

**COMMITTEE ON WAYS AND MEANS  
U.S. HOUSE OF REPRESENTATIVES  
WASHINGTON, DC 20515**

December 15, 2020

Mark Morgan  
Acting Commissioner  
U.S. Customs and Border Protection  
1300 Pennsylvania Ave. NW  
Washington, DC 20229

Dear Acting Commissioner Morgan,

We write to express our ongoing interest in U.S. Customs and Border Protection's (CBP) enforcement of the prohibition on imports of goods made by or with forced labor. In particular, we are interested in CBP's enforcement strategy to ensure that imports of palm oil made with forced and child labor do not enter the United States.

There has been widespread reporting dating back many years regarding the use of forced labor in the production of palm oil across the world. An investigation by the Associated Press (AP) has highlighted the abusive and slave-like labor conditions used to produce palm oil across Malaysia and Indonesia.<sup>1</sup> Most recently, the AP documented the particular impact on women working in palm oil fields, exposing rampant and repulsive allegations of rape and gender-based violence across palm oil plantations.<sup>2</sup> The Department of Labor itself has also identified the use of forced and child labor in the production of palm oil in Malaysia, Indonesia, and Sierra Leone.<sup>3</sup>

The kinds of products impacted by these abhorrent labor practices are broad. Estimates suggest that palm oil is used in about half of items one would find in a typical grocery store, including an expansive number of everyday products. Thus, an incredibly expansive range of U.S. supply chains are likely tainted by the labor practices used to produce palm oil.

In our view, these odious labor practices and their pervasive impact across supply chains highlight the need for an aggressive and effective enforcement strategy. We were pleased to see CBP take a step forward by issuing a withhold release order (WRO) on one of the worst actors in the palm oil sector, FGV Holdings Berhad (FGV). Allegations of the use

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<sup>1</sup> [https://www.washingtonpost.com/business/palm-oil-labor-abuses-linked-to-worlds-top-brands-banks/2020/09/24/d51fa282-fed7-11ea-b0e4-350e4e60cc91\\_story.html](https://www.washingtonpost.com/business/palm-oil-labor-abuses-linked-to-worlds-top-brands-banks/2020/09/24/d51fa282-fed7-11ea-b0e4-350e4e60cc91_story.html).

<sup>2</sup> <https://apnews.com/article/palm-oil-abuse-investigation-cosmetics-2a209d60c42bf0e8fcc6f8ea6daa11c7>.

<sup>3</sup> [https://www.dol.gov/sites/dolgov/files/ILAB/child\\_labor\\_reports/tda2019/2020\\_TVPRAList\\_Online\\_Final.pdf](https://www.dol.gov/sites/dolgov/files/ILAB/child_labor_reports/tda2019/2020_TVPRAList_Online_Final.pdf)

of forced labor by FGV date back to at least 2015 and continue to be documented.<sup>4</sup> The issuance of this WRO is certainly a move in the right direction.

However, issuing a single WRO will clearly not address the ubiquitous forced labor problems in the palm oil sector described above. With that in mind, we are interested in learning more about CBP's palm oil enforcement strategy, both with regard to the WRO on FGV and more generally across regions. We respectfully request responses to the following by no later than December 29, 2020:

1. Please describe CBP's enforcement plan regarding the existing WRO on FGV.
  - a. Has CBP detained any shipments to date?
  - b. Have U.S. importers of FGV palm oil chosen to re-export detained shipments to other countries? If so, where have these shipments been sent?
  - c. How is CBP working to target high-risk shipments?
  - d. What is CBP's enforcement plan for downstream products that include palm oil produced by FGV?  
Can CBP leverage traceability technology in this sector to better identify high-risk goods and shipments?
2. Please describe how CBP is approaching potential remediation plans regarding FGV. It has developed an "Action Plan" that aims to address issues related to forced labor and press reports have noted that some evidence has been presented to CBP. However, stakeholders have noted deep skepticism regarding whether FGV's efforts, including the recent Action Plan, will effectively address these issues.<sup>5</sup>
  - a. Accordingly, please outline all aspects of CBP's process for reviewing information regarding remediation, including consulting with the petitioners, to ensure that forced labor has been removed from a supply chain before removing a WRO.
3. Please describe CBP's enforcement strategy beyond forced labor products made by FGV. As noted above, forced labor problems in palm oil are present well beyond FGV facilities and appear to be prevalent across at least Malaysia and Indonesia.
  - a. Has CBP identified other companies using forced labor to produce palm oil in these countries or elsewhere?
  - b. Has CBP considered issuing a regional- or country-wide WRO regarding palm oil in either Malaysia or Indonesia?

In our view, the palm oil sector highlights particularly well the need for strengthened and focused forced labor enforcement. Many of our outstanding questions attempt to understand what it means to implement a holistic and effective enforcement strategy. To

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<sup>4</sup> <https://www.wsj.com/articles/palm-oil-migrant-workers-tell-of-abuses-on-malaysian-plantations-1437933321>.

<sup>5</sup> <https://laborrights.org/publications/one-year-later-ngos-call-us-customs-and-border-protection-block-import-palm-oil>.

date, CBP's answers to these questions have been insufficient. It is critically important that CBP address the issues raised in these questions to fulfill the statutory mandate that prohibits forced labor imports. A robust enforcement strategy would give confidence to U.S. consumers that products on store shelves are not produced in illegal, and often abhorrent, working conditions.

Thank you for your attention to this critical matter.

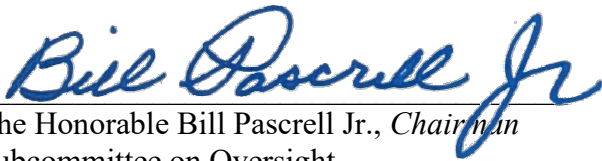
Sincerely,



The Honorable Richard E. Neal, *Chairman*  
Committee on Ways and Means



The Honorable Earl Blumenauer, *Chairman*  
Subcommittee on Trade



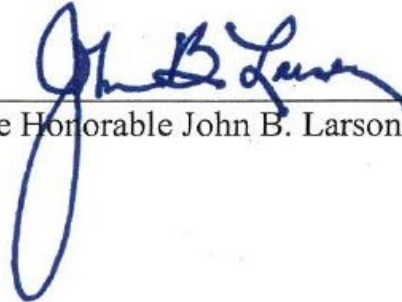
The Honorable Bill Pascrell Jr., *Chairman*  
Subcommittee on Oversight



The Honorable Lloyd Doggett



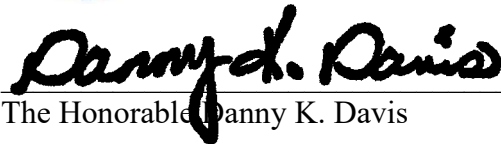
The Honorable Mike Thompson



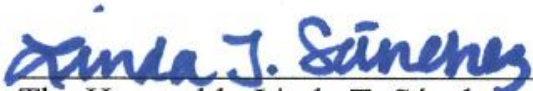
The Honorable John B. Larson



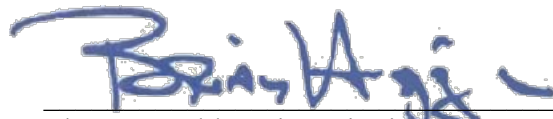
The Honorable Ron Kind



The Honorable Danny K. Davis



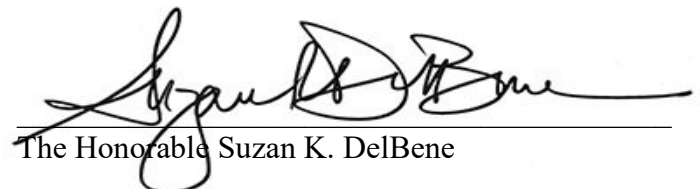
The Honorable Linda T. Sánchez



The Honorable Brian Higgins

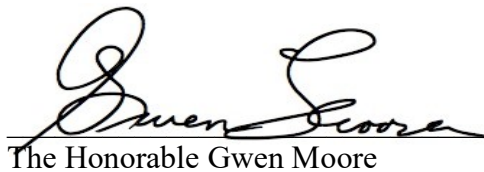


The Honorable Terri A. Sewell



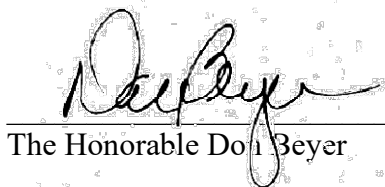
The Honorable Suzan K. DelBene

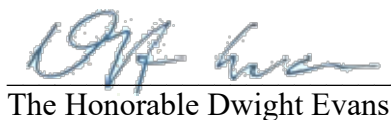
  
The Honorable Judy Chu

  
The Honorable Gwen Moore

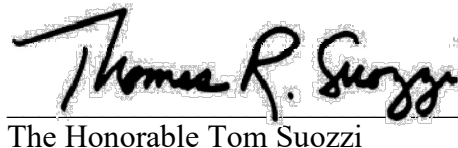
  
The Honorable Daniel T. Kildee

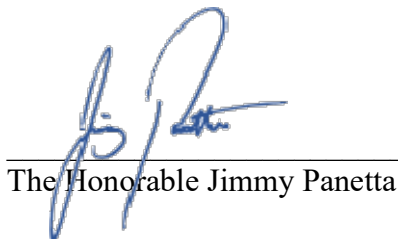
  
The Honorable Brendan F. Boyle


  
The Honorable Don Beyer

  
The Honorable Dwight Evans

  
The Honorable Bradley S. Schneider

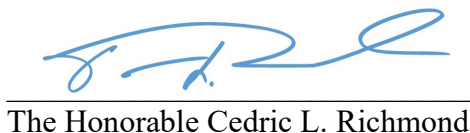
  
The Honorable Tom Suozzi

  
The Honorable Jimmy Panetta

  
The Honorable Stephanie Murphy

  
The Honorable Jimmy Gomez

  
The Honorable Steven Horsford

  
The Honorable Cedric L. Richmond

Cc:

Mr. Tony H. Pham  
Senior Official Performing the Duties of the Director  
U.S. Immigration and Customs Enforcement  
500 12<sup>th</sup> Street, SW  
Washington, DC 20536

The Honorable Chad F. Wolf  
Acting Secretary of Homeland Security  
U.S. Department of Homeland Security  
3801 Nebraska Avenue, NW  
Washington, DC 20016