

Is Your Organization Complying With the US Uyghur Forced Labor Prevention Act?

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On December 23, 2021, President Biden signed the <u>Uyghur Forced Labor Prevention Act</u> (UFLPA) into law.

The Act creates a rebuttable presumption that "any goods, wares, articles, and merchandise mined, produced, or manufactured wholly or in part in the Xinjiang Uyghur Autonomous Region of the People's Republic of China" (or by an entity included on a list required by the Act) is prohibited from importation into the US under 19 U.S.C. §1307. This presumption applies unless the Commissioner of US Customs and Border Protection (CBP) determines that "the importer of record has complied with specified conditions and, by clear and convincing evidence, that the goods, wares, articles, or merchandise were not produced using forced labor."

The UFLPA requires CBP to publish guidance and strategies on the due diligence and evidentiary standard needed to rebut the presumption, which will come into effect on **June 21, 2022.**

The UFLPA also requires the Forced Labor Enforcement Task Force (Task Force), an interagency group established in 2020 chaired by the Secretary of Homeland Security, to solicit public comments and hold a public hearing on implementation of the UFLPA. The Task Force is also tasked with preparing and updating the relevant congressional committees on a strategy for the law's implementation. As required, the Task Force solicited written comments and held a public hearing to support its efforts in developing this strategy.

CBP recently announced that in advance of the June 21 entry into force, it will be issuing letters to importers identified as having previously imported merchandise that may be subject to the Act to encourage those importers to immediately address any forced labor issues in their supply chains. Regardless of whether or not an importer receives a letter from CBP, the announcement states that "all importers are expected to review their supply chains thoroughly and institute reliable measures to ensure imported goods are not produced wholly or in part with convict labor, forced labor, and/or indentured labor (including forced or indentured child labor)."

Thus, it is incumbent upon importers to take immediate action to review their supply chains and conduct due diligence to ensure all goods that are imported into the US are screened against the risk of forced labor in all its forms. The UFLPA does not include any *de minimis* exception. Indeed, goods of any size thought to violate the import ban could result in detained shipments.

Our team regularly counsels clients on forced labor import prohibitions, including supporting responses to CBP detention orders and establishing due diligence frameworks for global supply chains. The UFLPA will present new challenges (including maintaining privilege)¹ for importers and their global supply chains, necessitating a rapid and proportionate response from businesses across diverse supply chains. June 21 is rapidly approaching, and our team is here to assist you in ensuring compliance with this far-reaching regulatory requirement.

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¹ For more information about Supply Chain Investigations and US Legal Privilege, click here.