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**Congress of the United States**  
**House of Representatives**

**SELECT COMMITTEE ON THE CHINESE COMMUNIST PARTY**  
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May 2, 2023

Mr. Yangtian (Chris) Xu  
Chief Executive Officer  
SHEIN  
7 Temasek Blvd, #12-07  
Singapore 038987

Dear Mr. Xu,

On March 23, 2023, the House Select Committee on the Strategic Competition between the United States and the Chinese Communist Party (CCP) held a hearing entitled, “The Chinese Communist Party’s Ongoing Uyghur Genocide,” in which the Committee received first-hand witness accounts about the CCP’s concentration camps and expert testimony regarding the perpetration of genocide. We received written testimony in which an expert assessed that SHEIN is “sourcing garments made not only from cotton from the Uyghur Region but also viscose, lyocell, polyester, leather, and linen from the region.”<sup>1</sup> Given this assessment, we are concerned that SHEIN’s use of Section 321 of the Tariff Act of 1930 for shipments to the U.S. may provide insufficient customs scrutiny to affirm that its products are not produced in whole or part with forced labor.<sup>2</sup> We seek additional information regarding this matter.

According to news reports, laboratory testing of garments shipped to the U.S. by SHEIN contained cotton from China’s Xinjiang Uyghur Autonomous Region (XUAR).<sup>3</sup> We are concerned that SHEIN’s products imported to the United States under Section 321 of the Tariff Act of 1930 (19 U.S.C. 1321)—the *de minimis* provision—limit formal scrutiny of those shipments and avoid standard apparel duties paid by traditional apparel retailers. The *de minimis* provision allows admission of articles free of duty and of any tax imposed on importation so long as the fair retail value in the country of shipment of articles imported by one person on one day and exempted from the payment of duty shall not exceed \$800.

<sup>1</sup> *The Chinese Communist Party’s Ongoing Uyghur Genocide*: Hearing before the Select Comm. on Strategic Competition between the U.S. and CCP, 118 Cong. (Mar. 23, 2023) (Written Testimony of Nury Turkel).

<sup>2</sup> Kenneth Rapoza, *How A U.S. Trade Loophole Called ‘De Minimis’ Is China’s ‘Free Trade Deal’*, FORBES (Feb. 19, 2023) available at [www.forbes.com/sites/kenrapoza/2023/02/19/how-a-us-trade-loophole-called-de-minimis-is-chinas-free-trade-deal/?sh=37b346604c9b](http://www.forbes.com/sites/kenrapoza/2023/02/19/how-a-us-trade-loophole-called-de-minimis-is-chinas-free-trade-deal/?sh=37b346604c9b).

<sup>3</sup> Sheridan Prasso, *Shein Cotton Clothes Tied to Xinjiang, a Region Accused of Forced Labor in China*, BLOOMBERG (Nov. 20, 2022) available at [www.bloomberg.com/news/features/2022-11-21/shein-s-cotton-clothes-tied-to-xinjiang-china-region-accused-of-forced-labor](http://www.bloomberg.com/news/features/2022-11-21/shein-s-cotton-clothes-tied-to-xinjiang-china-region-accused-of-forced-labor).

We received expert testimony which revealed that Section 321 may allow perpetrators of forced labor to circumvent U.S. laws—including the Uyghur Forced Labor Prevention Act (UFLPA)—prohibiting the importation of products produced in the XUAR.<sup>4</sup> The UFLPA prohibits the “importation of any goods made with forced labor, including those goods mined, produced, or manufactured wholly or in part in the Xinjiang Uyghur Autonomous Region.”<sup>5</sup> Congress passed the UFLPA—with bipartisan support—in response to the subjugation of Uyghurs and other minority groups in Xinjiang. The U.S. Department of State has determined that the CCP is committing genocide against these minority groups.<sup>6</sup>

Since the implementation of the UFLPA, U.S. Customs and Border Protection (CBP) has scrutinized 3,237 shipments, valued at \$961 million. Cotton is designated as a “high priority sector” in the statute for enforcement as 90 percent of China’s cotton is produced in Xinjiang and is diffused throughout China’s domestic textile supply chains.<sup>7</sup> As a result, 61 percent of shipments denied entry under the UFLPA are categorized as apparel, footwear, and textiles.<sup>8</sup> Considering SHEIN’s numerous contract manufacturers in mainland China and heavy reliance on Section 321 for imports, we are concerned that products produced in whole or part from Xinjiang with forced labor might be present in SHEIN’s supply chain.

In response to these concerns, we would like to offer SHEIN an opportunity to respond to these serious allegations and to provide information to better help us understand SHEIN’s ties to supply chains in Xinjiang. We therefore request you respond to the following questions by May 16, 2023:

1. What percentage of SHEIN products—including but not limited to products made by sub brands MOTF, LUVLETTE, DAZY, EMERY ROSE, CUCCOO, GLOWMODE, and PETSIN—are made in whole or in part with cotton fibers?
2. Does SHEIN explicitly prohibit its contract manufacturers from using cotton fibers from the XUAR in the production of any product it sells? Please provide all policies, guidelines, requirements, reviews, assessments, analyses, audits, PowerPoint or other presentations, or other documents that describe, govern, implement, or report conduct, processes, or results (without regard to the title of a given document) that are relevant to the establishment of, implementation of, or failure to adhere to any such prohibition.
3. SHEIN’s traceability system requires submission of chain of custody documents from “field to fabric.” How does SHEIN verify the authenticity of chain of custody documents

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<sup>4</sup> *The Chinese Communist Party’s Ongoing Uyghur Genocide*: Hearing before the Select Comm. on Strategic Competition between the U.S. and CCP, 118 Cong. (Mar. 23, 2023).

<sup>5</sup> Uyghur Forced Labor Prevention Act, H.R. 6256, 116<sup>th</sup> Cong. (2021).

<sup>6</sup> Edward Wong & Chris Buckley, *U.S. Says China’s Repression of Uighurs Is ‘Genocide’*, N.Y. TIMES (July 27, 2021) available at [www.nytimes.com/2021/01/19/us/politics/trump-china-xinjiang.html](http://www.nytimes.com/2021/01/19/us/politics/trump-china-xinjiang.html).

<sup>7</sup> Eric Davis & Fred Gale, *Shift in Geography of China’s Cotton Production Reshapes Global Market*, USDA ERS (Dec. 5, 2022) available at [www.ers.usda.gov/amber-waves/2022/december/shift-in-geography-of-china-s-cotton-production-reshapes-global-market/](http://www.ers.usda.gov/amber-waves/2022/december/shift-in-geography-of-china-s-cotton-production-reshapes-global-market/).

<sup>8</sup> *Uyghur Forced Labor Prevention Act Statistics*, U.S. CUSTOMS AND BORDER PROTECTION (2023) available at [www.cbp.gov/newsroom/stats/trade/uyghur-forced-labor-prevention-act-statistics](http://www.cbp.gov/newsroom/stats/trade/uyghur-forced-labor-prevention-act-statistics).

from its contract manufacturers?<sup>9</sup> Please provide all policies, guidelines, requirements, reviews, assessments, analyses, audits, PowerPoint or other presentations, or other documents that describe, govern, implement, or report conduct, processes, or results (without regard to the title of a given document) that are relevant to SHEIN's establishment of, enforcement of, or noncompliance with its traceability system.

4. SHEIN's multi-layer approach to supply chain management indicates radio-isotopic analysis company Oritain regularly tests and verifies that SHEIN's products comply with U.S. laws. Since June 21, 2022, have Oritain's assessments of raw cotton and products that contain cotton from SHEIN contract manufacturers ever detected cotton fibers originating from the XUAR? If so, on how many occasions?<sup>10</sup>
5. Will SHEIN make all Oritain testing information available to the Select Committee for our review?
6. SHEIN's Responsible Sourcing Policy states that it "applies to all existing and newly admitted manufacturing partners and their work sites which produce products or provide materials for SHEIN and other sub brands (including ROMWE, MOTF, SHEGLAM, and EMERY ROSE) to be made into finished products."<sup>11</sup> Why are SHEIN brands LUVLETTE, DAZY, CUCCOO, GLOWMODE, and PETSIN excluded from the applicability scope? Are these sub brands not subject to SHEIN's Responsible Sourcing Policy? If not, why not?
7. On average, how many shipments does SHEIN, ROMWE, MOTF, SHEGLAM, EMERY ROSE, LUVLETTE, DAZY, CUCCOO, GLOWMODE, and PETSIN cause to enter the United States from China or via third markets, such as Canada and Mexico, using the *de minimis* provision each day? How many of those shipments are scrutinized by CBP?
8. Does SHEIN use the consumer's final retail transaction price as the value of each imported shipment declared to CBP?
9. If a U.S. consumer places an order over \$800, or multiple orders in a day with an accumulative value exceeding \$800, is SHEIN still able to fulfill the shipment using the *de minimis* provision?
10. Has SHEIN ever been challenged on a *de minimis* shipment valuation, whether by CBP or by any consignee handling the *de minimis* shipment?
11. How many contract manufacturers does SHEIN contract with?

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<sup>9</sup> *SHEIN's Multi-Layer Approach to Supply Chain Management & Customs Compliance*, SHEIN GROUP (2023) available at [www.sheingroup.com/corporate-news/sheins-multi-layer-approach-to-supply-chain-management-customs-compliance/](http://www.sheingroup.com/corporate-news/sheins-multi-layer-approach-to-supply-chain-management-customs-compliance/).

<sup>10</sup> *Id.*

<sup>11</sup> *Responsible Sourcing Policy*, SHEIN GROUP, available at [www.sheingroup.com/pdfs/responsible-sourcing-policy/](http://www.sheingroup.com/pdfs/responsible-sourcing-policy/).

12. SHEIN's Responsible Sourcing Policy indicates it will "strive to conduct at least one on-site SHEIN Responsible Sourcing (SRS) assessment for existing manufacturing suppliers each year."<sup>12</sup> How many SRS assessments were conducted in 2022? How many manufacturing suppliers avoided an on-site SRS assessment in 2022?
13. How many of the SRS assessments conducted in 2022 resulted in zero tolerance violations (ZTV)? How many of those violations were related to severe human rights violations? What were the findings of those violations? Did SHEIN terminate contracts with violative manufacturing suppliers?

The House Select Committee on the Strategic Competition between the United States and the Chinese Communist Party has broad authority to "investigate and submit policy recommendations on the status of the Chinese Communist Party's economic, technological, and security progress and its competition with the United States" under H. Res. 11. Upon your receipt of this letter, please maintain and preserve all hard copy and electronic documents, including electronic communications, related to the subject matter of these questions.

To make arrangements to deliver a response, please contact Select Committee majority and minority staff at (202) 226-9678 and (202) 225-2489, respectively.

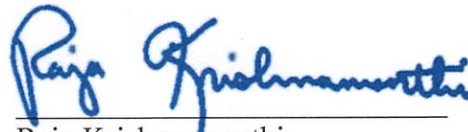
Thank you for your attention to this important matter and prompt reply.

Sincerely,



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Mike Gallagher  
Chairman



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Raja Krishnamoorthi  
Ranking Member

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<sup>12</sup> *Id.*