

September 22, 2010

Carlos Quintana Special Counsel for Trade and Labor Office of the United States Trade Representative (USTR) 600 17th Street, NW Washington, DC 20508

RE: Docket Number USTR-2010-0023, Request for Public Comment on CAFTA-DR Consultation Request Regarding Guatemala's Apparent Failure to Effectively Enforce its Labor Laws, *Federal Register*, August 23, 2010, Volume 75, Number 162, Pages 51869-51870

To Whom It May Concern:

Thank you for providing us this opportunity to provide this written submission for use in the U.S. government's CAFTA-DR consultation request regarding Guatemala's enforcement of its labor laws.

The American Apparel & Footwear Association (AAFA) is the national trade association representing the apparel and footwear industries, and their suppliers. Our members produce and market sewn products throughout the United States and the world. In short, our members make everywhere and sell everywhere, including Guatemala.

Our members value greatly the reputation they have with their customers. While quality, style and value do play vital roles in selling clothes and shoes to our customers around the world, it is the reputation of our members' brands – and what those brands represent to consumers – that truly enable our members to sell clothes and shoes.

At the same time, because the footwear and apparel industries are so laborintensive, we are usually the first non-agricultural industries to be established in most developing countries. Consequently, our members feel that we have a responsibility to the lives of those that we touch in these countries. The employment in our sector provides new economic opportunities in these countries where none previously existed.

As a result, our member companies are fully engaged in ensuring that the apparel and footwear we produce are manufactured under lawful, humane and ethical conditions. Our association's mission statement, developed in 2001, reinforces

this strong commitment by stating that AAFA should focus on "Ensuring that individuals employed in the sewn products industries are afforded opportunities, and are treated with fairness and respect."

Guatemala today is the 15th largest supplier of apparel to the United States, exporting over \$1.1 billion worth of apparel to the U.S. market in 2009.

As such, I write to express our industry's concern regarding the issues raised in the April 2008 AFL-CIO petition and in the subsequent January 2009 progress report issued by the U.S. Department of Labor.

Our members have worked closely with their suppliers in Guatemala, and elsewhere, on a daily basis to tackle labor issues. This is an ongoing process that not only builds on past successes but also recognizes future challenges.

Our industry's strong support for CAFTA-DR was predicated in large part on the fact that CAFTA-DR established a mechanism to resolve labor disputes in an effective, predictable and transparent manner.

Therefore, we look forward to working hand in hand with all interested stakeholders, not only the U.S. government and interested non-governmental organizations (NGOs), but with the Guatemalan industry and the Guatemalan government as this process advances.

With this in mind, we urge the U.S. government to actively engage our industry and publicly share information at every step in the consultation process. Further, we urge the U.S. government to regularly consult with the U.S. industry on the development of any eventual action plan that may arise from the current process.

Thank you for your time and consideration in this matter. Please contact Nate Herman of my staff at 703-797-9062 or nherman@apparelandfootwear.org if you have any questions or would like additional information.

Please accept my best regards,

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Kevin M. Burke

President & CEO