FedEx Regulatory Alerts & Updates

Regulatory Alert: Solid Wood Packing Materials U.S. Export Enforcement Issues

August 29, 2019

BACKGROUND

Pursuant to 7 CFR § 319.40-3, non-exempt wood packaging material (WPM) imported into or exported from the United States must have been treated at approved facilities at places of origin to kill harmful timber pests that may be present. This regulation has been in effect since September 16, 2005.

U.S. Customs and Border Protection (CBP) is responsible for enforcing the WPM regulation at all U.S. ports of entry and exit. Since November 1, 2017, CBP has been enforcing compliance with the Cargo Service Messaging System (CSMS) guidance provided on WPM requirements, including penalties for documented violations.

WHAT HAS CHANGED?

CBP at various ports of entry have noticed non-compliant wooden pallets arriving at their port from overseas shipping locations. This is happening because U.S. exporters are using non-compliant wooden pallets to ship goods to the foreign country/territory, and when the foreign customs officials realize the pallet is not properly treated or stamped as per global WMP regulations, they return the violative pallets back to the U.S.

In order to address the source of the violations, CBP-Agriculture specialists will begin enforcing the WPM requirements on FedEx U.S. exporters who are shipping using non-compliant pallets. This will include export shipments cleared for export out of the FedEx hubs in the U.S.

All Solid Wood Packing Materials (SWPM) used by ALL FedEx customers (U.S. import and export) should adhere to the International Standards for Phytosanitary Measures (ISPM 15) guidelines requiring all wood packaging made of softwood or hardwood species to be properly heat treated or fumigated AND carry a special mark on the WPM to certify it. Various wood packaging materials (crates, pallets, boxes, etc.) are normally made from the lowest grade of lumber, thus increasing the probability of pests being present. The objective is to reduce the risk of transferring harmful plant pests across international borders.

All FedEx Express customers are urged to review both the CBP and Animal and Plant Health Inspection Service (APHIS) links below that address wood packaging material and adhere to the requirements. Both sites contain guidelines for trade and contact resources for those customers who might have specific SWPM compliance questions.

Content Intended for FedEx Express Customers Only

Q&A
Q1: What is wood packing material?
A1: Wood packaging material or WPM is also called Non-Manufactured Wood Packing (NMWP) or Solid Wood Packing Material (SWPM), and is defined as "hardwood and softwood packaging other than that comprised wholly of wood-based products such as plywood, particle board, oriented strand board, veneer, wood wool, etc., which has been created using glue, heat, and pressure or a combination thereof used in supporting, protecting or carrying a commodity (includes dunnage)."

Examples of WPM include but are not limited to pallets, skids, pallet collars, containers, crates, boxes, cases, bins, reels, drums, load boards, and dunnage.

Q2: What is ISPM 15?
A2: The International Standards for Phytosanitary Measures Guidelines for Regulating Wood Packaging Material in International Trade (ISPM15) is one of several International Standards for Phytosanitary Measures adopted by the International Plant Protection Convention (IPPC). The IPPC is an international treaty to secure action to prevent the spread and introduction of pests of plants and plant products and to promote appropriate measures for their control. ISPM15 is the standard on which many countries'/territories' WPM regulations are based.

Q3: What countries/territories require ISPM 15?
A3: A total of forty-five (45) countries/territories and the entire European Union require ISPM 15.

The various countries/territories enforcing the SWPM requirements can be found here:
https://www.aphis.usda.gov/aphis/ourfocus/planthealth/sa_export/sa_wood_packaging/sa_by_country

It is a simple matter to select the destination country/territory and see what the requirements are for that country/territory. Here are two examples:

CANADA
- Commodities destined to Canada from the United States are exempt from the requirement for treatment and official marking.
- The exporter MUST WRITE ON EXPORT PAPERWORK: "Wood Packing Material of Continental U.S. Origin."

MEXICO
- Mexico, in conjunction with the North American Plant Protection Organization (NAPPO), published requirements adopting ISPM 15 for WPM. The regulation was implemented September 16, 2005.
- For questions pertaining to treatment and marking of WPM under the heat treatment and fumigation programs, contact the American Lumber Standard Committee (ALSC) at (301) 972-1700 or one of the accredited agencies listed at the ALSC website.

Q4: What are the ramifications of using pallets and other SWPM that do not meet the ISPM 15 requirements?
A4: It can be costly to deal with illegal or violative WPM. CBP in the U.S. can assess a penalty against a party importing a non-compliant WPM, as well as claims for liquidated damages. A penalty can be assessed on the very first WPM violation.

Both CBP in the U.S. and foreign customs officials will not allow non-compliant WPM to enter their countries/territories. The importer or exporter is usually required to handle the removal or destruction of violative SMPM. If the pallets are not properly treated and/or do not contain the proper ISPM-15 markings, the importer or exporter could be required to destroy the pallets under customs supervision or fumigate the pallets if customs requires it.

References:
CBP Wood Packaging Material Page
https://www.cbp.gov/border-security/protecting-agriculture/wpm

APHIS Plant Health Export Information
https://www.aphis.usda.gov/aphis/ourfocus/planthealth/SA_Export

APHIS Wood Packing Material (WPM)
https://www.aphis.usda.gov/aphis/ourfocus/planthealth/sa_export/sa_wood_packaging/ct_wood_packaging_material

External fedex.com posting
https://www.fedex.com/en-us/service-alerts.html?search=true&spterm=service%20alerts
(Note – scroll down to UNITED STATES, click on the + sign on the right, and open the Oct. 3, 2017, "Increased Enforcement of Wood packing Material Regulations")