



PRESS RELEASE

NCTO CEO Tells U.S. International Trade Commission Unfair Trade Practices of 5 Asian Apparel Sourcing Countries Mirror Those of China and Hurt U.S. Textile Industry

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WASHINGTON – The rise in U.S. imports from five Asian apparel producing countries with ultra-low cost pricing structures and ties to China must be scrutinized closely to bring about a recalibration of U.S. trade policies and mitigate the damage to the vital domestic textile supply chain, National Council of Textile Organizations (NCTO) President and CEO Kim Glas told the U.S. International Trade Commission (USITC).

Glas testified before the USITC today as part of research the Commission is conducting on the export competitiveness of Bangladesh, Cambodia, India, Indonesia, and Pakistan. The findings will be included in a report titled “Apparel: Export Competitiveness of Certain Foreign Suppliers to the United States,” which the Commission will submit to the U.S. Trade Representative’s Office.

“While the domestic textile industry is a key contributor to the U.S. economy and critical part of the military and public health industrial base, our sector is facing a crisis of historic proportions as the result of rapidly deteriorating market conditions coupled with unchecked foreign predatory trade practices and diminished customs enforcement activities,” Glas said in her testimony. “Building up to and coinciding with the economic depression that our industry is now facing has been the ascent to top supplier status of the five countries that are the subject of today’s hearing.

“This is no coincidence, and it is imperative to understand and document what makes them so competitive, as well as how this growth has impacted domestic production

and the larger Western Hemisphere production chain, to inform the necessary U.S. policy response and recalibration,” she added.

“Unethical cost reduction practices and predatory trade activities plague global textile and apparel production and markets,” Glas said, pointing to the Rana Plaza garment complex disaster in Bangladesh in 2013 that killed over 1,100 people and injured 2,500, as well the most recent U.S. Department of Labor’s *List of Goods Produced by Child Labor or Forced Labor* released in September 2023, which listed four of the five countries currently under review.

To reverse the current trajectory of this import surge and stop the damage to the U.S. textile industry, Glas recommended the following:

- **Reject proposals to expand Generalized System of Preferences (GSP) product coverage to textiles or apparel**
- **Close the De Minimis tariff loophole**
- **Dramatically ramp up customs and trade remedy activities**
- **Address predatory trade behaviors with effective penalties to deter unfair practices**

See a link to the full testimony [here](#).

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NCTO is a Washington, DC-based trade association that represents domestic textile manufacturers.

- U.S. employment in the textile supply chain was 538,067 in 2022.
- The value of shipments for U.S. textiles and apparel was \$65.8 billion in 2022.
- U.S. exports of fiber, textiles and apparel were \$34 billion in 2022.
- Capital expenditures for textiles and apparel production totaled \$2.27 billion in 2021, the last year for which data is available.

CONTACT:

Kristi Ellis

Vice President, Communications

National Council of Textile Organizations

kellis@ncto.org | 202.281.9305