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High-Voltage Enforcement: UFLPA Turns Up the Heat on Lithium-Ion and Energy Storage Imports

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Executive Summary

U.S. Customs and Border Protection (CBP) has significantly intensified its enforcement of the Uyghur Forced Labor Prevention Act (UFLPA) since the law took effect in June 2022. CBP's public dashboard and related reporting indicate that, through early 2026, the agency has reviewed more than 18,000 shipments with an aggregate value of approximately $3.81 billion. Enforcement now targets complex, component?heavy supply chains rather than only legacy "priority" sectors. Volume peaked in fiscal year (FY) 2025, when CBP stopped roughly 7,325 shipments for UFLPA review (more than 50% above FY 2024), while only about 6.5% of those shipments were ultimately released into U.S. commerce. Although the dashboard does not distinguish between releases based on applicability determinations and those based on rebuttal of the statutory presumption, the low release rate is consistent with stringent UFLPA enforcement, including in cases involving Chinese?origin supply chains. Early FY 2026 data suggest a shift toward high?volume, lower?value items, such as automotive castings and components, with the total number of detained shipments remaining elevated even as total detained value declines.

Against this backdrop, the August 19, 2025 Forced Labor Enforcement Task Force (FLETF) UFLPA Strategy update designated lithium as a high?priority sector alongside caustic soda, copper, jujubes/red dates, and steel. The designation reflects the growing lithium reserves in China's Xinjiang Uyghur Autonomous Region's (XUAR), substantial state-backed investment in mining and processing, and allegations of state-sponsored labor transfers in lithium-related industries. While the Strategy does not isolate finished lithium-ion batteries as a stand?alone category, lithium's central role in batteries, electric vehicles (EVs), grid?scale energy storage, and advanced electronics has translated into heightened scrutiny of these supply chains at U.S. ports.

Electronics, including battery-related components, now account for the largest cumulative share of UFLPA detentions, and automotive and aerospace parts are among the fastest-growing categories. The UFLPA Entity List remains at 144 entities following a major expansion on January 14, 2025, that added 37 parties, many tied to critical minerals mining and processing. For importers of lithium-ion batteries, energy storage systems, and electronics, UFLPA compliance is now a core trade and supply chain risk.

Policy Drivers: 2025 FLETF Strategy and ILAB Findings

The 2025 FLETF Strategy update reflects a deliberate policy decision to prioritize upstream raw materials and critical minerals rather than focusing solely on finished goods. In that update, FLETF formally designated lithium

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as a high?priority sector, aligning it with other industrial inputs such as caustic soda, copper, and steel. The Strategy highlights XUAR's expanding role in China's lithium reserves and government-backed plans to develop what has been described as the "world's largest lithium mining and extraction hub" in Hotan Prefecture, as set forth in the XUAR Mineral Resources Master Plan (2021–2025), which identifies lithium as an "advantageous" resource closely tied to battery manufacturing.

The Strategy also emphasizes forced?labor risk indicators in the lithium value chain, relying in part on reports such as Sheffield Hallam University's "Driving Force," which links multiple XUAR-based lithium companies to state?sponsored labor transfer programs. Lithium's importance to EVs, grid?scale storage, and advanced electronics makes it a natural focal point at the intersection of human rights, supply chain security, and industrial policy. Although finished lithium?ion batteries are not separately listed as a high?priority sector, FLETF's criteria (supply chain opacity, documented forced labor risks, and strategic significance) are all present in battery and energy storage ecosystems.

The U.S. Department of Labor's Bureau of International Labor Affairs (ILAB) further underscores these concerns. In the 2025 Strategy update, ILAB reported that it "has reason to believe that lithium-ion batteries manufactured in China are produced with an input produced with child labor," specifically cobalt ore mined in the Democratic Republic of the Congo (DRC). ILAB notes that cobalt is used in nearly all lithium?ion batteries, that the DRC produces the majority of the world's cobalt, and that most cobalt?producing mines in the DRC are owned or financed by Chinese companies. This linkage between Chinese lithium?ion battery manufacturing, DRC cobalt, and child labor risk reinforces the U.S. government's view of lithium and battery supply chains as a top?tier enforcement priority.

Port-Level Enforcement Realities

CBP's public guidance and on?the?ground experience indicate increased focus on what occurs below Tier 1 suppliers. Consistent with the FLETF Strategy, CBP is scrutinizing gaps in sub?tier supplier data, incomplete chain?of?custody or ownership documentation, and the sourcing of critical minerals such as lithium, graphite, cobalt, and nickel. The agency looks not only at where raw materials are mined, but also at where they are refined, processed, and converted into battery?grade inputs, particularly when those activities occur in the People's Republic of China or involve entities with known or suspected ties to forced labor.

Exposure to the UFLPA Entity List is a key concern, and CBP considers both direct and indirect relationships, including historic sourcing. The agency has made clear that generic supplier certifications, form letters, and basic invoices are inadequate in high?risk sectors. Instead, it expects transaction?specific and product?specific documentation, such as detailed bills of materials, processing flowcharts, technical specifications, and supplier? and location?level evidence tracing inputs back to origin. Battery and battery material supply chains are especially susceptible to this level of scrutiny because they are heavily documented and regulated for safety and performance, often driving CBP to demand granular data.

The UFLPA Rebuttable Presumption: A High Evidentiary Burden

The UFLPA establishes a rebuttable presumption that goods mined, produced, or manufactured wholly or in part in the XUAR, or by entities on the UFLPA Entity List, are made with forced labor and therefore inadmissible. Once

CBP determines that a product falls within that scope, the burden shifts to the importer, who must rebut the presumption with “clear and convincing” evidence — one of the highest evidentiary standards in U.S. trade law.

It is important to distinguish between (1) a generalized concern that a component might be linked to XUAR and (2) a specific CBP determination that the UFLPA applies because the goods are mined, produced, or manufactured wholly or in part in XUAR or by a listed entity. Once CBP determines that the UFLPA applies, the statutory rebuttable presumption that such goods are made with forced labor is triggered. Overcoming that presumption is extremely difficult and typically requires comprehensive supply chain mapping down to the raw material level, robust due diligence and auditing, and affirmative evidence demonstrating the absence of forced labor at each tier. By contrast, even where CBP has not formally found that the UFLPA applies (but instead raises questions about origin or potential XUAR links) importers still face significant challenges due to supplier opacity, pooled inputs, and reluctance to share commercially sensitive information.

Practical Challenges for Battery, Energy Storage, and Electronics Importers

Lithium?ion battery and energy storage supply chains are inherently fragmented. Materials may be mined in one country, refined or chemically converted in another, and then incorporated into cells, modules, and packs in a third. Suppliers frequently rely on pooled or fungible inputs, complicating batch?level traceability and making it difficult to link specific shipments to mine sites or processing facilities. Upstream providers may resist requests for detailed origin, processing, and ownership information, such as requests for commercially confidential information to (1) identify every material input (*e.g.,* lithium salts, cathode and anode materials, binders, and other critical components), (2) describe each significant processing step from mining and refining through conversion, cell manufacturing, and pack assembly, and (3) provide the locations and responsible entities for those activities. Meeting these expectations often requires specific contractual rights (*e.g.*, audit and data?sharing clauses), internal systems for data collection and retention, and substantial investments in supplier engagement, all of which can affect the timing and outcome of CBP inquiries and detentions.

Broader Trade and Compliance Implications

UFLPA enforcement frequently intersects with other trade regimes and regulatory initiatives. For lithium?ion batteries, energy storage products, and electronics, UFLPA issues often arise alongside Section 301 tariffs under the Trade Act of 1974 (Section 301) on Chinese?origin components and materials, country?of?origin determinations for customs and marking purposes, sanctions, and heightened scrutiny of energy transition and critical technology supply chains. Importers may need to revisit origin determinations and tariff classifications, reassess whether duties were correctly paid, and reconsider sourcing and pricing strategies that were built around Section 301 and related measures. As a result, UFLPA compliance now implicates procurement, logistics, legal, and senior management, particularly where key product lines or strategic markets are involved.

Data Transparency: CBP’s 2026 Dashboard Update

In a January 28, 2026, Cargo Systems Messaging Service notice (CSMS #67538179), CBP announced a revamped forced labor website and an updated UFLPA Enforcement Statistics Dashboard. The dashboard is intended to provide more granular visibility into UFLPA enforcement by refining definitions, adding new data elements, and measuring shipments at the individual import transaction level. Users can apply interactive filters by

shipment count or value, FY, industry, exam result, country of origin, and Harmonized Tariff Schedule four?digit heading (HTS?4), supported by enhanced visualizations such as line graphs, bar charts, and doughnut charts.

CBP emphasizes that the dashboard is limited to UFLPA enforcement and does not include data from other forced labor programs such as withhold release orders, findings, or sanctions-related actions. Data are aggregated to protect sensitive trade and law enforcement information. Taken together with ILAB's findings, these enhancements signal a coordinated, data?driven approach to identifying and targeting lithium?ion batteries and related supply chains.

Outlook and Recommended Actions

The current UFLPA enforcement environment is durable and increasingly focused on upstream materials and components, particularly critical minerals such as lithium, cobalt, nickel, and graphite. Lithium?dependent products, energy storage systems, and electronics are likely to remain under sustained scrutiny.

Reactive approaches are increasingly untenable given the cost, delay, and uncertainty associated with overcoming detentions and rebutting the UFLPA presumption. Companies in the battery, energy storage, and electronics sectors, and their major customers, should consider:

- **Comprehensive supply chain mapping** down to the raw material and processing?stage level;
- **Strengthened due diligence frameworks**, including enhanced supplier questionnaires, contractual data access and audit rights, and escalation protocols for high?risk regions and entities;
- **Robust documentation capabilities**, including transaction?specific evidence, technical specifications, and traceability records that can be produced quickly in response to CBP inquiries; and
- **Continuous monitoring** of CBP's UFLPA Dashboard, FLETF Strategy updates, UFLPA Entity List changes, and related sanctions or trade policy developments.

UFLPA considerations should be integrated into core import compliance programs, not handled as an after?the?fact review.

Conclusion

UFLPA enforcement reflects a conscious policy choice by the Department of Homeland Security, CBP, and FLETF to focus on strategic, high?complexity supply chains where forced labor risks are difficult to detect yet economically significant. Lithium?ion batteries, energy storage systems, and advanced electronics are at the center of this effort. The key question for importers is no longer whether these products will attract UFLPA scrutiny, but whether their supply chains and compliance programs are sufficiently credible, granular, and well documented to withstand it. Organizations that invest now in traceability, documentation, and proactive risk management will be better positioned to avoid costly detentions, preserve market access, and demonstrate leadership in building ethical and resilient global supply chains.

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