



Submission by Requesters to the World Bank Inspection Panel

Concerning the Republic of Uzbekistan: Second Rural Enterprise Support Project (P109126) and Additional Financing (P126962) (“RESP-II”)

November 21, 2014

I. Summary and Recommendation

In September 2013, we¹ asked the Inspection Panel to investigate whether the World Bank Management operated in compliance with its policies in the Second Rural Enterprise Support Project (P109126) (“RESP-II”), a program to provide loans to the government of Uzbekistan to help develop its agriculture sector, including cotton. The Inspection Panel determined that our concerns about forced labour were serious in character and plausibly linked to the RESP-II project.² In response to the Inspection Panel report, World Bank Management (“Management”) proposed mitigation measures. Unfortunately, we believe these measures are insufficient to ensure that the RESP II loans and new loans to the government of Uzbekistan are not “linked” to the Government’s forced labour system of cotton production and that the projects do not contribute to perpetuating the harm of child and forced labour.

Firstly, Management has not made progress with the Government on implementing measures to address the root causes of forced labour that “go beyond the farm level.” This fall, the Government continued to use coercion to mobilize farmers and other citizens to cultivate and harvest cotton, and those who failed to comply with orders were punished. As outlined below: (a) the government of Uzbekistan and ILO have made very limited progress in their dialogue regarding ILO Conv. No. 105 in part because the government of Uzbekistan denies that its cotton production system violates ILO Conv. No. 105; (b) Management did not adequately assess key links between the project and the government centralized system for forced labour; (c) Management did not adequately assess the involvement of other government agencies in the coercive cotton production system; (d) Management policy to encourage alternative agriculture production does not address similar concerns regarding the “centralized” nature of production for some alternative products, such as wheat and silk; and (e) Management has not worked to address the lack of transparency and accountability of cotton revenue and expenditure.

Secondly, at the project level, Management’s mitigation measures cannot be implemented in a manner that will prevent Bank financing from being linked to the government’s centralized system of forced labour. In particular, effective, independent third party monitoring is not currently feasible in the project area as demonstrated by the fact that the Bank’s effort to find a non-governmental third party monitor was unsuccessful. In addition, Management has not worked to enable independent civil society monitoring of the project-affected areas, without risk of reprisals. This year the Government repressed the rights of citizens reporting human rights concerns, in violation of international law and continuation of an essential element of its coercive system of cotton production. The government of Uzbekistan also has a track record of not abiding by its commitments.

¹ The Request was submitted by Vasila Inoyatova, Chair of the Human Rights Society of Uzbekistan “Ezgulik,” Nadejda Atayeva, President of the Association of Human Rights in Central Asia, and Umida Niyazova, Director of the Uzbek-German

² See Report and Recommendations on Request for Inspection, Republic of Uzbekistan: Second Rural Enterprise Support Project and Additional Financing for Second Rural Enterprise Support Project (P126962), Report No. 83254-UZ at ¶55 (December 9, 2013).

Therefore, we remain concerned that World Bank loans to the government of Uzbekistan risk linking Bank funds to violations of international law. Furthermore, in its implementation of RESP II and planning of the Karakalpakstan, GPE and Horticulture projects, the World Bank remains out of compliance with its policies, specifically OP 4.01, OMS 2.20 and OP 13.05.

We therefore request the Inspection Panel proceed to a full investigation of the World Bank's projects in Uzbekistan.

II. The government of Uzbekistan's centralized system of cotton production, under which adults and children are coerced into cultivating and harvesting cotton for economic purposes, is a gross violation of international law.

In its December 2013 report, the Inspection Panel issued its initial assessment of "whether the alleged harm and non-compliance potentially may be of a serious character and whether there is a plausible link between the harm alleged in the Request and the activities supported by the Project."³ The Inspection Panel reported that Management recognized "forced labor and child labor in cotton harvesting derive from Government practices in labor deployment for cotton harvesting," and that "both Requesters and Management point to government systems as the direct cause of the labor practices and alleged harm."⁴ The Panel also reported evidence "that all farms may be subject to cotton quotas, including farms receiving support under the Project, and heard of one alleged example,"⁵ and that "Management acknowledges that a residual risk remains that participating farmers may become subject to labor deployments in connection with the cotton harvest."⁶

As presented in further detail below, the government of Uzbekistan's practice of compelling farmers to cultivate cotton and others citizens to harvest cotton through a centralized system of cotton production is a gross violation of international law prohibiting forced or compulsory labour.⁷ Those who fail to comply with orders are punished. Controlling the production and sale through a network of government-owned "joint stock" companies, the government centrally manages cotton production for the purpose of accruing profits into the "Selkhozfond," a

³ Inspection Panel, "Report and Recommendations on Request for Inspection, Republic of Uzbekistan: Second Rural Enterprise Support Project and Additional Financing for Second Rural Enterprise Support Project (P126962), Report No. 83254-UZ" at ¶155 (December 9, 2013).

⁴ Inspection Panel, *Ibid* at ¶71

⁵ Inspection Panel, *Ibid* at ¶77

⁶ Inspection Panel *Ibid* at ¶31

⁷ Kramer, Andrew and Mansur Mirovalev, "In Uzbekistan, the Practice of Forced Labor Lives On During the Cotton Harvest," *The New York Times*, 17 December 2013, http://www.nytimes.com/2013/12/18/world/asia/forced-labour-lives-on-in-uzbekistans-cotton-fields.html?_r=0; Cotton Campaign, "Review of the 2013 Cotton Harvest in Uzbekistan," November 2013, 6 May 2014. http://www.cottoncampaign.org/wp-content/uploads/2013/11/2013CottonHarvest_end_report.pdf; Cotton Campaign and Uzbek-German Forum for Human Rights, "A Systemic Problem," July 2013, http://www.cottoncampaign.org/wp-content/uploads/2013/07/SystemicProblem-ForcedLabour_Uzbekistan_Cotton_Continues.pdf; Uzbek-German Forum for Human Rights, "Cotton- it's not a plant, it's politics," 2012, <http://www.cottoncampaign.org/wp-content/uploads/2012/12/cotton-its-not-a-plant-its-politics-UGF.pdf>; Centre for Contemporary Central Asia and the Caucasus, The School of Oriental and African Studies, University of London, "Invisible to the World," 2009, http://www.cottoncampaign.org/wp-content/uploads/2012/07/invisible2world_CIRC4.pdf; Environmental Justice Foundation, "White Gold," 2005, http://www.cottoncampaign.org/wp-content/uploads/2012/07/2005_EJF_WhiteGold.pdf.

secret fund housed in the Finance Ministry that is not included in national budgets and is not reported to the Oliy Majlis, the national parliament.⁸

A. The government of Uzbekistan controls a centralized system of cotton production operated by a system of government-owned “joint stock companies” and underpinned by forced labour, to earn money that disappears into a secret fund in the Finance Ministry, the Selkhozfond.

The Government owns all agriculture land and manages the land through leases with farmers. While the Ministry of Agriculture and Water Resources (MAWR) is responsible for the daily management of the cotton production system, decision-making authority for the entire agriculture sector is controlled by Prime Minister Shavkat Mirziyoyev through regular communication with regional, district and local government authorities. As a part of its responsibility for managing the cotton production system, the MAWR arranges long-term leases with farmers that include an obligation to deliver a quota of cotton to the government annually. The lease contracts specify the percentage of land on which cotton is to be grown and are updated annually with the year’s cotton production quotas.

The “production quota” is established annually by the central government; assigned to the regional *hokims* by the Prime Minister’s office; assigned to the farmers by Khlopkoprom;⁹ and enforced by the regional and district *hokims*. According to government decree issued by the Prime Minister’s office in 2009 (No. KR 03/1-732), farmers who fail to deliver the required quota will lose their land. Other government sanctions if farmers fail to meet the “production quota” include bringing criminal charges and criminal and civil fines.

While the government often suggests that it subsidizes farmers, its formal and informal taxes on farmers “more than offset the value of input subsidies for cotton growers.”¹⁰ Through “joint stock” companies co-owned by the Government and unknown individuals, the Uzbek government controls production and distribution of seeds, fertilizers, defoliants, pesticides and other agrochemicals, fuel and petroleum-based lubricants, machinery and its servicing for use in cotton and wheat production.¹¹ The government also controls a “cashless” system of credit on which farmers rely for obtaining their inputs.¹²

During the harvest, regional *hokims* oversee production rates closely, through regular meetings, at which *hokims* are known to verbally and physically abuse farmers who are under-producing.¹³ If a farmer fails to produce his assigned quota of cotton production, the regional *hokim* will “replace” him, *i.e.* assign the land to another farmer. To harvest cotton, the Uzbek government engages in a campaign to mobilize adults and children on a massive scale to hand pick cotton each year through daily “harvest quotas”. A farm labourer who refuses to participate when called upon to harvest cotton also faces the threat of punishment by the government.

⁸ Ilkhamov, Alisher and Muradov, Bakhodyr, “Uzbekistan’s Cotton Sector: Financial Flows and Distribution of Resources,” October 2014, <http://www.opensocietyfoundations.org/reports/uzbekistan-s-cotton-sector-financial-flows-and-distribution-resources>.

⁹ Khlopkoprom (also known as Uzhlopkoprom or Uzpakhtasanoat in Uzbek) is the state-controlled association responsible for procurement of raw cotton and ginning. Its regional divisions interact directly with farmers, including by obtaining farmers signatures on land leases and annual contracts for the delivery of cotton quotas.

¹⁰ Stephen Macdonald, “Economic Policy and Cotton in Uzbekistan,” Economic Research Service, United States Department of Agriculture, October 2012.

¹¹ Ilkhamov and Muradov, 2014, *Ibid*.

¹² Ilkhamov and Muradov, 2014, *Ibid*.

¹³ Farmer, interviewed for report, anonymous for personal security. Personal Interview by Matthew Fischer-Daly, 26 September 2012.

Under their lease contracts, farmers are obligated to sell their cotton to one of the 127 state-controlled gins of the association Khlopkoprom or the 18 gins of the Ministry of Agriculture and Water Resources (MOA). In an effort to characterize Khlopkoprom as quasi-private, the state owns 51% of the company's shares. However, the shareholders of the remaining 49% are completely unknown to the public. If it is a good year and the farmer is able to meet the quota, then he or she is often free to use or sell the surplus, but more often than not farmers must share their surplus to help friends and family members meet their own portion of the government-mandated quota.

To set the procurement price for cotton, authorities subtract official costs from export revenues. Costs include loans to farmers for inputs, irrigation system maintenance, ginning, and marketing. The government of Uzbekistan further squeezes farmers by undervaluing costs and using a highly overvalued exchange rate for the international price. Additionally, state-controlled gins further reduce the price paid to farmers by claiming high "trash" or water content. As a result, farm-gate prices are often less than production costs, driving many farmers into debt.

As a key component to the state-order system of agriculture, the government has absolute control over the sale and purchase of wheat and cotton, and the only legally allowed infrastructure for the sale and purchase of cotton and wheat is through government institutions. All cotton exports and domestic sales in Uzbekistan remain under centralized state control and are sold through the three government-owned trading companies - *Uzprommashimpex*, *Uzmarkazimpex*, and *Uzinterimpex*. While using forced labour to maximize returns, the Uzbek government does not report cotton income in national accounts. From cotton alone, the government earns at least \$1 billion USD annually, and the official national budget does not account for this income.¹⁴ Instead, cotton income goes to the extra-budgetary "Selkoeffond (Agricultural Fund)," housed in the Ministry of Finance, to which only the highest level government officials have access and knowledge of its use.¹⁵

B. The government of Uzbekistan uses coercion to mobilize farmers and their families to cultivate cotton for the centralized system of production; those who failed to comply with orders were punished.

In the first quarter of each year, the government imposes the annual production quotas on farmers, as it did in 2014.¹⁶ If farmers fail to meet the government-mandated quota, they risk losing their lease to farm the land, criminal charges and physical abuse.

Under an order from the Prime Minister, "Hokims, prosecutors and departments of internal affairs of districts must take under control those farms where cotton has not been picked and organize the final cotton harvest. In those cases where farms have not complied with contractual obligations, a schedule will be made to levy damages from them. Under the law, their land lease will be revoked."¹⁷ Land confiscation is not the only form of punishment for farmers who do not fulfil cotton production quotas. The hokims employ the district-level hokims,

¹⁴ Ilkhamov and Muradov, 2014, *Ibid*.

¹⁵ Ilkhamov and Muradov, 2014, *Ibid*.

¹⁶ "How cotton is grown in Uzbekistan," *UzNews*, 21 March 2014, <http://www.uznews.net/en/economy/25583-how-cotton-is-grown-in-uzbekistan>; "Ҳазорасплик фермер МТПнинг тракторини ёқиб юборди," *Radio Ozodlik*, 12 July 2014, <http://www.ozodlik.org/content/article/25454714.html>. (In July, the district hokim punished Bakhtiyor Ruzimetov for not fulfilling the state-imposed quota for wheat by destroying the farmer's sunflower crop, and the frustrated farmer set fire to a tractor belonging to the district in protest.); "'Little Thorn' in Jizzakh province protests against growing cotton" *UzNews*, 1 August 2014, <http://www.uznews.net/en/human-rights/27043-little-thorn-in-jizzakh-province-protests-against-growing-cotton>. (In August, a district hokim of the Jizzak region, Jergash Gajbullaev, verbally abuses Gulchekhra Turaeva after she refused his orders to convert her farm from cattle to cotton.)

¹⁷ Usman Sarwar, "Пахтакор боланинг ўлими учун ким жавобгар?," *Ozodlik.org*, 23 October 2009, available at <http://www.ozodlik.org/content/article/1859306.html>, last accessed 4 January 2013.

administrators of state institutions, prosecutor's office, and police to enforce the quotas. Examples in recent years include:

- In August 2014, a district hokim of the Jizzak region, Jergash Gajbullaev, verbally abused Gulchekhra Turaeva after she refused his orders to convert her farm from cattle to cotton.¹⁸
- In July 2014, the district hokim punished Bakhtiyor Ruzimetov for not fulfilling the state-imposed quota for wheat by destroying the farmer's sunflower crop, and the frustrated farmer set fire to a tractor belonging to the district in protest.¹⁹
- As the 2013 cotton harvest concluded, Safarboy Karimov, a farmer from Karakalpakstan, committed suicide in his cotton field for fear of the consequences of failing to fulfil his state quota.²⁰
- In October 2013, the farmers Mukhtar Bekimbetov, Anvar Ismoilov and Khamidjon Matrizayev, fled Uzbekistan to avoid arrest and imprisonment for failing to meet their quotas for the cotton harvest.²¹
- On October 5, 2013, in Surkhandarya region, Kizir District Administrator Olim Alimardanov insulted and beat Orif Ruziboyev, 29-year old farmer, for delivering less cotton than expected, on October 5, 2013.²²
- In May 2013, the Yangiyul District Department of Internal Affairs official Aziz Tashpulatov beat 63-year old farmer Tursunali Sadikov for arriving late to a cotton planning meeting, and the elderly farmer died of a heart attack the following morning.²³
- On April 19, 2013, the Namangan region deputy *hokim* (vice governor) Uktam Ergashev beat seven farmers for the "unlawful" planting of onions.²⁴
- In 2012, MAWR took over land designated for cotton after farmers planted non-cotton crops on it, and the Jizzak region Prosecutor's Office summoned the police to prevent recurrence of farmers growing vegetables and other non-cotton crops.²⁵

C. The government of Uzbekistan uses coercion to mobilize adults and children to harvest cotton; those who fail to comply are penalized.

In Uzbekistan's centralized system of cotton production, regional and district-level government officials are the government officials directly responsible for mobilizing sufficient quantities of labour to meet their assigned cotton quotas. A clear chain of command ensures the mobilization of labour for the cotton harvest. Reporting directly to the President, each year in January or February the Prime Minister convenes the regional hokims and conveys the national production plan and orders for cotton production quota for each region. Regional governors'

¹⁸ "‘Little Thorn’ in Jizzakh province protests against growing cotton" *UzNews*, 1 August 2014,

[http://www.uznews.net/en/human-rights/27043-little-thorn-in-jizzah-protests-against-growing-cotton](http://www.uznews.net/en/human-rights/27043-little-thorn-in-jizzah-province-protests-against-growing-cotton).

¹⁹ "Ўздорасплик фермер МТПнинг тракторини ёқиб юборди," *Radio Ozodlik*, 12 July 2014,

<http://www.ozodlik.org/content/article/25454714.html>.

²⁰ "Farmer commits suicide on cotton field," *Fergana News*, 20 October 2013,

<http://enews.fergananews.com/news.php?id=2743&mode=snews>; "Тўрткўллик фермер қамалишдан қўрқиб, ўзини осди," *Radio Free Europe / Radio Liberty "Ozodlik"*, 18 October 2013,

<http://www.ozodlik.org/content/article/25140979.html>

²¹ Uzbek human rights monitor, October 2013.

²² "Ўздоратланган фермернинг кампир онаси Қизириқ ҳокимига этагини кўтарди," *Radio Free Europe / Radio Liberty "Ozodlik"*, 9 September 2013, <http://www.ozodlik.org/content/article/25131695.html>

²³ "В Янгиюле схвачен милиционер, обвиняемый в убийстве фермера," *Radio Free Europe / Radio Liberty "Ozodlik"*, 3 May 2013, http://www.uznews.net/news_single.php?lng=ru&cid=38&nid=22628.

²⁴ "Vice governor beats 8 people at government meeting in Uzbekistan", CA-News, 26 April 2013, available at

http://www.cottoncampaign.org/wp-content/uploads/2013/04/CA-NEWS_-Vice-governor-beats-8-people-at-government-meeting-in-Uzbekistan.pdf, last accessed 1 June 2013.

²⁵ Uzbek-German Forum for Human Rights and Cotton Campaign, "A Systemic Problem: State-sponsored forced labour in Uzbekistan's cotton sector continues in 2012," 2012, Annex 1, http://www.cottoncampaign.org/wp-content/uploads/2013/07/SystemicProblem-ForcedLabour_Uzbekistan_Cotton_Continues.pdf.

are responsible for ensuring enough labour is available to harvest cotton. They pass the responsibility for implementing the labour recruitment plan down to the district and local authorities in their region.

In April and May of 2014, authorities forced teachers in the Bukhara and Tashkent region, private businessmen, mahalla committees (community groups), and students in Karakalpakstan to weed cotton fields or pay a fee, purportedly for the hiring of a day labourer to do the work in their place.²⁶ Payments for exemptions reached 1 million soum (\$333) for university students in Tashkent.²⁷ Leading up to the harvest, colleges and lyceums required parents to sign a contract that includes an agreement that their children will conduct agricultural work during the school year, as a condition for enrolment [see Annex 1 for an example].²⁸ In August, authorities ordered teachers to sign up for shifts to pick cotton or resign,²⁹ and officials issued orders to public institutions to organize staff to work in the cotton harvest, such as the Resolution of the Mayor of Tashkent City of August 28 (See Annex 2).

Starting September 8, the government mobilized adults en masse to harvest cotton throughout the country. During the first half of the harvest, only a few colleges sent 1st- and 2nd-year students, typically ages 16 and 17. The vast majority 3rd-year college students, university students and teachers of schools, colleges, lyceums and universities have been mobilized. Starting mid-October, colleges in at least two regions began mass mobilization of 2nd-year students, demonstrating that pressure on authorities to fulfil quotas supersedes instructions to not use child labour.

Its decision to prohibit the use of child labour has increased the burden on 18-year old college students, university students, public- and private-sector workers nationwide. It has also created a tension among local authorities, whose jobs depend on fulfilling quotas designated for their region and district. Throughout the harvest, authorities have mobilized more public-sector workers of other sectors, including doctors and nurses, and private-sector contributions than previous harvests. Public-sector administrators have ordered employees who do not want to pick cotton to sign letters of resignation, instead of threatening to fire them.³⁰ Similarly, universities have ordered students to sign letters stating they agree to be expelled if they do not pick cotton [see Annex 3 for an example].³¹ Authorities have threatened domestic business owners with extraordinary tax inspections if they do not contribute employees or financially to the cotton harvest. General Motors Uzbekistan contractor UzDongVonCo stated that its employees are sent to pick cotton,³² and the Swedish telecommunications company Teliasonera stated contributions to the cotton harvest are a prerequisite to doing business in Uzbekistan.³³

Quotas this year are 50-60 kilograms per day for college students and 60-70 kg per day for others. The official rate for picking cotton this year is \$0.07 per kg, insufficient to cover the costs that citizens incur for

²⁶ *Chronicle of Forced Labour of Children and Adults in Uzbekistan, Issue 1*, Uzbek-German Forum for Human Rights, 15 May 2014, http://uzbekgermanforum.org/wp-content/uploads/2014/05/Chronicle-2014_Issue1-May-193.pdf.

²⁷ Student of the Tashkent Highway Institute (TARI), email to Uzbek-German Forum for Human Rights, 10 September 2014.

²⁸ *Chronicle of Forced Labour of Children and Adults in Uzbekistan, Issue 2*, Uzbek-German Forum for Human Rights, 18 August 2014, http://uzbekgermanforum.org/wp-content/uploads/2014/08/Chronicle-2_2014.pdf.

²⁹ "Fergana Valley teachers prepare for the cotton harvest," *UzNews*, 12 August 2014, <http://www.uznews.net/en/economy/27160-fergana-valley-teachers-prepare-for-the-cotton-harvest>.

³⁰ "Бош вазир болаларни пахтазорга яқинлаштирмасликни буюрди," *Radio Ozodlik*, 5 September 2014, <http://www.ozodlik.org/content/article/26568630.html>.

³¹ "Врач ва бўлғуси врачлар биринчилар сафида пахтага ҳайдалмоқда," *Radio Ozodlik*, 4 September 2014, <http://www.ozodlik.org/content/article/26566863.html>.

³² "'ГМ-Ўзбекистон"га пудратчи корхонанинг 19 яшар ишчиси пахтада вафот этди," *Radio Ozodlik*, 8 October 2014, <http://www.ozodlik.org/content/article/26627321.html>.

³³ "Telia sponsrar tvångsarbete för barn," SvD Naeringsliv, 12 September 2014, http://www.svd.se/naringsliv/telia-sponsrar-tvangsarbete-for-barn_3909874.svd

transportation, accommodations, and food to fulfil their cotton picking quotas. Rates to hire day labourers to pick one's quota have increased fourfold, from 5,000 per day in 2013 to 20,000 in 2014.³⁴

While forms of coercion vary depending on the government official responsible for exacting the punishment, coercion of labour to cultivate and harvest cotton is commonly applied by responsible government officials. Refusal to work, or indeed even to work hard enough to fulfil the assigned quota, can result in beatings, threats, expulsion from school or university, loss of employment in the public or private sector, loss of public benefits, loss of access to public benefits, and even confiscation of land.

- **Bukhara:** colleges sent 3rd-year students, typically age 18, to the cotton fields, and teachers reported they expect to mobilize 2nd-year students in order to meet quota.³⁵ Students reported that they slept in the village schools and some paid up to \$500 to avoid the harvest.³⁶ The Sadridin Ayniy Music and Drama Theatre of Bukhara sent its employees in shifts, after the director reportedly told them 'If you live in Uzbekistan, if you want to work in theatre, then you go to pick cotton.'³⁷
- **Jizzak:** School teachers have been picking cotton since September 17, and classes are not being taught.³⁸ Authorities ordered small-business owners to close shop and pick cotton at least until 5:00 in the afternoon, and restricted those who did not pick cotton or hire a day labourer to not open their shop at all during the harvest.³⁹
- **Karakalpakstan:** Authorities sent most 3rd-year college students, university students, teachers and other public-sector workers, and ordered bus companies to transport them without payment.⁴⁰ Universities strictly followed orders to send students starting September 11, even though the cotton was not yet ready for picking.⁴¹ Initially, 1st- and 2nd-year college students in were not sent to the harvest, and in some cases the 16- and 17-year old students were picking cotton as day labourers.⁴² In mid-September, authorities

³⁴ "Public employees in Karakalpakstan ordered to the cotton fields," *UzNews*, 3 September 2014, <http://www.uznews.net/en/economy/27457-public-employees-in-karakalpakstan-ordered-to-the-cotton-fields>.

³⁵ *Ibid.*

³⁶ *Chronicle of Forced Labour of Children and Adults in Uzbekistan, Issue 4*, Uzbek-German Forum for Human Rights, 21 September 2014, <http://uzbekgermanforum.org/wp-content/uploads/2014/09/A-CHRONICLE-OF-FORCED-LABOUR-IN-THE-COTTON-SECTOR-IN-UZBEKISTAN.pdf>.

³⁷ *Chronicle of Forced Labour of Children and Adults in Uzbekistan, Issue 4*, Uzbek-German Forum for Human Rights, 21 September 2014, <http://uzbekgermanforum.org/wp-content/uploads/2014/09/A-CHRONICLE-OF-FORCED-LABOUR-IN-THE-COTTON-SECTOR-IN-UZBEKISTAN.pdf>.

³⁸ *Chronicle of Forced Labour of Children and Adults in Uzbekistan, Issue 5*, Uzbek-German Forum for Human Rights, 6 October 2014.

³⁹ "Пахтага чиқмасанг жазоланасан, жазоланмаслик учун пахтага чиқасан," *Radio Ozodlik*, 24.09.2014, <http://www.ozodlik.org/content/article/26603440.html>

⁴⁰ *Chronicle of Forced Labour of Children and Adults in Uzbekistan, Issue 3*, Uzbek-German Forum for Human Rights, 15 September 2014, <http://uzbekgermanforum.org/wp-content/uploads/2014/09/Chronicle-3-2014-1.pdf> and "Public employees in Karakalpakstan ordered to the cotton fields," *UzNews*, 3 September 2014, <http://www.uznews.net/en/economy/27457-public-employees-in-karakalpakstan-ordered-to-the-cotton-fields>.

⁴¹ "Karakalpakstan students pick cotton," *UzNews*, 16 September 2014, <http://www.uznews.net/en/economy/27625-karakalpakstan-students-pick-cotton>.

⁴² *Chronicle of Forced Labour of Children and Adults in Uzbekistan, Issue 4*, Uzbek-German Forum for Human Rights, 21 September 2014, <http://uzbekgermanforum.org/wp-content/uploads/2014/09/A-CHRONICLE-OF-FORCED-LABOUR-IN-THE-COTTON-SECTOR-IN-UZBEKISTAN.pdf>.

sent 1st- and 2nd-year college students to the cotton fields in at least one district.⁴³ Authorities also ordered joint stock companies to contribute employees, forcing many to cease operations.⁴⁴

- **Khorezm:** 12 of 13 nurses and 1 of 2 doctors of one clinic were sent to pick cotton under threats to dock their salary, and a grandfather reported finding no doctors at the district hospital to treat his grandson and instead, a sign: “All at the cotton harvest.”⁴⁵ The deputy head of the regional administration of the Education Ministry explained that he follows orders to mobilize teachers to the harvest, because “If they live in this country, they should contribute.”⁴⁶ Starting September 13, universities sent all students to pick cotton for one month, under threats of expulsion.⁴⁷
- **Kashkadarya:** Authorities sent students to the Kitob district, a cold, mountainous region.⁴⁸ A doctor of the Dekhonobod district reported 80% of his hospital’s staff was sent to pick cotton.⁴⁹ A university student reported his dean threatened to expel him if he left the cotton field.⁵⁰ Schools in the Nishon and Dehkonobod districts sent 9th-grade students, typically age 15, to pick cotton, until a complaint led the district prosecutor’s office to send the children back from the fields.⁵¹
- **Navoi:** 3rd-year college students picking cotton in the Khatirchi district were not provided food and had to purchase food from local markets at the end of the day in the cotton fields.⁵²
- **Samarkand:** At least two schools sent 2nd-year students, typically age 17, to pick cotton.⁵³
- **Syrdarya:** Authorities mobilized 3rd-year college students, college teachers and social-welfare recipients.⁵⁴ Colleges in Syrdarya have sent up to 50% of the teachers.⁵⁵ A teacher in Gulistan reported that she has had to pick cotton as a schoolgirl, college student, university student and teacher, yet this harvest she is paying half of her salary to avoid the harvest and care for her young child.⁵⁶

⁴³ “Ўзбекистонда 18 ёшга тўлмаганлар ҳам пахтага чиқариляпти,” *Radio Ozodlik*, 15 September 2014, <http://www.ozodlik.org/content/article/26584906.html>.

⁴⁴ *Chronicle of Forced Labour of Children and Adults in Uzbekistan, Issue 4*, Uzbek-German Forum for Human Rights, 21 September 2014, <http://uzbekgermanforum.org/wp-content/uploads/2014/09/A-CHRONICLE-OF-FORCED-LABOUR-IN-THE-COTTON-SECTOR-IN-UZBEKISTAN.pdf>.

⁴⁵ “Хоразмда тиббиётчилар оммавий равишда пахтага ҳайдалди,” *Radio Ozodlik*, 7 September 2014, <http://www.ozodlik.org/content/article/26571023.html>.

⁴⁶ “Ўқувчи пахтага чиқарилмаётми; дарс беришга ўқитувчи йўқ!,” *Radio Ozodlik*, 11 September 2014.

⁴⁷ Khorezm resident, email to Uzbek-German Forum for Human Rights, 13 September 2014.

⁴⁸ “ТАТУ талабалари: Биз пахта териш учун ўқишга кирмадик,” *Radio Ozodlik*, 14 September 2014, <http://www.ozodlik.org/content/article/26583178.html>.

⁴⁹ *Chronicle of Forced Labour of Children and Adults in Uzbekistan, Issue 5*, Uzbek-German Forum for Human Rights, 6 October 2014.

⁵⁰ *Chronicle of Forced Labour of Children and Adults in Uzbekistan, Issue 5*, Uzbek-German Forum for Human Rights, 6 October 2014.

⁵¹ “Нишонда пахта тераётган ўқувчилар мактабга қайтарилди,” *Radio Ozodlik*, 26.09.2014, <http://www.ozodlik.org/content/article/26607142.html>

⁵² “Хатирчи Агросервис коллежи ўқувчилари пахтада оч қолди,” *Radio Ozodlik*, 19 September 2014, <http://www.ozodlik.org/content/article/26595399.html>.

⁵³ “Uzbekistan: Minors on cotton plantations despite bans,” *Fergana News*, 30.09.2014, <http://enews.fergananews.com/news.php?id=2852&mode=snews>.

⁵⁴ *Ibid.*

⁵⁵ *Chronicle of Forced Labour of Children and Adults in Uzbekistan, Issue 4*, Uzbek-German Forum for Human Rights, 21 September 2014, <http://uzbekgermanforum.org/wp-content/uploads/2014/09/A-CHRONICLE-OF-FORCED-LABOUR-IN-THE-COTTON-SECTOR-IN-UZBEKISTAN.pdf>.

⁵⁶ *Chronicle of Forced Labour of Children and Adults in Uzbekistan, Issue 5*, Uzbek-German Forum for Human Rights, 6 October 2014.

- **Tashkent:** Authorities sent health-care workers, teachers and private-sector industrial workers to pick cotton.⁵⁷ Over thirty colleges sent 3rd-year students and teachers. At least one lyceum ordered parents of 1st-year and 2nd-year students to pay 100,000 soums each, purportedly to hire day labourers and instead of sending the teachers, and the same lyceum offered the same rate to 3rd-year students in exchange for an exemption from the harvest.⁵⁸ The Tashkent-based joint-stock Uzbekugol sent approximately 1,000 employees to pick cotton, and the Department of Culture and Local History Museum sent nearly half of their staff.⁵⁹ Authorities ordered market merchants to pick cotton or pay them 800,000 soums (\$267).⁶⁰ In at least one district, young children accompanied their parents.⁶¹

D. As an essential element of its coercive system of cotton production, the government of Uzbekistan represses the rights of citizens reporting human rights concerns in violation of international law.

The government of Uzbekistan’s use of forced labour to produce cotton is supported by its denial of fundamental rights of association, freedom of press, and due process and its systemic use of torture in the law enforcement system enable its use of forced labour to produce cotton. In its latest report on Uzbekistan, the United Nations Human Rights Committee expressed concern and issued recommendations on these fundamental rights.⁶² In particular, the Committee remained “concerned about the number of representatives of independent non governmental organizations (NGO), journalists, and human rights defenders imprisoned, assaulted, harassed or intimidated, because of the exercise of their profession.”⁶³

On Sunday, September 28, 2014, police of the Kibray district, Tashkent region, arrested and detained Dmitry Tikhonov, a human rights monitor with the Uzbek-German Forum, after he photographed and interviewed college students picking cotton in the Tashkent region. Mr. Tikhonov reported the arrest to the ILO Tashkent Director Harri Taliga during a meeting September 29 when he attended by Mr. Tihanov as the representative of both UGF and the Cotton Campaign. On October 15 authorities again detained Mr. Tikhonov and searched his laptop while he was returning to Tashkent from a training workshop on labour rights monitoring. In October 2014, Jizzak regional prosecutors and police threatened to imprison human rights monitor Uktam Pardaev without any charges. In 2013, police put Mr. Pardaev under house arrest after his visit with a South Korean human rights delegation and Cotton Campaign member,⁶⁴ and during the 2012 cotton harvest authorities detained Pardaev incommunicado

⁵⁷ *Chronicle of Forced Labour of Children and Adults in Uzbekistan, Issue 3*, Uzbek-German Forum for Human Rights, 15 September 2014, <http://uzbekgermanforum.org/wp-content/uploads/2014/09/Chronicle-3-2014-1.pdf>.

⁵⁸ “Ўқитувчиларни пахтадан олиб қолиш учун талабалардан пул йиғилмоқда,” *Radio Ozodlik*, 14 September 2014, <http://www.ozodlik.org/content/article/26581942.html>.

⁵⁹ *Chronicle of Forced Labour of Children and Adults in Uzbekistan, Issue 4*, Uzbek-German Forum for Human Rights, 21 September 2014, <http://uzbekgermanforum.org/wp-content/uploads/2014/09/A-CHRONICLE-OF-FORCED-LABOUR-IN-THE-COTTON-SECTOR-IN-UZBEKISTAN.pdf>.

⁶⁰ “Пахта сафарбарлиги қўйлиқ бозоригача етди,” *Radio Ozodlik*, 7 September 2014, <http://www.ozodlik.org/content/article/26570666.html>.

⁶¹ *Chronicle of Forced Labour of Children and Adults in Uzbekistan, Issue 4*, Uzbek-German Forum for Human Rights, 21 September 2014, <http://uzbekgermanforum.org/wp-content/uploads/2014/09/A-CHRONICLE-OF-FORCED-LABOUR-IN-THE-COTTON-SECTOR-IN-UZBEKISTAN.pdf>.

⁶² United Nations Human Rights Committee, “Concluding observations of the Human Rights Committee: Uzbekistan,” New York, 8-26 March 2010, CCPR/C/UZB/CO/3, <http://www.ohchr.org/en/countries/enacaregion/pages/uzindex.aspx>.

⁶³ United Nations Human Rights Committee, *Ibid*, paragraph 24.

⁶⁴ “Jizak-based activist under round-the-clock watch,” *UzNews*, 12 February 2013, http://www.uznews.net/news_single.php?lng=en&sub=hot&cid=3&nid=22026; “Jizzakh human rights worker “hidden” from Korea child labour monitors,” *UzNews*, 27 September 2013, http://www.uznews.net/news_single.php?lng=en&sub=hot&cid=2&nid=23899

following his reports on forced child labour.⁶⁵ During the 2014 cotton harvest, authorities have detained human rights monitor Elena Urlaeva three times and conducted a degrading search of her on October 14.⁶⁶

Imprisoned journalist and peaceful political opposition activist Muhammad Bekjanov was a pioneer in the effort to document and report about the government's practice of forced labour and child labour. He is been imprisoned since 1999 on charges that appear politically-motivated, making him currently the world's longest imprisoned journalist according to the Committee to Protect Journalists. Reporters Without Borders honored Mr. Bekjanov with its Press Freedom Prize in 2013. In October 2013, Uzbek authorities imprisoned Bobomurad Razzakov, a farmer and regional chairman of Uzbekistan's only legally registered human rights organization, *Ezgulik*, for his human rights work on behalf of farmers and agricultural communities in the Bukhara region.⁶⁷ In the autonomous republic of Karakalpakstan authorities continue to crackdown on local civil society and have imprisoned dozens of peaceful Karakalpak activists, imposing strict controls on the freedom of expression, association, and assembly.⁶⁸

E. International law prohibits governments from mobilizing labour for the purpose of economic development.

Forced or compulsory labour is defined at Convention No. 29, Article 2.1, as “all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself [or herself] voluntarily.”⁶⁹ According to the CEACR, “under menace of penalty” “should be understood in a very broad sense: it covers penal sanctions, as well as various forms of coercion, such as physical violence, psychological coercion, retention of identity documents, etc. The penalty here in question might also take the form of a loss of rights or privileges.”⁷⁰

Though Conv. No. 29 provides for exceptions that enable governments to legally compel labour, such as military service,⁷¹ ILO Conv. No. 105 was adopted in 1957 specifically to end certain forms of government coerced labour that continued after the adoption of ILO Conv. No. 29, including the use of compulsory labour as a punishment for holding certain political views and compulsory labour for strictly economic activities that were nonetheless being justified as acceptable forms of compulsory labour such as “normal civic obligations of a citizen” or “communal labour.”⁷² To bring an end to these coercive economic systems, and to ensure that government compelled labour is not used for economic gain, ILO Conv. No. 105 specifically prohibited national governments

⁶⁵ “Central Asia: Overview of Key Human Rights Concerns and Recommendations: Uzbekistan,” *Human Rights Watch*, 15 November 2012, <http://www.hrw.org/news/2012/11/15/central-asia-overview-key-human-rights-concerns-and-recommendations>

⁶⁶ “Elena Urlaeva subjected to full-body search for taking photos of forced cotton pickers,” *UzNews*, 14 October 2014, <http://www.uznews.net/en/human-rights/27902-elena-urlaeva-subected-to-full-body-search-for-taking-photos-of-forced-cotton-pickers>.

⁶⁷ “Uzbekistan: Trial of Activist on Trumped-Up Charges,” *Human Rights Watch*, September 24, 2013, <http://www.hrw.org/news/2013/09/24/uzbekistan-trial-activist-trumped-charges>.

⁶⁸ Human Rights Watch, “‘Until the Very End’: Politically Motivated Imprisonment in Uzbekistan,” September 2014, <http://www.hrw.org/reports/2014/09/26/until-very-end>.

⁶⁹ ILO Convention No. 29 concerning Forced or Compulsory Labour (Forced Labour Convention), adopted June 28, 1930, 39 U.N.T.S. 55, entered into force May 1, 1932.

⁷⁰ International Labour Organization, “Giving Globalization a Human Face,” 2012, ILC.101/III/1B, Para 308 http://www.ilo.org/wcmsp5/groups/public/@ed_norm/@relconf/documents/meetingdocument/wcms_174846.pdf, at paragraph 270.

⁷¹ See ILO Convention No. 29 at ¶12(2)(b).

⁷² See ILO Convention No. 29 at ¶12(2)(b)

from using “any form of forced labour or compulsory labour . . . as a method of mobilizing and using labour for purposes of economic development.”⁷³

Furthermore, by investing in, or doing business with, the agriculture sector in Uzbekistan, the World Bank may be promoting illegal business practices by companies involved in project implementation, and any company that participates in the World Bank projects in the agriculture sector in Uzbekistan risks exposure to legal liability. The World Bank cannot ensure that any investment in agriculture is not used by the Uzbek government in its forced-labour system of cotton production. Investing in a forced labour system of production is a violation of US law, which makes it a crime for any person to “knowingly benefit[, financially or by receiving anything of value, from participation in a venture which has engaged in the providing or obtaining of [forced labour]. 18 U.S.C. §1589. It is also a crime for any person to bring goods made “in whole or in part” with forced labour into the United States, including products containing cotton from Uzbekistan, 19 U.S.C. §1307 (1930), and, appropriately, the US Departments of Homeland Security and Justice are moving forward with investigations into violations of these laws by companies trading in goods made with Uzbek cotton.”⁷⁴

III. Management measures to ensure that RESP II loans as well as several new loans to the government of Uzbekistan have no “link” to the Government’s forced labour system of cotton production are insufficient.

In its December 2013 report, the Panel concluded, “as long as Bank financing is supporting in some measure cotton production and there is a residual possibility that there can be child/forced labor on farms receiving project support . . . , then it is plausible that the Project can contribute to perpetuating the harm of child and forced labor.”⁷⁵ The Panel then noted some of project activities that possibly were supporting “either directly or indirectly through the project components,”⁷⁶ the Government of Uzbekistan centralized system of cotton production, including (1) financial support for machinery, including tractors, due to the fact that this could have a dual purpose in supporting both cotton and other types of farming;⁷⁷ (2) financial support for improved irrigation and drainage for farms;⁷⁸ and (3) credit lines for the purchase of farm equipment.⁷⁹

The Panel then deferred a decision on whether a full investigation by the Panel is warranted for one year to provide the Management time to achieve a (i) “positive result of the proposed third-party monitoring of child and forced labour in Project-finance activities,” and (ii) “progress in the dialogue between the Bank and Government on the concerns characterizing the current system of cotton production.”⁸⁰

Management has made little progress implementing measures that will effectively “de-link” the RESP II project from the government of Uzbekistan’s coercive cotton production system for two main reasons, as explained more fully below. Firstly, Management has not made progress with the government of Uzbekistan on implementing

⁷³ ILO Convention No. 105 concerning the Abolition of Forced Labour (Abolition of Forced Labor Convention), adopted June 25, 1957, entered into force January 17, 1959.

⁷⁴ See Letter from U.S. Department of Homeland Security, Immigration and Customs Enforcement to Matthew M. Fischer-Daly, regarding ICE FOIA Case Number 2014FOIA08532, 7 March 2014, [“You have requested any and all determinations from the United States Customs and Border Protection (CBP) concerning cotton and cotton products from Uzbekistan. Any and all records for actions taken by United States Immigration and Customs Enforcement to detain, hold, and/or investigate cotton products from Uzbekistan...” “I have determined that the information you are seeking relates to an ongoing law enforcement investigation.”]

⁷⁵ Inspection Panel, *Ibid*, at ¶180

⁷⁶ Inspection Panel, *Ibid*, at ¶180

⁷⁷ Inspection Panel, *Ibid*, at ¶176 and ¶177

⁷⁸ Inspection Panel, *Ibid*, at ¶177

⁷⁹ Inspection Panel, *Ibid*, at ¶131

⁸⁰ Inspection Panel, *Ibid*, at ¶103 and ¶104

measures to address the root causes of forced labour that “go beyond the farm level.” Secondly, Management’s mitigation measures at the project level cannot be implemented in a manner that will prevent Bank financing from being linked to the government’s centralized system of forced labour.

A. Bank management has not made progress with the government of Uzbekistan on implementing measures to address the root causes of forced labour that “go beyond the farm level.”

The Inspection Panel’s December 2013 report noted the importance of Management making “progress in the dialogue between the Bank and Government on the concerns characterizing the current system of cotton production” citing in particular the need for measures “that go beyond the farm level.”⁸¹ Over the past year, though, Bank management has not made progress with the government of Uzbekistan on implementing measures to address the root causes of forced labour. In particular, (1) the government of Uzbekistan, the ILO, and Management have made extremely limited progress in their dialogue regarding full implementation ILO Conv. No. 105; (2) Management has still not fully assessed key links between the project and the government centralized system for forced labour; (3) Management has not adequately assessed the involvement of other government agencies in the coercive cotton production system; and (4) Management’s policy to encourage alternative agriculture production does not address similar concerns related to centralized control over other successful agriculture products.

1. The government of Uzbekistan and ILO have made very limited progress in their dialogue regarding ILO Conv. No. 105 in part because the government of Uzbekistan denies that its cotton production system violates ILO Conv. No. 105.

The government of Uzbekistan and ILO have made very limited progress in their dialogue regarding ILO Conv. No. 105 in part because the government of Uzbekistan denies that its cotton production system violates ILO Conv. No. 105.⁸² On April 25, 2014 the Government signed the Decent Work Country Programme (DWCP) with the ILO. In the Programme document the Government committed to work with the ILO to improve application of ratified ILO Conventions, consider ratifying additional conventions, implement the National Action Plan for the application of child labour Conventions, and adopt effective measures to eradicate forced labour in the cotton industry, among other activities.

Then on May 27, 2014, the Uzbek government issued Decree No. 132 “On additional measures on implementation of conventions of International Labour Organization (ILO) ratified by Republic of Uzbekistan in 2014 – 2016.”⁸³ In the decree, the government promised to conduct a statistical survey of child labour, monitor both forced and child labour, and create an action plan, yet it did not commit to a role for the ILO or another independent body for such activities and does not mention the cotton sector.⁸⁴ In the decree, the government also commits to the “creation of institutional base for ensuring free employment of the cotton pickers by farmers

⁸¹ Inspection Panel, *Ibid*, at ¶103 and ¶104

⁸² International Labour Organization (ILO), Report of the Committee of Experts on the Application of Conventions and Recommendations, ReportIII(1A)-2014-[NORME-140107-1]-En.docx, at page 172 (reviewing the Government of Uzbekistan’s implementation of the Forced Labour Convention 105), , at page 171, stating: “The Committee notes that the Government...states that workers called upon to participate in agricultural work are paid,” “that all the cotton produced in the country is grown by private farmers,” and “pickers are engaged through individual employment contracts, generally motivated by a desire to earn additional income.”

⁸³ Government of Uzbekistan, “Resolution of the Cabinet of Ministers 132 “On additional measures on implementation of conventions of International Labour Organization (ILO) ratified by Republic of Uzbekistan in 2014 – 2016,” Available in Uzbek at http://lex.uz/pages/getpage.aspx?lact_id=2396822 and in English at <http://www.cottoncampaign.org/wp-content/uploads/2014/11/UZ-Decree.pdf>.

⁸⁴ Government of Uzbekistan, *Ibid*, at Section II.

through labour market institutes"⁸⁵ but omits any indication of reforms of the financial infrastructure of the agriculture sector necessary to enable farmers the ability to accumulate sufficient income to hire labour.

More than six months after agreeing to a 2-year DWCP, the government of Uzbekistan has not permitted the ILO to proceed with the required survey of labour recruitment policies and practices, which is a prerequisite before moving forward with a DWCP and monitoring. As of mid-October, World Bank management reported that the government of Uzbekistan may allow the ILO to conduct the forced labour survey in the spring of 2015, which would mean World Bank projects would likely have to proceed without any independent third party monitoring in 2015, as in 2014.

2. Management did not adequately assess key links between the project and the government centralized system for forced labour.

Due to the government's denial of a fundamental fact underlying our complaint, Management has not adequately assessed key links between the project and the government centralized system for forced labour, despite its acknowledgement that forced labour and child labour in cotton harvesting have to do with "*factors outside the scope of the project, and are therefore beyond the reach of Bank safeguards and other policies.*"⁸⁶

Bank Management describes the South Karakalpakstan Water Resource Management Improvement (P127764) ("Karakalpakstan project") as a pilot project to test an alternative model of cotton production. The project contemplates exempting cotton farmers in the project area from the government-imposed production quotas and replacing persons with mechanized cotton harvesters. In its design of the Karakalpakstan project, Management has not undertaken adequate mitigation measures to ensure that cotton produced on farms that benefit from the Bank's projects will not be linked to the Government's cotton production system.

Exempting a farmer from the production quota does not delink it from the forced labour cotton production system, because the cotton produced must still be sold back into the system. As described above (as described *supra* at II.B), cotton and wheat farmers in Uzbekistan do not own capital, including the farm land, have severely limited access to credit, have access only to input suppliers that are joint-stock monopolies of the government, and have access only to the joint-stock monopsony of the government to sell cotton and wheat.⁸⁷ The Karakalpakstan project's design does not address the government control of the financial infrastructure of the cotton and wheat sectors and therefore ensures that the cotton and wheat produced are sold back to and thereby support the forced labour system of production of the Government.

3. Management did not adequately assess the involvement of other government agencies in the coercive cotton production system

The Bank Management has also moved ahead with the "Uzbekistan: Improving Pre-Primary and General Secondary Education Project (P144856)" (Global Partnership for Education "GPE") despite the fact that the Ministry of Education carries out orders each year to mobilize staff and students to pick cotton under threats of dismissal from their job or expulsion from school.

⁸⁵ Government of Uzbekistan, *Ibid*, at Section IV, Point 25.

⁸⁶ The World Bank Inspection Panel, *Ibid*, at paragraphs 71.

⁸⁷ Ilkhamov and Muradov, 2014, *Ibid*. and Hornidge, Anna-Katharina and Shtaltovna, Anastasiya, "A Comparative study on cotton production in Kazakhstan and Uzbekistan," Center for Development Research (ZEF), University of Bonn, 2014, http://www.zef.de/uploads/tx_zefportal/Publications/ZEF-Cotton_Kasachstan-web.pdf.

While the rate of child labour has decreased, the forced labour of adults that has increased in 2013 and 2014 undermines delivery of essential services.⁸⁸ Most universities do not operate during the cotton harvest. In 2014, schools, colleges, lyceums, university and other higher-education institutes sent over half, by some estimates up to 80%,⁸⁹ of their teachers, leaving the few remaining teachers to teach subjects they are not prepared to teach and classes. In some schools and colleges, administrators demanded payments from parents of 1st- and 2nd-year college students, purportedly to hire day labourers to replace the teachers in the cotton fields and keep the teachers in the classrooms. An estimated 60% of staff of hospitals, clinics and other public-sector institutions was also sent to pick cotton. This is an increase from previous years, when it was estimated that up to 40% of staff of these institutions was mobilized. The adults reported 25-day shifts, longer than the 10-day shifts of 2013.

The risk that students and teachers will continue to be mobilized to pick cotton is far greater than “moderate,” as claimed in the GPE “Program Implementation Grant Application.”⁹⁰ Until the Government of Uzbekistan ends its forced-labour system of cotton production, it is likely that students, teachers and school staff will be forced to pick cotton. There has been no cotton harvest without forced labour of students and teachers in the history of independent Uzbekistan. Providing financing to Uzbekistan’s Ministry of Education while it continues to be involved in the forced mobilization of students, teachers and school staff for the cotton harvest risks perpetuating the use of forced labour and undermining access to education for students of all levels of the education system.

4. Management policy to encourage alternative agriculture production does not address similar concerns regarding the “centralized” nature of production for alternative products.

With its design of the Horticulture Development Project (P133703) (“Horticulture Project”), Bank Management has demonstrated that it has not accounted for similar government use of coercion in alternative agriculture sectors. While diversification may be a useful strategy to mitigate resource degradation and increase rural incomes, the Uzbek Government’s history of exerting full control over economically successful activities has not been limited to the large scale cotton and wheat growing systems, and its use of forced labour has not been limited to cotton production. In fact, the Government has demonstrated a particular ability and intention to exert control and coercion over small-scale agriculture. For example, the Government strictly controls silk production for export to world markets. Residents of Fergana province report that local authorities coerce farmers to produce silk and penalize farmers with fines for failure to deliver the silk.⁹¹ The arrangement subjects the farmers’ families to work for no compensation for their labour, and in many cases, give up sections of their home for the silk worms to grow. This suggests that, were horticulture to become economically successful, as is the aim of the Horticulture project, it could also come under the control and forced-labour practices of the Uzbek Government, an eventuality that the World Bank is not in a position to prevent.

5. Management has not worked to address the lack of transparency and accountability of cotton revenue and expenditure

⁸⁸ Uzbek-German Forum for Human Rights, “Preliminary Report on Forced Labor During Uzbekistan’s 2014 Cotton Harvest,” November 2014, <http://uzbekgermanforum.org/wp-content/uploads/2014/11/Forced-Labor-During-Uzbekistans-2014-Cotton-Harvest.pdf> and Uzbek-German Forum for Human Rights, “Forced Labor in Uzbekistan: Report on the 2013 Cotton Harvest,” June 2014, <http://uzbekgermanforum.org/wp-content/uploads/2014/06/Forced-Labor-in-Uzbekistan-Report-2013.pdf>.

⁸⁹ “Ўқувчи пахтага чиқарилмаётир; дарс беришга ўқитувчи йўқ!,” *Radio Ozodlik*, 11 September 2014, <http://www.ozodlik.org/content/article/26578023.html>.

⁹⁰ Global Partnership for Education, “Program Implementation Grant Application: Uzbekistan,” at page 20 [“There is a moderate risk that student beneficiaries and a substantial risk that teacher and school manager beneficiaries may be mobilized to pick cotton or provide financial resources to support the cotton harvest.”]

⁹¹ Ashurov, Sadridin and Farangis Najibullah, “Uzbeks Toil To Keep Silk Industry's Traditions Alive,” *Radio Free Europe*, *Radio Liberty*, 12 March 2013, <http://www.rferl.org/content/uzbekistan-silk-industry/24926469.html>.

Any contribution of Uzbekistan's cotton industry is undermined by the lack of transparency and accountability over cotton revenue and expenditure, presenting a conflict with the World Bank's twin goals of eliminating extreme poverty and boosting shared prosperity. As described above, cotton revenue disappears into a secret fund in the Finance Ministry, the Selkhozfond. In order to ensure that World Bank projects benefiting the cotton industry are working toward the bank's twin goals, it is essential that Management work with the government of Uzbekistan to improve transparency and accountability over revenue from the cotton industry. To the best of our knowledge, Management has not begun working on this issue.

B. Management's mitigation measures at the project level cannot be implemented in a manner that will prevent Bank financing from being linked to the government's centralized system of forced labour.

In December 2013 Report, the Inspection Panel called for a "positive result of the proposed third-party monitoring of child and forced labour in Project-finance activities."⁹² Unfortunately, Management has been unable to implement effective third party monitoring and has abandoned its goal to implement a grievance redress mechanism in favour of a basic feedback mechanism. Additionally, the Government has a track record of not abiding by its commitments.

1. Effective, independent third party monitoring (TPM) is not currently feasible in the project area.

Management has been unable to find an organization able to implement effective, independent TPM for RESP II and the other proposed loans that will be supporting the agriculture sector in Uzbekistan.

Unable to hire an independent, third-party monitor, the World Bank instead signed an MOU with the ILO for the ILO to conduct monitoring of core labour standards in the World Bank project areas beginning in 2015. Due to the Government's repression of fundamental civil rights (as described *supra* at III.E), no independent labour standards monitoring firm considered it feasible to conduct TPM in Uzbekistan. Though the ILO has made some limited progress in its dialogue with the government of Uzbekistan related to establishing a Decent Work Country Programme (as described *supra* at A.1), up to present, the ILO has also been unsuccessful at establishing any type of systematic, independent monitoring for forced labour in cotton production in Uzbekistan.⁹³

For similar reasons, Management no longer plans a grievance redress mechanism (GRM), as stated in its response to the Inspection Panel in 2013, which we believe is a fundamental aspect of any effective, independent third party monitoring. Management hired a consultant to establish a GRM. However, the consultant determined that a GRM is not possible due to the political climate and the risk of exposure of complainants to retaliations. At this time, management is exploring alternative options, including developing a feedback mechanism (FM). Unfortunately, FM lacks all of vital features of a GRM, including protection of the complainant from retaliation, providing remediation to the victim of the harm, and holding the perpetrator of the harm accountable to prevent repeat occurrence. Rather, it contemplates only a national-level and international-national level channel of communication to bank staff. It is unclear exactly what measures Bank staff will be empowered to undertake under this policy.

2. Management has not worked to enable independent civil society monitoring of the project-affected areas, without risk of reprisals

⁹² Inspection Panel, *Ibid* at ¶103

Management has not taken any measures to ensure that independent civil society and journalists will have access to the project areas and be able to report problems to the World Bank, ILO, or publicly without risk of reprisals. This is essential for any effective independent monitoring system and grievance redress mechanism. As discussed above, independent monitors work on these issues at great risk to themselves and their families. In accordance with the World Bank's commitment to civic participation and social accountability, as well as its emphasis on the need for independent monitoring of bank-projects in Uzbekistan, at a minimum the World Bank should negotiate with the government for civil society and media access and obtain an understanding from the government that it will not retaliate, nor tolerate other parties retaliating, against any monitor or complainant.

3. The government of Uzbekistan has a track record of not abiding by its commitments.

Furthermore, the Government has a track record of not abiding by its commitments. As noted in the Inspection Panel Report, "The Management Response acknowledges that despite initial agreement and continuing efforts with the Government, there was no progress in implementation of third-party monitoring."⁹⁴ Additionally, past agreements with the Government to exempt farmers in the project area from the state-order system have failed. The US-based Central Asia Cotton Seed Company (CASC) has produced cotton fibre and cotton seed in Uzbekistan since 1997, with some financial support from the World Bank. The US Embassy in Uzbekistan reported the Government failed to fulfil the agreement: "Local [government of Uzbekistan] authorities are interfering in the management of [Central Asia Seed Company's] farms by keeping farmers under state production plans, even though the original business plan, approved by the GOU, states the company's farms are exempt from state orders."⁹⁵

IV. Conclusion

We commend the Inspection Panel for urging the Bank to engage the Uzbek government in policy dialogue and to conduct effective third party monitoring of the project areas in Uzbekistan.

As presented in this submission, the World Bank remains out of compliance with its policies, specifically OP 4.01, OMS 2.20 and OP 13.05, in its implementation of RESP II and planning of the Karakalpakstan, GPE and Horticulture projects.

The Government of Uzbekistan's (GOU) centralized system of cotton production, under which adults and children are coerced into cultivating and harvesting cotton for economic purposes, is a gross violation of international law. In 2014, the government of Uzbekistan continued to use coercion to mobilize farmers to cultivate cotton and adults and children to harvest cotton, and continued to repress citizens reporting human rights concerns in violation of international law.

Management measures to ensure that RESP II, Karakalpakstan, GPE and Horticulture loans to the government of Uzbekistan have no "link" to the Government's forced labour system of cotton production are insufficient. Therefore, there is a significant risk that the World Bank projects will be linked to a violation of international law. Bank management has not made progress with the government of Uzbekistan on implementing measures to address the root causes of forced labour that are beyond the project level. Management's mitigation measures at the project level cannot be implemented in a manner that will prevent Bank financing from being linked to the government's centralized system of forced labour.

Therefore, we request the Inspection Panel proceed to a full investigation of the World Bank's projects in Uzbekistan.

⁹⁴ Inspection Panel, *Ibid*, at paragraph 88.

⁹⁵ US Department of State, Cable from AMEMBASSY TASHKENT to RUEHC/SECSTATE. *2008 Report on Investment Disputes and Expropriation*, at para 4. (June 18, 2008) (Unclassified)

With this submission, we the Association for Human Rights in Central Asia, Human Rights Society of Uzbekistan “Ezgulik” and Uzbek-German Forum for Human Rights represent other Uzbek citizens (see the claimant authority submitted with the original complaint), who live in the areas known as Andijon Region, Bukhara Region, Fergana Region, Kashkadarya Region, Samarkand Region, Syrdarya Region, Tashkent Region in Uzbekistan.



23 November 2014

Nadejda Atayeva, President, Association for Human Rights in Central Asia Date

27 November 2014

Umida Niyazova, Director, Uzbek-German Forum for Human Rights Date

ДОГОВОР

Между администрацией Ангрнского политехнического колледжа
и родителями ученика

Мы, нижеподписавшиеся, с одной стороны администрация Ангрнского политехнического колледжа в лице директора З.М.Рашидхонова и с другой стороны родители ученика Рафоновой А.А.

Отец Рафонов Андрей Геннадьевич

Мать Рафимова Елена Викторовна

заключаем настоящий договор о нижеследующем:

а) Администрация колледжа обязуется:

- соблюдать законы Республики Узбекистан;
- укреплять учебную и трудовую дисциплину;
- ежедневно интересоваться жизненными потребностями учащихся;
- систематически поощрять учащихся за успехи в учебно - воспитательных и организационных работах;
- быть требовательными к учащимся на занятиях и во внеурочное время;
- работать добросовестно и честно;
- рационально использовать учебно - материальную базу;
- быть примером для учащихся в культуре речи, поведении, одежде;
- повышать свой педагогический опыт и мастерство;
- воспитывать учащихся в духе патриотизма и развивать в них всесторонне развитую личность;
- своевременно выполнять учебную нагрузку.

б) Основные обязанности родителей:

- постоянно интересоваться и контролировать учебу своего ребенка;
- постоянно интересоваться и контролировать, как он соблюдает внутренний распорядок колледжа;
- постоянно интересоваться и контролировать посещение своего ребенка предметные и спортивные кружки по выбранному им направлению;
- контролировать участие и готовность своего ребенка в предметных олимпиадах;

- постоянно интересоваться и контролировать участие своего ребенка на субботниках;
- отправить без всяких причин на хлопковую компанию;
- организовать обед, проезд, чтобы ребенок всегда был сыт и обут
- посещать родительские собрания.

в) Основные обязанности учащихся:

- беспрекословно соблюдать правила политехнического колледжа;
- серьезно и ответственно относиться к учебно - воспитательным занятиям;
- своевременно посещать дополнительные занятия;
- посещать предметные кружковые занятия и спортивные секции в политехническом колледже;
- серьезно готовиться к предметным олимпиадам по направлениям;
- активно участвовать во всех конкурсах и собраниях;
- бережно относиться к оборудованию колледжа и сохранять его;
- активно участвовать в трудовых десантах по благоустройству и озеленению колледжа и города;
- когда начнется хлопковая компания без всяких причин участвовать в ней;
- после окончания политехнического колледжа своевременно предоставить документ о поступлении в ВУЗ;
- если Вы не поступили в ВУЗ или не сдавали документы вообще, то должны устроиться на работу, предоставить ксерокопию трудовой книжки и выписку из приказа о зачислении на работу.

Директор Ангреновского
политехнического колледжа
Рашидхонов З.М.

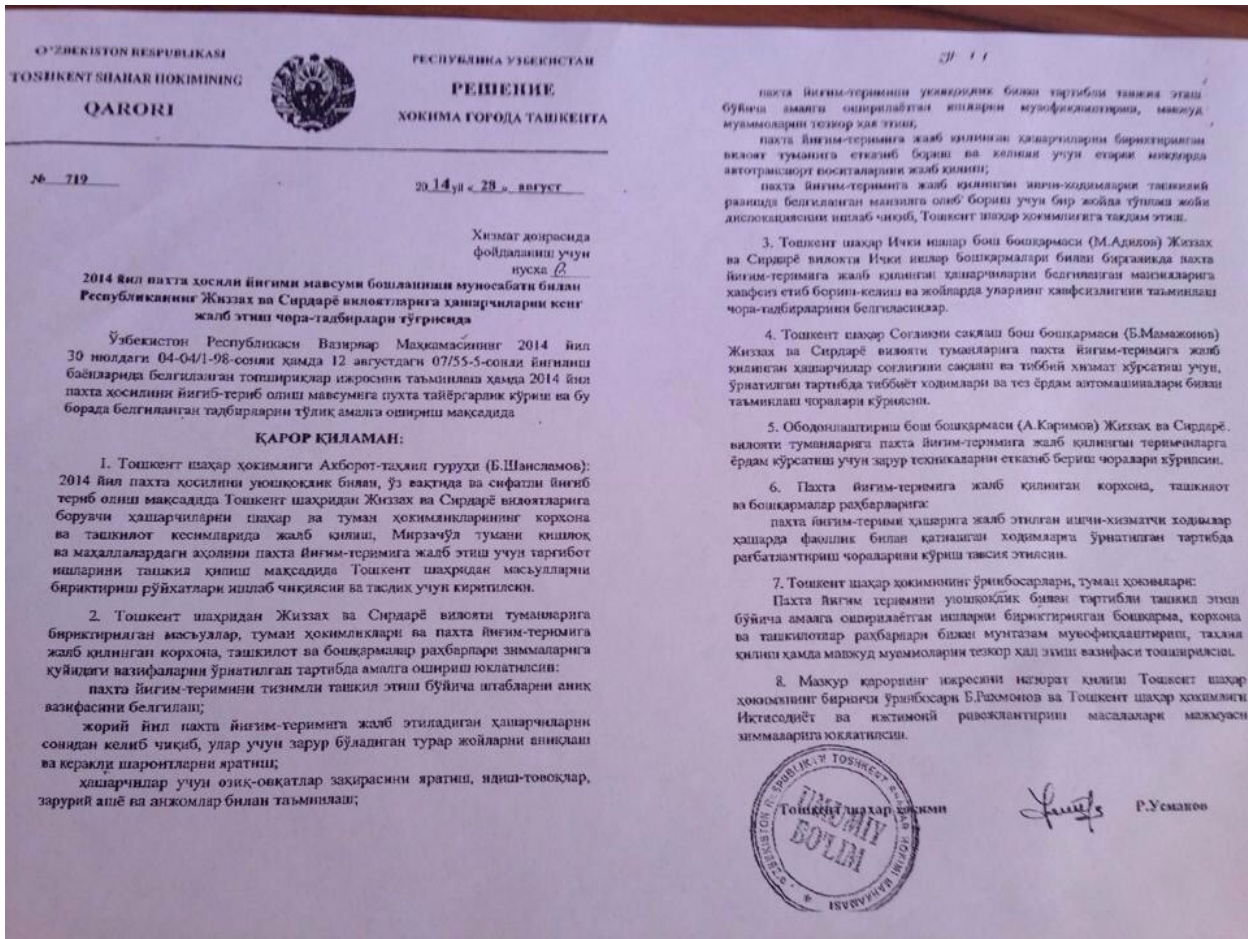
Ф.И.О. родителей учащегося:

Гасарова Б. В.

Б.М.

июня 2014 год

Annex 2: Resolution of the Mayor of Tashkent City No. 719 (English translation follows)



English translation:

The Republic of Uzbekistan

The Resolution of the Mayor of Tashkent city № 719

August 28, 2014

For internal use

A copy

On the mass mobilization of cotton pickers in the Jizzakh and Syrdarya regions due to the start of the 2014 cotton harvest season

For the purpose of implementing the activities planned during the meetings of the Cabinet of Ministers of Uzbekistan, the reference number 04-04/1-98, dated July 20, 2014 and the reference number 07/55-5

dated August 12, as well as the full implementation of all activities planned as part of a thorough preparation for the cotton harvest.

Resolution:

1. To ensure a timely and quality cotton campaign in 2014, the Information and Analysis Group of the Tashkent city municipality (B.Shaislamov) is to mobilize cotton pickers to the Jizzakh and Syrdarya regions from the organizations of the Tashkent city and regional municipalities. For the purpose of propaganda and mobilization of the population from kishlaks (villages) and makhallyas (neighbourhood communities) of the Mirzachul region the group is to develop a list of responsible people in Tashkent and to submit it for approval.

2. The heads of organizations, management and regional municipalities mobilized for the cotton campaign as well as the responsible people attached from Tashkent to the Jizzakh and Syrdarya regions are to fulfil the following tasks:

To define the exact tasks for the staffs organizing a systematic cotton harvest;

Depending on the number of people mobilized for the cotton campaign this year, to determine the places for their accommodation and to create the necessary conditions for them;

To provide cotton pickers with foodstuffs, utensils and the necessary household items;

To agree the cotton harvest activities and swift problem solving;

To transport cotton pickers to the defined areas of the region and to ensure the necessary amount of vehicles for their return;

To develop one location from which the mobilized cotton pickers and workers will be transported to the cotton harvest in an organized manner and to submit it for consideration to the Tashkent city municipality.

3. The Main Department of Internal Affairs of Tashkent city (M.Adylov) and the Internal Affairs departments of the Jizzakh and Syrdarya regions are to outline measures for the secure transportation of people engaged in the cotton harvest to the required places and providing on-site safety.

4. The Main Public Health Department of Tashkent city (B. Mamazhanov) is to ensure that health workers provide necessary medical assistance to cotton pickers in the Jizzakh and Syrdarya regions in accordance with the established order and to provide them with ambulance cars.

5. The Main Amenity Department (A.Karimov) is to undertake measures for the delivery of the necessary technology to assist cotton pickers in the Jizzakh and Syrdarya regions.

6. The heads of departments, organizations and businesses engaged in the cotton harvest are to consider measures to incentivize the most active workers in the cotton harvest.

7. The Deputy Mayors of Tashkent city and regional governors together with the heads of organizations, businesses and administrations are to coordinate practical work for the cotton harvest in an organized manner, to analyse and swiftly solve the existing problems.

8. To entrust the execution and monitoring of this resolution to the first Deputy Mayor of Tashkent city B. Rakhmonov and the Economic and Social Development Department of the Tashkent city municipality.

Mayor of Tashkent city

R. Usmanov

_____ коллежи билан талаба ва ота-онаси
МФЙ ўртасида тузилган

ШАРТНОМА № _____

I. Талаба қуйидаги мажбуриятларни ўз зиммасига олади.

1. Яхши ўқиш, ўз билимини тинмай ошириб бориш, «Келажаги хур Ўзбекистон учун муносиб фарзанд ва мутахассис бўлиб етишишларига эришиш».
2. Ахлоқ ва одобли коллеж талабалари номини оқлаш, ҳар бир дарсдан манфаат топиш, ёзиб мустаҳкамлаб бориш.
3. Маънавий баркамол бўлишга интилиш, урф-одатларимиз, анъналаримизга содик қолган ҳолда коллежда бадний, ҳамда маданий тадбирларда фаол иштирок этиш, жисмоний тарбия ва спортни ривожлантиришга ҳисса қўшиш.
4. Коллеж ҳудудида ва яшаш жойларида барча тартиб-қоидаларга сўзсиз итоат қилиш.
5. Доимо покиза кийиниш, баданини покиза саклаш ва гигиеник талабларга риоя қилиш сочларини доимо текистлатиб юриш.
6. Коллежга диний либосларда келмаслик.
7. Ўқув жараёни даврида Жума намозларига бормаслик.
8. Коллежнинг кутубхона фонди ўқув қуролларидан тўла фойдаланиш, фанлар бўйича ташқи этилган тўғарақларда фаол иштирок этиш.
9. Мулкка ўта масъулият билан муносабатда бўлиш, коллежнинг мулки – менинг мулким деб ҳис этиш. Уни асраш билан боғлиқ ишларни амалга ошириш, мулкка зарар етганда уни тўли тўлашни таъминлаш.
10. Коллеж ҳудудини ободонлаштириш, тозалаш ва уни тартибга келтириш ишлари, ҳамда шанбаликларда фаол иштирок этиб, ўзининг ватанпарварлигини кўрсатиш.
11. Коллежда чекиш ва ичиш каби салбий ишларга қарши кураш олиб бориш.
12. Ҳар ўқув йилида коллеж маъмурияти топширигига асосан 200 соат ҳажмида меҳнат фаолиятини кўрсатиш.
13. Нахта йнғим-теримида ва бошқа қишлоқ хўжалиги ишларига жалб қилинган тақдирда ўрнатилган тартиб қоидаларга тўлиқ амал қилиш.
14. Дарс машғулотларида мунтазам равишда иштирок этиш. Дарсга кечикиш, сабабсиз 20 соат дарс қолдирса, бу ҳолат «Фавқулодда ҳолат» деб қаралади талабанинг коллежда қолиш ёки қолмаслик масаласини қўриш учун вояга етмаганлар бўлимига топширилади ва Маъмури жавобгарлик кодексини 47 моддасини қўлланилади.
15. Ота-онаси коллеж билан узвий алоқасини доимий равишда таъминлаш. Алоқа дафтарини мунтазам, тартибли юритилишини таъминлаш.
16. Дўстлик, биродарлик хисларини улуғлаш, энг юксак инсоний фазилатларни камол топтириш учун тинмай интилиш, катталарга ҳурматда кичикларга иззатда бўлиш. Оқилларга ва кучсизларга меҳр-шафқат кўрсатишдек олийжаноб хислатларни сингдириб бориш.
17. Ватан шаъни инсон ҳаётидек азиз эканлигини ҳис этиш, яшаш, ўзининг раънақи йулида фидои бўлиш, «Элим деб, юртим деб, ёниб яшаш», Ватан рамзларига юксак эҳтиромли бўлиш.
18. Коллеж ҳудудида дарс жараёнларида қўл телефонидан фойдаланмаслик.
19. Юқоридаги келтирилган шартларнинг бузилишига йул қўйилган ҳолларда, маъмурий жаз берилиши ёки талабалар сафидан чиқарилиш чораларини кўрилиши мумкинлигини билиш ва унга итоат қилиш каби бурч мажбуриятлари борлигини билиш.

II. Ўқувчи ва ота-онасининг мажбуриятлари:

1. Фарзандининг одоби, ахлоқи, юриш-туриши ва мукамал билим олишга жавобгар эканлигини ҳис қилиш.
2. Дарс машғулотларига мунтазам иштирок этишини таъминлаш, коллежга таклиф этилган ҳолларда зудлик билан етиб келиш ва масалага ойдинлик киритиш.
3. Ҳар ҳафтада 1 маротаба коллежга келиб гуруҳ раҳбарларидан фарзанди тўғрисида маълумо олиш.
4. Дарсга кечикиб, сабабсиз дарс қолдиришга мутлақо йул қўймаслик. узрли ҳолларда коллежга зудлик билан хабар етказиш.