

PRESS RELEASE//

SMART Secures Big Win on Used Clothing Origin Rule in U.S. - El Salvador Agreement

The Secondary Materials and Recycled Textiles Association (SMART) is pleased to announce that our advocacy efforts have helped secure an important change in how used clothing classified under HTS 6309 will be treated when entering El Salvador under CAFTA-DR, as reflected in the recently announced Agreement on Reciprocal Trade between the U.S. and El Salvador.

This effort was driven by concerns raised directly by SMART members importing product into El Salvador, who reported that local officials had indicated used clothing did not qualify for preferential treatment under CAFTA-DR because it did not meet traditional rules of origin. These interpretations created uncertainty and barriers for legitimate secondhand trade.

In response, SMART's ITAC representative Eric Warshaw and SMART's Vice President of Government and External Affairs Jessica Franken worked doggedly on this issue for more than a year. Recognizing the wheels of government frequently turn very slowly, they engaged repeatedly with U.S. trade officials at the Office of the United States Trade Representative the U.S. Department of Commerce to explain the realities of the reuse and recycling sector and the need for a more workable approach.

As a result of this sustained engagement, the updated agreement now provides that used clothing qualifies for preferential treatment based simply on being exported from the United States, eliminating previous, flawed and burdensome origin requirements.

The timing for entry into force remains unclear, as both countries must complete various legal and administrative reviews and exchange diplomatic notes confirming their respective approvals. Nevertheless, the recent announcement by the Trump Administration is a strong indicator that the agreement is imminent.



This outcome represents a meaningful win for SMART members and reflects the value of THE ASSOCIATION OF WIPING MATERIALS, USED CLOTHING AND FIBER INDUSTRIES coordinated, long-term industry advocacy. We will continue to monitor implementation and keep members informed as developments unfold.

You can view the official USTR announcement, the text of the agreement and fact sheet here:

<https://ustr.gov/about-us/policy-offices/press-office/press-releases>

The Secondary Materials and Recycled Textiles Association (SMART)

<https://www.smartasn.org>