

COMMISSION REGULATION (EC) No 1741/2006**of 24 November 2006****laying down the conditions for granting the special export refund on boned meat of adult male bovine animals placed under the customs warehousing procedure prior to export**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 1254/1999 of 17 May 1999 on the common organisation of the market in beef and veal ⁽¹⁾, and in particular Article 33(12) thereof,

Whereas:

(1) Commission Regulation (EEC) No 1964/82 of 20 July 1982 laying down the conditions for granting special export refunds on certain cuts of boned meat of bovine animals ⁽²⁾ lays down the conditions under which a special refund may be granted on boned cuts of meat of adult male bovine animals exported to third countries.

(2) For the smooth operation of the arrangements instituted by Regulation (EEC) No 1964/82, the legislator provided in particular for the possibility for operators to make use, in the case of boned meat of adult male bovine animals, of the customs warehousing or free zone procedure provided for in Council Regulation (EEC) No 565/80 of 4 March 1980 on the advance payment of export refunds in respect of agricultural products ⁽³⁾.

(3) The rules and general conditions for applying the advance payment of the refund on products placed under the customs warehousing or free zone procedure are laid down in Chapter 3 of Title II of Commission Regulation (EC) No 800/1999 of 15 April 1999 laying down common detailed rules for the application of the system of export refunds on agricultural products ⁽⁴⁾.

(4) The specific conditions for applying the advance payment on boned meat of adult male bovine animals placed under the customs warehousing or free zone procedure are laid down in Commission Regulation (EC) No 456/2003 of 12 March 2003 laying down special rules on the pre-financing of export refunds for certain beef

and veal products placed under a customs warehousing or freezone procedure ⁽⁵⁾. They were adopted to amplify and clarify the provisions of Regulations (EEC) No 565/80 and (EC) No 800/1999, particularly in terms of controls, for boned meat of adult male bovine animals.

(5) The measures introduced by Regulation (EEC) No 565/80 and the corresponding implementing measures laid down in Chapter 3 of Title II of Regulation (EC) No 800/1999 were repealed by Commission Regulation (EC) No 1713/2006. As a result of the repeal of these measures, the specific measures laid down in Regulation (EC) No 456/2003 were rendered obsolete and were also repealed.

(6) Advance payment of the refund on boned meat of adult male bovine animals under the customs warehousing procedure has been and is still used for exports to third countries. The interest in this system shown by operators is due in particular to the flexibility which it offers for the preparation of orders, especially the possibility for operators to store the meat for a maximum period of four months prior to export and freeze it during that period of intermediate storage.

(7) In the absence of new provisions, operators will lose the flexibility provided by the previous procedure and will encounter additional difficulties on external markets in exporting boned meat of adult male bovine animals. The consequences of the repeal of those measures should be restricted as far as possible. To achieve that, operators should be able to continue to place boned meat of adult male bovine animals under the customs warehousing procedure prior to export, and the conditions for granting the special refund on such meat when exported after storage should be laid down.

(8) Within that framework, it is essential to specify the conditions for meat entering that regime and, in order to ensure the traceability of the meat of adult male bovine animals during storage, provision should be made for operators to set up and update a computerised database approved by the customs authority beforehand.

⁽¹⁾ OJ L 160, 26.6.1999, p. 21. Regulation as last amended by Regulation (EC) No 1913/2005 (OJ L 307, 25.11.2005, p. 2).

⁽²⁾ OJ L 212, 21.7.1982, p. 48. Regulation as last amended by Regulation (EC) No 1713/2006 (OJ L 321, 21.11.2006, p. 11).

⁽³⁾ OJ L 62, 7.3.1980, p. 5. Regulation as repealed by Regulation (EC) No 1713/2006.

⁽⁴⁾ OJ L 102, 17.4.1999, p. 11. Regulation as last amended by Regulation (EC) No 1713/2006.

⁽⁵⁾ OJ L 69, 13.3.2003, p. 18. Regulation as repealed by Regulation (EC) No 1713/2006.

- (9) To improve the transparency of operations and increase the speed and effectiveness of controls, the number of declarations of entry into storage that may be submitted per boning operation and the number of boned meat certificates involved in entry into the supervised storage arrangements should be restricted.
- (10) For the smooth operation of the regime, provision should be made for derogations from Commission Regulation (EC) No 1291/2000 of 9 June 2000 laying down common detailed rules for the application of the system of import and export licences and advance fixing certificates for agricultural products⁽¹⁾, in particular as regards the moment when the licences are to be presented and attributed and management of the associated security.
- (11) A maximum storage period should also be laid down and the operations that may be carried out during that period specified.
- (12) The criteria for controls during the storage period should also be laid down, and their frequency and the consequences to be drawn in the event of discrepancies between the data recorded in the database and actual stocks specified.
- (13) The measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Beef and Veal,
- (b) 'customs warehousing procedure' means the procedure as defined in Article 98(2) of Council Regulation (EEC) No 2913/92⁽²⁾;
- (c) 'operator' means the exporter as defined in Article 2(1)(i) of Regulation (EC) No 800/1999;
- (d) 'boning operation' means the meat boned on a single day or part of a day;
- (e) 'boned meat certificate' means the certificate referred to in Article 4(1) of Regulation (EEC) No 1964/82.

Article 3

Admission to the customs warehousing procedure

1. Admission of boned meat of adult male bovine animals to the customs warehousing procedure shall be conditional on the issue of written authorisation by the customs authority responsible for the management and control of the scheme.

2. The authorisation referred to in paragraph 1 shall be issued only to operators giving a written undertaking to maintain a computerised database of products to be placed under the customs warehousing procedure (hereinafter called the database) and to ensure that storage will only be carried out in the Member State in which the authorisation has been granted and in the places covered by such authorisation. Where the products are stored in more than one place, authorisation may be granted for a database for each warehouse.

Where all or part of the goods are stored by a third party acting on behalf of the operator, the database may be maintained by that third party on the responsibility of the operator, who shall remain answerable for its accuracy.

The customs authority shall make prior checks to ensure that the database, to which it must have direct access without any need for prior notification, has been set up and is operational. The authorisation referred to in paragraph 1 shall lay down the procedure for accessing the database.

Article 4

Entry into storage

1. Operators with the authorisation referred to in Article 3(1) shall submit to the customs authority a declaration of entry into storage stating their intention to place fresh or chilled boned meat of adult male bovine animals under the customs warehousing procedure pending its exportation. That declaration may only be submitted in the Member State in which the boning operation was carried out.

HAS ADOPTED THIS REGULATION:

Article 1

Scope

Without prejudice to Regulation (EC) No 800/1999 and Regulation (EEC) No 1964/82, payment of the special export refund on boned meat of adult male bovine animals placed under the customs warehousing procedure prior to their exportation shall be subject to the conditions laid down in this Regulation.

Article 2

Definitions

For the purposes of this Regulation:

- (a) 'boned meat of adult male bovine animals' means products falling within codes 0201 30 00 9100 and 0201 30 00 9120 of the agricultural product nomenclature for export refunds established by Commission Regulation (EEC) No 3846/87⁽²⁾;

⁽¹⁾ OJ L 152, 24.6.2000, p. 1. Regulation as last amended by Regulation (EC) No 1713/2006.

⁽²⁾ OJ L 366, 24.12.1987, p. 1.

⁽³⁾ OJ L 302, 19.10.1992, p. 1.

The declaration shall include a description of the products in accordance with the export refund nomenclature code for meat to be placed under that regime, their net weight and all data required for the precise identification of the meat and the locations in which it is to be stored until it is exported.

It shall be accompanied by the boned meat certificate(s) and copy No 1 of the export licence currently valid which, by way of derogation from 24(1) and (2) of Regulation (EC) No 1291/2000, shall be presented to the customs authority together with that declaration of entry into storage.

2. A maximum of two declarations of entry into storage under customs supervision may be accepted for each boning operation. A declaration of entry into storage may refer to a maximum of two boned meat certificates.

3. The date of acceptance of the declaration of entry into storage, the number of the boned meat certificate(s) accompanying boned meat of adult male bovine animals on entry into the customs warehousing procedure, the number of boxes per type of cut, the identification details and the weight of such meat shall be entered in the declaration of entry into storage.

The information referred to in the first subparagraph shall be entered in such a way that a clear link can be established between the different meats entered into storage and the corresponding certificates.

The date of acceptance of the declaration of entry into storage, the weight of the meat and the number of the declaration of entry into storage shall be immediately entered in boxes 10 and 11 of the boned meat certificate.

4. The declarations of entry into storage shall be sent through administrative channels to the body responsible for paying the export refund. The same shall apply for boned meat certificates for which all quantities available have been attributed.

5. After attribution and endorsement by the customs authority, copy No 1 of the licence shall be returned to the operator.

6. By derogation from Article 31(b) of Regulation (EC) No 1291/2000, in the case of boned meat of adult male bovine animals placed under the customs warehousing procedure prior to export, the obligation to export shall be considered to have been fulfilled and the right to export under the licence or certificate shall be considered to have been exercised on the day when the declaration of entry into storage is accepted.

The primary requirement shall be considered to have been fulfilled when proof of acceptance of the declaration of entry into storage is provided. For the provision of proof, Articles 33 and 35 of Regulation (EC) No 1291/2000 shall apply *mutatis mutandis* as required.

7. The date of acceptance of the declaration of entry into storage shall determine the type, quantity and characteristics of the products selected for payment of the refund in accordance with Article 10.

8. Boned meat of adult male bovine animals for which a declaration of entry into storage is accepted shall be subject to a physical check relating to a representative selection of at least 5 % of accepted declarations of entry into storage.

Article 3 of Council Regulation (EEC) No 386/90 ⁽¹⁾ and Article 2(2), Articles 3, 4, 5 and 6, Article 8(1) and (2), the first subparagraph of Article 11 and Annex I to Commission Regulation (EC) No 2090/2002 ⁽²⁾ shall apply *mutatis mutandis*.

By derogation from the first subparagraph, the physical check may cover a smaller percentage of declarations of entry into storage accepted, but not less than 2 %, where the customs authority uses a risk analysis taking account of the criteria provided for in Commission Regulation (EC) No 3122/94 ⁽³⁾.

Article 5

Traceability of the meat

The database must:

- (a) permit the meat covered by the arrangements to be traced administratively throughout the period of storage;
- (b) provide an up-to-date report in real time of the quantities of meat in storage, which must be available on the basis of each of the criteria referred to in the third subparagraph.

Traceability as referred to in the first subparagraph, point (a) above shall be based on a unique identification reference assigned to meat from one boning operation carried out before the products concerned are placed under the customs warehousing procedure.

The unique identification reference referred to in the second subparagraph shall comprise:

- (a) a unique number;
- (b) the date of production;

⁽¹⁾ OJ L 42, 16.2.1990, p. 6.

⁽²⁾ OJ L 322, 27.11.2002, p. 4.

⁽³⁾ OJ L 330, 21.12.1994, p. 31.

- (c) the number of the boned meat certificate;
- (d) the number of boxes per type of cut obtained and the net weight measured on entry into the customs warehousing procedure.

Article 6

Updating the database

1. The database shall be kept up to date and shall indicate the entry into and the removal from storage of products up to the day of presentation of:

- (a) the declaration of entry into storage referred to in Article 4(1);
- (b) the export declaration referred to in Article 5 of Regulation (EC) No 800/1999.

2. The customs authority shall accept the declarations referred to in paragraph 1 only after verifying that the operation for which the declaration has been issued is entered in the database as an 'entry' or a 'removal'.

However, the customs authority may accept declarations as referred to in paragraph 1 before making the check referred to in the first subparagraph. In such cases, the operator must confirm to the authority that the relevant entry has been made in the database. The customs authority may thus postpone and group these checks but must carry them out at least once in each period of two calendar months.

Article 7

Duration of storage

1. Boned meat of adult male bovine animals may remain under a customs warehousing procedure for a maximum of four months from the date of acceptance of the declaration of entry into storage referred to in Article 4(1).

2. Where an operator fails to comply with the time limit referred to in paragraph 1, or withdraws part of the products placed under the customs warehousing procedure from supervision, the obligation to export shall be deemed not to have been met for the quantity concerned.

The customs authority which accepted the declaration of entry into storage referred to in Article 4(1) or the body responsible for payment of the export refunds referred to in Article 9(3) shall immediately inform the body which issued the export licence thereof. In particular, it shall notify them of the

quantity and type of the products in question, the number of the licence and the date of attribution concerned.

3. Where the obligation to export is not complied with, the authority which issued the licence shall apply Article 44 of Regulation (EC) No 1291/2000 *mutatis mutandis*.

Article 8

Operations during storage

1. During the period of storage referred to in Article 7, boned meat of adult male bovine animals may undergo, in accordance with the conditions laid down by the customs authority, a change of labels, freezing or, where applicable, repackaging, provided that:

- (a) the individual packaging of each piece of meat is not impaired or altered;
- (b) the link to the original label is maintained and the traceability of the meat as referred to in Article 5 is not compromised.

Where the operations referred to in the first subparagraph take place, they shall be recorded in the database and a clear link shall be established with the declaration of entry into storage and the corresponding boned meat certificate(s).

2. Any refund on products which have undergone operations as referred to in paragraph 1 shall be determined on the basis of the quantity, type and characteristics of the meat existing at the date on which the declaration of entry into storage is accepted in accordance with Article 4(3).

Any weight loss occurring during storage in a customs warehouse shall not be taken into account if it is due exclusively to natural causes. Damage occurring to products shall not be considered to be weight loss due to natural causes.

Article 9

Export formalities

1. When the customs formalities for the export of boned meat of adult male bovine animals placed under a customs warehousing procedure in accordance with this Regulation are carried out, the number of the declaration(s) of entry into storage and the quantities exported for each declaration of entry into storage shall be entered under the supervision of the customs authority on the export declaration(s) referred to in Article 5 of Regulation (EC) No 800/1999.

2. The export declaration shall be submitted by the last day of the time limit referred to in Article 7(1).

3. When the customs formalities for export have been completed, the copy of each export declaration shall be sent through administrative channels to the body responsible for paying the export refunds.

Article 10

Grant of the refund

1. Payment of the refund shall be made by the Member State in which the declaration of entry into storage was accepted in accordance with Article 4(1).

2. When the quantities corresponding to a declaration of entry into storage have been exported, the operator shall have the right to payment of the refund on those quantities, provided that the other conditions of the Community rules on exports with a refund, in particular those laid down in Article 6 of Regulation (EEC) No 1964/82, in Article 21 and in Title IV of Regulation (EC) No 800/1999, have been met.

When an operator has made use of the provisions of Article 24 of Regulation (EC) No 800/1999, prior to release of the corresponding security, the body responsible for paying the export refund shall ascertain in particular that the provisions of Article 6 of Regulation (EEC) No 1964/82 have been complied with.

3. When an operator fails to comply with one or more of the time limits laid down in Article 7(1) of this Regulation and in Articles 7(1) and 15(1) of Regulation (EC) No 800/1999, the applicable export refund shall be corrected, except in cases of *force majeure*, as follows:

- (a) the refund shall first be reduced by 15 %;
- (b) the resulting refund shall then also be reduced by:
 - (i) 2 % for each day after the expiry of the time limits referred to in Article 7(1) of this Regulation and Article 15(1) of Regulation (EC) No 800/1999;
 - (ii) 5 % for each day after the expiry of the time limit referred to in Article 7(1) of Regulation (EC) No 800/1999.

When the documents referred to in Article 49(2) of Regulation (EC) No 800/1999 are produced within six months after the expiry of the stipulated time limit, the refund, as established where applicable in accordance with the first subparagraph, shall be reduced by an amount equivalent to 15 % of the refund that would have been paid if all the time limits had been met.

Article 50(3), (4) and (6) of Regulation (EC) No 800/1999 shall apply *mutatis mutandis*.

Article 11

Checks on storage

1. The customs authority shall carry out at least two unannounced checks per calendar year on the operation and content of the database.

Such checks shall cover a total of at least 5 % of the total quantities of products that, according to the database, are in storage on the day checks begin. These checks shall ensure that the meat located on the storage premises is entered in the database and that, conversely, the meat entered in the database can be identified on the storage premises.

A report shall be drawn up for each check.

2. The customs authority shall inform the body responsible for paying the export refund of:

- (a) all authorisations granted, suspended or withdrawn;
- (b) all checks carried out.

Where there is presumed to be a risk of an irregularity, the bodies responsible for paying the refund may request the customs authority to carry out a check.

Article 12

Penalties

Where the customs authority finds a discrepancy between the physical stock and the stock recorded in the database, the authorisation referred to in Article 3(1) shall be suspended for a period to be determined by the Member States, which may not be less than three months from the date on which the problem is detected. During the period of suspension, the operator is not authorised to place boned meat of adult male bovine animals in a customs warehouse under this Regulation.

Authorisation shall not be suspended where the discrepancy between the physical stock and the stock registered in the database is the result of *force majeure*.

Authorisation shall also not be suspended where the quantities missing or not entered in the database do not exceed 1 % of the total weight of products selected for the check and are due to omissions or simple administrative errors, provided that corrective measures are taken to ensure that similar errors do not recur.

If they recur, the customs authorities may then withdraw authorisation definitively.

Article 13

Notification to the Commission

Member States shall notify the Commission of the quantities of boned meat of adult male bovine animals placed under the customs warehousing procedure prior to export in accordance with this Regulation, with a breakdown of those quantities by 12-figure code of the agricultural product nomenclature for export refunds established by Regulation (EEC) No 3846/87.

Member States shall take measures to ensure that the notification is made no later than the second month following the month in which the declaration of entry into storage is accepted.

Article 14

Entry into force

This Regulation shall enter into force on the 20th day following its publication in the *Official Journal of the European Union*.

It shall apply from 1 January 2007.

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

Done at Brussels, 24 November 2006.

For the Commission
Mariann FISCHER BOEL
Member of the Commission
