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October 22, 2025

The Honorable Howard Lutnick Secretary of Commerce U.S. Department of Commerce 1401 Constitution Ave. NW Washington, D.C. 20230

Dear Secretary Lutnick:

On behalf of the National Cotton Council (NCC), I am writing to request that you restore duty-free trade on CAFTA-DR qualified textile and apparel products, which is a critical export destination for U.S. cotton farmers and the textile industry. The NCC is the central organization of the United States cotton industry. Members include cotton farmers, ginners, cottonseed processors and merchandizers, merchants, cooperatives, warehousers, and textile manufacturers. There are approximately 14,000 American cotton family farms that produce the critical raw material that supports a domestic textile industry which employs over 471,000 U.S. workers. Seventy percent of annual U.S. textile industry exports are shipped to USMCA and CAFTA-DR countries as qualified goods. This supply chain relies heavily on U.S. components to compete directly against Asian suppliers.

All segments of the U.S. cotton industry from farmers to textile manufacturers are strongly aligned in support of duty-free status for qualified trade in cotton and textiles for the CAFTA-DR countries. We would also strongly support penalizing non-qualified trade from CAFTA-DR at a higher percentage to offset any revenue loss. The U.S. cotton industry exports the equivalent of 1.7 million bales of U.S.-produced cotton, cotton yarns and cotton fabrics. The raw fiber and semi-processed textile goods are transformed into textile and apparel finished goods that are exported to the United States. Under duty-free trade for qualified goods, the CAFTA-DR countries represent growing markets for both U.S. cotton farmers and U.S. textile manufacturers. Removing duty-free trade threatens the cotton and textile industries in the U.S. and the countries in the CAFTA-DR region.

Currently, U.S.-CAFTA-DR trade is down 8 percent, while Asian supply chains for textile and apparel are up double digits. Diminishing the CAFTA-DR market through reciprocal tariffs exacerbates the severe economic conditions facing the U.S. cotton farmers and textile companies we represent.

Thank you for your strong support for U.S. cotton farmers and all segments of the cotton and textile industry.

Sincerely,

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Gary M. Adams

President & CEO

National Cotton Council