

Wooden Packaging Regulations Frequently Asked Questions (FAQ's)

Spec 37L8024: "Treatment and Marking Requirements for Wooden Packaging" and Global Wood Packaging Restrictions, including ISPM-15

1. Is there a Summary Table of Routings Subject to Pest Related Regulations ?
2. What do the markings look like for regulated materials?
3. What is NMWP?
4. What is SWPM ?
5. What is MWPM ?
6. What is ISPM-15 ? What does it Require?
7. Why has IBM's Engineering Spec P/N 37L8024 been created ? Spec updated [August 12, 2003](#)
8. Who is affected by IBM's Engineering Spec P/N 37L8024 ?
9. What is the basic requirement of IBM's Engineering Spec P/N 37L8024 ?
10. When do I have to use properly treated (and marked) wooden packaging items ?
11. IBM's policy to use HT wood "regardless of origin..." is very aggressive, are there any exceptions?
12. Do older, reused items or items in stock have to be marked ?
13. Can unmarked items still be used ?
14. What are the alternatives to non-manufactured wooden packaging items ?
15. I am a supplier to IBM, how can I introduce a non-regulated packaging solution?
16. Must non-wooden packing materials be marked ?
17. What is the ISPM-15 requirement for proper "heat treatment" ?
18. Besides heat treatment, are there any alternative treatment measures ?
- 19.** What will happen if export to regulated countries is done with improperly treated and marked regulated wooden packaging materials ?
20. Is paper Certification required for shipments containing regulated wood packaging?
21. Will other documentation (statements on invoices or bills of lading, etc.) be required for movement of Non-Manufactured Wood Packing to Europe ?
22. Are the EU countries requiring documentation to identify non-regulated packing materials, such as pallets made from non-coniferous wood ("hardwood"), oriented strand board, plastics, etc.?
23. What about shipments through a third country ?
24. Will there be a heat treatment certificate like the one used for China ?
25. What does EIPS mean ?
26. How and why does IBM's Spec (37L8024) Exceed the IPPC Standard ?
27. Does the condition of the wood matter?
- 28.** With so many requirements, how many different pallets do I need to stock ?
29. Does it matter what origin or species plywood or other processed wood is comprised of?
30. What does Coniferous Mean ?
31. What is Non-Coniferous or "NC" ?
- 32.** Where can I get more and detailed information on the regulations of the different countries ?
33. What are the member states of the European Union (EU) ?
34. What does EU-25 mean ?
35. Are Hong Kong and Taiwan considered part of China with regard to these regulations ?
36. What countries are signatories to the new globally harmonized IPPC standard ?
37. Is China one of the signatories to the IPPC Standard ?
38. Any special Considerations for Chinese Imports and Exports ?
39. What should I do if there are no heat treatment facilities in my area ?
40. Are the markings found in IBM Specification 37L8024 applicable worldwide ?
41. Is it true that both coniferous AND non-coniferous species need to be treated ?
42. What is the cost of treatment ?
43. Why are IBM's requirements more stringent than what is legally required ?
44. Any additional thoughts for consideration ? (or question with wording such as that. Idea is to summarize a need to be proactively in addressing this with all affected suppliers)
45. Are there more FAQ's that I can refer to ?
46. Is there a summary of the Key Documents or a Reference Library of important links?

Wooden Packaging Regulations Frequently Asked Questions (FAQ's)

1. Summary Table of Routings Subject to Pest Related Regulations: Subject to Change!

Affected Routings		Allowable Materials / Required Treatments (Note: It is IBM's Policy to Avoid Fumigation and Chemical Impregnation due to Secondary Environmental Concerns)				
Exports TO Countries With Regs.	Imported FROM Restricted Imports	"Green" Untreated Non- Coniferous SWPM	"Green" Untreated Coniferous SWPM	Heat Treated "HT" SWPM (all Species) Core Temp = 56C for 30 Mins.	Fumigated "MB" SWPM (all species)	Manufactured Wood ("MWPM") or Non-Wooden Alternative
Australia	All Imports	NO	NO	OK (but higher temps may be required)	OK	OK
New Zealand	All Imports	NO	NO	OK	OK	OK
US, EU, Canada	China	NO	NO	OK	OK	OK
China	US, Japan	NO (it is often confused for Coniferous)	NO	Not recommended use MWPM	NO	OK
China	Entire EU (15 Countries)	NO	NO	Not recommended use MWPM	NO	OK
Brazil	China, Japan, Korea	NO	NO	See Note (1)	OK	OK
Argentina, Chile	North America	NO	NO	See Note (1)	OK	OK
Entire EU (15 Countries)	China, Japan, US and Canada	NO	NO	OK	OK	OK
US, Canada, Mexico, New Zealand	All Imports Per ISPM-15 by Jan. 2004	NO	NO	OK	OK by Regulation Not Approved by IBM	OK
All Exports 117 countries imminent ISPM-15	All Imports 117 countries imminent ISPM-15	NO	NO	OK	OK by Regulation Not Approved by IBM	OK

Notes:

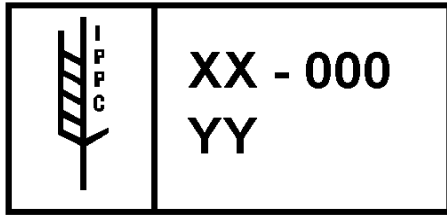
(1) Brazil, Argentina, Chile allow heat treatment but treated materials may require an inspection process which adds delays. Brazil recently stated that they prefer MWPM (just like China) to avoid potential inspection delays.
 (2) Australia has long had more stringent requirements. They may treat upon arrival if they deem necessary. New Zealand which traditionally matched Australia's requirements recently began accepting ISPM-15 compliant materials. However, Australia has not yet made that concession.

Terms: Solid Wood Packing Material (SWPM) also referred to as Non-Manufactured Wood Packing (NMWP).
 Manufactured Wood Packing Material (MWPM)

Wooden Packaging Regulations Frequently Asked Questions (FAQ's)

2. What do the Markings Look Like for Regulated Materials? Note: Right side is unchanged

NEW IPPC Compliance Symbol !



OLD (BUG Free Symbol OBSOLETE)!



IPPC = Intl. Plant Protection Convention Compliance Symbol (new symbol replaces bug free symbol)
XX = Country Initials (Ex: "US" = United States), origin of treated package assembly (pallet, crate, etc.).
000 = Facility Designation Code traceable to the wood packaging material manufacturer assigned by Govt.
YY = Treatment Method ("HT" = Heat Treatment, "MB" = Methyl Bromide Fumigation)

IMPORTANT: The IPPC symbol will be licensed to the grading agencies responsible for auditing the process and issuing official stamps. Usage of the symbol prior to official licensing controls may not be allowed. Contact your local National Plant Protection Organization (NPPO) for clarity on that. In the US, the American Lumber Standards Commission (ALSC) will provide the stamps as they have in the past. Suppliers previously issued stamps with the bug free symbol should be able to quickly get the new stamps.

3. What is NMWP ?

Non-Manufactured Wood Packing (NMWP), previously described as solid wood packing material (SWPM), is real, solid dimensional lumber, like a 2x4 or similar. NMWP is subject to infestation and therefore these regulations have been created. NMWP is regulated and must be treated and marked. Assembling a pallet from pieces of lumber does not constitute "manufactured" with regard to these regulations.

4. What is SWPM?

Solid Wood Packing Materials. Identical to NMWP. Regulators continue to flip-flop on which term to use to describe these regulated materials. SWPM is regulated and must be treated and marked..

5. What is MWPM ?

Manufactured Wood Packing Materials. These are wood-based products such as plywood, particle board, OSB, veneer, etc. In other words, ground-up, sliced thin AND PROCESSED trees. MWPM's are not subject to infestation or related regulations but the ENTIRE construction must be free of regular wood in order to meet this exemption. MWPM is considered "NO WOOD" and must be declared that way for shipments to China.

6. What is ISPM-15 ? What does it Require?

ISPM = International Standards for Phytosanitary Measures. "ISPM-15" is "Guidelines for Regulating Wood Packaging Material in International Trade", (also known as "the IPPC Standard"). This is the globally harmonized standard for phytosanitary requirements for solid wood packaging materials and is expected to be adopted by at least 115 countries over the next 6-24 months. In 2003, the United States, Canada, and Mexico signed an agreement to adopt this standard for all North American imports effective January 2, 2004 (current plan). The European Union (EU-25) is also expected to adopt ISPM-15 in July, 2004. New Zealand has already accepted it as an alternative to their current more restrictive standards.

ISPM-15 requires that all non-manufactured wood packaging materials (NMWP) also described as solid wood packing materials (SWPM) must be either heat treated to a core temperature of 56C for 30 minutes OR be fumigated with Methyl Bromide. Properly treated materials must also be marked per the IPPC standard which will include the initials "HT" for heat treated materials and "MB" for fumigated materials. An internationally recognized compliance symbol must also be marked on the materials which is shown in the latest update of the ISPM-15 document (see number 2 above). *Manufactured* wood materials like plywood, oriented strandboard (OSB), presswood, corrugated fibreboard, Masonite and so on are not subject to the standard since they are not subject to infestation but will need to be marked in accordance with IBM specification 37L8024.

7. Why has IBM's Engineering Spec P/N 37L8024 been created ? Note: Spec Updated June 25, 2003

It has been created to give guidance to IBM, its suppliers and vendors to comply to international standards and regulations (such as ISPM-15) aimed at combating the spread of live pests through non-manufactured wooden packaging material (NMWP). Be sure to reference the updated document dated June, 25, 2003 which includes updates to meet the ISPM-15 guidelines. Parting comment... this issue continues to be very fluid. We appreciate your patience and understanding as regulatory bodies organize their requirements. **Web Link to 37L8024:**

<http://www-1.ibm.com/procurement/proweb.nsf/ContentDocsByTitle/United+States~Information+for+suppliers>

Wooden Packaging Regulations Frequently Asked Questions (FAQ's)

8. Who is affected by IBM's Engineering Specification 37L8024 ?

All IBM operations worldwide, including OEMs, and other vendors performing work for IBM and using wooden packaging materials (e.g. pallets, containers, drums, crates, etc.) for shipping products to IBM or its customers.

9. What is the basic requirement of IBM's Engineering Specification 37L8024 ?

To have all wooden packaging items treated regardless of species, origin, or destination in accordance with the new IPPC standard and marked properly so that all packaging can be used and reused with confidence by our suppliers, internal operations, business partners and customers.

10. When do I have to use properly treated (and marked) wooden packaging items?

All shipments during 4Q03 (after Oct. 1, 2003) should be in full compliance to the ISPM-15 standard. There are no official plans for leniency or grace periods. It is IBM's policy to use only properly heat treated wooden packaging where non-manufactured wood packaging (NMWP) is used regardless of origin or destination. This will ensure that we have time to purify the supply chain, find gaps in compliance and get them resolved, and ensure compliance by January 2, 2004.

Exception: For Chinese exports and imports, only manufactured wood or non-wood alternatives should be used. Because the cost and performance of some non-regulated alternatives may be significantly different than traditional materials, use of these must be approved by IBM Procurement with guidance from IBM Packaging Engineering.

11. IBM's policy to use HT wood (or MWPM) "regardless of origin or destination" is very aggressive, are there any exceptions?

This policy was derived with consideration to the "end to end" supply chain and overall efficiency. While it is true that heat treatment does raise the *price* of pallets, but it may actually reduce the overall cost to the business. For instance, many of these pallets will be kiln dried too which will reduce weight and also improve pallet quality. This will save cost in transportation and other quality related improvements. Also, there really is no such thing as a "one way" shipment. Virtually all of our shipments are to customers who may in turn ship the item onward to other customers which may entail export. This also simplifies logistics since all users will be able to reuse the pallets with confidence anywhere. Repalletizing items causes delays and damage. This is also the most environmentally sound approach. It minimizes waste and increases reuse and also further diminishes the primary risk of pest migration which prompted all of this.

That said, there may be legitimate reasons to make exceptions. These would be in situations where the treatment capacity is not yet established. In this case, we may be forced to selectively apply the treated pallets to those routings which are currently restricted. However, that should only be a temporary approach until capacity meets demand. This should become less of an issue when all shippers worldwide begin doing the same thing. Pallets coming into our system from suppliers and other places will also be properly treated so we should not have to scrap and buy as many new pallets. To illustrate (not real numbers) we may end up buying 10,000 \$9 pallets instead of 100,000 \$8 pallets. Overall, we should save in the long run. Lastly, the spec 37L8024 does provide for exceptions to be approved in writing by the IBM Procurement representative. All of this should be carefully considered before routinely making exceptions based solely on the notion of "saving" \$0.87 per pallet for heat treatment. That would be a short sighted approach.

12. Do older, reused items in stock have to be marked ? What about Refurbished Pallets?

It depends. IBM requires that all NMWP used be properly treated & marked at all times, regardless of origin or destination. However, they can still legally be used for shipments within the country or for exports to unregulated countries. Important: It is NOT legally allowable to retroactively mark SWPM items; even those that may have been treated previously unless the material chain of custody can be affirmed or the item is retreated. Refurbished pallets must always be retreated entirely and remarked.

13. Can unmarked items still be used ?

It depends. It is IBM's policy to cleanse the supply chain of non-compliant materials as soon as practical due to newly enacted global regulations based on the new IPPC standard. However, they can legally be used for shipments within the country or for exports to unregulated countries. Items affirmed to be made from 100% MWPM may be retroactively marked since these markings are applied per IBM's requirements, not a regulatory mandate.

14. What are the non-regulated alternatives to SWPM ?

There are many non-regulated alternatives to SWPM. Materials such as plywood, OSB, corrugated, plastic, and metals are not regulated. However, use of these alternatives may be considerably more expensive (+20% to +500%) than properly treated wood and may not meet the performance levels or handling methods required for every situation. Although some of them are very durable, they may not be standard in the country receiving the item and therefore they may get scrapped. This is a waste of resources. Also, with the emergence of ISPM-15 globally, this will make it easier to continue to use SWPM by eliminating many of the certification requirements that previously caused delays.

15. I am a supplier to IBM, how can I introduce a non-regulated packaging solution?

Wooden Packaging Regulations Frequently Asked Questions (FAQ's)

When proposing a new non-solid wood pallet solution be prepared to provide the test data and cost to compare the performance of this new pallet to the performance of the standard wood pallet previously used. It is often important to do trial shipments (air+ocean) prior to full adoption. Alternative designs and materials should be carefully considered with the assistance from IBM Packaging Engineering and IBM Procurement. In our challenging global shipping & handling environment we want to ensure that all new pallet designs can meet the performance level of the wood pallets. Often end-to-end process costs are increased with non-wood pallets that are not able to be reused or cannot meet the performance levels of wood pallets.

Note: Over 90% of the world's pallets are made from non-manufactured wood and the global supply of pallets is measured in 10 digits (billions). Wood pallets will continue to be the predominant choice despite these difficulties.

15. Why not just switch completely to non-regulated items worldwide ?

The cost would be prohibitive and the global supply of such alternatives may not be sufficient for demand. The creation of ISPM-15 should actually make it more feasible to use properly treated wood which in general will be more cost effective than non-regulated alternatives. We will carefully select when and how to apply non-regulated alternatives. For instance, since crates are made largely from non-regulated materials anyway, the incremental cost to make them 100% non-regulated is justified especially since the risk of delays is most critical for products typically packed in crates (high end machines). For general pallets, it is not justified except for shipments to and from countries in which regulated materials cause major delays (ex. China, Brazil).

16. Must non-SWPM packing materials be marked ?

It depends. Case A) Yes. It is IBM's policy to mark non-regulated *manufactured wood packing materials* (MWPM) such as plywood and OSB so that it is clear that it is MWPM and does not contain any regulated materials. Marking plywood items will also allow our own operations people to affirm when a non-regulated item is being used.

Case B) No: Non-regulated materials which are also clearly non-wooden (Examples: Corrugated paper, Plastics, Metallic and so on) do NOT need to be marked since they're not in scope of these regulations or ISPM-15.

17. What is the ISPM-15 requirement for proper "heat treatment" ?

ISPM-15 requires that non-manufactured wood packaging materials (NMWP), or solid wood packing materials (SWPM), be **heat treated** to a core temperature of 56C for 30 minutes. This is the same temperature and duration required by most countries with current regulations. Special note : "Kiln Dried" (a.k.a. stamped "KD") is lumber that has been treated mainly to reduce the moisture content of the wood. The "KD process" may not meet or exceed the official "heat treatment" requirements (i.e. core temperature at 56C for 30min). Acceptable materials may be stamped KD-HT to indicate that it did meet the temperature limits. Dry lumber (<20% moisture) by itself does not constitute heat treated. KD can be a slow drying process. HT can be a quick steam heating process. KD-HT provides both benefits.

18. Besides heat treatment (HT), are there any alternative treatment measures ?

Yes, fumigation. However, that is not approved by IBM due to environmental concerns with the treatment agents. Methyl Bromide (MB) Fumigation is allowed in the quarantine regulations and ISPM-15 but not by IBM.

Do NOT use fumigation unless it is the only legally acceptable remedy for a given shipment or routing. Should be rare. Also, Chemical Pressure Impregnation (CPI), such as that used for decking lumber, is no longer an approved treatment measure for packaging materials since it cannot be burned or recycled. Other treatment methods, such as microwave technology, are being researched but these may not be available in the near future since their efficacy against the targeted pests has not yet been proven.

19. What will happen if export to regulated countries is done with improperly treated and marked regulated wooden packaging materials ?

Potentially big trouble. Noncompliance may result in delayed customer shipments, lost revenue, and problems with the authorities including fines and returned or destroyed shipments. The EU has indicated that any coniferous NMWP that does not comply with the requirements can be refused entry, destroyed, or treated to eliminate the risk of the pinewood nematode prior to entry. This will likely necessitate the offloading of any cargo from the bad wood, and may cause considerable delay or product damage through mishandling. Enforcement may or may not be gradual.

20. Is paper Certification required for shipments containing regulated wood packaging?

NO, for shipments from US, Canada, or Japan into the EU. Note: the new IPPC standard (ISPM-15) is designed to be paperless, using only the markings on the materials to demonstrate compliance.

YES, for shipments from China into the EU and the US and from the US and Japan and EU to China. If required, it must be a Government authorized original certification of the treatment applied. In addition, China requires self declarations of compliance on all shipments, even those that contain no wood at all.

21. Will other documentation (statements on invoices or bills of lading, etc.) be required for movement of NMWP?

It depends. No other documentation is required by the regulations except for shipments to China where self declarations are required. These self declarations may appear on the invoice and/or bill of lading but this does not eliminate the requirement to provide a separate original signed document also. Even if not required, self declaration of compliance statements on shipping documents can improve the flow of goods across national boundaries. The IPPC has not provided guidance on the use of self declarations for this purpose.

Wooden Packaging Regulations Frequently Asked Questions (FAQ's)

22. Are the EU countries requiring documentation to identify non-regulated packing materials, such as pallets made from non-coniferous wood ("hardwood"), oriented strand board, plastics, etc.?

No, but companies may include a statement about composition of the non-regulated packing materials on the bill of lading or the invoice. The best insurance to keep shipments moving through customs is to mark all wood material as per standards listed in the IBM Spec. The easiest way to meet requirements is to begin requiring suppliers to properly treat and mark all wood packaging items immediately. Following the treatment and marking standards as noted in the Engineering Spec is required. Wood suppliers following this simple stenciling routine will enable the quick and efficient movement of materials across borders. Packaging professionals can greatly support their logistics and trade companions by consistently marking all wood materials in accordance with the standard.

23. What about shipments through a third country ?

If the manifest or bill of lading indicates that the shipment originated in the United States or another regulated country, the shipment will have to comply with the emergency measures. If the packaging indicates a country of origin (CoO) from a restricted country, customs may assume the pallet is suspect. In this case, everyone has a reason to follow the in-compliance marking standards. It is expected that shipments to Non-EU consignees traveling in bond via an EU country will not be affected but this cannot be affirmed at this time. Example: A shipment from the US traveling in bond to Hungary via Frankfurt, Germany.

24. Does ISPM-15 (the IPPC Standard) require a heat treatment certificate issued by the Govt.?

No. However, it is still probable that individual countries will have requirements beyond that of the ISPM-15 standard. Also, preexisting regulations are still in effect until legally supplanted by the IPPC standard within the country's import regulations. The IBM specifications meet and exceed in some cases the IPPC standard.

25. What does EIPS mean ?

EIPS = The Electronics Industry Pallet Specification [task group]. This is a special interest group within the Institute of Packaging Professionals, founded by IBM but comprised of packaging engineers throughout the computer/electronics industry. Their aim is to standardize on pallet designs and specifications used within the computer industry's global supply chain. The EIPS specification ("EIPS2000") matches IBM's specifications with regard to treatment and markings. EIPS2000 covers only pallets and includes minimum performance and design requirements. 37L8024 covers all wooden packaging (not just pallets) but covers only treatment and markings. For more information on EIPS go to the task group web site at this URL: <http://packaging.hp.com/eips>

26. How and why does IBM's Spec (37L8024) Exceed the IPPC Standard?

In some cases the IPPC standard allows treatment methods that are considered unsavory from an environmental perspective. For instance, fumigation with Methyl Bromide is allowable according to the IPPC standard but is approved only as a last resort per IBM spec. Also, IBM's spec calls for marking of some non-regulated materials such as MWPM (plywood) since it looks like wood and may be confused for regulated materials by our operations personnel. IBM's spec matches exactly the Electronics Industry Pallet Specification "EIPS2000" which is potentially applicable to the entire computer industry supply chain.

27. Does the condition of the wood matter?

Yes. Although ISPM-15 does not mandate this, wooden packing materials must still be free of bark and evidence of prior infestation (grub holes, tunnels, etc.). This has been the baseline requirement for many years. In fact, the failure by global shippers to adhere to this baseline standard is the reason why ISPM-15 and prior emergency regulations were created. This baseline requirement is being enforced with vigor by some countries. Even though heat treatment or fumigation will eliminate infestation with or without bark or grub holes, many inspectors don't like to see that and they may reject it.

28. With so many requirements, how many different pallets do I need to stock?

That is a business decision. One case would have you buying different materials for each region of the world you ship to. This way you would avoid spending extra money on heat-treated wood when you are not exporting. However, this will cause problems for the customer if they need to export the item later (see also 11).

A second case is to upgrade to globally compliant materials across the board. This would be an easier process to follow rather than determining which pallet must go with each shipment. The cost of treatment and marking is only about +15% (or less than \$1) for most wood pallets. For this reason, it is our policy to use only properly treated and marked packaging regardless of origin or destination. This way all packaging can be shipped and reused globally with confidence.

29. Does it matter what origin or species plywood or other processed wood (MWPM) is comprised of?

No. Such materials are not regulated because the manufacturing process essentially heat treats it from the beginning. It is irrelevant what the origin or species is with regard to these standards and regulations since the regulations only cover "non-manufactured wood".

30. What does Coniferous Mean ?

Coniferous wood is all needle bearing species (trade term "softwood") and is subject to pinewood nematode infestation. This is the primary concern of the EU and China at this time since real infestations have been found.

31. What is Non-Coniferous or "NC" ?

Wooden Packaging Regulations Frequently Asked Questions (FAQ's)

NC wood is all leaf bearing species (trade term "hardwood") and is subject to Asian Long horned beetle infestation. Note: The trade terms (hard vs. soft) do not correspond accurately to actual wood density.

Important: ISPM-15 requires treatment regardless of species for all non-manufactured wood (NMWP)

32. Where can I get more detailed information on the regulations of the different countries ?

Visit the Internet at <http://www.aphis.usda.gov/ppq/swp/> for official US Government summaries.

33. What are the member states of the European Union (EU)?

Currently the fifteen (15) member states of the EU are: **Austria, Belgium, Denmark, Finland, France, Italy, Germany, Greece, Luxembourg, Ireland, The Netherlands, Portugal, Spain, Sweden and the United Kingdom.** In 2004, the EU will include 10 additional countries (see next question).

34. What does EU-25 Mean?

EU-25 is the designation to cover the existing EU members plus 10 additional countries planned for inclusion in 2004 (or 25 total). These additional countries include: **Hungary, Poland, Czech Republic, Lithuania, Estonia, Latvia, Slovakia, Slovenia, Cyprus, and Malta.** It is expected that regulations pertaining to wood packaging (ISPM-15) will be extended to these countries simultaneous with their inclusion in the EU in July, 2004.

35. Are Hong Kong and Taiwan considered part of China with regard to these regulations?

For shipments FROM Asia to North/South America and Europe: Hong Kong, YES. Taiwan, no.

For shipments TO Asia from US, Canada, EU, and Japan: Hong Kong, no. Taiwan, no.

36. What countries are signatories to the new globally harmonized IPPC standard?

The treaty organization consists of almost 120 countries. For practical purposes the entire industrial world is affected. IPPC Web site: <http://www.fao.org/WAICENT/FaoInfo/Agricult/AGP/AGPP/PQ/> Even though all are signatories and therefore support the standard, it doesn't become effective in a given country until they enact laws in support of the standard. That has taken place only in US, Canada, Mexico and New Zealand at this time. However, that is expected to grow quickly over the foreseeable short term future.

37. Is China one of the signatories to the IPPC Standard?

Unfortunately, NO! However, they were part of the meetings and are now a member of the World Trade Organization (WTO). Current Chinese regulations are still in effect which require heat treatment certificates. Also, regulations restricting Chinese imports to the US, Canada, and the EU are still in effect. Although China is also expected to adopt the IPPC standard eventually, it is unclear when or if they will abandon their policy of requiring Govt. issued certificates and self declarations which are not required per ISPM-15.

38. Are there any special considerations for Chinese Imports and Exports?

It is advisable to only use 100% manufactured wood (MWPM) or alternative non-wood materials for all shipments into or out of China, whenever feasible, to avoid Govt. certification requirements and related complications. This is primarily a practical business requirement, not a legal requirement. Chinese bound shipments still require self declarations of compliance even for shipments free of wood packaging altogether. China is expected to adopt ISPM 15 eventually but the date is unknown.

39. What should I do if there are no heat treatment facilities in my area?

You should use a non-regulated material (MWPM) such as plywood or corrugated after getting guidance from the Packaging Engineering Department at your location and the receiving location. If neither of these options is immediately available then fumigation may be used temporarily. It is our policy to avoid fumigation except as a last resort. We should not be planning to use fumigation as a normal long-term practice.

Fumigation Policy: Reminder, it is IBM's Environmental Policy to not use fumigation where alternatives exist. The only acceptable use of Methyl Bromide (MB) is when it is the only legally acceptable method to achieve compliance. Therefore, use of MB should be rare. If you intend to use MB fumigation to achieve compliance, a 90 day transition plan to avert fumigation is required. Fumigation is bad because of secondary environmental impacts, ozone depletion, and so on.

40. Are the markings found in IBM Specification 37L8024 applicable worldwide?

Yes, for shipments to and from IBM, its suppliers, business partners and customers. Please note that these same marking procedures have been endorsed by the EIPS task group which includes most major computer manufacturers. Please also note that this spec includes some markings that are not specifically mandated by any regulation but are provided for logistical purposes. Example: MWPM, Part Numbers and so on.

41. Is it true that both coniferous AND non-coniferous species need to be treated?

Yes. That is one of the key items that makes ISPM-15 so significant. There are still some country regulations which are not as restrictive as ISPM-15 but these will shortly become obsolete in each of the countries which are signatories to the IPPC.

42. What is the cost of treatment?

It is difficult to predict with accuracy. Some suppliers may have a slight pallet cost increase to cover any additional

Wooden Packaging Regulations Frequently Asked Questions (FAQ's)

process costs incurred. (i.e. Costs may rise about 10% to 15% depending on local availability.) Heat treatment capacity may be poor or nonexistent in some countries and this may necessitate the use of non-regulated alternatives which vary widely in cost depending on region.

43. Why are IBM's requirements more stringent than what is legally required?

1) Marking all wooden type materials helps users anywhere in the system to know if they are in compliance to the rapidly changing regulations. 2) So that these materials can be reused with confidence to almost anywhere by ourselves and ultimately by our customers, thereby reducing waste. 3) So that undesirable secondary adverse environmental effects can be minimized. For instance, to avoid fumigants which are toxic and ozone depleters and also to avoid Chemical Impregnation which may be hazardous if burned or recycled.

44. Any additional thoughts for consideration ?

All users of NMWP (SWPM) or MWPM should quickly ensure their affected material suppliers (i.e. Pallet supplier) has been alerted to the ISPM-15 requirements and the updated IBM Engineering Spec PN 37L8024. This will be important when together you secure a future supply of properly marked & heat treated wood pallets or properly marked MWPM. Contact your IBM Procurement representative in 3Q03 to review your formal compliance plan to ensure all shipments during 4Q03 will be in compliance.

45. Are there more FAQ's that I can refer to ?

The USDA also posts Frequently Asked Questions on their websites below:

USDA's FAQ file on the new IPPC Std: http://www.aphis.usda.gov/ppq/swp/SWP_FAQs.html

USDA's FAQ file on the EU Directive: <http://www.aphis.usda.gov/ppq/swp/eunmwpaqs.html#8>

46. Summary of Key Documents and Reference Library of Important Links

Summary of Document	URL
IBM Procurement Website: Information for Suppliers	Click on link at bottom of table and go to Packaging Information
APHIS Website (US Dept. of Agriculture)	http://www.aphis.usda.gov/ppq/swp/ Proposed US Rule: Click on link in next row.
	http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=2003_register&docid=fr20my03-17
ISPM-15 or "The IPPC Standard": "Guidelines for Regulating Wood Packaging Material in International Trade". This is the globally harmonized standard expected to be adopted by at least 115 countries over the next 6-24 months.	http://www.ippc.int/IPP/En/ispm.htm (click on ISPM 15) IPPC = International Plant Protection Convention ISPM = International Standards For Phytosanitary Measures Note: The pest free symbol previously used should no longer be used. It has been replaced by the IPPC symbol shown above. All other aspects of the marking protocol still apply (ref. 37L8024, 25JUNE2003).
NAPPO: Joint agreement of major North American trading partners to adopt the IPPC Standard simultaneously (US, Canada, Mexico) for all imports to North America on Jan. 2, 2004. Document Signed on April 24, 2003.	NAPPO = North American Plant Protection Organization http://www.napppo.org/Standards/Other-Docs/Woodpacking-e04.pdf
UPDATED Engineering Spec 37L8024: "Treatment and Marking Requirements for Wooden Packaging Materials". This reiterates the requirements of the IPPC standard.	Click on link at bottom of table and go to "Packaging Information"
	http://www-1.ibm.com/procurement/proweb.nsf/ContentDocsByTitle/United+States~Information+for+suppliers

All exceptions must be approved in writing from the responsible IBM Procurement representative.

End of Document