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TO: ENFORCEMENT SUBCOMMITTEE

FROM: THOMAS D. SEARLES

DATE: MARCH 26, 2001

SUBJ: APHIS/ALSC SWPM PROGRAM

In June of 2000, I was asked to attend a meeting in Ottawa of a Task Group of the International Plant Protection Convention (IPPC) composed of 20 countries to draft an international standard to regulate hardwood and softwood in pallets, crates, boxes, etc. that are used in international trade. The concern expressed was that these materials were providing a vector to send various insect, stain and fungi pests around the world. Various countries—China and Brazil and Finland—and groups of countries, the EU, adopted their own regulations as to how to control these pests. Needless to say, the regulations were not the same. The UN, Food and Agriculture Division, IPPC, was asked to develop an international standard that could be used by all countries rather than have each country adopting its own regulations, that because of their differences, were becoming disruptive to world trade.

The Ottawa meeting adopted a draft standard and each country took it back for further consideration. A sub group of the IPPC Task Group met in San Diego in October and further reviewed the document. A meeting of the formal group was held in Mexico City in February 2001, which finalized the standard and forwarded it on to the UN where it will be sent out to country ballot.

There have been numerous meetings over the past few months in the US and Canada between the Animal and Plant Health Inspection Service (APHIS), Department of Agriculture, National Wood Pallet Container Association (approximately 800 members), National Hardwood Lumber Association and the American Forest & Paper Association. At this time it is not clear as to how many SWPM facilities will be interested in this program. From those meetings it became apparent that SWPM used in international trade was going to be regulated and that a program to label it was going to be required. It was assumed by some that the pallet association was going to develop such a program; however, it chose not to do so. In discussions APHIS asked if the ALSC would attempt to develop a program similar to our Untreated and Treated programs.

Enforcement Subcommittee
March 26, 20001
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After talking to the officers of the ALSC and the agencies representatives it was decided to give it a try, recognizing that the full ALSC would have to approve and authorize such a program. A SWPM Task Group was formed, chaired by Charlie Jourdain (Attachments #1 & #2). As you can see, we tried to make the Task Group as broad and transparent as possible to include all interests. Because of the pressing nature of pending EU emergency measures we were asked to "fast track" the process. The SWPM Task Group has really put its shoulder to the wheel and has written the SWPM Policy which will authorize (if and when the full ALSC adopts it) the Board of Review to accredit agencies to monitor facilities that will make SWPM (pallets, boxes, crates, etc.) that conform to the IPPC standard (Attachment #3). Pallets are used several times and are repaired when possible but those used pallets are not included in the program at this time.

The SWPM Task Group has also written SWPM Enforcement Regulations (Attachment #4). They closely parallel the Enforcement Regulations of our other programs but have the necessary changes to apply to SWPM. Both the Policy and Enforcement Regulations are being reviewed by the SWPM Task Group. If approved by it, the documents will be forwarded to the Enforcement Subcommittee for its consideration. Then, once approved by the Enforcement Subcommittee, on to the full ALSC. We will try to keep this moving forward on the "fast track" by meeting by conference call when possible.

To implement the program it will be necessary for ALSC to enter into a Memorandum of Understanding (MOU) with APHIS. A draft of a proposed MOU is enclosed (Attachment #5).

The cost of the program will be paid for by the agencies that participate in the program. At this point we do not know the number of agencies that will apply to the Board of Review for accreditation nor do we know the number of plants that will seek service for labeling of SWPM from the agencies. Any additions to the ALSC staff will be made when the need is fully demonstrated.

Please review all the information in this package and call the ALSC office if you have any questions or concerns about what is being proposed. Thanks for your consideration and help.

TDS:cw

Attachments

cc: ALSC

PS: See Attachment #6, a letter from APHIS to EU regarding steps U.S. is taking to comply with EU requirements which become enforceable in October, 2001.

VIA FAX

January 5, 2001

Mr. Charles Jourdain
RIS
405 Enfrente Drive, #200
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Dear Charlie:

Chairman Friesen has requested that you chair a task group to draft a Solid Wood Packing Material Policy that would authorize the Board of Review to accredit agencies to inspect and label solid wood packing material under the proposed IPPO Standard. This proposed program would not require any agency to offer this service. If adopted by the ALSC, it would permit those agencies that wish to offer solid wood packing material inspection to do so under an ALS program. The program would be self-funded and the agencies that participate would pay the ALS costs of the program.

Members of the task group are: APHIS, National Wooden Pallet and Container Association, PLIB, SPIB, TP, WCLIB and WWPA and any others that wish to participate.

Enforcement regulations needed to implement such a policy also need to be drafted.

As you know, the EU emergency measures will go into effect in June or July of this year. Please accomplish the above as soon as possible with the goal to have approval by the full ALSC by June of this year.

Sincerely,

Thomas D. Searles
President

TDS:cw

cc: Enforcement Subcommittee
Heat Treatment Task Group
ALSC Officers
Counsel

SOLID WOOD PACKAGING MATERIAL TASK GROUP

Charles Jourdain – Chairman

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Draft #8_7
American Lumber Standard Committee, Incorporated
Solid Wood Packing Material Policy
_____, 2001

The Board of Review of the American Lumber Standard Committee, Incorporated (the American Lumber Standard Committee) is authorized to accredit and monitor, on a finding by the Board of Review of agency competency, reliability and adequacy, the supervision by inspection agencies of conformance by facilities which produce heat treated (HT) or kiln dried heat treated (KD /HT) lumber to be used as solid wood packing material (SWPM), and by facilities manufacturing SWPM, to the requirements of the International Plant Protection ~~Convention Organization (IPPC) Draft or Finalized~~ Standard For Solid Wood Packing Material as follows:

- Kiln Dried (KD) - lumber dried-seasoned in a closed chamber by means of artificial heat to maximum moisture content of 19%.
- Heat Treatment (HT) - green lumber which has been placed in a closed chamber and artificial heat added until the lumber achieves a minimum core temperature of 56°C for a minimum of 30 minutes.

At facilities producing HT or KD /HT lumber (~~L~~lumber manufacturing or processing plants):

The agency shall audit on a periodic basis:

- For lumber marked HT: the agency shall audit the minimum requirements of the 56°C for 30 minutes core temperature by reviewing the facility records, heat chamber charts and/or other data pertinent to the HT process.
- For HT lumber additionally marked KD: the agency shall audit the requirements of the 19% maximum moisture content and the 56°C for 30 minutes core temperature minimums by performing a physical check of the moisture content and by reviewing the facility records, kiln charts and/or other data pertinent to the KD /HT process.

At facilities producing Solid Wood Packing Material (~~m~~Manufacturing of pallets, crating, boxes, etc.):

The agency shall audit on a periodic basis:

- ~~The Whether~~ wood being used or to be used in the manufacture of SWPM pallets, crating, boxes, etc. under this program is labeled HT or KD /HT and that it is under the supervision of an agency accredited by the ALSC Board of Review.

~~For lumber additionally marked KD, whether the moisture content of the wood is 19% or less.~~

- ~~The Whether~~ the volumes of HT or KD /HT wood being purchased from agency-certified HT or KD /HT facilities are adequate based upon documentation to produce the ~~quantities amount~~ of SWPM pallets, crating, boxes, etc. that ~~is~~ are being labeled.
- ~~The Whether~~ SWPM pallets, crating, boxes, etc. produced bear label(s) containing the following information:
 - a) The approved international symbol for compliant solid wood packing material.
 - b) The two letter ISO country abbreviation followed by a unique number assigned by the National Plant Protection Organization (NPPO) to the producer of the solid wood packing material.
 - c) The term "Heat Treated" abbreviated "HT" and if applicable, the moisture content designation "Kiln Dried" abbreviated "KD" as provided for in the Board of Review ALSC-certified grading rules.
 - d) The identifying symbol, logo or name of the accredited agency.

The label(s) and the placement of such label(s) shall be approved by the Board of Review.

The Board of Review shall implement this policy and accredit and monitor agencies pursuant to the Memorandum of Understanding with the United States Department of Agriculture's Animal and Plant Health Inspection Service and the Solid Wood Packing Material Enforcement Regulations and other regulations adopted by the American Lumber Standard Committee specifying the requirements to be met by agencies, heat treating facilities, and solid wood packing material facilities. manufacturers.

An accredited agency shall enter into a contract agreement with the American Lumber Standard Committee. An accredited agency shall enter into a contract agreement approved by the Board of Review with the heat treating facilities and the solid wood packing material facilities. manufacturers.

The Board of Review shall have the option to employ consultants to assist in implementation and conduct of this policy. The cost of the consultants shall be borne by the agency or agencies involved.

Agencies shall pay such charges and fees as are fixed and assessed by the American Lumber Standard Committee.

Solid wood packing material agencies accredited by ~~ALSC~~ the Board of Review shall ~~use their ALSC recognized logo~~ allow the above-described label or one similar to it to be used only on solid wood packing material products which conforms to a procedure referenced in the ALSC Solid Wood Packing Material Policy. Conversely, such agencies shall not authorize the use of ~~their ALSC recognized logo~~ the above-described label or one similar to it on solid wood packing

material products manufactured to procedures other than those referenced in the ALSC Solid Wood Packing Material Policy.

This authorization by the American Lumber Standard Committee, and accreditation and monitoring by the Board of Review regarding conformance to the above-referenced solid wood packing material standard or standards shall not indicate American Lumber Standard Committee or Board of Review adoption, approval or responsibility of or for those standards, responsibility for solid wood packing material produced or manufactured under this Policy or endorsement, approval, adoption or responsibility of or for any warranty or other representation regarding solid wood packing material by a heat treating facility, solid wood packing material producing or manufacturing facility, or any other person or entity.

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SOLID WOOD PACKING MATERIAL
ENFORCEMENT REGULATIONS
AMERICAN LUMBER STANDARD COMMITTEE, INCORPORATED
2001

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1. INTRODUCTION

1.1 General

1.1.1 ~~Pursuant to the Memorandum of Understanding with the United States Department of Agriculture's Animal and Plant Health Inspection Service,~~ This program shall ~~is intended to~~ establish a common basis ~~for~~ of uniform, industry-wide inspection and quality marking procedures for the production of heat treated (HT) and kiln dried heat treated (KD HT) lumber to be used as solid wood packing material (SWPM) and the production of SWPM ~~products~~ ~~articles~~ by manufacturing facilities in ~~compliance~~ ~~conformance~~ with the requirements of the International Plan Protection Convention Organization (IPPC) Standard for Solid Wood Packing Material.

1.2 Heat Treated (HT) - green lumber which has been placed in a closed chamber and artificial heat added until the lumber achieves a minimum core temperature of 56°C for a minimum of 30 minutes.

1.3 Kiln Dried Heat Treated (KD HT) - green lumber which has been placed in a closed chamber and artificial heat added until the lumber achieves a minimum core temperature of 56°C for a minimum of 30 minutes and which is dried to a maximum moisture content of 19% or less.

1.4 Solid Wood Packing Material

1.4.1 Products Covered

- Non-manufactured solid wood packing materials

1.4.2 Product Exemptions

- Certain wood packing materials by their nature, processing or handling are not considered a pathway for the introduction of quarantine pests and ~~may should~~ be exempt from being regulated as non-manufactured wood packing. Such products include those comprised wholly of plywood, particle board, oriented strand board, veneer, wood wool, peeler cores, sawdust, corrugated packaging shavings and raw wood cut into thin pieces such as wood used in the manufacture of fruit boxes.

1.5 Examples of products ~~produced~~ ~~manufactured~~ from non-manufactured solid wood packing materials ~~may include, but not limited to:~~

- Pallets
- Crates
- Boxes

2. STANDARDS

2.1 The allowable processes shall be based on those referenced in the ~~Draft or Final International Plant Protection Convention Organization (IPPCO)~~ Standard for Solid Wood Packing Material or the standards developed by another entities, if included under in this program.

2.2 ~~Periodic Regular~~ auditing of the HT and KD HT producing facility and the solid wood packing material manufacturing facility plant shall be carried out by an inspection agency accredited by the Board of Review of American Lumber Standard Committee (ALSC).

2.3 The detailed procedures by which the agency shall monitor adherence to the above standards shall be those approved by the Board of Review.

2.4 Board of Review activities involve verification of the inspection agencies' abilities and performance.

3. HT AND KD HT LUMBER PRODUCING FACILITIES

3.1 Accreditation of agencies auditing HT and KD HT producing facilities and auditing of those facilities shall be pursuant to the American Lumber Standard Committee, ~~Incorporated Board of Review (ALSC)~~ Enforcement Regulations for Untreated Lumber.

4. SOLID WOOD PACKING MATERIAL MANUFACTURING FACILITY REQUIREMENTS PLANT QUALIFICATION

4.1 Facility Plant Records

4.1.1 Each facility plant shall maintain a systematic method of keeping records and of in facility plant quality control procedures approved by its agency which shall include internal quality control procedures sufficient to demonstrate:

4.1.1.1 ~~The Whether~~ wood being used or to be used in the manufacture of SWPM pallets, crating, boxes, etc. under this program pallets, crating, boxes, etc. is labeled HT or KD/HT and that it is under the supervision of an agency accredited by the Board of Review ~~ALSC~~.

4.1.1.2 ~~Whether~~ the volumes of HT or KD/HT wood being purchased from certified HT or KD/HT facilities are adequate based upon documentation to produce the quantities amount of SWPM pallets, crating, boxes, etc. that are being labeled.

4.1.1.3 ~~The Whether~~ SWPM pallets, crating, boxes, etc. produced bear label(s) containing the following information:

- a) The approved international symbol for compliant solid wood packing material.
- b) The two letter ISO country abbreviation followed by a unique number assigned by the

~~National Plant Protect Organization (NPPO) to the manufacturer/producer of the solid wood packing material.~~

- c) ~~The term "Heat Treated" abbreviated "HT" and if applicable, the moisture content designation "Kiln Dried" abbreviated "KD" as provided for in the Board of Review ALS-C-certified grading rules.~~
- d) ~~The identifying symbol, logo or name of the accredited agency.~~

4.2 ~~Internal Quality Control~~

~~Quality control procedures shall be sufficient to demonstrate:~~

- ~~Whether wood being used or to be used in the manufacture of pallets, crating, boxes, etc. is labeled HT or KD/HT under the supervision of an agency accredited by the ALS-C.~~
- ~~For lumber additionally marked KD, whether the moisture content of the wood is 19% or less.~~
- ~~Whether the volumes of HT or KD/HT wood being purchased from certified HT or KD/HT facilities are adequate based upon documentation to produce the amount of SWPM pallets, crating, boxes, etc. that are being labeled.~~
- ~~Whether SWPM pallets, crating, boxes, etc. produced bear label(s) containing the following information:
 - e) ~~The approved international symbol for compliant solid wood packing material.~~
 - f) ~~The two letter ISO country abbreviation followed by a unique number assigned by the NPPO to the producer of the solid wood packing material.~~
 - g) ~~The term "Heat Treated" abbreviated "HT" and if applicable, the moisture content designation as provided for in the ALS-C-certified grading rules.~~
 - h) ~~The identifying symbol, logo or name of the accredited agency.~~~~

~~4.1.22.1 Maintaining quality to the Standard is the responsibility of the facility plant management. Internal quality control procedures shall be performed to a level degree that assures compliance of the product to the draft-IPPCØ standard. Solid wood packing material found to be in non-conformanceing shall either be remanufactured and conformance verified, or the quality mark shall be removed from the product material.~~

~~4.1.32.2 Management shall appoint an adequately trained employee to supervise facility as plant quality control supervisor. He who shall be vested with the authority to correct any condition causing non-conformance, to remove the quality mark from any product material that does not conform to the IPPCØ standard, to stop shipments of quality marked non-conforming product material and to hold delay shipments of product material until conformance is regained occurs.~~

5. INSPECTION AGENCY ACCREDITATION

5.1 Approval

5.1.1 Service by an accredited agency shall only be extended to a solid wood packing material ~~facility plant~~ that uses HT and/or KD HT lumber ~~solely~~ for manufacture of solid wood packing material ~~products items~~ (pallets, boxes, etc.). Such ~~facilities plants~~ shall meet all the requirements of the ALSC Solid Wood Packing Material Policy and these Rregulations.

5.1.2 The initial and continuing accreditation of an agency to provide inspection services under these regulations is contingent upon providing reliable and adequate inspection services in accordance with the current and applicable IPPCØ standard. The Board of Review will ~~among other things use~~ these regulations to judge the competency, reliability and adequacy of an agency to ~~supervise solid wood packing material in accordance with the IPPC standard quality control agencies.~~

5.2 Participation in this program

5.2.1 Any agency is eligible to participate in this program as ~~established herein provided the if that agency:~~

(a) Formulates, ~~publishes and maintains and makes available its~~ quality control and inspection procedures for the specific solid wood packing material; which it inspects; and which are covered by the IPPCØ standard.

(b) Demonstrates initial and continuing competency and reliability in the field of the solid wood packing material inspection.

(c) Agrees to pay charges and fees assessed by the ALSC.

5.2.2 Any agency desiring to participate in this program shall apply in writing to the Manager of the Board of Review in such form as may be prescribed by the Manager. If the application is in proper order, the Manager shall promptly forward the application to the Board of Review for its consideration and the Manager shall undertake any further investigations of the applicant as may be requested by the Board of Review. The applying agency shall be responsible for the fees established to cover expenses incurred in conducting the ~~qualification analysis~~. Such fees are to be paid in advance.

5.3 Accreditation Requirements

~~Prior to Before~~ accrediting the inspection services of any agency to provide inspection services for solid wood packing material; the Board of Review shall require evidence that the agency conforms to the following requirements:

5.3.1 ~~The agency~~ It shall not be controlled by any person or firm whose own products are subject to its inspection and certification nor shall its inspectors be employed by any lumber manufacturer or producer of solid wood packing material or by any buyer of lumber, or engaged in any other undertaking which might conflict with their independent position as inspectors.

5.3.2 ~~The agency~~ It shall maintain the practice of having all inspections done only by properly supervised and qualified inspectors all of whom shall be under the direct control of the agency. Each inspector shall be thoroughly competent in the inspection of solid wood packing material of the species he inspects. Inspectors shall be directed by a chief inspector, supervisor or manager who is thoroughly experienced in the inspection of solid wood packing material products and who shall be held responsible for the proper functioning of the members of the inspection staff.

5.3.3 ~~The agency~~ It shall maintain a bona fide solid wood packing material facility plant audit service for the purpose of assuring the uniform application of the IPPC Θ standard and agency quality control and inspection procedures. The agency's samples shall be representative of a facility's plant's production for the period elapsed between inspections. Written reports of each inspection shall be made to the solid wood packing material facility plant and copies shall be kept available by the agency for examination by the Board of Review or its representative upon request. These records shall be kept for a minimum of two years.

5.3.3.1 It is the obligation of the agency to audit the solid wood packing material facility plant on a periodic regular basis, and the obligation of the solid wood packing material facility plant to produce a properly labeled solid wood packing material product. Samples of previously manufactured solid wood packing material products shall be inspected as part of the agency supervision. The agency shall sample a sufficient amount of solid wood packing materials representative of the products produced by the solid wood packing material plant facility to adequately evaluate the proficiency of the plant facility. When a sample of solid wood packing material indicates the product is not properly labeled the product shall be held for correction. The agency shall verify that the product has been corrected by either removal of the quality mark or by remanufacture of the solid wood packing material product. The agency shall take whatever steps necessary to prevent recurrence. Each month the agency headquarters personnel shall review the performance of each solid wood packing material plant facility and take whatever action warranted. In addition, the review shall include the assessment of the agency sample results for each inspection. If the inspection results fail to meet the specified criteria, the agency shall increase inspections until such time as the results are within the specified criteria at which time the frequency of inspections may return to normal.

5.3.4 ~~The agency~~ It shall conduct all audit and inspection activities in a manner which complies with all requirements of these Enforcement Regulations and its quality control and inspection procedures as approved by the Board of Review.

5.3.5 ~~The agency~~ It shall adhere to the policy of uniformly requiring its inspectors to determine conformance to all applicable specifications before issuing a certificate thereon or marking the solid wood packing material product with the agency symbol.

5.3.6 ~~The agency~~ It shall uphold the standards of the industry through proper inspection procedures and shall maintain sufficient checks of its inspection staff to assure not only the continuing honesty, integrity and competency of its members, but consistency on their part in the proper application of solid wood packing material specifications.

5.3.7 ~~Irrespective~~ ~~Regardless~~ of production levels each solid wood packing material plantfacility shall be inspected a minimum of twelve times per year at approximately monthly intervals, except in those cases where a plantfacility is inactive in excess of 2 months in any 12 month period in which case an inspection is required for each month the plantfacility actually produces solid wood packing material.

5.3.8 All accredited agencies shall provide at all times an adequate, competent and reliable inspection service according to the requirements of these Enforcement Regulations

5.3.9 All quality control and inspection procedures submitted for approval shall conform to the minimum requirements of the applicable IPPCØ standard and to the requirements of these Enforcement Regulations. If deficiencies are found in the review of an agency's quality control and inspection procedures, the deficiencies shall be brought to the attention of the agency. The agency shall have the option of amending their procedures to conform or requesting a hearing before the Board of Review.

5.3.10 An agency shall agree to have its quality control and inspection procedures carry a specific reference to the approval by the Board of Review and that these procedures conform to the applicable IPPCØ standard.

5.3.11 When quality control and inspection procedures have been approved by the Board of Review, subsequent revisions shall be ~~submitted~~ ~~proposed~~ by the promulgating agency to the Board of Review for approval.

5.3.12 Security and Contracts. The Board of Review shall require as a condition to its accreditation of any agency the payment when due of all charges and fees assessed by the ALSC to cover the cost of carrying out the ALSC and Board of Review functions and the reimbursement to the ALSC for all costs and expenses incurred by the ALSC or its Board of Review in any investigation of the activities or practices of the agency, whether or not the investigation is initiated by the ALSC or its Board of Review or upon complaint. The Board of Review shall require that each accredited agency execute a contract with the ALSC in such form and containing such provisions

as the ALSC may from time to time decide, and that each such agency observe and act in a manner consistent with the provisions of the contract.

5.3.13 The Board of Review shall require each accredited agency to prepare and submit to it for approval, a form of contract which each agency shall require the subscribing solid wood packing material ~~plant~~facility to execute. Accredited agencies shall maintain copies of contracts executed with each solid wood packing material ~~plant~~facility receiving their services for a period of not less than two years after termination of such contracts.

5.3.14 Agency Policy Changes. If at any time there should be any change in any policies of an agency relative to matters that are required under the Enforcement Regulations, the agency shall immediately notify the Board of Review in writing.

5.4 Agency Accreditation for ~~Plant~~Facility Supervisory Service and/or Lot Inspection Service

5.4.1 The Board of Review shall require an applicant to submit complete information as to its form or organization, the length of time it has functioned, the experience of its management as well as the individual inspection personnel and the supervision of its inspection staff. The applicant shall also submit, as applicable to the service(s) offered, complete information about the ~~facilities~~ ~~plants~~ under its supervision, the production volume of the ~~facilities~~ ~~plants~~, programs for which supervision will be offered, programs for which lot inspection services will be offered, procedures for handling requests for lot inspection, the species involved, adequate provisions for supervision of in-facility ~~plant~~ quality control, supervision of solid wood packing material ~~facility~~ ~~plant~~ performance, authority to apply the agency's quality mark and evidence that all applicable requirements of the IPPCØ standard are being met by the agency and its ~~member~~ ~~facility~~ ~~plant~~.

5.4.2 Before accrediting the inspection service(s) of any agency, the Board of Review shall require evidence that ~~the agency~~ it conforms to all the requirements of Section 5.2 and Section 5.3 of these Enforcement Regulations in the conduct of its ~~facility~~ ~~plant~~ supervision and/or lot inspection services and that the agency conforms to its own approved quality control and inspection procedures, these Enforcement Regulations and all applicable IPPCØ standards.

5.5 Application of the Quality Mark and Certificates of Inspection

5.5.1 The application of the quality mark shall be accomplished by one of two methods: by ~~facil-~~ ~~ity~~ ~~plant~~ employees under the supervision of an accredited agency or by employees or qualified agents of the accredited agency, as specified herein. Application of the quality mark of agencies approved to conduct supervisory services under the solid wood packing material program shall ~~will~~ be conducted under the requirements of these Enforcement Regulations, the agency's quality control and inspection procedures and approved procedures for the withdrawal of services for unsatisfactory performance. When an employee or qualified agent of any agency is regularly sta-

tioned at a point of production, ~~they shall be~~ will be checked at the same intervals in the same manner as a ~~facility plant~~ employee would be checked by a supervisory agency.

5.5.2 Lot inspections and certificate of inspection shall be permitted at any point where there is good and sufficient reason for them and shall be performed only by qualified agency personnel or qualified agents of an accredited agency.

5.6 Marking

5.6.1 An accredited agency is permitted to license the use and application of its quality mark to complying solid wood packing material products by any manufacturing ~~facility plant~~ which subscribes through the agency to this program.

5.6.2 Continued use of the quality mark is subject to continued conformance to the IPPC Θ standard as determined by sampling in accordance with these Enforcement Regulations.

5.6.3 Application of the quality mark to products covered by the IPPC Θ standard by a solid wood packing material ~~facility plant~~ licensed by an accredited agency constitutes declaration that the product has been produced under the agency's quality control program.

5.6.4 A quality mark shall not be applied to any ~~product material~~ where the material is misrepresented by a confusing or deceptive grade mark, label, brand or certificate.

5.6.5 When the quality mark of an accredited agency is applied each solid wood packing material product shall be marked and solid wood packing material products bearing a quality mark shall not be mixed with non-marked products. ~~Quality marks are not required on each individual component piece of a solid wood packing material product.~~

5.6.6 Quality marks of accredited agencies shall be uniform in providing the required information, shall be legible when placed on solid wood packing material products and shall be in the format shown below. The following minimum information is required to be contained within the quality mark whether stamped, labeled or branded (~~tags are not permitted~~) and also ~~with a certificate~~:

5.6.6.1 The approved international symbol for compliant solid wood packing material.

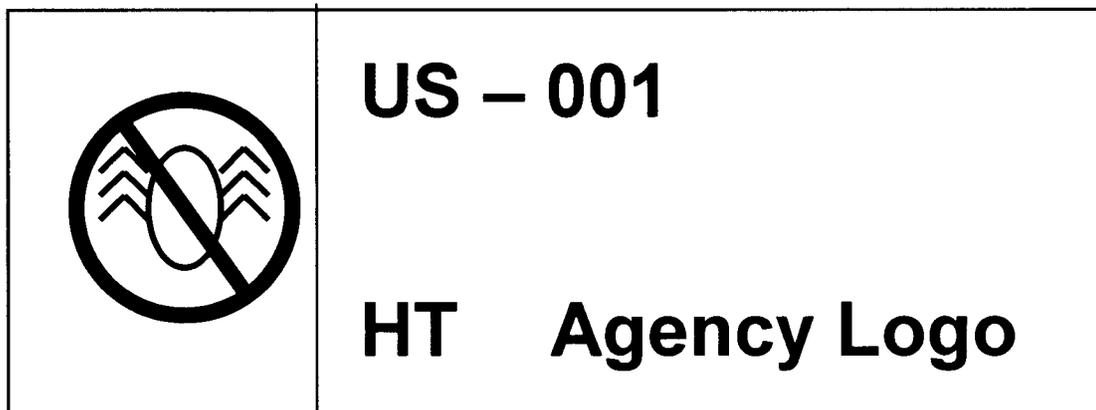
5.6.6.2 The two letter ISO country abbreviation followed by a unique number assigned by the NPPO to the producer of the solid wood packing material.

5.6.6.3 ~~Solid wood packing material facility company name and location of home office; or company name and number; or facility company number.~~

5.6.6.4 The term “Heat Treated’ abbreviated “HT” and if applicable, the moisture content designation “Kiln Dried” abbreviated “KD” as provided for in the Board of Review ~~ALSC~~-certified grading rules.

5.6.6.5 The identifying symbol, logo or name of the accredited agency.

- ~~The approved international symbol for compliant solid wood packing material.~~
- ~~The two letter ISO country abbreviation followed by a unique number assigned by the NPPQ to the producer of the solid wood packing material.~~
- ~~Solid wood packing material company name and location of home office, or company name and number, or company number.~~
- ~~The term “Heat Treated’ abbreviated “HT” and if applicable, the moisture content designation as provided for in the ~~ALSC~~-certified grading rules.~~
- ~~The identifying symbol, logo or name of the accredited agency.~~



5.6.7 A representative facsimile of an agency's quality mark shall be on file with the Board of Review.

5.6.8 It is the policy of the ~~ALSC Committee~~ that solid wood packing material ~~facility plant~~ quality marks, grade marks, grade stamps, labels, brands, certificates or other product description shall not be confusingly or deceptively similar to the quality marks of any Board of Review ~~ALSC~~ accredited agency, including, but not limited to, reference to the IPPCØ standard directly or indirectly.

5.6.9 It is the policy of the ~~ALSC Committee~~ that solid wood packing material ~~facility plant~~

quality marks, grade marks, grade stamps, labels, brands, certificates or other product description shall not misrepresent solid wood packing material products, including, but not limited to, reference to the IPPCØ standard directly or indirectly.

5.7 Warnings, Suspensions and Withdrawals

5.7.1 Accredited agencies shall withdraw quality marks from any ~~facility plant~~ utilizing their services when an inspection or a series of inspections reveals serious non-conformances. An agency will immediately notify the Manager of the Board of Review by letter when it warns, suspends or withdraws the quality marking services at any ~~facility plant~~ for cause, supplying all pertinent details. Upon receipt of such notice, the Manager of the Board of Review shall immediately notify by letter all other accredited agencies extending services in the area. No other agency shall extend supervisory service or any other quality marking services to the ~~facility plant~~ for a period of 180 days in the case of a suspension or withdrawal notice, or 60 days in the case of a warning notice, after the date of the letter of the agency's notification, unless the solid wood packing material ~~facility plant~~ has been reinstated by the agency which warned, suspended or withdrew its service, when the services of the other agency result in evading the warning, suspension or withdrawal. The agency may reinstate quality marking supervisory services only after the ~~facility plant~~ involved demonstrates the ability and willingness to maintain the applicable requirements of the agency's quality control and inspection procedures, these Enforcement Regulations and the IPPCØ standard. The agency shall file a complete report with the Board of Review outlining all corrective steps taken.

5.8 Reinspection

5.8.1 Reinspection by agencies accredited by the Board of Review shall be available to both buyer and seller upon request for the purpose of determining compliance with specifications of this program and effecting settlement of complaints.

5.8.2 Complaint regarding product compliance with the requirements of the IPPCØ standard may be made to the solid wood packing material ~~facility plant~~ for 90 days after shipment. Partial use of a shipment shall not prejudice the right to reinspection as long as the unused portion is in the form in which it was shipped.

5.8.3 It is permitted to file a complaint for excess moisture when solid wood packing material is marked, certified or invoiced as being manufactured meeting a particular moisture content as provided for in 5.6.6. ~~Product compliance to the requirement for drying. It is the responsibility of the solid wood packing material facility plant to manufacture the solid wood packing material product from KD HT quality marked component pieces when specified for 72 hours after receipt of shipment provided the material is not in use and has been continuously protected in shipment and in storage.~~

5.8.4 Where ~~the solid wood packing material product~~ is represented as "Heat Treated (HT)" by a quality mark, certificate or invoice, HT is defined as green lumber which has been placed in a closed chamber and artificial heat added until the lumber achieves a minimum core temperature of 56°C for a minimum of 30 minutes: ~~and each component piece in the solid wood packing material product shall meet the "HT" specification.~~

5.8.5 Where ~~the solid wood packing material product~~ is represented as "Kiln Dried Heat Treated (KD HT)" by a quality mark, certificate or invoice, KD HT is defined as green lumber which has been placed in a closed chamber and artificial heat added until the lumber achieves a core temperature of 56°C for a minimum of ~~30~~ thirty minutes and which is dried to a maximum moisture content of 19% or less: ~~and each component piece in the solid wood packing material product shall meet the "KD HT" specification.~~

5.8.6 A reinspection involving a complaint on moisture content shall be made in accordance with the provisions of the certified grading rules under which the lumber was grademarked. ~~Each piece shall be tested for moisture content.~~ All solid wood packing material conforming to the maximum allowable moisture content shall be separated from those exceeding that maximum.

~~5.8.7 Each lot of a shipment shall be considered conforming if 95 percent of the solid wood packing material meets the specified criteria.~~

~~5.8.78~~ The expense of reinspection shall be borne in accordance with the provisions of the quality control and inspection procedures of the applicable agency, ~~however, but~~ the person calling for the reinspection shall be responsible to the agency for the costs thereof.

5.9 Agency Reports

The Board of Review shall require reports to be rendered at such times it determines necessary. The reports shall include, among other things, information as follows:

5.9.1 The number of inspections performed during a particular period and the volume of solid wood packing material involved.

5.9.2 Reinspection of solid wood packing material originally certified by the agency or marked with an agency's quality mark during a particular period with details on each, including the name of the original inspector and the date of the original inspection if certification is involved, the point of origin, name and location of the consignee, date of reinspection, item(s) and quantities involved and results of the reinspection.

5.9.3 A summary report on the agency's own ~~facility plant~~ inspections ~~for during~~ a given time

which generally shall coincide with the random sample survey conducted by the Board of Review.

5.10 Record Retention

5.10.1 As a condition of ~~for~~ accreditation, an agency shall maintain for a period of at least ~~two~~ 2 years records of all inspections made. These records shall be available for examination by a representative of the Board of Review at any time during normal working hours. ~~Any~~ Employees of any agency whose principal job is inspecting ~~facility's~~ any plant's product shall be supervised by the agency and reports of the supervision kept in the agency's files for a period of two years.

5.11 Field Examination

5.11.1 Each agency shall agree to permit ~~the~~ staff representatives of the Board of Review to examine any solid wood packing material certified and/or quality marked by the agency or under the agency's supervisory service at facilities or destination points, for the purpose of checking the performance of the agency, its inspectors and the general reliability of its service.

5.11.2 Board of Review staff personnel shall have the right to examine unmarked material at facilities and at destination points.

5.11.3 The agency shall agree that if any solid wood packing material which it has certified or quality marked or is produced under its supervisory service whether quality marked or not, is found to be deficient, the agency shall cooperate fully in taking such steps as shall be necessary to eliminate the risk of recurrence of such deficiencies by the same inspector or ~~facility~~ plant. Each agency shall also agree that serious deficiencies, when found, shall require complete reinspection of the shipment or lot.

5.12 Random Sample Survey

5.12.1 The Board of Review shall conduct on a random sampling basis, ~~check~~ inspections on solid wood packing material produced by each accredited agency's facilities. The facilities included in each survey shall be selected at random and shall be of sufficient number to be deemed representative of the total ~~volume~~ quantity of solid wood packing material produced under an accredited agency's authority. The results of the random sample survey shall be used by the Board of Review as one measure of determining the continuing competency and reliability of an accredited agency.

5.13 Agency Follow-up

5.13.1 Unsatisfactory Reports

~~On each occasion~~ ~~W~~hen a field report by a Board of Review inspector reveals a serious infraction, the Board of Review or its staff shall promptly notify the agency of the infraction, send the agency a copy of the inspector's report, and request ~~that the~~ agency to take corrective action with the ~~facility plant~~ or agency employee involved to prevent a recurrence of the infraction. The agency shall reply within two weeks of receipt of the notice, stating in detail the corrective actions taken, and shall continue to make such reports until such time as it is satisfied that a recurrence of the infraction is unlikely and it notifies the Board of Review that it is satisfied. Appropriate documentation shall accompany all reports.

The Board of Review shall periodically evaluate the effectiveness of an agency's follow-up. The Board of Review shall to the extent possible confirm that the agency did in fact take all action as reported to the Board of Review.

The Board of Review shall maintain records of the agency's follow-up performance. These records shall be used by the Board of Review as one measure of the continuing competence and reliability of an agency.

5.13.2 Board of Review Requested Reinspection.

(a) **Destination:** Upon finding that a given shipment of solid wood packing material that is quality marked and/or certified appears to contain serious infractions, the Board of Review inspector without divulging detailed information to the customer shall request the material be held for reinspection. The inspector shall immediately notify his office with full details of the infraction. The office of the Board of Review shall immediately notify the agency whose quality mark appears on the material and the agency in turn shall immediately advise the customer holding the material that a prompt reinspection is to be made by the agency at no cost to the customer provided the customer agrees to hold the ~~solid wood packing material stock~~ and furnish labor if necessary (for which the customer shall be reimbursed by the agency) and further agrees to assess no holding charges for the solid wood packing material held for reinspection.

The agency shall furnish results of the reinspection to all parties of the transaction. Costs of such reinspection shall be funded by the ALSC except when the solid wood packing material is found to be non-conforming according to the reinspection provisions shown in Section 5.8 of these Enforcement Regulations. In which case the shipping ~~facility plant~~ shall be responsible to the agency for the cost of the reinspection.

(b) **Origin:** Upon finding quality marked and/or certified material at the point of origin which contains serious infractions, the Board of Review inspector shall request the ~~facility plant~~ to hold the material for review by the agency and notify the Board of Review office immediately of the infraction giving full details. The office of the Board of Review shall immediately notify the agency whose quality mark appears on the material. The agency shall immediately notify the ~~facil-~~

ity plant management and confirm that the material is to be held for review by the agency. The agency shall review the material being held and determine the appropriate action and shall promptly report the actions taken to the Board of Review. Any facility plant failing to hold the material for corrective action shall be suspended immediately by the agency.

5.14 Board of Review Destination Inspections

5.14.1 The results of destination inspections may be used by the Board of Review as one means of determining an the agency's performance.

5.15 Board of Review Enforcement Actions

5.15.1 Probation, Suspension or Revocation of Agency Accreditation: The Board of Review shall judge the continued competency, reliability, adequacy and integrity of accredited agencies under these Enforcement Regulations . The Board of Review, after reviewing the competency, adequacy, integrity and performance of an agency, shall take any of the following actions as in the judgement of the Board of Review is necessary to maintain the integrity of this program.

- (a) Take no action
- (b) Place an agency on probation.
- (c) Suspend the accreditation of an agency.
- (d) Revoke the accreditation of an agency.

In arriving at its decision to take any of the above actions, the Board of Review shall consider any information at its disposal, including, but not necessarily limited to, the information contained in agency reports to the Board, results of the random sample survey inspection, destination inspections and follow-up performance of an agency in specific instances. Actions of probation, suspension or revocation by the Board of Review shall be made public.

5.15.2 Board of Review Procedures: Before any agency is placed on probation or its accreditation is suspended or revoked by the Board of Review, the Board shall notify the agency that enforcement actions against the agency may be taken by the Board and the agency shall be afforded opportunity to appear before the Board in person and by counsel in connection with such pending action by the Board. A Board of Review action placing an agency on probation, suspending or revoking the accreditation of an agency shall be taken on the basis of evidence introduced on the record in a hearing held by the Board with opportunity on the part of the agency concerned to examine the evidence of record and to cross examine witnesses testifying before the Board and the opportunity on the part of the agency concerned to submit its own evidence in the hearing.

5.16 Lapse of Accreditation

5.16.1 If an accredited agency shall not have inspected any solid wood packing material for a period of one year, the accreditation of that agency shall thereupon lapse and terminate, unless the agency shall establish grounds for continuance of its accreditation. Lapse and termination of accreditation shall not prejudice later reapplication for accreditation.

6. FUNCTIONS OF THE BOARD OF REVIEW

6.1 Inspection Visits

Inspections shall be performed by the field staff of the Board of Review for the purpose of monitoring agency performance. Four types of inspection shall be made. They are as follows:

- (a) Random Sample Survey Inspections
- (b) General Inspections
- (c) Destination Inspections
- (d) Recall Inspections

The purpose for each type of inspection is:

6.1.1 Random Sample Survey: Inspections shall be made at a specific number of an agency's facilities chosen at random. The number of facilities chosen for inspection from each agency shall be determined by the number of facilities an agency supervises. Samples from randomly selected ~~solid wood packing material product commodities~~ shall be obtained at each ~~facility plant~~ and the number of samples taken at any ~~facility plant~~ included in a survey shall be dependent on the ~~facility's~~^{ies} annual production.

6.1.2 General Inspections: Inspections shall be made at facilities on a general basis. Samples taken at these inspections shall be from any solid wood packing material present at the ~~facility plant~~ at the time of inspection.

6.1.3 Destination Inspections: Destination inspections shall be made in chosen market areas.

6.1.4 Recall Inspections: Where serious deficiencies are found at a ~~facility plant~~ during a random sample survey inspection, at a destination inspection, or a general inspection, recall inspections shall be made to determine that the deficiencies have been corrected.

6.2 Inspection

6.2.1 Items that shall be checked for each inspection include:

~~6.2.1.1~~ The use of ~~solid wood packing material product component pieces lumber~~ labeled as

“HT” or “KD HT” with ~~Board of Review~~ ~~ALSC~~ accredited agency marks.

~~6.2.1.2~~ Traceability of the HT or “KD HT” ~~solid wood packing material pallet~~ wood component pieces.

~~6.2.1.3~~ Correct use of quality mark.

~~6.2.1.4~~ Correctness and legibility of quality marks.

~~6.2.1.5~~ Agency and ~~facility plant~~ adherence to requirements of Section ~~4~~ ~~s~~ ~~4.1.1~~ and ~~4.2~~.

- ~~The use of component lumber labeled as “HT” or “KD HT” with ALSC accredited agency marks.~~
- ~~Traceability of the HT or “KD HT” pallet wood component.~~
- ~~Correct use of quality mark.~~
- ~~Correctness and legibility of quality marks.~~
- ~~Agency and plant adherence to requirements of Sections 4.1.1 and 4.2.~~

6.2.2 When material bearing an agency's quality mark is found to be non-conforming during any Board of Review inspection, the agency shall be notified immediately. It shall be the obligation of the agency to take immediate corrective actions and report such actions to the Board of Review.

6.3 Record Review

The records of each accredited agency shall be checked at least annually by staff personnel of the Board of Review.

The following groups of records shall be among those checked:

6.3.1 Records pertaining to agency supervision of its own inspection staff, including records of initial inspector training and continuing inspector training, records of the correction of deficiencies in individual inspectors, records showing specific qualifications of individual inspectors and records showing assignments of individual inspectors.

6.3.2 Records pertaining to ~~facility plant~~ inspections including results of samples taken during ~~facility plant~~ inspections. Records of procedures for application of the quality mark. Records of frequency of ~~facility plant~~ inspections.

6.3.3 Records pertaining to the correction of deficiencies, found by agency inspection at facilities and destination sites and their satisfactory correction and records of reinspection generated by customer complaint and the settlement of claims.

6.3.4 Records pertaining to enforcement, including records of ~~facility plant~~ qualification, of warnings issued, suspensions, and revocations.

6.4 Findings

6.4.1 Records

The result of the Board of Review's staff review of ~~an the~~ agency's records shall be reported to the Board of Review. The Board of Review shall use this information and all other information available to the Board in its evaluation of an agency's adequacy, competency and reliability.

6.5 Board of Review

6.5.1 The Board of Review shall judge the performance, efficiency, reliability, and integrity of agencies based on reports of the Board of Review's staff using the procedures in Section 5 and all other information available to it.

7. INTERPRETATIONS

7.1 The purpose of interpretations is to promote consistency in the application and understanding of the provisions of this document. Interpretations are occasionally needed to add further clarification to the requirements of these regulations. An interpretation of the American Lumber Standard Committee, Incorporated (ALSC) Board of Review Enforcement Regulations may be obtained through the submission of a written request to the President.

(a) The written request shall identify the specific section of the Enforcement Regulations involved.

(b) The interpretation shall be made by the President or his designated staff person in writing.

(c) The interpretation of the President shall be distributed to all participants in the ALSC Program.

(d) If the interpretation is acceptable to the requestor and all participants, the interpretation shall be endorsed by the Enforcement Subcommittee at its next scheduled meeting and made part of the Enforcement Regulations when ratified by the ALSC.

(e) If the requestor or any participant in the program finds the interpretation of the President/Enforcement Subcommittee unacceptable, the requestor or any participant may submit a written request for an interpretation to be provided by the ALSC. The interpretation approved by the Enforcement Subcommittee shall be subjected to a ballot of the full ALSC within 30 days. If approved by the ALSC, the interpretation shall be distributed to all participants and with copies of the Enforcement Regulations.

(1) Any ALSC members voting negative on the proposed interpretation must provide written justification for their negative vote, together with a recommended revision if possible. All negative

ballots shall be considered by the Enforcement Subcommittee

(2) The Enforcement Subcommittee shall attempt to resolve all negative ballots deemed persuasive. The Enforcement Subcommittee shall make a recommendation for the disposition of all negative ballots to the ALSC in the form of a ballot.

(3) The ballot shall provide three response options:

Approve the Subcommittee recommendation.

Disapprove the Subcommittee recommendation.

Abstain

(f) If a majority of the ALSC does not approve the recommendation of the Enforcement Subcommittee, the matter shall be referred back to Enforcement Subcommittee for further consideration. If the negative cannot be disposed of, it shall be placed on the Agenda for the next ALSC meeting for resolution

(g) A complete record of all interpretations and committee actions on interpretations shall be maintained at the offices of the ALSC and shall be fully available upon written request to the ALSC President.

8. ADDITIONAL PROCEDURES

8.1 Additional procedures for this solid wood packing material program shall be adopted as needed by the American Lumber Standard Committee.

DRAFT

12-34-8x-xxx-MU
MEMORANDUM OF UNDERSTANDING
BETWEEN THE
AMERICAN LUMBER STANDARD COMMITTEE INCORPORATED (ALSC)
AND THE
UNITED STATES DEPARTMENT OF AGRICULTURE
ANIMAL AND PLANT HEALTH INSPECTION SERVICE
PLANT PROTECTION AND QUARANTINE (APHIS)

ARTICLE 1

This Memorandum provides for the implementation of an APHIS-approved industry program for the monitoring of the production and quality marking of solid wood packing material (SWPM) products heat treated (HT) in conformance with the IPPC standard for non-manufactured solid wood packing material.

ARTICLE 2

Authority exists under the Organic Act of 1944, as amended, (7 USC 137a) for the Secretary of Agriculture to cooperate with the States or political subdivision thereof, farmers' associations, and similar organizations, and individuals to detect, eradicate, suppress, control, or to prevent or retard the spread of plant pests and plant diseases, including the export certification of domestic plants and plant products.

ARTICLE 3

APHIS and ALSA agree that:

- a. The overall direction and control of this cooperative program is to be maintained by APHIS. Monitoring of the production and quality marking of solid wood packing material shall be performed by agencies accredited by the ALSA Board of Review.
- b. The basic requirement for wood to be utilized in this program is heat-treatment to a core temperature of at least 56°C for at least thirty minutes and that it be marked to show the conformance to the IPPC standard.

ARTICLE 4

The ALSA agrees to/that:

- a. ALSA Board of Review accredited agencies shall audit facilities producing and quality marking SWPM for conformance to the IPPC standard, subject to the terms of Article 4.c below..

- b. Accredited agency monitoring will include whether conforming SWPM moving into export channels that has been heat treated according to the requirements of this program is marked in conformance with the IPPC standard.
- c. Maintain signed agreements with accredited agencies and a register of participating facilities.
- d. Accredited agencies shall review at least monthly the individual facilities producing SWPM.

ARTICLE 5

APHIS agrees to:

- a. Monitor the SWPM program for conformance by conducting regular audits of the ALSC program.
- b. Take appropriate action for noncompliance pursuant to procedures established at the initiation of this program.

ARTICLE 6

This Memorandum is to define in general terms the basis on which the parties concerned will cooperate and, as such, does not constitute a financial obligation to serve as a basis for expenditures. No transfer of Federal funds shall be involved under this Memorandum.

ARTICLE 7

This memorandum shall become effective upon date of final signature and shall continue indefinitely. It may be modified by mutual agreement between the parties in writing and may be terminated by either party upon 30 days written notification.

American Lumber Standard Committee, Incorporated

Date

UNITED STATES DEPARTMENT OF AGRICULTURE
ANIMAL AND PLANT HEALTH INSPECTION SERVICE

Deputy Administrator

Date



March 23, 2001

United States
Department of
Agriculture

Marketing and
Regulatory
Programs

Animal and
Plant Health
Inspection
Service

4700 River Road
Riverdale, MD 20737

Dr. Alejandro Checchi Lang
Director - Health & Consumer Protection Directorate General
European Commission
Rue de la Loi 200
B-1049 Brussels, Belgium

Dear Dr. Lang:

This letter is to provide you with an update of the steps taken by the United States to implement a program consistent with the Commission decision on temporary emergency measures in respect of wood packing comprised of non-manufactured coniferous wood originating in the United States. We also want to indicate our support of Canada's request to use a heat treated (HT) marking in lieu of certification for coniferous wood destined to the member states of the European Union (EU).

As we explained during our technical meeting in Brussels on January 21, 2001 the American Lumber Standards Committee (ALSC) has formed a solid wood packing material (SWPM) task group. The primary goal of this group is to develop a policy and rules for the implementation of the international guidelines for regulating non-manufactured wood packing but its immediate focus is to implement the program for coniferous SWPM to the EU member states beginning October 2001. The participants of the task group are listed in Enclosure 1.

Since the meeting in Brussels, the FAO working group on non-manufactured wood packing met in Mexico and developed a new draft of the international guidelines. As expected, the working group addressed various treatments and designated heat treatment as the only general measure approved in the guidelines. The working group also approved a marking system for non-manufactured wood packing. We understand that the draft standard will be submitted to the Interim Standards Committee 3 (ISC3) meeting scheduled for May 2001, and that Marc Verecke of DG-SANCO will chair the meeting. We believe the guidelines are likely to be approved during that meeting and will be subsequently distributed for country consultation. The program that we have developed is based on the draft guidelines.

Recently the ALSC has developed, with the concurrence of APHIS and others, a SWPM policy statement and enforcement regulations. Copies of the policy statement (draft #8) and the enforcement regulation (draft #4) are in Enclosures 2 and 3, respectively. You will note that these documents do not specifically mention coniferous SWPM or materials being shipped to the EU. This is because APHIS



and ALSC are establishing a program that will cover both coniferous and hardwood SWPM in international commerce, not just coniferous SWPM destined for the EU. These documents are being reviewed and revised by the SWPM Task Group.

The main provisions of the draft policy statement and enforcement regulations are as follows:

- The program applies to all non-manufactured wood packing as defined in the draft international guidelines.
- The wood used may be heat-treated (HT) or kiln dried and heat-treated (KD/HT).
- Heat treatment is to a minimum core temperature of 56°C for 30 minutes irrespective of moisture content.
- The program applies to all manufacturers of wood marked HT or KD/HT.
- Audits of plants manufacturing wood marked HT or KD/HT will be done by inspection agencies accredited by ALSC in accordance with the Memorandum of Understanding between ALSC and APHIS, and ALSC's Solid Wood Packing Material Enforcement Regulations, with regular audits by ALSC and APHIS.
- The program also regulates all facilities producing non-manufactured wood packing as defined in the international standard and using the mark specified in the draft international guidelines.
- The enforcement regulation requires conforming SWPM to be marked with the approved mark.
- Audits of participating SWPM facilities will be done by inspection agencies accredited by ALSC in accordance with the Memorandum of Understanding between ALSC and APHIS, and ALSC's Solid Wood Packing Material Enforcement Regulations, with regular audits by ALSC and APHIS.
- ALSC auditors will verify kiln operations, wood treatments, proper use of the HT and KD/HT mark, quantity of wood produced or purchased by SWPM facilities, proper use of the SWPM mark, etc., and will periodically sample wood marked HT and KD/HT, SWPM, etc.
- The program has enforcement provisions including warning, suspension and withdrawal of quality marking services for noncompliance.

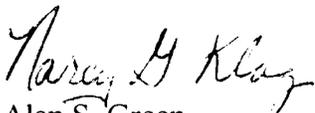
The next steps in the process will be for the Task Group, the ALSC Board of Directors and, finally, the ALSC member organizations, to approve the draft policy and enforcement regulation. We anticipate that all of these steps will be accomplished by the end of August 2001.

In addition to the establishment of the policy and enforcement regulation, APHIS and the ALSC are in the process of developing a memorandum of understanding (MOU) governing the SWPM program. Initial drafts of the MOU have been approved by both parties and are now being reviewed by our respective legal staffs.

As for the request by the Canadian Food Inspection Agency (CFIA) to have the HT stamp replace their current program for certifying softwood lumber exports to the EU, APHIS supports the Canadian request. The HT and KD/HT marks have been approved in both the United States and Canada by our respective industries and we are confident that CFIA will be able to establish an effective program. APHIS notes that the proposed system would eliminate the need for paper certificates and will accomplish two goals: to meet EU import requirements and to reduce demands on the Canadian plant health staff. We believe both of these goals are achievable and we recommend that the standing committee on plant health approve the CFIA proposal.

Finally, we wish to extend an invitation for you to visit the United States this fall to review the program implemented to meet the new EU requirements. You may also consider utilizing this trip to address other plant health issues of mutual importance to the EU and the United States; our office in Brussels has offered to facilitate such a visit. We also want to express our gratitude to you and the SANCO staff for your hospitality and your willingness to meet with the Canadian and the US delegations in January on this critical issue. The arrangement reached during that meeting on the flexible implementation period will be very beneficial. As we have said previously, our priority is to implement a program for coniferous SWPM for the European Union in the earliest possible time frame. However, because of the sheer logistics involved in establishing this system, we appreciate your commitment not to interrupt or hinder the huge volume of trans-Atlantic trade during the implementation period.

Sincerely,

for 
Alan S. Green
Assistant Deputy Administrator
Phytosanitary Issues Management
Plant Protection and Quarantine