CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA

NEIL L. BRADLEY
EXECUTIVE VICE PRESIDENT &
CHIEF POLICY OFFICER

1615 H STREET, NW WASHINGTON, DC 20062 (202) 463-5310

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TO THE MEMBERS OF THE U.S. HOUSE OF REPRESENTATIVES:

The U.S. Chamber of Commerce strongly condemns human rights abuses, including the persecution and detention of the Uyghur ethnic minority in China. We urge Congress and the Administration to deploy targeted foreign policy tools and to work with the business community to combat these abuses.

However, the Chamber believes that H.R. 6270, the "Uyghur Forced Labor Disclosure Act of 2020," and H.R. 6210, the "Uyghur Forced Labor Prevention Act," would prove ineffective and may hinder efforts to prevent human rights abuses.

Past attempts to utilize domestic U.S. securities law to combat human rights abuses provide a cautionary tale. For example, a well-intentioned effort to resolve abuses related to the mining of conflict minerals in the Democratic Republic of the Congo (DRC) in many cases worsened the situation on the ground in that country. In that instance, Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act required public companies to disclose if any of their products used a defined list of minerals, if the minerals were mined in the DRC, and if the products were conflict mineral-free. The absence of a qualified inspection and audit systems made it nearly impossible for companies to ensure accurate disclosures. This in turn caused many companies to implement a de facto embargo against material sourced in the region which then hurt legitimate miners. At the same time, the original targets of the provision simply shifted their activities to avoid being impacted. In addition to the measure's unintended consequences, aspects of the conflict minerals disclosure were ultimately struck down by the courts.

The Chamber looks forward to working with Congress and the administration to ensure that workable, appropriate actions and initiatives are implemented to aid the Uyghurs.

Sincerely,

Neil L. Bradley

¹ David Aronson, How Congress Devastated Congo, The New York Times (Aug. 7, 2011), http://www.nytimes.com/2011/08/08/opinion/how-congress-devastated-congo.html

² Sudarsan Raghavan, How a well-intentioned U.S. law left Congolese miners jobless, Washington Post (Nov. 30, 2014), https://www.washingtonpost.com/world/africa/how-a-well-intentioned-us-law-left-congolese-miners-jobless/2014/11/30/14b5924e-69d3-11e4-9fb4-a622dae742a2_story.html