

# United States Senate

WASHINGTON, DC 20510

November 13, 2023

The Honorable Troy Miller  
Office of the Commissioner  
U.S. Customs and Border Protection  
1300 Pennsylvania Avenue N.W.  
Washington, DC 20004

Dear Acting Commissioner Miller:

We write today seeking your attention to an urgent issue of trade enforcement with significant impacts on the livelihoods of Americans and our partners in Central America. Recent reports of textile and apparel mill closures in the United States raise serious concerns as the lack of effective customs enforcement has been cited repeatedly as a key factor contributing to declining demand.

When the United States Congress acts to approve a trade agreement, it does so with the understanding that the agreement will support fairer trade, higher standards, and mutually beneficial economic growth. This understanding is dependent on robust and consistent implementation and enforcement of the agreed upon obligations.

This is particularly true with respect to commitments concerning the U.S. textile and apparel industry facilitated by the Dominican Republic-Central America FTA (CAFTA-DR) and the United States-Mexico-Canada Agreement (USMCA). The United States is a significant producer of high-quality cotton. It has a well-established and sophisticated spinning industry, as well as thread, fabric, and other textile and apparel producers. Regional partners in Central America, including Costa Rica, El Salvador, Guatemala, and Mexico, have developed a cut and sew industry that employs thousands of workers and complements U.S. production. The rules and benefits established by CAFTA-DR and USMCA provide the environment for a robust and integrated regional textiles and apparel supply chain that has, in turn, developed and supported production across numerous product categories and price points, while avoiding unnecessary climate emissions. This type of win-win partnership is what U.S. trade agreements should be delivering.

Absent robust oversight and enforcement, these same trade preferences can create a temptation to circumvent rules of origin or otherwise utilize cotton, yarn, or textiles from non-partner countries. Moreover, insufficient enforcement can create a pathway for banned Xinjiang cotton to infiltrate regional supply chains and undermine efforts to enforce the Uyghur Forced Labor Prevention Act (UFLPA). For this reason, robust and consistent enforcement of the origin and content rules in U.S. trade agreements, along with the longstanding U.S. ban on products made with forced labor, is essential to securing this supply chain and guaranteeing workers, businesses, and consumers the benefits bargained for in CAFTA-DR and USMCA.

However, U.S. Customs and Border Protection's (CBP) textiles trade enforcement data suggests a significant decline in enforcement activities in recent years. For instance, on-site trade preference verifications appear to have declined significantly since 2018, when CBP personnel

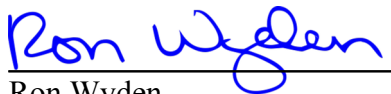
visited 139 factories. In 2022, only 38 such inspections occurred.<sup>1</sup> These public statistics also suggest a decline in audits, laboratory analysis, and special enforcement operations. In addition to U.S. trade enforcement efforts, education and information sharing with FTA partner countries is also critical for securing this supply chain. While CBP does not release public information with respect to such government-to-government efforts, it's our hope and expectation that CBP is continuing to devote significant capacity to these engagements.

As the U.S. textile and apparel industry is facing a number of unprecedented challenges including inflationary pressure, supply chain disruptions, and unfair competition from products made with forced labor, we ask that you confirm to us in writing an intent to prioritize textile enforcement related to CAFTA-DR and USMCA in the coming year. Moreover, we ask that you consider:

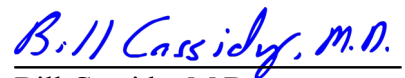
- Significantly increasing on-site and surprise verifications of textile facilities in the CAFTA-DR and USMCA regions;
- Providing technical assistance and information sharing arrangements with customs authorities in the CAFTA-DR and USMCA region to root out materials made with forced labor or country of origin labeling concerns that may ultimately be bound to the United States; and
- Improving targeting of illicit or fraudulent shipments by providing a Spanish language version of e-Allegation and asking governments, companies, and NGOs in the region to share information regarding this reporting portal.
- Conducting a comprehensive review of existing enforcement authorities and penalties for textiles and apparel, and create a strategic plan that outlines how CBP will maximize its existing tools and resources to ensure full compliance with CAFTA-DR, USMCA, and other relevant trade rules.

Thank you for your attention to this important matter. We stand ready to assist as needed.

Sincerely,



Ron Wyden  
United States Senator  
Chairman, Committee on  
Finance




Bill Cassidy, M.D.  
United States Senator

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<sup>1</sup> <https://www.cbp.gov/trade/priority-issues/textiles/textile-enforcement-statistics>.



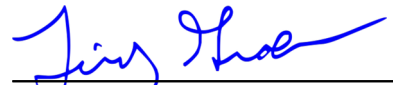
Mark R. Warner  
United States Senator



Thom Tillis  
United States Senator



Tim Kaine  
United States Senator



Lindsey O. Graham  
United States Senator



Sherrod Brown  
United States Senator



Tim Scott  
United States Senator