



Forced Labor and Forced Child Labor

April 16, 2021

Fiscal Year 2020 Report to Congress



**Homeland
Security**

U.S. Immigration and Customs Enforcement

Message from the Acting Director

4/16/2021

I am pleased to present the following report, "Forced Labor and Forced Child Labor," which has been prepared by U.S. Immigration and Customs Enforcement.

This report was compiled pursuant to direction in Senate Report 116-125, accompanying the Fiscal Year 2020 Department of Homeland Security Appropriations Act (P.L. 116-93).

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



The Honorable Lucille Roybal-Allard
Chairwoman, House Appropriations Subcommittee on Homeland Security

The Honorable Chuck Fleischmann
Ranking Member, House Appropriations Subcommittee on Homeland Security

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

The Honorable Shelley Moore Capito
Ranking Member, Senate Appropriations Subcommittee on Homeland Security

Inquiries related to this report may be directed to me at (202) 732-3037.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tae D. Johnson". The signature is fluid and stylized, with a long horizontal stroke extending to the right.

Tae D. Johnson
Acting Director
U.S. Immigration and Customs Enforcement



Forced Labor and Forced Child Labor

Table of Contents

I.	Legislative Language	1
II.	Background	2
III.	Results	4
	A. Expenditures	4
	ICE HSI International Operations	4
	ICE HSI Domestic Operations	5
	B. Measures	6
	Appendix: Abbreviations	8

I. Legislative Language

This report was compiled in response to direction in Senate Report 116-125, which accompanies the Fiscal Year (FY) 2020 Department of Homeland Security (DHS) Appropriations Act (P.L. 116-93).

Senate Report 116-125 states:

Forced Child Labor.—The recommendation includes 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 forced labor law enforcement activities.

II. Background

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

The ICE HSI Forced Labor Program and ICE HSI International Operations coordinate investigations into the manufacture or production of goods overseas that use forced labor, to include forced child labor, which are or may be introduced into the commerce of the United States. The ICE HSI Human Trafficking Unit and ICE HSI Domestic Operations coordinate investigations into allegations of forced labor in the United States, to include forced child labor, that result from coercion, debt bondage/indentured labor, and other nonvoluntary means of forcing an individual to provide work or a service.

Products manufactured or produced with forced or indentured labor do not differ in appearance from products made with legitimate labor. Forced labor investigations often require coordination with other U.S. Government agencies and departments, nongovernmental organizations, corporate personnel and trade associations, and foreign government personnel. ICE HSI forced labor investigations frequently involve sharing with and seeking information from the U.S. Departments of Labor, Justice, and State, as well as from U.S. Customs and Border Protection.

In addition, the ICE HSI Forced Labor Program and Human Trafficking Unit meets frequently with nongovernmental organizations, civil society organizations, corporate officers, trade associations, and foreign governments with an interest in this area to strategize about ways to work together to end forced labor worldwide, as enforcement actions by U.S. Government agencies alone will not end forced labor, nor end the unfair economic advantage that it brings to foreign corporations using forced labor as a cost-cutting measure, thereby undercutting domestic corporate supply chains not using forced labor.

Forced labor investigations may begin with information developed or received by ICE HSI or forced labor indicators may be identified during worksite or other types of investigations. This might involve children and/or adults being forced or coerced to provide labor or might occur as a result of cultural norms that are practiced in countries around the world, such as individuals being leased or sold into indentured servitude or made to work as a result of the debt bondage of their families.

ICE HSI dedicates both domestic and international law enforcement resources to investigating crimes related to forced labor. Overseas, ICE HSI resources also are available to assist host country law enforcement with their forced labor investigations by linking these domestic forced labor investigations to potential prosecutions of importers in the United States attempting to

import these prohibited goods, or prosecutions of others with knowledge of and benefit derived from these goods being brought into the United States. Examining financial flows and export records may indicate potential avenues for the U.S. prosecutions, whether those financial flows are illicit in intent (such as to launder the proceeds of the crime), or everyday transactions between corporations to purchase products.

ICE is committed to identifying individuals, corporations, and criminal organizations that attempt to import merchandise illegally into the United States in violation of 19 U.S.C. § 1307, which prohibits the importation of goods produced by convict, forced, 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. Entities found to be benefiting knowingly from participation in a venture engaging in forced labor or in exploiting forced labor for profit, or from reckless disregard of such activities, such as U.S.-based importers or consignees and their corporate officials, may be subject to criminal prosecution under 18 U.S.C. § 1589, and to the seizure and forfeiture of their merchandise through civil enforcement processes, if found to be produced using forced labor.

The ICE HSI Human Trafficking Unit supports ICE HSI's mission in investigations of forced labor within the United States through programmatic and operational support; interagency and intra-agency coordination; domestic and foreign law enforcement training; and partnering with the DHS Blue Campaign to raise public awareness of human trafficking and to generate leads.

ICE HSI investigations often overlap multiple operational and strategic program areas. Therefore, ICE HSI may investigate forced labor under 18 U.S.C. § 1589, including instances in factories, hospitality, agriculture, and domestic work in the United States, or potentially may 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 January 2020, DHS issued its first-ever *DHS Strategy to Combat Human Trafficking, the Importation of Goods Produced with Forced Labor, and Child Sexual Exploitation*, both to highlight these law enforcement efforts and authorities within the Department and to prioritize the exercise of these authorities, which include ICE HSI's criminal investigative authorities relating to the importation of goods produced using forced labor.

III. Results¹

A. Expenditures

Senate Report 116-125 accompanying P.L. 116-93 directs ICE to allocate not less than \$15.77 million for investigations of forced labor law violations, to include forced child labor. In FY 2020, ICE HSI expended \$28.53 million for domestic forced labor investigations and \$19.1 million for international forced labor-related investigations.

The FY 2020 DHS Appropriations Act (P.L. 116-93) states in ICE's Salaries and Expenses appropriation that \$6 million (no-year funding) shall be available for investigation of forced labor by either ICE HSI International Operations or ICE HSI Domestic Investigations; ICE exceeded this expenditure amount in FY 2020. The amounts expended are reported separately in the below 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 are reported using actual expenses for payroll, operating expenses, and general agency overhead, while expenditures for Domestic Operations are reported using an activity-based accounting method. Because ICE 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 2020, ICE HSI expended \$19,050,669 on international forced labor-related investigations, which includes expenses such as payroll, operating expenses, and general agency overheads. ICE HSI International Operations identified the following attaché offices, which have responsibility for geographic 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, London, Manila, New Delhi, Panama City, Phenom Penh, Pretoria, Quito, San Salvador, Santo Domingo, Seoul, Singapore, Tegucigalpa, and Vienna.

ICE HSI International Operations has an aggressive outreach campaign to raise the level of awareness on the negative effects of forced labor on both societies and trade. This campaign seeks to enable partnerships with foreign government officials, 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

¹ Investigations and cases take years to develop, and arrests and convictions take even longer. In FY 2020, ICE HSI placed a priority on forced labor and forced child labor investigations, and specifically named these investigations as an ICE HSI priority.

ICE HSI's traditional investigative authorities to identify, disrupt, and dismantle organizations and individuals engaging in forced labor practices, as well as those enabling their operations by exporting and selling their products in the United States.

ICE HSI's Operation FLORA provides training and increased communication and collaboration to organizations that have a unique role in combatting forced labor worldwide. Additionally, ICE HSI 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. ICE 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 lines of communication and to strengthen communities of interest against forced labor practices in worldwide supply chains.

ICE HSI Domestic Operations

ICE HSI uses a different methodology for tracking its Domestic Operations forced labor budget. ICE HSI Domestic Operations has more than 6,000 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 day to day. Thus, ICE HSI uses an activity-based accounting methodology to track resources 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. As such, analysis of budget expenditures is derived on the basis of the percentage of domestic investigative hours for forced labor against the ICE HSI domestic budget.

For FY 2020, ICE HSI domestic special agents logged 168,518 case hours in support of forced labor investigations, of which 119,442 case hours were in support of forced child labor investigations. This equates to more than \$28.53 million of total financial support, of which \$20.22 million was for forced child labor investigations.²

In addition, \$300,000 of Domestic Operations' forced labor funds were expended on direct support of investigations that involved allegations of forced labor, either in the United States or abroad. These funds were allocated case by case 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.

² The ICE enforcement data/statistics are based on an estimated "snapshot" of the data in the respective ICE Law Enforcement System (LES) at the time that the report was compiled by the Executive Information Reporting Unit. ICE 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 of ICE data/statistics previously reported.

B. Measures

Senate Report 116-125 accompanying P.L. 116-93 directs ICE HSI to submit an annual report on expenditures and performance metrics associated with forced labor law enforcement activities. Therefore, ICE HSI is reporting on forced labor violations to include forced child labor. The measures³ include cases initiated and enforcement statistics (arrests, indictments, and convictions).⁴

CASES INITIATED⁵		
Fiscal Year 2020		
	Domestic	International
Forced Labor (statistics for Forced Child Labor included)	138	92

ENFORCEMENT STATISTICS		
Fiscal Year 2020		
	Domestic	International
CRIMINAL ARRESTS⁶		
Forced Labor (statistics for Forced Child Labor included)	84	55
INDICTMENTS⁷		
Forced Labor (statistics for Forced Child Labor included)	53	6

³ The ICE enforcement data/statistics are based on an estimated “snapshot” of the data in the respective ICE LES at the time that the report was compiled by the Executive Information Reporting Unit. ICE 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 a decrease of ICE data/statistics previously reported.

⁴ Readers are reminded that cases take years to develop and to investigate. Arrests and convictions may take even longer.

⁵ The numbers for “Cases Initiated” include only those cases opened by ICE HSI. It is possible that the numbers here include cases that ICE HSI criminal investigators opened on suspicions of forced labor, but for which charges and convictions for other crimes occurred instead.

⁶ The numbers for “Criminal Arrests” include only those criminal arrests made by ICE HSI. It is possible that the numbers here include criminal arrests made by ICE HSI where the perpetrator was turned over to another law enforcement agency with no further action by ICE HSI.

⁷ The numbers for “Indictments” include those charged in federal, state, or local U.S.-based courts where ICE 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		
Fiscal Year 2020		
	Domestic	International
CONVICTIONS⁸		
Forced Labor (statistics for Forced Child Labor included)	45	0

⁸ The numbers for “Convictions” include those convictions reached in federal, state, or local U.S.-based courts where ICE 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
DHS	Department of Homeland Security
FY	Fiscal Year
HSI	Homeland Security Investigations
ICE	U.S. Immigration and Customs Enforcement
LES	Law Enforcement System
Operation FLORA	Forced Labor Outreach and Targeting Initiative