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U.S. Bans Sugar Imports From Dominican Republic-Based Firm on Findings of Forced Labor, Other Abuses

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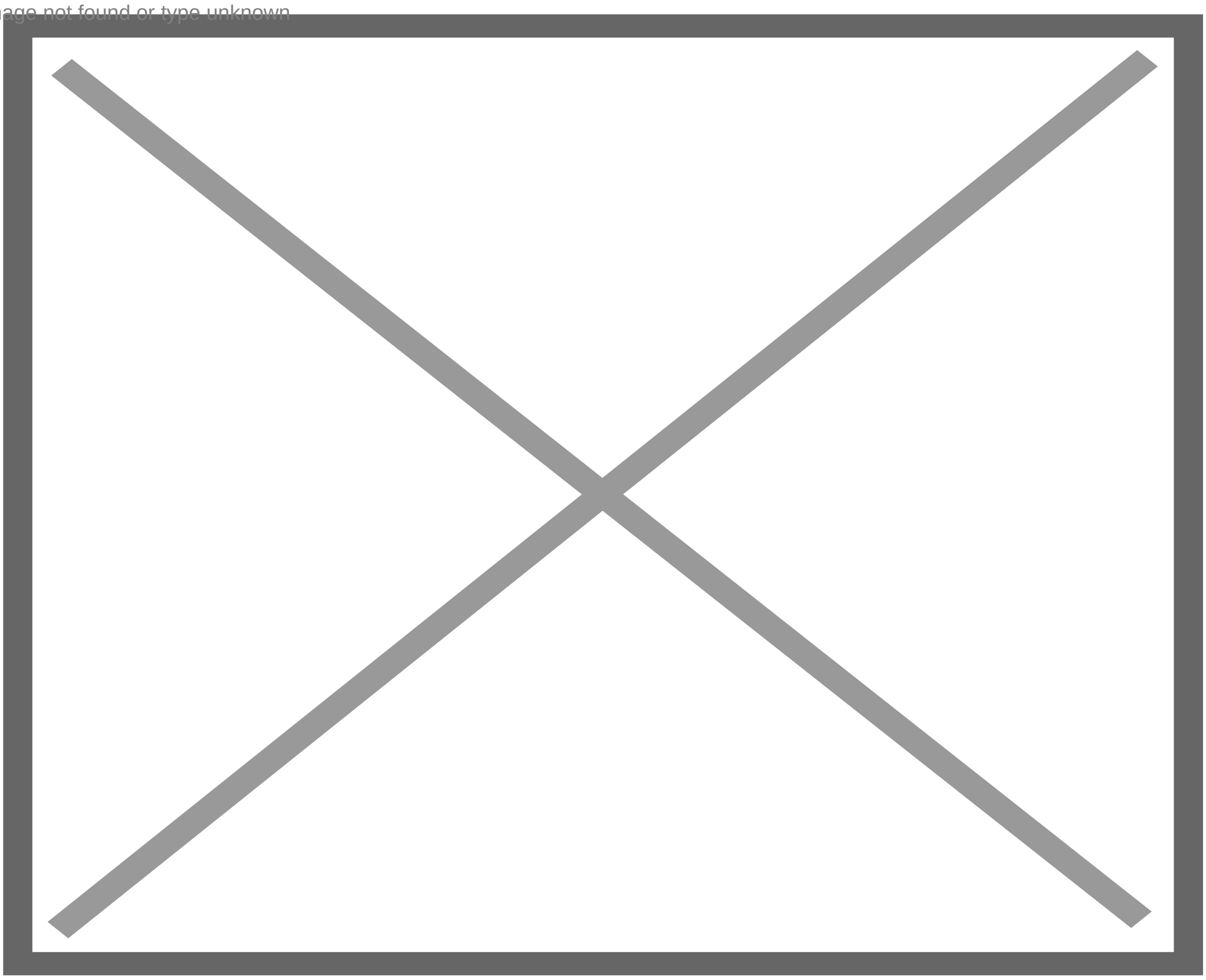

Sugarcane harvesting at a Centrla Romana Corporation field in the Dominican Republic.
By. CENTRAL ROMANA CORPORATION

Sugar from a major supplier in the Dominican Republic has been banned by the United States, after an investigation found indications that forced labor was being used in the cane fields of the Central Romana Corporation.

Investigative journalism from U.S. publication Mother Jones and Reveal from the Center for Investigative Reporting published in 2021 found that cane cutters in the Dominican Republic often lived in dilapidated company-supplied housing that lacked electricity and running water. People were being forced to work, Mother Jones reported, with “inadequate protective gear, poor medical care, low pay, chronic debt and intimidation by the company’s armed security force.”

That reporting sparked calls for an investigation by the U.S. government from lawmakers on Capitol Hill. Pressure began to mount with an anonymous petition submitted in October 2021 to the U.S. Customs & Border Protection, containing many of the same allegations as the Mother Jones/Reveal report — laborers forced to work without official contracts, employees placed into debt bondage, and Central Romana controlling and restricting the movement of workers — mostly Haitian, mostly without the legal right to work and live in the Dominican Republic.

The employees’ lack of legal protections in the country reportedly allowed Central Romana to take full advantage of their precarious position — some said that because they were not able to collect pensions, they were forced to continue the backbreaking labor of cutting cane well into their octogenarian years.

The federal investigation by CBP found five indicators of forced labor out of the 11 specified by the International Labor Organization. Central Romana was found to be abusing the vulnerability of its cane cutters, forcing them into isolation, withholding their wages, creating abusive living and working conditions, and imposing excessive overtime.

The U.S. ban on Central Romana’s sugar took effect on November 23. In a press release from the CBP’s Office of Trade, Executive Assistant Commissioner Amarie Highsmith said, “Manufacturers like Central Romana, who fail to abide by our laws, will face consequences as we root out these inhumane practices from U.S. Supply chains."

As the United States moves further into the holiday season, the absence of the approximately 7% of total raw sugar imported into the U.S. supplied by Central Romana will be keenly felt. Mother Jones spoke to trade analyst Vincent O'Rourke, who predicted uncertainty in a market that is already tight.

For its part, Central Romana has denied the allegations, saying in a statement following the ban that “we do not believe it reflects the facts about our company and the treatment of our employees”.

It is estimated that the ban on Central Romana sugar imports could cost the company tens of millions of dollars each year, even if it is only temporarily imposed.