

LEI News Letter

Oct. 2005

Wood Packaging Materials

The following is from the Canadian Food Inspection Agency and can be found on their website at: www.inspection.gc.ca/english/plaveg/for/noted-98-08e.shtml.

Canada has joined with the United States and Mexico, the three members of the [North American Plant Protection Organization \(NAPPO\)](#), in the staged implementation of the regulation of wood packaging under the [International Standard for Phytosanitary Measures \(ISPM\) No. 15](#). Under this standard, as of September 16, 2005, any regulated wood packaging materials found to be non-compliant with Canadian import requirements may be ordered removed from Canada.

During the first phase, September 16, 2005, until January 31, 2006, shipments with wood packaging materials found to be infested will be refused entry. Notices of non-compliance will continue to be issued to importers where no pests are found, but where shipments are non-compliant. Post-entry treatment of infested wood packaging materials, which was allowed until now, will be discontinued.

During the second phase, February 1, 2006, until July 4, 2006, all shipments found to have infested wood packaging materials, or that are lacking an ISPM No. 15 mark or a phytosanitary certificate, will be refused entry, whether or not signs of pests have been detected. During the third phase beginning July 5, 2006, Canada will refuse entry on all non-compliant wood packaging.

Canada's import requirements cover solid wood (excluding manufactured wood and paper products) used in packaging, supporting, protecting, bracing or carrying a commodity, including ships'dunnage. The intent of these requirements is to reduce the risk of introducing Invasive Alien Species (IAS), harmful pests which are known to be transported and spread via untreated wood packaging. The introduction of these pests could have a serious negative impact on Canada's plants and trees, including those important to the logging, horticulture and agriculture industries.

Wood packaging materials manufactured from wood of Canadian or U.S. origin that have not moved internationally are exempt from the treatment and marking requirements of Canadian and U.S. wood packaging import regulations. Shipments moving from Canada to the U.S. must be accompanied by a declaration on the shipping or customs documents stating that the wood packaging is derived from trees harvested in the U.S. or Canada.

All costs incurred in removing non-compliant wood packaging materials from Canada will be the responsibility of the person or entity in care and control at the time of entry to Canada. For more information please call 1-800-442-2342.

AMPS Penalties – Corrections to Tariff Classifications

The Canada Border Services Agency (CBSA) has confirmed there is no obligation to correct a tariff classification if the correction is required only at the statistical level. Tariff corrections for the purposes of Sections 32.1 and 32.2 of the Customs Act apply only to the tariff item – 8 digit level. Therefore any penalties under the Administrative Monetary Penalty System (AMPS) for corrections to tariff classification would apply only to the eight-digit level. Currently there are no AMPS penalties for making an error at the statistical level, nor is there any obligation to correct the ninth and tenth digits.

Steel Import Monitoring Program

Industry Canada has announced the steel import monitoring program has been extended to August 31, 2008 under the authority of Subsection 5.1(1) and Section 6 of the Export and Import Permits Act. Subsection 5.1(1) provides that monitoring may be initiated when steel is being traded in circumstances of world surplus supply and depressed prices and where a significant portion of world trade is subject to control through the use of non-tariff barriers. Pursuant to the provisions of Section 6, the Governor in Council has the discretion to revoke, amend, vary or re-establish the Import Control List.

Anti Dumping – Grain Corn

The following is an excerpt from a press release issued by the Canada Border Services Agency (CBSA) which can be found on their website at: www.sbsa-asfc.gc.ca/newsroom/release-communicue/antidumping/2005/0916ottawa-e.html.

The Canada Border Services Agency announced the initiation of an investigation into the alleged injurious dumping and subsidizing of grain corn in all forms, excluding seed corn (for reproductive purposes), sweet corn and popping corn, from the United States of America.

The investigation follows a complaint filed by the Ontario Corn Producers Association, the Federation des producteurs de cultures commerciales du Quebec and the Manitoba Corn Growers Association Inc. The associations allege that the dumping and subsidizing of the goods in question is harming Canadian production by causing price erosion, price suppression, decreased incomes, increased burdens on government support programs and reduced acreage planted.

The decision to launch this investigation has been made after researching and analyzing information provided by the Canadian industry and by conducting an extensive analysis and evaluation of the facts to determine whether there exists sufficient evidence of dumping, subsidization, and injury to warrant an investigation.

The CBSA will now investigate whether the imports are being dumped or subsidized and will make a decision by December 15, 2005. While the CBSA is conducting its investigation, the Canadian International Trade Tribunal (CITT) will begin a preliminary inquiry to determine whether the imports are harming the Canadian producer. The CITT will issue a decision by November 15, 2005. If there is a large increase in harmful imports and the CITT decides that retroactive application of anti-dumping or countervailing duty is justified, duty could be levied on the goods brought into Canada as of Sept. 16, 2005.

“Grain corn in all forms” includes whole kernel corn and grain corn that have been processed in a limited way by cracking, crushing, rolling, grinding or flaking and includes ground corn such as corn flour, corn grits, corn meal, corn bran, sharps and other residues, corn which is hulled, sliced, kibbled, as well as grain corn mixed with other grains and oilseed (such as millet) which can be separated from the grain corn after importation. The product definition also includes white dent corn.

Concrete Reinforcing Bar – Expiry Review

- Hot rolled deformed carbon or low alloy steel concrete reinforcing bar in straight lengths or coils, originating in or exported from the Republic of Indonesia, Japan, the Republic of Latvia, the Republic of Moldova, the Republic of Poland, Chinese Taipei and Ukraine –

On July 26, 2005 the Canadian International Trade Tribunal (CITT) issued a notice of expiry relating to its finding concerning the above goods. Persons or governments requesting or opposing the initiation of an expiry review of this finding were requested to file written submissions containing relevant information, opinions and arguments with the Secretary of the Canadian International Trade Tribunal no later than Aug. 18, 2005.

The CITT received no submissions in support of a review and continuation of the finding. Consequently, no expiry review will be initiated. In light of the foregoing, the CITT gives notice that, pursuant to paragraph 76.03(1)(b) of the Special Import Measures Act, the finding made by the CITT on June 1, 2001, in Inquiry No. NQ-2000-07 will expire on May 31, 2006.

Waterproof Footwear and Bottoms – Public Hearing

On March 23, 2005 the CITT gave notice that it had initiated an expiry review of its finding made on Dec. 8, 2000 in Inquiry No. NQ-2000-04, concerning waterproof footwear and bottoms of plastic or rubber, including moulded clogs, originating in or exported from the People's Republic of China, excluding ski boots, skating boots and all footwear subject to the order made by the Tribunal in Review No. RR-97-001. The notice indicated that, should the Canada Border Services Agency make a determination of likelihood of continued or resumed dumping, the Tribunal's inquiry would resume on July 22, 2005 and that a public hearing be held commencing Oct. 17, 2005. Notice is hereby given the date of commencement of the public hearing is changed to Oct. 19, 2005.

Should there be any questions on any issue contained in this news letter, please contact your nearest LEI office.