DEPARTMENT OF COMMERCE
Foreign-Trade Zones Board
[B-36-2020]

Foreign-Trade Zone (FTZ) 82 – Mobile, Alabama;
Notification of Proposed Production Activity;
Airbus Americas, Inc.
(Commercial Passenger Jet Aircraft)
Mobile, Irvington and Theodore, Alabama

Airbus Americas, Inc. (Airbus) submitted a notification of proposed production activity to the FTZ Board for its facilities in Mobile, Irvington and Theodore, Alabama. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on June 2, 2020.

Airbus already has authority to produce commercial passenger jet aircraft within FTZ 82. The current request would add foreign status materials/components to the scope of authority. Pursuant to 15 CFR 400.14(b), additional FTZ authority would be limited to the specific foreign-status materials/components described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Airbus from customs duty payments on the foreign-status materials/components used in export production. On its domestic sales, for the foreign-status materials/components noted below, Airbus would be able to choose the duty rates during customs entry procedures that apply to commercial passenger jet aircraft (duty-free). Airbus would be able to avoid duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.
The materials/components sourced from abroad include: cetyl alcohol; biocides and fungicides; wash primers and adhesion promoters; epoxy fillers; plastic tubes; polyamide plastic sheet and strip; logbooks; carbon prepreg material; steel holding tank assemblies; steel non-threaded fasteners, pins and inserts; aluminum powder; mirrors; hand pumps for dispensing liquids; refrigerator and freezer units; air filter elements and parts; trash compactors; pressure regulators and bleed valves; AC generators not exceeding 75kVAs; fire detection units; resistors and overheat sensing elements; printed circuit modules; circuit breakers; relays and contactors; electrical backshells and contacts; temperature sensors; tachometers; tachometer accessories; and, voltmeters and multimeters without recording devices (duty rate ranges from duty-free to 6.5%). The request indicates that certain materials/components may be subject to duties under Section 301 of the Trade Act of 1974 (Section 301), depending on the country of origin. The applicable Section 301 decisions require subject merchandise to be admitted to FTZs in privileged foreign status (19 CFR 146.41).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary and sent to: ftz@trade.gov. The closing period for their receipt is [INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

A copy of the notification will be available for public inspection in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Christopher Kemp at Christopher.Kemp@trade.gov or (202) 482-0862.

Andrew McGilvray,
Executive Secretary.

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