China Customs accuses Western clothing brands of selling substandard products amid Xinjiang row

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China's government formally accused an array of Western fashion brands - including H&M, Nike and Zara - of selling substandard children's clothes that posed potential health hazards, amid ongoing calls by Chinese shoppers to boycott Western clothing brands for their refusal to use cotton grown in Xinjiang province.

In a warning notice published on its website, China's General Administration of Customs listed 81 batches of imported children's clothing products for quality and safety risks spotted during examinations from June 2020 to May 2021, involving garments, toys, toothbrushes, shoes and baby bottles.

Some nine batches of H&M woven cotton girls' dresses were found to contain dyes or other harmful substances that children could ingest or absorb through their skin, the customs authority said. The same problem was identified in children's pyjamas and cotton-knit baby shorts from Zara and cotton-knit boys' T-shirts from Nike, according to the notification.

Customs also flagged the same flaw in cotton-knit boys' pyjamas from the American brand GAP and girls' T-shirts from GU, a sister retailer of the Japanese chain Uniqlo.

The warning was released on Tuesday, Children's Day in China, and urged Chinese customers to remain cautious when buying imported children's goods.

The warning notice was the latest blow to foreign clothing brands, which have been under severe pressure from consumer boycotts since late March after the brands pledged not to use Xinjiang cotton in their products, citing accusations of human rights violations in the far west Xinjiang Uygur autonomous region of China.

Tuesday's customs notice received widespread applause on Chinese social media, prompting numerous internet users to again promote the purchase of domestic brands such as Li-Ning and Anta rather than foreign brands.

"The public naming is good, lest everybody has a bad memory [of what those foreign brands have done]," said Wei Qian, a 30-something IT worker at a game developer at Beijing.

"For me, brands like Nike, Adidas, H&M and Uniqlo no longer exist," said Wei, the father of a two-year-old boy. "I had gradually increased the ratio of domestic products in my cart even before [the Xinjiang cotton controversy]."

H&M products have disappeared from China's main e-commerce sites such as JD.com, Taobao and Pinduoduo, while Chinese celebrities suspended their sponsorship deals with the Swedish company.

Following the initial backlash, H&M closed one of its flagship stores in Shanghai on May 13. It came after Inditex, the parent company of Zara, announced early this year it would shut all its Bershka, Pull&Bear and Stradivarius stores in China this year and GAP was reported to be weighing a sale of its China business.

It is not the first time H&M and Zara have been targeted with this type of safety warning. In a similar announcement on May 30, 2020, Chinese customs accused the two brands of importing children's clothes that had potential health risks for children, based on an investigation from January to May last year.

However, it is the first time that Nike, GU and GAP have been included in a customs list of suspect products.

China's customs authority said it had confiscated, destroyed or returned the non-compliant products.

China's textile exports in April stood at US\$12.15 billion (S\$3.9 billion), a decline of 16.6 per cent from a year earlier, while clothing exports were US\$11.12 billion, a rise of 65.2 per cent, and imports of garments and accessories amounted to US\$862 million, a rise of 64 per cent, according to the customs data.

"In future, domestic brands will take more market share from international brands in the high-end market via the upgrading of products ... or the cultivation of new brands, so as to achieve domestic substitution. The Xinjiang cotton issue that broke out in March effectively accelerated this process," analysts at Sinolink Securities said in a note on Sunday.