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Trade Alert Update – Log Exports to China – ACTION REQUIRED

(May 9, 2018) APHIS Deputy Administrator Osama El-Lissy convened a conference call with participants from the hardwood sector to discuss the developing situation in China regarding the ramped up inspections of containers with untreated logs.

The Deputy Administrator started the call by recapping the issue:

- The Chinese General Administration on Customs (GACC) has ramped up quarantine checks on logs and apples entering Chinese ports.
- Treatment of raw logs in country will no longer be allowed at Chinese ports.
- Logs fumigated in Hong Kong will no longer be allowed entry into mainland ports due to suspected fraudulent documentation on shipments coming through Hong Kong—a development which is further hampering progress on this issue.
- Shipments at Chinese ports that are found to have pest contamination are either re-exported to the U.S. or destroyed—two outcomes that are problematic.
- According to USDA Animal and Plant Health Inspection Service (APHIS) staff, about 5,700 U.S. containers await inspection at or near ports in China, and that number is expected to grow substantially in the coming days and weeks.

Deputy Administrator El-Lissy and his team have been in discussions with Chinese officials to resolve the situation with untreated logs, and continue trade in these products with as little interruption as possible. Based on these discussions, **China has agreed to allow for in-country fumigation for shipments that are currently on the water (prior to May 2, 2018) provided that the exporting company can demonstrate that it has successfully exported logs to China in the past.** (This concession does not apply to future shipments, however, and so negotiations with the Chinese government on this matter continue.)

ACTION REQUIRED: To facilitate collection of shipment information to demonstrate successful export transactions with China in the past, APHIS staff has created two spreadsheet templates for completion. They are:

1. [Hardwood logs \(with bark\) to China currently on the water](#), which should contain all hardwood log (with bark) shipments to China as of May 2, 2018.



2. [Hardwood logs \(with bark\) to China in 2017-2018](#), which should contain a history of hardwood log (with bark) shipments to China in 2017 and so far in 2018.

They have requested that shippers populate the spreadsheet and return to Tyrone Jones at APHIS – John.T.Jones@aphis.usda.gov - by close of business (Eastern Standard Time) on Friday, May 11. They will compile all the submissions and share them with the GACC.

This issue continues to be ONLY related to logs and not hardwood lumber. We understand there is considerable frustration with the lack of any type of official guidance from either the Chinese or the US Government, but Deputy Administrator El-Lissy assures us that APHIS officials in Washington DC and in China are in nearly, daily contact with their Chinese counterparts on this and several other trade issues that have recently arisen on a variety of US agricultural exports.

AHEC will continue to monitor the situation; HMA will keep our members informed on developments as they occur.