

# EUROPEAN CODE OF GOOD TRADING PRACTICE

**Version of the 1st September 2003\***

\* Version to be used for audits carried out from the 1st October

## **INTRODUCTION**

COCERAL, the European association representing the trade in grain, oilseeds, feedstuffs, olive oil, oils and fats and agrosupply, supports the idea and concept of a safety scheme which covers all levels of the feed and food chain. The trade is fully aware of its responsibilities in this chain. Its objective has always been to deliver safe goods and to satisfy its customers. With the aim of showing more transparency of its commitments the trade has established this European Code of Good Trading Practice. This Code is established in order to assure that goods are being traded according to best current professional standards and in accordance with European legislation and to maintain consumer confidence. This Code applies to traders of raw materials for food and feed production. Adherence to this Code should be voluntary.

### **1 GENERAL REQUIREMENTS**

#### **1.1 PURCHASE CONDITIONS**

Operators, when trading in accordance with this Code, must buy only from suppliers operating under an approved scheme recognised by market users or an equivalent standard for producers/processors/traders as appropriate.

Product specifications must be agreed between the operator and his customer and confirmed in the contract. Such specifications must be clear and unambiguous. Operators must ensure that all products supplied meet the agreed specifications.

#### **1.2 RECORDS AND DOCUMENTATION**

Adequate recording and documentation procedures have to be established in order to verify compliance of members to this Code. These procedures would be established according to the following principles:

In addition to the requirements included in 1.1 above, all goods need to meet legislative requirements of the European Union to permit their free circulation and goods coming from third countries must in addition comply with the requirements of the WTO- Sanitary and Phytosanitary Agreement.

The operator should establish an exact list and description of the goods traded.

Operators trading in accordance with the present code have to establish a handbook detailing measures and actions taken in order to comply with the provisions laid down in the present code. The Handbook should be available for the personnel and be updated regularly.

### **1.3 MONITORING AND CONTROL PROCEDURES**

Goods should be traded according to HACCP principles. A formal risk assessment shall be carried out with the aim of identifying hazards that might adversely affect the integrity of goods traded. The operator appoints a Risk Assessment Team, which shall identify and record any possible chemical, physical or microbiological hazards that could occur on the products traded, recognising the nature of the products and their intended use. The Risk Assessment Team shall identify and record all critical points for the trading operations conducted by the operator.

Monitoring and control procedures for biological, physical and chemical contamination must be established for the critical points identified by the Risk Assessment Team. These should be detailed in a HACCP Monitoring Plan.. In the event of a contamination exceeding Maximum Residue Limits for contaminants or undesirable substances fixed by legislation in the European Union, authorities and customers must be informed and appropriate follow-up measures implemented. All actions taken must be recorded.

Reviews of the risk assessment and the HACCP Monitoring Plan should be done at least once a year to check whether food and feed safety requirements are met and to adapt the system to legal and scientific developments in the area of food and feed safety.

### **1.4 SAMPLING AND TESTING**

Sampling and testing should be based on the HACCP monitoring plan as documented in the handbook.

Procedures established for sampling and testing must correspond with internationally recognised methods and rules.

Sampling must be undertaken by competent personnel. Testing must be undertaken by laboratories, which have a proven competence for the individual tasks and participate in recognised ring tests for the validation of their methods of analysis.

Where the operator and his customer have agreed the necessary qualifications of the testing laboratory, the operator must ensure that test are carried out in accordance with these requirements.

### **1.5 PERSONNEL**

Staff must be trained for the appointed duties. Duties and responsibilities must clearly be identified by an organisation chart. Periodical evaluation and training programmes should maintain best professional standards. Training must include HACCP.

## **1.6 HYGIENIC AND SAFETY STANDARDS**

Hygiene standards for transportation, elevation and storage must be in accordance with the legislation in the European Union and must ensure the safety and integrity of the product.

## **1.7 AUDITING AND CERTIFICATION**

Traders who wish to be registered under this code must comply with the requirements of the European Code of Good Trading Practices. They should include this code in their externally audited scheme.

Auditing and certification must be carried out by an independent institution, which is accredited in a Member State of the European Union under EN 45012 or EN 45011. Inspectors carrying-out the audits must have received relevant training, knowledge of relevant systems (Quality Management Systems, HACCP and organisational structures), sufficient knowledge in conducting similar inspections and proven experience in the food and feed sector. The national member organisation of COCERAL must provide COCERAL with a list of inspection firms enabled to carry out auditing and certification in its country.

During auditing the independent inspection firm has to use the check list given in Annex I, which constitutes instructions on how to audit operators under the European GTP-code. The application is only accepted and, thus, the applicant is only certified, if the applicant complies fully with the requests of the checklist given in Annex I.

Once the applicant receives the certificate from its auditor it must forward a copy of the certificate to the national member organisation of COCERAL concerned with matters related to the European GTP code. After a check of the information contained in the letter the national member forwards a copy to the COCERAL Secretariat. The COCERAL Secretariat attributes the now GTP-certified trader a GTP logo and a unique identification/registration number which must be used in all relevant documentation and recording procedures. Once GTP certified the trader is entitled to use the relevant logo with the registration number.

After finalisation of auditing and certification procedures the COCERAL Secretariat enters the name of the applicant GTP trader in the list of certified GTP trader, which will be made publicly available. A trader is only GTP-certified, if his name is listed with the appropriate registration number on this publicly available list.

The auditing and certification procedure has to be repeated every year for the first three years and every second year afterwards. If the national member organisation and COCERAL do not receive a copy of a certification letter in due time the name of this member of the European

Code of Good Trading Practice will be removed from the publicly available list.

In cases of complaints on a certified GTP trader the Board of COCERAL may decide to carry-out an independent audit by an inspection company of his choice. Costs of this audit will be borne by COCERAL. After receiving the results of this audit the Board may in its absolute discretion remove the attributed registration number, logo and remove the company's name from the public list.

In addition to the cost incurred for the audit, a fee of 300 Euro will be requested for each auditing and certification procedure, i.e. 100 Euro for COCERAL and 200 Euro for the national member organisation. Member organisations may decide to cancel payments of national fees if operators have already been certified under an approved scheme.

Should the company no longer have a valid certification it is not entitled to use the relevant logo.

## **2 SPECIFIC REQUIREMENTS**

When the operator is responsible for arranging transport, storage or transshipment of the products to customers operating under an approved scheme, he must ensure that the specific safety requirements of this scheme are met by these activities. Such requirements should form part of the contract.

Where no specific transport, storage or transshipment requirements are stipulated by the customer, as a minimum, operators must comply with the guidelines included in 2.1 and 2.2 below.

### **2.1 TRANSPORT**

Transport should be performed in general by schemes with clear management rules that are recognised by the market users and take into consideration the legal requirements of competent authorities.

#### **2.1.1 Transport over land**

Transportation over land must be performed by transportation companies or self owned/managed transportation which must have a quality management system, which is certified for transportation over land. This management system of the transportation company or self owned/managed transport should be verified every year for the first three years and every second year afterwards by an independent institution which is accredited for verification and certification of transport of food and feed materials in a Member State of the European Union.

For the transport, and transshipment of goods, at least the following must be met:

- Appropriate treatment, decontamination and/or cleaning procedures must be documented in case goods listed in Annex 2 have been amongst the previous three loads.
- Hygienic conditions must constantly be preserved during transport. Pollution with undesired materials and products must be prevented. Furthermore, mingling with other products must also be prevented.
- During transport, rain and stained water must be prevented from entering. Even whilst they are empty, loading compartments must be covered to prevent rain-entry and pollution through bird-droppings. The thereby deployed tarpaulins must be clean and dry. Prior to loading of goods, the exterior of the vehicle, including chassis, must be cleared of all visible residues of the preceding load.
- To facilitate traceability, appropriate identification (coding) of the loading compartments must be established. Load-content, transport sequence and execution of cleansing/decontamination procedures together with their results for each loading compartment must be

registered in a designated registration book and maintained by the driver within the vehicle. These entries will later be transferred to a logbook in the offices of the freight forwarder. Data concerning transport sequence as well as all cleansing procedures thus stored will be accessible for a period of two years.

- In case of circumstantial deviation, which may affect the wholesomeness of the transported goods, a procedure for the course of action to be taken must be established.

### **2.1.2 Ocean, River and Rail Freight**

In the case of ocean, river and rail forwarding, it is essential for the safety of the goods that a Loading Compartment Inspection (LCI) of the cargo-hold be done before loading commences and security be constantly maintained during the loading process.

These LCI and security measures must be executed by:

- a. A recognised inspection firm, performing under internationally recognised standards.
- b. A Company inspector (assigned by the freight forwarder's client) who is recognised as a qualified loading inspector.

Before loading commences, the cargo-hold must be empty, clean, dry, void of any odours and in every way be suitable for loading and transport of the specific cargo. This includes:

- Free of possible "agribulk-unfriendly elements", such as residues of preceding cargo and/or cleansing activities.
- Free of vermin in the broadest sense of the word.
- Shut and secured: It must be visually established that the cargo-hold is adequately shielded to protect the transported cargo against influence from other transported goods and, furthermore, that adequate measures are available to counter any adverse influence during the loading process and voyage.

The results of the LCI, together with the contents of the three preceding loads, must be registered. Operators trading in accordance with the present code and transporting goods with a chartered vessel must be informed of the 3 previous cargoes of the chartered vessel and have them listed on the charter party/addendum/ booking note.

## **2.2 ELEVATION AND STORAGE**

Elevation and storage should be performed in general by schemes with clear management rules that are recognised by the market users and take into consideration the legal requirements of competent authorities.

### **2.2.1 Stores**

Stores should not previously have been used for housing livestock unless subsequently cleaned using an approved disinfectant followed by a thorough steam cleaning.

Stores must be weather, bird and vermin proof.

The dry goods store must be dry, with gutters, down-pipes and drains kept in good working order.

Windows, ventilators etc. must be netted. Doors must be close fitting and vermin proof when closed.

Doors should be kept closed when the store is not intaking or discharging.

Stores must have clear and effective methods against the entry of birds i.e. curtains, nets etc.

Stores, bins, tanks and bays must be clearly identifiable by name, number or letter. A plan of the store including identification bays must be kept in order that commodities can be easily identified.

Sufficient clean hard standing at the store entrance must be provided to minimise tracking of wet and mud into the dry goods store.

Commodities must be kept separate to prevent contamination of goods in store.

Animal protein meals and fishmeal must be stored separately in dedicated sheds and must also be stored in separate dedicated sheds from each other. Other feed materials can be stored in the same shed but must be physically separated from each other.

Feed Minerals must be stored separately.

### **2.2.2 Condition of Stores**

The store must be clean, dry and free from evidence of birds, rodents, animals etc.

There must be a cleaning programme so that the entire dry goods store is regularly thoroughly cleaned, including roof trusses, walls, ledges etc. where dust can collect.

Floors should be swept regularly to avoid the contamination of goods by traffic wheelings.

Doorways and entrances to stores must be kept clean at all times.

### **2.2.3 Elevation**

- All handling equipment must be kept clean and free from leakage at all times.



- Premises and equipment must be accessible for control of on-going operations.
- Adequate loading and unloading equipment should be available for the different types of transportation means (trucks railcars, barges etc.)
- In case of bad weather conditions (rain, snow a.o.), adequate measures must be taken in order to prevent damage on the goods
- When different operations are simultaneously carried out, the circuits in use must be carefully secured to prevent commingling.
- Each operation must be recorded.

## **2.3 TRACEABILITY**

Traceability is a way to retroactively detect where problems occurred in the supply chain.

Traceability is not the same as identity preservation (IP).

Bulk commodities are produced in various production locations all over the EU and the rest of the world. Following production, commodities are transported either directly from the various production points to their destination or to a delivery or export point where they are loaded or stored awaiting shipment to their destination. Commodities from various production locations are commingled at the delivery or export point.

Each individual operator maintains clear administrative records with relevant data for effective tracing from the delivery or export point to the point of destination, which are kept for a minimum of 12 months.

These records should evidence, wherever applicable:

- ❑ the quantity and type of the good;
- ❑ origin of the good (export point or delivery point);
- ❑ the name and address of the seller and purchaser and of the transportation companies and storage companies used;
- ❑ identification of the ships (by hold or tank), vehicles (by trailer reference) and storage means (by bay, or silo or tank) used.

## **2.4 FOOD AND FEED**

### **2.4.1 Labelling**

Labelling must be in accordance with labelling requirements of legislation in the European Union or national rules of the country of origin and those of the country of destination.

### **2.4.2 Contaminants**

Chemical, biological and physical contamination must be in accordance with Maximum Residue Limits fixed by the legislation in the European Union. Where no European Union- or national limits have been set the Maximum Residue Limits set by the Codex Alimentarius Commission shall apply.

## **ANNEX 1 : CHECKLIST FOR THE AUDITING BY THE INSPECTION COMPANY**

### **A. CHECKLIST FOR GENERAL REQUIREMENTS**

#### **I. PURCHASE CONDITIONS**

The auditor will verify that the suppliers operating under an approved scheme recognised by market users or an equivalent standard for producers/processors/traders as appropriate have been identified and that products are only bought from such suppliers.

The auditor will verify that the goods are traded according product specifications agreed and confirmed contract terms.

#### **II. RECORDS AND DOCUMENTATION**

##### **➤ List and description of goods covered**

Traders operating according to the European Code of Good Trading Practices must establish a list including a description of the goods traded by the company.

These descriptions should include relevant legislation in the European Union and/or reference to relevant information on European Union and national limits for contaminants and/or undesirables.

The auditor will have to verify that the descriptions of the goods are accessible to the personnel.

##### **➤ Handbook**

The auditor will verify that a handbook has been established covering the goods traded and detailing actions taken in order to comply with the present GTP-code.

The auditor verifies that the handbook of the operator specifies :

- ☐ the hazards and critical points for the goods traded;
- ☐ a HACCP Monitoring Plan for each critical point .

The auditor verifies that the handbook is accessible for the personnel and is updated regularly.

The auditor will verify that goods are received in a way corresponding with the procedures detailed in the handbook.

#### **III. MONITORING AND CONTROL PROCEDURES**

### ➤ **Identification of Hazards and Critical Points**

The auditor will verify that a risk assessment of the goods traded has been carried out by a Risk Assessment Team and that the goods are traded in accordance with HACCP-principles.

Hazard Analysis Critical Control Points (HACCP) is a systematic method for analysing at a company level the handling of goods and for the identification and assessment of the potential hazards for the product quality and safety. This enables the company to manage in a proactive way the control of all possible risks in that company.

During transport, storage and/or loading and discharging the following hazards could occur:

- a) Unwanted chemical materials that may enter the product by pollution or by use of auxiliary materials
- b) Unwanted micro-organisms, toxins produced by those and carriers of animal diseases that may enter the product or may develop. Distinction between vegetative, toxigen (forming toxins) and spore forming micro-organisms.
- c) Foreign physical substances that may enter the product

### ➤ **Control Measures for Critical Points**

The auditor will verify that a HACCP monitoring plan is established for all goods traded.

The auditor will verify that the control measures are adequate and in compliance with legislation in the European Union and national rules when applicable.

The auditor will verify that, in case of biological, chemical or physical contamination exceeding the norms, there are appropriate procedures in place to inform authorities and/or customers according to current legislation of the European Union.

The auditor will verify that actions taken are recorded.

## **IV. SAMPLING AND TESTING**

The auditor shall verify whether sampling and testing are carried out according to a HACCP Monitoring Plan.

The auditor will verify that sampling and testing will be executed by approved superintendents and analysts and that procedures used are corresponding with internationally recognized method and rules. The auditor will verify that laboratories consulted have proven competence in the appointed tasks and participate in recognised ring tests for the validation of their methods of analysis.

**V. PERSONNEL**

The auditor will verify that a clear organization chart identifying duties and responsibilities is established within the company. The staff should have the appropriate competence/qualification for the appointed duties. The auditor will verify that the company is keeping an appropriate system which provides updated knowledge and maintains best professional standards.

**VI. HYGIENIC AND SAFETY STANDARD**

The auditor will verify that the operator's quality management system includes documented hygienic and safety standards complying with legislation in the European Union.

## **B. CHECKLIST FOR SPECIFIC REQUIREMENTS**

### **I. Transport**

The auditor will verify that self-owned or rented transport is performed under approved schemes with clear management rules that are recognized by the market users and take into consideration the legal requirements of competent authorities. Information on the management rules recognized by market users and legal requirements of competent authorities must be available and this will be verified.

The auditor will verify full compliance with the transports schemes detailed in chapter 2.1.1 road transport and 2.1.2 ocean river and rail freight.

Further, it has to be ascertained during verification and certification that specific requirements formulated by recognised market users and legal requirements of competent authorities are met.

### **II. Elevation and storage**

The auditor will verify that elevation and storage rented or self-owned will be performed under approved schemes with clear management rules that are recognized by the market users and take into consideration the legal requirements of competent authorities. Information on approved schemes and legal requirements of competent authorities must be available and this will be verified.

The auditor will verify full compliance with the requirements detailed under 2.2.1. stores, 2.2.2 condition of stores and 2.2.3 elevation.

### **III. Traceability**

The Auditor will verify compliance with legislation of the European Union with regard to traceability and that records state, wherever applicable:

- ☐ the quantity and type of the good;
- ☐ origin of the good (export point or delivery point);
- ☐ the name and address of the seller and purchaser and of the transportation companies and storage companies used;
- ☐ identification of the ships (by hold or tank), vehicles (by trailer reference) and storage means (by bay, or silo or tank) used;
- ☐ bulk handling equipment used.

The auditor verifies that records are kept for a minimum period of 12 months.

### **IV. Food and feed Labelling**

Auditors will verify that information on legislation in the European Union and when applicable national rules with regard to labelling of goods traded is detailed in the handbook and complied with.

**ANNEX 2: CRITICAL MATERIALS FOR TRANSPORT**

1. Slaughter residue, (LRM, HRM and SRM)
2. Garden/pot soil blended with animal dung
3. Metal scraps and lathe shavings
4. Toxic oxidative materials and packaging thereof
5. Radio-active material
6. Asbestos or materials of asbestos content
7. Mineral clay used for detoxification
8. Unpacked seeds, treated with toxic materials
9. Sewage sludge
10. Household garbage
11. Untreated food residue (swill)
12. Glass and glass cullet
13. Unpacked organic fertiliser

**ANNEX 3: DEFINITIONS FOR THE EUROPEAN CODE OF GOOD TRADING PRACTICE****Operator:**

Legal person or entity. In the framework of the European GTP-code it is considered as a single subsidiary of a firm/company.

**Trader:**

Operator, who is selling and buying, , handling, transporting and storing goods in self-owned or rented transport means or storage facilities.

**Independent inspection firms eligible to verify according to chapter 1.7 of the GTP-code:**

These are listed under

[http://www.coceral.com/eu\\_gtp/inspectionfirms/index.html](http://www.coceral.com/eu_gtp/inspectionfirms/index.html)

**National member organisation:**

The member organisation responsible in the framework of the European GTP-code are listed under

[http://www.coceral.com/eu\\_gtp/nat\\_members/index.html](http://www.coceral.com/eu_gtp/nat_members/index.html)

**GTP-certified trader**

Trader having successfully completed verification and certification and who's name and registration number is listed under

[http://www.coceral.com/eu\\_gtp/acc\\_comp/index.html](http://www.coceral.com/eu_gtp/acc_comp/index.html)

**Checklist :**

The checklist for inspection firms is included in Annex 1 of the European GTP-code. It details instructions for the audit of the operator carried out by an independent inspection firms eligible to verify according to chapter 1.7 of the GTP-code.

**Audit:**

Audit procedure of the applicant GTP-trader. This has to be carried out by an independent inspection firm using the instructions included in Annex 1 checklist for auditors.

**Certification**

Certification is carried out by the independent inspection firm.

**Market users:**

Operators producing, collecting, handling, transporting, storing, processing and/or transforming; controlling and trading counterpart within the food and in the feed chain.

**Approved schemes**

Quality management systems established as international or national requirement for market users.

**Equivalent standard**



Quality management system based on ISO 9001 including the HACCP - principle.

Internationally recognised methods or rules for sampling and analysis

Rules for sampling and analysis established by legislation of the European Union have to be applied. If these are not established, national or international rules established by law or regulation, ISO or EN norms, or internationally approved contract terms should be applied.