

MEMO TO CLIENTS

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EPA Setting Composite Wood Certification and Recordkeeping for Formaldehyde

The Environmental Protection Agency (EPA) has written and signed off on a proposed Federal Register Notice (FRN), that is due to be issued at any time, establishing formaldehyde emissions standards and import certifications for composite wood products. Under the Toxic Substances Control ACT (TSCA) importers of composite wood products will be required to submit TSCA certifications for the covered wood products. The final rule will require recordkeeping for manufacturers and importers and creates a third-party certification for these products.

This final rule will apply to manufacturers, importers and suppliers of hardwood, plywood, medium-density fiberboard, and particleboard whether in the form of a panel or as a **finished good**. The FRN does allow for exemptions to several finished products that are listed.

Products that do not meet specified exemptions must be certified by a third-party certification body to be compliant with the composite wood product formaldehyde emissions standards. Certification statements stating "I certify that all chemical substances in this shipment comply with all applicable rules or orders under TSCA and that I am not offering a chemical substance for entry in violation of TSCA or any applicable rule or order thereunder" will be required either on the shipping documents or with the invoice that is submitted to CBP via ACE.

EPA will give importers two years to comply with the TSCA certification requirements. We will send out the link to the FRN when it is finally issued in the Federal Register. Here is a link to FAQ from the EPA on this matter:

https://www.epa.gov/sites/production/files/201

<u>07/documents/formaldehyde emissions final r</u> <u>ule fact sheet 07.25.2016.pdf</u>

<u>USITC Sends Recommendations to the President to Modify HTS</u>

The U.S. International Trade Commission (USITC) has sent recommendations to modify the Harmonized Tariff Schedules (HTS) for chapters 3, 44 and 63. These changes cover edible fish offal, subdivisions of coniferous and non-coniferous woods and certain warp net fabrics. There is a link to the list of changes included in the USITC news release. The news release can be found at:

https://www.usitc.gov/press room/news release /2016/er0728ll638.htm

Full GSP Treatment for Travel Goods

In July, we wrote an article about how the United States Trade Representative (USTR) had announced the granting of Generalized System of Preferences (GSP) duty free status for several travel goods to Least Developed Beneficiary Developed Countries (LDBDC). Their administration has the authority to grant full GSDP status for the travel goods to all GSP countries.

Since then, several companies and associations have come together to petition the President to expand the GSP treatment for the travel goods that include luggage backpacks, handbags and wallets to full GSP qualification. This letter had more than 50 companies and 10 associations listed as signees. We have also learned that a bipartisan group of 14 members of Congress has urged the Obama administration to expand the original proclamation to include all GSP countries.

Todd Boice, President