

**IMPLEMENTATION OF THE UYGHUR FORCED
LABOR PREVENTION ACT AND THE IMPACT ON
GLOBAL SUPPLY CHAINS**

HEARING
BEFORE THE
**CONGRESSIONAL-EXECUTIVE
COMMISSION ON CHINA**
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IMPLEMENTATION OF THE UYGHUR FORCED LABOR PREVENTION ACT AND THE IMPACT ON GLOBAL SUPPLY CHAINS

TUESDAY, APRIL 18, 2023

CONGRESSIONAL-EXECUTIVE
COMMISSION ON CHINA,
Washington, DC.

The hearing was held from 10:04 a.m. to 11:41 a.m., in room 2360, Rayburn House Office Building, Washington, DC, Representative Christopher Smith, Chair, Congressional-Executive Commission on China, presiding.

Also present: Senator Jeff Merkley, Co-chair, Congressional-Executive Commission on China, and Representatives McGovern, Steel, Wexton, Nunn, and Zinke.

OPENING STATEMENT OF HON. CHRISTOPHER SMITH, A U.S. REPRESENTATIVE FROM NEW JERSEY; CHAIR, CONGRES- SIONAL-EXECUTIVE COMMISSION ON CHINA

The hearing will come to order. I want to welcome everyone to this very first hearing of this Congress on the implementation of the Uyghur Forced Labor Prevention Act, a truly landmark piece of legislation—bipartisan legislation—that has the potential to alter the dynamic of our ongoing struggle with the People’s Republic of China. But only if it’s implemented faithfully and properly.

And make no mistake about what the stakes are in the struggle against the Chinese Communist Party. Not something anodyne like a simple “strategic competition.” Rather, we are in a survival struggle with a dictatorship and an authoritarian state that seeks global hegemony and the fundamental displacement of the United States and the liberal economic order throughout the world. To that end, the PRC will take advantage of the Western world’s liberal trade regimen, while utilizing forced labor to give itself an unfair trade advantage, all with the ultimate objective of imposing its governance model upon the rest of the world.

We have known for years that the PRC has used forced and prison labor. Indeed, I knew this as far back as 1991, when former Congressman Frank Wolf, a Member from Northern Virginia, and I, went to Beijing Prison No. 2 and found that at least 40 Tiananmen Square activists were being forced to make jelly shoes and socks for export to the United States. We asked for, and got, from the warden there—his name was Warden Zhou—samples that we brought back and got to the customs authorities, and said, this was being made by Tiananmen Square activists, human rights ac-

tivists, and therefore, it is violative of the Smoot-Hawley Act. He put an import ban on it and the place closed. Of course, they just moved their operations elsewhere, but it showed that when you have information that is actionable, we can have an impact on the Chinese Communist Party.

There was some personal satisfaction that we had from that, but again, not that much practical effect, and as to impacting the PRC's policy of utilizing forced labor, it was next to zero. In this case, we had evidence and a unique set of circumstances. I would point out that both George Herbert Walker Bush, then followed by Clinton and others, used to brag about how we had a memorandum of understanding, an MOU, with the Chinese Communist Party that if we thought something was being made through slave labor, we would bring it to them, they would investigate and tell us what the results of their investigation were.

I remember meeting with some of the people in customs at our embassy in Beijing. And some of you may remember years ago, there was an ad with the Maytag repairman—they made their washing machines so well that they never had any work. They were always idle because there was no work. Well, these two customs officers reminded me of the Maytag repairman. They had nothing to do because nobody had actionable information that they could bring forward. So the MOU, while it sounded great as a talking point and at hearings, and the Clinton people trumped it up every time, I said, Not worth the paper it's printed on! We have to be able to investigate, not them. And of course, there was no implementation.

And that's the genius of the Uyghur Forced Labor Prevention Act. The burden is no longer upon the good men and women of the CBP to prove that goods have been made by forced labor, but upon importers to prove that goods made in Xinjiang and elsewhere are free from the taint of forced labor. We know now that the CCP, under Xi Jinping, has declared war on the Uyghur people, labeling them as terrorists who must be destroyed root and branch. As a matter of fact, during the debate on the floor, I quoted where Xi Jinping himself said, "show no mercy" to the people in that region. And they have shown absolutely no mercy.

This has led to massive detentions of more than a million people, maybe many more, of Uyghurs, many of whom are forced to work and are subjected to horrific human rights abuse including forced sterilization, forced abortion and, indeed, forced organ harvesting. You recall a bill that I had introduced—passed the House just a few weeks ago—putting a heavy focus on trying to combat that heinous crime of organ harvesting. And along with the Falun Gong, we now know that the Uyghurs are being targeted to have their organs stolen, to literally put them on an operating table and take out one to three of their organs in a terrible, terrible procedure. These human rights abuses are what the legislation is designed to combat.

We know from reports released yesterday in advance of this hearing that CBP has seized over \$961 million worth of goods since last June. This is an important start, as is CBP's holding of a Tech Expo for industry last month and its launch of a dashboard to track trade statistics. As Co-chair Merkley and I, joined by Rank-

ing Member McGovern—who just joined us, and I will yield to him momentarily—and Senator Rubio stated in a letter addressed to the Department of Homeland Security last week, we do remain concerned over the lack of full transparency that would enable Congress to evaluate the efficacy of implementation.

We're also concerned as to whether the rebuttable presumption standard is being fully implemented, and whether goods that are initially detained are subsequently being released without congressional or public reporting. We have questions as to why the robust entity list of bad actors that the legislation requires remains so spartan. We also question whether CBP is utilizing technology, such as isotopic and DNA testing, to its fullest to identify goods produced in the Xinjiang Uyghur Autonomous Region.

Finally, we also question whether goods produced by forced labor outside of the autonomous region are being captured. We have been working with Homeland Security to follow up on well-founded reports that work gloves sold under the Milwaukee Tool label in venues such as Home Depot are indeed produced by prison labor, at a prison in Hunan province, to be precise.

Going forward, we will be taking a closer look at companies such as Milwaukee Tool and their alleged profiteering from forced labor, just as we have highlighted the role of Thermo Fisher Scientific in genetic data collection that enables repressive practices in both Xinjiang and in Tibet, and more nefariously, has been implicated in finding DNA matches from organ harvesting victims.

It is our hope as a Commission that the legislation will prick the consciences of corporate actors. Some of our testimony clearly suggests that they're getting that message—that we mean business, the administration and Congress, and that is a good message for them to get. We encourage them to scour their supply chains and make sure they are free from the taint of forced labor, and not to engage in transshipment to other countries either, where it is the same good just with a different statement of origin.

Finally, it is my hope that the corporate actors will respond very favorably and will embrace this wholeheartedly, raising the cost of doing business in the PRC. It is also our hope that bottom-line concerns will motivate companies to do the right thing. Finally, for those who are incorrigible and seek to skirt the law, we will seek enforcement action and bring public scrutiny to bear.

I'd like to now yield to my good friend and colleague, Mr. McGovern, for any opening comments he might have.

**STATEMENT OF HON. JAMES P. MCGOVERN,
A U.S. REPRESENTATIVE FROM MASSACHUSETTS**

Well, thank you, Mr. Chairman. Thank you for scheduling this hearing. I look forward to hearing the testimony of our witnesses on the implementation of the Uyghur Forced Labor Prevention Act, its impact on global supply chains, and how we might improve its implementation.

On a personal note, as the author of the House legislation on the Uyghur Forced Labor Prevention Act, I want to thank my partner in this legislation, Senator Rubio, and fellow ranking member and my good friend and colleague Senator Merkley, for his leadership.

And, of course, to Chairman Smith, not only for his leadership on this, but for, again, organizing this important hearing.

This group of bipartisan Members of the House and Senate I think demonstrates the strong bipartisan support that this issue has received in both the House and the Senate. Since the UFLPA was signed into law, we have seen significant efforts by Customs and Border Protection (CBP) and the multiagency Forced Labor Enforcement Task Force, the FLETF, to implement the bill. As the lead enforcement agency, CBP has been a strong ally in its implementation. The law itself recognizes that implementation is multi-sectoral. It requires engagement, cooperation, and action by CBP, but also by the private sector, including importers, and by NGOs, which have research and monitoring capabilities.

Last week, the CECC chair, co-chair, and ranking members—namely, Congressman Smith, Senator Merkley, Senator Rubio, and I—wrote to DHS Under Secretary Robert Silvers, who chairs the Forced Labor Enforcement Task Force, to request more information on certain key aspects of the law's implementation to date. Due to the timing of today's hearing, neither CBP nor DHS was able to appear and provide their views and insights on implementing the legislation. I look forward to a future hearing where we can hear about their experience and suggestions for how to pursue comprehensive enforcement.

The Uyghur Forced Labor Prevention Act was a targeted response to a specific, very serious human rights problem—the widely documented intentional use of forced labor in the Xinjiang Uyghur Autonomous Region of China. The use of forced labor is one of a set of interrelated policies implemented by the People's Republic of China against Uyghurs and other largely Muslim Turkic peoples in the region that, taken together, likely meet the legal definition of crimes against humanity and genocide. In the law, “forced labor” means all work or service which is exacted from any person under the menace of any penalty for its non-performance, and for which the worker does not offer himself or herself voluntarily—a definition first applied in tariff law in the 1930s.

But section 3 of the bill, which establishes a presumption that the input prohibition applies to all goods mined, produced, or manufactured in the Xinjiang Uyghur Autonomous Region represents a new, even revolutionary approach to protecting human rights. Basically, instead of presuming that the norm is that human rights violations are not committed, the Uyghur Forced Labor Prevention Act presumes the opposite, that the standard practice is that rights violations are committed.

This presumption is grounded in research that found that, one, the use of forced labor is pervasive in the Xinjiang region and two, because there's a lack of transparency and independent investigations and audits, it is impossible to distinguish between industry and manufacturing that involves forced labor and that which does not. So the law establishes an appeals process that allows a company to make the case that its goods are not produced with forced labor. But to do so, the company must provide clear and convincing evidence that they are not.

There are several issues that merit attention as we review the implementation of the bill, which my colleagues have noted in their

opening remarks, so I'm not going to repeat it. But as the implementation of the Uyghur Forced Labor Prevention Act advances, there will be lessons learned that may lead Congress to tweak the bill or related law. But it's worth repeating that the prohibition on importing goods made with forced labor is longstanding. And what this bill provides is a new approach and new tools for enforcement.

So the interest in improving enforcement is here to stay. It's also important to remember that while the operational aspects of the bill are clearly focused on the Xinjiang Uyghur Autonomous Region, the statement of policy in the law is broader, namely, to lead the international community in ending forced labor practices wherever such practices occur, through all means available to the United States Government. American consumers should not have to wear clothing, or footwear, or eat food, or use devices made by forced labor—wherever it occurs. American companies should not profit off of forced labor.

In brief, Mr. Chairman, I believe the vigorous, successful implementation of the Uyghur Forced Labor Prevention Act can establish not just a model but a roadmap on how to address forced labor everywhere. And I think I speak for everybody here who is involved in drafting this bill and fighting for it, that this is not a check-the-box initiative. I mean, this is serious. And all of us up here, Democrats and Republicans, are interested in making sure that it is enforced and is implemented faithfully. And we will continue to monitor that.

So with that, I thank you, Mr. Chairman. I yield back my time.

Chair SMITH. Thank you very much, Jim.

I'd like to now yield to the co-chairman of this important Commission, Chairman Merkley.

STATEMENT OF HON. JEFF MERKLEY, A U.S. SENATOR FROM OREGON; CO-CHAIR, CONGRESSIONAL-EXECUTIVE COMMISSION ON CHINA

Chairman, thank you very much. The Uyghur Forced Labor Prevention Act is a testament to why the Congressional-Executive Commission on China exists. Horrified by the evidence documented by the Commission's tireless researchers that the products of slave labor reach American shelves in vast quantities, the four most recent chairs of this Commission acted. And coming from the Senate side, a special recognition to Senator Rubio, who partnered in the bipartisan effort on the Senate side.

On a bipartisan and bicameral basis, we introduced, advocated for, and passed landmark legislation that sent a resounding and unequivocal message that the United States would not stand idly by as the world witnesses the evils of genocide and the evils of slave labor. This law, the Uyghur Forced Labor Prevention Act, aims to target China's ability to profit from genocide, hold corporations that trade in products of forced labor accountable, and protect American consumers from being unwitting accomplices in these horrors.

In the 16 months since it became law and 10 months since its key provisions went into effect, the UFLPA has made a difference. As we'll hear today, it's put businesses on notice that they can no longer claim that it's too difficult to trace their supply chains.

Armed with substantial new resources provided by Congress, U.S. Customs and Border Protection now devotes unprecedented attention to investigating those supply chains and stopping problematic imports. As a result, direct exports from Xinjiang have plummeted and businesses are changing their practices to speed up production capacity elsewhere in the world, increasing the diversification and sustainability of their supply chains.

But as much as we've accomplished, it's only the tip of the iceberg. Compliance with this law requires a paradigm shift. It requires companies to be vigilant in the same way we expect them to guard against bribery and corruption and money laundering. Companies that resist compliance or look to exploit loopholes need to be held accountable. The U.S. Government's Forced Labor Enforcement Task Force needs to implement the law even more aggressively, with particular attention to transshipment of Xinjiang-origin goods via third countries. Congress needs to make sure these efforts are fully funded and that any gaps we identify are plugged.

Countries around the world need to take their own actions to make sure that the purveyors of forced labor can't just send their goods elsewhere. That action by other countries is needed to avoid bifurcated supply chains that allow companies to sell clean products in the United States and turn around and pocket the proceeds of tainted forced labor products elsewhere. It's a big challenge to implement a law, and it's a big challenge to implement this law with the complexity of international trade. But we owe it to the millions of exploited Uyghurs and other ethnic minorities in China.

And as my colleague mentioned, this isn't just about China. This is about taking on this issue and setting a model for how we deal with it around the world. We owe it to American consumers who don't want to be part of the economic machinery of genocide, and to the businesses doing the right thing who want to play on a level playing field. It is an honor and a responsibility to take on this task in partnership with my colleagues on both sides of the House and both sides of the aisle. Thank you, Mr. Chairman.

Chair SMITH. Thank you very much. Thank you very much, Chairman Merkley.

I'd like to now yield to Ryan Zinke, former Interior Secretary and a distinguished Member of Congress.

**STATEMENT OF HON. RYAN ZINKE,
A U.S. REPRESENTATIVE FROM MONTANA**

Thank you, Mr. Chairman. It is my honor to serve in this, I think, important committee. Let's just call China what it is. China's the largest polluter of emissions. We know that. Ninety percent of the world's plastics come from four rivers in China. And there are islands in the Pacific that are larger than 800 kilometers in diameter. They're the largest offender of illegal fishing. And I'm deeply concerned about our reliance, and their monopoly on, critical minerals and components of the emerging EV world. In particular, I'm concerned about our reliance on cobalt, nickel, and critical minerals that China has either a monopoly on, or control of, and is using forced labor to acquire. The allegations and substantiated documentation of organ harvesting—I can think of no crime that is worse.

So let's call China what China is. And let's work for a bipartisan solution to address the human rights, for humanity, and our country. And America, by the way, leads. For those that doubt, I would suggest you look otherwise. But America leads. And this is an important effort to expose, identify, and create solutions that matter. So with that, Chairman, I yield back.

Chair SMITH. Thank you very much, Mr. Zinke.
Ms. Wexton.

**STATEMENT OF HON. JENNIFER WEXTON,
A U.S. REPRESENTATIVE FROM VIRGINIA**

Thank you, Mr. Chairman. A U.S. Customs official recently referred to America and its current de minimis policy as our country's "free trade agreement with China." Just last week, the co-chairs and ranking members of this Commission sent that letter to Under Secretary Silvers expressing concern over, among other things, the ability of CBP to enforce the UFLPA when de minimis shipping allows vendors to import goods without having to report basic data such as country of origin and manufacturer if the claimed value is under \$800. In that letter, this Commission's leadership points out that Chinese companies such as Shein and Temu raise concerns about direct-to-consumer purchases.

These two China-backed online retailers make up an enormous share of the U.S. market. From February 26th to March 26th, 2023, Temu and Shein came in first and fourth in the top five most downloaded apps in the U.S. across Apple's iOS Store and the Google Play Store, with over 10 million and 6.3 million downloads respectively. Shein was the most downloaded platform for beauty and fashion in the U.S. in 2022, with 27 million downloads. Shein has been accused of harvesting data on their customers and using it to manipulate their supply networks and to make products at lower cost than their competitors, fueled by underpaid and forced labor and raw materials from China.

In February, a bipartisan group of U.S. senators called on Shein's CEO to answer questions regarding findings by Bloomberg that garments shipped to the U.S. included cotton from the Xinjiang region in China. On Friday, the U.S.-China Economic Security Review Commission published an issue that further outlined Shein's concerning patterns and practices. All the while, Shein continues to exploit our current de minimis policy to sell billions of dollars' worth of goods to American consumers, evading customs requirements ranging from tariffs to forced labor protections along the way. In fact, the business strategy has been so successful that it now holds the largest share of the U.S. fast fashion market, beating out giants like Zara and H&M. What's more, Shein, recently valued at over \$100 billion, is aggressively raising capital and plans to execute an IPO before the end of this calendar year.

To conclude, it is imperative that we take action to mitigate Shein's exploitation of the current U.S. de minimis customs policy to ensure a fair and competitive marketplace. Additionally, we must ensure that companies and importers are absolutely committed to prioritizing human rights over profits. Thank you. I yield back.

Chair SMITH. Thank you very much, Ms. Wexton.

I'd like to now yield to my distinguished colleague, Mr. Nunn.

**STATEMENT OF HON. ZACHARY NUNN,
A U.S. REPRESENTATIVE FROM IOWA**

Thank you very much, Mr. Chair, and thank you to this bipartisan commission for coming together to speak on this very timely and important issue.

To the people of China, let us be clear. Here in the United States, we extend a hand in friendship. There is an on-ramp for us to work together and to have a successful future. But to the Communist Party of China, let us also be very clear. The exploitation, the bald-faced lies, everything from surveillance balloons to what they're doing within their own borders, will not be tolerated by the United States, and they must be held accountable to the same international norms the rest of the world is facing. I want to thank our panelists for being here today and providing the testimony so implicit in understanding what is happening inside Communist China today.

As we've witnessed through countless acts, China is a repeat offender of humanitarian rights violations. As a former senior intelligence officer, and after nearly two decades working as a counter-intelligence officer inside China myself, I've experienced firsthand what the Chinese intend to do both in their global threat as well as domestically to their own population. The Chinese government's treatment of ethnic minorities and forced detention of over a million Uyghurs in reeducation camps is yet another blatant violation by the Chinese government. And it's abundantly clear that China will do whatever it takes to achieve not only global domination but an infliction on its own people at any cost.

The Uyghur Forced Labor Prevention Act, as was well highlighted today by our Chairman, is an important step forward and provides a powerful tool to address the human rights abuses and to promote fair labor practices in the global supply chain and prevent goods produced within the Uyghur forced labor camps from entering our markets here domestically in the United States. Since enforcement began in June of 2022, Customs and Border Protection estimates it's detained alone nearly a billion dollars worth of products that were meant to be sold in the United States coming from these forced labor camps inside China. These were meant to be purchased by unknowing consumers and presented by the state-sponsored Communist Chinese government as a way to offload its billing.

Likewise, we've seen businesses shift their supply chain practices in order to retain access to the U.S. market, from corporations developing compliance and due diligence programs to ensuring that supply chains are free from forced labor around the world. But despite these efforts, industries attempting to enforce actions today still exist. One of the biggest challenges our companies confronted when trying to comply with the UFLPA is the lack of visibility into their supply chain and where it's coming from. We have become increasingly globalized in a complex network of supply chains, and the Chinese have used this to exploit and hide in plain sight where these sources are coming from. In China, companies are also responding to our actions here in the United States by shipping prod-

ucts to third countries and then finding a way to infiltrate U.S. markets, not unlike their production of core elements of fentanyl that are poisoning our streets.

The United States must be persistent in its efforts. And in this committee today, we are addressing exactly that. The long-term benefits of improving human rights and ethical practices in global trade are vital for a sustainable future for both the United States and our friends within China fighting against this. So let me be clear, my position on companies here in the West and around the rest of the world that are using forced labor camps in their supply chains, these companies also are complicit in China's blatant human rights abuses and should immediately develop compliance and due diligence programs to ensure that their supply chains are free of forced labor.

So with that, Mr. Chairman, I look forward to hearing from our witnesses and discussing the impact and the challenges of the UFLPA, as well as our steps in Congress to ensure that the Xinjiang Uyghur Autonomous Region is no longer the global epicenter of modern-day slavery. Thank you. And thank you for allowing us to participate in this.

Chair SMITH. Thank you very much, Mr. Nunn. I do want to thank you especially for the expertise you bring to bear, having lived there. We'll look forward to tapping that wisdom that you will bring to bear on this Commission. So thank you so much for that.

Michelle Steel, I believe, is online. I'm not sure if Michelle wanted to make any opening comments.

Ms. Steel.

**STATEMENT OF HON. MICHELLE STEEL,
A U.S. REPRESENTATIVE FROM CALIFORNIA**

Thank you, Mr. Chairman. Thank you for hosting this important hearing. The human rights abuses happening at the hands of the CCP should horrify every one of us. In 2021, Congress worked together and passed the Uyghur Forced Labor Prevention Act. I'm glad this Commission is reviewing the implementation, and we are working to ensure that we put an end to forced labor in the Xinjiang Uyghur Autonomous Region. Thank you to the witnesses for sharing with us your expertise on further congressional oversight and other changes needed to improve on this key issue. I just spoke this morning on the floor regarding the Vietnamese and the CCP's human rights violations. There are innocent people in prison because they are asking for freedom and democracy.

I want to ask Elfidar Iltebir—if I mispronounced it, I'm sorry. I also sit on the China subcommittee. I recently spoke with a survivor of the Xinjiang region who is now using her platform to raise awareness to the world. She shared emotional stories about women being raped and experiencing other types of sexual assault. Can you share about the living conditions and quality of life for Uyghurs?

Chair SMITH. Thank you. We're going to have the opening statements first and then go to questions, but I know that Elfidar will take that and respond to it, so thank you so much for your opening comments.

I'd like to now welcome our very distinguished panel, beginning first with Anasuya Syam. Ms. Syam is the human rights and trade policy director at the Human Trafficking Legal Center. She leads the Human Trafficking Legal Center's initiative on the U.S. Tariff Act and forced labor, with a focus on conducting investigations and submissions under the Tariff Act. She is the coauthor of the practice guide "Importing Freedom: Using the U.S. Tariff Act to Combat Forced Labor in Supply Chains," which provides advocates with the nuts and bolts of using the Tariff Act to halt goods made using forced labor from entering the United States. Ms. Syam received her bachelor's degree in law with honors from the National University of Advanced Legal Studies in India and graduated with a master's degree in international law from NYU School of Law. This is her first time testifying before Congress, and it won't be the last. So thank you, and we welcome you wholeheartedly.

We'll then hear from Laura T. Murphy. We'll do it by way of Zoom. She's a professor of human rights and contemporary slavery at the Helena Kennedy Centre at Sheffield Hallam University. She is the author of numerous books and academic studies on the subject of forced labor and human trafficking globally. Her current work focuses on forced labor in Xinjiang, including the automotive, solar, apparel, and building material industries. Her work is extremely useful to the CECC and she is joining us today from Greece, so great is her dedication. Thank you for joining us today.

We'll then hear from Kit Conklin, who is a nonresident senior fellow at the Atlantic Council's GeoTech Center and a global executive specializing in issues at the intersection of technology, commerce, and international security. In addition to his work with the Atlantic Council, Mr. Conklin is vice president at the research and data analytics firm Kharon. Mr. Conklin previously served in various national security positions within the U.S. Government. He holds an M.S. in emerging and disrupting technologies from the National Intelligence University and an M.A. from Middlebury Institute of International Studies. I'd also note that he delivered two keynote addresses at Customs and Border Patrol's tech expo just last month, which did a tremendous service in enlightening businesses that participated as to the dangers of sourcing goods made with forced labor in the PRC.

Finally, we'll hear from Elfidar Iltebir, who is the president of the Uyghur American Association, or the UAA. Ms. Iltebir was born in Xinjiang, also known as East Turkestan. She emigrated to the United States in 2000. She has a B.A. in marketing from George Mason University and over 20 years of marketing and project management experience. She has taught the Uyghur language to U.S. Government employees. The daughter of a prominent Uyghur writer and journalist, she is an active member of the Uyghur community and an outspoken human rights activist, and has provided important and valuable insight to this Commission and to other committees of Congress that deal with human rights—House and Senate. In the previous three years, she served as the secretary general of the UAA. She was elected president in May 2022. She is currently well known to those of us in DC. I would note parenthetically that her sister works for Senator Rubio, and we're glad of that, and she is here with us today.

Finally, I'd note that we've received a written submission for the record from Robby Saunders of the Coalition for a Prosperous America. And I ask, with unanimous consent, that it be included as part of the record.

I'd like to now yield to our first witness, Ms. Syam.

**STATEMENT OF ANASUYA SYAM, HUMAN RIGHTS AND TRADE
POLICY DIRECTOR, HUMAN TRAFFICKING LEGAL CENTER**

Chairman Smith, Co-chair Merkley, and distinguished members of this Commission, thank you for the opportunity to testify before you today on the implementation of the Uyghur Forced Labor Prevention Act, one of the strongest pieces of legislation ever enacted to tackle forced labor in global supply chains. We are here because we know that letting goods made using forced labor circulate freely in global markets is not only morally reprehensible, it also undermines fair trade and hurts local businesses and workers.

As one of the world's largest economies, the United States has significant leverage to make access to its markets contingent on the eradication of forced labor. We welcome this administration's proactive efforts to enforce the UFLPA. A good indicator of success is the way that enforcement, both under prior Xinjiang WROs and now the UFLPA, has catapulted forced labor into a serious compliance issue for companies and investors. Senior officials in the U.S. Government, including DHS Under Secretary Robert Silvers, underscored this change recently in the way forced labor is being perceived by the C-suite. According to Under Secretary Silvers, forced labor is now a top tier compliance issue. We agree.

Forced labor is no longer the provenance of weak codes of conduct or CSR measures. What changed? The advent of substantial legal and enforcement risk. Nevertheless, a few challenges do remain when it comes to UFLPA implementation. CBP's recently published UFLPA dashboard reveals gaps. Between June 2022 and April 2023, CBP targeted 3,588 shipments worth \$1 billion U.S., but only 490, or less than 0.13 percent, were actually denied entry into the U.S. market. The rest were either released into the U.S. or are currently pending review.

Apparel and textile products valued at just \$3 million make up 291 of the 490 shipments denied entry by CBP. These low detention numbers and low dollar value are concerning, especially when this sector is prioritized by the U.S. Government's implementation strategy. We also worry that CBP may be missing shipments containing inputs from the Uyghur region that enter the United States via third countries. CBP should have a specific strategy to address this issue, a critical element of which must be a robust program of onsite third-country verifications.

Another big gap is in the data around re-exportation. Of the 490 shipments denied entry, we don't know how many shipments were sent to Canada, Mexico, or another country. We need to ensure that these countries are not dumping grounds for goods denied by CBP. Re-exportation data is critical for civil society as we support international partners in advocating for similar import bans in other countries. The dashboard also shows thousands of shipments pending review. Many are currently mired in applicability reviews, a process by which importers can show that the UFLPA does not

apply to their shipments. The burden of proof applied by CBP in such reviews is much lower than the clear and convincing standard required to rebut the forced labor presumption. We need more visibility into the applicability review process to ensure that companies are not sidestepping UFLPA enforcement.

Another issue that has garnered a lot of attention recently, including among members of this Commission, is the de minimis loophole. Shipments under \$800 are exempt from duties and may enter the United States without formal entry documentation—a major impediment to collection of data necessary to enforce import bans. Last fall, Bloomberg News reported that Xinjiang cotton was found in apparel shipped by a major Chinese fast-fashion company to U.S. consumers. This confirmed what many had long suspected—companies, especially e-commerce platforms that rely on direct-to-consumer models, may be circumventing the UFLPA. We need to revise our de minimis provisions, including mandating the collection of supply chain data from shippers, to ensure that this is not exploited as a backchannel entry for goods made using forced Uyghur labor.

Many of these goods actually enter the United States via air or land transportation. Currently, only maritime shipping data is shared with the public. Public disclosure of all trade data is critical to our efforts to trace forced labor risks and facilitate enforcement. We call on Congress to mandate public disclosure of trade data involving all modes of transportation. The United States cannot act alone. There should be no safe harbor for goods made with forced labor anywhere in the world.

A patchwork of import ban laws with different standards will only frustrate enforcement. In the absence of international coordination, we run the very real risk of companies simply dumping these goods in other countries, especially our neighbors, Canada and Mexico. The USMCA requires each of the signatories to have import bans, but so far the U.S. is the only country implementing one. The U.S. should push Mexico and Canada to enact similarly robust bans on goods from the Uyghur region. We should also work with our G-7 and G-20 allies to ensure global adoption of import bans that are consistent with each other.

I will close by noting that we are at a pivotal moment in global trade, one where trade sanctions have become the norm in efforts to address forced labor across the supply chain. We acknowledge the enormity of the task before CBP and other agencies in the Forced Labor Enforcement Task Force. By addressing the gaps outlined in the testimonies today, along with a more robust forced labor enforcement strategy, we are confident that the U.S. Government can create the economic pressure needed to disrupt forced labor in China and around the world. Thank you.

Chair SMITH. Thank you so very much, Ms. Syam, for your testimony and your expertise.

I'd like to now yield to Laura Murphy, if she wouldn't mind signing on.

STATEMENT OF LAURA MURPHY, PROFESSOR OF HUMAN RIGHTS AND CONTEMPORARY SLAVERY, HELENA KENNEDY CENTRE FOR INTERNATIONAL JUSTICE, SHEFFIELD HALLAM UNIVERSITY

Thank you, Chairman Smith and Co-chairman Merkley, for convening this meeting, and thank you to the congresspeople who have supported the rights and freedom of Uyghur people. My name is Laura Murphy and I'm Professor of Human Rights at Sheffield Hallam University in the United Kingdom. I've studied forced labor globally for 20 years, and my work for the last three years has focused exclusively on the Uyghur region of China.

The Uyghur Forced Labor Prevention Act is indeed landmark legislation, as we've heard several times today. Those of us who study forced labor have long known that legislation of this kind is critical to ensuring the rights of workers in our global supply chains. It is disturbing to realize that it took a genocide for us to understand just how dire the consequences of our ignorance and inaction could be. It is commendable that the U.S. is the first to create legislation that levels real economic costs on the PRC government's state-sponsored forced labor program.

While we still have a long way to go before we intercept all products made in the Uyghur region, the UFLPA is indeed working as it was intended. In the short nine months that the UFLPA has been in effect, we have seen swift and decisive enforcement response and targeted funding allocations. This law has protected American consumers from unwittingly buying products that we know to be made in the midst of a genocide—in the shadows of a massive internment camp system—by people who are forced to leave their children, and parents, and land, and culture, and religion, and communities behind to work in the factories that make the things we buy.

Since the UFLPA went into effect, however, companies have not all responded enthusiastically. Many U.S. corporations lobbied to prevent the law from being passed and then fought to limit how it would be enforced and now are complaining that investigations are not convenient for them. Many companies still have their heads in the sand, hoping that their products will not be scrutinized. Some are shifting the burden of due diligence onto their suppliers, rejecting the responsibility and the costs of knowing the conditions of workers in their supply chains. They throw their hands up as if helpless as auditors in China are jailed, their offices ransacked, and they refuse to admit what is becoming increasingly clear, that there is no feasible way to verify labor standards compliance in the Uyghur region or of Uyghurs working outside the region. They care about the safety of their directly employed China-based personnel but do not worry about the Uyghurs who are at the end of their supply chains.

This all shows that companies across sectors must be compelled through rigorous enforcement to comply with the UFLPA. In China, we're seeing companies pretend to sell their Uyghur region factories, only to transfer them to executives within their own leadership team or family. They change the names of their subsidiaries to obscure their identities. They ship their products through other countries to mask their origin. They bifurcate their supply chains

so they can continue to sell goods in the U.S. market while selling Uyghur forced labor-tainted goods elsewhere in the world. Some of those companies are benefiting from Inflation Reduction Act incentives while continuing to operate or source in the Uyghur region.

The U.S. should prohibit companies from using U.S. Government incentives to expand their manufacturing in the United States while they continue to profit from Uyghur forced labor in China.

Our research team at Sheffield Hallam University has identified 55,000 companies operating in the Uyghur region. We have published in-depth investigations that have documented at least 150 specific companies for which there is significant evidence of participation in state-sponsored transfer of Uyghur labor. And yet, confoundingly, the UFLPA-mandated Entity Lists include only four of the companies we identified as offenders, and exactly zero new companies have been added to the list since the UFLPA was passed.

Under Secretary of Homeland Security Robert Silvers recently committed to expanding the Entity List. The U.S. Government needs to make the Entity List a priority, and make those lists as comprehensive as possible, per the mandate of the UFLPA. Congress should declare to the Forced Labor Enforcement Task Force (FLETF) that it must presume that all state-sponsored labor transfers in the Uyghur region constitute forced labor and that FLETF should add any company engaged in those coerced transfers of labor onto the lists. These lists will assist importers in ensuring that they know which suppliers to exclude from their sourcing.

Lastly, some international companies and governments are claiming the UFLPA is merely the product of a trade war between the U.S and China, in an attempt to justify their indifference. But the UFLPA is not a national security measure, like certain technology export restrictions. Nor is it a measure intended to offset economic injury to U.S. companies and workers, like anti-dumping and safeguard duties. The UFLPA fundamentally expresses U.S. support for internationally recognized human rights. It is crucial that the U.S. Government encourage our allies to align their laws to prohibit the import of forced labor-made goods. But this must not be conflated with policies intended to advance geopolitical or economic interests.

I'm pleased that we're having this hearing to review all that the UFLPA has accomplished and to consider what more we can do to lead the world in addressing this crisis. Even though Uyghurs continue to be forced to work in China, we in the United States should not be financing their suffering. Thank you.

Chair SMITH. Ms. Murphy, thank you very much for your testimony and your expertise being brought to bear on this important piece of legislation and next steps. Thank you for that.

I'd like to now yield such time as he may consume to Kit Conklin.

**STATEMENT OF KIT CONKLIN, NONRESIDENT SENIOR
FELLOW, GEOTECH CENTER, ATLANTIC COUNCIL**

Thank you and good morning. Chairman Smith, Chairman Merkley, distinguished members of the Commission, thank you for

the opportunity to speak with you this morning. I would like to start by saying that all views are my own.

As discussed by others, the UFLPA bans the import of goods or commodities from China produced with forced labor. Specifically, the UFLPA mandates a rebuttable presumption that assumes any products made wholly or in part in the Xinjiang Uyghur Autonomous Region, by any Chinese company on a U.S. list of entities involved in the use of forced labor, are made with forced labor and therefore banned from importation into the United States.

As Dr. Murphy discussed, reflecting the increased international consensus on the need to address forced labor, U.S. trading partners around the world have also enacted or are introducing legislation to ban products made with forced labor. These include the European Commission, Germany, France, Canada, Mexico, among other jurisdictions. Each of these bans similarly requires importing companies subject to the laws of these jurisdictions to engage in supply chain due diligence to identify and mitigate exposure. I think it's important to note that U.S. companies are not alone. Expectations are increasing around the world to address and identify forced labor exposure in global supply chains.

With respect to enforcement, CBP has stated that UFLPA detentions constitute less than 0.1 percent of goods imported into the United States. And since enforcement of the UFLPA began in June of last year, CBP has detained approximately \$1 billion worth of goods suspected of containing inputs made with forced labor in China. It's important to note, however, that CBP has prioritized enforcement relating to four goods—cotton, polysilicon, tomatoes, and aluminum.

The scope of the UFLPA, however, is much larger than these four prioritized commodities. For instance, billions of dollars' worth of raw materials, rare earth and critical minerals, and products are exported from Xinjiang each year, including a significant percentage of global lithium-ion batteries, 20 percent of the global production of calcium carbide, 10 percent of the global production of rayon, 9 percent of beryllium deposits—which, I should note, are a key rare earth mineral used for the production of satellite and aviation components—and 8 percent of global pepper production.

This matters because in addition to all of these raw materials and goods sourced from Xinjiang, the UFLPA also bans products made with forced labor in other provinces in China. Sometimes that's forgotten. Clearly, the scope of the UFLPA is broad, but CBP has been very explicit about the type of guidance that companies should consider with respect to compliance. The challenge of course though, is that the volume and scope of goods targeted under the UFLPA poses significant challenges for industry. Supply chains have become increasingly globalized, complex, and opaque. And the critical challenge for industry—to discover supply chain visibility and detect risk—is compounded by the Act's rebuttable presumption and a lack of a *de minimis* exception, that was discussed earlier.

This means that even an insignificant input of product produced in whole or in part with forced labor could result in an enforcement action. The global nature of supply chains further complicates compliance because CBP maintains the authority to detain goods im-

ported into the United States from third countries. And this gets to a core issue that's been discussed already this morning. Since the UFLPA enforcement began in June of last year, CBP has detained \$490 million worth of goods from Malaysia and over \$369 million worth of goods from Vietnam. To provide a bit of perspective here, CBP has only detained \$89 million worth of goods imported directly from China. These figures illustrate UFLPA transshipment risk and why the lack of a de minimis exception necessitates the need for due diligence in all suppliers, not just those located in China.

It should also be noted that beyond the four products categorized for high priority for enforcement, CBP has publicly stated that it is considering other product categories that will be subject to enforcement. Regardless of any possible further announced priorities, as some in industry have requested, CBP guidance issued in 2021 and then amended last year sets forth red flags for forced labor exposure for all categories of products that pose UFLPA risk.

These include things like labor transfers, supply chains connected to prisons, and any affiliates of the Xinjiang Production and Construction Corps. The amended guidance is very clear and states that UFLPA compliance requires supply chain mapping, the intelligence needed to identify and assess forced labor risk, training, and monitoring of suppliers, and that compliance is not static with UFLPA. It requires consistent and regular updates.

So what's the "so what"? Similar to industry responses when countering money laundering, sanctions, or anti-bribery compliance became priorities, CBP's enforcement posture is a major driver for the material investments industry is making to address UFLPA due diligence and compliance. And as CBP's budget and resources expand to counter the forced labor mission, many in industry are certain to adapt with increased senior management attention, and with support and budget for the technology and people needed to address risk.

In line with guidance, companies that make reasonable risk-based investments to identify risk should be positioned to identify UFLPA exposure and take measures to mitigate that risk. And as industry implements UFLPA compliance programs, global supply chains will evolve, as companies mitigate that risk and build resilience. Observers have already pointed to the UFLPA's impact on supply chains relating to green energy products, rare earth minerals, food items, and pharmaceutical precursors. Companies that have those goods prioritized for detention by CBP have already started to see their supply chains evolve.

In summary, compliance with UFLPA is complex. This is similar to compliance with anti-money laundering, sanctions, anti-bribery, and other regulations. Nonetheless, with senior management support and in line with guidance, effective risk-management programs can be established to identify UFLPA exposure and mitigate the risk of forced labor in global supply chains. As DHS Under Secretary Silvers recently stated, "over the years, things like anti-corruption and sanctions compliance have come to become standard pillars of corporate compliance programs. Forced labor needs to be one of those pillars as well."

Thank you for your time this morning.

Chair SMITH. Mr. Conklin, thank you very much for your testimony, your insights, and your leadership.
Ms. Iltebir.

**STATEMENT OF ELFIDAR ILTEBIR,
PRESIDENT, UYGHUR AMERICAN ASSOCIATION**

Thank you, Chairman Smith and Co-chair Merkley, and other honorable members of the Commission. Thank you for giving me the opportunity to speak at this hearing. My name is Elfidar Iltebir and I was born in East Turkestan, the Uyghurs' homeland where Uyghurs have been living for thousands of years and what China now calls the Xinjiang Uyghur Autonomous Region.

Like many Uyghurs, my family also faced persecution at the hands of the Chinese Communist Party. After waging more than six decades of repressive assimilationist policies to weaken and eliminate the Uyghur identity, the CCP under General Secretary Xi decided to implement the final solution and resorted to genocide in the 21st century. The CCP's ultimate goal is to completely annihilate the Uyghur identity and homogenize China's population by forcibly transforming Uyghurs into majority Han Chinese. To achieve this goal, the CCP has transformed the Uyghurs' homeland into a totalitarian surveillance state, detained millions of people in detention camps, forced labor camps, and formal prisons, and subjected Uyghur people to inhumane conditions including torture, sexual abuse, forced sterilization, forced labor, and forced separation of families.

The main point I would like to stress today is that the Chinese government's campaign of forced labor is a critical part of China's systematic oppression of the Uyghur people and ongoing genocide in the Uyghur homeland. The Chinese government's forced labor practices are tearing apart the fabric of Uyghur society, separating families and displacing them from their communities, stripping away their ethnic and religious identity, and leading to a reduction in the Uyghur population.

I want to share a quick story of my friend Kalbinur Gheni, who now lives around DC. In 2018, her sister Renagul was taken to a concentration camp for praying at her father's funeral and possessing Muslims' holy book. She was later sentenced to 17 years in prison and forced to work at the garment factory inside the prison. Her children were separated from her family. The Chinese government not only detained 12 other members of Kalbinur's family and sent them to a camp and later to the prisons, it has also been harassing her on U.S. soil for speaking out about her detained family members. She received threatening messages directly from Chinese police almost every week last year.

Many more members of the community have similar stories of loved ones being detained and exploited. This is one reason our community fought so hard for the passage of the Uyghur Forced Labor Prevention Act and why we continue to fight for its full enforcement. On behalf of Uyghur Americans, I'd like to take this opportunity to thank Senator Rubio, Senator Merkley, Representative Smith, and Representative McGovern for their leadership and to many others who were instrumental in passing the UFLPA. Thank you for refusing to make Americans complicit in China's genocide

against Uyghurs and for putting universal values of human rights and dignity above economic interest.

We were overjoyed with the passage of the UFLPA. We believed this new law would be a turning point to stopping China's genocide. We believed it would be a catalyst for greater awareness among businesses of the CCP's atrocities in the Uyghur homeland, that it would compel them to investigate and cut links to supply chains connected to Uyghur forced labor in the Uyghur homeland and across China. However, when I recently saw in my neighborhood grocery stores the red dates produced by the Bingtuan, which facilitates Uyghur forced labor, it felt like a slap in my face.

As a Uyghur American, every time I shop for clothing items, grocery items, or electronics, or when I look at cars or solar panels, I think about how many "Made in China" products may have been made by a loved one in my hometown. The human cost of this forced labor is why it is so important to ensure that the UFLPA is fully and rigorously implemented the way it is intended. As Uyghur Americans, we are prepared to contribute to the successful implementation and enforcement of the UFLPA. We may not be able to close the camps overnight, reunite our families this Ramadan, stop the Chinese government's mass sterilization of Uyghur women by the next U.N. session, and much more that we need to do to end this genocide, but as I sit here today, I can say with confidence that together we can stop products made with Uyghur forced labor from entering onto U.S. soil and make this genocide costly for China. We can be an example for our allies to implement similar laws so "Made in China" products tainted with Uyghur forced labor cannot enter any markets that value human beings and fair trade. If there is one thing I can ask of the U.S. Government, it would be to hold this Chinese government and affiliated entities accountable by imposing economic cost on Chinese officials and companies implementing, facilitating, and supporting this genocide.

The United States passed two pieces of historical legislation—the Uyghur Human Rights Policy Act, signed by the Trump administration, and the Uyghur Forced Labor Prevention Act, signed by the Biden administration. Yet as far as we know, no Chinese officials or entity has been sanctioned under these legislative authorities. Both administrations recognized China's atrocities as genocide. Yet U.S. businesses are still operating in the genocide zone, U.S. companies are still selling technology to Chinese companies implementing this genocide, and U.S. companies are still investing in Chinese companies supporting the Chinese government's genocidal policies.

We need to ensure that no American technology or investment is flowing to Chinese companies that are linked to China's genocide against Uyghurs, and no Chinese products tainted with Uyghur forced labor are entering our territory. Thank you.

Chair SMITH. Thank you so very much for your testimony and leadership as well.

We'll begin with a question to Ms. Syam, and Ms. Murphy may want to answer this as well. A group of executives from 20 companies, including Walmart, General Motors, and Intel have asked the U.S. Government to hide key import data. One of the changes the

group requests is to make data collected from vessel manifests confidential. Experts have argued that this would make it impossible to trace about half of the goods entering the United States. The group has also asked CBP to provide importers with advance notice whenever it suspects forced labor is being used, which activists have said endangers overseas whistleblowers. How do you view these proposed changes? What impact would they have on CBP's enforcement capability and on the ability of researchers, reporters, and the public to investigate forced labor in supply chains and to hold corporations accountable?

Ms. SYAM. Thank you for the question, Chairman Smith. In a nutshell, these proposals should be summarily rejected. Last year, the Associated Press reported on items from these corporate members of the Commercial Customs Operations Advisory Committee, or the CCOAC, where it revealed efforts to eviscerate existing customs transparency. And this customs transparency, what we have of it is very little. As noted in my testimony earlier, we only have access to maritime shipping data. And we know thousands and millions of shipments are entering the United States subject to both the U.S. Tariff Act and the Uyghur Forced Labor Prevention Act through air, land, rail, or road cargo.

We call on Congress to mandate the disclosure of all modes of trade data, including all modes of transportation. In fact, the Human Trafficking Legal Center led a broad-based coalition of civil society organizations and sent a letter to then-CBP Commissioner Chris Magnus requesting that the agency reject this highly problematic proposal. The letter was signed by 38 organizations, including the AFL-CIO. The letter noted that the trajectory should be for more transparency, not less. This information, this trade data from all modes of transportation, is critical to our efforts to trace forced labor risks across the supply chain.

Chair SMITH. Thank you. Ms. Murphy, did you want to respond to that?

Ms. MURPHY. I agree entirely with Ms. Syam.

Chair SMITH. Thank you. Let me ask you, on the de minimis issue, Ms. Syam, you pointed out that on average the U.S. receives 3 million uninspected de minimis packages per day. And in fiscal year 2022, the U.S. imported an estimated \$685 million in de minimis shipments. Is that a gaping loophole that needs to be closed?

Ms. SYAM. Thank you, Chairman, again for raising an important issue, and a loophole in UFLPA enforcement. This de minimis shipping environment is being used to circumvent the UFLPA. The Bloomberg report that showed that companies like Shein were using Xinjiang cotton in their low-value shipments being sent to the United States is a glaring example of this loophole.

We were encouraged by the letter from Senator Warren, Senator Cassidy, and Senator Whitehouse addressed to Shein's CEO on the de minimis issue and asking the company to reveal its supply chain and use of Xinjiang cotton. This is an important step, and we look forward to receiving the responses on this letter. The de minimis standard cannot be carte blanche for companies and for shippers to send whatever goods they want to U.S. markets, especially goods made using forced labor.

Chair SMITH. How confident are all of you that the applicability review is being done robustly? Are these companies able to prove “not made in Xinjiang” and “not made with forced labor”? Because there’s very little exposure of it by our own government, and they don’t report on it. And I’m wondering if that’s an area that we need to get much more information on.

Ms. SYAM. Definitely. We need more visibility into how CBP’s currently reviewing applicability reviews. Importers have the ability to contest UFLPA’s application on their shipments, and this is not subject to the disclosure requirements that are currently incumbent on those making requests to rebut the forced labor presumption.

So a lot of reviews that are currently happening under the UFLPA, thousands of these as the data dashboard will show—are showing that the imports have no connection to Xinjiang, and they’re not really rebutting the forced labor presumption. In fact, we need more visibility into these reviews, including how many were rejected, what the basis was for conducting these reviews, and the standards applied by CBP to conduct these reviews.

Chair SMITH. Let me ask you on the issue of transshipment—and, Mr. Conklin, you might want to speak to this, as you pointed out the \$490 million from Malaysia, the \$369 million from Vietnam—are these goods suspected to be made with slave labor, with gulag labor? And secondly, you did point out in your testimony a number of things—and, again, I thank all of you for your testimony—the polysilicon, which is obviously being used to make solar panels, which are growing, not diminishing, in demand. Are they being made in Vietnam, but really much of it’s coming from Xinjiang?

Mr. CONKLIN. Thank you for your question. Regarding transshipment risks, the UFLPA bans that raw material; any product that’s mined or manufactured in whole or in part in Xinjiang or with forced labor. So therefore even if a commodity is manufactured in a third country, if it contains that raw material, that’s representative of risk itself; therefore, it’s captured under the law as written.

Chair SMITH. I had some additional questions, but I’d like to yield to the co-chair, Senator Merkley.

Co-chair MERKLEY. Thank you very much, Mr. Chairman. This process of trying to strengthen enforcement of this law is really critical. You’ve all illuminated many aspects of it. I wanted to start, though, Ms. Iltebir, just with something that you mentioned in terms of your friend, Kalbinur Gheni, and her sister having been arrested and so forth, and that she is receiving threatening messages directly from Chinese police almost every week. Now, she’s living here in the U.S.?

Ms. ILTEBIR. Yes.

Co-chair MERKLEY. This issue of transnational repression is one that this body’s been trying to highlight, and we’re trying to greatly motivate the FBI to collect a lot more information about this Chinese effort, because it’s really suppressing free speech, free assembly, and just the freedom of living without threats. And it’s just so unacceptable. I’d like to follow up with you later in regard to that or other cases as to how we can strengthen the collection of data

and protect American citizens regarding transnational repression. And I just want to thank you for illuminating that issue.

Mr. Conklin, you mentioned the four priorities of cotton, polysilicon, tomatoes, and aluminum, but all these other products that come out are relevant as well. Does the U.S. Government have the ability to expand the list now, or do they kind of have to come up to speed and build the systems and then expand the list? And what are the next two or three things that should be added to that priority list?

Mr. CONKLIN. Thank you for your question, Senator.

The UFLPA gives CBP the authority to ban any raw material or any product. By prioritizing certain commodities for enforcement, it may send a signal that all of the other commodities are therefore not relevant or do not pose risk. I think the challenge that CBP and industry both now are facing is how to treat commodities that haven't been publicly identified for prioritized enforcement. So if CBP is concerned or interested in expanding those authorities, they already have the law on the books to detain any commodity, so there may not necessarily be a need to publicly prioritize extra commodity categories.

Co-chair MERKLEY. All right. Thank you. I've had the impression that they undertook those priorities in order to develop expertise in the type of investigations necessary to try to understand how those things flow, and with the huge breadth of commodities, I feel like they'd do nothing effectively if they were split over every product. So it kind of made sense to me originally, but with experience, I think the point has to be made that far more products need to be carefully examined. Thank you.

Ms. Syam, you mentioned in your testimony that 1,723 shipments that were suspected are still pending CBP review. Does that mean there's some set of warehouses around the country where there are 1,723 shipments sitting awaiting evaluation?

Ms. SYAM. It is my understanding that these shipments are either pending review from CBP, or that CBP is waiting for documentation from companies that have actually sent these shipments to see whether they are subject to the Uyghur Forced Labor Prevention Act. I'm not clear about the ultimate disposition of these goods.

Co-chair MERKLEY. But they've been seized. They aren't allowed to go through, those 1,723 shipments?

Ms. SYAM. Correct. The shipments that are pending have not yet been released into U.S. commerce.

Co-chair MERKLEY. Okay. And you mentioned that we should make sure that Mexico and Canada are not dumping grounds. And, Dr. Murphy, I think you also addressed the question of, you know, how we ensure that this isn't simply a bifurcated situation where we get the products made outside Xinjiang that can be documented, while other countries therefore get the products of slave labor. And it sounded like, from—Dr. Murphy, I think it was your testimony—that a number of other countries are working to establish similar laws. I'd like to get a little more clarity on how Mexico, Canada, and Europe are doing. Are they just considering the question or are some of them close to passing laws?

Ms. MURPHY. There are a number of different laws, each of which has very different clauses in them. And Ms. Syam is more on top of these things, as she's a lawyer, but I will say that the bills that are pending in the EU, for instance, are designed to stop import of forced labor-made goods in general once they enter the market, not at the border. And so that's a difference in their laws that are pending.

But I also think that one important difference is that it addresses forced labor globally, and not simply in the Uyghur region. It doesn't include a region-wide ban, which I think is something that needs to be a part of that bill, but there's also something aspirational about it, in that the law is meant to stop the import of any forced labor-made good, which is something that the U.S. is uniquely equipped with. And I think it's a surprise to people in the EU, for instance, that they don't have a law similar to the Tariff Act.

And so these laws are still being reviewed and discussed, and we're hopeful that they'll pass. But it's worrisome. I think that the U.S. Government needs to have its diplomatic strategy of the UFLPA. Real encouragement, real alignment and engagement with our likeminded partners about how to not just create the law but how to enforce it, because that's also a major concern of other governments.

Co-chair MERKLEY. Should the U.S. be holding a meeting of the trade ministers and experts from—at least from—at this moment, from Canada, Mexico, and Europe, to really push for a common alignment in terms of strategy?

Ms. MURPHY. Absolutely. And, you know, the laws are aligned, technically, on paper, but the enforcement strategy is not. And I think there needs to be significantly more communication of both strategy and data and information, because it is a monumental task the CBP is undertaking, and they could be doing it for the benefit of global partners, not simply for the United States.

Co-chair MERKLEY. Ms. Syam, do you want to add to that?

Ms. SYAM. Sure, thank you, Senator Merkley. Just to speak to the efforts currently underway within the USMCA context, Canada amended its customs tariff back in 2020 to include an import prohibition, but it's seriously lagging behind on enforcement. Media reports suggest that Canada has detained one shipment, which was subsequently released after a successful appeal by the importer. So we are concerned by the slow implementation from our neighbor.

Mexico, on the other hand, did announce its import ban in February 2023 and will begin implementing in May. So the time is right for the three countries to convene—the trade ministers—to ensure that we are aligned on the ways these import bans are going to be enforced, and specifically make sure that we take a region-wide approach to the issue of forced Uyghur labor. And, under Article 23.6 of the U.S.-Mexico-Canada Agreement, all three countries are obligated to identify and track the cross-border movement of goods made using forced labor.

Co-chair MERKLEY. Thank you very much. I just got informed the clock is malfunctioning, so my time is actually up, but I just want to close by saying that there are many ideas and thoughts you all have presented for us to follow up on in terms of pushing forward.

This Act is a really significant act, but it will be meaningless without really effective follow-up, and I want to make sure that our government doesn't simply kind of pretend to enforce it. And I know they'll face lots of pressure from different companies to not take too close a look or be too strong.

But when we are really blocking a significant number of shipments—and I was disturbed at how few have been blocked—I was disturbed that it sounds like many of them may have simply been then re-exported from the United States to other countries directly, meaning that we're having no impact, if that's the case. So there's a lot of work to be done. And thank you all.

Chair SMITH. Thank you, Co-chair Merkley.

I'd like to now yield to Michelle Steel. I believe she's still online.

Representative STEEL. Thank you, Mr. Chairman. I'm going to ask the same question of Ms. Iltebir. I also sit on the China subcommittee. I recently spoke with a survivor of the Xinjiang region who is now using her platform to raise awareness to the world. She shared emotional stories about women being raped and experiencing other types of sexual assault. Can you share about the living conditions and quality of life for Uyghurs?

Ms. ILTEBIR. Thank you. The recent condition of East Turkestan, China is that the genocide is still going on. Millions of Uyghurs are still in the camps. Because of the total control of the region, we don't get much information. China made cosmetic changes, you know, like fewer visible checkpoints on every corner, but surveillance cameras are everywhere, and everyone's phone has downloaded this app that allows the government to monitor everything they do daily. People are very scared. Most people are sent to remote prisons, even though China said that they were released. There is extrajudicial trial and the people are sent to prison, as I said.

Besides that, I think you mentioned what's happening to women, the sexual abuse and rape. China has been strategically targeting Uyghur women for decades. Before, the Uyghurs, especially women, were transferred to inner China to factories, so they can't give birth. They're away from their families. They can't marry. And even if they have children, they were far from their families so they cannot transfer their cultural, religious values, their identity to their children. When both parents were sent to camps and factories for forced labor, their children were sent to boarding schools, state-run orphanages, and kindergartens and raised as loyal subjects of the CCP. They were also stripped of their identity, their language, their cultural beliefs, and traditions. So that is the situation now.

Representative STEEL. Thank you so much. I want to ask Ms. Syam, last year actually I asked all the major sponsors of the Beijing Olympics to use their platform to raise awareness about the human rights abuse of the CCP, because they've been gathering billions of dollars from advertising. They could not use just a little bit of that money to let the whole world know exactly what the CCP's been doing to the Uyghurs. It's not just Uyghur minority communities but religious communities—Muslim, Christian, you name it.

And they're going after all these innocent people. And they are in the jails—and labor camps. Plus, all those families are sepa-

rated. I mean, you know, we cannot really ignore in this world that they are doing awful, awful things, that the CCP has been evil. Not a single company, interestingly, acknowledged my letter. Now, some of these same corporations might be trying to hide data related to Xinjiang forced labor. Can you share why we need transparency to ensure that products coming to the market aren't made with forced labor, because it has been prohibited? At the same time, what do we really have to do to expose what the CCP's been doing?

Ms. SYAM. Thank you for the question. I will try to briefly respond, and I'm sure the other witnesses maybe can add more insight. There's definitely an urgent need for companies to reveal—for us to have more visibility into—supply chains. And the UFLPA law is creating that expectation around traceability. With the UFLPA implementation strategy, and with CBP's guidance for importers, there are clear expectations on companies that import products, especially in the high-risk, the high-priority sectors, to trace their supply chains down to the raw material.

Now there are strategies that companies could be using to obfuscate their supply chains, and we need to investigate those very seriously. For companies in the U.S. that continue to tolerate forced labor in supply chains, we need to look at what other authorities exist. CBP has existing authorities to impose civil penalties on U.S. companies for continuing to import products made using forced labor. And CBP did do that once in 2020 by imposing a \$535,000 penalty on a U.S. company for importing the artificial sweetener stevia made using prison labor in China. We urge the agency to continue imposing these penalties, because they send a strong message to industry that CBP does not tolerate forced labor in supply chains.

Representative STEEL. Thank you very much. Mr. Chairman, I yield back.

Chair SMITH. Thank you very much, Ms. Steel.

Ms. Wexton.

Representative WEXTON. Thank you, Mr. Chairman. I want to thank the witnesses for being here with us today. Products made with forced labor have no place in the American marketplace, and I'm proud to be introducing the Uyghur Forced Labor Disclosure Act during this Congress. My bill would require publicly traded companies and those asking to issue trade securities on the U.S. exchanges to report any links to Xinjiang and forced labor, both as a condition of being registered and as a part of ongoing annual disclosures to investors.

In line with this legislation, and given the credible allegations made against Shein for its use of Uyghur and forced labor, and its intention to execute an IPO in the coming months, I also plan to lead a letter to SEC requesting that they require Shein to certify the company does not violate the Uyghur Forced Labor Prevention Act as a condition of its registration. At the same time, concerns exist that the audits of Chinese families and supply chains can be easily manipulated or falsified.

Ms. Syam, you talked a little bit about more things that we can do to help identify Uyghur forced labor in supply chains, particularly CCP-backed companies. But is there more that we can do,

given that the audits that often take place in that country are under pressure and are not really reliable?

Ms. SYAM. Thank you for that question. That's a very important point. We certainly believe that it is impossible to conduct due diligence in the Uyghur region. And there has been retaliation for those that attempt to do so. Thank you for your efforts on investment and making sure that U.S. companies are not complicit. We do need to compel divestment from these problematic supply chains.

And as noted in my testimony, and as Ms. Iltebir noted earlier, we do need to have a whole-of-government approach to addressing this issue. And there are tools that are complementary to the import restrictions under the Uyghur Forced Labor Prevention Act and the Tariff Act, including the economic sanctions or Magnitsky sanctions, as well as the export controls from the Department of Commerce. So I encourage a whole-of-government approach and the use of these complementary tools.

Representative WEXTON. Anybody else have any suggestions about other things we can do in order to combat this use of forced labor?

Ms. ILTEBIR. I think there should be a cost for China. We need to impose cost penalties for the willful violations of this law. And also, I believe we should reduce the de minimis rule so China can't continue to profit from the genocide, from the Uyghur forced labor. Bingtuan products, for example, are still on the shelves. And UHRP's report showed, you know, all the linked companies to Uyghur forced labor. Those companies should be sanctioned. The companies that do business with Bingtuan should be sanctioned.

Representative WEXTON. Very good segue there, because I wanted to ask about the loopholes in the de minimis rule and the way that they can get around the rules, and particularly as it relates to CCP-controlled companies, like Shein. They may be headquartered in Singapore or elsewhere, but these companies control an enormous share of the U.S. market. Should Congress require the CBP to collect more information on the de minimis shipment?

Ms. ILTEBIR. For the de minimis rules, I think Ms. Syam or Laura Murphy is more expert on this. But we know that China is taking advantage of this rule and separating their shipments into smaller amounts, and still, you know, sending, and we are receiving, those deliveries.

Representative WEXTON. Dr. Murphy, do you think that there's a way to crack down on de minimis shipments and maybe to also aggregate them in some way for other consumers?

Ms. MURPHY. I do think that more data and more accurate data should be required for de minimis shipments. But I welcome the disclosure legislation that you're describing here. And I also share Congresswoman Steel's concern that companies are not willing to be more public about their ethical commitments. They're more concerned about the retaliation of the Chinese government than they are about the moral outrage or even the penalties in the United States.

And so it's clear that we need some kind of penalty regime within the UFLPA that makes it more costly to not comply with the UFLPA than it is to just stick your head in the sand and hope you

don't get enforced against, which is what is essentially happening now, whether it's for de minimis packages, companies that are operating through that mechanism, or for other companies that are at the moment not receiving a ton of scrutiny just yet.

I'd also say that creating more funding for the creation of the Entities List, for the expansion of the Entities List, would be important. This is something that Congress could do. And I also think that adding priority sectors, as we discussed earlier, could be a route to informing the import community of additional high-priority sectors that the Chinese government has incentivized moving out to the Uyghur region.

We don't have to guess what the Uyghur region is producing. We don't have to say that it's every single thing that's coming in that we have to inspect. In fact, the Chinese government produces annual and every-five-year directives telling the Uyghur region government what to produce and gives incentives to companies to move out to the region.

And so we know that, for instance, critical minerals are high on their list, steel and aluminum are high on their list. And these are critical to our infrastructure and to the creation of practically every product that we make. Cotton is not the only textile that they're making there, but they're making viscose and all kinds of synthetic polyester, these kinds of things. So we can name those products as priority sectors, the ones that we know the Chinese government is incentivizing in the Uyghur region. So these are some of the things that we can do to sort of make the UFLPA enforcement more robust.

Representative WEXTON. And that's why the whole burden shifting—putting it on the producer to prove that it's not the product of forced labor—is so important in the Uyghur Forced Labor Prevention Act, isn't it?

Ms. ILTEBIR. I would like to add to that that a secondary sanction bill should be introduced—reintroduced, because that is, we believe, going to fix the loopholes and the gaps of the first bill.

Representative WEXTON. One of the things that's so disturbing about this is that not only the Chinese companies but the U.S. companies kind of view it as the cost of doing business, right? So as long as they can make more money, they're perfectly content to look the other way on forced labor. That shouldn't be happening in this country at all.

Mr. Conklin, is there anything else that we can do at CBP to improve the way that we're enforcing the law?

Mr. CONKLIN. I think the comments about a whole-of-government approach to the UFLPA and to forced labor are spot on. You have a whole variety of other government agencies that have a history with export controls, sanctions; there's guidance and all sorts of good policies that have come out that could be applied for this context. But I think the ideas posed by others on the panel are perhaps the way to start.

Representative WEXTON. Thank you very much. Mr. Chairman, I see my time is expired and I yield back.

Chair SMITH. Thank you very much, Ms. Wexton.

I'd like to just ask one or two final questions, and then if you have any additional questions, Ms. Wexton, I'd gladly yield, or Ms. Steel.

First, the whole idea of the de minimis being \$800. As you pointed out, Ms. Syam, 3 million uninspected de minimis packages per day. I mean, who even knows if those packages are \$800, or \$2,000, or \$1,500? Who knows? I mean, they're uninspected. When did the number get raised to—I mean, who set \$800 as a de minimis number? Was it done by administrative? I don't recall it being in the bill. Yeah, OK, my understanding is that it used to be \$200, and now it's been raised. I mean, \$800 is a lot of money. But it's uninspected, so it could be much more. How do we rein that in?

Ms. SYAM. Thank you, Chairman Smith, for your interest in this topic. I think we do need to pay attention to what data points we can collect from de minimis shippers and also closely scrutinize this de minimis shipping environment. Right now, CBP is piloting an 86-type entry commercial entry process as part of its customs enforcement. But this is a voluntary measure. Companies can choose not to follow and disclose details of their supply chain. So we need to make collection of certain specific data points, including country of origin, value, the tariff, DHS classification, part and parcel of the de minimis shipping environment.

Chair SMITH. How big are these packages? I mean, we know that we couldn't stop fentanyl coming in for years. It's still coming in, obviously, in huge amounts. Who's even looking?

Ms. SYAM. Yes, that is a big concern. A lot of these packages, as I mentioned earlier in my testimony, could be coming by mail, through express courier services. And one strategy to circumvent this could also be to break down bigger packages into shipments under \$800, into many shipments. And this is what we are concerned that companies are doing to circumvent the law.

Chair SMITH. Right. I would hope that CBP would at least take an aggressive look at some of this to find out whether or not we're all being duped, and that all kinds of goods are coming in illegally, made with slave labor and forced labor, and right under our nose. So this is an area we really need to focus on, I think, big time.

Let me ask you, Ms. Murphy, you said that your research team has identified 5,500 companies operating in the Uyghur region. In your opinion, should they all—or most—be placed on the Entity List? And if not, what is the best approach for using the Entity List as a tool and a signal?

Ms. MURPHY. Thank you for that. Yes, we've identified 55,000 companies operating in the Uyghur region.

Chair SMITH. Sorry.

Ms. MURPHY. Thirty-three hundred in the textile industry alone. We have this data. We've shared this data with U.S. Government agencies, various agencies. And I think that probably ideally I would like to see all 55,000 companies that are operating in the Uyghur region named in the Entity List because if we presume that forced labor dominates the region under the UFLPA, we're presuming that all companies that operate in the region should be having their goods stopped, and therefore they should be added to the Entity List.

It has been suggested to me that this is a lot of companies to add to the list, but I have some ideas for how we might start to add companies to the list in a way that is robust and vigorous but also gives companies enough information to be able to begin to exclude the suppliers that we know are the worst actors. The FLETF can start by adding companies that are state-owned operations that have been instrumental in the development of the labor transfer programs.

Some of these companies have transferred 5,000 people to their own facilities alone. Some of these state-owned enterprises have run training centers that they call universities that are closed, they're locked down. People are not allowed to leave. And then those people are summarily transferred to factories all over the region. These companies are egregiously bad actors, and they are not on our Entities List. And we have this information. It is my suspicion, based on media reports about what's getting stopped, that CBP is in fact stopping goods made by some of these companies, but importers don't know necessarily who those companies are, and they could know if they were added to the Entity List.

It's also possible to add all of the textile companies that we know to be operating in that region, because then companies could then link them to—or importers could link them to—their parent companies so that they can pressure the parent companies to move out of the Uyghur region, to stop sourcing from the Uyghur region. Otherwise, importers don't actually know who these companies are that are most connected to the Uyghur region and are sourcing from there. There are companies that are named that are engaged in the critical minerals sector, in the automotive sector, that we know to be actively involved and to have an import nexus to the United States. Those companies should absolutely be added to the UFLPA Entity List as well.

It wouldn't take that long, because civil society has produced significant research really unpacking all of the evidence that is out there. And many groups like mine have handed this data over to the U.S. Government, and we publish reports about them. And so there's more than enough information in the public sphere now to really vigorously add more companies to the Entity List, to be a signal to the Uyghur community and to advocacy groups that the UFLPA Entity List is being taken seriously, but also to show the import community where they can begin the process of eliminating forced labor-made goods.

Chair SMITH. Thank you so very much for that excellent answer and recommendation.

Let me ask Mr. Conklin, should all fast-fashion goods from Temu be subject to a rebuttable presumption? And should the app be banned because of privacy concerns, like TikTok?

Mr. CONKLIN. Thanks for your question. I don't know the data piece with Temu, so I'm not really in a position to provide too much guidance on that, but with respect to what products should be banned from importation into the United States, I would just note that regardless of what the company is, regardless of how much the shipment costs, there is a law on the books that bans all products manufactured in whole or in part with forced labor. So if a com-

pany or a supply chain is tainted with that, then the law should, I believe, apply.

Chair SMITH. Before we close, if you have any final comments you'd like to make, any of our distinguished witnesses, or Ms. Wexton, or Ms. Steel?

I do want to point out that yesterday I sent a letter to Chairman Xi Jinping asking to visit the Uyghur region. I based it on an email a diplomat in the Chinese embassy here in Washington sent to my office after the legislation, the Stop Forced Organ Harvesting Act, passed, which was my bill. And I spoke very strongly on the floor about it. And I think it's an outrage beyond words that they are murdering young Uyghur men and women, average age 28, in order to steal their organs, one to three per person.

And this Minister-Counselor for Congressional Affairs in Washington, Zhou Zheng, stated—and this is his quote from the email—“China fully protects the rights and interests of all ethnic minorities, including Uyghurs in Xinjiang, and the living standards and human rights protections of all ethnic groups continue to improve.” I wrote and said I'd like to lead a delegation there and get a visa to go there. Hopefully we can get a week or 10 days to really do a full-scale trip there.

And I am especially buoyed by the hope—the Chinese Foreign Ministry spokesperson welcomed foreigners to visit Xinjiang to “see with their own eyes.” He was asked in a March 27th press conference if China would be willing to provide a U.S. congressional delegation to the region. And he said the door to Xinjiang is always open and that people from all countries are welcome to visit. And so in my capacity as chairman, I've written to Xi Jinping asking him to approve that visit. So stay tuned.

My hope is that it will be approved. It would be a very serious, serious undertaking. I hope that we would have unfettered access to the camps and to talk to officials there and, above all, to talk to individual Uyghurs without any fear of retaliation. And there is precedent for that that I've worked on in the past, where you get prior approval with regard to that. But to see for ourselves—they're saying they have nothing to hide; well, let us come and we'll pick dates when we're not in session, and my colleagues and I will travel there. So hopefully that comes to fruition.

And so if any of you have any final comments before we close? Well, thank you so very, very much for your insight, your written testimony, and your oral presentations were extraordinary. And it really does help us significantly in providing a path forward as to what our next steps should be. We're deeply, deeply grateful. The hearing is adjourned.

[Whereupon, at 11:41 a.m., the hearing was concluded.]

A P P E N D I X

PREPARED STATEMENTS

PREPARED STATEMENT OF ANASUYA SYAM

Chairman Smith, Co-Chair Merkley, and Members of the CECC: It is an honor to testify today before the Congressional-Executive Commission on China (CECC), and address the implementation of the Uyghur Forced Labor Prevention Act (UFLPA), which entered into force nearly ten months ago. My name is Anasuya Syam, and I serve as the Human Rights and Trade Policy Director at the Human Trafficking Legal Center, a non-profit organization that fights for systems change to end human trafficking. Addressing forced labor in global supply chains is central to our mission. The organization works to shine a light on the system failures that allow forced labor to flourish. We fight for accountability from traffickers, from governments, and from corporations.

Since 2019, the Human Trafficking Legal Center has been raising awareness¹ on the role trade law and policy—specifically import prohibitions—can play in creating financial and legal consequences for companies and governments that tolerate forced labor. Civil society organizations have made common cause to press for robust enforcement of import controls under Section 307 of the U.S. Tariff Act of 1930, as well as under the Uyghur Forced Labor Prevention Act (UFLPA). Import bans send a strong signal to industry and—in the case of state-imposed forced labor like in Xinjiang—governments, that they simply cannot profit from forced labor. In 2020, the Human Trafficking Legal Center, in partnership with nine other organizations, filed a petition² with U.S. Customs and Border Protection (CBP) requesting a region-wide import ban (a Withhold Release Order or WRO) on cotton products from Xinjiang (“Uyghur Region”). CBP responded by issuing a WRO³ against Xinjiang cotton and cotton products in January 2021, one of the broadest import prohibitions against forced labor ever issued (before the UFLPA).

Multiple coalitions support aggressive enforcement of Section 307 and UFLPA. The Human Trafficking Legal Center serves as the Secretariat for the Tariff Act Advisory Group (TAAG), a coalition of non-governmental organizations dedicated to enforcement of import bans against forced labor. The organization is also a member of the Coalition to End Forced Labour in the Uyghur Region,⁴ a group of 60+ civil society organizations, investors, and trade unions united to end state-sponsored forced labor and other egregious human rights abuses against people from the Uyghur Region in China.

Companies have been on notice about forced labor in the Uyghur region from the time the first Withhold Release Orders (WROs) against the region were issued by U.S. Customs and Border Protection (CBP) in 2019,⁵ if not before. That was four years ago. There is a mountain of evidence, publicly available, on the PRC’s forced labor policies in the Uyghur region. Even today, many Uyghurs, Kazakhs, and members of other ethnic groups continue to be arbitrarily detained and held in forced labor in Xinjiang and elsewhere in China.⁶ Less than a month ago, two courageous survivors of Chinese detention camps provided first-hand testimony to a House panel, about the abusive prison-like conditions and forced “re-education” they suffered in Xinjiang.⁷

Many Uyghurs and other Turkic and/or Muslim-majority peoples are coerced into producing textiles, electronics, car parts, toys, solar panels, polyvinyl chloride (PVC), and other products for domestic and global consumption. Recent reports from the Sheffield Hallam University⁸ reveal hundreds of global brands that are implicated in forced Uyghur labor. My fellow witnesses testifying on this panel today will cover the details of the policies in Xinjiang and the supply chains that are implicated. My

¹ <https://htlegalcenter.org/sdm—downloads/importing-freedom-using-the-u-s-tariff-act-to-combat-forced-lab-or-in-supply-chains/>

² <https://investorsforhumanrights.org/news/human-rights-groups-call-us-regional-ban-imports-china-made-uyghur-forced-labor>

³ <https://www.cbp.gov/newsroom/national-media-release/cbp-issues-region-wide-withhold-release-order-products-made-slave>

⁴ <https://enduyghurforcedlabour.org/>

⁵ <https://www.cbp.gov/newsroom/national-media-release/cbp-issues-detention-orders-against-companies-suspected-using-forced>

⁶ <https://www.dol.gov/agencies/ilab/against-their-will-the-situation-in-xinjiang>

⁷ <https://www.washingtonpost.com/opinions/2023/04/09/uyghur-camps-china-gulbahar-haitiwaji/>

⁸ <https://www.shu.ac.uk/helena-kennedy-centre-international-justice/research-and-projects/all-projects/forced-labour-lab>

remarks will focus on the implementation of the Uyghur Forced Labor Prevention Act (UFLPA).

UFLPA is a powerful tool to confront a significant problem: preventing goods made with Uyghur forced labor from entering the U.S. market. No one should reap profits on the backs of forced Uyghur labor. Allowing goods made using forced labor to circulate freely in global markets is not only morally reprehensible, it also significantly undermines fair trade and hurts local businesses and workers. Governments, policy makers, companies, civil society groups, and other stakeholders have a collective responsibility to ensure that we do not continue to be implicated in forced labor. Uyghurs and other persecuted groups deserve better. Consumers deserve better. As one of the world's largest economies, the United States has significant economic leverage and influence to push companies to eliminate forced labor in their supply chains, or risk losing access to U.S. markets.

We are very encouraged by the U.S. Government's continued commitment to prioritize forced labor and the enforcement of import prohibitions. The inter-agency Forced Labor Enforcement Task Force (FLETF)'s release of the UFLPA implementation strategy⁹ on June 17, 2022, was an important first step. That strategy provided a blueprint for the law's enforcement and created expectations around traceability. There is no doubt that the UFLPA is already making waves in global supply chains and changing business practices.

These changes are a direct result of CBP's enforcement actions at U.S. ports—through shipment inspections, detentions, and seizures of goods made with forced labor. According to official data recently published,¹⁰ between June 2022 and April 2023, U.S. Customs and Border Protection (CBP) stopped more than 3,588 shipments with suspected links to Xinjiang at U.S. ports of entry. However, only a small percentage (less than 13%) of these shipments were denied entry into U.S. commerce.

In a letter addressed to Department of Homeland Security (DHS) Under Secretary Robert Silvers a few weeks ago, members of this Commission, including Representative Smith and Senator Merkley, highlighted a few gaps in UFLPA implementation.¹¹ We agree that more can be done. I'd like to address the impact of the UFLPA and outline a few specific challenges. These include gaps in UFLPA enforcement based on insights from recently published data, the issue of low-value shipments evading customs scrutiny, the need for more trade data transparency, and finally, the importance of pushing our international allies to adopt similar region-wide bans to address the forced labor situation in Xinjiang.

From the perspective of the Human Trafficking Legal Center, a good indicator of progress is in the way enforcement (both under prior Xinjiang WROs and the UFLPA) has catapulted forced labor into a serious compliance issue for companies and investors. Never before has forced labor achieved this level of attention from the C-suite. In September 2022, DHS Under Secretary and FLETF chair Robert Silvers, in an interview with the Wall Street Journal,¹² underscored this change in the way forced labor is being perceived by corporate management. According to Under Secretary Silvers, "[F]orced labor belongs in the same breath as Foreign Corrupt Practices Act (FCPA)." We agree. The message from the top is clear—forced labor is a "top tier" compliance issue. It is no longer the provenance of weak Codes of Conduct or Corporate Social Responsibility (CSR) measures. What changed? The advent of substantial enforcement risk.

In CBP's latest "Trade News Snapshot" publication, CBP Executive Assistant Commissioner (EAC) AnnMarie Highsmith noted that businesses are shifting their supply chain practices in order to retain access to the U.S. market.¹³ Corporations are developing compliance and due diligence programs to ensure their supply chains are free of forced labor.

While we still have a long way to go to achieve FCPA anti-bribery levels of compliance, forced labor is now getting more traction from senior management, as well as from investors. Beyond reputational damage, there are significant financial and legal risks for companies that profit from forced labor. Slowly, but surely, we are raising the stakes for offending companies. But this progress is predicated on robust enforcement of the UFLPA. As Scott Nova, Executive Director of the Worker Rights Consortium (WRC), noted in his testimony before the Senate Finance Committee

⁹ <https://www.dhs.gov/uflpa-strategy>

¹⁰ <https://www.cbp.gov/newsroom/stats/trade/uyghur-forced-labor-prevention-act-statistics>

¹¹ <https://www.nationalreview.com/wp-content/uploads/2023/04/UFLPA-Implementation-Letter-to-FLETF.pdf>

¹² <https://www.wsj.com/articles/forced-labor-a-top-tier-compliance-issue-says-u-s-official-11664271003>

¹³ <https://www.cbp.gov/trade/snapshot/volume-5-issue-2>

last month, the cost (for companies) of *failing* to perform due diligence should be higher than the cost of performing it.¹⁴ According to Mr. Nova, only when we enforce the law, that is, when importers with forced labor in their supply chains are caught, and financial consequences are imposed, will they feel the pressure to perform adequate due diligence that *prevents* the use of forced labor.

The Human Trafficking Legal Center and our partners welcome the Biden Administration's efforts to enforce UFLPA. But challenges remain.

INSIGHTS FROM CBP'S NEW UFLPA "DATA DASHBOARD"

CBP recently released a long-anticipated "data dashboard"¹⁵ with UFLPA enforcement statistics from June 21, 2022. The release of the dashboard is an important step in the direction of UFLPA enforcement transparency. We commend the agency for making this disaggregated data available. However, insights from this dashboard raise a few concerns around enforcement.

Over \$3 trillion in imports have entered the United States since the UFLPA went into effect.¹⁶ CBP has reviewed only about \$1 billion worth of imports: 0.03% of the total. Although it would appear that CBP has targeted—that is either examined, denied entry, or released—more than 3,588 shipments valued at \$1.07 billion in the last ten months, only 490 (13%) of these shipments were actually denied entry into the U.S. market. In general, we are concerned by the low number of shipments denied entry into the United States.

Of the total 3,588 shipments stopped at port, CBP released more than 1,323 shipments into U.S. commerce after reviewing their admissibility. There are 1,778 shipments valued at 541 million USD still pending review. Apparel, footwear, and textile products valued at just \$3 million make up 291 of the 490 shipments denied entry by CBP since June, 2022. These low shipment numbers—and low dollar value—of apparel shipment detentions are also concerning, especially since this sector is prioritized in the UFLPA implementation strategy.

The UFLPA implementation strategy¹⁷ notes that CBP will "prioritize illegally transshipped goods with inputs from Xinjiang." While a few apparel shipments from Vietnam and China have been caught in the enforcement net, CBP does not seem to be scrutinizing a significant number of apparel, textile, or footwear shipments from major exporting countries like Bangladesh, Indonesia, Pakistan, and Cambodia, all of which have historically used substantial Chinese-made cloth in their textile production. This is just one example. We are worried that CBP may be missing shipments—illegally transshipped or otherwise—containing inputs from Xinjiang that could be entering the United States from other countries. Transshipment is certainly a big challenge for CBP. The agency should have a specific strategy to address the issue of transshipment of Xinjiang-origin goods via third countries, a critical element of which must be a robust program of on-site, third country verifications of the provenance of potentially transshipped goods.

The dashboard tells us that electronics shipments constitute a majority of CBP's enforcement actions under the UFLPA since June 2022. CBP defines "electronics" to include solar products, information technology, integrated circuits, automated data processing equipment, and consumer electronics. However, in the last few months, a staggering third of these shipments were released into the U.S. markets by CBP.¹⁸ Only 22 electronics shipments were denied entry since the UFLPA law entered into force. Since solar is designated as a high-priority sector for enforcement, we need more clarity on what percentage of electronics shipments reviewed by CBP are solar panels or modules versus others. This is an important data point because we know that more than 45% of the world's supply of solar-grade polysilicon comes from Xinjiang.¹⁹

Another big gap is in the data around re-exportation. According to CBP's data dictionary²⁰ the term "denied entry", could mean several different things: the term includes shipments that were either seized, excluded, exported, or destroyed. Of the 490 shipments denied entry since June 2022 we do not know how many shipments

¹⁴ <https://www.finance.senate.gov/hearings/ending-trade-that-cheats-american-workers-by-modernizing-trade-laws-and-enforcement-fighting-forced-labor-eliminating-counterfeits-and-leveling-the-playing-field>

¹⁵ <https://www.cbp.gov/newsroom/stats/trade/uyghur-forced-labor-prevention-act-statistics>

¹⁶ <https://www.bea.gov/news/2023/us-international-trade-goods-and-services-december-and-annual-2022#:text=increased%20%2424.3%20billion>

¹⁷ https://www.dhs.gov/sites/default/files/2022-06/22_0617_fletf_uflpa-strategy.pdf

¹⁸ <https://www.reuters.com/world/us/us-releases-third-electronics-detained-under-china-forced-labor-law-data-shows-2023-03-14/>

¹⁹ <https://www.shu.ac.uk/helena-kennedy-centre-international-justice/research-and-projects/all-projects/in-broad-daylight>

²⁰ <https://www.cbp.gov/document/stats/uyghur-forced-labor-prevention-act-data-dictionary>

were simply re-exported to Canada, Mexico, or another country. We need to ensure that other countries—including Canada and Mexico, which are subject to the forced labor provisions of the USMCA—are not “dumping grounds” for goods refused entry by CBP for being made with forced labor. Re-exportation data is critical for civil society groups as we support international partners in advocating for similar import bans in other countries.

According to the UFLPA implementation strategy, CBP is taking a “risk-based approach, dynamic in nature, that prioritizes the highest-risk goods based on current data and intelligence. Currently the highest-risk goods include those imported directly from Xinjiang into the United States and from entities on the UFLPA Entity List.” We know that direct exports from Xinjiang have dropped significantly and that the current list of companies on the Entity List²¹ is very thin. We urge the agency to expand its enforcement efforts by increasing the number of highest-risk goods and adding more entities to the UFLPA Entity List.

CBP’S UFLPA APPLICABILITY REVIEW DETERMINATIONS

The Uyghur Forced Labor Prevention Act created a rebuttable presumption that goods made *wholly or in part* in Xinjiang or goods involving a company on the UFLPA Entity list are made with forced labor. This presumption may only be refuted with “clear and convincing evidence”, a fairly high evidentiary threshold. Naturally, only a handful of importers have even attempted to rebut the presumption and meet the high burden of proof. Under the UFLPA, importers can also contest in “applicability reviews” whether the rebuttable presumption even applies to their shipments, by maintaining that they have no connections to Xinjiang. It appears that the burden of proof applied by CBP in such reviews is much less than “clear and convincing evidence.” This is precisely the route that hundreds of companies are taking, according to CBP.

We know from the UFLPA data dashboard that at least 1,778 shipments are currently being examined by CBP under the UFLPA, and have been classified as “pending”—which could either mean “shipments pending importer action such as providing documentation to support applicability or exception review or pending CBP review/decision.” Many of these shipments are ostensibly mired in UFLPA applicability reviews. If the importer is successful in such a review, CBP will release the importer’s goods into the U.S. market. In the last 10 months, CBP has released at least 1,323 of the total 3,588 shipments it had identified as being potentially subject to the UFLPA.

Only successful rebuttals of the forced labor presumption have to be made public and reported to Congress under Section 3(c) of the UFLPA. CBP’s applicability review determinations are not subject to similar disclosures. In this information vacuum, it is important that CBP share details, at least in the aggregate, of how many applicability reviews it has conducted. It is important to have visibility into how many applicability reviews were successful or rejected, as well as the types of documents importers are submitting to demonstrate that their goods are not touched by Xinjiang or by companies on the Entity List. CBP should also explain the standards under which these reviews are conducted.

THE ISSUE OF LOW VALUE DIRECT-TO-CONSUMER OR DE MINIMIS PACKAGES EVADING CUSTOMS SCRUTINY

De minimis shipments refer to goods that are imported into the United States and are exempt from certain taxes and duties because their value falls below a certain threshold. Currently, the *de minimis* threshold for the U.S. is \$800. These are typically direct-to-consumer shipments that receive almost no customs scrutiny or inspection. Under current practice, *de minimis* shipments may enter the United States without formal entry documentation, which impedes the collection of information necessary to enforce U.S. law prohibiting the import of goods made with forced labor. CBP is conducting a voluntary test of a *de minimis* commercial entry process through the creation of the new Entry Type 86,²² which provides additional information to CBP that can be useful for enforcement purposes. The Type 86 process should therefore be made mandatory to the maximum feasible extent.

A strategy for circumventing enforcement of the UFLPA might be to break up a shipment that is clearly subject to all reporting requirements into multiple *de minimis* packages. And companies are doing just that. On November 20, 2022, Bloomberg reported that Xinjiang cotton was found in apparel shipped by fast fash-

²¹ <https://www.dhs.gov/uflpa-entity-list>

²² <https://www.cbp.gov/trade/trade-enforcement/tftea/section-321-programs>

ion giant Shein to U.S. consumers, based on the results of a laboratory test.²³ This confirmed what many had long suspected. The exposé prompted a letter²⁴ addressed to Shein’s CEO from Sen. Warren, Sen. Cassidy, and Sen. Whitehouse, demanding the company reveal details about its supply chain ties to Xinjiang and use of *de minimis* shipments.

On average, the United States receives three million uninspected *de minimis* packages *per day*.²⁵ In FY22, the United States imported an estimated \$685 million in *de minimis* shipments.²⁶ The U.S. *de minimis* threshold is one of the highest in the world.²⁷ There are many other companies with similar direct-to-consumer business models that may be implicated in Xinjiang forced labor. We urge the agency to conduct “spot checks” on *de minimis* packages from companies like Shein at all U.S. ports of entry and begin detaining such packages for potentially violating the UFLPA. This will send a strong message to direct-to-consumer platforms that the *de minimis* provision is not a *carte blanche* for companies to send goods made using forced labor into U.S. markets.

There is an urgent need to monitor the *de minimis* shipping environment and ensure that it is not exploited as a backchannel entry for goods made using forced Uyghur labor.

NEED FOR MORE PUBLIC DISCLOSURE OF TRADE DATA—
INCLUDING AIR, RAIL, AND ROAD CARGO

Last fall, three months after the UFLPA entered into force, the Associated Press reported on a corporate ploy to hide shipping manifest data from the public.²⁸ Public disclosure of import/export data is critical to tracing and monitoring forced labor risks in supply chains. This data is especially crucial for civil society organizations, which conduct investigations to petition CBP to enforce import prohibitions. A leaked proposal from a few corporate members of the Commercial Customs Operations Advisory Committee (COAC) revealed efforts to eviscerate existing customs transparency.

Rapid mobilization by civil society groups thwarted these efforts. A broad-based coalition of civil society organizations sent a letter²⁹ to the CBP Commissioner requesting that the agency summarily reject this highly problematic COAC proposal. The letter was signed by 38 organizations, including the AFL–CIO. The letter noted that the trajectory should be for more customs transparency, not less. Trade data transparency is already far too limited. Currently, U.S. federal law (19 U.S.C. § 1431) provides for public access only to ocean freight data. Data on air and land cargo is still not accessible to the public. Moreover, U.S. law already grants both importers and shippers the right to request confidentiality of their data on a case-by-case basis (19 C.F.R. § 103.31).

Civil society organizations have joined together to demand full disclosure of air, road, and rail manifests, in addition to maritime vessel manifests. Thousands of shipments subject to the UFLPA could be entering U.S. borders through air or land transportation. The UFLPA data dashboard does not provide a breakdown of shipments by mode of transportation.

In fact, in February 2023, maritime trade accounted for only 41.08% of the total import value processed by CBP.³⁰ Almost 60% of U.S. imports enter via air, land, or road. We therefore call on members of Congress to mandate public disclosure of trade data involving all modes of transportation.

²³ <https://www.bloomberg.com/news/features/2022-11-21/shein-s-cotton-clothes-tied-to-xinjiang-china-region-accused-of-forced-labor#xj4y7vzkg>

²⁴ <https://www.cassidy.senate.gov/newsroom/press-releases/cassidy-warren-whitehouse-press-shein-on-connection-to-chinese-slave-labor-supply-chains>

²⁵ <https://www.forbes.com/sites/kenrapoza/2023/02/19/how-a-us-trade-loophole-called-de-minimis-is-chinas-free-trade-deal?sh=50fcb09d4c9b>

²⁶ <https://www.cbp.gov/newsroom/stats/trade>

²⁷ <https://prosperousamerica.org/the-trade-deficit-is-worse-than-we-thought-de-minimis-hides-128-billion-of-u-s-imports/>

²⁸ <https://apnews.com/article/business-global-trade-regulation-us-customs-and-border-protection-c878caa703150f417342c9777504b9a1>

²⁹ <https://htlegalcenter.org/wp-content/uploads/Open-Letter-on-Trade-Data-Transparency-FINAL.pdf>

³⁰ <https://www.cbp.gov/newsroom/national-media-release/cbp-releases-february-2023-monthly-operational-update>

PUSHING FOR “NO SAFE HARBOR FOR FORCED LABOR”—NEED FOR INFORMATION SHARING AND INTERNATIONAL COORDINATION AROUND IMPORT BANS AGAINST FORCED LABOR

Forced labor persists because it is propped up by large multinational corporations in some of the world’s biggest importing economies. Companies are confident that, if caught, they can simply re-export tainted goods from U.S. ports to other markets. Under both the U.S. Tariff Act and the UFLPA, companies have the option to re-export goods that CBP suspects were made using forced labor (if they choose not to contest this suspicion). In the absence of international coordination, with more shipments being targeted by CBP under the UFLPA, we run the very real risk of companies simply dumping these products in other countries. We urge the U.S. Government to push for “no safe harbor” for goods made using forced labor, especially with its key allies. We certainly hope that this will be a key pillar of the State Department’s *Diplomatic Strategy to Address Forced Labor in Xinjiang*,³¹ which was submitted to Congress on April 12, 2022 and as required under Section 4 of the UFLPA.

Under the U.S.-Mexico-Canada Trade Agreement (USMCA), all three countries are required to have import bans and coordinate with each other on the cross-border movement of goods made using forced labor. However, we currently do not know what infrastructure has been set up under the USMCA to identify such shipments. It is also unclear whether the three countries have even agreed on a coordinated approach to Xinjiang.

Canada amended its Customs Tariff³² to include an import ban in 2020, but is seriously lagging behind on enforcement. Media reports³³ suggest that in the last three years, Canadian authorities have detained only one shipment over forced labor concerns. That lone shipment—clothing from China—was released into the Canadian market almost immediately, following a successful appeal by the concerned importer. One reason for the slow pace of enforcement could be that Canada is enforcing its forced labor import ban on a shipment-by-shipment basis—something that the U.S. Government should push back on.

Mexico announced its import ban in February 2023, and will begin implementing the law in May.³⁴ Unfortunately, there is little consistency between the forced labor trade remedies in each of the three USMCA countries. There is no agreement on how state-imposed forced labor will be treated. There does not seem to be reciprocity for CBP’s enforcement actions under the UFLPA. The United States should push its neighbors to the north and south to enact a region-wide prohibition on goods made using forced Uyghur labor. CBP’s UFLPA enforcement will be severely hobbled without similar actions by Canada and Mexico. Forced labor-tainted goods blocked by one country should be denied entry in all other countries.

The European Union (EU) is currently in the process of developing a so-called “product ban” against goods made with forced labor; this would apply both to imports and goods produced inside the EU. However, leading European civil society groups have highlighted major gaps³⁵ in the proposal published by the European Commission on September 17, 2022.³⁶ Criticisms include ambiguities in the way the EU plans to address cases of state-imposed forced labor (like Xinjiang). We urge the U.S. Government, especially the USTR and State Department, to use its leverage through the U.S.-E.U. Trade and Technology Council (TTC)³⁷ to push the EU to take a region-wide import ban approach to Xinjiang. Last year, we read reports³⁸ claiming that Xinjiang’s exports to the European Union (EU) rose by more than 34%. Without a similar regional approach to Xinjiang, the EU will continue to be a dumping ground for goods manufactured using Uyghur labor.

The United States should also push its G7 and G20 allies to enact import bans against forced labor. The U.S. Government has an opportunity to make the case for “no safe harbor” for goods made using forced labor at the upcoming G7 summit in Hiroshima.³⁹ With Japan’s G7 presidency this year, there is great potential for the

³¹ https://www.dhs.gov/sites/default/files/2022-06/22_0617_fletf_uflpa-strategy.pdf

³² <https://www.publicsafety.gc.ca/cnt/trnsprnc/brfng-mtrls/prlmntry-bndrs/20210625/10-en.aspx>

³³ <https://www.cbc.ca/news/world/canada-u-s-forced-labour-scorecard-1.6686977>

³⁴ <https://dof.gob.mx/nota—detalle.php?codigo=5679955&fecha=17/02/2023#gsc.tab=0>

³⁵ <https://www.antislavery.org/wp-content/uploads/2022/10/Joint-Statement-on-EU-FLI-10.22-v3-1.pdf>

³⁶ https://ec.europa.eu/commission/presscorner/detail/en/ip_22_5415

³⁷ <https://ustr.gov/useuttc>

³⁸ <https://www.euractiv.com/section/economy-jobs/news/eu-imports-from-xinjiang-rose-by-34-in-2022/>

³⁹ <https://www.g7hiroshima.go.jp/en/>

two countries to work closely on trade. We were encouraged to see the creation of the U.S.-Japan Task Force on the Promotion of Human Rights and International Labor Standards in Supply Chains in January this year.⁴⁰ We urge the trade ministers of the two countries to prioritize import ban enactment and coordination.

If we hope to achieve the goals outlined in the UFLPA, the United States cannot act alone. A patchwork of laws with different standards will only frustrate enforcement of import bans. A more coordinated approach between countries to identify and track goods made with forced labor will result in profound impact. No safe harbor for goods made with forced labor will make re-export impossible. These goods should not find any market.

CONCLUSION

We are at a pivotal moment in global trade. Market restrictions, import bans, and economic sanctions have become the norm in efforts to address forced labor across the supply chain. UFLPA is a powerful tool to end state-sponsored forced labor. But it must be enforced.

We acknowledge the enormity of the task before CBP and other agencies in the FLETF. By addressing the gaps outlined in the hearing today, along with a more robust forced labor enforcement strategy, we are confident that the U.S. Government can create pressure to disrupt forced labor in the Uyghur region and throughout China. In addition, enforcement will reduce our market exposure to products made using forced labor. This will also protect U.S. workers, who cannot compete against forced labor. Ultimately, we want UFLPA enforcement to have a ripple effect, encouraging other countries to impose import prohibitions against forced labor.

As Professor Laura Murphy poignantly noted in her keynote address at CBP's recent Forced Labor Tech Expo,⁴¹ we need to reframe our discourse around supply chains and forced labor in Xinjiang. What we're really talking about here is the risk to the Uyghur people—this is not just an issue of "risk" to business operations.

Companies have a duty to prevent the use of forced labor in their supply chains. They have been on notice for years. And now is the time to eradicate forced labor in global supply chains, once and for all.

PREPARED STATEMENT OF LAURA T. MURPHY

Thank you, Chairman Smith and Co-chairman Merkley for convening this meeting and to all of the Congresspeople who are attending today and to all who have supported the rights and freedom of Uyghur people. My name is Laura Murphy, and I am Professor of Human Rights and Contemporary Slavery at Sheffield Hallam University in the UK. I have studied forced labor globally for nearly 20 years, and my work for the last three years has focused exclusively on the Uyghur Region of China.

SUCSESSES

The Uyghur Forced Labor Prevention Act is landmark legislation. Researchers who study the perilous situation of people enslaved around the world have known that the level of supply chain scrutiny and corporate accountability required by the UFLPA is necessary if we want to ensure that the people who work to produce our goods are not being enslaved or trafficked. It is painful to realize that it took a genocide for us to understand just how dire the consequences of our ignorance could be. There is no silver lining to the oppression of the Uyghurs and other minoritized people in the Uyghur Region, but it is commendable that the U.S. has been the first to create the legislation necessary to level real economic costs on the PRC government's state-sponsored forced labor program and on the corporations that directly benefit from those forced to work.

It is critical to note that while we still have a long way to go before we intercept all products made in whole or in part in the Uyghur Region, the UFLPA is indeed working as it was intended. In the short nine months that the UFLPA has been in effect, we have seen a swift and decisive enforcement response. Customs and Border Protection has indicated that it has refused at least 424 shipments entry into the United States after investigating their links to Uyghur forced labor. Those products span a broad spectrum including electronics, solar panels, apparel, and building materials. Congress has allocated significant resources—though more will still be

⁴⁰ <https://ustr.gov/about-us/policy-offices/press-office/press-releases/2023/january/usa-japan-launch-task-force-promote-human-rights-and-international-labor-standards>

⁴¹ <https://www.dvidshub.net/tags/video/cbp-forced-labor-technical-expo/page/1>

needed—to enable CBP to conduct the in-depth supply chain investigations required to understand where our products are made, down to the raw materials. This work has protected consumers from unwittingly buying products that we know to be made in the midst of a genocide, in the shadows of a massive internment camp system, by people who are visited day after day by government agents and prosecutors and prison bureau officials demanding that they leave their children and parents and land and culture and religion behind to work in the factories that make goods that end up on our shelves. Even though Uyghurs continue to be forced to work in China, we in the United States have some small comfort that we might not be financing their suffering and that every day U.S. corporations are reducing their complicity in these crimes against humanity.

CHALLENGES OF ENFORCEMENT: CORPORATE COMPLIANCE

Of course, enforcement of the UFLPA is not an easy task. What our research at Sheffield Hallam University has found is that since the UFLPA went into effect, companies have not all responded with enthusiasm. Many U.S. (and multinational corporations selling in the U.S. market) lobbied to prevent the law from being passed, and then fought to limit how it would be enforced, and now are complaining that the investigations are not convenient for them. Companies that are not making products involving the UFLPA “priority sectors” still have their heads in the sand, hoping that their products will not be scrutinized. Many are shifting the burden of due diligence onto their suppliers, rejecting the responsibility and the costs of knowing the conditions of workers in their supply chains. They throw their hands up in the air as auditors are jailed, their offices ransacked, and say they cannot do anything to address forced labor in the Uyghur Region because that could put the lives of their China-based staff at risk. They care about their own directly employed personnel and yet do not worry about the Uyghur workers at the end of their supply chains. Those that have done the right thing by terminating their relationships with suppliers implicated in Uyghur forced labor have refused to be transparent about it, out of fear of retaliation in China. And many still refuse to admit what is becoming increasingly clear—that there is no feasible way to verify labor standards compliance in the Uyghur Region or of Uyghurs working outside the region. This all shows that **companies across sectors must be compelled through vigorous enforcement to comply with the UFLPA.**

Some international companies and governments are claiming the UFLPA is merely about a trade war between the U.S. and China, trying to justify their indifference toward profiting from a genocide. **It is crucial that the U.S. Government encourage our allies to align their laws to prohibit the import of forced labor-made goods, but we should not link the UFLPA to trade and economic competition issues—we must make it clear that this is a human rights issue, not a strategic one. If we don’t, the U.S. is likely to remain the only country with a ban on Uyghur forced labor imports.**

ENFORCEMENT CHALLENGE: OBSCURING SUPPLY CHAINS

In China, we are seeing companies pretend to sell their Uyghur Region factories, only to transfer them to executives within their own leadership team or family. They change the names of their subsidiaries to obscure the names that have been revealed by the media to be involved in Uyghur oppression. They are shipping their products first to third countries, where they know that convoluted supply chains mask their complicity. They are bifurcating their supply chains so that they can continue to sell goods in the U.S. market while still selling Uyghur forced labor-tainted goods elsewhere in the world, sometimes even continuing to manufacture directly in the Uyghur Region and using people “transferred” by the state for work. Some of those companies are benefiting from the Inflation Reduction Act (IRA) incentives, while continuing to operate in the Uyghur Region. **The U.S. should prohibit companies from using U.S. Government incentives to expand their manufacturing in the United States while they continue to profit from Uyghur forced labor in China.**

ENHANCING PRIORITY SECTORS

We know that this affects a wide range of goods. The Xi Jinping government has published explicit directives indicating the manufacturing sectors they are investing in in the Uyghur Region. These include items that are critical to our supply chains and to meeting our climate goals, including renewable energy-related products, critical minerals, steel and aluminum, PVC, agricultural products. **The U.S. urgently needs to add these products to its priority list of goods produced in the Uyghur Region** to ensure that we are stopping these goods from coming into our

markets and to alert the business community to the enormous risk of sourcing forced labor-made goods if they do not commit to more diligent supply chain tracing.

ENHANCING THE ENTITY LISTS

Our research team has identified 55,000 companies, large and small, operating in the Uyghur Region.

We have published in-depth investigations that have documented at least 150 specific companies in the Uyghur Region and elsewhere in China for which there is significant evidence of participation in state-sponsored labor transfer programs that are tantamount to forced labor. These companies are hiding in plain sight. Some of them are massive state-owned corporate conglomerates that served as the architects of the repressive programs that oppress minoritized people in the Uyghur Region; others produce the lion's share of commodities essential to manufacturing worldwide. These companies sell their goods into international markets.

The UFLPA requires FLETF to create a "comprehensive" description of the situation of forced labor in the Uyghur Region and list the companies that are engaged in those programs. And yet the entity lists include only four of the companies we have identified as offenders—and zero new ones have been added since the UFLPA was passed.

The first version of these lists did nothing more than reiterate the 20 companies that had already been named in previous withhold release orders. It is hard to comprehend why still, not even a single addition has been made to these lists, especially in light of the evidence provided by civil society organizations to FLETF that warrants the addition of potentially thousands more entities.

Under Secretary of Homeland Security Robert Silvers recently committed to expanding the entity list. **The U.S. Government needs to prioritize making the UFLPA entity lists as comprehensive as possible, per the mandate of the UFLPA.** FLETF should begin with the state-owned companies that have openly done the bidding of the PRC government to force sometimes thousands of people to work for their companies. FLETF should then add to the lists those companies operating in the shadows in the mining and processing tiers of our supply chains that are least visible to companies. **Congress should make clear to FLETF that it must presume that all state-sponsored labor transfers in the Uyghur Region constitute forced labor and thus add any company engaged in those coerced transfers of laborers onto the lists.** These iterative and constantly expanding lists will assist importers in ensuring that they know which suppliers to exclude from their sourcing.

CONCLUSION

The UFLPA provides us with a robust set of tools for weeding out the fruits of forced labor from the products that reach our markets. The rebuttable presumption is one important tool, but the priorities list and the entity lists are also critically important tools that consumers, advocates, industry, and enforcement all benefit from. We should put those tools to their most robust use. We cannot be hesitant about doing every single thing we can, using every single tool at our disposal, to address the genocide in the Uyghur Region. I'm pleased that we're having this hearing to review all that the UFLPA has accomplished and to consider what more we can do to lead the world in addressing what is likely the worst human rights crisis we'll see in our lifetimes. I believe that we should not rest until we know we've done every single thing we possibly can to end the Uyghur genocide and to end corporate complicity in it.

PREPARED STATEMENT OF KIT CONKLIN

OVERVIEW

Chairman Smith, Chairman Merkley, distinguished members of the Commission, thank you for the opportunity to speak before you this morning. I would like to start by saying that I am representing myself this morning and all views are my own.

The Uyghur Forced Labor Prevention Act (the UFLPA or the Act) bans the import of goods or commodities from the People’s Republic of China produced with forced labor. Specifically, the Act mandates a “rebuttable presumption” that any products made wholly or in part in the Xinjiang Uyghur Autonomous Region (“Xinjiang”), or by any Chinese company on a U.S. list of entities involved in the use of forced labor, are made with forced labor and banned from importation into the U.S.

REFLECTING THE INCREASED INTERNATIONAL CONSENSUS
ON THE NEED TO ADDRESS FORCED LABOR

U.S. trading partners around the world have enacted or are introducing legislation to ban products made with forced labor, to include the European Commission, Germany, France, Canada, and Mexico, among other jurisdictions. Each of these bans similarly requires importing companies subject to the laws of these jurisdictions to engage in supply chain due diligence to identify and mitigate exposure. U.S. companies are not alone, as expectations are increasing around the world for industry to address forced labor exposure in global supply chains.

ENFORCEMENT

CBP has stated that UFLPA detentions constitute less than 0.1% of goods imported into the U.S., yet since enforcement of the UFLPA began in June 2022, CBP has detained approximately \$1 billion worth of products suspected of containing inputs made with forced labor in China.

CBP has prioritized enforcement relating to four goods: cotton, polysilicon, tomatoes, and aluminum—although the scope of the UFLPA includes any raw materials and goods that are mined, farmed in, or connected to Xinjiang. For instance, billions of dollars’ worth of raw materials, rare earth minerals, and products are exported from Xinjiang each year, including a significant percentage of global lithium-ion batteries, 20% of global production of calcium carbide (used to make PVC among other materials), 10% of global production of rayon (used to manufacture apparel and home good items), 9% of global beryllium deposits (a key rare earth mineral used for the production of satellite and aviation components), and 8% of global pepper production. In addition to raw materials and goods sourced from Xinjiang, the UFLPA also bans products made with forced labor in other provinces in China.

COMPLIANCE CHALLENGES

The sheer volume and scope of goods targeted under the UFLPA poses significant compliance challenges for industry, as supply chains have increasingly become globalized, complex and opaque. The critical challenge for industry—to discover supply chain visibility and detect risk—is compounded by the Act’s rebuttable presumption and the lack of a de minimis exception, meaning even an insignificant input of product produced in-whole or in-part with forced labor could result in enforcement action.

The global nature of modern supply chains further complicates compliance because CBP maintains authority to detain goods imported into the United States from third countries. Since UFLPA enforcement began in June 2022, CBP detained \$89 million worth of goods imported directly from China, but, for instance, detained over \$490 million worth of goods from Malaysia and over \$369 million worth of goods from Vietnam. These figures illustrate UFLPA transshipment risk and why the lack of a de minimis exception necessitates the need for due diligence into all suppliers, not just those located in China.

GUIDANCE

Beyond the four product areas categorized as high priority for enforcement, CBP has publicly stated that it is considering other product categories that will be subject to priority targeting and enforcement. Irrespective of further announced priorities, as some in industry have requested, CBP guidance issued on July 13, 2021 and amended on June 17, 2022 sets forth red flags for forced labor exposure for all categories of products that pose UFLPA risk as well as information CBP may require from importers. These red flags include involuntary labor transfers, supply chains connected to prisons, and any affiliates of the Xinjiang Production and Con-

struction Corps (XPCC). The amended guidance further states “an importer seeking an exception to the rebuttable presumption must demonstrate that it has fully complied with the requirements [in the guidance].” These requirements include, for example, supply chain mapping, intelligence to identify and assess forced labor risk, training, and monitoring of suppliers. CBP guidance also states that UFLPA compliance is not static and that industry should “update [supplier risk information] on a regular basis.”

TOWARDS SUSTAINABLE COMPLIANCE

Similar to industry responses when countering money laundering, sanctions or anti-bribery compliance became priorities, CBP’s enforcement posture is a major driver for the material investments industry is making to address UFLPA due diligence and compliance. As CBP’s budget and resources expand to support the counter forced labor mission, many in industry are almost certain to adapt with increased senior management attention, and with support and budget for the technology and people needed to address risk.

In line with guidance, companies that make reasonable, risk-based investments to effectively map supply chains, layer in risk intelligence, and conduct training and monitoring—in most instances—should be positioned to materially improve their capabilities to identify potential UFLPA exposure. As industry implements UFLPA compliance programs, global supply chain management practices will continue to adapt as companies mitigate forced labor risk and build resilience. Observers have already pointed to impacts on supply chains relating to green energy products, rare earth minerals, food items, and pharmaceutical precursors. Companies with supply chains prioritized by CBP for UFLPA enforcement have also started to review and implement obligations and best practices to mitigate UFLPA risk.

In summary, compliance with the UFLPA is complex and not binary, similar to compliance with AML, sanctions, and anti-bribery. Nonetheless, with senior management support and in line with guidance, effective programs can be established to identify exposure and mitigate risk of forced labor in the supply chain. As DHS Under Secretary Silvers recently stated, “over the years, things like anti corruption and sanctions compliance have come to be standard pillars of corporate compliance programs. Forced labor needs to be one of those pillars as well.”

PREPARED STATEMENT OF ELFIDAR ILTEBIR

My name is Elfidar Iltebir and I was born in East Turkistan, the Uyghurs’ homeland where Uyghurs have been living for thousands of years and what China now calls the Xinjiang Uyghur Autonomous Region. Like many Uyghurs, my family also faced persecution at the hands of the Chinese Communist Party (CCP). After waging more than six decades of repressive assimilationist policies to weaken and eliminate the Uyghur identity, the CCP under its general secretary Xi decided to implement the “final solution” and resorted to genocide in the 21st century. The CCP’s ultimate goal is to completely annihilate the Uyghur identity, our cultural values and religious beliefs, and homogenize China’s population by forcibly transforming Uyghurs into majority Han Chinese. To achieve this goal, the CCP has transformed our homeland into a totalitarian surveillance state; detained millions of people in detention camps, forced labor camps, and formal prisons; and subjected the Uyghur people to inhumane conditions, including torture, sexual abuse, forced sterilization, forced labor, and forced separation of families.

When my father, a prominent Uyghur writer and intellectual, feared for his life in our homeland, our family fled China in 1992. Thanks to the American Government, we were able to seek refuge in the United States, our adopted homeland. Inspired by the belief that all human beings are endowed with certain rights and freedoms that governments are supposed to protect, not abuse, I wanted to help my people fight for their God-given rights and freedoms in this land of the free and home of the brave. I am now the President of the Uyghur American Association based here in Washington, DC. UAA is a nonpartisan community-based organization that promotes the preservation of Uyghur culture and advocates for the human rights, freedom, and self-determination of the Uyghur people. We serve as the primary hub for the Uyghur diaspora in the United States and respond to the needs of our community members on a variety of issues. Since 2017, we have focused major efforts on advocating for the Uyghur people being subjected to genocide in our homeland, including family, friends and other loved ones of UAA members.

The main point I would like to stress today is that the Chinese government’s campaign of forced labor targeting Uyghurs is not purely economic exploitation that ben-

efits Chinese companies. It is a critical part of China's systematic oppression of the Uyghur people and the ongoing genocide in the Uyghur homeland. The Chinese government's forced labor practices are tearing apart the fabric of Uyghur society, separating families and displacing them from their communities, stripping away their ethnic and religious identity, and leading to a reduction and dilution of the Uyghur population. As Uyghur intellectuals, religious scholars, professionals, businesspeople, cultural icons, and tradition bearers are still imprisoned in detention camps, forced labor camps, or formal prisons, and Uyghur men and women are enslaved in factories while their children are raised in state orphanages, this ongoing genocide puts Uyghur people on the verge of total annihilation. And we believe that is the ultimate goal of the CCP.

I want to share a quick story of my friend Kalbinur Ghani, who now lives in DC. In 2018, her sister Renagul was taken to a concentration camp for praying at her father's funeral and possessing religious literature. She was later transferred to a prison and forced to work at a garment factory inside of the prison. Her children were separated from her family. The Chinese government not only detained twelve other members of Kalbinur's family and sent them to camps and later to prisons, but it has also been harassing her on U.S. soil for speaking out about her detained family members. She received threatening messages directly from the Chinese police almost every week last year.

Many more members of our community have similar stories of loved ones being detained and exploited. This is one reason our community fought so hard for the passage of the Uyghur Forced Labor Prevention Act (UFLPA) and why we continue to fight for its full enforcement. We stayed up many nights writing thousands of letters, made even more phone calls, and roamed the halls at Capitol Hill, knocking on every door to deliver our message. Our message was simple: **Stop sourcing goods from supply chains tainted with Uyghur forced labor. No business with genocide. No profit from genocide.** On behalf of Uyghur Americans, I'd like to take this opportunity to thank Senator Rubio, Senator Merkley, Representative Smith, and Representative McGovern for their leadership and to many others who were instrumental in passing the UFLPA. Thank you for refusing to make Americans complicit in China's genocide against the Uyghurs and for putting universal values of human rights and dignity above economic interests.

We were overjoyed with the passage of the UFLPA. We believed the UFLPA would be a turning point in stopping China's genocide. **We believed it would be a catalyst for greater awareness among businesses of the CCP's atrocities in the Uyghur homeland and that it would compel them to investigate and cut links to supply chains connected to Uyghur forced labor in the Uyghur homeland and across China.** We believed we would see the shift we had been waiting for since the beginning of this genocide and that the Chinese government would get the message loud and clear from the United States: **We stand against the ongoing genocide against Uyghurs and we're not spending one American dollar on any goods that are tainted by the forced labor of the Uyghur people. Americans will not consume or profit from the proceeds of genocide.**

However, when I recently saw in my neighborhood grocery store the red date products that were produced by the Bingtuan, or the Xinjiang Production and Construction Corps (XPCC), which is a paramilitary organization that implements the Chinese government's genocidal policies in the region and facilitates Uyghur forced labor, it felt like a slap in the face. How are the U.S.-sanctioned XPCC's products being displayed on shelves in the U.S. in packaging with images of dancing Uyghurs and outlines of Uyghur scenery? As an Uyghur American, every time I shop for clothing items, grocery items, or electronics, or look at automobiles or solar panels, I think about how these "Made in China" products might have been made by a loved one in my hometown subject to forced labor, and if not my loved one, that of another fellow Uyghur here in the United States. Why, I ask myself, are Chinese companies still able to circumvent the UFLPA and continue to profit from Uyghur forced labor? The human cost of this forced labor is why it is so important to ensure that the UFLPA is fully and rigorously implemented the way it is intended. I know there are hundreds of hard-working people at the Customs and Border Protection Agency, the Forced Labor Enforcement Task Force, and other government agencies, as well as human rights and workers rights groups that are committed to enforcing the Uyghur Forced Labor Prevention Act. I also know there are many challenges, gaps, and loopholes that require us to keep working together to fully implement and enforce the UFLPA so that American businesses and consumers don't become complicit in the genocide against Uyghurs. **We must face these challenges and many more head on and strengthen enforcement mechanisms to ensure that**

American and Chinese businesses and the Chinese government get the message: No business with Uyghur genocide.

As Uyghur Americans, we are prepared to contribute to the successful implementation and enforcement of the UFLPA so that we can help deliver that message. We may not be able to close the camps overnight, to reunite our families this Ramadan, to stop the Chinese government's mass sterilization of Uyghur women by the next session of the U.N. Committee on the Elimination of Discrimination against Women and much more that we need to end this genocide. **But as I sit here today, I can say with confidence that together we can stop products made with Uyghur forced labor from entering onto U.S. soil and make this genocide costly for China. We can be an example for our allies to implement similar laws so "Made in China" products tainted with Uyghur forced labor cannot enter any markets that value human beings and fair trade.**

If there is one thing we ask the U.S. Government on behalf of the Uyghur American Association, that would be to hold the Chinese government and affiliated entities accountable for the genocide and crimes against humanity by imposing economic cost on Chinese officials and companies implementing, facilitating, and supporting this genocide. The United States passed two pieces of historic legislation, the Uyghur Human Rights Policy Act, signed by the Trump Administration, and the Uyghur Forced Labor Prevention Act, signed by the Biden Administration. Yet, as far as we know, no Chinese official or entity has been sanctioned under these legislative authorities. Both administrations recognized China's atrocities as genocide. Yet, U.S. businesses are still operating in the genocide zone, U.S. companies are still selling technology to Chinese companies implementing this genocide, and U.S. companies are still investing in Chinese companies supporting the Chinese government's genocidal policies. We need to ensure no American technology or investment is flowing to Chinese companies that are linked to China's genocide against Uyghurs and no Chinese products tainted with Uyghur forced labor are entering our territory. First we, as Americans, need to eliminate our inadvertent complicity in this ongoing genocide and then we can ask our allies and partners to do the same so that the Chinese government is held accountable for the genocide and crimes against humanity it is committing against the Uyghurs in the 21st century.

PREPARED STATEMENT OF HON. CHRIS SMITH

Good morning, and welcome to the first hearing held this Congress on implementation of the Uyghur Forced Labor Prevention Act, a truly landmark piece of legislation that has the potential to alter the dynamic of our ongoing struggle with the People's Republic of China—but only if it is implemented properly.

And make no mistake about what the stakes are: we are in a struggle with Communist China—not something anodyne, like simple “strategic competition.” Rather, the United States is in a survival struggle with an authoritarian state that seeks global hegemony and the fundamental displacement of the United States and the liberal economic order. To that end, the PRC will take advantage of the Western world's liberal trade regime, while utilizing forced labor in order to give itself an unfair trade advantage—all with the ultimate objective of imposing its governance model upon the rest of the world.

We have known for years that the PRC has used forced and indeed, prison slave labor ... I knew this as far back as 1991, when former Congressman Frank Wolf and I went to Beijing Prison No. 2 and found at least 40 Tiananmen Square activists being forced to make jelly shoes and socks for export to the United States. We asked for, and were given, samples which we then promptly brought back to the United States and had an import ban imposed, pursuant to the Smoot-Hawley Tariff Act of 1930.

There was some personal satisfaction to be had from that, but in terms of net practical effect in impacting the PRC's policy of utilizing forced prison labor, it was next to zero. In this case we had direct evidence, but that was a unique set of circumstances. How else could Customs and Border Protection prove that goods were being made by prison labor, absent a couple of Congressmen bringing back jelly shoes from a visit to a prison factory?

This is where the genius of the Uyghur Forced Labor Prevention Act comes in—the burden is no longer upon the good men and women of CBP to prove that goods have been made by forced labor, but upon importers to prove that goods made in the Xinjiang Uyghur Autonomous Region and elsewhere are free from the taint of forced labor.

For we now know that the CCP under Xi Jinping has declared war on the Uyghur people, labeling them terrorists who must be destroyed “root and branch.” This has

led to the massive detention of more than a million Uyghurs, many of whom are forced to work and who are subjected to horrific human rights abuses, including forced sterilization, forced abortion, and indeed, forced organ harvesting.

These egregious human rights abuses are what the UFLPA is designed to combat. We know from reports released yesterday in advance of this hearing, the CBP has seized over \$961 million worth of goods since last June. This is an important start, as is CBP's holding of a tech expo for industry last month and its launch of a dashboard to track trade statistics.

As Co-chair Merkley and I, joined by Ranking Member McGovern and Senator Rubio, stated in a letter addressed to the Department of Homeland Security last week, however, we do remain concerned over the lack of full transparency that would enable Congress to evaluate the efficacy of implementation.

We are also concerned as to whether the "rebuttable presumption" standard is being fully implemented, and whether goods that are initially detained are subsequently being released without congressional or public reporting.

We have questions as to why the robust Entity List of bad actors that UFLPA requires remains so spartan. We also question whether CBP is utilizing technology, such as isotopic and DNA testing, to its fullest to identify goods produced in the Xinjiang Uyghur Autonomous Region.

Finally, we also question whether goods produced by forced labor outside the XUAR are being captured. We have been working with Homeland Security to follow up on well-founded reports that work gloves sold under the Milwaukee Tool label in venues such as Home Depot are indeed produced by prison labor—at Chishan Prison in Hunan province, to be precise.

Going forward, we will be taking a closer look at companies such as Milwaukee Tool and their alleged profiteering from forced labor, just as we have highlighted the role of Thermo Fisher Scientific in genetic data collection that enables repressive practices in both the Xinjiang Uyghur and Tibet Autonomous Regions—and, more nefariously, has been implicated in finding DNA matches from organ harvesting victims.

It is my hope that the UFLPA will prick the consciences of corporate actors and encourage them to scour their supply chains to make sure they are free from the taint of forced labor. If not motivated by altruism, then by raising the cost of doing business in the PRC, it is my further hope that companies will determine that bottom-line concerns will motivate them to do the right thing. Finally, for those that are incorrigible and seek to skirt the law, we will seek enforcement action and bring public scrutiny to bear.

PREPARED STATEMENT OF HON. JEFF MERKLEY

Mr. Chairman, thank you very much. The Uyghur Forced Labor Prevention Act is a testament to why the Congressional-Executive Commission on China exists. Horrified by the evidence documented by the Commission's tireless researchers that the products of slave labor reach American shelves in vast quantities, the four most recent chairs of this Commission acted, and coming from the Senate side, a special recognition to Senator Rubio who partnered in the bipartisan effort on the Senate side. On a bipartisan and bicameral basis, we introduced, advocated for, and passed landmark legislation that sent a resounding and unequivocal message that the United States would not stand idly by as the world witnesses the evils of genocide and the evils of slave labor.

This law, the Uyghur Forced Labor Prevention Act (UFLPA), aims to target China's ability to profit from genocide, hold corporations that trade in products of forced labor accountable, and protect American consumers from being unwitting accomplices in these horrors. In the 16 months since it became law and 10 months since its key provisions went into effect, the UFLPA has made a difference. As we'll hear today, it's put businesses on notice that they can no longer claim it's too difficult to trace their supply chains. Armed with substantial new resources provided by Congress, U.S. Customs and Border Protection now devotes unprecedented attention to investigating those supply chains and stopping problematic imports. As a result, direct exports from Xinjiang have plummeted and businesses are changing their practices to speed up production capacity elsewhere in the world, increasing the diversification and sustainability of their supply chains.

But as much as we've accomplished, it's only the tip of the iceberg. Compliance with this law requires a paradigm shift. It requires companies to be vigilant in the same way we expect them to guard against bribery and corruption and money laundering. Companies that resist compliance or look to exploit loopholes need to be held accountable. The U.S. Government's Forced Labor Enforcement Task Force needs to

implement the law even more aggressively, with particular attention to transshipment of Xinjiang-origin goods via third countries.

Congress needs to make sure these efforts are fully funded and that any gaps we identify are plugged. And countries around the world need to take their own actions to make sure that the purveyors of forced labor can't just send their goods elsewhere. That action by other countries is needed to avoid bifurcated supply chains that allow companies to sell clean products in the United States and turn around and pocket the proceeds of tainted forced labor products elsewhere.

It's a big challenge to implement a law, and it's a big challenge to implement this law given the complexity of international trade. But we owe it to the millions of exploited Uyghurs and other ethnic minorities in China, and as my colleague mentioned, this isn't just about China, this is about taking on this issue and setting a model for how we deal with it around the world. We owe it to American consumers, who don't want to be part of economic machinery of genocide, and to the businesses doing the right thing who want to play on a level playing field. It is an honor and a responsibility to take on this task in partnership with my colleagues in both Houses and both sides of the aisle. Thank you, Mr. Chairman.

PREPARED STATEMENT OF HON. JAMES P. MCGOVERN

Thank you, Mr. Chairman, for scheduling this hearing. I look forward to the testimony of our witnesses on the implementation of the Uyghur Forced Labor Prevention Act, its impact on global supply chains, and how we might improve its implementation.

On a personal note, as the author of the House UFLPA legislation, I want to thank my partner on this legislation, Senator and fellow Ranking Member Rubio, my good friend and colleague Senator Merkley for his leadership on the UFLPA, and Chairman Smith for organizing this hearing. This group demonstrates the strong bipartisan support this issue has received in both the House and the Senate.

Since the UFLPA was signed into law, we've seen significant efforts by Customs and Border Protection—CBP—and the multi-agency Forced Labor Enforcement Task Force—the FLETF—to implement the UFLPA. As the lead enforcement agency, CBP has been a strong ally in its implementation.

The law itself recognizes that implementation is multisectoral. It requires engagement, cooperation, and action by CBP, but also by the private sector, including importers, and by NGOs, which have research and monitoring capabilities.

Last week the CECC chair, co-chair, and ranking members—namely Congressman Smith, Senator Merkley, Senator Rubio, and I—wrote to DHS Under Secretary Robert Silvers, who chairs the Forced Labor Enforcement Task Force, to request more information on certain key aspects of the law's implementation to date.

Due to the timing of today's hearing, neither CBP nor DHS was able to appear and provide their views and insights on implementing the UFLPA. I look forward to a future hearing where we can hear about their experience and get suggestions for how to pursue comprehensive enforcement.

The UFLPA was a targeted response to a specific, very serious human rights problem: the widely documented, intentional use of forced labor in the Xinjiang Uyghur Autonomous Region of China. The use of forced labor is one of a set of inter-related policies implemented by the People's Republic of China against Uyghurs and other largely Muslim Turkic peoples in the region that, taken together, likely meet the legal definition of crimes against humanity and genocide.

In the law, by forced labor we mean "[a]ll work or service which is exacted from any person under the menace of any penalty for its nonperformance and for which the worker does not offer himself (or herself) voluntarily," a definition first applied in tariff law in the 1930s.

But section 3 of the UFLPA, which establishes a presumption that the import prohibition applies to all goods mined, produced, or manufactured in the Xinjiang Uyghur Autonomous Region, represents a new, even revolutionary, approach to protecting human rights.

Basically, instead of presuming that the norm is that human rights violations are not committed, the UFLPA presumes the opposite, that the standard practice is that rights violations are committed.

This presumption is grounded in research that found that—

- (1) the use of forced labor is pervasive in the Xinjiang region, and
- (2) because there is a lack of transparency and independent investigations and audits, it is impossible to distinguish between industry and manufacturing that involves forced labor and that which does not.

The law establishes an appeals process that allows a company to make the case that its goods are not produced with forced labor. To do so, the company must provide “clear and convincing evidence” that they are not.

There are several issues that merit attention as we review the implementation of the UFLPA, which my colleagues have noted in their opening remarks, so I won’t repeat them here. As implementation of the UFLPA advances, there will be lessons learned that may lead Congress to tweak the UFLPA or related law.

But it is worth repeating that the prohibition on importing goods made with forced labor is longstanding—what the UFLPA provides is a new approach and new tools for enforcement. So, the interest in improving enforcement is here to stay.

It’s also important to remember that while the operational aspects of the UFLPA are clearly focused on the Xinjiang Uyghur Autonomous Region, the statement of policy in the law is broader—namely, “to lead the international community in ending forced labor practices wherever such practices occur through all means available to the United States government.”

American consumers should not have to wear clothing, or eat food, or use devices made by forced labor, wherever it occurs. American companies should not profit off forced labor.

In brief, Mr. Chairman, I believe the vigorous, successful implementation of the UFLPA can establish not just a model, but a roadmap, for how to address forced labor everywhere.

SUBMISSIONS FOR THE RECORD

SUBMISSION OF ROBBY STEPHANY SAUNDERS AND CHARLES BENOIT,
COALITION FOR A PROSPEROUS AMERICA

IMPLEMENTATION OF THE UYGHUR FORCED LABOR PREVENTION ACT AND THE
IMPACT ON GLOBAL SUPPLY CHAINS

INTRODUCTION

The Coalition for a Prosperous America (CPA) thanks the Commission for holding this hearing on the Uyghur Forced Labor Prevention Act (UFLPA) and its impact on global supply chains. We believe it is important oversight to examine the law's impact and continue exploring how to eliminate forced labor in multinational supply chains. CPA is a nonprofit, bipartisan organization representing the interests of domestic producers in manufacturing and agriculture across the country of 4.1 million households engaged in domestic production through our agricultural, manufacturing and labor members.

Our written testimony will focus on two key areas: trade and investment. Regarding trade, we elaborate on the law enforcement gaps and the need to close the de minimis loophole in U.S. customs policy. For investment, we outline the importance of stopping the financing behind the companies that make the products. Products do not make themselves; companies make the products. These products are made by forced labor because of the companies involved that benefit from the government regime in the People's Republic of China (PRC) and the ability of these Chinese Communist Party (CCP) linked companies to raise hundreds of billions of dollars for their companies. It is morally wrong and illegal for these companies to benefit from forced labor and it is also morally wrong for financiers to back these companies. It is also then nearly impossible to compete in the global marketplace with companies that profit off of slave labor and receive minimal to no actual punishment for their actions—while continuing to receive international financial backing from the world's most lucrative capital markets—those of the United States and the Western world.

TRADE

China will not allow the policing of its supply chains, rendering a law enforcement approach futile. The Chinese Communist Party (CCP) has made it abundantly clear, through both legal and extra-legal means, that they will not tolerate investigations into forced labor in China. Therefore, the legal requirements of Section 307 of the Tariff Act of 1930, not to mention our moral duty to fight forced labor, will be nullified by attempting to narrowly target particular consignments of merchandise from specific entities.

This is not conjecture. The U.S. Department of State, in a statement to the Wall Street Journal, reported that “We are deeply concerned by reports that supply chain auditors have been detained, threatened, harassed, and subjected to constant surveillance while conducting their vital work in China”. China¹ has called allegations of forced labor in state-run labor programs involving Uyghurs “the lie of the century.”²

If a class of merchandise originating in China is made in part with forced labor, then Withhold Release Orders should apply against the entire relevant class(es) of merchandise originating in China. This is already authorized by law, and done for smaller countries.

Fortunately, existing law and practice offers an easy remedy to the CCP's adversarial stance on policing supply chains. Per existing regulations in 19 C.F.R. § 12.42–12.45, when U.S. Customs & Border Protection (CBP) is presented with information that indicates that merchandise was produced using forced labor, CBP is permitted to issue a Withhold Release Order against all shipments of that class of merchandise for the offending country of origin.

CBP has already done this in other countries. On May 18, 2018, following a petition filed by members of the U.S. Cotton Campaign, Alternative Turkmenistan News, and International Labor Rights Forum, CBP issued a Withhold Release Order

¹Lingling Wei, Eva Xiao, and Trefor Moss, “China Closes U.S. Auditor as Tensions Mount Over Forced Labor Allegations,” Wall St. Journal Aug. 19, 2021, available at <https://www.wsj.com/articles/china-closes-u-s-auditor-as-tensions-mount-over-forced-labor-allegations-11629390253>

²Id.

against “All Turkmenistan cotton or products produced in whole or in part with Turkmenistan cotton.” The order³ does not contemplate any futile attempt to parse particular shipments of Turkmenistan cotton depending on supply chain records. It is enough to know that the Turkmenistan government is tolerating forced labor in cotton, and until that situation is resolved, no shipments of Turkmenistan cotton may be entered into the United States.

Given that ongoing forced labor abuses assuredly involve complicit support from the territory’s sovereign, making Withhold Release Orders country-wide is the appropriate response. It is also the only functional response given the data elements CBP has to work with. Every shipment must indicate a country of origin of the merchandise, as well as a classification under the Harmonized Tariff System for a formal shipment. This makes prohibiting the importation of goods made in part with forced labor relatively straightforward, when the Withhold Release Order is tied to a class of merchandise and a country of origin.

If there were situations where particular foreign producers of a product were affected unfairly as they did not rely on forced labor, then existing practice already authorizes the appropriate approach. On November 1, 2019, CBP issued a Withhold Release Order against tobacco produced in Malawi and products containing tobacco produced in Malawi. This is the best way to start. Since then, three business entities have had themselves removed from the order, presumably demonstrating to the CBP Commissioner’s satisfaction that their particular shipments did not constitute forced labor. This is precisely the type of rebuttal presumption required by Section 3 of the Uyghur Forced Labor Prevention Act.

Finally, if issuing Withhold Release Orders tied to a class of merchandise and a country of origin is deemed “too much” given the size of China’s economy, then we should be honest about that fact.

De Minimis

Currently, there is no attempt to enforce forced labor Withhold Release Orders against merchandise entering through Section 321 of the Tariff Act of 1930, known as ‘de minimis shipments’. Even the most basic data, like merchandise country of origin, is typically lacking for de minimis shipments. De minimis imports are done by ‘consignees’, typically mail carriers or express couriers, who cannot speak to the package beyond what is written on the manifest. The manifest description in turn may be as simple as one or two words. CBP is clear when pressed by legislators: there is no policing of de minimis or application of UFLPA to the de minimis channel, which accounts for over two million shipments per day. Failing to repeal de minimis signals an unwillingness to tackle forced labor seriously.

De minimis was codified in 1938 to ensure that the government was not wasting time doing customs assessments on trivial imports. The law set thresholds of \$5 for merchandise accompanying travelers and bona fide gifts, and \$1 for every other situation. Each threshold is dealt with in a separate subsection.

In 1978, the “everything else” subsection rose from \$1 to \$5. But in 1994, Congress increased it from \$5 to \$200 along with the other sections. All of the Congressional record at that time indicated Congress only understood the law as increasing the returning traveler exemption.

Worse yet, via regulation, Treasury unilaterally broke with hundreds of years of customs law, saying that any mail carrier or express courier (“consignee”) could make entry of merchandise entering via Section 321. This was a profound repudiation of the expectation in customs law that the importer be able to answer questions about the merchandise to a customs officer. This meant individuals and entities making imports had title to their merchandise, and were either present before a customs officer or engaged a customs broker.

Repealing this requirement for de minimis shipments gave every retailer in the world direct access to American homes. We receive millions of these shipments daily, and have little information for the majority of them.

All a foreign vendor has to do to claim de minimis treatment is assert that the value of the shipment, in their country, is worth less than \$800. Foreign vendors are able to hand-write these declarations completely outside our jurisdiction, and 99.9% of them will necessarily be accepted at face value, as our customs authorities have no capacity to inspect thousands of mailbox-sized shipments per shipping container. Toys can’t be tested for lead. Apparel can’t be checked for forced labor cotton. All of our product safety rules go out the window if the foreign vendor merely asserts de minimis.

Sure enough, 62.5% of de minimis shipments originate from China and Hong Kong. The second largest shipment origination country is Canada. It is safe to as-

³ <https://www.cbp.gov/trade/forced-labor/withhold-release-orders-and-findings>

sume that the majority of these shipments are not “Made-in-Canada” merchandise. Instead, they certainly consist of mostly Made-in-China merchandise, sitting in bonded warehouses in Canada along the U.S. border, waiting to be delivered within 48 hours of a customer making a purchase online. This is civilizational suicide, and it must end.

While *de minimis* is growing rapidly, it likely still accounts for less than 3% of merchandise imports, and thus there is still time to repeal it without systemic effects. Other nations have rejected following us down this folly.

INVESTMENT

Americans are complicit in the financing of the forced labor atrocities this hearing is constructed to address and that the UFLPA is supposed to mitigate. But U.S. law and the UFLPA Entity List fails to punish corporate human rights abusers and those companies that take advantage of forced labor schemes. While products are seized, companies go on without being aggressively punished and without losing access to troves of capital available in the U.S. We believe that this should be addressed to maximize the true effectiveness of the UFLPA. In 2020, U.S. holdings of Chinese securities neared \$1.2 trillion. This is about five times the holdings than that of any other country. The exposure of U.S. investments in Chinese securities has never been greater, and it will continue to grow. Due to the gaps in U.S. securities laws and those laws intended for due diligence, investor protection, or risk mitigation, there is no mechanism to prohibit investment in the companies that are profiting off of forced labor and complicit in other human rights violations or posing a risk to American national security.

Below are some of the key areas of risk and the actions Congress can take to minimize the outflowing capital going to support the forced labor regime and the CCP.

A-Shares and Passive Investments

Congress, the media, and independent regulators like the Securities and Exchange Commission (SEC) have recently focused on the risks posed to U.S. investors from Chinese companies directly listed on U.S. stock exchanges. While CPA welcomes this focus and encourages further action, it does not address the bulk of “bad actor” Chinese companies that are still present in American passive investment products.

Their presence is in the form of over 4,200 A-share and H-share companies found throughout a multitude of financial vehicles, such as Exchange Traded Funds (ETFs) and index mutual funds, that have received little or no regulatory scrutiny or fiduciary due diligence. Tens of millions of Americans are unwittingly exposed to these A-shares in their investment portfolios and retirement investment accounts.

U.S. investors are inadvertently subsidizing Chinese companies involved in activities that are contrary to the national security, economic security, and foreign policy interests of the United States. We are also subsidizing the economic growth of the United States’ top global adversary. A-shares are securities listed on mainland Chinese exchanges and only accessible to American and foreign investors via inclusion in indexes and associated index funds. Similarly, H-shares are Hong-Kong listed shares. These companies are oftentimes non-compliant with U.S. securities laws and financial reporting norms and, in some cases, have been sanctioned by the U.S. Government for egregious human rights and national security abuses. Index providers neglect to consider the full range of China-specific material risks to investors when determining index constituents and weighting. These include considerations of reputational risks relating to national security, export controls and sanctions regimes, human rights violations, political factors, or even full consideration of traditional environmental, social, and governance (ESG) factors.

As of June 2022, a look at five of the larger index mutual funds offered by industry leaders—Fidelity Emerging Markets Index Fund (FPADX), State Street Emerging Markets Equity Index Fund (SSKEX), BlackRock iShares MSCI Total International Index Fund (BDOKX), Vanguard Emerging Markets Stock Index Fund (VEMAX), DFA Emerging Markets Core Equity I (DFCEX), which just so happen to be included in the new Mutual Fund Window available to TSP beneficiaries—includes at least 14 underlying companies directly linked to China’s military-industrial complex and listed on either the Department of Defense’s Section 1260H list or the Treasury Department’s NS–CMIC List or both, in just these five funds. This is in addition to several companies on BIS’s Entity List and others with documented links to the oppressive Chinese surveillance state and connected to Uyghur forced labor.

Harmonizing Government Sanctions—How to Guide Investors Away from Bad Actor Chinese Companies Including Forced Labor Human Rights Violators

Capital markets sanctions are a relatively under-utilized yet highly effective tool to be brought to bear to force divestment from certain key sectors and bad actor companies in the best interests of investors, human rights, market transparency and accountability, and national security. These sanctions work when properly implemented and are an under-utilized tool of the U.S. Government that this Committee must work to establish and enforce legislatively. Especially for those interested in not going to an actual kinetic/physical war with China, cutting off China's resources—our capital flowing to them—now and decreasing our dependence on their exports decreases China's resources and wealth to then be able to ratchet up its pressure on Taiwan and to play in other key geopolitical sandboxes around the world.

Polling conducted by CPA shows an overwhelming majority of Americans are concerned with investment in risky Chinese companies and support stricter investment requirements. A poll conducted by Morning Consult shows 62 percent of voters are concerned Americans can invest in Chinese and Russian companies that have been sanctioned by the U.S. government or have not complied with U.S. laws.

To accomplish this mission of decreasing and divesting U.S. capital from China, a series of executive orders have been promulgated by both Republican and Democratic presidents to try to selectively enforce capital investment bans on critical Chinese companies in critical industries and linked to the CCP military and military-civil fusion operations.

CPA would like to see this concept of capital markets sanctions be expanded to include more human rights violations, including those complicit in or profiting off of forced labor.

When expanding to cover forced labor companies, any new policy must also include the concept of sanctions harmonization. Better than a mere notion of sanctions reciprocity, sanctions harmonization links up current lists run by various U.S. Government departments and agencies in an interlocking process such that being sanctioned or listed by one enables the other to undertake consideration for legal sanctions action as well, and ultimately will ideally lead to increased listings by OFAC and more rigorous review. The current U.S. Government arrangement sees little transparency on why some Chinese companies are chosen to be on one list but not another. Across the U.S. Government, there are dozens of reports, lists, advisories, or sanctions tranches issued on a recurring basis. Some of these include: the U.S. Commerce Department's Bureau of Industry and Security (BIS) Entity List; the Military End User List, the Unverified List, the Department of Defense's 1260H or CMC List (formerly 1237 CCMC List), the new Uyghur Forced Labor Prevention Act Entity List maintained by the Department of Homeland Security, the OFAC NS-CMIC List, and more.

The financial industry will not lead. Congress—supported by the human rights community—must do so. To ensure against further American investment flowing to Chinese companies that pose investor protection, national security, and human rights concerns, Congress should take the following actions:

- Pass legislation that requires index providers and asset managers to address the risks posed by A-share and H-share companies in investment products that have zero investor protection, due diligence, or disclosures.
- Pass a "Uyghur Forced Labor Divestment Act" to prohibit investment in companies complicit in forced labor activities and punish those intentionally supporting such heinous endeavors.
- Expand the Holding Foreign Companies Accountable Act (HFCAA) to cover Chinese companies traded in the United States via passive investment products, despite not being directly listed on U.S. exchanges, to ensure that ETF products traded on U.S. exchanges are PCAOB compliant, consistent with the investor protection imperatives of the Act.
- Compel the SEC to require further disclosures and issue new rules for index providers as it pertains to oversight of quality control and minimizing conflicts of interest.
- Compel the SEC and other U.S. Government agencies to provide and require more information to be made known to investors and fiduciaries in regard to the geographic location of companies, their industries or sectors, their linkages to foreign governments or foreign actors, the presence of companies on U.S. sanctions lists, or other national security, human rights, or governmental and political risk factors.

- Require index providers to reevaluate their index inclusion criteria, which currently expose U.S. investors to material and reputational China-specific risks and further require them to justify continued inclusion of any such risky China-specific investments.
- Harmonize U.S. sanctions policy against Chinese companies in order to close current gaps that exist between different sanctions lists. This will clarify for and assist index managers and investors in compliance and due diligence.
- Establish a new capital markets list from the State Department with sanctions coordination with the Treasury to include Chinese corporate human rights abusers.
- Consider a national policy to prohibit investors from investing—either here or abroad—in companies which have Chinese Communist Party (CCP) cells in their management.

APPENDICES:

APPENDIX A: OP-ED

[Reprinted from The Hill, March 16, 2023]

HOW CONGRESS CAN COMPEL GLOBAL DIVESTMENT FROM CHINA'S FORCED LABOR⁴

By Robby Stephany Saunders, Opinion contributor

When Beijing hosted the 2022 Winter Olympics, the world's attention finally focused on China's alarming human rights abuses. Since 2017, more than 1 million Uyghurs and other ethnic minorities have disappeared into a vast network of re-education camps in the far west region of Xinjiang, China. It's part of what the U.S. State Department has labeled "genocide." Beijing remains undeterred by U.S. criticism, however, and continues to press many thousands of Uyghurs and other ethnic groups into slave labor.

In December 2021, President Biden signed the Uyghur Forced Labor Prevention Act (UFLPA) to strengthen laws banning forced-labor products from entering the United States. Since then, the U.S. has enjoyed moderate success in seizing banned goods. And Congress has increased appropriations to help U.S. Customs and Border Protection (CBP) fully implement the law.

This was a helpful start. But plenty of goods manufactured through China's slave labor are still entering the United States. In part, that's due to an obscure section of U.S. customs law—the "de minimis" threshold for consumer imports—that allows contraband Uyghur products to be shipped directly to U.S. buyers.

The current U.S. de minimis threshold is \$800. That means any product valued at less than \$800 can simply enter the U.S. without tariffs or scrutiny. This loophole has greatly benefited e-commerce vendors such as Amazon, Ali Express and Shein, since it allows goods produced through Uyghur labor to completely bypass border inspections.

Equally concerning is the CBP's lack of transparency for bills of lading. Companies can request "manifest confidentiality" from the CBP in order to hide their import data from public view. That leaves competitors and public interest groups unable to adequately monitor imports.

A further challenge is that the UFLPA is applied only to "formal entry" shipments valued at \$2,500 or more. As a result, imports of lesser value can also avoid federal oversight.

For the UFLPA to be effective, Congress must plug these holes. But there's still an overarching question: Why are so many popular global brands continuing to invest in China, particularly in Xinjiang, and prop up Beijing's slave labor?

The Australian Strategic Policy Institute (ASPI) believes Uyghur labor is now tied to at least 82 well-known global brands, including Apple, BMW, Gap, Huawei, Nike, Samsung, Sony and Volkswagen. If U.S. lawmakers want to thoroughly tackle China's slave labor, they need to formally identify these corporate bad actors and link them to capital markets sanctions.

This is strong medicine. But many of the multinational firms complicit in China's labor abuse continue to raise funds in U.S. capital markets. That gives Congress leverage, since lawmakers could block them from continuing to access America's financial markets.

⁴Website URL: <https://thehill.com/opinion/international/3903787-how-congress-can-compel-global-divestment-from-chinas-forced-labor/>

It's helpful that the UFLPA created an "entities list" of companies sourcing goods through Uyghur forced labor. But this list must be expanded to accurately track the companies still profiting from supply chains with murky roots in Xinjiang.

What matters is hitting these companies in the wallet. Unfortunately, consumer boycotts are hard to organize on a global scale. And customer awareness is also limited because the U.S. doesn't require country-of-origin labeling for goods sold online.

The answer is to identify the stocks, exchange-traded funds (ETFs) and mutual funds that include businesses tied to China's forced labor. This is where Congress holds real leverage since robust legislation could mean pulling these equities and investment products from America's financial markets. Companies tied to forced labor (as well as the thousands of index funds containing Chinese companies that benefit from forced labor) should have been targets of the UFLPA. To really compel action, they should now face the threat of being excised from America's capital markets. Such "forced labor divestment" is a necessary, realistic step to compel multinationals to decide whether to keep sourcing from China's slave labor (and pay the price) or clean house.

U.S. investors don't want to support China's repression of Uyghurs in Xinjiang. It's time for Congress to force the issue by conditioning access to America's financial markets on ending corporate complicity in China's egregious human rights abuses.

APPENDIX B: ADDENDUM.

NEW DATA FROM CPA ON PUBLICLY TRADED, CHINESE-LINKED COMPANIES PRESENT IN HOUSEHOLD INVESTMENT PRODUCTS LINKED TO FORCED LABOR

Methodology: The list of 5,266 publicly traded companies initially examined companies with publicly reported links or usage of forced labor in China found using open-source research. The companies ultimately selected for the list have reported links and are publicly traded, including mainland-listed stocks issued abroad. All companies listed are linked to oppression of ethnic minorities within Chinese territories. We determined that a number of these Chinese corporate forced labor offenders are included in popular American indices and investment products benchmarked against these indices.

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**United States House of Representatives
Congressional-Executive Commission on China**

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1. Date of Hearing:

2. Hearing Title:

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Date

*Witness Biographies***Anasuya Syam, Human Rights and Trade Policy Director, Human Trafficking Legal Center**

Anasuya Syam is the Human Rights and Trade Policy Director at the Human Trafficking Legal Center. She leads the Human Trafficking Legal Center's initiative on the U.S. Tariff Act and forced labor, with a focus on conducting investigations and submitting petitions under the Tariff Act. Syam works with pro bono counsel, civil society groups, government, and other stakeholders to push for greater accountability through enforcement of the Tariff Act import prohibition. She is the co-author of the practice guide "Importing Freedom: Using the U.S. Tariff Act to Combat Forced Labor in Supply Chains," which provides advocates with the nuts and bolts of using the Tariff Act to prevent goods made using forced labor from entering the United States. The guide has been translated into four languages. Syam has also published multiple op-eds and articles on the Tariff Act and forced labor. She chairs an advisory group of NGOs working to enhance the impact of import bans in addressing forced labor. Previously, Syam worked as a legal fellow at the World Bank with a focus on anti-corruption and corporate governance. She also worked as a corporate counsel in India. Syam received her bachelor's degree in law, with honors, from the National University of Advanced Legal Studies in India, and graduated with a master's degree in international law from NYU School of Law.

Laura T. Murphy, Professor of Human Rights and Contemporary Slavery, Helena Kennedy Centre for International Justice, Sheffield Hallam University

Laura T. Murphy is a Professor of Human Rights and Contemporary Slavery at the Helena Kennedy Centre at Sheffield Hallam University. She has authored numerous books and academic articles on the subject of forced labor and human trafficking globally. Her current work focuses on forced labor in the Uyghur region of China, including in the automotive, solar, apparel, and building materials industries. She has provided expert testimony and evidence on the crisis in the Uyghur region to the U.S., U.K., E.U., and Australian governments, and has provided private briefings to government agencies, advocacy groups, law firms, and others interested in the issue globally. She has consulted for the World Health Organization, the U.S. Department of Health and Human Services, the U.S. Office of Victims of Crime, and the National Human Trafficking Training and Technical Assistance Center.

Kit Conklin, Nonresident Senior Fellow, GeoTech Center at the Atlantic Council

Kit Conklin is a nonresident senior fellow at the Atlantic Council's GeoTech Center and a global executive who specializes in issues at the intersection of technology, commerce, and international security. He regularly speaks on China issues, data analytics, international finance, and emerging technologies. In addition to his work with the Atlantic Council, Conklin is a vice president at the research and data analytics firm Kharon. Conklin previously served in various national security positions with the U.S. Government. He also supported data innovation programs at Lawrence Livermore and Pacific Northwest National Laboratories. Conklin holds an M.S. in emerging and disruptive technologies from the National Intelligence University and an M.A. from the Middlebury Institute of International Studies.

Elfidar Iltebir, President, Uyghur American Association

Elfidar Iltebir was born in Urumchi, East Turkestan and grew up in Istanbul, Turkiye until her family immigrated to the U.S. in 2000. As the daughter of a prominent Uyghur writer and intellectual, Iltebir is an active member of the Uyghur American community and an outspoken human rights activist. From 2019 to 2022, she served as the secretary general of the Uyghur American Association (UAA). The community rewarded her excellent performance in raising awareness of China's genocide against the Uyghurs by electing her president of the UAA in May 2022, a role in which she currently serves. She has a B.A. in Marketing from George Mason University and 20 years of experience in marketing and project management. She is fluent in English, Uyghur, and Turkish.