

Pre-Export Check (PEC) Certification

Frequently Asked Questions

Is the Pre-Export Check program for aflatoxin recognized by the EU and all Member States?

Yes. EU official food and feed controls legislation allows the EU to officially recognize a 3rd country's system of pre-export checks as long as it meets EU requirements. The EU recognized the Pre-Export Check (PEC) program for California almonds in April 2015, Implementing Regulation (EU) 2015/949.

What does the Pre-Export Check certificate consist of?

The Pre-Export Check (PEC) certificate consists of three parts:

1. The aflatoxin analysis certificate
2. Description of the Consignment (Annex I)
3. The USDA attestation (Annex II)

Is PEC mandatory and why is it important?

No, a PEC certificate is not mandatory. However, consignments going to the EU with a valid PEC certificate will be subject to less than 1% controls at the border. Consignments that do not have a valid PEC certificate will be subject to sampling controls at the discretion of the importing country.

**Please see an example of the three-page PEC certificate in Attachment I

What products does PEC apply to?

PEC only applies to bulk and unprocessed products classified under Harmonized Tariff Codes: 0802.11 (inshell) and 0802.12 (shelled). It does not apply to further processed, manufactured, or any other product that falls outside these two codes. Please note that PEC only applies to direct shipments to the EU from California.

The following chart is a general guide as to what products are covered under PEC (e.g. classified under 0802.11 and 0802.12) and what products are not be covered. However, the Almond Board does not guarantee that this is a comprehensive list. Those enrolled in PEC need to work closely with their customs brokers and importers to ensure appropriate product classification.

Covered	<u>Not Covered</u>
In-shell Bulk (0802.11)	Roasted/Toasted Almonds
Shelled Bulk (0802.12)	Almond Butter/Paste/Puree/Oil
Sliced/Diced/Blanched (0802.12)	Almond Beverages
Raw Consumer Packed Products (0802.12 or 0802.11)	Almond Flour/M Meal
	Animal Feed

What is required for Handlers to utilize the PEC program?

Handlers need to enter into a Memorandum of Understanding (MOU) with the Almond Board attesting to their agreement to comply with the program's procedures.

Once enrolled, what does PEC require?

PEC requires consignments to follow specific sampling/analysis protocols (e.g. 2 x 10KG samples, analysis by a USDA-approved lab, etc.) All documentation is completed through the ePEC system. PEC requires all personnel to be trained, defined sampling protocols, USDA-approved laboratory testing, and USDA certificate attestation and oversight.

Are there quality requirements for the PEC Program?

All almonds shipped under the PEC Program must meet the PEC Minimum Quality Standards. Only products which have no more than 5% serious defects and 0.2% foreign material are eligible for the PEC Program.

Does the aflatoxin analysis laboratory certificate expire?

No; but the USDA attestation (Part II of the certificate) expires four months after issuance.

When does the PEC Certificate have to be issued?

Once all information regarding the consignment is known and ready to be shipped, the PEC Certificate should be issued. While this can be after the consignment has shipped, the attestation must be signed within seven calendar days of the truck B/L.

What are my options if my PEC aflatoxin analysis fails prior to shipping?

If you have a failed analysis at >10PPB Total or >8PPB B1, the laboratory will place the result in the "failed" bucket in the ePEC system. Certificates for a failed analysis cannot be issued. If the analysis came back at < 20PPB Total, the consignment can be used for the domestic market since that product meets regulatory limits for aflatoxin for the U.S. Alternatively, the product can be resorted to remove serious damaged nuts followed by re-sampling and testing of the product. If you choose that option, you must detail the level of serious damage prior to and after resorting in order to verify that serious damaged nuts were indeed removed. A PEC certificate may be issued only after resorting and additional aflatoxin testing meeting EU regulatory limits for aflatoxin.

What is the Certificate Reference Number in box 1.2?

This is a **unique number** assigned by the handler/shipper. It can be the contract number or other reference number that will facilitate tracing the consignment if it is needed. NOTE: if there is more than one lot, the Certificate Reference Number should reflect the multiple lots (e.g. xxxx-1, xxxx-2). In any case, the certificate reference number should be a number other than the lot number.

What if a handler/shipper is unable to submit the PEC Certificate within the seven-day requirement following the consignment's departure?

In order to preserve program integrity, certificates will not be signed by USDA after seven calendar days. A consignment that misses the seven-day requirement can still be shipped to the EU, but will enter absent a PEC certificate and be subject to controls at the import authority's discretion. Unsigned PEC documents cannot be sent to the EU; a shipper can, however, send the laboratory's Certificate of Analysis (COA), but whether or not the consignment is tested is at the port authority's discretion.

Please note that since the PEC program is voluntary, a consignment cannot be denied entry on the basis of a missing or incomplete PEC.

What if a PEC certificate is signed and afterwards the handler/shipper notices an error?

Unfortunately, a handler/shipper will not be able to change any information once submitted via the ePEC system and finalized.

What will PEC cost?

Currently, the CDFA/SPI charge to issue a PEC certificate is \$15.00.

Who is the Consignee? (Box I.5, Page 2 of PEC Certificate)

The Consignee is the person or organization the goods are being shipped to. The Person Responsible is the person in the EU who is taking responsibility for the consignment when it arrives at port (Box I.6). This could be the consignee, customs handling agent, trader, or broker. This information must be available for customs to clear the consignment.

What if the Person Responsible in the EU is unknown? (Box I.6, Page 2 of PEC Certificate)

The Person Responsible in the EU is the person who will be taking responsibility once the consignment is presented to customs, and is required on import. If this information is unknown at the time of shipment, box I.6 can not be left blank, thus one should leave a tentative name. Once the information for box I.6 becomes available, the Almond Board has developed a PEC addendum letter** template which the handler, trader, or broker can use to submit the updated information. This letter is not required, however; it can help expedite loads held in customs due to a vacant box I.6. The person responsible in the EU must be available for customs authorities to contact should an issue arise during clearance. NOTE: The PEC addendum letter will not replace the aflatoxin analysis or correct any mistakes made on the original PEC documentation.

**An example of the PEC Addendum Letter is in Attachment II

What if a consignment contains both covered and not-covered product?

For a consignment that contains product covered under PEC and product that is not, the consignment can still be accompanied by a PEC certificate for the product covered. If the consignment is sent without a PEC certificate, it may be subject to controls at the import authority's discretion.

What if a customer/importer requests a PEC certificate for a product not covered under PEC?

The ePEC system is pre-programmed for the specific two harmonized tariff codes covered under the program: 0802.12 shelled almonds and 0802.11 inshell almonds. Therefore, a PEC certificate cannot be issued for a product that is not covered by the program nor will SPI sign the certificate for a consignment not covered under the program.

Will EU import authorities know PEC is voluntary and that an absent PEC certificate should not mean automatic rejection?

The Almond Board is continually working closely with industry, the USDA Foreign Agricultural service (FAS), and authorities in the EU to ensure broad understanding of PEC -- that it is voluntary and that a certificate is not required for entry. The European Commission has issued a notification through the Rapid Alert (RASFF) system stating PEC is not a condition of import. In the event the handler has an issue with

a PEC consignment (i.e., missing info or signature), the consignment will be treated as any import, subject to inspection and testing.

Can EU port officials still test my PEC certified consignment?

As previously mentioned, European ports can inspect less than one percent of PEC consignments. In most cases, this is a random check. In the event a PEC consignment is tested and results exceed the aflatoxin tolerance of 10 ppb total / 8 ppb B1, it will be rejected by port health officials. Remember, due to sampling variances of aflatoxin testing, a consignment, if re-tested, can still exceed tolerances. The Almond Board's Global Technical/Regulatory Affairs staff (GTRA) will be your Almond Board contact for questions or assistance with the next steps.

So, what do I do if my PEC consignment is rejected?

If a consignment gets rejected, the buyer or "Person Responsible" is typically the one who is notified and will then contact the supplier. In most cases, the Almond Board will also receive notification of the rejection from EU authorities in Brussels in the form of a RASFF Alert. It will be up to the importer and supplier to decide next steps. In most countries, there are three options*: (1) Return to the U.S.; (2) Reprocess in the EU; or (3) Ship to a non-EU market that will accept it (it must meet aflatoxin tolerances of the non-EU country). If the consignment is to be returned to the U.S., please contact the Almond Board to assist with the FDA Goods Return Process.

*Note: Spain has determined that rejected consignments can not be returned to the U.S., but must be either reprocessed in the EU or destroyed. Moreover, Spain, like Italy, has an internal alert system that after a rejection for a given handler (anywhere in Europe), the next ten consignments for that handler may be inspected automatically.

Is PEC recognized in non-EU European countries, for example, Norway?

While non-EU countries often adopt or recognize EU regulations and programs, this is not automatic. Norway and Iceland have adopted a regulation recognizing the PEC system but Switzerland has not.

Does PEC encompass other sanitary procedures and risks for almonds? No, PEC is only applicable to U.S. control procedures for aflatoxin. It does not apply to any other measures for other health risks (e.g. salmonella). EU-bound consignments will need to adhere to all EU import requirements.

Attachment I
PEC Certificate – Part I

L 156/2

EN

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ANNEX

COUNTRY:

Part 1: Details of dispatched consignment	I.1. Consignor Name Olson Acre Address 2230 Almond Avenue Modesto, CA United States Tel. No		I.2. Certificate reference number PO 789156	I.2a
	I.5. Consignee Name Almond Trader Address 785 We Buy Almonds St. Los Angeles, CA United States Postal Code 90020 Tel. No		I.3. Central Competent Authority USDA AMS	I.4. Local Competent Authority CDFA/SPI/ABC
	I.7. Country of origin USA		I.8. ISO code US	I.9. Country of destination European Union
	I.11. Place of origin Name Test Handler Company Address 111 Main St Chico, CA 95979 United States		I.10. ISO code EU	I.10.
	I.13. Place of loading California, USA		I.12.	
	I.15. Means of transport Aeroplane <input type="checkbox"/> Ship <input checked="" type="checkbox"/> Railway wagon <input type="checkbox"/> Road vehicle <input type="checkbox"/> Other <input type="checkbox"/>		I.14. Date of departure 09/18/2015	
	I.18. Description of commodity Almonds Shelled		I.16. Point of import in EU EU Port	
	I.21. Temperature of product Ambient <input checked="" type="checkbox"/> Chilled <input type="checkbox"/> Frozen <input type="checkbox"/>		I.17.	
	I.23. Identification of container/seal number HPAG1681631		I.19. Commodity code (HS code) 0802.12	
	I.25. Commodities certified for: Human consumption <input checked="" type="checkbox"/> Animal feedingstuff <input type="checkbox"/> Further process <input type="checkbox"/>		I.20. Quantity 44,000	
I.26.		I.22. Number of packages 20		
I.28. Identification of the commodities Batch number 12345		I.24. Type of packaging Fiber Bins		
		I.27. For import into EU <input checked="" type="checkbox"/>		
		I.28. Treatment type Almonds Shelled		

PEC Aflatoxin Certificate of Analysis (Completed and Submitted by the Laboratory)

Lab Name & Address:
USDA Test
123 Main St
CA, Chico 95926



ePEC Certificate Number: 101401
EU Pre-Export Certificate
Almonds Pre-Export PEC Program
Commission Decision: EU 2015/949

Date Sampled: 09/18/2015

Date Received: 09/18/2015

Date Analyzed: 09/18/2015

APPLICANT NAME AND ADDRESS: Test Handler Company
111 Main St
Chico, CA 95979

PRODUCT ANALYZED: ALMONDS SHELLLED

COUNTRY OF ORIGIN: USA

PRODUCT IDENTITY:

STATE: CA

CROP YEAR: 2015

LOT ID: 12345

LOT SIZE: 44,000 (lbs)

Results of Analysis

LAB SAMPLE ID: LAB64565

TEST METHOD: AOAC 991.31

SUBSAMPLE	B1	B2	G1	G2	TOTAL AFLATOXIN
	ppb	ppb	ppb	ppb	ppb
1	<0.1	<0.1	<0.1	<0.1	<0.1
2	<0.1	<0.1	<0.1	<0.1	<0.1

The 44.0 lbs. aggregate sample collected from the lot must all be mixed together to be sure that each sub-sample contains portions of the whole lot. Grinding should be accomplished by a method which not only reduces the particle size but also is effective in thoroughly mixing the particles to a homogenous grind and conforms to the USDA/AMS Laboratory Approval Program procedures. Representative incremental samples have been collected from throughout this lot to equal an aggregate sample weight in accordance with the Commission Regulation (EC) No. 401/2006, as amended.

Sample has been analyzed using HPLC with a limit of quantification (LOQ) of 0.1 ppb for total Aflatoxin Quality Control/Spike

Recovery sample analyzed using HPLC gave recoveries of 97 % for total Aflatoxin and 92 % for Aflatoxin B1.

This is a USDA/AMS-Approved Laboratory for Aflatoxin Analysis in almonds. Official methods of the AOAC as approved by the USDA/AMS are used in all analyses unless otherwise stated. Reported results are not corrected for recovery or expanded measurement of uncertainty. Reports are for the exclusive use of the applicant. We certify to the truth and accuracy of this report as applying to the samples tested only. Unless otherwise noted, all samples were received in acceptable condition.

Reviewed and Approved by: Test Rep
Lab Representative

