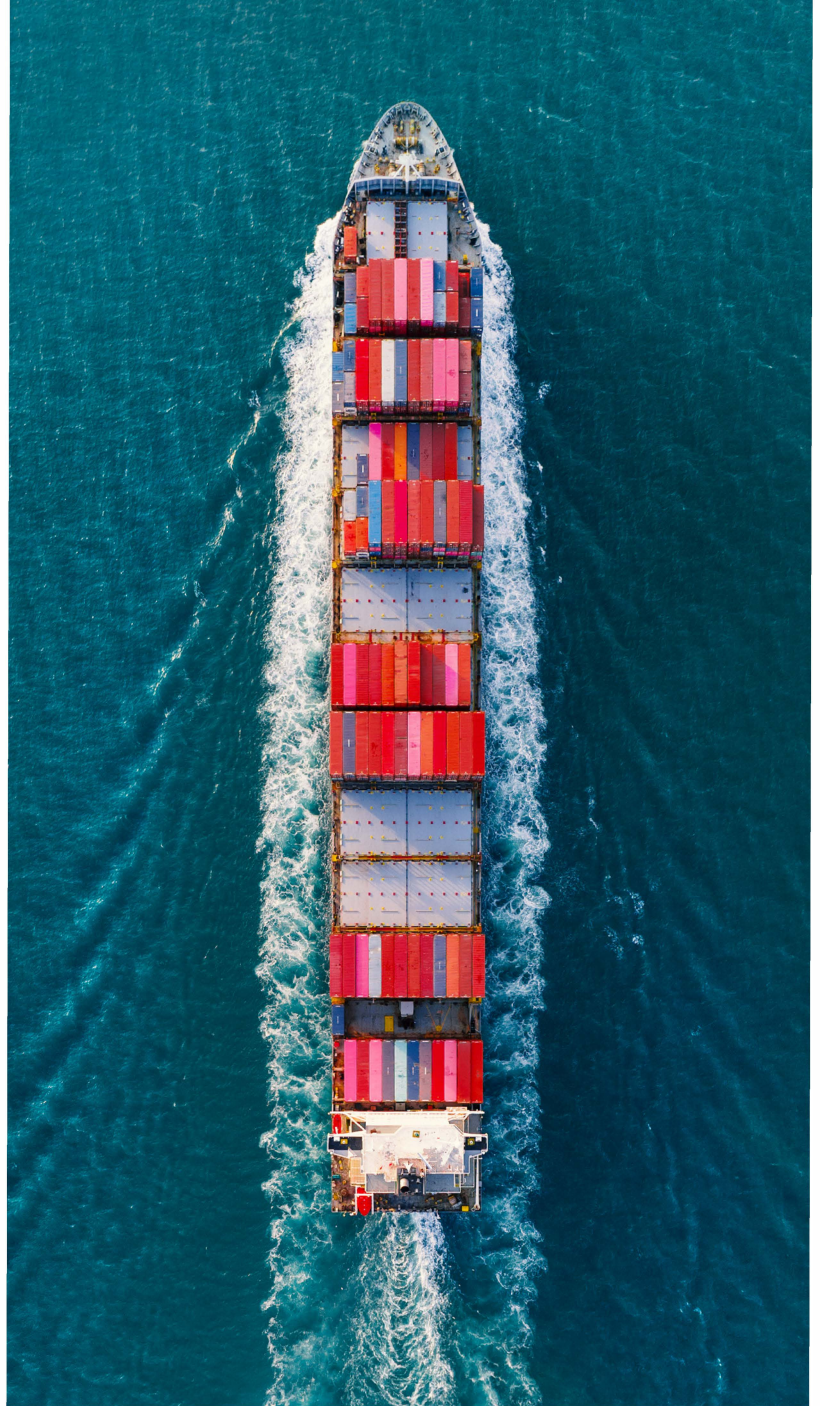
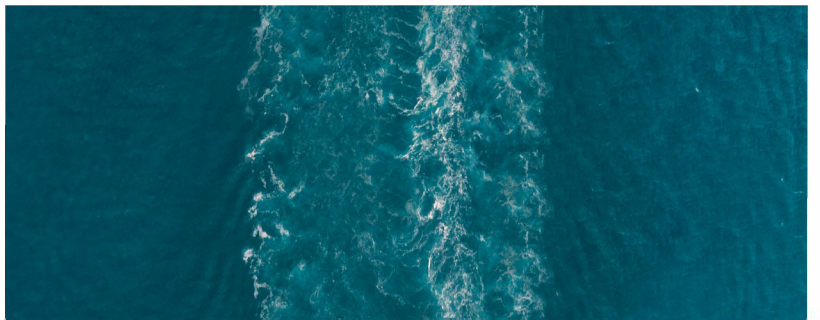


ArentFox
Schiff



Navigating the Complexities of Forced Labor Laws:
**ArentFox Schiff's 2025
Guide for Global Businesses**





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OVERVIEW

Navigating the Complexities of Forced Labor Laws

Last year, ArentFox Schiff's (AFS) Forced Labor Enforcement Task Force [published](#) its first annual report to help multinational companies navigate the complexities of forced labor laws in the United States and in countries around the world. Since our last report, forced labor enforcement has developed rapidly, with many of our predictions materializing in 2024. Over the past year, our team has guided a multitude of clients in various industries through these shifts. We have counseled companies facing enforcement actions and government inquiries and have assisted in developing robust and flexible supply chain due diligence programs to minimize risks and remain competitive in this evolving regulatory landscape.

In this year's report¹, we look back to the significant developments in 2024 — the global supply chain landscape experienced transformative changes driven by pivotal government actions and evolving market dynamics. We also provide our predictions as we look ahead to 2025, anticipating further regulatory developments that will redefine operational strategies across industries. This guide aims to equip companies with the insights needed to navigate these changes, optimize their supply chains, and capitalize on emerging opportunities in the global market.

2024 Developments

Last year was marked by an increase in US forced labor enforcement. The US government introduced a multifaceted enforcement approach, illustrating that forced labor continues to be a priority issue. Beyond the uptick in traditional detentions, we saw US Customs and Border Protection (CBP) issue a multitude of expansive forced labor-related “questionnaires” and Risk Analysis and Survey Assessments to assess supply chain connections to the Xinjiang Uyghur Autonomous Region (XUAR or Xinjiang) pursuant to the Uyghur Forced Labor Prevention Act (UFLPA). We also saw many more US Department of Homeland Security (DHS) UFLPA Entity listings and new withhold release orders (WROs) and findings. There were also congressional inquiries and hearings related to forced labor, and Section 301 was used in a novel way in connection with a human rights investigation. These


¹ The information and statistics discussed throughout the following report are current as of January 21, 2025. References to 2024 and 2025 refer to the calendar year, except for the statistics on the Uyghur Forced Labor Prevention Act Dashboard, which are reported by the US Customs and Border Protection (October-September) fiscal year.

developments only cover the United States! We have also observed a global expansion of supply chain reporting and forced labor legislation.

General Forced Labor Developments:

	Two new WROs and one finding.
	DHS issued an enforcement plan to protect the US textile industry.
	Technologies are becoming increasingly necessary in due diligence and enforcement, but none are a silver bullet.
	CBP continues to invest in targeting technologies (e.g., isotopic testing labs) and staffing for enforcement.
	Litigation to challenge forced labor enforcement.
	The US Trade Representative (USTR) issued a trade strategy with policy plans to combat forced labor.
	Novel use of a Section 301 investigation in connection with a forced labor and human rights concerns in Nicaragua.
	Customs Trade Partnership Against Terrorism (CTPAT) trade compliance reporting requirements and benefits (e.g., use of foreign trade zones (FTZs)).

UFLPA Enforcement Developments:

	Many new DHS UFLPA Entity List additions.
	Escalating number of UFLPA detentions, particularly in the electronics (largely solar), apparel, footwear, textiles, and industrial and manufacturing materials sectors.
	New UFLPA priority sectors: aluminum, polyvinyl chloride (PVC), and seafood.
	The DHS UFLPA Entity List increased to 107 entities.
	US Congressional oversight into supply chain due diligence and forced labor enforcement.
	Newly proposed or passed forced labor and supply chain due diligence legislation in states and globally.

2025 Predictions

In 2025, we expect continued domestic and international initiatives aimed at rooting out forced labor in supply chains and that escalating enforcement efforts will continue. As a result, multinational companies must develop robust and scalable global forced labor and supply chain diligence programs.

- Escalating detentions in connection with both the UFLPA and WROs. The Trump Administration will continue to heavily enforce the UFLPA and take a hard stance on China.
- New WROs and findings focused on industry sectors and regions outside of China.
- A substantial number of additions to the UFLPA Entity List, including industries outside designated UFLPA priority areas. In tandem, we also expect more companies to challenge these designations via lawsuits in the US Court of International Trade (CIT).
- New sectors targeted for enforcement: automotive, aluminum, seafood, batteries, critical minerals, pharmaceuticals, and chemicals.
- New UFLPA priority sectors, possibly including batteries and critical minerals which are used to manufacture batteries, steel, and certain automotive parts.
- An exponential increase in enforcement through “non-traditional” enforcement tools such as Section 301 investigations, free trade agreements, and bilateral agreements.
- Additional new technology services will be launched to assist companies to comply with global forced labor and supply chain due diligence legislation, as well as to aid the government in targeting efforts. CBP will collect more samples as its isotopic testing labs are established.
- New forced labor related export controls and sanctions.
- Through the United States-Mexico-Canada Agreement (USMCA) renegotiations, there will be stronger forced labor enforcement requirements for Canada and Mexico.
- Forced labor-related reviews will be incorporated into traditional CBP compliance reviews such as requests for information, focused assessments, audits, etc.
- The use of criminal investigations in forced labor enforcement and possible 19 U.S.C. § 1592 penalties.
- Continued expansion of state-level and global forced labor and supply chain due diligence laws (e.g., Japan), including the potential implementation of state-level supply chain mapping and due diligence reporting laws (e.g., Washington, New York).

The evolving requirements can be challenging to navigate. However, with this report, we offer a substantive overview of the issues surrounding forced labor enforcement in the United States and globally to help companies plan for and mitigate potential risks in 2025 and beyond.

- **Part I** of this report provides readers with a brief overview of forced labor laws in the United States.
- **Part II** reviews forced labor developments in 2024, specifically examining general forced labor trends, the enforcement of the UFLPA and its related high-priority sectors, as well as other forced labor initiatives.
- **Part III** outlines our predictions for forced labor developments and enforcement in 2025, as well as potential new sectors that may be subject to enforcement initiatives moving forward.
- **Part IV** provides general guidance and includes information on other national and global legislative initiatives related to forced labor initiatives to monitor.
- Lastly, **Part V** summarizes our final takeaways that will help companies plan for the coming year.

Who Should Read This Report

Forced labor enforcement impacts a broad range of companies and personnel in all industries (e.g., fashion and retail, construction, automotive, electronics, solar and clean energy, chemicals, pharmaceuticals, etc.), including importers; investors and private equity companies investing in importing entities; buyers; manufacturers; compliance, sourcing and procurement, legal, and accounting personnel; and entities doing business with the US government.

AFS' Experience With the UFLPA and Forced Labor

[The AFS Forced Labor Enforcement Task Force](#) is composed of [AFS attorneys](#) with broad experience in all areas of customs and trade law. Since forced labor has become an essential focal point in the government's enforcement priorities, coupled with the enactment of the UFLPA, the AFS Forced Labor Enforcement Task Force has helped companies in all industries and of all sizes navigate the ever-changing regulatory landscape. Our experience includes, but is not limited to, counseling on forced labor and supply chain legislation, assisting with supplier due diligence, developing forced labor law compliance programs, petitioning for the release of detained merchandise, and responding to congressional and non-governmental organization (NGO) inquiries. We also routinely assist companies in responding to forced labor audits and risk analysis and survey assessments issued by CBP.



Part I: Authority for Import Bans



Part I

Authority for Import Bans

The United States prohibits the importation of merchandise manufactured with forced labor pursuant to Section 307 of the Tariff Act of 1930 (19 U.S.C. § 1307). Section 1307 is enforced through several mechanisms.²

WROs, Findings, and Related Developments

CBP will issue a WRO covering certain goods associated with a specific manufacturer or region based on a *reasonable suspicion* that forced labor was used in the production of goods imported into the United States. There are currently [51 active WROs](#) in effect that cover various products and countries.ⁱ The WRO authorizes CBP to detain those goods at the time of importation. See **Appendix I** for the current list of WROs by country.

CBP will issue a finding if the agency has *conclusive evidence* that forced labor was used in the manufacturing or production of merchandise. There are currently nine active findings.ⁱⁱ

UFLPA

The UFLPA was enacted in December 2021 with the goal of addressing alleged human rights violations imposed on minority groups in the XUAR of the People's Republic of China (PRC). As of June 21, 2022, the UFLPA established a rebuttable presumption that merchandise produced in whole or in part in the XUAR or by an entity on the DHS UFLPA Entity List, is produced using forced labor and is thus prohibited from entry into the United States. Goods produced in the XUAR, in third countries, or other regions of the PRC from XUAR inputs, or in whole or part by an entity on the DHS UFLPA Entity List, may be detained.

CAATSA

Countering American Adversaries Through Sanctions Act (CAATSA) Title III Section 321 (22 U.S.C. § 9241(a)) establishes a rebuttable presumption that significant goods, wares, merchandise, and articles mined, produced, or manufactured wholly or in part by North Korean nationals or citizens anywhere in the world are produced with forced labor and are prohibited from importation under Section 1307. Essentially, the law requires companies to review their supply chains to ensure that North Korean labor is not used. Similar to the standards under the UFLPA, the forced labor presumption can only be rebutted if CBP finds clear and convincing evidence that the imported goods were not produced with forced, convict, or indentured labor. Violations of these restrictions can result in civil penalties and criminal prosecution.

² This report provides a summary of the authority for import bans in the United States. For a more comprehensive summary, please see our [in-depth report discussing this authority](#).

How to Respond to a Forced Labor Detention Under These Authorities

Despite ongoing efforts to enhance transparency and efficiency in the detention process, responding to a detention still demands considerable effort and resources. Currently, no technology or guidance has been introduced that fully simplifies this complex process. Our 2024 Guide (Appendix 2) provides detailed information regarding the information needed to challenge a UFLPA detention, which also generally applies to enforcement actions made under the authorities cited here.



Part II: Forced Labor Developments in 2024



Part II

Forced Labor Developments in 2024

In 2024, our forecasts materialized with a remarkable surge in forced labor enforcement — a trend that shows no signs of slowing down. There has been a notable rise in shipments flagged for review under the UFLPA and the largest expansion of the UFLPA Entity List to date. The United States has proactively taken additional measures to safeguard domestic industries and combat forced labor. Some of these initiatives include scrutinizing *de minimis* shipments for links to the XUAR or forced labor, deploying audits and risk assessments to evaluate importers' forced labor compliance programs and supply chain mapping capabilities, and employing various enforcement tools to investigate the presence of forced labor in supply chains. The government has also taken some steps to improve communications with companies and streamline the detention submission process in the future.

Below, we detail the general forced labor developments followed by trends specifically related to enforcement under the UFLPA, including high priority sectors and shipments targeted by CBP.

General Forced Labor Enforcement Updates in 2024

1. WROs and Findings

As we predicted in last year's guide, under increased pressure to act, CBP issued additional WROs and a finding in 2024. By way of comparison, in 2023, no WROs or findings were issued.

2024 Actions

Action	Country	Company	Product	Date
WRO	China	Shanghai Select Safety Products Co., Ltd., and its two subsidiaries, Select (Nantong) Safety Products Co. Limited and Select Protective Technology (HK) Limited. ⁱⁱⁱ	Work Gloves	April
WRO	Somaliland	Asli Maydi ^{iv}	Frankincense (used for fragrances, skincare, cosmetics)	November

Finding ³	Dominican Republic	Kingtom Aluminio S.R.L. (Chinese owned) ^v	Aluminum extrusions and profiles	December
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2. DHS Enforcement of the Textile Industry

In 2024, the textile and apparel industries remained a key target for UFLPA enforcement. This effort has been encouraged by the domestic industry, which has claimed that products produced using XUAR inputs are impermissibly entering the United States through the *de minimis* program or surreptitiously through member countries of US Free Trade Agreements (FTAs). For example, CBP reportedly detained shipments of textiles produced in Nicaragua, purportedly eligible for the Dominican Republic-Central America Free Trade Agreement (CAFTA-DR), using materials from XUAR. There have been an increasing number of enforcement actions on apparel shipments from Central America.

DHS Textile Enforcement Plan

The DHS Textile Enforcement Plan, unveiled in April 2024, established a comprehensive approach to protecting the US textile and apparel industries intended to address alleged forced labor risks and promote fair trade practices.^{vi}

Under this plan, DHS has intensified its oversight of textile cargo by expanding compliance reviews and initiating civil penalty proceedings for violations. Last year, CBP expanded its use of risk assessments and audits to assess whether importers are sufficiently mapping their supply chains and complying with the evidentiary requirements of the UFLPA. During these reviews, CBP requires importers to provide supply chain traceability documentation for selected shipments and map every tier of their supply chain from the manufacturer to the raw material suppliers — similar to a detention response. CBP has also increased the frequency and scope of FTA verifications, focusing on entities with potential ties to XUAR and requesting samples of products for fiber content and possibly isotopic testing.

[DHS' Homeland Security Investigations is also reportedly launching criminal investigations into companies suspected of violating forced labor regulations.](#)

One of the most visible outcomes of the enforcement plan was the addition of 26 Chinese textile companies to the UFLPA Entity List in May 2024. Most recently, in January, DHS announced the addition of 37 companies, 26 of which were suppliers of cotton and manufacturers of textiles, to the UFLPA Entity List.^{vii} These actions underscore DHS' commitment to holding accountable not just direct exporters from high-risk areas, but also those entities facilitating forced labor in upstream supply chains.

De Minimis Reform and Its Impact on Textile Imports

De minimis entries of goods valued at \$800 are imported into the United States duty-free and exempt from formal customs procedures. Critics allege that the program is a loophole for goods produced using forced labor to enter the United States. The use of the *de minimis* program by Chinese e-commerce

³ As we detail in Section 4 below, Kingtom has appealed CBP's finding to the CIT.

companies has been scrutinized, particularly due to concerns with cotton originating from the XUAR.

The Biden Administration and various lawmakers had advanced proposed changes to the exemption, aiming to require additional data submissions for low-value shipments and restrict eligibility for goods subject to trade enforcement measures, including those tied to forced labor or Section 301 tariffs.^{viii} Efforts to reform the Section 321 *de minimis* exemption through executive action by the Trump Administration or through legislation are expected to significantly reshape the textile and apparel industries.

Reported Investigation Into Chinese E-Commerce Platform Could Indicate More DHS Investigations to Come

In connection with heightened scrutiny of Section 321 *de minimis* shipments, DHS is reportedly investigating Chinese e-commerce retailer Temu for violation of the UFLPA. Allegations suggest that some of Temu's textile and apparel products may have been produced with forced labor, particularly in connection with cotton sourced from the XUAR. If violations are confirmed, Temu and its sellers could face addition to the DHS UFLPA Entity List, potential import bans, significant financial penalties, and heightened regulatory oversight.

3. Will Technology Save Us? Supply Chain Mapping, Risk Assessment Technologies, and Forced Labor Insurance

In our 2024 Guide, we discussed new supply chain mapping and risk assessment technologies designed to assist importers with due diligence and CBP's targeting efforts. DHS reiterated in its 2024 Strategy Update that the Forced Labor Enforcement Task Force (FLETF) "*continues to pursue new technology and new methods to identify companies under all relevant sub-lists of the UFLPA Entity List.*"^{ix} CBP has acknowledged that it uses several of these technology services to assist with forced labor and UFLPA enforcement, including but not limited to, supply chain risk assessment platforms such as Kharon and Sayari.

CBP has also invested in isotopic testing centers in Georgia, New York, and California to verify the origin of products and materials as well as for UFLPA and forced labor reviews.^x CBP published Isotopic Testing Guidance in November 2024, explaining the agency's using of isotopic testing and recommending testing standards.^{xi}

[This could explain why we have seen an increase in CBP's request for samples during routine FTA reviews as well as more focused forced labor-related reviews.](#)

We continue to see the introduction of new supply chain and forced labor-related technologies and services. They market services ranging from tracing cotton to the cotton field, assisting with detention document collection, and identifying supply chain risks. Last year, Rezylient, a new supply chain risk insurance covering expenses incurred during a UFLPA detention, was introduced.

As CBP's enforcement continues to expand to new sectors and global supply chains grow in complexity, supply chain mapping and risk assessment technologies will continue to be increasingly necessary to adapt quickly and efficiently to changing supply chains and risks. While these technologies can act as

helpful tools to facilitate supply chain due diligence programs, none of them are a complete solution. Importers must still perform due diligence outside of these platforms to determine whether risks are present in their supply chain.

4. Forced Labor Appeals to the CIT

Given the devastating impact of inclusion on the DHS UFLPA Entity List or designation in a WRO or finding, which essentially forecloses the US market on covered goods, it is unsurprising that companies have sought judicial relief to challenge their designation on these “restrictive lists.”

Three active proceedings — *Ninestar Corporation v. United States*, *Hoshine Silicon (Jia Xing) Industry Co., Ltd. v. United States*, and *Kingtom Alumínio S.R.L. v. United States*, as well as a recently filed case we cover in the 2025 updates — highlight the legal complexities and procedural challenges faced by both the government and businesses in this evolving area. The results of these cases should be closely monitored, as it could impact what disclosures the government must provide prior to acting against a company. However, some CIT determinations have indicated that the court will defer to the government’s decisions in forced labor-related cases. For example, in *Virtus Nutrition LLC v. United States*, the CIT upheld a CBP decision denying an importer the ability to re-export detained goods subject to a WRO (*Virtus Nutrition LLC v. United States*, 606 F. Supp. 3d 1360 (Ct. Int’l Trade 2021)).

Ninestar Corporation: Challenging UFLPA Entity List Designation

Ninestar Corporation, a Chinese printer cartridge exporter, and some of its Zhuhai-based subsidiaries filed suit in the CIT to contest its inclusion on the UFLPA Entity List (*Ninestar Corporation v. United States*, Ct. No. 23-00182 (Ct. Int’l Trade 2023), *Ninestar Corporation v. United States*, Ct. No. 24-00076 (Ct. Int’l Trade 2024)). The FLETF had added Ninestar to the list for being complicit in labor transfer programs.

The CIT has addressed several key procedural and substantive issues in this case. The court denied Ninestar’s motion for a preliminary injunction, ruling that the company was unlikely to succeed on the merits of its claims.

The court upheld FLETF’s use of the “reasonable cause to believe” standard, rejecting Ninestar’s argument for a stricter evidentiary threshold. Judge Katzmann emphasized that the lower standard aligns with Congress’s intent to strengthen enforcement under the UFLPA, given the inherent difficulties of obtaining evidence from the XUAR.

However, on procedural grounds, the CIT sided with Ninestar and ruled that the company did not need to exhaust administrative remedies before challenging its designation in court. Ninestar lacked timely access to the confidential record supporting its designation, leaving the company unable to meaningfully contest the listing at the administrative level.

In July 2024, the CIT stayed the case for four months, pending FLETF’s decision on Ninestar’s petition for removal from the Entity List. As of the date of this publication, FLETF’s decision remains pending. This stay underscores the procedural complexity of UFLPA enforcement, as administrative delisting requests and judicial challenges proceed on parallel tracks.

Hoshine Silicon (Jia Xing) Industry Co. Ltd.: Contesting a WRO

Hoshine Silicon (Jia Xing) Industry Co. Ltd., a Chinese silica-based product manufacturer, challenged a WRO issued in 2021 which bans the importation of its silica based-products into the United States due to allegations of forced labor (*Hoshine Silicon (Jia Xing) Industry Co., Ltd. v. United States*, Ct. No. 24-00048 (Ct. Int'l Trade 2024)).

Hoshine's legal arguments raise important questions about standing and procedural fairness. The government has moved to dismiss the case, arguing that Hoshine lacks statutory standing under Section 307 of the Tariff Act of 1930 because the law primarily regulates importers, not foreign manufacturers. The government contends that Section 307 aims to protect domestic industries and workers from the unfair competition of goods produced with forced labor, rather than foreign exporters like Hoshine.

Additionally, the government has argued that Hoshine's claim challenging the issuance of the WRO is untimely, as it was filed more than two years after the WRO was issued. Hoshine countered that it relied on CBP's repeated suggestions to petition for a modification of the WRO, only for CBP to adopt an "all-or-nothing" approach in its response, effectively denying the petition.

The court's decision on whether Hoshine has standing to pursue its claims will have significant implications for the scope and timing of judicial review in forced labor enforcement cases. If the government's motion to dismiss is granted, it could signal a narrowing of the avenues available for foreign entities to challenge US trade enforcement actions.

Kingtom Aluminio S.R.L.: Challenging a CBP Finding

In December 2024, CBP issued a finding against Kingtom Aluminio S.R.L., a Chinese-owned aluminum extrusion and profile producer based in the Dominican Republic, for alleged use of forced labor. In response, on December 23, 2024, Kingtom Aluminio filed a complaint with the CIT, challenging the issuance of the [finding](#) (*Kingtom Aluminio S.R.L. v. United States*, Ct. No. 24-00264 (Ct. Int'l Trade 2024)). In filing the suit, the company claims in part that CBP's finding was arbitrary or capricious and that CBP bypassed administrative steps in failing to first issue a WRO.

These cases illustrate a significant and warranted criticism of forced labor enforcement, which is marked by government actions without prior notice, due process, or disclosure of the information supporting the allegations against companies.

As CBP intensifies its enforcement efforts against forced labor under the UFLPA and other authorities, we expect that more importers and businesses will seek judicial recourse through the CIT. UFLPA Entity List, WRO, and finding designations can have significant practical and financial repercussions on business operations and reputational harm. These impacts may include the inability to fulfill contractual supply obligations, leading to potential defaults. The courts, therefore, provide companies with a potential avenue to challenge these administrative agency actions.

5. More Tariffs? Section 301 Tariffs Used to Combat Forced Labor

Section 301 gained significant notoriety in 2018 when the Trump Administration imposed sweeping tariffs on imports from China.

Section 301 provides a statutory means by which the United States imposes trade sanctions on foreign countries that violate US trade agreements or engage in acts that are “unjustifiable” or “unreasonable” and burden US commerce. Beyond China, historically, we have seen this authority used against countries that have provided subsidies to their domestic industries or imposed digital taxes on US companies.

However, in a first of its kind, the USTR under the Biden Administration recently announced the initiation of a Section 301 investigation against Nicaragua due to concerns over the country’s ongoing repressive actions against labor rights, human rights, and the rule of law.^{xii} Although the *Federal Register* notice classifies forced labor, child labor, and other labor rights abuses as unreasonable acts under Section 301, this is the first Section 301 investigation to use this standard. If the investigation is affirmed, Section 301 may allow the USTR to impose extra duties, import restrictions, or alter trade concessions under the CAFTA-DR. While the timeline for a Section 301 investigation varies with case complexity and the nature of foreign practices, it is expected that it could take upwards of a year, and any action will be determined under the Trump Administration’s USTR.

6. CTPAT Trade Compliance Member Obligations and Benefits

CTPAT trade compliance partners are subject to increased obligations to develop and report certain forced labor processes and procedures. In turn, they are eligible for certain benefits, such as front-of-the-line admissibility reviews⁴ for all forced labor-related actions, preliminary notification of enforcement actions,⁵ and, since 2024, new foreign trade-zone (FTZ) storage benefits.^{xiii}

CBP now allows CTPAT trade compliance partners to use FTZs to store goods subject to enforcement actions under the UFLPA, thereby avoiding significant storage fees. To use this benefit, the importer must identify the selected FTZ operator and obtain port director approval.^{xiv} While importers that are not CTPAT trade compliance partners may not use FTZs, they can request approval to store detained goods in bonded warehouses.

⁴ To receive the benefit of front-of-the-line admissibility reviews, at the time the detention response is submitted, the importer must assert that they are an active CTPAT trade compliance program member and request prioritized review. We have seen companies receive an admissibility determination within a few weeks through this benefit.

⁵ CTPAT trade compliance membership also provides the added benefit of preliminary notifications for potential UFLPA, WROs, or holds, detentions, exclusions, or seizures pertaining to findings after the entry is filed. This affords members more time to initiate the detention response process or decide to export the goods, if eligible.

7. CBP Communications

CBP continues to receive feedback from the importing community regarding the opaque nature of forced labor enforcement. In response, in 2024, CBP began developing more resources to communicate its initiatives to interested parties.

Forced Labor CBP Portals

On October 15, 2024, CBP issued a supplemental *Federal Register* [notice](#) to request public comments on the creation of a forced labor portal/forced labor case management system designed to streamline the submission of information related to forced labor and trade violations and enhance enforcement of various forced labor laws, including Section 1307, CAATSA, and the UFLPA. The new portal will consolidate various submission methods into a centralized system, improving efficiency and reducing the burden on both CBP and the public. We expect the portals may facilitate CBP targeting and case reviews. These portals are not yet live for the general public.

Enhanced Forced Labor Website

On November 5, 2024, CBP [launched](#) an enhanced forced labor website, designed to enhance user experience and accessibility. The new platform features a modern interface, increased resources, and improved usability.

UFLPA Enforcement in 2024

Combating forced labor is one of the few issues that has bipartisan support in Congress, which is helping drive increased enforcement of the UFLPA. In 2024, the government devoted significant resources to UFLPA enforcement, resulting in an increase in detentions and DHS UFLPA entity listings.

The forced labor enforcement budget has continued to increase since the UFLPA took effect, from \$101 million in 2023 to \$114.5 million in 2024, an increase of approximately 13.3%.^{xv} These increased resources allowed CBP to hire and train additional staff and invest in technologies to aid in targeting shipments.

1. Enforcement Statistics

In fiscal year 2024, CBP targeted 4,619⁶ shipments, with a total value of more than \$1.73 billion suspected to have been made wholly or in part with forced labor.^{xvi} This is an increase from the 4,017 shipments targeted under the UFLPA in fiscal year 2023.

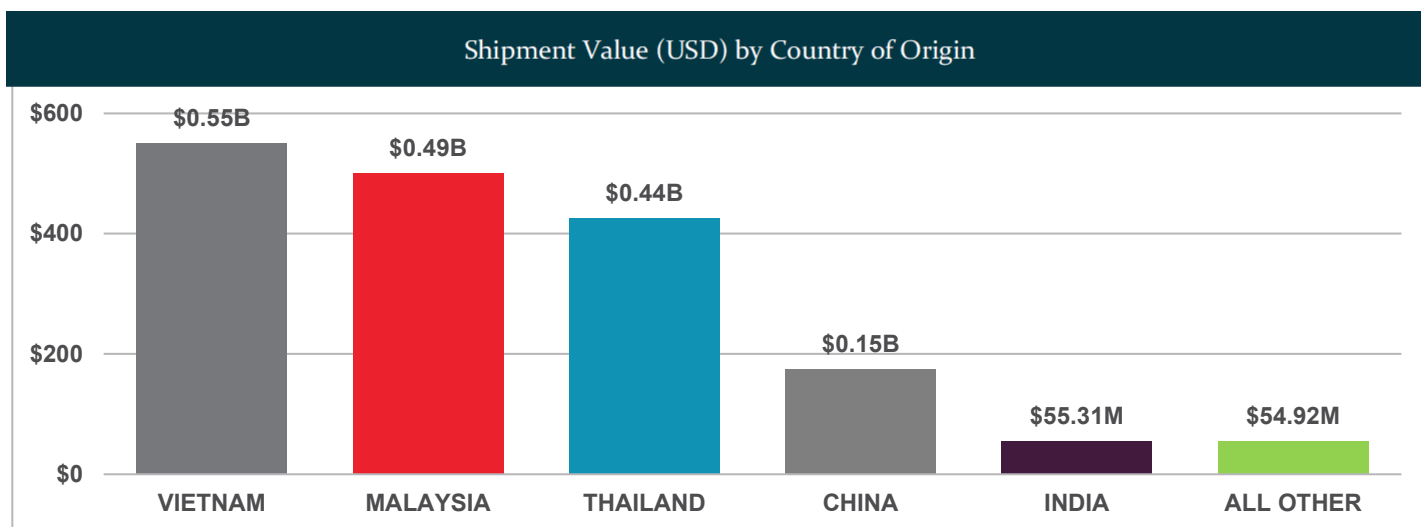
In fiscal year 2024⁷, according to CBP's UFLPA Enforcement Statistics Dashboard excerpted in **Figure 1** below, most shipments subject to UFLPA enforcement actions were not from China.

⁶ We note that inexplicably, the detention and shipment metrics at the top of the dashboard do not correlate with the exact totals when compared with the industry sector breakdowns.

⁷ The statistics referenced for fiscal year 2024 involve shipments from October 2023 to September 2024.

Most shipments originated from Vietnam, followed by Malaysia, Thailand, and then China.^{xvii} These statistical trends are similar to those observed in fiscal year 2023, as discussed in our 2024 Guide.

This shift is understandable, as most importers have easily identified and removed XUAR-based Tier 1 suppliers from their supply chains.⁸ The more difficult exercise has been identifying problematic upstream suppliers for goods produced in third countries. However, this trend indicates that CBP is able to trace shipments of merchandise made in these third countries to supply chains that include inputs from the XUAR, possibly using technology or through trade data trends.⁹



Disclaimer & Data Source: Statistical information is subject to change due to corrections or additional information. Data is provided by the Forced Labor Division and is current as of 12/1/2024.

Figure 1

2. UFLPA Enforcement Statistics by Industry Sector

In **Figure 2**, we provide an overview of the fiscal year 2024 UFLPA enforcement statistics for each industry, including the country of export with the most shipments targeted for enforcement, the total number of shipments targeted, and a comparison of the number of denied versus released shipments.

⁸ The UFLPA prohibits the importation of goods with any inputs from the XUAR, or from an entity on the DHS UFLPA Entity List.

⁹ The UFLPA does not include a *de minimis* exception. A shipment may still be targeted, no matter how minute the input with a nexus to the XUAR.

Industry	Country of Export Primarily Targeted	Total Targeted	Denied %	Released %
Agriculture and Prepared Products	China	229	57.64%	37.12%
Apparel, Footwear, and Textiles	Vietnam	876	63.58%	34.02%
Automotive and Aerospace	Malaysia	197	70.56%	23.86%
Base Metals	China	222	11.71%	86.04%
Consumer Products and Mass Merchandising	China	109	55.05%	33.94%
Electronics	Vietnam	2,623	25.39%	69.04%
Industrial and Manufacturing Materials	Vietnam	310	80.00%	18.06%
Machinery	China	39	87.18%	10.26%
Pharmaceuticals, Health, and Chemicals	China	95	62.11%	37.89%
All Industries	Vietnam	4,619	40.36%	55.14%

Figure 2

Fiscal Year 2024 Compared to Fiscal Year 2023 and Enforcement Trends

Comparing the statistics above with Fiscal Year 2023 UFLPA enforcement data reflects some notable changes.

Several industries saw a significant decline in successful admissibility determinations between Fiscal Year 2023 and Fiscal Year 2024. This may be explained by improved CBP targeting. Alternatively, importers either could not gather the documentation to support admissibility or decided not to challenge detentions.

Consumer Products and Mass Merchandising

81.4%



33.94%

Machinery

65.8%



10.26%

Agriculture and Prepared Products

63.8%



37.12%

However, the percentage of automotive and aerospace products released increased from 3.9% in Fiscal Year 2023 to 23.86% in Fiscal Year 2024. We are aware that a sizable percentage of the released shipments involved tires.

Our examination of enforcement statistics trends by industry sector in **Figure 3** also identified interesting trends:

- The average number of detentions per month was a little under 400. While detentions are increasing, approximately 400 shipments per month compared to the total number of shipments that enter the country is quite small.
- Electronics continue to account for the vast majority of shipments targeted for enforcement (approximately 56%), followed by apparel and footwear (approximately 19%), and industrial and manufacturing (approximately 7%).
- While the electronics sector was the most targeted sector for UFLPA reviews (which we understand to be largely composed of solar products), despite complex supply chains, approximately 69% of the shipments stopped in the electronics sector were released in Fiscal Year 2024. This indicates that CBPs targeting methodology for this industry may not be accurate.
- The majority of base metals (86.04%) shipments were also released, again calling into question the enforcement targeting for this industry.
- The automotive and aerospace industry has been increasingly targeted. This is likely the result of NGO reporting and congressional scrutiny related to the automotive industry.
- A relatively small number of pharmaceuticals, health and chemicals, and machinery shipments have been targeted. Nonetheless, we expect these figures to change in the future with respect to the pharmaceutical industry given recent NGO reports^{xviii} focused on this industry.

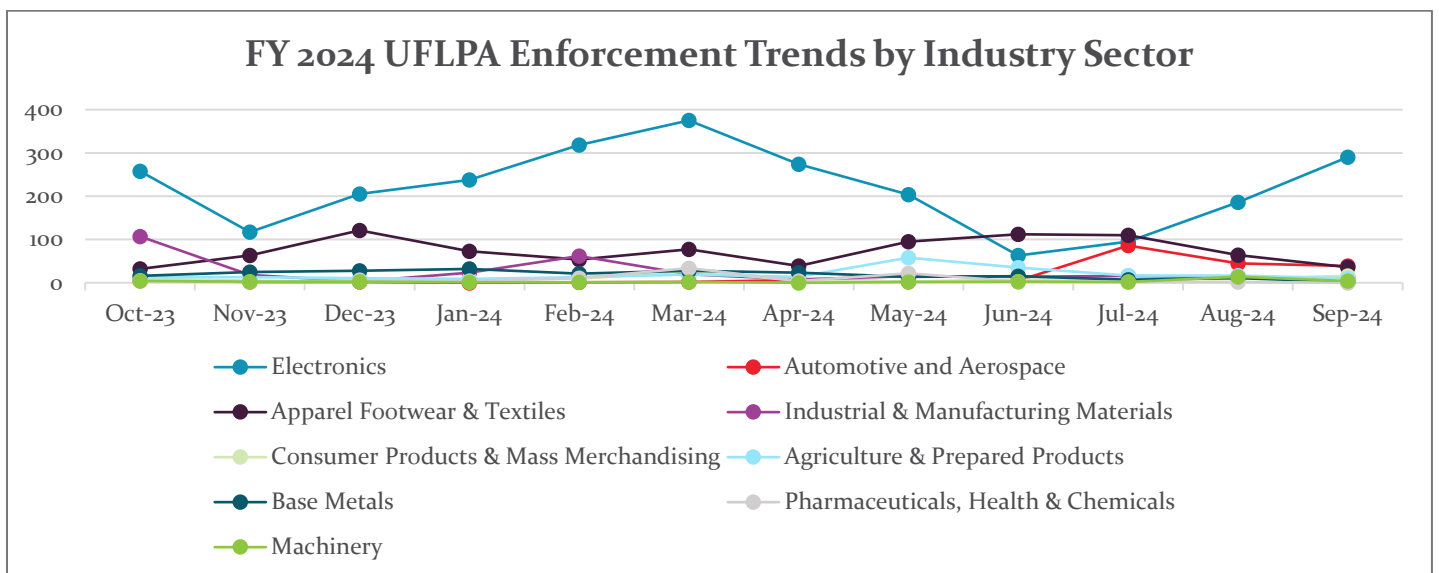


Figure 3

3. The UFLPA Entity List in 2024

Under the UFLPA, the FLETF — chaired by the DHS and composed of seven member agencies — is required to consider additions to the Entity List. The addition of a company to the UFLPA Entity List means that any good produced by that company is subject to the UFLPA's rebuttal presumption. FLETF will consider adding entities to the UFLPA Entity List that meet the following criteria:

- Mines, produces, or manufactures, wholly or in part, any goods, wares, articles, and merchandise with forced labor.
- Works with the XUAR government to recruit, transport, transfer, harbor, or receive forced labor of Uyghurs, Kazakhs, Kyrgyz, or members of other persecuted minority groups.
- Exports products produced by entities in the first two categories to the United States.
- Sources material from the XUAR, from persons working with the XUAR government, or the Xinjiang Production and Construction Corps on government-led schemes involving forced labor.

A majority of the seven-member agencies of the FLETF must vote to add an entity to the UFLPA Entity List. The original UFLPA Entity List was published in June 2022 with 20 entities that had already been targeted by CBP's WROs or included on the US Department of Commerce's (Commerce) Bureau of Industry and Security's (BIS) Entity List.

The FLETF has substantially increased the number of entities on the UFLPA Entity List from 30 entities in 2023 to 144 entities by mid-January 2025. Entities on the Entity List range from companies that supply metals, textiles, cotton, solar components, and batteries, to less conventional priority sectors such as minerals, medicine, herbs, and food additives and ingredients.

Companies should regularly review their supplier lists against the DHS UFLPA Entity List, which can be found [here](#).

4. New High Priority Sectors in 2024

CBP and the FLETF continue to target high-priority sectors such as the textile, apparel, footwear, and solar sectors. However, in DHS' 2024 Updates to the Strategy to Prevent the Importation of Goods Mined, Produced, or Manufactured with Forced Labor, three additional high-priority sectors were added: **PVC, aluminum, and seafood**.^{xix} Of note, PVC and aluminum were included in the UFLPA detention addendum of additional information required for specific sectors that was published in November 2023. We can expect to see more shipments targeted in these sectors as we enter 2025.

5. Other CBP Supply Chain Reviews

Beyond detentions, CBP has employed other mechanisms to review industry and specific company supply chains.

Solar Company Reviews

Polysilicon is a priority UFLPA sector, and the solar industry has been the subject of many forced labor detentions.

In the spring of 2024, CBP's Office of Trade Regulatory Audit issued expansive questionnaires to at least a dozen solar companies, requesting detailed corporate, operational, and supply chain information, as well as traceability documentation for selected import entries. We were advised that the Regulatory Audit was assisting the Electronics Center for Excellence and Expertise with a review of the industry's supply chains. Our understanding is that these requests, which included employee and utility information, were intended to confirm that suppliers can actually produce materials outside of the XUAR in the quantities stated. We expect that CBP will aggregate the data received to closely evaluate supplier capacity in China. We have not seen the results of these inquiries and it is unclear how CBP will use this information. However, a number of solar companies were added to the UFLPA Entity List on January 14, 2025.^{xx}

RASAs

In 2024, CBP's Regulatory Audit also initiated a number of forced labor-related risk analysis and survey assessments (RASAs). RASAs are generally agency reviews of limited issues of special interest. RASAs are not audits, but the results of a RASA can lead to an audit recommendation.

Historically, RASAs were quick and efficient reviews, involving a limited questionnaire, a meeting between the importer and CBP, and concluding with a letter describing the outcome of the review. In our experience, most RASAs in the past were concluded within a few months of initiation, unless substantive issues were identified and continued to audit. However, the forced labor RASAs appear to be more expansive — covering not only forced labor but extending into other customs compliance areas. Far more sample entries have been selected for review, and CBP has essentially requested documentation equivalent to a detention response. These RASAs have remained active for over six months.

We expect that CBP will expand the use of this mechanism to review company supply chains outside of the detention process.

6. Congressional Oversight Continues

In our 2024 Guide, we discussed Congress's role in overseeing the government's enforcement of the UFLPA and companies' compliance with the law, noting how congressional scrutiny sometimes coincided with other enforcement actions, such as additions to the UFLPA Entity List. This past year, Congress, through the Congressional-Executive Commission on China (CECC) and other congressional bodies, has continued its vigorous oversight of the UFLPA.

For example, in a [letter](#) sent to the DHS in January 2024, the House Select Committee on the Chinese Communist Party urged DHS to strengthen the enforcement of the UFLPA by improving collaboration with other government agencies and increasing scrutiny of additional industries, such as seafood, gold, and critical minerals. Coincidentally, by December 2024, DHS had added companies from these three

industries to the UFLPA Entity List.¹⁰ ^{xxi} In addition, seafood was added as a priority sector for enforcement.

Congressional oversight also took aim at internal controls some businesses use to show compliance with forced labor laws throughout their supply chains.

In April 2024, the CECC questioned the efficacy of social compliance audits,^{xxii} noting that these audits often fail to detect forced labor due to government repression and lack of independent labor unions in China. Recommendations from the hearing included increasing transparency and holding companies accountable for compliance with labor standards.

The [Senate Finance Committee's May 2024 report on US automakers and their supply chains](#) alleged that automakers had ongoing business ties to manufacturing in the XUAR. The report highlighted a lack of adequate supply chain visibility, with automakers often relying on Tier 1 suppliers to trace parts' origins. Common compliance measures, such as supplier questionnaires, self-reporting, and audits, were deemed insufficient to detect forced labor, especially in China. The report urged the FLETF to intensify efforts to identify entities using forced labor, particularly involving Uyghurs or other minority groups, and recommended that the DHS update the list of high-priority sectors for enforcement to enhance supply chain transparency. Interestingly, according to recent detention statistics, the automotive sector has had its highest rate of detention since the UFLPA went into effect.

Congress also took aim at specific companies, calling for enforcement actions against those with alleged ties to forced labor. For instance, in June 2024, Republican lawmakers urged DHS to add Chinese battery manufacturers to the UFLPA Entity List.¹¹ ^{xxiii} ^{xxiv} While the battery manufacturers named in the letters have not yet been added to the UFLPA Entity List, several of their affiliates and upstream suppliers were added, impacting their business operations. Similarly, in August 2024, Senator Rick Scott called for an investigation into Chinese e-commerce giant Temu. As noted above, the Chinese e-commerce giant is now reportedly under investigation by DHS.^{xxv}

The 119th Congress is anticipated to be as active, if not more so, than the previous Congress in matters concerning China, particularly regarding the UFLPA. As Congress continues to play a significant role in overseeing the US government's enforcement of the UFLPA, businesses should prepare for increased enforcement measures. Companies operating in high-risk areas or those of interest to Congress should be ready to respond to inquiries from Congress.

7. China Retaliation

Importers developing and implementing supply chain due diligence programs in response to the UFLPA should be aware of the potential implications in the PRC of discussing their programs with business partners and colleagues in China or of making public statements regarding sourcing changes. In response to the UFLPA, China has enacted the PRC Anti-Foreign Sanctions Law, with the objective

¹⁰ The letter also requested detailed responses on enforcement strategies and information on additional resources needs, highlighting Congress's commitment to addressing forced labor issues.

¹¹ Battery supplier CATL was added to a different list published by the US Department of Defense, labelling CATL as a Chinese military company operating in the United States.

of sanctioning individuals and companies who prohibit or restrict economic, trade, or related activities between China and another country.

In September 2024, the Chinese government initiated an investigation into whether a multinational corporation apparel brand should be placed on the Unreliable Entity List (UEL) for refusing to source cotton from the XUAR.

In mid-January 2025, China's Ministry of Commerce announced a preliminary determination that the brand engaged in "improper" practices related to the Xinjiang region.^{xxvi} This marks the first time that PRC sanctions laws have been used as a response to a foreign entity's exit from the XUAR. A UEL designation, which can result in a range of countersanctions up to and including a full asset freeze, has been historically reserved for entities actively promoting anti-China sanctions or selling arms to Taiwan.

China also used the Anti-Foreign Sanctions Law (AFSL) in December 2024 to sanction the Uyghur Rights Advocacy Project, a Canadian non-profit that has documented forced labor in the XUAR and has pushed for import restrictions against goods made with Uyghur forced labor.

Businesses with connections to the PRC should be cognizant of the UEL and AFSL, given the widening scope of China's retaliatory measures. Communications about UFLPA compliance and supply chain due diligence — especially with affiliates and personnel within China — should be handled carefully. As more countries adopt laws against forced labor and China targets global brands for alleged discrimination against goods from Xinjiang, companies will need to seek experienced counsel to navigate these issues carefully.



Part III: Looking Forward – Forced Labor Outlook in 2025

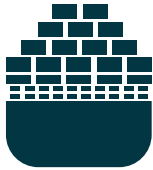



Part III

Looking Forward – Forced Labor Outlook in 2025

While the United States and countries around the world intensified their forced labor initiatives and enforcement in 2024, all indications suggest that this trend will continue and perhaps escalate in 2025. The United States has committed to utilizing all available legal tools to combat forced labor, including established mechanisms like the UFLPA, WROs and findings, as well as new strategies such as Section 301 tariffs. The new presidential Administration under President Trump is expected to adopt a stringent approach towards China, targeting its imports in part through forced labor laws and regulations.

In 2025, we predict:

General Forced Labor Predictions	
	New WROs and findings in new industries and focused outside of China.
	An exponential increase in enforcement through “non-traditional” enforcement tools such as Section 301 investigations, FTAs, and bilateral agreements.
	Use of traditional customs compliance review mechanisms to identify forced labor risks, such as CF-28s, RASAs, and audits.
	The use of criminal investigations or § 1592 penalty actions in forced labor enforcement.
	Through the USMCA renegotiations, stronger forced labor enforcement requirements for Canada and Mexico. Any new FTAs will include forced labor restrictions.
	Continued development of technology and third-party services for both company due diligence and CBP targeting.
	More communication and data sharing between CBP, DHS, and the trade community.

UFLPA Predictions	
	The Trump Administration will continue to heavily enforce the UFLPA and take a hard stance on China.
	Similar to last year, we expect a substantial number of additions to the UFLPA Entity List. In tandem, we also expect more companies to challenge these designations via lawsuits in the CIT.
	Shipments in the automotive, aerospace, aluminum, seafood, batteries, and electronics sectors, and possibly pharmaceuticals and chemicals, will be among the most targeted by CBP and the FLETF.
	The additions to the UFLPA priority sector list may include certain critical minerals, steel, batteries, and specified automotive products possibly including tires.
	Expansion of state and global forced labor and supply chain due diligence laws. We are tracking the potential implementation of supply chain mapping and due diligence reporting laws in states such as Washington and New York.

2025 Developments to Date

The US Government’s Trade Strategy to Combat Forced Labor

On January 13, the USTR released its first-ever Trade Strategy to combat forced labor. The Strategy is a comprehensive approach to forced labor enforcement that emphasizes using trade policy to address forced labor in global supply chains in 2025 and beyond. The Strategy outlines four primary goals and actions:

- Develop equitable trade policies by collaborating with the underserved and disadvantaged communities directly impacted by forced labor.
- Employ all available trade tools to end forced labor.
- Create and implement innovative trade policies to address forced labor in global supply chains.
- Increase global action to combat forced labor as an unfair trade practice.

The USTR’s Trade Strategy provides guidance regarding how the United States may employ trade as a tool to combat forced labor in the future. The strategy indicates that the USTR may utilize trade tools, such as Section 301 and Antidumping/Countervailing Duties (AD/CVD), as mechanisms to prevent the importation of goods tainted by forced labor.

The United States has entered into partnerships and agreements with trade partners in the past to combat forced labor, including in the USMCA. In 2023, the United States announced a partnership with Japan, the Task Force on the Promotion of Human Rights, and the International Labor Standards in

Supply Chains to protect and promote human rights and labor rights in supply chains through trade policy. We anticipate that similar and more extensive agreements and partnerships will occur in 2025.

New Court Case to Challenge DHS UFLPA Entity List Designation

In mid-January 2025, Camel Group Co., a Chinese car battery maker, has filed suit in the CIT to contest its addition on the UFLPA Entity List (*Camel Group Co., Ltd. v. United States*, Ct. 25-00022 (Ct. Int'l Trade 2025)). The FLETF placed Camel Group on the UFLPA Entity List in August 2023, alleging that the company was “working with the government of Xinjiang to recruit, transport, transfer, harbor or receive forced labor or Uyghurs, Kazakhs, Kyrgyz, or members of other persecuted groups out of Xinjiang.”

Prior to its addition to the UFLPA Entity List, Camel Energy, Camel Group’s US subsidiary, was issued 82 detention notices by CBP for goods imported from Camel’s China-based subsidiaries. According to the complaint, in all 82 of those instances, CBP determined that Camel Energy provided enough information to establish that their products were not made using forced labor and were not sourced from the XUAR.

Camel Group requested information from FLETF, going as far as filing a Freedom of Information Act request to DHS, which was never answered. Camel Group requested removal from the list, providing evidence based on its own investigations, in part due to FLETF’s refusal to provide Camel Group its administrative record. Ultimately, Camel Group’s removal request was denied, with FLETF finding, “based on publicly available information, that there was reasonable cause to believe Camel Group participated and was still participating in the single identified labor transfer program.” The complaint alleged that FLETF also found that Camel Group’s evidence was neither credible nor sufficient, but failed to explain what it did not find credible or sufficient.

After exhausting its administrative remedies, Camel Group has sought relief from the CIT, claiming FLETF’s decisions thus far have been arbitrary and capricious and have exceeded the agency’s statutory authority.

[This is another case that challenges the lack of transparency in the DHS UFLPA Entity List addition process.](#)

We will continue to monitor this case, as it may have implications regarding the administrative process for listing companies in the future.

2025: What Is to Come

How Will a Trump Presidency Affect Forced Labor Enforcement?

President Trump's cabinet and staff picks, as well as his Administration's stance on China, indicate that there will be a continued emphasis on forced labor enforcement. President Trump, who initiated Section 301 tariffs on most goods from China during his first term, may favor this tool as a mechanism to combat forced labor.

President Trump's cabinet picks support this prediction:

- Florida Senator Marco Rubio, a co-author of the UFLPA, has been confirmed as Trump's Secretary of State. The US Department of State plays a role in forced labor as it reports on abuses, is a member agency of the FLETF, and engages in diplomatic outreach to encourage other countries to implement forced labor laws. During his confirmation hearing, Rubio criticized China for its labor practices as violations of human rights and unfair trade practices. Rubio also stressed the importance of diversifying supply chains from China.
- Representative Mike Waltz was picked as Trump's National Security Advisor. Waltz was a member of the US House China Task Force and has been critical of China's labor policies and growing global influence.
- Trade remedy lawyer and alumnus of Trump's first term, Jamieson Greer, has been nominated as the USTR. Greer is the former chief of staff to USTR Lighthizer, the architect of the original Trump tariffs. This may indicate that the threat of tariffs may be used to combat forced labor.

New WROs and Findings

CBP is also turning its attention to forced labor occurring outside the XUAR, and we expect new WROs and findings in the coming year. The annually published US Department of Labor List of Goods Produced by Child Labor or Forced Labor^{xxvii} may indicate new products and regions targeted for future enforcement actions.

The United States Will Pursue Non-Traditional Enforcement Mechanisms in 2025

As discussed above, the USTR used Section 301 to investigate Nicaragua's labor practices. In its Trade Strategy to Combat Forced Labor, the USTR maintained that one of its goals was to utilize all available tools to combat forced labor.^{xxviii} Those tools include:

- Free trade agreements.
- Section 301 investigations.
- Trade preference programs.
- § 1592 penalty investigations.
- Criminal investigations.
- Federal public procurement regulations.
- Sanctions authorities.
- AD/CVD.

While it may take several years for the United States to deploy many of these measures to combat forced labor, we can expect measures such as Section 301 investigations may be used in 2025.

USMCA Review

The USMCA was novel as it was the first trade agreement to explicitly include provisions against forced labor. Each party under the agreement agreed to ban the entry of products made with forced labor. Both Mexico and Canada implemented laws that may expand the scope of supply chain due diligence requirements and enforcement of forced labor bans.

Despite these efforts, the United States has been critical of its Canadian and Mexican counterparts, noting the lack of enforcement of these laws. In September, a bipartisan group of lawmakers who were the primary sponsors of the UFLPA, sent a letter to the trade representatives in the United States, Canada, and Mexico, urging further action to combat forced labor. The lawmakers emphasized the need for stronger enforcement in those countries and encouraged the adoption of legislation similar to the UFLPA to prohibit the importation of goods from Xinjiang, China. In addition, the letter called for greater cooperation between the three countries to prevent circumvention of the UFLPA through Canada and Mexico.

Shortly thereafter, Canada initiated public consultations on new legislative measures to strengthen its laws against importing goods made with forced labor. Proposed changes include “minimum traceability” requirements and a revised cost-recovery model for importers of suspected goods. Unlike Canada, however, to date, Mexico has not made any indications of similarly implementing stronger legislation.

[With the USMCA review on the horizon for 2026, wherein the parties will confirm whether to continue in the agreement, the United States may use the threat of the review and possible withdrawal to enhance forced labor import enforcement in Canada and Mexico, as required under the agreement.](#)

We also expect that similar forced labor language will be included in any new FTAs with the United States.

Additions to the UFLPA Entity List Will Continue

As we predicted in our 2024 Guide, FLETF responded to criticism regarding the slow pace of additions to the UFLPA Entity List by adding significantly more entities in 2024. The Entity List is currently at 144 entities, an increase from 30 at the start of 2024. We expect additions to these lists beyond those companies operating in the current priority sectors.

Additions to UFLPA Priority Sectors

We expect that the UFLPA priority sector may expand to include certain [critical minerals, batteries or battery components, certain automotive products, and steel](#). These predictions are informed by the following:

- Certain critical minerals and metals companies were added to the DHS UFLPA Entity List, including Zijin Mining Group Co., Ltd., Xinjiang Zijin Zinc Industry Co., Ltd., Xinjiang Zijin Nonferrous Metals Co., Ltd. and Xinjiang Habahe Ashele Copper Co., Ltd., Xinjiang Zijin Zinc Industry Co., Ltd., and Xinjiang Jinbao Mining Co., Ltd.

- Batteries and battery components have been under scrutiny for some time. Congress has encouraged FLETF to add China based-CATL and Gotion to the DHS UFLPA Entity List. Cobalt, a key lithium-ion input, is often allegedly mined with child labor then shipped to China for processing.^{xxix} Batteries were included on the CBP forced labor addendum published on its website in January 2024, which outlined additional documentation required for certain products to challenge a detention.^{xxx} Nearly all of the products included on the addendum are now UFLPA priority sectors.
- Automotive and aerospace shipments have seen a marked increase in enforcement in the latter half of Fiscal Year 2024 and entering Fiscal Year 2025, as illustrated by the UFLPA enforcement dashboard. The supply chains of this sector are often complex, encompassing thousands of parts and hundreds of suppliers. Through the first three months of Fiscal Year 2025 (October-December 2024), 2,042 shipments in the automotive and aerospace sector were stopped for UFLPA reviews, accounting for 82% of all stopped shipments. In December 2024 alone, CBP stopped 1,239 shipments in the automotive and aerospace sectors for UFLPA review. This is likely the result of criticism of the sector throughout 2024, including NGO reports and congressional investigations of the industry in response. The increased recent enforcement is in line with our general observation that CBP takes 12 months from the issuance of an NGO report to ramp up enforcement on a particular industry. In one highly publicized case, Volkswagen preemptively stopped shipments at the port to swap parts that the company learned had connections to the XUAR in violation of the UFLPA.
- Steel was also included in the CBP forced labor addendum requiring additional information to secure the release of detained shipments.

Potential Sectors Targeted in 2025

The 2024 UFLPA Strategy Update and this past year's enforcement statistics confirm that the US government's enforcement efforts in 2025 will continue to expand outside of high-priority sectors. Based on government and NGO reports, the following sections may be the subject of increased enforcement in 2025:

Vinyl products and downstream products	Aluminum products and downstream products	Copper products and downstream products	Steel products and downstream products
Batteries and critical minerals	Tires and other automobile components	Coal, uranium, and asbestos mining	Lead and zinc smelting
Textile and apparel products	Cotton, tomatoes, sugar beets, apples, walnuts, peanuts, and pepper products	Photovoltaic ingots, photovoltaic wafers, solar cells, and solar modules	Rayon
Calcium carbide and Beryllium	Polysilicon	Wind turbines	Seafood
Pharmaceuticals	Chemicals	PVC	Steel

CBP enforcement actions continue to be informed by NGO investigations regarding forced labor in particular sectors and regions. Forced labor-related NGO reports should be carefully reviewed, as they may indicate products and companies that will be targets of future enforcement actions. For a discussion of some of the key NGO reports of 2024, please see **Appendix 2**.

Forced Labor *vis-à-vis* US Economic Sanctions and Export Controls

While US sanctions and export control policies did not concentrate on forced labor in 2024, there are several indications that this focus might shift in 2025.

Sanctions

Congress continues to support economic sanctions against entities involved in forced labor in the XUAR. The Uyghur Human Rights Policy Act of 2020 (UHRPA), as amended by Section 6(a) of the UFLPA, authorizes the US Department of Treasury's Office of Foreign Assets Control (OFAC) to sanction persons responsible for "serious human rights abuses in connection with forced labor" in the XUAR. The UHRPA authorizes full blocking sanctions, which prohibit all transactions that have a US nexus (ex. include a US person in any way) and that involve property (or interests therein) belonging to the sanctioned individuals or entities. This power was set to lapse in 2025. However, the [National](#)

[Defense Authorization Act for Fiscal Year 2025](#) — signed into law on December 23, 2024 — extends OFAC’s sanctioning authority for at least five more years.

It has been over a year since OFAC last [sanctioned](#) any persons or entities pursuant to the UHRPA. However, we expect that to change in 2025 given Congress’s renewed support and an incoming Trump Administration poised to exert as much pressure on China as possible.

Export Controls

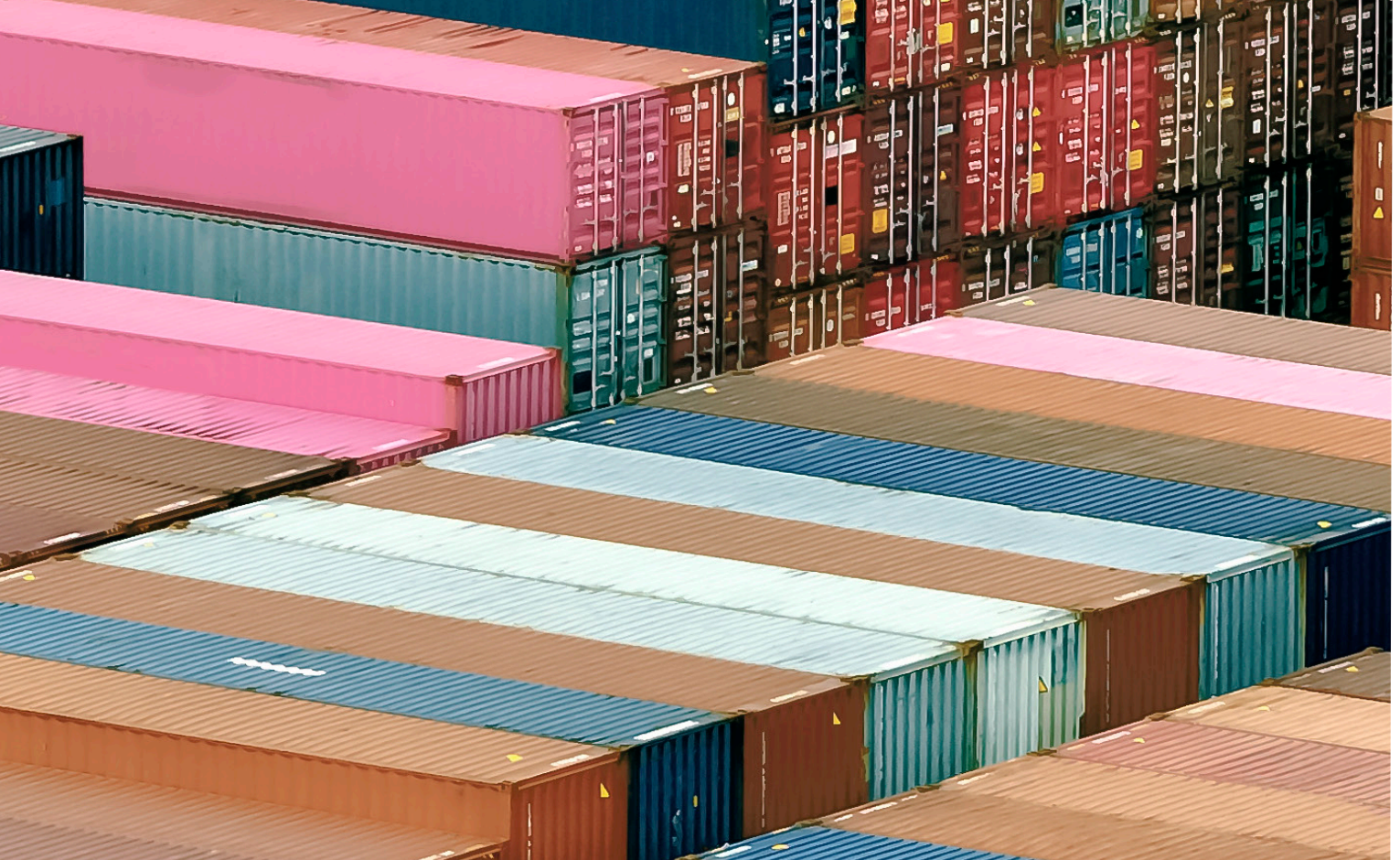
There are also indications that Commerce’s BIS is increasingly concerned with restricting the flow of US commodities, technology, and software to entities engaging in human rights abuses, including forced labor. A [proposed rule](#) issued July 29, 2024, will, if finalized and promulgated — establish a new category of proscribed end users called foreign-security end users (FSEUs), defined as:

- (1) Governmental and other entities with the authority to arrest, detain, monitor, search, or use force in furtherance of their official duties, including persons or entities at all levels of the government police and security services from the national headquarters or the Ministry level, down to all subordinate agencies/bureaus (e.g., municipal, provincial, regional).
- (2) Other persons or entities performing functions of a ‘foreign-security end user,’ such as arrest, detention, monitoring, or search, and may include analytic and data centers (e.g., genomic data centers) forensic laboratories, jails, prisons, other detention facilities, *labor camps*, and reeducation facilities [emphasis added].

Significantly, if the rule takes effect as written, this would be the first reference to forced labor in the Export Administration Regulations (EAR). The proposed restrictions on FSEUs are as follows:

- A license will be required to export, re-export, or transfer (in-country) any commodity, technology or software described on the [Commerce Control List](#) under the United States jurisdiction to FSEUs in US arms embargoed countries (which include destinations such as China and Russia). BIS will review license applications under a presumption of denial.
- FSEUs that are on the BIS’s [Entity List](#) will be denoted with a Footnote 8. In addition to requiring a license for all items under US jurisdiction going to a Footnote 8 entity, BIS will also impose a license requirement for US persons looking to “support” these entities. “Support” includes virtually any business activity you can envision a US person engaging in with a foreign entity, including:
 - Shipping or transmitting from one foreign country to another foreign country, or even transferring within a foreign country, any item not under US jurisdiction for use by an FSEU.
 - Facilitating such shipment, transmission, or transfer.
 - Performing any contract, service, or employment you know may assist or benefit an FSEU, including, but not limited to ordering, buying, removing, concealing, storing, using, selling, loaning, disposing, servicing, financing, transporting, freight forwarding, or conducting negotiations to facilitate FSEU activities.

Businesses should continue to monitor any updates to US sanctions and export controls to ensure compliance with these laws and regulations, especially in light of the current Trump Administration, which will be keen on enforcing these regulations vigorously.



Part IV: Other Forced Labor Initiatives



Part IV

Other Forced Labor Initiatives

We are seeing a global expansion of legislation focused on supply chain accountability. Companies must not only consider US federal forced labor laws, but also state and international forced labor bans and supply chain due diligence reporting requirements. Multinational companies will be required to track state and global supply chain legislation and develop and implement comprehensive supply chain due diligence and risk assessment processes.

US State Forced Labor & Supply Chain Due Diligence Initiatives

Individual US states are continuing to propose or have enacted supply chain-related legislation.

California

California's Transparency in Supply Chains Act (TSCA) requires certain companies that do business in California and have annual worldwide gross receipts exceeding \$100 million to publicly disclose on their websites whether they perform certain supply chain due diligence measures. Significantly, the law does not require companies to actually conduct the diligence or take remedial actions should issues be identified. Companies with a physical presence in California or who do business in the state should confirm whether they are subject to the reporting requirements under the statute.

In addition to the TSCA reporting requirements, effective January 1, the Social Compliance Audit Law establishes new reporting requirements for "employers" that "voluntarily" conduct "social compliance audits" to determine whether child labor was involved in the employer's business operations. The law requires that employers publish the findings of such voluntary audits on the employer's website. At the time of this publication, the law raises a series of compliance questions for employers, as the law does not define the term "employer" or provide clarity on the scope, timing, required content, and penalties. The California Division of Labor Standards Enforcement is expected to provide additional guidance on some of the many unanswered questions about the law's implementation prior to beginning enforcement.

New York Fashion Act – Proposed Legislation

As we discussed in our [2024 Guide](#), New York has also attempted to pass similar legislation that is even more stringent than California's TSCA. Over the last couple of years, New York legislature has attempted to push through the proposed Fashion Environmental Accountability Act (Fashion Act). The requirements under the proposed Fashion Act continue to evolve. However, the current iteration requires fashion retail sellers and manufacturers that do business in New York and have over \$100 million in annual worldwide gross receipts to take certain environmental due diligence measures, including supply chain mapping, and report on those diligence measures. Significantly, the Fashion Act

provides for hefty penalties against any company that violates the law. While the Fashion Act stalled in prior sessions, an [amended version](#) of the proposed bill gained renewed traction in 2023 and 2024. Many of the social compliance requirements in earlier versions of the legislation were excluded in the most recent session in an effort to push passage. We expect that the social compliance aspects of the original law will be introduced as companion legislation in the next session.

Florida

Effective July 1, 2024, Florida House Bill 1331 prohibits any state agency from purchasing goods produced, in whole or in part, using forced labor.¹² In addition, the law requires the creation of a forced labor vendor list that identifies and disqualifies companies from public contracting and purchasing processes for 365 days. The list will be updated quarterly on Florida's Department of Management Services' website. Additionally, senior management of companies contracting with the state must certify, in writing, that their products are not made with forced labor. Companies may face termination of contracts where forced labor had been used and will be subject to fines for false certifications.

Washington

The Washington state legislature has proposed two bills — Bill 5607 and Bill 5541 — aimed at requiring companies to disclose their supply chain due diligence efforts. Bill 5541 would require larger sellers and manufacturers doing business in Washington to disclose their efforts to eradicate human trafficking and forced labor from their supply chains. Bill 5607 would require certain fashion retailers and manufacturers to disclose environmental due diligence policies and map a minimum of 50% of their supply chain. The proposed bill specifically references due diligence bills in New York, the European Union (EU), Germany, France, Britain, and Australia. Notably, both [Bill 5607](#) and [Bill 5541](#) were reintroduced in 2024 but have failed to gain significant traction in the Washington Senate.

The Washington state legislature also recently proposed a new bill, Bill 1107, which applies to “fashion producers” or companies with a commercial presence in Washington that produce, manufacture, import, or license trademarks of “wearing apparel” or footwear and requires them to make certain environmental and sustainability disclosures. Additionally, those companies with over \$100 million in worldwide gross receipts must collect and disclose additional information, including the working conditions of the fashion producer and their direct suppliers, as well as those providing inputs to the fashion producer.

Massachusetts

Massachusetts legislators have similarly introduced a bill titled “An Act to Establish Fashion Sustainability and Social Accountability in the Commonwealth” that would require certain fashion sellers and fashion manufacturers to disclose their supply chain mapping and due diligence procedures for four tiers of production. While still under review, the bill accompanied a study order, which is often

¹² See our original publication [here](#).

used as a quiet way to kill a bill. In our view, it is unlikely the bill will become law in the near future.

Global Forced Labor Initiatives¹³

While the United States has led the charge in prohibiting the importation of merchandise produced using forced labor, several other countries have proposed or implemented laws aimed at curbing forced labor. Most of the laws cover companies of a certain size based on the number of employees and revenue or assets, but in many cases, those thresholds are based on global figures.

In **Figure 4**, we illustrate the EU and countries that have proposed or implemented forced labor and supply chain diligence laws worldwide.

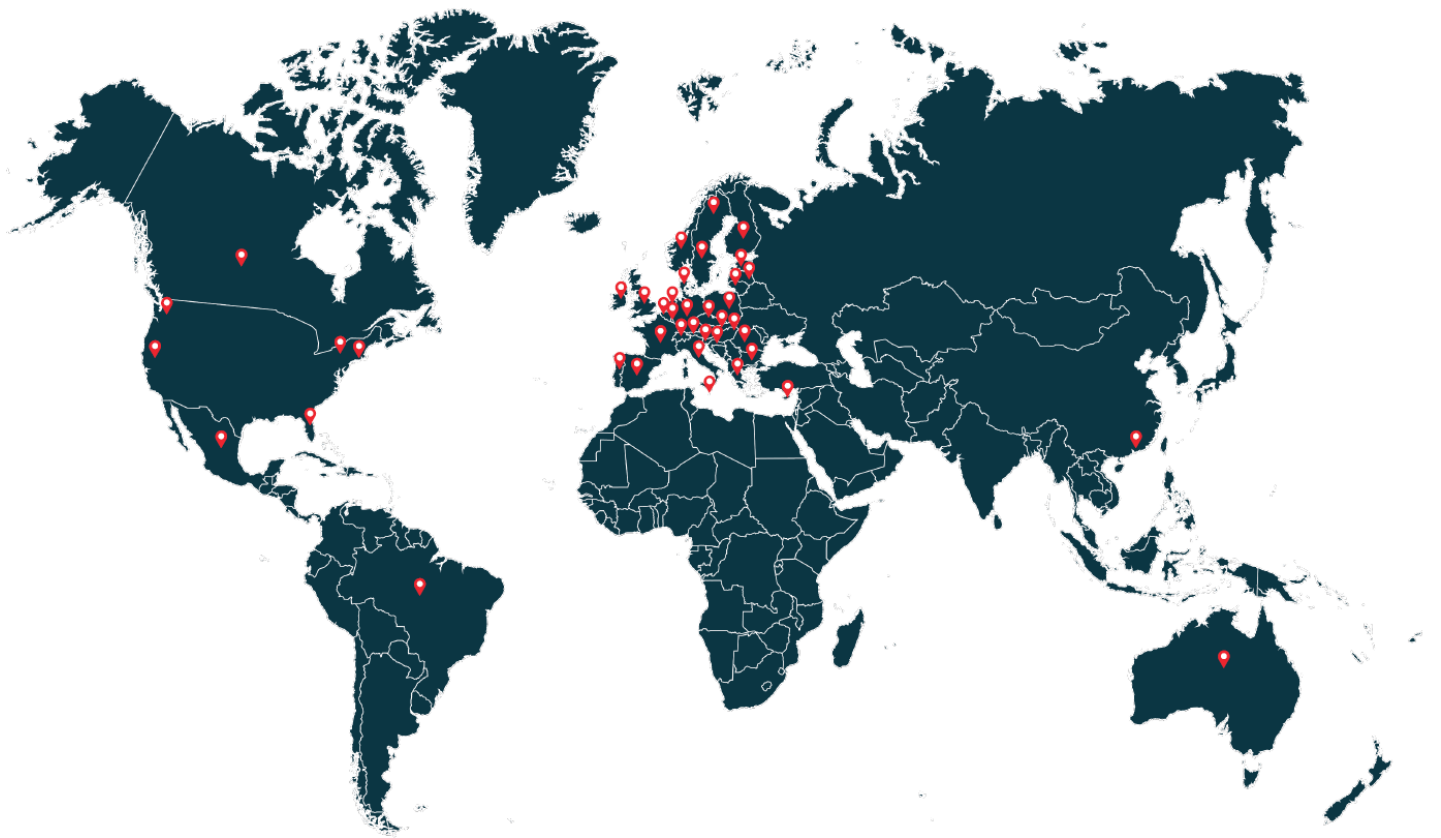


Figure 4

As more laws are enacted worldwide, it will become increasingly crucial for multinational companies to identify the applicable laws and develop comprehensive programs to comply with these new requirements.

¹³ We are not licensed in these jurisdictions. This information is informational only and does not amount to legal advice. We can help counsel on these laws in collaboration with local counsel.

The EU

The EU has also taken aim at combatting forced labor in its markets. In addition to the EU's Corporate Sustainability Reporting Directive (CSRD) that went into effect in January 2023, the Corporate Sustainability Due Diligence Directive (CSDDD or CS3D) entered force in the EU on July 25, 2024. While the CSRD takes a more disclosure-based approach, the CSDDD takes an action-based approach.

The CSDDD encompasses a wide range of companies, including those within the EU or those based outside of the EU that have significant connections to the EU. Compliance considerations under the CSDDD are vast, including companies' operations, subsidiaries, and supply chains. Unlike the CSRD, which only requires a certain level of transparency, the CSDDD requires remediation and mitigation of violations, bringing with it the potential for significant fines.

Significantly, the EU also recently adopted the Forced Labor Regulation (FLR), which bans products made with forced labor from the EU market.¹⁴ Under the FLR, any product using forced labor at any production stage is barred from being placed or made available on or exported from the EU market. It applies to all products sold in or exported from the EU, including individual components, regardless of geographic origin. The FLR is very broad, covering not only companies and persons that import goods made with forced labor but also companies and persons that sell goods made with forced labor or export those goods from the EU.

The FLR entered force on December 13, 2024, allowing companies until December 14, 2027, before the requirements will apply. The Commission established to oversee the implementation and enforcement of the FLR is expected to publish guidance for companies and enforcement agencies by mid-June 2026.

Australia

The Australian Commonwealth Modern Slavery Act requires companies to perform an assessment of their supply relationships and any human rights or environmental risks. Under the Modern Slavery Act, companies must annually report on their supply chain risk assessments and due diligence obligations.

Australia has also previously proposed forced labor import ban legislation similar to the UFLPA and the FLR, but it has not yet passed.

UK

The United Kingdom's (UK) Modern Slavery Act took effect in 2015 and seeks to regulate and address forced labor in UK companies' business operations and their global supply chains. Similar to California's TSCA, companies covered by the UK Modern Slavery Act must annually publish a statement that includes information such as a statement on human trafficking and an overview of their due diligence processes and risk assessments procedures.

¹⁴ See our post [here](#).

Germany

The German Supply Chain Due Diligence Act took force in 2023 and requires covered companies to report on their due diligence efforts and risk assessments of their supply relationships, as well as any human rights or environmental risks. The intent is to strengthen human rights and mandatory exclusion from public contracts.

Mexico and Canada

As noted in Part III, the USMCA requires each country to have laws that ban the entry of products produced using forced labor. In compliance with its obligations under the USMCA, Mexico and Canada have implemented laws that may expand the scope of supply chain due diligence requirements and enforcement of forced labor bans.

Mexico

Mexico implemented a resolution in May 2023 to ban the importation of goods produced with forced labor. Petitioners must submit information to Mexico's Ministry of Labor and Social Welfare regarding the forced labor allegations. Significantly, the government of Mexico can also independently initiate an investigation and can rely on investigations of other countries. Any decision must be made within six months or a year after the petition is filed, and a forced labor determination will be published on the Ministry's website and ban the importation of the covered goods. To date, although requests to ban goods made with forced labor have been submitted to the Ministry, no goods have been banned. This may become a point of contention for the United States in the upcoming USMCA review.

Canada

Canada has banned the importation of goods produced using forced labor since July 2020 in compliance with its USMCA obligations. Canada Border Services Agency (CBSA) will reclassify the banned import as a prohibited good under tariff provision 9897.00.00. As a practical matter, very few imports have been detained by CBSA — fewer than 50. Reports indicate that CBSA does not have the workforce or resources to identify goods produced with forced labor or to manage a volume of detentions. Canada did recently request a public consultation for input regarding forced labor enforcement.

However, Canada has implemented related legislation. Effective January 1, 2024, Canada's Fighting Against Forced Labor and Child Labor in Supply Chains Act contains two main provisions:

- New supply chain reporting requirement for certain covered companies doing business in Canada that meet certain size, revenue, or asset thresholds, with the first reports due by May 31, 2024.
- Expands the prohibition on imported goods to include “child labor.”

The law requires covered companies report to the Minister of Public Safety forced labor-related information, including, but not limited to, steps taken during its previous financial year to prevent and reduce the risk that forced labor or child labor is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity. Reports must be approved by

the covered company's governing body and published on the company website. Covered companies must also submit a questionnaire response to Public Safety Canada. There are considerable penalties for companies, as well as personal liability for their directors, officers, or agents, which fail to comply with the new law's requirements. Significantly, the law does not require covered companies to take any due diligence measures or remediate any identified issues. However, companies would need to publicly report their lack of action. This law will likely encourage companies to implement forced labor procedures and take due diligence steps.

The Supply Chains Act also expands the prohibition on the importation of goods mined, manufactured, or produced, in whole or in part by forced labor, to also include child labor.

The Canadian government announced in its 2024 Fall Economic Statement its intent to introduce legislation on supply chain due diligence. The proposed supply chain due diligence law would require businesses to scrutinize their international supply chains for risks to fundamental human and labor rights and actively work to resolve those risks. Additionally, the legislation proposes the creation of a new oversight agency to ensure ongoing compliance. The proposed due diligence act would build upon Bill S-211 by requiring certain entities to implement and enforce due diligence measures, rather than simply report on existing measures.



Part V: Final Takeaways



Part V:

Final Takeaways

Forced labor import bans, supply chain due diligence requirements, and due diligence reporting continue to develop globally. The United States, in particular, is doubling down its efforts to combat forced labor and continues to lead the global push to strengthen forced labor enforcement. In this global economy, companies that do not develop robust compliance plans and supply chain traceability programs open themselves to enforcement initiatives and negative public reporting from governments and NGOs.

- In 2025, enforcement will continue to ramp up in the United States and globally, and companies must be prepared by implementing holistic supply chain due diligence and forced labor programs. Compliance plans must contemplate mapping supply chains upstream to the importers' raw material suppliers. Identifying Tier 1 suppliers and relying solely on third-party audits are no longer sufficient in today's enforcement environment.
- As the DHS UFLPA Entity List and products targeted for enforcement continue to evolve, companies must remain informed regarding these developments and diligently review supply chains to minimize forced labor risks. We regularly provide updates through client alerts and on our [forced labor website](#).
- Companies need to strategize and diversify supply chains where possible to mitigate risks and adapt to the constantly evolving supply chain landscape.
- Importers should implement UFLPA training programs to ensure their employees and suppliers understand the risks and compliance associated with the UFLPA. This education will be particularly necessary for some industries not previously exposed to forced labor scrutiny and enforcement. In some cases, there will need to be changes to how an industry conducts business to comply with these laws. This may need to be accomplished through industry-wide initiatives.
- Companies should consider restructuring employee incentives to emphasize the importance of identifying risks in supply chains.
- Companies doing business in jurisdictions outside of the United States or certain states should consider whether they are subject to the growing number of supply chain due diligence reporting laws that are developing around the globe. Many companies are developing a consolidated report for all the applicable jurisdictions.

We are constantly monitoring developments. Check out our monthly [newsletters](#) and subscribe to our alerts at this [link](#). We also regularly update our [webpage](#) with updates.

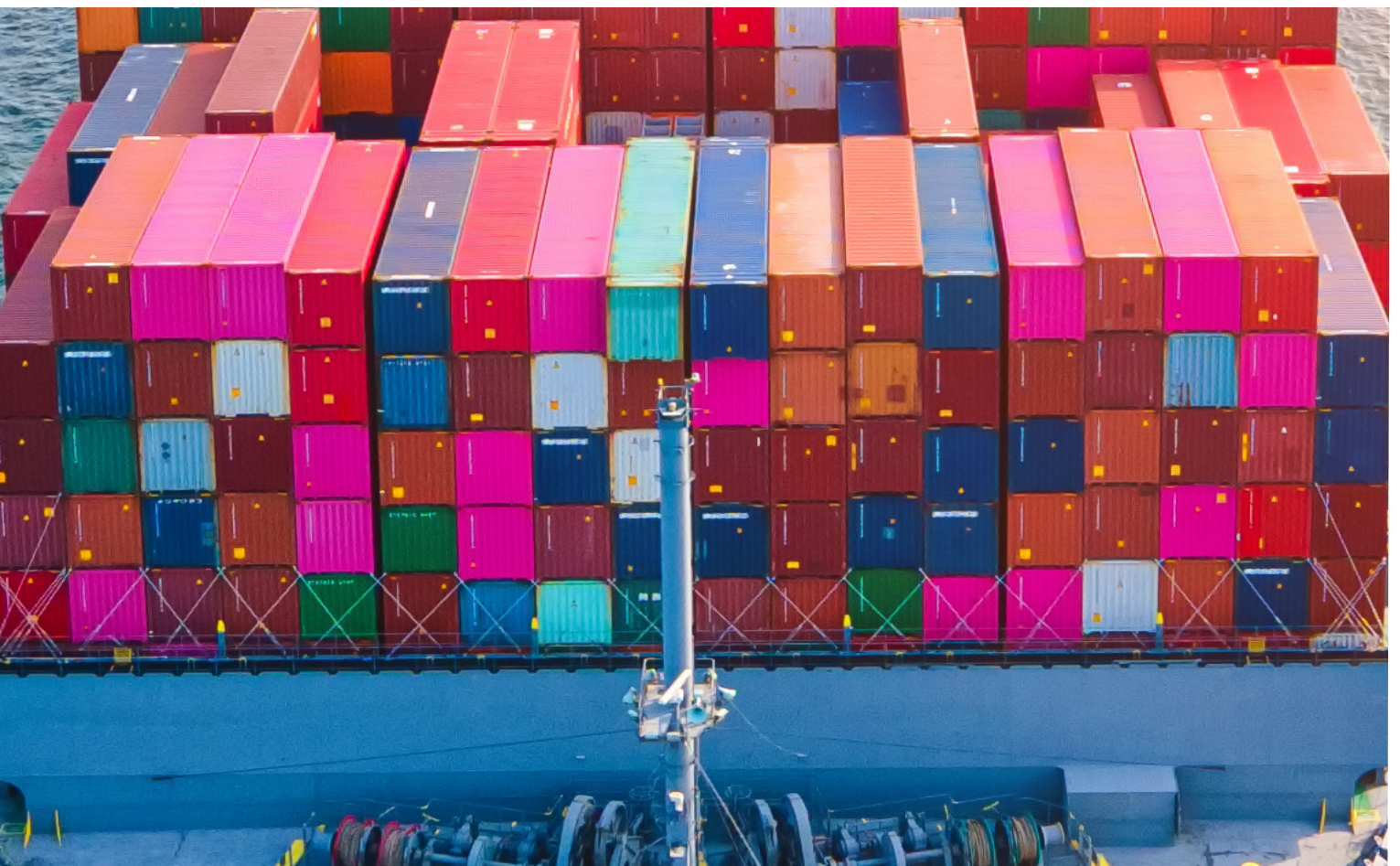
AFS Experience With the UFLPA and Forced Labor

The AFS Forced Labor Enforcement Task Force continues to help companies with complex supply chains navigate the ever-changing legal landscape related to the UFLPA and related forced labor enforcement initiatives. The team has a broad range of experience assisting companies in a wide array of industries and of all sizes:

- Forced labor compliance (UFLPA, CBP WROs and findings).
- Protests and petitions for release of detained or seized merchandise.
- Respond to Congressional and NGO inquiries.
- Forced labor codes of conduct, compliance programs, trainings, and manuals.
- Supply chain evaluations and risk assessments.
- Supplier forced labor agreements and documentation (payment orders and contracts).
- Customs questionnaires and forced labor audits.
- General forced labor counseling.
- Advise on technology solutions.
- Global review of forced labor/diligence laws.
- Sanctions guidance.



Appendix



Appendix 1: Current WRO List by Country

Country	Number of Active WROs	Product (see CBP site for specified producer/region)
China	36	Silica based products; cotton; tomatoes and downstream products; computer parts; cotton and processed cotton; apparel; hair products; garments; peeled garlic; stevia and its derivatives; soda ash, calcium chloride and caustic soda; malleable iron pipe fittings; galvanized pipe; tea; artificial flowers; rubber vulcanization accelerators; rubber gloves, condoms, rubber raincoats, and rubber footwear; hoists; asbestos; electric fans and zinc-coated wire; sulfuric (sulphuric) acid; drilling machines; auto parts and machinery; cast iron items; sheepskin and leather; machine presses; diesel engines; planing machines; work gloves ^{*15}
Democratic Republic of Congo	1	Gold
Dominican Republic	1	Raw sugar and sugar-based products
India	1	Beedie cigarettes and other tobacco products
Japan	1	Video games and connector plugs thereof
Malawi	1	Tobacco produced in Malawi and products containing tobacco produced in Malawi
Malaysia	1	Palm oil and palm oil products ^{16 xxxi}
Mexico	1	Fresh tomatoes
Nepal	1	Carpets and hand-knotted wool
Somaliland*	1	Frankincense (used for fragrances, skincare, cosmetics)
Turkmenistan	1	Cotton
Zimbabwe	1	Artisanal rough-cut diamonds
Fishing Vessels	4	Seafood

¹⁵ * Denotes new WROs issued in 2024.

¹⁶ In October 2024, CBP modified the WRO against disposable gloves produced by Brighthway Holdings Sdn. Bhd., Laglove (M) Sdn., and Biopro (M) Sdn. Bhd. in Malaysia, allowing disposable gloves produced by the Brighthway Group to enter the United States.

Appendix 2: NGO Publications From 2024

In our [2024 Guide](#), we provided an overview of NGO reports issued at the time of the alleged use of forced labor, particularly in the XUAR, in industries such as solar, gold, apparel, and automotive. These reports were all published in 2022 and 2023, often after years of investigation and data gathering. As we outline below, in 2024, the NGO community continued to publish reports of allegations of forced labor, albeit at a slower pace than previous years. However, forced labor and human rights continue to be a focus for NGOs, so we should continue to expect new NGO reports in 2025, the products or industries of which often become targets for CBP enforcement. **See Part II.**

Below, we provide a summary of notable NGO reports published in 2024, although there were many others.

Human Rights Watch: [“Asleep at the Wheel: Car Companies’ Complicity in Forced Labor in China”](#) (2024)

The 99-page Human Rights Watch report, “Asleep at the Wheel: Car Companies’ Complicity in Forced Labor in China,” alleges that some carmakers have succumbed to Chinese government pressure to apply weaker human rights and responsible sourcing standards at their Chinese joint ventures than in their global operations. The report explores how this approach fundamentally increases the risk of exposure for companies to forced labor in the XUAR. The report allegedly examines credible evidence that aluminum producers in the region are participating in forced labor transfers. Specifically, the report looks at how Xinjiang, the aluminum industry, and forced labor are connected through Chinese government-backed labor transfer programs.

Key Takeaways

- Domestic and foreign manufacturers in China produced and exported more cars than any other country in the world in 2023. Despite this booming industry, the Chinese government has continued to demonstrate hostility towards human rights and responsible sourcing policies, which many carmakers claim to apply to their business models. The report further claims that manufacturers in China have succumbed to pressure from the Chinese government to apply weaker human rights and responsible sourcing standards in their Chinese joint ventures.
- Xinjiang has become a hub for the aluminum industry. While Xinjiang’s aluminum production has drastically evolved, issues pertaining to forced labor persist.
- Since Xinjiang lacks the capacity to process the metal produced by aluminum smelters, a significant amount of the aluminum produced in the region is transported to other Chinese provinces as unalloyed ingots that must be remelted. Once an aluminum ingot undergoes this process, it becomes impossible to properly trace whether and/or how much of the material actually came from Xinjiang.
- Furthermore, the aluminum industry’s reliance on Xinjiang’s coal also creates links to forced labor, as coal mining companies also allegedly receive labor transfer workers at their coal mines.

- The report further notes that car companies have a responsibility under the United Nations Guiding Principles on Business and Human Rights to identify, prevent, and mitigate the presence of forced labor and other human rights abuses in their supply chains.

C4ADS – “[Side Effects: The Human Rights Implications of Global Pharmaceutical Supply Chain Linkages](#)” (October 8, 2024)

This report examines the alleged permeation of Uyghur forced labor in the pharmaceutical industry. Specifically, the report identifies key factors that have contributed to the issue of forced labor, including international government connections to the XUAR pharmaceuticals, pharmaceutical products being manufactured solely in XUAR, and the global dependence on XUAR-based manufacturers for many critical pharmaceutical products.

Key Takeaways

- Currently, 76 drugs produced in China are only produced in XUAR. Of these, 53% of unique XUAR drugs are Chinese traditional medicinal products and 47% include a wide range of other products. Additionally, 11 licensed pharmaceutical manufacturers in XUAR are state-owned enterprises.
- The report provides case studies that call out specific companies that should be excluded from supply chains generally because of these companies’ ties to human rights abuses. The report names Sinopharm National Pharmaceutical Group Co., LTD, Xinjiang Deyuan Bioengineering Co., LTD., Xinjiang Nuziline Bio-Pharmaceutical Co., LTD., and Xinjiang Huashidan Pharmaceutical Co., LTD.
- The report alleges that ownership data indicates that XUAR entities may be registering in different provinces in China, or even Vietnam, to circumvent the UFLPA.
- The report recommends the US government add the above-mentioned companies to the UFLPA Entity List. Among other things, the report recommends that the United States strengthens existing trade agreements by improving information sharing and joint capabilities on forced labor regulatory enforcement.

C4ADS – “[Fault Lines](#)” (April 17, 2024) *Commentary, not an NGO report*

This follow-up commentary from C4ADS’ 2023 investigation uses financial reporting and public disclosures to uncover the alleged global reach of Chinese gold produced by Uyghur forced labor. There are currently around 400 companies that source high-risk gold from the XUAR. C4ADS has identified that over 27,000 subsidiaries of these companies may also be sourcing XUAR gold. These subsidiaries span across the globe, many of which are based in Germany, the UK, the Netherlands, Mexico, France, and Canada.

Key Takeaways

- The real number of companies at risk of using XUAR gold is larger than the initial count due to the extensive network of subsidiaries that exist. This list of analyzed subsidiaries provides a “shortcut” to identify the extent of exposure to XUAR gold.
- Specifically, C4ADS alleges that publicly available records indicate that a multinational

conglomerate specialized in various sectors, including aviation, health care, power, renewable energy, and digital industry, has sourced gold from all four XUAR-linked gold refineries. This multinational conglomerate operates in over 170 countries, increasing the risk that its subsidiaries source this tainted gold across jurisdictions.

- The report suggests that companies are uniquely positioned to improve sourcing standards to prevent forced labor products from reaching their global consumers through their extensive subsidiary network.

UMASS Amherst - “[Beneath REI’s Green Sheen: Union Busting, Debt Bondage, and Partnership with Eco-Criminals](#)” (December 10, 2024)

This report is one of the few instances where an NGO report was dedicated to a single company. UMass Amherst’s Labor Center published this report in their working paper series. This report uses both publicly available information and testimony directly from workers to examine the working conditions at factories in the company’s supply chain. The report looks at violations of the company’s code of conduct and both national and international labor standards. The report analyzes forced labor from migrant workers, forced overtime, sub-poverty wages, discrimination against pregnant and postpartum women, the role of precarious contracts, and retaliation against workers who are trying to end labor abuses.

Key Takeaways

- Many records that could evidence forced labor issues in a company’s supply chain may be available through public platforms. Documents such as shipping records, supplier factory lists, factory information, wage data, and a company’s own impact reports may contain evidence of forced labor.
- Worker testimony on social media is not only publicly available but can also be easily and quickly shared across platforms.
- Public and NGO reports continue to play a pivotal role in the enforcement of the UFLPA. The FLETF relies heavily on NGO reports and other public news in identifying new high-priority sectors for these determinations.
- Future NGO reports may follow similar models as this one and focus solely on evaluating a single company. This may be especially true for companies that advertise their corporate social responsibility programs and publish their supplier lists.

TRANSPARENTTEM – “[From Field to Fabric: Enhancing Due Diligence in Cotton Supply Chains](#)” (January 2025)

Transparentem has investigated labor conditions on cotton farms in the Khargone and Barwani districts of Madhya Pradesh, India. Through these investigations, Transparentem has identified evidence of child labor specifically on cotton farms. Transparentem looked closely at evidence allegedly connecting investigated cotton farms to the supply chains of three Indian suppliers of cotton materials and products — Pratibha Syntex, Remei India, and Maral Overseas. Significantly, the NGO reported that it could *not definitively connect* the farms to the supply chains of specific products or retail buyers.

Key Takeaways

- As identified by the United Nations Report of the Special Rapporteur on Contemporary Forms of Slavery and other NGO sources, debt bondage remains a pervasive issue in the agricultural sectors of India.
- Specifically, the Fair Labor Association (FLA), an international network promoting human rights, has explained that child labor occurs among vulnerable populations, such as areas with Scheduled Tribes, and that child labor occurs in the cotton-producing villages in Khargone and Barwani.
- Some of the potential risk factors of child workers on farms include pesticide exposure experienced by child and adolescent workers, other health hazards experienced by child and adolescent workers, and loss of education.
- Investigators interviewed 151 workers and 66 farm owners from 90 cotton farms in the Khargone and Barwani districts. After this review, investigators found the following to be true:
 - 24 farms were members of Pratibha Syntex’s Vasudha Swaraj Cooperative. Transparentem identified cases of child labor on 17 of the 24 farms connected to the supply chain of Pratibha Syntex.
 - 19 cotton farms that sold cotton to ginning mills that supplied cotton bales to companies including Maral Overseas. Transparentem identified cases of child labor on 10 of 19 farms which are connected indirectly to the supply chain of Maral Overseas.
 - 30 registered cotton farms supplied cotton to Remei India. Transparentem identified cases of child labor on 13 of 30 farms connected to the supply chain of Remei.
- The FLA has a proposed roadmap which seeks to implement supply chain mapping and community-led development for the purpose of protecting child workers and to also raise awareness of these issues.
- Transparentem has encouraged the FLA, suppliers, and buyers to focus on developing community and worker-led remediation and monitoring systems.

ⁱ [Withhold Release Orders and Findings Dashboard](#), US Customs and Border Protection (last visited Jan. 22, 2025).

ⁱⁱ *Id.*

ⁱⁱⁱ Press Release, US Customs and Border Protection, “[CBP issues Withhold Release Order on Shanghai Select Safety Products and its subsidiaries](#)” (Apr. 10, 2024).

^{iv} Press Release, US Customs and Border Protection, “[CBP issues Withhold Release Order against Asli Maydi](#)” (Nov. 1, 2024).

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- ^v Press Release, US Customs and Border Protection, “[CBP will seize aluminum products manufactured using forced labor by Chinese-owned, Dominican based company](#)” (Dec. 4, 2024).
- ^{vi} [New DHS Textile Enforcement Actions Crack Down on Illicit Trade to Support 500,000 American Textile Jobs](#), US Department of Homeland Security (Apr. 5, 2024).
- ^{vii} [DHS Announces Addition of 37 PRC-Based Companies to UFLPA Entity List](#), US Department of Homeland Security (Jan. 14, 2025).
- ^{viii} The Administration proposes changes to the Section 321 *de minimis* program in two separate notices of proposed rulemaking: (1) [Entry of Low-Value Shipments](#), 90 Fed. Reg. 3048 (proposed Jan. 14, 2025) (to be codified at 19 C.F.R. pts. 10, 101, 128, 143, 145), and (2) [Trade and National Security Actions and Low-Value Shipments](#), 90 Fed. Reg. 6852 (proposed Jan. 21, 2025) (to be codified at 19 C.F.R. pts. 10, 128, 143).
- ^{ix} See US Department of Homeland Security, [2024 Updates to the Strategy to Prevent the Importation of Goods Mined, Produced, or Manufactured with Forced Labor in the People’s Republic of China 13](#) (Report to Congress, July 9, 2024).
- ^x [US Customs and Border Protection, Office of Trade Forced Labor Division Isotopic Testing Guidance](#) (Nov. 2024).
- ^{xi} See *id.*
- ^{xii} Press Release, [USTR Initiates Section 301 Investigation on Nicaragua’s Acts, Policies, and Practices Related to Labor Rights, Human Rights, and the Rule of Law](#) (Dec. 10, 2024).
- ^{xiii} US Customs and Border Protection, [Customs Trade Partnership Against Terrorism \(CTPAT\) Trade Compliance Handbook](#) (Sept. 2023).
- ^{xiv} https://www.cbp.gov/sites/default/files/2024-10/ctpat_bulletin_-_ftz_benefit_for_customs_trade_partnership_against_terrorism_trade_compliance_partners.pdf
- ^{xv} House Committee on Appropriations – Republicans, [Fiscal Year 2024 Homeland Security Appropriations Bill](#) (June 21, 2023).
- ^{xvi} [Uyghur Forced Labor Prevention Act Statistics](#), US Customs and Border Protection (last visited Jan. 22, 2025).
- ^{xvii} *Id.*
- ^{xviii} Mishel Kondi, [Side Effects: The Human Rights Implications of Global Pharmaceutical Supply Chain Linkages to XUAR](#), C4ADS (Oct. 8, 2024).
- ^{xix} See *supra* note xi.
- ^{xx} See *supra* note viii.
- ^{xxi} [Letter from Mike Gallagher, Chairman, House Select Committee on the CCP, and Raja Krishnamoorthi, Ranking Member, House Select Committee on the CCP, to the Honorable Alejandro Mayorkas, Secretary, US Department of Homeland Security](#) (Jan. 19, 2024).
- ^{xxii} [Factories and Fraud in the PRC: How Human Rights Violations Make Reliable Audits Impossible: Hearing Before the Congressional-Executive Commission on China](#), 118th Cong. (2024).
- ^{xxiii} Press Release, [House Select Committee on the CCP, Moolenaar, Rubio, Lawmakers Uncover Shocking New Evidence of Slave Labor Links at Chinese Battery Companies Gotion, CATL & Demand Immediate Blacklist](#) (June 6, 2024).
- ^{xxiv} [Notice of Availability of Designation of Chinese Military Companies](#), 90 Fed. Reg. 1105 (Jan. 7, 2025).

^{xxv} Senator Rick Scott, <https://www.rickscott.senate.gov/services/files/FA553028-6DD1-490C-876F-12703A41C6FA> (Aug. 14, 2024).

^{xxvi} The original version of the Ministry of Commerce's statement can be found here: 商务部新闻发言人就不可靠实体清单有关措施答记者问 [The spokesperson of the Ministry of Commerce answered a reporter's question on the measures related to the unreliable entity list], [Ministry of Commerce of the People's Republic of China, Bureau of Industrial Security and Import-Export Control](#) (Jan. 17, 2025).

^{xxvii} [List of Goods Produced by Child Labor or Forced Labor](#), US Department of Labor, Bureau of International Labor Affairs (last visited Jan. 22, 2025).

^{xxviii} Office of the United States Trade Representative, [US Government Trade Strategy to Combat Forced Labor: Making Trade a Force for Good by Addressing Forced Labor in Global Supply Chains](#) (Jan. 20, 2025).

^{xxix} [From Cobalt to Cars: How China Exploits Child and Forced Labor in DR Congo: Hearing Before the Congressional-Executive Commission on China](#), 118th Cong. (2023).

^{xxx} [UFLPA Attachment to the Notice of Detention](#), US Customs and Border Protection, Office of Trade (last visited Jan. 22, 2025).

^{xxxi} Press Release, US Customs and Border Protection, [CBP modifies Withhold Release Order on Brightway Group in Malaysia](#) (Oct. 11, 2024).

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