Hi @first_name@,

Three important developments to report today:

- CBP and FEMA issued a Joint Statement on Defense Production Act for PPE.
- CBP has an "Updated Guidance for the Presidential Memorandum Regarding Allocating Certain Scarce or Threatened Health and Medical Resources to Domestic Use." Since that title is a mouthful, we have posted it to AAEI's COVID-19 webpage as CBP "Updated Guidance for PPE."
- FEMA has issued its official notice in the Federal Register and we have posted it to AAEI's website as "FEMA Temporary Final Rule on Prioritization and Allocation of Certain Scarce or Threatened Health and Medical Resources for Domestic Use."

We believe that these documents should answer a lot of questions that you have been sending to AAEI, principally whether you can ship PPE to employees as intra-company transfers.
- CBP's Updated Guidance notes that FEMA is focused on shipments of commercial quantities of 10,000 units of PPE valued at $2,500 or more.
- The Updated Guidance also lists a number of exclusions:
  - Exports to Canada or Mexico;
  - Exports to U.S. Government entities such as U.S. military bases overseas;
  - Exports by U.S. Government agencies;
- Exports by U.S. charities;
- Exports by critical infrastructure industries for the protection of their workers;
- Exports by the 3M Company;
- Express or Mail Parcels that do not meet the commercial quantity definition above;
- In-transit shipments.

- Please note that FEMA's FRN includes a new regulatory section, 44 C.F.R. Part 328 which contains the following provision in §328.102(d):

  - (d) Exemption. (1) The Administrator has determined in the interest of promoting the national defense to generally allow the export of covered materials from shipments made by or on behalf of U.S. manufacturers with continuous export agreements with customers in other countries since at least January 1, 2020, so long as at least 80 percent of such manufacturer’s domestic production of such covered materials, on a per item basis, was distributed in the United States in the preceding 12 months. If FEMA determines that a shipment of covered materials falls within this exemption, such materials may be exported without further review by FEMA, provided that the Administrator may waive this exemption and fully review shipments of covered materials under paragraph (b) of this section, if the Administrator determines that doing so is necessary or appropriate to promote the national defense.

For true trade nerds, the Congressional Research Service has produced a paper, *The Defense Production Act of 1950: History, Authorities, and Reauthorization*.

We have received a lot of feedback from members concerning our earlier Member Alert concerning the FEMA FRN on PPE. Therefore, we have set up a PPE Survey in order to "crowdsource" your questions on the CBP Guidance documents and FEMA FRN, and compile them into a "Frequently Asked Questions" document for CBP and FEMA response. (We included some starter questions for you to rank.) Please submit your questions by **COB April 10, 2020** so that AAEI can send the first tranche of questions to CBP and FEMA today.

Please submit your questions through the **PPE Survey** ASAP so we can get some answers from the federal agencies.
Thank you to our Champion Strategic Alliance Partner:

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