FOREIGN TRADE ZONES QUESTIONNAIRE

U. S. INTERNATIONAL TRADE COMMISSION

ftz.investigation@usitc.gov

You are receiving this questionnaire because the Commission has identified your firm as a firm with production authority (see definitions) in one or more U.S. FTZs. Your response will be treated as confidential and will only be referenced if we can ensure anonymity. If your firm has not been granted such authority, please contact the team at the phone number or email address above.

The U.S. Trade Representative (USTR) has requested that the U.S. International Trade Commission (USITC or Commission) conduct an investigation and prepare a report pursuant to section 332(g) of the Tariff Act of 1930 regarding economic activity and related policies in U.S. Foreign Trade Zones (FTZs) and similar programs in Canada and Mexico. USTR has further requested that the Commission conduct a survey and provide an analysis of the effects of current FTZ policies and practices on employment and on the cost-competitiveness of products produced by firms operating in these FTZs. In response to that request, the Commission has instituted an investigation and has issued this questionnaire to collect information directly from U.S. firms about their experiences in FTZs.

Answers to this questionnaire will provide information for the Commission's factfinding investigation on the operations of firms within U.S. FTZs, and how FTZ policies and practices may impact employment and competitiveness of goods produced in U.S. FTZs and similar programs in Canada and Mexico. You can learn more about this investigation (Inv. No. 332-588) at the following website: http://www.usitc.gov/ftzinvestigation

Your firm is required by law to respond to this questionnaire.
Please read all instructions and submit your response
to the web-based questionnaire no later than xxx.

The Commission is requesting this information under the authority of section 332(g) of the Tariff Act of 1930 (19 U.S.C. § 1332(g)). Completing the questionnaire is mandatory, and failure to reply as directed can result in a subpoena or other order to compel the submission of records or information in your possession (19 U.S.C. § 1333(a)).

For more information on this questionnaire, contact the project team at ftz.investigation@usitc.gov.

Confidentiality

The Commission has designated the information you provide in response to this questionnaire as “confidential business information,” unless such information is otherwise available to the public. Information received in response to this questionnaire will be aggregated with information from other questionnaire responses. The information will not be published in a manner that would identify your firm or reveal the operations of your firm. Section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332(g)) provides that the Commission may not release information which it considers to be confidential business information unless the party submitting such information had notice, at the time of submission, that such information would be released by the Commission, or such party subsequently consents to the release of the information.

Instructions

1. **Completing the questionnaire**. To provide your firm's response to this questionnaire, use the secure interactive website version, accessible at this link:

http://www.usitc.gov/ftzinvestigation

For the purposes of viewing the full questionnaire, a PDF version is available at this link: xx.

2. **Accessing the questionnaire.** We sent your firm a notification letter that includes a website link and the 10-digit questionnaire token. Type the website link in an internet browser and access the questionnaire for online completion using your 10-digit questionnaire token. If you have issues with your token or accessing the questionnaire, please email ftz.investigation@usitc.gov for assistance.

3. **Entering information.** Please answer each question that applies to your firm. Some questions require you to answer by using the provided checkboxes, while others require a response to be typed into entry areas. You will have an opportunity to review your responses, edit them, and download a copy before submitting.

4. **Entering numeric data.** Enter data for revenue/sales, employees, etc. in actual units, not in thousands, millions, or other multiples of units. For example, for $123.4 million, enter "123400000," not "123400" or "123.4." (Do not add commas between digits; they will appear automatically after you enter the numbers.)

5. **Questionnaire structure.** This questionnaire is composed of 7 sections. First, read and respond to section 1 questions carefully. Your responses in section 1 will determine whether you must complete every section that follows.

6. **Submitting the questionnaire.** After you have completed all applicable sections, you may download a copy before submitting. Select the "submit" button to send your final response.

How to report information about your firm

1. **Coordinating your firm's response.** Only one questionnaire per firm may be submitted. If individuals or departments within your firm will share responsibility for completing this questionnaire, please coordinate and combine their responses. This will minimize our need to contact you for clarification.

2. **Relationship to corporate structure.** Please provide a single response for your firm's activities and experiences and, to the extent possible, the experiences of its subsidiaries and affiliates.

   If your firm is a holding company without operations, please contact the project team at ftz.investigation@usitc.gov for further instruction.

   U.S. affiliates of foreign companies. Please respond as if the affiliate were an independent firm operating in the United States. For example, for an affiliate in the United States, report estimated total domestic and foreign sales for the affiliate and not for the foreign parent company.

Definitions/Glossary

Additional duties: Duties imposed under U.S. trade remedy laws (i.e., antidumping, countervailing, or safeguard duties) or title III of the Trade Act of 1974, as amended, (i.e., section 301 duties) or action taken under section 232 of the Trade Expansion Act of 1962, as amended (i.e., section 232 duties).

CBP: U.S. Customs and Border Protection.

Customs entry: "Entry" refers to the documentation or data required to be filed with CBP to secure the release of imported merchandise from CBP custody, or the act of filing that documentation. Entry also means the documentation or data required to be filed with CBP to withdraw merchandise from a duty-deferral program in the United States (e.g., withdrawn from an FTZ) for exportation to Canada or Mexico. "Making Customs entry" refers to a firm or individual undertaking these entry procedures, including providing an "entry summary" that includes documentation or electronic submission of data necessary to enable CBP to assess duties, and collect statistics on imported merchandise, and determine whether other requirements of law or regulation are met. (See 19 CFR § 141.0a).

Customs territory: "Customs territory" is the territory of the U.S. in which the general tariff laws of the United States apply. "Customs territory of the United States" includes only the States, the District of Columbia, and Puerto Rico. (See 19 CFR § 146.1).

Deactivated: A previously activated site or subzone site which no longer has local CBP authorization for activity under FTZ procedures. Deactivation procedures are described in 19 CFR § 146.7(b).

De minimis: *A* valuation ceiling for goods, including documents and trade samples, below which no duty or tax is charged, and clearance procedures are minimal.

Direct delivery: A procedure for delivery of merchandise into an FTZ without prior application and approval on Customs Form 214 (a form used to admit merchandise into a zone). (See 19 CFR § 146.39).

Domestic direct investments: Capital investments made by U.S.-based companies involving the transfer of money or equity from inside the United States for acquisition or installation of land, machinery, buildings, or any physical or tangible assets for use in U.S. FTZ operations. These investments can include greenfield investments, capital improvements (costs that get capitalized in your firm's asset base in the United States), or purchases of existing assets using funding from U.S.-based investors or ultimate parent company's capital budget if the ultimate parent company is based in the United States and is not majority-owned or controlled by non-U.S. based investors (note that investment into U.S. FTZs by foreign affiliates of ultimate parent companies based in the United States is considered domestic investment if the U.S. based parent company is majority owned or controlled by U.S. investors). In reporting capital investments, do not include repair and maintenance expenditures for maintaining your asset base that were expensed in the period they occurred.

Domestic investment net assets: The value of assets (net of all associated depreciation or amortization expenses) controlled or owned by U.S.-based investors or by an ultimate parent company inside the United States that is not majority-owned or controlled by non-U.S.-based investors.

Domestic status merchandise (or domestic status inputs): Domestic status merchandise includes both domestic-origin merchandise (grown, produced, or manufactured in the United States) and foreign-origin items that have previously been entered for consumption (with duties paid, if applicable) prior to FTZ admission. (See 19 CFR § 146.43).

Duty deferral: The postponement of duty payment upon arrival of a good in the United States until entered for U.S. consumption or removed for exportation.

Duty exemption: No duties or quota charges on re-exports. Examples include imports that were then re-exported (with or without further processing), destroyed in the U.S. FTZ, or used as production equipment.

Duty reduction (or inverted tariff relief): Duty reduction may occur in a situation where the import duty on finished goods produced in an FTZ is lower compared to the import duty on material inputs that are used in the production of such finished goods (this is known as an "inverted tariff" or a "tariff reduction"). If the FTZ producer makes Customs entry on such merchandise based on the classification of the finished good, then they will pay a lower duty than if they had made entry on material inputs directly.

Export shipments: For purposes of this survey, export shipments include all shipments to firms or locations outside the Customs territory of the United States. This definition includes 1) exports of merchandise that do not make U.S. Customs entry as a condition for exportation (i.e., exported directly from an FTZ to another country); and 2) exports that make Customs entry as if they had been withdrawn for consumption (e.g., as required under USMCA article 2.5).

Foreign affiliate: A foreign business enterprise in which there is U.S. direct investment—that is, in which a U.S. person, or entity, owns or controls 10 percent or more of the voting securities of an incorporated foreign business enterprise or an equivalent interest in an unincorporated foreign business enterprise.

(Inward) Foreign direct capital investments: Investments made by non-U.S.-based companies involving the transfer of money or equity from outside the United States for acquisition or installation of land, machinery, buildings, or any physical or tangible assets for use in U.S. FTZ operations. These investments can include greenfield investments, capital improvements (costs that get capitalized in your firm's asset base in the United States) or purchases of existing assets using funding from non-U.S.-based investors or ultimate parent company's capital budget if the ultimate parent company is not based in the United States, or is majority-owned or controlled by non-U.S. based investors (note that investment into U.S. FTZs by foreign affiliates of ultimate parent companies based in the United States is considered foreign investment if the U.S. based parent company is majority owned or controlled by non-U.S. investors). In reporting capital investments, do not include repair and maintenance expenditures for maintaining your asset base that were expensed in the period they occurred.

Foreign investment net assets: The value of assets (net of all associated depreciation or amortization expenses) controlled or owned by non-U.S.-based investors or by an ultimate parent company outside of the United States, or by an ultimate parent company inside the United States that is majority-owned or controlled by non-U.S.-based investors.

Foreign status merchandise (or foreign status inputs): Foreign status merchandise that is admitted to zone sites without being subject to formal Customs entry procedures and payment of duties, unless and until the foreign merchandise enters Customs territory for domestic consumption. Foreign status merchandise can be further divided into three distinct categories: privileged foreign status merchandise, non-privileged foreign status merchandise (defined below), and zone restricted status.

Foreign-trade zone (FTZ): A U.S. FTZ is a location designated by the U.S. FTZ Board where special customs procedures may be used. To help encourage U.S. activity and value added, firms operating within the FTZ can delay or reduce duty payments on imported merchandise and may be eligible for other savings.

FTZ Admissions: Merchandise brought into FTZ under a specific status. Admissions can include foreign status merchandise, domestic status merchandise, and zone restricted status merchandise separately defined below.

- **Privileged foreign status merchandise:** One of the categories of foreign status merchandise. Such merchandise maintains its status based on its condition when it was admitted to the zone. Thus, if the merchandise is shipped from the zone to the U.S. market and entered for consumption by U.S. Customs and Border Protection (CBP), it is evaluated based on the time-of-admission condition even though it may have undergone a transformation in the zone. (See 19 CFR § 146.41).
- **Non privileged foreign status merchandise:** One of the categories of foreign status merchandise. Such merchandise is evaluated based on its condition at the time it is shipped from the zone to the U.S. market and entered for consumption by CBP. (See 19 CFR § 146.42).

FTZ Board: The board consists of the Secretary of Commerce and the Secretary of Treasury, or their designated alternates. Staff of the board are within the U.S. Department of Commerce. The Board is authorized, under the terms of 19 U.S.C. §§ 81a-81u and 15 C.F.R. Part 400.1-400.63, to grant to corporations the privilege of establishing, operating, and maintaining FTZs in or adjacent to ports of entry under the jurisdiction of the United States.

FTZ identifier: An identification number used by the FTZ Board and CBP to identify sites and/or subzone.

FTZ-type program: Programs in Canada and Mexico that provide similar duty and/or customs treatment to the U.S. FTZ program. For purposes of this survey, Canadian FTZ-type programs include the Duties Deferral Program, Export Distribution Center Program, and Exporters of Processing Services Program. Mexican FTZ-type programs include Industria Manufacturera, Maquiladora y de Servicios de Exportación (IMMEX); trade promotion instruments such as Programa de Promoción Sectorial (PROSEC), Rule 8 (Regla 8); comprehensive certification schemes such as Value Added Tax (VAT)/Special Tax on Production and Services (IEPS) Certification, and the Authorized Economic Operation (AEO) Certification; and special customs regimes such as Automotive Fiscal Deposit (Depósito Fiscal para la Industria Automotriz), Recinto Fiscal, Recinto Fiscalizado Estratégico, and Operadores Económicos Autorizados (OEA) (previously Nuevo Esquema de Empresas Certificadas (NEEC)).

Hours worked: Total hours worked by full-time equivalent employees. This should include time paid for sick leave, holidays, and vacation time. Include overtime hours actually worked; do not convert overtime pay to its equivalent in straight time hours.

Logistical/administrative costs: For purposes of this survey, logistical/administrative costs include various costs associated with the processes and services necessary to warehouse and distribute goods within production facilities or other FTZ operations; administrative costs associated with operation of an FTZ or subzone; transportation costs to and from the production facility or warehouse/distribution operation; and costs associated with trade such as Customs, attorney, and brokerage fees.

Markup: For purposes of this survey, markup equals the difference between a firm's sales or shipment values (i.e., U.S. shipments or export shipments) of goods warehoused but not produced in your FTZs and the original cost of those goods (i.e., the cost of the goods previously admitted into the zone that had been warehoused within the zone prior to sale or shipment). Markup includes any profit or (loss) between the admissions values of the goods and their final sales prices. Hypothetically, if a firm lost money on their final sales of their previously admitted goods the markup could be reported as a negative number.

Merchandise processing fee (MPF): A user fee that importers are required to pay to CBP when entering merchandise into the United States.

North American Industry Classification System (NAICS): The standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. This survey uses the NAICS standard to classify FTZ production activities by industrial sector. See https://www.census.gov/naics/ for more information and a NAICS search tool.

Parent company: a single company that has a controlling interest in another company or joint venture.

Production authority: Authority granted by the U.S. FTZ Board to conduct production activity within an FTZ.

Production costs: For purposes of this survey, production costs include material input costs, duty costs applied to those material inputs (including as applied to merchandise produced in FTZs that enters U.S. Customs territory), labor costs, and other factors that contribute to the cost of goods sold, such as factory overhead.

Production operations: Refers to activity involving the substantial transformation of a foreign article resulting in a new and different article having a different name, character, and use, or to activity involving a change in the condition of the article which results in a change in the Customs classification of the article or in its eligibility for entry for consumption. (See 15 CFR § 400.2(o)). References to "goods produced" within FTZs refers to the output of FTZ production operations (production operations within FTZs with production authority), which may incorporate both foreign and domestic status materials.

Quota timing management: Imports subject to quota may be retained within a Foreign-Trade Zone once a quota has been reached allowing zone users access to potentially discounted inputs and the ability to clear through Customs merchandise as soon as a new quota year starts.

Streamlined U.S. Customs Procedures: Upon approval form Customs, imports may be directly delivered to the zone. Users may also request permission to break and affix Customs seals. A single entry may be filed for seven consecutive days' worth of entries and exports.

Subzone: An FTZ site (or group of FTZ sites) established for a specific use and/or company. Subzones are most frequently used by manufacturing plants and distribution facilities that are not within sites.

Ultimate owner: the single company that owns your company, whether as a direct parent, as owner of the parent company, etc.

U.S. affiliate: A U.S. business enterprise in which there is foreign direct investment—that is, in which a single foreign person, or entity, owns or controls, directly or indirectly, 10 percent or more of the voting securities of an incorporated U.S. business enterprise or an equivalent interest in an unincorporated U.S. business enterprise.

U.S. Customs fees: Fees applied by U.S. Customs. Examples include the merchandise processing fee (MPF) on entries into U.S. Customs from the U.S. FTZ.

U.S. shipments: For purposes of this survey, U.S. shipments include all shipments to recipient firms within U.S. Customs territory for use or distribution within the United States. U.S. shipments do not include shipments to FTZs under bond or export shipments that make Customs entry as a condition for exportation (e.g., as required under USMCA article 2.5).

Value added: For purposes of this survey, value added equals the difference between a firm's sales or shipment values (i.e., U.S. shipments or export shipments) of goods produced in your FTZs and the cost of domestic or foreign material inputs used in their production (i.e., the cost of the goods previously admitted into the zone that had been used in your firm's domestic production activities within the zone). Value added includes both actual costs incurred by your firm in the production of those shipped products (i.e., direct labor, factory overhead, SG&A, et cetera), as well as any profit.

Wages paid: Total wages paid before deductions of any kind (e.g., withholding taxes, old-age and unemployment insurance, group insurance, union dues, bonds, etc.). Wages paid directly by your firm for overtime, holidays, vacations, and sick leave should be included.

Weekly entry: Weekly entry is a filing procedure that allows a person or firm making entry of merchandise for consumption from a zone to file Customs Form 3461 (a form used to make entry of merchandise for consumption) for the estimated removals of merchandise during the calendar week. (See 19 CFR § 146.63).

Zone restricted status: Merchandise taken into a zone for the sole purpose of exportation, destruction, or storage. Zone-restricted status merchandise can be entered into U.S. Customs territory only if the FTZ Board finds that entry would be in the public interest (See 19 CFR § 146.44).

SECTION 1. Firm Information

Enter the 10-digit questionnaire token that was in the notification letter we sent to your firm. This will allow the project team to track your response. If you do not know this token, contact the project team at ftz.investigation@usitc.gov.

Questionnaire token: ____________________

1.1 Has your firm had U.S. FTZ production authority in one or more FTZs in the United States at any time since January 1, 2016?

- o Yes
- o No

[If no, skip out of the survey, and flag for follow up]

1.2 Please enter your firm's U.S. headquarters' address and the name of a person that we may contact if we have any questions regarding your response.

<table>
<tr><td colspan="4"> </td></tr>
<tr><td colspan="4">Business name</td></tr>
<tr><td colspan="4"> </td></tr>
<tr><td colspan="4">Address</td></tr>
<tr><td> </td><td></td><td></td><td></td></tr>
<tr><td>City</td><td>State</td><td>Zip code</td><td>Website address</td></tr>
<tr><td colspan="2"> </td><td colspan="2"></td></tr>
<tr><td colspan="2">Contact person's name</td><td colspan="2">Contact person's job title</td></tr>
<tr><td colspan="2"> </td><td colspan="2"></td></tr>
<tr><td colspan="2">Contact person's telephone number</td><td colspan="2">Contact person's email</td></tr>
</table>

1.3 Is your firm owned in whole or in part by another company?

- o Yes
- o No

[If "Yes"] Parent company name: __________________________

1.4 [If yes to question 1.3] Where is your firm's ultimate owner or parent company headquartered?

- o In the United States
- o Outside the United States

[If "Outside the United States"] In what country is your ultimate owner headquartered?

____

SECTION 2. U.S. FTZ Operations

2.1 Have your firm's U.S. FTZ production operations been active anytime since January 1, 2016?
- o Yes
- o No

[If no, questions about production operations will be skipped; the system will flag for follow up with survey team as only firms with recent production operations should be included in survey population]

2.2 Has your firm had operations other than production (e.g., warehousing) in a U.S. FTZ anytime since January 1, 2016?
- o Yes
- o No

[If no, questions about operations other than production (e.g., warehousing) will be skipped; flag for follow up with survey team]

2.3 Please provide the following information on each facility in a U.S. FTZ in which your firm had production authority and had production operations since January 1, 2016.

FTZ zone number (include subzone identifier if applicable)	**Location (city, state)**	**Sector**	**Primary 6-digit NAICS code that best describes the principal production operation that occurred in the zone in 2021**	**Facility's share of shipments from all U.S. FTZs in 2021. (should add to 100%)**	**Last year active (if currently active, answer 2022)**
{Prepopulated}	{Prepopulated}	{Prepopulated with ITA sectors}	{Prepopulated list of NAICS options based on team's mapping to ITA sectors}	___%	

2.4 Has your firm deactivated or reactivated any U.S. FTZ production operation since January 1, 2016?
- No
- Yes, deactivated
- Yes, reactivated

[If Yes, deactivated] List the FTZ zone number and year your firm deactivated the production operation. ____________________

[If Yes, reactivated] List the FTZ zone number and year your firm reactivated the production operation. ____________________

[If Yes] Please explain why your firm deactivated or reactivated the production operation:

____

2.5 Are your firm's existing production operations in U.S. FTZs subject to any requirements or restrictions imposed by the FTZ Board or U.S. CBP, such as those governing the types of inputs or processes it can use as provided for under 15 CFR § 400.13(b), that go beyond the requirements faced by all U.S. FTZ operations?

- o No
- o Yes

[If yes] Explain: _____________________

2.6 Does your firm have plans to expand or reduce its overall U.S. FTZ production operations in the next 5 years?

- o Expand
- o Reduce
- o No plans to expand or reduce

[If expand or reduce] Explain, including details as to the time, nature, significance, and reasoning for such plans: ______________________________

2.7 Please provide the data requested in the table below relating to your firm's U.S. employment engaged in production operations within U.S. FTZs.

Item	2016	2017	2018	2019	2020	2021
U.S. employment within FTZ production operations: Employees (FTE, number)						

2.8 Please provide information requested in the table below relating to your firm's admissions or receipts of merchandise into U.S. FTZs where your firm had production operations.

Item	2016	2017	2018	2019	2020	2021
	Value (dollars)					
Admissions or receipts into FTZ: Domestic status						
Privileged foreign status						
Non privileged foreign status						
Zone restricted status						

2.9 For 2021 or your firm’s last full year of production, please report the share of your firm's FTZ production operations’ admissions of domestic status merchandise, by domestic vs. foreign origin of the materials being admitted:

Item	Share of domestic status merchandise admitted into U.S. FTZ (percent)
Foreign origin: Imported materials previously cleared through U.S. Customs and not enhanced in value in the United States prior to admission into a U.S. FTZ	
Domestic origin: Materials produced in the United States, including imported products that have been enhanced in value in the United States prior to admission into a U.S. FTZ	
Total (should sum to 100%)	

2.10 Please provide the value of your firm's shipments of merchandise ***produced*** in U.S. FTZs, along with value of inputs for those products.

Item	2016	2017	2018	2019	2020	2021
	Value (dollars)					
U.S. shipments of merchandise produced in U.S. FTZs: Domestic status inputs						
Privileged foreign status inputs						
Non privileged foreign status inputs						
Value added in the U.S. FTZ						
Subtotal, value of *U.S. shipments*						
Export shipments of merchandise produced in U.S. FTZs: Domestic status inputs						
Privileged foreign status inputs						
Non privileged foreign status inputs						
Value added in the U.S. FTZ						

Subtotal, value of *export shipments*						
Total shipments (U.S. shipments + Export shipments)						

2.11 Please provide information relating to your firm's shipments of merchandise shipped out of your U.S. FTZs that was ***not produced*** in the U.S. FTZ (i.e., product was simply warehoused in the zone).

Item	2016	2017	2018	2019	2020	2021
	Value (dollars)					
U.S. shipments of merchandise warehoused but not produced in U.S. FTZs: Domestic status						
Privileged foreign status						
Non privileged foreign status						
Mark-up						
Total value of U.S. shipments						
Export shipments of merchandise warehoused but not produced in U.S. FTZs: Domestic status						
Privileged foreign status						
Non privileged foreign status						
Zone restricted status						
Mark-up						
Total value of export shipments						
Total shipments (U.S. shipments + Export shipments)						

2.12 For your firm's exports of merchandise produced in U.S. FTZs in 2021, please identify the share by destination.

Destination	Share of value of 2021 exports of merchandise produced in U.S. FTZs (percent)
Exports that made U.S. Customs entry (e.g., as a condition for exportation under USMCA rules):	

Exports to Canada	
Exports to Mexico	
Exports to other countries	
Exports that did not make U.S. Customs entry	
Total exports (should sum to 100%)	

2.13 For your firm's exports of merchandise warehoused but not produced in U.S. FTZs in 2021, please identify the share of shipments by type.

Destination	**Share of value of 2021 exports of merchandise warehoused but not produced in U.S. FTZs (percent)**
Exports that were entered from U.S. FTZ into U.S. Customs prior to exportation	
Exports directly from FTZ (i.e., that did not enter U.S. Customs)	
Total export shipments (should sum to 100%)	

2.14 For your firm's shipments of products that were warehoused but not produced ("solely warehoused") in U.S. FTZs in 2021, please identify the share of shipments by type.

Type	**Share of value of total solely warehoused shipments from U.S. FTZs in 2021 (percent)**
Solely warehoused shipments of goods out of: U.S. FTZ operations with production authority	
U.S. FTZ operations without production authority	
Total shipments (should sum to 100%)	

2.15 Please provide information relating to your firm's capital investments and net assets in facilities operating within U.S. FTZs. If there are investments or assets that have dual purpose within and outside of the zone, include the full amount of those investments in your estimate.

Item	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
	Value (dollars)					
Capital investment in U.S. FTZ operations: Domestic direct investment						
Foreign direct investment						
Net assets in U.S. FTZ operations:						

from domestic investments						
from foreign investments						

SECTION 3. Effects of U.S. FTZ Use

3.1 Within your firm's U.S. FTZ production operations, indicate whether your firm has experienced any of the following effects associated with FTZ use and its importance on your firm's decision to operate within U.S. FTZs.

Effect associated with U.S. FTZ use	Not experienced	Experienced — Not very important	Experienced —Moderately important	Experienced — Extremely important
Duty exemption	☐	☐	☐	☐
Duty reduction (duty savings on U.S. Customs entries)	☐	☐	☐	☐
Duty deferral	☐	☐	☐	☐
U.S. Customs fees	☐	☐	☐	☐
Streamlined U.S. Customs Procedures	☐	☐	☐	☐
Quota timing management	☐	☐	☐	☐
Other local/state benefits: Please list other benefits: _________	☐	☐	☐	☐

3.2 **Effects of U.S. FTZ use on costs:** Regarding your firm's FTZ production operations, indicate any of the following production, logistical/supply chain, or other cost savings your firm experienced related to your firm's FTZ use. To the extent possible, please compare costs to what costs would be if your operations had been outside an FTZ. [Only effects chosen as "experienced" in previous question will appear in this question]

Effects	Production cost savings from this effect (include savings on input costs, duties, and Customs charges)	Logistical and administrative cost savings from this effect (include savings on transportation, warehousing, other services)
Duty exemption	☐	☐
Duty reduction (duty savings on U.S. Customs entries)	☐	☐
Duty deferral	☐	☐
Customs fees	☐	☐
Streamlined Customs procedures	☐	☐
Quota timing management	☐	☐
Other local/state benefits	☐	☐

3.3 **U.S. FTZ compliance costs:** Did your firm incur fixed and/or recurring costs associated with U.S. FTZ compliance, operations, or set-up?

- o Yes
- o No

[If Yes] List cost types(s) and amount(s) incurred: ________________

[If Yes] Do the production, logistical, and administrative cost savings from the effects (listed in question 3.2) of operating within a U.S. FTZ ("cost savings") outweigh the fixed and/or recurring costs associated with U.S. FTZ compliance, operations, or set-up ("costs of compliance")?

- o No
- o Cost savings **slightly outweigh** costs of compliance
- o Cost savings **moderately outweigh** costs of compliance
- o Cost savings **largely outweigh** costs of compliance

3.4 Please provide the value of duties paid by your firm and estimated duty savings on merchandise that entered into U.S. Customs or was exported from your firm's U.S. FTZ production operations. (If duty savings are challenging to estimate, please provide estimates for 2021 at minimum). Do not include additional duties (e.g., 301, 232, 201, or antidumping duties and/or countervailing duties (AD/CVD)):

	2016	**2017**	**2018**	**2019**	**2020**	**2021**
Item	**Value (dollars)**					
Duties paid on privileged foreign status merchandise entered into U.S. Customs.						
Duties paid on non-privileged foreign status merchandise entered into U.S. Customs						
Estimate of duties that would have been paid on non-privileged foreign status merchandise if privileged foreign status had been selected instead						
Estimate of duties exempt on merchandise that was re-exported						

3.5 Please provide the U.S. Customs duties paid by your firm on goods produced in its U.S. FTZ production operations and exported to Canada and Mexico, including (1) U.S. Customs duties paid on material inputs prior to admission into the FTZ; and (2) U.S. Customs duties paid on foreign status merchandise that made entry for export to Canada and Mexico:

	2016	**2017**	**2018**	**2019**	**2020**	**2021**
Item	**Value (dollars)**					
Duties paid on goods exported to Canada and Mexico						

3.6 For **production operations** within U.S. FTZs, indicate whether your firm's use of U.S. FTZs affected your firm's direct investment in the United States, employment, and/or manufacturing output and, if it did, whether FTZ use was a primary or minor factor. (A “primary factor” could refer to one of several major factors impacting the trend indicated.)

Firm activity	FTZ use was a primary factor causing increase	FTZ use was a minor factor causing increase	FTZ use did not affect firm’s decisions	FTZ use was a minor factor causing decrease	FTZ use was a primary factor causing decrease
Inward foreign direct investment	☐	☐	☐	☐	☐
Domestic direct investment	☐	☐	☐	☐	☐
Firm’s U.S. employment	☐	☐	☐	☐	☐
Manufacturing output	☐	☐	☐	☐	☐

3.7 For **non-production operations** within U.S. FTZs, indicate whether your firm’s use of FTZs affected your firm’s direct investment in the United States, and/or employment and, if it did, whether FTZ use was a primary or minor factor. (A “primary factor” could refer to one of several major factors impacting the trend indicated.)

Firm activity	FTZ use was a primary factor causing increase	FTZ use was a minor factor causing increase	FTZ use did not affect firm’s decisions	FTZ use was a minor factor causing decrease	FTZ use was a primary factor causing decrease
Inward foreign direct investment	☐	☐	☐	☐	☐
Domestic direct investment	☐	☐	☐	☐	☐
Firm’s U.S. employment	☐	☐	☐	☐	☐

3.8 Has your firm’s ability to use U.S. FTZs improved its production capabilities? (Production capability improvements include enhancements to the quality, product range, level of innovation, or technological sophistication of the merchandise produced within a manufacturing operation, or improvements to the efficiency of production operations.)

- o Yes.
- o No

[If yes] Please describe how FTZ use has improved your firm’s production capabilities:

____

3.9 Has your firm’s ability to use U.S. FTZs improved its logistical capabilities? (Logistical capability improvements include enhancements to the efficiency, speed, or effectiveness of processes designed to ensure that necessary material inputs and services are available for production as needed, as well as the efficient and effective movement of products to downstream customers or other users.)

- o Yes.
- o No

[If yes] Please describe how FTZ use has improved your firm's logistical capabilities:

____

3.10 **U.S. FTZ effects on material sourcing**: Does production in a U.S. FTZ impact your firm's reliance on inputs from the United States or other countries?

Source of material inputs	U.S. FTZ use leads to less reliance on source	U.S. FTZ use does not affect reliance on source	U.S. FTZ use leads to greater reliance on source
U.S. domestic suppliers	☐	☐	☐
Suppliers in Canada	☐	☐	☐
Suppliers in Mexico	☐	☐	☐
Suppliers in other countries	☐	☐	☐

3.11 Does your firm have non-FTZ operations in the United States that produce the same products as those within U.S. FTZs?

- o Yes
- o No

[If "Yes"] Why doesn't your firm use the U.S. FTZ exclusively to produce these products?

____

SECTION 4. U.S. FTZ Firm's Operations in Canada and Mexico

4.1 Does your firm, including any related firms such as foreign affiliates or subsidiaries, have production operations in countries outside the United States? (Select all that apply)

- Yes, Canada
- Yes, Mexico
- Yes, Other
- No

4.2 [If operating in Canada] Do your firm's operations in Canada produce the same or similar products to those your firm produces in a U.S. FTZ?

- o Yes
- o No. Please identify sector: drop down

4.3 [If operating in Canada] Does your firm, including any related firms such as foreign affiliates or subsidiaries, participate in any of the following Canadian programs? (Select all that apply).

Duties Deferral Program, please select all applicable:

- Duty Relief Program
- Duty Drawback Program
- Customs Bonded Warehouse Program

- Export Distribution Center Program
- Exporters of Processing Services Program
- Other Canadian government programs that provide customs duty benefits
- My firm does not participate in any Canadian program listed above

[If "Other Canadian government programs..."] Please list other Canadian government programs:___________________

4.4 [If participating in Canadian FTZ-type program] Was the opportunity to participate in these Canadian FTZ-type programs a factor in your decision to set up operations in Canada?

- o Yes.
- o No.

Please explain: ______________________

4.5 [If participating in Canadian FTZ-type program] Has your firm been able to realize production cost savings as a result of participation in each Canadian FTZ-type program? [only FTZ-type programs selected in question 4.3 will appear]

Canadian FTZ-type program	**Yes, realized production cost savings as a result of participation**
Duties Relief Program	☐
Duty Drawback Program	☐

Customs Bonded Warehouse Program	☐
Export Distribution Center Program	☐
Exporters of Processing Services Program	☐

If your firm has been unable to realize production cost savings as a result of participation in a Canadian FTZ-type program, please explain: _______________

4.6 [If yes to any in question 4.5] How do your firm's production cost savings associated with participation in U.S. FTZs compare with cost savings from participation in Canadian FTZ-type programs?

Savings	**Lower savings than Canadian FTZ-type programs**	**Equal savings**	**More savings than Canadian FTZ-type programs**	**Do not know or cannot evaluate**
Duty savings	☐	☐	☐	☐
Production cost savings other than duty savings	☐	☐	☐	☐
Labor cost savings	☐	☐	☐	☐
Logistical and administrative cost savings	☐	☐	☐	☐

4.7 [If operating in Mexico] Do your firm's operations in Mexico produce same or similar products to those your firm produces in a U.S. FTZ?

- o Yes
- o No. Please identify sector: drop down

4.8 [If operating in Mexico] Does your firm, including any related firms such as foreign affiliates or subsidiaries, participate in any of the following Mexican programs?

- IMMEX (Industria Manufacturera, Maquiladora y de Servicios de Exportación, or Manufacturing, Maquila and Export Services Industries Program)
- PROSEC (Programa de Promoción Sectorial, or Sectorial Promotion Program)
- Rule 8 (Regla Octava)

  Comprehensive certification scheme (please select all applicable)
  - Value Added Tax (VAT)/Special Tax on Production and Services (IEPS) Certification
  - OEA (Operadores Económicos Autorizados, or Authorized Economic Operators, previously NEEC)

  Special Customs Regime, please select all applicable
  - Automotive Fiscal Deposit (Depósito Fiscal para la Industria Automotriz)

- Recinto Fiscal
- Recinto Fiscalizado Estratégico

- Other Mexican government programs that provide customs duty benefits
- My firm does not participate in any Mexican program listed above

[If “Other Mexican government programs…”] Please list other Mexican government programs:___________________

4.9 [If participating in Mexican FTZ-type program] Was the opportunity to participate in these Mexican FTZ-type programs a factor in your decision to set up operations in Mexico?

- o Yes.
- o No.

Please explain: ______________________

4.10 [If participating in Mexican FTZ-type program] Has your firm been able to realize production cost savings as a result of participation in each Mexican FTZ-type program? [only FTZ-type programs selected in question 4.8 will appear]

Mexican FTZ-type program	**Yes, realized production cost savings as a result of participation**
IMMEX (Industria Manufacturera, Maquiladora y de Servicios de Exportación, or Manufacturing, Maquila and Export Services Industries Program)	☐
PROSEC (Programa de Promoción Sectorial, or Sectorial Promotion Program)	☐
Rule 8 (Regla Octava)	☐
Value Added Tax (VAT)/Special Tax on Production and Services (IEPS) Certification	☐
OEA (Operadores Económicos Autorizados, or Authorized Economic Operators, previously NEEC)	☐
Automotive Fiscal Deposit (Depósito Fiscal para la Industria Automotriz	☐
Recinto Fiscal	☐
Recinto Fiscalizado Estratégico	☐

If your firm has been unable to realize production cost savings as a result of participation in a Mexican FTZ-type program, please explain: _______________

4.11 [If participating in Mexican FTZ-type program] How do your firm's cost savings associated with participation in U.S. FTZs compare with cost savings from participation in Mexican FTZ-type programs?

Savings	**Lower savings than Mexican FTZ-type programs**	**Equal savings**	**More savings than Mexican FTZ-type programs**	**Do not know or cannot evaluate**
Duty savings	☐	☐	☐	☐
Production cost savings other than duty savings	☐	☐	☐	☐
Labor cost savings	☐	☐	☐	☐
Logistical and administrative cost savings	☐	☐	☐	☐

SECTION 5. Competition with Other North American Firms

5.1 How familiar are you with the operations of your firm's competitors with facilities based in Canada or Mexico (i.e., producers of similar products that compete in similar markets)?

Level of awareness	Canadian competitors	Mexican competitors
Very familiar with operations, including production costs and/or details of operations	☐	☐
Somewhat familiar with operations, although not aware of production costs or other details of operations	☐	☐
Aware of competitors' existence, but not familiar with their operations	☐	☐
Not aware of the existence of competitors in this country	☐	☐

5.2 How do your firm's overall production costs in U.S. FTZs compare with those of your firm's competitors in different countries?

Competitor type	Less cost-competitive	Similarly cost-competitive	More cost-competitive	Do not know or cannot evaluate
U.S. domestic competitors	☐	☐	☐	☐
Canadian competitors	☐	☐	☐	☐
Mexican competitors	☐	☐	☐	☐
Other foreign competitors	☐	☐	☐	☐

5.3 Do you think your firm's competitors producing in Canada operate in FTZ-type programs in Canada?

- o Yes
- o No
- o Unsure

[If Yes] Do you think the competitor's utilization of an FTZ-type program in Canada has affected that firm's:

Effect	Yes	No	Do not know or cannot evaluate
Relative competitiveness	☐	☐	☐
Production costs	☐	☐	☐

5.4 Do you think your firm's competitors producing in Mexico operate in FTZ-type programs in Mexico?

- o Yes

- o No
- o Unsure

[If Yes] Do you think the competitor's utilization of an FTZ-type program in Mexico has affected that firm's:

Effect	Yes	No	Do not know or cannot evaluate
Relative competitiveness	☐	☐	☐
Production costs	☐	☐	☐

5.5 Under U.S. law (19 U.S.C. § 4531(c)(3)), certain goods produced in U.S. FTZs are not eligible for preferential treatment under USMCA. ***For sales that make U.S. Customs entry***, to what extent does this provision affect your firm's costs relative to goods produced by the following competitor types?

Competitor type	Provision reduces costs relative to competitors	No effect on relative costs	Provision increases costs relative to competitors	Do not know or cannot evaluate
U.S. producers (not operating in U.S. FTZs)	☐	☐	☐	☐
Canadian producers	☐	☐	☐	☐
Mexican producers	☐	☐	☐	☐
Other foreign producers	☐	☐	☐	☐

5.6 Products manufactured in a U.S. FTZ and then exported to Canada or Mexico are required to make U.S. Customs entry as a condition for exportation to a USMCA partner (USMCA, Article 2.5). In other words, U.S. FTZ producers' manufactured goods exported to Canada or Mexico are not exempt from applicable duties on foreign status inputs, which is a difference from FTZ exports to most other global markets. ***For sales within Canada and Mexico***, to what extent does this provision affect your firm's cost competitiveness relative to goods sold in Canada and Mexico?

Competitor type	Provision reduces costs relative to competitors	No effect on relative costs	Provision increases costs relative to competitors	Do not know or cannot evaluate
U.S. producers (not operating in U.S. FTZs) (sales in Canada or Mexico)	☐	☐	☐	☐
Canadian producers (sales in Canada or Mexico)	☐	☐	☐	☐
Mexican producers (sales in Canada or Mexico)	☐	☐	☐	☐
Other foreign producers (sales in Canada or Mexico)	☐	☐	☐	☐

5.7 If the USMCA Customs entry requirement (see question 5.7) for U.S. exports to Canada and Mexico did not exist, what would be the effect on your firm's operations?

Effect on operations	**Decrease**	**No change**	**Increase**	**Do not know or cannot evaluate**
Overall duty costs	☐	☐	☐	☐
Shipments to the U.S. market	☐	☐	☐	☐
Exports to Canada	☐	☐	☐	☐
Exports to Mexico	☐	☐	☐	☐
Employment in the United States	☐	☐	☐	☐
Investment in the United States	☐	☐	☐	☐
Investment in Canada	☐	☐	☐	☐
Investment in Mexico	☐	☐	☐	☐
Sourcing of domestic status inputs	☐	☐	☐	☐
Sourcing of other North American inputs	☐	☐	☐	☐
Sourcing of other foreign inputs	☐	☐	☐	☐

If you stated above that your firm would experience a decrease in overall duty costs as a result of the removal of the USMCA provision (USMCA, Article 2.5), please estimate the value of duty savings (in dollars) that you would have saved in 2021 without the rule in place: ____________________

If you identified any effect(s) on your firm's operations from the removal of the USMCA Customs entry requirement for U.S. exports to Canada and Mexico, please further describe why this effect would occur:

____

5.8 Do your competitors in Canada and/or Mexico use *de minimis* Customs entry as a way to access the U.S. market?

- o Yes
- o No
- o Unsure

[If yes] How does this impact your firm's cost competitiveness of U.S. FTZ warehousing and distribution operations?

Competitor type	**Provision reduces costs relative to competitors**	**No effect on relative costs**	**Provision increases costs relative to competitors**	**Do not know or cannot evaluate**
U.S. distributors (not operating in U.S. FTZs)	☐	☐	☐	☐
Canadian distributors	☐	☐	☐	☐
Mexican distributors	☐	☐	☐	☐
Other foreign distributors	☐	☐	☐	☐

If you noted an effect of *de minimis* rules above, please further describe this effect on your FTZ or FTZ-type operations. ______________________

5.9 Based on your perceptions of the U.S. FTZ program and FTZ-type programs in Canada, please indicate whether the U.S. or Canadian programs offer greater advantages to producers based on the following factors:

Factor	**U.S. FTZ program offers greater advantages**	**U.S. and Canadian programs are similar**	**Canadian FTZ-type programs offer greater advantages**	**Do not know or cannot evaluate**
Duty savings (e.g., through duty reduction on entries, duty exception on exports)	☐	☐	☐	☐
Duty deferral	☐	☐	☐	☐
Tax savings (e.g., local taxes, inventory taxes, value added taxes)	☐	☐	☐	☐
Labor cost savings	☐	☐	☐	☐
Customs fees savings	☐	☐	☐	☐
FTZ compliance or setup costs	☐	☐	☐	☐
Streamlining of customs procedures	☐	☐	☐	☐
Limitations on how long goods can stay in duty-deferred warehouses	☐	☐	☐	☐
Quota timing management	☐	☐	☐	☐
Geographic restrictions of program	☐	☐	☐	☐
Ability to use preferential tariff treatment for FTZ/FTZ-type entries	☐	☐	☐	☐

If you stated that the Canadian FTZ-type programs offer greater ***duty savings*** advantages relative to those of the United States, please identify why that is the case (check all that apply):

- Duty savings advantages are greater under the Canadian programs because the MFN tariffs for material inputs are lower and/or duty-free.
- Duty savings advantages are greater under the Canadian programs because of an aspect of the Canadian programs. Please describe this aspect of the Canadian programs that creates duty savings advantages: _______________
- Duty savings advantages are greater under the Canadian programs because of some other factor not attributable to an aspect of the Canadian programs (please describe that other factor): ___________

In addition to those factors listed above, please identify and describe any other advantages that either the U.S. FTZ program or the Canadian FTZ-type program has relative to the other: _________________________

5.10 Based on your perceptions of the U.S. FTZ program and FTZ-type programs in Mexico, please identify whether the U.S. or Mexican programs offer greater advantages to producers based on the following factors:

Factor	U.S. FTZ program offers greater advantages	U.S. and Mexican programs are similar	Mexican FTZ-type programs offer greater advantages	Do not know or cannot evaluate
Duty savings (e.g., through duty reduction on entries, duty exception on exports)	☐	☐	☐	☐
Duty deferral	☐	☐	☐	☐
Tax savings (e.g., local taxes, inventory taxes, value added taxes)	☐	☐	☐	☐
Labor cost savings	☐	☐	☐	☐
Customs fees savings	☐	☐	☐	☐
FTZ compliance or setup costs	☐	☐	☐	☐
Streamlining of customs procedures	☐	☐	☐	☐
Limitations on how long goods can stay in duty-deferred warehouses	☐	☐	☐	☐
Quota timing management	☐	☐	☐	☐
Geographic restrictions of program	☐	☐	☐	☐
Ability to use preferential tariff treatment for FTZ/FTZ-type entries	☐	☐	☐	☐

If you stated that the Mexican FTZ-type programs offer greater ***duty savings*** advantages relative to those of the United States, please identify why that is the case (check all that apply):

- Duty savings advantages are greater under the Mexican programs because the MFN tariffs for material inputs are lower and/or duty-free.
- Duty savings advantages are greater under the Mexican programs because Mexican producers are able to access lower tariffs under the PROSEC or Eighth Rule programs.
- Duty savings advantages are greater under the Mexican programs because of an aspect of the Mexican programs. Please describe this aspect of the Mexican programs that creates duty savings advantages: _______________
- Duty savings advantages are greater under the Mexican programs because of some other factor not attributable to an aspect of the Mexican programs (please describe that other factor): ___________

In addition to those factors listed above, please identify and describe any other advantages that either the U.S. FTZ program or the Mexican FTZ-type program has relative to the other: ____________________

SECTION 6. Other Information [NARRATIVE RESPONSE PROMPT]

6.1 If your business would like to further explain any of the responses in this questionnaire, use the space below. As with all answers to this questionnaire, your response will be confidential and will only be referenced if we can ensure anonymity.

SECTION 7. Certification

The undersigned certifies that the information supplied herein in response to this questionnaire is complete and accurate to the best of their knowledge and belief. Section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332(g)) provides that the Commission may not release information which it considers to be confidential business information unless the party submitting such information had notice, at the time of submission, that such information would be released by the Commission, or such party subsequently consents to the release of the information.

The undersigned acknowledges that all information, including confidential business information, submitted in this questionnaire response and throughout this investigation may be disclosed to and used:

- (i) by the Commission, its employees and Offices, and contract personnel
  - (a) for developing or maintaining the records of this or a related proceeding, or
  - (b) in internal investigations, audits, reviews, and evaluations relating to the programs, personnel, and operations of the Commission including under 5 U.S.C. Appendix 3; or
- (ii) by U.S. government employees and contract personnel
  - (a) for cybersecurity purposes or
  - (b) in monitoring user activity on U.S. government classified networks.

The undersigned understands that all contract personnel will sign appropriate nondisclosure agreements. The Commission will not disclose any confidential business information, unless such information is otherwise available to the public. The United States Trade Representative has asked that the Commission not include any confidential business information in the report it transmits to them. Information received in response to this questionnaire will be aggregated with information from other questionnaire responses. The information will not be published in a manner that would identify your firm or reveal the operations of your business.

Certifier’s name and title	Date of certification

Check the box below in place of a written signature to indicate that the authorized official listed above has certified the information provided.

☐ Certified

Before submitting your business’s completed questionnaire, report the actual number of hours required and the cost to your business of completing this questionnaire, including all preparatory activities.

Number of hours: ______
Cost ($): _____