

DAIRY TARIFF-RATE QUOTA IMPORT LICENSING - PROGRAM INFORMATION

Application Period for 2022 Licenses and Surrender and Reallocation Period for 2021 Licenses

The upcoming application period will begin on September 1, 2021. The attached documents contain important program information and a fact sheet that may be of value to you. Below are some key points to keep in mind.

FAS Website: <https://www.fas.usda.gov/programs/dairy-import-licensing-program>

Regulations: <https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=1&SID=db428ca0c2e75658c421bc1612567e49&ty=HTML&h=L&n=7y1.1.1.1.9&r=PART>

DEADLINES (no exceptions!):

- September 15, 2021 – to apply for First Round reallocated 2021 licenses.
- October 1, 2021 – to surrender amounts from your 2021 licenses.
- October 15, 2021 – to apply for 2022 licenses.

ATLAS (Agricultural Trade License Administration System):

- Use ATLAS to apply for 2022 licenses and to surrender and apply for reallocation of 2021 licenses.
- ATLAS is more user-friendly than previous systems and allows users to view and manage all their control numbers from one login.
- Instructions for the use of ATLAS, including the application and surrender process, are included in the User Navigation Guide, found here: <https://apps.fas.usda.gov/atlas/>
- To access ATLAS, login with your eAuth account here: <https://usda-fas.secure.force.com/atlas/>

NOTIFICATIONS:

- We will notify you via email when the 2021 reallocated licenses and the 2022 licenses have been posted to ATLAS, along with payment instructions.
- We regularly send notifications via email. The names and email addresses for all licensees are based on information provided by the licensees in ATLAS. If you do not receive an anticipated email from us, do the following before contacting us:
 - Modify any spam filter attached to your email account to ensure that messages with the usda.gov suffix are not blocked.
 - Check and update your contact information in ATLAS to ensure we have the correct email address. To update your contact information, do the following:
 - Log in to ATLAS here: <https://apps.fas.usda.gov/atlas/>
 - Select the “My Companies” tab and click on the name of the company.
 - From there, click the “Details” tab and update the contact information.

- If you manage more than one company from this login, repeat this procedure for each company.

CONTACT INFORMATION:

- ☎ Team Monitored email : TFAA-FAS-MultilateralAffairs@usda.gov
- ☎ Salam El-Farra, (202) 720-9439, Abdelsalam.El-Farra@usda.gov
- ☎ BettyAnn Gonzales, (202) 720-1344, bettyann.gonzales@usda.gov
- ☎ Elizabeth Riley, (202) 720-6868 Elizabeth.riley@usda.gov

IMPORTANT DATES FOR LICENSED DAIRY IMPORTERS

AUGUST 31, 2021	Last day to enter dairy products into U.S. Customs territory that may be used to qualify and establish eligibility for a calendar year 2022 license. Licensed qualifying entries verification will be only processed through ATLAS and cross checked with entries in the CBP system. For unlicensed qualifying entries, the applicant will submit an electronic copy (e.g. scanned PDF) of CBP Form 7501 to the Licensing Authority via ATLAS.
SEPTEMBER 1, 2021	First day of license eligibility period for next quota year-plus one. Example: entries made on or after September 1, 2021 can be used to establish eligibility for a license for calendar year 2022.
SEPTEMBER 1, 2021	Last date to request globalization of a calendar year 2021 license. First transmission date for applications for reallocated license amounts for calendar year 2021. First transmission date for all applications for calendar year 2022 licenses.
SEPTEMBER 15, 2021 (no exceptions!)	Last transmission date for applications for reallocated license amounts for calendar year 2021.
OCTOBER 1, 2021 (no exceptions!)	Last transmission date for licensees to surrender all or the unused portion of their calendar year 2021 licenses.
OCTOBER 15, 2021 (no exceptions!)	Last transmission date for all applications for calendar year 2022 licenses.
OCTOBER 31, 2021	Exporting countries that are designating U.S. importers for calendar year 2022 must submit their designations to FAS by this date.
DECEMBER 20, 2021 (approximately)	FAS issues first notice of calendar year 2022 licenses to licensees.
DECEMBER 31, 2021	Last day for licensees to make entries to fulfill the requirement to use 85% of their calendar year 2021 license

	amount. Last day for which calendar year 2021 licenses are valid.
JANUARY 1, 2022	First day of validity for calendar year 2022 licenses.
MARCH 1, 2022 (approximately)	FAS issues final notice of calendar year 2022 licenses to licensees.
March 15, 2022	The license fee for each license issued is due and payable in full no later than March 15* of the year for which the license is issued. Licenses issued after March 15 of any quota year are payable in full no later than 10 days from the date of issuance. Fee payments are payable to the Treasurer of the United States and shall be made solely utilizing the electronic software designated for the purpose by the Licensing Authority.
JULY 1, 2022	Last day for an exporting country that is not designating importers for calendar year 2022 to notify FAS.
AUGUST 31, 2022	Last day to enter dairy products into U.S. Customs territory that may be used to qualify and establish eligibility for a calendar year 2022 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.

REGISTERING FOR AND ACCESSING ATLAS

This process is also covered in the User Navigation Guide, here: <https://apps.fas.usda.gov/atlas/>

- After clicking the ATLAS login, here: <https://usda-fas.secure.force.com/atlas/>, you will be directed to an eAuth login page.
- If you already have an eAuth account, log in with your username and password.
 - If you do not have an eAuth account, click “Register here”.
 - Follow the prompts on the screen to create your eAuth account. Once you obtain your eAuth credentials, you will be able to log in to the ATLAS portal.
 - To be associated with a company, users must create a new company or join an existing company.
 - For eAuth assistance, contact the eAuth helpdesk: 1-800-457-3642(option #1) or eAuthHelpDesk@usda.gov
- If you are a new user your company does not exist in the system, you will need to create a new company in ATLAS after logging in.
 - Click the **Create/Join Company** tab.
 - To verify that the company does not exist in the system, click the “Existing” button.
 - Search for the company you would like to join by entering the company’s Tax ID, control number, SSN, or name.
 - If the company you are looking for is not displayed, click the **Create/Join Company** tab and click the “Create” button.

- Enter the Tax ID or SSN associated with the company you would like to create and click Next.
- Enter the company name, the first and last name of a company contact, and your email as an agent for the company. Additionally, you may enter any address information for the company. Click “Create New Company”.
- If your company is eligible, a control number will be assigned to you during the eligibility period.

REQUESTING ADDITIONAL QUOTA (REALLOCATION OF 2021 LICENSES)

Under Section 6.26(c), a person issued a license for 2021 may submit an application for an additional TRQ amount. This amount may be added to an existing license or used to create a new license.

Licensees who qualified in 2021 for only non-cheese licenses may not request an additional TRQ amount for cheeses.

There is no limit to the number of requests you may submit for additional TRQ amounts to be added to an existing license or as a new license. However, Section 6.23(c)(1) requires that at least 85 percent of a license, **including any additional amounts received under the surrender and reallocation procedures**, must be entered under that license by December 31, 2021, for you to be eligible to receive a license for the same article from the same country in 2022.

After receiving ATLAS access, an applicant can apply for reallocated quantities during the reallocation period. Please consult the ATLAS Portal Navigation Guide for step by step instructions (page 19): <https://apps.fas.usda.gov/atlas/>

SURRENDERING UNUSED LICENSE AMOUNTS

Under Section 6.26(a), if any person issued a license for 2021 determines that the entire amount of a license will not be used, the amount that the licensee does not intend to enter before December 31st shall be surrendered to the Licensing Authority before October 1st. Section 6.23(c)(1) requires that at least 85 percent of a license, **including any additional amounts received under the surrender and reallocation procedures**, must be entered under that license by December 31, 2021, in order for the licensee to be eligible to receive a license for the same article from the same country in 2022. **Any amount surrendered is subtracted from the total license amount to which the 85 percent utilization requirement applies.**

ATLAS Surrender Process (also covered in the ATLAS Portal Navigation Guide: <https://apps.fas.usda.gov/atlas/>)

1. Log in to ATLAS
2. Select the company for which license quantities are going to be surrendered.
3. On the **Licenses** tab, a “Surrender” button will be available during the surrender period.
4. Upon selecting the button, quantities which can be surrendered will be populated in a form.

5. Click on the pencil icon in the Surrender Quantity (kgs) column to enter quantities to be surrendered.
6. Once the quantity to be surrendered is entered, click “Confirm” to confirm the surrender quantity.
7. The surrendered quantity will be deducted from the license quantity.
8. This process can be repeated any number of times during the surrender period

APPLYING FOR CHEESE AND NON-CHEESE LICENSES FOR 2022

Certification and Eligibility (also covered in the ATLAS Portal Navigation Guide: <https://apps.fas.usda.gov/atlas/>)

To certify a company’s information and to check its eligibility to apply for licenses, log in to ATLAS during the application period (September 1–October 15) and click the “Certify and Check Eligibility” button in the top right corner of the company screen. A form will be displayed to certify company information. This button will only be available during the application period. Note: Any red asterisk indicates that the field is required.

Click the “Certify and Continue” button to check the eligibility. The system will check for qualifying imports or exports and will verify the eligibility status automatically.

If the company has evidence to support further eligibility than what is determined in ATLAS, that information can be submitted by clicking “Provide Additional Information”

Application Process

When the application period is open for new quantities access managers and members can use the following steps to apply for new and additional quantities. (After certifying and checking eligibility)

1. From the list of associated companies, select the company (deemed eligible and certified) to apply on behalf of.
2. After selecting a company, the user must select the **Applications** tab and click the “Apply for Licenses” button.
3. Based on the eligibility status of the company, applications can be made for cheese and/or non-cheese quantities.
4. The form contains a list of country-commodity pairs which can be ranked.
5. The rankings can be changed and saved using the “Save” button on the bottom of the form.
6. Once an application is created, a link with “Application Number” will be available on the Applications tab to access the application.
7. Changes can continue to be made to the application using the link until the application deadline. The Save button will have to be used to register changes.
8. Once the application deadline ends the application will be automatically submitted.

ERRORS

If you experience any difficulties during the application process, please submit a query in ATLAS, with a detailed description of the issue. FAS Admin will respond promptly.

Alternatively, email TFAA-FAS-MultilateralAffairs@usda.gov.

VERIFYING THAT YOUR APPLICATION WAS TRANSMITTED

You do not need to contact this office to verify that your applications were transmitted.

Applicants are able to edit and save changes to their application as many times as they wish prior to the application deadline. Your application will be **automatically submitted** on October 15.

SPECIFIC INFORMATION FOR IMPORTERS, MANUFACTURERS, AND EXPORTERS

Please review the important eligibility criteria and guidance on the following pages as applicable for your application status. The application process in ATLAS is identical for importers, exporters, and manufacturers. All applicants will have the opportunity to submit

IMPORTERS

Eligibility Criteria for Importers Applying for Any of the Above Licenses:

ATLAS will automatically calculate eligibility. Users will certify their eligibility in ATLAS.

More detailed instructions on this process can be found here: <https://apps.fas.usda.gov/atlas/>

CHEESE License Criteria:

Identify entries for 3 or more separate commercial import entries of **cheese**, totaling not less than **57,000 kg** net weight, with at least 3 of the entries being a minimum of 2,000 kg net weight; or, identify entries for 8 or more separate commercial import entries of **cheese**, totaling not less than **19,000 kg** net weight, with at least 8 of the entries being a minimum of 450 kg net weight, and with a *minimum* of 2 entries taking place in each of at least 3 of the 4 quarters of the eligibility period. The four quarters of the eligibility period are: September 2020-November 2020, December 2020-February 2021, March 2021-May 2021 and June 2021-August 2021.

NON-CHEESE License Criteria:

Identify entries for 3 or more separate commercial import entries of **dairy products**, totaling not less than **57,000 kg** net weight, with at least 3 of the entries being a minimum of 2,000 kg net weight; or identify records for 8 or more separate commercial import entries of **dairy products**, totaling not less than **19,000 kg** net weight, with at least 8 of the entries being a minimum of 450 kg net weight, and with a *minimum* of 2 entries taking place in each of at least 3 of the 4 quarters of the eligibility period. The four eligibility quarters are: September 2020-November 2020, December 2020-February 2021, March 2021-May 2021 and June 2021-August 2021

MANUFACTURERS

Eligibility Criteria for Manufacturers:

CHEESE license criteria

You are certifying that:

Your firm meets the eligibility requirements of section 6.23, i.e., you are the owner or operator of a plant that is currently listed in the USDA *Dairy Plants Surveyed and Approved for USDA Grading Service* book in either Section I, as a processor of cheese, or Section II, as a processor or packager of cheese; AND your plant processed or packaged at least 450,000 kg of cheese or cheese products in your own plant in the United States during September 1, 2020 – August 31, 2021.

NON-CHEESE license criteria

When applying for licenses on ATLAS, you are certifying:

Your firm meets the eligibility requirements of section 6.23, i.e., you are the owner or operator of a plant that is currently listed in the USDA *Dairy Plants Surveyed and Approved for USDA Grading Service* book; AND Your plant manufactured, processed, or packaged at least 450,000 kg of dairy products in your own plant in the United States during September 1, 2020 – August 31, 2021.

Section 6.27(b) requires a licensee who is eligible as a manufacturer or processor to process at least 75 percent of its licensed imports in the person's own facilities and to maintain records necessary to substantiate this fact.

EXPORTERS

You may apply for import licenses ONLY for non-cheese dairy products.

Exporters are NOT eligible to apply for licenses for cheese articles.

To apply for a non-historical license:

When the application period is open for new quantities access managers and members can use the following steps to apply for new and additional quantities. (After certifying and checking eligibility)

1. From the list of associated companies, select the company (deemed eligible and certified) to apply on behalf of.
2. After selecting a company, the user must select the **Applications** tab and click the "Apply for Licenses" button.
3. Based on the eligibility status of the company, applications can be made for cheese and/or non-cheese quantities.
4. The form contains a list of country-commodity pairs which can be ranked.
5. The rankings can be changed and saved using the "Save" button on the bottom of the form.

6. Once an application is created, a link with “Application Number” will be available on the Applications tab to access the application.
7. Changes can continue to be made to the application using the link until the application deadline. The Save button will have to be used to register changes.
8. Once the application deadline ends the application will be automatically submitted.

Exporters who have established their eligibility for Non – cheese items shall also follow the application process stated above.

Eligibility Criteria for Exporters:

You must electronically submit in ATLAS with your application copies of Department of Commerce **Bureau of Census Form 7525-V** and the **commercial invoices** to show that, during the September 1, 2020– August 31, 2021 eligibility period, you were the exporter of:

At least 3 separate export shipments of dairy products totaling not less than **57,000 kg** net weight, each of the three entries being not less than 2,000 kg net weight; OR

At least 8 separate export shipments of dairy products totaling not less than **19,000 kg** net weight, with each of the 8 shipments being at least 450 kg net weight, and with a *minimum* of 2 shipments taking place in each of at least 3 quarters of the eligibility period. The eligibility quarters are: September 2020-November 2020, December 2020-February 2021, March 2021-May 2021, and June 2021–August 2021.

If you base your eligibility on more than 8 export shipments, you need **not** submit documents for more than 8 export shipments. List any qualifying shipments in addition to the 8 shipments submitted with your application on a separate sheet of paper.

EXPORTERS ONLY must provide electronically the required Bureau of Census forms and commercial invoices by October 15, 2021. These forms can be submitted with your license application in ATLAS.

FACT SHEET

DAIRY TARIFF-RATE QUOTA IMPORT LICENSING PROGRAM

Import licensing is one of the tools the U.S. Department of Agriculture (USDA) uses to administer the tariff-rate quota (TRQ) system for U.S. imports of dairy products. TRQs replaced Section 22 import quotas for dairy products on Jan. 1, 1995, as a result of the Uruguay Round Agreement.

Under these TRQs, a low tariff rate, called the low-tier rate, applies to imports up to a specified quantity. A higher tariff rate, called the high-tier rate, applies to any imports in excess of that amount. High-tier tariff rates were reduced by 15 percent over the 6 years since the Uruguay Round Agreement was implemented in 1995, while quantities subject to low-tier rates were increased gradually over that same period. TRQ rates and quantities vary by product.

For dairy products subject to TRQs, an import license from USDA's Foreign Agricultural Service (FAS) is generally required to bring in items at the low-tier tariff rate. No license is required to import products at the high-tier rate. FAS issues licenses in late December each year for the following calendar year (January 1-December 31).

What are the regulations for importing dairy products?

Milk, cream, ice cream, butter and many cheeses are subject to quota restrictions administered by both CBP and the Department of Agriculture.

All dairy products are subject to Department of Agriculture's Animal and Plant Health Inspection Service (APHIS) requirements. They are also subject to Food and Drug Administration (FDA) requirements.

Milk and cream may not be imported without a permit from the FDA. The wrappers or cartons for these products must be printed with the country of origin.

Finally, all commercial imports of food and beverage products require the filing of Prior Notice with FDA, and foreign manufacturers and/or distributors of food products must register with the FDA before their goods may be admitted.

These requirements DO NOT apply to food accompanying a traveler into the U.S. or sent by an individual to the U.S. for personal consumption.

Note: Milk and milk products from goats must be accompanied by a USDA import permit if from regions classified as affected with foot-and-mouth disease (FMD) or Rinderpest.

For more information, consult FDA and APHIS websites at:

<https://www.fda.gov/industry/import-program-food-and-drug-administration-fda>
<https://www.aphis.usda.gov/aphis/ourfocus/animalhealth/news-information/vs-news-info>

What products are covered?

The licensing system covers nearly all dairy products from cow's milk, except for soft-ripened cheeses such as Brie. It also covers blue cheese made from sheep's or goat's milk.

What products may be imported without a license?

You do not need a license to import soft-ripened cow's-milk cheeses, such as Brie, or products from 100-percent sheep's or goat's milk (except for blue cheese made from or containing sheep's or goat's milk).

Certain dairy products may also be imported without a license under a "first-come, first-served" system. This means these products may be brought in at the low-tier duty rate until a specified TRQ is filled. Once the TRQ is filled, importers have to pay the high-tier duty. The items

covered under the first-come, first-served system include:

- dairy products imported under a Free Trade Agreement
- cheddar cheese from Canada (made from unpasteurized milk and aged 9 months or more),
- fluid milk or cream (fresh or sour),
- milk or cream (condensed or evaporated and in airtight containers), and
- dried buttermilk or whey

What import rights and limitations are conveyed by a license?

All licenses have specific limitations. A typical license will identify the product, the country the product can be imported from, and the maximum amount that can be imported under that license.

An "any country" license allows imports of a certain quantity of a particular product from any country in the world, instead of only one country.

An "other country" license allows an importer to import a certain quantity of a particular product from a country other than a country that already has a specific TRQ. For example, the following suppliers have specific country TRQ allocations for American-type cheese: Australia, New Zealand, the European Union, and other countries. An importer with an "other country" license for 4,691 kilograms of American-type cheese could import up to that amount from Armenia or another country which is not one of the three countries or regions with a specific TRQ allocation.

Note that for each quota year, the Licensing Authority will reallocate any amounts surrendered. Any person who qualified for or was issued a cheese or cheese product license for a quota year may apply to receive additional license, or addition to an existing license for a portion of the amount being reallocated.

Note that a person who did not qualify for a cheese or cheese product license for a quota year, but qualified only for a license for Non-cheese products, may only apply to receive an additional license for Non-cheese products, or addition to an existing license a portion of the amount being reallocated.

What is the fee for a license?

The fee for the 2021 calendar year is \$324 per license for **EACH** license issued. The fee is based on the FAS estimated expenses to administer the licensing system. FAS publishes the fee for the upcoming year in the Federal Register, usually around August.

What is the difference between historical and non-historical licenses?

Historical licenses are renewable and carried over, same product from the same country, from year to year subject to meeting all eligibility requirements. Non-historical licenses cannot be renewed. A person may reapply for an identical non-historical license for the next year, but the application may or may not be granted because these licenses are issued through a lottery.

How does Lottery work?

There are three rounds in the non-historical license lottery. The first round is to allocate the amounts in the non-historical appendix. The second round simply removes the hold codes from the licenses that met the 85% rule by December 31. The third round is to issue any licenses previously deleted for reasons, such as failing to meet the 85% rule, duplicate non-historical licenses, affiliation, association, etc.

The Licensing Authority will not issue a non-historical license, also known as a lottery license, for an article from a country during a quota year to an applicant who is affiliated with another applicant to whom the Licensing Authority is issuing a non-historical license for the same article from the same country for that quota year. Further, the Licensing Authority will not issue a non-historical license for butter to an applicant who is affiliated with another applicant to whom the Licensing Authority is issuing a historical butter license of 57,000 kilograms or greater. **An applicant will be deemed affiliated with another applicant if:**

- (i) The applicant is the spouse, brother, sister, parent, child or grandchild of such other applicant;
- (ii) The applicant is the spouse, brother, sister, parent, child or grandchild of an individual who owns or controls such other applicant;
- (iii) The applicant is owned or controlled by the spouse, brother, sister, parent, child or grandchild of an individual who owns or controls such other applicant.
- (iv) Both applicants are 5 percent or more owned or directly or indirectly controlled, by the same person;
- (v) The applicant, or a person who owns or controls the applicant, benefits from a trust that controls such other applicant.

The Licensing Authority will not issue a non-historical (lottery) license for an article from a country during a quota year to an applicant who is associated with another applicant to whom the Licensing Authority is issuing a non-historical license for the same article from the same country for that quota year. Further, the Licensing Authority will not issue a non-historical license for butter to an applicant who is associated with another applicant to whom the Licensing Authority is issuing a historical butter license for 57,000 kilograms or greater. **An applicant will be deemed associated with another applicant if:**

- (i) The applicant is an employee of, or is controlled by an employee of, such other applicant;
- (ii) The applicant manages or is managed by such other applicant, or economically benefits, directly or indirectly, from the use of the license issued to such other applicant.

What are designated licenses?

These cheese import licenses are issued to importers who have met the qualification standards in

the regulations and have been designated by the government of the exporting country to receive a license. Not all countries participate in the designation process. (See appendix 3 of the regulation for a list of participating countries and cheese types.)

What are the qualification requirements for a dairy import license?

First, you must have a place of business in the United States, physical address not a P.O. Box, legitimate e-mail address, and an agent for service of process (a representative available during business hours should USDA need to serve legal papers on the company). There are also specific qualification standards listed in section 6.23 of the dairy import licensing regulation for importers, exporters, and manufacturers. Note that exporters may apply for licenses to import non-cheese dairy products, such as butter, but not for licenses to import cheese or cheese products.

How does an importer qualify for a license to import cheese or cheese products?

You must have been the owner and importer of record of either of the following: at least 19,000 kilograms of cheese or cheese products in eight or more shipments, with each of the eight shipments weighing at least 450 kilograms (net), and with at least two of the eight shipments imported during each of any three quarters of the eligibility period (September 1-August 31); or at least 57,000 kilograms of cheese or cheese products in three or more shipments during the eligibility period, with each of the three shipments weighing at least 2,000 kilograms (net). For example, for a 2021 license, FAS will review an applicant's imports from Sept. 1, 2020, through Aug. 31, 2021.

Qualifying cheese or cheese product imports include:

- imports under licenses,
- imported goat's and sheep's milk cheese,
- imports of cheese not covered by the licensing system (such as Brie), including imports under the first-come, first-served system, and
- imports at the high-tier duty rate.

Note that imports of NON-CHEESE items cannot qualify you for a CHEESE LICENSE; and that CHEESE imports can qualify for both cheese and non-cheese.

There are other qualification requirements for currently licensed entities who request licenses for the next year; see section 6.23 of USDA's dairy import licensing regulation. "Cheese" and "cheese products" are defined in section 6.21 of the regulation.

What if someone else was the owner and importer of record for the qualifying shipments?

You cannot use imports to qualify for a license unless you were the owner and importer of record at the time the product entered the United States.

How does an importer qualify for a license to import non-cheese dairy products?

You must import dairy products (defined in section 6.21 of the regulation) in the same minimum quantities, number of shipments, and minimum shipment weights as specified for cheese or cheese products.

Qualifying dairy imports include:

- imports of cheese or other dairy products under license,
- imported goat's and sheep's milk cheese,
- imports of dairy products not covered by the licensing system (such as ice cream), including imports under the first-come, first-served system, and
- imports at the high-tier duty rate.

How does a cheese manufacturer or processor qualify for a license to import cheese or cheese products?

You must be the owner or operator of a plant located in the United States and listed under Section II (or Section I as a cheese processor) in the most recent edition of USDA's Dairy Plants Surveyed and Approved for USDA Grading Service.

In addition, you must have manufactured, processed, or packaged at least 450,000 kilograms of cheese or cheese products in that plant during the eligibility period (September 1-August 31).

The publication, Dairy Plants Surveyed and Approved for USDA Grading Service, is available from:

U.S. Department of Agriculture
Agricultural Marketing Service
Dairy Grading Branch

Web: www.ams.usda.gov/dairy/grade.htm

How does a dairy products manufacturer or processor qualify for a license to import non-cheese dairy products?

You must be the owner or operator of a plant located in the United States and listed in any of the sections of the most recent edition of USDA's Dairy Plants Surveyed and Approved for USDA Grading Service. In addition, you must have manufactured, processed, or packaged at least 450,000 kilograms of dairy products in that plant during the eligibility period (September 1- August 31).

A manufacturer or processor with an import license must use at least 75 percent of its licensed imports in its own plant. See section 6.27(b) of the regulation.

How does a dairy products exporter qualify for a license to import non-cheese dairy

products?

You must have exported 19,000 kilograms of dairy products in eight or more shipments, with each of the eight shipments weighing at least 450 kilograms (net), and with at least two of the eight shipments exported during each of any three quarters of the eligibility period (September 1-August 31); or at least 57,000 kilograms of dairy products in three or more shipments during the eligibility period, with each of the three shipments weighing at least 2,000 kilograms (net).

Will FAS transfer the licenses if a licensee sells or conveys its business to another person?

The Licensing Authority will transfer the licenses to another person/company if the sale or convey meets all conditions in section 6.28 of the regulation.

The dairy import program does not offer legal business and estate planning advice such as Company name change, Tax ID change, etc.

How does an importer apply for a license to import cheese or cheese products?

As stated elsewhere in this document, users should obtain an eAuth account and then log in to the ATLAS system. During the application period, eligible importers can apply for licenses for the desired country/commodity pairs. For detailed step by step instructions, please see the resources here: <https://apps.fas.usda.gov/atlas/>

What documents should accompany an application for an import license?

The regulation requires that all communications, applications, reporting and payment be made electronically as designated by the Licensing Authority. If you are an importer, you must provide copies of Customs Form 7501 showing that you are the importer of record of the products. If you are an exporter, you must provide copies of Census Form 7525 (a copy of your electronic submission), as well as copies of the related commercial invoices and bills of sale. These can be submitted with your license application in ATLAS Alternatively, for licensed importers, applications may be submitted through the internet from the program ATLAS website at: <https://usdafas.force.com/atlas/s/>

If you are a manufacturer or processor, you are not required to provide additional documents with your application. However, you may be audited by USDA to verify your compliance with the requirement to use 75 percent of your imports in your own plant and to process at least 450,000 kilograms of cheese or other dairy products (as appropriate) in your plant. Also to be listed in any of the sections of the most recent edition of USDA's Dairy Plants Surveyed and Approved for USDA Grading Service.

The application process for 2022 licenses has been streamlined on our ATLAS platform. No additional forms are needed to complete the application process. For detailed step by step instructions, please see the resources here: <https://apps.fas.usda.gov/atlas/>

How can an applicant find out a product's tariff classification?

You need to know the Harmonized Tariff Schedule classification of your product so you can apply for an import license matching your needs and to pay the appropriate duty. If you are not sure how your product is classified under the U.S. tariff system, you must contact the U.S. Customs and Border Protection (CBP) and obtain a classification ruling on your product. FAS does not have the authority to classify products for U.S. Customs purposes and cannot provide advice to the public on classification matters.

CBP maintains a robust FAQ regarding import and export questions:
<https://www.cbp.gov/trade/basic-import-export>

Is an import license the same as a health certificate?

An import license is not a health, labeling, or sanitary certificate, which may also be required to import dairy products. The U.S. Food and Drug Administration (FDA) has information on health and sanitary requirements for imported dairy products.

For more information, visit FDA's website: <https://www.fda.gov/food/guidance-documents-regulatory-information-topic-food-and-dietary-supplements/imports-exports-guidance-documents-regulatory-information>

Who can provide information about health and labeling standards for imported dairy products?

Find more information at <https://www.fda.gov/food/guidance-documents-regulatory-information-topic-food-and-dietary-supplements/labeling-nutrition-guidance-documents-regulatory-information>

Where can importers obtain information on livestock disease and quarantines in foreign countries?

Find more information at: <https://www.aphis.usda.gov/aphis/ourfocus/animalhealth/animal-and-animal-product-import-information> or email at: APIE@usda.gov

Whom should I contact for information about the Dairy Import Assessment fee program?

For information about the Dairy Import Assessment fee program, please contact:

John M. Galbraith
(202) 720-6909
Agricultural Marketing Service, Dairy Program
United States Department of Agriculture

Find more information at: <https://www.ams.usda.gov/rules-regulations/research-promotion/dairy>

