



APP Timber Ltd. (LL03761)

Level 14B, Main Office Tower, Financial Park Labuan Complex
Jalan Merdeka, 87000 Labuan, F. T. Labuan, Malaysia
Tel: +60.3.7847 4716 (Hunting Line) / 7847 4761
Fax: +60.3.7843 9240 (General) / 7843 9235 (Shipping)
Email: info@apptimber.com Website: www.apptimber.com

National Program Chemicals Division
Office of Pollution Prevention and Toxics
C/O Document Control Office (7407M)
Environmental Protection Agency
1200 Pennsylvania Ave., NW
Washington, DC 20460-0001

Emission Assessment Branch
California Air Resources Board
1001 I Street
P.O. Box 2815
Sacramento, CA 95812

Dear Sirs or Madams:

Our company APP Timber provides imported timber and veneers to the Asian woodworking industry and we sell over 350 containers each month. About 20% of our business is sawn timber and veneers originating from the USA which is used by our customers to produce furniture, engineered floors and doors for export mainly to the USA.

We understand that the Environmental Protection Agency (US EPA) has proposed new rules to regulate formaldehyde emissions from composite wood products and that the California Air Resources Board (CARB) is also seeking to amend its regulations of these products. We appreciate that the U.S. is concerned about ensuring there are safe levels of formaldehyde in the composite wood products sold in the United States. We understand that neither the US EPA nor CARB are seeking to change the current CARB emission levels, but are changing the scope of products affected.

We are very worried that the new rules will affect the export possibilities from Asia to the USA which in return will reduce our sales of US sourced products to Asia.

Of course we do want our customer's products to meet all required emission levels in the global marketplace, while also meeting our customer expectations. We ask that the U.S. EPA and CARB work closely to create complementary regulations so that it is possible to meet both agencies' requirements with the minimum of cost and recordkeeping burden. When we export products to the U.S., we do not in many cases know where the products will ultimately reach the retail consumer. For that reason, we would expect that most products exported to the U.S. would have to be manufactured to meet both CARB and US EPA regulations.

We respectively ask that U.S. EPA and CARB do the following:

- CARB and EPA should provide reciprocity to CARB recognized Third Party Certifiers (TPCs) so that a TPC already approved by CARB would not have to obtain separate accreditation from EPA-recognized accreditation bodies.



This will greatly simplify and lower the cost of complying with the rule for both the TPCs and their clients.

- TPCs will be critical to informing manufacturers of the new requirements. We ask that US EPA and CARB phase in the new rules first for TPCs and conduct workshops with foreign TPCs so that they are ready early to assist their manufacturer clients. Because of shipping times, importers will be required to comply with the new rules before U.S. industry and thus will need additional lead time and earlier outreach. We understand that the International Wood Products Association (IWPA) has offered to coordinate and provide a location for US EPA and CARB to conduct such workshops. We urge EPA and CARB to work with IWPA and others on workshops and outreach.
- We are especially concerned about the US EPA proposal to require third-party certification of fabricators of laminated products. While panel manufacturers are in many cases very knowledgeable about the CARB rules and already have a relationship with a TPC -- that is not the case for fabricators of laminated products. Most of these businesses are very small furniture and housewares producers and have not had to follow the CARB processes -- other than purchasing compliant core panels. These small businesses would find it challenging to comply with the proposed scheme. In particular, the testing and reporting requirements proposed by US EPA for laminators would be very costly and difficult to implement.
- The labeling requirements proposed by US EPA should be simplified to only require a statement that they are US EPA and CARB compliant. In addition, it would be difficult and in some cases impossible to comply with the CARB proposal to label each component part and individual unit, including individual panels.

Thank you for considering our views as you finalizes your new rules.

Respectfully submitted,

Michael Hermens
Managing Director