

APHIS RULE ON PACKING MATERIAL AFFECTS ALL GOODS FROM CHINA

The Animal Plant Health Inspection Service (APHIS) has issued an interim rule about solid wood packing material (SWPM) exported to the United States from China, including Hong Kong, on or after December 17, 1998. The rule requires that all imports containing Chinese SWPM must be heat-treated, fumigated or treated with preservatives prior to departure.

A certificate—issued by the Chinese government—which states that the SWPM meets the criteria stated above, must accompany each shipment with SWPM. Shipments that contain SWPM, but bear no certificate may be denied entry.

Shipments of goods using synthetic or highly processed wood products as packing materials, (including plywood, oriented strand board, corrugated paperboard, plastic and resin composites) are exempt from the SWPM requirement.

However, many importers overlook the interim rule's requirement that, from December 17, 1998, forward, all goods exported without SWPM from or through China (including Hong Kong) must be accompanied by a written declaration accompanying each commercial invoice. The declaration must state the nature of the shipment and explain that it contains no solid-wood packing material. The exporter statement must also be appended to each bill of lading.

APHIS clarified their instructions in the Federal register of December 17, 1998. In this notice, APHIS has advised that all shipments containing solid wood packing material (SWPM) of Chinese or Hong Kong origin must be accompanied by a fumigation certificate issued by the Peoples Republic of China Ministry of Agricultural (or the Hong Kong equivalent).

If there is no SWPM in the shipment and it is released under ABI, a statement by the exporter certifying that there is no SWPM may appear on or be attached to, either the bill of lading, commercial invoice or airway bill. Or such statement may be provided to the APHIS Inspector prior to arrival of the shipment.

ABI (Automated Broker Interface) entry process.

At the time of filing an ABI entry summary that covers Chinese or Hong Kong origin merchandise, an ABI indicator will appear. The broker must insert a certification by the importer that it either has the certificate or the exporter statement, and that the exporter will retain it for a period of one year after liquidation. The broker must also supply the name of the contact for the original certificate. The original certificate does not have to accompany the shipment so long as its existence is confirmed and a copy is available if needed by the Inspector. If the entry is non-ABI, a copy of the certificate (if required) must accompany the shipment.

Q & A that might help clarify some aspects of these new requirements.

Q: How do you comply on a shipment of Chinese goods exported from Europe with SWPM?

A: The exporter in Europe may prepare a statement certifying that the SWPM is not of Chinese origin. If it is of Chinese origin, a fumigation certificate must be obtained from the government of the exporting country.

Q: Is it necessary to give the APHIS inspector the original fumigation certificate?

A: No, a copy will suffice.

Q: When will APHIS place a “hold” on shipments?

A: As in the past, APHIS inspectors will examine the manifest and determine what cargo to examine. If a “hold” is placed on the shipment, you will be notified through ABI. At that time, the inspector must be shown the documentation required under the regulation.

Q: Will shipments that will be I.T.’d upon arrival be subject to “holds?”

A: Yes, same as above.

Q: What advice would you give an importer to avoid having shipments delayed?

A: The letter of credit or other instructions to the vendor should specify that either a copy of the certificate or the exporter’s statement should be faxed to the importer/broker at the time of shipment. For air shipments, the copies should be attached to the documents accompanying the shipment.