

USMCA Cross-Border Impact:

Textiles

- Revised Rules Incentivize the Use of Regional Inputs**
Expanding of markets for U.S. producers of sewing thread, narrow elastic fabrics, pocketing, and coated fabrics from within North America.
- Restructured Tariff Preference Levels (TPLs)**
Reduces some TPLs for U.S. imports from Canada and Mexico, while substantially increasing TPLs for U.S. exports to Canada of apparel and other finished textile goods, which will provide significant new export opportunities for U.S. manufacturers.
- Updated Rules of Origin Flexibility**
Revised rules allow manufactures to use textile inputs not generally available in North America and increases the de minimis percentage of non-originating inputs allowed in qualifying goods from 7 to 10 percent.
- New Customs Enforcement Provisions**
Strong, new textile-specific enforcement procedures will help to prevent circumvention and fraud.