# Fast-Fashion Failure: Toxic Chemicals Found in Shein, Temu Shoes



PRODUCING GARMENTS AT A TEXTILE FACTORY THAT SUPPLIES CLOTHES TO FAST FASHION E-COMMERCE COMPANY SHEIN. JADE GAO / AFP

Ultra-fast fashion comes with a toxic twist.

The likes of Shein and Temu have seen skyrocketing success, considering the almost unbelievable prices for the millions of products listed. But with that success comes scrutiny of how legitimate (see: legal) their business practices could be and what safety standards are in place.

Since early April, South Korea has Seoul officials conducting weekly inspections of items sold by Chinese online platforms. In its most recent review, 144 items from Shein, Temu and AliExpress were tested. Multiple products from all three companies failed to be legal, as reported by French news agency Agence France-Presse (AFP).

Phthalates are a group of chemical compounds that make plastic more flexible.

They're likely found in any product that comes into contact with plastic during production, packaging and delivery. They're also detrimental to human health.

"Phthalate-based plasticizers affect reproductive functions such as sperm count reduction and can cause infertility and even premature birth," an official from Seoul's environmental health team told AFP. These hormone-disrupting carcinogens have been linked to obesity and cancer as well, "so special care should be taken to avoid long-term contact with the human body."

One pair of Shein shoes sampled had 229 times the legal limit for phthalates, per the outlet. Formaldehyde, a chemical commonly used by morticians and manufacturers alike, was detected in Shein's caps at "double the allowable threshold." Two bottles of nail polish from the most downloaded shopping app were found to have dioxane (a possible human carcinogen that can cause liver poisoning) at levels more than 3.6 times the allowed limit and methanol concentrations 1.4 times above the acceptable level, as reported by AFP.

"We work closely with international third-party testing agencies such as Intertek, SGS, BV

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and TUV, to regularly carry out risk-based sampling tests to ensure that products provided by suppliers meet Shein's product safety standards," a spokesperson told Sourcing Journal. "In the past year, we have conducted more than 400,000 chemical safety tests with these agencies."

The Singapore-based giant noted that its suppliers are required to comply with the controls and standards that Shein has put in place, but also the product safety laws and regulations in the countries in which it operates. The IPO hopeful "endeavors" to work closely with local product safety agencies, monitoring changes and developments of product safety compliance laws and regulations, alleging Shein "continuously invests and optimizes" its product compliance processes.

"Upon learning of the claims against our products, we immediately removed them from all our sites as a matter of caution whilst conducting our investigations," the spokesperson said. "If non-compliance is verified, we will not hesitate to take appropriate follow-up action with the supplier of said product."

But this isn't the first time Shein has been flagged in South Korea.

In May, government officials reportedly found a pair of Shein shoes that contained 428 times

the legal levels of phthalates, per AFP. Three bags were also tested, containing phthalate levels 153 times the permitted limit. In April, the Seoul Metropolitan Government said that of the 22 goods from Temu, Shein and AliExpress tested, half were contaminated with carcinogens and deemed unsuitable for use.

"Unlike officially imported products, overseas direct purchase products enter the country without separate safety inspections, creating a de facto safety blind spot," a Seoul city official said at the time. "We cannot stand idly by while citizens' health is at risk, so we have been announcing the results of our inspections conducted with professional institutions every week."

As for the "Shop Like a Billionaire" platform, authorities found sandals with lead-ridden insoles at more than 11 times the legal limit. A spokesperson from Temu told AFP an immediate internal investigation and removal of those listings from the global marketplace ensued.

"Products that exceed the legal limit are products that directly contact the body, such as leather sandals and hats, so citizens should pay special attention," Kim Tae-hee, an official in the capital, said in a statement. "The Seoul Metropolitan Government will continue to conduct safety tests periodically and disclose the results."

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A Temu spokesperson was quick to respond as well. "Upon receiving notice from the Seoul city government, we immediately launched an internal investigation. Of the 11 products identified, two items—a pair of sandals and a hat—were from Temu. We have swiftly removed these product listings from our global marketplace and are enhancing our systems and guidance to merchants to ensure they comply with safety standards and local regulations."

#### Link

https://sourcingjournal.com/sustainability/sustainability-compliance/fast-fashion-fails-again-toxic-chemicals-shein-temu-shoes-aliexpress-south-korea-afp-522831/

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# India Ports Could Strike, Compounding Capacity Issues Into US East Coast



DOCKWORKERS ACROSS INDIA'S 12 LARGEST PORTS SAID THEY WOULD BE GOING ON AN INDEFINITE STRIKE ON AUGUST 28 IF A NEW CONTRACT AGREEMENT IS NOT MET. PUNIT PARANJPE/AFP VIA GETTY IMAGES

The U.S. East and Gulf Coasts aren't the only hotbeds of a potential port strike that could upend apparel trade.

Dockworkers across India's 12 largest ports announced on Aug. 10 they would be going on an indefinite strike starting August 28 if a new contract agreement is not met. Union workers are have been looking to resolve issues over pay wages, pension, benefits and allowance—which is comparable to U.S. overtime pay—for nearly three years.

This could mean 3 percent of the world's clothing is hanging in the balance, according to estimates from the World Trade Organization (WTO), with India exporting \$15.4 billion in apparel in 2023. India is the fifth-largest apparel exporter in the world, after China, Bangladesh, Vietnam and Turkey.

Such a strike would worsen congestion problems at major Asian ports like Shanghai, Singapore, Ningbo and Chattogram among others, as more shipments out of India get delayed.

Additionally, a work stoppage would come on the heels of an already concerning capacity shakeup in May after major carriers Hapag-Lloyd and Ocean Network Express (ONE) withdrew from a prior India-to-U.S. East Coast service line with CMA CGM to launch their own standalone service lines.

The All India Port Workers' Federation, which includes the national coordination committees of six major port workers' unions and federations throughout the country, said that the last settlement on wages and benefits expired on Dec. 31, 2021.

The collective is calling for the agreements to be retroactive to January 2022, when the next contract should have begun.

The unions alleged that industrial relations at the ports were in a "pathetic situation," according to Indian publication The Hindu.



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No new talks are scheduled, but the government may intervene in the next two weeks in an attempt to compel the sides back to the negotiating table.

The annual cargo handling capacity of major Indian ports such as Chennai, Cochin and Mumbai totaled 1.62 billion metric tons, according to India's Ministry of Ports, Shipping and Waterways.

An Indian port strike may not be the only major concern for American shippers, compounding the fact that ocean carriers were already offering less space to shippers seeking to move cargo out of the country to the U.S. East Coast.

According to Joseph Firrincieli, sales supervisor at OEC Group New York, when CMA CGM and Hapag-Lloyd ended their joint "Indamex" partnership in June and opted to start their own stand-alone services in August, "that caused a lot of space issues, naturally, because that was a very sought after service."

ONE's WIN service on the trade lane had gained favor since launching in May, and was presented as a more competitive price alternative, but the Indamex shakeup shifted the balance of both space and costs, Firrincieli said.

"ONE was a great service on paper. There was really no issues with it, but CMA and Hapag blanking Indamex 2 for the entire month of July then caused a huge space crunch, because everybody tried using ONE at that point. So ONE then started increasing prices, and that started causing further space issues and further equipment issues."

The capacity concerns have sent ocean spot rates on the India-to-U.S. East Coast route skyrocketing since mid-June. As of Aug. 16, rates for 40-foot containers on that trade lane were \$10,000 on average, a 410 percent bump over just two months prior at June 14, according to S&P Global.

"The advice I've been giving most of the clients
I have that import out of India into the U.S., specifically the U.S. East Coast, is to provide a longer forecast, ideally four to six weeks and book cargo in advance, even though the rate might not be available because we're seeing rates fluctuate. Carriers change rates every two weeks out of India."

The good news is Firrincieli said OEC expects the rates to decline as more capacity comes into the market, particularly starting in the second half of August as the stand-alone service lines settle in.



"By September, more like October, we should start to see normalcy in the market, where rates might start to come down and space and equipment issues might start to lessen as well," Firrincieli said.

According to the U.S. International Trade Commission (USTIC), India has become increasingly reliant on America for its apparel trade. As of 2023, 35 percent of India's garment exports go to the U.S. East and West Coast ports, up from 23 percent in 2013.

While the countdown is on for India's ports, Australia is currently enduring a strike of its own at its largest container and cargo port Fremantle after vessel traffic service officers and small craft personnel stopped work Sunday. The 48-hour strike is set to end Tuesday morning at 5:30 a.m. local time.

Vessel cargo and terminal yard operations have not been impacted by the industrial action, but both the berthing of incoming container ships and the departure of vessels have been delayed.

The Australian Maritime Officers Union is calling for raises of \$15,000 to \$20,000 Australian dollars (\$9,900 to \$13,200) on base salaries of approximately \$140,000 Australian dollars (\$92,350).

#### Link

https://sourcingjournal.com/topics/logistics/india-ports-strike-dockworkers-capacity-issues-port-congestion-hapag-lloyd-cma-cgm-one-cargo-apparel-wto-australia-522886/

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## Canada mandates reporting on more than 300 PFAS

Section 71 survey includes tiered reporting for manufactured items



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The Canadian government has issued a mandatory data call-in for 312 types of PFAS manufactured, imported or used in products above certain thresholds in the 2023 calendar year.

The notice, issued on 27 July under section 71 of the Canadian Environmental Protection Act (CEPA), will require companies, including those that import PFAS in manufactured goods, to interrogate their supply chains and provide the government with data within the next six months.

The survey follows on the heels of an updated draft PFAS report in which the government said it planned to use a "phased approach" to address the persistent compounds.

Information from the survey will help establish a baseline of data on the current uses of per- and polyfluoroalkyl substances (PFAS) and support future actions relating to the compounds, Environment and Climate Change Canada (ECCC) said in a guidance document accompanying the section 71 notice.





The reporting mandate applies to Canadian businesses and covers 312 substances known or anticipated to be in commerce in the country that have not been recently surveyed, the ECCC said.

Foreign suppliers are not required to report, but "encouraged to inform their Canadian customers (that is, Canadian importers) that they import a reportable substance and may meet the reporting criteria of the notice", the government said.

Businesses that do so must provide information on the facility and quantity of listed PFAS manufactured, imported or used in products and other details that are reasonably accessible.

Submitters have roughly six months to provide this, with reporting due by 29 January. They may request additional time but must do so at least five business days prior to the January deadline, according to the ECCC.

### Reporting requirements, exemptions

Schedule 1 of the notice breaks the 312 listed PFAS down into three parts, with 273 substances in part 1, 26 substances in part 2 and 13 in part 3. Different requirements apply depending on the substance category. PFAS in part 2 and 3 "were separated from part 1 to establish an appropriate quantity threshold, as these substances were identified as generally having higher use quantities and concentrations," the ECCC told Chemical Watch News & Insight. Part 2 substances are fluoropolymers, which the agency said it separated from part 3 substances to allow for data collection that can support future assessment of fluoropolymers.

The reporting mandate applies to Canadian businesses that meet any of the following threshold criteria for calendar year 2023:

- manufactured any of the 312 listed PFAS in a quantity above 1,000 grams (2.2lbs);
- imported more than 10g (0.35oz) of a part 1 PFAS or more than 100kg (220lbs) of a part 2 or 3 PFAS, whether the substance was alone or present above 1ppm in a mixture, product or in one of 12 specified categories of reportable manufactured items;
- imported more than 100kg of any of the 312 listed PFAS above 1ppm in a manufactured item outside the 12 specified categories; or
- used more than 10g of a listed PFAS either alone or in a concentration above 1ppm in the manufacture of a mixture, product or item.



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Tiered reporting applies for imported manufactured items, according to the ECCC guidance.

Products that exceed the listed thresholds and fall within one of 12 categories must respond to the survey in full (see box).

Those that are not included in the 12 categories but exceed the listed thresholds are still subject to reporting, but only company information and "a short description and generic name of the manufactured item containing the substance" are required, the guidance said.

'Micro-businesses' with fewer than five employees or less than \$30,000 in annual gross revenue do not have to report.

The notice also excludes several types of activities from the mandate, including for PFAS that are only in transit through Canada, used for personal purposes or intended for laboratory analysis or scientific research.

### Differs from US reporting mandate

The mandate differs from the sweeping PFAS reporting rule issued by the US EPA last year, with a shorter timeline but also less data required on fewer substances.

The EPA's TSCA section 8(a)(7) rule will require manufacturers and importers of more than a thousand types of PFAS to submit information related to a 12-year period spanning from 2011 to 2022, without traditional exemptions like those for de minimis quantities or imported articles.

Carla Hutton, regulatory analyst with Bergeson and Campbell, noted that Canada's reporting covers a more limited number of PFAS and specifically identified reportable substances by their CAS RN, "versus the structural definition used by EPA that captures thousands of PFAS".

This should ease the reporting burden at least somewhat, she told Chemical Watch News & Insight.

Lynn Bergeson, also with Bergeson and Campbell, said it could still prove a "tall order" for businesses reliant on foreign suppliers to obtain useful information about the composition of imported finished goods within six months.





The ECCC said the reporting period "is in line with previous section 71 information gathering notices".

### **Product categories**

The following 12 categories of imported products are subject to full reporting requirements when they contain listed PFAS in excess of specified thresholds:

- products intended for children under 14, including pacifiers, play mats and teething toys;
- feminine products, contact lenses, hearing aids, mouth guards and other items intended to come into contact with the mucosa of an individual;
- products that could result in inhalation exposure or come into dermal or oral contact with an individual, such as air fresheners, face masks, dryer sheets, candles and mobile phone cases;
- cookware and utensils that come into direct contact with heated food or beverages;
- food packaging material, including disposable serving-ware, food cans and lid liners;
- reusable food and beverage containers, including baby bottles and travel mugs;
- food processing equipment, including conveyor belts, trays, vats, nozzles, moulds and cutters:
- clothing and footwear, including personal flotation devices, sporting gear and protective clothing worn in occupational settings;
- · bedding, sleeping bags and towels;
- furniture, mattresses cushions and pillows, where the PFAS is contained in foam, leather or in a textile fibre, yarn or fabric;
- · carpet, vinyl or laminate flooring and foam underlay for flooring; and
- applications where the listed PFAS is intended to be released from the manufactured item, such as personal care wipes that deliver surfactants and fragrances or pens and markers that release pigments, dyes or solvents.

#### Link

https://product.enhesa.com/1178216

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