

Organic and  
*more sustainable?*

# Textile certifications and suspected forced labor in Xinjiang

**POLICY PAPER**

## **INTRODUCTION**

The Chinese government may be forcing large numbers of the Uyghur population in China's Xinjiang Uyghur Autonomous Region to work in cotton and garment production.<sup>1</sup> While Western fashion brands' supply chain links to Xinjiang have been the focus of significant public attention, the present report examines the role of another important actor within the fashion industry—textile labels and certifications—and its relationship to the situation in the region.<sup>2</sup>

The textile industry has been under scrutiny for exploitative labor practices for decades. The industry has typically reacted by permitting social auditing and certification schemes to ensure their compliance with environmental and social standards. However, time and again the reliability of such certifications has been brought into question. A recent study analyzing cases from several industries in countries as diverse as Brazil, Pakistan and Indonesia revealed structural weaknesses within the current human rights-relevant auditing and certification systems that have enabled substandard audits and certifications to become the norm rather than the exception.<sup>3</sup> A report from May 2021 by the Dutch-based organizations SOMO and Arisa revealed instances of forced labor within spinning companies in India that produce their goods within the frameworks of several certification schemes.<sup>4</sup> The situation in Xinjiang is only a more recent example that casts further doubt on the reliability of certifications as a means of ensuring fair labor conditions within textile manufacture. Our findings indicate that despite the well-known human rights risks in Xinjiang, leading textile certifications, including Global Organic Textile Standards (GOTS) and its certification body Control Union Certifications, Better Cotton Initiative (BCI), and Cotton made in Africa (CmiA), may continue to certify suppliers in the region or allow Xinjiang suppliers or companies with operations in Xinjiang to process certified products.

Textile certification schemes warrant closer scrutiny because they promise to ensure that products are manufactured under better conditions than conventional products. Brands and retailers may claim that they adhere to human rights due diligence norms by means of sourcing certified materials. Multi-stakeholder initiatives, including the German Textile Alliance and the Dutch Agreement on Sustainable Garments and Textile, also recommend that brands increase their sourcing of certified materials.<sup>5</sup> Consumers also place their trust in labels and certifications to confirm that products are made without violating human rights. However, as this paper will demonstrate, despite their claims, some of these certification schemes continue

to allow their products to be manufactured in part by suppliers in Xinjiang or with links to the region that may be at risk of using forced labor.

This paper is based on publicly available information, including company websites, corporate annual reports, Chinese government records, and state media articles. A native Mandarin speaker provided assistance in this research. This report is not based on field research because independent investigations in Xinjiang are currently not possible. In September and October 2021, ECCHR sent letters to GOTS, BCI, CmiA and Control Union Certifications asking for comment. All four responded. Their comments are incorporated in the report.

## SITUATION IN XINJIANG

There are allegations that the Chinese government may have detained a large number of Uyghurs and other Turkic peoples in internment camps in the Western region of Xinjiang Uyghur Autonomous Republic (XUAR or Xinjiang).<sup>6</sup> Detainees are allegedly forced to undergo political indoctrination; learn Mandarin; renounce their religion and culture; and in some instances, are subjected to torture, rape and forced sterilization in the camps.<sup>7</sup> A Chinese government report describes the camps as vocational education and training centers that are part of the country's fight against terrorism through helping Uyghurs find education and employment.<sup>8</sup>

Beyond the large-scale, extra-judiciary detention of Uyghurs, there are indications that former camp detainees are forced to work in the textile industry in Xinjiang.<sup>9</sup> In 2018, Kashgar prefecture in southern Xinjiang alone planned to put 100,000 former camp detainees to work in industrial parks.<sup>10</sup> In what seems to be a separate policy, “surplus laborers”—a term employed by the Government to describe rural Uyghurs not engaged in formal employment—may also be forced to pick cotton or take up factory work.<sup>11</sup> This is said to frequently take place in rural areas through targeted recruitment, such as government-organized “job fairs.”<sup>12</sup> “Surplus labor” can allegedly be deployed to work in the region's industrial parks, in locations of the Xinjiang Production and Construction Corps, and in factories in the region.<sup>13</sup> There are reports that some of these rural Uyghurs are also forced to undergo short-term military-style training before they start to work.<sup>14</sup> “Surplus laborers” may reportedly be moved to other parts of Xinjiang or China via “labor transfers.”<sup>15</sup> These coercive policies are allegedly carried out under the framework of the region's “poverty alleviation” policy.<sup>16</sup>

Four Uyghur-majority prefectures in south Xinjiang seem to be the primary targets of poverty alleviation.<sup>17</sup> A policy from the Xinjiang government states that it aims to have one million workers in textile and garment industries by 2023, with 650,000 of them coming from the southern Uyghur-majority regions.<sup>18</sup> There are reports that “surplus” workers are also mobilized annually into manual cotton-picking operations, which is said to be a common way of harvesting cotton in south Xinjiang.<sup>19</sup> Uyghurs seem to be recruited and hired in a centralized manner after individual counties and villages allegedly communicate their labor needs to prefecture governments, who then formulate requests to the central government.<sup>20</sup>

Xinjiang alone supplies over 20 percent of the world's cotton and over 85 percent of the cotton in China.<sup>21</sup> The region is also an important producer of organic cotton, cultivating almost 98 percent of the organic cotton in China and about 12 percent of the global supply.<sup>22</sup> While most of the world's flax, the raw material for linen, is grown in Europe, Xinjiang is also the site of organic flax fiber production.<sup>23</sup> In recent years, in response to government policies, many Chinese vertically integrated companies reportedly established production plants in Xinjiang to be in close proximity to the region's raw materials.<sup>24</sup>

### Mass surveillance

The policies described above are allegedly being deployed in the context of a government-sponsored system of mass surveillance.<sup>25</sup> Among the documented measures possibly used in the region to monitor and control the Uyghur population are facial recognition, the use of DNA collection systems to track persons, or requiring individuals to pass through police checkpoints outfitted with technologies such as biometric sensors and iris scanners.<sup>26</sup> Contact between locals and those living abroad is closely monitored, and there are reports that some of those using secure means of communication, such as Virtual Private Networks (VPN) or WhatsApp, have been detained.<sup>27</sup>

### XPCC

The Xinjiang Production and Construction Corps (XPCC), a paramilitary organization in Xinjiang, is accused of implementing government policies in the region. Subordinated to the Chinese Communist Party, the XPCC is made up of 14 divisions and dozens of regiments and is said to grow over 30 percent of all cotton in China, although its companies also appear to be active in other industries.<sup>28</sup> By one estimate, the organization may involve up to 800,000 companies in China and from around the world.<sup>29</sup> Human rights

violations attributed to the XPCC include large-scale arbitrary detentions and degrading treatment of Uyghurs and members of other ethnic minorities; systematic violations of their freedom of religion and belief; as well as the implementation of a massive surveillance, detention and indoctrination program targeting ethnic minorities.<sup>30</sup>

#### EU and government sanctions

The international community has become increasingly aware of and has criticized the situation in the XUAR. On 22 March 2021, the European Union, Britain, the United States (US) and Canada imposed sanctions against Chinese officials and against XPCC's Public Security Bureau for serious human rights violations in China.<sup>31</sup> Beijing announced retaliatory sanctions against the EU, including against research institutes, members of the European Parliament, diplomats, and their families.<sup>32</sup> Earlier in 2020, the US imposed sanctions on the XPCC and Chinese government officials over allegations of forced labor.<sup>33</sup> It also barred Chinese companies producing textiles, surveillance technology, or solar panels because of allegations of forced labor.<sup>34</sup> In January 2021, the US banned all cotton and tomato imports from Xinjiang.<sup>35</sup> A bill currently pending in the US House of Representatives would ban the import of all goods produced in Xinjiang in response to the allegations of forced labor.<sup>36</sup>

Multi-stakeholder initiatives and human rights organizations have warned about the risks of forced labor in the region and the limits of due diligence procedures due to restrictions on the ground. In December 2020, citing the impediments to due diligence outlined above, the Fair Labor Association (FLA), a multi-stakeholder initiative focusing on the improvement of working conditions in the garment industry, said companies cannot rely on normal due diligence procedures to either confirm—or rule out—the presence of forced labor.<sup>37</sup> In October 2020, the Coalition to End Uyghur Forced Labor, which assembled together civil society organizations and trade unions, also claimed that due diligence is currently impossible in Xinjiang.<sup>38</sup> In September 2020, the auditing companies Bureau Veritas SA of France, TÜV SÜD AG of Germany, Sumerra LLC of the U.S., RINA SpA of Italy, as well as the American nonprofit certification organization Worldwide Responsible Accredited Production told The Wall Street Journal that they will no longer provide labor-audit or inspection services in Xinjiang.<sup>39</sup>

## GENERAL INDICATORS OF FORCED LABOR IN XINJIANG

Based on the key sources cited above, we may distinguish the following factors which could place enterprises in Xinjiang at a high risk of engaging in human rights abuses including forced labor: (1) possible affiliation to the XPCC, (2) participation in government-organized recruitment, (3) having locations in industrial parks in the region that are involved in “poverty alleviation,” or (4) maintaining production facilities in the four Uyghur-majority prefectures in southern Xinjiang at the center of the government’s poverty alleviation programs.

#### a. Possible affiliation to the XPCC

XPCC locations may be sites for the use of forced labor, and XPCC regiments may engage in labor transfers. Western companies and certification initiatives that maintain links to suppliers with possible affiliation to the XPCC are thereby taking the risk that these suppliers may be employing workers via these channels. For the purposes of this paper, we consider the following to be indications of a company’s possible affiliation to the XPCC that may put a supplier at risk of hiring forced labor: the supplier’s location in territory controlled by an XPCC regiment and division that possibly engages in labor transfers; recent state media descriptions of the company as being associated with the XPCC; and recent statements by the supplier’s management indicating that the XPCC organized labor recruitment for the company and helped it ensure the supply of production materials.

#### b. Participation in government-organized recruitment

Given the state-sponsored system of mass surveillance and the large-scale detention of Uyghurs, it is our opinion that Uyghurs hired via government-organized “job fairs” or who are subject to “labor transfers” are not in a position to express true consent and are therefore within a situation that is consistent with forced labor. For this paper, indications that companies likely hired forced Uyghur labor include state media articles praising companies’ participation in “job fairs” or the company’s own admissions that they have employed workers provided by the government.

#### c. Company location in an industrial park that engages in “poverty alleviation.”

Industrial parks in Xinjiang are allegedly an employment destination for both former camp detainees and rural “surplus” Uyghurs. Any companies located inside industrial

parks that have taken part in the government “poverty alleviation” program may therefore be at high risk of using forced labor. For the purposes of this report, indications that an industrial park may engage in “poverty alleviation” constitute, for example, receiving subsidies for participating in “labor transfers” or having a cooperation agreement with the XPCC, under which the “surplus rural labor force” from southern Xinjiang is transferred for employment purposes “to help alleviate poverty.” Some internment camps may also be based inside or in the vicinity of industrial parks, indicating the possible transfer of camp detainees into production facilities.<sup>40</sup>

#### d. Production facilities in the four Uyghur-majority prefectures in southern Xinjiang

As we have shown, the four southern prefectures of Hotan, Kashgar, Aksu and Kizilsu Kirgiz appear to be the government’s primary focus in “poverty alleviation.” Given the centralized manner of Uyghur recruitment for cotton and garment production, down to the level of individual counties, and given the scale of government policies in these prefectures, it is our opinion that it is not possible to rule out that individual companies based in southern Xinjiang are employing forced labor.

## CONNECTION OF TEXTILE CERTIFICATION SCHEMES TO XINJIANG

Despite evidence that credible audits are not possible in Xinjiang’s current environment, our research indicates that organic textile certification GOTS may continue to certify companies located in the Uyghur region. To be certified, companies must pass audits that verify both ecological and social standards, including the absence of forced labor.

While BCI and CmiA standards focus on cotton farming and ginning—neither of which seems to take place in Xinjiang within these initiatives’ frameworks—BCI’s and CmiA’s end products may still be at risk of involving Uyghur forced labor. Both schemes allow cotton spinning companies to mix certified cotton with their own cotton within a system called “mass balance,” which we explain below. Some BCI and CmiA spinning mills in China are, or until recently have been, located in Xinjiang or are part of vertically integrated companies with subsidiaries in Xinjiang that supply their cotton.

### GOTS

GOTS is a certification scheme for organic fiber that ensures both environmental and social criteria across the production chain.<sup>41</sup> GOTS criteria number 3.2, “Employment is freely chosen,” mandates that “[t]here is no servitude, forced, bonded, trafficked or indentured labour” and that “[f]orced labour shall not be used.”<sup>42</sup> To become certified, GOTS states that “it is mandatory to meet all of the criteria.”<sup>43</sup>

To verify compliance, usually on-site inspection and the certification of processors, manufacturers and traders is undertaken by independent third-party GOTS-accredited certification bodies.<sup>44</sup> To verify social criteria, such as the absence of forced labor, GOTS requires, at a minimum, that auditors conduct confidential worker interviews and inspect employee records.<sup>45</sup> Since March 2020, due to the Covid-19 pandemic, GOTS has also allowed virtual audits, while recognizing that “challenges will be faced in conducting virtual interviews of employees.”<sup>46</sup>

GOTS does not certify farms directly, but says that it prohibits “raw fibres that originate from production projects with a persistent pattern of gross violations of the International Labour Organization (ILO) core labour norms.”<sup>47</sup> ILO core labor norms include the elimination of all forms of forced or compulsory labor.<sup>48</sup>

### Findings regarding GOTS

Some Xinjiang-based companies are currently listed on the GOTS website as holding a GOTS certification, some of which process linen, and others cotton. All these suppliers have successfully passed recent audits administered by Control Union Certifications, a GOTS-approved certification body headquartered in the Netherlands.<sup>49</sup> All of these suppliers appear to show indications consistent with forced labor risks as enumerated under section III, a.-d. above.

ECCHR approached GOTS and Control Union Certifications with our findings regarding the suppliers, including the suppliers’ full names. In a letter to ECCHR, GOTS confirmed that the suppliers are listed as in possession of certification but said that “all GOTS criteria, including social criteria, were met.”<sup>50</sup> GOTS says that no certified supplier is owned or operated by the XPCC. GOTS, however, did not comment on other indications that may put suppliers at risk of using forced labor.

GOTS says that of several audits in Xinjiang, one was conducted virtually due to Covid-19 travel restrictions, claiming that a follow-up on-site audit was planned for October 2021. When asked how it ensures audits are credible in Xinjiang’s current political situation, GOTS stated:<sup>51</sup> “As a standard-setter, GOTS sets the criteria and

Certification Bodies decide whether credible audits are possible based on their individual assessment. The independent, accredited, third-party Certification Bodies are experts in their field, and GOTS relies on their proven competence, knowledge and experience.”

ECCHR received letters from a parent company of one of the suppliers who denied any ownership or operation by the XPCC, or that its manager is affiliated to the organisation.

In a letter to ECCHR in October 2021, Control Union Certifications (CUC) stated that it decided recently to cease audits for GOTS of suppliers located in Xinjiang as “the general political context is no longer conducive for carrying out objective and impartial audits.”<sup>52</sup> CUC stated further that the “general geopolitical situation concerning XUAR has become so volatile that the mere fact that a factory is located in XUAR makes for any audit to be deemed unreliable, however competent our staff may be.” In practice, CUC said this means that companies in the process of becoming certified have been informed that their processes have been put on hold and will not be certified by CUC against GOTS standards. CUC additionally claimed that companies that have previously obtained their GOTS certificates will no longer be audited, and as a result, their certificates will no longer be renewed.<sup>53</sup> However, to date CUC said it had not found evidence to warrant the withdrawal of certifications.<sup>54</sup>

At the time of publishing this report, the GOTS supplier database continued to list the suppliers in Xinjiang mentioned above as currently holding valid GOTS certification.

#### GOTS raw material

Raw materials used in GOTS-certified products may also be at high risk of forced labor. GOTS says it prohibits raw fibers that exhibit evidence of a persistent pattern of gross violations of the ILO core labor norms, which include provisions on forced labor.<sup>55</sup> But GOTS does not set standards for farms. Instead, it requires that raw material is certified under a standard accepted by the International Federation of Organic Agriculture Movements (IFOAM), an umbrella organization for organic agriculture organizations.<sup>56</sup> Some standards accepted by the IFOAM are enforced by national governments and do not verify social criteria such as the absence of forced labor, which is also the case in China.<sup>57</sup> Even if these standards were to verify social criteria, for example, through the use of audits, this would not be enough, as no credible audits are possible in Xinjiang today.

Almost all organic cotton in China is grown in Xinjiang, making the region a likely source of cotton processed at GOTS-certified facilities elsewhere in China, which

also means that potential human rights violations in its raw material production cannot be ruled out.<sup>58</sup> In response to our query, GOTS stated that it “expects the third-party Certification Bodies to consider the origin of the organic fibre during certification” and that, as of October 2020, it also requires a Transaction Certificate on raw fiber origin. It further stated that a motion it submitted to the General Assembly requiring the IFOAM World Board to include social criteria (in accordance with ILO and IFOAM standards) in organic standards was voted upon and adopted on 14 September 2021.<sup>59</sup>

#### BCI and CmiA

##### Better Cotton Initiative (BCI)

BCI describes itself as the “largest cotton sustainability programme in the world.”<sup>60</sup> Its aim is to make cotton production “better for the people who produce it, better for the environment it grows in and better for the sector’s future.”<sup>61</sup>

While the standards for BCI-certified cotton apply only to the beginning of the supply chain (cotton farming), BCI has members involved in other parts of the supply chain, including brands and retailer members, suppliers and manufacturers, producer organizations, as well as civil society organizations and associate members.<sup>62</sup> Members are not certified. Instead, BCI Members must “agree” to the Members Code of Practice, where they make a commitment to “uphold internationally recognised standards with respect to decent work and human rights (incl. the eight fundamental ILO conventions relating to principles and rights at work.),” which also includes the abolition of forced labor.<sup>63</sup> Members are a crucial element of the BCI model. In BCI’s own words, “suppliers and manufacturers play a critical role in ensuring the flow of Better Cotton volumes through the supply chain to the global market, providing an all-important link between supply and demand.”<sup>64</sup>

BCI does not audit its members, but until autumn 2021 BCI said the BCI Secretariat regularly monitored and gathered information based on Google alerts and notifications from stakeholders and other members.<sup>65</sup> If a member was found to be in breach of the Code of Practice, the matter was to be brought to the attention of the BCI Secretariat, and the member was to be given a specific period of time to explain, and another period of time to resolve, the matter. If the matter was not resolved within three months of receiving the formal warning, the member could be suspended.<sup>66</sup> BCI’s current monitoring proceedings for members are not clear.

In October 2020, BCI said it has decided to cease all field-level activities in the region, including capacity building and data monitoring and reporting, in light of “sustained

allegations of forced labour and other human rights abuses” in the region.<sup>67</sup> Until autumn 2019, XPCC was a BCI implementing partner, and in that role worked with cotton farmers “to enable them to grow and sell Better Cotton.”<sup>68</sup>

#### Cotton made in Africa (CmiA)

CmiA is a certification program that describes itself as helping “African smallholder cotton farmers to improve their living conditions.”<sup>69</sup> Similarly to BCI, CmiA certification covers the early stages of cotton production, namely cotton cultivation and ginning.<sup>70</sup> Still, the certified cotton is spun and processed in other parts of the world, including in China, before it is purchased by brands and retailers. Companies, such as spinning mills and fabric and manufacturing factories are known as CmiA “business partners” and do not require certification. To become CmiA “business partners,” companies must “agree” to respect the CmiA Code of Conduct, which includes provisions regarding forced and prison labor.<sup>71</sup>

Since 2012, it has been possible to label CmiA cotton as part of the BCI.<sup>72</sup> Almost all (97 percent) of the CmiA cotton produced in 2018/19 was apparently also accounted for as BCI equivalent.<sup>73</sup>

#### Mass balance

BCI and CmiA both use a system called “mass balance,” within which certified cotton can be mixed with non-certified cotton at the spinning stage. The final product can be certified even when it contains no certified cotton. The system only requires that the amount of certified cotton purchased should match that of the certified cotton produced, hence ensuring a balance between the two. In BCI’s words, for example, the system “allows Better Cotton to be substituted or mixed with conventional cotton as long as equivalent volumes are sourced as Better Cotton.”<sup>74</sup> As there are no traceability or human rights requirements for the fiber that is mixed in, it is possible that Xinjiang cotton may be mixed into the BCI/CmiA cotton and that some of that cotton has been harvested with forced labor.

The BCI Claims Framework, which regulates the claims its members can make, requires that members include a reference to mass balance, such as a link to BCI’s mass balance web page, when using the BCI logo.<sup>75</sup> Among the pre-approved claims BCI lists that brand and retailer members are allowed to use on-product is “We’re proud to invest in making cotton production more sustainable.”<sup>76</sup>

#### Spinning companies at risk of Uyghur forced labor?

As we demonstrated, both BCI and CmiA allow the mixing of certified cotton with non-certified cotton at the spinning stage using mass balance. Spinning companies processing cotton within these initiatives may have differing degrees of association with Xinjiang that may put the products they make at risk of Uyghur forced labor:

- a. Spinning companies located in Xinjiang  
In this scenario, spinning mills located directly in Xinjiang are allowed to spin certified cotton and mix it with their own cotton. These companies often get their raw materials from Xinjiang that are possibly produced with forced labor, which they may then mix into the certified product. Moreover, being based in Xinjiang, some of these companies may take part in “poverty alleviation” programs themselves, for example, by hiring or training “surplus” workers. Any products they make that are sold further in the supply chain to retailers and brands as certified cotton are at risk of being made with forced labor either directly or through the cotton that is mixed in.
- b. Spinning companies located outside Xinjiang that have operations in Xinjiang  
In this scenario, the spinning mill that is allowed to process certified cotton is based outside Xinjiang but is part of a vertically integrated company with operations in Xinjiang. Vertically integrated companies are companies that own operations at several stages of the production process. In the case of the textile industry, a spinning company outside Xinjiang may own a cotton farm and/or a ginning company in Xinjiang which supplies its other subsidiaries and may be linked to forced labor. Such companies, even when based outside Xinjiang, may also get their raw material from Xinjiang which may be produced in conjunction with potential human rights violations, and mix it with certified cotton.

#### Findings regarding BCI and CmiA

Several Xinjiang-based spinning companies are listed as members of BCI, while others until recently held certificates allowing them to spin CmiA cotton although they exhibited indications consistent with using forced labor themselves or with using cotton potentially produced with human rights violations (scenario described in a.).

In addition to those direct suppliers located in Xinjiang, BCI and CmiA also list as spinning companies enterprises outside Xinjiang which have operations in the Uyghur

region that showed indications of human rights risks consistent with the scenario described in b. Further findings show that some suppliers located outside Xinjiang that own cotton fields and production sites in Xinjiang are possibly mixing BCI and CmiA cotton with their own cotton sourced from Xinjiang.

We approached BCI and CmiA with these findings, including the full names of these suppliers. In a statement from October 2021, BCI confirmed that the member details on its website “are current and frequently updated” but did not discuss its continued cooperation with spinning companies located in Xinjiang or how it ensures that BCI final products are free of forced labor. BCI stated that its “level of direct engagement is limited to the Field-Level, i.e. farmer engagement, across all of the 23 countries where we operate.” BCI said that to ensure credible certifications, members using the BCI logo must use “carefully worded” claims and include a reference or web link to mass balance: “This ensures that the message focuses on the Better Cotton Member’s commitment to responsibly sourced cotton and not the content of the product itself.” BCI also says it plans to replace the mass balance system with physical traceability “in the coming years.”

Aid by Trade Foundation, which owns CmiA, said in a statement that “[t]he boundaries of the CmiA standard are the gin gates.” Still, it said that it has decided to stop cooperating with companies in Xinjiang:

“Since standard social audits cannot grasp the issue of state-imposed forced labour, the Aid by Trade Foundation has decided not to continue its cooperation with actors in the textile value chain operating in the independent province of Xinjiang.”

CmiA’s decision to stop its cooperation with suppliers in Xinjiang is a positive step in the right direction. Still, even if no longer spinning cotton for CmiA, products spun by these companies until recently may currently be on the market under the CmiA or BCI labels, as it is possible to label CmiA cotton as part of the BCI. CmiA also did not elaborate on its plans to end its cooperation with suppliers who may be based outside Xinjiang but have cotton production operations in the region that have been linked to forced labor.

## CONCLUSIONS AND RECOMMENDATIONS

The UN Guiding Principles on Business and Human Rights (UNGPs) define human rights due diligence as an approach for companies “to identify, prevent, mitigate and account for their adverse human rights impacts.”<sup>77</sup> This includes the

adverse impacts that a company itself causes, contributes to, and is associated with as a result of its business relationships. As we have argued elsewhere, both brands and audit and certification bodies need their own due diligence process: they must identify the extent to which their own activities pose risks of contributing to or being directly linked to human rights abuses, and they must prevent or mitigate such risks.<sup>78</sup>

With regard to the situation in Xinjiang, **the only way for textile certification schemes to fulfill their due diligence responsibilities is to not accept Xinjiang-based suppliers at any production stage of certified products.** For GOTS, this would mean ceasing to certify and thus to allow audits of suppliers in the Uyghur region, as well as no longer accepting raw material originating in the region. BCI’s and CmiA’s mass balance system is also problematic with regard to their claims of more sustainably produced cotton. Regardless of disclaimers and claims, labels and certifications market an image of sustainability from which brands and retailers benefit. As we have shown, several BCI members at the spinning stage are based in Xinjiang using cotton potentially produced with human rights violations or potentially using forced labor themselves. In this sense, it is questionable whether allowing brands and retailers to claim they are “making cotton production more sustainable” is appropriate. As long as certification initiatives accept spinning companies based in Xinjiang, or with operations in the region, to process certified cotton, brands need to be aware that these systems are not necessarily compatible with their human rights due diligence obligations. In that sense, it is not enough that working conditions are acceptable within part of one production stage as long as they are at risk of using forced labor from other suppliers in the production chain. To fulfill their own due diligence responsibilities, **BCI and CmiA should replace the mass balance system with a physical traceability system throughout the entire production chain.**

GOTS, BCI and CmiA’s links to Xinjiang suppliers have important implications for global textile supply chains. Hundreds of brands and retailers rely on certifications as an assurance that social standards are met.<sup>79</sup> Brands outsourcing their own human rights due diligence to the initiatives in this report may expose themselves to the risk of forced labor, as well as the risk of criminal liability. Instead, **brands should always do their own due diligence.** This includes clearly mapping the operations of suppliers based on public information, and ending business relationships with suppliers they identify as located in Xinjiang, along with those who have links to the region.

## RECOMMENDATIONS

### To Global Organic Textile Standard

- Recognize the limitations of regular due diligence activities in Xinjiang and presume that, absent a change in government policy and actions, social audits cannot effectively detect forced labor and provide credible proof of the absence of forced labor.
- Immediately cease all audits in Xinjiang.
- End the certification of the Xinjiang suppliers.
- End virtual certifications when in-person audits are not possible.
- Stop accepting third-party certification of raw materials in the Uyghur region, whether or not social criteria are verified as part of these standards.

### To Control Union Certifications

- Issue a public statement with the commitment to cease all audits in Xinjiang.

### To Better Cotton Initiative

- Recognize the heightened risk of forced labor posed by the mass balance system and urgently adopt a physical traceability system throughout the entire production chain.
- Remove all current Xinjiang-based members and companies outside Xinjiang that have operations in the Uyghur region.
- Stop accepting as members spinning mills and other companies located in Xinjiang or companies outside Xinjiang that have operations in the Uyghur region.
- Fully and quickly implement all the recommendations of the Task Force on Forced Labour and Decent Work from October 2020.

### To Cotton made in Africa

- Recognize the heightened risk of forced labor posed by the mass balance system and urgently adopt a physical traceability system throughout the entire production chain.
- Withdraw business partner certificates from current spinning companies outside Xinjiang that have operations in the Uyghur region.
- Stop accepting as CmiA business partners spinning mills and other companies located in Xinjiang.
- Stop accepting as CmiA business partners spinning mills and other companies outside Xinjiang that have subsidiaries or operations in the region.

### To brands

- Brands should always do their own due diligence. They should not rely on textile certifications as a substitute for their own due diligence.
- Brands should sign and implement the commitments in the Call to Action of the Coalition to End Forced Labour in the Uyghur Region. The Call to Action asks that brands, as a first step, identify any of the following business relationships in their supply chains:
  - Suppliers and sub-suppliers with any production facilities in Xinjiang
  - Suppliers and sub-suppliers based outside Xinjiang that have subsidiaries or operations located in Xinjiang that have accepted Chinese government subsidies and/or employed workers provided by the government.
  - Suppliers and sub-suppliers that have employed at a workplace outside Xinjiang workers from the Uyghur Region who were sent by the government.
- After identifying such business relationships above, brands should operate on the assumption that their supply chains may be linked to the forced labor of Uyghur and other Turkic and Muslim-majority groups and disengage from:
  - business relationships with any production facilities located in Xinjiang.
  - business relationships with any supplier based outside Xinjiang that has subsidiaries or operations in Xinjiang that have accepted Chinese government subsidies or employed workers provided by the government.
  - business relationships with any supplier whereby there is credible evidence that the supplier has employed, at a workplace outside Xinjiang, workers from Xinjiang who were sent by the government.



To multi-stakeholder initiatives including Textile Bündnis and Dutch Agreement on Sustainable Garments and Textile

- Cease uncritically recommending that brands source from textile certifications like GOTS, BCI and CmiA. Recognize that these certifications allow for a high risk of forced labor in their final products by possibly certifying Xinjiang producers (GOTS) or by using mass balance, spinning companies in Xinjiang or companies who have links to Xinjiang (GOTS and CmiA).
- Help brands understand that by not taking seriously their withdrawal from Xinjiang, company officials risk being complicit in forced labor and may even face potential criminal liability.
- Include requirements for members regarding the mapping and disclosure of their supply chains, down to the level of raw materials.
- Suspend members that directly or indirectly source from Xinjiang and thus allow for a high risk of human rights violations in their supply chains.

To the German and Dutch governments and the European Union

- Germany, the Netherlands, and the EU should strengthen or put in place supply chain liability laws, including the civil liability of companies that directly or indirectly source from Xinjiang and thus allow for a high risk of human rights violations in their supply chains.
- The EU should adapt its Customs Regulation to enable the transparency of trade flows and supply chain relations.

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**TEXT: CORINA AJDER  
AND MIRIAM SAAGE-MAASS  
EDIT: DAVID YOUSSEF  
LAYOUT: GREGOR SCHREITER  
DECEMBER 2021**