

Submission to the World Bank for the Systematic Country Diagnostic for Uzbekistan, 2015

By the Cotton Campaign

August 28, 2015

The World Bank has substantial leverage with the government of Uzbekistan. To achieve the World Bank's twin goals of "of ending extreme poverty and promoting shared prosperity in ways that are environmentally, socially and fiscally sustainable" in Uzbekistan, it is incumbent on the World Bank to use its leverage to end the practices of its member the Uzbek government that ensure the impoverishment of the people of Uzbekistan, including systematic forced labor, repression of civil society, and corruption. The World Bank's Systematic Country Diagnostic (SCD) is the opportunity to analyze the actual economic and social trends in Uzbekistan and establish the analytical framework to guide the World Bank's strategy to achieve its twin goals. Unfortunately the World Bank's power point titled "Online Consultation for the Preparation of the Uzbekistan Systematic Country Diagnostic" (hereinafter "power point") fails to properly analyze the economic situation in the country because it virtually ignores the role played by the Uzbek government in manipulating the economy for the benefit of elites. This must be remedied in the SCD for Uzbekistan. Thus, it is vital that the World Bank account for the following key issues, explained in the subsequent text:

- 1. Management of the cotton sector as a system of patronage is the root cause of forced labor;**
- 2. The Uzbek government continues to use systematic forced labor to produce cotton;**
- 3. The Uzbek government represses any attempt by independent civil society to report on human rights;**
- 4. The Uzbek government's use of coercion to force farmers to fulfill cotton production quotas violates international laws and impedes recruitment of voluntary agricultural labor, investment and economic development;**
- 5. World Bank commitments to establish third-party monitoring of core labor standards and a grievance redress mechanism for its projects in Uzbekistan remain unfulfilled;**
- 6. Corruption impedes the World Bank goals of eliminating poverty and boosting shared prosperity; and**
- 7. The cotton sector exemplifies widely applied policies of the Uzbek government that benefit particularistic interests of government officials rather than the population as a whole.**

1. The government of Uzbekistan' management of the cotton sector as a system of patronage is the root cause of forced labor.

In its 2013 assessment responding to a complaint filed by Uzbek civil society organizations representing forced labor victims, the World Bank Inspection Panel found "it is plausible that the Project can contribute to perpetuating the harm of child and forced labor" and 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.”¹ Since the Panel’s assessment, in 2014 and the first half of 2015, the Uzbek government maintained its direct total control of the cotton sector, sustaining a system of patronage that is the root cause of forced labor. The government continued a state-order system of cotton production underpinned by forced labor to earn income that disappears into the “Selkhozfond,” a 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.²

In the first quarter of each year, the President, Prime Minister, Ministers of Agriculture and Water Resources, the Economy, Finance, Foreign Economic Relations, and Investments and Trade and representatives from Khlopkoprom³ set the national production target; the Prime Minister issued quotas to the regional hokims, and Khlopkoprom issued quotas to farmers via annual procurement contracts. From quota setting through the harvest, the regional hokims convened farmers to oversee progress towards the fulfillment of procurement quotas, with the support of district-level officials, the police, prosecutor general and occasionally the Prime Minister. The oversight system is known as “cotton collection headquarters,”⁴ and convenes by some estimates 200 meetings each year.⁵ These meetings are often the occasion of verbal and physical abuse of farmers by hokims.⁶

In 2014 and first half of 2015, regional governors were again held responsible for ensuring enough labor was available for cotton field work. They directed district and local authorities in their regions to implement labor recruitment plans. In April and May of 2014, authorities forced teachers in the Bukhara and Tashkent region, private businessmen, mahalla (community) committees, and students in Karakalpakstan to weed cotton fields or pay a fee, purportedly for the hiring of a day laborer to do the work in their place.⁷ Local authorities again used forced labor to weed the cotton fields again in the spring of 2015. Leading up to the 2014 harvest, colleges and lyceums in Tashkent and other cities required parents to sign an agreement that their children will conduct agricultural work during the school year, as a condition for enrolment.⁸ In August 2014, authorities across the country ordered teachers to sign up for

¹ 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, (December 9, 2013), at ¶103 and ¶104.

² Ilkhamov, Alisher and Muradov, Bakhodiy, “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>.

³ Khlopkoprom (also known as Uzkhlopkoprom 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.

⁴ Uzbek-German Forum for Human Rights, “Cotton, It’s not a plant – It’s Politics,” 2012, <http://uzbekgermanforum.org/wp-content/uploads/2012/12/cotton-its-not-a-plant-its-politics-online.pdf>.

⁵ Hornidge and Shtaltovna, *Ibid*, page 23.

⁶ Farmer, interviewed for report, anonymous for personal security. Personal Interview by Matthew Fischer-Daly, 26 September 2012.

⁷ *Chronicle of Forced Labor 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.

⁸ See an example agreement form in *Chronicle of Forced Labor 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.

shifts to pick cotton. In Fergana region, the authorities ordered the teachers to sign up or resign.⁹ Officials also issued orders to other public institutions to organize staff to work in the cotton harvest, such as the Tashkent mayor's directive, noted above. Starting September 8, 2014 the government mobilized adults en masse to harvest cotton throughout the country.

In August in 2014 and 2015, the government communicated the annual procurement price for cotton to farmers. The price was set by the Finance Ministry, and was below the government's estimate of production costs, thereby making the mass use of forced labor the only way the cotton crop could be harvested.¹⁰ Under their lease contracts, farmers were, as in previous years, 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. All cotton exports and domestic sales in Uzbekistan remained under centralized state control, sold through the three government-owned trading companies - *Uzprommashimpex*, *Uzmarkazimpex*, and *Uzinterimpex*. In October 2014, the government announced cotton sales of over \$1 billion.¹¹ And once again, the income from cotton sales in 2014 disappeared into the extra-budgetary "Selkozfond (Agricultural Fund)," housed in the Ministry of Finance, to which only the highest level government officials have access and knowledge of its use.¹² In 2015, the government has not indicated any change to its practice of setting the cotton procurement price below production costs or its monopoly control of purchasing and sales of cotton.

2. The Government of Uzbekistan continues to impose a state system of forced labor for the economic purpose of producing cotton.¹³

The Uzbek government continued to force farmers to cultivate cotton, to force other citizens to conduct field work, and to punish those who failed to comply, in violation of international law prohibiting forced labor, throughout 2014 and the first half of 2015. It is critical that the SCD acknowledge that the World Bank itself recognizes forced labor in the cotton sector as an impediment to development. A reference to concerns on the part of the International community and CSOs, as is present in the World Bank's power point, is insufficient.

2.1 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.

⁹ "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>.

¹⁰ Ilkhamov and Muradov, 2014, *Ibid*, pages 20-23.

¹¹ "On Uzbek Cotton Fair vystyavyat for sale cotton on more than \$ 1 billion," *CA-News*, 13 October 2014, http://www.cottoncampaign.org/wp-content/uploads/2014/10/CA-NEWS_-On-the-Uzbek-Cotton-Fair-vystyavyat-to-sell-cotton-to-more-than-1-billion.pdf.

¹² Ilkhamov and Muradov, 2014, *Ibid*.

¹³ The evidence presented herein was gathered by human rights defenders in Uzbekistan through interviews, observations, and review of government documents, unless footnoted otherwise. The human rights defenders have received training on monitoring and interview techniques by a social scientist and operate anonymously for their personal protection. Their reporting is frequently covered by independent news media outlets, such as those cited in this document.

In 2014, as it has every year, the Uzbek government assigned and enforced annual cotton production quotas with farmers and maintained its monopoly control over land ownership, agricultural inputs, purchases of raw cotton and sales of ginned cotton. If farmers failed to meet the government-mandated quota, they risked losing their lease to farm the land, criminal charges and physical abuse. Land confiscation is not the only form of punishment for farmers who do not fulfil cotton production quotas. Hokims, administrators of state institutions, the prosecutor's office, and police use intimidation to enforce the quotas.

The government of Uzbekistan's practice of penalizing farmers was publicly established through 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."¹⁴ The World Bank's power point contains only a reference to "land leases requiring cotton and wheat production quotas keep much of the land locked in old production patterns" failing to note the severity of government reprisals for failure to fulfil quotas. By SCD analysis that does not account for the government's use of coercion will prevent the World Bank from making headway on the "sustainability challenges" it seeks to address.

In 2014 the government imposed annual production quotas on farmers in the first quarter, and¹⁵ farmers in Karakalpakstan and the Andijan, Jizzak, Kashkadarya, Khorezm, Syrdarya and Tashkent regions reported that the authorities enforced the quotas with threats, beatings and public humiliation throughout the year.¹⁶ A farmer in Andijan explained, "If you do not fulfil the plan, the farmer's life turns into hell."¹⁷ A farmer in Tashkent said, "If you do not fulfil the plan, the land will be taken away."¹⁸ A farmer in Kashkadarya asked, "When the hokim beats you with the prosecutor and police present, what can you do?"¹⁹ Another farmer reported "every evening reports are given at the headquarters. Who turned in how much [cotton]. And some were cursed and yelled at. And some were beaten on their backs with a stick."²⁰ Farmers in Syrdarya said that the authorities open criminal cases against them to intimidate them into fulfilling the cotton quotas, and despite the risk of such actions, they plant non-cotton crops to support their families.²¹ Another farmer from the Syrdarya region described what can happen to farmers who fail to meet production targets:

¹⁴ 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.

¹⁵ "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-jizzah-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.)

¹⁶ Uzbek-German Forum for Human Rights, field interviews, November 2014 - January 2015.

¹⁷ *Ibid*

¹⁸ *Ibid*

¹⁹ *Ibid*

²⁰ Uzbek-German Forum Interview with farmer (name withheld), Kashkadarya region, December 1, 2014.

²¹ *Ibid*

There are meetings, conference calls [with the prime minister], and nighttime gatherings without number. Every day at midnight or 3 a.m. there is a meeting. The district hokim, police, prosecutor, and a representative of the regional hokim all participate. If you haven't turned in your target amount to the cotton headquarters the prosecutor can take any action he wants against a farmer. If he wants he can beat him, yell at him, insult him, or if necessary lock him up for a day. Because if the plan isn't met the regional hokim will remove the prosecutor from his position. The farmer must put up with all of this. His only hope is for some profit from his vegetables. In my garden I have other crops. With the profit from my garden I want to pay for my son's wedding and my daughter's university tuition. Farmers only profit from selling their [vegetables]. We have no money left over from cotton. We just become debtors to the banks. In reality the government doesn't allow farmers to have [vegetable crops]. We have gardens secretly. The bosses know about this and if farmers don't meet the cotton plan they take away our gardens. There is nothing worse for a farmer. Even if they beat us, humiliate us, swear at us, or lock us up for a day, it is nothing in comparison.²²

In Jizzak region, a district hokim verbally abused Gulchekhira Turaeva after she refused his orders to convert her farm from cattle to cotton.²³ In Khorezm region, a district hokim destroyed Bakhtiyor Ruzimetov's sunflower crop as punishment for not fulfilling his wheat quota, and the frustrated farmer set fire to a tractor belonging to the district in protest.²⁴ According to a farmer from Karakalpakstan, the pressure had increased in the last nine years.²⁵

On June 22, 2014 the farmer Kurbontoy Usmanov committed suicide, reportedly due to the stress of fulfilling cotton quotas.²⁶ On October 17, the authorities of the Khazarasp district of Khorezm region humiliated the farmer Habibullo Egamberdiev for not fulfilling his cotton quota, and their severity reportedly led the farmer to commit suicide.²⁷ On January 31, 2014 the farmer Dilshod Murodillaev committed suicide, and residents of Murodillaev's village, in the Kattakurgan Pakhtakor district of Samarkand region, reported that local officials had pressured the farmer throughout the year, threatening to reallocate his land for not fulfilling his cotton quota.²⁸ On July 2, 2015, a 29-year old farmer hanged himself after his mayor threatened to imprison him for not fulfilling state-assigned production quotas, in this case for wheat production.²⁹

²² Uzbek-German Forum Interview with farmer (name withheld), Syrdarya region, November 16, 2014.

²³ "‘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).

²⁴ "Хазорасплик фермер МТПнинг тракторини ёқиб юборди," *Radio Ozodlik*, 12 July 2014, <http://www.ozodlik.org/content/article/25454714.html>.

²⁵ Uzbek-German Forum for Human Rights, field interviews, November 2014 - January 2015.

²⁶ "Пахта режасини бажара олмаган самарқандлик фермер ўзини осди," *Radio Ozodlik*, 6 January 2015, <http://www.ozodlik.org/content/article/26779607.html>.

²⁷ "Хоразмда ҳокимлик йиғилишида ҳақоратланган фермер ўзини осди," *Ozodlik Radio*, 21 October 2014, <http://www.ozodlik.org/content/article/26648503.html>.

²⁸ "Пахта режасини бажара олмаган самарқандлик фермер ўзини осди," *Radio Ozodlik*, 6 January 2015, <http://www.ozodlik.org/content/article/26779607.html>.

²⁹ "В Узбекистане оскорбления властей вынудили фермера покончить с собой," *Radio Ozodlik*, 4 July 2015, <http://www.ozodlik.org/content/article/27109836.html>

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

In the 2014 harvest and 2015 spring season, the government once again used coercion to forcibly mobilize its citizens to fulfil the national cotton production plan. Regional and local authorities imposed and enforced harvesting and fieldwork quotas on institutions in their areas. Heads of institutions, such as college and university directors, school principals, and heads of hospitals and clinics were tasked with ensuring students and/or staff picked enough and weeded enough area to meet the demands. They experienced tremendous pressure to meet institutional quotas or they risked humiliation, being berated, physical violence, or the loss of their jobs as well as financial liability for the amount of the shortfall. Therefore, heads of public institutions such as schools and hospitals were forced to take on the role not only of recruiting but also supervising forced labor. In turn they used threats, intimidation, and humiliation to force the staff or students under their control to go to the fields and meet harvest quotas. A teacher in the Syrdarya region said:

Of course there is a [cotton production] plan. On the basis of that plan, we set a quota for the [students] and demand it. Do we really gain from yelling at them, cursing them, and sometimes beating them, the students with unfulfilled quotas, seeing their tears? It's all done to fulfill that plan. The director answers for the plan with his head. As I said before, even if he has to buy the cotton he will meet the plan. Otherwise, he falls under the hand of the local and regional hokims, under their insults.³⁰

A student from Tashkent said that students who didn't harvest the required amount were "strongly reprimanded, even sometimes beaten. That's why we immediately bought cotton to make up the difference to meet the quota."³¹ A teacher from Syrdarya confirmed:

The hokim gives every college a specific quota. For example during the first part of the harvest, when only the third-year students were picking we were responsible for 12-15 tons of cotton. If we did not meet this we received a reprimand from the director. The director accounts to the hokim every day. I've heard that the hokims scolds, swears at, and can even kick those bosses whose institutions who don't meet the quota. That's why there's no messing around with this.³²

Workers from public institutions and private companies also had to meet daily picking quotas. At the beginning of the season, the harvesting quota for individuals ranged from 60 to 80 kilograms/day, declining to 50 kilograms in the middle of the harvest and 30-40 kilograms at the end, when little cotton remained in the fields. A student from Syrdarya region described the coercion used on students to enforce harvesting quotas:

The quotas are strictly enforced. To be honest, to increase the weight of the cotton we stuck wet leaves, dirt in there. If you want to harvest cleanly you won't meet the quota. Cotton is light after

³⁰ Uzbek-German Forum interview with college teacher (name withheld), Syrdarya region, November 1, 2014.

³¹ Uzbek-German Forum interview with institute student (name withheld), Tashkent, November 14, 2014.

³² Uzbek-German Forum interview with college teacher (name withheld), Syrdarya region, October 31, 2014.

all. Everyone who fulfills the quota does this, there's no other way. If you want the quota—there's your quota! With students who don't harvest the quotas they talk to you "in a manly way." At first they warn you. If the violations increase, they have a "special talk." The teachers do this. But if things get to the next level, they give you to the fourth-year students. They deal with you. They take you into a circle. That means they yell at you, swear at you, and even beat you. They make you do hard labor. They don't let you sleep at night and "re-educate" you. They don't do this for themselves but on the instructors' orders.³³

Some students reported being forced to pay to make up their institution's unmet quota if they were bad pickers. A student in Jizzakh said, "at first we picked 60-70 kilos each. When they started withholding money [for poor quality] or under-weighting our cotton, many students started picking only for show. Then the dean punished those who didn't meet the quota by making them pay to make up the difference."³⁴ In some other cases teachers said that the head of the institution made up the difference, although it was not clear where the money was from.³⁵

2.2.1 The government reduced forced child labor in the 2014 cotton harvest but failed to end it.

During the 2014 harvest the central government did not forcibly mobilize children to harvest cotton on a nationwide scale as it had in previous years.³⁶ However, in several regions, local government officials continued to use the education system to forcibly mobilize children, especially toward the later part of the harvest.

In Kashkadarya region, for example, schoolchildren in the 6th-9th grades harvested cotton on Fridays, Saturdays, and Sundays. In some cases, such as the Nishon district of Kashkadarya, children also picked cotton after school.³⁷ Beginning on October 15, local authorities in the Bukhara and Kashkadarya regions ordered schoolchildren from upper grades to pick cotton. In one case in the Syrdarya region, teachers stated that the order came from the *hokimiat* (local administration) that teachers must organize their classes to pick cotton during the school break from November 3-10.³⁸ A parent in the Jizzakh region reported to Radio Liberty that for two weeks all classes for 7th-9th grades had stopped and the children were in the fields picking cotton.³⁹ A parent in the Samarkand region reported that school children were sent to the fields at the end of the harvest to gather any remaining cotton and that classes that had not picked 10 kilograms per child were not allowed to return to school.⁴⁰

³³ Uzbek-German Forum interview with university student (name withheld), Syrdarya region, October 28, 2014.

³⁴ Uzbek-German Forum interview with institute student (name withheld), Jizzakh region, November 19, 2014.

³⁵ Uzbek-German Forum interview with lyceum teacher (name withheld), Jizzakh region, November 15, 2014.

³⁶ In international law and Uzbek law, a child is a person under age 18. In Uzbekistan colleges, vocational institutes, and lyceums are secondary education institutions. First-year students are often 16 years old, 2nd year students are often 17 years old, and third year students are often 18, although some 3rd year students are only 17.

³⁷ Uzbek-German Forum for Human Rights, *Ibid*, Kashkadarya monitor's report.

³⁸ Uzbek-German Forum for Human Rights, *Ibid*, Syrdarya monitor's report.

³⁹ "В Джизакской области Узбекистана школьники собирают хлопок уже 15 дней," Radio Liberty, November 4, 2014, available at: <http://www.profi-forex.org/novosti-mira/novosti-sng/uzbekistan/entry1008233418.html>.

⁴⁰ "В Узбекистане школьники продолжают собирать хлопок," Radio Liberty, November 1, 2014, available at: <http://www.profi-forex.org/novosti-mira/novosti-sng/uzbekistan/entry1008233089.html>.

The government took steps to urge officials to comply with the national law prohibiting child labor by not mobilizing first- and second-year students of colleges (high schools) and technical institutes, who are usually 16 and 17 years old. Nevertheless, 1st and 2nd years students were mobilized in a few cases. In the Karakul district of the Bukhara region, 1st and 2nd year students from eight colleges were sent to pick cotton beginning on October 12. Beginning on October 15 all colleges in five districts of Kashkadarya region sent 2nd year students to the harvest and several colleges also sent 1st students.⁴¹ Moreover, the government forcibly mobilized third-year high-school students, typically age 18 but including 17 year olds, in every region for 30-43 days.⁴²

Residents of the Shahrisabz district of Kashkadarya region reported that officials attempted to cover up the forced mobilization of children to pick cotton. A teacher in the district reported:

And so in the beginning they said that children in the first and second year of college would not be sent to the harvest. They even made the students sign a form. But they were sent anyway. No one said anything. They [officials] created a document as if they aren't going to use children. They even made children sign documents that they wouldn't pick cotton after school. It was a simple cover-up. In reality they sent them. The 7th-9th grades picked cotton for our farmers.⁴³

Another woman said, “There was a rumor that this year children would not be sent to the cotton fields. They even made the children sign agreements that they would not pick cotton. They made all classes sign them; even my daughter in third grade signed a statement. But they sent [children] to the harvest anyway.”⁴⁴

In the Yakkobog district of Kashkadarya region, a woman reported that her two children, in 5th grade and 8th grade, were forced to harvest cotton starting around September 20, and that few classes were held during the cotton harvest.⁴⁵ A pupil in the same region reported that he and other children in his school from the 6th-9th grades were sent to the cotton fields daily after just two hours of class and on the weekends, “at first it was just Fridays and Saturdays. After that classes nearly stopped altogether. It was like that until holidays began on November 1.”⁴⁶ A mother of two school children who were forced to harvest cotton in the Kashkadarya region said school essentially stopped during the harvest season:

At first they said [the children would only pick] on Fridays and Saturdays. They had classes for two hours and then were taken to the fields. Probably around October 10, they started taking them to the cotton and held no classes. And the classes stopped in school. There were no concrete classes. But before [the children were sent to pick cotton] there were no classes, and the children were playing in the street because half the teachers were taken to pick cotton overnight and the

⁴¹ Uzbek-German Forum for Human Rights, *Ibid*, Kashkadarya monitor's report. The five districts that sent 2nd year college students to the harvest are: Qasbi, Nishon, Mirishkor, Karshi, Koson. The Kashkadarya region is one of the highest producers of cotton in Uzbekistan, producing more than 400,000 tons per year.

⁴² Uzbek-German Forum for Human Rights, *Ibid*.

⁴³ Uzbek-German Forum interview with teacher (name withheld), Kashkadarya region, November 22, 2014

⁴⁴ Uzbek-German Forum interview with parent (name withheld), Kashkadarya region, November 20, 2014.

⁴⁵ Uzbek-German Forum interview with parent (name withheld), Kashkadarya region, November 15, 2014.

⁴⁶ Uzbek-German Forum interview with seventh-grade pupil (name withheld), Kashkadarya region, November 16, 2014.

other half was sent for daily picking work. I would ask 'isn't there school today?' And they would say 'our teacher is picking cotton.'''⁴⁷

Beginning on October 15, local authorities in the Bukhara and Kashkadarya regions ordered schoolchildren from upper grades to pick cotton. In one case in the Syrdarya region, teachers stated that the order came from the hokimiat (local administration) that teachers must go to pick cotton during the school break from November 3-10 and must organize their classes to pick cotton during this time as well.⁴⁸ A parent in the Jizzakh region reported to Radio Liberty that for two weeks all classes for 7th-9th grades had stopped and the children were in the fields picking cotton.⁴⁹ A parent in the Samarkand region reported that school children were sent to the fields at the end of the harvest to gather any remaining cotton and that classes that had not picked 10 kilograms per child were not allowed to return to school.⁵⁰

Across the country, the government forcibly mobilized third-year students, including 17-year old children, to pick cotton in 2014, typically for 30-45 days. Approximately 8% on average of all third-year students were younger than age 18, although in some regions, such as Bukhara, the number of 17-year olds in the third year was much higher, according to a review by the Uzbek-German Forum for Human Rights.⁵¹ If this percentage is valid nationwide, that would mean that approximately 40,000 17-year olds were systematically and forcibly mobilized for the cotton harvest in 2014. A father in the Tashkent region told us “My daughter [name withheld] went to the harvest. She’s a third-year student at the technical college. She should not have been in the fields. She’s 17. And this year they were only supposed to take those who are already 18.”⁵²

A teacher in Syrdarya said

This year the cotton [harvest] began on September 7. In a departure from previous years, this year only third-year students were supposed to participate in the harvest. Before the harvest our [college] director told us that only the third-years would participate [in the harvest] and that students younger than 18 were forbidden. And therefore, at first only the third-years went to the fields. If you’ve heard, Bayavut is the most productive cotton growing region. So as not to lose time and to harvest our national wealth [cotton] on time, first- and second-year students came to help. They were only in classes for just a few days. For third-year students classes stopped entirely. For first- and second-years classes didn’t stop completely. The harvest ended on October 24. Students returned to class and teachers to their work.⁵³

⁴⁷ Uzbek-German Forum interview with parent (name withheld), Kashkadarya region, November 15, 2014.

⁴⁸ Uzbek-German Forum Syrdarya monitor’s report, 2014.

⁴⁹ “В Джизакской области Узбекистана школьники собирают хлопок уже 15 дней,” Radio Ozodlik, November 4, 2014, available at: www.profi-forex.org/novosti-mira/novosti-sng/uzbekistan/entry1008233418.html.

⁵⁰ “В Узбекистане школьники продолжают собирать хлопок,”

Radio Ozodlik, November 1, 2014, available at: <http://www.profi-forex.org/novosti-mira/novosti-sng/uzbekistan/entry1008233089.html>.

⁵¹ Uzbek-German Forum for Human Rights, “The Government’s Riches, the People’s Burden: Human Rights Violations in Uzbekistan’s 2014 Cotton Harvest,” March 2015, at page 20, researchers reviewed more than 10 college registration journals where students’ names and ages are recorded in six different regions and surveyed eight college teachers about the ages of their third-year students.

⁵² Uzbek-German Forum interview with parent (name withheld), Tashkent region, November 18, 2014.

⁵³ Uzbek-German Forum interview with college teacher (name withheld), Syrdarya region, October 31, 2014.

One teacher noted that at his college, officials checked students' ages in their passports and did not mobilize third-year students who had not reached 18, indicating that compliance is possible and underscoring the need for the government to make clear that there is accountability under the law.⁵⁴

The government did take steps to avoid mobilizing first- and second-year students of colleges and lyceums, who are usually 16 and 17 years old. Nevertheless, in a few areas our observers recorded cases in which first- and second-year students were mobilized. In the Karakul district of the Bukhara region, first- and second- year students from eight colleges were sent to pick cotton beginning on October 12. Beginning on October 15 all colleges in five districts of Kashkadarya region sent second-year students to the harvest, and several colleges also sent first-year students.⁵⁵ Several colleges in the Zarbdor district of Jizzakh region also sent students in the first- through third-years to harvest cotton. For example, students of the Zarbdor Industrial Professional Technical College picked cotton for one month instead of attending class.⁵⁶

These cases indicate that the government of Uzbekistan did not reform the policies that drive child labor in the cotton sector of the country. Nor did the government make it clear to local officials that child labor would not be tolerated or task them with enforcing laws prohibiting child labor. Rather, local officials' actions clearly indicate that they believe the central authorities still care more about their fulfilling cotton quotas than about their adherence to the ban on the use of child labor. This belief is likely based in the officials' observations over two decades that officials risk losing their jobs for underperforming on their cotton production orders but not for directing forced and child labor. As long as the coercive production system, including penalty-enforced quotas, remains in place, children remain at risk of forced labor. One woman forcibly mobilized to harvest cotton by her local mahalla committee picked cotton next to children and observed

The farmer doesn't send [the children] home. They are ordered to the fields from above. And that's why the farmer doesn't say anything to them. They are sent to the fields to gather the leftover [cotton] after the adults. It's beneficial to the farmer. He sends them to the field where adults were picking the day before and tells them to gather [the remainder].⁵⁷

Therefore, in 2014 the central authorities remained complicit in the forced mobilization of child labor in many parts of the country.

2.2.2 The government of Uzbekistan increased forced labor of adults, apparently to compensate for fewer children in the 2014 cotton harvest.

In 2014, the government systematically forced adult workers to pick cotton across the country and on a mass scale. People were forced to pick cotton under threat of penalty such as loss of social benefits

⁵⁴ Uzbek-German Forum interview with college teacher, Tashkent region, November 22, 2014.

⁵⁵ Uzbek-German Forum Kashkadarya monitor's report, October 2014. Districts in the Kashkadarya that sent second-year college students to the harvest include: Qasbi , Nishon , Mirishkor , Karshi, Koson. The Kashkaradya region is one of the highest producers of cotton in Uzbekistan, producing more than 400,000 tons per year.

⁵⁶ Uzbek-German Forum Jizzakh region monitor's report, October 24, 2014.

⁵⁷ Uzbek-German Forum interview with mahalla resident (name withheld), Kashkadarya region, November 22, 2014.

payments, loss of employment, loss of utilities and other public services, social exclusion, fines, administrative harassment, and criminal prosecution.

For example, on August 28, 2014 the mayor of Tashkent issued an order for the “mass mobilization of workers” from the capital to pick cotton in the Jizzakh and Syrdarya regions. The order set in motion Tashkent’s contribution to the national plan for the cotton harvest, which was laid down by the Cabinet of Ministers in July. With the directive, the Tashkent mayor assigned tasks to all levels of the city government, including law enforcement, the department of health, deputy mayors, and mahalla (neighborhood) councils, for the mass mobilization and transport of workers from the capital.⁵⁸

The observed increase in forced labor of adults was apparently to compensate for reduced numbers of children forced to pick cotton. In past years, public organizations were required to send up to 16% of their entire staff to pick cotton. The percentage of staff members required to pick cotton increased significantly in 2014, with public organizations obligated to provide as much as 30-60% of their personnel for the duration of the harvest. In some cases, organizations provided up to 80% of their staff. Public-sector employees who did not want to or could not pick cotton were forced to pay for replacement workers.

Teachers reported that they were forced to work the 2014 harvest in greater numbers than ever before. In schools across the country, significant numbers of teachers were absent from classrooms at any given time, leaving schools severely understaffed and unable to conduct normal classes. In just one example, 70 teachers normally work at School No. 31 in the Uchtepa district of the Jizzakh region, but during the harvest 60 teachers were forced to pick cotton, leaving only 10 teachers for 800 pupils.⁵⁹ As a result, while most children nominally remained in school, the state’s harvest policies left many schools effectively shuttered or functioning at significantly reduced levels. Teachers who remained behind were teaching double loads with no additional compensation to cover for their colleagues who were in the fields. Schools that were able to function more or less normally during the harvest only did so because teachers paid their way out of the harvest—often at the cost of an entire month’s salary—so that they could stay behind and teach. Teachers were also forced to make other contributions, by picking cotton in their own districts on weekends or after school, and making payments to cover transportation and other expenses for teachers sent far away to harvest or to help the school meet its quota. This abusive system amounts to public sector workers and especially teachers, who are generally among the lowest paid professionals, directly subsidizing the cost of picking cotton, a crop which produces enormous revenues for the government and government-controlled monopolies. One teacher described the paradox of taking teachers out of school even as steps were taken to keep children from the fields.

My place is in school. I studied to become a teacher. While I was stuck in the fields my lessons weren't being taught meaningfully. It's bad for me. I'm in the field, and the children aren't learning. Teachers should have been left in peace a long time ago. If they've stopped sending children to pick cotton then they should be taught during the school year. If all the teachers who were on the list for cotton shifts had gone to the fields then school would have stopped altogether.

⁵⁸ See the Tashkent mayor’s August 2014 directive at Uzbek-German Forum for Human Rights, *Ibid*, Annex, pages 12-13.

⁵⁹ Uzbek-German Forum Jizzakh monitor’s report, October 2014.

*The children only study more or less because the majority of teachers [in our school] paid their way out and are working. Only for that reason. But it's apparently done this way on purpose.*⁶⁰

In addition to teachers, the Uzbek government forced healthcare workers to participate in the 2014 cotton harvest in greater numbers than in previous years. For example, in early September, local authorities ordered 42% of all healthcare workers from the Angren district of Tashkent region to pick cotton in three shifts (the first two lasting 25 days and the third lasting until the end of the harvest), as compared to 30-35% last year.⁶¹ Monitors documented similar findings in all regions where we conducted research. A nurse in Tashkent reported that more than 35% of all hospital staff went to pick cotton in two shifts of 25 days each with additional staff paying their way out of the harvest or forcibly mobilized for a third shift.⁶²

Several healthcare workers reported that medical workers were especially vulnerable to forced mobilization and extortion because, despite relatively low salaries in healthcare, it is very difficult for qualified doctors and nurses to get jobs. Uzbekistan has a large number of people with medical degrees seeking work, and many of them have reported that it is only possible to get a job by paying a bribe. Medical workers do not dare refuse cotton work or payments for fear of losing their jobs.⁶³ In mid-September the obstetrics hospital in Tashkent was supposed to send 50% of its staff, of which 60-70% paid for replacement workers. Replacement workers were required to give copies of their passports and contact information to the medical workers who hired them, so they could ensure replacement workers completed their harvest work. Medical workers who failed to complete their picking assignment or whose replacement workers left the job were considered to have unexcused absences from work, grounds for dismissal.⁶⁴

Some healthcare workers reported that many doctors chose to buy their way out of the harvest but, due to their lower salaries, most nurses, orderlies, and technicians could not afford to pay for replacements and were sent for long shifts to pick cotton. The doctors who paid not to be sent to the fields were often still mobilized to pick cotton on weekends.⁶⁵ A nurse in the Tashkent region who picked cotton for a 25-day shift said that more than 40% of all medical staff in her laboratory was assigned cotton shifts at any one time, and nearly all staff either worked or paid during the harvest. She said that some doctors had paid their way out but wondered

*what would happen if all the [medical workers] who are supposed to pick cotton at one time actually did [instead of buying their way out]? The epidemiological center would not be able to do its work for two months. I don't know what they are thinking when they send everyone out at this time of year to pick cotton. Who will do laboratory analyses? Inspections? We do a lot of preventative work. In addition, we have an outbreak of hepatitis every autumn. Every autumn. And that's just hepatitis.*⁶⁶

⁶⁰ Uzbek-German Forum interview with teacher (name withheld), Tashkent region, November 23, 2014.

⁶¹ Uzbek-German Forum Tashkent region monitor's report, September 13, 2014.

⁶² Uzbek-German Forum interview with nurse (name withheld), Tashkent, November 13, 2014.

⁶³ Uzbek-German Forum interviews with nurse (name withheld) Tashkent region, November 17, 2014.

⁶⁴ Uzbek-German Forum Tashkent region monitor's report, September 9, 2014.

⁶⁵ Uzbek-German Forum interview with dentist (name withheld), Tashkent region, November 14, 2014.

⁶⁶ Uzbek-German Forum interview with nurse (name withheld), Tashkent region, November 17, 2014.

Numerous doctors and other health care workers reported that their local health clinics or hospitals had to operate at significantly reduced levels during the harvest. A nurse in Karakalpakstan who worked a 25-day shift picking cotton said that at her clinic “There weren’t enough doctors and nurses. [Those left] had to work double, and patients often had no one to attend to them.”⁶⁷ Another nurse said “we couldn’t give enough attention to every patient. There weren’t enough doctors on call. Some doctors had to work several shifts per week for the same pay.”⁶⁸

One medical clinic in the Khorezm region normally staffed with two doctors and 13 nurses had to operate with only one doctor and one nurse for the duration of the harvest as the rest of the employees were forced to pick cotton.⁶⁹ Village medical clinics in some regions were forced to close temporarily during the harvest. In another example from the Khorezm region, a grandfather reported finding no doctors at the district hospital to treat his grandson and instead, only a sign reading: “All at the cotton harvest.”⁷⁰ One rural doctor commented,

The harvest negatively affects [our clinic].... One or two doctors are left. Are the abilities of just two people enough to do everything? For example, we are always going out on house calls to different patients, elderly people. A couple of times a week we visit them, check their conditions, measure their blood pressure, give injections. When we’re at the harvest, no one does this. Our patients are left without care. If something happens, they’re brought to the hospital, but there are also few people there. Half of them are at the harvest. If they call an ambulance, it doesn’t come—they are told you need to get here yourselves, we have no gasoline. [The cotton harvest] very negatively affects our work.⁷¹

Local police and representatives from *mahalla* (neighborhood) committees used pressure and threats to conduct broad forced recruitment of people in their districts, including pensioners, people with health problems, and single mothers. In particular, they threatened that people would face consequences such as the loss of their maternity, child, or other social payments if they refused to pick cotton. Monitors discovered cases in which the authorities did not make exceptions for breastfeeding mothers or people caring for young children or the elderly. The breastfeeding mother of an infant told Radio Liberty that she either had to take her baby to the cotton fields or pay for a worker to replace her under threat of losing her maternity benefits.⁷² A nurse in Andijan was forced to flee the cotton fields after permission to leave was refused so she could care for her two-year old son who was seriously ill.⁷³ In the Jizzakh region, even people visiting from other regions were forced to harvest cotton. One person told Radio Liberty, “Recently my brothers-in-law came to visit us from Samarkand. They were taken on a bus from the street

⁶⁷ Uzbek-German Forum interview with dentist (name withheld), Karakalpakstan, November 6, 2014.

⁶⁸ Uzbek-German Forum interview with nurse (name withheld), Tashkent, November 13, 2014.

⁶⁹ “Хоразмда тиббиётчилар оммавий равишда пахтага ҳайдалди,” [In Khorezm all medical staff sent en masse to the cotton harvest] Radio Ozodlik, September 7, 2014, available at: <http://www.ozodlik.org/content/article/26571023.html>

⁷⁰ *Ibid.*

⁷¹ Uzbek-German Forum interview with doctor (name withheld), Shahrizabz region, November 2014.

⁷² “Хоразмда тиббиётчилар оммавий равишда пахтага ҳайдалди,” Radio Liberty, September 7, 2014, available at: <http://www.ozodlik.org/content/article/26571023.html>.

⁷³ Uzbek-German Forum for Human Rights, *Ibid.*, Andijan monitor’s report, (2 November).

and made to pick 40 kilos of cotton.”⁷⁴ A local human rights group reported that *mahalla* committee representatives in the Andijan region attempted to force a blind man to pick cotton.⁷⁵

2.2.3 The Uzbek government continued its forced labor system in 2015, starting with the preparation of cotton fields for sowing.⁷⁶

The government of Uzbekistan began a mass forced mobilization to weed cotton fields on May 10. Authorities of the central government in Tashkent ordered regional and local authorities throughout the country to organize field workers in their territories. The government forced teachers, medical workers and other public-sector workers as well as university students and children to toil in the cotton fields throughout the country.

Citizens forced to participate reported the government communicated instructions down the chain without official written orders. Authorities assigned specific cotton fields to each organization, with the orders to clear weeds and prep the field for cotton cultivation. Administrators of each institution either sent its own employees or collected money from its employees to hire outside workers to clear the assigned fields. A Ministry of Education employee admitted that local authorities oblige teachers to work in the fields. The employee said the ministry is against the exploitation of teachers, but it occurs on the orders of local authorities. He added that local authorities consider teachers as free labor. According to the Education Ministry employee, the hokims and their deputies are responsible. "The Ministry is unable to influence the situation, because local authorities are ordered to perform certain community service by the Cabinet of Ministers," he said.

The teachers, nurses and other public-sector workers forced to work did so out of fear of losing their jobs. They did not receive payment for the 8-hour days weeding the cotton fields, but continued to receive their salaries as public-sector workers. They reported that fear of losing their jobs motivates them to obey orders. Meanwhile, employees who remained at the public-sector institutions were forced to take on double workloads with no additional compensation.

Farmers explained that they could not have paid the workers even if they were allowed to do so. They cannot withdraw cash from their bank accounts, which are controlled by the Finance Ministry, and many are unable to hire workers due to the debts incurred to fulfill their state-assigned annual cotton quotas.

Authorities forcibly mobilized children to weed cotton fields in the in the Zarbdor district of Jizzak region, starting in mid-May. School No. 25 sent 9th-grade students (ages 14-16) to clear the fields, on orders from the head of the district office of the Education Ministry, Bakhtiyor Elmurodova.

⁷⁴ Uzbek-German Forum for Human Rights, *Ibid*, Materials for final report email (29 October).

⁷⁵ Uzbek-German Forum for Human Rights, *Ibid*, Alliance email, Andijan region, 4 November 2014.

⁷⁶ From April – July 2015 the the Uzbek-German Forum for Human Rights (UGF) monitored labor practices in six regions of Uzbekistan throughout the spring. UGF monitors received extensive training on research methodology by an expert in labor law. Throughout the spring, they visited the cotton fields, photographed the mobilization of citizens to the cotton fields and have conducted 30 interviews in different locations with representatives of different professions and organizations.

The community lost 15-year old Ulugbek Iskhakov, a member of school No. 25's 9th-grade class. The school sent 25 students, including Ulugbek, to work on the farm "Rakhmon Niyati" on May 19. The students swam in canal No. 2, a main irrigation canal, during lunchtime. After Ulugbek began to drown, his classmates pulled him from the water, and he was taken to the hospital. He died shortly thereafter.

The Office of the Prosecutor General has since opened a criminal case and arrested the director and the 9th-grade class teacher of the school. Radio Ozodlik tried to contact the Mr. Elmurodova, head of the Zarbdor district office of the Education Ministry, but he refused to comment on the events and fatal accident. Another staff person at the school confirmed the course of events to Radio Ozodlik and added that local authorities have ordered school staff and the child's mother to not speak about the incident to anyone.

In Karakalpakstan, officials sent nearly half of its teachers and hospital staff to clear cotton fields. Authorities forced nearly half of all college teachers, staff of the Central Hospital in Huzhayli district and university students to clear the cotton fields of weeds. The mass mobilization began May 12.

College administrators sent up to 50% of all teachers to conduct the field work, in 15-day shifts. For example, colleges in Nukus sent the first shifts of teachers on May 12, and 15 days later another group replaced them. After receiving orders to send 100 people to weed the cotton fields, the Nukus College of Art and Culture sent 91 teachers. The college administrators gave teachers the option of paying 300,000 sums (\$60) for an exemption from the field work.

The Medical College of Huzhayli district sent 60% of its employees to weed the cotton fields, in 10-day shifts. Its administrators also charged 20,000 sums per day (\$4) for an exemption from the field work.

The Karakalpak State University sent 3rd-year students to weed cotton fields in the Turtkul, Ellikkala, Beruni and Amudarya districts of Karakalpakstan, starting in mid-May. Students reported, "We are working in the cotton fields in 35-40 degree heat." The Turtkul, Ellikkala and Beruni districts are also locations of the World Bank South Karakalpakstan project.⁷⁷ The State Pedagogical University in Nukus sent 30 students to work in the cotton fields this spring. The students worked on the farm "Berdak" and slept overnight in the homes of residents near the farm.

The government ordered hospitals and medical clinics to contribute to the field work in May as well. The City Hospital Tuberculosis Center in Nukus sent 50% of its staff to weed the cotton fields. Administrators offered exemptions from the field work for 30,000 sums per day (\$6). The administrators of the Beruniy city sanitary and epidemiological station sent employees to the cotton fields every day starting May 12. The Central Hospital in Huzhayli district sent nearly half of its staff to the fields throughout the month, and its administrators charged 10,000 sums per day (\$2).

⁷⁷ World Bank, "Restructuring Paper on a Proposed Project Restructuring of South Karakalpakstan Water Resources Management Improvement Project," April 7, 2015, http://www-wds.worldbank.org/external/default/WDSContentServer/WDS/IB/2015/04/09/000442464_20150409092322/Rend/ered/PDF/RES187860PJPR00BLIC00Box391423B0ACS.pdf, page 14.

In Kashkadarya, colleges and universities in Kashkadarya sent staff and students to pull weeds from the cotton fields. The authorities in Kasan district sent college teachers to work in the cotton fields starting May 7. The teachers reported that they were organized into groups of 10-15 teachers each day, and each teacher worked in the fields 1-2 days per week. Administrators of the medical colleges of Shakhrisabz sent students and teachers to the fields starting May 12, and they worked each day until lunchtime. The State University of Karshi sent its students to the cotton fields beginning May 18.

In Samarkand, officials forced secondary and college teachers to the cotton fields. The authorities in Kattakurgan district, Samarkand region forced teachers from the secondary schools and colleges to pull weeds from the cotton fields starting May 5. Teachers from a secondary school in the district reported that each school was ordered to send 15 teachers each day to the cotton fields. "We were warned that those who will not work (weeding) will be dismissed," said the teacher in an interview with Radio Ozodlik.

In Tashkent region, officials forcibly mobilized public-sector workers from schools, medical clinics and state-owned enterprises to pull weeds from the cotton fields this May.

Administrators of school No. 1 in Buki ordered 10-12 employees to work in the cotton fields each day. The school maintenance staff bore the brunt of the burden. Instead of working at the schools, the school staff reported to the city administration office (hokimiyat), from which they were sent to the fields on buses.

Officials in Urta- Chirchik district ordered kindergarten No. 48 to contribute, and the kindergarten administrators sent 27 workers to the cotton fields, starting May 10. One of the teachers noted that the children received less support from the kindergarten without the teachers.

Authorities in Buka district mobilized college teachers to the cotton fields starting May 11. The college administrators ordered staff to the fields in shifts of 10 persons, leaving only 30 staff in the classrooms. The teachers reported each morning to the city administration office (hokimiyat) and worked in the cotton fields until 17:00.

In Almalyk city, the principle of school No. 19 Kodirova S. ordered the teachers to clear the cotton fields in the Pskentky area, starting May 12. The principle sent 8 of the total 60 teachers to the fields each day and offered exemptions from the field work for 20,000 sums per day (\$4).

The Chirchik city mayor (hokim) Furkat Hamidullaeva ordered public sector workers to report to the city administration office (hokimiyat) on May 12, to be transported to the cotton fields. On May 21, school teachers from schools № 10, №5, № 12, № 23 and №8, college teachers and medical workers were all required to again report for field work. The teachers reported they obliged the city's orders for fear of losing their jobs.

The government assigned 20 hectares of cotton fields for clearing to the Sanitary-Epidemiological Station (SES) of the city of Angren. Nearly the entire SES staff of 250 people opted to pay 15,000 sums (\$3) for exemptions instead of pulling weeds from the cotton fields. According to one of the SES employees, the

national head of the SES ordered all SES facilities in the country to contribute to the cotton weeding this May.

Administrators of the medical clinics of Angren city announced orders to pull weeds from the cotton fields at a general meeting on May 10. The city mayor (hakim) and head physicians of the clinics attended, and a personal acquaintance of the mayor delivered the announcement. They informed the medical workers of the clinics that they were required to work 10-day shifts or contribute 10,000 sums (\$2). Nearly everyone paid for the exemption.

The administrators of the central medical clinic in Buka ordered workers to the cotton fields on May 10, adding that refusal would lead to dismissal from their jobs. Fearing the loss of their jobs, the medical workers showed up at 7 in the morning at the district government office (hokimiyat), and from there the authorities sent them on buses to the cotton fields. The medical workers cleared weeds from the fields until the evening, when buses took them back to Buka. Of the clinic's staff of 120 employees, only 50 remained to run the clinic. Similarly, the children's medical clinic sent 30 of its 40 total employees to the cotton fields this May.

The administrators of an oil storage facility required its entire workforce of 700 to contribute. Only 10 staff pulled weeds from the cotton fields. The rest paid 10,000 sums each (\$2) for exemptions from the field work.

3. The government of Uzbekistan represses any attempt by independent civil society to report on human rights as an essential component of its forced labor system of cotton production.

As an essential element of its coercive system of cotton production, the government of Uzbekistan continued to repress the rights of citizens reporting on forced labor in 2014 and the first half of 2015. The World Bank has not taken adequate 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.

The government of Uzbekistan's use of forced labor to produce cotton is supported by its denial of fundamental rights of association, freedom of press, and due process enable its use of forced labor to produce cotton. In its latest report on Uzbekistan, the United Nations Human Rights Committee expressed concern and issued recommendations on these fundamental rights.⁷⁸ In particular, "The Committee remains concerned about consistent reports of harassment, surveillance, arbitrary arrests and detentions, torture and ill-treatment by law enforcement officers and prosecutions on trumped-up charges of independent journalists, government critics and dissidents, human rights defenders and other activists, in retaliation to their work."⁷⁹

⁷⁸United Nations Human Rights Committee, "Concluding observations of the Human Rights Committee: Uzbekistan," New York, 8-9 July 2015, CCPR_C_UZB_CO_4, http://www.ccrpcentre.org/doc/2015/07/CCPR_C_UZB_CO_4.docx.

⁷⁹ United Nations Human Rights Committee, *Ibid*, paragraph 23.

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 for Human Rights (UGF), 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 was 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 labor rights monitoring. In October 2014, Jizzak regional prosecutors and police threatened to imprison human rights monitor Uktam Paradaev without any charges. In 2013, police put Mr. Paradaev under house arrest after his visit with a South Korean human rights delegation and Cotton Campaign member,⁸⁰ and during the 2012 cotton harvest authorities detained Paradaev incommunicado following his reports on forced child labor.⁸¹ During the 2014 cotton harvest, authorities have detained human rights monitor Elena Urlaeva three times and conducted a degrading search of her on October 14.⁸² In the autonomous republic of Karakalpakstan authorities continued 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.⁸³

On March 19, 2015, the Uzbek government arrested, detained, and deported Andre Mrost, an international labor rights consultant.⁸⁴ At the time of his arrest, Mr. Mrost was discussing ILO conventions with members of Ezgulik, the only human rights organization officially registered by the Uzbek government. On May 31, Uzbek authorities arrested and brutalized Elena Urlaeva, head of the Human Rights Alliance of Uzbekistan, as she was documenting government-orchestrated forced labor in the cotton fields.⁸⁵ On the day of her arrest, Ms. Urlaeva documented the Uzbek government's forced mobilization of teachers and doctors to clear weeds from cotton fields near the city of Chinaz in Tashkent region. Kindergarten teachers told her that the mayor had ordered the schools to send them to weed the fields. Urlaeva also photographed 60 physicians pressed into work in the cotton fields by representatives of the city hall. After arresting her, the police injected her with unknown sedatives, and, led by the First Deputy Chief of the local Police Department, interrogated her for 18 hours. During the interrogation, the police struck her in the head. While the police held her, doctors probed Ms. Urlaeva in the vagina and anus until she bled, and took X-rays, after accusing her of hiding a data chip. She was denied access to a toilet, ordered to relieve herself outside, and photographed nude. The police threatened more physical

⁸⁰ "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 labor monitors," *UzNews*, 27 September 2013, http://www.uznews.net/news_single.php?lng=en&sub=hot&cid=2&nid=23899

⁸¹ "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>

⁸² "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>.

⁸³ 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>.

⁸⁴ Cotton Campaign, "Uzbek government arrests and deports international labor rights consultant" March 24, 2015, <http://www.cottoncampaign.org/uzbek-government-arrests-and-deports-international-labor-rights-consultant.html>

⁸⁵ Cotton Campaign, "Uzbek police brutalize human rights monitor Elena Urlaeva" June 2, 2015, <http://www.cottoncampaign.org/uzbek-police-brutalize-human-rights-monitor-elena-urlaeva.html>

violence and confiscated her camera, notebook and information sheet of ILO conventions. On August 16, police in Tashkent attacked, kicked, arrested, and detained Ms. Urlaeva for seven hours, during which they confiscated 200 pamphlets that explained national laws prohibiting forced labor.⁸⁶

4. The government of Uzbekistan uses financial and administrative tools of coercion to force farmers to fulfill cotton production quotas and thereby impedes recruitment of voluntary agricultural labor, investment and economic development.

While agriculture is a potential sector for employment and economic development, the Uzbek government's use of financial and administrative coercion to force farmers to fulfil production quotas not only violates national and international laws prohibiting forced labor, it impedes recruitment of voluntary agricultural labor, investment, and use of good agricultural practices. The World Bank does not address government's use of coercion with farmers in its initial ideas for the Uzbekistan SDC;⁸⁷ ignoring it will block progress to establish a sustainable agricultural sector in Uzbekistan.

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;⁸⁸ 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."⁸⁹ Through "joint stock" companies owned by the Government and unknown individuals, the Uzbek government controls production and distribution of seeds, fertilizers, defoliant, pesticides and other agrochemicals, fuel and petroleum-based lubricants, machinery and its servicing for use in cotton and wheat production.⁹⁰ The government also controls a "cashless" system of credit on which farmers rely for obtaining their inputs.⁹¹

⁸⁶ Cotton Campaign, "Uzbek Police Assault Human Rights Defender Elena Urlaeva Again," August 18, 2015, <http://www.cottoncampaign.org/blog/uzbek-police-assault-human-rights-defender-elena-urlaeva-again>.

⁸⁷ The World Bank, August 2015, *Ibid*.

⁸⁸ Khlopkoprom (also known as Uzkhlopkoprom 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.

⁸⁹ Stephen Macdonald, "Economic Policy and Cotton in Uzbekistan," Economic Research Service, United States Department of Agriculture, October 2012.

⁹⁰ Ilkhamov and Muradov, 2014, *Ibid*.

⁹¹ Ilkhamov and Muradov, 2014, *Ibid*.

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.⁹² 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 laborer who refuses to participate when called upon to harvest cotton also faces the threat of punishment by the government.

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 labor to maximize returns, the Uzbek government does not report cotton income in national accounts. From cotton alone, the government earns at least \$1billion USD annually, and the official national budget does not account for this income.⁹³ Instead, cotton income goes to the extra-budgetary “Selkozfond (Agricultural Fund),” housed in the Ministry of Finance, to which only the highest level government officials have access and knowledge of its use.⁹⁴

5. World Bank commitments to establish third-party monitoring of core labor standards and a grievance redress mechanism for its projects in Uzbekistan remain unfulfilled.

Since the World Bank committed to the Inspection Panel and to the Board of Directors to establish third-party monitoring of core labor standards and a grievance redress mechanism for its projects in Uzbekistan, in response to the complaint filed by Uzbek civil society organizations representing forced labor victims, it has not done so.

⁹² Farmer, interviewed for report, anonymous for personal security. Personal Interview by Matthew Fischer-Daly, 26 September 2012.

⁹³ Ilkhamov and Muradov, 2014, *Ibid*.

⁹⁴ Ilkhamov and Muradov, 2014, *Ibid*.

The Bank has secured a commitment by the International Labour Organization (ILO) to monitor in its project areas, and the ILO will carry out such monitoring with teams of one ILO staff person joined by representatives of the Uzbek Ministry of Labor and government-controlled Federation of Trade Unions of Uzbekistan, Chamber of Commerce and Industry of Uzbekistan, and Farmers' Associations. The ILO's work with its members, the Uzbek government, FTUU and CCIU, has long-term potential to support the application of core labor standards in Uzbekistan, but characterizing the initiative, self-monitoring with technical assistance, as third-party monitoring impedes the World Bank from establishing third-party monitoring as a key mitigation strategy to avoid perpetuating the crimes of forced labor in the agriculture sector of Uzbekistan.

The Bank has secured a commitment by the ILO to implement a feedback mechanism, which the World Bank describes as having three components: a FTUU-led complaint mechanism, facilitation by the ILO, and the ILO supervisory system. The ILO's supervisory mechanism is not specific to Uzbekistan; all ILO member states are subject to the ILO supervisory system, which is a system of non-binding recommendations to governments and does not address individual victims of rights violations. So long as the Uzbek government appoints the leadership of the FTUU, the union federation cannot be considered an adequate facilitator of complaints concerning state-led forced labor.

Following the latest roundtable between the ILO and the Uzbek government, the ILO plans to make itself available for persons to provide information concerning labor rights violations and to transmit complaints to the Uzbek government for remediation through legal means. Such a process may test the Uzbek government to apply laws concerning forced labor. Yet the mechanisms to prevent retaliation against complainants and to ensure remediation of victims of rights violations remain undefined. As noted above, the government continues to repress attempts to report human rights abuses, often with violence. It is incumbent on the World Bank to work with the ILO to press the Uzbek government to refrain from retaliation against complainants, ensure remediation of the victim of the harm, and hold the perpetrator of the harm accountable using fair judicial processes that conform to international standards.

6. Corruption impedes the World Bank goals of eliminating poverty and boosting shared prosperity.

The lack of accountability over financial flows and extortion impede any finance provided to the Uzbek government for the agriculture sector from supporting the World Bank's twin goals of eliminating extreme poverty and boosting shared prosperity. In order to ensure that World Bank projects benefiting the cotton industry are working toward the bank's twin goals, it is essential that the World Bank work with the government of Uzbekistan to improve transparency and accountability over revenue from the agriculture industry and to combat corruption at all levels of the government.

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 labor, to earn money that disappears into a secret fund in the Finance Ministry, the Selkhozfond.⁹⁵ Furthermore, rampant, widespread and systematic corruption underpinned the cotton production system in 2014. The system

⁹⁵ See International Labor Rights Forum, "'The System of Forced Labor Cotton Production in Uzbekistan,'" November 2014, http://www.cottoncampaign.org/uploads/3/9/4/7/39474145/systemfl_uzbekistan_2014analysis.pdf

allowed local administration and tax officials, university, college, and school directors, cotton officials and many others to extort and skim money from individuals, institutions, and businesses. Even while cotton income is not added to national budgets, unregulated extortion lines officials' pockets at every level and every part of the system. Forced contributions from businesses, payments from individuals for field labor, and payments by millions of forced laborers for food and transportation costs, plus fines and payments for unmet quotas, amounted to a massive, unregulated, and unaccounted for direct subsidy to the government and masked the true cost of cotton production in Uzbekistan. The enrichment of officials creates a powerful disincentive to enact real reforms of the cotton sector. Corruption also undermines the rule of law in Uzbekistan, nurturing an environment in which the government denies that it uses forced labor and impunity for serious human rights violations, such as forced labor, prevails.

While people forced to pick cotton received a nominal payment, usually between 200-250 soum (approximately \$.07-.08 USD) per kilogram of cotton harvested, this amount was reduced by fines for failure to meet the quota, for cotton evaluated to be of lower quality, and to pay for food, housing, transportation, or other costs. Payments were generally made every five days, so some workers forced to pick cotton for shorter periods often received no payment at all.⁹⁶

Citizens who did not want to or were unable to harvest cotton, including for health reasons, or professional or personal obligations such as caring for young children were forced to hire workers to replace them, usually at a cost of 20,000-25,000 soum per day (approximately \$6-7 USD per day or more than \$200 USD per month). Individuals or institutions such as schools or hospitals that failed to meet their harvest quotas were obligated to use their own money to purchase cotton to rectify the deficit. They purchased this cotton from local residents who sold it at inflated prices—350 soum (approximately \$.10 USD) per kilogram instead of the 250 soum the government paid workers for cotton picked.

At the end of the season many public sector employees in the Tashkent region were forced to stay in the cotton fields to attempt to meet harvesting quotas of 30 kilograms per day. Many workers reported that with so little cotton remaining in the fields it was impossible to pick more than 20 kilograms in a 10-hour workday. With no cotton available to buy at the end of the season to make up the difference, local officials instead demanded the cash equivalent.⁹⁷

The government of Uzbekistan also extorted mandatory contributions of labor and payments from companies to support the cotton harvest. The size of the contribution depended on the size of the enterprise. At the lowest end of the scale, small enterprises generally paid around 500,000 soum (approximately \$167 USD) for the harvest.⁹⁸ Businesses made these payments under threat of penalty such as increased inspections or forcing the business to close. Officials from the tax inspectorate visited businesses to extract payments and apply pressure such as the threat of burdensome tax inspections and the finding of violations. Businesses also suffered lost business and reduced productivity because they were forced to provide workers to the harvest or pay for food for workers.

⁹⁶ Uzbek-German Forum for Human Rights, *Ibid*, UGF interviews with nurses and teachers, October 2014.

⁹⁷ Uzbek-German Forum for Human Rights, *Ibid*, Tashkent region monitor's report.

⁹⁸ Uzbek-German Forum for Human Rights, *Ibid*, Karakalpakstan monitor's report.

On the upper end of the scale, multinational companies operating in Uzbekistan reported that they were required to contribute to the cotton harvest as a prerequisite to doing business in the country. General Motors Uzbekistan contractor UzDongVonCo stated that its employees were sent to pick cotton.⁹⁹ Teliasonera informed its investors that the company sponsors the cotton harvest in Uzbekistan,¹⁰⁰ and Telenor publicly stated it also contributed.¹⁰¹

Forced payments from businesses, payments to replacement workers, and payments to compensate for unmet quotas made under the threat of penalty, amounted to a massive, unregulated, and unaccounted for direct subsidy to the government's forced labor-based cotton production system and masked the true cost of cotton production in Uzbekistan. These payments also contribute to the corruption of local officials in charge of the harvest.

7. The cotton sector exemplifies widely applied policies of the Uzbek government that benefit particularistic interests of government officials rather than the population as a whole.

Many of the Uzbek government's economic policies currently benefit government officials, not the population as a whole, and actual internal and external dynamics risk exacerbating negative impacts on the Uzbek society. Yet in the initial SCD presentation, the World Bank relies on unreliable state data and fails to address key domestic and international dynamics.¹⁰²

The reliance on official statistics by the Uzbek government undermines the credibility of the analysis of the economic dynamics in the country. The United States Department of State cites concerns of the United Nations Committee on Trade and Development (UNCTAD) and International Monetary Fund (IMF) about the accuracy and completeness of official statistics of the Uzbek government.¹⁰³ The IMF stated "Further improvements in the availability and quality of key economic and social data would strengthen evidence-based policy making" after its May 2015 mission to Uzbekistan.¹⁰⁴

An example of reliance on Uzbek government statements that risks inaccurate analysis is the acceptance of the government's claim of a "well-educated population." This claim merits significant scrutiny. Decades of using students and teachers for up to two months to harvest cotton and another period of time

⁹⁹ "“ГМ-Ўзбекистон”га пудратчи корхонанинг 19 яшар ишчиси пахтада вафот этди,” *Radio Ozodlik*, 8 October 2014, <http://www.ozodlik.org/content/article/26627321.html>.

¹⁰⁰ Reports available: http://www.svd.se/naringsliv/nyheter/varlden/telia-sponsrar-tvangsarbete_3909874.svd, <http://www.dn.se/nyheter/sverige/telia-sponsrar-tvangsarbete/>, <http://www.di.se/artiklar/2014/9/12/telia-sponsrar-tvangsarbete/> (last accessed 15 January 2015).

¹⁰¹ Report available at: <http://www.klassekampen.no/article/20141212/ARTICLE/141219985> (accessed 15 January 2015).

¹⁰² The World Bank, "Online Consultation for the Preparation of the Uzbekistan Systematic Country Diagnostic-Input to the Country Partnership Framework 2015-2019," August 2015, https://consultations.worldbank.org/Data/hub/files/consultation-template/uzbekistan-systematic-country-diagnosticopenconsultationtemplate/materials/uzb_scd_online_consultations_2015_0.pdf.

¹⁰³ U.S. Department of State, "2015 Investment Climate Statement: Uzbekistan," May 2015, <http://go.usa.gov/3EVtR>, page 5.

¹⁰⁴ International Monetary Fund, "IMF State Completes 2015 Article IV Mission to the Republic of Uzbekistan," Press Release No. 15/216, May 13, 2015, at <http://www.imf.org/external/np/sec/pr/2015/pr15216.htm>.

to weed cotton fields has taken away substantial time each school year over a sustained period. Selling of exemptions to students, parents and teachers has embedded corruption into the education system. Moreover, as the World Bank notes in its initial SCD presentation, growth of the working-age population has far outpaced job creation, and over half of jobs are in the informal sector. A bulging youth population, handicapped education system, and lack of decent work opportunities combine to create major risks of instability.

Also missing from the World Bank's initial SCD presentation is the political component of the Uzbek economy. As detailed above (Section 1), the Uzbek government operates the cotton sector as a patronage system. In fact, the Uzbek government has demonstrated a particular ability and intention to exert control and coercion over wheat, silk and non-agriculture sectors of the economy. The government strictly enforces production quotas for wheat and controls silk production for export to world markets. Local authorities coerce farmers and public-sector institutions to produce silk and enforce quotas with penalties, including fines.¹⁰⁵ In addition to agriculture, the World Bank has recognized the capricious investment environment in Uzbekistan by moving Uzbekistan down in the World Bank's index for protecting investors from 2013 to 2014.¹⁰⁶ The US Government reports "a pattern of expropriations and politically motivated business inspections has damaged Uzbekistan's reputation as an investment destination" and "widespread corruption" as a factor behind Uzbekistan having "one of the lowest cumulative inflows of foreign direct investment in the former Soviet Bloc."¹⁰⁷ Recent cases demonstrate the cause for such concerns. Since 2006, ten companies have been pushed into bankruptcy and succumbed to hostile takeovers, including Newmont Mining Corporation, Oxus Gold, Metal-Tech Ltd., Daewoo UZDEUAvto, Spentex Toshkent Toytepa, Faberlic Tashkent, Oriflame, Carlsberg Uzbekistan, United Cement Group, MTS.¹⁰⁸ Furthermore, by requiring companies to contribute to the cotton harvest in order to conduct business in the country,¹⁰⁹ the Uzbek government has created legal liability¹¹⁰ and investment risks¹¹¹ for any company operating in the country.

¹⁰⁵ Forthcoming report by Uzbek-German Forum for Human Rights, 2015.

¹⁰⁶ See <http://www.doingbusiness.org/data/exploreeconomies/uzbekistan/>

¹⁰⁷ U.S. Department of State, "2015 Investment Climate Statement – Uzbekistan," June 2015, <http://www.state.gov/documents/organization/229301.pdf>, at page 3.

¹⁰⁸ See Lillis, Joanna, "Telecom Scandals Touch President's Daughter," *EurasiaNet*, 24 September 2012 and "Head of Russian company arrested in Uzbekistan," *UzNews*, 19 May 2014.

¹⁰⁹ Teliasonera informed its investors that the company sponsors the cotton harvest in Uzbekistan [Reports available: http://www.svd.se/naringsliv/nyheter/varlden/telia-sponsrar-tvangsarbete_3909874.svd, <http://www.dn.se/nyheter/sverige/telia-sponsrar-tvangsarbete/>, <http://www.di.se/artiklar/2014/9/12/telia-sponsrar-tvangsarbete/>]. General Motors has confirmed that employees of GM Uzbekistan employees have been sent to harvest cotton [GM letter to the Cotton Campaign, July 2015].

¹¹⁰ United States law prohibits 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 labor]." [18 U.S.C.A. § 1589].

¹¹¹ Under the Organisation for Economic Cooperation and Development Guidelines for Multinational Enterprises (OECD Guidelines), companies have a responsibility to "identify, prevent, and mitigate" "actual and potential" human rights violations that are linked to their operations, products, or services even when the companies have not "contributed to" or caused the human rights violation. Kommunal Landspensjonskasse (KLP) excluded Posco and Daewoo precisely "because they buy cotton from Uzbekistan, which represents an unacceptable risk of KLP contributing to violations of both human rights and labor rights." [KLP, "31 new companies were excluded," 1 December 2014, <https://www.klp.no/om-klp/31-nye-selskaper-ekskludert-1.29207>]

External dynamics are also critical, yet while the World Bank's initial SCD power point notes regional conflicts over water and the return of labor migrants from Russia to Uzbekistan, it does not address the implications of such tensions. In particular, the reduction in work opportunities in Russia is having a significant impact on Uzbekistan. Remittances, which account for nearly 12% of GDP, fell 16% in 2014 and are expected to drop another 30% in 2015, according to World Bank data.¹¹² Reportedly, 500,000 Uzbek labor migrants returned to the country in the first half of 2015. The wave of returning citizens of working-age and dramatic reduction in remittances present substantial challenges, including a reduction in economic activity that had been supported by remittances, such as construction, and a large pool of citizens competing for scarce employment opportunities.

The cotton sector exemplifies the perversions of the current economy in Uzbekistan. Despite claims of the government of labor shortages, Uzbekistan has and continues to be a labor surplus country. Its use of coercion to mobilize farmers to grow cotton and other citizens to do field work is not a means to address a lack of workers, it is a system to maximize benefits for government officials. An SCD can support strategies to achieve the World Bank's goals of reducing poverty and boosting shared prosperity only if it addresses the state policies that benefit particularistic interests of government officials rather than the population as a whole.

The Cotton Campaign is a global coalition of labor, human rights, investor and business organizations coalesced to end forced labor of children and adults in the cotton sector.

*Contact: Matthew Fischer-Daly, Cotton Campaign Coordinator,
cottoncampaigncoordinator@gmail.com, +1(347)266-1351*

¹¹² World Bank data cited in Trilling, David, "Remittances to Central Asia Fall Sharply, as Expected," *EurasiaNet*, April 21, 2015, <http://www.eurasianet.org/node/73061>.