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Page I

Executive Summary

The report describes the outcome of an audit carried out by the Food and Veterinary Office (FVO) in Mexico from 24 June to 4 July 2014. The objective of the audit was to evaluate the measures taken by the Mexican authorities to provide adequate guarantees for food safety and public health in relation to exports of horse meat to the European Union (EU) and to follow-up the recommendations of previous FVO audit reports.

The organisation of the Competent Authority (CA), the relevant national legislation and the system of official controls remain largely unchanged since the previous audits. The identification of horses normally takes place in an assembly centre a few days before slaughter or, for horses from the United States of America (US), immediately before their dispatch to Mexico. Currently 87% of the horses slaughtered in the establishments approved for export to the EU are imported from the US.

Official controls on live horses, holding registration and animal identification are in place but they are limited to a few authorized assembly centres. The national suppliers to these centres (horse dealers, holdings, ejidos - communal grazing grounds), even if registered en el Padrón Ganadero Nacional, are not controlled by the CA.

Horses in Mexico are, by default, not considered to be food producing animals until they have been designated for this purpose. Anabolic steroids and other substances which are prohibited for administration to food producing animals during their lifetime in the EU can be legally used in Mexico. Official controls on the distribution and use of veterinary medicinal products remain very weak. There is no requirement in Mexico (or the US) to keep treatment records on horse holdings. On the positive side, the National Residue Monitoring Plan (NRMP) has been largely implemented, and there have been no relevant residue findings in recent years, no findings at EU border inspection posts and no rapid alerts.

Upon arrival at the slaughterhouse horses from Mexico and the US are accompanied by owners' declarations/ affidavits (and passports for Mexican horses only) stating the medication history and a declaration on non-use of substances which are prohibited in the EU. However, there are no official controls in place to allow the CA to verify the authenticity and reliability of these documents for Mexican horses. The United States Department of Agriculture (USDA) does not take any responsibility for the reliability of affidavits accompanying US horses. Moreover, the FVO audit team collected evidence showing that affidavits are ~~often fraudulent and consequently~~ unreliable.

The word fraudulent does not describe the actual situation of the affidavits

The slaughterhouses visited were found to be generally compliant with the legal requirements (some minor deficiencies). With regard to the official controls in slaughterhouses, some deficiencies were noted in relation to post-mortem inspections in one of them and health marks were not properly designed in all three slaughterhouses. Examinations for Trichinella were generally acceptable. Regular supervisory visits are

performed and documented by the CA. However, the conclusions and recommendations were not always consistent with the observations, and no deadlines were given for the correction of non-conformities noted.

SENASICA does not agree with this statement since we provided information about the procedure that is performed when visits are carried out, likewise, mentioning that these documents were not reviewed even when they were provided electronically and upon request of the auditors at the beginning of the audit and subsequently they were given again in the closing meeting, among this documents there where forms and official letters signed by the competent central authority where the correction times and compliance terms are demanded from the establishments, according to regulation (ce) nº 854/2004 of the European Parliament and of the Council based on what is expressed on Chapter 3, paragraph 3, subsection b.

Given the availability of veterinary medicinal products prohibited in the EU, the lack of controls on live animals, the unreliability of the food chain information and weaknesses in the traceability systems in place, the CA is not in a position to provide all the necessary guarantees specified in the export certificates.

Post-mortem inspection records in two slaughterhouses indicate serious animal welfare problems during transport and/or at arrival to the slaughterhouses.

SENASICA does not agree with this statement given that during the development of this audit only the official seizures record of a single plant and of a single month was reviewed, for the case of the liver, at this point the competent central authority could not intervene in the TIF establishment upon energetic request of the auditors, due to an Official veterinarian mistake they were included in the "trauma section" instead of recording them in the "diverse section" given that during the eviscerating process the liver is cut leaving within the carcass remains of this organ, for which the MVO could not perform a correct inspection, determining its seizure for this cause, likewise, SENASICA performed a revision of all the records from this year for seizure findings and found a tendency of bad classification of the finding and thus a recording of the format derived from the format's design, besides, other lesions and seizures where identified but those does not suggest what is here expressed regarding an animal welfare problem, being unable to conclude that this deficiency presents itself as the auditors express it, besides a review of the other three establishments that have exports activity to the European Union was performed and there are no findings of this kind even if they have the same tendency in the amount of seizures for the different causes, thus asserting a bad OV decision to classify the the seizure in the wrong category, which has been worked with the OV. Likewise, the ante-mortem inspection records were reviewed and being unable to find evidence that during the arrival or transport could influence the findings in the liver.

Action plans provided following the previous FVO audits have not been adequately implemented and the overall situation remains unsatisfactory. A number of recommendations are made to the CA with a view to addressing the deficiencies identified during this audit.

Page 1

1 INTRODUCTION

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The audit took place in Mexico from 24 June to 4 July 2014 as part of the planned audit programme of the Food and Veterinary Office (FVO). The audit team comprised three auditors from the FVO.

The FVO audit team was accompanied by representatives from the Central Competent Authority(CCA), the National Service for Health, Food Safety and Food Quality (Servicio Nacional de Sanidad, Inocuidad y Calidad Agroalimentaria, - SENASICA) of the Ministry of Agriculture, Livestock, Rural Development, Fisheries and Food (Secretaria de Agricultura, Ganaderia, Desarollo Rural, Pesca y Alimentación - SAGARPA), the Animal and Plant Health Inspection Offices (Oficinas de Inspección de Sanidad Agropecuaria – OISA) ~~and the Federal Commission for the Protection against Sanitary Risks (Comision Federal para la Proteccion contra Riesgos Sanitarios – COFEPRIS).~~

SENASICA expresses concern for this type of imprecisions since at no point were the COFEPRIS personnel included neither during the programming nor the execution of the audit, not identifying the moment in which this imprecision occurred.

The opening meeting was held on 24 ~~July~~ June 2014 with the CCA in Mexico City. At this meeting the FVO audit team confirmed the objectives of, and itinerary for the audit, and additional information required for the satisfactory completion of the audit was requested.

Page 3

Competent Authorities			**Comments**
Competent Authorities	Central	1	
	Regional	3	Officials met during visits to individual establishments and livestock holdings
	Local	3	
Food production / processing / distribution – Activities			
Slaughterhouses		3	
Cutting premises		3	Integrated with the slaughterhouses
Cold Stores		2	Integrated with the slaughterhouses
Meat products establishments		0	
Horse assembly centers		4	3 authorised (integrated with the TIF establishment), ~~1 non-authorised for supply of horses to EU export slaughterhouses~~ (SENASICA requests that the visit to this place is not contemplated for not being an horse collection center that is part of the scheme of export to European Union therefore it is not regulated by SENASICA besides it is beyond the scope of the audit,)
Dealer´s premises		1	

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Laboratories	1	In-house *Trichinella* laboratory in 1 slaughterhouse

SENASICA states that non programmed facilities were also visited within the agreed schedule and that were not contemplated within the scope of the audit, such as the entrance to a non certified slaughterhouse (not active) and to the reception facilities of a municipal slaughterhouse both not regulated by this central competent authority as well as a private facility for trading of cattle, horses and sheep whose animal destination is not any national TIF establishment and much less authorized for export, since they expressed that there are too many requisites to enter the TIF system, Likewise SENASICA also manifest disagreements that the audit protocol worked with more than a month in advance and with an opening to visit all the facilities requested was not carried out by immediate changes that led to an unclear attention.

PAGE 5

Findings

5.1.1 Legislation

The national legislation remains largely as described in the 2012 FVO audit report.

Observations:

~~The Implementing Regulation concerning traceability of animals and their products (based on Articles 84 to 90 of the Federal Law on Animal Health) has entered into force.~~

The Federal Law of Animal Health was published and enter into force since 2007, thus its articles.

5.1.2.1 Organisation of Competent Authorities

The SENASICA is the CA for the issues within the scope of the audit. The 2012 FVO audit report describes its organisation.

The SINIIGA *(Sistema Nacional de Identification Individual del Ganado)* which acts under the SAGARPA is responsible for ~~issuing passports for Mexican horses and for identifying these with~~ applying the Radio Frequency Identifiers (RFID) before slaughter for export to the EU, and for registering the horses already identified in the central horse database, as well as cancel their register after slaughter.

The OISA is responsible ~~for import controls~~ for verifying the sanitary controls at the entry point to México of US horses within the scope of this audit.

Observations:

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•~~The organisation of the CA remains virtually unchanged since the 2012 FVO audit report. The only exception is the recent (April 2014) relocation of some 160 officials from the central level to regional delegations of the SAGARPA.~~

•Since the notice for the audit of 2012 the FVO, the organizational structure has remained without changes, however from April 2014, a functional reorganization was started, with the purpose of strengthening among other things, the field activities as well as the inspection and verification to commercial establishments such as pharmacies, veterinary clinics and forages, in the country's states, through 160 veterinary doctors located physically in the local SENASICA offices in the different SAGARPA Delegations in the respective States of the Mexican Republic.

5.1.2.2 Competent Authorities' powers, independence and authority for enforcement

As described in the 2012 FVO audit report the Federal Law on Animal Health under Articles 109and 110 provides the CAs with the necessary powers for inspection and enforcement.

Observations:

• The CA have sufficient powers to carry out controls on authorised horse assembly centres. In relation to controls over horse dealers and holdings and assembly centres non-authorised for direct supply to export slaughterhouses, CA powers ~~are limited and they demonstrated a reluctance to perform such controls~~ were limited at the time of the inspection due to there are implemented administrative procedures to carry out before exercise authority.

There is the National Livestock Census which is a voluntary National registry of Livestock Production Units (UPP: Unidades de Producción Pecuaria) which are those establishments where animals are raised for Livestock Services Providers (PSG: Prestadores de Servicios Ganaderos), which are those people or companies who perform activities related to the livestock sector, such as the gathering, marketing and slaughter of animals, etc, over which SENASICA has the attribution of performing authority acts related to animal health, adjusting in all cases to what is established by the Federal Law of Administrative Procedure, as well as, based on Article 51 of the LFSA, which reads: "For export purposes, the Secretariat, upon request and chargeable to the interested parties, will be able to carry out animal health and production units contamination risks control where live animals are handled, housed or raised, as well as in the establishments of Federal Inspection Type where animal origin goods and animal consumption or use products are processed in order to certify the compliance of the animal health requisites and of good livestock practices established by the country's competent authority where the goods will be destined", SENASICA developed and implemented the authorization procedure in horse assembly centers, which as a requisite must have a PSG key. Furthermore, the horse supplier registry was implemented on said centers called PSG associated, who are individuals who perform the activity of animal gathering for sending to an authorized assembly center, and that up to date are registered with their particular of fiscal address, but not with an establishment's, because they are only registering the activity they perform. Therefore, SENASICA has no possibility of visiting any non authorized establishment or recognized by it without complying with the corresponding administrative procedures.

• ~~The CA demonstrated limited powers at the Mexican border in relation to controls of horses intended to be imported from the US, in the export facilities situated on US ground~~. The CA powers at the Mexican border in the export facilities situated on US ground are related with the inspection process of the horses to be imported to Mexico and the facilities authorization. The CA can only accept horses for entry or reject them and was not responsible for the animal

Page 6

5.1.2.3 Supervision

For live horses, it should be noted, that the official supervision is limited to the authorised assembly centres. As such, it does not cover the initial elements of the chain of supply, from its origin (holdings, *ejidos* - communal grazing grounds) through intermediary dealers and non-authorised assembly centres.

Verification procedures over official controls are not established in non-authorized assembly centres.

5.1.2.4 Training of staff in performance of official controls

As indicated in the 2012 FVO audit report, there is a legal requirement for official staff to have at least 40 hours of training each year, and there is an on-line training system in place. The CCA provided some information about the training provided. The FVO audit team did not further examine this issue.

The SENASICA wants to point out that all information requested was given, and requires the report to be more specific, avoiding the adjectives as "some". If there's a requirement for more extensive information we don't have any objection in providing it.

5.1.2.6 Organisation of control systems

The current system for supervision in horse meat establishments has been described in the 2012 FVO audit report and remains largely unchanged.

The "Veterinary inspection manual for horses and their meat for export to the EU" adopted in June 2011 has been reviewed by the CA in January 2014.

Observations:

• This manual is based, as stated in the introduction, on national legislation and internationally accepted official standards, and covers among other things animal welfare, ante- and postmortem inspections, pathology, health marks, *Trichinella* and *necropsies*. The manual contains little guidance on issues other than ante- and post-mortem examination, such as audits of good hygiene practice and Hazard Analysis Critical Control Points (HACCP) systems.

• The information related to traceability issues is marginal and insufficient, in particular, in relation to the specific scope of the current audit.

SENASICA wishes to point out that the objective of the "Veterinary Inspection Manual for Horse Livestock and their meat products and by-products for Export to the European Union" was mainly to serve as a tool for the OV who work on the TIF establishments, which includes a series of steps for performing a correct inspection ante mortem and post mortem of the horses as requested for the UE. According to the recommendation 5 of the action plan for 2012 whoever SENASICA considers of relevance this observation and the manual will be reinforced with aspects of good hygiene practices and of risk analysis and of critical control points (HACCP) regarding traceability verifications it will be complemented with the existing information from other procedures.

Page 7

5.1.2.7 Documented control procedures

The FVO audit team reviewed the CA reports for controls in EU approved establishments (slaughterhouses and meat product establishments) for 2013 and 2014.

Procedures and controls over horse assembly centres are described in section 5.2.1.

Observations:

• The regional supervisors carry out a monthly inspection and the CCA carry out an annual one.

• The reports are based on the use of a check-list and contain a description of the main observations and, in most cases, conclusions and recommendations.

• ~~The conclusions and recommendations are mostly of a general character and are not consistent with findings and observations.~~

~~• The deadlines for the correction of deficiencies noted are not indicated in the reports.~~

SENASICA wants to express disagreement with this observation taking into account that where identified recommendations where is a time lapse is determined for the solution as part of the procedure provided electronically upon request of the auditors of all verifications conducted to the establishments official letters are issued and signed by the competent authority where deadlines for their observations attention are required.

SENASICA requires more specificity in the comments and to avoid subjective terms such as "mostly" every time that SENASICA's annual verifications are carried out according to the European directives and the reports of

these the findings are described and official letter is issued where the deadline to address the comments is set, subsequently the proposed action plan of the establishment is evaluated, based on the provisions regulation further evaluated (ec) no 854/2004 European parliament and of the council on the basis indicated in chapter 3, paragraph 1, clause b.,

Page 8

Findings

5.2.1 Horse identification, registration and movement control

Controls on imported horses

The procedures for the identification and controls of imported horses from the US have not changed significantly compared to the findings of the 2012 FVO audit (and those of the FVO audits in 2011 and 2010). The text below provides an update.

Of the eligible horses slaughtered for the production of meat to be exported to the EU, the CCA informed the FVO audit team that in 2013-2014 87% of the horses were imported from the US.

Imports of horses of US origin, intended for slaughter, must enter via four designated points of entry. Export facilities authorized by the Mexican CCA are situated on US territory. One point of entry can receive horses from several export facilities. At the point visited, three privately owned export facilities are available. The authorization for a single export facility is valid for two years.

The US horses must be accompanied by three documents:

• a health certificate issued by an accredited veterinarian, which has to be properly sealed and signed for an official USDA veterinarian

~~• an owner/shipper declaration stating fitness to travel to a slaughter facility, called Form 10–13 and~~
• the USDA form 10-13 (VS Form 10-13), named "Owner/Shipper Certificate Fitness to Travel to a Slaughter Facility" and

• an affidavit signed by the exporter and endorsed by a Public Notary. The affidavit is a declaration on the use of veterinary medicinal products and the non-use of certain substances during the last 180 days.

The horses are identified with a unique RFID and an adhesive back tag. Both means of identification are mentioned in the health certificate and on the Form 10-13. The horses intended for immediate slaughter are identified typically in the US collection centres or auctions prior to their shipment to the export facilities. The adhesive back tag is not a compulsory requirement for imports into Mexico, the unique RFID is compulsory.

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Observations:

• In response to recommendation No 2 of the 2012 audit report, the CCA stated that they would obtain a list of equine collection centres in the US in order to carry out audit visits of the equine collection centres/auction houses. The CCA held several meetings with the USDA. ~~However, no list of collection centres was obtained~~ and joint visits to only two assembly centres and one auction took place in the US.

We request to eliminate this observation due to that during the initial meeting presentation the main suppliers list was given, and during the final meeting a hardcopy was provided.

• At the US export facilities, the horses are subjected to a documentary, identity and physical check.

• The identification marks (RFID and back tag) of all horses in a batch are recorded in the export certificate. Horses which are not compliant are rejected, but their identifiers are not deleted from the export certificate which remains valid for the accepted horses. A further

Page 9

~~certificate~~ list of rejected horses presented to inspection is issued by the OISA ~~CA for the rejected horses~~, which is forwarded to the central office, which distributes the information about the rejected animals to the other border entry points and to the slaughterhouse of destination.

• In some cases, horses listed on the import certificate are not presented at the point of entry. While the number of such absent horses is recorded on the certificate for rejected horses, their individual identifiers are not always recorded; nor are their identifiers deleted from the export certificate. Consequently the official veterinarians (OVs) at the slaughterhouses do not receive precise information on the identification numbers of the horses which have been accepted for import at the point of entry.

• Given that most US sourced horses are not identified prior to their arrival at a collection centre or auction, usually shortly before their export to Mexico, the requirement, that they be identified and traceable for a period of at least 180 days prior to dispatch for slaughter, cannot be respected.

• The USDA do not take any responsibility for the reliability of the *affidavits* on the medical treatments of the horses or for verification that the horses have been identified for the 180 days period.

• One consignment was observed for which a certificate was issued after shipment. The date of loading of the animals as indicated on Form 10-13 pre-dated the date of certification. Despite the introduction of checks on arrival at the slaughterhouses, this discrepancy had not been identified by the CA.

• Several US certificates were observed, where the date of shipment of the US horses for EU slaughter was not declared in Form 10-13.

• The check-lists used for verification of the export facilities do not include checks on whether any contracts exist with private veterinarians in case of emergency if the animals need veterinary care. In addition, the contact details of the USDA officials were not available.

• At the export facility visited, the veterinary first aid kit was found to be dirty, to contain outof- date veterinary medicines and to be generally unfit for purpose. This was at variance with the most recent CA control report.

• At the export facility visited, two rejected horses were present. Both horses were injured (one with open wounds above both eyes, the other lame). Both had been left in pens under full sun (there is a requirement for 10% shade to be available) and had been present in the pens without veterinary treatment for at least two days.

• Rejected horses are sent back to their place of origin, but only when a truck going in that direction becomes available.

Controls on national horses:

Horse assembly centres

Horses of Mexican origin are allowed for EU slaughter only if they pass through authorized assembly centres. The horses may be sent by dealers or directly by their owner to the assembly

Page 10

Observations:
• In the assembly centres visited by the FVO audit team, the CA control results did not reflect the situation found on the spot.

• Controls did not take into account the throughput of horses passing through the centres.

• The control procedures did not request that assembly centres have a designated private veterinary practitioner in case of emergency or when animals need medical attention; and veterinary medicine records were absent in most assembly centres despite one manager informing the FVO audit team that about 1% of the animals are considered to be unfit for EU slaughter.

• The control procedures do not include a requirement to provide an overall evaluation of the results (i.e. a conclusion on whether or not the centre is compliant), nor are the actions to be taken in case non-compliances and the follow-up procedures specified. Consequently control results were seen repeating the non-compliances from previous visits.

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• No controls are carried out at dealers' premises or at the holdings of origin of the horses in order to verify the reliability of the content of the declaration and the horse passports. In addition, many regular suppliers of horses to assembly centres act as dealers but are not registered as such and are not subject to controls.

• Several horse slaughterhouses have pens which are declared as being authorised assembly centres. This means, in practice, that Mexican horses arrive without identification or passports at the assembly centres located within the TIF establishment ~~the slaughterhouse~~ facilities. On arrival and shortly before slaughter, the horses are identified with RFIDs, horse passports are issued and owners' declarations created.

• At the request of the FVO audit team, an assembly centre, not authorized to send horses to EU listed slaughterhouses, was visited. This centre was owned by an association of dealers. The dealers the FVO audit team met stated, that they sell horses to different slaughterhouses, including EU listed export slaughterhouses (directly or indirectly) and that these horses are accompanied by the official transport document *(guía de transporto)* and a sanitary certificate (for horses coming from another Federal State) but not by any other documents required for horses intended for slaughter to the EU (such as passports and *affidavits*). The horses are only identified with a hot brand. This centre, handling some 200 horses per month, has never been inspected by the CA. The FVO audit team requested the CA to provide records of horses received and dispatched for a given week, including their identification, origin and destination. The CA did not provide any records. Instead, the CA provided a statement by the president of the dealers' association that no horses were sold to EU approved slaughterhouses.

As previously mentioned, SENASICA only has the authorized Gathering Centers and their associated PSGs (which have recently been implemented) regulated, reason for which the non registered suppliers are not visited in the proposed scheme. It is important to mention that any person can move and sell animals within national territory, complying with the applicable regulations, which in the case of horses, only the transit guide is required given that there are no animal health restrictions. It is important to point out that ACC provided the auditing team with the required associated PSGs and pointed that on that date the supervision of the PSGs suppliers is not included, clarifying that the PGN record is independent from the record in the SENASICA scheme. Regarding the animal records received in the establishment, it was indicated that during that week no animals had arrived to the horse assembly center located within their facilities, for which the request was taken as fulfilled, not considering it necessary to deliver a logbook in blank, besides, it was complemented with the document of the visited gatherer confirming that they had not sent any animals to that Establishment. For this situation, we request a reconsideration of the appreciation from the audit team regarding this observation is requested, given that the AC performed various modifications to the schedule to comply with the FVO requirements, which even caused that the physical integrity of the auditing team as well as of the Mexican officials was put in risk given the insecurity conditions that prevail in our country, when visiting this assembly and slaughter center not authorized by SENASICA, given that there are many economic interests in these places and the partners could have perceived a threat with the presence of the official personnel with unwelcome results, considering that many time it is not enough to be kind to them.

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5.3.1 Veterinary medicinal products

Authorisation

The SAGARPA is responsible for the marketing authorization of veterinary medicinal products whilst the COFEPRIS (*Comision Federal para la Proteccion contra Riesgos Sanitarios* – Federal Commission for the Protection against Sanitary Risks) is responsible for the authorization of topical products for treatment against ectoparasites on animals.

Observations:

• Following the entering into force of the Regulation ~~a change~~ of the Federal Law on Animal Health of 21 May 2012, ~~marketing authorisation~~ authorized or registered product holders of veterinary medicinal products were required to review and submit dossiers to the SAGARPA by 1 July 2014 at the latest, in order to ensure that these accurately reflect the current product composition and product information (labels/packageinserts). The SAGARPA will assess those dossiers representing a significant variation of the marketing authorisation.

• In the framework of the above, and in response to recommendation No 5 of the 2011 FVO audit report, a warning "not to be administered for equines intended for human consumption" should be included in the product information of products indicated for horses and containing active substances which in the EU are banned for use in food producing animals (following Council Directive 96/22/EC), as well as certain other substances which are either prohibited or not-authorized in the absence of a MRL (Regulation (EU) No

Page 13

Distribution and use

Veterinary clinics, veterinary pharmacies and farm supply shops are the main outlets for veterinary medicinal products for horses. These outlets must register with the local SAGARPA's Delegation office where the establishment is located within 30 days of opening their business. Outlets must also employ a SAGARPA approved veterinarian.

Veterinary medicinal products containing substances which may give rise to residues in food of animal origin are generally subject to the prescription system. Group I products can be used by veterinarians only. This group includes *inter alia* hormones and psychotropics. Group II products can be sold on prescription only and include antibiotics. Group III products are available over the counter. Retail outlets and prescribing veterinarians should retain respectively originals and copies of prescriptions for at least one year for Group I substances and for at least six months for Group II substances.

Page 14

The SAGARPA staff explained to the FVO audit team that on a case-by-case basis it could allow companies to sell out existing product stock with old labels (produced before the date the new label text has been approved). The SAGARPA indicated that this would be for a period of approximately six months rather than for several years up to the expiry date of the particular batch, but could not provide a clarification on individual cases on-the-spot.

The tags of the products elaborated before the approval of the update of the LFSA's Regulation keep their validity until the expiration date, whenever the application of the legislation in Mexico is not retroactive.

In case of detecting an company that infringed the law and have a sale of veterinary drugs products without updates and restriction legends without previous authorization of extension from the Competent Authority, they will be subject to sanctions, which the legal area of SENASICA will evaluate.

According to dealers, it is normal practice to give horses an anti-ectoparasite treatment shortly before shipment to the slaughterhouse. ~~This follows a national requirement that horses should be free from certain ectoparasites when transported between states~~. The FVO audit team noted that the products seen for treatment of ectoparasites (e.g. pyrethroids and ivermectin) have a withdrawal period indicated on the label. However, such products were seldom mentioned on affidavits as horse dealers confirmed that use of these products is generally not considered as veterinary treatment.

The National requirement was modified and it´s no longer compulsory attached you will find the Thick Agreement where the requirement is eliminated.

Page 15

Controls:

The SAGARPA's State Delegations ~~local offices~~ are responsible for controls on retail outlets of veterinary medicinal products.

~~The SAGARPA conducts routine "courtesy" visits and inspections. Inspections are normally preceded by routine visits whilst only inspections can lead to administrative measures and sanctions.~~

SAGARPA performs visits of verification, inspection and supervision. The supervision visits are generally performed before the verification visits, even though they can only lead to animal health measurements and sanctions because they are the legal instrument for it. While the supervisions are for the confirmation of the general data of the establishment as input for the registers update.

The Federal Law on Animal Health empowers the SAGARPA to enter premises, to inspect these and to take zoosanitary ~~administrative~~ measures if necessary, such as cautionary seizing goods. Breaches of the Federal Law on Animal Health can be brought to the judicial system and lead to penalties for the perpetrators.

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Observations:

• One of the two non-registered outlets of veterinary medicinal products visited by the FVO audit team had, according to the SAGARPA, never been inspected because it was not marked on the front of the outlet that veterinary medicinal products were for sale. This outlet had, however, been named by the manager of a SAGARPA approved collection centre of horses, as the place from where veterinary services would be provided in case of need. Although the outlet was not registered and in operation for more than 30 days, and group II substances were being sold (and no prescriptions were present), the SAGARPA staff present did not take any action on-the-spot due to there are administrative procedures to carry out before exercise authority

All verification acts must comply with the Federal Law on Administrative Procedure on its last Amendment of April 09, 2012, articles 16 (II), 62, 63, 64, 65, 66 and 82; Federal Law on Animal Health Article 105 and 110 and its Regulation, Articles 197, 199 and 253; published on July 25, 2007 and May 21, 2012 respectively; the four establishments visited were outside what the usual verification procedure establishes and the irruption of them was not a motive for official verification.

• The other non-registered outlet had opened its business two months earlier. Within the first month the outlet had been visited by a SAGARPA inspector, who had advised the owners to register with the SAGARPA. At the time of the FVO audit visit, the owners had still not submitted the registration documents although the deadline had passed a month before. This had not been followed-up by the SAGARPA's State Delegation and although group II substances were being sold (and no prescriptions were present), the SAGARPA staff did not take action on-the-spot by the CA due to there are administrative procedures to carry out before exercise authority

~~• A third outlet had, according to the manager, been visited regularly by the SAGARPA, but no (copies of) inspection reports could be provided by the inspector or the company. The fact that the most recent certificate of the approved veterinarian covered the period 2002-2004 and the absence of veterinary prescriptions for both group I and II substances had not triggered a corrective action. No action was taken on-the-spot.~~

This point is requested to be eliminated, inasmuch as the presence of the CA that accompanied the auditing team, the person in charge of this sale point did present a report or affidavit of the last verification visit that was performed by SENASICA official personnel, which points out the alleged non compliances to the current regulations;

• The fourth outlet visited had been inspected by the SAGARPA, of which evidence was presented through inspection reports. Deficiencies had been noted during the inspections, but not in relation to the shortcomings in the administration of group I substances, the veterinary prescriptions and the labelling of a number of products.

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• The SAGARPA stated that it would require corrective actions from the ~~marketing authorisation~~ authorized or registered product holders with regard to the sale of incorrectly labelled products outside the permitted sell-out period.

• The SAGARPA does not carry out inspections on primary holdings and non-approved collection centres of horses in relation to the storage and use of veterinary medicinal products

Page 15

In relation to the points above, similar weaknesses were observed during the 2011 FVO audit. Recommendation No 8 of the 2011 FVO audit report has so far not been adequately addressed. The SAGARPA informed the FVO audit team, however, that ~~staff from central office has been relocated to local offices~~ the activities of SENASICA's staff located in local offices where reorganized in order to strengthen the controls.

Page 18

In the ~~third~~ first slaughterhouse visited:

◦ The heads of horses slaughtered were not opened in order to examine the nasal cavity, although required by the national legislation.

SENASICA wants to express that any product produced under this condition was contemplated for export to the European union and the saw for cutting heads rejoined immediately after verifying that it was in suitable conditions for use according to chapter ix to section iv to annex i to regulation (ec) no. 854/2004.

~~◦ Intestines were not submitted to inspection~~.

SENASICA not agree with this statement due to in all establishments submitted all viscera is inspected (in the first two establishments there are trolleys for viscera inspection where the red viscera goes in the upper part and the green viscera goes in the lower part in the third establishment there is an inspection table with mobile cover where first fall on a tray the red viscera and in the next tray the green viscera are inspected, all the establishments comply the mexican official standard nom-008-zoo-1994 specifications for construction animal health equipment and facilities for the slaughter of animals and dedicated to the processing of meat products) an official veterinarian is at a specific point performing this activity according to the regulation (ec) 854/2004 of the european parliament and of the council , annex i, section iv, chapter iii.

◦ ~~Evidence was found that the health mark was applied before the final post-mortem took place. One carcass with the health mark already applied was later detained due to melanoma.~~

Senasica does not agree with this attestation due to post-mortem inspection was performed, the carcass involved was with the scapula removed and was diagnosed and identified with melanosis (mark "m") as stated

in the the regulation (ec) 854/2004 and european parliament council of annex i, section iv, chapter iii domestic 13 point solipeds; this carcass was considered as partial seizure (only one part is not suitable for human consumption) and the health mark was applied before removing the affected part, an instruction was given in order to prevent the storage of any carcass under this condition in the cooling chamber in accordance to the mexican official standard nom-009-z00-1994 sanitary meat point 8.4 "if any part of a carcass is rejected as a consequence of lesions or mild trauma, the carcass shall be marked to be held for removal of damaged portion, which shall be seized".

• In one slaughterhouse, for a randomly chosen 10 day period in May 2014, the records showed a significant number of livers rejected due to trauma in horses of US origin (52 of 316 condemned livers (16.5%) were due to trauma equating to 3% of the 1 732 horses slaughtered during that period – indicating injury during transport). Records in two slaughterhouses indicated that horses of US origin were regularly found dead in slaughterhouse pens due to trauma or pneumonia shortly after arrival. Horses from the US, which were unable to walk were emergency slaughtered.

SENASICA does not agree with this statement given that during the development of this audit only the official seizures record of a single plant and of a single month was reviewed, for the case of the liver, at this point the competent central authority could not intervene in the TIF establishment upon energetic request of the auditors, due to an Official veterinarian mistake they were included in the "trauma section" instead of recording them in the "diverse section" given that during the eviscerating process the liver is cut leaving within the carcass remains of this organ, for which the MVO could not perform a correct inspection, determining its seizure for this cause, likewise, SENASICA performed a revision of all the records from this year for seizure findings and found a tendency of bad classification of the finding and thus a recording of the format derived from the format's design, besides, other lesions and seizures where identified but those does not suggest what is here expressed regarding an animal welfare problem, being unable to conclude that this deficiency presents itself as the auditors express it, besides a review of the other three establishments that have exports activity to the European Union was performed and there are no findings of this kind even if they have the same tendency in the amount of seizures for the different causes, thus asserting a bad OV decision to classify the the seizure in the wrong category, which has been worked with the OV. Likewise, the ante-mortem inspection records were reviewed and being unable to find evidence that during the arrival or transport could influence the findings in the liver.

5.4.3 General and specific hygiene requirements

Observations:

• The overall compliance with general and specific hygiene requirements was found to be acceptable in all establishments visited.

• The hygiene at slaughter and during cutting was satisfactory in all establishments visited, in particular, with emphasis on good de-hiding techniques and clean carcasses.

• Problems related to maintenance, flow of workers, separation of street and working clothing and/or cleanliness were noted in all three slaughterhouses. In two of the slaughterhouses layout of the social rooms (changing rooms, toilets) was incorrect, and in one place, working clothes, presented as clean were in fact heavily stained to a point that they appeared very dirty.

SENASICA wants to clarify that the rooms for clean and dirty clothes are separate however actions have been taken to minimize risk.

• In one slaughterhouse visited the equipment was rinsed extensively with splashing of water causing a risk of contamination of carcasses.

SENASICA has considered to attend this observation by reinforcing good manufacture practices, ponting out that during the visit no contamination was observed

• In one slaughterhouse, several sterilisers were operating below the prescribed temperature of 82oC. The CA immediately stopped the slaughter line until the temperature was restored. The FVO audit team noted that the FBO had carried out controls of steriliser water temperature before the start and every hour during the working day, and that the records indicated that no deficiencies had been found.

SENASICA wants to clarify that this observation was only in one sterilizer located in the carcass saw, taking into account its importance, the production line was stopped until the temperature conditions were restored.

Page 19

5.4.5 Water examination

Observations:

• All three slaughterhouses visited used water from their own wells, with intermediate storage and liquid chlorination. In all three slaughterhouses water checks were carried out according to the national legislation. Bacteriological parameters and frequency of testing were satisfactory as were the results.

• In one slaughterhouse the installations (pumps and tank) were in a poor state of maintenance. Chlorination checks were performed using a very dirty and used colorimeter. The alarm was tested and the sound was only audible inside the slaughterhouse.

SENASICA want to indicate that neither this or any other establishment was observed a microbiological breach with the parameters described in annex i of directive 98/83 / ec on the quality of water intended for human consumption ; the alarm is within the facility because it is audible and if a deviations presents immediate corrective action can be taken. Actions have been taken into account in order to attend the observation, the

establishment has changed pipes and bombs in the establishment, and maintenance was also given to the tank and frequency to replace the plastic tube to measurement of chlorine.was established.

• Testing for chemical and physical parameters is carried out according to national rules which do not include all physical and chemical parameters as laid down in Council Directive 98/83/EC. In one slaughterhouse, not all physical and chemical parameters were examined.

SENASICA by the circular 0020/2014 notified the parameters that must be completed in accordance with the directive 98/83 / to all TIF establishments approved for export of horses fresh meat and meat products to complete and standardize with the parameters of the European union according to directive 98/83 / EC on the quality of water intended for human consumption part b. And should be exceeded the values above, the establishment shall be implemented as soon as possible corrective actions required for reset water quality and / or take immediate action.

5.4.7 Traceability in slaughterhouses

One slaughterhouse visited slaughtered imported horses only, the other two slaughtered imported as well as Mexican horses. Traceability systems were in place in the slaughterhouses visited to trace forward and trace back consignments.

Observations:

• One slaughterhouse visited did not have a system in place to guarantee the separation of meat of US and Mexican origin. Consequently all certificates issued, for the export to the EU, stated that all meat was from horses of US origin.

SENASICA states that only one of the establishment slaughter exclusively horses American horses the rest of the establishments have segregation procedures.

• The traceability systems in two slaughterhouses did not guarantee that EU and non-EU eligible horses and their meat were produced separately throughout the entire production, in particular, during the slaughter process.

~~• In one slaughterhouse, the meat of emergency slaughtered horses was not excluded from EU export.~~

SENASICA disagrees WITH THIS AGREEMENT taking into account that according to Mexican Official Standard NOM-009-ZOO-1994, Sanitary Meat Processing in its POINT 6 DEAD ANIMALS AND FALLEN, 6.2 PROCESS states that " Their disposal shall be according to the criteria of the official or approved Veterinary*... ". in Mexican legislation the animals SLAUGHTERED ARE DECLARED FIT FOR human CONSUMPTION AFTER AN ANTE AND POST MORTEM inspections was conducted IN THE TIF ESTABLISHMENT, the INCOME OF ANIMALS emergency*

~~Text to be eliminated~~ Text to be included Comments to the stated information

SLAUGHTERED outside the establishment it's not ALLOWED, thus COMPLY WITH THE DESCRIPTION IN REGULATION 854/2004 CHAPTER VI. ALSO BELIEVED TO COMPLY WITH REGULATION (EU) No 218/2014 OF THE COMMISSION OF MARCH 7, 2014 APPENDICES AMENDING REGULATION (EC) No 853/2004: "Regulation (EC) No 853/2004 lays down conditions under which meat from animals having undergone emergency slaughter outside a slaughterhouse, is fit for human consumption. As emergency slaughter meat which has successfully passed meat inspection does not constitute a risk to public health, the requirement for a special health mark and the restriction to the national market for the emergency slaughter meat should be deleted from that Regulation and the requirement for a special health mark for the emergency slaughter meat also from Regulation (EC) No 854/2004.

Page 20

Official controls on traceability at slaughterhouses

• The check on arrival of animals carried out by accredited veterinarians failed to exclude some animals with incomplete or unsigned passports and *affidavits*.
• The OVs had insufficient knowledge of the traceability systems in place in the slaughterhouses visited and did not carry out systematic checks. The FVO audit team identified a number of non-compliant animals, whose meat should have been excluded from EU export, which had not been detected by the OV.

The mechanism by which veterinary staff works is according to the information generated from the establishment of an early warning so the establishment is able to locate the product and identifies the processes by which it went up to their origin and identify the possible source of contamination. The SENASICA asks to the FVO to point out the origin of this observation in order to take corrective actions and not generalize observation.

• The OV in one slaughterhouse had no information on the identification of US horses which had died in the slaughterhouse pens or during transport.

• The records on verification of the documentation were not completed correctly (e.g. horses were considered as being "rejected", whereas they had not been presented at the entry point). The identification of horses that had been certified by the US authorities, but which did not arrive at slaughter or had died during transport, were not reported in the verification document.

• The check-lists used during the annual controls in the establishments do not include verification of traceability systems in place in order to ensure that the related certification requirements are met.

During the verification visits, the traceability exercises are reviewed, starting from the finished product and the ease with which the establishment traces the product's location and identifies its origin, depending on the results it is written as an observation. However, improvement points were found.

~~Text to be eliminated~~ Text to be included Comments to the stated information

It is important to mention that there is evidence that if the traceability is reviewed in the establishments included in the verification lists, this information was delivered to the auditing team, and it was also placed under their disposition in case that the action plans of the authorized establishments was required for exporting to the European Union

• A verification procedure on the identification and documentation of Mexican horses at slaughterhouse level has been introduced since the 2012 FVO audit but insufficient enforcement actions were taken in order to avoid repeated findings during successive controls.

Page 21

5.4.8 Health and identity marking

• *Neither of the health marks is in line with the requirements of Regulation (EC) No 854/2004, Annex I, Section I, Chapter III, 3.c last sentence: a rectangular mark is not permitted (should be oval) and the abbreviation CEE should not be used on meat from slaughterhouses located outside the EU.*

SENASICA in order to attend this observation issued a document 0021/2014 to notify all TIF equine slaughter establishments approved for export to the European Union, that health mark must be unified in accordance with federal law for animal health, title iii, chapter ii, article 50; federal regulation of animal health act title iii, chapter ii, article 75; regulation (ec) no 854/2004 of the European Parliament and of the council; and regulation (ec) no 853/2004 of the European Parliament and of the council.

5.4.9 Animal welfare at the time of slaughter

Observations:

• The stunning was in all cases seen found to be acceptable and spare equipment was readily available.

• In two slaughterhouses, the animal was already shackled, winched up and suspended by one leg when the efficiency of stunning (corneal reflex) was checked.

The SENASICA want to express that although the stunning was effective in three establishment and after stunning no animals manifest eye movement lift head, attempted to join or vocalization in accordance with legislation, will be strengthen with training in animal welfare.

5.4.10 Documentation of official controls

Observations:

• As indicated in section 5.1.2.7 official controls are documented according to standardized procedures. The reports seen indicate that the quality of these controls is variable: not all deficiencies found by the FVO audit

team were identified by the CA; not all nonconformities identified by the CA in the check-list were reflected in the findings, conclusions, and recommendations of the report; and, generally, no deadlines for their correction were indicated.

SENASICA wants to express its disagreement with this observation, as mentioned earlier the non-compliances are notified to the establishments in situ, official letters are issued by the central competent authority and deadlines are set.

Page 22

6 OVERALL CONCLUSIONS

In relation to controls over the production of fresh horse meat, including identification and traceability, no significant improvements have been made since the FVO audit in 2012, in particular in relation to the reliability of *affidavits* and traceability for horses of both Mexican and US origin. The official controls over identification and traceability of horses remain weak. Three out of five recommendations of the 2012 FVO audit report (recommendations No 1, No 2 and No 4) have not been properly implemented. One recommendation (No 3) has been partially implemented.

In relation to veterinary medicinal products and residues, there have been no significant improvements since the 2011 FVO audit. Although the official controls on the distribution and use of veterinary medicinal products remain very weak, the level of residue violations is low. The possibility to use anabolic steroids is, however, at odds with EU requirements. Three recommendations of the 2011 FVO audit report, which are relevant for the current audit, have not been properly implemented.

Currently, the Mexican authorities cannot guarantee that all the standards laid down in the certificate "EQU" laid down in Annex II part 2 to Commission Regulation (EU) No 206/2010, are met.

~~While EU requirements regarding Animal Welfare during transport are not applicable in third countries, the findings of this audit corroborate information received from various nongovernmental organizations and confirm the very poor conditions in which horses are transported.~~

SENASICA does not agree with this statement given that during the development of this audit only the official seizures record of a single plant and of a single month was reviewed, for the case of the liver, at this point the competent central authority could not intervene in the TIF establishment upon energetic request of the auditors, due to an Official veterinarian mistake they were included in the "trauma section" instead of recording them in the "diverse section" given that during the eviscerating process the liver is cut leaving within the carcass remains of this organ, for which the MVO could not perform a correct inspection, determining its seizure for this cause, likewise, SENASICA performed a revision of all the records from this year for seizure findings and found a tendency of bad classification of the finding and thus a recording of the format derived from the format's design, besides, other lesions and seizures where identified but those does not suggest what is here expressed regarding an animal welfare problem, being unable to conclude that this deficiency presents

itself as the auditors express it, besides a review of the other three establishments that have exports activity to the European Union was performed and there are no findings of this kind even if they have the same tendency in the amount of seizures for the different causes, thus asserting a bad OV decision to classify the the seizure in the wrong category, which has been worked with the OV. Likewise, the ante-mortem inspection records were reviewed and being unable to find evidence that during the arrival or transport could influence the findings in the liver.