

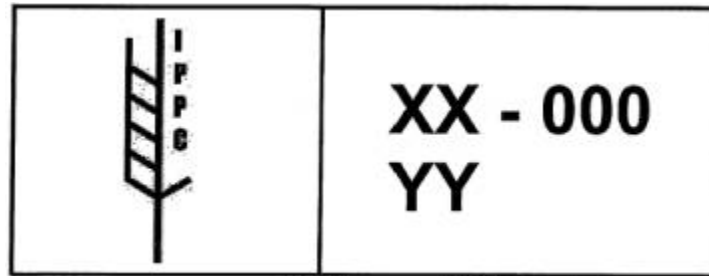


ISPM-15 UPDATE

As of March 24, 2004



Major trading partners of the U.S. have started to adopt ISPM 15 (Guidelines for regulating wood packing material in international trade) in their regulations. ISPM 15 calls for treatment (either by methyl bromide fumigation or heat treatment of core temperature at 56°C for at least 30 minutes) of coniferous/softwood and non-coniferous/hardwood wood packaging material (WPM) to eliminate the risk for most quarantine forest pests. WPM includes, but is not limited to, pallets, dunnage, crating, packing blocks, drums, cases, load boards, pallet collars and skids. Certified WPM must bear the mark shown below:



The treaty dealing with ISPM 15 has been signed by 134 nations; those countries listed below have begun the implementation process. The National Wooden Pallet and Container Association (NWPCA) is the clearinghouse of information for the World Pallet Council and notifies NWPCA members of announced implementation plans or changes to existing requirements within 24 hours of receiving the information.

What the Regulations Mean to Pallet Users: International regulations have been in flux for some time. If your company has concerns about wood packaging regulations for a specific shipping destination, contact NWPCA or any of our industry members. We're in the solid wood packing business; it's our job to provide you with a cost effective, compliant shipping platform that will deliver your products safely to your customer.

Australia

Australia began accepting 56°C/30 min. heat treated wood packaging last December (2003) from Canada (treated and marked under the Canadian Wood Packaging Certification Program).

The Australian Quarantine Inspection Service (AQIS) is still reviewing the U.S. program administered by the American Lumber Standards Committee (ALSC). For now the only non-permanent treatment Australia is accepting from the United States is methyl bromide fumigation or heat sterilization. (Note: There is a 21-day limit between treatment and container sealing.)

Brazil

Last month (March 2004) Brazil announced emergency requirements that began ISPM 15 implementation retroactively to January 2004.

Canada

Canada started implementing their new regulation starting January 2004. Wood packaging imported from the U.S. is exempt from treatment and marking.

China

AQIS (China's Plant Protection Organization) has not decided when it will implement their new regulation for imported solid wood packaging. In discussions with APHIS, they indicated there would be an advance notice for implementation and a phase-in period. For now heat treatment with certification through APHIS is the only recognized method for softwood; hardwood is exempt (we recommend use of the NC-US voluntary mark).

European Union

The European Commission announced it is delaying its implementation for ISPM 15 enforcement, but no date has yet been set. For now, it's 2-years old emergency requirements for wood and wood packaging is in effect. NC-US is still acceptable for hardwood.

Japan

Japan is no longer considering ISPM 15 in the foreseeable future.

Korea

The Korean National Plant Quarantine Service has published its rule adopting ISPM 15. Their regulation goes into effect June 1, 2005. At this time, they will only accept heat treatment for coniferous wood; hardwood can be fumigated or heat treated.

Mexico

Mexico has decided for a phase-in implementation that began January 2004, but they have not yet provided specific details of their import requirements. Despite the lack of implementation details, some enforcement has begun.

Switzerland

Switzerland is the first non-EU member that has passed legislation adopting ISPM 15. Its implementation starts on July 1, 2004.

United States

As of January 2004, APHIS began encouraging all importers to use ISPM 15-compliant wood packaging in anticipation of future implementation of its regulation. The final rule is expected to be released by the third quarter of 2004 with a one-year grace period before enforcement penalties are levied.

New Zealand

New Zealand has fully implemented and is enforcing ISPM 15.