

**Written Testimony of Louisa Greve  
Director of Global Advocacy, Uyghur Human Rights Project**

**Hearing: Exploitation and Enforcement: Evaluating the Department of Homeland Security's  
Efforts to Counter Uyghur Forced Labor**

**Subcommittee on Oversight, Investigations, & Accountability  
Committee on Homeland Security  
U.S. House of Representatives**

**October 19, 2023**

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I'd like to begin by thanking Subcommittee Chairman Dan Bishop and Ranking Member Glen Ivey for the opportunity to testify at this important hearing.

I am director of global advocacy for the Uyghur Human Rights Project (UHRP), which promotes the rights of the Uyghurs and other Turkic Muslim peoples in East Turkistan, referred to by the Chinese government as the Xinjiang Uyghur Autonomous Region, through research-based advocacy. UHRP was founded in 2003 as a project of the Uyghur American Association and became an independent nonprofit organization in 2016.

UHRP is a member of the Steering Committee of the [Coalition to End Forced Labour in the Uyghur Region](#), a global coalition of Uyghur civil society organizations, trade unions, anti-modern-slavery, and anti-human-trafficking organizations.

My testimony addresses the following topics:

- Incremental nature of UFLPA implementation enforcement steps
  - Strategy published six months after enactment, as required under the law (June 21, 2022)
  - Ongoing additions of targeted sectors, including agricultural products and aluminum, with future examinations of mineral and seafood sectors expected
  - UFLPA-related detention transparency: CPB's "[UFLPA data dashboard](#)" launched 9 months after law went into effect
  - CBP's use of supply chain tracing and isotopic-testing tools
  - Tools for private-sector supply chain tracing and UFLPA compliance: First-ever CBP [Forced Labor Technical Expo](#) March 2023
- Enforcement challenges, weaknesses and recommendations
  - Addressing de minimis "black box"
  - Need for transparency on rail, road and air imports
  - Slow pace of additions to the UFLPA Entity List and challenges of interagency coordination among seven agencies in the Forced Labor Enforcement Task Force (FLETF)
  - Penalties for "knowingly benefitting" from forced labor imports
  - Transparency on re-exports and diplomatic coordination to ensure trading partners do not become "dumping grounds" for Uyghur forced-labor goods -- urgency of progress in Europe, Canada & Mexico, Japan and others

## Incremental nature of UFLPA implementation enforcement steps

Strategy published six months after enactment, as required under the law

The UFLPA required DHS, as the lead agency of the seven-agency Forced Labor Enforcement Task Force (FLETF), to report to Congress a strategy for enforcement, no later than six months after enactment. The strategy was duly published on June 21, 2022. Credit is due for on-time publication of the [Strategy](#) within this tight timeframe for standing up a new type of enforcement. As a region-wide WRO at the subnational level, rather than national level, and covering every input at every step of the supply chain down to raw materials (mining, agriculture and industrial processing), this is a challenging mandate for implementation.

Ongoing additions of targeted sectors

The strategy explicitly contemplated adding additional product-sectors for priority enforcement, as new research and new data emerges over time. Since implementation, additional goods have been publicized as being at high risk of Uyghur forced labor. UHRP urges and expects that on the basis of two new reports this month, CBP will now heighten scrutiny of the mineral and seafood sectors.

- In January 2023, at least one law firm published a notice about CBP targeting of **aluminum**, which the firm noted as a new sectoral target. ([Trade Compliance Flash: Prepare for CBP's UFLPA Enforcement Against Aluminum Products](#)).

- Also in January 2023, CBP published an [article](#) highlighting detention and examination of fruit labeled “Xinjiang” at the ports of Newark, Oakland and Los Angeles, in which CBP credited NGO reporting for conducting research enabling CBP to take action (UHRP’s August 2022 report, [Fruits of Uyghur Forced Labor: Sanctioned Products on American Grocery Store Shelves](#)).



- An explosive new report published 10 days ago finds that Uyghurs are subjected to forced labor for “processing **much of the seafood sent to America and Europe**. The report finds that “at least 10 large seafood companies in China have used more than a thousand Uyghur workers since 2018. During that time, those companies shipped more than 47,000 tons of seafood—including cod, pollock, shrimp, salmon, and crab...” In addition, the report states, “In the past five years, **the U.S. government has spent more than two hundred million dollars on seafood from importers tied to Uyghur labor for use in public schools, military bases, and federal prisons**. (A spokesperson for the Department of Agriculture noted that its agencies are required to source seafood from the U.S. However, according to researchers, local-level buyers for federally supported programs sometimes use exemptions to purchase food and other products from abroad.)” (Outlaw Ocean Project, [The Uyghurs Forced to Process the World’s Fish](#), October 9, 2023. Media exclusive in [The New Yorker](#).)
- Two days later, the C4ADS research institute published a report on mining, including gold, mapping “the relationships between Xinjiang Uyghur Autonomous Region-based mines reliant on

forced labor and global networks of finance and trade — including hundreds of American companies and the index fund portfolios of several major asset management firms.” ([Fractured Veins - C4ADS](#), October 11, 2023).

- The current largest supplier of **lithium** is the Bolivian government, which has handed Chinese conglomerates large stakes in raw lithium extraction, which will then be processed in China and used to manufacture electric vehicle (EV) batteries and other products. ([Bolivia Lithium Contracts Make It Complicit In China’s Uyghur Abuses](#), October 11, 2023)
- For links to 27 NGO and US government reports to date, on a variety of sectors from **solar** to **automotive** to **luxury vinyl flooring**, see the “[reports](#)” page collated by the Coalition to End Forced Labour in the Uyghur Region.
- See DHS 2021 list of industries, as “Annex 2: Illustrative List of Industries in Xinjiang in which Public Reporting has indicated Labor Abuses may be Taking Place,” Xinjiang Business Supply Chain Advisory, July 13, 2021, page 25, at <https://www.dhs.gov/sites/default/files/publications/xinjiang-business-advisory-13july2021-1.pdf>)

<u>Industry</u>
Agriculture (including such products as raw cotton, hami melons, korla pears, tomato products, and garlic)
Cell Phones
Cleaning Supplies
Construction
Cotton, Cotton Yarn, Cotton Fabric, Ginning, Spinning Mills, and Cotton Products
Electronics Assembly
Extractives (including coal, copper, hydrocarbons, oil, uranium, and zinc)
Fake hair and human hair wigs, hair accessories
Food processing factories
Footwear
Gloves
Hospitality Services
Metallurgical grade silicon
Noodles
Printing Products
Renewable Energy (polysilicon, ingots, wafers, crystalline silicon solar cells, crystalline silicon solar photovoltaic modules)
Stevia
Sugar
Textiles (including such products as apparel, bedding, carpets, wool, viscose)
Toys

#### UFLPA-related detention transparency

CPB’s “[UFLPA data dashboard](#)” was launched 9 months after the law went into effect. This is a major step forward. Previously, information on UFLPA enforcement, and enforcement of forced-labor WROs and the Section 307 forced-labor import-ban generally, was provided in monthly enforcement updates

published on the CBP website, which were irregular and sometimes appeared after long delays. In contrast, the [Uyghur Forced Labor Prevention Act Statistics | U.S. Customs and Border Protection](#) page is promptly updated each month, and contains far greater detail. It reveals, for example, that \$1.8 billion in goods have been targeted for detention and examination since the law went into effect.

It would be even more useful if all origin countries were to be included, rather than only the top five. Currently, the top five countries are Malaysia, Viet Nam, China, Thailand and Mexico, with all other origin-countries grouped under “Other.”

In addition, it would be extremely useful if it provided a more detailed breakdown of goods, akin to the level of specificity in the June 21, 2022 table above. For example, solar panels are included in the “Electronics” category, making it impossible for importers, and for watchdog groups, to determine which sectors and products are indeed being stopped at the ports.

#### CBP’s use of supply chain tracing and isotopic-testing tools

The private-sector commercial risk intelligence firm Sayari [announced](#) in November 2022 a \$7.8 million CBP contract. According to the Sayari press release, the contract will support CBP “mitigation of ongoing global supply chain risks and ensure major U.S. corporations comply with import regulations, including new directives like the Uyghur Forced Labor Prevention Act (UFLPA).”

In September 2023, Reuters [reported](#), on the basis of a FOIA request, that CBP has begun to use isotopic testing, but that isotopic testing is not yet a “routine process” for U.S. Customs, according to Eric Choy, CBP’s acting executive director for trade remedy and law enforcement. Isotopic testing can identify cotton fibers from a specific geographic area by analyzing the concentration of stable elements like carbon and hydrogen present in both the crop and the environment in which it has been grown, Reuters noted.

Yesterday, the Kharon firm [announced](#) that “CBP’s officers will gain access to Kharon’s risk data and software solutions platform, to support CBP Forced Labor and Trade enforcement and investigations.”

It could be useful for Congress to request an update from CBP on the impact of these tools on CBP’s operations and effectiveness.

#### Tools for private-sector supply chain tracing and UFLPA compliance

In March 2023, CBP organized the first-ever [Forced Labor Technical Expo](#), a two-day event in Washington. Nineteen (19) for-profit firms gave presentations about their services related to importers’ compliance with the US import ban and UFLPA’s rebuttable presumption. Such services range from supply-chain tracking software to DNA testing of raw materials and use of AI to identify high-risk links in supply chains. DHS and CBP officials delivered remarks emphasizing the federal government’s commitment to eradicate forced labor in US markets, as part of a global imperative to end forced labor anywhere in the world.

Several of the firms have also proactively offered briefings to nonprofits campaigning for an end to Uyghur forced labor and an end to corporate complicity. It would be useful for Congress to commission research, perhaps from CRS, to understand the nature of these services and their impact on compliance.

### **Enforcement challenges, weaknesses and recommendations**

#### Addressing the de minimis “black box”

As the UHRP Board Chair, Nury Turkel, [testified](#) in a Ways and Means Trade Committee hearing in May, CBP officials' [remarks](#) at the CBP Trade Facilitation and Cargo Security Summit in April revealed a series of problems with CBP's capacity to police "de minimis" entries valued at \$800 or less. CBP data [show](#) that in 2022, less than half of de minimis shipments included data either through "Type 86 entry" or the "Section 321 data pilot program."

Sal Ingrassia, former port director at the JFK Airport, which sees about one-third of the de minimis entries to the U.S., said that while the agency is glad brokers are providing Harmonized Tariff Schedule codes in the Type 86 test, "we still have a lot of concerns," because CBP is finding the data is often not correct. According to an article in International Trade Today, CBP found "some type of violation" in 25% of shipments examined:

Ingrassia said ports identified de minimis shipments to examine and reported to the de minimis working group what they learned. "One-quarter of what we looked at had some type of violation," he said. "It was alarming to see we had so many violations." He said a large number of the violations were either an HTS misclassification "or unmanifested merchandise in the shipment, meaning that we had an e-commerce package or shipment with three items in it. Only one item was declared. That's a real problem for us when we're talking about entry Type 86."... Ingrassia asked rhetorically: "How can we run a system like entry Type 86 without having correct information?"

In addition, in 25% of cases, CBP was simply unable to locate packages identified for inspection. These are the cases where CBP had asked companies to hold packages for inspection and then discovered that packages had already been released before CBP could inspect them.

A third issue was raised by Brandon Lord, executive director of CBP's Trade Policy and Programs Directorate, who seemed to imply that CBP will require fewer data in the future, not more, saying that CBP will "mandate way less" than the combined data elements used in the Type 86 test and the Section 321 data pilot, according to International Trade Today. In a later interview with International Trade Today, Mr. Lord said that "de minimis" is not a "loophole" [CBP Trade Policy Director: de Minimis Is No Loophole](#) (April 24, 2023)

The fourth question that should be examined by Congress is how CBP handles transshipment coming from a third country and not the country of origin -- such as Canadian warehouses. Some members of the importing business community apparently favor the creation of a new arrangement, such as "Free Trade Zones" in third countries, to warehouse goods that could later be sold to consumers under the de minimis threshold. It is important that any such new arrangements do not worsen gaps in enforcement of forced-labor and other trade laws in relation to de minimis shipments.

The Los Angeles Field Office reportedly handles about a third of the national volume of de minimis packages. At the April Summit, the director of this office discussed a test operation that flagged "quite a few shipments" as non-compliant and pointed to the need for "advanced data" to flag shipments for enforcement, including health and safety risks, infringements on intellectual property or are of interest to other Partner Government Agencies, including narcotics and other contraband, and of course forced-labor goodies.

Finally, it is encouraging that Congressional statements and letters are beginning to grapple with the implications of breakneck market growth of direct-to-consumer shipping of cheap goods from China by Shein, Temu, and similar companies. According to the US-China Security and Economic Review Commission, Shein has a "dominant" place in the "fast fashion sector, surging past Tiktok, Instagram, and Twitter to briefly become the most downloaded app in the United States in May 2022. The April

2023 US-China Security and Economic Review Commission report [cites](#) heightened risks of “exploitation of trade loopholes; concerns about production processes, sourcing relationships, product safety, and use of forced labor; and violations of intellectual property rights.” The brief raises the alarm about the race by other Chinese e-commerce platforms to copy this model, highlighting the “risks and challenges to U.S. regulations, laws, and principles of market access.”

In sum, according to International Trade Today’s reporting, CBP is facing capacity issues in enforcing US trade laws for de minimis entries. In 2022:

- One-half were shipped with zero digital data provided to US customs authorities.
- One-quarter of those flagged for inspection were never inspected because the importer failed to comply with the order to hold the items for inspection, and
- One-quarter of those inspected at JFK airport had “some type of violation.”

I associate myself with Nury Turkel’s conclusion that it is hard to believe that Congress intended for the de minimis provision, which has the singular intent of waiving tariffs on small shipments, to result in spotty or non-existent policing of Congress’s black-letter prohibitions on the importation of fake, dangerous, and forced-labor goods. It is past time for Congress to re-examine the assumption behind raising the threshold from \$200 to \$800 in the Trade Facilitation and Trade Enforcement Act of 2015.

#### Need for transparency on rail, road and air imports

UHRP joined 37 other watchdog and advocacy groups calling for greater transparency in import data. Our [Open Letter to CBP on Trade Data Transparency](#), published in October 2022, urged CBP to institute disclosure of air, road, and rail manifests, in addition to maritime vessel manifests. CBP and FLETF have repeatedly stated and demonstrated their appreciation of independent reports on supply-chain risks on forced labor.

For this partnership to be effective, and to ensure that actionable data can be provided by US private-sector firms affected by unfair competition as well as by research NGOs, public disclosure by CBP of import data other than ocean shipping is vital.

#### Slow pace of additions to the UFLPA Entity List and challenges of interagency coordination among seven agencies in the Forced Labor Enforcement Task Force (FLETF)

Following the 20 original entities named in the Enforcement Strategy on June 21, 2022, it was not until June 2023 that FLETF announced the first additions. UHRP said in a [public statement](#) that we were disappointed by this small number, more than a year after the law went into effect. As UHRP said at the time, “The entity list is key to public messaging: perpetrators of Uyghur forced labor do not have access to U.S. consumers. Strong language on enforcement isn’t enough — naming the companies is essential.” As of today seven new entities have been added, for a total of 27.

UHRP, along with many other research organizations, have submitted substantial data which government agencies have not yet acted on. UHRP and other members of the Coalition to End Forced Labour in the Uyghur Region have utilized the channels for public input created by FLETF, including a dedicated email address ([FLETF.UFLPA.EntityList@hq.dhs.gov](mailto:FLETF.UFLPA.EntityList@hq.dhs.gov)) as well as the CBP e-allegations portal. We have urged FLETF to make use of this intensive research by substantially expanding the entity list.

The [Entity List](#) faces particular challenges in adding entities due to the multi-agency structure of FLETF. Lawyers in all seven agencies are part of the review, and if a vote must be taken, a majority must sign off before an entity is added. The bureaucratic nature of this process appears to be an obstacle to decisive

action. During CSO Engagements organized by DHS, we have learned of recent progress in designating, many months after publication of the Strategy, staff in the agencies focused on Entity List decisions. With these teams now in place, it is important to monitor whether, going forward, the pace of additions will pick up substantially.

#### Penalties for “knowingly benefiting” from the importation of goods produced with forced labor

Vigorous implementation of any law requires agencies administering that law to not only provide clear guidance on compliance, but also to impose penalties in any cases of willful violations or knowing provision of inaccurate or false information. It would be useful for Congress to seek further information from DHS and CBP about their strategy for deterring willful or knowing evasion.

For example, UHRP urges the imposition of penalties on the importers of Xinjiang Production and Construction Corps (XPCC). The XPCC was [placed](#) under Global Magnitsky sanctions on July 31, 2020, and UHRP published a report on XPCC imports in August 2022 ([Fruits of Uyghur Forced Labor: Sanctioned Products on American Grocery Store Shelves](#)). Therefore, there is no room for doubt that importers should have been on notice that goods from the XPCC are illegal to import (since all financial dealings with the XPCC are prohibited under Magnitsky SDN sanctions). Yet it would appear that importers continued to bring in XPCC goods at least until the CBP detentions of multiple shipments at the ports of Newark, Oakland and Los Angeles at some point between August 2022 and publication of the [CBP magazine article](#) on the detentions, in January 2023. These products, indeed, can still be found on grocery shelves.

The 2023 UFLPA Implementation Strategy Update (Updates to the Strategy to Prevent the Importation of Goods Mined, Produced, or Manufactured with Forced Labor in the People’s Republic of China [Report to Congress](#), July 26, 2023, Department of Homeland Security, Office of Strategy, Policy, and Plan ) mentions the question of prosecution in two places:

- (1) "CCHT will send viable referrals of allegations against those identified as high-priority sectors pursuant to the UFLPA to HSI field offices to pursue criminal investigation and Federal prosecution, as appropriate." (p. 10)
- (2) "to identify and investigate individuals and entities who are knowingly importing or benefiting from the importation of goods produced with forced labor." (p. 13)

To date, DHS has not provided updates about whether such investigations have been pursued. Nor has CBP announced any civil penalties regarding importers.

#### Transparency on re-exports and diplomatic coordination to ensure trading partners do not become “dumping grounds” for Uyghur forced-labor goods — urgency of progress in Europe, Canada & Mexico, Japan and others

Currently, there is no public disclosure of goods denied entry by CBP under the UFLPA. There should be arthritis for CBP to share information with trade partners — for example under the USMCA, as a starting point — to share data about forced-labor goods that may be re-routed to other markets. Diverting goods from away the US market, only to have them offered to consumers in other countries, and allowing manufacturers and brands to continue to circulate forced-labor products, leaves a loophole for moral complicity and profits from modern slavery. We would urge that US authorities find solutions.

More broadly for the diplomatic mandate in Section 4 of the UFLPA, (“Diplomatic Strategy to Address Forced Labor in the Xinjiang Uyghur Autonomous Region”), UHRP has a number of questions about how CBP, DHS, the State Department, USTR, and other agencies are coordinating in their efforts with other countries. They include the following:

- How best for civil society to feed in and/or amplify the commitment to stop Uyghur forced labor, with policymakers in other countries, where NGOs and trade unions have partners with capacity to mobilize awareness and a sense of urgency. Our efforts to point to forced labor as an actionable arena in Southeast Asia, Japan, and other places have run into the response: “We can’t risk trade retaliation.” Is there a plan to help trade partners act jointly, to overcome their fear of retaliation from the Chinese government?
- What is the progress under the USTR US-Japan Task Force on forced labor?
- What are the outcomes and plan for operationalizing the repeated G7 commitments on this issue?
- What is the US (and allies’) agenda to address blind spots on the nature of state-imposed forced labor in international frameworks designed to eradicate forced labor how state-imposed forced labor requires a wholly different approach than nonpolitical, corrupt and illegal forms of forced labor, especially in the context of China’s constellations of interlocking atrocity crimes?

Thank you again for the opportunity to testify. I will be pleased to answer questions and work with the Subcommittee in its ongoing oversight role.

### **Additional References**

Coalition to End Forced Labor in the Uyghur Region (UHRP is a founding member)

- [Experts commend Uyghur Forced Labor Prevention Act implementation, call for more muscle:](#) Coalition members cite Entity List and third-country imports as key for tougher enforcement, April 18, 2023

Hearing: Implementation of the Uyghur Forced Labor Prevention Act and the Impact on Global Supply Chains, Congressional-Executive Commission on China (CECC), April 18, 2023

- [Testimony](#) of Anasuya Syam, Human Rights and Trade Policy Director, Human Trafficking Legal Center
- [Testimony](#) of Dr. Laura Murphy, Professor of Human Rights and Contemporary Slavery, Helena Kennedy Centre for International Justice, Sheffield Hallam University
- [Testimony](#) of Kit Conklin, Nonresident Senior Fellow, GeoTech Center, Atlantic Council
- [Testimony](#) of Elfidar Iltebir, President, Uyghur American Association

Hearing: Countering China’s Trade and Investment Agenda: Opportunities for American Leadership, Subcommittee on Trade of the Committee on Ways and Means, April 18, 2023

- [Testimony](#) of Roy Houseman Jr., Legislative Director The United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (USW)

Field Hearing: Trade in America: Securing Supply Chains and Protecting the American Worker – Staten Island, House Committee on Ways and Means, May 9, 2023

- [Testimony](#) of Nury Turkel, Chair, U.S. Commission on International Religious Freedom (USCIRF)

Hearing: Modernizing Customs Policies to Protect American Workers and Secure Supply Chains, House Committee on Ways and Means, Trade Subcommittee, May 25, 2023



- [Testimony](#) of Martina E. Vandenberg, President, The Human Trafficking Legal Center

Current Congressional inquiries

- [UFLPA enforcement letter to Mayorkas and Blinken](#), from Select Committee Chairman Mike Gallagher, Sept 19, 2023. (A UFLPA amendment to the Uyghur Human Rights Policy Act of 2020 requires US Global Magnitsky sanctions on all perpetrators of forced labor of Uyghurs. None have been imposed.)
- Inquiry into Ford Motor Company's partnership with a Chinese company connected to Xinjiang-based companies. ([Gallagher, Smith, Rodgers Seek Compliance After Ford Refuses to Cooperate with Investigations into CCP-Aligned EV Battery Partnership](#), September 27, 2023)