

April 16, 2024

The Honorable Alejandro Mayorkas
Secretary
U.S. Department of Homeland Security
3801 Nebraska Avenue NW
Washington, D.C. 20016

Dear Secretary Mayorkas:

I write to urge you to investigate Shein, a Hong-Kong-backed fast fashion retailer, and Temu, an e-commerce firm with substantial ties to the Chinese Communist Party (CCP), for violating my *Uyghur Forced Labor Prevention Act* (UFLPA), and to add them to the UFLPA's Entity List if you find them to be in violation of that law. Shein and Temu have each established a massive presence in the United States, largely by abusing Section 321 of the Tariff Act of 1931 (i.e. the *de minimis* provision) to send goods that are allegedly tainted with slave labor directly to consumers while evading customs duties and inspections. I was encouraged to see that, on April 5, 2024, the U.S. Department of Homeland Security outlined a strategy to combat illicit textile trade. However, more than two years after UFLPA was signed into law, the Forced Labor Enforcement Task Force, which is led by U.S. Customs and Border Protection (CBP), has yet to add a single entity to the exporter list under UFLPA's Section 2(d)(2)(B)(iv). Americans, and victims of the CCP's forced labor system, cannot afford any more delay.

UFLPA empowers CBP to block the importation of goods that originate in the Xinjiang Uyghur Autonomous Region (XUAR) or are made under "labor transfer" programs that send Uyghurs and other persecuted groups to other parts of China. The law tackles human rights abuses and also protects American firms from unfair competition. However, UFLPA will not make a difference if it is not implemented. It is past time for the Forced Labor Enforcement Task Force to begin adding entities to the UFLPA exporter list. Private firms and journalists have unearthed compelling evidence that both Shein and Temu are facilitating the entry of goods made with Uyghur forced labor. A November 2022 Bloomberg investigation found that Shein garments were made with cotton from XUAR. A separate digital vetting platform found that Temu has offered for sale in the United States various items that were made or sold by businesses located in XUAR.

Shein has overtaken competitors such as Zara and H&M as the dominant fast fashion retailer in the U.S. market. Shein's Hong Kong-based parent company, Zoetop, has been fined by the State of New York for mishandling users' personal information. Temu facilitates e-commerce transactions between Americans and tens of thousands of China-based sellers. China-based Pinduoduo—an e-commerce site that operates Temu—has deep ties to the CCP, uses malware to spy on its app's users, and facilitates intellectual property violations. In January

2024, Temu was the most downloaded app in the U.S. and boasted 51 million monthly active users, a 300 percent increase from 2023. Shein and Temu have exploded in popularity due to their ultra-low prices, which are a result of a combination of intellectual property theft, trade exploitation, strong backing from the CCP, and, allegedly, the use of forced labor.

Last year, the House Select Committee on the Chinese Communist Party presented evidence that Temu and Shein are responsible for more than 30 percent of all *de minimis* packages that are shipped to the U.S. These are packages that enjoy duty and tax-free importation because they are valued at less than \$800. This is even more concerning because such *de minimis* goods often have incomplete and unverifiable information, making them less likely to receive substantial scrutiny from CBP. The Commercial Customs Operations Advisory Committee admitted in June 2022, “[t]he overwhelming volume of small packages and lack of actionable data limits CBP’s ability to identify and interdict high-risk shipments,” describing this as “an unacceptable risk to the American people.”

On top of the problems with customs scrutiny on the back end, Temu is doing nothing to prevent the sale of goods made with forced labor on the front end. Temu lacks even a basic compliance or auditing system to ensure its products are compliant with UFLPA and has an unenforced code of conduct that prohibits the use of forced labor. In fact, the company has admitted that it “does not expressly prohibit third-party sellers from selling products based on their origin in the Xinjiang Autonomous Region.”

Given the blatant exploitation of trade loopholes that Shein and Temu regularly demonstrate, and the high probability these companies have facilitated the importation of goods made with forced labor, I urge you to investigate these companies and add them to the exporter list under UFLPA’s Section 2(d)(2)(B)(iv) should they be in violation of federal law. Additionally, I request your response to the following by May 16, 2024:

- What has kept the Forced Labor Enforcement Task Force from adding any entity to the list required by Section 2(d)(2)(B)(iv) of UFLPA?
- To what extent has CBP investigated whether Shein, Temu, and other China-affiliated e-commerce firms are facilitating the importation of goods made with forced labor?
- Please detail how the department will carry out the enforcement plan announced on April 5, 2024, including:
 - The measures that CBP plans to take in order to more expeditiously update the UFLPA Entity List.
 - The performance goals to which CBP has committed—including for the screening, physical inspection, and testing of *de minimis* goods.
- What percentage of *de minimis* shipments that are in violation of UFLPA do you estimate CBP currently detains, and have you committed to a more ambitious performance goal for these detentions?

I will continue to ensure that UFLPA is fully implemented and will work to close loopholes that allow the importation of goods that are made with forced labor, present health and safety risks, or otherwise undercut American manufacturers and producers.

Thank you for your attention to this important matter.

Sincerely,

A handwritten signature in blue ink, appearing to read 'M. Rubio', with a stylized flourish at the end.

Marco Rubio
U.S. Senator