

## Biden Administration Targets Chinese Solar Power Industry Over Human Rights Abuses

Written by Luciano Racco, Anthony D. Mirenda, Shrutih V. Tewarie, Anna Maria Annino

June 28, 2021

As predicted in our recent article in [Power Magazine](#) related to international trade risks facing the clean energy industry, the Biden administration took action against several Chinese companies involved in the solar power industry over alleged human rights abuses.

On June 24, 2021, U.S. Customs and Border Protection (“CBP”) issued a Withhold-Release Order (“WRO”) on silica-based products and their derivatives (such as polysilicon) produced by Hoshine Silicon Industry Co. (“Hoshine”), a Chinese company located in the Xinjiang region of China, due to information reasonably indicating that these products are made with forced labor. Silica is a key material used in solar panel production. Approximately 45% of all polysilicon used in solar module production worldwide is produced in the Xinjiang region. A CBP [press release](#) explains that the WRO was issued following an investigation into silica-based products imported into the U.S. from Xinjiang. During their investigation, CBP identified two of the International Labour Organization’s [indicators of forced labor](#) in Hoshine’s production process: (1) intimidation and threats, and (2) restriction of movement. The Xinjiang region, also referred to as the Xinjiang Uyghur Autonomous Region (“XUAR”), is the focus of forced labor and other human rights abuses against Uyghurs and other ethnic and religious minorities.

As a result of the WRO, all products containing Hoshine silica will be blocked from entry into the U.S. and detained at U.S. ports of entry. This WRO follows several other actions taken against forced labor in the Xinjiang region, including a ban in January 2021 on the import of [all cotton and tomato products produced in Xinjiang](#), including all downstream goods made with these products, and a [WRO from November 2020](#) on all cotton products made by the massive Xinjiang Production and Construction Corps (“XPCC”). A complete list of all CBP actions related to forced labor is [available here](#).

On the same day, the Department of Commerce [added five Chinese entities](#), including Hoshine and two other companies involved in the solar power industry (Xinjiang Daqo New Energy Co., Ltd. and Xinjiang GCL New Energy Material Technology Co., Ltd.), to the Entity List in connection with participating in the practice of, accepting, or utilizing forced labor involving Uyghurs and other Muslim minority groups in the Xinjiang region. As a result, the export to these companies of all items subject to the Export Administration Regulations (virtually all U.S.-origin commodities, software, and technology) is prohibited without a license from the Department of Commerce. In addition to the three entities connected to the solar industry, the Department of Commerce also added Xinjiang East Hope Nonferrous Metals Co., Ltd and XPCC to the Entity List. There are now 53 entities included on the Entity List based on human rights abuses of ethnic minorities from Xinjiang.

Resources provided by CBP related to forced labor include fact sheets on [the Trade Facilitation and Trade Enforcement Act of 2015](#), [Responsible Business Practices](#), and [Helpful Hints for Submitting Proof of Admissibility](#). Foley Hoag’s [Trade Sanctions & Export Controls](#) and [Global Business & Human Rights](#) practice groups can provide guidance on compliance with U.S. laws and regulations, as well as implementing best practices for supply chain management and developing tailored compliance procedures.

### RELATED PRACTICES

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