

Congress of the United States
Washington, DC 20515

February 3, 2022

President Joe Biden
The White House
1600 Pennsylvania Ave
Washington, D.C. 20006

Dear President Biden,

We are writing to respectfully request that you review whether the Chinese solar panel company Longi, metallurgical-grade silicon and solar-grade polysilicon producer East Hope, photovoltaic materials supplier GCL New Energy, and polysilicon manufacturer Xinjiang Daqo meet the criteria for designation under the Uyghur Human Rights Policy Act (as amended by the Uyghur Forced Labor Prevention Act), the Global Magnitsky Human Rights Accountability Act, and any other relevant provision of law.

On December 23rd, you signed the Uyghur Forced Labor Prevention Act (Public Law 117-78) into law. In addition to creating a rebuttable presumption regarding the import of products of forced labor from Xinjiang, this law expanded sanctions required by the Uyghur Human Rights Policy Act (Public Law 116-145) by imposing new mandatory sanctions (including visa bans and asset freezes), effective immediately, on foreign persons “involved in human rights abuses in connection with forced labor.”

Moreover, the Uyghur Human Rights Policy Act passed on June 17th, 2020 and requires sanctions on those involved in the “flagrant denial of the right to life, liberty, or the security of persons” of Uyghurs and other Muslim minority groups in Xinjiang. We are writing to request that the administration move quickly to implement and enforce this provision of the Uyghur Forced Labor Prevention Act through the expeditious issuance of regulations, appropriate sanctions designations, and appropriate civil penalties or criminal prosecutions. Any delay in implementation of this act may encourage businesses to disregard the law.

It has been reported that Tesla is using photovoltaic products by the Chinese solar panel giant Longi.¹ Last November, Customs and Border Patrol (CBP) detained shipments of Longi products due to forced labor concerns. Yet, the CBP has not issued a withhold release order against the Longi, nor has the Treasury Department’s Office of Foreign Asset Control (OFAC) designated Longi pursuant to the Uyghur Forced Labor Prevention Act.

Furthermore, the company Xinjiang Daqo reportedly supplies Longi with polysilicon. According to a report from the University of Sheffield, there are credible indications that Xinjiang Daqo, which is listed on the New York Stock Exchange, is using Uyghur forced labor in its polysilicon production, as suggested in the company’s own disclosures. According to the report: “In 2020, in the IPO prospectus for Xinjiang Daqo, a principal operating subsidiary controlled by Daqo New Energy, the company indicated that it had received subsidies for “labour placements” (劳动力安置) from the Chinese government, which may indicate that the company employs state-sponsored labour transfers in its

¹ [\[Exclusive\] Chinese PV Panel Giant Longi’s Products Are Installed at Tesla’s Texas Plant \(yicaiglobal.com\)](#)

own facilities, as “placement” is a term the central government and Xinjiang local and regional governments sometimes use for labour transfers.”²

Xinjiang Daqo is on the Department of Commerce’s Entity List for participating in the practice of, accepting, or utilizing forced labor in Xinjiang and contributing to human rights abuses against Uyghurs and other minority groups in Xinjiang. In addition, Hoshine Silicon Industry Ltd., which is on the Entity List as well as the WRO list, is Xinjiang Daqo’s major supplier. Xinjiang Daqo is also known to have a long term and mutually beneficial relationship with Xinjiang Production and Construction Corps (XPCC), a state-operated paramilitary corporate conglomerate in Xinjiang sanctioned by the Treasury in 2020 under the Global Magnitsky Act.³ For example, Xinjiang Daqo has a joint venture with the School of Chemical Engineering at XPCC’s Shihezi University – the XPCC Photovoltaic Material Laboratory XPCC Photovoltaic Silicon Materials Engineering Laboratory.⁴ Currently China makes about 80 percent of the world’s solar panels,⁵ and most Chinese solar companies are supplied by Xinjiang Daqo.⁶

Moreover, East Hope, and GCL New Energy Material, two Xinjiang-based solar manufacturers, have been placed on the Department of Commerce’s Entity list for their use of forced labor. According to a report by Sheffield Hallam University, East Hope has engaged in “surplus labour” programs since at least 2017, while GCL in Xinjiang “employed coerced surplus labourers as part of a scheme that brought ‘more than 1,800 poor labourers [who] are all beneficiaries of the organised transfer of labour from poor families from ten deeply impoverished counties in three prefectures of southern Xinjiang.’”⁷

Finally, we are concerned about a possible conflict of interest arising from reports regarding Special Climate Envoy John Kerry’s \$1 million stake in the aforementioned Chinese solar panel giant Longi.⁸ Mr. Kerry reportedly turned a blind eye to China’s abuses of the Uyghurs and China’s use of Uyghur slave labor in his communication with Chinese leaders, as he told a reporter that issues as such are “not my lane.”⁹

²Laura T. Murphy and Nyrola Elima. "In Broad Daylight: Uyghur Forced Labor and Global Solar Supply Chains." Sheffield Hallam University Helena Kennedy Centre for International Justice.

<https://documentcloud.adobe.com/link/track?uri=urn:aaid:scds:US:d360ffab-40cc-4d83-8b8b-a8bd503286a3#pageNum=25>

DAQO’s IPO can be found here: pdf.dfcfw.com/pdf/H2_AN202009111411081991_1.pdf

³ [In The Shadow of Slavery and Dirty Coal: How Daqo New Energy Became The World’s Lowest Cost Polysilicon Producer — Bleecker Street Research](#)

⁴ See 北京市君合律师事务所 关于新疆大全新能源股份有限公司 首次公开发行人民币普通股（A 股）并在科创板上市 <http://file.finance.sina.com.cn/211.154.219.97:9494/MRGG/CNSESHTOCK/2021/2021-1/2021-01-15/6852572.PDF>

发行人与石河子大学化学化工学院联合建设 “兵团光伏硅材料工程实验室” ；

“The issuer collaborates with the School of Chemical Engineering of Shihezi University in building XPCC Photovoltaic Material Laboratory” 实验室作为研发的产业化基地 “The laboratory is a base for (Xinjiang Daqo’s) R&D.”

⁵ [China’s solar glass shortage to drag on panel output into 2021 | Reuters](#)

⁶ Supra Note 2

⁷ Ibid.

⁸ <https://freebeacon.com/biden-administration/customs-and-border-protection-seizes-imports-from-chinese-company-backed-by-kerry-investments/>

⁹ <https://nypost.com/2021/11/11/john-kerry-china-human-rights-violations-not-my-lane/>

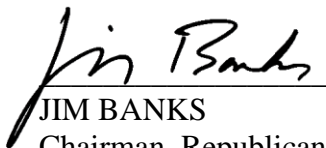
Since the Uyghur Human Rights Policy Act passed into law in June 2020, not a single entity has been designated under the authority. Now, those sanctions have been augmented by the Uyghur Forced Labor Prevention Act. Due to these concerns, we supported an amendment to the America COMPETES Act which passed the House of Representatives yesterday in a bipartisan vote, which required a determination into whether the aforementioned companies meet the criteria for designation under both laws for their use of forced labor.

We would like a response to the following questions before February 11th, 2022:

- (1) Does Longi meet the criteria for designation as a Specially Designated National (SDN) under the Uyghur Human Rights Policy Act, the Uyghur Forced Labor Prevention Act, the Global Magnitsky Act, or any other provision of law? If not, why not?
- (2) Does Xinjiang Daqo meet the criteria for designation as an SDN the Uyghur Human Rights Policy Act, the Uyghur Forced Labor Prevention Act, the Global Magnitsky Act, or any other provision of law? If not, why not?
- (3) Does East Hope meet the criteria for designation as an SDN the Uyghur Human Rights Policy Act, the Uyghur Forced Labor Prevention Act, the Global Magnitsky Act, or any other provision of law? If not, why not?
- (4) Does GCL meet the criteria for designation as an SDN the Uyghur Human Rights Policy Act, the Uyghur Forced Labor Prevention Act, the Global Magnitsky Act, or any other provision of law? If not, why not?
- (5) Does Special Climate Envoy John Kerry have any vested interest in China's solar panel industry? If yes, how is your administration going to address this apparent conflict of interest?

Thank you for your time and attention to this matter.

Sincerely,



JIM BANKS

Chairman, Republican Study Committee



JOE WILSON

Chairman, Republican Study Committee National Security and Foreign Affairs Task Force

Cc:

Department of Treasury

Department of Commerce

White House Climate Envoy John Kerry