Step 3: The Activation Process

After a foreign-trade site or subzone has been approved but before operations begin, the new partner must go through a second process called activation. Activation takes place locally under the supervision of the Customs Port Director:

- Submit information for Customs background investigation
- Preparation of FTZ Procedure Manual (operations, inventory control & recordkeeping systems)
- Customs site tour to review security
- FTZ Operator's bond
- Agreed space for activation
- Operators Agreement executed between the GRAA and the Operator
- GRAA provides Grantee letter of concurrence to Customs
- Zone Operator prepares a Zone Schedule outlining rules and fees with copy to GRAA
- Activation Application letter from Operator

Step 4: Post-Activation Activities

Once activated, users may begin admitting merchandise under the zone status. The operators will need to do the following:

- Schedule periodic spot audits to ensure compliance with FTZ operations (consult with FTZ #176 about frequency)
- Maintain operations and zone status inventory according to FTZ rules and regulations (zone inventory may be commingled unless the specific identification method is used to track inventory)
- Pay the annual service fee to Grantee
- Provide routine reports to the Customs Port Director and an annual report to Grantee