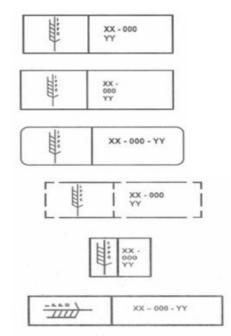
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Proinde Circular 22-01-2016 (updated 29-01-2016): New regulation on wood packaging material in Brazil

1. Introduction

The Brazilian Ministry of Agriculture, Livestock and Supply (MAPA)¹ issued a new regulation through Normative Instruction No. 32 of 23 September 2015, known as IN 32/2015 that <u>will come into force as</u> <u>from 1st February 2016</u> and applies to cargoes carried under bills of lading issued before the date of entering into force.

IN 32/2015 regulates the procedures for the control and phytosanitary certification of wood packaging material made from raw wood and accompanying import and export consignments with the aim to reduce the risk of introduction and spread of quarantine pests. It is widely based on the ISPM No. 15² and adopts the marking standards by the IPPC³. The regulation was published in the Official Gazette on 24 September 2015 and can be downloaded here.



Picture 1: acceptable variations of IPPC marks under ISPM-15

2. Scope of the new regulation

Cargo importers, exporters, port operators and carriers must provide MAPA with details of nontreated, non-certified wood packaging, supports or pieces of solid wood which are used to pack and support cargoes imported, exported or in transit through Brazil, even if those cargoes would not normally be subject to phytosanitary controls.

¹ *Ministério da Agricultura, Pecuária e Abastecimento* – MAPA (Ministry of Agriculture, Livestock and Supply) which plays the role of National Plant Protection Organisation (NPPO) under the International Plant and Protection Convention (IPPC) 1951

² Regulation of Wood Packaging Material in International Trade issued by the International Standard for Phytosanitary Measures 15 (ISPM No.15) adopted by the IPPC

³ The International Plant Protection Convention (IPPC) 1951 was signed by Brazil on 06/12/1951 and ratified in 14/09/1961

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Wood material for which details are mandatory under the new regulation specifically includes:

- Boxes, crates, cages, cable drums and spools/reels
- Pallets, platforms, packing cases, dunnage, shores, wedges and battens
- Repaired, remanufactured or otherwise altered wood packaging material

Items of low risk are expressly <u>exempted</u> from the provisions of the regulation, such as:

- Wood packaging material made entirely of wood of 6mm or less in thickness;
- Wood packaging made wholly of processed wood material such as plywood, particle board, oriented strand board or veneer that has been created using glue, heat or pressure, or a combination thereof;
- Barrels for wine and spirits that have been heated during manufacture;
- Gift boxes for wine, cigars and other commodities made from wood that have been processed and/or manufactured in a way that renders it free of pests;
- Sawdust, wood shavings and wood wool when used as packaging material; and
- Wood components permanently attached to freight vehicle and containers (e.g. wooden floor)

Consignments of wood (i.e. timber/lumber) in bulk supported by dunnage constructed from wood of the same type and quality and meeting the same phytosanitary requirements as the cargo, are also exempted as the dunnage will be considered an integrate part of the cargo instead of its packaging or dunnaging.

3. Required information

Cargo importers or exporters must inform MAPA, through the SIGVIG system⁴, and the carriers, in the course of the cargo booking process, the existence of any wood packaging and dunnage material falling under the scope of the regulation, as outlined above, which may be classified under one of the following categories:

- a) No wood material
- b) Treated and certified wood material
- c) Processed wood material
- d) Not-treated neither certified wood material

The carriers must insert the information received from the importers or exporters in the Paperless Port System (PSP)⁵. In case of LCL shipments, the carriers or NVOCC remain responsible for informing MAPA as well.

For imports from countries that are not contracting parties to the IPPC, the importers must provide adequate certification from the national phytosanitary authority of the exporting country confirming that the wood material has been treated in accordance with any of the approved treatments⁶.

⁴ Sistema de Informações Gerenciais do Trânsito Internacional de Produtos e Insumos Agropecuários – SIGVIG (System of Information Management on the International Traffic of Agriculture Products and Inputs, managed by MAPA)

⁵ Porto sem Papel – PSP (Paperless Port), is an electronic system integrating cargo and port information that is accessible to the intervening authorities, carriers, importers, exporters and other stakeholders

⁶ IPPC approved treatments are conventional heat treatment (HT), heat treatment with dielectric heating (DH) and methyl-bromide treatment (MB) and regardless of the method of treatment, the wood packaging material must be made of debarked wood

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Wood package material treated and duly marked in accordance with IPPC standards, as shown in figure 1 above, renders the production of a phytosanitary certificate unnecessary and may be reused without the need of re-treatment or re-marking as long as it has not been repaired, remanufactured or altered.

4. Phytosanitary measures for non-compliance

Under IN 32-2015, consignments containing wood packaging material not bearing the IPPC mark in the visible surface otherwise not carrying an adequate certificate, are regarded as non-conformities and may not enter the country and will have to be disposed of or reshipped to the place of origin. The importers may take delivery the cargo itself providing it can be detached from the accompanying non-compliant material, but only after the return of such material to be exporting country has been accomplished.

In case there is presence of live pests or evidence of pest infestation, even if the material has been marked or certified, MAPA may order the return of the entire consignment to the port of origin and apply phytosanitary measures to avoid spread of quarantine pests before reshipping.

All costs and expenses incurred with the implementation of phytosanitary measures as demanded by the authorities will rest with the importers, carriers or bailees, as the case may be.

5. Preventive measures

Since the regulation establishes that international carriers are responsible to adopt phytosanitary measures to ensure compliance and share the responsibility for providing declaratory information, we strongly recommend that as part of the cargo booking process the shippers are specifically asked to confirm whether the cargo contains wood packaging or dunnage and, if so, whether it is treated and certified, processed or not treated or certified in accordance with IN 32/2015.

It is also important that carriers inform their customers abroad about the new requirements.

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