



Building a Strong North American Response to Forced Labor Through Coordinated Import Ban Implementation

November 3, 2025

[The Coalition Against Forced Labour in Trade](#) respectfully makes this submission in response to the United States Trade Representative (USTR)'s "Request for Public Comments and Notice of Public Hearing Relating to the Operation of the Agreement Between the United States of America, the United Mexican States, and Canada." [[Docket Nos. USTR-2025-0004 and USTR-2025-0005](#)]

The Coalition Against Forced Labour in Trade is an international network of 18 civil society organizations from the U.S., Canada, Mexico and other major Organization for Economic Cooperation and Development (OECD) importing economies. We work to strengthen existing import bans against goods made with forced labor and advocate for broader adoption of import bans. Together, we strive for a world where there is no safe harbor for forced labor.

Forced labor continues to be one of the most urgent human rights challenges of the twenty-first century. Across sprawling global supply chains, millions of workers are underpaid and coerced to produce goods that enter North American markets. The International Labour Organization [estimates](#) that forced labor generates annual profits exceeding \$236 billion – earnings effectively stolen from workers. This crisis cannot be solved by one nation acting alone.

The United States, Mexico, and Canada – bound together by deep trade flows under the U.S.-Mexico-Canada Agreement (USMCA) – must work together to take a unified and coordinated approach to blocking goods made with forced labor from entering the North American market. Under Article 23.6 of the [USMCA's Labor Chapter](#), each Party "recognizes the goal of eliminating all forms of forced or compulsory labor, including forced or compulsory child labor" and committed to "prohibit the importation of goods produced in whole or in part by forced or compulsory labor. The USMCA Labor Chapter also provides for cooperation in the identification and movement of goods produced by forced labor.

This was a landmark provision, representing the first time that a prohibition on forced labor was codified in a North American trade agreement. However, in practice, Article 23.6 has yet to achieve its potential. It lacks implementing guidelines, common definitions, and procedures for coordination. Without these elements, the commitment risks being symbolic rather than transformative. The absence of coordinated implementation has created uneven enforcement,



enabling companies to exploit loopholes between jurisdictions and continue re-exporting or transshipping forced labor-tainted goods within North America.

The United States must strengthen forced labor enforcement under existing authorities

While the United States has taken a leading role in enforcing its domestic import prohibition under Section 307 of the Tariff Act of 1930 (19 U.S.C. § 1307), enforcement across the continent remains fragmented. The U.S. has pioneered tools such as Withhold Release Orders (WROs) and the Uyghur Forced Labor Prevention Act (UFLPA) to block products made with forced labor. Yet, recent years have seen a troubling [decline in enforcement actions](#) – only one WRO was issued in both FY2023 and FY2024. However, enforcement picked up in FY2025, with CBP issuing four WROs. We urge increased enforcement of Section 307 of the U.S. Tariff Act, including the use of [19 USC §1595a](#) to impose civil penalties for importations made contrary to law. We also recommend expansion of the [UFLPA Entity List](#), as that is the most efficient way to bring goods produced outside of the Uyghur Region, but tainted by forced labor, within the protections of the UFLPA, along with a commitment to deploy the resources of Homeland Security Investigations (HSI), at the Department of Homeland Security, to investigate the use of third countries to launder goods tainted by forced labor.

We note the critical role played by USTR in the enforcement of these prohibitions, both by means of its participation in interagency processes – including the Forced Labor Enforcement Task Force – as well as its responsibilities in connection with Section 301 of the Trade Act of 1974. Regarding the latter, in its “[Report on China’s Targeting of the Maritime, Logistics, and Shipbuilding Sectors for Dominance](#)”, USTR established a helpful precedent for the use of International Labour Organization (ILO) guidance on state-imposed forced labor, and the UFLPA Entity List, as grounds for the imposition of targeted trade restrictions.

Patchy Enforcement Undermines Effectiveness

Canada

On the other hand, Canada’s forced labor import ban, introduced in 2020, has so far resulted in minimal enforcement. Between 2020 and 2024, Canadian authorities [inspected only around 50 shipments](#) for suspected forced labor links and allowed most to enter the market. This weak enforcement has effectively turned Canada into a “[dumping ground](#)” for goods produced with forced labor, as products barred from entering the United States under Section 307 of the Tariff Act can often still [enter](#) Canadian markets. In this context, [Bill C-251](#) “*An Act to amend the Customs Act and the Customs Tariff (forced labour and child labour)*”, currently before Parliament, is a crucial step towards closing the enforcement gap. This bill would give customs officers clear authority to detain and prohibit goods from high-risk regions or sectors until



importers can prove that they are not being made with forced labor. Bill C-251 is part of the effort to help ensure harmonization and consistent enforcement of USMCA's labor commitments, strengthen Canada's credibility on human rights, and align its border measures with its trading partners.

Mexico

In May 2023, Mexico formally adopted its import ban mechanism on goods produced with forced labor, in compliance with Article 23.6 of the USMCA. However, more than two years after its entry into force, the mechanism remains in an early and uneven stage of implementation. The Secretariat of Labor and Social Welfare (STPS) has received only one petition, which was [dismissed](#) following a nontransparent process with limited participation from workers, unions, or civil society. This initial experience highlights the absence of clear procedural guidelines for investigation, interinstitutional coordination, and international cooperation to prevent the circulation of goods linked to forced labor within North America.

The current design of Mexico's mechanism lacks public criteria for admissibility, defined timelines, and procedures for information-sharing with customs authorities. Mexican civil society organizations, including members of this coalition, have documented these institutional and procedural gaps in [their diagnostic report](#) on the implementation of the USMCA Labor Chapter and Mexico's import ban mechanism on goods produced with forced labor. These gaps generate legal uncertainty and limit its potential as an effective enforcement tool. Moreover, the absence of trilateral cooperation with the United States and Canada weakens the regional impact of Article 23.6, opening the door for products potentially banned in one country to be re-exported or traded through another. This situation is further compounded by recent institutional changes within Mexico's National Customs Agency (ANAM), which has limited public access to information and hindered the transparency required for labor-related investigations. The challenge for Mexico lies not only in issuing import bans against forced labor but in establishing a transparent and participatory system that guarantees traceability, accountability, and effective access to remedy.

This lack of harmonization not only weakens the credibility of the USMCA's labor commitments but also creates incentives for companies to redirect supply chains toward jurisdictions where enforcement is weakest. Harmonizing enforcement across the three USMCA partners would ensure consistent standards and definitions, making it easier to detect and prevent the importation of goods tainted by forced labor.



COALITION AGAINST FORCED LABOUR IN TRADE

Why Coordination Matters for a Strong North American Approach

A coordinated North American approach to import bans would first and foremost prevent companies from exploiting enforcement gaps. This would have an enormous impact in enhancing supply chain transparency and advancing protections for workers around the world. When trading partners adopt comparable enforcement mechanisms, the impact multiplies. For example, a U.S. WRO blocking goods from a high-risk factory has little deterrent value if those same goods can simply be rerouted through Mexico or Canada and re-exported. According to the UFLPA [data dashboard](#), since the law went into effect in 2022, more than 10,540 shipments valued at \$890 million have been denied entry into the U.S. market over links to Uyghur forced labor. It is likely that thousands of these denied shipments were simply re-exported to other countries, including our USMCA partners - Canada and Mexico.

Shared enforcement mechanisms - such as mutual recognition of import ban determinations, joint customs operations, and harmonized investigations – would create a seamless enforcement architecture. Trilateral intelligence-sharing could also improve efficiency and reduce costs, with integrated databases of high-risk suppliers and shared blacklists across the three countries. Moreover, enhanced coordination under Article 23.6 could help ensure that civil society and labor unions in all three countries can play a greater role in enforcement. Strengthening the article with specific implementation guidelines – such as mandatory reporting, a timeline for investigations, and procedures for information exchange – would give real substance to the existing legal commitment.

The Persistent Challenge of Transshipment

One of the most significant obstacles to effective enforcement across North America is transshipment – the practice of rerouting or repackaging goods through third countries to disguise their origin or evade import restrictions. Companies seeking to circumvent the U.S. forced labor import ban increasingly divert tainted products to unregulated markets or export them through neighboring countries. This practice undermines U.S. enforcement under Section 307 and the UFLPA and exposes Canadian and Mexican markets to similar risks. Given the vast volume of trade within North America – worth over \$1.5 trillion annually – even a small fraction of goods transshipped to disguise forced labor links represents a significant enforcement challenge.

As a case in point, although published data show that direct shipments to the United States from the Uyghur Region have fallen as a result of the UFLPA, a recent RAND Corporation [report](#) notes that U.S.-facing supply chains remain substantially exposed to goods from that region. Moreover, a [recent investigation](#) into the use of labor transferred to production facilities outside



of the Uyghur Region indicates that the problem of circumvention is even more widespread and insidious.

Weak customs screening, insufficient supply chain data, and lack of joint enforcement mechanisms make it difficult for authorities to detect these goods once they cross into a new jurisdiction. Trilateral coordination is essential to close these loopholes. The three countries must establish procedures for mutual recognition of forced labor enforcement actions, share forced labor-specific intelligence, and conduct joint operations to root out transshipment.

Setting Standards for Forced Labor Remediation

In implementing the USMCA's commitments to eliminate forced labor, the United States, Mexico, and Canada should establish a coordinated, worker-centered approach to remediation that moves away from traditional social auditing or certification schemes. Forced labor remediation must begin with the recognition that affected workers are rights-holders, not just beneficiaries of corporate compliance. Coordination between the three countries should prioritize direct worker participation in identifying abuses, shaping remediation measures, and monitoring their implementation. This means creating cross-border mechanisms that allow workers and their organizations/unions to safely report violations, access remedies, and participate in designing solutions that restore their rights, livelihoods, and dignity.

Rather than relying on third-party social audits – [which have repeatedly failed to detect or address forced labor](#) – the three governments should jointly support transparent, enforceable remediation frameworks grounded in the freedom of association and worker-driven social responsibility. This could include coordinated enforcement actions, shared databases on sanctioned entities, and protocols for ensuring that remediation plans include repayment of withheld wages and other owed compensation, access to justice, and guarantees of non-retaliation. Governments should also harmonize standards for employer accountability and public disclosure, ensuring that remediation is not outsourced to private auditing firms but instead guided by public oversight and worker/union input.

By aligning efforts around worker-centered remediation, the U.S., Mexico, and Canada can set a global standard for trade-linked labor enforcement that prioritizes human rights over procedural compliance. True remediation must aim to restore agency to workers—particularly migrant and marginalized workers who are most vulnerable to forced labor—through cross-border cooperation that integrates labor inspection, union and other civil society engagement, and binding accountability for employers and supply chains.



Strengthening Article 23.6 with Implementation Guidelines

To transform Article 23.6 from a statement of principle into a driver of systemic change, it must be strengthened with concrete guidelines for implementation. These should include:

1. A shared definition of forced labor aligned with ILO Conventions 29 and 105.
2. Coordination on enforcement and investigations, including trilateral forced labor intelligence-sharing.
3. Mutual recognition of enforcement actions. At the very least, goods blocked in one country should trigger a forced labor investigation in the other two countries.
4. Transparency measures, requiring each government to publish annual reports on import ban enforcement and coordination efforts.
5. Civil society participation, allowing unions, NGOs, and affected workers to submit evidence across the three countries. Civil society and unions must also be at the center of any forced labor remediation efforts undertaken by the targeted companies.

Conclusion

A strong North American response to forced labor will require close trilateral cooperation between the United States, Mexico, and Canada. Each country has committed under Article 23.6 to prohibit the importation of goods made with forced labor, but those commitments must now be translated into action through shared forced labor enforcement mechanisms, harmonized frameworks, and real-time intelligence sharing. Transshipment and uneven enforcement remain critical vulnerabilities. By establishing coordinated guidelines to operationalize the letter and spirit of Article 23.6, we can ensure that no country becomes a safe harbor for forced labor. A unified North American framework would protect workers, create a level playing field for businesses, advance human rights, and demonstrate that trade remedies can be a powerful instrument for justice.

Yours sincerely,

Coalition Against Forced Labour in Trade

For more information, please email The Human Trafficking Legal Center (Secretariat, Coalition Against Forced Labour in Trade): info@htlegalcenter.org