

## Antibiotics in honey

### Factsheet 4: International honey trade: the murky side of sweet business

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#### Honey laundering: getting around the world in many country shades

China is the world's leading exporter of honey. But China has had its share of rejection in the EU and USA. While the former banned Chinese honey due to the presence of chloramphenicol, USA banned Chinese honey as a measure to protect its own beekeepers. In the early 2000, the US imposed anti dumping duties on China. Subsequently, there have been a number of reports, allegations and convictions against China for indulging in what is being known as the honey-laundering scam – trans-shipments of honey through third nations to the US to avoid the anti-dumping duties.

- **2001:** USA slapped an anti-dumping duty of about 221 per cent on China as domestic honey producers accused it of undercutting prices and selling cheap. Official imports from China dropped drastically as a result.
- FAO estimates show that this led to a drastic fall in Chinese honey exports – down from 106,868 tonne in 2001 to 65,288 in 2007. But interestingly, the same FAO estimates show that Chinese production has continued to increase – going from 254,359 tonne in 2001 to 367,219 tonne in 2009.
- **2002:** Australia imported a large consignment of honey from Singapore, most of it bound for US. Investigations revealed that Singapore did not have honey producing facilities and that this honey was trans-shipped from China to Singapore, then to Australia en route to its final destination in the US.
- This incident made the world aware of the fact that large amounts of Chinese honey was being blended, repackaged and relabeled with a different country of origin to make it to the US. Honey was even filtered to lose all its signature contaminants like pollen and soil and shipped to a third country where the pollen from that country was added and shipped to the US (*see map*).
- **2007:** Anti-dumping duties were revised upwards and fixed at US \$2.06 per kg of Chinese honey imported into the US.
- **May 2008:** The US justice department arrested two senior officials of German food multinational, Alfred L Wolff GmbH (AWL), which then led to the arrests of four Chinese nationals from Seattle and Chicago. The testimonies of these officials revealed that between 2002 and 2009, the company imported more than US \$40 million worth of Chinese-origin honey through an extensive network of

conduit countries and shipments. Six companies are now indicted in this honey-laundering net, including one from India.

- **September 2010:** The US justice department chargesheeted 21 – 15 individuals and six corporate entities -- on account of honey-laundering. The names include Alexander Wolff, the CEO of ALW between 2003 and 2009.
- **Indian connection:** The chargesheet also alleges that laundered honey has passed through India. The Indian company that allegedly was part of this ring is referred to as the 'Indian trans-shipper'. This unnamed company is said to have exported Chinese honey (under the guise of Indian honey) worth over US \$10 million between 2002 and 2006. The biggest order supplied to the US by the Indian exporter was 48 containers of honey worth a little over US \$1 million sent in 2004.
- **December 2008:** The *Seattle Post-Intelligencer* reportedly found connections between Hubei Yangzjiang Apiculture Co, in Wuhan in China to Indian company Apis India Natural Products for shipments to America's oldest and biggest honey cooperative – Sue Bee Honey in Iowa.

The US justice department's investigations in this matter are bound to open many more cans of honey worms. The international trade in the sweet substance has just got bitter.

