

# Forced Labor Update and Stats for 2024

Special thanks to the Florida Customs Brokers and Forwarders Association for excerpts taken from their webinar on CTPAT Forced Labor.



# What is Forced Labor?

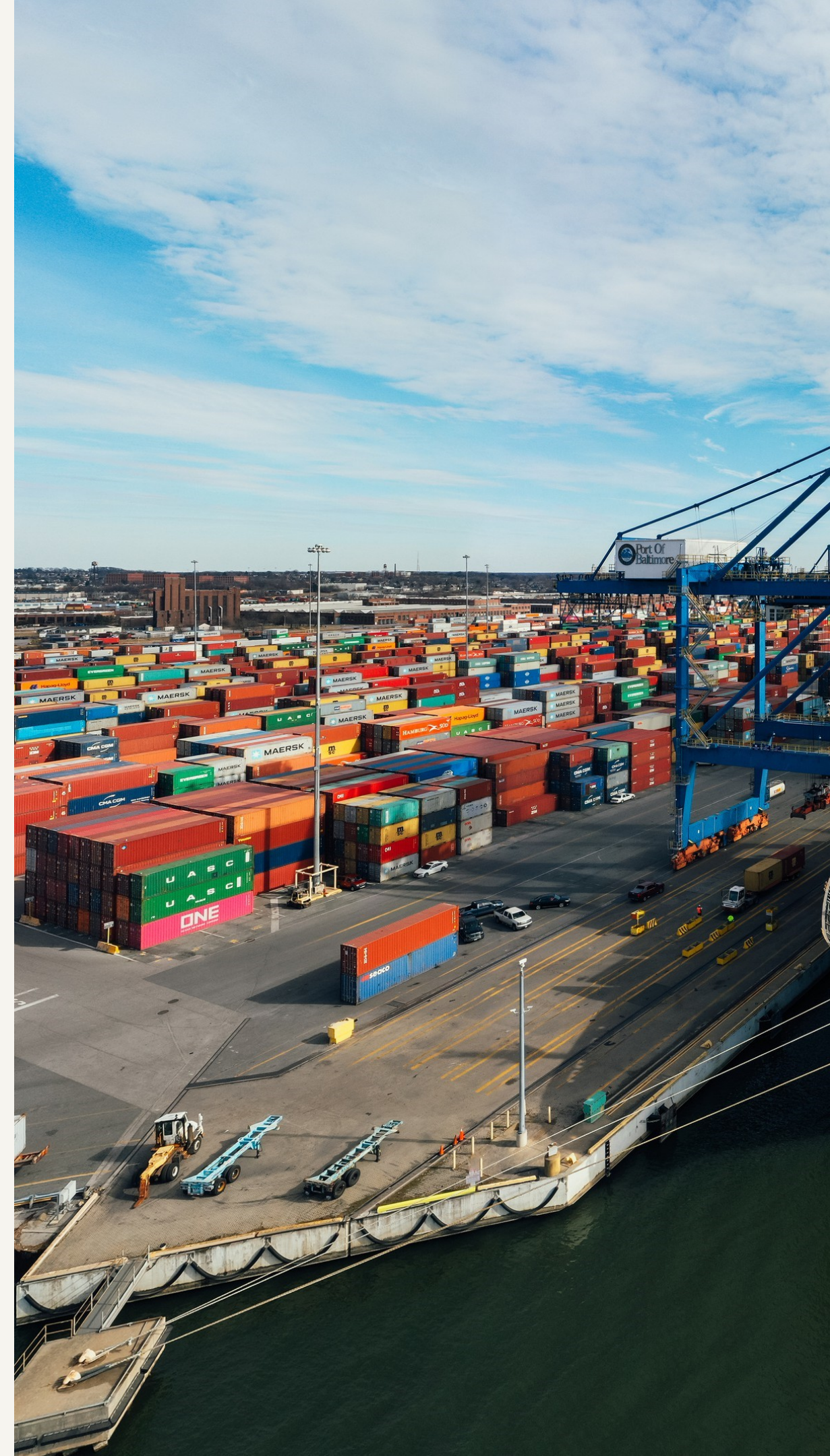
Forced Labor is defined in the 19 USC 1307:

- All work or service which is exacted from any person under the menace of any penalty for its nonperformance and for which the worker does not offer work or service voluntarily.



# The Real Impact of Forced Labor?

- 27.6 million people are involved in forced labor.
- \$236 billion generate in illegal profits every year.
- 3.9 million of them are in a State-imposed form of forced labor.
- 39.4% of individuals are women and children (4.9 million in forced commercial sexual exploitation, and 6 million in other economic sectors).
- 12% of them are children (3.3 million). More than half of these children are in commercial sexual exploitation.
- 3x more risk of forced labor for migrant workers.





## Importance of Enforcement

- **Protect Human Rights**
- **Ensure economic competitiveness**
- **Protecting U.S. Businesses**
- **Protect National Security**

## Enforcement Drives Positive Change

- **CBPs forced labor enforcement mission supports ethical and humane trade while leveling the playing field for U.S. companies that respect fair labor standards.**



# Indicators of Forced Labor (ILO)

**Abuse of Vulnerability**  
**Abusive Living and Working Conditions**  
**Debt Bondage**  
**Deception**  
**Excessive Overtime**  
**Intimidation and Threats**  
**Isolation**  
**Physical and Sexual Violence**  
**Restriction of Movement**  
**Retention of Identity Documents**  
**Withholding of Wages**



# ILO Indicators of Forced Labor - <https://www.ilo.org/publications/ilo-indicators-forced-labour>

- There is a booklet at the website above, that is an introduction to the ILO indicators of Forced Labor. These indicators are intended to help “front-line” criminal law enforcement officials, labor inspectors, trade union officers, NGO workers and others to identify persons who are possibly trapped in a forced labor situation and who may require urgent assistance. The indicators represent the most common signs or “clues” that point to the possible existence of a forced labor case.



# Statutory Authorities

- **1930 - Tariff Act**
- **2015 - Trade Facilitation and Enforcement Act (TFTEA) Removed Consumptive Demand Clause**



- **2017 - Countering America's Adversaries Through Sanctions Act (CAATSA) Established a Rebuttable Presumption**
- **2021 - Uyghur Forced Labor Prevention Act (UFLPA)**



# How does CBP address Forced Labor?

- **Withhold Release Order**
  - **When CBP determines reasonable suspicion, the agency may issue a WRO**
    - **CBP may detain merchandise subject to a WRO.**
    - **Within three months of importation, importers may export.**
    - **Importers may submit evidence showing merchandise was not produced using forced labor.**
    - **CBP will release merchandise if determined admissible or merchandise will be excluded from entry.**





# How does CBP address Forced Labor cont.?

- **Findings**
  - **When CBP determines probably cause, the agency will publish a formal finding in the Custom Bulletin and Federal Register.**
    - **Merchandise under a finding is subject to seizure and forfeiture.**
    - **Upon importation, merchandise may detain pending admissibility or seized.**
    - **Importers may not export.**
    - **Importers may submit evidence showing merchandise was not produced using forced labor.**



# How does CBP address Forced Labor cont.?

- **Countering America's Adversaries Through Sanctions Act (CAATSA)**

**Prohibits the entry of goods, wares, and articles mined, produced, or manufactured wholly or in part by North Korean nationals or North Korean citizens anywhere in the world. CAATSA allow CBP to detain the products in question at all U.S. ports of entry until/unless importers can prove the absence of forced labor in their products supply chain.**



# How does CBP address Forced Labor cont.?

- **CAATSA Section 321 (b) permits the importer to rebut the presumption of a violation of 22 U.S.C. part 9241a by providing to CBP within 30 days a written response to the detention.**
- **Failure to rebut or overcome by “clear and convincing evidence” the CAATSA violation presumption, may result in the shipment being subject to seizure.**



# How does CBP address Forced Labor cont.?

- **Uyghur Forced Labor Prevention Act (UFLPA)**
  - **Establishes a rebuttal presumption that the importation of 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 produced by certain entities, is prohibited by Section 307 of the Tariff Act of 1930 and that such goods, wares, articles, and merchandise are not entitled to the US.**



# Uyghur Forced Labor Prevention Act (UFLPA) STATS

- **8,465 total shipments**
- **3,375 shipments denied**
- **3,858 released shipments**
- **Value of \$3.32B**
  - **4,323 Electronics**
  - **1,442 Apparel, Footwear, and Textiles**
  - **1,197 Industrial and Manufacturing Material**
  - **422 Agricultural and Prepared Products**
  - **393 Base Metals**
  - **374 Consumer Products and Mass Merchandising**
  - **304 Pharmaceuticals, Health and Chemicals**
  - **185 Machinery**
  - **71 Automotive and Aerospace**



# UFLPA

- **Importers who receive a detention notice regarding their shipments may respond to the detention noticed within the applicable timeframe, pursuant to 19 C.F.R. Part 151, and generally within 30 days from the date the merchandise is presented for examination to CBP, to request an exception to the UFLPA rebuttable presumption, or provide information to establish that the importation is outside of the scope of the UFLPA.**
- **Importers who receive an exclusion notice may file an administrative protest within the applicable timeframe, pursuant to 19 C.F.R. Part 174.**
- **Importers who receive a seizure notice may utilize the petition process outline in 19 C.F.R. Part 171.**





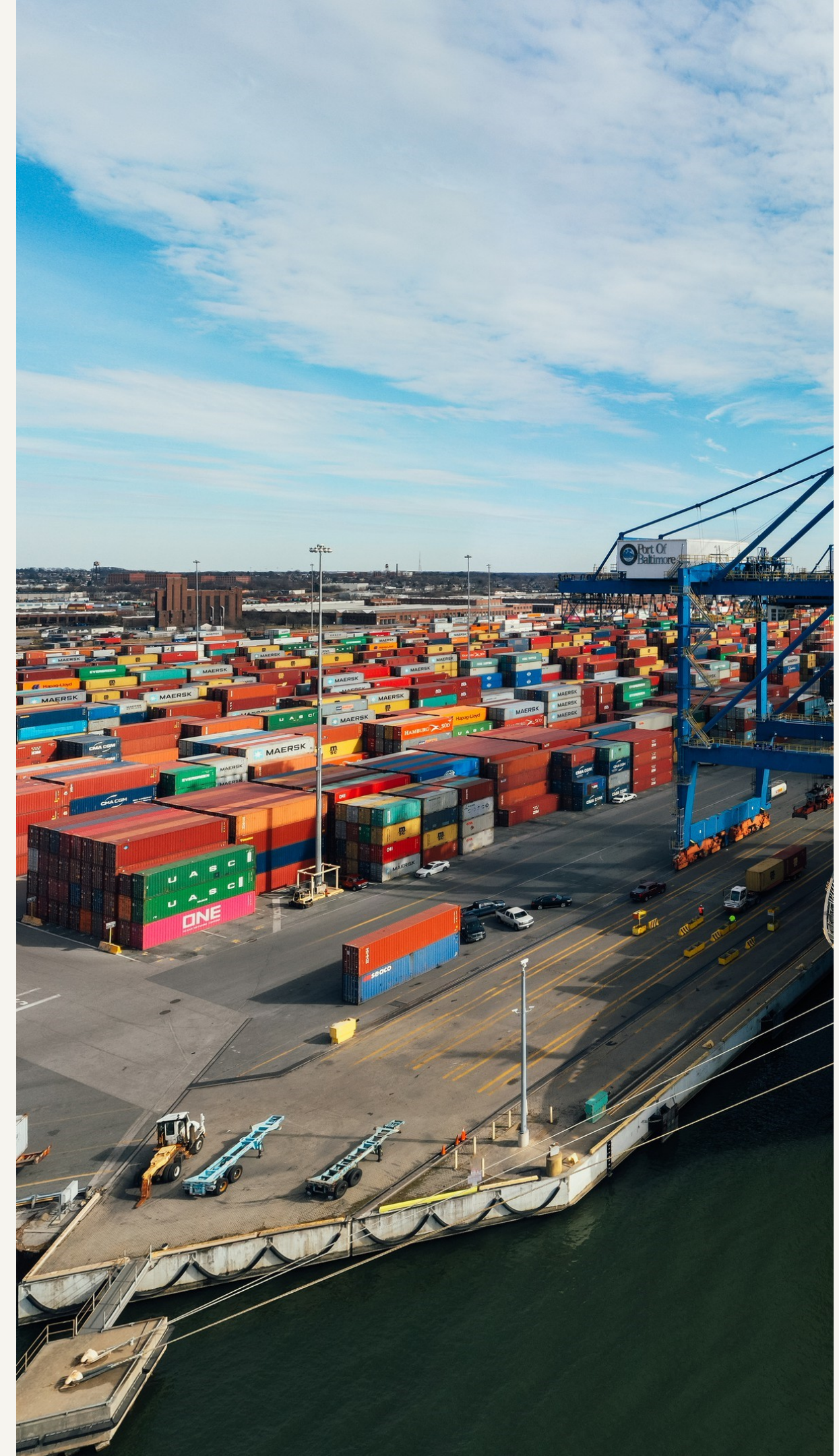
# Forced Labor Statistics: Enforcement Actions



- **52 Withhold Release Orders**
- **8 Findings**
- **0 Finding Issued**
- **0 Penalties Issues**
- **1 Withhold Release Order Issues**
- **0 Withhold release Orders and Findings (Modified or Revoked)**
- **2,832 Shipments stopped for Forced Labor Enforcement Actions**

# Operational Guidance for Importers

- **CBP operational guidance document lists resources available to trade stakeholders to support their ability to conduct supply chain due diligence, tracing, and management, including resources available on CBP.gov and other websites.**
- **Commodity Specific Supply Chain Tracing Documentation:**
  - **Cotton**
  - **Polysilicon**
  - **Tomatoes**







# Thank you!

**If you are looking for more information  
on Forced Labor Education &  
Compliance, give us a call or checkout  
[www.veroot.com/ctpat!](http://www.veroot.com/ctpat)**

