

December 30, 2024

Ambassador Esteban Moctezuma Barragán Mexican Ambassador to the United States 1911 Pennsylvania Avenue NW Washington, DC. 20006

Delivered via electronic mail

Subject: Concerns regarding recent changes to Mexico's IMMEX program and textile import regulations

Dear Ambassador Moctezuma:

On behalf of the Border Trade Alliance, we write to express our deep concerns regarding the recent changes to Mexico's IMMEX program and the introduction of new tariffs and restrictions on textile imports. While we fully respect Mexico's sovereign right to manage its textile and apparel sector, we believe that these sudden and unilateral actions have significant implications for North American trade and the broader USMCA partnership.

The BTA has always supported policies that promote fair trade and economic cooperation across the United States, Mexico, and Canada. However, such drastic changes as those outlined in President Claudia Sheinbaum's recent decree should be undertaken in consultation with North American trade partners. Collaborative dialogue ensures that adjustments align with USMCA principles and mitigate unintended disruptions to regional supply chains.

We understand the legitimate concerns surrounding *de minimis* allowances and the need for reform to address perceived imbalances. The BTA welcomes the opportunity to contribute to these discussions in a manner that preserves small businesses' ability to engage in cross-border trade while safeguarding the integrity of USMCA agreements.

However, we are concerned that the immediate implementation of these measures is already disrupting the North American supply chain, increasing costs for businesses, and creating uncertainty for consumers. Reports from our members indicate that these new provisions are being applied to goods originating in the United States, a practice that appears to contradict the intentions of Mexico's decree and violate USMCA commitments.

The North American textile and apparel industries have built a robust partnership based on predictability, stability, and competitive pricing. Abrupt regulatory changes threaten to undermine these pillars at a critical time when the region faces global economic pressures.

We urge the Mexican government to pause these measures and engage in a thorough consultation process with stakeholders from all USMCA member countries. Such collaboration will ensure that trade policies protect the interests of the Mexican textile sector while preserving the strength and resilience of our shared economic partnership.

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The Border Trade Alliance remains committed to working closely with your government and other stakeholders to achieve a balanced and mutually beneficial outcome. We appreciate your attention to this matter and look forward to fostering continued collaboration between our nations.

Sincerely,

Pete Sepulveda, Jr. Chairman

Border Trade Alliance

Britton/Mullen

President

Border Trade Alliance