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Congress of the United States
House of Representatives

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February 21, 2024

Mr. Oliver Blume
Chief Executive Officer
Volkswagen AG
2 Berliner Ring
Wolfsburg, Niedersachsen, 38440
Germany

Dear Mr. Blume:

We write to express our deep concern over recent reports that thousands of vehicles made by Volkswagen Group (e.g. Porsches, Bentleys, Audis, etc.) were blocked from importation by the U.S. government because the vehicles contained parts made by forced labor in the People's Republic of China (PRC).¹ We request that Volkswagen fully comply with the Uyghur Forced Labor Prevention Act (UFLPA) by removing all products from its global supply chain that contain inputs made in-whole or-in part with forced labor in the PRC. We also urge Volkswagen to cease its operations in Xinjiang, where the U.S. government has determined that the Chinese Communist Party (CCP) is conducting an ongoing genocide against the Uyghurs and other ethnic minorities.

In 2013, Volkswagen opened a factory in Xinjiang as a joint venture with the PRC state-owned SAIC Motor Co. Ltd. (SAIC).² The factory continues to operate to this day, and it is understood to employ roughly 200 people. According to a recent open-source report, Volkswagen used forcibly transferred Uyghur laborers to build and manage various aspects of the facility.³ Volkswagen also reportedly employed Uyghur laborers that were subject to PRC state-sponsored "poverty alleviation campaigns."⁴ According to the U.S. government's Xinjiang Supply Chain Business Advisory, labor transfers and affiliations with "poverty alleviation campaigns" are both warning signs of PRC state-sponsored forced labor. The United Nations

¹ Peter Campbell, Demetri Sevastopulo & Patricia Nilsson, *US Porsche, Bentley and Audi imports held up over banned Chinese part*, FINANCIAL TIMES (Feb. 14, 2024) available at www.ft.com/content/ab63cc9b-1c57-43d0-89c2-8f63e5c06eba.

² Lea Pernelle, *Pressure Mounts on VW to Exit China's Xinjiang Region*, BARRON'S (Feb. 14, 2024) available at www.barrons.com/news/pressure-mounts-on-vw-to-exit-china-s-xinjiang-region-d2ccb0df.

³ See www.handelsblatt.com/unternehmen/industrie/china-vw-bereitet-moeglichen-rueckzug-aus-xinjiang-vor-01/100014819.html.

⁴ *Id.*

stated that these PRC state-sponsored activities in Xinjiang may constitute “crimes against humanity.”⁵

Volkswagen’s problematic connections to Xinjiang extend beyond its joint venture with the PRC government. In response to its vehicles being blocked from importation to the United States as reported by the Financial Times on February 14, 2024, a Volkswagen spokesperson said the cars only contained “one tiny part” made with Uyghur forced labor.⁶ Volkswagen should not seek to brush off or minimize evidence of Uyghur forced labor within its supply chain when the UFLPA explicitly bans the importation into the United States of any products, regardless of size, made in-whole or in-part with such forced labor.

In light of evidence of forced labor within Volkswagen’s supply chain as well as its continued operations in Xinjiang, we call on Volkswagen to immediately cease all operations in Xinjiang and to expand its efforts to comply with the UFLPA. It is vital to both of us, as part of our work on the Select Committee investigating and understanding the wide range of human rights violations occurring in the PRC, that Volkswagen explain its operations in Xinjiang and what steps it is taking to comply with the UFLPA.

The House Select Committee on the Strategic Competition Between the United States and the Chinese Communist Party has broad authority to “investigate and submit policy recommendations on the status of the Chinese Communist Party’s economic, technological, and security progress and its competition with the United States” under H. Res. 11.

To fulfill the Select Committee’s ongoing oversight responsibilities, we request a written response or briefing as soon as possible, but no later than March 5, 2024. Thank you for your attention to this important matter and your prompt reply.

Sincerely,



Mike Gallagher
Chairman
Select Committee on the CCP



Raja Krishnamoorthi
Ranking Member
Select Committee on the CCP

⁵ Louis Charbonneau, *UN Member Countries Condemn China’s Crimes Against Humanity*, HUMAN RIGHTS WATCH (Oct. 23, 2023) available at www.hrw.org/news/2023/10/23/un-member-countries-condemn-chinas-crimes-against-humanity#:~:text=The%20UN%20report%20corroborated%20the,Turkic%20Muslim%20communities%20in%20Xinjiang.

⁶ William Boston & Bertrand Benoit, *Volkswagen Under Pressure to Ditch Its China Joint Venture as U.S. Impounds Vehicles*, WALL ST. JOURNAL (Feb. 15, 2024) available at www.wsj.com/business/autos/volkswagen-eyes-march-delivery-for-cars-delayed-at-u-s-ports-over-part-tied-to-customs-issues-eebd1f3b.