

SOUTHERN GROUP OF STATE FORESTERS

Wib L. Owen, RF 1094, Executive Director 5013 Darcy Woods Lane, Fuquay Varina, NC 27526 wib.owen@southernforests.org mobile 919-218-7321

February 22, 2023

The Honorable Tom Vilsack U.S. Department of Agriculture 1400 Independence Ave. SW Washington, D.C. 20510

RE: Sanitary and Phytosanitary Barriers to Southern Forest Products Exports

Dear Secretary Vilsack,

I write to you to encourage immediate prioritization across your agencies of an issue I know you are already familiar with – sanitary and phytosanitary barriers to US forest products exports, particularly to China and the European Union (EU). This is an issue that impacts forest industries and forest sustainability across our entire southern region.

SGSF is a non-profit organization that represents the State Foresters (i.e. – the heads of the respective state forestry agencies) from 13 southern states, Puerto Rico and the US Virgin Islands, and whose mission is to provide leadership in sustaining the economic, environmental, and social benefits of the south's forests. We work together to identify and address existing and emerging issues and challenges that are important to southern forests and citizens. With 86% of the forests in our region privately-owned, maintaining and growing strong forest products markets is and always has been essential to ensuring these landowners see the financial incentive to keep their forests as forests.

Over the past few years, SGSF and its members have been working with entities in the wood products supply chain to better understand the barriers to strong export markets for the fiber that comes from our forests. One issue that continuously comes up, is that log and wood chip exporters throughout the south are severely limited in their ability to export their products due to international market restrictions, particularly sanitary and phytosanitary barriers. These restrictions have closed off opportunities that are vital for economic, environmental and social reasons, depriving our region of billions worth of exports and the incentive for sustainable forestry that comes along with managing and growing trees.

We are aware your department has already heard from industry voices as well as a bipartisan group of Congressmen and women on this issue, but we wanted to lend our voice as well and make sure your Department is aware of the ecological as well as economic impacts of such market restrictions. The greatest threat to southern forest sustainability is conversion of forests to other more potentially profitable uses, most notably to development. Strong forest products markets are essential to avoiding that conversion by making growing trees more profitable. The USDA Forest Service projects a loss of between 11 and 23 million acres of southern forests by 2060, mostly to urbanization

and development. However, the optimistic end of that spectrum (i.e. -11 million acres lost) occurs in modeling scenarios with strong forest products markets.

From our conversations and on-the-ground experience, it is clear that export markets have been struggling mightily, with one of the main drivers being that exporters currently lack a commercially viable fumigation option to access either the China or EU markets, two of the largest market opportunities. Since 2011, southern yellow pine logs from South Carolina and Virginia have been banned by China despite efforts to meet phytosanitary regulations. The Chinese government imposed new regulations last year restricting pine log and lumber imports to specified ports and now require all pine logs to be fumigated with methyl bromide, essentially shutting US softwood exports out of the market. As a result, in 2022, softwood exports to China were reduced by 64 percent.

Additionally, exporters lack the ability to move their products to the EU due to restrictive fumigation requirements. Methyl bromide treatment is banned in the EU, due to its negative impact on the environment, except for emergency quarantines. Sulfuryl fluoride fumigation is an option, but is not accepted for logs and chips from the United States. Heat treatment, while effective for wooden pallets, is not feasible at the scale we are talking about for logs and chips.

To alleviate these issues, we request that USDA advocate for the acceptance of sulfuryl fluoride as a fumigant, and that USDA Animal Plant and Health Inspection Service (APHIS) elevate the technical support on this issue and development of pilot projects as a priority. We also request that the USDA Foreign Agricultural Service (FAS) be a strong advocate for American sustainable forest products exporting in their conversations with Chinese and EU stakeholders. Current international market restrictions, and overly restrictive trade measures that are not science-based, are negatively affecting U.S. exporters as well as the sustainability of the private forests that supply the fiber.

Thank you for your consideration of this issue.

Sincerely,

Mark E. Digitally signed by Mark E. Goeller Date: 2023.02.22 09:17:07 -06'00'

Mark E. Goeller State Forester, Oklahoma Forestry Services Chair, Southern Group of State Foresters

CC: Kevin Shea, Animal Plant and Health Inspection Service; Administrator Daniel Whitley, Foreign Agricultural Service; Administrator