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By Sayari Analyst Team · Published December 2024

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In August 2025, the Department of Homeland Security expanded the Uyghur Forced Labor Prevention Act's enforcement scope, adding five new sectors to high-priority industries. The original seven-cotton, polysilicon, aluminum, apparel, PVC, seafood, and tomatoes-have dominated compliance thinking since UFLPA's 2021 enactment. The five additions-caustic soda, copper, jujubes, lithium, and steel-span materials critical to manufacturing and energy transition, expanding UFLPA's reach into industries that may not have viewed themselves as high-risk.

For companies sourcing these materials, the implications are immediate: federal scrutiny will intensify and due diligence burden has shifted onto commercial organizations.

What High-Priority Designation Means

A high-priority designation under UFLPA serves three concrete functions. First, it signals commercial organizations to prioritize forced labor risk screening in that sector. Second, it tells CBP and federal enforcement agencies to prioritize reviewing entities within that sector for potential addition to the UFLPA Entity List. Third, it directs other federal agencies to examine procurement through an enforcement lens.

Practically, high-priority status means DHS will devote more attention to entity investigations in that sector and will scrutinize import data more closely. It does not automatically block imports, but it materially increases the likelihood that suppliers, raw material sources, or finished goods will face CBP detention, investigation, or entity listing. For supply chain teams, the designation is a prompt to move beyond passive monitoring-updating supplier questionnaires, intensifying

audits, mapping supply chains deeper into Xinjiang-adjacent regions, and developing evidence trails that withstand federal scrutiny.

The Five New Sectors

DHS designates sectors high-priority when the supply chain carries credible evidence of forced labor risk, the sector has been a target of Xinjiang's government investment strategy, or Xinjiang is a major producer on which the global supply chain depends.

Caustic soda (sodium hydroxide) is foundational to industrial processes. China is the world's largest producer, and Xinjiang ranked fourth in 2022. Copper represents the most consequential addition, with Xinjiang's sector explicitly targeted for government investment and credible evidence of forced labor risk reported. Jujubes illustrate an important principle: UFLPA covers agricultural products. China produces 40 percent of global jujubes; Xinjiang accounts for roughly 20 percent of global production. Lithium presents the most disruptive expansion. As battery and electric vehicle production accelerate, lithium supply chains are strategically vital. China's share of global lithium reserves has grown from 6 percent to 16.5 percent, with Xinjiang as a newly discovered deposit site. Steel rounds out the list, with Xinjiang's government and the Xinjiang Production and Construction Corps (XPCC) explicitly designating steel as key industrial sector.

From Seven Sectors to Twelve: Restructuring Compliance

The expansion restructures the compliance landscape entirely. The twelve-sector list now encompasses raw materials (copper, lithium, caustic soda), agricultural goods (jujubes, cotton, tomatoes), downstream manufactured materials (PVC, polysilicon, steel), and finished goods (apparel, seafood). A company that sources metals, chemicals, or raw materials-or manufactures finished goods from those inputs-is now likely exposed to at least one covered sector. Most large manufacturers touch several.

Updating a compliance program from seven sectors to twelve requires mapping your supply chain to identify which sectors you touch directly, then tracing upstream to suppliers' suppliers for indirect exposure. Develop sector-specific due diligence protocols rather than one-size-fits-all questionnaires. Integrate supply chain visibility across tiers, as federal enforcement increasingly looks past first-tier suppliers. Build documentation demonstrating due diligence to regulators; generic attestations no longer carry weight.

Supply chain mapping platforms that combine entity screening with forced labor risk indicators allow teams to assess exposure across all twelve sectors simultaneously. These capabilities transform compliance from a spreadsheet task into an intelligence operation.

What Expanded Enforcement Means for Compliance Programs

The twelve-sector expansion transforms the risk posture for multinational organizations with supply chains touching commodity markets, raw materials, or downstream manufacturing. For importers of caustic soda or copper components, enforcement intensity will escalate rapidly. DHS has already begun investigating entities in newly high-priority sectors, signaling that the Entity List additions tied to caustic soda, copper, lithium, and steel will follow. Companies should expect that screening and due diligence gaps discovered now will become audit findings and enforcement actions within months.

The practical implication is that compliance teams must front-load investment in supply chain transparency. This means moving beyond traditional supplier questionnaires-which ask suppliers to attest compliance rather than verify it-toward independent verification using import records, beneficial ownership data, and manufacturing capacity assessments. For example, a copper importer should verify that stated suppliers actually operate refineries with documented capacity to fulfill orders, that ownership structures match public registries, and that payment flows reflect legitimate commerce rather than pass-through arrangements.

Additionally, the expanded enforcement scope creates liability exposure for companies that failed to update compliance programs after August 2025. Regulators will view the gap between announcement and program revision as negligence. Documentation showing that companies recognized the expansion but did not adjust due diligence becomes evidence of willful ignorance. Compliance teams should create documented records showing when they updated risk assessments, revised supplier questionnaires, and trained procurement staff on the expanded sectors.

The enforcement environment is now highly dynamic. DHS may add additional sectors beyond caustic soda, copper, jujubes, lithium, and steel as investigations progress. Companies should assume a multi-year period of tightening enforcement and escalating scrutiny. Building compliance infrastructure that scales-through technology platforms and documented procedures rather than manual review-is now essential operational resilience.

The twelve-sector list will likely not be final. As DHS investigates forced labor patterns in Xinjiang, additional sectors may be added. Supply chain teams should assume the enforcement environment will only tighten and begin updating supplier screening, audit protocols, and documentation immediately.

For comprehensive mapping and screening across the expanded sector list, explore tools that index over 800 million entities with forced labor risk indicators. Sayari's sourcing and procurement platform allows supplier screening, upstream mapping, and bill-of-materials generation, providing the visibility needed to operate confidently across all twelve covered sectors.

Please visit sayari.com to learn more.

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