



## Executive Summary Annual Report (2010) on the Hungarian MANCP



## Introduction

**This document is an executive summary of the annual report on the Hungarian MANCP for 2010.**

In the last few years the Hungarian institutional system had to face with many reorganizations, which all affected the Multi-annual National Control Plan (MANCP). The current MANCP was prepared to become a strategic paper which is stable independently from government changes, so the time horizon was set to 5 years (2010-2014).

During the first MANCP beside the Central Agricultural Office (CAO) and Ministry of Agriculture and Rural Development, two other ministries (Health and Social Affairs and Labour) and two other official control bodies (National Office of the Chief Medical Service / National Public Health and Medical Officers Service and the Hungarian Authority for Consumer Protection) were involved in the scope of MANCP.

Due to legislative and structural changes now all of the MANCP scopes are controlled by CAO and Ministry of Rural Development, and the CAO is in charge of the control policy of all of the official controls with regard to Regulation (EC) No 882/2004.

The range of tasks of the CAO is very wide, it includes controls of soil and plant protection, plant health, animal health and animal welfare, feed and food and many other agricultural fields which are not part of the food chain. The CAO operates as an authority for plant production, soil protection, food-chain control, breeding, forestry, hunting, fishing, wine-grading, pálinka (brandy) controlling and serves as agricultural managerial authority and an agricultural damage assessment organization.

The controls of the food chain include product testing for safety and quality and complete inspection of establishments at all stages of the chain (including retail and catering as well).

The scope of this document is to provide information in a standardized format on the most important findings of the 2010 annual report.

## 1 Overall effectiveness of controls

### 1.1 Results of main performance indicators

The main strategic objectives of the new MANCP can be grouped around the following five fields: appropriate legislation, appropriate technical background, well trained and prepared staff, effective management and modern methods (as shown in [Annex 1](#)).

Progress was achieved in training, planning and management areas and in the uniformisation of authority's work.

The results of the audit of the fulfillment of the operational (annual) objectives showed that the most important influence on the strategic objectives was posed by the parliamentary elections, formation of new government, restructurisation of the competent authorities and the needed

legislative work, and this is the reason why the objectives related to the institutional work, organizational and legislative matters were fulfilled in higher proportion.

As an outcome of the analysis of 2010 indicators, the following areas were identified, where significant improvement was needed.

The planning process has been changed a lot, since it lacked cost-effective and systematic approach. During 2009 some changes were implemented, but this high priority area remained very important and to be extended to other fields of the food chain control.

The enhancement and consolidation of the data collection systems should be continuous and of increasing importance.

After introduction in 2009, the e-Learning educational system was introduced to many fields next year, to become a cost-effective training system and helping the testing procedures and the identification of training needs.

## **2 Key data on controls**

### *2.1 Significant developments in relation to main priorities*

As described in the previous point, the most important influence on the strategic objectives was posed by the parliamentary elections, formation of new government, restructurisation of the competent authorities and the needed legislative work. Therefore the priorities of the strategic objectives were defined to serve this demand in 2010, not losing the other long-term objectives from the sight.

### *2.2 Significant developments in relation to risk assessment criteria*

The control checks were carried out on risk assessment basis in the field of animal health, food and feed safety. The establishments are prioritized and grouped based on type, results of previous controls and a risk-assessment checklist. In 2010 changes were made to the risk based methodology: the risk based planning used in 2009 was changed, due to some shortcomings, like the local risk factors were not included in proper way, the limitations in human resources and the costs were not taken into consideration, nor the advices of risk assessors. The 2010 risk based planning was changed to improve planning in those areas.

The risk based planning process is demonstrated in [Annex 2](#). During the central and local risk based planning the product control (monitoring) and the process control (establishment control) is linked, letting an effective data utilization.

It is important to emphasize that there is a two level risk based planning: central and local. The task of the central level is to elaborate, operate and review the planning process, and the supervision of different risk factors, their weighting system and the algorithms behind the process.

The task of the local level is to optimize controls system performance with expertise and local control knowledge.

The planning process slightly differs in our major fields (food&feed, animal health, plant health), but we plan to extend the approach used in food&feed control planning.

The planning starts with risk assessment together with the Hungarian Food Safety Office (HFSO – body responsible for scientific advice and risk assessment). The risk assessment targets matrix (product) – parameter (hazard) pairs. The result is a ‘risk assessor priority list’ (risk ranking) with relative risk scores within every hazard group – grouping based on Eurostat description. The CAO plans to extend this risk ranking to a higher level i.e. between hazard groups after all fields of food chain will be covered by this step of prioritization.

The ‘risk assessor priority list’ is then used as an input for ‘risk management priority list’ which differs from the previous risk ranking; here other than scientific factors are considered. The ‘risk management priority list’ is used as a core list for product sampling and establishment control planning process (since the product produced is an important risk factor for FBOs). After central planning the local level targets its samplings and control due to its knowledge (described in details in next chapters).

### *2.3 Main trends in intensity and type of controls*

The 2010 key data on controls (comparing 2009 similar data) are presented in [Annex 3](#).

The number of inspections generally remained at the same level, in some fields slightly decreased. The animal welfare controls are triggered by all animal transport, therefore the number of such inspections highly depends on the number of transport. Excluding those controls, the number of overall controls increased comparing to 2009 (199438 and 209268 in 2009 and 2010, respectively).

Controls are mostly carried out on risk basis, but the authority also has performed special controls in certain periods of the year, characterized by the FBO activities and food consumption trends. The special inspections often took place involving other official control bodies (e.g. police, Hungarian Customs and Financial Guard, etc.).

## **3 Trend analysis of non compliance**

### *3.1 Statement of overall trends in compliance*

Compared to 2009 the overall ratio of non-compliance is slightly decreasing, based on the results of the official controls, the overall law enforcement and compliance of FBOs improved. Increasing non-compliance was detected in the veterinary product sector.

### *3.2 Main types of non-compliance*

Deficiencies were mostly of administrative nature, but also shortcomings in applied technology and labeling were detected. Results of laboratory analyses have shown mainly microbiological and organoleptical failures.

### 3.3 *Underlying causes*

The main reason of non-compliance was the financial status of the FBOs. In most cases staff is short for administration and FBO's don't have resources for maintenance or technological development.

The trend analysis of non-compliance is presented below by action fields of the Central Agricultural Office.

#### *Soil conservation*

The characteristic of non-compliance has not changed in the last two years, mainly the soil conservation requirements were not fulfilled and to a smaller extent infringements related to nitrate directive were committed. During control of yield enhancing substances and EC-chemical fertilizers very small number of non-compliances were found. In the last few years the level of non-compliances has not change, the actions required by the authority were taken by the operators.

#### *Plant health*

18 non-compliances were sanctioned with fines. The typical non-compliances were: distribution without plant health authorization, lack of plant passport, lack of phytosanitary registration number in distribution of potatoes, violation of the technology prescribed in the quarantine notice.

The number of export inspection increased by 30%, and there were no refusals from the importing third countries.

The number of inspection of imported lots decreased a bit, the refusal of imported products decreased to a larger extent (by 30%).

The number of inspection of distribution and production of plant propagation materials decreased, the non compliance ratio increased by 10% and 80% more fines were imposed. The number of restricted FBO activities increased by 40%.

In the interim plant health sector 80% more non compliance was found during field inspections. In 2010 similar number of lots was tested in CAO's laboratories as in 2009; however the ratio of infected plants has doubled.

#### *Plant protection*

The non-compliance of usage of plant protection products has been decreased by 75%. The main deficiency was with administrative record keeping of usage of pesticides. During inspection of storage of plant protection products no undue circumstances were detected.

One of the main activities of the plant protection authority is the investigations of exposure of water bodies and the surrounding areas to spray drift. These inspections are based on notifications taken by the consumers. The spray drift can cause crop loss or crop elimination. The reason of risk of spray drift is that the farmer is not taking into consideration the safety requirements of spraying ie. wind speed, buffer and safeguard zone establishment, pesticide properties etc.

In 2010 during the inspection of distribution and marketing of plant protection products 30% less non compliances were found which was similar as in 2009. Typical non compliances are labeling, packaging and administration failures.

The plant protection fine was decreased by 30 % in case of ragweed control.

In agri-environment sector the low ratio of non compliance further decreased, no case of non compliance was detected in 2010.

#### *Control of food of plant origin*

There were no significant changes in the number of official quality inspection of food of plant origin and in non compliance. However the amount of fines increased due to the multiplier factors (ie. repeated non compliance by the same FBOs and larger lots).

There were six times more targeted inspections on aflatoxin contamination in food of plant origin, no contaminated products have been found.

#### *Veterinary medical products*

Number of on spot inspections with detected non compliance increased by 60%, amount of fines by 130%.

The most common offences were marketing of the products with non-approved labelling or product leaflet and violating the rules concerning the breakability of collective packaging.

The most serious revealed offences were the inadequate indication of study results on the quality certificate of vaccines produced for a third country, listing herbal extracts as components on the quality certificate, packaging and product leaflet of products containing active ingredients like antibiotics, manufacturing and marketing of veterinary medicinal products as if were borderline products, misdirection of customers and illegal manufacturing and marketing of products for lack of a valid marketing authorization

#### *Food and Feed Safety*

In 2010 similar number of establishment have been inspected as in 2009. Despite of decreasing on spot product controls the number of detected non compliance has doubled due to targeted controls. Most deficiencies were of microbiological and organoleptical origin. Amount of imposed fines decreased by 25%.

Compared to 2009 findings less food borne diseases were reported however number of infected consumers increased.

#### *Winery products*

Compared to 2009 inspectors have found 45% less disapproved and 70% less false products. The non compliance rate decreased from 30% to 20% and in accordance to the findings less fines have been imposed.

## **4 Enforcement trends: Actions taken in cases of non compliance**

The 2010 key data on actions taken in cases of non-compliance (comparing 2009 similar data) are presented in [Annex 4](#).

Generally, the number of different sanctions slightly decreased, comparing to 2009, however the data are hardly comparable, since a different data collection system was used in those years.

## 5 National System of audits

### 5.1 Number of audits and sectors covered

Audits are carried out on two levels:

- ★ “Audits” carried out by the CAO System Management and Supervision Directorate (SMSD) Supervision Unit (SU) covering all the sectors and all the activities performed by the central and counties competent authorities; this is rule compliance and process audit.
- ★ “Internal checks” carried out by the CAO Directorates concerning all the specific areas and covering the audits over the County AO’s Directorate for Food Chain Safety and Animal Health Protection activities; this is only rule compliance audit

#### *Audits*

SMSD SU performed 13 audits on county and local level in three sectors:

- ▶ Effectiveness of on spot inspections of official veterinarians
- ▶ On spot inspection of usage of Plant Protection Products
- ▶ Handling of Epidemiological Kits in District Offices

Beside this two audits were carried out to control actions of ecological production certifying bodies.

#### *Internal checks*

CAO Directorates performed 106 internal checks.

### 5.2 Main results

Audits have shown a 74% compliance rate. The most important deficiencies were the not proper usage of the electronic data system (lack of recording the inspection data), the not due thoroughness of controls and some inconsistencies in drawing findings and conclusions.

The compliance rate of internal checks was over 90%. Main deficiencies were found in the controls of catering and approved establishments. A detailed audit report can be found on the website of CAO:

[http://www.mgszh.gov.hu/szakteruletek/szakteruletek/rfi/szakteruletek\\_rfi/szfo\\_rfi/osszefoglalok](http://www.mgszh.gov.hu/szakteruletek/szakteruletek/rfi/szakteruletek_rfi/szfo_rfi/osszefoglalok)

### 5.3 Main actions taken

After each audit or internal check the inspected authority prepared an action plan which was to be reconsidered by the auditing body. The realization of the action plan was controlled.

The SMSD SU prepared annual audit report, conclusions of this report are basis of future development of CAO.

## 6 Resources

### 6.1 Funding for programmes

Budget of Central Agricultural Office and County Agricultural Offices in 2010 was the following.

Revenue	Million HUF	Million EUR	%
Public funding	15'324	54,7	50,2%
Fees	10'710	38,3	30,1%
Fines	1680	6,0	5,5%
Public service incomes	2140	7,6	7%
Other	700	2,5	2,2%
<b>Total</b>	<b>30'554</b>	<b>109,1</b>	<b>100%</b>

### 6.2 Staff

The staff of Central Agricultural Office and County Agricultural Offices in 2010 was the following.

Level	Authority	Laboratory
Central level	184	216
County level	1528	374
<b>Total</b>	<b>1712</b>	<b>590</b>

### 6.3 Laboratories network & NRLs

The CAO Food and Feed Safety Directorate operates 5 central reference laboratories and 9 regional laboratories; the CAO Directorate of Plant Protection, Soil Conservation and Agri-environment supervises the work of 16 laboratories, the CAO Directorate for Veterinary Diagnostics operates 1 central and 2 regional laboratories, the CAO Directorate of Veterinary Medicinal Products operates 2 and the CAO Winery Directorate operates 2 laboratories. The laboratories have accredited status.



## **7 Actions taken to improve performance of control authorities**

### *7.1 Proposed changes to MANCP*

The new MANCP version has the concept of a strategic document, so it describes main areas of organization's development. Changes in structure of the organization, role of risk based planning and applied training methods are presented in MANCP.

The new MANCP had been constructed to ensure a more coherent, transparent and systematic approach, and to emphasize the importance of risk based planning and control. To fulfill those criteria, a significant change of the structure and content of the document had been introduced. The most important change – and a step towards uniform control system and resource allocation – is in risk based planning.

Due to the experiences from the first year of new MANCP, the following improvements or future development areas could be drafted:

- ★ Coherent MANCP along food-chain;
- ★ Detailed elaboration of professional strategic objectives beside the existing functional ones;
- ★ Uniform (modular) model for risk assessment (CAO-HFSO);
- ★ Exploring sophisticated methods (e.g. data mining, network science);
- ★ Towards full risk based prioritization and resource allocation.

### *7.2 Legislation*

As described in previously, the most important influence on the work of CAO was posed by the parliamentary elections, formation of new government, restructurisation of the competent authorities and the needed legislative work. In 2010 17 sectorial decrees have been published and 9 new legislative acts regulate official acts and functions of competent authorities.

### *7.3 Organisation*

After the elections in Hungary the new Ministry for Rural Development (MRD) has been formed. State secretary of the MRD – who is the chief veterinary officer – supervises CAO.

At CAO the System Management and Supervision Directorate has been established, which unit is responsible for the MANCP, risk based planning, training and audits.

#### 7.4 Procedures

Altogether 117 documented procedures, circulars regulate official actions in different sectors.

Sector	Number of documents	Sector	Number of documents
Soil conservation	7	Animal Health	31
Plant protection	2	Animal Welfare	2
Plant health	6	Winery	6
Feed safety	9	Waste of animal origin	26
Food safety	22	Other	6

#### 7.5 Information systems

The CAO operates a common information system (National Animal Health Information System) which covers food- and feed-safety, animal health, animal welfare and veterinary product sector. Other sectorial systems are used for agri-environment, soil protection, winery and common systems of the european authorities are also used.

In 2010 a major update to the National Animal Health Information System was made with new functions (e.g. risk based planning module for control and sampling) published.

#### 7.6 Training

To take appropriate action to improve the knowledge of the staff, the CAO is responsible for organising professional trainings, and uses the "training the trainers" principle accompanied by the e-Learning system reaching all the staff. The newly developed e-Learning system had been introduced – first as a pilot project – in 2010, and the role of this system is constantly increased. The trainings are coordinated centrally (in the framework of annual objectives breakdown) at national level. The training needs are assessed / monitored through several tools: the usual audit process, during the live trainings, as well as with the help of the dedicated e-Learning system (evaluation of test results, discussion groups, etc.).

The effectiveness of the trainings is assessed through tests (obligatory in the e-learning system) and questionnaires (satisfaction evaluation) at the end of the trainings (live trainings as well as electronic ones), and of course the regular audit process gives feed-back on this issue as well.

In 2010 8 e-Learning campaigns have been carried out with 1224 participants and trainings were held on 55 tasks.

## **8 Actions taken to improve performance of food business operators**

### *8.1 Training programmes*

The CAO organized different programs for FBOs, the most important areas were vegetable and fruit distribution, authorization of veterinary medical products, impacts of salmonellosis, food borne diseases, aspects of food safety and meat hygiene in the catering sector.

### *8.2 Information campaigns*

Every summer information campaign is held for FBOs about regulations concerning food distribution and catering, CAO organizes those together with other authorities (consumer protection, public health service, tax- and customs authority).

### *8.3 Guides to good practice*

Altogether 22 Guides to Good Practice have been published on the website of Ministry of Rural Development (<http://www.vm.gov.hu/main.php?folderID=2022>) in the period of 2008-2010.

**Annex 1.****Strategic objectives of the Hungarian MANCP 2010-14.****I. Proper regulation**

1. integrated, coherent legislative background;
2. common publication and availability of professional legislative materials;
3. coherent operational procedures and administration;
4. delegation of tasks reflecting the structural background

**II. Proper technical background**

1. development of professional software systems;
2. fighting administrative burdens (e.g. automated reports);
3. facilitating mobile working;
4. electronic administration for partners

**III. Skilled professionals**

1. coherent professional educational system;
2. e-learning;
3. facilitating the flow of information among officials;
4. active participation in university and postgraduate education in food-chain fields;
5. human resource management driven by tasks;
6. targeted leader trainings

**IV. Effective organisation of tasks**

1. coherent and direct command line;
2. transparent and calculable planning system;
3. declared human resource for priority tasks;
4. development of cooperation with other authorities;
5. preparation of annual development plan;
6. preparation of annual control and sampling plans;
7. preparation of annual educational plan;
8. preparation of annual audit plan

**V. Modern methods**

1. professional, legal, economical, informatical and communication strategies;
2. risk based planning;
3. involvement of NGOs into control;
4. integrated data collection system;
5. quality control system;
6. education for consumers and FBOs;
7. constant risk communication;
8. preparation for HU2011 EU Presidency



**Annex 3.****Control data 2009-2010.**

Sector	Number of inspections		Non compliance	
	2009	2010	2009	2010
Soil protection	2186	2431	no data	no data
Plant health	47'632	55'125	195	211
Plant protection	24'279	23'254	6953	6335
Vegetable & Fruit control	40'476	39'935	1024	827
Veterinary Products	78	105	78	105
Animal Health	7261*	13'492	1880*	1407
Animal Welfare	169'625	146'273	3057	2869
Feed safety	2924	2049	350	139
Food production	14'412	12'975	no data	no data
Food distribution	28'110	27'206	no data	no data
Catering	24'573	25'343	no data	no data
Winery	5772	4843	1625	1014
Imports of plant origin	75	429	0	0
Imports of animal origin	1660	2081	618	573
<b>Altogether</b>	<b>369'063</b>	<b>355'541</b>	<b>15'780</b>	<b>13'480</b>

\* Data from the interval April-December 2009.

Sector	Lots inspected on spot		Non-compliant lots		Lots inspected in laboratory		Non-compliant lots	
	2009	2010	2009	2010	2009	2010	2009	2010
Soil protection	no data	no data	6	8	no data	no data	no data	no data
Plant health	2560	2660	38	45	13'567	13'163	228	430
Plant protection	no data	no data	no data	no data	3036	3424	24	29
Vegetable & Fruit control	40'476	39'935	1029	827				
Veterinary Products	no data	no data	38	48	540	626	540	22
Animal Health	no data	no data	no data	no data	no data	1'709'663	no data	110'011
Feed safety	no data	no data	no data	no data	3273	2788	190	130
Food safety	121'739	103'753	2466	4144	no data	69'845	no data	5072
Winery	2301	1305	807	549	3471	3538	878	465
Imports of plant origin	75	429	0	0	42	69	0	0
Imports of animal origin	1660	2081	618	573	no data	no data	no data	no data
<b>Altogether</b>	<b>168'811</b>	<b>150'163</b>	<b>5002</b>	<b>6194</b>	*	*	*	*

\* Due to different data composition summing up is not relevant.

**Annex 4.****Sanction data 2009-2010.**

Sector	Admonitions/Reminders		Fines imposed		Suspensions, businesses closed	
	2009	2010	2009	2010	2009	2010
Soil protection	81	74	264	237	9	16
Plant health	no data	no data	10	18	60	84
Plant protection	no data	no data	6187	4968	276	471
Vegetable & Fruit control	105	114	919	713	0	0
Veterinary Products	6	15	24	17	95	56
Animal Health	858*	809	27*	442	1	41
Animal Welfare	no data	no data	22	30	no data	no data
Feed safety	245	60	98	68	4529***	3696***
Food production	844**	350	755	658		
Food distribution	2164**	1093	2148	1547		
Catering	1926**	978	2016	1606		
Winery			504	67	18	7
Imports of plant origin	0	0	0	0	0	0
Imports of animal origin	no data	no data	no data	no data	no data	no data
<b>Altogether</b>	<b>6229</b>	<b>3493</b>	<b>12 974</b>	<b>10 371</b>	<b>4988</b>	<b>4371</b>

\* Data from the interval April-December 2009

\*\* Admonitions on spot also included

\*\*\* Suspension of activities and other enforcement measures included (recall etc.)