

18 May 2020

## Uyghur Human Rights Policy Act of 2020

On 14 May, the US Senate approved the [Uyghur Human Rights Policy Act of 2020](#). This legislation directs the President to impose sanctions against those responsible for human rights violations and abuses against Turkic Muslim ethnic minorities in Xinjiang Uyghur Autonomous Region. The bill also:

- Explicitly links US policy toward the People's Republic of China (PRC) to the treatment of ethnic Uyghurs and Turkic Muslims;
- Commissions a detailed State Department report on human rights abuses in Xinjiang;
- Requires the FBI to outline all necessary measures to protect US citizens and residents from harassment or intimidation by Beijing;
- Instructs the Director of National Intelligence to investigate the security and economic implications related to China's repression of Turkic Muslim ethnic minorities and compile a classified analysis of the scope of human rights violations and its policies toward Xinjiang.

We anticipate the PRC will use this legislation to rally further domestic support for its policies toward ethnic minorities, much as it did when the US House of Representatives passed a much tougher [Uighur Intervention and Global Humanitarian Unified Response Act](#) in December 2019.

- After the passage of the 2019 bill, Beijing [warned](#) the United States that bilateral cooperation between the two countries would be impacted, calling the bill, “a malicious attack on China.”
- The PRC strongly challenges the international community's characterization of its policies in Xinjiang, despite detailed, recently released reports of human rights abuses—including a UN [critique](#) and the [publication](#) of directives on the surveillance, persecution, and internment of Uyghurs—and maintains it is conducting a [counterterrorism](#) operation that provides Chinese language and vocational training to ethnic minorities.

We do not, however, expect this legislation to produce significant, immediate blowback from Beijing. China is sensitive to embarrassment on the world stage, but this legislation does not directly penalize the PRC for its actions in Xinjiang.

- The explicit inclusion of Chen Quanguo in the bill's findings shames a member of the state's Politburo, but it stops well short of sanctioning senior Chinese officials responsible for the PRC's policy toward Muslim minorities under the Global Magnitsky Act ([GLOMAG](#)).

US and international businesses that operate in China—especially those shown to benefit from China's policies in Xinjiang—would ultimately feel the effects of the Uyghur Human Rights Policy Act of 2020. The Australian Strategic Policy Institute's [research](#) suggests that Beijing has forcibly transferred Uyghurs to work in factories across China and at least 83 global brands employ forced laborers from Xinjiang, including many Fortune 500 corporations. Therefore, businesses

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should quickly take all necessary steps to ensure their supply chains do not employ forced labor from Xinjiang. With the likelihood of further scrutiny from the US State Department and intelligence community, companies need to strengthen their compliance programs in anticipation of mounting reputational and possible regulatory risks.

- In April, [Amazon](#) purchased cameras from Zhejiang Dahua, a US government blacklisted firm implicated in the mistreatment of ethnic minorities in the PRC. The blacklist does not prohibit sales to the private sector, but Senator Marco Rubio publicly condemned the purchase as a security risk and called for the United States to end its excessive dependence on Chinese goods. The negative legislative attention and reputational risk involved should prompt firms to reexamine their relationships with entities tied to China's Xinjiang policy.

In addition, although the Senate did not include trade restrictions in the bill, it specifically called for the identification of companies that provide or operate mass surveillance technology in Xinjiang. US businesses need to prepare for further restrictions on how they engage with China.

- In May 2019 [Huawei Technologies](#) and 68 of its non-US affiliates were added to the Commerce Department's Entity List, which required a license requirement for export, reexport, or transfer (in-country).
- In October 2019 the Commerce Department added [eight Chinese tech companies](#), including [Hikvision and Zhejiang Dahua](#)—two top players in the video surveillance market—to its Entity List. These companies play a major role in the [massive surveillance](#) and human rights violations against ethnic minorities in Xinjiang and pose security risks for [US businesses](#) and [federal agencies](#).
- In May 2020 the Commerce Department also [expanded limitations](#) on selling semiconductors made with US technology to Huawei, which elicited a threat of strong [countermeasures](#) from China against American firms.

Both China and the United States are investing heavily in big data and artificial intelligence, and the PRC will search for collaboration opportunities wherever available, even as Beijing works to [reduce its reliance on US technology](#). Technology firms must take all necessary steps to know their partners and to ensure their technology does not contribute to China's repressive policies.

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