

**Comments of the National Cotton Council**  
**November 19, 2025**

Re: *Docket No. USTR–2025–0006*, Comments Concerning Action Pursuant to Section 301:  
Nicaragua’s Acts, Policies, and Practices Related to Labor Rights, Human Rights and  
Fundamental Freedoms, and the Rule of Law

On behalf of the National Cotton Council (NCC), thank you for the opportunity to submit these comments. By way of this submission, the NCC expresses its support of the comments submitted by Gildan Activewear Incorporated.

The NCC is the central organization of the United States cotton industry. Members include producers, ginner, cottonseed processors and merchandizers, merchants, cooperatives, warehouse, and textile manufacturers. Much of the industry is concentrated in 17 cotton-producing states stretching from California to Virginia. U.S. cotton producers cultivate between 10-14 million acres of cotton with production averaging 12-20 million 480-lb bales annually. The downstream manufacturers of cotton apparel and home furnishings are in virtually every state.

All segments of the U.S. cotton industry from farmers to textile manufacturers are supportive of duty-free status for qualified trade in cotton and textiles for the CAFTA-DR countries. We also strongly support penalizing non-qualified trade from CAFTA-DR at a higher percentage to offset any tariff 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.

The NCC is fully aligned with USTR’s goal of ensuring that America’s trading partners do not violate labor rights, human rights, and the fundamental freedoms of their citizens. We are deeply concerned about the findings of the investigation regarding the human rights violations of the Ortega-Murillo regime. To combat these practices, the NCC supports targeting non-CAFTA-DR-qualifying apparel products, as well as certain CAFTA-DR-qualifying apparel goods exempt from the yarn-forward rule of origin. However, we urge USTR to exempt qualifying trade that fully complies with the yarn-forward rule of origin, thus ensuring stability in the U.S.-linked supply chains in the Western Hemisphere.

Further, we commend President Trump for reaching framework agreements with Guatemala and El Salvador that remove reciprocal tariffs on CAFTA-DR qualified trade from the two countries. We encourage similar outcomes with Honduras and the Dominican Republic in order to further preserve the growing two-way trade in this hemisphere.

Thank you again for the opportunity to submit these comments. NCC looks forward to working with USTR to address unfair trading practices and improving the long-term economic health and competitiveness of the U.S. cotton and textile industry.