



FedEx Regulatory News

Customs Enforcement on Chinese Goods Made With Forced Labor

December 28, 2020

Background information

Statute [19 U.S.C. 1307](#) prohibits the importation of merchandise mined, manufactured or produced wholly or in part by [forced labor](#). This includes convict labor, forced child labor and indentured labor.

U.S. Customs and Border Protection (CBP)'s Office of Trade issued a Withhold Release Order (WRO) for cotton and cotton products made by Xinjiang Production and Construction Corps (XPCC), based on information indicating XPCC is using forced labor, including convict labor.

This WRO is the sixth [enforcement action](#) from CBP in the last three months for goods made by forced labor from China's Xinjiang Uyghur Autonomous Region (XUAR). The Chinese government is accused of targeting the Uyghur people as well as other ethnic and religious minority groups in XUAR with repressive tactics, including utilizing these groups for forced labor.

What will be modified?

The WRO issued against XPCC applies to:

- All cotton and cotton products produced by the XPCC and its subordinate and affiliated entities.
- Any products that are made in whole or in part with or derived from that cotton, such as apparel, garments and textiles.

On December 2, 2020, all U.S. ports of entry began detaining these products. CBP is providing importers of these shipments an opportunity to export them or prove that the product was not produced with any form of forced labor.

What are the primary impacts of this issue?

The U.S. Government issued a supply chain business [advisory](#) in July of 2020. The communication discussed the adverse impacts of engaging in commerce with parties utilizing forced labor, including damage to reputation as well as economic and legal risks such as:

- Issuance of WROs
- Civil or criminal investigations
- Export controls could be the result

Eight WROs were issued during 2020 on goods believed to be made by forced labor in China. WROs, listed by country, can be reviewed on CBP's [Forced Labor Withhold Release Orders and Findings page](#). Allegations of forced labor are provided to CBP from a variety of sources, such as the general public, and investigated by the Forced Labor Division.

References:

[CBP Programs Administration: Forced Labor](#)

[DHS Cracks Down on Goods Produced by China's State-Sponsored Forced Labor](#)

[Forced Labor Withhold Release Orders and Findings page](#)

[CBP Issues Detention Order on Cotton Products Made by Xinjiang Production and Construction Corps Using Prison Labor](#)

[Xinjiang Supply Chain Business Advisory](#)