

Dear members of the Commercial Customs Operations Advisory Committee,

The undersigned organizations and advocates write to you regarding a recent report from the <u>Associated Press</u> (AP), highlighting a proposal from the <u>Commercial Customs Operations Advisory Committee</u> (COAC) to Customs and Border Protection (CBP) requesting that data collected from import manifests remain confidential. We are deeply concerned with this proposal. This proposal would have serious repercussions for the prevention of goods made using forced labor from entering U.S. markets. Moreover, the proposal is counter to the human rights commitments of the COAC members themselves. The Proposal appears targeted at shrinking access to trade data information for civil society and journalists solely to allow companies to avoid scrutiny for forced labor violations.

It is the <u>policy of the United States</u> that goods created using forced labor should not be sold in U.S. markets. Customs and Border Protection enforces this policy under the authority of the <u>Tariff Act of 1930</u> and <u>Uyghur Forced Labor Prevention Act (UFLPA)</u>. However, the COAC's proposal would seriously diminish civil society's already limited insight into shipments of goods into the U.S., therefore crippling important work that highlights and combats forced labor in U.S. markets. It also limits CBP's ability to effectively enforce both the Tariff Act and the recent Uyghur Forced Labor Prevention Act (UFLPA). Civil society groups and investigative journalists play an integral role in Tariff Act and UFLPA enforcement by bringing allegations of violations to the attention of CBP officials. The ability of civil society to carry out this important function would be significantly impaired without data transparency.

Member companies of the COAC, as leaders in their industries, have made significant public commitments to respect human rights, including the following:

- Wal-Mart says in their <u>Human Rights Statement</u> that they "respect the basic rights of workers" including "the elimination of all forms of forced or compulsory labor." Additionally, Wal-Mart commits to "using our leverage to help drive positive change."
- General Motors' (GM) Human Rights Policy states that GM "will not use or tolerate human trafficking." The Human Rights Policy also states that their commitments, including respecting the International Labor Organization (ILO) Core Conventions, apply to suppliers within their supply chain. GM also highlights that they take their human rights responsibilities seriously and that they "will implement the necessary policies and processes to fulfill each of these responsibilities."
- <u>Caterpillar's Human Rights Policy</u> includes a commitment to working with others to "respect[] recognized human rights principles" and "promot[e] and protect[] human rights in the countries in which we operate."
- Emerson Electric Company's <u>2021 ESG Report</u> states that Emerson prohibits forced labor in their own operations as well as in their suppliers' operations. Emerson also claims to "fully support[s]...efforts to eradicate human trafficking across the globe."

- Kohler's 2021 <u>ESG Report</u> states that they prohibit "the use of forced, involuntary, and child labor and work[s] to ensure that our suppliers and business partners uphold the same principles."
- Wisetech Global's <u>Human Rights Principles</u> include a policy against forced labor and human trafficking. They also reserve the right to "avoid or cease working with suppliers or businesses that are known to engage in forced and compulsory labour." Wisetech also notes that their culture is "built on honesty, respect and transparency."
- Honeywell International's <u>Human Rights Policy</u> prohibits all forms of forced and child labor. They also claim not to do any business with third parties "who engage in human trafficking or forced labor."

While these examples indicate strong commitments to human rights in the supply chain, the COAC proposal contravenes these commitments. Making vessel manifests confidential limits the potential for accountability for the exact abuses these companies claim to want to address through their operations.

According to the <u>Associated Press</u> reporting, the recent recommendations from COAC were intended to streamline trade regulations to ensure that CBP can respond to the large volume of imports entering the U.S. However, making vessel manifests unavailable to the public would have no impact on the speed and efficiency of trade regulation, as the vessel manifests would still need to be disclosed to CBP. Further, CBP already provides an option for confidentiality on a case-bycase basis in the rare case that public disclosure of vessel manifests could result in disclosure of industry secrets, or otherwise harm the company in question. The only plausible explanation for shrouding this information secrecy is that companies find it inconvenient to have their supply chains and working conditions subject to outside scrutiny. In fact, the contents of the COAC proposal go against the very grain of CBP's <u>stated</u> goals for its 21st Century Customs Framework (CCF), which is to "achieve improved visibility into global supply chains" and to "strengthen CBP's ability to root out violative actors". COAC members' ill-intentioned call for manifest confidentiality will greatly undermine this goal.

The proposal for blanket secrecy flies in the face of public human rights commitments that members of the COAC have made. Further, the proposal does nothing to streamline trade regulations to speed import processing while complying with U.S. policy on forced labor., Rather, this proposal seems designed only to spare companies from grappling with labor violations in their supply chains. The enormous chasm between the companies' public commitments to human rights and these secret proposals to eliminate import data transparency is troubling. We urge COAC members to retract this proposal immediately and comply with the human rights commitments they publicly espouse.

Sincerely,

The International Corporate Accountability Roundtable

The Freedom Fund

The Human Trafficking Legal Center

Corporate Accountability Lab

Andy Hall

Liberty Shared

Freedom United

Jewish Movement for Uyghur Freedom

Campaign for Uyghurs

Greenpeace