

EXAMINING THE 2024 ANNUAL TRAFFICKING IN PERSONS REPORT: PROGRESS OVER POLITICS

HEARING

BEFORE THE

SUBCOMMITTEE ON GLOBAL HEALTH, GLOBAL
HUMAN RIGHTS AND INTERNATIONAL ORGANIZA-
TIONS

OF THE

COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES

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Tuesday, July 9, 2024

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON GLOBAL HEALTH, GLOBAL HUMAN
RIGHTS, AND INTERNATIONAL ORGANIZATIONS,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to notice, at 2:08 p.m., in room 2200, Rayburn House Office Building, Hon. Christopher H. Smith (chairman of the subcommittee) presiding.

Mr. SMITH. I have been advised by minority staff that Ms. Wild is okay with starting. We usually like to extend that courtesy, but she will be here shortly, so thank you.

This hearing of the Subcommittee on Global Health, Global Human Rights, and International Organizations will come to order.

OPENING STATEMENT OF CHAIRMAN CHRISTOPHER SMITH

Mr. SMITH. Today we will turn our attention again to the evil of human trafficking and discuss ways the U.S. Government, both Congress and the Administration, can combat this abhorrent crime more effectively. This is the 43d congressional hearing that I have chaired on human trafficking. Unfortunately, there is much more to be done. Around the globe, an estimated 28 million people are enslaved in labor or sex trafficking, with traffickers profiting about 236 billion annually.

Today we will specifically examine the 2024 Annual Trafficking in Persons Report, or TIP Report, which the Department of State release just 2 weeks ago on June 24. And I would just note parenthetically getting the TIP Report established, because I wrote the original law, was so hard there were people in the Administration that said just put it into country reports on human rights practices, make it a part D or C or, you know, a subheading somewhere and not its own report. And we fought very hard in a bipartisan way to get that enacted, but it was very vigorously opposed and then finally, thankfully, accepted.

As I was indicating, almost 25 years ago, I authored the historic Trafficking Victims Protection Act of 2000. Once again, the TVPA is up for reauthorization. My good friend and colleague, Ranking Member Wild, and I have a House-passed bill, H.R. 5856, the Frederick Douglass Trafficking Victims Prevention and Protection Re-

authorization Act of 2023. We will have to change that to 2024 when the Senate, God willing, passes it.

It did pass the House this past February by an overwhelming margin of 414 to 11. I do call on my friends and colleagues in the U.S. Senate to take it up. I have reached out to them continually, respectfully but continually and urgently. This vital legislation should be enacted without haste to let governments, civil society, the bad guys, the purveyors of this heinous practice, and especially the victims and survivors know that we have not stopped fighting or caring about this vital human rights issue.

The reauthorization of key domestic and international programs and funding, including the State Department's Office to Monitor and Combat Trafficking in Persons, the role of the Ambassador-at-Large, and the continuation of the annual TIP Report are all contained in the bill. It is time to get this bill to the President's desk. It should have been there a long time ago, but let's do it now before this session ends and we start all over again in the next session.

The TVPA is a whole-of-government approach, as I think many of you know, to combat sex and labor trafficking in the United States and around the world. It puts forward a comprehensive counter-trafficking in persons strategy that integrated the three Ps—protection for victims of trafficking, prosecution of the traffickers, and prevention of human trafficking in the first place.

And sometimes we add a fourth for the partnerships as we cannot—none of us can do it alone. And if we want to be successful, we need those friends and allies across civil society, and of course in other governments.

Among the law's many provisions was the creation of an annual TIP Report. It was written by the Office to Monitor and Combat Trafficking in Persons at the State Department and analyzes countries' efforts to meet certain minimum standards for elimination of human trafficking.

The tier rankings in the TIP Report is a vital tool for the U.S. Government to fight human trafficking. It is also a great mirror for those—and believe me, I meet with delegations all the time who object to parts of it. And when you really get down to it, they agree that what we are saying often is right, but they don't like to be called out. And it is very important that we be willing to speak truth to power in that way.

It is the gold standard for pushing governments to reform their own laws, prosecute criminals, and take strong measures to end trafficking in their countries. The TIP Report only works when it judges governments strictly based on the minimum standards for fighting human trafficking as laid out in the TVPA, as amended.

Political considerations cannot seep into the report. And I would note parenthetically there, in the past, we have had that happen, where there were Ambassadors and there were others, assistant secretaries and regional, who fought hard to keep their country or countries off the Tier 3 rating. That is totally unacceptable. That sells out the victims, as we all know, and I know Hon. Cindy Dyer knows that so well, and very often there is a fight.

Now differences of opinion are inevitable, but when it is being done for other purposes and other parts of the agenda, absolutely

unacceptable. Call it the way it is and then decide what is the best application of the prescribed sanctions, and the like, in the bill.

I was glad to see this year that the TIP Report, the world's top violators of human rights countries, such as China, Cuba, North Korea, Iran, Belarus, Russia, and Nicaragua, rightfully remain ranked in Tier 3.

I was also glad to see that the TIP Report highlighted Cuba's and China's role in state-sponsored forced labor, but we can still take this—but we can still take this a step further by having the tier ratings take into consideration the countries who participate and purchase that forced labor, including from Cuba's foreign medical missions.

Likewise, Laos was rightfully downgraded to the Tier 2 Watch List, in part due to a human trafficking threat rapidly emerging out of Southeast Asia, where Chinese transnational organized crime syndicates operate scam centers with impunity. Bordering Laos, both Burma and Cambodia remain in the Tier 3 designation.

These criminals traffic innocent people from all over the world, luring them to prison compounds with fake job advertisements and offers. Only once these victims arrive at apartment blocks surrounded by armed guards and barbed wire do they realize they are hooked. They can't escape.

Victims are forced to work in these compounds conducting elaborate online cryptocurrency scams known as "pig butchering." Forced by their traffickers to communicate digitally with unsuspecting scam victims, including in the United States, scam center workers attempt to strike up a text through WhatsApp, or even through phone conversations, to gain trust and build relationships.

Victims are then tricked into depositing money into fraudulent so-called "crypto investment platforms" controlled by the scam center. Once enough money is deposited, the scammer withdraws the money, deletes the fake account, and disappears. Through this dystopian fraud, innocent Americans are being robbed of their life savings. Estimates of money stolen from Americans through pig butchering scams are now over \$3.5 billion. And without a whole of-government effort, the problem will likely only get worse.

Yet pig butchering is a double crime. It destroys the lives in the U.S. by robbing unsuspecting victims of their life savings while it also is destroying the lives of the trafficking victims in Southeast Asia through forced labor.

Most of these scam centers are in Burma, Laos, and Cambodia. These countries' governments need to act to shut down these vile operations, to help free the forced labor victims—over 300,000 of them by 2023—and bring the perpetrators to justice.

Neighboring countries such as Thailand, Singapore, and Vietnam also do too little to combat the rampant human trafficking occurring on and through their borders, as well as the money laundering occurring through their financial institutions.

Unlike the appropriate tier ranking for Laos, Cambodia, and Burma, I would argue that Vietnam—and I have been pushing this for years. I have traveled there. I have met with human rights activists in Vietnam and victims. Vietnam does not warrant an upgrade from Tier 2 Watch List to Tier 2. We cannot reward the

Communist Party of Vietnam for repeatedly misleading the U.S. on its weak efforts to combat human trafficking.

Civil society organizations have reached out concerned about Vietnam's sham upgrade to Tier 2 status due to their lack of transparency and accountability for government officials. That said, I was pleased to see that under the topics of special interest the mention of trafficking for the purchase of organ removal and forced organ harvesting.

I have a bill, H.R. 1154, the Stop Forced Organ Harvesting Act of 2023. It passed the House 413 to 2 in March—not of this year, of last year. Can't get that out of the Senate either. This bill imposes property, passport, and visa-blocking sanctions on persons, individuals, and entities involved in forced organ harvesting or trafficking in persons for the purpose of organ removal.

The Frederick Douglass bill also contains a provision to permanently include in the TIP Report information about the trafficking in persons for the purpose of organ removal, including cases and steps governments are taking—undertaking to prevent, identify, and eliminate such trafficking.

Before closing, I would like to mention one more troubling development. Recent years have seen the rise of a disturbing new normalization of so-called sex work, intergenerational sexual partnerships, or transnational—transactional, I should say, sex. These terms are pushed by certain NGO's, international organizations, and governmental organizations alike, and they advocate for legalized prostitution.

Not only do these terms subtly undermine U.S. law in the TVPA, which defines "sex trafficking" and "commercial sex acts," but they also attempt to normalize sex trafficking and the sexual abuse and exploitation of children. Let's be clear, the TVPA defines the term "commercial sex act" as any sex act on account of which anything of value—anything—is given to or received by any person.

And any commercial sex act in which the person is induced to perform such acts and has not attained the age of 18, it is called sex trafficking under the TVPA. And that was a landmark change we got in the year 2000 when it was signed into law.

I was shocked and disturbed to see that Belgium was upgraded to Tier 1 after passing a new law in May 2024 on legalizing the role of third parties, including pimps and madams, and treating exploited women as employees and holding them to account for refusing sex acts. Congress must stand against this disturbing, ideological trend.

I agree fully with the U.N. Special Rapporteur on Violence Against Women and Girls, Reem Alsalem, who wrote in June 2024 in her report to the U.N. Human Rights Council, and she said, and I quote, "Prostitution reduces women and girls to mere commodities and perpetuates the system of discrimination and violence that hinders their ability to achieve true equality. Given the immense harm experienced by women and girls in prostitution, it is important to use terminology that aligns with international human rights law and standards. Terms like 'sex work' sanitize the harmful reality of prostitution."

Prostitution is not a liberating job choice. Sex trafficking should not be called "sex work." Responsible governments, organizations,

and advocates have a duty to fight this disturbing and twisted ideological trend.

Today we will hear—and I am deeply grateful to our witnesses—from Ambassador Cindy Dyer, Ambassador-at-Large to Monitor and Combat Trafficking in Persons, and from Jason Tower, Burma Country Director at the United States Institute of Peace and an expert in Southeast Asian trafficking scam centers.

I would like to now yield to my good friend and colleague, Susan Wild, for any comments she might have.

OPENING STATEMENT OF RANKING MEMBER SUSAN WILD

Ms. WILD. Thank you so much, Mr. Chairman. Thank you for convening this. Thank you to our witnesses.

I am, as always, appreciative of the opportunity to have this hearing. As I stated in our last hearing on this subject, combating the scourge of human trafficking, especially among children but not exclusively, should never be a partisan issue.

Chairman Smith, I am proud to have worked with you and other members across the aisle on this priority, and I look forward to continuing that work. The release of the 2024 Trafficking in Persons, TIP, Report is an opportunity to take stock of the progress we have made and the enormous amount of work that remains to be done.

In my view, our priorities remain the same as those I articulated in our last hearing, engaging in robust, principled diplomacy, both bilaterally and in international fora, reporting on countries consistently and without regard to political pressure or geopolitical considerations, and being willing to take on powerful interests, including very profitable corporations, that benefit from the appalling reality of child labor.

To all the advocates and survivors who may be here today or may be watching this hearing, please know that we stand with you and we will continue working on your behalf.

And, with that, thank you, Mr. Chairman. I yield back.

Mr. SMITH. Thank you very much.

I would like to recognize Mr. McCormick. Dr. McCormick.

Mr. MCCORMICK. Thank you, Mr. Chair. Are we doing questions right now?

Mr. SMITH. No, no. Just any opening comments or——

OPENING STATEMENT OF REPRESENTATIVE RICH McCORMICK

Mr. MCCORMICK. I appreciate you all being here. This is an extremely important topic. I recently got back from Bangladesh, the Cox's Bazar area, which obviously has some issues with 1 million people in about a 13-square-kilometer area where child labor and human trafficking and child trafficking is a massive problem.

But we have our own problems here in the United States, so I am looking forward to this discussion.

Thank you.

Mr. SMITH. Thank you.

Mr. Moylan?

OPENING STATEMENT OF REPRESENTATIVE JAMES MOYLAN

Mr. MOYLAN. Thank you, Mr. Chairman, Ranking Member Wild, as well as my fellow members here. And thank you to the panel for attending today. I appreciate your time and explaining to us a lot of questions that we may have. Being from Guam, I am very interested in the INDOPACOM area and will be asking you a few questions. I appreciate your support today.

Thank you, Mr. Chair.

Mr. SMITH. Thank you very much.

Ambassador Cindy Dyer—and thank you again for being here and for your service—serves as the United States Ambassador-at-Large to Monitor and Combat Trafficking in Persons and leads the Department of State's Office to Monitor and Combat Human Trafficking.

Ambassador Dyer is a human rights advocate and lawyer with three decades of experience working at the local, national, and international levels to prevent and respond to human trafficking, sexual assault, and domestic violence.

In December 2022, the Senate unanimously confirmed Ambassador Dyer to lead the United States' global engagement in combating human trafficking, and they made a very wise choice. For 12 years, she was the Vice President for Human Rights at Vital Voices Global Partnership, an international NGO advocating and advancing women's leadership, where she worked to assess, improve, and implement policies related to human trafficking and gender-based violence.

Prior to joining Vital Voices, she served in a Presidential—as a Presidential appointment, as the Director of the Office of Violence Against Women within the U.S. Department of Justice, where she served as the liaison between DOJ, Federal, State, tribal, and international governments, on matters involving violence against women.

Ambassador Dyer began her career serving as a specialized domestic and sexual violence prosecutor in Dallas, Texas, and did that for more than 13 years.

Then we will hear from Jason Tower, who is the Burma Country Director at the United States Institute of Peace, and also serves as the Director of USIP's program on transnational crime and security in Southeast Asia. Mr. Tower joined the USIP in 2019 and has over 20 years of experience working on conflict and security issues in Asia.

Since 2020, he has also conducted extensive research and published widely on the rising influence of Chinese origin crime groups across Southeast Asia, particularly in Myanmar.

Mr. Tower is one of the first experts to begin documenting the sudden rise that forced labor scamming in mainland Southeast Asia. Since early 2022, he has played a key role in shining light on this poorly understood but rapidly growing incident of human trafficking.

Thank you for being here today, and I yield to Ambassador Dyer such time as she may consume.

STATEMENT OF CINDY DYER

Ms. DYER. Thank you. Chairman Smith, Ranking Member Wild, and distinguished members of this subcommittee, thank you for the opportunity to appear before you today to discuss the 2024 Trafficking in Persons Report, or TIP Report, which was released on June 24, and the Department of State's efforts to monitor and combat human trafficking worldwide.

The TIP Report, which my office produces annually, contains narratives detailing global anti-trafficking efforts of 188 countries and territories, including the United States. It is the world's most comprehensive resource of governmental anti-trafficking efforts, including our own, and reflects the U.S. Government's commitment to global leadership on this key human rights, law enforcement, and national security issue.

This year's TIP Report includes 19 downgrades, with 17 downgrades from Tier 2 to the Tier 2 Watch List, including Hong Kong, Laos, Malta, Rwanda, and Uruguay, and two countries—Brunei and Sudan—downgraded to Tier 3.

There were 22 countries whose rankings improved, including three—the Republic of Korea, Poland, and Suriname—who were upgraded to Tier 1, and five upgraded from Tier 3. Notable upgrades to Tier 2 include Bolivia, Botswana, Bulgaria, Egypt, Malaysia, South Africa, and Vietnam.

The 2024 TIP Report documented several continuing and emerging global trends.

First, we continued to track forced labor within Cuba's medical missions across 53 countries, the PRC's Belt and Road Initiative, and other PRC-affiliated projects in 32 countries, and DPRK workers exploited abroad in 19 countries.

Second, the Department newly documented that Russian authorities, middlemen, private military companies, or Russian-affiliated forces used coercion, deception, and, in some cases, force to recruit foreign nationals, particularly Central and South Asian migrants, as well as citizens from Cuba and Syria, as fighters in support of Russia's war of aggression in Ukraine.

And, third, the report highlights the continued growth of online scam operations, with centers emerging in new regions and victims recruited from an expanding list of source countries.

While the tier rankings are important, the TIP Report is, above all, the U.S. Government's principal diplomatic and diagnostic tool to guide relations with foreign governments on human trafficking, with the narrative and recommendations providing a roadmap to improvement, and the rankings a means to encourage governments to increase and improve their anti-trafficking efforts year after year.

In addition to narratives outlining steps governments are proactively undertaking to combat trafficking, the 2024 TIP Report also implicates additional governments in perpetrating the crime itself with a policy or pattern of trafficking, now including 13 countries, with Belarus added back to the list and Sudan newly added alongside 11 countries that have remained on the list, including Cuba, DPRK, PRC, and Russia.

This year's TIP Report introduction examines the role of digital technology in the fight against human trafficking. In particular, it

highlights how traffickers use digital technology in perpetuating and facilitating human trafficking, but also how digital technology can be used effectively by the anti-trafficking community to monitor and combat this heinous crime.

One example of the nexus of human trafficking and digital technology is the phenomenon of online scam operations, often run by local PRC national-operated crime syndicates. These scam centers have been predominantly located in Southeast Asia, primarily in Burma, Cambodia, and Laos.

The 2024 TIP Report documents the expansion of online scam operations from Southeast Asia to countries in the Western Hemisphere, Europe, Africa, and the Gulf, ensnaring victims from more than 60 countries.

But digital technology can also contribute to the solution as well. For example, digital technology can be used to disseminate information to help prevent trafficking and assist victims. It can also empower law enforcement to uncover a digital trail, helping bring perpetrators to justice.

Addressing human trafficking in today's world requires an understanding and use of digital technology to uncover evidence of trafficking, protect victims, prosecute perpetrators, and, ideally, prevent this crime. These efforts will require governments, law enforcement, technology companies, and civil society to work together to develop and utilize innovative technologies and approaches to address today's and tomorrow's challenges.

The introduction to this year's TIP Report also addresses other areas of interest, including Cuba's coercive labor-export program, in which tens of thousands of workers, the majority of whom are medical professionals, are sent around the world, but often have their wages taken by the Cuban government and are not free to leave the program.

Other topics of special interest include forced marriage, trafficking in persons for the purpose of organ removal, the intersection between trafficking and persons with disabilities, and the importance of worker empowerment as a tool in combating labor trafficking.

The TIP office remains committed to listening and centering the voices of those with lived experience of human trafficking. Partnering with survivors in meaningful ways, from drafting sections of this year's TIP Report introduction to advising us on our programming, is critical to establishing effective victim-centered, trauma-informed, and culturally competent anti-trafficking policies and strategies that address prevention, protection, and prosecution. Survivor input is a central tenet of the Federal Government's approach to combating human trafficking.

As a movement, we must engage survivors early and often in the development of our policies and programs. Allow me to share a few recent examples of State Department survivor engagement.

This year we were honored to have members of the U.S. Advisory Council on Human Trafficking join the U.S. delegation at meetings of the Organization of American States and at the Organization for Security and Cooperation in Europe, delivering remarks on the importance of survivor leadership in anti-trafficking work and other topics, such as prevention strategies.

A Council member again joined the Cabinet officials and other leaders from across the government in the February meeting of the President's Interagency Task Force to Monitor and Combat Trafficking in Persons.

The TIP office has increased funding for locally based and survivor-led initiatives through its foreign assistance programming. Earlier this year we invited organizations to submit applications to provide technical assistance to foreign governments, civil society organizations, and public international organizations to establish survivor leadership and partnership structures around the world.

While modest in size, our foreign assistance programs, which include bilateral and regional initiatives, Child Protection Compact partnerships, and our research-driven, evidence-based Program to End Modern Slavery projects, punch far above their weight in terms of reach and impact. Our multi-year, phased approach means that as of the start of this year we have more than 100 bilateral and regional projects in 84 countries totaling over \$240 million.

On the same day we launched the TIP Report, we also put out a solicitation for proposals to address recommendations in the report. This includes potential new programming touching priority issues in every region of the world; for example, potential projects focused on online scam operations and reducing the reliance on victim testimony in criminal justice proceedings in the Western Hemisphere as well as addressing human trafficking in the Belt and Road Initiative.

We are also working to establish Child Protection Compact partnerships with several governments. And earlier this year we launched the Partnership to Prevent Trafficking in Persons with the government of Zambia. This P2P program builds on the partnership model of the CPC program but expands the anti-trafficking efforts to focus on adults as well as children.

As long as there is a profit motive to exploit other human beings for gain trafficking is at risk of existing. But working together, whether across the aisle or across the ocean, we can work to end this abhorrent practice.

So, again, thank you for all of your support and especially Chairman Smith, Ranking Member Wild, and Representatives Salazar, Amata, and Manning, as well as House Foreign Affairs Committee Chairman McCaul, for shepherding the Frederick Douglass Trafficking Victims Prevention and Protection Reauthorization Act of 2023 through the House.

I very much hope to see passage of a Trafficking Victims Protection Act reauthorization this Congress.

Thank you, and I look forward to your questions.

[The prepared statement of Ms. Dyer follows:]

**Statement of Ambassador Cindy Dyer
Ambassador-at-Large to Monitor and Combat Trafficking in Persons
U.S. Department of State**

**Before the House Foreign Affairs Committee – Subcommittee on Global Health,
Global Human Rights, and International Organizations**

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July 9, 2024

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The Role and Impacts of Digital Technology on Human Trafficking

This year's TIP Report introduction examines the role of digital technology in the fight against human trafficking. In particular, it highlights how traffickers use digital technology in perpetuating and facilitating human trafficking, but also how digital technology can be used effectively by the anti-trafficking community to monitor and combat this heinous crime.

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Topics of Special Interest

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- This year, we were honored to have members of the U.S. Advisory Council on Human Trafficking join the U.S. delegation at meetings of the Organization of American States and at the Organization for Security and Cooperation in Europe, delivering remarks on the importance of survivor leadership in anti-trafficking work and other topics, such as prevention strategies.
- A Council member again joined Cabinet officials and other leaders from across the government at the February meeting of the President's Interagency Task Force to Monitor and Combat Trafficking in Persons.
- The TIP Office has increased funding for locally based and survivor-led initiatives through its foreign assistance programming. Earlier this year, we invited organizations to submit applications to provide technical assistance to foreign governments, civil society organizations, and/or public international organizations to establish survivor leadership and partnership structures around the world.

TIP Office Anti-Trafficking Foreign Assistance

While modest in size, our foreign assistance programs—which include bilateral and regional initiatives, Child Protection Compact partnerships, and our research-driven, evidence-based Program to End Modern Slavery projects—punch far above their weight in terms of reach and impact. Our multi-year, phased approach means that, as of the start of this year, we have more than 100 bilateral and regional projects in 84 countries totaling over \$240 million.

On the same day we launched the TIP Report, we also put out a solicitation for proposals to address recommendations in the Report. This includes potential new programming touching priority issues in every region of the world – for example, potential projects focused on online scam operations and reducing the reliance on victim testimony in criminal justice proceedings in the Western Hemisphere as well as addressing human trafficking in the Belt and Road Initiative.

We are also working to establish Child Protection Compact partnerships with several governments. And earlier this year, we launched the Partnership to Prevent Trafficking in Persons, or P2P, with the government of Zambia. The P2P program builds on the partnership model of the CPC program, but expands the anti-trafficking efforts to focus on adults as well as children.

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As long as there is a profit motive to exploit other human beings for gain, trafficking will exist. But working together, whether across the aisle or across the ocean, we can work to end this abhorrent practice.

So again, thank you for all of your support—and especially Chairman Smith, Ranking Member Wild, and Representatives Salazar, Amata, and Manning, as well as House Foreign Affairs Committee Chairman McCaul, for shepherding the Frederick Douglass Trafficking Victims Prevention and Protection Reauthorization Act of 2023 through the House. I very much hope to see passage of a Trafficking Victims Protection Act reauthorization this Congress.

Thank you, and I look forward to your questions.

Mr. SMITH. Thank you very much, Ambassador, for your testimony and leadership.

I would like to now turn to Mr. Tower.

STATEMENT OF JASON TOWER

Mr. TOWER. Chairman Smith, Ranking Member Wild, distinguished members of the subcommittee, thank you for the invitation to be here to speak to the growing threat that forced labor scamming represents to the United States and to global security.

The United States Institute of Peace is an independent, non-partisan institute established by the U.S. Congress that works internationally on the prevention and mitigation of violent conflict and to support U.S. national security interests overseas.

I will be speaking today to the findings of a new USIP senior study group report that was published in May 2024 titled Transnational Crime in Southeast Asia: A Growing Threat to Global Peace and Security, as well as to ongoing research undertaken by USIP on issues related to forced labor scamming and the role that especially Chinese origin crime groups play in this new form of crime.

Since 2022, a new form of highly sophisticated online scamming known as pig butchering has emerged as a growing threat to U.S. national and global security, and I would say at this point that we really face a global security crisis as a result of this new form of criminality. Pig butchering involves establishing a relationship of trust with a target over an online platform, often this being a romantic relationship through which the perpetrator asserts psychological control over the victim, and ultimately the victim is compelled into investing everything that she or he owns into a fraudulent online cryptocurrency platform.

The perpetrator then disappears with the funds, and in most cases around the world victims are not only unable to recover their worldly possessions, many of them are often left deeply depressed, and we are also seeing growing instances of suicide among those who have been impacted by these scams.

This form of scamming is being perpetrated by transnational organized crime groups from the People's Republic of China based in Southeast Asia, where they have relocated over the past two decades and where they have established a web of elite influence, and in some instances have even taken over control of territories, establishing criminal zones from which they can engage in criminal activity in impunity.

These PRC origin crime groups have set up thousands of compounds to house these pig butchering scams across the region, and they are presently spanning out of the Southeast Asia region into other parts of the world, notably into Dubai and into Africa.

The U.S. lost over \$3.5 billion U.S. to these scams perpetrated by the Chinese origin crime groups out of Southeast Asia in 2023, and that is only the amount that has been reported, noting that the majority of the cases go unreported.

Globally, USIP found that these criminal groups steal over \$63 billion U.S. per year from people in more than 100 different countries. They have powered these scams using forced labor, tricking hundreds of thousands of people into cyber slavery through online

recruitment scams, another form of scamming, which involves enticing victims with the promise of high-paying jobs, only to traffic them into forced labor conditions where they are subjected to torture, often threatened to be sold into slavery in other compounds if they do not successfully scam or meet very aggressive targets by the scam syndicate operators.

Nationals of 66 countries, including the United States, have been trafficked or otherwise tricked into these scam compounds. This is happening on an industrial scale in three countries—Myanmar, Cambodia, and in Laos—but is also found in the Philippines, and again it is spreading further around the world with evidence of these scam syndicates having been found in several difficult jurisdictions.

The scams depend on the criminal actors maintaining free and open access to a full range of social media platforms and recruitment websites. So many of the victims, both of the scams, the pig butchering scams, as well as human trafficking are targeted over common platforms such as Facebook, WhatsApp, WeChat, TikTok, or LinkedIn.

These criminal groups also maintain deep ties in mainland China, with much of the infrastructure that houses these scam syndicates today actually being built by Chinese state-owned enterprises, which accepted lucrative contracts from the Chinese crime groups to build the infrastructure where these victims of human trafficking and forced labor scamming are now held.

The criminal syndicates have also built deep relationships in almost every country in Southeast Asia where they tap into key cross-border resources needed to fuel the scam centers. This includes using countries such as Thailand and Vietnam as transit countries for victims of human trafficking, using Singapore, the Philippines, and Malaysia to launder funds and to develop new financial tools and cryptocurrency products that are used in the scams, as well as really targeting every country in the Southeast Asia region with forced labor scamming.

And we are seeing that actually the region and the countries of ASEAN are some of the hardest hit countries, both in terms of losses to the scams as well as trafficking victims into scam centers.

This activity now represents a direct threat to U.S. interests at home and abroad. According to U.S. authorities, Americans are now targeted more than any other group in the world by these scams. This is being accelerated by an aggressive crackdown that the Chinese government has undertaken since 2022 on scams that are targeting Chinese nationals.

The result is that the Chinese origin crime syndicates are adapting. China reported a 30 percent decrease in these scams over the past 8 months, while the U.S. reports unprecedented losses as many of the criminal syndicates have pivoted to targeting more Americans and targeting more of a global population.

These trends also undermine years of U.S. investments in countering human trafficking. For the first time, you are seeing countries like Myanmar, Cambodia, and Laos become destination countries of human trafficking. And according to a recent report by INTERPOL, anyone anywhere can now become a victim of trafficking simply by applying for a job online.

Another threat to the U.S. stems from China's response to these crimes. With many countries becoming more desperate to find a solution, China is leveraging this issue to strengthen the influence of its police and its authoritarian form of policing around the globe, enhancing also its security influence, which threatens U.S. investments in democracy, governance, and human rights.

Sadly, the response to this phenomenon to present is limited, ad hoc, and uncoordinated. Awareness of the pig butchering scams in the U.S. and many other countries around the world remains low. Law enforcement is not tooled with the technologies and skills needed to trace and seize especially cryptocurrency. That is the main form of currency stolen by these scams.

Social media companies are not held accountable when their platforms are used to traffic victims or to steal billions of dollars from unsuspecting victims. Resources for victim response are also limited given the new patterns in victims of human trafficking and the traditional organizations that are responding not being tooled with resources needed to support those victims.

When it comes to human trafficking into the compounds, efforts are also very ad hoc. Recent cases of victims from Morocco and Uganda that were trafficked into Myanmar required that senior officials from those countries be sent out to the region to engage in weeks of negotiations with criminals and armed groups in Myanmar controlling these compounds with many of the victims being injured or even killed trying to get out.

In other cases, families have paid large ransoms to extract their relatives that have been trapped in these centers, with there being instances of people paying up to \$100,000 to retrieve their relatives from the scam centers.

Others have been treated as criminals rather than victims of trafficking when being brought out, and this is happening especially in the People's Republic of China, but then also across the region more broadly.

In our USIP senior study group report on these issues, we identify this as a growing threat to global peace and security, and we urge that the U.S. considers a whole-of-government response to this phenomenon of forced labor scamming. Potentially this could be led by the National Security Council, which could establish an interagency task force to steer this effort both at home and abroad, as well as to assert U.S. leadership on this issue internationally.

The report also looks at other options, including advancing much more robust international cooperation, to systematically constrain the criminal networks that are behind these scams. This may require leveraging sanctions or other punitive measures to target the malign actors that are behind these scams, including elites in countries that continue to provide criminal actors with protection in Myanmar, Cambodia, and Laos, in particular.

The report also looks to increase investments in the gathering and sharing of information on all aspects of the forced labor scamming industry, and in the building of the capacity of law enforcement and regulatory agencies to recover funds, particularly by enhancing capacities to trace cryptocurrencies.

It also suggests engaging in a nationwide public awareness-raising program to protect U.S. citizens and also that the U.S. support similar awareness-raising programs internationally.

Other recommendations include investments in prevention of new forms of technology-fueled human trafficking focusing specifically on mobilizing active involvement of the private sector in reversing some of these trends in the social media space.

And, last, we call to hold the PRC accountable given that it was in fact the People's Republic of China that played a significant role in enabling this current crisis, look at demanding that China share intelligence on these issues, and take decisive action to prevent Chinese origin crime groups from harming the United States, in maybe a similar manner as to what we have done around the Fentanyl crisis.

Thank you for inviting me to testify, and I look forward to questions.

[The prepared statement of Mr. Tower follows:]



UNITED STATES INSTITUTE OF PEACE

**“Examining the 2024 Annual Trafficking in Persons Report:
Progress over Politics”**

**Testimony before the U.S. House Committee on Foreign
Affairs**

**Subcommittee on Global Health, Global Human Rights and
International Organizations**

**Jason Tower, Myanmar Country Director, Asia Center
United States Institute of Peace
July 9, 2024**

Chairman Smith, Ranking Member Wild, distinguished committee members, thank you for providing me with the opportunity to speak to: (1) the growing threat that forced labor scamming in Southeast Asia presents to the national security of the United States, (2) on what has been done until present to counter this growing global crisis, (3) on how this pertains to the recently launched Trafficking in Persons Report, and (4) on why the U.S. needs to advance a whole of government approach to addressing the rising threat stemming from Chinese origin crime groups operating sophisticated scam operations in Southeast Asia. Since early 2022, these criminal groups have targeted a global population with a scourge of online scamming based out of industrial scale scam compounds or “fraud factories” located in Cambodia, Laos and Myanmar. A USIP expert group concluded that as of the end of 2023, these criminal actors steal an astonishing 64 billion US dollars per year, including over 3.5 billion U.S. dollars from Americans. Equally concerning, the criminal syndicates have trafficked people from 66 countries into scam compounds, where they are forced to work as scammers and subjected to torture.

Before going deeper into these issues, please allow me to introduce myself. Since late 2019, I have served as the Myanmar Country Director in the Asia Center at the United States Institute of Peace, and since 2022, I have also served as director of a USIP program on Transnational Crime and Security in Southeast Asia. I have over 20 years of experience working on peace, security, and transnational crime in Asia, and since 2019 have focused much of my research and analysis on the growing influence of Chinese origin crime groups in the region.

For the past 40 years, USIP has worked to prevent armed conflict, support peace, and support U.S. national security interests around the world. As part of its work in Asia, USIP has supported peace and democracy in Myanmar, including through efforts to counter the growing influence of criminal groups which have become a key driver of the country’s internal conflict; and by working to hold the military regime accountable for its direct involvement in protecting, supporting and even operating criminal enterprises as a means of generating financing for its ongoing war against the Myanmar people since the February 2021 military coup. USIP has also supported initiatives across the region and in the United States to raise awareness of the growing threats that transnational crime presents to peace, security, democracy and governance, and supported efforts of law enforcement and decision makers to map criminal actors, identify perpetrators, and strengthen local, regional and international responses. My presentation today will draw heavily on the final report of a senior study group on transnational crime in Southeast Asia which I co-authored, and which

was published by the Institute in May of 2024 with the support of the State Department's Bureau of International Narcotics and Law Enforcement Affairs.¹

Introduction

Over the past two decades, Chinese-origin transnational crime groups have become deeply embedded across Southeast Asia, establishing a web of influence and control over regional elites that enables them to perpetrate a wide range of crimes with impunity. While initially these criminal actors focused on illegal and unregulated online gambling operations targeting nationals of the People's Republic of China, by 2018, they increasingly engaged in cybercrimes, including online fraud and scams. On the eve of the pandemic, it was estimated that more than 500,000 PRC nationals were working for these criminal organizations, which were tapping into a 40 – 80 billion dollar per year market for online gambling in China – which is illegal under Chinese laws.

Throughout the 2010s, the Chinese government not only looked the other way as these transnational organized crime groups grew in power and influence across Southeast Asia, elements of the Chinese Communist Party, the Chinese government and Chinese State-Owned Enterprises directly benefited from the criminal activity. In Myanmar, Chinese State-Owned enterprises accepted hundreds of millions of dollars in contracts from criminal entities to construct crime cities in the country's borderlands; across the region, the criminal networks openly built associations with elements of the PRC government and Communist Party, supporting PRC political and economic initiatives including the Belt and Road Initiative and the Global Security Initiative in exchange for a veneer of legitimacy.²

While Chinese police occasionally cracked down on the criminal groups, often this was done through ad hoc, targeted law enforcement campaigns, which resulted in the criminal groups simply relocating their operations to other countries. From the early 2000s until 2019, the criminal groups spread from an initial focus on the Philippines and Northern Myanmar to Laos, which became a hub by 2009, and later to Cambodia and the Myanmar border with Thailand, which saw a massive upsurge in Chinese origin crime groups by 2017.

China's approach shifted significantly at the outset of the pandemic when it (1) called its nationals back to China as part of its draconian measures to control COVID-19; and (2) it initiated an unprecedented crackdown on scams, fraud and other cybercrimes targeting

¹ [Transnational Crime in Southeast Asia: A Growing Threat to Global Peace and Security | United States Institute of Peace \(usip.org\)](#)

² [Myanmar's Casino Cities: The Role of China and Transnational Criminal Networks | United States Institute of Peace \(usip.org\)](#)

Chinese nationals, including through the banning of crypto-currency and by instituting strict banking controls to prevent overseas financial transfers and capital outflows.

In response, the criminal networks pivoted in a dramatic way – first by rolling out a new and distinct form of sophisticated online scamming called “pig-butcher” that they now use to target a global population; second by trafficking a global population of victims into the scam centers to operate these “pig-butcher” scams. The Chinese crime groups behind these scams, and the regional elites that have aligned with them, have emerged as one of the most powerful organized criminal networks in the world.

What is Pig-Butchering?

Pig-butcher involves establishing a relationship of trust with a target over an online platform, establishing psychological control over this target, and ultimately compelling them to invest everything they own in a fraudulent, online investment platform. These platforms often mirror major trading platforms, conferring the appearance of legitimacy; however, they are fully controlled by the criminal syndicates.

These pig-butcher scams are also distinct in their utilization of forced labor. Criminals are now trafficking a GLOBAL population into compounds designed explicitly for these scam operations. They do this through another scam – the fake job scam, through which they present themselves as a legitimate company, offering employment opportunities with attractive wages and benefits. Survivors report going through several rounds of interviews before receiving an offer, including plane tickets and relocation expenses. On arrival in a transit hub country like Thailand or Vietnam, they are brought across borders into neighboring Cambodia, Laos or Myanmar, and only to realize they have been trafficked when they are told that they cannot leave the compound and that they must work as scammers. Failure to do so results in physical or psychological torture, or in many cases in the victims being sold to other compounds as “cyber-slaves.” Numerous witnesses have reported being sold multiple times, and in some cases scam syndicate operators have threatened to sell victims to criminal groups involved in black market organ harvesting. According to our research, the nationals of 66 countries have been trafficked, including a small number of Americans. A 2023 United Nations report found that as many as 220,000 people have been trafficked into forced labor scam syndicates in mainland Southeast Asia.³

Why are Scam Syndicates Using Forced or Trafficked Labor

The use of forced labor distances the scam syndicate operators from the scams, making it more difficult for law enforcement to identify the real perpetrators. At the same time, this

³ [ONLINE-SCAM-OPERATIONS-2582023.pdf \(ohchr.org\)](#)

also presents an additional revenue generating opportunity – the open sales of trafficking victims across compounds and demands that victims either successfully scam to earn their freedom or pay a large ransom. Once in the control of the scam syndicates, it is extremely difficult for victims to regain their freedom. For individuals unwilling or unable to scam, the syndicates eventually gain access to their relatives, and coerce them into paying tens of thousands of dollars in ransom for their release. Family members are often sent videos of relatives being subjected to torture. In some cases, conditions in syndicates are so poor that victims commit suicide; in other cases, they lose their lives attempting to escape, or are killed when the syndicates go too far in subjecting them to torture. Videos of individuals falling out of high-rise scam compounds in Cambodia and Myanmar are now regularly circulated on social media.

Securitized Compounds

While the nature of scam compounds varies across countries, in all cases they rely on a range of security forces to prevent victims from escaping and to keep unwanted visitors from infiltrating the compounds. In the case of Myanmar, the Myanmar army's Border Guard Force in Karen State, which is directly involved in operating some of the country's largest scam syndicates deploys its forces to provide security outside the scam syndicates. In other parts of the country, ethnic armed organizations such as the United Wa State Army are some of the largest providers of security to scam compounds. Inside the compounds, scam syndicates rely on highly trained private Chinese security guards, many of which are ex-People's Liberation Army. Some of the same organized Chinese crime groups that own compounds in Myanmar, Cambodia or Laos also operate large scale security companies in each of these countries, as well as in Thailand. In Cambodia, current or former police are often hired by the scam compounds to provide security; meanwhile in Laos, security guards are often recruited from ethnic armed organizations in Northern Myanmar. The extreme securitization of these compounds represents a growing security challenge to governments and law enforcement across the region. In the case of Laos, the Lao government has largely lost the ability to enter the Golden Triangle Special Economic Zone, which is the location of majority of the country's scam compounds.

The role of social media and advanced financial technology

Victims of both trafficking and the pig-butcherer scams are targeted using social media, professional networking or dating platforms such as Messenger, WhatsApp, Tinder, LinkedIn, Tik Tok, WeChat or Jobs.com. Pig-butcherer scams often begin with what appears to be a misdirected message over one of these platforms from an account with an attractive profile picture. If successful, this leads to what can be an extended period of courting, until finally the victim is convinced to begin investing in an online platform, often in crypto-currency.

Human trafficking is facilitated over the same platforms, with the scam syndicates most commonly tricking victims into accepting seemingly lucrative jobs. To date, the private sector has failed to identify effective means of preventing this from happening, often claiming that it cannot distinguish between real and fake job opportunities.

Criminals also rely on advanced financial technologies to facilitate financial crimes and launder money. Over the past two decades the Chinese crime groups behind the online gambling and scams have invested heavily in the development of new crypto-exchange platforms and applications and in the development of leading programming and software development firms across Asia that produce a full range of technology solutions used by criminals to scam. Meanwhile, the same technologies are used to launder stolen crypto-currency across the region, with almost every country in ASEAN impacted by a range of new forms of money laundering using crypto-currencies. One of the main reasons why these scams are so difficult to combat is the fact that law enforcement around the world, including in the United States has very limited understanding of these technologies. In particular, very few law enforcement officials know how to trace stolen crypto currency.

How is this harming the United States?

U.S. interests are impacted most directly by the fact that hundreds of thousands of Americans are losing everything to these criminal syndicates. According to U.S. authorities, Americans are now targeted more than any other group in the world.⁴ This is being accelerated by an aggressive crackdown that the Chinese government has undertaken since 2022 on Chinese scam syndicates targeting Chinese nationals. In May of 2024, the Chinese police reported that they have repatriated nearly 50,000 Chinese nationals out of scam syndicates in Southeast Asia. The result is that the criminals adapt – as China reports a 30% decrease in these scams over the past 8 months, the U.S. reports unprecedented increases.⁵

These trends also undermine years of U.S. investments in countering human trafficking, with these criminal networks now introducing a wide range of unprecedented forms of trafficking. For the first time, Myanmar, Cambodia and Laos are destination countries. According to INTERPOL, anyone anywhere can now become a victim of trafficking, and traffickers are using new technologies, new routes and new methods of accessing victims.⁶

Another threat to the U.S. stems from China's response to these crimes. The Chinese government has framed its response as part of its Global Security Initiative, which aims to challenge global security norms and dramatically increase Chinese security influence

⁴ [CI issues red flags, tips to avoid falling victim to pig butchering schemes during International Fraud Awareness Week | Internal Revenue Service \(irs.gov\)](#)

⁵ [China Forces Myanmar Scam Syndicates to Move to Thai Border | United States Institute of Peace \(usip.org\)](#)

⁶ [INTERPOL issues global warning on human trafficking-fueled fraud](#)

overseas. With many countries becoming more desperate to find a solution, China is leveraging this issue to strengthen the influence of its police and its authoritarian form of policing around the globe, threatening U.S. investments in democracy and human rights.

What has been done to counter this crisis?

The short answer is very little. While hundreds of thousands of people in the United States have fallen victim to these scams, we have not been able to indict the perpetrators behind these crimes; meanwhile in most cases, law enforcement cannot recover funds. Awareness raising about pig-butcher scams is minimal, lagging behind the moves of the criminal syndicates to develop new and more sophisticated iterations of the scams. Patterns are similar in other countries, with perhaps Singapore and Taiwan standing out as exceptions.

Meanwhile, the number of trafficking victims has also continued to grow over the past three years, with an additional 20 countries impacted by human trafficking between March 2023 and May 2024. One key reason for this is that the majority of countries have failed to invest in prevention. Airport authorities have done very little to attempt to screen for possible victims; social media and recruitment platforms have failed to issue warnings or remove harmful job advertisements; public announcements and awareness raising campaigns have been limited in most impacted countries; finally, international cooperation on these issues remains weak, as most governments around the world have yet to make this a priority.

Lack of information and limited accessibility presents serious challenges to response efforts. Most countries struggle to obtain information on when and where their nationals are trafficked, and even in cases where they can obtain this information, the response is ad hoc and reactive. In the case of trafficking victims in Myanmar, the illegitimate military regime has deep involvement in the scam business and has neither the capacity nor the political will to help victims. As a result, senior diplomats from victim countries often have no choice but to travel to Thailand to plead with the Thai authorities for assistance in gaining access to compounds across the border in Myanmar. In other cases, senior officials resorted to negotiating directly with the Chinese crime groups or paying ransoms to retrieve victims.

Some countries have started using sanctions as a tool to target criminals, notably the United Kingdom, which sanctioned 14 individuals and companies for forced labor trafficking in December of 2023.⁷ Others have issued arrest warrants targeting perpetrators. While so, coordinated action vis-à-vis sanctions or warrants is almost non-existent.

In Southeast Asia, one significant challenge is that a regional response has proven difficult given that Cambodia and Myanmar continue to openly deny that this is a problem,

⁷ [UK and allies sanction human rights abusers - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/uk-and-allies-sanction-human-rights-abusers)

undermining the efforts of ASEAN to mount a collective response. Elsewhere across the world, many multilateral and regional organizations have yet to take action.

The U.S. has played an important role in documenting these developments through the TIP report over the past two years. This offers a baseline for the U.S. to advance work with countries across the world to address various aspects of this problem. While so, human trafficking is only one symptom of a much bigger crisis – the real challenge lies in addressing the power and influence of the transnational criminal groups that are behind this scourge of forced labor scamming.

Policy Options

For the U.S., our SSG report identifies the following recommendations:

- (1) A whole-of-government response, headed by the National Security Council, which establishes an interagency task force to steer the effort both at home, as well as to assert U.S. leadership on this issue internationally;
- (2) Advance robust international cooperation to systematically constrain the criminal networks behind the scams; this may need to include leveraging sanctions or other punitive measures to target malign actors in countries that continue to provide the criminal actors with space to engage in forced labor scamming; USIP's SSG report identifies Myanmar, Cambodia and Laos the primary countries tolerating this activity.
- (3) Invest urgently in gathering and sharing information on all aspects of the scamming industry, in understanding the technologies deployed, and in building the capacity of law enforcement and regulatory agencies to counter these technologies, particularly with respect to crypto currency and fintech.
- (4) Engage in a nationwide, public awareness program to protect U.S. citizens, and support similar programs internationally to protect a global population.
- (5) Invest in prevention of new forms of technology fueled human trafficking, focusing especially on mobilizing the active involvement of private sector actors and platforms in reversing these trends.
- (6) Demand that the PRC share intelligence and information that it has gathered, and that it take decisive action to prevent Chinese origin crime groups from harming the United States (similar to the response to the fentanyl crisis).

Thank you for inviting me to testify, and I look forward to your questions.

The view expressed in this testimony are those of the author and not the U.S. Institute of Peace.

Mr. SMITH. Mr. Tower, thank you very much for highlighting a seriously underappreciated and unacknowledged problem that is happening as well as your other work. Thank you for that.

I would like to ask a couple of questions and yield to my colleagues. I have more questions I would like to pose.

I would like to start off with the whole issue, remember, last time, Ambassador Dyer, I asked about the unaccompanied minors, the 85,000. That was the generally accepted number of those coming across our border who we had lost contact with, did not know—I mean, I reached out to Homeland Security, as you recommended, and we still don't know what happened to those kids. And that number could be far in excess of that now. We don't know. It probably is. And HHS as well, but Homeland Security is what you had recommended. We reached out to both.

And I am wondering, you know, what can be done? Are we trying to track those kids, find out where they are? I mean, I am a great advocate of adoption, and I know how important home studies are and how important it is to vet those who are going to receive a child and make that child part of their home.

Well, when the conveyance of that child is occurring en masse, and that is what has been happening, those kinds of very high bar standards are not even close to being fulfilled. So it would be easy for a scammer to get their hands on a kid to sexually exploit and/or labor exploitation, but we still seem to be woefully ill-informed about—what about those kids?

Ms. DYER. The plight of the unaccompanied children who have—especially those who have been identified working in completely inappropriate workplace environments that has been reported in the news, it is heartbreaking. I do recall your interest and your passion for this subject, and I am happy to report what we have done most recently.

In particular, the State Department works closely with our colleagues at DHS and HHS who share responsibility for processing unaccompanied children and caring for them, placing them, and discharging them hopefully into loving and appropriate homes.

We know that the increase in the reports of child labor violations, especially as we spoke about of migrant children, is a—it is terrible in itself, and it is a risk factor for becoming a risk of trafficking persons.

This is something that actually we covered fairly significantly in the U.S. narrative of this year's Trafficking in Persons Report. HHS is vetting and assessing sponsors, and they have in fact expanded their post-release services, and they are committed to expanding those post-release services to all of the children that have been placed with a sponsor.

In particular, the Trafficking in Persons Report, as we do—as we address this issue globally, we are specifically recommending increased funding so that all children have legal representation. Having access to legal counsel will provide specific security and safety for them.

Additionally, we—and I think this is something that you had brought up—are encouraging and recommending increased in-person wellness checks. As we know, the children that you have spoken about were individuals. They were with a sponsor that did not

respond to a phone call. And so our Trafficking in Persons Report is, therefore, recommending then in-person wellness checks for individuals that don't receive—that don't respond to a phone call.

Mr. SMITH. If I can interrupt, is that being done now?

Ms. DYER. That is recommended in the report, and I do know that—

Mr. SMITH. That doesn't take legislation. That just takes executive action. Why won't they do it?

Ms. DYER. What we know for sure is that HHS has already expanded the post-relief services, and they are seeking funding to expand them to all children. I think more specificity—I might need to refer to my colleagues at HHS, but I do know that they have—and this was reported in the Trafficking in Persons Report as a positive development—there was a notable expansion of services, specifically post-release services, to children.

Mr. SMITH. Has there been any accountability for the 85,000? Have any been discovered to have been exploited? Have they been brought to a safe haven of some kind, whether it be within a family or some government institution?

Ms. DYER. I think—

Mr. SMITH. What about those kids?

Ms. DYER. I think that the specific circumstances of the individual children would be something that maybe we would have to refer to my colleagues at HHS. I don't have access to the specific identifying information.

Mr. SMITH. Could you make that inquiry? I mean, you are the top TIP person, and—

Ms. DYER. Yes. And as you know—

Mr. SMITH [continuing]. We believe in our own neighborhoods these kids are being horribly mistreated. We don't know. They are probably very afraid to come forward. And, you know, in the Fiscal Year 2023 amount of 15 million, that was reduced. It was 18 million in 2022, so it looks like there is even less money available for this.

So, but I don't think it is a matter of money. I think it is a matter of prioritization and saying if that were my child, heaven and earth would be moved before I would say, oh, that person is OK, when you have any kind of doubt whatsoever, again, using the model, if I could, of adoption. I mean, we do vigorous, vigorous vetting with adoption. Even there there is problems, but they are mitigated because of that vetting process.

So if you could get back to us with that, it would be extraordinarily helpful.

Ms. DYER. Yes. As you know, we work closely through the senior policy operating group. And in fact some of these improvements that were noted in the TIP Report were discussed in those meetings, and we are happy to followup on that.

Mr. SMITH. OK. Thank you. You know, you mentioned the senior policy operating group. COVID taught us that many of these purveyors of harm to children quickly during COVID-19 went to using the internet and using it very effectively to recruit, groom, and ECPAT did one report after another and exposed.

And we also, you know, like a chorus called out for more protection for these kids. And I am just wondering, what do you think

needs to be done to further protect kids from that kind of online exploitation where they are groomed? I mean, we saw in one instance there was a grooming that took place within an hour. You know, the person befriended this vulnerable young girl, and next thing you know she was being exploited. It equally goes for the boys, too, where these people are masters and very masterful at exploiting people. What are we doing on that front?

Ms. DYER. As the Trafficking in Persons Report has noted, and as you have said, we have definitely seen an increase in online sexual exploitation of children, sex trafficking of children, and child sexual abuse material in both the U.S. and other countries post-COVID, and we absolutely acknowledge that social media can be used to lure kids.

This is one of the reasons that the TIP Report highlighted the introduction focusing on technology and its impact on trafficking and how it can be used for good and also for bad.

Specific to your questions, we recommend that parents, government, tech companies, and media partner. We believe that there should be a prioritization and—on education, so that children have online safety tools. Additionally, if kids are online, we are suggesting and promoting that—perhaps developing and utilizing online tools and meet them where they are.

We also know that technology can be used for good. It can help identify victims. It can help victims self-report, and it can help victims access service and know about service. There are a couple of examples of where technology has been used for good that I will flag.

One is the Trafficking in Persons office has supported the International Center for Missing and Exploited Children, who are using a multilingual virtual training to provide much needed training on how to use technology in many different languages to thousands of criminal justice professionals.

I will also highlight the very successful Child Protection Compact that was focused on Philippines and specifically on online sexual exploitation, which has seen a measurable decrease in that crime. So I think that this is an opportunity for us to be aware of how it can be dangerous, but also utilize how it can be effective.

And there are a couple of other notes about this that are noted in the introduction, including IOM has a counter-trafficking data collaborative, which makes data more available. And one other one which I think is a good example of companies doing good, IBM had a—has a traffic analysis hub which uses AI data sets to help us better respond to this problem.

I appreciate your interest, and that was exactly why we had the technology focus in our introduction this year.

Mr. SMITH. I will just ask two others, and then in the second round I have some additional questions, because out of deference to my good friend and colleagues, and I ask them to take however much time they would like as well.

With Cuba, you did mention and we do know that Cuba is a situation where they forcibly send healthcare workers to other countries, and I am wondering what those recipient countries are doing to ensure that they are not receiving a forced laborer coming to their shores.

I remember years ago I had a hearing in 2012 with Dr. Oscar Biscet, who was an OB/GYN who was horribly mistreated by Fidel Castro, put in solitary prison. He was an OB/GYN, like I said, and he was just an amazing man. He actually came to testify not here, but on the island of Cuba, through a clandestine means. That is how brave this man is. And he talked about that and just how foolish the Western world is vis-a-vis Cuba in buying into these false narratives.

And I will give the example myself. I nominated—I was one of many, but I led the effort in the Congress to have Liu Xiaobo named as the Nobel Peace Prize winner, and he got it. So I was there at the Nobel Peace Prize ceremony, dinner with some of the Nobel Peace Prize members of the Parliament that do the actual selection, so I asked them all about Cuba. And they said, “Oh, they have a great health system, and they export doctors.”

And I said, “Do you know those doctors go under duress?” And that is putting it mildly, that they do not go voluntarily. They are forced. It is not like some benign, you know, humanitarian initiative on the part of the Cuban government. It is a way of promoting their policies at the expense of these men and women who are forced into that service.

I was amazed that they were so ill-informed about that. So, you know, what are these other countries doing to say, if you are going to send us doctors, LPNs, nurses, and the like, we want to make sure they are coming in an absolute voluntary fashion.

Second, on Vietnam, I have chaired dozens of hearings on Vietnam, gone there many times. I remember when CPC was coming up a country of particular concern, and the Bush administration, in order to curry favor with them to get a trade deal, lifted the country of particular concern even though the policies were egregious when it came to religious freedom, wiped it all out, gave it to them, and they said the day that they got the trade agreement that there will be no linkage whatsoever to human rights, including religious freedom.

I couldn’t believe how brazen they were and how unappreciative they were to the kowtowing by George W. Bush, which he did, and I argued with them incessantly. I have been trying ever since to get that back.

There is a parallel here, in my humble opinion, with trafficking. Because we wanted to curry favor with the Vietnamese government vis-a-vis China, for example, as maybe like a new China card going back to the old Soviet Union mentality, we are willing to overlook very serious human rights abuses against journalists, on religious freedom, and torture, and trafficking.

And I have been arguing—I have a bill in right now called the Vietnam Human Rights Act. Zoe Lofgren, a Democrat, is the primary co-sponsor. We really believe it is a bi-partisan effort. It has passed three times, gone over to the Senate, and holds get put on it because, you know, we are not going to tell them what to do on human rights. It is like if they have a good human rights policy, we want to applaud them, not hold them to account.

I can’t figure out why Vietnam is not a Tier 3 country. I follow it very closely. Forced labor is a problem. Sex trafficking is always a problem, but forced labor is a problem. And even the first pros-

ecution under my law, the Trafficking Victims Protection Act of 2000, was against the Vietnamese government of all things. They never paid up. They never did anything. They just looked the other way and hoisted their finger at us in a very disrespectful way.

So I can't get, how did we—how did they get off or how are they not on Tier 3? Those are the two questions.

Ms. DYER. I will answer them in reverse order, sir. With regard to Vietnam, please know that our staff works all year—I know that the TIP Report gets a lot of flurry of attention in June, but please know that our staff is working all year long to obtain as much information about countries as we can.

We are working here in D.C. but also our staff in the embassies around the world, and we are working to gather information from not only governments but also all sources available, including NGO's, international organization, open sources, and media, and then objectively assessing the information that we obtain against the minimum standards in the TVPA, and then specifically comparing that information to the year before.

As you very well know, Vietnam was in a situation where they could not stay on the Tier 2 Watch List. They had to go up or down this year. Our choice was putting them up to Tier 2 or down to Tier 3. When we looked at the information that we obtained from every different source throughout the entire year and compared it to how Vietnam did last year, they had improved from how they did last year.

Specifically, we noted an increase in investigations, prosecutions, and convictions. But, as we know, prosecution alone is not what we look at. We also saw an increase in victim identification and assistance to those victims. So the protection measure had increased.

Specifically, of particular note, is the online scam operations. Vietnam repatriated more than 4,000 victims from online scam operations, and they also consulted with NGO's and international organizations on their amended legislation. Now, they absolutely have a big improvement that they need to do, and this was very critically pointed out in the narrative, specifically regarding concerns about complicity.

We noted that they closed the investigation and reinstated a person who was allegedly complicit in very harmful practices. Additionally, we also acknowledged and called out that they did not consistently screen and identify victims who were rescued, so to speak, from those online scam operations.

But when we looked at the data that we obtained this year and compared it to last year, as required by the TVPA, it was more appropriate to move them up than down when comparing those 2 years.

I would love to turn my attention now to the first question that you asked me regarding Cuba, and I have to say that I had a similar situation as what you described. I had the benefit of meeting with several survivors of—individuals specifically from Cuba's medical missions, and I met directly with these amazing heroes.

Some of them had left that mission years before. Some of them had left only 1 or 2 years. So we had a huge age span, and it was really that meeting with them that inspired us to have a special interest box on Cuba and to more vehemently call this out and spe-

cifically State that the government of Cuba does profit from forced labor in their export program. It is in fact a significant revenue source.

Obviously, as you well know, we have been raising these concerns since 2010, and it has been a policy and pattern country for 5 years. But what we have done this year is take that meeting with participants of this program and worked with them to develop survivor-recommended suggestions and recommendations for countries.

For countries who are going to participate in this program despite the severe concerns about forced labor, there are things that these survivors want them to do, and so we have taken that survivor-led recommendation list and shared it with every country that we know of who participates in that program.

I will give you an example of some of the information that is included in there, which means investigating the conditions regularly of these medical professionals, auditing any numbers or reports that the Cuban medical professionals may give you, contracting directly with the doctors rather than with the government of Cuba, making your agreement public, which is currently not done.

And then the final thing that I will say, just to make sure that we were using every opportunity that we had, I spoke personally with the Special Rapporteur on Contemporary Forms of Slavery, Obokata, and the Special Rapporteur on Trafficking in Persons, Mullally, so that we are organizing our efforts and being—you know, coalescing and really presenting a united front to address this terrible abuse.

Thank you so much for asking me about it.

Mr. SMITH. I would just point out that Vietnam, there was a June 24th Reuters story—

Ms. DYER. Yes.

Mr. SMITH [continuing]. And I am sure you saw it, and the questions are being raised about Hanoi's accuracy, honesty, in conveying information to us. And, you know, when you have a government that is known for abuse in a myriad of areas, you know, there needs to be a sense of skepticism, healthy skepticism, to accept their numbers. And human rights groups have raised that with you, and I hope you take that back.

And to compare it to last time, last time they should have been Tier 3. You know, they should have been Tier 3 for a number of times because they are—and I worry that geopolitical considerations are crowding out the concern for human rights, and trafficking in particular, because of this other part of our geopolitical strategy for that area vis-a-vis China.

So I do thank you for your answer, but if you could just keep that in mind.

And Dr. Thang is here, I just wanted to point out, he is with Boat People SOS, that has been a great friend and advocate for the people of Vietnam. And just give an example—I am sorry to my colleagues, going on. But back when—during the Clinton administration they wanted to forcibly repatriate people who were part of the comprehensive plan of action, there were numbers of people deployed all over Asia, including—and I went to different refugee sites, including High Island and Hong Kong—and we were forcibly

sending people back saying they are not refugees. And he came forward, "he" being Dr. Thang, with credible, actionable, information that they were—that there was a corruption rampant in the selection process.

I did an amendment on the floor that passed that ensured that we didn't—that we didn't have somebody else contracted out, and 20,000 people came over. But I had four hearings on that, and the Administration was adamant that, no, these aren't refugees.

They have repatriation monitors that are waiting. When they come to Vietnam, no re-education camp for them. Instead, they will—they will be monitored. So I had a hearing with the monitor, one of them. There are only seven. And I said, "Who accompanies you when you are in that village or town, or whatever it might be?"

And he said, "Well, the Secret Police."

So do you think anybody is going to say, "Oh, by the way, I am in for a horrible time here" when sitting right next to him is somebody from the Secret Police? Ain't going to happen.

So, you know, Hanoi has a horrible reputation for dishonesty.

I would like to now yield to Dr. McCormick.

Mr. MCCORMICK. Thank you, Mr. Chairman. I appreciate you all being here today. This is an incredibly important topic, one of dire consequences for those people who are involved.

I think we're all aware of it and we all care very much so. So, I would never accuse anybody of anything other than that. I think everybody here really cares. And, that's why we're here.

With that said, I'd also like to take an opportunity to recognize Governor Kemp in Georgia and First Lady Marty, for their effort to clean up what we believe is a hub for child trafficking in Atlanta, which we really tried to tackle and take it very seriously in our home State.

I think it's interesting, Ms. Ambassador, that we're currently in the Tier One Category, I believe, correct?

Ms. DYER. Yes, sir.

Mr. MCCORMICK. Have we ever not been in Tier One?

Ms. DYER. We have not.

Mr. MCCORMICK. OK. And, I think the Tier Two Category, I'm just going to read off the list of what's defined as, as far as what we, because we're researching what defines each category.

Tier Two is countries whose governments do not fully meet the Trafficking Victim's Protection Act minimum standards, but are making significant efforts to bring themselves into compliance with those standards.

And, for which the estimated number of victims of severe forms of trafficking is very significant or significantly increasing and their country is not taking proportional concrete actions.

One thing that disturbs me, and I mentioned before that I had just come back from Bangladesh and Cox's Bazar, where they have a million people there. And they're in Tier Two.

And, I'm sure Malaysia is even worse. I didn't see them, or sorry, Myanmar. I didn't even see them on the list. But, I'm sure they're not doing well.

You have a million people, but each person has strict accountability. We can really keep track of every single person there.

Why? Because they have to subsist on \$8.00 per person, per month. So, you track that pretty, pretty incredibly strictly, right? So, we have a good accountability of the people.

Here in the United States, we lack the same accountability. One thing that disturbs me greatly is we have a southern border where we had at least ten million people come across in the last few years.

Of that, at least in the 1921 and 1922 era, we had 85 thousand children come across, which a significant portion of them were handed over to people we have no idea who they are in relationship to the children. We stopped the DNA testing.

We stopped DNA testing which we knew at least around 9 percent were unrelated genetically. So then, we stopped it for some reason, knowing that that's a problem, knowing that the coyotes and traffickers of children would use that against those children, we stopped testing people genetically.

Single parents coming across who could be kidnaping their children from the other parent, we don't do anything about that. We have up to 70 percent of all women being sexually exploited as they come across the southern border.

And, we have two million that got away. We have no idea anything about them, including the children that get away that haven't even been addressed.

So, how is it that the United States is doing a good job and Bangladesh is doing a bad job in comparison? Because it seems a bit hypocritical to me.

Ms. DYER. Thank you. And, you actually bring up a really good point that I wanted to take the opportunity to sort of clarify.

The Trafficking in Persons Report compares a government's efforts during the reporting period to how that government did during the previous reporting period. It doesn't actually compare countries to one another.

The way that it was wisely set up is that we have metrics and pieces of data that we compare for this reporting period, versus how that country did the reporting period before.

Mr. McCORMICK. Perfect. So, addressing that, apples to apples, the United States to the United States. Before we tested people's DNA. Before we had a secure border.

Before people weren't coming over and unaccounted for. Before we didn't have 85 thousand children coming across with no accountability.

How are we not doing worse in our Tier comparison to the previous years? That's my question.

Ms. DYER. In this reporting period, I'll tell you some of the specific pieces of data that we did consider in this analysis. One is that more money was spent for services.

Another was that the Administration deployed the most agents and officials ever to the border.

Mr. McCORMICK. OK. I'm going to stop you right there, because I hear this all the time. Money spent. How's that doing for schools?

Money spent. How's that doing for the border? More border patrol agents to do what? Process people. And, that's why they're not undocumented migrants, they're very well documented illegal invaders, just to make a point.

Ms. DYER. Allow me to give a different number. We in—we had an increase in the number of Federal prosecutions and an increase in the number of convictions for both sex trafficking and labor trafficking, as compared to the year before.

Mr. MCCORMICK. Right.

Ms. DYER. We also did——

Mr. MCCORMICK. How many by numeric standards did you have an increase in? How many more prosecutions numerically?

Ms. DYER. I do not have that figure in front of me. But, I'm happy to followup with you.

Mr. MCCORMICK. OK. So, I'm just going to make another point. When you have ten million people coming across the border, you have no genetic testing, you know that people are being sexually exploited, you don't know which children belong to who, I think that's a severe lack of accountability.

I think it's hypocritical. And, I think we need to stop with the cooking of the books. We need to have accountability. We should go back to genetic testing.

We should not be encouraging people to come across the border mass by coyotes who basically exploit child trafficking, human trafficking, illegal drug trafficking. This is a catastrophe of the southern border that is absolutely undeniably affecting children in the most negative and egregious ways.

We should be ashamed of ourselves. And, I just, I don't think you're understanding my point when I'm saying, we are not doing our job.

As a Tier One nation who is supposed to be leading the way, the United States with all the technologies, all the things that we say we stand for, not getting children the right representation when it comes to accountability, and making sure they are not raped and trafficked and taken away from their families, because we just don't know. And, that's the truth.

And, that's what I want to leave you with. Because, I think, unless you can explain how we have better accountability than we did 4 years ago, I just don't think it's worth the conversation until we can actually get back to that point.

Ms. DYER. I think that one of the things is that the President independently issued a proclamation which suspended irregular entry until the numbers of unlawful crossings had dropped. And, he did this independently.

And, that is something that happened during this part reporting period, which was an improvement from the year before.

Mr. MCCORMICK. So, he suspended what?

Ms. DYER. He suspended all irregular entries.

Mr. MCCORMICK. So, there's no—what is irregular versus a regular entry?

Ms. DYER. The border, in an effort to have a safe and humane and protected border, there is a requirement that if you want to present for seeking asylum or for some other reason, you have to utilize the CBP One app, and use it at a particular entry.

And, they are funneling in an effort to do really what you're saying, so that you have a better idea of who is coming in, so that people are not coming in without us knowing who they are. So, there were efforts made.

But, I will also point out that this is also, we get our information about the government efforts not just from what the government gives to us, we receive information from civil society organizations, NGO service providers,—

Mr. MCCORMICK. I've been to the border. I've seen it.

Ms. DYER. And, these are—

Mr. MCCORMICK. And, I'm just going to interrupt you for a second, because we're kind of out of time and I want to respect Mr. Moylan's time.

But, let's get real. Because they filled out an app, because you said the child belongs to me, because you're a coyote or you're whomever and you're maybe or maybe not related to a child, doesn't give me any confidence that we've improved accountability.

I think it's all talk. It's all paperwork. It can all be absolutely cheated on. We have no better accountability, and we don't know who these children are with. We don't know if they're related to them.

I think, we've been actually supporting a farce when it comes to accountability, and it needs to stop now. And, I'm going to end with that. Thank you.

Mr. SMITH. Thank you very much, Doctor. Mr. Moylan?

Mr. MOYLAN. Thank you, Mr. Chairman. Ms. Dyer, obviously as my colleagues and the Chairman has been discussing, these transnational criminal organizations, these TCOs are, they present big challenges for us, of course.

And, most countries just can't adapt to it. And, especially in the Indo-Pacific area, which is my greatest concern.

These groups are indifferent to national borders, as stated by my colleague here. And, groups like the Yakuza and the Chinese Triad, and Southeast Asia criminal and terrorist groups, they just exploit international law to do their operations. They don't care. They really don't care.

So, Ms. Dyer, how can we, as the United States, better leverage these resources that we have, and coordinate better with global partners and our adversaries, if we have to, within the Indo-Pacific on these common issues?

Ms. DYER. I think that there are a number of things that we can do to improve the situation that you have spoken about. One is through the information in the Trafficking in Persons Report.

That Report attempts to highlight the challenges and the problems that you have laid out. As one example, knowing that the PRC is behind some of these transnational organizations, we have specifically called out their treatment of Uyghurs and other Tibetans, other minorities.

Additionally, we have highlighted in the Report the treatment of PRC nationals in the Belt and Road Initiative. And, of course, we have highlighted the online scam traffickers. The online scam operation traffickers often have links to the PRC.

But, some of the things that we are doing to address this and actually try to create an improvement, is exactly what you're talking about, which is, regional cooperation. One of the things that I did when I was traveling, in my travels, which I heavily focused on the region that was impacted by the online scam operations.

Last year I actually traveled to Thailand, where I had the opportunity to meet with Mr. Tower, Cambodia, Laos, Malaysia, and Singapore. But, in Singapore, I gave the keynote address to the ASEAN governments.

All ASEAN governments were represented. And, I spoke about the issue of the online scam operations and the need to have greater regional cooperation.

This is not something that we're going to be able to solve in a silo. It is definitely expanding. And, we've got to have greater regional cooperation.

One additional thing, in addition to speaking to that group, I have brought this issue up in my bilateral meetings and multilateral meetings, including with the Organization for Security and Cooperation and the Organization for American States.

But, one thing that I, we also listened to experts. And, we try our best to do what they recommend. Experts like Mr. Tower. And, I'm going to give you just four examples of things that we're doing to specifically address some of the online scam operations and these transnational criminal organizations.

One, in Thailand, we're investing by assisting investigators to better utilize technology, so that they can actually hold perpetrators accountable. But, also to help with regional cooperation.

In Laos, we are providing services for victims who are repatriated, who have come back from these online scam operations. And, specifically training immigration officials in Laos to try to prevent victims from going and falling prey to these operations.

Another regional effort that we are doing, is focused on the Southeast Asia region, and it is focused on creating coordination and cooperation between criminal justice professionals so that better identification and referral of victims.

And then, the last thing, which is something that I was so happy to hear Mr. Tower mention it, we know that if the traffickers are using social media platforms and online digital technology, then so should we.

And so, we have a program specifically to raise awareness on social media platforms that the traffickers are using to fraudulently recruit, to put correct information out there, to flag fraudulent ads, to try to use the sources that the traffickers are using themselves.

Because, you're so right, sir, it's going to take all of us working together on this issue.

Mr. MOYLAN. I appreciate that. And, Mr. Tower, she just handed it over to you. But, I have a specific question for you by the way.

So, more likely than not, that we have our national instability directly leads to an increase in domestic and transnational crime. In relations to Myanmar, Mr. Tower, what does the current situation mean for border nations like China, as well as the Indo-Pacific at large, for human trafficking and other illicit smuggling?

Mr. TOWER. Thank you for the question. I think, it's important to recognize that the February 1, 2021, military coup perpetrated by the Myanmar Army has been a key factor in enabling a lot of this rise in criminal activity that you're seeing in Myanmar. But, also really reverberating across the region.

You saw where before the coup the democratically elected government, the NLD, was on a trajectory to really crack down on

some of this criminal activity. So, many of the casino cities, which were the precursors to the scam compounds that now line Myanmar borders, they were under significant pressure from the democratically elected government.

And, the NLD government also had called out the role that Chinese criminal groups were playing, you know, trying to advance some of these large-scale criminal enclaves as a part of China's Belt and Road Initiative.

So, they actually pushed back. By August 2020, you saw where the PRC actually openly dissociated the BRI from some of this criminal activity in response to the NLD's efforts.

Following the coup, all of that really was undone. And, you've seen where in Myanmar, these casino cities have turned into some of the largest places in the region where you have really criminal actors perpetrating these online scams, using forced labor in impunity.

The China border was completely lined with these scam syndicates. The Thai border, you've seen where they continue to grow because of the conditions following the coup where the Myanmar military has deployed the country's police to, you know, coerce the Myanmar people.

It's really focused all of the country's resources on fighting a war against the population. And so, that has played to the advantage of the criminal groups in that country.

And, in fact, the only way in which you've seen a crack down on some of this criminal activity, is when, in the northern part of the country, some of the ethnic armed organizations actually decided to launch an armed operation, referred to as Operation 1027.

This happened up on the China border in October of last year. These ethnic armed organizations claim they have two goals. One was to eradicate scam centers and the other was to eradicate the Myanmar military dictatorship.

And, they managed to disrupt roughly 300 of these scam centers in northern Myanmar. Unfortunately, most of the kingpins got away and relocated to the Myanmar-Thai border or pivoted to Cambodia or pivoted to Laos.

And, I think, that that illustrates both the challenges of dealing with these issues in Myanmar under the current conditions that have been created by the Myanmar military, as well as the ability of these criminal actors to pivot between different countries.

So, if you have these sort of bilateral types of crackdowns, or you have a crackdown that really only touches on compounds in one particular part of the region, they're going to end up relocating to other areas.

Mr. MOYLAN. I appreciate that. Just a final question for Ms. Dyer. So, for my District of Guam, our proximity to countries with higher numbers of human trafficking cases represents a hidden threat.

And, with an increase in fentanyl, which we have a big increase on Guam, and illegal entries to the U.S. territories and bases in the Pacific, these TCOs' influence is just bound to follow.

So, Ms. Dyer, what programs are in place to mitigate against Pacific TCO influence before they reach the shores of Guam, U.S.A. and the Northern Mariana Islands of the United States?

Ms. DYER. With regard to the PRC influence, I think, that we have a number of things in place that we are using where the Department of State participates with the interagency. For example, the Forced Labor Enforcement Task Force, we have the Uyghur Forced Labor Prevention Act.

I think, if your question is pertaining, and there may be specific resources or support to the Northern Mariana Islands or to Samoa, that would probably come from the Department of Justice or the Office for Victims of Crime.

My organization, as far as our programming money, can only go to countries outside of the U.S. And so, we don't have programming in your area.

But, we do have programming in nearby areas. For example, the Philippines that have been really successful. And, we do have some regional programming that could be of support for you and your compatriots.

Mr. MOYLAN. Okay. Thank you for that. Thank you, Mr. Tower, as well. Mr. Chairman, that concludes my questions. Thank you very much.

Mr. SMITH. Okay. Thank you. So good to see you. Just some final questions. First, starting with China, I currently, and I've done in the past for years, I chair the congressional-Executive Chinese Commission. It's bicameral and includes the executive branch individuals.

It's a very robust, very focused on getting to the bottom of human rights abuse of all kinds in China. And, we've had numerous hearings.

And, one of them was recently in October. It was a hearing on how forced labor on Chinese fishing vessels and in fish processing facilities taints America's seafood supply chain.

Among our witnesses was Ian Urbina, who was, who has done some amazing reporting. It was carried by the New Yorker. And, I'm sure you know and have read his stories, on China's deep sea fishing fleet and its human trafficking violations.

One of the most shocking things our hearing reviewed, was the role of the U.S. Government in subsidizing China's egregious labor rights abuses, primarily through procurement by DoD and also the Department of Agriculture, of tainted seafood.

On U.S. military bases, in Federal prisons, and via the National School Lunch Program, fish tainted by forced labor is being bought with U.S. taxpayer dollars. If you ask these government procurers why they would do that, they point to price.

There is an exception to the Buy America purchasing policy if prices are deemed unreasonable. And, sure enough, when we are competing with seafood caught and processed by slave labor, you will be underbid every time.

So, in ostensibly comply with quote, the law, our DoD, USDA, and others violate three laws that I can think of, Section 301 of the Trade Act, the Uyghur Forced Labor Prevention Act, and the Countering America's Adversaries Through Sanctions Act, not to mention the letter, if not the spirit, of the law, of the Trafficking Victim's Protection Act.

My question to you, and we wrote, I wrote, and I was joined by Senator Merkley, who is my Co-Chair. I am the Chairman he's the

Co-Chair and we switch every 2 years, with regards to who is the lead. I'm the lead in this Congress.

And, we jointly did a letter to all the agencies, asking why aren't you stopping this? Why aren't you applying the law?

And, we've got crickets back and no response of any meaningful fashion. And, I mean, I'm shocked by it. And, I'm shocked.

My question is, what can you do with your office, particularly in those interagency meetings, I mean, our supply chain should be untainted by, and again, Ian did an amazing job at great risk to his investigators over the course of several years.

They had been deployed to these ships who any day might, they could have been thrown overboard, doing this reporting. And, they found that the abuse was overwhelming to these, and it's all forced. They have no choice. And, some of them are Uyghurs and others are people from North Korea.

Will the President consider signing an Executive Order, for example, banning the purchase of tainted seafood and applying U.S. law?

Ms. DYER. Thank you so much for bringing this up. I find the plight of fishermen, especially those that are on these distant water fishing vessels, to be particularly heartbreaking.

They have, as you know better than anybody, they have often no access to fresh drinking water. They are subject to transfers at sea. They spend years and years away from land. And, it is rife with opportunities for abuse.

I will, I too, am a big fan of the Outlaw Ocean Project. And, have had the opportunity to speak with Ian Urbina and learn from his wise counsel.

I'll tell you a few things that the Trafficking in Persons Office is doing to address the forced labor in the fishing industry. One is, we do call it out in the Trafficking in Persons Report.

We call, there are several countries that we are specifically not only identifying where it is occurring, but also making specific recommendations. For example, sometimes we are specifically recommending that countries do not allow transfers at sea that make those individuals come back so that they have an opportunity to seek care if they need it.

We are also active participants in the Forced Labor Enforcement Task Force and in implementing the Uyghur Forced Labor Prevention Act. As you know, we have put many new entities on that, the UFLPA Entity List.

And, I am happy to tell you that just earlier, in late June, we included a seafood processing company specifically from China, recognizing your excellent point that there is abuse in the system.

Many of these individuals are, as you said, Uyghurs. I know that, I believe, Ian Urbina has also pointed out the abuse of individuals from the DPRK in some of these secret processing companies as well.

So, we are utilizing the law that Congress gave us. And, we have seen that it is working. In fact, the UFLPA is causing countries, they are afraid of being put on that Entity List.

It's enough that I've even recommended when I'm engaging with multilateral or bilateral folks at the OSCE, I'm saying, you better

do this, because it's working, and you don't want to be a dumping ground for things that we're not going to take.

We're also, of course, not exclusively using the UFLPA, also, of course, the withhold release orders. Thank you for mentioning the Federal Acquisition Regulations, which are designed to prevent the import of goods made with forced labor.

I know that this has come up in some of our Forced Labor Enforcement Task Forces. There is now training for individuals in order to get certified to be an official under the FAR. The FAR you have to have training on a regular basis about trafficking in persons.

I also acknowledge that more needs to be done. This is an area, it is difficult to regulate the open seas. We are really working on coming up with a concise list of recommendations to give to countries, the way that we have done like those that are accepting individuals for the Cuban medical missions.

We need to do a better job. We are certainly calling it out. But, it is a challenge to regulate the open seas. And, we are grateful for the tools that Congress has given us and certainly trying to use all that we have.

Mr. SMITH. You know, just on the Uyghur Force Labor Act, I'm one of the four coauthors of it, totally bipartisan. I've done a number of oversight hearings and we're finding that we have flaws in the very bill that we did.

One of them is the de minimus amount of \$800, where things coming out of Xinjiang, everything is under \$800. And, it's not. But, there's no real effective capabilities.

So, we're looking at lowering or getting rid of that very de minimus standard. Which again, you learn as you write laws.

The other point that I'd like to make, with regards to fishing, and one of the heros recognized by TIP, has pointed out amendments to the Thai Fisheries Law. STF issued an open letter on June 25, just a few weeks ago, and it basically talks about, it's, you know, they say how they want to work with the Thai government, but they also want to be very clear, because some of the recommendations that are coming forward by the Thai government look like they're going to be counter to protecting workers' rights.

Allowing for the return of at-sea transshipments of catch and at-sea crew transfers. Allowing children under the age of 18 to work on these ships, and there's a whole list. I'm sure you're familiar with it.

But, I'm wondering, you know, what the response might have been from the Thai government on this, especially since when the TIP stars brought this out and has spoken about it so strongly.

Ms. DYER. I had an opportunity to meet that hero when I was traveling this past September. And, the woman I met was just truly inspiring.

I think that I am tracking with your question. We know that Thailand had actually put into place some of the strict, some more strict laws as the result of sort of outrage and scrutiny that they had.

We understand that they are concerned that their laws are stricter and therefore, they are, it's impeding their business. And, so, we understand from our NGO colleagues and CSO colleagues

that there is a consideration of rolling back some of the restrictions that they had put into place.

I can, ironically I actually met with the new U.S., the new Ambassador from Thailand to the U.S. and brought up this very issue in our bilateral engagements and just flagged it for him. Because I know that it is of top of mind for our civil society organizations and certainly something.

These types of changes and laws are certainly things that we track and comment on in the Trafficking in Persons Report as well.

Mr. SMITH. Where is the Administration on the sex worker? You know, when the woman who heads up the United Nations Special Rapporteur on violence against women makes such a strong statement, which I completely agree with, prostitution results in grave and multiple human rights violations such as torture, inhumane and degrading treatment, and it violates the right of safety, dignity, and privacy, the highest standards of health, freedom of movement, and family.

And, she talks about that artificial distinction. And, I have been talking about this ever since we did the original TVPA back in the 1990's. You know, the line of demarcation between someone who voluntarily is doing this versus a woman who is forced through coercion or has not attained the age of 18, that's simple, that's based on age.

But, the other is often absolutely blurred. And, she makes that very point in her statement. And, she says that terms like sex work sanitize the harmful reality of prostitution.

What say you?

Ms. DYER. Like you, I am aware that there are some hard felt feelings on both sides of the use of that term. As far as the United States and in my office, we do not use it.

It is not found in our Trafficking in Persons Report. I will point to one of the things that I read when I first had the opportunity to come on, was the Advisory Council's Annual Report from, I think, 2020, where it gave a discussion about terms and which terms survivors preferred to use.

And, they also gave a really thoughtful discussion about why. I try to abide by the wise counsel of survivors. And, so, we have done that here.

Of course, additionally, in the United States, we have in place, National Security Directive 22, which is still in place. Which says that the U.S. Government opposes prostitution.

That it is not a legitimate form of work. And, it is inherently harmful and dehumanizing and contributes to trafficking in persons. That's the USG National Security Directive.

You and I both know that a lot of these laws are done at the local, at the State level. They're, you know, as far as prostitution laws or terms that they use, some of it is done at the State level.

But, that's the position from the U.S. Government.

Mr. SMITH. Could you just, and Belgium's decriminalization, what impact, if any, did that have on their Tier rating?

Ms. DYER. Belgium passed that law outside of the reporting period. That law passed on May 24. Our reporting period ended on March 31.

And so, that law and any impact that that law may have, would be assessed in next year's report, because it falls within that reporting period.

Mr. SMITH. Thank you for that. And, please assess it very vigorously. I mean, I—when the World Cup was in Germany, I did a series of hearings about prostitution where it is legalized in Germany.

And frankly, I was shocked how again, that line of demarcation between a voluntary so called, and I have to say so-called prostitute, because there's no such thing in my opinion, certainly not at underage, they don't exist.

It is a form of sex trafficking, an egregious form. And, the justifications that came from the German government were outrageous in my opinion.

And, I actually had women, when we were trying to get the TVPA passed, go way back, I had met a number of women in St. Petersburg, Russia with my wife. I brought a resolution up at the OSCE PA, you know, in 1989 this was.

So, we were with all these women who had been trafficked and Myriad had rescued them and helped them, an NGO. And, they even went to Germany. And, they told their stories. And, I was, through tears they told their stories.

When we were having trouble with our legislation, two of them came here and told their stories before one of my, before my Committee. You could have heard a pin drop.

So, anyone who has this fanciful, foolish view that somehow that is some kind of liberation, it is anything but. It is the polar opposite.

And, those women made it very clear. So, please be very vigorous in looking at Belgium during this next reporting period.

And, Mr. Tower, thank you for your testimony. Sorry that I haven't had a whole lot of questions for you. But, you're doing a great job.

What is China's complicity in the scam situation? If you could speak to that.

Mr. TOWER. Yes. So, there are several different factors at play here. One is that the infrastructure where all of these scams are taking place inside of was built by Chinese state-owned companies.

You've seen where over the past two decades, many of these transnational criminal groups, they've actually built very close relationships with many elements of the Chinese State. This includes with Chinese state-owned enterprises. And, I can cite many examples of this.

But, there are, just to pick one, in the Myanmar-Thai border, starting from 2017, you had a Chinese crime group that was headed by a wanted criminal from China that was openly associating with China's Belt and Road Initiative. And, that gave a \$350 million contract to a Chinese state-owned enterprise.

And, that is, that infrastructure that was built between 2017 into 2019, is now one of the largest scam centers in the region. There are tens of thousands of people inside of this particular scam center.

It is similar across the region where many of these criminal actors, they masqueraded under China's BRI. They built close relationships with Chinese state-owned enterprises.

In some cases, they even built relationships with Chinese planning bodies and with think tanks under those planning bodies who designed high level plans for projects that even under China's own law are illegal. It's illegal for Chinese companies under Chinese laws to invest in casino cities overseas, for example.

And yet, that was happening with Chinese state-owned enterprises providing the infrastructure for it. And, with some of these planning bodies in China playing a direct role in and enabling all of this criminal activity.

So, in many ways what you saw happen is that China created a Frankenstein monster. It's empowered many of these criminal actors. It openly collaborated with them.

And, it enabled them to build this web of influence across the region, such that the criminal actors now have been able to begin, you know, even stealing money from across China.

In addition to the U.S. now being one of the main targets, or largest countries targeted by scammers, you had many people from across China also targeted by the same scams.

This continues today with many of the criminal kingpins that are behind these various networks operating scam centers in Southeast Asia. But then, also openly, you know, putting information about those scam centers onto platforms like Tik Tok.

And, here I would highlight the example of Wan Kuok-koi, also known as Broken Tooth, who is a convicted Triad leader, who in 2020 initiated another of the large scam centers in Myanmar. This individual lives in China. He seems to launder his funds back into China.

The U.S. Government is actually putting sanctions on this individual. And yet, he is still openly, you know, he kind of operates as something of a criminal influencer on Tik Tok. Very active on that platform.

So, this illustrates another way in which the PRC continues to enable some of this activity. And then, last, you see where the Chinese law enforcement approach to this, the crack down on this, it's targeting only scammers who scam in China.

And, this creates incentives where the scam syndicates are targeting Chinese nationals less and they're pivoting to target others around the world, which is harmful for the U.S. It's harmful for the rest of the globe. And, this is another, I think, way in which China's approach to this is causing harm to other countries.

Mr. SMITH. And, as there are just the two things final. Going back for decades and then most recently, I've chaired hearings on people who investigate on behalf of a company in China, their workplace operations to determine whether or not, it may not be ILO standards, but whether or not abuse is occurring, whether or not arrearages are occurring in terms of paying salaries, workplace occupational hazards and the like.

And, it turns out that much of it is a big fat scam. These people go in, they talk to someone, hey, you over there, you over there, tell me, how's it going?

You think they're going to talk, again, with management which could be very illogical, which probably is PRA, you know, Chinese Communist Party directed. They're not going to be forthcoming because there's no job protection with that. That investigator walks out.

So, we did hearings on it. I did 1 years ago. We looked at Apple and some of these other companies. And, it's one big fat scam.

And, I just can't believe that's not being discussed more. And, I would encourage you, because that's a form of human trafficking of a very high order.

When all of these products are being made, so many, not all, coming into our shores and they're being done at slave labor type situations. And, these auditors sit there and go, OK, OK.

And, I've read several auditors' reports, and frankly I was shocked at how, you know, when I asked questions about it and then we had the hearing on it just recently.

So, please take a good strong look at that, especially with regards to the PRC. Any new sanctions coming toward China? Because it's sanctions time now. We got the report on that.

Ms. DYER. I'm glad you asked about sanctions. As a former prosecutor, I love a powerful accountability tool. And, we know that this is a powerful tool to promote both human rights and accountability.

I will tell you that we are looking to support its use where appropriate. We even have now on staff, in the Trafficking in Persons Office a Senior Sanctions Policy Advisor, who is looking at various authorities to target individuals and entities.

Currently, that individual has identified and is examining several priority sectors to potentially use this authorization. I will look forward to giving you more information.

Mr. SMITH. Who is that?

Ms. DYER. We have, it's a Senior——

Mr. SMITH. No, but who is it?

Ms. DYER. Oh, his name is John Smith.

Mr. SMITH. I'd love to meet with him and talk with him.

Ms. DYER. Yes. He is so smart.

Mr. SMITH. That would be great, yes.

Ms. DYER. You would love to meet with him. He is so smart. We are really working aggressively on this. Have identified several priority sectors and would be happy to give you further information in a different setting at a later time.

Mr. SMITH. Thank you. And, the Trafficking Report, for decades it has been printed in a very presentable fashion. I give it out to every delegation I meet with. I encourage my colleagues to do the same.

As Special Representative to the Overseas Parliamentary Assembly, I bring hundreds of copies when I go and hand them out. And, it not just singles out the country of the participant you're talking to, you're from Germany, you're in here too, so are we.

But, it gives them an idea of just the scope and breadth of the work that's being done here. That there is an accountability factor.

When it's just online or in a much more truncated version like this one, I mean, the other one is four times thicker with lots of

very good narrative and information. I encourage you to please go back to the other format.

You know, cost maybe something. Please tell us exactly what it is. We'll try to get the appropriators to put it in a line item if that is necessary.

But, it is a very useful tool, you know. People don't necessarily go online. I do for this, because it's not sitting in a book the way it used to be. But, it's a great source.

And, again, when somebody is talking to somebody and says look, even when Thailand was very upset with Myanmar, not with Myanmar, with Burma, no, not Burma. It will come. Because on the fishing industry they were getting a very, Thailand a bad mark. And, the other wasn't.

They were getting red-carded by the European Union for all of this. And, but it was for one reason, geopolitical. Again, it was because of the Trade Partnership Agreement. And, you can't be on the list if you, and Malaysia is who I'm talking about, and it was just very discouraging.

So, what did they do? They looked through the book. Yes, they could do it online too. But, they're, you know, going back and forth. Please, go back to printing it.

Do I hear a yes?

Ms. DYER. I hate making decisions that you don't like, sir. As I—I think that as part of the Department's modernization efforts, as well as just the trend across government that has been going on since 2011, there was an Executive Order that told us, print less and presume it's all going to be online.

As you said, we experimented last year with, the last year that was fully printed was 2022. That had the one that you liked, with all of the country narratives.

We experimented last year with just printing the introduction. And, we still suffered with significant delays in the printing. And, it is partially the cost.

Mr. SMITH. Get a new printer.

Ms. DYER. It is, you know, the length and the delays made it super frustrating for us. And, right now, we stand out as an outlier, we are the only congressionally mandated report that the State Department still has done in a print form.

And, in truth, I know that you use it, truly use it and like it. And, I think, a lot of people certainly do. But, the demand just isn't there for printed reports as it used to be. People don't want to have a heavy book that they have to take on the plane when it's available online.

And, we are trying to make the online version more accessible. It's searchable. We'll have a pdf up there so you can search Cuban export or whatever it is that you're interested in.

And so, we are trying to, while taking away something that I know that you love, hoping to replace it with something that you will come to love. And, I appreciate—

Mr. SMITH. Use of this available now, is it?

Ms. DYER. It will be if it's not already. It takes a little longer to get it formatted. And so, if it's not up yet, it will be.

Thank you, sir.

Mr. SMITH. Anything else you want to add before we conclude the hearing? Oh, sanctions. Do sanctions.

Ms. DYER. I shared with you the information about the sanctions that I have.

Mr. SMITH. You did. Yes, I meant the others.

Ms. DYER. Oh, so sorry.

Mr. SMITH. I didn't look at you and talk to them. You think we should do it with sanctions that need to be changed? Especially with the Treasury Department.

Mr. TOWER. I think one thing that I've observed is that if you go back to December of last year, there was an announcement made to have some coordinated sanctions that involved the U.S., the U.K., and Canada, targeting some of the perpetrators that were behind the forced labor scamming across Southeast Asia.

The U.K. actually did place sanctions on the representatives of some of these Chinese origin crime groups, as well as representatives of the Myanmar Army's Border Guard Force, as well as some of the other elites across Southeast Asia, including in Cambodia that are responsible for the forced labor scam syndicates.

I think, you have not yet seen sanctions put out in quite the same way by the U.S. Although, I would note that there were some of the same individuals that are involved that are targeted by earlier sanctions for other crimes.

So, for example, in Laos, Zhao Wei has been sanctioned by the U.S., right. I mentioned earlier the sanctions on Broken Tooth is another key Chinese criminal involved in this.

But, there are many additional targets, I think, that are there. That, you know, for example now that the U.K. has targeted, including some of these individuals deeply involved in Myanmar and in Cambodia and other parts of the region, as well as many of the Chinese criminals and other enablers behind these crimes.

So, it would seem that sanctions could be one tool, whereby which additional pressure could be placed on some of those involved in perpetrating the crimes and which could also potentially be done in coordination with allies and partners. This could really, I think, put more pressure on this broader criminal industry that is increasingly causing so much harm around the globe.

Mr. SMITH. Okay. Well, again, thank you both. And, the hearing is adjourned.

[Whereupon, at 3:55 p.m., the subcommittee was adjourned.]

APPENDIX

MATERIAL SUBMITTED FOR THE HEARING RECORD



**COMMITTEE ON FOREIGN AFFAIRS
SUBCOMMITTEE HEARING NOTICE
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515-6128**

**Subcommittee on Global Health, Global Human Rights, and International Organizations
Christopher Smith (R-NJ), Chairman**

July 2, 2024

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN hearing of the Committee on Foreign Affairs to be held by the Subcommittee on Global Health, Global Human Rights, and International Organizations at 2:00 pm in room 2200 of the Rayburn House Office Building. The hearing is available by live webcast on the Committee website at <https://foreignaffairs.house.gov/>.

DATE: Tuesday, July 9, 2024

TIME: 2:00 pm

LOCATION: 2200 RHOB

SUBJECT: Examining the 2024 Annual Trafficking in Persons Report: Progress over Politics

WITNESSES: The Honorable Cindy Dyer
Ambassador-at-Large to Monitor and Combat Trafficking in Persons
U.S. Department of State

Jason Tower
Country Director, Burma
United States Institute of Peace

*NOTE: Witnesses may be added.

By Direction of the Chair

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202-226-8467 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.

COMMITTEE ON FOREIGN AFFAIRS
MINUTES OF FULL COMMITTEE HEARING

Day Tuesday Date 7/9/2024 Room RHOB 2200

Starting Time 2:13PM Ending Time 4:01PM

Recesses ☐ (___ to ___) (___ to ___) (___ to ___) (___ to ___) (___ to ___) (___ to ___)

Presiding Member(s)

Rep. Christopher Smith

Check all of the following that apply:

Open Session ☒

Executive (closed) Session ☐

Televised ☒

Electronically Recorded (taped) ☒

Stenographic Record ☒

TITLE OF HEARING:

Examining the 2024 Annual Trafficking in Persons Report: Progress over Politics

COMMITTEE MEMBERS PRESENT:

Attached

NON-COMMITTEE MEMBERS PRESENT:

NA

HEARING WITNESSES: Same as meeting notice attached? Yes ☒ No ☐

(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: *(List any statements submitted for the record.)*

NA

TIME SCHEDULED TO RECONVENE _____

or

TIME ADJOURNED 4:01PM

Meg Wagner
Full Committee Hearing Coordinator

Committee on Foreign Affairs**Subcommittee on Global Health, Human Rights, and International Organizations**118th Congress

ATTENDANCE

Meeting on: Examining the 2024 Annual Trafficking in Persons Report: Progress over Politics

Date: July 9, 2024

Convened: 2:13PM

Adjourned: 4:01PM

Representative	Present	Absent	Representative	Present	Absent
Mr. Smith	X		Ms. Wild	X	
Ms. Salazar		X	Mr. Bera		X
Ms. Radewagen		X	Ms. Jacobs		X
Mr. Hill		X	Ms. Manning		X
Mr. McCormick	X				
Mr. James		X			
Mr. Moylan	X				

**Questions for the Record Submitted to
Ambassador Cindy Dyer by
Chairman Chris Smith (No. 1 to No. 12)
House Foreign Affairs Committee
Subcommittee on Global Health, Global Human Rights, and International
Organizations
July 9, 2024**

Smith Question 1:

On the issue of the 85,000 unaccompanied minors that have illegally crossed the southern border that the U.S. government has lost contact with. This was an issue brought up in the 2023 TIP hearing. As Chairman of the subcommittee, I reached out to the Department of Homeland Security and Health and Human Services per your recommendation and have yet to receive an answer.

Is the U.S. government actively working to track the 85,000 minors, and if so, what specific efforts have been made to support these children. Additionally, have there been instances of these 85,000 unaccompanied minors being exploited, and are these children receiving support and being connected to the proper institutional resources?

Smith Answer 1:

The 85,000 number is a misrepresentation of the HHS Office of Refugee Resettlement's (ORR) work serving unaccompanied children. HHS attempts to place migrant children with a relative or family member rather than with strangers or in an institutional setting. Many of these family members are migrants themselves and may be hesitant or even frightened of engaging with government officials; when HHS attempts to call and

follow-up with the children and their host family, these individuals may not respond to the call.

While ORR's custodial responsibilities end when a child is discharged, ORR has policies in place to promote children's well-being as they transition into a new community, providing children with multiple ways to connect following their sponsor placement, such as through safety and well-being calls, post-release services, legal services, or the 24/7 ORR National Call Center, which connects children and sponsors with community resources and is required to report all safety concerns to ORR and other federal, state, and/or local entities.

When there is suspected labor exploitation or trafficking involving an unaccompanied child, ORR can implement a range of actions as appropriate to the situation to both respond to the allegation and provide additional safeguards for other unaccompanied children if applicable.

I would direct you to the Departments of Health and Human Services and Homeland Security to answer further questions about the care of migrant children who have crossed the U.S. border.

Smith Question 2:

Please specify the efforts made by the US government to locate these 85,000 minors.

Smith Answer 2:

The 85,000 number is a misrepresentation of the HHS Office of Refugee Resettlement's (ORR) work serving unaccompanied children. HHS care providers are required to make a minimum of three attempts for every case where a child has been placed with vetted sponsors to reach and speak with the child and the sponsor. Children and sponsors are not required to participate in safety and well-being calls and may choose not to answer a call for a variety of reasons, including fear or distrust of government, hesitation to answer an unknown number, or simply missing the call. Nevertheless, HHS has previously reported that it made contact with either the child, the sponsor, or both in more than 81 percent of households since FY 2022.

Smith Question 3:

What specific safeguards has HHS, DHS and other interagency partners put in place to prevent this from happening in the future? Please provide an update on how HHS and DHS are supporting these children. As I mentioned during the hearing, it is the expectation of Congress that the Ambassador-at-Large on trafficking oversee and ensure interagency coordination on these issues.

Smith Answer 3:

To enhance protections for unaccompanied children and combat child trafficking, DHS and HHS share responsibility for the processing, treatment, care, placement, and discharge of unaccompanied children to vetted sponsors. Pursuant to the Trafficking Victims Protection Act, as amended, HHS conducts a thorough assessment to determine if a sponsor can provide for the child's physical and mental wellbeing. HHS has been building capacity on and expanding post-release services, such as referrals and connections to community resources, help with school enrollment, support in finding and accessing health and mental health care, and other supports to ensure children's well-being.

HHS has noted that with continued funding from Congress, it will continue to advance toward the goal of providing all children access to post-release services by the end of FY 2024. Expanded post-release services will

consist of three levels of services, which may be elevated at any time, ranging from Level 1 (consisting of three comprehensive virtual or in-person check-ins) to Level 3 (involving intensive, in-person case management).

HHS also announced additional efforts to protect children in its care, including the creation of a new team responsible for assessing and addressing potential child exploitation risks for unaccompanied children.

As chair of the statutorily created Senior Policy Operating Group, I meet regularly with counterparts in other federal departments, including DOJ, DHS, DOL, and HHS, to discuss priorities and areas of concern, including supporting and protecting unaccompanied children that come across our borders.

This year's U.S. narrative in the Trafficking in Persons Report includes a recommendation for the U.S. government to increase resources for legal representation and in-person wellness checks for all unaccompanied children and to expand worksite health and safety inspections, including inspections for indicators of forced child labor.

I would direct you to the Department of Health and Human Services to answer further questions about the care of migrant children who have crossed the U.S. border.

Smith Question 4:

Can you provide an update on the set of sanctions that were jointly announced in December 2023 together with the United Kingdom and Canada? This included the targeting of nine individuals and five entities involved in trafficking in the countries of Cambodia, Laos, and Myanmar. If the sanctions have not been implemented by the Department of Treasury, please provide an explanation on why the sanctions are being delayed, and what the timeline is for the enforcement of the sanctions.

Smith Answer 4:

We refer you to our partners in the UK and Canadian governments for updates on the set of sanctions they jointly announced in December 2023.

We refer you to the U.S. Department of Treasury, as we cannot comment on their efforts at this time.

Smith Question 5:

The Burma-Thailand border is rife with scam centers. Civil society organizations have observed Thai border patrol failing to adequately screen travelers at the Mae Sot/Burma border for potential human trafficking.

What degree of confidence do you have in the TIP data provided by the Thai government to the J/TIP Office?

Smith Answer 5:

Our office regularly engages with the Thai government and collects data year-round, which we corroborate with information from other sources, including international organizations, non-governmental organizations, survivors, journalists, academics, and labor rights groups. I visited Thailand in October 2023 and spoke directly with all key government agencies engaged on the online scams issue about our ongoing concerns about official complicity. I also met with many NGOs and civil society organizations working with victims. I am confident about the accuracy of our reporting.

Smith Question 6:

How does your office work with civil society organizations that are on the ground in places like Thailand?

Smith Answer 6:

We engage with civil society through our foreign assistance for targeted capacity building to address human trafficking on the ground, and through bilateral and multilateral forums. Thailand has robust civil society engagement and cooperative relationships working on different forms of trafficking. We work with an organization called FOCUS TRAFCORD that trains frontline officials at the Thai-Burma border to identify and provide protection services to victims of, or those at risk of, human trafficking for forced criminality in scam centers. Due to foreign assistance restrictions, the project does not train Burmese government officials; however, it engages in cross-border meetings with NGOs and local university students, as well as certain Burmese Anti-Trafficking Task Force personnel, on referral of Thai trafficking victims.

Our office also recently issued an award to UNODC to enhance the capacity of the Thai government to conduct proactive investigations of trafficking in persons for forced criminality in the context of online scam

operations. This project will also work to increase efforts to prosecute offenders while simultaneously ensuring that the non-punishment principle is upheld, as well as improve regional-level coordination between government agencies, NGOs, and international organizations on addressing the crime.

Additionally, we have two regional projects addressing online scam operations, including a second award to UNODC and one to the International Justice Mission (IJM). UNODC's regional award will train criminal justice practitioners to identify cases of forced criminality, refer victims to services, and strengthen criminal-justice practitioners' ability to collect evidence to successfully prosecute forced-criminality cases. IJM's award focuses on disrupting forced criminality in online scam operations in Southeast Asia by raising public awareness, equipping private sector companies to identify and respond to use of their systems to promulgate cyber scam operations, and supporting social media and job search platforms to take down fraudulent recruitment ads.

Smith Question 7:

Have you engaged with Thai authorities on this issue, and if so, what was the result? What more can Thai officials do to crack down effectively on trafficking in persons across the Burmese border?

Smith Answer 7:

We have and will continue to engage with Thai authorities on concerns about official complicity in online scams on the Thai-Burma border. During our engagements and as noted in the 2024 TIP Report recommendations for Thailand, we raise the importance of properly screening vulnerable communities – including refugees and migrants – for trafficking indicators, referring victims to appropriate shelters, and not penalizing victims for crimes their traffickers compelled them to commit. We further recommend Thai authorities investigate, prosecute, and convict complicit officials so traffickers do not continue to operate with impunity. The Thai government has acknowledged official complicity is an issue they are working to address, and they provide annual updates on the status of complicit official cases to my office, which we also include in the TIP Report. We will continue to monitor and assess efforts in this respect and report accordingly.

Smith Question 8:

In this year's TIP report, Cuba is highlighted for human trafficking through its labor export program.

What would you say to the governments around the world that have partnered with the Government of Cuba to utilize this forced labor? Does the TIP Report's tier rankings account for whether governments utilize this forced labor? If not, should it?

Smith Answer 8:

Given the presence of forced labor in the Cuban labor export program, the Department regularly urges foreign governments to investigate the specific conditions Cuban government-affiliated workers face in their countries. The Department has requested that countries where Cuban government-affiliated workers are present investigate the specific working conditions these workers face in their country, including taking steps to ensure workers are paid directly to bank accounts they control, keep their travel and identity documents, have the opportunity to review their contracts, have freedom of movement at all times, and are not penalized or retaliated against for leaving the program. Governments should use transparent and fair recruitment practices in the hiring of Cuban government-affiliated workers and have a responsibility to proactively

identify victims of human trafficking in their country and protect those victims from further exploitation.

In addition, in accordance with the TVPA, when making tier ranking determinations the Secretary of State considers the extent to which officials participate in, facilitate, condone, or are otherwise complicit in trafficking, including forced labor of foreign workers. Tier rankings reflect the State Department's assessment of government efforts during the reporting period, including those in relation to Cuba's labor export program.

Smith Question 9:

Can you please describe some of the treatment and restrictions placed on Cuban laborers sent abroad by the regime?

Smith Answer 9:

The Cuban government portrays these missions as altruistic; however, according to program survivors, credible NGOs, and international organizations, there are strong indicators of forced labor and other coercive elements in the program, including the retention of workers' passports and medical credentials; withholding of workers' wages; coercing workers into criminal activity by pressuring them to falsify medical records and fabricate procedures; abuse of workers' vulnerability; coercive and deceptive recruitment practices; forced family separation and exile; restriction of workers' movement, such as curfews and surveillance; intimidation and threats; excessive overtime and exhaustive work hours; and in many cases, unsafe and substandard work conditions.

Smith Question 10:

Is the United States sanctioning Cuban officials who manage and facilitate these abusive programs?

Smith Answer 10:

The Department does not have sufficient information at this time to assess the involvement of specific host government officials in gross violations of human rights or significant corruption related to the labor-export program. In some cases, contracts signed between Cuba and a receiving country include provisions that purport to ensure working conditions are consistent with international labor standards. However, because Cuba may add addendums or sign separate, secret contracts with each worker, Cuban government officials are primarily responsible for the fraudulent and coercive practices under which these workers serve. As an ongoing process, the Department continues to investigate and assess available information related to such conduct.

Smith Question 11:

Since the May 2024 Belgian law legalizing third-party activities for prostitution came into effect after the deadline for this year's rankings, what are the planned diplomatic engagements with Belgium on this issue? If they keep this law in place, how would this affect their tier ranking for next year?

Smith Answer 11:

Belgium adopted this law in May 2024, which falls outside of the reporting period for the 2024 TIP Report. The 2024 TIP Report reporting period covers April 1, 2023, to March 31, 2024. Tier rankings reflect the Department's assessment of efforts during the reporting period to meet the TVPA minimum standards for the elimination of trafficking in persons. We will examine the impact of this law as part of our information gathering for the 2025 TIP Report. The Department engages with governments year-round on all issues related to human trafficking and is committed to doing so, including with the Government of Belgium.

Smith Question 12:

On Thailand, given that they're in progress for amending their fishery laws, which can cause a regression in labor trafficking protections on fishing boats, what is your plan for addressing this issue with this country?

Smith Answer 12:

The Thailand narrative in the 2024 TIP Report documents concerns over inadequate forced labor prosecutions and victim protections in the fishing industry, including concerns about proposed rollbacks of worker protections amendments. However, the government did not pass or implement such amendments during the 2024 reporting period. My office has and will continue to engage the Thai government to press for investigations and prosecutions of forced labor, and for continued protections for fishers working on fishing vessels, and in aquaculture and seafood processing plants. I also raised this issue during my travel to Bangkok last fall and again earlier this year when we met with a delegation of Thai government officials in Washington, DC. We will continue to monitor this situation closely and consider the impact in the 2025 TIP Report.

My team will also continue to engage civil society in Thailand, including those with lived experience, to further best practices in strengthening worker protections. We have a set of due diligence tools, available on the Responsible Sourcing Tool website, that we are promoting with the seafood sector and are encouraging them to increase their monitoring of their global seafood supply chains to prevent such forced labor.

**Questions for the Record Submitted to
Ambassador Cindy Dyer by
Ranking Member Susan Wild (No. 1 to No. 3)
House Foreign Affairs Committee
Subcommittee on Global Health, Global Human Rights, and International
Organizations
July 9, 2024**

Wild Question 1:

Despite U.S. government and other international efforts since the enactment of the TVPA, the great majority of countries continue to be assessed by the State Department as failing to meet the TVPA's minimum standards for combating human trafficking. In the 2024 TIP Report, over 80% of the assessed countries and territories received a Tier 2 ranking or lower.

How effective have U.S. government efforts been in reducing human trafficking internationally? By what metrics should policymakers judge the effectiveness of State Department efforts in this area? What additional authorities or resources, if any, could help bolster the State Department's efforts?

Wild Answer 1:

In the 2023 TIP Report, the Department documented the highest-ever number of Tier 2 governments – those that were undertaking increasing efforts to combat the crime. While these governments had not yet met the standards to reach Tier 1, we believe this reflects greater attention to trafficking in persons issues around the world and a notable advancement in global efforts.

Of course, more remains to be done to protect victims, prosecute traffickers, and prevent this heinous crime. As noted in the 2024 TIP Report, some governments actively perpetuate trafficking. The list of governments with a "policy or pattern" of trafficking now includes 13 countries, with Belarus added back to the list and Sudan newly added, alongside 11 countries that remained on the list, including Cuba, DPRK, the PRC, and Russia.

The 2024 TIP Report also documented several emerging global trends – demonstrating the Department's improved understanding of the global impact of this crime, beyond individual government tier rankings. Some of these very "policy and pattern" governments were also reportedly involved in the coercive or fraudulent recruitment of fighters for Russia's full-scale invasion of Ukraine. Russian authorities, middlemen, private military companies, or Russian-affiliated forces reportedly coerced, used deception, and in some cases force, to recruit foreign nationals, particularly Central and South Asian migrants, as well as citizens from Cuba and Syria, to fight in Russia's war of aggression against Ukraine. Additionally, online scam

operations continued to grow – emerging with centers in new regions and an expanding list of source countries from which victims had been recruited.

Wild Question 2:

According to the 2024 TIP Report, an estimated nearly 134,000 human trafficking victims were identified globally in 2023, representing a substantial increase from recent prior years and the highest number reported for a single year. Trafficking prosecutions and convictions also increased in 2023, according to the report.

What is your assessment of these figures? Do they indicate that governments have improved their anti-trafficking efforts, that the prevalence of human trafficking has increased globally, or both?

Wild Answer 2:

Increases across global data demonstrate the impacts the TIP Report, governments, and stakeholders are having collectively. Overall law enforcement and victim identification data increased as documented across the 2024 TIP Report. Total prosecutions and convictions were up overall, and victim identifications reached their highest ever at 133,943 victims identified, up by nearly 19,000 (from 115,324 in 2023, after a nearly 25,000 increase from 2022). In total, victim identifications are up by nearly 43,000 from 2022 (when they reached 90,354). For the third consecutive year, there was notable progress to combat labor trafficking. Labor trafficking convictions more than doubled to reach their highest ever reported levels at 1,256 (from 528 in 2023). For the second year in a row, we have the highest

ever reported number of labor trafficking victims identified at 42,098 (versus 24,340 in 2023).

This law enforcement and victim identification data in the Report's introduction are estimates derived from data provided by foreign governments and other sources and reviewed by the Department of State. Reported aggregate data fluctuates from year to year due to the hidden nature of trafficking crimes, dynamic global events, shifts in anti-trafficking efforts, and a lack of uniformity in national reporting structures.

We attribute much of this to ongoing improvements in governments' disaggregating law enforcement data and reporting on efforts to identify victims by governments and other stakeholders.

Wild Question 3:

How should these figures be understood in the context of the aftermath of the COVID-19 pandemic, during which it appears that the number of prosecutions, convictions, and victims identified decreased relative to pre-pandemic levels?

Wild Answer 3:

In both the 2023 and 2024 TIP Report, there were increases reported as compared to the previous years' totals across all data points, including prosecutions, convictions, and victims identified. During these reporting periods, nearly all governments reported no specific impacts affecting their anti-trafficking capacity from the COVID-19 pandemic. Thus, we attribute a portion of these increases with the more complete resumption of anti-trafficking efforts following some disruptions and adjustments made by governments and other anti-trafficking stakeholders in previous periods as a result of the pandemic. Only total global convictions (at 7,115) remained lower than the pre-pandemic high reported in the 2020 TIP Report (9,548, the highest ever reported).