of the Commission*

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<sup>(1)</sup> OJ L 160, 26.6.1999, p. 103.

## ANNEX I

**Community financing per animal <sup>(1)</sup> <sup>(2)</sup> (EUR/head)**

	Cows	Heifers	Steers
Belgium	544	727	—
Denmark	363	444	—
Germany	364	442	—
Greece	292	520	—
Spain	280	536	—
France	472	674	713
Ireland	285	421	543
Italy	294	561	—
Luxembourg	553	593	698
Netherlands	418	385	—
Austria	393	501	644
Portugal	281	543	—
Finland	272	306	—
Sweden	384	402	510

## ANNEX II

**List of countries referred to in Article 6**

Austria  
Sweden  
Finland

<sup>(1)</sup> Bulls offered under the scheme shall be Community financed with the rate for cows.

<sup>(2)</sup> Where no specific financing amounts are provided, steers offered under the scheme shall be Community financed with the rate of heifers.