

TRADE POLICY HIGHLIGHTS

IPPC ADOPTS STANDARD FOR WOOD PACKING MATERIAL

On March 15, 2002, the Interim Commission for Phytosanitary Measures, the governing body of the International Plant Protection Convention (IPPC), adopted a new standard for wood packing material used in international trade. The standard describes phytosanitary measures to reduce the risk of introduction or spread of pests associated with wood packing material. Wood packing material that has been treated with one or more approved measures and bears the specified mark will normally be accepted by all national plant protection organizations. The United States is one of 116 countries that are contracting parties to the IPPC. Measures approved in the standard include heat treatment (to a core temperature of 56° C for a minimum of 30 minutes) and fumigation with methyl-bromide. The United States has indicated that it intends to adopt the IPPC standard (as an interim rule) by the end of the year. In 2001, the United States traded more than \$1.8 trillion worth of goods internationally, much of which was shipped using packing material covered by the IPPC standard. (For additional information on the standard, view <http://www.aphis.usda.gov/ppq/swp/>).

WOOD PRODUCTS SUBCOMMITTEE MEETS IN TOKYO

The U.S.-Japan Wood Product Subcommittee (WPSC) met April 11, 2002 in Tokyo. The WPSC was one of three committees set up under the terms of the 1990 U.S.-Japan Wood Products Agreement, but much of its work in recent years has been conducted under the auspices of the U.S.-Japan Enhanced Initiative on Deregulation and Competition Policy. This marked the first meeting of the WPSC since the conclusion of the U.S.-Japan Enhanced Initiative on Deregulation and Competition Policy. A wide-range of issues was taken up during the meeting, notably the basis of the Japanese methodology for testing and evaluating fireproof performance and the need for Japan to use public comment procedures in the establishment of emission levels for indoor air quality, and amendments to the Building Standard Law related to indoor air quality.

ITC FINDS THREAT OF INJURY IN CANADIAN SOFTWOOD LUMBER INVESTIGATION

On May 2, 2002, the International Trade Commission (ITC) announced its final injury determination, finding a threat of material injury in both the countervailing duty and antidumping investigations of Canadian softwood lumber. On March 22, the Department of Commerce (DOC) announced the final countervailing duty rates and antidumping margins for Canadian softwood lumber, finding a net countervailing duty rate of 18.79 percent and antidumping margins ranging from 2.18 to 12.44 percent. Products manufactured in the Maritime Provinces are exempt from the countervailing duty, as are products of certain manufacturers who rely entirely on logs sourced from the Maritime Provinces or Maine. The duties were effective May 22, following publication of ITC's final determination in the Federal Register. Cash deposits in an amount equal to the duties are required for all shipments of Canadian softwood lumber entering the United States after that date.

APHIS RESCINDS DECISION TO ALLOW ENTRY OF BRAZILIAN MAHOGANY

On May 2, the USDA Animal and Plant Health Inspection Service (APHIS) rescinded a decision to allow the entry of 15 shipments of bigleaf mahogany veneer and lumber from Brazil after Brazil notified APHIS that it was withdrawing its letter certifying that the wood was harvested legally. Brazil and five other Latin American countries have listed bigleaf mahogany on Appendix III of the Convention on International Trade in Endangered Species (CITES), meaning that these countries must certify that export shipments were acquired legally. APHIS has been holding the shipments since February 8. Several European countries are holding Brazilian shipments for similar reasons. In 2001, U.S. imports of Brazilian mahogany lumber amounted to \$38 million.

UK IMPOSES ADDITIONAL REQUIREMENTS ON IMPORTS OF WOOD FROM THE UNITED STATES

On May 3, 2002, the United Kingdom (UK) announced that it was imposing additional requirements on the importation of certain species of wood from the United States because of the outbreak of Sudden Oak Death (SOD) in California and Oregon. The UK has modified the ban on the import of oak wood from the affected area to include the wood of all host species. Shipments of host species wood from areas outside of the affected area must be accompanied by a phytosanitary certificate, clearly indicating the origin of the wood. SOD, a fungal pathogen which may cause the rapid wilting and death of some species of plants and trees, is limited thus far to coastal California, and to a lesser extent Oregon. SOD is also known to occur in the Netherlands and Germany. The UK is the third country to put in place measures to prevent the introduction of SOD, the other two being South Korea and Canada.

UNFF MEETS IN NEW YORK, MARCH 4-15, 2002

The Second Session of the United Nations Forum on Forests (UNFF) met March 4-15, 2002, in New York City. Many of the discussions focused around progress to-date in implementing the proposals for action coming out of the Intergovernmental Panel on Forests and the Intergovernmental Forum on Forests. Recognizing the importance of involving the full range of groups involved in forestry issues, the UNFF held a Multi-stakeholder Dialogue on March 6, that brought together representatives from non-governmental organizations, indigenous people, scientific and technological communities, business and industry, and private non-industrial forest owners to discuss implementation of the proposals for actions. The Second Session also included a Ministerial on March 13-14, the first day of which was devoted to a ministerial dialogue with heads of the organizations that make up the Collaborative Partnership on Forests (e.g. the Secretariat of the Convention on Biological Diversity, the Food and Agriculture Organization of the United Nations, the International Tropical Timber Organization, and the World Bank). A full summary of the Second Session can be found at <http://www.un.org/esa/sustdev/unffdecision.htm>. The Third Session of the UNFF will be held from May 26 – June 6, 2003, in Geneva, Switzerland.

APA AND TECO RECOGNIZED AS RFCOs IN JAPAN

On May 10, the Japanese Ministry of Agriculture, Forestry and Fisheries (MAFF) announced the recognition of APA – The Engineered Wood Association (APA) and TECO as Registered Foreign Certification Organizations (RFCO) under the Japanese Agricultural Standards (JAS) Law. The two organizations can now begin certifying production of member mills as meeting the requirements of the JAS Law. This announcement follows the March 6, 2002, decision by MAFF to recognize the wood products grading system of the United States as being equivalent to that of JAS. Recognition was a prerequisite for U.S. certification organizations such as APA and TECO to apply to function as RFCOs.

ITTO MEETS IN BALI, INDONESIA

The Thirty-Second Session of the International Tropical Timber Council, the governing body of the International Tropical Timber Council, met May 13-18 in Bali, Indonesia. Representatives from more than 75 countries, intergovernmental organizations and non-governmental organizations participated in the week-long meeting. The Council adopted eleven decisions, including the establishment of civil society advisory group and a study to investigate the potential role of phased approaches to certification as a tool to promote sustainable forest management in tropical timber producing countries. Details of the meetings can be found at <http://www.itto.or.jp/index.html>