

National Association of Foreign-Trade Zones
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May 29, 2025

Via email juanita.chen@trade.gov & FTZ@trade.gov

Juanita Chen, Senior Foreign Trade Zones Analyst
International Trade Administration
Foreign-Trade Zones Board

RE: OMB Control Number 0625-0139

Dear Ms. Chen:

On behalf of our Grantee members, the NAFTAZ is submitting the suggestions for changes to the Application Process of Foreign-Trade Zones that are operating as Alternative Site Framework (ASF) Zones using the Minor Boundary Modification (MBM) Application while also providing some brief history of how the application process improvements might also improve the Annual Reporting process and outcomes by providing a benchmark for all new MBM applications that are ultimately designated and activated.

In 2022, the NAFTAZ, on behalf of our Grantee members, asked the Foreign-Trade Zones (FTZ) Board to consider reinstating the section in the Annual Report pertaining to the number of companies involved in FTZ activities during the year. In prior years, those figures illuminated the effects of Foreign-Trade Zone activities, but that data is no longer requested of Operators as of the 2021 Annual Reporting process.

NAFTZ, and our members, appreciate and fully support FTZ Board's efforts to include **Value Added** to the Annual Report. The number of companies & number of jobs would provide even greater context for members of Congress as they read the FTZ Board's Annual Report each year. That report documents the contributions that the FTZ program makes to create stronger communities, across the US and within their respective districts.

As we all recognize that Foreign-Trade Zones are a key economic development, investment and job creation tool, we need to have as much information as possible for critical metrics from FTZ Operators and Users. We acknowledge that the **Annual Reporting process** is separate and distinct from the **Application process**.

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We are specifically requesting the FTZ Board to consider making 2 corresponding changes to the ASF MBM application process:

- Adding a question regarding number of jobs currently involved in the proposed new FTZ designated area to set a benchmark for job retention and/or expansion, which are key economic development data elements. (One way to overcome companies' concerns regarding providing detailed jobs might be to include employment level tiers such as: 1-25 jobs; 26-100; 101-250; 251-500; >500)
- Providing the Alternative Site Framework (ASF) Minor Boundary Modification (MBM) application as a fillable PDF with an electronic signature option for the Grantee to sign in support of the application.

Many economic impact software packages include the following key metrics for measuring economic impact. It would be beneficial if the FTZ application gathered like data for:

- **Employment:** Measured as the number of jobs created or retained due to the event or activity.
- **Economic Output:** Includes the value of goods and services produced, often measured using Gross Domestic Product (GDP).
- **Value Added:** Measures the contribution of the event or activity to the overall value of production in a region.

Having employment and other information from the time an organization commences FTZ activity would enable Grantees and the FTZ Board to report more relevant economic impact results from zone activities.

We sincerely appreciate the important work of the FTZ Board and look forward to working with your team to explore efficiently gathering as much of this data as possible without creating undue burden on your team or the companies that are utilizing the FTZ program to preserve U.S. jobs and add to the U.S. GDP.

The NAFTAZ welcomes further discussion on these important points. Please feel free to contact me with any questions you may have.

Sincerely,



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