

BUSINESS

U.S. begins detaining solar panel imports over concerns about forced labor in China

Detentions follow import ban enacted by Customs and Border Protection on solar products containing materials from the Chinese company Hoshine



By [Jeanne Whalen](#)

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A solar power plant in Shaanxi province, China. (Qilai Shen/Bloomberg News)

U.S. officials have begun blocking the import of solar panels that they believe could be products of forced labor in China, implementing a recent ban that could slow construction of solar-energy projects throughout the country.

Industry executives and analysts said solar panels from at least three Chinese companies have been targeted in recent weeks, and a Customs and Border Protection spokesman confirmed by email that the agency has “made a number of detentions” of products under the import ban.

CBP imposed [the ban in June](#) on Hoshine Silicon, which produces raw materials used in solar panels. The agency said it had information “reasonably indicating” that Hoshine, which operates plants in China’s Xinjiang region, uses forced labor, a finding that triggered the ban because U.S. law prohibits the import of goods made by coerced workers

Hoshine had been linked by The Washington Post and human rights researchers to [coercive state labor programs](#) targeting Uyghurs and other minorities.

Chinese companies dominate global production of solar panels, with many using raw materials from Hoshine, the world’s largest producer of metallurgical-grade silicon.

Solar is the fastest-growing source of new electricity generation in the United States, [according to the Biden administration](#), which is aiming to boost it from 3 percent of electricity generation today to more than 40 percent by 2035.

The ban brings to the fore the tension between the administration’s human rights agenda and its efforts to address the climate crisis.

“We want to rapidly transition our fuels to solar and wind and other renewables,” said Mark Z. Jacobson, a renewable-energy expert and engineering professor at Stanford University. “Any slowdown of this transition creates a loss of life,” he added, noting that the burning of fossil fuels is the main driver of air pollution that causes 78,000 deaths per year in the United States and 7 million globally.

Homeland Security Secretary Alejandro Mayorkas, who oversees CBP, has said the administration remains committed to renewable energy. “But, and this is very important, we’re going to root out forced labor wherever it exists, and we’ll look for alternative products to achieve the environmental impacts that are a critical goal of this administration,” he said when he announced the import ban in June.

The CBP enforcement actions have “had a real significant disruption to a lot of planned projects and their ability to complete them this year. It’s going to be very challenging, very difficult,” said Mark Widmar, chief executive of First Solar, a U.S.-headquartered panel manufacturer that doesn’t use Chinese materials.

Widmar said he’s been contacted by some customers looking for alternative suppliers because they’ve had panels detained. First Solar is building new factories in Ohio and India but has limited capacity to fulfill new orders in the coming months, he said.

Philip Shen, a solar-industry analyst with Roth Capital Partners, said his discussions with power utilities and other panel buyers indicate that JinkoSolar, based in Shanghai, has been among the hardest-hit manufacturers, with CBP detaining panels capable of generating about 100 megawatts worth of electricity. That’s enough to power about 29,000 homes a year, Stanford’s Jacobson said.

Canadian Solar, an Ontario-headquartered company with manufacturing facilities in China, and Trina Solar, based in Changzhou, China, also appear to have had panels detained by CBP, Shen said in a research report.

The companies did not respond to requests for comment. Hoshine has declined to comment on the forced-labor allegations.

The CBP enforcement measures are just one obstacle facing Chinese solar-panel manufacturers as tensions between the United States and China rise. As Congress debates big infrastructure spending bills, some lawmakers are pushing to prohibit the funds from being spent on Chinese materials.

An amendment incorporated into the \$3.5 trillion budget resolution passed by the Senate this month would block Chinese components from federally funded renewable-energy projects. The Senate adopted the amendment by a vote of 90 to 9.

Chinese companies dominate solar manufacturing in part because of the country's cheap coal-fired electricity. Low-cost and forced laborers have also helped Chinese suppliers lower their production costs and prices, human rights researchers say.

From its three factories in Xinjiang, Hoshine produces metallurgical-grade silicon that other manufacturers refine into polysilicon, a key ingredient used to make the panels. Hoshine has supplied at least eight of the world's largest polysilicon manufacturers, according to the company's public statements and annual reports.

CBP officials said an agency investigation found two indicators of forced labor in Hoshine's production process: intimidation and threats toward workers, and restriction of their movement.

The Post in June showed how public documents, including Chinese government propaganda and company statements, detailed Hoshine's participation in state-sponsored employment programs aimed at putting minorities in Xinjiang into factory jobs — measures that researchers and former residents say are a form of forced labor, with workers having little choice but to accept the jobs.

Hoshine has described its hiring of minority workers in Xinjiang as contributing to "ethnic unity" and "stability maintenance." Recruits hired through state-organized labor fairs were put through patriotism training and political assessments.

Western governments and human rights groups accuse China of conducting a broad campaign of repression against the Muslim Uyghur population of Xinjiang, including mass detention in camps.

Importers of the detained panels have 90 days to seek their release by presenting evidence to CBP that no forced labor was used in their production, but one trade lawyer and former CBP official said their likelihood of success is "very low."

"Customs has set a very high bar for the amount of evidence that it wants, and my experience says that it's almost never enough," Elise Shibles of Sandler, Travis & Rosenberg said during a recent webinar about the detentions.

The U.S.-based Solar Energy Industries Association said it fully supports the Biden administration's efforts to address forced labor, which it called "reprehensible."

"There is no place for it in our industry. There is also a legitimate concern that enforcement, if overly broad, will unnecessarily disrupt supply chains and make it harder to tackle the climate crisis and create jobs," the industry association said in a statement Friday.

CBP has also enacted import bans on cotton, tomatoes and some computer parts made in China over forced-labor allegations.



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