



# The Bottom Line

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## UYGHUR FORCED LABOR PROTECTION ACT UPDATES

### Summary

Customs and Border Protection is deploying updates to the Automated Commercial Environment (ACE) system. The enhancement will provide an early notification to importers of goods that may have been produced in the Xinjiang Uyghur Autonomous Region (XUAR) which would be restricted under the Uyghur Forced Labor Prevention Act (UFLPA).

### Background

More than 1 million Uyghurs are believed to be held in camps in the Xinjiang province of northwestern China, where they work as slave laborers and are forced to abandon their cultural practices. The Biden administration has previously described the abuse of Uyghurs and members of other Muslim minorities in the Xinjiang region as "widespread, state-sponsored forced labor" and "mass detention."

Despite the attention to the region, a new report finds there may be an increase in Beijing's coercive labor campaign targeting the predominantly Muslim ethnic group in Xinjiang, expanding a widely condemned program China has long denied. "Despite the decrease in concrete publicly available evidence, the new developments are increasing both the scale and the scope of coercive labor, expanding it to higher-skilled sectors," stated a report posted this week on the Washington-based Jamestown Foundation's website.

### Current Status

The Uyghur Forced Labor Protection Act establishes a 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 is prohibited by Section 307 of the Tariff Act of 1930. This bill, signed December 23rd, 2021, imposes an import ban on all goods produced in the Xinjiang Uyghur Autonomous Region, presuming that the goods were made using forced labor. The presumption applies unless the CBP Commissioner determines that the importer of record has complied with specified conditions and, by clear and convincing evidence, that the goods were not produced using forced labor. It will be the importer's responsibility to rebut this presumption by establishing, with clear and convincing evidence, that the goods in question

were not produced wholly or in part using forced labor. The rebuttable presumption went into effect on June 21st, 2022.

CBP has been issuing letters to importers identified as having previously imported merchandise that may be subject to the Act to encourage them to address any forced labor issues in their supply chains. CBP is now making changes to the ACE platform to allow for enhanced identification of shipments originating from the XUAR region.

#### ACE will identify shipments for which:

- The People's Republic of China (CN) is selected as a country of origin for entry;
- CN is selected as a manufacturer's country of origin when a Manufacturer Identification Code (MID) is created; or
- An existing MID with Country of Origin 'CN' is updated.

#### Under the new data requirements:

- Postal code will be a required field.
- Users will receive an error message if the postal code provided is not a valid Chinese postal code.
- Users will receive a warning message when a Uyghur region postal code has been provided.

### Impact

The changes to the data requirements are designed to assist CBP in identifying shipments originating in the Xinjiang region. Under the authority of UFLPA, shipments originating in the XUAR region are assumed to have been manufactured using forced labor. The importer then bears the burden of proof and must provide clear and convincing evidence that its imported merchandise was not mined, produced, or manufactured wholly or partly by forced labor.

Documents for goods exporting from China do not always include postal code information for the shipper or manufacturer. Importers need to be aware of the new requirement and communicate it to their suppliers in order to avoid Customs processing and clearance delays.

#### RESOURCES:

- [Uyghur Forced Labor Prevention Act is Coming](#) (The National Law Review)
- [Uyghur Forced Labor Prevention Act](#) (CBP)
- ['Scale' and 'Scope' of Forced Labor in Xinjiang Increasing](#) (Voice of America)
- [Xinjiang Uyghur Autonomous Region WRO FAQ's](#) (CBP)
- [CBP Issues Minimal UFLPA Guidance](#) (Conventus Law)
- [UFLPA ACE Enhancement Region Alert Information Notice for Trade](#) (CBP)