Primer on Uniform Treatment Regulation
Key Provisions of Regulation

- Contracts/agreements that grantee has with zone participants (such as operator or property owner) relating to grantee function must be in writing.

- Grantee – or someone acting on their behalf – must apply uniform treatment in evaluating proposals (such as companies’ requests for FTZ designation).

- If grantee has provided different treatment to different zone participants, grantee must be able to provide documented justification for the difference in treatment.
Key Provisions of Regulation (cont.)

• Person (or related party) who w/in last 12 months has offered/sold FTZ-related product/service to users of a zone cannot undertake any of following “key functions”

1) Take action for/make recommendation to grantees on application disposition (for FTZ authority/activation)

2) Approve/be party to agreement with (or for) grantee pertaining to user’s FTZ authority/activation

3) Oversee user’s operations in zone for grantee.
Additional Guidance on Regulation

• Professional advice and assistance to grantees on applications would not constitute first key function if ultimate recommendation or action on disposition of application is made within grantee organization.

• Third party’s checks on activity (such as compliance reviews) for grantee may constitute third key function.

• May contact Board for determination on whether particular activity constitutes undertaking key function.

• Additional detail also addressed in correspondence available in Reading Room section of Board’s website.
Waiver Provision in Regulation

- Waiver may be requested for party who offers/sells products/services to users of a zone and therefore could not ordinarily undertake any of the three “key functions”

- Waiver application must explain circumstances in detail: Person’s offer/sale of FTZ-related products/services and grantee-related function(s) person would undertake.

- For decision on waiver application, FTZ Board will consider circumstances, including nature of person’s specific grantee-related function(s).
For any questions, do not hesitate to contact your regional representative, ftz@trade.gov or (202) 482-2862

For more information:  www.trade.gov/ftz