

COMMISSION REGULATION (EEC) No 618/90

of 14 March 1990

**laying down rules for drawing up the annual inventory of agricultural products
in public storage**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 3247/81 of 9 November 1981 on the financing by the European Agricultural Guidance and Guarantee Fund, Guarantee Section, of certain intervention measures, particularly those involving the buying-in, storage and sale of agricultural products by intervention agencies ⁽¹⁾, as last amended by Regulation (EEC) No 3757/89 ⁽²⁾, and in particular Article 2 (1a) thereof,

Whereas Article 2 of Regulation (EEC) No 3247/81 provides that the intervention agencies are to draw up inventories of products in public intervention storage and that the Commission is to lay down detailed rules for their application;

Whereas an inventory must give an accurate indication of stocks and may therefore be based on records kept throughout the year and detailed inspection at a given moment;

Whereas sound administrative practice requires that the inventory of products in public storage be based on stock inventories kept and checked for each store by its storekeepers;

Whereas the date to appear in the monthly and annual inventories should be specified and also any special requirements for particularly products; whereas the checks and inspections falling to intervention agencies and the procedures to be followed if discrepancies are found should also be specified;

Whereas the measures laid down in this Regulation are in accordance with the opinion of the EAGGF Committee,

HAS ADOPTED THIS REGULATION:

Article 1

Each intervention agency shall, for the end of the financial year, draw up a full inventory stored agricultural products bought in pursuant to Article 4 of Council Regulation (EEC) No 1883/78 ⁽³⁾. The inventory shall be based on the monthly accounting inventories drawn up

by the storekeepers in accordance with Article 2 and the inventory inspection reports drawn up at least once annually for each warehouse by an official of the intervention agency.

Article 2

The monthly accounting inventory shall be drawn up by the storekeeper for each warehouse in which products in public storage are kept. The inventory shall be sent to the intervention agency before the tenth day of the following month.

It shall include at least the following information: — stock carried over from the previous month, — entries and removals, by batch, and — the balance of stocks at the end of the month. A model for the inventory is given in Annex I.

Article 3

The accounting inventory shall be verified by the storekeeper during the last two months of the financial year.

This verification shall entail verification of the physical presence of the goods in accordance with a form, a model for which is given in Annex II.

The verification shall be carried out in the presence of an official of the intervention agency.

If, however, the official of the intervention agency is not present, he shall carry out the verification on his next visit, taking account of stock movements occurring in the interval.

Article 4

On the basis of the accounting inventories, the official of the intervention agency shall check on the spot:

- the procedure used by the storekeeper to draw up the inventories
- the accounting data of the warehouse (entries, removals, balance of stocks) and the outcome of the storekeeper's annual inventory.

The official shall compare the abovementioned accounting data with the quantitative data in his own accounts and with the monthly accounting inventories.

Where there is agreement between the accounts, he shall make a physical inspection of at least 5 % of the quantities stored in accordance with the methods set out in Annex III for each product.

⁽¹⁾ OJ No L 327, 14. 11. 1981, p. 1.

⁽²⁾ OJ No L 365, 15. 12. 1989, p. 11.

⁽³⁾ OJ No L 216, 5. 8. 1978, p. 1.

Where accounts differ or where the physical inspection reveals a discrepancy not clearly justified, an additional percentage of the quantities in intervention storage must be checked in accordance with the same method. This check must be continued by adding an additional 5 % each time to the quantities involved until the differences or discrepancies are explained.

The intervention agency may be represented by an auditor or controller approved by a Member State.

The inspection shall be carried out by a person independent of the storekeeper.

Article 5

1. The intervention agency or its representative within the meaning of Article 4 shall draw up, at the time of the inspection, a report which shall contain at least:

- (a) the name of the storekeeper and the address of the warehouse inspected;
- (b) the date and time of commencement and completion of the inventory operation;
- (c) the place where the inspection is carried out and a description of the storage conditions;
- (d) full particulars of the person or persons carrying out the inspection, their occupational status and their mandate;
- (e) for each batch stored in the warehouse, the quantity shown in the records of the intervention agency, the quantity shown in the records of the warehouse and

any discrepancies found between those records. For each batch inspected physically, the report shall include the same data and the quantity established on the spot and any discrepancies;

- (f) declarations made by the storekeeper where there are discrepancies or lack of agreement;
- (g) the date and place of the report and the signatures of the person who draws it up and the storekeeper or his representative.

The report shall be sent to the intervention agency immediately.

2. The accounts of the intervention agency shall be corrected to reflect the discrepancies and lack of agreement established immediately upon receipt of the report, and declared to the EAGGF in accordance with Articles 3 and 4 of Regulation (EEC) No 3247/81.

3. The reports shall be kept at the headquarters of the intervention agency and shall be available to Commission officials.

Article 6

This Regulation shall enter into force on the third day following its publication in the *Official Journal of the European Communities*.

It shall apply from 1 October 1990.

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

Done at Brussels, 14 March 1990.

For the Commission

Ray MAC SHARRY

Member of the Commission

ANNEX I

(Indicative model)

MONTHLY ACCOUNTING INVENTORY

Product :		Storekeeper :		Month :	
		Storehouse :	No :		
Batch	Description	Quantity kg/tonnes		Date	Observations
		Entry	Removal		
	Quantity carried over				
Quantity to be carried over					

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Inspection intervention agency

(Stamp and signature)

ANNEX II

(Indicative model)

ANNUAL INVENTORY

Product :		Storekeeper :			Year :
		Storehouse :	No :		
Batch	Description	Weight entered	Weight checked	Weight verified	Observations

Weight verified : establishment of physical presence of goods (Article 3)

Weight checked : batches selected and weighed (Article 4)

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Inspector intervention agency

(Stamp and signature)

ANNEX III

PHYSICAL INSPECTION PROCEDURE

I. BUTTER

Physical inspection procedure with a view to drawing up an inventory :

1. Selection of batches representing 5 % of the total quantity in public intervention storage. The batches to be checked may be selected prior to the inspection of the warehouse on the basis of the accounting data of the intervention agency, but the storekeeper not be informed.
2. On-the-spot verification of the presence of the batches selected and of the composition of the batches :
 - identification of the control numbers of the batches and boxes on the basis of the purchase or entry notes,
 - weighing of the pallets (one out of 10) and of the boxes (one per pallet),
 - visual check of the contents of a box (one out of five pallets),
 - condition of packaging.
3. Description in the inventory report of the batches inspected physically and of defects noted.

II. SKIMMED MILK POWDER

Physical inspection procedure with a view to drawing up an inventory :

1. Selection of batches representing 5 % of the total quantity in public intervention store. The batches to be examined may be selected prior to the inspection of the warehouse on the basis of the accounting data of the intervention agency, but the storekeeper not be informed.
2. On-the-spot verification of the presence of the batches selected and of the composition of the batches :
 - identification of the control numbers of the batches and bags on the basis of the purchase or entry notes,
 - weighing of the full pallets (one out of 5) and of the bags (one out of 10),
 - visual check of the contents of a bag (one of five pallets),
 - condition of packaging.
3. Description in the inventory report of the batches inspected physically and of defects noted.

III. CEREALS

A. Physical inspection procedure with a view to drawing up an inventory :

1. Selection of cells or store-rooms to be checked, representing 5 % of the total quantity of cereals in public intervention storage. Selection prior to the inspection may be based on the data available in the stock records of the intervention agency, but the storekeeper not be informed.
2. Physical inspection :
 - verification of the presence of cereals in the selected cells or store rooms,
 - identification of the cereals,
 - monitoring of storage conditions and comparison of the place of storage and of the identity of the cereals with the data contained in the warehouse's stock records,
 - evaluation of the quantities stored on the basis of a method previously approved by the intervention agency, a description of which must be left at the headquarters of the agency.
3. — A plan of the warehouse must be available in each storage place, as must the surveying document for each silo or store room.
 - In each warehouse, the cereals must be stored in such a way that their volume may be verified.

B. Procedure where discrepancies are found

A certain discrepancy shall be permitted when the quantity of the products is verified.

Article 5 (2) of this Regulation shall apply where the weight of the products stored as recorded during the physical inspection differs from its weight as entered in the accounts by :

- 2 % in the case of storage in silos,
- 5 % in the case of a flat store,
- 8 % in the case of storage in irregular keeps ; this tolerance shall be revised before 30 September 1995.

(Indicative model)

CEREALS — STOCK CONTROL

Product :	Storekeeper :	Date :
	Warehouse : No :	
Batch :	Quantity entered in accounts :	

A. Stocks in silos

Cell No :	Nominal volgens volume in m ³ (A)	Free volume recorded m ³ (B)	Volume of cereals stored m ³ (A-B)	Specific weight recorded kg/hl = 100	Weight of cereals

Total (A) : _____

B. On-Floor storage

	Storeroom No :	Storeroom No :	Storeroom No :
Area covered .....	... m ² } ... m ³	... m ² } ... m ³	... m ² } ... m ³
Height .....	... m } ... m ³	... m } ... m ³	... m } ... m ³
Corrections .....	... m ³	... m ³	... m ³
Volume .....	... m ³	... m ³	... m ³
Specific gravity .....	... kg/hl	... kg/hl	... kg/hl
Total weight	... tonnes	... tonnes	... tonnes

Total (B) :

Total weight in storehouse :

Difference from accounting weight :

Percentage :

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Inspector intervention agency

(Stamp and signature)

IV. TOBACCO

Physical inspection procedure with a view to drawing up an inventory :

1. Selection of bales representing 5 % of the total quantity in public intervention storage. The batches to be checked may be selected prior to the inspection of the warehouse on the basis of the accounting data of the intervention agency, but the storekeeper not be informed.
2. Inspection of storage conditions.
3. On-the-spot verification of the presence of the bales and of their composition :
 - identification of the bales by their numbers,
 - comparison of the identified bales with the warehouse's stock records and the data in the intervention agency's books,
 - weighing of the selected bales (1 out of 10),
 - visual check of the contents of individual bales (1 out of 5),
 - condition of packaging, in particular the marketings of the intervention agency.
4. Description in the inventory report of the batches inspected physically and of defects noted.

V. ALCOHOL

Physical inspection procedure with a view to drawing up an inventory :

1. Selection of vats representing 5 % of the total quantity in public intervention storage. The vats to be checked may be prepared prior to the inspection of the warehouse on the basis of the accounting data of the intervention agency.
2. Inspection of the customs plugs, if such plugs are provided for under national rules.
3. On-the-spot verification of the presence of the vats and of the content of the vats :
 - identification of the vats by their number and the type of alcohol,
 - comparison of the identity and the content of the vats with the data contained in the warehouse's stock records and the data in the intervention agency's books,
 - sensorial check of the presence of alcohol, the type of alcohol and the quantity of alcohol in the vats,
 - inspection of the storage conditions by a visual check on other vats.
4. Description in the inventory report of the vats inspected physically and of defects noted.

VI. BEEF

Physical inspection procedure with a view to drawing up an inventory :

1. Selection of batches representing 5 % of the total quantity in public intervention storage. The batches to be checked may be selected prior to the inspection of the warehouse on the basis of the accounting data of the intervention agency, but the storekeeper not be informed.
2. On-the-spot verification of the presence of the batches selected and of the composition of the batches. Verification shall comprise :
 - for bone-in meat :
 - identification of the batches and verification of the number of pieces ;
 - verification, for each type and/or quality, of the weight of 20 % of the pieces ;
 - visual check of the condition of the packaging.
 - for boned or boneless meat :
 - identification of the batches and verification of the number of boxes ;
 - weighing of 10 % of the pallets or containers ;
 - verification, for each cut, of 10 % of the boxes from each pallet or container ;
 - visual check of the contents of the boxes and the condition of the packaging in each box.

The pallets/containers shall be chosen following the different cuts stored.
3. Description in the inventory report of the batches inspected physically and of defects noted.

VII. RAPE AND SUNFLOWER SEED

A. Physical inspection procedure with a view to drawing up an inventory :

1. Selection of cells or store-rooms to be checked, representing 5 % of the total quantity of oilseeds in public intervention storage. Selection prior to the inspection may be based on the data available in the stock records of the intervention agency, but the storekeeper not be informed.

2. Physical inspection :

- verification of the presence of oilseeds in the selected warehouses,
- identification of the oilseeds,
- monitoring of storage conditions and comparison of the place of storage and of the identify of the oilseeds with the data contained in the warehouse's stock records,
- evaluation of the quantities stored on the basis of a method previously approved by the intervention agency, a description of which must be left at the headquarters of the agency.

3. — A plan of the warehouse must be available in each storage place, as must the surveying document for each silo or store room,

- In each warehouse, the oilseeds must be stored in such a way that their volume may be verified ;

B. Procedure where discrepancies are found

A certain discrepancy shall be permitted when the volume of the products is verified.

Article 5 (2) of this Regulation shall apply where the weight of the products stored in a store room or siko, as recorded during the physical inspection, differs from the weight as entered in the accounts by :

- 2 % in the case of storage in silos,
- 5 % in the case of a flat store.

(Indicative model)

OILSEEDS — STOCK CONTROL

Product :	Storekeeper :	Date :
	Warehouse : No :	
Batch :	Quantity entered in accounts :	

A. Stocks in silos

Cell No :	Nominal volgens volume in m ³ (A)	Free volume recorded m ³ (B)	Volume of oilseeds stored m ³ (A-B)	Specific weight recorded kg/hl = 100	Weight of oilseeds

Total (A) : _____

B. On-floor storage

	Storeroom No :	Storeroom No :	Storeroom No :
Area covered .....	... m ² } ... m ³	... m ² } ... m ³	... m ² } ... m ³
Height .....	... m } ... m ³	... m } ... m ³	... m } ... m ³
Corrections .....	... m ³	... m ³	... m ³
Volume .....	... m ³	... m ³	... m ³
Specific gravity .....	... kg/hl	... kg/hl	... kg/hl
Total weight	... tonnes	... tonnes	... tonnes

Total (B) :

Total weight in storehouse :

Difference from accounting weight :

Percentage :

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Inspector intervention agency

(Stamp and signature)

VIII. OLIVE OIL

Physical inspection procedure with a view to drawing up an inventory:

1. Selection of vats representing 5 % of the total quantity in public intervention storage. The vats to be checked may be selected prior to the inspection of the warehouse on the basis of the accounting data of the intervention agency, but the storekeeper not be informed.
 2. On-the-spot verification of the presence of the vats and of the composition of the vats :
 - identification of the vats by their number and the type of olive oil,
 - comparison of the identity of the vats with the data contained in the warehouse's stock records and the data in the intervention agency's books,
 - sensorial check of the presence of olive oil, the type of olive oil and the quantity of oil in the vats,
 - inspection of the storage conditions by a visual check on other vats.
 3. Description in the inventory report of the vats inspected physically and of defects noted.
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