



Bulletin 20-10 March 17, 2020

CIAA Bulletin

**An Exclusive CIAA Member
Update**

COVID-19 Update

The spread of COVID-19 remains unclear, but its impacts are already being felt by the U.S. cheese importing community. Supply chains are being disrupted and companies are implementing preventative measures to protect their employees. We have received many questions from CIAA members regarding COVID-19 and have provided the following information to assist members. As information continues to evolve regarding COVID-19, we will provide further updates.

Government Services

The U.S. federal government is open as of the writing of the Cheese Bulletin. However, government agencies have encouraged employees in the Washington, DC metro area to telework and not come into the office. We have confirmed with staff at the Dairy Import Licensing Program that operations are business as usual and all staff can be reached through their usual contact information. USDA also has stated that response times should not be impacted even though employees are working remotely.

COVID-19 and Section 301 Tariffs

We have received many questions from members regarding whether the U.S. Trade Representative (USTR) will remove or reduce the tariffs on products imported from Europe and subject to Section 301 tariffs due to the Large Civil Aircraft Dispute to alleviate the burden on businesses. At this time, the USTR has indicated that it will not remove these tariffs.

This was underscored on Friday March 16, 2020 when U.S. Treasury Secretary Steven Mnuchin stated that U.S. Trade Representative Robert Lighthizer was "looking at additional exemptions for companies that are particularly hit and have issues with the virus. To the extent that there are company-specific issues, we will address that with the president and react accordingly." For example, through its tariff exclusion process, USTR has removed tariffs in the Section 301 trade dispute with China on 19 medical products, including face masks, stethoscope covers, and blood pressure cuffs, that are necessary to help the spread of the disease.

Congressional Action Related to COVID-19

Members of Congress are also interested in reducing the burden of COVID-19 on importers and some have called for tariff relief as a way to boost U.S. businesses in the event of a recession. However, a bill or stimulus package that includes tariff relief has not yet been introduced in Congress.

Congress has made headway on bills that would address concerns related to employee leave. On March 14, 2020, the House of Representatives passed H.R. 6201, the Families First Coronavirus Response Act, by a vote of 363 to 40. The legislation includes a provisions for employers with fewer than 500 employees providing those employees with the right to take up to 12 weeks of job-protected leave under the Family Medical Leave Act for reasons related to the coronavirus. The Senate is debating this House-passed legislation this week including the job-protected leave provisions. The House-passed bill did not include any tariff related provisions.

COVID-19 and FDA-Regulated Entities

The U.S. Food and Drug Administration (FDA) has not issued actionable guidance for food importers or manufacturers regarding COVID-19. COVID-19 is generally thought to be spread from person-to-person through respiratory droplets. According to the FDA, COVID-19 is not associated with foods, including imported foods. It may be possible that a person can get COVID-19 by touching a surface or object that has the virus on it and then touching their mouth, nose, or possibly their eyes, but this is not thought to be the main way the virus spreads. In general, because of poor survivability of coronaviruses on surfaces, there is likely a very low risk of its spread from food products or packaging that are shipped over a period of days or weeks at ambient, refrigerated, or frozen temperatures. However, scientific evidence has shown that COVID-19 can last up to 9-days on certain surfaces given the appropriate environment. At this time, FDA is [encouraging](#) food importers and manufacturers to continue their normal safe food handling and sanitation procedures.

COVID-19 Resources

If you are looking to stay up to date on recommendations regarding COVID-19 or have questions about how this may impact your business we have provided several resources:

- Husch Blackwell's [Coronavirus \(COVID-19\) Toolkit](#) includes commonly asked questions by employers and a [recording](#) of a webinar specific to FDA regulated entities;
- Center for Disease Control - Coronavirus (COVID-19) [Resources for Businesses and Employers](#) webpage;
- World Health Organization - [Coronavirus disease \(COVID-19\) outbreak](#) webpage; and

- U.S. Food and Drug Administration - [Coronavirus Disease 2019 \(COVID-19\)](#) webpage.

We will continue to monitor developments related to COVID-19. Should you have any questions regarding this alert, contact the Husch Blackwell LLP team at CIAAGeneralCounsel@huschblackwell.com.

Dates to Remember

July 2, 2020

Last day for an exporting country that is not designating importers for calendar year 2020 to notify FAS

August 31, 2020

Last day to enter dairy products into U.S. Customs territory that may be used to qualify and establish eligibility for a calendar year 2021 license.

* If a deadline date falls on a Saturday, Sunday, or Federal holiday, the deadline will be the next business day (Section 6.36(a) of the Dairy Tariff-Rate Import Quota Licensing Regulation). This does not apply to dates of entry for eligibility.

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