

Oct 2017

**ISSUANCE OF WOOD PACKAGING MATERIAL PENALTIES TO BEGIN NOV 1** *Issued 09/25/2017 by CBP*

Pursuant to U.S. Code of Federal Regulations 7 CFR § 319.40-3 (effective since September 16, 2005), non-exempt wood packaging material (WPM) imported into the United States must have been treated at approved facilities at places of origin to kill harmful timber pests that may be present. The WPM must display a visible, legible, and permanent mark certifying treatment, preferably in at least 2 sides of the article. Any WPM from foreign origin found to be lacking appropriate IPPC-compliant markings or found to be infested with a timber pest is considered not properly treated to kill timber pests and in violation of the regulation. The responsible party (importer, carrier, or bonded custodian) for the violative WPM must adhere to the Emergency Action Notification stipulations and be responsible for any costs or charges associated with disposition.

U.S. Customs and Border Protection is responsible for enforcing the regulation at ports of entry. To motivate WPM compliance, effective November 1, 2017, responsible parties with a documented WPM violation may be issued a penalty under Title 19 United States Code (USC) § 1595a(b) or under 19 USC § 1592. This is a change from the previous published threshold of 5 violations. There will be no yearly reset for calculating repeat violations as each WPM violation may incur a penalty.

As trade industry members, you are encouraged to consider alternatives to WPM if possible, and to educate your supply chains about ISPM 15 requirements. Informational material on WPM is available from U.S. Customs and Border Protection.

Ed. Note: If you have any questions, please contact our office.

**GSP set to expire Dec 31**

Generalized Systems of Preference (GSP) preferential duty treatment for merchandise from designated less developed countries will expire December 31, unless Congress acts to extend it. The last time Congress allowed GSP to lapse, they did not renew it for 18 months, but they did make it retroactive. If it lapses again, we will flag your formerly GSP entries during

that interim period so that they will be eligible for automated refunds if GSP is subsequently reinstated retroactively. Given the current gridlock in Congress, we cannot predict if, when, or how Congress will act on GSP.

Please visit our website at

[www.lhcb.com](http://www.lhcb.com)

for additional and updated information and contact us with any questions.

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