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### Proposed bill would require disclosure on forced labor in supply chains

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A new bill introduced to U.S. Congress, the [Slave-Free Business Certification Act](#),<sup>[1]</sup> would make it mandatory for corporations with annual, worldwide gross receipts in excess of USD 500 million to provide annual reports investigating the presence or use of forced labor and slavery in their supply chains.

The bill is similar to the [U.K. Modern Slavery Act 2015](#)<sup>[2]</sup> in that it mandates annual reporting, requires organizations to publish their reports on public websites and requires chief executives to sign off on the report. The bill is in many ways stronger than the U.K. Modern Slavery Act, in particular when it comes to the penalties for noncompliance—specifically, the secretary of labor can assess civil damages up to USD 100 million and punitive damages up to USD 500 million for failure to comply with the act's audit and reporting requirements.

The proposed legislation comes in light of several reports of widespread human rights violations and use of forced labor in China, specifically in the northwest region of Xinjiang, a diverse region populated by Kazakhs, Han Chinese, and Uighurs, among others. A [report](#)<sup>[3]</sup> by the International Cyber Policy Centre in cooperation with the Australian Strategic Policy Institute found that Uighur men and women were being shipped to factories across China and forced to work for little or no pay. Additionally, the United States Customs and Border Protection has issued withhold release orders for several shipments of goods originating in China [suspected of coming from factories using forced labor](#),<sup>[4]</sup> while the U.S. Departments of State, the Treasury, Commerce, and Homeland Security issued an advisory on forced labor in Xinjiang.

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