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## **DEPARTMENT OF HOMELAND SECURITY**

### **U.S. Customs and Border Protection**

**[CBP Dec. 20-17]**

#### **Notice of Finding that Certain Stevia Extracts and Derivatives Produced in the People's Republic of China with the use of convict, forced or indentured labor are being, or are likely to be, imported into the United States**

**AGENCY:** U.S. Customs and Border Protection, Department of Homeland Security.

**ACTION:** General notice of forced labor finding.

**SUMMARY:** This document notifies the public that the Executive Assistant Commissioner, Office of Trade, of U.S. Customs and Border Protection (CBP), with the approval of the Acting Secretary of Homeland Security, has determined that stevia extracts and derivatives, mined, produced, or manufactured in the People's Republic of China by the Inner Mongolia Hengzheng Group Baoanzhao Agriculture, Industry, and Trade Co., Ltd. (also referred to herein as "Baoanzhao") with the use of convict, forced or indentured labor, are being, or are likely to be, imported into the United States.

**DATES:** This Finding applies to any merchandise described in Section II of this Notice that is imported on or after [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER]. It also applies to merchandise which has already been imported and has not been released from CBP custody before [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**FOR FURTHER INFORMATION CONTACT:** Edward T. Thurmond, Chief, Forced Labor Division, Trade Remedy Law Enforcement Directorate, Office of Trade, (202) 897-9348 or [edward.t.thurmond@cbp.dhs.gov](mailto:edward.t.thurmond@cbp.dhs.gov).

**SUPPLEMENTARY INFORMATION:**

**I. Background**

Pursuant to section 307 of the Tariff Act of 1930, as amended (19 U.S.C. 1307), “[a]ll goods, wares, articles, and merchandise mined, produced or manufactured wholly or in part in any foreign country by convict labor or/and forced labor or/and indentured labor under penal sanctions shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited.” Under this section, “forced labor” includes “all work or service which is exacted from any person under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily” and includes forced or indentured child labor.

The CBP regulations promulgated under the authority of 19 U.S.C. 1307 are found at sections 12.42 through 12.45 of title 19, Code of Federal Regulations (CFR) (19 CFR 12.42-12.45). Among other things, these regulations allow persons outside of CBP to petition the Commissioner of CBP to investigate whether a certain “class of merchandise . . . is being, or is likely to be, imported into the United States [in violation of 19 U.S.C. 1307].” 19 CFR 12.42(a)-(d). CBP also has the authority to self-initiate an investigation. If the Commissioner of CBP finds that the information available “reasonably but not conclusively indicates that merchandise within the purview of section 307 is being, or is likely to be, imported,” the Commissioner will order port directors to “withhold release of any such merchandise pending [further] instructions.” 19 CFR 12.42(e). After issuance of a withhold release order, the covered merchandise will be

detained by CBP for an admissibility determination and excluded unless the importer demonstrates that the merchandise was not made using forced labor. The importer may also export the merchandise.

These regulations also set forth the procedure for the Commissioner of CBP to issue a Finding when it is determined that the merchandise is subject to the provisions of 19 U.S.C. 1307. Pursuant to 19 CFR 12.42(f), if the Commissioner of CBP finds that merchandise within the purview of 19 U.S.C. 1307 is being, or is likely to be, imported into the United States, the Commissioner of CBP will, with the approval of the Secretary of the Department of Homeland Security (DHS), publish a Finding to that effect in the Customs Bulletin and in the *Federal Register*.<sup>1</sup> Under the authority of 19 CFR 12.44(b), CBP may seize and forfeit imported merchandise covered by a Finding.

On May 20, 2016, CBP issued a withhold release order on “stevia extracts and derivatives” believed to be processed by forced or convict labor in the People’s Republic of China by the Inner Mongolia Hengzheng Group Baoanzhao Agriculture, Industry, and Trade Co., Ltd. Through its investigation, CBP has determined that there is sufficient evidence to support the finding that Baoanzhao is a prison/forced labor facility and that stevia extracts and derivatives mined, produced, or manufactured by Baoanzhao are likely being imported into the United States.

## **II. Finding**

### *A. General*

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<sup>1</sup> Although the regulation states that the Secretary of the Treasury must approve the issuance of a Finding, the Secretary of the Treasury delegated this authority to the Secretary of Homeland Security in Treasury Order No. 100-16 (68 FR 28322). In Delegation Order 7010.3, Section II.A.3, the Secretary of Homeland Security delegated the authority to issue a Finding to the Commissioner of CBP, with the approval of the Secretary of Homeland Security. The Commissioner of CBP, in turn, delegated the authority to make a Finding regarding prohibited goods under 19 U.S.C. 1307 to the Executive Assistant Commissioner, Office of Trade.

Pursuant to 19 U.S.C. 1307 and 19 CFR 12.42(f), it is hereby determined that certain articles described in paragraph II.B., that are mined, produced or manufactured in whole or in part with the use of convict, forced, or indentured labor by the Inner Mongolia Hengzheng Group Baoanzhao Agriculture, Industry, and Trade Co., Ltd. in the People's Republic of China, are being, or are likely to be, imported into the United States. Based upon this determination, the port director may seize the covered merchandise for violation of 19 U.S.C. 1307 and commence forfeiture proceedings pursuant to 19 CFR part 162, subpart E.

*B. Articles and Entities Covered by This Finding*

This Finding covers stevia leaf (*Stevia rebaudiana*) extracts, or glycosides classified under subheading 2938.90.0000, Harmonized Tariff Schedule of the United States (HTSUS), that are mined, produced or manufactured wholly or in part by the Inner Mongolia Hengzheng Group Baoanzhao Agriculture, Industry, and Trade Co., Ltd. in the People's Republic of China. This entity is also known by the following names: the Inner Mongolia Hengzheng Group Baoanzhao Agriculture and Trade Co., Ltd.; the Inner Mongolia Autonomous Region Prison Administration Bureau Baoanzhao Agriculture and Trade Co., Ltd.; and the Baoanzhao Prison Farm.

The Acting Secretary of Homeland Security has reviewed and approved this Finding.

Dated: October 14, 2020.

**Brenda B. Smith,**  
*Executive Assistant Commissioner,  
Office of Trade.*

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