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Canadian/U.S. Exemption for Solid Wood Packaging Expected to End Implementation Date/Details Remain Unresolved

The U.S. Department of Agriculture's Animal & Plant Health Inspection Service (APHIS) and Canada Food Inspection Agency (CFIA) are working on a phase-in approach to eliminating the International Standard for Phytosanitary Measures (ISPM) No. 15 wood packaging exemption between the two countries. When ISPM 15 was first being discussed, it was expected that the North American countries of Mexico, Canada and the United States would allow unrestricted movement of wood packaging materials. However, early on APHIS recognized that southern Mexico had invasive species that would be a threat to the U.S. In response, ISPM 15 was mandatory between those two countries from the start.

As a result of the spread of the emerald ash borer (EAB), the U.S. and Canada began re-examining the exemption between our two nations. EAB poses a serious threat to all species of ash trees throughout their range in the U.S. and Canada. During the relatively short time that EAB has been in North America, it has built up its populations to damaging levels and is believed to have killed in excess of 20 million trees in Michigan alone. Both countries have areas of quarantine. For the U.S. it is Ohio, Illinois, Indiana, Michigan and Prince George's County, Md. Canada's quarantine areas are Essex, Lambton, Elgin, Middlesex and Norfolk counties, the Municipality of Chatham-Kent and the City of Toronto. Wood pallet and container companies in those areas need written permission to move their product out of the quarantine area.

The most recent draft plan by USDA and CFIA involves a two-year phase-in period. As the plan stands now, the phases of implementation will be as follows:

1. One year for industry preparations to comply with the standard.
2. Six months of informed compliance. Notices will be posted in connection with cargo that contains noncompliant WPM.
3. Six months of rejection of noncompliant wood crates and wood pallets through re-exportation. Informed compliance and notices posted in cargo with other types of noncompliant WPM (dunnage, blocking and bracing).
4. Full enforcement on all articles of regulated WPM entering the United States and North America. Shipments containing noncompliant regulated WPM will not be allowed to enter the United States.

The countries had originally planned to jointly announce the end of the exemption, but CFIA is now expected to make their announcement soon, while APHIS' announcement will likely not come until the fall. NWPCA believes this delay is to allow the U.S. time to finalize a domestic ISPM 15 standard and coordinate its implementation with the Canadian exemption. The domestic standard, like the end of the Canadian exemption, will be phased in.

What this means to members: Canada is America's largest trading partner; according to the International Trade Administration, Canada's exports of goods and services last year were \$251.5 billion (up 8.8 percent over the previous year). Wood packaging manufacturers and recyclers in all states will be impacted as this enormous amount of U.S. export trade to Canada begins requiring all pallets and containers to be ISPM 15-compliant to enter the country. Look in upcoming issues of *PalletCentral* for details and updates on this issue.

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