



Forced Labor and Forced Child Labor

February 2, 2024

Fiscal Year 2023 Report to Congress



**Homeland
Security**

U.S. Immigration and Customs Enforcement

Message from the Deputy Director and Senior Official Performing the Duties of the Director

February 2, 2024

I am pleased to present the “Forced Labor and Forced Child Labor” report prepared by U.S. Immigration and Customs Enforcement.

This report was compiled pursuant to the Joint Explanatory Statement accompanying the Fiscal Year 2023 Department of Homeland Security Appropriations Act (P.L. 117-328).

Pursuant to congressional guidelines, this report is being provided to the following Members of Congress:

The Honorable David Joyce
Chairman, House Appropriations Subcommittee on Homeland Security

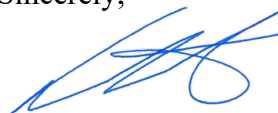
The Honorable Henry Cuellar
Ranking Member, House Appropriations Subcommittee on Homeland Security

The Honorable Chris Murphy
Chair, Senate Appropriations Subcommittee on Homeland Security

The Honorable Katie Britt
Ranking Member, Senate Appropriations Subcommittee on Homeland Security

Inquiries related to this report may be directed to the ICE Office of Congressional Relations at (202) 732-4200.

Sincerely,



Patrick J. Lechleitner
Deputy Director and
Senior Official Performing the Duties of the Director
U.S. Immigration and Customs Enforcement





Forced Labor and Forced Child Labor

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I. Legislative Language

This report was compiled in response to direction in the Joint Explanatory Statement accompanying the Fiscal Year (FY) 2023 Department of Homeland Security (DHS) Appropriations Act (P.L. 117-328), which continues direction provided in the Joint Explanatory Statement accompanying the FY 2021 DHS Appropriations Act (P.L. 116-260):

The Joint Explanatory Statement accompanying P.L. 117-328 states:

Continuation of Prior-Year Requirements.—ICE shall continue to follow the directives under the following headings in the explanatory statements accompanying the fiscal year 2022 funding Act (Public Law 117-103), according to the previously directed timeframes, reporting requirements, required sustainment, and guidance:

(15) Forced Child Labor;

The Joint Explanatory Statement accompanying P.L. 116-260 states:

Forced Child Labor.—The agreement provides not less than \$15,770,000 for investigations and other activities related to forced labor law violations, to include forced child labor. ICE shall submit to the Committee an annual report on the expenditures and performance metrics associated with such activities.

II. Background

U.S. Immigration and Customs Enforcement (ICE) Homeland Security Investigations (HSI) is responsible for disrupting and dismantling transnational criminal organizations (TCO) engaged in cross-border criminal activities that seek to exploit America's legitimate trade, travel, financial, and immigration systems. As the principal criminal investigative component in DHS, and the second largest in the U.S. Government, HSI has the authority to investigate and take enforcement actions against violations of hundreds of criminal laws and regulations to protect our borders, national security, and public safety.

The DHS Center for Countering Human Trafficking (CCHT), established in October 2020, is an HSI-led center that integrates DHS investigative and enforcement operations, victim assistance, intelligence, outreach, and training to respond to human trafficking on a global scale. Working in partnership with the Forced Labor Division in U.S. Customs and Border Protection's (CBP) Office of Trade, CCHT and HSI International Operations coordinate investigations regarding the production of goods overseas that use forced labor, (including forced child labor) and may be introduced into U.S. commerce. CCHT and HSI Domestic Operations (DO) also coordinate investigations into allegations of forced labor in the United States, to include forced child labor, that result from the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services through force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

HSI forced labor investigations frequently involve information sharing with CBP and the U.S. Departments of Labor, Justice, and State, as well as nongovernmental organizations (NGO), businesses, trade associations, and foreign governments.

In addition, CCHT partners and meets frequently with NGOs, civil society organizations, corporate officers, trade associations, and foreign governments with an interest in countering forced labor practices. CCHT seeks to leverage private-sector engagements to identify ways to work together to end forced labor worldwide. U.S. Government agencies alone cannot end forced labor worldwide or the unfair economic advantage that it brings to foreign corporations that utilize forced labor to undercut domestic supply chains.

Forced labor investigations may begin with information developed or received by HSI, or with forced labor indicators identified during labor exploitation or other types of investigations, to include the investigative findings of CBP's Forced Labor Division used to support a Withhold Release Order (WRO) and/or a Finding. Issued by CBP when the agency has reasonable evidence of the use of forced labor in the manufacturing or production of a good or goods entering the U.S. supply chain, a WRO allows CBP to detain the products in question at all U.S. ports of entry until and unless importers can prove the absence of forced labor in their product's supply chain. Issued by CBP when the agency determines that forced labor was used in the manufacture or production of goods entering the U.S. supply chain, a Finding allows CBP to seize the product(s) in question at all U.S. ports of entry.

HSI dedicates both domestic and international law enforcement resources to investigate crimes related to forced labor. Overseas, HSI resources may assist host country law enforcement with forced labor investigations by connecting foreign law enforcement with HSI special agents who

are investigating the allegations of forced labor in the supply chain. Such investigations could result in the prosecution of companies in the United States that are attempting to import prohibited goods, or prosecutions of others with knowledge of and benefits derived from goods brought into the United States. Examining financial flows and export records may indicate potential avenues for U.S. prosecutions. HSI's international offices also campaign to raise the awareness of, and to partner with, host country law enforcement to combat forced labor.

HSI is committed to identifying individuals, corporations, and criminal organizations that attempt to import merchandise into the United States in violation of 19 United States Code (U.S.C.) § 1307, which prohibits the importation of goods produced by convict labor, forced labor, or indentured labor under penal sanction, including forced or indentured child labor, and 18 U.S.C. § 1761, which provides criminal penalties for the transportation or importation of merchandise made by prisoners or convicts, with certain exceptions. Whoever knowingly benefits from participation in a venture that has engaged in forced labor, knowing or in reckless disregard that the venture has provided or obtained the labor or service using forced labor, may be subject to criminal prosecution under 18 U.S.C. § 1589. These violations also may result in the seizure and forfeiture of their merchandise through civil enforcement processes, if produced using forced labor.

CCHT supports HSI's mission of investigating forced labor violations through programmatic and operational support, interagency and intra-agency coordination, and domestic and foreign law enforcement training. The DHS Blue Campaign, which is now part of the CCHT per the Countering Human Trafficking Act of 2021, is a national public awareness campaign designed to educate the public, law enforcement, and industry partners to recognize the indicators of human trafficking and to respond appropriately.

HSI investigations often overlap multiple operational and strategic program areas. Therefore, HSI may investigate forced labor under 18 U.S.C. § 1589, including instances in factories, hospitality, agriculture, and domestic work in the United States. HSI may also use that same statute to take enforcement actions against importers or other parties involved in the procurement or importation of those prohibited goods, or others deriving benefit from, and having knowledge of, forced labor in their corporate supply chains.

In FY 2023, CCHT and HSI prioritized identifying investigations related to domestic forced labor with an emphasis on allegations involving H-2 visa-related fraud and child forced labor. In FY 2023, CCHT participated in regular meetings with the Department of Justice's Human Trafficking Prosecutions Unit, the Department of Labor, the Executive Office for United States Attorneys, and the Federal Bureau of Investigation (FBI) to identify, deconflict, and discuss resource allocations for significant child forced labor investigations to support an increase in child forced labor prosecutions.

The *DHS Strategy to Combat Human Trafficking, the Importation of Goods Produced with Forced Labor, and Child Sexual Exploitation*,¹ issued in January 2020, continues to be used as guidance to support HSI's criminal investigative authorities relating to the importation of goods produced using forced labor.

¹ Available at: <https://www.dhs.gov/publication/strategy-combat-human-trafficking-importation-goods-produced-forced-labor-and-child>.

III. Results²

A. Expenditures

The Joint Explanatory Statement accompanying P.L. 117-328 which continues direction contained in the Joint Explanatory Statement accompanying P.L. 116-260, directed ICE to allocate not less than \$15.77 million for investigations of forced labor law violations, to include forced child labor. In FY 2023, HSI expended at least \$15.77 million investigating violations of forced labor law.

The amounts expended are reported separately in the following sections for International Operations and Domestic Investigations because of differing account tracking methods. This is due to the nature of the investigative work that each program undertakes.

As explained further below, expenditures for International Operations (IO) are reported using actual expenses for payroll, operating expenses, and general agency overhead, while expenditures for DO are reported using an activity-based accounting method. Because HSI's investigations often include multiple crimes, a clear distinction in reporting cannot always be drawn between investigative categories, or between domestic and international investigations. For example, cases that are categorized as forced labor investigations in this report also may include forced child labor or other illicit criminal activities.

ICE HSI International Operations

For FY 2023, HSI expended \$16.23 million on international forced labor-related investigations, which included expenses such as payroll, operating expenses, and general agency overheads. HSI IO identified the following attaché offices, in regions with a high concentration of forced child labor risks, to receive forced labor funding: Bangkok, Bogota, Brasilia, Buenos Aires, Cartagena, Ciudad Juarez, Dakar, Frankfurt, Guatemala City, Ho Chi Minh City (HCMC), London, Manila, Mexico City, New Delhi, Panama City, Phnom Penh, Pretoria, Quito, San Salvador, Santo Domingo, Seoul, Singapore, Tegucigalpa, and Vienna.

HSI IO has an aggressive outreach campaign to raise the level of awareness on the negative effects of forced labor on both society and trade. This campaign seeks to enable partnerships with foreign governments, civil society organizations, and private industry to identify vulnerabilities systematically and strategically, as well as to disrupt and dismantle organizations engaging in forced labor practices with a nexus to the United States. This concept, Forced Labor Outreach and Targeting Initiative (Operation FLORA), leverages HSI's traditional investigative authorities to identify, disrupt, and dismantle organizations engaging in forced labor practices, as well as those facilitating their operations by exporting and selling their products in the United States.

HSI's Operation FLORA provides training and increased communication and collaboration with organizations that have a key role in combatting forced labor worldwide. Additionally, HSI

² Investigations and cases can take years to develop, and arrests and convictions may take even longer. In FY 2023, HSI placed a priority on forced labor and forced child labor investigations, and specifically named these investigations as an HSI priority.

special agents stationed overseas work with their international law enforcement counterparts to investigate and prosecute forced labor allegations with a nexus to the United States. HSI also shares information on new trends, techniques, methods, and the consequences of forced labor practices with interested parties, as appropriate. This sharing of information continues to open the lines of communication and to strengthen communities of interest against forced labor practices in worldwide supply chains.

Operation FLORA's³ efforts through outreach, developing investigative leads, and encouraging innovative policies and ideas are reflected in these case examples:

- **HSI Phnom Penh:** In April 2023, HSI Phnom Penh, Cambodia, alongside the FBI and the Department of State's Regional Security Office, worked with the Cambodian National Police to target opportunities to disrupt the TCOs that are engaged in forced labor at various call centers in Cambodia. In addition, HSI Phnom Penh is engaging directly with the Cambodian authorities to assist in their examination and reframing of Cambodian national laws related to forced labor.
- **HSI Ho Chi Minh City:** In March 2023, HSI HCMC, Vietnam, met with Indonesian authorities to provide advice and current best practices for Indonesian counterparts investigating complaints of rescued Indonesian nationals in Vietnam who escaped after being held against their will in an illegal labor trafficking situation. The survivors disclosed to Indonesian authorities that they had been lured to Vietnam with the promise of jobs before being locked in an abandoned hotel, stripped of their passports, and forced to call Indonesian citizens as part of a financial fraud scheme using a script they had to memorize. They did manage to eventually escape, and six suspects (five Malaysians and one Vietnamese citizen) were ultimately arrested by the Vietnamese Ministry of Public Security for operating the trafficking ring.
- **HSI Ho Chi Minh City:** In FY 2023, HSI HCMC presented five Blue Campaign⁴ anti-trafficking presentations to employees of Vietnam Airlines, and its supporting grounds services companies, at Tan Son Nhat International Airport in HCMC. The outreach presentations were given to more than 80 employees to increase understanding of human trafficking including child sexual exploitation, forced labor, force child labor; how it is combatted; and potential indicators of victimization for these employees to be aware of during their interactions with customers at the airport. These presentations highlighted law enforcement efforts to combat human trafficking and other forms of labor exploitation and presented resources and tools to support Ministry of Public Security investigation of these crimes.

HSI Domestic Operations

HSI uses a different methodology for tracking its DO's forced labor budget. HSI DO has more than 6,500 special agents within the United States who can work forced labor cases, including forced child labor cases, based on the criminal activity and active cases in the region. As a result, the investigative area on which special agents' specific casework focuses (e.g., forced labor, financial investigations) can vary from day to day. Thus, HSI uses an activity-based

³ Operation FLORA case examples as provided in monthly reports from HSI posts receiving funding to combat forced labor.

⁴ More information on the DHS Blue Campaign is available at: [Blue Campaign | Homeland Security \(dhs.gov\)](https://www.dhs.gov/blue-campaign)

accounting methodology to track resources dedicated to investigative areas, including forced labor, rather than assigning specific positions or employees and their supporting resources (e.g., vehicles, equipment purchased) in the financial management system. Accordingly, analysis of budget expenditures is based on the percentage of domestic investigative hours for forced labor against the HSI domestic budget.

For FY 2023, HSI domestic special agents logged 145,261 case hours in support of forced labor investigations, of which 74,814 case hours were in support of forced child labor investigations. This equates to more than \$29.14 million of total financial support, of which \$15.01 million was dedicated to forced child labor investigations.⁵

In addition, HSI DO's forced labor funds were expended in direct support of investigations that involved allegations of forced labor, either in the United States or abroad. These funds were allocated on a case-by-case basis for: investigative expenses such as travel to interview victims or witnesses, case coordination meetings with domestic or foreign law enforcement officials, obtaining translation or interpreter services for victims and witnesses, and facilitating prosecutions and evidence collection.

⁵ The HSI enforcement data/statistics are based on an estimated "snapshot" of the data in the respective HSI Law Enforcement System (LES) at the time that the report was compiled by the Executive Information Reporting Unit. HSI enforcement data within the ICE LES may be modified at any given time by authorized personnel owning the data, which may result in an increase or decrease in ICE data/statistics previously reported.

B. Measures

The Joint Explanatory Statement accompanying P.L. 117-328 directs HSI to continue to submit an annual report on expenditures and performance metrics associated with forced labor enforcement activities. The measures⁶ include cases initiated and enforcement statistics (arrests, indictments, and convictions).

Cases Initiated⁷		
FY 2023		
	Domestic	International
Forced Labor (statistics for forced child labor included)	244	149

Enforcement Statistics		
FY 2023		
	Domestic	International
Criminal Arrests⁸		
Forced Labor (statistics for forced child labor included)	118	208
Indictments⁹		
Forced Labor (statistics for forced child labor included)	68	14

⁶ The HSI enforcement data/statistics are based on an estimated “snapshot” of the data in the respective HSI LES at the time the report was compiled by the Executive Information Reporting Unit. HSI enforcement data within the HSI LES may be modified at any given time by authorized personnel owning the data, which may result in an increase or a decrease in ICE data/statistics previously reported.

⁷ The numbers for “Cases Initiated” include only those cases opened by HSI. It is possible that the numbers here include cases that HSI criminal investigators opened on suspicions of forced labor, but the cases resulted in charges and convictions for other crimes instead.

⁸ The numbers for “Criminal Arrests” include only those criminal arrests made by HSI. It is possible that the numbers here include criminal arrests made by HSI where the perpetrator was turned over to another law enforcement agency with no further action by HSI.

⁹ The numbers for “Indictments” include those charged in federal, state, or local U.S.-based courts where HSI was a partner in the case. Some multiple instances counted here may reflect multiple criminal counts in a single indictment against a single defendant.

Enforcement Statistics		
FY 2023		
	Domestic	International
Convictions¹⁰		
Forced Labor (statistics for forced child labor included)	54	14

¹⁰ The numbers for “Convictions” include those convictions reached in federal, state, or local U.S.-based courts where HSI was a partner in the case. Some multiple instances counted here may reflect multiple criminal counts in a single conviction against a single defendant.

Appendix: Abbreviations

Abbreviation	Definition
CBP	U.S. Customs and Border Protection
CCHT	DHS Center for Countering Human Trafficking
DHS	Department of Homeland Security
DO	Domestic Operations
FBI	Federal Bureau of Investigation
FY	Fiscal Year
HCMC	Ho Chi Minh City
HSI	Homeland Security Investigations
ICE	U.S. Immigration and Customs Enforcement
IO	International Operations
LES	Law Enforcement System
NGO	Nongovernmental Organization
Operation FLORA	Forced Labor Outreach and Targeting Initiative
TCO	Transnational Criminal Organization
U.S.C.	United States Code