



Bob Casey

United States Senator for Pennsylvania



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[As Countries Like China Smuggle Potentially Unsafe Honey Into U.S](#)

USDA Report Bolsters Casey Efforts to Protect PA Producers From So Called ‘Honey Launderers’

USDA Report Shows Strong Support for Federal Standard of Identity for Honey Which Could Help Thwart Smugglers

PA’s 13,000 Colonies Produced 585,000 Pounds of Honey in 2013

In Most Recent Farm Bill Casey Secured Language to Produce Report on Establishment of Federal Standard of Identity for Honey

Washington DC- As countries like China continue to smuggle potentially unsafe honey into the U.S., a new report bolsters efforts by U.S. Senator Bob Casey (D-PA), a member of the Senate Agriculture Committee, to protect producers in Pennsylvania and across the nation from so called ‘honey launderers.’ The report, which was produced as a result of Casey-secured language in the most recent farm bill, shows strong support for the development of a federal standard of identity for honey which could help thwart smugglers and protect domestic producers. In 2011, Casey wrote to the U.S. Customs and Border Protection Agency (USCPB) urging action on honey smugglers. The full report is attached.

“This report bolsters the case for a federal standard of identity for honey that will ultimately better protect Pennsylvania’s producers,” Senator Casey said. “It’s simply unacceptable that countries like China continue to cheat the system. China’s cheating, whether its smuggling honey or manipulating currency, has a serious impact on jobs and economic growth in Pennsylvania.”

In the last decade, the U.S. began imposing tariffs on honey imported from China after it was found that Chinese honey producers were engaged in predatory trade practices. In a scheme

designed to circumvent the tariffs, Chinese producers have taken to shipping honey through 3rd party countries like Vietnam and Mongolia – a practice that hurts Pennsylvania’s producers and packers and allows China to avoid U.S. food safety standards.

Home to 13,000 colonies of bees that produced 585,000 pounds of honey with a value of \$1.74 million in 2013, Pennsylvania is a major player in the honey industry. The industry also has a long history in Pennsylvania. Dutch Gold Honey, a packer established in 1946 in Lancaster, is the largest family-owned honey company in the United States and is the originator of the idea for the squeezable honey bear.

Chinese importers use an array of tactics to avoid duties and are constantly adapting their behavior to stay one step ahead of Customs. For example, importers of Chinese goods have claimed a country of origin that has no commercial honey production, or labeled their honey products as blended syrup. According to analysis by the domestic honey industry, these practices have resulted in losses of \$100 million a year since 2008.

The economic impact on U.S. producers is significant. By imposing antidumping duties, the U.S. government has already determined China is attempting to undersell U.S. producers. Now that Chinese honey is banned in Europe, these unscrupulous producers have a tremendous incentive to gain entry into the U.S. market by any means necessary. These imports depress the price of honey, hurting Pennsylvania producers and packers.

The full text of Casey’s 2011 letter can be seen below:

Honorable Alan Bersin
Commissioner
United States Customs and Border Protection

Dear Commissioner Bersin:

Millions of pounds of honey are shipped illegally into the United States annually. Just last month, Immigration and Customs Enforcement (ICE) arrested three individuals on charges of avoiding more than \$1 million in duties by importing honey as “rice fructose.”

This is just one example. Using a variety of schemes, such as third country transshipment and false labeling, Chinese manufacturers are able to introduce their product duty-free into American ports. These practices cost the Treasury revenue, harm Pennsylvania producers and allow dangerous product to enter our market. To address these serious problems, I request U.S. Customs and Border Protection (Customs) use every tool at its disposal to combat the circumvention of U.S. duties by Chinese honey imports.

Importers use an array of tactics to avoid duties and are constantly adapting their behavior to stay one step ahead of Customs. For example, importers of Chinese goods have claimed a country of origin that has no commercial honey production, or labeled their honey products as blended syrup. According to analysis by the domestic honey industry, these practices have

resulted in losses of \$100 million a year since 2008. To crack down on these practices and collect duties owed to the Treasury, industry data suggests Customs should pay close attention to honey imports from India, Malaysia, Indonesia, Taiwan, Vietnam, and Mongolia. However, a focus on these nations will not be enough. Past experience suggests importers will shift shipping to other destinations. Ultimately, circumvention can only be thwarted through consistent monitoring and adaptation on the part of Customs.

The economic impact on U.S. producers is significant. By imposing antidumping duties, the U.S. government has already determined China is attempting to undersell U.S. producers. Now that Chinese honey is banned in Europe, these unscrupulous producers have a tremendous incentive to gain entry into the U.S. market by any means necessary. These imports depress the price of honey, hurting U.S. producers and packers, including Dutch Gold Honey, a packer in Lancaster, Pennsylvania. Dutch Gold Honey, established in 1946, is the largest family-owned honey company in the United States. We must use every tool to protect American companies like Dutch Gold Honey from those who flagrantly break our trade law.

A broader market concern for U.S. producers is that U.S. consumers could decide that honey is no longer a safe product. Press reports are beginning to note the presence of illegal Chinese products in the market. Without swift action to curb these imports, the chances of a food-borne illness from honey grow. By focusing Customs' efforts on Chinese honey, the agency can minimize the potential risk of adulterated honey products being sold as pure honey in the U.S. and avoid the risk of impurities in our nation's food supply. I am concerned that foreign producers who are willing to go to any means necessary to avoid paying antidumping duties may also be willing to cut corners in other ways. I want to avoid the possibility of a situation such as the melamine contamination of Chinese toothpaste and pet food that American consumers confronted several years ago.

Customs must use every tool at its disposal to stop the flood of cheap Chinese honey into our market. Specifically, I encourage border staff to examine the declaration of country of origin to determine if honey has been transshipped from China through other Asian countries. Additionally, Customs should investigate China's exportation of blended syrup, honey syrup and malt sweetener that are sold in the U.S. market as honey. I encourage you to continue to take aggressive action to ensure that illegally imported honey is no longer able to enter the American market.

Thank you for your quick review of this issue. Please do not hesitate to reach out to me if you need any assistance.

Sincerely,

Robert P. Casey, Jr.
United States Senator

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