

## **PRESS STATEMENT**

### **NCTO Applauds Deal Between Democrats and Administration on USMCA; Urges Swift Congressional Passage**

WASHINGTON, DC – The National Council of Textile Organizations (NCTO), representing the full spectrum of U.S. textiles from fiber through finished sewn products, welcomes the deal on the U.S.-Mexico-Canada Agreement (USMCA) between the administration and House Democrats and urges the administration and Congress to get the deal across the finish line.

“We are happy to hear a deal has been reached that should help pave the way for USMCA to move forward and we will continue to work for Congressional passage on a clean bill,” said NCTO President and CEO Kim Glas.

“The new USMCA makes several [improvements](#) that would greatly benefit the U.S. textile industry and bolster our \$20 billion in annual trilateral textile and apparel trade,” Glas added. “U.S. textile exports alone to Canada and Mexico—the industry’s top two export markets—totaled \$12 billion last year, underscoring the importance of the trade deal to the industry’s Western Hemisphere supply chain as well as its growth and investment in the U.S.”

The USMCA updates and modifies the North American Free Trade Agreement (NAFTA) and makes significant improvements, including:

- Creation of a separate chapter for textiles and apparel rules of origin with strong customs enforcement language.
- Stronger rules of origin for sewing thread, pocketing, narrow elastics and certain coated fabrics. Under the current NAFTA, these items can be sourced from outside the region – USMCA fixes this loophole and ensures these secondary components are originating to the region.
- Fixes the Kissell Amendment Buy American loophole, ensuring that a significant amount the Department of Homeland Security spends annually on clothing and textiles for the Transportation Security Administration is spent on domestically produced products.

NCTO is a Washington, DC-based trade association that represents domestic textile manufacturers, including artificial and synthetic filament and fiber producers.

- U.S. employment in the textile supply chain was 594,147 in 2018.
- The value of shipments for U.S. textiles and apparel was \$76.8 billion in 2018.
- U.S. exports of fiber, textiles and apparel were \$30.1 billion in 2018.
- Capital expenditures for textile and apparel production totaled \$2.0 billion in 2017, the last year for which data is available.

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