



Appalachian Hardwood Center

Phytosanitation of Wood Packaging Material Newsletter



*A Cooperative Effort of the West Virginia University Appalachian Hardwood Center
and the US Forest Service Wood Education & Resource Center*

INTRODUCTION

The Appalachian Hardwood Center (AHC) at West Virginia University, the US Forest Services's Wood Education and Resource Center (WERC) and the Louisiana Forest Products Development Center (LFPDC) have formed a partnership to provide information and assistance to individuals, businesses, and organizations regarding the International Phytosanitary Regulations for Wood Packaging Material (WPM). This collaboration represents the continuation of the Pallet Phytosanitary Project, funded by WERC, which provided similar information for a three-year period ending in the fall of 2004.

This is the first newsletter in a continuing series that will periodically update you on information and current events. A number of resources will be available through this collaboration, including:

- A continuation of the LFPDC educational website for the International Standards for Phytosanitary Measures (ISPM) at:

<http://www.agctr.lsu.edu/enr/pallelsanitation/index.asp>

- Assistance with questions about the International Standards.
- Periodic newsletters and technical bulletins.

- Distribution of electronic educational and informational materials.
- Availability of speakers to present seminars and workshops on the International Regulations.

More information will become available as the project moves forward. The website will be undergoing significant changes over the next several weeks, with information being added and/or updated regularly.

WPM Manufacturer's Awareness Survey

During the spring of 2005 the Appalachian Hardwood Center conducted a mail survey of wood packaging manufacturers in the eastern hardwood region to determine the level of awareness about the International Phytosanitary Regulations for Wood Packaging Material. The regulatory process was implemented in 2002 by the IPPC (International Plant Protection Convention) with the approval of ISPM 15 "Guidelines for Regulating Wood Packaging Material in International Trade". As we moved into 2005, most of the industrialized nations had established implementation and enforcement policies, using ISPM 15 as the basis. Many of these countries were actually regulating imports according to ISPM 15 when the survey was mailed. It was hypothesized that by Spring 2005 most WPM manufacturers would be fully aware of the phytosanitary

regulations.

A total of 1550 surveys were mailed. The mailing lists were obtained from state forestry departments and state forestry associations.

Useable responses were received from WPM manufacturers in 26 states in the eastern hardwood region. In total, 363 responses were received from operational wood processing companies. Of these, 74 percent (267 of 363) were operational wood packaging manufacturers, while the others represented a range of wood processing facilities.

Eighty-nine percent (322 of 363) of all respondents were aware of the new phytosanitation regulations to be implemented internationally, while 93 percent of the WPM manufacturer's were aware of the regulations.

The remaining questions were addressed only to WPM manufacturers. Eighty-three percent of respondents indicated that some of their WPM production was intended for export. The range was from 1 percent to 100 percent, with an average of 24 percent. Because of the extra cost associated with export WPM, 46 percent of respondents were maintaining

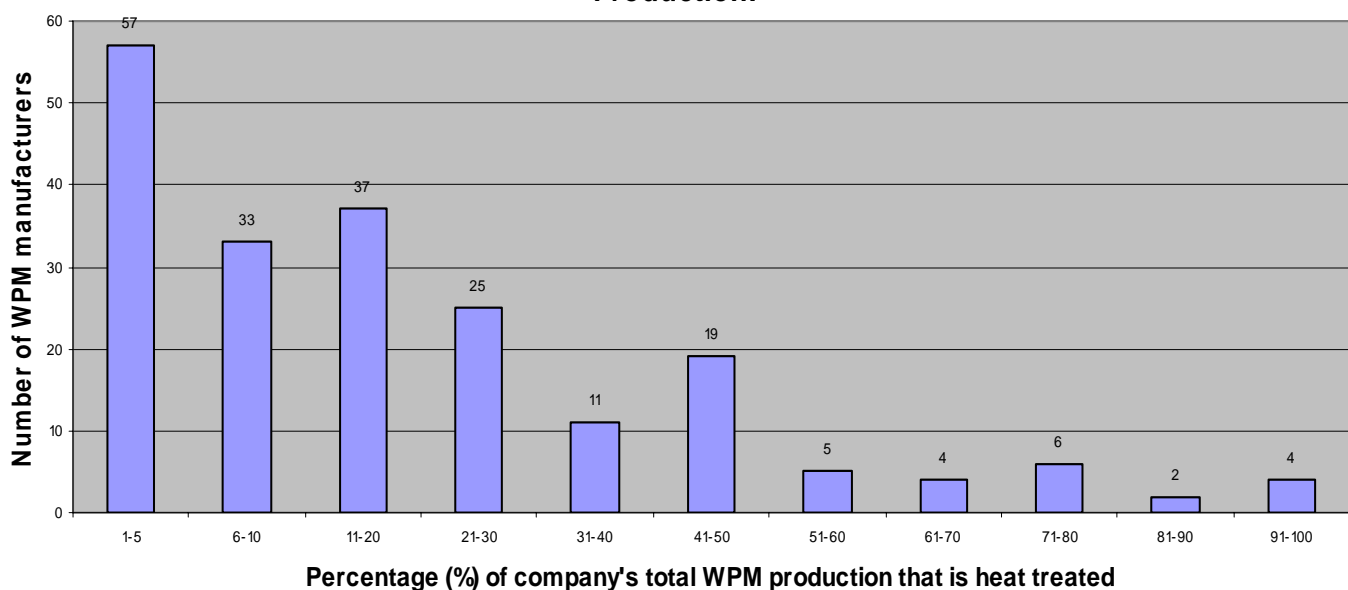
separate WPM inventories for export and domestic use.

Under ISPM 15, the only acceptable treatments for WPM are heat treatment and methyl bromide fumigation. Among survey respondents, 42 percent were heat-treating WPM. Figure 1 illustrates the percentage of each manufacturer's total WPM production that was heat treated for export purposes, and the number of manufacturers in each percentage category.

Of those with heat treatment units, 43 percent (118) were willing to provide custom heat-treating services. Only eleven (4 percent) of the respondents were fumigating with Methyl bromide.

Finally, 67 percent of the respondents felt that a central contact point for information and assistance regarding the International Phytosanitary Regulations was important. This number included both manufacturers and non-manufacturers of WPM.

Figure 1. Heat Treated WPM as a Percentage (%) of a Company's Total WPM Production.



Exporter Awareness Survey

The flip side of WPM manufacturers awareness is the awareness among those exporting products on or in Wood Packaging Materials (WPM). In order to gauge the level of exporter awareness, the Appalachian Hardwood Center at West Virginia University obtained a comprehensive list of West Virginia exporters from the WV Development Office as a sample frame for addressing this issue. The list contained a total of 634 exporters.

The response rate for the mail survey to WV exporters was 8.3 percent (53 of 635).

Only 58 percent of the exporters (31 of 53) were aware of the impending regulation of WPM. However, only 40 percent were using WPM to ship their product overseas. Of those utilizing WPM, 86 percent were aware of the regulations.

The level of complexity in dealing with the regulations will be directly correlated to the number of countries to which a company ships product. The number of destination countries for an individual company ranged from 3 to 65. The average was 13 countries (the average was 10 countries when not including the exporter reporting 65 destinations).

Each respondent was asked to list the top 5 countries, based on volume of business, to which they export. The following shows how many times individual countries were cited as being in the top 5:

China (12), Canada (9), Spain (5), Germany (4), India (4), Japan (4), France (3), Italy (3), South Korea (3), Taiwan (3), Australia (2), Brazil (2), Egypt (2), Mexico (2), Pakistan (2), Singapore (2), Turkey (2), Belgium (1), Bermuda (1), Cayman Islands (1), Columbia (1), Hungary (1), Malaysia (1), Philippines (1), Poland (1), Portugal (1), Russia (1), Saudi Arabia (1), UAE (United Arab Emirates) (1), UK (United Kingdom) (1).

Again, because of the additional cost

associated with export WPM that requires treatment, 38 percent (8 of 21) respondents were maintaining separate WPM inventories for export and domestic use.

Forty-eight percent (10 of 21) respondents said they were purchasing certified and marked heat-treated WPM. Only 1 of 21 respondents (5 percent) was purchasing certified and marked WPM that had been fumigated with methyl bromide.

Because of the new regulations, 4 of 10 respondents (40 percent) said they had to change WPM suppliers in order to obtain heat-treated compliant packaging. Similarly, the single respondent purchasing methyl bromide treated WPM indicated that they had to change suppliers in order to obtain the compliant packaging.

One of the potential adverse effects of the WPM regulations is that the increased cost of compliance may force exporters to move to alternative packaging. Eight of 21 respondents (19 percent) said they have considered replacing WPM with an alternative packaging material. Three of the eight have made partial conversions to alternate materials, while one of the eight has made a complete changeover to alternative materials. The alternative materials selected included plastic, plywood, and steel.

Although the level of awareness among exporters was significantly less than among the WPM manufacturers, 86 percent of exporters using WPM saw a need for a central contact point for information and assistance regarding the International Phytosanitary Regulations.

Country Updates – ISPM 15

The country-by-country process of adopting ISPM 15 continues, approaching 30 countries, which are in various stages of adoption, implementation, and enforcement. For clarity in reviewing the status of each country, the following categorizations are made:

1. Countries currently (including those beginning enforcement by September 30, 2005) enforcing ISPM 15 without stipulations.
2. Countries currently enforcing (including those beginning enforcement by September 30, 2005) ISPM 15 with stipulations.
3. Countries that have established dates for enforcement beyond September 30, 2005.
4. Countries that have indicated implementation and enforcement without specifying a starting date.
5. Countries that have decided not to adopt ISPM 15.

Countries currently enforcing ISPM 15 (with beginning dates in parentheses) without stipulations

- Argentina (June 1, 2005)
- Brazil (June 1, 2005)
- Colombia (September 16, 2005)
- Costa Rica (January 1, 2005)
- Ecuador (September 20, 2005)
- Guatemala (September 16, 2005)
- India (November 1, 2004)
- Nigeria (September 30, 2004)
- Panama (February 17, 2005)
- Peru (September 1, 2005)
- Philippines (June 1, 2005)
- South Africa (January 1, 2005)
- Switzerland (March 1, 2005)
- Venezuela (June 1, 2005)

Countries currently enforcing ISPM 15 (with beginning dates in parentheses) with stipulations

- Australia (September 1, 2004) – WPM and dunnage must be bark free and each consignment must include a packing declaration.
- Bolivia (July 23, 2005) – Requires debarked WPM.
- Canada (September 16, 2005)*- See Phase-In Section Below.
- Chile (June 1, 2005) – Requires WPM be debarked.
- European Union (March 1, 2005) – Have deferred debarking and bark-free

specifications for one year from implementation date; dunnage treated and marked need not be bark-free.

- Mexico (September 16, 2005)*- See Phase-In Section Below.
- New Zealand (April 16, 2003) – Requires bark-free WPM.
- South Korea (June 1, 2005) – Methyl bromide fumigation must use the 24-hour treatment schedule.
- United States (September 16, 2005)*- See Phase-In Section Below.

Countries that have established dates for enforcement beyond September 30, 2005

- China (January 1, 2006) – Softwood packaging can be fumigated with methyl bromide, but must use the 24 hour treatment schedule.
- Egypt (October 1, 2005)
- Turkey (January 1, 2006) – Will require WPM be debarked.

***Phase-In enforcement for the United States, Canada, and Mexico**

The United States, Canada, and Mexico, through their membership in NAPPO (North American Plant Protection Organization), have collectively agreed to revise their implementation of ISPM-15 according to a three step process:

Phase 1: September 16, 2005 through January 31, 2006 - No action will be taken, but notification will be issued to importers who are not using ISPM-15 compliant WPM.

Phase 2: February 1, 2006 through July 3, 2006 - Non-compliant WPM will be rejected. Remediation options will include fumigation at the port of entry or repackaging of the shipment with compliant packaging materials. All remediation expenses will be billed to the importer.

Phase 3: Starting July 4, 2006 - Full enforcement of ISPM-15 for all WPM will begin.

Finally, the movement of WPM between the United States and Canada has also been revised. WPM moving from Canada to the United States remains exempt from ISPM-15 requirements if Canadian lumber is used. However an import declaration will be required. The shipping invoice must state that the WPM in the shipment is derived from trees harvested in Canada or the United States. A "Made in Canada" stamp is not acceptable.

Canadian WPM manufactured from imported lumber, according to USDA APHIS, must be treated according to ISPM-15 guidelines, with an appropriate treatment and marking. This type of WPM entering the US from Canada is no longer exempt.

At this time, Canada has not imposed similar restrictions on WPM entering Canada from the United States.

Countries that have indicated implementation and enforcement without specifying a starting date

- Tanzania

Countries that have opted not to adopt ISPM 15

- Japan– currently not requiring ISPM compliant WPM. It is not clear that this will remain Japan's long term policy.
- Taiwan – Regulations apply only to lumber and other wood products and not WPM.

Packaging and Marking Training Seminar

The Northwest Pennsylvania Regional Planning and Development Commission is offering a half day training event on November 15th in Erie, PA. The program will focus on aspects of the ISPM-15 Standard with its new regulations for treatment requirements of wood packaging materials for international shipments and aspects of military packaging

and marking regulations as specified by their Military Standards. Presenter on the ISPM-15 international wood packaging standard will be Curt Hassler, Project Manager of the cooperative effort of the West Virginia University, Appalachian Hardwood Center and the USDA Forest Service, Wood Education and Resource Center. Presenter on the Military Standards will be Shermaine Hill from the Defense Logistics Agency, Columbus, OH. For additional information please contact Dorte Heffernan, Northwest Commission, Oil City, PA at 814.677.4800 ext. 110 or email dorteh@nwcommission.org.

Miscellaneous

Copies are still available of the Technical Paper, "Heat Sterilization of Hardwood Pallet Material", authored by Joseph Denig and Brian Bond, developed as part of the Pallet Phytosanitation Project, a collaborative effort of the Limestone Bluffs RC&D and the Wood Education Resource Center. Copies can be requested by contacting Curt Hassler at (304) 282-5417 02 via email at curth@mail.wvnet.edu.

Additional Information

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