Susanne Hede, Denmark - Göran Engström, Sweden - Susanne Oyen, Norway - Garðar Jónsson, Iceland

Report

23.2.2017

Independent scrutiny of the national audit system in Norway (**Mattilsynet**)

The report contains an evaluation of the national audit system, whether the system is in compliance with the requirements laid down in Reg.882/2004, and is set up and achieves its goals as described in Commission Decision 2006/677 EC. The scrutiny is not an audit of the national control system.

Background

The scrutiny is conducted according to the agreement paper "Nordic cooperation on independent scrutiny of national audit systems", which refers to the requirements in Reg. 882/2004 art. 4.6.

Scope

The scrutiny covers the national audit system provided by the following competent authorities (CA):

The Norwegian Food Safety Authority Mattilsynet Ullevålsveien 76, 0454 Oslo

The scrutiny was performed 22. -23. February 2017 by

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The scrutiny was performed, using document study and interview on-site. The CA delivered a presentation at the opening meeting descibing the audit body, organisation chart and which areas under 882/2004 the national audits cover.

The CA also provided the scrutiny team with:

- Presentations regarding the audit process.
- The following documents:
  - Internrevisjon – metode – retningslinje
  - Internrevisjonen i Mattilsynet
  - Internrevisjon – oppfolging, rapportering
  - Internrevisjon – prosessoversikt
  - Internrevisjon – flerårig plan
  - Internal audit in Mattilsynet
  - Internrevisjonen i Mattilsynet

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- Rapport fra internrevisjons 2016
- Rapport fra internrevisjon 2016
- Presentation of Norway's audit system
- Multi-annual national control plan (MANCP)
- Annual report 2015 – The Norwegian Food Safety Authority

Findings

For evidence obtained and findings done by the scrutiny team regarding compliance with the criteria is reported in the following table 2.

Table 2: Evidence and Findings

Criteria	Evidence	Findings
Audit-program (677, 5.1; NAS "Risk based planning")	Areas to be covered over a 5-year period was presented. Approximately 2 areas audited in a year. Well-developed risk analyse matrix for business operators. Improvement portal collects observations and non-compliances. No risk analyse matrix for authority. No fully systematic risk-based planning for the aspects; fraud and performance of control units.	The audit program is not fully risk based.
Audit-program (5-year plan) fulfilled (882, 4.6)	There are 10 areas and 2 audits are done per year.	Compliant
Audit-objective, -scope and –criteria (677, 5.1; NAS "Risk based planning")	Criteria are not listed with direct references to Regulation (EC) No 882/2004. The Audit reports do not directly provide information of the compliance with regulation (EC) No 882/2004.	Audits are partly fulfilling the requirements. (Audits are not clearly linked to criteria from the 882/2004 -but the objectives, scope and criteria used are to some extent similar to the 882/2004).
Audit-plan (677, 5.1; NAS "Risk based planning")	There is a mandate and a 'retningslinje'.	Compliant

Independence of audit-units and the auditors (677, 5.3; NAS "Independence and independent scrutiny")	The Internal Audit is placed outside the control and is reporting directly to the Director General.	Compliant.
Audit-documentation (including reporting) (677, 5.1, 6.2; NAS "Audit Evidence")	The scrutiny team haven not been presented reports containing conclusions that address the effective implementation of planned arrangements and the suitability of the planned arrangements to achieve the objectives in the Reg. 882/2004. Reports are written and commented by auditee, on high level. Detailed documentation exists for the audit group.	Partly fulfilling the requirements.
Competence requirements (677, 6.6)	Auditors and technical experts are competent and training is provided. Good connections with IIA network.	Compliant
Transparency (677, 5.2)	The Audit programme, and the Annual Audit reports are available on the Mattilsynet intranet. Audit reports are available on the external web-site.	Compliant.
Follow-up-activities (assure improvement) (677, 6.3)	It has been recognised that historically there were no systematic working Follow-Up activities developed. There is a new instruction from 2015. Action plans are developed and accepted.	Non-compliance.
Resources	One full time auditor and technical experts. The system could be vulnerable when only one person is running the system.	Compliant

Is the audit process implemented (677, 6.1) ***Guiding Principles: (a) Compliance with planned arrangements; (b) Effective implementation; (c) Suitability to achieve objectives*** **To comply with the requirements of Article 4(6) of Regulation (EC) No 882/2004, the audit system should cover the following three points set out in Article 2(6):** **(a) Verification of compliance with planned arrangements in order to provide assurances that official controls are carried out as intended and that any instructions or guidelines given to staff carrying out the controls are followed. This may largely be addressed by document review, but will also require on-site verification. The audit team will require good generic audit knowledge and skills to address this audit objective.** **(b) Verification of the effective implementation of planned arrangements. In order to assess effectiveness, that is the extent to which planned results are achieved, on-site operational implementation must be included. This should include an assessment of the quality and consistency of the controls and should involve on-site audit activities.** **The audit team will require the relevant technical expertise in order to address this audit objective.** **10.10.2006 EN Official Journal of the European Union L 278/21** **(c) The audit system should also seek to assess whether the planned arrangements are suitable to achieve the objectives of Regulation (EC) No 882/2004, and in particular the single integrated multi-annual national control plan. This should include assessing the suitability of official controls, with regard, for example, to their frequency and the methods applied, having regard to the structure of the production chain(s) and to production practices and volume. The audit team should have substantial knowledge and understanding of system auditing, together with relevant technical input to address this audit objective.** **In order to determine whether the planned arrangements are suitable to achieve the objectives set out in (c) above, the following should be considered:** ***Audit criteria* should include strategic objectives stemming from Regulations (EC) No 178/2002 and (EC)**	Verification of compliance with planned arrangements is over-all a part of the audit process. Verification of effective implementation of planned arrangements is not fully covered. Work is ongoing to develop auditing effectiveness in relation to objectives and indicators. The audits are including verification of the control activities at the FBO-level. The audits do not clearly state the suitability of the planned arrangements to achieve the objectives of Reg. 882/2004. Process owners are carrying out root cause analysis.	Partly fulfilling the requirements.

No 882/2004 (including the single integrated multi-annual national control plan) and national legislation. ***The primary focus* of audits should be the control arrangements relating to the critical points for control in the production chain(s). The emphasis should be on assessing whether planned arrangements are capable of delivering sufficient guarantees on (a) the safety of the end-product(s) and (b) compliance with other feed and food law requirements and with animal health and welfare rules. In order to achieve this, audit(s) should where possible extend beyond and across administrative boundaries.**		

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Conclusion

Conclusions are based on findings, and not graded

- *Overall the national audit system complies with the requirements in Reg. (EU) 882/2004.*
- *Process owners carry out Root cause analysis, which is a good practice.*
- *Use of Improvement Portal system for observations and non-compliances, which is a good practice.*
- *The audit function uses questionnaires as feedback from auditees.*
- *Good practices are spread and used.*
- *The risk matrix system from food chain control is a good base for audit planning, even though it is not focused on authority activity.*
- *The audit process is not fully implemented, but could with small changes be fully in line with the requirements in* Reg. (EC) 882/2004.
- *Follow up activities are not fully implemented.*

Recommendations

Recommendations are based on the most important conclusions:

We recommend Mattilsynet to continue to develop audits covering effectiveness.

This report was presented to Director General Harald Gjein at the closing meeting at Norwegian Food Safety Authority, Mattilsynet on the 23. February 2017. Norwegian Food Safety Authority, Mattilsynet decides the further use of this report.

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Date: 23.2.2017