



Third party monitoring of child labour and forced labour during the 2018 cotton harvest in Uzbekistan



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Foreword

This report has been prepared by the International Labour Office pursuant to an agreement between the ILO and the World Bank to carry out third-party monitoring on the incidence of child labour and forced labour in the World Bank-financed projects in agriculture, water and education sectors in Uzbekistan. Third party monitoring was also undertaken and reported on in 2015, 2016 and 2017. The ILO is grateful for the cooperation of the tripartite constituents and human rights activists of Uzbekistan in the monitoring and assessment process.

There are three main reasons why ILO Third-Party Monitoring is important:

- **First**, almost one fifth of the adult population or around 2.5 million citizens are engaged at some time during the harvest each year picking cotton by hand. Over half of pickers are women. Managing this workforce in full conformity with international labour standards ratified by Uzbekistan is an enormous task.
- **Second**, 70 percent of arable land is still used for cotton or wheat production, despite government policy to diversify agricultural production. Cotton and related value chains will provide jobs and incomes and contribute to foreign exchange earnings for years to come.
- **Third**, serious allegations on the use of child labour and forced labour during the cotton harvest in Uzbekistan have continued to be made. The ILO Third-Party Monitoring provides statistically significant, nation-wide numbers that enable evidence-based conclusions and policy decisions.

The ILO has taken into account all the different comments and inputs it has received throughout the process from national governmental and non-governmental organizations, including Uzbek civil society representatives. In line with the request of its partners in Uzbekistan, in particular the government, this report contains concrete suggestions for action. It also points out further opportunities for cooperation between the partners in Uzbekistan and the ILO and the World Bank. The ILO alone is responsible for the conclusions in this report.

The ILO Third-Party Monitoring (TPM) Project has been made possible by a Multi-Donor Trust Fund established by the World Bank with support from the European Union, the United States and Switzerland in order to carry out activities to support the elimination of child labour and forced labour in the cotton sector in Uzbekistan and to strengthen the capacity of state and non-state institutions to ensure the sustainability of cotton production and agricultural reform in general.

Beate Andrees
Chief, Fundamental Principles and Rights at Work Branch

April 2019

How to read this report

The 2018 Third-Party Monitoring covered the entire cotton production cycle including spring time field work and weeding, the cotton harvest in the autumn, and textile and garment manufacturing. The monitoring included a particular focus on institutions with recognized high risks and a study of the labour mobility of cotton pickers. All these components feed into the executive summary which covers trends, observations and recommendations.

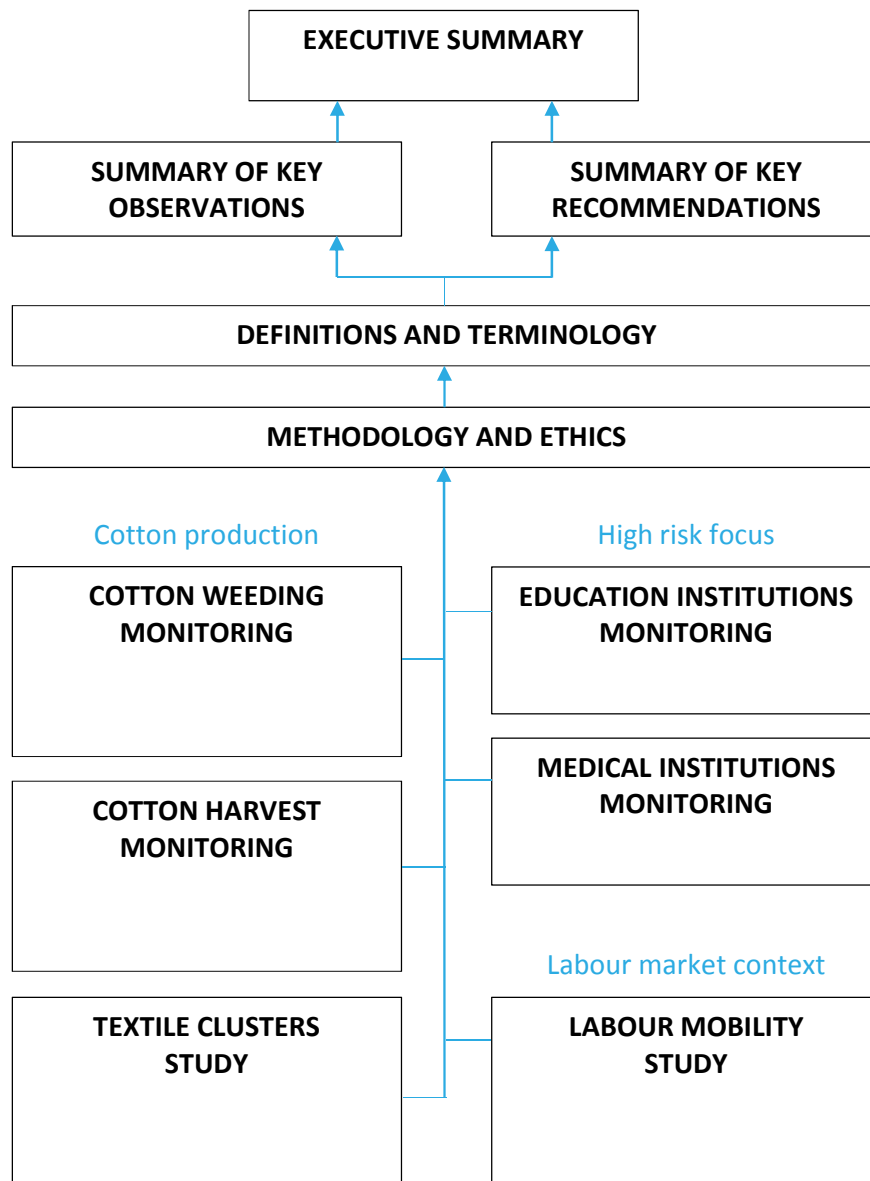


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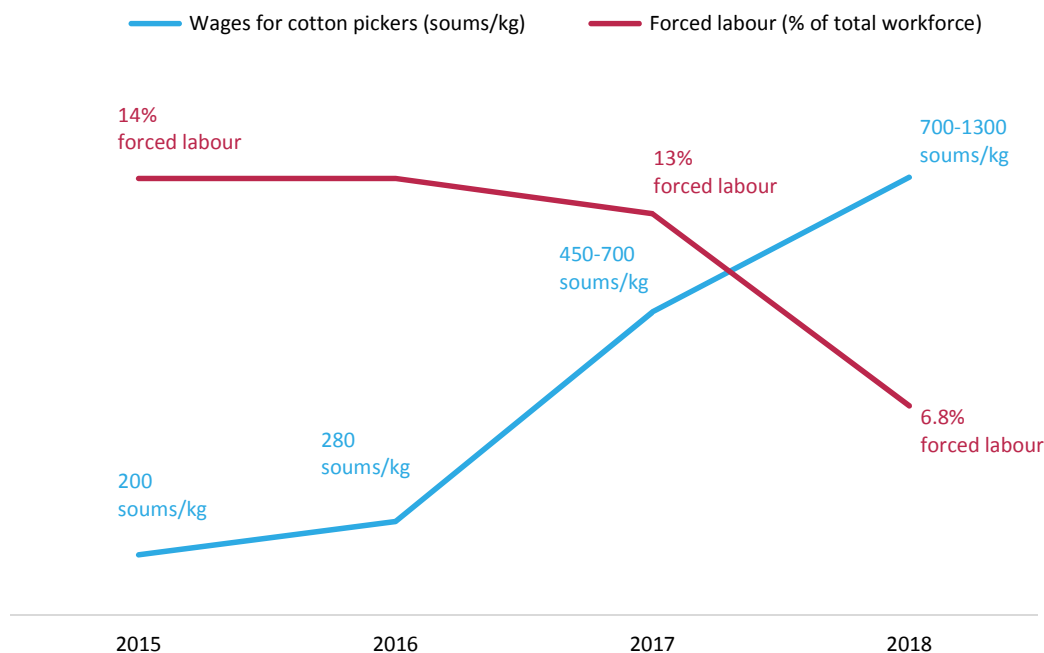
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Executive Summary

Uzbekistan demonstrated major progress in the eradication of child labour and forced labour in the cotton harvest of 2018. Forced labour during the harvest was reduced by 48 percent compared to 2017. As in previous years, there were only isolated cases of minors below the legal working age participating in picking cotton.

- Systematic or systemic **child labour can no longer be considered a serious concern**. School children and students were not mobilized for cotton picking.
- **Systematic or systemic forced labour was not exacted** by the government of Uzbekistan during the 2018 cotton harvest. Reforms announced by the central government are having an impact; yet there are still many challenges with implementation at the local level.
- A considerable number of **forced labour cases** were still observed, and **legacy systems conducive to the exaction of forced labour** have not yet been fully dismantled.
- Consequently, considerable work remains to be done; yet **forced labour has been reduced by 48 percent** in the 2018 cotton harvest. ILO monitors confirm that **wages were increased by up to 85 percent** compared to the previous harvest. Cotton pickers were paid on time and in full.



- The **vast majority of pickers are not in forced labour** but a minority (6.8 percent) of them have still been made to participate in the harvest. This amounts to 170,000 people.
- The **prohibition on recruiting students, teachers, nurses and doctors** was systematically implemented and generally observed at the local level.

Cotton production in context

- Uzbekistan is the **sixth largest producer of cotton in the world**. The crop takes up a significant part of the country's resources¹:
 - 2,5 million people pick cotton and 1.15 million people weed cotton
 - 70 percent of arable land is used by 130,000 farmers for cotton or wheat production
 - 65 percent of all irrigation water and 13 percent of all electricity are used for cotton
 - 45 percent of all fertilizers and 30 percent of all diesel fuel are used for cotton
- Despite these inputs, the **economic importance of cotton** has been dramatically reduced

1992

90% of total export²

10% of GDP⁴

25% of agricultural GDP⁶

2016

Just 3.4% of total export³

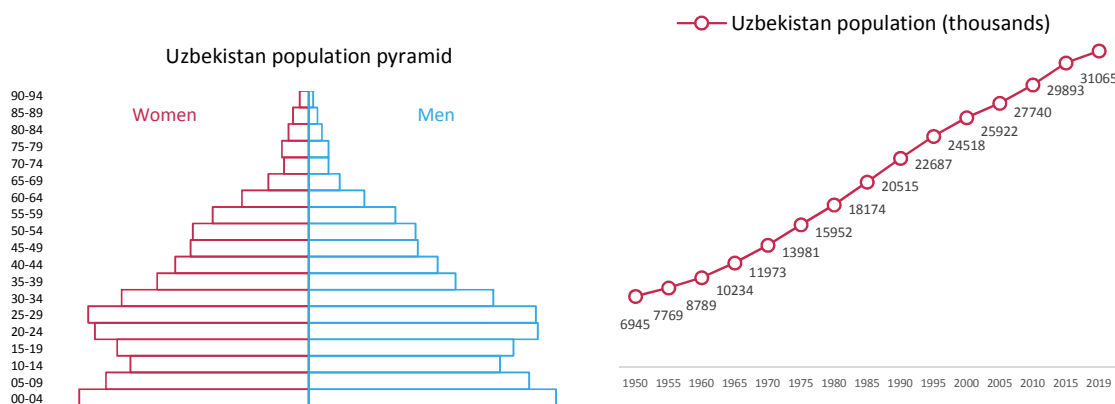
Just 1.8% of GDP⁵

Just 7.6% of agricultural GDP⁷

- Cotton production, processing, and marketing remain centrally controlled which has led to **reduced productivity and resource efficiency**. The centralized state order system is also conducive to the exaction of forced labour.

Labour market in context

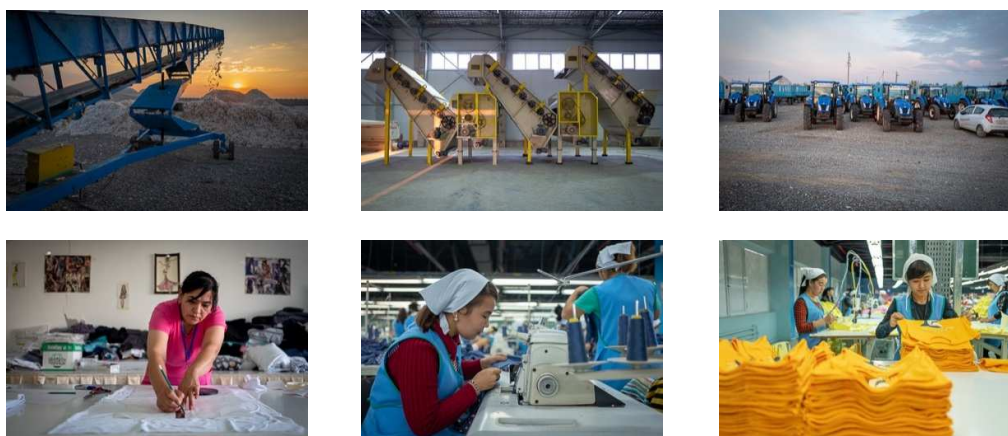
- Two thirds of the population of Uzbekistan are younger than 30 years. This demographic structure means that over 500,000 young people enter the labour market every year⁸ and the **unemployed population that need jobs exceeds 800,000 people⁹**.



- The official **unemployment rate for 2018 was 9.3 percent**, and it is over 17 percent for young people. In addition, approximately 2.4 million Uzbeks are migrant workers abroad.

The government strategy for cotton production

- Uzbekistan is **privatizing and liberalizing cotton production** by introducing private textile clusters that produce value-added textiles and garments.
- In 2018, 15 new textile clusters were established. The 2019 target is to have 62 clusters covering over **50 percent of total cotton production**.
- These textile clusters have the potential to create **full-time jobs**, and they could **help to completely eradicate forced labour**.
- It is important that the centralized **state order system is gradually phased out** and that the textile clusters are owned and managed by **responsible private investors** who understand the value of corporate social responsibility as well as **high labour standards**.



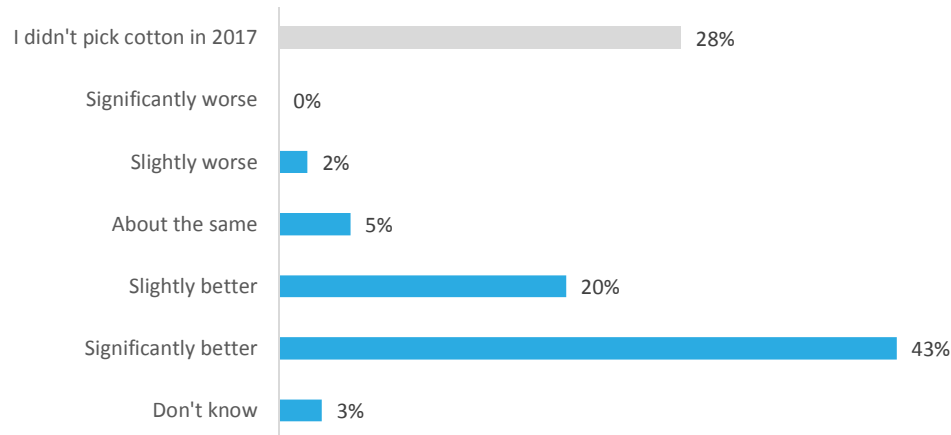
Pictures from a new private textile cluster in Syrdarya Region, November 2018

Key 2018 monitoring findings

- **18 percent of the population** aged 18-50 years old were involved in cotton picking in 2018. This amounts to 2,5 million people.
- Higher wages attracted more men to pick cotton in 2018 compared to previous years. **54 percent of the pickers were women; 46 percent were men.**
- On average, each cotton picker participated in the harvest for 21 days, and the wages earned from picking represented **39.9 percent of their personal annual income**.
- 72 percent of pickers said that they received payment either every day or once in 1–3 days. **Only 4 percent of pickers received payment once a week or less frequently.**
- A significant number of people said no to the request for picking cotton. Of those who were asked to participate in cotton picking **15 percent declined**.
- Labour mobility was relatively low. Only 14 percent of cotton pickers said that they worked in another district and only **6 percent said that they picked cotton in another region**.

What pickers said about working conditions

- A majority of cotton pickers said that working conditions had improved since 2017 although 2 percent of them said that the conditions were worse than in 2017.



- The average working day in 2018 was 7.8 hours. The pickers were generally content with the working conditions, in particular drinking water, transportation, meals and working hours.
- Field monitoring showed that **drinking water** was provided at 219 out of 252 visited fields, while **lunch** was provided at 207 out of 252. **Toilet facilities** were available at 117 fields out of 252.

Drinking water



■ Water provided
■ Water not provided

Lunch



■ Lunch provided
■ Lunch not provided

Toilets



■ Toilets provided
■ Toilets not provided

- More than three quarters of the cotton pickers (78 percent) did not have a contract. Only 16 percent had written contracts and 6 percent had an oral contract.
- Many cotton pickers came to the fields with other family members. Among respondents, **45 percent had family members who also participated in the cotton harvest.**
- **71 percent of pickers were from rural areas;** 29 percent were from urban areas.

Other 2018 monitoring findings

- There is a continued **strong political commitment** and clear communication from the government of Uzbekistan to eradicate forced labour.
- Mahalla and local government **officials are in some cases still involved in recruiting pickers** for the cotton harvest, which increases the risk of coercion.
- In 2018, the Uzbekistan **media started reporting actively on forced labour issues**. Journalists were encouraged by the government to cover forced labour cases.
- Local independent **human rights activists were free to conduct their activities**. The government did not interfere with independent monitoring or awareness raising.
- The government continued to **strengthen the labour inspectorate**. 200 inspectors received training on forced labour investigation by the ILO and were deployed throughout the country to investigate alleged forced labour cases.
- **Over 2,000 cases of alleged forced labour were investigated**. 206 officials and managers were sanctioned for forced labour violations, leading to fines, demotions and dismissals.



Cotton pickers in Syrdarya Region, November 2018

Summary of 2018 observations

Achievements

Opportunities

Political commitment and leadership

- Consistent clear political commitment from government
- Freedom of association is a priority for new employers' association
- Transparency about government meetings and decisions

- Swift demotion of a Deputy Prime Minister in a publicized case
- Journalists encouraged to cover forced labour issues critically
- Press conferences organized personally by the Employment and Labour Relations Minister

- Still some examples of uneven local implementation
- Cases of local management practices (pressure/intimidation) still occur
- Modalities of change are not always readily available

Recruitment mechanisms

- No more systematic recruitment of students, teachers, nurses, doctors
- Focus on financial incentives as a driver for voluntary recruitment
- High levels of awareness of feedback mechanisms

- Public employment service operated by Ministry of Labour
- Mahalla involved in recruitment of unemployed people
- Heads of institutions involved in recruitment of employed people

- The demand for cotton pickers during harvest still greater than supply
- Involuntary recruitment through institutions and companies still takes place
- Local cases of collection of fees from companies and individuals

Decent wages and working conditions

- Significant wage increases for cotton pickers this year
- Wages differentiated across passes and regions to attract pickers
- Consistent and regular payments made to pickers

- Obligatory pension and union deductions abolished this year
- Wage setting approach remains centralized
- Material rewards used to incentivize performance

- Individual cases of inadequate living conditions for cotton pickers
- Individual cases of insufficient medical attention and first-aid kits
- Individual cases of misunderstandings about payment for transport/food

Engagement with local civil society

- Constructive cooperation with local civil society activists
- Successful joint awareness raising campaign at local level
- Human rights activists freely perform monitoring of harvest

- New legislation makes it easier to register civil society organizations
- The number of local civil society activists still relatively low
- Civil society activists use different approaches

- Civil society has an opportunity to make use of new approaches
- Civil society can broaden membership and involvement
- Civil society can be involved in governance of feedback mechanisms

Summary of 2018 recommendations

Keep doing

- Communicate clearly and reinforce messages about prohibition of forced labour and child labour
- Keep developing labour inspectorate. Continue to operate effective transparent feedback mechanisms
- Keep increasing minimum wages in line with productivity to ensure cotton picking is an attractive source of income
- Continue to formalize dialogue with local civil society activists. Ensure nobody is harassed for legal activities
- Keep encouraging journalists to raise awareness of labour rights and report on labour violations. Keep using social media
- Keep promoting private sector investment in cotton production and related value chains
- Keep strengthening public employment services and monitoring of private employment agencies, especially for temporary recruitment and mobility

Do more

- Broaden focus beyond cotton to fundamental principles and rights at work in agriculture and related value chains
- Focus on sustainable job creation through processing of raw materials and manufacturing of products for export
- Increase fines and penalties for forced labour violations, including criminal prosecution. Ensure preventative effect by making cases public
- Design and implement supervisory skills training to promote positive management techniques and HR practices
- Work with international partners to build CSR understanding and capacity in Uzbek exporting companies
- Require that textile clusters produce social plans to maximize benefits to local farmers and communities
- Facilitate women entrepreneurship opportunities as part of textile clusters
- Ensure decent working and living conditions for cotton pickers
- Increase mechanization

Start

- Develop skills strategy to enable increased garment and textile manufacturing at regional level
- Involve social partners and local civil society in implementation of textile clusters to maximize social benefits for communities
- International garment companies can play role in promoting labour standards / best practices

Do less

- Gradually reduce role of government in cotton production and related value chains
- Phase out role of Hokimiats, state institutions and enterprises for recruitment of pickers
- Reduce low-yield cotton production in areas with low population density

Stop

- Prohibit local / individual initiatives to provide replacement pickers or collection of fees from private companies and/or individuals in relation to cotton harvest
- Ensure that military personnel is not used in violation of ILO standards on forced labour

1. Why definitions and terminology matter

Definitions are important in developing reliable data and in guiding policy and practical interventions against forced labour. Definitions help to narrow down a problem and to target meaningful and effective action.

Using terms like “*systemic forced labour*” or “*state sponsored forced labour*” may help to raise attention at the international level and to galvanize action. However, there is a risk that certain practices are perceived to be more generalized than what is legally accurate. There is also a risk that if an issue is not defined properly, it may lead to misperceptions and interventions that can have a negative impact on workers while at the same time making it more difficult for the responsible authorities to overcome the problem.

To avoid this situation, it is necessary to examine the commonly used definitions and terminology and compare them with the situation during the 2018 cotton harvest.

1.1. ILO definition of forced labour

The term “forced labour” is defined by the ILO Forced Labour Convention, 1930 (No. 29) as all work or service:

- which is not voluntary; and
- which is exacted under the menace of a penalty.

For research purposes, a person is classified as being in forced labour if engaged during a specified reference period in any work that is both *under the threat of menace of a penalty and involuntary*. **Both conditions must exist for this to be statistically regarded as forced labour.**

- a) The *reference period* may be short such as last week, last month or last season, or long such as the past year, the past two years, the past five years or lifetime. A short reference period may be appropriate where the concern is the measurement of forced labour among a particular category of workers. A long reference period may be appropriate where the concern is the measurement of forced labour among a general population group.
- b) *Work* is defined in line with the international standards concerning statistics of work, employment and labour underutilization adopted by the 19th International Conference of Labour Statisticians, 2013. It comprises any activity performed by persons of any sex and age to produce goods or to provide services for use by others or for own use. In certain circumstances, the scope of work for the measurement of forced labour may be broadened to include activities such as child begging for third parties that go beyond the scope of production of goods and services covered by the general production boundary of the System of National Accounts (SNA).

- c) *Threat and menace of any penalty* are the **means of coercion used to impose work on a worker against his or her will**. Workers can be actually subjected to coercion, or verbally threatened by these elements of coercion, or be witness to coercion imposed on other co-workers in relation to involuntary work. Elements of coercion may include, inter alia, threats or violence against workers or workers' families and relatives, or close associates; restrictions on workers' movement; debt bondage or manipulation of debt; withholding of wages or other promised benefits; withholding of valuable documents (such as identity documents or residence permits); and abuse of workers' vulnerability through the denial of rights or privileges, threats of dismissal or deportation.
- d) *Involuntary work* refers to any work taking place **without the free and informed consent of the worker**. Circumstances that may give rise to involuntary work, when undertaken under deception or uninformed, include, inter alia, unfree recruitment at birth or through transaction such as slavery or bonded labour; situations in which the worker must perform a job of a different nature from that specified during recruitment without his or her consent; abusive requirements for overtime or on-call work that were not previously agreed with the employer; work in hazardous conditions to which the worker has not consented, with or without compensation or protective equipment; work with very low or no wages; in degrading living conditions imposed by the employer; work for other employers than agreed; work for longer period of time than agreed; work with no or limited freedom to terminate work contract.

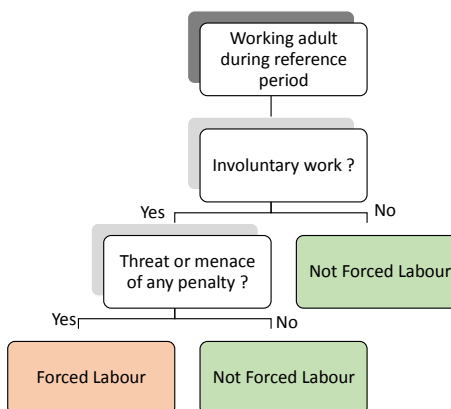
1a. Schematic representation of the statistical definition of forced labour of adults

Work = Any activity performed by persons of any sex and age to produce goods or to provide services for use by others or for own use

Involuntary work = Any work taking place without the free and informed consent of the worker

Threat or menace of any penalty = Any means of coercion used to impose work on a worker against his or her will

Reference period = Short such as last week, last month or last season, or long such as past year, past five years or lifetime



1.2. Systematic forced labour

“Systematic forced labour” is a term used to describe a situation where a government is intentionally imposing compulsory labour on the population in a methodical and organized manner according to official policies, instructions, plans and/or legislation.

EXAMPLE OF SYSTEMATIC FORCED LABOUR

In 1998, the ILO Commission of Inquiry used the term “systematic forced labour” in relation to the case against Myanmar. Examples of evidence and information included:

- National legislation authorizing and condoning forced labour
- Government directives that legitimized the practice of forced labour
- State budget openly utilizing forced labour
- Forced labour formally exacted as a form of tax
- Government instructions and plans to methodically implement forced labour
- Forced conscription of women, children, and men over a certain age
- Consistent failure to pursue and to punish violations of ILO standards
- Unwillingness to consider ILO Commission of Inquiry recommendations

Source: Commission of Inquiry Report (1998) and CEACR Observation adopted 2005, published 95th ILC session (2006).

As this example from Myanmar in 1998 demonstrates, “systematic forced labour” is often thorough, regular, enabled by law and detailed by nature.

Is there “systematic forced labour” in Uzbekistan today?

To answer this question, we need to examine the legislation, policies and instructions of the government as well as national and local plans for the 2018 cotton harvest.

1.2.1. Legislation

Uzbekistan has ratified all eight fundamental ILO Conventions¹⁰ including the Forced Labour Convention, 1930 (No. 29) and the Abolition of Forced Labour Convention, 1957 (No. 105).

Article 37 of the Constitution of the Republic of Uzbekistan¹¹ prohibits forced labour. Forced labour is also clearly prohibited by Article 7 of the Labour Code¹².

The national legislation of Uzbekistan has established penalties for the use of forced labour (articles 51 and 491 of the Administrative Code, articles 135, 138, 148 of the Criminal Code).

These provisions are in compliance with the ILO Forced Labour Conventions.

Working conditions at enterprise level are regulated by more than 93,000 collective agreements, which cover 96% of all legal entities employing workers. All collective agreements contain provisions on the observance of labour rights, including protection from forced labour in accordance with ILO Conventions.

1.2.2. Government policies

The Government of Uzbekistan has demonstrated strong political commitment to eradicate forced labour. Consistent statements from the President, Prime Minister, Deputy Prime Minister, Minister of Employment and Labour Relations and other Ministers underline that the policy of the Government is to eradicate all forms of forced labour in the country.



President Shavkat Mirziyoyev at the UN General Assembly in September 2017

"We are deeply convinced: the people must not serve the government bodies, rather the government bodies must serve the people."

"In cooperation with the ILO, we have taken effective measures to eradicate child and forced labour."



Prime Minister Abdulla Aripov at Cabinet of Ministers meeting in September 2018

"Eliminating forced labour is a top priority for Uzbekistan. Leaders who force people to pick cotton will immediately lose their office and face prosecution. Instead, decent salaries and good working conditions must be used attract voluntary pickers"



Deputy Prime Minister Tanzila Narbaeva on national television in October 2017

"Cotton picking must be voluntary. It is your choice if you would like to pick or not."

"Report it if someone asks you to pay for a replacement picker. It will be stopped."



Minister of Employment and Labour Relations Sherzod Kudbiev at a press conference in September 2018

"I can't guarantee that there will be no forced labour cases in the 2018 harvest, but I can guarantee that all cases submitted to the feedback mechanism will be investigated and perpetrators will be punished."

Two key bodies oversee the implementation of these policies:

- The Parliamentary Commission on Ensuring the Citizens' Guaranteed Labour Rights, chaired by Svetlana Artikova, Deputy Chairwoman of the Senate of the Oliy Majlis (Parliament)
- The Coordination Council on Child and Forced Labour, chaired by Deputy Prime Minister Tanzila Narbaeva, with participation from employers' organizations and trade unions as well as non-governmental bodies, including independent human rights activists.

In 2018, policies and measures against forced labour were the object of a comprehensive government awareness raising campaign including TV advertisements, radio spots, roadside banners, posters, brochures and 3 million SMS messages. The intensity and focus of the messages increased in 2018 compared to previous years.

Example of policies were communicated through TV commercials

"Doctors should treat, teachers should teach, students should study. All work should be voluntary. No one has the right to threaten or force you to do work you are not obliged to do."

If you decline an invitation to do work and experience problems at work or school, such as not being paid, being deprived of benefits or if you are being asked for money: Immediately call this number!"



Awareness raising video aired extensively on TV and social media

Example of how policies were implemented through training of journalists

On 28 June 2018, the Uzbekistan Development Strategy Center and the ILO together with Human Rights Watch, Voice of America, KUN.uz and ANHOR.uz trained Uzbek journalists on forced labour, freedom of speech and investigative journalism. The government openly encouraged journalists to report on forced labour violations. Several press conferences were organized by Minister of Labour Sherzod Kudbiev throughout the harvest.



Example of how policies were implemented through formal government structures



On 15 May 2018, Deputy Prime Minister Tanzila Narbaeva chaired the first meeting of the Coordination Council on Child and Forced Labour with formal participation by independent human rights activists. The activists participated in discussions with senior government officials on how to eradicate forced labour from the cotton harvest.

1.2.3. Instructions and plans

As part of the 2018 Third-Party Monitoring, the ILO has examined a number of decrees, resolutions and meeting minutes which demonstrate how the 2018 cotton harvest was organized.

Examples of decrees and resolutions at national level

Document	Key regulations
Cabinet of Ministers Resolution #149 28/02/2018	Measures for a wide implementation of market mechanisms in agriculture
Cabinet of Ministers Resolution #349 10/05/2018	Additional measures to eradicate forced labour in the Republic of Uzbekistan
President Resolution #PP-3913 20/08/2018	On Measures for Improving the Structure of Labour Governance Bodies and Strengthening the System for Protection of Labour Rights and Occupational Safety and Health
President Decree #PQ-3574 28/02/2018	On optimizing cotton and wheat production and related financing systems. Cotton farming on low yield land with high forced labour risks should be reduced.
Cabinet of Ministers Resolution #703 30/08/2018	An explicit ban on forced labour in the 2018 harvest. Incentives to attract voluntary pickers announced, together with wage increases. A recommendation that textile clusters exceed minimum wages.
Cabinet of Ministers Meeting 08/09/2018	An explicit ban on forced labour in the 2018 harvest. Deployment of labour inspectors against forced labour. Awareness raising on forced labour. Decent working and living conditions to be assured for cotton pickers.

Note: These documents are all annexed to this report.

In 2018, a formal clarification was given on the interpretation of article 95 of the Labour Code on the temporary transfer of workers to other responsibilities. Transferring people to do cotton picking with reference to this article was explicitly prohibited.

Examples of plans at local level

Most instructions and plans at the local level are aligned to the national level. However, there are still examples of uneven implementation at province and district level.

In November 2018, the Deputy Hokim of Namangan Region requested a number of organizations and companies to send their employees to participate in the 3rd or 4th pass of the cotton harvest. Each entity was listed with number of employees and a certain amount of cotton that should be picked. Such a request is clearly a violation of Resolution #703 of the Cabinet of Ministers as well as the instructions from the 8 September meeting of the Cabinet of Ministers. The case was investigated and the Deputy Hokim reprimanded.

During the 2018 monitoring, the ILO observed a group of soldiers in a cotton field in Surkhandarya. The farmer explained he had experienced trouble recruiting pickers and that the Deputy Hokim of the district arranged for a group of local soldiers to pick cotton for him during the first pass. The Deputy Hokim told the ILO monitor that this was a temporary measure which he had initiated to help the farmer until he could recruit enough local women for the harvest. There were also isolated observations by local activists of people wearing uniforms picking cotton, but there was no evidence of any centralized, large-scale mobilization of military personnel for cotton picking.

The local activist Elena Urlaeva wrote a letter to the Academy of the Ministry of Internal Affairs and received a response acknowledging that the academy was involved in organizing the harvest. The answer stated that it was the responsibility of the Home Affairs Ministry to prevent theft of raw cotton and to organize various security related activities during the harvest. The letter also made reference to the cotton harvest as an opportunity to demonstrate patriotism.

While these cases may be exceptions, they underline that there is still a need to increase the engagement with, and training for, local hokims so that the indicators of forced labour are well understood.

1.3. Systemic forced labour

A systemic problem affects the entire system and not only parts of it. It is due to issues inherent to the overall system rather than to a specific, individual, isolated factor.

One of the biggest challenges is to distinguish between individual and systemic cases of coercion. In the former, it should be possible to identify and sanction one offender or group of offenders; and similarly, to identify and provide appropriate assistance to one victim or group of victims.

EXAMPLE OF SYSTEMIC VS INDIVIDUAL CASES

If all pupils in all schools in a country are normally made to harvest potatoes, it would not be meaningful to identify and punish the head of one individual school or the heads of all schools. Likewise, it is also not possible to identify one victim or a group of victims since in this case all children are victims.

This is an example of ***systemic child labour***.

On the other hand, if school children are normally *not* participating in the potato harvest but the head of one school decides to send 50 pupils to the fields, then it would be meaningful to sanction the head of the school and it is possible to identify the group of victims.

This is an example of an ***individual case of child labour***.

In all cases identified by ILO monitors and local human rights activists, it has been possible to identify an offender and a victim or group of victims. This also applies for cases submitted to the feedback mechanism.

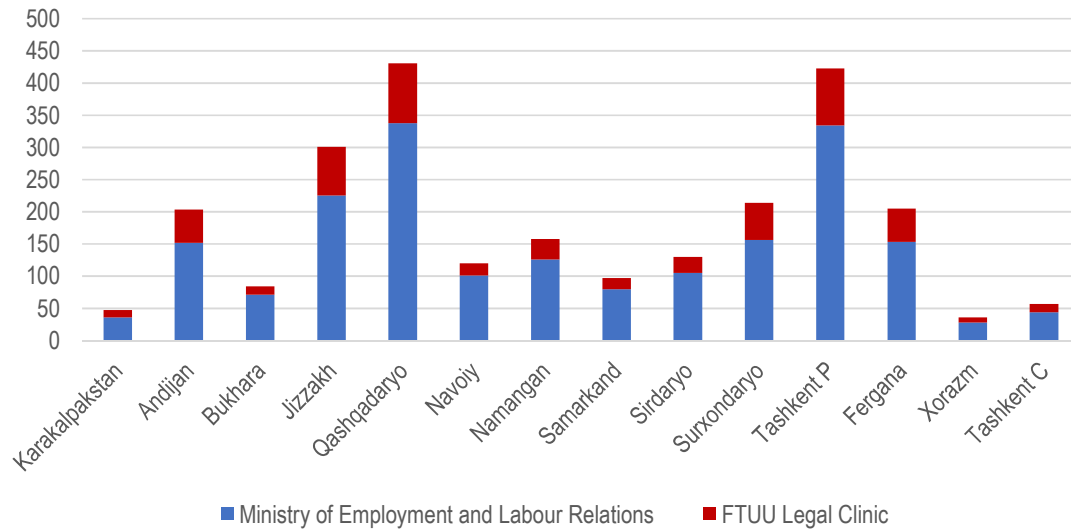
Feedback mechanism

The feedback mechanism operated by the Ministry of Employment and Labour Relations received 1,949 complaints that were investigated by labour inspectors across the country. The Federation of Trade Unions (FTUU) received 557 cases which were handled by the 28 lawyers in the FTUU Legal Clinic.

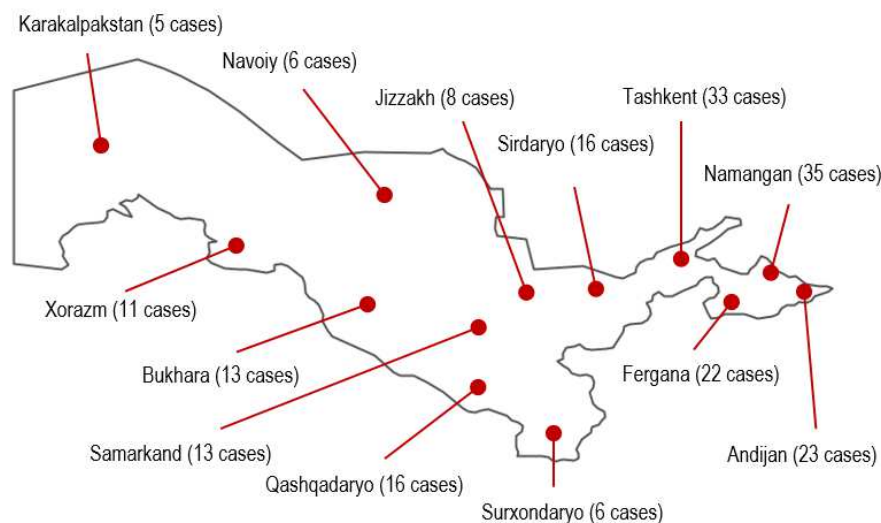
ILO was provided with full access to the feedback mechanism to monitor the effectiveness of the system and track individual cases. 200 labour inspectors across the country were dedicated to investigating cases. All the cases examined were dealt with expediently, and the Ministry published statistics on its website and organized press conferences to discuss findings.

Both feedback mechanisms were accessible through a telephone hotline number as well as an online bot on the messaging service “Telegram” which is highly popular in Uzbekistan.

Over 2,500 cases were received from all provinces of Uzbekistan. There was a consistent trend among both feedback mechanisms that the number of cases across provinces varied significantly. Most cases were received from Qashqadaryo, Jizzakh and Tashkent provinces.



Many of the cases received by the feedback mechanisms led to disciplinary measures against hokims, officials and managers for forced labour violations. During the 2018 harvest, a total of 206 hokims, officials and managers were sanctioned for violations related to forced labour. The measures applied included dismissals, demotions and fines. Further work is required to assess whether sanctions are indeed commensurate with the severity of the offence and in line with international standards on forced labour.



List of cases where local hokims, officials and managers were punished for forced labour during 2018 cotton harvest

For privacy and ethical reasons, all names of individuals have been initialized and the names of companies, provinces, districts or cities have been replaced by “X”. The full details of all cases are known to the ILO Third-Party Monitoring Project.

- 1) Z.H, Head of Landscaping Department of X city, was penalized according to article 51 of the Code of Administrative Responsibility for forcing subordinates to write consent letters.
- 2) K.S, Head of Veterinary Inspection of X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing 53 private companies to find cotton pickers.
- 3) A.M, Head of Pump Station in X District, was penalized according to article 51 of the Code of Administrative Responsibility for forcing subordinates to pick cotton.
- 4) E.A, Head of Tax Inspectorate of X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing private entrepreneurs to pick cotton.
- 5) A.A, Head of Vet Laboratory in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing laboratory personnel to pick cotton.
- 6) E.A, Head of Landscaping Department in X district, was penalized according to article 51 of the Code of Administrative Responsibility for mobilizing subordinates to forced labour.
- 7) H.A, Head of Veterinary Inspection in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing a subordinate Z.U. to pick cotton.
- 8) H.T, Head of Farm, was penalized according to article 49 of the Code of Administrative Responsibility for failing to make timely payment to picker D.O..
- 9) S.B, Head of Company in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing a staff G.E. to pick cotton.
- 10) Y.H, Head of Landscaping Department in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing street sweeper J.V. to perform duties outside job description.
- 11) B.Z, Head of Mahalla in X city, was penalized according to article 51 of the Code of Administrative Responsibility for promising N.X. help with land allocation in return for picking cotton.
- 12) N.U, Deputy Khokim in X district, was penalized according to article 51 of the Code of Administrative Responsibility for failing to provide adequate labour conditions to cotton pickers in X village.
- 13) K.N, Head of Mahalla in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing citizen Z.T to work in cotton harvesting.
- 14) T.S, Head of Agency in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing subordinates N.K. and T.U. to pick cotton.
- 15) K.S, Mahalla Secretary in X district, was penalized according to article 51 of the Code of Administrative Responsibility for calling citizen M.A. warning her that social entitlement for her children would not be paid if she refused to pick cotton.
- 16) M.N, Mahalla Leader in X district, was penalized according to article 51 of the Code of Administrative Responsibility for dishonestly promising gas balloons and coal in return for cotton picking by 20 women.
- 17) H.D., Head of Department in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing 2 employees to pick cotton.

- 18) N.B., Mahalla Leader in X district, was penalized according to article 51 of the Code of Administrative Responsibility for not providing payment and safe transportation to cotton pickers.
- 19) Y.K., Mahalla Leader in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing citizen A.X. to pick cotton.
- 20) U.H., Mahalla Leader in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing S.S. to pick cotton.
- 21) U.K, Tax Department Head in X city, was penalized according to article 51 of the Code of Administrative Responsibility for forcing entrepreneur K.U. from X market to pick cotton.
- 22) I.F, Brigade Leader in X district, was penalized according to article 51 of the Code of Administrative Responsibility for not providing payment to N.L. for picked cotton.
- 23) B.R, Head of Farm in X district, was penalized according to article 49/1 of the Code of Administrative Responsibility for paying insufficient cash for picked cotton to K.Y.
- 24) S.H, Head of Company in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to pick cotton.
- 25) J.S, Chief of Sanitary Inspection in X province, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to pick cotton.
- 26) T.Y, Director of Market in X district, was penalized according to article 51 of the Code of Administrative Responsibility for collecting cash from the entrepreneurs in the market.
- 27) J.M, Head of Farm in X district, was penalized according to article 51 of the Code of Administrative Responsibility for failing to pay picker Z.T.
- 28) S.E, Head of Kindergarten in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing subordinate S.B. to street cleaning.
- 29) Y.H, Head of Landscaping Department of X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing his subordinate M.R. to pick cotton.
- 30) J.T, acting Head of Company in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing subordinate D.J. to pick cotton.
- 31) A.S, Head of Company in X district, was penalized according to article 49 of the Code of Administrative Responsibility for forcing staff to pick cotton.
- 32) A.D, School Director in X District, was penalized according to the Code of Administrative Responsibility for requesting parents to pick cotton or to collect money for replacement.
- 33) A.O, Head of Farm in X district, was penalized according to the Code of Administrative Responsibility for making cuts in payments for cotton picking.
- 34) B.F, Head of Kindergarten in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing subordinates to pick cotton.
- 35) M.M, Representative of Cotton Terminal, was penalized according to article 51 of the Code of Administrative Responsibility for not providing adequate conditions for cotton pickers.
- 36) S.N, Head of Farm in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing subordinates to cotton picking during weekends.
- 37) A.O, Head of Farm in X district, was penalized according to article 51 of the Code of Administrative Responsibility for cutting payments to pickers F.Y, A.S., and M.A.
- 38) B.I, Bank Manager in X district, was penalized according to article 51 of the Code of Administrative Responsibility for making a subordinate brigade leader without consent.
- 39) H.S, School Director in X district, was penalized according to article 51 of the Code of Administrative Responsibility for involving teachers outside working hours.

- 40) H.O, Head of Company in X district, was penalized according to article 51 of the Code of Administrative Responsibility for not compensating employee S.H. adequately.
- 41) O.S, Farm Manager in X district, was penalized according to article 49 of the Code of Administrative Responsibility for not providing payment on time to citizen G.O.
- 42) T.K, Mahalla Head in X city, was penalized according to article 51 of the Code of Administrative Responsibility for collecting money from mahalla members for cotton picking.
- 43) S.A, Chairman of Company, was penalized according to article 51 of the Code of Administrative Responsibility for involving 1,000 employees to cotton picking.
- 44) K.N, Head of Mahalla in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing social worker M.S. to cotton picking.
- 45) A.S, Head of Youth Union in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing youth activist D.E. to pick cotton.
- 46) Y.S, Chief Engineer in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing his subordinate M.R. to cotton picking.
- 47) H.U, Head of Mahalla in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing citizen D.M. to cotton picking.
- 48) T.A, School Director in X district, was penalized according to article 51 of the Code of Administrative Responsibility for having pupils clean school territory.
- 49) C.N, Mahalla Leader in X city, was penalized according to article 51 of the Code of Administrative Responsibility for cutting payment for picked cotton to picker H.Y..
- 50) S.S., Mahalla in X district, was penalized according to article 51 of the Code of Administrative Responsibility for demanding money from citizen J.Q. when he declined invitation to pick cotton.
- 51) A.Z., Mahalla Leader in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing wife of S.A. to pick cotton.
- 52) S.S., Mahalla Leader in X city, was penalized according to article 51 of the Code of Administrative Responsibility for collecting money from citizens for cotton harvest.
- 53) K.J. Department Head, was penalized according to article 51 of the Code of Administrative Responsibility for forcing department staff to pick cotton.
- 54) A.P., Chief Engineer in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing workers to pick cotton outside working hours.
- 55) N.N., Mahalla Secretary in X district, was penalized according to article 51 of the Code of Administrative Responsibility for threatening G.Z. with loss of benefits for refusal to pick cotton.
- 56) A.A., Bank Manager in X district, was penalized according to article 51 of the Code of Administrative Responsibility for collecting money from branch personnel T.D. and others for cotton harvest.
- 57) A.Y., Head of Farm in X district, was penalized according to article 49/1 of the Code of Administrative Responsibility for not organizing departure and arrival of cotton pickers to fields during daytime.
- 58) J.Z., Mahalla Head in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing citizen S.S. to pick cotton.
- 59) U.D., Department Head, was penalized according to article 51 of the Code of Administrative Responsibility for forcing workers to cotton picking.
- 60) S.S., Head of Enterprise, was penalized according to article 51 of the Code of

- Administrative Responsibility for forcing worker A.D. to pick cotton.
- 61) K.K., Head of Medical institution in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing subordinates to cotton picking.
- 62) R.A., School Director in X district, was penalized according to article 49/1 of the Code of Administrative Responsibility for forcing school personnel to cotton picking.
- 63) M.M., Department Head in X province, was penalized according to article 51 of the Code of Administrative Responsibility for forcing employees to cotton picking.
- 64) S.N., Mahalla Secretary in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing citizen M.T. to cotton picking.
- 65) M.B., Head of Landscaping Department in X province, was penalized according to article 51 of the Code of Administrative Responsibility for forcing employees to cotton picking.
- 66) A.S., Head of Clinic in X district, was penalized according to article 51 of the Code of Administrative Responsibility for collecting money from subordinates.
- 67) S.S., Mahalla Head, was penalized according to article 51 of the Code of Administrative Responsibility for forcing citizen J.K. to pick cotton.
- 68) S.D., Mahalla Head in X district, was penalized according to article 51 of the Code of Administrative Responsibility forcing citizen I.M. to pick cotton.
- 69) H.M., Department Head in X factory in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing employee M.H. to cotton picking.
- 70) O.A., School Director in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to pick cotton.
- 71) M.J., Farm Head in X district, was penalized according to article 51 of the Code of Administrative Responsibility for not making timely payment to S.N. for picked cotton.
- 72) S.G., School Director in X district, was penalized according to article 49/1 of the Code of Administrative Responsibility for involving school personnel for cotton picking.
- 73) R.E., Farm Head in X district, was penalized according to article 49 of the Code of Administrative Responsibility for failing to pay U.O. for picked cotton.
- 74) N.A., Head of Department in X district, was penalized according to article 49 of the Code of Administrative Responsibility for failing to pay H.M. of X village for picked cotton.
- 75) A.N., Head of Organization in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing S.I. to pick cotton.
- 76) R.D., Women's Counselor in X Mahalla, was penalized according to article 51 of the Code of Administrative Responsibility for forcing Y.N. to pick cotton.
- 77) T.A., Head of Unit in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing R.K. and other personnel to pick cotton.
- 78) H.A., Head of Processing Plant in X province, was penalized according to article 51 of the Code of Administrative Responsibility for forcing O.R. to pick cotton.
- 79) E.S., Head of Branch in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to pick cotton.
- 80) N.B., Brigade Leader in X district, was penalized according to article 51 of the Code of Administrative Responsibility for failing to make timely payment to Z.M..
- 81) J.S., Mahalla Secretary of X Mahalla, was penalized according to article 51 of the Code of Administrative Responsibility for forcing M.Y. to pick cotton.
- 82) Y.U., Chief Accountant, was penalized according to article 51 of the Code of Administrative Responsibility for failing to provide payment for 89 pickers.
- 83) M.A., Head of Tractor Park in X province, was penalized according to article 51 of the Code

- of Administrative Responsibility for forcing his subordinates to cotton picking.
- 84) S.M, Chief Accountant, was penalized according to article 51 of the Code of Administrative Responsibility for personnel to pick cotton.
 - 85) R.A., Manager of Market in district X, was penalized according to article 51 of the Code of Administrative Responsibility for forcing entrepreneurs to pick cotton.
 - 86) B.J., Head of Farm in district X, was penalized according to article 51 of the Code of Administrative Responsibility for not making timely payment to cotton pickers.
 - 87) U.R., Head medical institution in district X, was penalized according to article 51 of the Code of Administrative Responsibility for forcing nurse M.A. to pick cotton.
 - 88) A.I., School Director in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing teachers to pick cotton.
 - 89) A.O., Company Director in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing his subordinates to pick cotton.
 - 90) K.A., Head of Department in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing his subordinate J.N. to pick cotton.
 - 91) H.S., School Director in X province, was penalized according to article 51 of the Code of Administrative Responsibility for forcing technical staff to pick cotton.
 - 92) H.M., Head of Farm in X district, was penalized according to article 51 of the Code of Administrative Responsibility for not paying G.M. for picked cotton.
 - 93) J.S., Head of Ginning Factory in X district, was penalized according to article 49 of the Code of Administrative Responsibility for not providing adequate payment.
 - 94) J.J., Youth Union Head of X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing A.H. to pick cotton.
 - 95) M.N., Head of Landscaping Department in X city, was penalized according to article 51 of the Code of Administrative Responsibility for forcing subordinates to pick cotton.
 - 96) K.R., Head of Yakhshibaev Pakhtakor Mahalla in Karakul district in Bukhara did not provide cash to R.Kabilova in timely manner and was penalized according to the article 49 of the Code of Administrative Responsibility.
 - 97) L.H., Organization Head in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing his subordinate M.B. to pick cotton.
 - 98) M.B., Factory Director in X province, was penalized according to article 51 of the Code of Administrative Responsibility for forcing factory workers to pick cotton.
 - 99) H.S., Head of Farm in X district, was penalized according to article 51 of the Code of Administrative Responsibility for not making payment for picked cotton to S.S..
 - 100) H.M., Brigade Leader in X district, was penalized according to article 49 of the Code of Administrative Responsibility for not making payment for picked cotton.
 - 101) D.G., Brigade Leader from X district, was penalized according to article 49 of the Code of Administrative Responsibility for not providing adequate working conditions to pickers.
 - 102) Y.D., Mahalla Head in X district, was penalized according to article 49 of the Code of Administrative Responsibility for forcing citizen I.A. to pick cotton.
 - 103) R.K., Head of Farm in X district, was penalized according to article 49 of the Code of Administrative Responsibility for not making timely payment to picker S.M..
 - 104) R.I., Head of Farm in X district, was penalized according to article 49 of the Code of Administrative Responsibility for not making timely payment to picker R.T..
 - 105) E.A., Mahalla Secretary in X district, was penalized according to article 51 of the Code of Administrative Responsibility for threatening N.R. with dismissal if refused to pick.

- 106) K.M., Head of Farm in X district, was penalized according to article 49 of the Code of Administrative Responsibility for not making timely payment to picker G.A..
- 107) R.V., Deputy Director in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing worker S.R. and others to pick cotton.
- 108) S.S., Head of Department in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing company workers to cotton picking.
- 109) E.T., Mahalla Head in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing citizen N.X. to pick cotton.
- 110) Q.A., Mahalla Head in X district was penalized according to article 49 of the Code of Administrative Responsibility for not paying picker Q.M..
- 111) M.T., Union Head in X company, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to pick cotton.
- 112) B.Y., Acting Manager of Medical Institution in X district, was penalized according to article 49 of the Code of Administrative Responsibility for withholding payment to pickers.
- 113) P.A., Head of Vet Department in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing his subordinates to pick cotton.
- 114) M.H., Mahalla Head in X district, was penalized according to article 49 of the Code of Administrative Responsibility for not providing payment to picker G.R..
- 115) B.S., Chairman in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing subordinates to cotton picking.
- 116) S.F., Head of Landscaping Department in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing staff to pick cotton.
- 117) D.S., Head of Factory Department in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing workers to cotton picking.
- 118) I.M., Mahalla Secretary in X District, was penalized according to article 51 of the Code of Administrative Responsibility for forcing citizen S.S. to pick cotton.
- 119) Y.Z., Head of Mahalla in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing people living in this Mahalla to pick cotton.
- 120) E.H., Head of Mahalla in X city, was penalized according to article 51 of the Code of Administrative Responsibility for forcing M.H. to pick cotton.
- 121) R.G., Head of Kindergarten in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing subordinate T.B. to pick cotton.
- 122) A.A., Head of Mahalla in X city, was penalized according to article 51 of the Code of Administrative Responsibility for forcing citizen G.B. to pick cotton.
- 123) I.A., Tax Inspector in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing N.H. to pick cotton.
- 124) M.S., Controller in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing entrepreneurs in X market to pick cotton.
- 125) A.S., Director of College in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to pick cotton.
- 126) M.S., Director of X Kindergarten, was penalized according to article 51 of the Code of Administrative Responsibility for forcing parents of children to pick cotton.
- 127) S.A., Leader of Brigade in X district, was penalized according to article 51 of the Code of Administrative Responsibility for not providing timely payment to cotton pickers.
- 128) O.N., Director of Kindergarten in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to pick cotton.

- 129) D.M., Mahalla Secretary in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing citizen A.T. to pick cotton.
- 130) U.U., Warehouse Manager in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing his subordinates to pick cotton.
- 131) U.O., School Director in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to pick cotton.
- 132) J.G., Mahalla Head in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing people living in this Mahalla to pick cotton.
- 133) H.Z., Mahalla Head in X city, was penalized according to article 51 of the Code of Administrative Responsibility for forcing people living in this Mahalla to pick cotton.
- 134) A.R., Head of Pre-School in X city, was penalized according to article 51 of the Code of Administrative Responsibility for forcing subordinates to pick cotton.
- 135) J.K., Mahalla Head in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing low-income families to pick cotton by promising flour that was never distributed.
- 136) I.D., Head of Kindergarten in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to pick cotton.
- 137) M.M., Mahalla Head in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing people living in this Mahalla to pick cotton.
- 138) O.A., Company Director in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing his subordinates to pick cotton.
- 139) I.M., Chief Doctor in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing subordinate M.M. to pick cotton.
- 140) A.S., Head of Landscaping Department of X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing subordinates to pick cotton.
- 141) E.E., Senior Nurse in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing medical personnel to pick cotton.
- 142) S.G., Senior Tax Inspector in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing entrepreneur A.E. to pick cotton.
- 143) H.N., Head of Processing Plant in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing subordinates to pick cotton.
- 144) C.D., Head of Department in X city, was penalized according to article 49 of the Code of Administrative Responsibility for forcing personnel.
- 145) A.A., Head of Department of X city, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel of schools under his control to pick.
- 146) S.V., Mahalla Head of X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing people of the mahalla to pick cotton.
- 147) O.D., Mahalla Secretary was penalized according to article 51 of the Code of Administrative Responsibility for forcing K.T. to pick cotton.
- 148) U.M., Head of Kindergarten in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to pick cotton.
- 149) S.M., Mahalla Head in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing mahalla citizens to pick cotton.
- 150) Y.H., Head of Landscaping Department in X district was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to pick cotton.
- 151) A.O., Head of Registration Body in X district, was penalized according to article 51 of

- the Code of Administrative Responsibility for forcing daughter and son-in-law of T.X. who had come to pick up marriage certificate.
- 152) M.O., Head of Healthcare Department of Kushtepa district of Ferghana province, forced personnel to pick cotton, and was penalized according to the article 51 of the Code of Administrative Responsibility.
 - 153) R.K., Head of Culture Department of Sirdarya district of Sirdarya province, forced personnel to pick cotton, and was penalized according to the article 51 of the Code of Administrative Responsibility.
 - 154) A.M., School Director in X city, was penalized according to article 49 of the Code of Administrative Responsibility for failing to provide payment on time.
 - 155) A.M., Company Director in X city, was penalized according to article 49 of the Code of Administrative Responsibility for not providing timely payment.
 - 156) L.A., School Director in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to pick cotton.
 - 157) E.R., Company Head in X province, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to pick cotton.
 - 158) S.B., School Director in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing staff member N.M. to pick cotton.
 - 159) E.R., Head of Hospital in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing his subordinates to pick cotton during the weekend on 27-28 October.
 - 160) D.K., College Director in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing students' parents to pick cotton.
 - 161) K.R., Chief Doctor in X province, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to pick cotton.
 - 162) S.R., Mahalla Head in X district, was penalized according to article 49 of the Code of Administrative Responsibility for retaining salary of staff member A.M..
 - 163) N.S., Head of Farm in X district, was penalized according to article 51 of the Code of Administrative Responsibility for failing to make timely payment to G.H. for picked cotton.
 - 164) B.M., Head of Farm in X district, was penalized according to article 51 of the Code of Administrative Responsibility for failing to make timely payment to cotton pickers.
 - 165) A.H., Mahalla Head in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing S.R. to pick cotton.
 - 166) N.R., Head of Farm in X district, was penalized according to article 51 of the Code of Administrative Responsibility for failing to make timely payment to A.K. and other pickers.
 - 167) A.G., College Teacher in X Province (group leader), was penalized according to article 51 of the Code of Administrative Responsibility for forcing students to pick cotton.
 - 168) M.S., Mahalla Head in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing S.Y. to pick cotton.
 - 169) T.S., Director of Processing Plant in X district, was penalized according to article 51 of the Code of Administrative Responsibility for not providing timely payment.
 - 170) K.S., Head of Youth Union in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing other union activists to pick cotton.
 - 171) Brigade Leader in X district, was penalized according to article 51 of the Code of Administrative Responsibility for making late payment to cotton pickers.
 - 172) L.B, Head of Kindergarten in X district, was penalized according to article 51 of the

- Code of Administrative Responsibility for forcing personnel to pick cotton.
- 173) N.N., Chief Doctor in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing nurses.
 - 174) R.S., Head of Farm in X district, was penalized according to article 49 of the Code of Administrative Responsibility for failing to provide adequate labour conditions for pickers.
 - 175) E.H., Acting School Director in X district, was penalized according to article 49 of the Code of Administrative Responsibility for forcing teachers to pick cotton every Sunday.
 - 176) H.R., Director in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing employees to pick cotton.
 - 177) N.A., School Director in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing security guards and personnel to pick cotton.
 - 178) J.D., Company Director in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing employees to pick cotton.
 - 179) A.T., Head of Company, was penalized according to article 51 of the Code of Administrative Responsibility for forcing G.H. to pick cotton.
 - 180) R.H., Company Director in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing employees to pick cotton.
 - 181) Head of Power Lines company was penalized according to article 51 of the Code of Administrative Responsibility for forcing employees to pick cotton.
 - 182) Head of Kindergarten in X district was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel.
 - 183) Khokim of X district, was penalized according to article 51 of the Code of Administrative Responsibility for instructing district healthcare department to participate.
 - 184) Khokim of X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing department to participate in cotton harvest.
 - 185) H.Y., Head of Landscaping Department in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing subordinates to work.
 - 186) Head of Kindergarten X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to landscaping work.
 - 187) Khokim of X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing district healthcare department to participate in landscaping works.
 - 188) U.K., School Director in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to participate in construction works.
 - 189) A.K., Director in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing subordinates to participate in landscaping works.
 - 190) R.M., Company Director in X district was penalized according to article 51 of the Code of Administrative Responsibility for forcing subordinates to participate in landscaping.
 - 191) O.M., Company Head in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing subordinates to participate in landscaping works.
 - 192) M.S., Head of Department in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing subordinates to participate in landscaping works.
 - 193) Khokim of X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing healthcare department personnel to participate in landscaping works.

- 194) Khokim of X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing healthcare department personnel to participate in landscaping works.
- 195) Khokim of X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing healthcare department personnel to participate in landscaping works.
- 196) M.S., Controller in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing entrepreneurs to collect money saying that cotton picking is compulsory.
- 197) Deputy Khokim of X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing people to participate in cotton weeding.
- 198) A.B., Head of Clinic, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to cleaning works outside working hours.
- 199) O.B., Head of Company in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing subordinates to pick cotton.
- 200) S.S., Company Director in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to pick cotton.
- 201) A.O., Head of Sports School in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to pick cotton.
- 202) M.B., School Director in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to pick cotton.
- 203) M.M., Head of Company in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to pick cotton.
- 204) S.S., Company Head in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to pick cotton outside working hours.
- 205) E.E., Head of Processing Plant, was penalized according to article 51 of the Code of Administrative Responsibility for forcing personnel to pick cotton outside working hours.
- 206) S.A., School Director in X district, was penalized according to article 51 of the Code of Administrative Responsibility for forcing teachers to participate in renovation works.

1.1. Social pressure

The reality of forced labour is not a binary one. It is a continuum of experiences and situations. The means of coercion can at times be subtle or not overtly present. Social pressure is a reality, but the situations created by it generally fall *outside* the definition of forced labour. Due to the dynamics of a community, despite their personal preference, people may agree to pick cotton although they are not subject to tangible reprisals or an actual penalty if they refuse to do so.

Examples of social pressure recorded during the 2018 cotton harvest:

“ *I would prefer to not pick but what will my neighbors think if I don’t go like everybody else from the mahalla?* ”

“ *It is the duty of all patriots to help the country by participating in the cotton harvest.* ”

“ *Everyone is going to pick cotton on Saturday. I’d prefer to stay at home but don’t want to let the team down.* ”

“ *My mother-in-law expects me to pick cotton to support the family. It would not be right for me to disobey her.* ”

Normative conformity often goes hand in hand with social pressure, which in some societies has a high degree of cultural acceptance.

1.2. Systems which are conducive to the exaction of forced labour

This term describes systems that create an environment where forced labour is either likely or possible. It differs significantly from *systematic forced labour* in that these types of systems were not designed to implement forced labour but they create situations or dynamics where forced labour becomes likely or possible.

Like all former Soviet republics, Uzbekistan was long subjected to a centrally planned economy, including in agriculture, which is particularly relevant to the country. The state set the targets for cotton, which required the direct control and regulation of not only cotton production (primary agriculture), but of all enterprises in the cotton production. This led to the monopolization of input supply, processing of cotton, and its marketing and exports.

In Uzbekistan, the cotton production plans (quotas) are still centrally set by the state. The state order is linked to the advance for working capital at the concessional rate producers receive from the State Agricultural Fund under the Ministry of Finance. The commercial banks currently do not have sufficient liquidity (estimated at less than 6 trillion UZS) to supply credit needed to pre-finance production of cotton and wheat (estimated at 20 trillion UZS). Therefore, funds are allocated from the national budget and all recipients consequently become subject to the state order system.

In some cases, the production targets are overestimated due to outdated data on soil quality, unjustified expectations of khokimiyats, and a lack of capacity and skills of farmers to properly manage high yield agricultural production. Overestimated plans lead to “overprovision” of the advance loan to farmers, which, in turn, can lead to inefficiencies and bankruptcies.

The use of state production plans assigns priority to the quantity over the quality of cotton. It also leads to situations where khokimiyats put pressure on producers to meet the plans. Such an environment is conducive to forced labour since cotton picking has to continue until the plan has been met. This often becomes a significant problem at the later stages of the harvest when both the quantity and the quality of cotton diminishes.

This dynamic will continue to play an important role unless state production targets are either adjusted or completely removed.

1.3. Conclusions

Based on this analysis, the ILO concludes that:

1. According to the results of the monitoring, no systemic or systematic forced labour was exacted through instructions and policies of the Government of Uzbekistan during the 2018 cotton harvest.
2. There were, however, cases of forced labour, which are caused by uneven local implementation of the policy to prohibit child labour and forced labour, due to the legacy of centrally planned and governed agricultural and economic systems.
3. In addition, the social context puts pressure on many people within families and communities to participate in the cotton harvest. This in itself does not constitute forced labour but it can be a contributing factor.

Based on these observations, the following conclusions and recommendations can be made for how different stakeholders could contribute to solutions in this kind of situations:

- When there is evidence of widespread forced labour exacted by a government, the policy response from the international community is often to put pressure on the government to reform the policies and practices. This can be done through various supervisory mechanisms of the ILO or through trade and other measures implemented through national and international governmental and non-governmental bodies. The aim then is to reform the objectionable practices. In the case of Uzbekistan, the ILO has been involved since 2013 through monitoring and giving advice on the incidence of child labour and forced labour in the cotton harvest of Uzbekistan.
- Over this period, it has become generally accepted that children are no longer involved in the cotton harvest. Most of the focus over the last three years has been on the potential use of forced labour, following the request of the government to the ILO in 2013 for assistance with the implementation of the Forced Labour Convention 1957 (No. 105), ratified by Uzbekistan.
- In 2018, the ILO Third-Party Monitoring arrives at the conclusion that no systematic or systemic forced labour was exacted by the Government of Uzbekistan during the cotton harvest but uneven implementation of national policies remains a challenge.

- There were still, however, significant incidents of forced labour, with evidence that the legacy of centrally planned agriculture and economy is still conducive to the exaction of forced labour. Centrally set quotas for cotton production are a legacy of a centrally planned economy which increases the risk of forced labour during the cotton harvest.
- The government of Uzbekistan has openly recognized the risks and limitations of these legacy systems. It has embarked on a reform process which aims at the wide-scale liberalization and privatization including of the cotton sector extending to garment and textile manufacturing as well as to enforcing the principle of voluntary recruitment. The objective is to gradually transition to a fully market-based model.
- The entire cotton value chain from input supply to processing, manufacturing, marketing and exports should be liberalized in a transparent and responsible manner. To successfully pursue this transformation, Uzbekistan should engage with international investors, traders and buyers from the garment and textile industry.
- The reforms undertaken by the Government have the potential for not only addressing the risks of forced labour but also creating much needed employment opportunities. Economic growth would enable further reforms in education, health, infrastructure and other areas. These reforms need to be supported by the international community.
- It is evident that trade and investment decisions by responsible international investors are likely to benefit the further abolition of the legacies of the centrally planned economy, thereby reducing the risk of violations of international labour standards. A growing number of full-time decent jobs in manufacturing and other parts of the economy would reduce the seasonal peaks in labour demand which often fuel unfair recruitment practices.
- Going forward beyond child labour and forced labour, the framework and tools utilized for promoting the ILO's Fundamental Rights and Principles at Work (FPRW) should be made use of.
- Strong, representative and independent workers' and employers' associations are critically important to ensure that Uzbekistan can have all the benefits of a successful transition from a planned to a market economy.
- A new employers' association has been set up in Uzbekistan. The trade unions are provided with support from the ILO for further intensification of their action for the defense of the interests of the workers. The Bureaus of the ILO for employers' and workers' activities (ACT/EMP and ACTRAV) support the work to develop the capacity of the social partners.

2. Methodology and ethics

2.1. How the ILO conducts third-party monitoring

The ILO uses qualitative data to gain an understanding of underlying reasons, opinions, and motivations. This involves focus groups and field interviews conducted jointly by international ILO experts and local Uzbek human rights activists. Quantitative data is used to present the problem through usable statistics. In 2018, the ILO TPM conducted over 11,000 interviews across all provinces and districts of Uzbekistan. The ILO TPM follows international standards on sampling sizes and methodology.

Qualitative data



850 field interviews – conducted by monitoring team of international ILO experts and local human rights activists



113 key informant interviews – more in-depth conversations with selected individuals with first-hand knowledge



62 focus groups – guided discussions with small but demographically diverse groups of people

Quantitative data



4,000 phone interviews – structured interviews after weeding/harvest using Item Count Technique



5,000 interviews – structured interviews with farmers, workers, educational and medical staff, etc.



2,500 feedback mechanism cases – data analysis of cases received by labour inspectorate and hotlines

Independent, unannounced, unaccompanied and ethical

At no stage were government officials involved in the monitoring or had access to data. All field interviews were randomly selected and conducted unannounced and unaccompanied. The TPM methodology has been reviewed and approved by an **Independent Review Board** (IRB) to ensure the rights and welfare of people who participate in our monitoring.

Utilizing both international and local expertise

ILO uses a combination of international and local experts to conduct interviews. The international ILO experts conducted the same number of interviews as in previous years. The pattern of interviews and replies was unchanged compared to previous years. Local Uzbek experts, activists and service providers were all trained directly by ILO to ensure legal and methodical consistency in data collection.

Duration of the monitoring

In 2018, the ILO Third-Party Monitoring took place throughout the entire cotton cycle including the last stage of the harvest. Interviews were conducted and data were collected from **March to December 2018**. Preliminary findings were presented at a Roundtable in Tashkent on 22 November 2018, but the data collection continued into December. This report contains the full set of data and analysis.

2.2. Ethics considerations

The ILO Third-Party Monitoring (TPM) methodology respects the principles of independence, confidentiality and informed consent. The TPM methodology has been carefully designed to protect vulnerable persons and groups. In order to avoid or minimize any risk to respondents, a substantial number of mitigation measures were implemented both at the qualitative and quantitative stages.

The 2018 ILO TPM methodology achieved approval from an international Independent Review Board (IRB) also known as an Independent Ethics Committee.

- Annex 3 - IRB Approval for ILO Third Party Monitoring (field visits)
- Annex 4 – IRB Approval for ILO Third Party Monitoring (nationwide phone survey)
- Annex 5 – IRB Approval for ILO Third Party Monitoring (educational institutions)
- Annex 6 – IRB Approval for ILO Third Party Monitoring (medical institutions)

As described below, informed consent is a key requirement for all parts of the ILO TPM. Informed consent provides people with adequate information to allow for an informed decision about their voluntary participation in the monitoring. This was achieved through a consent form that was provided and explained in detail.

2.2.1. Item count technique

The ILO study design, (sampling and questionnaires), used the so-called Item Count Technique, when asking sensitive questions from potential victims of forced labour. ICT protects the anonymity of respondents.

Respondents are randomly split into two groups. The Control Group will be presented with 4 statements. The Treatment Group will be presented with the same 4 statements + 1 sensitive statement (in this case about forced labour). Respondents are then asked to indicate **how many** statements (not which statements) apply to them. By comparing the results from the two groups, an accurate estimate of how many people are in forced labour during the cotton harvest can be calculated.



The advantage of ICT is that respondents are not revealing directly to the interviewer whether or not they were threatened or perceived threats in relation to participating in the harvest. ICT improves, through anonymity, the number of true answers to possibly awkward, embarrassing or self-incriminating questions, and it is used in many types of research.

2.2.2. Ethics considerations for qualitative data collection

The ethics measures implemented during the field visits are described below:

- After arrival at the field, lists were distributed among all the pickers with key information about the monitoring. Pickers were invited to approach the ILO monitors on the field (monitors were instructed to spend up to three/four hours at each field site) or to contact the ILO TPM office in Tashkent to submit information regarding the monitoring objective or to arrange an interview at a convenient time and place. This allowed people who are afraid to share sensitive information in public to do so in a convenient and safe way. This measure also protected pickers present in the field (up to 50–100 pickers) as the farmer could not know who provided information to ILO via personal interview or through other channels.
- Once a picker contacted the ILO monitor, all details related to consent were discussed and clarified. The consent form with the contact information of the ILO was provided to respondents. Informed consent was received from all respondents who took part in the monitoring, including pickers, farmers, brigade leaders, and state officials.
- Informed consent and the interview were conducted in the only presence of the monitor and the translator. Nobody else was present during the process.
- All respondents had the right to choose the time and place of interview for safer conditions.
- The field monitoring team included no representatives of the state or state-affiliated institutions. The teams consisted of the ILO monitor, an independently recruited interpreter and an independent Uzbek human rights activist.
- Respondents were told that they could use a pseudonym and they were not asked to share any names or personal information of other individuals during the interview.
- Monitors used secure electronic devices (such as tablets) to record interviews, fill in check lists, and develop write-ups. All data collected were submitted to the ILO TPM project through a protected cloud server and were physically deleted from all field devices within 24 hours. The devices were protected by a fingerprint or cyber code access so that physical theft of the device could not allow access to the data.
- A confidentiality agreement, specifying that no information received during the course of the study can be shared with any third party, was signed by all monitors and supporting staff (e.g. drivers, interpreters and civil society representatives).
- Monitors were strictly prohibited from taking any pictures or videos of human subjects. They could only take pictures of objects (uploaded on the secure cloud server) related to the working conditions.
- Monitors and translators were provided with a two-day training sequence with detailed instruction and clarification of ethics issues. Specific attention was paid to the

notion of informed consent, privacy, confidentiality of the respondents, the right to withdraw from the study at any moment, practices of conducting interviews with members of vulnerable groups, etc.

- The monitors did not collect any contact information during the study. No follow-up data collection procedures were conducted with the pickers.
- The only identification information about the data collection sites were the GPS coordinates. The GPS coordinates were collected to check the quality of work conducted by the monitors. The data was deleted after the quality control procedures were completed, and it was not used in any output materials for the study.
- Additional measures were applied to protect risk groups that might have been present in the field during the monitoring (individuals under the age of 18 and persons involved in forced labour). To minimize the risks, no one under 18 was recruited for an interview. In the case someone below 18 was identified working in the field, he/she would have been removed from the workplace. According to Uzbek legislation, manual cotton picking is considered hazardous work which children under 18 years old are not allowed to undertake. The monitor was instructed to inform an adult accompanying the child, the farmer/brigade leader about the prohibition of employing children in cotton picking and the hazards associated with cotton picking. If the child's parents or legal guardians were not present in the field, the monitor was instructed to inform representatives of the local mahalla fund (local community association) to contact the parents or legal guardians of the child. The monitor was instructed to be present in the field until the child was withdrawn from the field in the presence of his/her parents or legal guardians.
- People who had been involved in forced labour were recruited to participate in an interview. International monitors all have significant experience in collecting data from vulnerable groups, including people involved in forced labour. In addition, the monitors and interpreters were trained on methodology, including refresher sessions on data collection with this specific group of respondents in mind.
- Respondents might have become visibly and emotionally distressed by certain questions or modules (e.g. on the experience of being involved in forced labour). This issue was addressed during the training with the monitors and interpreters. Respondents were reminded that they are free to leave the interview at any time and have the right not to respond to any questions that made them uncomfortable. The respondents were told that they are free to withdraw from participation in the study at any time, even after oral consent had been given.
- In addition to the measures stated above, all ILO monitors were practicing independent international experts on forced and child labour with over 10 years of work experience each. After the interview was completed, they were in a position to provide advice on labour rights and explain about protection mechanisms in the country. The contact information of hotlines and telegram bots of the MELR and FTUU was provided to respondents if they wished to have more information or if they

wanted to make a complaint or needed support to protect their rights.

- The ILO team nominated a complaints focal point to address any issues and respond to requests from respondents. Information was provided to participants regarding the contact details of the focal points for them to register their concerns or complaints.

2.2.3. Ethics considerations for quantitative data collection

A number of measures were applied at the quantitative stage to avoid or minimize the risks to respondents, including the following.

- Particular attention was paid to the privacy of respondents. The questionnaire did not include personal information about the respondents. The phone number for the effective interview was deleted immediately after the interview was conducted.
- No individuals younger than 18 years old were interviewed for the survey.
- No direct questions on the experience of being involved in forced labour were asked. The ICT technique was applied related to the respondent's experience with picking cotton, to identify the proportion of population that was involved in the practice in 2018.
- Informed consent was obtained from all respondents prior the interview. The consent script included the contact information of the ILO team so respondents could contact the ILO with any questions or complaints.
- Interviewers informed respondents that they could use a pseudonym and not share their or any other individuals' names or personal information during the interview.
- The ILO team conducted training for all interviewers and field managers and provided detailed instructions and clarification of ethics issues. Specific attention was paid to informed consent, privacy, confidentiality of the respondents, the right to withdraw from the study at any moment, and practices of conducting interviews with members of vulnerable groups.
- Respondents might become emotionally distressed by certain questions or modules. This issue was addressed during the training with the interviewers. Respondents were reminded that they were free to leave the interview at any time and had the right to not respond to any questions that make them uncomfortable. The respondents were told that they were free to withdraw from participation in the study at any time, even after verbal consent had been given.
- No follow-up contacts were made with the respondents.
- If a respondent required more information about his/her labour rights, the contact information of hotlines and telegram bots of the MELR and FTUU was provided to the respondent. They could contact them for more information about labour issues in general, the issue of child labour and forced labour, or if they wanted to make a complaint or needed support to protect their rights.

2.3. Working with local civil society

Before and during the 2018 cotton harvest, the ILO worked closely with local Uzbek human rights activists to design and implement the monitoring activities. The local civil society plays a vital role in raising awareness of labour rights, monitor compliance and provide information on labour issues, including possible violations of international labour standards.

Facilitating dialogue



Zohidjon Zokirov and other activists in dialogue with First Deputy Minister of Labour at ILO offices

Training and capacity building



Shukrat Ganiev conducts ILO training of public prosecutors on investigation techniques

Raising awareness



Malokhat Eshonqulova uses ILO materials to raise awareness of labour rights

Monitoring



Azam Farmanov speaks about conducting third-party monitoring with ILO

Advocacy



Hayitboy Yakubov presents to the Deputy Prime Minister at Coordination Council meeting

Media and communications



Elena Urlaeva gives an interview to Voice of America as part of ILO TPM event

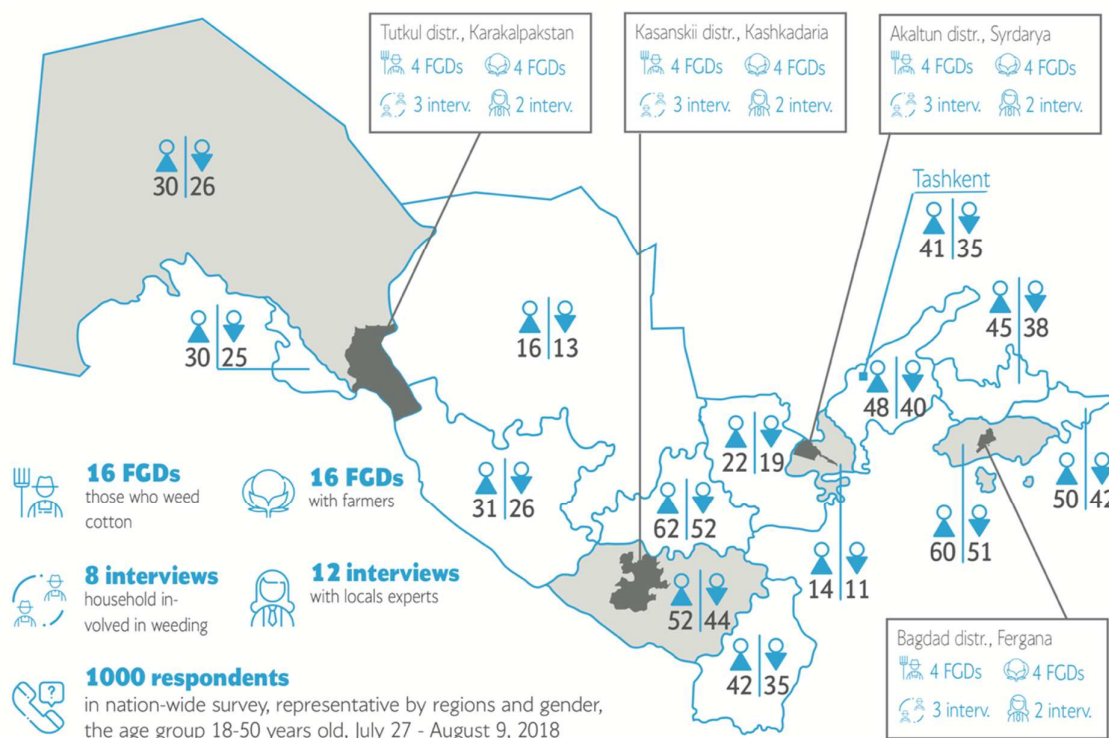
3. Cotton weeding monitoring

The ILO Third Party Monitoring project assessed the 2018 weeding process in Uzbekistan for recruitment practices, working conditions, and risks of child labour and forced labour. Cotton weeding is a labour-intensive process. 1.15 million people or 8.2% of the working age population participate in cotton weeding every year.

3.1. Methodology

The 2018 ILO Third-Party Monitoring of cotton weeding used both qualitative and quantitative data sources including Focus Group Discussions (FGDs) with cotton farmers and people involved in picking, semi-structured interviews with local experts, in-depth interviews with rural households, and a representative nation-wide phone survey (N=1000).

Map 1. Overview of mixed method data collection



Quantitative component: a nation-wide Computer-Assisted Telephone Interviewing (CATI) survey of 1,000 respondents (representative by regions and gender). For more details on the quantitative sampling see Annex 7.

Qualitative component: 32 FGDs and 20 semi-structured interviews conducted in four regions selected based on geographic diversity, population density, proportion of rural population, availability of working age population, proportion of land under cotton and gross cotton harvest in the region. For more details on the qualitative sampling, see Annex 8.

3.2. Results of weeding monitoring

Executive summary of results

Cotton weeding is a labour-intensive process. 1.15 million people or 8.2% of the working age population participate in cotton weeding every year. The average working day is 7 hours. 60% of workers are women. 85% live in rural areas. Wages for cotton weeding can represent up to a third of annual income for workers. Weeding is a particularly important source of income for rural women. Working conditions could be improved and better inspected. No systematic or systemic child or forced labour has been found in 2018. Very few individual and isolated cases were identified.

3.2.1. Types of weeding and labour intensity

Cotton weeding is done in 5–6 stages from April to September. According to the FDGs with farmers, a typical weeding calendar could look like this:

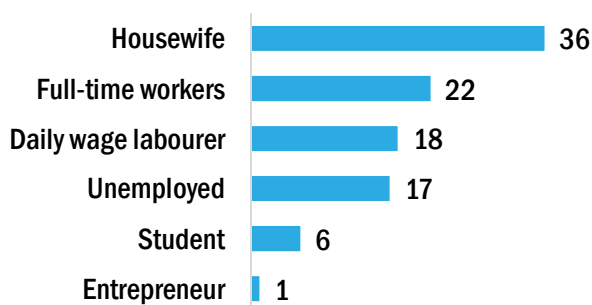
Step	Timing	Task	Labour intensity
First weeding ("Yagona")	Late April	Removal of excess cotton shoots and grass. Time-consuming and labour-intensive. Requires skilled workers who know how many cotton shoots to leave.	One person covers 0,2 Ha in 5 days.
Second weeding	Early May	Removal of grass	One person covers 1 Ha in 2–3 days
Third weeding	Mid May	Removal of grass	One person covers 1 Ha in 2–3 days
Fourth weeding	June	Removal of grass	One person covers 1 Ha in 2–3 days
Fifth weeding ("Chekanka")	Late July / Early August	Removal of the top of the cotton bush. This task requires skilled labourers.	One person covers 1 Ha in 3–4 days
Sixth weeding (Final weeding)	End August / September	Removal of grass so it does not get in the way of people picking cotton.	One person covers 1 Ha in 2–3 days

Note: The actual weeding dates depend on seeding date, cotton variety, and weather conditions.

3.2.2. Profile of people involved in cotton weeding

CATI survey results showed that 8.2 percent of 1,000 respondents had participated in cotton weeding for at least one day in 2018. Workers participated 15 days per season on average. The average working day was 7 hours. Women accounted for 60 percent of the people involved in weeding. 85 percent of workers live in rural areas. The main groups involved in cotton weeding were housewives, full-time farmworkers, daily-wage labourers, and unemployed people.

Chart 1. Occupation of people involved in cotton weeding, %.
N = 82 (Source: ILO, CATI survey)



Focus group discussions with farmers showed that mainly three groups of workers were recruited for the weeding in 2018.

Box 1. Groups of workers involved in weeding (Source: ILO, qualitative study)

	“Podrachi”	Daily wage labourers	Public-funded workers
Share of weeding workforce	20–95% (average: 50%)	5–80% (average: 30%)	0-5 %
Members	local households	Brigades of workers / unemployed people	Unemployed people under new fund
Employment arrangements	verbal agreement (renewed yearly)	“mardiker market” or brigade leader	Khokimyat or Mahalla
Typical duration of work	20-40 days per season	60-100 days per season	
Income	Seasonal income UZS 1-1.75 mln - in-kind payment	Seasonal income UZS 0.8-3.5 mln - cash payment	Fixed monthly salary UZS 0.5 mln

Podrachi

The “Podrachi” group consisted of local households that enjoyed long standing arrangements with a local farmer to weed cotton. Agreements were usually verbal and covered the whole weeding season. This group represented 20–95 percent (on average about 50 percent) of all workers involved in weeding on the farm. In most cases, the farmer did not pay in cash but rather provided the households with a small area of land (e.g. 0.5–2 ha) for them to grow secondary crops after the main harvest. Some farmers also provided in-kind payment (wheat, cooking oil, cotton stalks, etc.) and/or small sums of money (e.g. UZS 200 000–300 000 per season). There were also examples of farmers that provided Podrachi with irrigation water and access to machinery for agricultural production.

The weeding is mostly done by the women of Podrachi households, and in many cases the men were employed as full-time workers on the farm. Some farmers provided Podrachi households with a certificate of employment and salary statements, which the households could use to apply for social support. Podrachi households preferred farms in close proximity to their homes and with relatively well-off farmers that provided better in-kind payment. Podrachi households were reluctant to work for poorer and more remote farmers who therefore had to recruit labour from other groups. To attract Podrachi households, the farmer usually addressed people in the community directly or local households came directly to the farmer and asked to be engaged.

Table 1. Types and proportion of people involved in weeding by region, % (Source: ILO, FGDs with farmers)

Region	Podrachi	Daily wage labourers	Public fund employees
Fergana	50-70%	30-50%	1-5%
Syrdarya	20-30%	70-80%	1-5%
Kashkadaria	50-70%	30-50%	0%
Karakalpakstan	70-95%	5-30%	0%

Daily wage labourers

This group included individuals and brigades that were hired for a single day or for a defined period of time. Farmers paid the workers on a daily basis. The proportion of daily wage labourers varied from 5–80 percent (usually 30–50 percent) of the total workforce, with significant variations across oblasts and districts. Farmers reported that they had involved more daily wage labourers over the last couple of years since the prohibition of involving workers of state institutions in cotton weeding. There was a new and growing trend of women increasingly forming brigades of daily wage labourers in order to negotiate collectively to achieve better conditions. Many farmers saw this as a benefit as they could save time by negotiating directly with the brigade leader instead of individually with every single worker. 70–90 percent of daily wage labourers involved in weeding were women. To hire daily wage labourers, the farmer went to the “Mardiker market” (an area where daily wage labourers offered their services) or they contacted a brigade leader directly.

Public-funded workers

The government of Uzbekistan has created a special fund to assist unemployed people. These people received a monthly salary of UZS 500,000 from the government fund. In two regions (Fergana and Syrdarya) farmers said that they used public-funded workers for weeding in 2018. Farmers said that public-funded workers were involved in cotton weeding for remote farmers and for farmers that had difficulties recruiting local labourers. Farmers said they could hire such labourers for weeding by approaching the Khokimyat or Mahalla.

3.2.3. Importance of weeding income for workers and their families

Cotton weeding represented an important opportunity for families and individuals to earn an additional income. According to the CATI survey, cotton weeding wages represented 28 percent of the annual income of the people involved in the activity.

FGD participants from the Podrachi group reported that they spent 20-40 days working in the field during the four months cotton weeding season. The monetary value of cash and in-kind payments they received from the farmer was about UZS 1–1.75 million per season or UZS 0.25–0.437 million per month. (Note: this amount does not include income from selling secondary crops grown on the land of the farmer).

FGD participants from the Daily wage labourers group said they spent up to 60–120 days during the season doing different types of weeding. They could earn UZS 15,000–45,000 per day, with the actual wage depending on the location, types of weeding, amount of grass on the field, and scarcity of labour in the district. They claimed that their income for the task varied from UZS 0.8 to 3.6 million per season or UZS 0.2-0.857 million per month, depending on the average wage in the district and number of days dedicated to cotton weeding.

Public-funded employees received a fixed salary of UZS 0.5 million per month.

The weeding income was particularly important for women due to the lack of full-time job opportunities available to them in rural areas and the scarcity of daily wage jobs for women in late spring and early summer. The money that women earned from cotton weeding and picking represented the major part of their personal income.

Box 2. Examples of weeding income and expenditures of respondents



A young woman from Fergana worked for 100 days and earned UZS 1.2 mln. She spent UZS 0.4 mln to pay for a four months nursing course to further her skills and improve her employment opportunities.



A Karalkapak woman worked as brigade leader. In total, she worked for 120 days and earned UZS 3.6 mln. She bought a used sewing machine (UZS 0.5 mln), cooker (UZS 0.4 mln) and a new fridge (UZS 2 mln). The rest was used for food for her family.



A woman from Kashkadaria was involved in cotton weeding for 60 days and earned UZS 0.9 mln. She spent the money on medicine for her sick husband and food for the household.

Households spent the money on food, utilities, school uniforms and equipment for their children. Many respondents said that the money was also used to buy medicine for sick relatives. Some female respondents said that they managed to save some money to buy items for the house. A few respondents said that they bought materials to repair their house. Younger labourers spent their money on clothes, skills training, or wedding preparations.

3.2.4. Working hours and working conditions

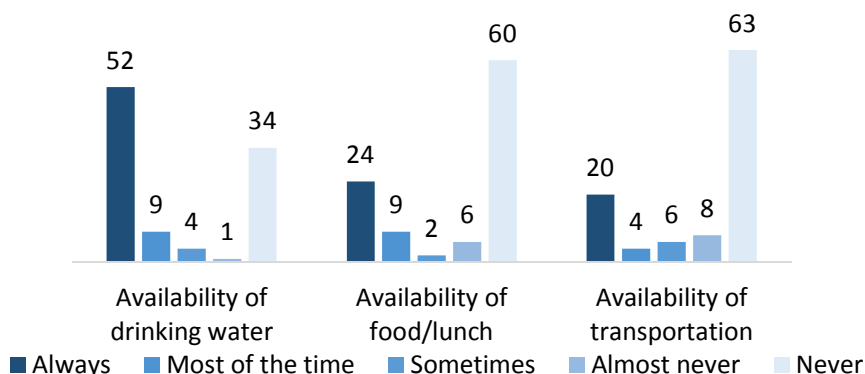
Working schedules and conditions differed for “Podrachi” and “daily wage labourers.”

“Podrachi” workers typically came to the field at 6am and worked until 11 a.m., then they took a break until 4:30 p.m. because of the heat. They returned to the field when it was cooler and worked until 7–8 p.m. During the break, the workers typically went home to have lunch and do housework. Farmers usually did not provide lunch or drinking water. They were provided transportation if the distance to the field was more than 2–3 km. However, some workers reported that farmers didn’t always provide them with transportation to remote fields and some of them had to use their own transport (car, bicycle, or donkey) to get to the field.

Daily wage labourers usually worked from 7–8 a.m. to 5 p.m. with a one-hour lunch break. The farmer provided the workers with a hot lunch, water, and transportation. In 2018, some farmers, in order to attract more daily wage labourers, would also provide the daily wage labourers with breakfast. In some areas, farmers arranged toilet facilities and resting areas, but this practice is not applied in all areas.

No cases of people doing night work were identified during the 2018 monitoring.

Chart 3. Availability of working conditions, %. N = 1000 (Source: ILO, CATI survey)



Workers said that there were isolated cases of people falling ill in the field, including headaches, heat stroke, high blood pressure, or back pain. This happened mainly to inexperienced and elderly workers. The farmer did not provide medication or compensation

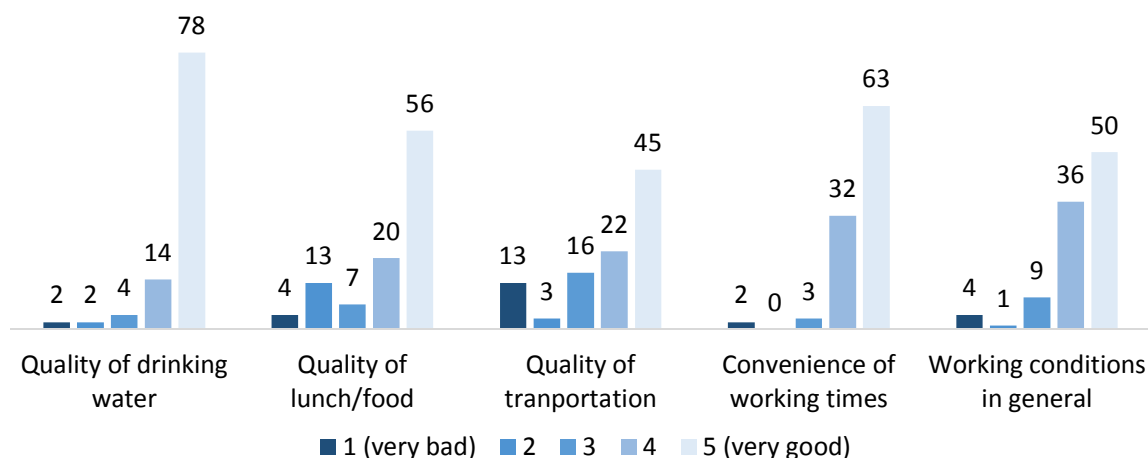
for costs incurred due to illness. Some farmers said that they had a first aid kit and could provide limited medication for workers. If a person got ill and could not work the whole day, the farmer made a deduction from their payment. However, if a person needed urgent medical help, the farmer would usually bring a doctor to the field or take the worker to the nearest hospital.

Some daily wage labourers complained about the quality of transportation and overloaded vehicles. In some cases, farmers would transport 7-8 workers in a car with a capacity for 5 people. Some farmers, in particular in the Fergana region, compensated Podrachi for transportation costs.

For their part, many farmers complained that the state loan they received to grow cotton was insufficient to provide decent conditions for weeding work. Only in Karakalpakstan did farmers say that working conditions during the weeding stage was monitored by state officials.

These observations were confirmed by the CATI survey (see charts 3, 4 and box 3). Two-thirds of respondents said that drinking water of good quality was provided. However, one-third of respondents involved in weeding said that water was not available, and they had to bring it with them. Most respondents said that lunch and transportation was never provided. Some respondents said that they were dissatisfied with the quality of lunch and transportation.

Chart 4. Quality of working condition, %. N = 1000 (Source: ILO, CATI survey).



3.2.5. Risks of child labour and forced labour

Until 2016-17, staff from state institutions (including teachers, doctors, technical personnel, factory workers, and students) were in some cases recruited for parts of the cotton weeding. These people were often recruited to weed cotton on remote or less prosperous farms that were not able to attract local pickers with decent wages.

These workers used to participate in cotton weeding in 5-10 days shifts or by one-day trips to the cotton fields. Khokimyat were in charge of collecting requests from farmers and for liaising

with state institutions for the recruitment of workers. Khokimyat were in charge of providing transportation and accommodation. Farmers had to provide the workers with a meal three times a day and sometimes also accommodation. Workers simply received their normal salary and farmers did not provide the workers with additional payment.

Respondents mentioned that until 2016-17 the weeding season could affect the working schedule and operations of their organizations. For example, there were cases where no doctors were present in a local clinic and teachers had to shorten classes in order to participate in weeding in the afternoon.

At the same time, farmers complained about the quality of the work of the state employees. Farmers mentioned that the lack of interest and motivation of these workers negatively impacted their performance and the quality of cotton. State workers were still paid their normal salary regardless of the quality of their work in the fields. Farmers also stated that the daily wage labourers and Podrachi generally performed their tasks much better, and in general their labour actually cost farmers less since they did not need to provide the workers with meals or accommodation.

Before 2016-17, workers of state institutions sometimes hired local labourers to replace their staff during cotton weeding and paid them up to UZS 250 000 per 10-day shift.

Before the changes in 2016–2017, the composition of people involved in cotton weeding was: 60–70 percent “Podrachi”, 15–20 percent daily wage labourers, and 10–20 percent state employees.

In 2016–2017, Khokimyat ceased to be involved in the recruitment for the weeding process, and state workers were no longer sent to weed cotton.

“Podrachi” sometimes brought their children (usually 14-years and older) with them to the fields. The key motivations for young workers were to help their families financially and to buy equipment and uniforms for school or college.

Farmers rarely controlled whether families of Podrachi brought children or not and they rarely provided any specific working conditions adapted to young workers.

Farmers rarely hired 15–17-year-old workers, and they did not hire children younger than 15-years as daily wage labourers, as cotton weeding is a task that requires higher level of skills and concentration. Mistakes could negatively affect the cotton yield.

Even though state law allows individuals under 18 to be engaged in weeding, the 2018 monitoring showed that farmers had little control over the working conditions of young workers. Farmers were poorly informed about the particular labour conditions that should be provided for young workers.

In the CATI survey, when asked if members of their household were involved in cotton weeding in 2018, 17 percent of respondents said yes. In 12 percent of these households, someone under than 18 was involved (20 cases in total).

3.3. Recommendations

Farmers and cotton pickers that were involved in the monitoring shared their recommendations on how the recruitment and working conditions could be improved in weeding.

- Many farmers believed that less manual labour and more machines should be applied in cotton weeding. Farmers were interested in purchasing/leasing new machines and some thought the government should make the machines and equipment and spares available to them or develop affordable loan/leasing schemes. More successful and well-off farmers suggested the possibility to purchase the machinery in small groups together with other farmers.
- Some farmers suggested that the state institutions and research centers should invest more effort in developing and making available herbicides of a higher quality. A better quality of chemicals would lead to lower requirements on labour for cotton weeding and lower costs to farmers in cotton production.
- Farmers pointed out that while the fees for cotton picking have increased in the state loan structure, the fees for other types of labour have not changed. A certain part of the low interest state loans was allocated for labour (approx. 12 percent). In some cases, this was insufficient, and farmers had to use their own funds to cover the labour costs for cotton weeding. Some farmers had to borrow money or were forced to sell livestock or equipment in order to cover their labour costs.
- Farmers also suggested that the working time of people involved in seasonal agricultural work such as weeding should be counted towards pension calculations as it would make it much easier for farmers to attract people from local communities.
- It was also suggested to develop further schemes to support remote farmers. These farmers face the greatest difficulties attracting local people for cotton weeding and their labour costs are the highest.
- Workers suggested to count the time people are involved in seasonal labour as part of their official work experience, so people can count the time when their pension is estimated. Such a scheme would significantly boost the motivation of people in rural areas to weed cotton and to become involved in other seasonal agricultural work.
- Workers also suggested that farmers should pay more attention and provide better work conditions for workers involved in cotton weeding as they do for people involved in the cotton harvest.
- Workers suggested that farmers should provide bonuses for those people involved in weeding who do a better job. The bonus could be provided in a form of cooking oil, sugar, a small payment for electricity, etc.
- Female workers were concerned with the availability of kindergarten facilities in rural areas. Many women said that they cannot work as much time as they would want because there is no place where they can leave their children.
- It was also suggested that appropriate regulations regarding the transportation of workers are issued and observed.

Cotton harvest monitoring

Methodology

The key objective of the 2018 cotton harvest monitoring was to collect real-time observations of the effects of recent policy initiatives on recruitment practices, working conditions, and the risk of using child or forced labour for the cotton harvest. The harvest monitoring uses both qualitative and quantitative data sources as outlined below.

2.1.1. Sampling and data collection in the qualitative phase

Eight international monitors were involved in data collection for the harvest monitoring. Monitoring was conducted in all 13 regions of the country. Each monitor spent about 10 to 12 days in a region and conducted monitoring in 3-5 districts. Out of 134 cotton-producing districts in the country, 63 (or 47 percent) were covered by field monitoring by international monitors (all districts were covered by quantitative data collection, feedback mechanisms and awareness raising campaigns).

Three to five districts were sampled within each selected region (3 districts were selected in Karakalpakstan and 5 districts in every other region). The monitoring targeted districts with medium and high shortages of labour.

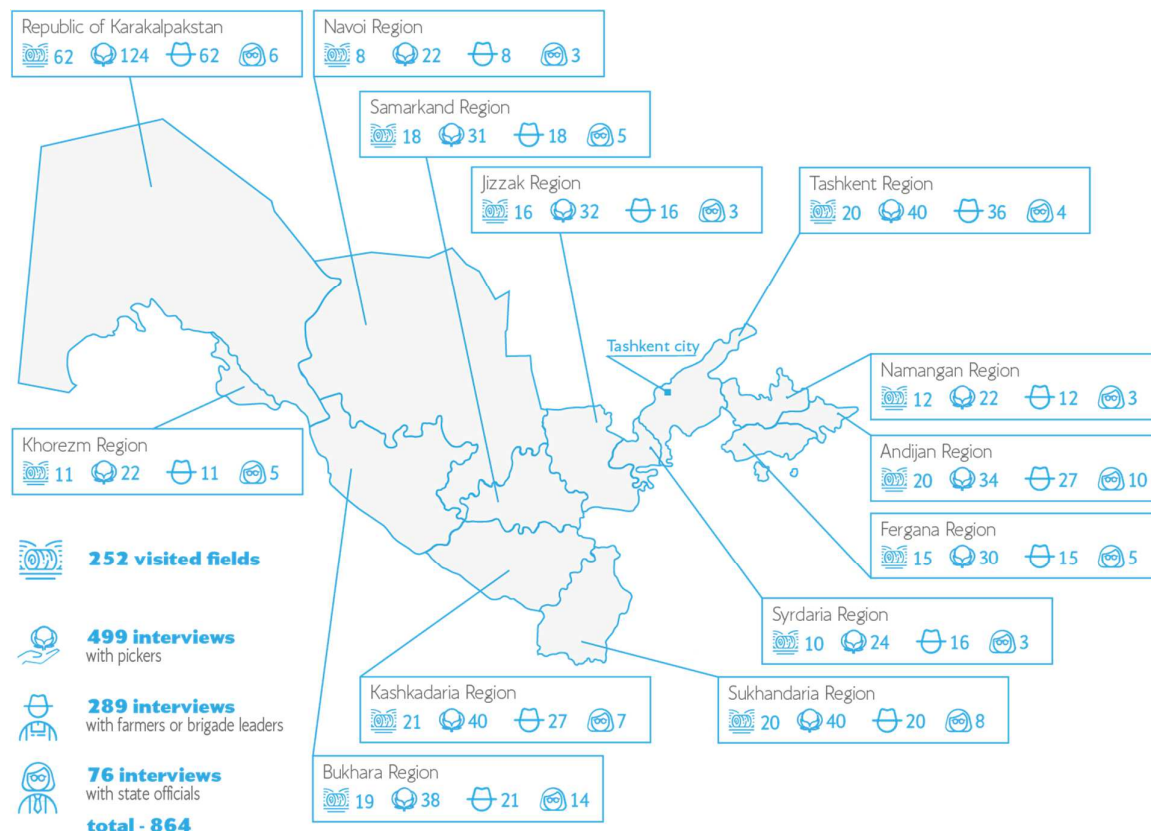
In each region, about 20 fields were visited and the monitors conducted up to 70 interviews (40 interviews with pickers, 20 interviews with farmers and brigade leaders and 10 interviews with state officials). The only exception was Karakalpakstan, where three monitors collected data for 7-15 days each and visited the sites of 62 farmers (6 percent of all farmers in the World Bank project area) and conducted 192 interviews in total (62 interviews with farmers and brigade leaders, 124 interviews with cotton pickers and 6 interviews with state officials).

GPS coordinates were randomly generated for rural areas of the selected districts. Monitors received the coordinates just before departure to the next site via a secure and encrypted messaging service (e.g. Telegram). The team, consisting of the monitor, translator, local human rights activist (where applicable) and the driver, followed the GPS coordinates and selected the closest cotton field to the coordinates where people were observed picking cotton. That field was selected for monitoring.

Farmers were not notified of the visit in advance. Monitors asked for consent from the farmer to fill out the check list and to distribute the information lists among all pickers with key information about the study and the invitation to approach the monitors directly in the field or via the provided phone number. To those pickers interested in participating, a consent form was provided and explained in detail. Interviews were conducted only with respondents who provided informed consent. Up to 3 respondents were recruited at the field for an interview (the farmer or brigade leader and two pickers). The monitoring team also interviewed state officials that were involved in managing the cotton harvest in the district.

The data set included a total of 252 field sites and 864 interviews (499 interviews with pickers, 289 interviews with farmers/brigade leaders and 76 interviews with state officials). For detailed distribution of data by district, see Map 1.

Map 1. Conducted field visits and qualitative data by region



2.1.2. Sampling and data collection in the quantitative phase

The target population for the survey was working age citizens of Uzbekistan (18–50 years old). The data collection method was a CATI survey. The sampling method was a random systematic stratified sample of mobile phone users in the country.

The survey was focused on the recruitment and working conditions of cotton pickers. It was important to ensure a sufficient response rate from people involved in the cotton harvest in 2018. According to previous studies, about 28 percent of the working age population of Uzbekistan were involved in the cotton harvest in 2015¹. Therefore, based on the requirements for accuracy and reliability of the results, it was proposed to interview 3,000 respondents during the survey. This allowed for about 840 responses in the target group of cotton pickers.

The sampling frame is mobile phone numbers in Uzbekistan (N = 34 601 000 cell phone numbers). The sampling design was based on a random systematic sampling of mobile

¹ ILO, 2017

telephone numbers, which enables an equal probability of selecting each mobile phone number. This method of selection can be called Random Digit Dial (RDD).

The 95 percent confidence interval for the sample of 3,000 respondents is 1.8 p.p. For the cotton pickers (840 respondents), it is 3.4 p.p. These values are obtained using the following formula for simple random sample:

$$\Delta = t_d \sqrt{1-f} \sqrt{\frac{p(1-p)}{n-1}}$$

where p – percentage of attribute in sample (we used 50 percent for maximum variance), n – sample size, Δ - confidence interval, t_d – constant depending on the level of confidence (1,96 for 95 percent), f – percentage of sample in population (n/N).

The regions of Uzbekistan vary quite significantly in terms of several socio-economic indicators, which suggests there may be a different level of mobile phone usage among the populations in different regions. Therefore, regions were treated as strata in the construction of the sample, otherwise there could be a risk the sample could shift (be biased) toward regions with a higher coverage/usage of mobile phones. The number of respondents in each region was proportional to the percentage of the working age population of the region among all working age citizens of Uzbekistan.

Gender distribution was added as a target strata in the sampling.

The CATI survey aimed at and fulfilled the strata by region and gender, as indicated in Map 2.

Map 2. Distribution of respondents by region and gender



To ask potentially sensitive questions to possible victims of forced labour, the ILO TPM Project decided to use the Item Count Technique (ICT) in sampling and questionnaires.

The ICT is an indirect questioning technique that is used to estimate the proportion of people who have engaged in stigmatizing behavior. This technique is expected to yield a more appropriate estimate than an ordinary direct questioning technique because it requests respondents to indicate the number of items that are applicable to them from a list of several items including the target key item.

In order to estimate the proportion θ of people belonging to the stigmatizing category, two lists are used:

- a. a long list which includes $G + 1$ items (G are non-sensitive and one is sensitive) and
- b. a short list which includes the G non-sensitive items

In both samples, the respondents should only report the total *number* of items that apply to them without disclosing *which* ones.

Let X_i be the number reported by person i from the first sample ($i = 1, \dots, n_1$) and let Y_j be the number reported by person j from the second sample ($j = 1, \dots, n_2$). Then $\hat{\theta} = \bar{X} - \bar{Y}$ is an estimator of θ

The following question was added to the questionnaire:

Interviewer: *“Here is a list of four [five] things that some people have done and some people have not. Please listen carefully to them and then tell me how many of them you have done in 2018. Do not tell me which you have or have not done. Just tell me how many. Here are the four [five] things:*

Control Group (G)	Treatment Group (G+1)
<i>I grew vegetables on tamorka</i>	<i>I grew vegetables on tamorka</i>
<i>I attended a wedding</i>	<i>I attended a wedding</i>
<i>I traveled by train</i>	<i>I picked cotton because I was afraid of losing my job, salary, money, benefits, etc. if I refused</i>
<i>I went to see a movie in a theater</i>	<i>I traveled by train</i>
	<i>I went to see a movie in a theater</i>

The CATI software was programmed so that 1,500 randomly selected respondents would be provided with the shorter list (4 items, no question about forced labour), and another randomly selected 1,500 would be provided with a list of 5 items (4 neutral items and 1 item on the involvement in forced labour). No direct questions on a forced labour experience were asked. Statistical weightings by age, gender and probability to be selected for the survey (practice of mobile phone usage) were developed and applied at the data analysis stage to ensure the sample better represents the working age population.

Key results of the qualitative phase (harvest field visits)

2.1.1 Recruitment

- Due to the increased rates of payment, more men came to pick cotton in 2018 than in any previous season. For the same reason, there were more pickers from urban areas and more who came to pick cotton for the first time.
- The increased wages stimulated internal migration. After completing the cotton picking in their own district, entire households and groups of individuals went to pick cotton in other districts and regions.
- A new feature was the existence of organized brigades of professional pickers. Young men and women (aged 19–35 years) come together and elect a leader. The leader negotiates the working conditions and a work schedule with the farmer. It is easier for the farmer to negotiate with one person than with many individual workers.
- The proportion of pickers with formal individual contracts is low.

2.2.2. Working conditions

- Field monitoring and completed checklists illustrate that water was provided at 219 out of 252 visited fields, while lunch was provided at 207 out of 252. Toilet facilities were available at 117 fields out of 252.

Drinking water



■ Water provided
■ Water not provided

Lunch



■ Lunch provided
■ Lunch not provided

Toilets



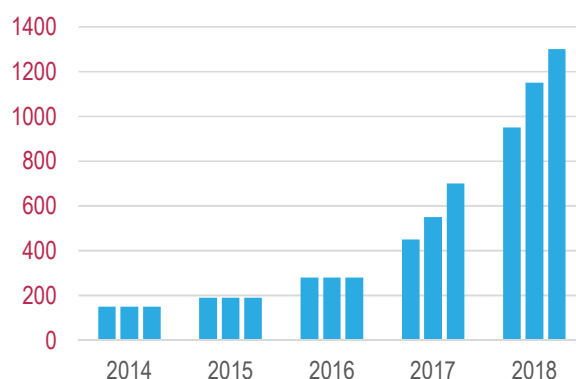
■ Toilets provided
■ Toilets not provided

- With increased wages, some farmers (especially in areas with high population density and high labour availability) paid less attention to working conditions and expressed the belief that pickers or brigades should arrange working conditions on their own.
- By contrast, because neither state workers (medical and educational sector workers) nor students were sent to pick cotton in 2018, there was a change in the behaviour of farmers from remote areas and areas with a scarcity of labour. Farmers made an effort to be more respectful to the pickers and to arrange better working conditions to attract more labour. Unless they did that, nobody would come to pick cotton in their fields.
- Many pickers complained that farmers did not provide or did not cover the cost of aprons and gloves. The most commonly made suggestion was that pickers be provided with gloves and aprons in sufficient quantity and free of charge.

2.2.3. Payment

- In 2018, the rates of pay increased significantly. As in 2017, pickers receive more money for picking cotton in the second and third passes and in districts with high scarcity of labour (the lists of districts increased).
- A cotton picker could earn 40,000–150,000 UZS per day, while the average daily wage for other kinds of agricultural work is 15,000–30,000 UZS. Working during the harvest, cotton pickers can earn at least 2-3 times more than in any other agricultural activity.

Increased wages for cotton pickers (2014 – 2018)



- As in previous years, payment was provided every day or once in 1–5 days. However, a minority of pickers said that they sometimes experienced a short delay with payment of wages.

2.2.4. Forced labour

- Doctors and teachers were not observed picking cotton during the 2018 field monitoring. One case was found of mobilized pickers among workers of educational institutions. In that case, the institution's administration had recruited 15 technical workers from their college to pick cotton.
- The mobilization of pickers from among workers of state institutions, agencies and factories is an ongoing practice. The monitors noted the presence of workers and technical personnel of tax and prosecutors' offices as well as workers from various factories and state agencies who picked cotton in brigades for 10-30 days during the season. Some members of the group said that they pick cotton voluntarily because they can gain supplementary income. They informed the monitors that for the time worked in the field, they earn their normal salary as well as wages for the picked cotton (0,5-2,5 ml. UZS), and a per diem, and the employer provides them with bonus payments for participating in the cotton harvest. However, other respondents said that they felt that they had had no choice or could be fired if they declined to participate in cotton picking. In some cases, workers reported that they had to justify why they could not participate in cotton picking, and they were sent to pick cotton if their justification was not deemed valid. Workers who do not want to participate in cotton picking were still sometimes

expected to find a replacement. Brigade leaders of state mobilized workers said that the order to send pickers was issued by Khokimyat at the district level.

- In one isolated case, a brigade leader collected the pickers' national passports and refused to return them until the end of the assignment. This constitutes a strong indicator of forced labour (see indicators).
- In two other cases, respondents said that the mahalla leader recruiting workers for cotton picking told them that the households of anyone who refused would receive worse treatment if they approached the mahalla office for support, assistance or official documents or the household might lose social benefits.
- In 29 fields out of a total of 252, the monitor observed risks of forced labour. The monitoring targeted districts with a significant shortage of labour, so the number is not necessarily representative of the country as whole.

2.2.5. Child labour

- No cases of systematic or systemic child labour in cotton picking were found during the 2018 cotton harvest monitoring.
- In general, farmers and brigade leaders demonstrated high levels of awareness of the fact that child labour is clearly prohibited and that there were penalties for violations.
- In 12 fields out of 252, children were present with their parents or relatives but they were not necessarily picking cotton. However, with the increased pay rates, there is a risk that rural households will involve minors in the activity in order to earn a better income. This cannot be considered systematic or government driven. A further awareness campaign will need to be conducted among the rural population.

Hypotheses generated based on the qualitative phase

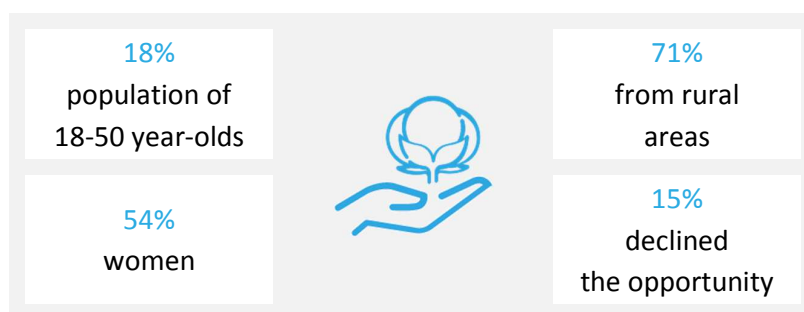
- **Hypothesis 1:**
The proportion of the population involved in forced labour declined from 2017 to 2018.
- **Hypothesis 2:**
Some pickers picked cotton outside of their home district and/or region.
- **Hypothesis 3:**
The proportion of male pickers increased in 2018, due to higher wages
- **Hypothesis 4:**
Increased wages attracted a significant proportion of first-time pickers
- **Hypothesis 5:**
The proportion of pickers with formal contracts was low.
- **Hypothesis 6:**
Some pickers experienced a delay in payment in 2018.
- **Hypothesis 7:**
With the increase in fees, farmers paid less attention to working conditions. The quality of working conditions declined since the previous year.

Key results of the quantitative phase (CATI survey, N=3000)

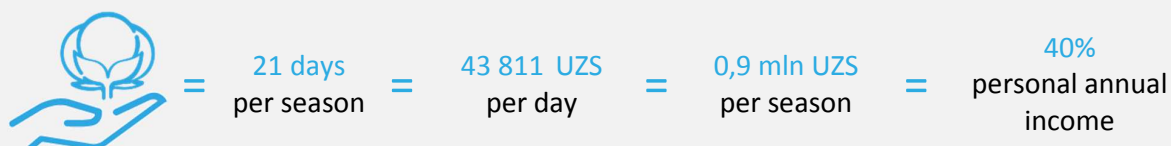
2.1.2 Forced labour

The ICT technique applied in the study illustrated that 6.8 percent of all cotton pickers experienced forced labour during the 2018 cotton harvest. This represents a 48 percent decline in the use of forced labour between 2017 and 2018.

Characteristics of cotton pickers 2018



- 18 percent of the population aged 18–50 were involved in cotton picking.
- 54 percent of pickers were women; 46 percent were men.
- 71 percent of pickers were from rural areas; 29 percent were from urban areas.
- 15 percent of those who were asked to participate in cotton picking declined the opportunity.
- Many pickers came to pick cotton with other family members. Among respondents, 45 percent had family members who also participated in the cotton harvest. In 21 percent of cases when several members of one household came to pick cotton, the number of family members was 3 or more.



- On average, each cotton picker participated in the harvest for 21 days.
- On average, pickers earned 43,811 UZS per day. The average income per person per season is 0,904 mln UZS.
- According to the cotton pickers, on average picking represented 39.9 percent of their personal annual income.

Testing of the hypothesis

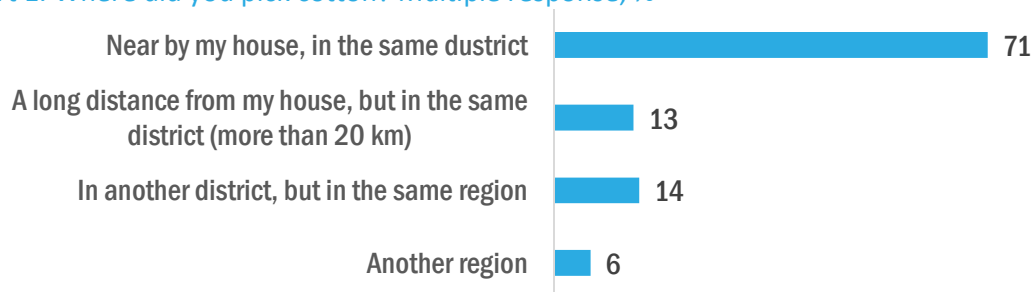
Hypothesis 1.	<i>The proportion of the population involved in forced labour declined between 2017 and 2018.</i>	Hypothesis confirmed
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According to the data, the percentage of involuntary cotton pickers in 2018 was 6.8 percent. In 2017, the corresponding number was calculated to be 13 percent. The number of people forced to pick cotton thus declined by 48 percent in one year.

Hypothesis 2.	<i>Some pickers pick cotton outside their home district and/or region.</i>	Hypothesis confirmed
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Only 14 percent of pickers said that they picked cotton in another district and 6 percent said they did so in another region.

Chart 1. Where did you pick cotton? Multiple response, %



Hypothesis 3.	<i>The proportion of male pickers has increased in comparison with previous years, due to increased fees.</i>	Hypothesis confirmed
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The proportion of male pickers increased significantly. Men made up 46 percent of cotton pickers in 2018 while in 2017, the percentage was 28 percent.

Hypothesis 4.	<i>With the increased fees, a significant proportion of pickers are involved in the activity for the first time.</i>	Hypothesis partially confirmed
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Only 5 percent of pickers came to pick cotton for the first time in 2018. However, 23 percent of those who picked cotton for the first time in 2016 (or earlier) did not pick cotton in 2017 but did come to pick cotton in 2018. Better payment apparently has motivated some of those who had never picked cotton before as well as some of those who had declined to participate in 2017.

Chart 2. When did you pick cotton for the first time? One response, %

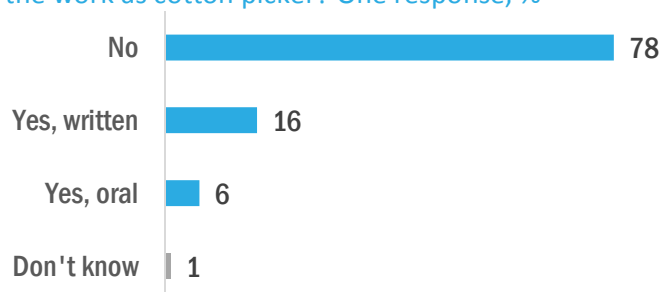


Hypothesis 5. *The proportion of pickers with formal contracts is low.*

Hypothesis confirmed

More than three quarters of pickers (78 percent) did not have any contracts. Only 16 percent had written contracts and 6 percent had some form of oral contract.

Chart 3. Did you have a contract for the work as cotton picker? One response, %



Hypothesis 6. *Pickers experienced a delay in payment in 2018.*

Hypothesis rejected

72 percent of pickers said that they received payment either every day or once in 1–3 days. Only 4 percent of pickers received payment once a week or less frequently.

Hypothesis 7. *With the increase in fees, farmers pay less attention to working conditions. The quality of the working conditions has declined since the previous year.*

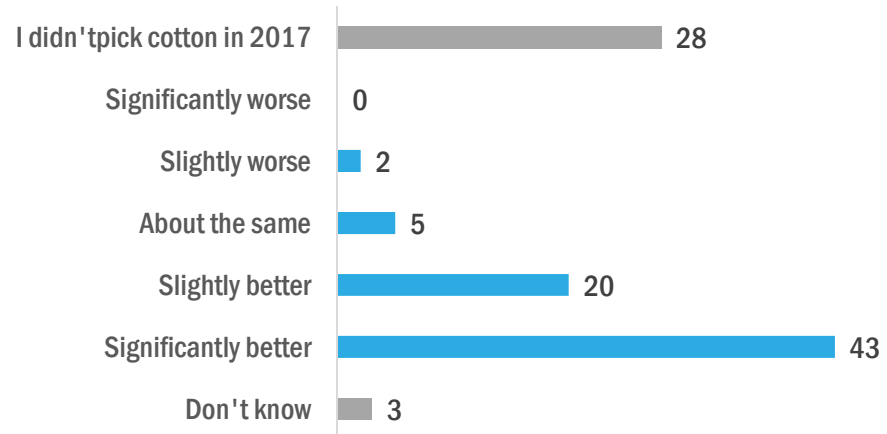
Hypothesis rejected

A majority of cotton pickers said that working conditions had improved since 2017. According to 2 percent of pickers the conditions were worse than in 2017.

According to the pickers, the average working day in 2018 was 7.8 hours. The pickers were generally content with the working conditions, in particular drinking water, transportation,

meals and working hours. On average, these indicators received 4 out of 5 points.

Chart 4. Quality of working conditions



Forced labour risks for staff of medical institutions

In the past, employees of medical institutions were regularly recruited for cotton picking. In some cases employees of medical institutions were threatened of being fired or expelled or with other administrative sanctions or loss of benefits. In September 2017, thousands of employees of medical institutions were recalled from the cotton fields, and the practice was finally prohibited. The 2018 ILO TPM focused on these institutions in order to:

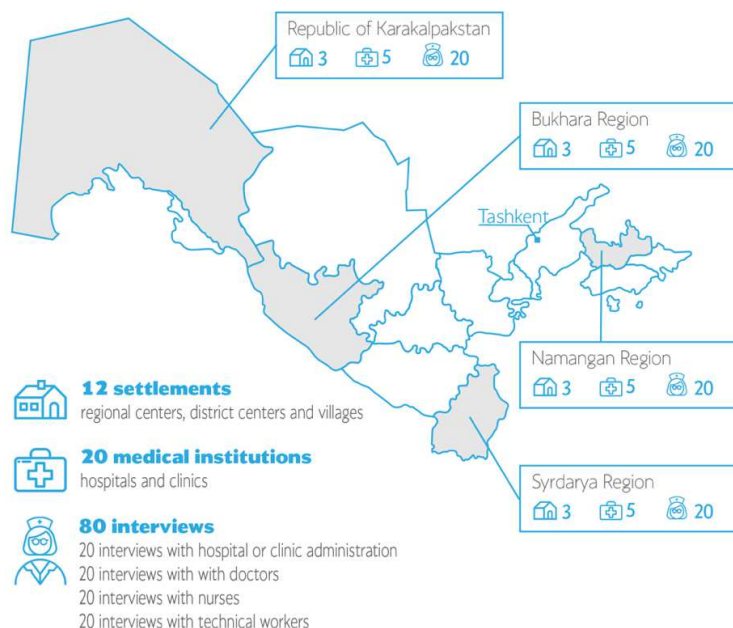
- Assess the risks of state medical institution employees being involved involuntarily in the cotton harvest;
- Evaluate the experience of employees of medical institutions who participated in cotton picking in 2018 voluntarily or involuntarily; and
- Assess their experience and perception of the measures against child labour and forced labour, in particular the legal prohibition of involving medical institutions staff in cotton picking, as well as the functioning of feedback mechanisms, increase in picking wages, etc.

The data was collected throughout the month of November 2018 by a local consultancy firm recruited through a transparent tender process. The research methodology went through a review by the full IBR board before the study being launched.

Methodology

The data collection was based on a qualitative method of social research, which included semi-structured interviews. A set of 80 interviews was conducted with the staff of various medical institutions, including the administration, medical personnel (nurses and doctors), and technical personnel. Twenty medical institutions in 12 districts and 4 regions of Uzbekistan were included in the survey.

Map 1. Map of conducted data by region



Four sampling regions were selected for the study. Selection criteria included geographic diversity, cotton production data and availability and demand for pickers. The selection process was based on official statistics provided by the Centre of Employment Research under the Ministry of Employment and Labour Relations. The sampling enables a comparison of findings across a range of conditions that are typical for Uzbekistan.

	Region	Demand for pickers	Availability of pickers
West	Karakalpakstan	High	Low/medium
South West	Bukhara	High	Low
Central	Syrdarya	Highest	Extremely low
East	Namangan	Low	High

Within each region, three communities were selected based on area of residence, including the regional capital, the district centre (urban/semi-urban), and one rural village. Only districts with a high scarcity of labour were sampled for the study. The selection was informed by the index of availability of voluntary pickers, developed by the Centre of Employment Research.

Within each region, 5 medical institutions were selected (2 institutions at the regional centre, 2 institutions at the district centre and one institution in rural area). Within each institution, 4 interviews were conducted with different sub-groups of respondents including the administration, doctors, nurses and technical staff.

The following measures were implemented in order to protect the respondents:

- All respondents were recruited outside the medical institutions.
- No personal information about the respondent was requested and recorded, except for gender, age, and strata (doctor, nurse, technical staff, etc.)
- The research team deleted details of all addresses where interviews were conducted right after the team left the settlement. The information was not saved or shared.
- No names of hospitals or communities were recorded, kept, or published in reports.
- All members of the research team undertook ethics training and signed a confidentiality agreement.
- Respondents provided an informed consent form.
- Respondents could select a place and time for the interview. If any travel costs were incurred, they were compensated.
- Respondents were informed that they could use a pseudonym and asked not to share their or any other individuals' names or personal information during the interview.
- The informed consent form was left with all respondents. The form included information about an ILO contact point in Tashkent in case of any concerns or complaints. In addition, it included the contact information of hotlines and telegram bots of the MELR and FTUU to contact in case respondents needed more information about labour issues in general, or if they wanted to make a complaint or needed support to protect their labour rights.

Key messages and information from the interviews

2.1.3 Historical risks of forced labour

Prior to September 2017: Nurses and technical staff from rural medical institutions were sometimes sent to weed and/or pick cotton. Staff members could spend up to 10–15 days on each activity per season. Alternatively, some people would participate in the activities during the weekends. Some doctors were sent as well, but most doctors preferred to hire a local person as a replacement picker, while most nurses and technical staff members were not able to pay for a replacement and therefore had to go to the cotton fields themselves.

The staff of the medical institutions did not receive supplementary payments for the cotton weeding in addition to their normal salary. They were, however, paid for cotton picking in addition to their normal salary. Farmers arranged transportation, accommodation, food and shelter. Medical workers used to be sent to pick cotton on the land of farmers in remote locations and towards the end of the harvest (3rd and 4th passes) when there was less cotton left in the field and the motivation of local pickers was low.

The cotton-picking season had a negative impact on not only the lives of individual workers but also the medical institution itself, especially in rural areas. Nurses and doctors were often unable to catch up with patients that they could not help while they worked in the fields. In the worst-case scenario, doctors could make a mistake in the diagnosis or treatment. When many cleaners were in the fields, nurses had to take responsibility for cleaning. Local people knew that doctors could not help them in rural hospitals during the cotton season, and thus they either did not apply for medical help or went looking for help at the regional centre.

Some respondents reported that prior to 2017, when they were recruited for picking cotton by the administration of the institutions and the Khokimyat, they sometimes were directly told that if they did not participate in the activity, or pay replacement fees, or if they left the field, they would lose their job.

A member of the administration from the Bukhara region said that the Khokimyat used to allocate quotas to every institution setting out how many workers should be recruited for cotton picking. Usually the quota was 20–30 percent of the staff of a medical institution. The administration had to make lists of people to be involved in cotton picking and to then provide the list to the Khokimyat. Before 2017, if the administration of the medical institutions decided not to recruit their own workers or too few workers came to pick cotton from a particular institution, the directors/managers of the institutions were invited to the Khokimyat and publicly scolded.

The respondents also reported that, prior to 2017, they were recruited not only for cotton weeding and picking but also for other assignments, such as cleaning streets, fields, or public areas in their communities.

In 2017, the situation changed. The respondents assessed the reform process very positively and said that this allowed them to focus more on their primary work and they now have more time to study additional materials related to their field of work, which has led to improvements in the quality of medical services.

2.1.4 Changes in recruitment practices in 2018

In 2018, in 10 out of 12 communities (the exception is two communities in Syrdarya) all respondents said that nobody from their medical institutions were forced to pick or weed cotton in 2018. All respondents felt relieved about this. They said that there was now no disruption to their work and personal life or the services provided by the medical institutions.

Many participants highlighted the positive effect of the information campaign. Posters displaying the message that forced labour in cotton picking is prohibited as well as providing the hotline numbers were displayed in almost every medical institution. Similarly, adverts with the same information were widely featured on national TV, radio, and the newspapers in 2018. This extensive information campaign clearly had a positive effect on the level of awareness of their labour rights among the staff of medical institutions. Some respondents said that they are now better informed about their rights and even if the community leader were to ask them to participate in some community work (such as cleaning the streets, agricultural work, etc.), now they know that they have a right to decline.

Since neither state workers (medical and educational sector workers) nor students were being sent to pick cotton, there was a change in the farmers' behaviour. Many farmers try to be more polite and arrange for better working conditions to attract a sufficient number of pickers. With increased fees and better working conditions, many local people are generally more willing to pick cotton.

Some technical staff members interviewed during the study said that the increase in cotton fees in 2018 was a very significant factor and they chose to voluntarily participate in cotton picking during their days off to gain supplementary income. However, there were no such responses among the administration, doctors, or nurses. Members of these groups preferred not to participate in cotton picking in 2018.

Out of the four visited regions, risks of forced labour among the staff of medical institutions in 2018 were identified only in one region. The district of Syrdarya has a significant amount of land utilized for cotton and a high scarcity of labour. Respondents from this district said that technical staff and nurses from medical institutions were recruited into brigades and sent to pick cotton from the end of September until the end of October (for the 2nd and 3rd passes). Those who were recruited to pick cotton were asked to sign a request for a non-paid vacation and to sign a statement that they had voluntarily decided to participate in the harvest.

Brigades of 100 workers from the medical institutions (mostly technical staff and nurses) were organized by the Khokimyat. 5-10 people from every medical institution of the district were mobilized. The mobilized pickers worked in shifts for 10–15 days. During the cotton season, the workers did not receive any salary, only the fees for the cotton they picked. Some respondents among the recruited workers said that the working conditions were good this year. The transportation was provided by the Khokimyat, while farmers provided them with accommodation and hot meals three times a day. On average, their income for picking cotton was higher than a normal salary at the institution. For most pickers from this group, the additional income was a prime motivation to agree to the work. However, one of the respondents (a technical staff member from a hospital in a district centre) said that, at the

recruiting stage, the administration had indicated that participation was voluntary, but in practice the person felt that it was not possible to decline.

Other historical risks of forced labour or outright corrupt practices were identified. One respondent said that her husband was an entrepreneur. She explained that the tax inspector visited her husband's shop in 2017 and said that if her husband did not send some people to pick cotton or did not pay the replacement fees, the tax office would start a full inspection and close down the shop.

The respondents mentioned that they had seen some soldiers and staff members of different law enforcement agencies among the cotton pickers in 2018.

Recommendations from participants

The staff of the medical institutions that took part in the study provided a number of recommendations on how the recruitment and working conditions for the cotton harvest could be improved. A list of the key recommendations is provided below:

- The main recommendation was that the practices of 2018 should continue: staff of medical institutions should not be recruited for the cotton harvest.
- The respondents highlighted the fact that the pay and working conditions had improved in 2018 and the changes increased the motivation of local pickers to participate in the cotton harvest. Farmers and the state should continue working on improving the payment and working conditions to increase the motivation for voluntary pickers. The key areas for changes could be: improved nutrition (food could be provided to workers 2–3 times per day instead of one), official contracts and pension benefits for seasonal workers, and additional bonuses for the best pickers in the form of prizes, certificates, cooking oil, etc. An additional bonus could be provided to those pickers who are involved in third and fourth passes.
- Most respondents could recall a TV advertisement, where potential pickers were provided with information of how much income they could make by participating in cotton picking. The respondents said that similar promotions should be used in 2019.
- The respondents among the medical staff provided recommendations on how working conditions could be improved in order to overcome negative consequences on the health of pickers. The main suggestion included increased control over the quality of drinking water and shelter. Pickers sometimes get sick in the field due to the poor quality of drinking water (waterborne diseases) and shelter (common colds). Water should be purified and modern heating equipment should be installed in the sleeping areas of pickers. Additional attention should be paid to hygiene, and the medical personnel suggested that each farmer should provide areas for washing hands and sanitation facilities close to the field. In addition, the medical personnel respondents recommended that every farmer should hire a sufficient number of workers to help pickers carry heavy cotton bags. This could decrease the number of pickers with back pain after the harvest.
- Many respondents among the medical personnel and administration of the medical institutions stated that the future of the agricultural sector of Uzbekistan and particularly cotton production lies in greater mechanization. Respondents suggested that the state should rely more on mechanized harvesting instead of manual picking.

Forced labour risks for the staff of educational institutions

As part of the 2018 TPM, a quantitative survey of students and staff of educational institutions supported by the World Bank was implemented right after the cotton harvest (November–December 2018).

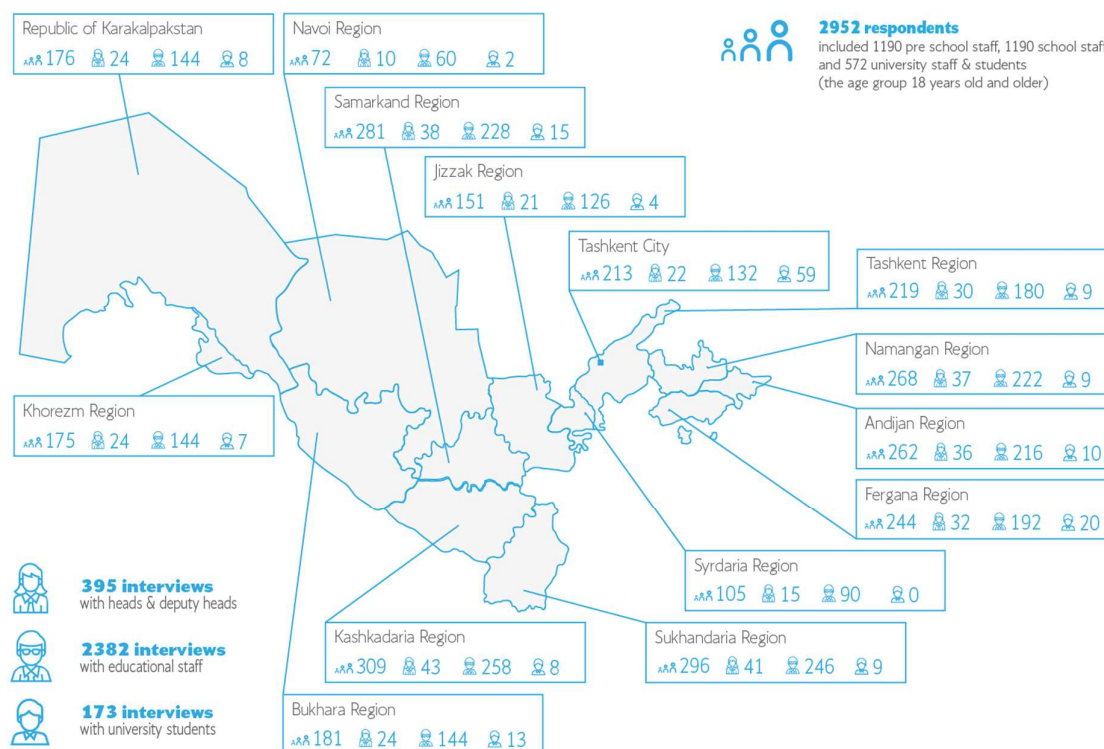
Objectives

The objectives of the survey were:

- To assess the risks of educational institutions staff and students being involved in forced labour during cotton picking;
- To assess the perception of educational institutions staff and students of the measures against child labour and forced labour, including legal prohibition of involving educational staff and students in cotton picking, feedback mechanisms, increase in picking wages, etc.

The data collection was conducted in 397 educational institutions (170 pre-schools, 170 schools, and 57 universities) in all regions of the country. In total, the survey covered 2,952 respondents (1,190 employees of preschools, 1,190 employees of school, 572 employees and university students aged 18 or over).

Map 1. Data collection by region



Methodology

The target population for the sampling included three sub-groups of institutions, namely schools, pre-schools, and universities. The size of the general population was 1,231 secondary education schools, 1,220 pre-schools, and 80 universities.

The sampling pre-requirements were: not less than 6 percent of beneficiaries were included in the sampling, the sampling was sufficient to analyze the responses within each sub-group independently (schools, pre-schools, and universities).

Considering the pre-requirements, the appropriate sampling option was a probabilistic stratified sample. The sub-groups of beneficiaries were treated as independent strata. The minimum number of institutions per stratum were chosen in such a way that the statistical sampling error in each type of educational institution does not exceed 7 percent.

$$n' = \frac{t_d^2 p(1-p)}{\Delta^2},$$

$$n = \frac{1+n'}{1+n'/N},$$

where p – percentage of attribute in sample (we used 50 percent for maximum variance), n – sample size, Δ - confidence interval, t_d – constant depending on the level of confidence (1,96 for 95 percent), N – target group size.

The statistical error of measurement for the entire sample with this sampling design is no more than 4.8 percent, using the following formula for stratified sample:

$$var_{str}(\bar{y}) = \sum_{h=1}^H W_h^2 var(\bar{y}_h),$$

where W_h – the weight of strata h, H – number of strata in sample. The total minimum number of beneficiaries that should have been covered by the sampling is **397 institutions**, or **16 percent** of all beneficiaries. Within each stratum, the institutions were selected by applying a simple random sampling technique. The ILO team used lists of beneficiaries provided by the World Bank to make a random selection of institutions. The visits were unannounced.

Table 1. Sampling

Sub-groups of beneficiaries	Total number	# of institutions in the sampling
Pre-schools	1220	170
Schools	1231	170
Universities	80	57
Total	2531	397

Several types of respondents were interviewed within selected educational institutions/beneficiaries, including the managers of the educational institutions, the teaching staff, technical personnel and students (18 years old and older, only in universities). In every educational institution, one manager and three representatives of the other sub-groups were interviewed. All respondents in educational institutions were selected using simple random

sample.

Table 2. Total number of respondents

Sub-groups of beneficiaries	Total number	# of institutions in the sampling	Number of respondents per institution/ sub-group	Total number of respondents
Pre schools	1220	170	Manager: 1 Teaching staff: 3 Technical staff:3	1190
Schools	1231	170	Manager: 1 Teaching staff: 3 Technical staff:3	1190
Universities	80	57	Manager: 1 Teaching staff: 3 Technical staff:3 Students: 3	572
Total	2531	397	6-10 per institution	2952

Data collection process

The data was collected by an independent local consulting firm recruited through a transparent and open tender process.

The ILO team developed methodology tools (sampling, questionnaires and consent forms) and direct guidelines on ethical considerations used by the service provider.

Ethical consideration was a central part of the study at all stages. The methodology concept notes and all methodological tools were reviewed and approved by an independent IRB. The ILO team provided a full day's training on the methodology and ethical considerations for the field managers and interviewers involved in the study.

To avoid or minimize the risk to the respondents, several mitigation measures were implemented. These measures are described below:

1. The respondent had the right to choose the time and place of the interview.
2. After arriving at the educational institution, a poster was placed on the information board informing employees and students about the study and its objectives. The poster contained the ILO TPM project team contact details in Tashkent. Therefore, any person in the institution willing to share information could do so. This measure allowed people who were hesitant to share sensitive information to do it in a convenient and safe way. This measure was designed to protect all interviewed individuals at the institution. The administration of the institution could not identify who provided information to the ILO via the questionnaire or the other available channels.
3. Once respondents were recruited for the survey, all details regarding consent were discussed and clarified. The consent form with the contact information of the ILO team was provided to respondents for their personal records. Informed consent was received from all respondents who took part in the survey.

4. The informed consent was obtained, and the interview was conducted only in the presence of the researcher/interviewer. No-one else was present during the process.
5. No one under 18 year was included in the study.
6. The field research team included no representatives of state or state-affiliated institutions.
7. It was suggested to respondents that they not share their or any other individuals' names or personal information during the interview.
8. Interviewers used electronic devices (tablets) to fill out the questionnaire. The device was protected by a cyber-code access so that physical theft of the device could not allow access to the data.
9. Interviewers were strictly prohibited to record the conversation or take any pictures or videos of human subjects.
10. The ILO team conducted training with detailed instructions on ethics issues. Specific attention was paid to the informed consent, privacy, confidentiality of the respondents, the right to withdraw from the study at any moment, and practices of conducting interviews with members of vulnerable groups.
11. Interviewers did not collect any contact information during the study. No follow-up data-collection procedures are planned with the respondents.
12. Respondents might become distressed by certain questions or modules (e.g., experience of being involved in forced labour). This issue was addressed during the training with the interviewers. Respondents were reminded that they are free to leave the interview at any time and have the right to not respond to any questions that make them uncomfortable. The respondents were told that they are free to withdraw from participation in the study even after verbal consent had been given.
13. The contact information for hotlines and telegram bots of the MELR and FTUU were provided to respondents. They could contact them for more information about labour issues in general, the issue of child labour and forced labour, or if they want to make a complaint or need support to protect their rights.

Results

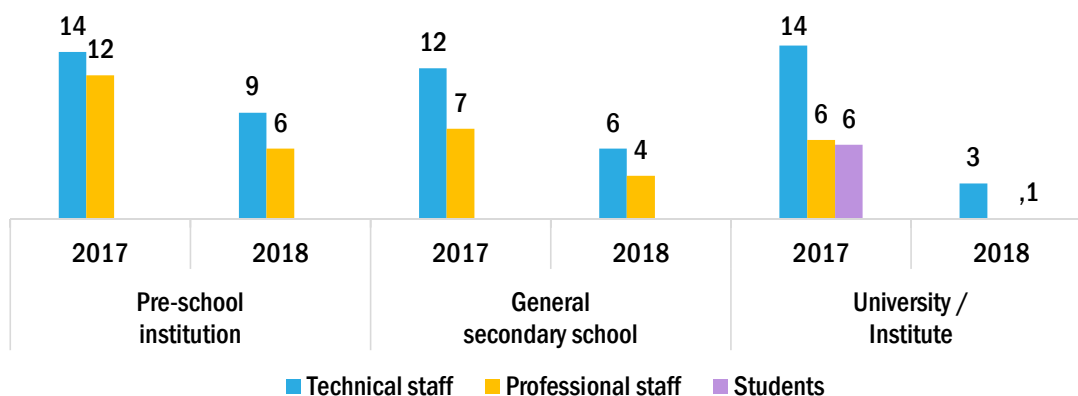
Weighting coefficients were calculated for analyzing employee and student data. The weighting coefficients took into account the ratio of the number of employees/students according to the director to the number of employees/students surveyed at this institution.

Participation in the cotton harvest

Participation of the staff of educational institutions and students in the cotton harvest decreased significantly in 2018. In particular, participation rates among the professional staff

involved in cotton picking were 5.7 percent of pre-school staff members (11.6 percent in 2017), 3.5 percent of school staff members (7.3 percent in 2017), and no staff members of universities (6.4 percent in 2017). Only 0.1 percent of respondents among students said that they participated in the cotton harvest in 2018 (6 percent in 2017). Regarding the technical staff, the decrease was significant among the staff of universities (2.9 percent in 2018 vs 14 percent in 2017) and schools (5.7 percent in 2018 vs 12.2 percent in 2017) but it was less significant among the staff of pre-schools (8.6 percent in 2018 vs 13.5 percent in 2017). The technical staff of pre-schools might be a target for further assessments and awareness campaigns in upcoming seasons.

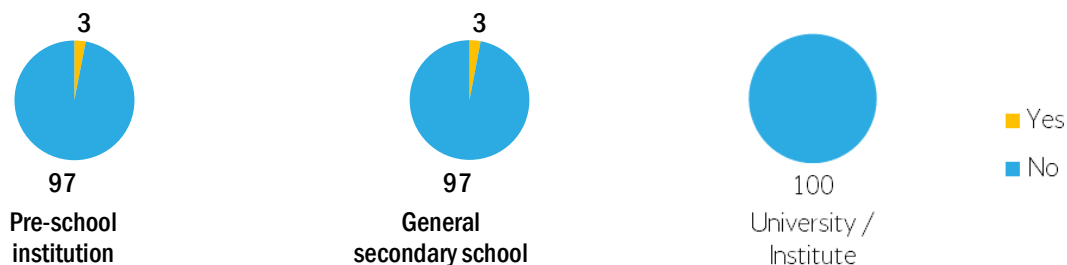
Chart 1. The share of respondents who worked at least 1 day in the collection of cotton in 2017-2018 (%)



Recruitment for cotton picking and other support to the harvest

Responses indicate that requests from state authorities to administration of educational institutions to send pickers were rare in 2018. Only 3 percent of administration in pre-schools and schools were asked to send employees to pick cotton during the harvest. No respondents among the administration of universities received such requests in 2018.

Chart 2. In 2018, did anyone, the management of the institution, suggest that you send the employees of the institution to pick cotton? (%)



This observation was confirmed by the responses of the employees. The majority of respondents from all groups said that nobody offered them the possibility of picking cotton in 2018. Only 1 percent of workers in pre-schools and schools, 1.4 percent of students, and 0.6 percent of university workers said that the administration of their institutions offered

them work to pick cotton. Some respondents were offered work picking cotton by relatives, the mahalla, or farmers.

Table 3. Who has asked you to pick cotton in 2018? (%)

	Pre-school institution	General secondary school	University (employees)	University (students)
Head or deputy head of institution	1,3	1,0	0,6	1,4
Mahalla	4,4	2,3	3,2	1,7
Farmer	1,2	0,9	0,9	0
Neighbour	0,9	0,5	0,4	0
Relative	1,0	0,0	1,0	0
Friend	0,3	0,3	0,2	0,2
Youth organization	0,0	0,0	0,0	0,1
District educational authority	0,2	0,0	0,0	0
Khokimyat	0,1	0,0	0,0	0
Nobody	91,6	95,1	96,2	96,6
No answer	0,0	0,3	0,0	0

In 2018, the administration of the majority of educational institutions included in the survey said that they did not provide additional help, such as the provision of premises for pickers, or cash donations for cotton pickers or other in-kind contributions, during the harvest season. Only 4 percent in administration of preschools and 5 percent in schools provided such support in 2018.

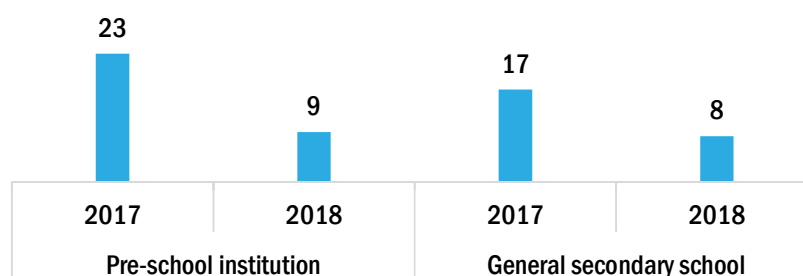
Table 4. Has your institution provided anyone with the following types of assistance in picking cotton? (%)

	Pre-school institution	General secondary school	University (employees)
Provision of any premises (rooms / classrooms, gym, etc.) for living quarters for cotton pickers	1	1	0
Cash for cotton pickers	2	2	0
In-kind support for cotton pickers	0	2	0
Provided a place in kindergarten for children pickers at the time of picking cotton	1	0	0
No kinds of help	92	92	95
No answer	5	5	5

Working conditions²

The average number of days that workers of educational institutions participate in cotton picking has declined significantly. For example, preschool employees in general participated in cotton picking 23 days in 2017 and 9 days in 2018, while the employees of schools participated 17 days in 2017 and 8 days in 2018.

Chart 3. Average number of days of cotton picking in 2017 and 2018, if respondent pick cotton (%)



Among those who were picking cotton, 94 percent of respondents from preschools and 80 percent from general schools did so during the weekend or outside working hours. However, 6 percent of employees in kindergartens and about 30 percent of employees in schools said that they had picked cotton during working hours.

Table 5. Did you pick cotton during normal working hours, outside working hours or on weekends? (Multiple response, %)

	% of whom participated in harvest	
	Pre-school institution	General secondary school
during working hours	6,1	29,9
outside working hours	5,0	12,4
on weekends	89,4	67,8
took vacation to pick cotton	4,8	0,0
No answer	0,5	0,0

Two thirds of pickers among the personnel of pre-schools and schools participated in picking independently. About one third participated in organized brigades with other pickers.

² The sub chapter provides the analysis of responses of pre-schools (84 participants of the cotton picking in the sample) and schools (49 participants of the cotton picking in the sample). There were only 7 participants of cotton picking among University staff and the number is insufficient for the analysis.

Table 6. In a brigade or on your own, did you work on picking cotton this year? (%)

	% of whom participated in harvest	
	Pre-school institution	General secondary school
Organized brigades	31,1	34,1
Independently	66,3	65,9
No answer	2,6	0,0

The majority of pickers (97–98 percent) among employees of state institutions did not have an official contract to participate in the harvest.

Table 7. Did you have a written contract during cotton picking? (%)

	% of whom participated in harvest	
	Pre-school institution	General secondary school
Yes	1,8	2,7
No	98,2	97,3

The main motive for participating in cotton picking was gaining supplementary income – 99 percent of employees in schools and 63 percent of employees of pre-schools selected this response option. However, it is important to highlight that 2.3 percent among preschools workers and 3.6 percent of school workers who participated in cotton picking did so because they could not pay for someone to substitute for them. In addition, 9 percent of pre-school workers and 14 percent of school workers who participated in the cotton harvest said that they were ordered to do so. The obvious conclusion is that additional work with the administration of state institutions is required.

Table 8. Why did you work on picking cotton? (Multiple response, %)

	% of whom participated in harvest	
	Pre-school institution	General secondary school
I didn't want trouble with my manager at work	3,9	1,5
I didn't have money to pay for a substitute picker	2,3	3,6
The risk of loss of earnings / part of it at work	0,8	1,2
Danger of losing a job	0,0	0,0
Just follow orders	9,2	14,2
Get income / earnings	63,6	98,6
Do not spoil relations with those who asked	0,0	0,0
Be useful to mahalla, country	14,2	22,0
Help for a relative, acquaintance	2,7	4,2
Voluntarily replaced someone	3,3	5,2

Awareness about child labour and forced labour

Administrators of educational institutions were well aware of the prohibition of forced labour and child labour as well as the potential penalties. 99–100 percent of respondents among the administration of different educational institutions replied that they were informed of the prohibition.

Chart 4. Have you been informed about the prohibition of child labour in cotton picking? (%)

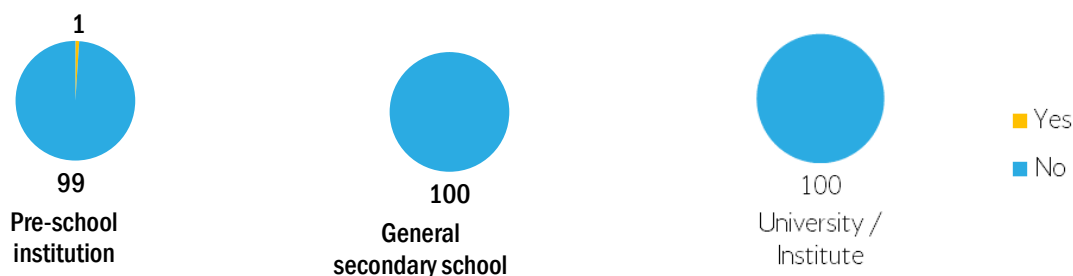
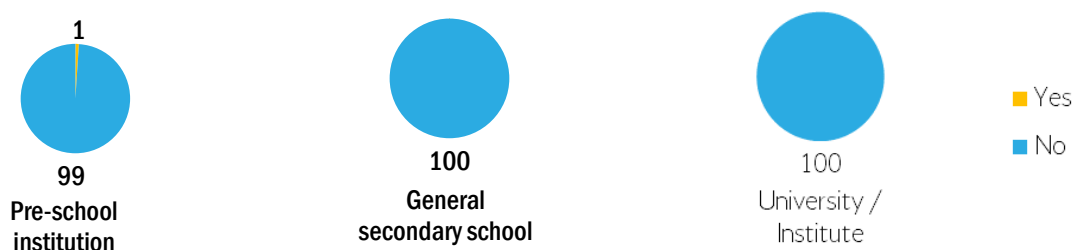


Chart 5. Have you been informed about the prohibition of forced labour in cotton picking? (%)



However, only about 80 percent of educational institutions' employees were aware that they could refuse to participate in the cotton harvest without providing justification. Only 73–75 percent of the employees knew that they should not pay a replacement fee if they refused to pick cotton.

Awareness was particularly low among university students. Only 73 percent said that they knew that they could refuse to pick cotton without providing justification and about half said that they knew that they should not pay a replacement fee. Additional awareness campaigns could be conducted both among the employees of educational institutions and university students.

Table 8. Do you know that you have the right to refuse to pick cotton without providing justification? (%)

	Pre-school institution	General secondary school	University (employees)	University (students)
Yes	80	81	79	73
No	19	17	21	27
No answer	1	2	0	0

Table 9. Do you know that you do not need to pay if you refuse to pick cotton? (%)

	Pre-school institution	General secondary school	University (employees)	University (students)
Yes	75	73	74	54
No	23	24	23	45
No answer	3	3	3	1

The awareness campaign about rights at work and the risks of child labour and forced labour conducted in 2018 was relatively successful. In general, about 65–80 percent of representatives in different sub-groups saw or heard parts of the campaign. More often, respondents could recall promotional materials on the prohibition of forced labour, child labour and the right to refuse to pick cotton and the hot line contacts. The study shows that the campaign planned for 2019 should increasingly target university employees and students.

Table 10. Have you seen or heard any public information (e.g. posters, banners, TV, radio) against the use of child labour and forced labour in cotton harvest in 2018? (%)

	Pre-school institution	General secondary school	University (employees)	University (students)
Yes	76	79	72	65
No	23	21	28	35
No answer	0	1	0	0

Table 11. If yes, what namely? (Multiple response, %)

	Pre-school institution	General secondary school	University (employees)	University (students)
On the prohibition of child labour	44	50	41	48
On the prohibition of forced labour	75	77	80	75
On the right to refuse to pick cotton	24	28	25	22
On the right to refuse payment for refusing to pick cotton	11	11	14	8
Hotline	33	29	27	20
Who to complain to	8	9	10	11
No answer	3	2	2	0

Assessment of Textile Clusters

The assessment of textile clusters was led by the World Bank Agricultural Team with input and participation from the ILO Third-Party Monitoring Project. The main findings of the textile clusters assessment have been included in this report as it relates directly to possible solutions to the forced labour problem in cotton production. The findings also provide important context about the future of cotton production and related value chains in Uzbekistan.

What is a Textile Cluster?

Textile clusters are currently being implemented across Uzbekistan. There is no formal definition of the term, but it describes a transaction whereby the government allocates a defined area to a private investor who in return commits to growing cotton (either by direct farming or by contracts with existing farmers) and to establishing processing and/or manufacturing facilities in the local area. The main objectives are to reduce the role of the government in cotton production, create jobs and position Uzbekistan as an exporter of textiles and garments rather than raw cotton.

I. Introduction

In December 2018, a cross-functional team with experts from the World Bank Group and the ILO visited seven out of fifteen recently established textile clusters to make a rapid assessment of their current performance and to develop recommendations for their further improvement and reforms in the cotton sector. The meetings were held with the clusters' management and chief specialists, farmers, and the representatives of the Council of Farmers, Dehkan Farmers, and Household Plots (Farmers Council).

The team used a questionnaire covering clusters' organizational details, investments, land use, adoption of technologies and innovations, relations with farmers, local khokimiyats and other institutions, main problems and recommendations for improvements. This questionnaire was sent to the clusters prior to the visit of the team.

It must be noted that this was a rapid assessment with focus on qualitative analysis. Conclusions and recommendations were derived from the meetings with the clusters' management, chief technical staff of the clusters, a small group of farmers, and other stakeholders, and from the provided documents and written responses. No comparison was made on farmers' performance within and outside of the clusters, and no primary data was collected from farmers or workers.

Expectations of changes in the cotton sector in Uzbekistan need to be managed carefully, including for textile clusters, because:

- (i) most textile clusters have operated for only one year (2018 harvest);
- (ii) most textile clusters have not yet rolled out their full operations;
- (iii) relationships with farmers are still in the process of testing and development;
- (iv) the weather in 2018 led to suboptimal performance for most clusters; and
- (v) it takes time to change the minds of farmers and other stakeholders after 25 years of administrative controls, debt write-offs, and subsidized inputs.

Despite these caveats, the collected data provided the basis for a good analysis of the positive outcomes of the textile clusters, their problems, and major risks going forward.

Key conclusions

Textile clusters have started to modernize the cotton value chain in Uzbekistan by injecting new capital, innovations, and private solutions. Some measures are still required:

- the state order system for cotton with production targets and state procurement price is phased out;
- farmers feel secure and are treated as equal partners in the textile clusters; and
- farm support becomes more market oriented.

These measures would improve the performance of clusters and reform the sector. The below analysis provides suggestions for how this could be implemented.

II. Context for Creation of the Cotton Clusters

The cotton sector in Uzbekistan uses significant natural, human, and financial resources. In 2017, Uzbek cotton production used up:

- 35 percent of irrigated sown area
- 65 percent of irrigation water
- 130,000 farmers and 2.5 million temporary workers for cotton picking
- 45-50 percent of all domestically produced fertilizers
- More than 30 percent of domestic use of diesel
- 13.3 percent of electricity for pumping irrigation water
- About \$610 million of subsidies¹³

Despite this significant use of resources, the contribution of the cotton sector to the economic and social development of the country has been rather small:

- In 1992, cotton was grown on 43 percent of irrigated land and generated 90 percent of total export. It also generated 10 percent of GDP and 25 percent of agricultural GDP. In 2016, cotton continued to occupy a large part of the irrigated land (35 percent), but

the economic contributions dropped significantly, to 3.4 percent of total export, 1.8 percent of GDP, and 7.6 percent of agricultural GDP.

- Income of farmers producing cotton has been stagnating over time. A significant number of cotton farmers are technically bankrupt.
- More than 70 percent of cotton fibre was exported, which accounted for only 3.4 percent of total export. Uzbekistan exported its limited water, energy and soil resources, with little value added by the textile industry.
- Cotton production has crowded out production of other agricultural products which could have contributed to the income of farmers and export revenues for the country.

The strict control over cotton production, processing, and marketing has led to a decline of productivity:

- During 1995-2016, the average cotton yield in most cotton-producing countries significantly grew – by 341 percent in Brazil, 93 percent in China, 59 percent in the United States, and 51 percent in Turkey (USDA data). Yet, in Uzbekistan, the average cotton yield during the same period declined by 5 percent. At the same time, the fruit and vine grape yields, which were not subject to the state order, grew by 135 percent and 125 percent, correspondingly.
- Resource use efficiency in Uzbekistan has been very low. For example, 1 kg of nitrogen fertilizers helps produce only 11 kg of cotton in Uzbekistan compared to 29 kg of cotton in Pakistan and 51 kg of cotton in Australia¹⁴.

Furthermore, the existing model of centrally regulated cotton production in Uzbekistan has created serious reputational damage for the country due to the historical use of child labour and forced labour in the cotton harvest.

The state order for cotton required the direct control and regulation of not only cotton production (primary agriculture), but of all enterprises in the cotton value chain. This led to monopolization of input supply, processing of cotton, and its marketing/exports, with the significant visible and invisible costs rising over time.

One of the least efficient segments of the cotton value chain was the state monopoly over ginneries Khlopkoprom (National Ginning Company) and its monopoly over the sale of cotton fibre. To meet the government plans for export revenues, Khlopkoprom exported best-quality cotton, leaving the poorer quality for the domestic textile industry. Moreover, the sale of cotton on domestic market was not always transparent and thus prone to manipulations. This led to a situation where the Uzbek textile and garment industry could not always purchase cotton fiber.

Consequently, production of cotton fabrics decreased by 2.6 times during 2004-2009¹⁵. Although production increased again, it was still 34 percent lower in 2015 than in 2004¹⁶. As a result, the number of jobs in the textile industry dropped by 33 percent during 1996-2016. The government tried to provide incentives to the textile-clothing industry, adopting two special programmes during 2010-2015, but they failed mainly due to the insufficient access of textile companies to cotton fibre.

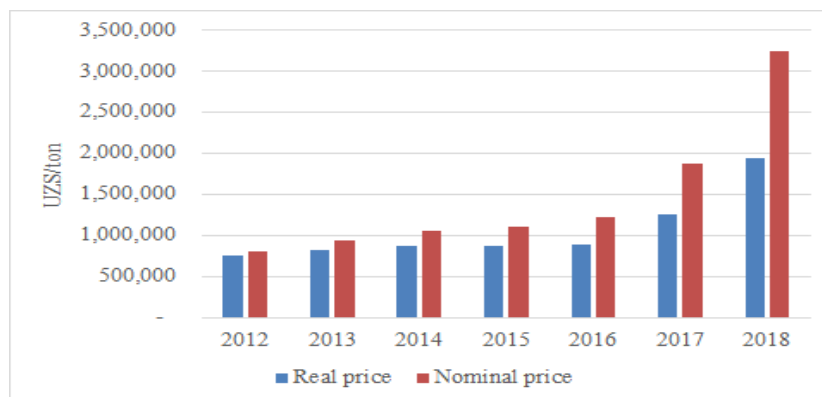
The administrative approach to cotton production also negatively affected the farmland use. Although the land allocation to farmers was considered ‘nominally’ competitive, in practice it was non-transparent and, in some cases, prone to manipulation by khokimiyats. As a result, land was in some cases given to farmers without professional farming experience, with limited resources and depleting soils and degrading environment.

III. Recent cotton sector reforms

Since 2017, the Government has been reforming the economy and taken several measures to improve the performance of the cotton sector. These reforms include:

- (i) partial liberalization of the markets for fertilizers, agricultural chemicals, and other inputs;
- (ii) increased state procurement price for cotton, from 1,218,000 UZS/ton in 2016 and 1,905,000 UZS/ton in 2017 to 3,250,000 UZS/ton in 2018 in nominal terms (Figure 1)¹⁷;
- (iii) selling of cotton processing’s sub-products at the commodity exchange; and
- (iv) ‘freezing’ the debts of farms and agricultural input suppliers to restart economic activity within the cotton value chain¹⁸.

Figure 1: State procurement price for raw cotton, 2012-2018



These measures have to a certain extent revitalized and formalized the market, but major weaknesses of the cotton sector remains.

In 2017, the textile factory in the Kyzyltepinsky district of the Navoi region organized the first **cotton-textile cluster** and achieved significant improvements within one year¹⁹:

- It attracted credit for cotton production at the commercial interest rate.
- It ensured cooperation between farmers and the textile factory.

- The farm-gate price of raw cotton was 15-20 percent above the state procurement price, which increased the farm profits by 20 percent. It is worth noting that in 2017 farmers outside of the Navoi cluster incurred loss or only a small profit.
- Ginning expenses were halved (by \$75/ton of raw cotton) and ginning outturn increased by 1.5-2.0 percent points. The saved funds were used for investments in expanding the textile capacity.
- Instead of the export of cotton fibre amounting to \$5 million, the textile factory exported textile products amounting to \$20 million.

These positive results led the government to pilot more clusters in 2018 by establishing one cluster in each region.

IV. Anticipated Results of the Clusters

The government anticipates the following outcomes and results of the private-sector driven cluster approach in the traditionally state-dominated sector:

Clusters to improve agricultural outcomes. The private sector's participation in the textile clusters is anticipated to accelerate reforms in the cotton sector, shifting responsibility for introduction of market mechanisms and transformation of farms and ginneries from the state to the private sector. Other improvements include:

- Cooperation with farmers and establishment of advisory services for farmers.
- Adoption of best global practices and attraction of world-class experts.
- Upgrade of agricultural machinery and equipment.
- Mechanized harvesting of cotton.
- Increased adoption of water- and other resource-saving technologies.
- Bringing the abandoned land back into farm production.
- Improvement of soil fertility.

The above improvements are expected to: (i) increase cotton yields; (ii) ensure an efficient use of resources; (iii) increase the number of better-paid rural jobs; and (iv) improve infrastructure and business environment in rural areas.

Clusters as an instrument of industrialization. Clusters are considered by the Government as an instrument for supporting manufacturing and large businesses. Clusters are expected to build competitive value chains, increase exports and jobs, and contribute to economic development. Private textile factories are provided with "once in a lifetime" opportunity to build relationships with farmers and efficient value chains.

A main objective of industrialization is making sure that cotton fibre is fully processed within the country, at least into yarns. A close integration of raw cotton production and textile industry would accelerate investments in the new textile-clothing capacity and create many permanent highly-paid decent jobs in textile, weaving, and clothing industries, replacing temporary (seasonal) jobs of manual cotton pickers.

It is anticipated that in 2019, about 78 percent of cotton fibre will be processed in Uzbekistan, which is twice as high as in 2017. By 2020, the country would process all its cotton fibre, and the share of high-value textile products would increase from 40 percent to at least 60 percent.

Clusters to reduce the fiscal drain. Clusters are anticipated to bring innovations and investments into agricultural production, replacing the ineffective public extension services and other public programmes. They would invest in updating soil maps and agronomic recommendations for cotton production based on the actual soil fertility and would increase soil fertility, including through better crop rotation. When farm profits increase, the Government would be able to phase out input and other subsidies. Moreover, clusters would invest in mechanization and water saving, which would further reduce the burden on public finance. The discipline in using public funds would bring more impact and results for the cotton sector. An accelerated introduction of market mechanisms would increase the purchasing power of farmers. That would allow phasing out energy subsidies (diesel and fertilizers), and encourage private local and foreign investments in energy, chemical, and water sectors.

Clusters to increase farm profits. For textile enterprises, guaranteed access to high-quality raw materials (cotton fibre) is an important competitive advantage. Predictability of cotton fibre prices helps textile enterprises to accurately predict supply and profits. Therefore, they willingly move to organize clusters. In addition, it allows eliminating the inefficient and unpredictable intermediary between textile enterprises and farmers – Khlopkoprom. Clusters can also increase the yield and quality of raw cotton, providing “their” farmers with advisory services on modern farming and production methods, replacing inefficient public services. This all should increase the income of farmers.

Clusters to increase investments. The first stage of the processing of cotton fibre – the spinning industry - generates a \$690 value added and a \$570/ton of cotton fibre profit (plus another \$75/ton due to more efficient cotton cleaning), while farmers on average get only \$100-200/ha. An expected profit of the spinning industry alone (with full processing into yarn) is at least \$510 million annually (with the processing of 900,000 tons of cotton fibre), which is an important source of investment and tax revenue. The Government intends to force clusters to reinvest part of the profits from textile production in agriculture, including in water-saving technologies and cotton ginning.

Clusters to solve problems with forced labour and child labour. Clusters are expected to accelerate the introduction of mechanized cotton harvesting, setting market/attractive prices for cotton picking, creating decent working conditions to increase pickers’ productivity and have a greater control over the use of forced labour and child labour. This would accelerate the resolution of the latter problem, which seriously harms not only the image of the country and closes the markets in the developed countries for textile products, but is also a heavy burden for many organizations and people in the country, who are engaged in picking cotton.

V. The current status of textile clusters

As mentioned above, the first cluster was organized in 2017 on 10,000 ha in the Kyzyltepinsky district of the Navoi region.

In 2018, new clusters were established in each region²⁰: 13 clusters with Contract Farming and 2 clusters with Direct Farming, which operated on 141,000 ha. In 2019, there will be 44 additional contract farming clusters on 300,000 ha and direct farming cluster on 50,000 ha²¹.

In 2019, the plan is to have a total of 62 clusters by the end of the year which will cultivate half of the country's cotton area. In the Tashkent and Navoi regions, all cotton grown areas will be managed and cultivated by textile clusters.

Table 2: Cotton-Textile Clusters in 2019

	Regions	Number of clusters	Cotton area under clusters, ha	Cotton area in the region, ha	% of cotton land under clusters
1	Republic of Karakalpakstan	2	18,700	86,291	22
2	Andijan	9	61,315	79,391	77
3	Bukhara	7	32,450	97,900	33
4	Jizzakh	2	8,500	78,100	11
5	Kashkadarya	6	53,450	135,900	39
6	Namangan	7	55,304	63,406	87
7	Navoi	2	3,800	32,588	104 ²²
8	Samarkand	5	33,300	75,580	44
9	Surkhandarya	6	52,480	74,078	71
10	Syrdarya	2	31,500	72,557	43
11	Tashkent	6	68,720	73,001	94
12	Fergana	6	36,610	82,080	45
13	Khorezm	4	35,135	82,757	42
	Total	64²³	521, 264	1,033,629	50

There are two types of cotton clusters in Uzbekistan:

- 1) **Contract farming** clusters, which are also called the organizers of cotton-textile production. They make contract arrangements with farmers and are engaged in fibre cotton processing (downstream business). Yet even in such clusters some land is often managed and farmed directly by textile enterprises.
- 2) **Direct farming** clusters. They farm land directly and use it for their textile enterprises.

Coordination of the cluster activities is carried out by the Association of the Textile and Clothing Industry (Uztextileprom).

The clusters established in 2018 all have at least spinning production. But all clusters have plans to invest in deep cotton processing (textile, sewing, apparel) in the medium run and in other businesses such as the processing of cotton seeds, cotton oil, livestock, and greenhouses.

VI. Assessment of the results of textile clusters

A. Positive Results

Agriculture:

Receipt of inputs: In the past, farmers often spent significant time and efforts getting inputs such as seeds, fertilizers, plant protection products, and diesel. Some inputs suppliers abused their monopoly position, inflated prices, delivered them at the wrong time, not in full, or of poor quality. Clusters have taken over input supply management, which allows farmers to concentrate directly on farming. Clusters reorganize the infrastructure of input supply, for example by creating central warehouses for input storage and distribution. Farmers can buy inputs from other sources, but as the clusters tend to procure inputs in bulk and offer them at competitive prices, most farmers buy inputs through or from the textile clusters.

To improve the efficiency of resource use, primarily fertilizers, some clusters re-compiled contour maps with drones, clarified their sizes and boundaries, and compiled agrochemical maps. The rest of the clusters also plan to take similar actions. Information compiled is critical to introduce precision farming technologies.

Effective use of farm cooperation: Textile clusters have facilitated cooperation between farmers including:

- Establishment of agronomic consulting service: each visited cluster has or plans to have for every thousand hectares at least one agronomist and one entomologist to advise farmers and monitor farming practices.
- Clusters plan to regularly study international best practices and promote adoption of modern technologies, for example deep ploughing, laser leveling, 76 cm spacing, and pneumatic sowing, by working with farm groups.

Uztextileprom plans to convene a group of specialists for provision of advisory services to the clusters, and train clusters' specialists responsible for the introduction of modern technologies. Clusters generate demand for knowledge and specialists by attracting scientists from research institutes and universities through higher pay. For the first time in a long while, there is an effective demand for specialists and knowledge in the field of cotton.

Improved seed production: Clusters consider the deterioration of cotton seed varieties as a significant problem and many textile clusters intend to organize their own seed production to improve seed quality. According to their assessment, this could increase the yield by at least 0.5 tons/ha without increasing the production cost. For context, cotton yield in the country ranges from 1 ton/ha to 5 tons ha.

Utilization of abandoned land: Three out of seven visited clusters had some land for direct farming (200-700 ha), in addition to contract farming. This was mainly abandoned land, which was brought back into agricultural production by the clusters. Most direct farming clusters also seem to have largely received poor quality soils with dysfunctional irrigation, which require large investments to make these soils more productive.

Investments in agricultural machinery and equipment: Most clusters purchased modern agricultural equipment, spending a significant amount (up to 6 million Euros for each cluster). According to the official data, the clusters installed 225 pumping units and purchased 1,285 units of various agricultural equipment²⁴. Most clusters also help farmers use their own machines effectively by servicing them and supplying spare parts. Those clusters, which purchased their own machines for rental services, offer such services to 'their' farmers at least 20 percent cheaper than the state-owned Machinery Tractor Parks.

Organization of cotton picking: Cotton picking in clusters was organized in the same way as throughout the country. Cotton pickers were hired through the organization of a “cotton pickers’ brigades” by the Farmer Councils in the districts. In each district, approximately 80-120 brigades were created, depending on the size of the cotton area. Farmer Councils hired brigade leaders, who were responsible for mobilizing and hiring cotton pickers. Most of the brigade leaders were chosen from village leaders, who knew the locals and had some level of authority. Under the terms of the contract with the Farmers Council, the brigade leaders were paid 1 million Soums for 80 tons of cotton harvested and 50,000 UZS for every ton of cotton harvested in excess of the prescribed 80 tons. The payment to the brigade leaders was made at the expense of the public works fund of the Ministry of Employment and Labour Relations²⁵.

About 70-100 cotton pickers were recruited in each brigade. Each picker was made to pick at least 60 kg of cotton a day during the first pass, at least 40 kg of cotton a day during the second pass, and at least 20 kg of cotton per day in subsequent passes. Wages were guaranteed to be paid within 3 days for the volume picked.

The clusters’ opinion was that forced labour is ineffective and some of them paid 50-100 Soums above the 2018 minimum wage of 700 UZS/kg to ensure higher efficiency and better quality. All clusters consider the current centralized arrangement for recruiting pickers very ineffective.

The management of textile clusters feel that they are fully capable of organizing the cotton picking themselves, without using forced labour. Yet, this would require cancelling the cotton production targets and giving clusters the right to decide when to start picking, from which field, and when to complete collection. Currently, this all is still decided by the khokimiyats, even within the textile clusters.

All clusters plan to gradually move to mechanized cotton harvesting. According to their forecasts, the cost of labour in the coming years will double. The high cost of good-quality (imported) combine harvesters delays the plans of many clusters to quickly switch to machine harvesting. The cheaper, locally-manufactured cotton combines are not in demand, as they are said to significantly reduce the quality of cotton.

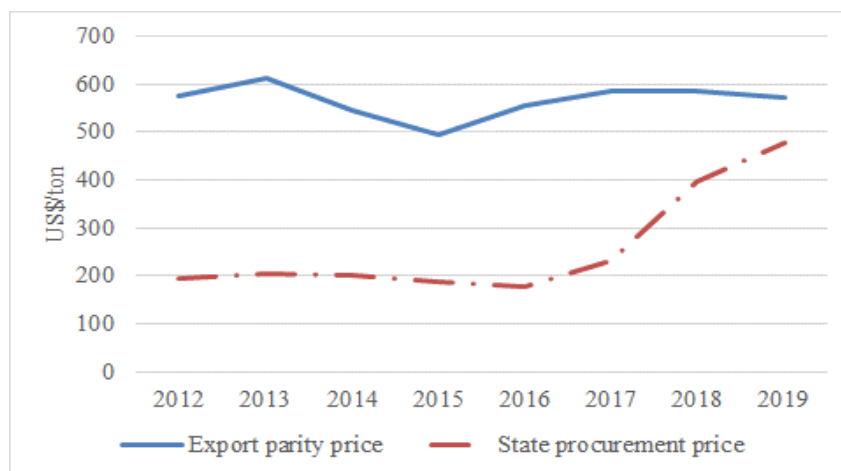
Application of water-saving technologies: Many clusters have carried out work on application of laser leveling and deep loosening. Irrigation with flexible plastic pipelines was established on 3,163 ha and many clusters plan to introduce drip irrigation.

Yield increase: It is difficult to provide accurate estimates due to adverse weather conditions in 2018. Only one cluster out of seven received a higher yield than last year. According to the estimates of the clusters themselves, it is possible to increase the yield from 3.0 tons/ha to 4.0-4.5 tons/ha, but to achieve this they need at least 2-3 years.

Incentives for efficient farmers to meet the forecasted yield. Almost all clusters added prices premium to the state procurement price for fulfillment of contractual obligations. Usually, if farmers were able to meet more than 80 percent of their production quota, they would get a 10 percent price premium. Meeting the quota by 80-100 percent would increase the price premium to 15 percent and exceeding the quota would increase the price premium to 20 percent.

In 2019, the state procurement price for raw cotton is planned to be increased to 4,000,000 UZS/ton compared to 3,250,000 UZS/ton in 2018. In nominal prices, this will mean a 23 percent increase. In real prices, the increase will be modest, about 4 percent, given the anticipated inflation rate of 19 percent in 2019. But 2019 will be the year when the state procurement price is closest to the export parity price than any time in the last decade (Figure 2). The price gap is expected to not exceed 15 percent.

Figure 2: State procurement price for raw cotton and the estimated export parity price, 2012-2019



Source: World Bank estimates.

Ginning and fibre production:

Increased ginning efficiency: Clusters almost halved the cost of raw cotton cleaning. The cost of producing a ton of cotton fibre decreased from 1,689,000 UZS to 928,000 UZS, even though the cost of electricity, taxes, and wages all increased. The cost of maintaining a cotton gin prior to the season averaged 5 billion UZS, while the clusters reported to have spent only 1.5 billion UZS per gin. The seed yield increased by 6 percentage points and fibre yield by 2 percentage points.

Processing of cotton fibre:

Increasing the share of cotton processing: For example, one cluster increased export from \$5 million (cotton fibre) to \$20 million (yarn and finished products). After the organization of the cluster, it began construction of two new textile factories (this was previously impossible due to the lack of access to cotton fibre).

According to Uztextileprom, total textile export in 2021 is expected at \$2.8 billion, rising to \$7.0 billion by 2025. This would be a significant increase from \$1.1 billion in 2017³.

Reduced transaction costs and increased predictability: According to the clusters, almost the entire crop of high-quality fibre was previously exported, and textile enterprises had to

3 The State Statistics Committee of Uzbekistan.

purchase medium and low-quality fibre from Karakalpakstan or Fergana, the regions with surplus production. They also faced manipulation in buying fibre. After establishing direct contracts with farmers and gaining control over ginneries, these problems disappeared.

Other positive outcomes:

Result Orientation: Clusters are not interested in a larger cotton volume, but primarily in improving the quality of cotton. It is impossible to produce high-quality end products from low grades raw cotton. Therefore clusters, unlike government agencies, do not want to spend money and time for collection of low-grade cotton. This will likely also have a positive impact to lower risks of forced labour during the harvest.

Employment: Due to the timeliness and completeness of wage calculations, the formalization of employment has improved and the demand for skilled labour has increased. Some clusters increase employment due to the need to perform more agricultural work.

Institutional change: All clusters support the expansion of market mechanisms. In addition, they often defend the interests of farmers in front of government agencies and state enterprises, demanding the provision of quality services, making payments on time, etc. Clusters sell their products exclusively through formal market channels and thus participate in the creation of formal and open markets.

Some reduction in subsidies: Clusters attract additional commercial loans for cotton production and picking. Many of them claim that in the medium run the need for advance loans at concessional rates will decrease.

Attracting foreign investments: Almost half of the clusters surveyed attracted foreign direct investment to finance capital investments rather than using loans from domestic banks. Attracting foreign partners is carried out in different forms: partnership, sales share, etc.

B. Negative Results and Risks

Continuation of state order plans: Clusters receive the production plans (quotas) from the state, as under the old system. The state order is linked to the advance for working capital at the concessional rate they receive from the State Agricultural Fund under the Ministry of Finance. The commercial banks currently do not have sufficient liquidity (estimated at less than 6 trillion UZS) to supply the credit needed to pre-finance production of cotton and wheat (estimated at 20 trillion UZS). Therefore, funds are allocated from the national budget. The biggest problem is that production plans for the clusters are shifted down to farmers who, if they do not fulfill their plan, will experience problems. First, these plans are often overestimated due to outdated data of soil quality, unjustified expectations of khokimiyats, and a lack of an effective system for raising farmers' skills on proper management of agricultural production necessary to generate high yields. Overestimation of the plan leads to "overprovision" of the advance loan to farmers, which, in turn, leads to their bankruptcy. Second, the use of the production plan signals the priority of quantity over quality of cotton. And third, the khokimiyats are putting pressure on clusters to meet the plans, which leads to additional costs for hiring labour for picking cotton and to forced labour.

Continued risks of forced labour: The situation in the clusters is not significantly different from the situation outside the clusters, despite some improvements mentioned in the previous section. Clusters become subject to the state order system when they receive the

advance for working capital at the concessional rate. In return for receiving a subsidy from the state, they commit to producing a certain amount of raw cotton (production target). As a result, they also become part of the labour allocation for cotton picking and they cannot recruit labour on their own. It seems that unless the state production targets are removed, the problem with the use of forced labour will be hard to completely solve.

Continuation of the practice of using state purchase prices for cotton: Purchase prices for cotton set by the state also applies within the clusters. Most clusters set a 10–20 percent price premium for farmers who exceed the plan. But there are no more than 15 percent of such farmers, because the production plans are often exaggerated from the very beginning. The state price is not tied to world market cotton price. In 2018, the state procurement price was 30 percent lower than the calculated export parity price²⁶. The fact that clusters are willing to pay 20 percent more to farmers whose production is higher than planned, even without improving product quality, suggests that the state price is too low. The income from undervalued prices is now received by textile enterprises, not by the budget, as was the case with the old system of public procurement.

Regional monopolization: There is a risk that the creation of clusters will lead to the creation of private regional monopsonies, which will replace the state monopoly. Clusters should be owned by responsible agricultural investors and follow internationally-accepted rules of treating farmers fairly²⁷.

The threat of land transition to a narrow circle of people: When creating direct farming clusters, the state terminates long-term land lease agreements with farmers and transfers their lands to clusters. For this process the mechanism of compensation to farmers is unclear. The clusters said the farmers were ‘happy’ to get rid of land that led to their bankruptcy and be hired by the clusters, while the Government wrote off their debts. There is no guarantee, however, that their debt is fully written off and that former farmers will remain employed by the clusters in the future.

In 2018, the harvest in many places was low due to the bad weather conditions and pest infestation. As a result, up to 15 percent of farmers could not harvest and pay for the advance loan. For such farmers, some clusters launched procedures for collecting debts and filed documents with khokimiyats. It is expected that some khokimiyats will terminate long-term lease agreements with some of these farmers. After this, two scenarios are possible:

- Many clusters seem to wish to conduct farming activities directly, without the participation of farmers. Thus, they want the state to transfer the land freed from farmers to the clusters.
- A minority of clusters seem to prefer a transfer of vacated land to other farmers. They prefer that an open competition is held, and the competition committee includes a representative of the cluster.

Many cluster representatives said that most farmers who experienced a bad harvest in 2018 in reality didn’t cause this situation and taking their land away would be unfair.

In addition to the above-mentioned social issues, the concentration of land in a small number of clusters also causes economic concerns. International experience shows that land owners or land users protected by secure tenant agreements manage farmland much better than hired (wage) workers. The advantages of economies of scale of large farms are often lower

than the costs of monitoring and stimulating wage workers, which was clearly seen in the example of Soviet collective farms.

The threat of loss of concentration: In addition to the traditional textile and clothing industry, most clusters plan to open greenhouses, cotton oil and fat production, livestock farms, meat and milk processing, and flour milling. As a result, they will have a lot of businesses and there is a threat that they will not be able to optimally manage all of them.

Concerns of textile enterprises that do not organize clusters: Control over cotton fibre restricts access to it for other textile enterprises, which are not included in the cluster. This is especially true for small businesses. In addition, after the launch of livestock farms by clusters, all the cotton meal and husk will be used by the cluster, leaving nothing for *dehkan* farms engaged in livestock production. In this case, it is a question of monopolizing not only the cotton fibre market, but also many other cotton products (cotton oil, seeds, soap, lint for the paper industry, oil meal and husk as animal feed).

The threat of losing dynamism in the long run: The current success of clusters is largely due to “low-hanging fruits.” But after exhaustion of growth reserves using simple solutions, clusters could lose their dynamism and stop increasing efficiency of cotton growing. The clusters themselves recognize big problems with marketing of end-use products in the textile and clothing industry and started to take joint actions to solve them.

Limited introduction of water saving technologies: Clusters intend to introduce drip irrigation only in those areas where it is economically viable (mostly where water is in short supply). This is only 15-20 percent of all areas. More water savings could have been achieved from land leveling and other water-saving measures on a large scale.

C. Regulatory uncertainties:

During the meetings, the clusters raised the other following issues with the state regulations.

The legal status of the clusters is unclear. Rights and obligations of textile clusters are only governed in general terms. The cluster interaction with Government, farmers and other interested parties, and the duration of cluster is not fully determined. For example, one of the clusters, after plowing on 620 ha, was informed that cotton would not be grown on that land. The cluster lost funds spent on plowing and it is unclear how it will be compensated.

The issues of land and property are not fully resolved: Under the law, agricultural land is in the state ownership. Although the land is transferred to farmers for long-term lease through open tenders, the lease conditions are aimed at maintaining the state order system for cotton and grain. The insecurity of farmers’ land rights, along with the unclear status of clusters themselves, lead to the situation when some clusters are reluctant to use profits from textile production for agriculture, since it represents a large (regulatory) risk. Instead, clusters prioritize investing in the expansion of textile production and in oil/fat and flour mills, where their property rights are guaranteed.

Frequent changes in legislation: Some legislative initiatives aimed at reducing the regulatory burden and development of competition in the markets were canceled or changed after several months of planning.

Local authorities intervene in the activities of clusters: Khokimiyats continue placing orders (quotas) for cotton and grain produced by the clusters. To meet the production targets, the

district Hokim may mobilize cotton pickers. However, it is not profitable to harvest 3-5 grade cotton at the later stages of the harvest. For example: (i) the cost of picking this low-quality cotton is about 1,200 UZS, while the price of 5-grade cotton is only 880 UZS— as a result, farmers incur losses; (ii) processing of 3-5 grade cotton requires 3 times more energy and wears out equipment significantly more than 1-2 grades; (iii) it is difficult to sell textile products from this low-quality cotton; (iv) the third picking is often associated with high risks of forced labour; and (v) farmers should start plowing for wheat production in November, but due to the continued collection of cotton under the pressure of khokimiyats, many farmers cannot begin this task. This adversely affects their wheat crop.

Soil fertility rate in official documents is inflated by 20 percent on average. This leads to an overstatement of the production plan for cotton and wheat, often causing bankruptcy of farmers.

The negative impact of the state regulation for wheat on farmers' profits: Farmers producing cotton also produce wheat as a part of the state order system. Direct farming clusters seem to be exempted from meeting wheat's state order targets even though they can still produce wheat for economic, crop rotation or any other reasons. These clusters will be able to sell their wheat at market prices to any buyer. Yet, farmers in the contract farming clusters are still subjects to the wheat state order.

Poor seed quality: In the past 20 years, little attention has been paid to the selection and preservation of seed varieties, and the requirements for placing varieties have not been complied with. As a result, seed varieties have lost some of their positive characteristics.

Access to high-quality mineral fertilizers: Domestic manufacturers do not produce a large range of mineral fertilizers and their quality is sometimes low. Therefore, there is a need to import fertilizers, especially phosphate fertilizers, but there are some restrictions on their import: mineral fertilizers are purchased with a credit advance from the State Agricultural Fund and there is an unspoken restriction - government funds can be used for import purchases only after numerous examinations and permits. Only a limited number of clusters got exceptions from these rules and were able to import some phosphate fertilizers.

Low quality of services and lobbying of some state monopolies: At least 12 different state organizations and state-owned enterprises provide services to clusters and farmers at inflated tariffs, of poor quality, or sometimes even do not provide services at all, but regularly receive payment.

Difficulty for attracting domestic bank financing for capital investments: Due to the difficulties of working with domestic banks, some clusters, when purchasing equipment, borrow from the equipment manufacturers or an export financing bank.

VII. Recommendations

Several opportunities exist to maximize positive outcome from the cluster approach. Key recommendations can be grouped as follows: (i) removing economic distortions in the cotton and wheat sectors; (ii) strengthening protection and security of farmers; and (iii) making farm support system more market-oriented.

(i) Removing economic distortions (state procurement price and production plan):

- **Eliminating the production plans on clusters:** Clusters should not have the state production targets. They work against the objectives of refocusing from quantity to quality and allow khokimiyats to intervene in the day-to-day operation of clusters. The state support to clusters should be decoupled from production plans. Advances for working capital at the concessional interest rate provided through the State Agricultural Fund can be linked to cotton growing area and calculated as an average cost of raw cotton production per hectare multiplied by the number of hectares operated by farmers in the cluster. Calculation of average production cost should be simplified, covering a wide range of soils in one group and considering the real state of soil fertility. In the medium run, the state-led provision of credit should be replaced by commercial loans with interest rate subsidized by the Government (see recommendation part iii).
- Elimination of production targets will help fully eliminate the use of forced labour. Mechanization of cotton weeding and picking by clusters would take time, so the demand for seasonal labour in cotton production and harvesting in the near future will remain high. The above-mentioned elimination of the production plans would be a strong measure to stop using forced labour in cotton production. Clusters should be able to recruit seasonal workers with the support of employment agencies, as any involvement of khokimiyats, Farmers Council, mahala, Youth Union, organizations, and companies in the recruitment process increases the risks of forced labour. Moreover, textile clusters need to build their understanding of and capacities for corporate social responsibility, requiring them to produce social plans to maximize benefits to workers, farmers, women and youth, and rural communities.
- **Aligning the cotton procurement price with the world market level:** The state procurement price of cotton should be treated as a guaranteed minimum price, not a maximum price. In the short run, the Government should continue increasing the state procurement price until it is fully aligned with the export parity price (the state procurement price in 2019 at 4,000,000 UZS/ton of raw cotton is projected to be 15 percent below the export parity price). Going forward, in 2020 the state procurement price should match the world cotton prices and be able to move together with them. When the state procurement price is eliminated, the role of the Government would be to monitor actual farm-gate prices paid by clusters to ensure their alignment with cotton's world market prices. For this, accurate and transparent calculations of the export parity price (calculated as Liverpool Cotton A price *less* average transport, processing, and other transaction costs) are to be carried out and be made available to the public on the Government website.
- **Avoiding export taxes that reduce farm-gate prices:** The government is considering introducing an export tax on cotton fibre to encourage the switch from export to processing of fibre domestically and export of textile products. However, this would reduce farm-gate price for raw cotton when the state procurement price gets linked to cotton's world market price. This would increase the financial pressure on farmers.
- **Reforming the grain sector:** Cotton clusters are also large-scale wheat producers as wheat is in crop rotation with cotton under the state order system. Wheat production needs to be liberalized as fast as possible by eliminating the production plan, state

order, and state procurement price. A subsidized credit advance to wheat growers should be disconnected from the production targets and provided based on the average production costs and wheat growing area. This would allow farmers to reduce their production costs and avoid interference of khokimiyats into decisions over agricultural production.

(ii) Strengthening Protection and Security of Farmers:

- **Encouraging the contract farming cluster's model:** Direct farming should be encouraged in places where land is of poor quality and land improvements/irrigation investments are very large. In most other instances, however, farmland should remain in the lease of farmers, they should remain the main producers of raw cotton from both economic and social points of view, and contract farming clusters should remain the preferred cluster type.
- **Taking targeted measures to protect farmers:** In addition to fiscal incentives, additional measures are needed to protect farmers through the contract arrangements. The FAO, together with other international organizations, have developed guidance notes on contracts under contract farming²⁸, which can be adapted to the situation in Uzbekistan.
 - Contracts between farmers and cluster owners should be detailed and clear to farmers, specifying the rights and obligations of both parties. Farmers need to be clearly explained the procedure for payments, the timing of work and, in the case of default, a complaints mechanism.
 - Production plans included in the contract should be realistic. The amount of advance to farmers should be negotiated, depending on the actual assessment of production capacity, so that the farmer does not fall into the debt trap.
 - Cluster forms that can be owned by farmers should be encouraged.

(iii) Making Farm Support More Market Oriented:

- **Changing the arrangements for provision of the advance working capital at concessional interest rate:** Currently the advance working capital at the concessional rate is provided from the national budget through the State Agricultural Fund. It is argued that commercial banks do not have sufficient liquidity to replace the state credit provision. In the medium run, however, efforts should be made to shift to commercial provision of loans while allocating budget funds only to subsidize the interest rate. Loans could be secured by future cotton harvest. This shift would free a lot of budget resources, lead to an increased private sector participation in agriculture, and build a long-term relationship between farmers and commercial banks. Loan amounts will be adjusted to the needs of each farmer and with their credit history built, farmers will be able to borrow for other purposes, not only for producing cotton.
- **Removing the monopoly position of the state-owned service providers:** The state-owned enterprises, which deliver services and provide inputs, should compete on equal footings with the private sector and be eventually privatized. Farmers and clusters should have less restrictions to buy imported inputs using advance credits from the State Agricultural Fund if they are better than local ones.

- **Improving the quantity and quality of public services:** Although clusters can solve many problems on their own, the Government's assistance and programmes are still needed in many areas:
 - The Ministry of Agriculture in collaboration with other ministries, as well as research institutions and cotton clusters, should prepare a code for Good Agricultural Practices (GAP) on cotton production and guidelines for their use in a form that is understandable to farmers. This would include the updates of agro-technological maps and recommendations on fertilizer applications. Clusters could serve as the basis for implementation of this code in practice and for the creation of public-private partnerships for disseminating knowledge among farmers.
 - It is necessary to develop the same practical GAP materials for wheat production so that clusters can help farmers in technical issues of wheat production, too, since they are interested in soil fertility, which is part of the crop rotation with cotton.
 - Agricultural insurance should be made functional. If not possible, insurance payments made by farmers need to be phased out, as they add costs without bringing gains.
 - The efficiency of water use by clusters depends on the quality of operation of water utilities. The Government should improve the service of water supply to farm fields and cooperate closely with clusters on their irrigation and drainage works.
 - For a wider introduction of water-saving technologies, it would be necessary to start charging for irrigation water. Water tariff should be high enough to stimulate water conservation even where there is enough water. The government will need to invest in the installation of water supply meters to monitor and charge water for farmers and clusters.
 - Consideration should be given to the provision of field-leveling subsidies using laser and other technologies. This will help reduce the use of water in cotton growing in much larger volumes than the introduction of water-saving technologies, which makes sense to introduce only in areas with water shortages.

Labour Mobility study

This study explored the possibilities of internal labour mobility and the conditions under which potential cotton pickers would be willing to accept job offers in other districts and provinces of the country.

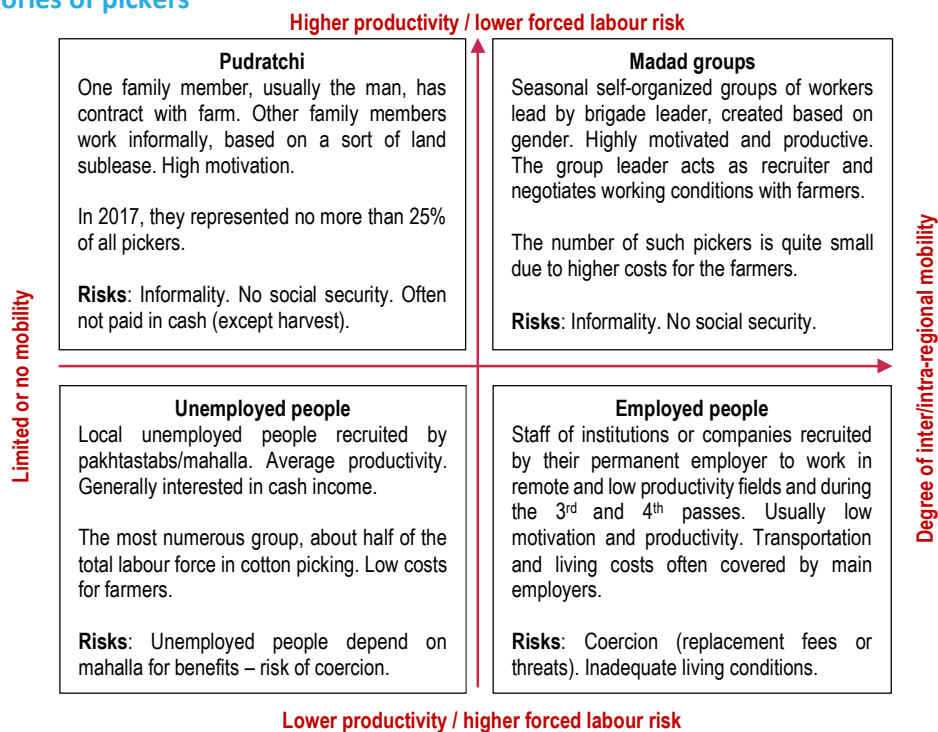
Methodology

The study was conducted in 5 regions of Uzbekistan: Karakalpakstan, Bukhara, Namangan, Syrdarya and Jizzakh provinces. The main criteria for the selection of the provinces was the availability/scarcity of forced labour.

The study included quantitative and qualitative components. The quantitative survey covered 602 respondents (temporary workers, daily labourers and unemployed population), while the qualitative part included 3 Focus Group discussions and 6 Key Informant Interviews with 52 participants (cotton farmers, cotton pickers, representatives of institutions and organizations responsible for organizing the cotton harvest). In addition, the authors conducted a thorough desk analysis of legislation and policy papers related to the cotton sector.

Key findings of the study

Categories of pickers



Labour force demand and supply for cotton picking

There is a strong regional imbalance between distribution of cotton fields and concentration of labour force. The most significant disparities are registered in Syrdarya and Jizak provinces and less in Khorezm, Kashkadarya, Bukhara and the Republic of Karakalpakstan. At the same time, most provinces of the country face labour shortages during the cotton-harvesting season in particular districts.

Five provinces of the country, namely Bukhara, Kashkadarya, Surkhandarya, Syrdarya and Ferghana required one-half of the total labour demand for the cotton harvest.

When estimating the amount of potential voluntary cotton pickers, the study considered the following categories of people:

- temporary workers/daily labourers (including in the agricultural sector);
- unemployed people seeking a job (both registered and not registered);
- farm workers;
- helping family members; and
- labour migrants, primarily those who are hired for seasonal agricultural work.

According to the authors' calculations based on the MELR data, the above categories make up 38.2 percent of the total labour force in the country.

It should be noted that not all people in the category of potential pickers would be willing to participate in the cotton harvest. Their decisions depend on a number of factors, including job opportunities in other sectors, the wage level, working conditions, accommodation, family status, gender considerations, etc.

Pickers' considerations with regard to future mobility for cotton harvest work

The highest mobility potential is in the Fergana, Andijan and Kashkadarya provinces. However, when asked if they would accept to migrate for work in cotton fields outside their home district/province, 13 percent of respondents answered that they would go to another district and 30 percent to another province on a number of conditions. These include payment on a daily basis, free transportation services and one hot meal during the day, supply of medical first aid kit and drinking water during the whole season, availability of toilets near the fields and organization of mobility process by the Government agencies.

The highest number of people willing to migrate come from Bukhara and the lowest from Karakalpakstan and Khorezm. It is to be noted that the above-mentioned respondents did not have previous mobility experience.

Table: List of conditions under which respondents agree to participate in harvesting and cultivation of cotton outside their home district/ province, %

	Harvesting	Weeding
Daily cash payment	78.3	64.8
Free travel to another area / province and back	75.6	63.9
Free hot 1-time meal	69.1	69.4
Availability of first-aid kit	68.6	80.6
Option to get money for food and cook their own food	68	76.4
Organization of trip by Government agencies	66.7	81.3
Drinking water during all work	65	79.7
Toilet near the cotton field	62.5	68.1
Water for drinking and cooking	60.3	73.6
Accommodation in a comfortable room	52.9	61.1
Additional daily fee in addition to established fee	50	42.3
Facilities for bathing and washing	48.8	56.9
Bonuses / awards for good work	36.4	44.3
Inclusion of work period in the workbook	33.1	33.3
Transport to the cotton field and back	32.8	40.7
Free accommodation	28.1	29.2
Free medical care	25.6	27.8
Having breaks on hot days	24.8	55.6
Free hot meals 3 times day	24	38.9
Protective facilities (gloves, boots)	22.3	38.9
Opportunity to have one day off a week	19.8	38.6

In terms of payment, respondents expressed willingness to take part in cotton picking in another area in 2018, for an average fee of 909 soums per 1 kg during the 1st and 2nd passes and 1,148 soums for the 3rd and 4th passes. Still, the vast majority of respondents were not interested in participating in the 3rd and 4th passes.

Among respondents who did not want to work far from their homes, disapproval by relatives was the main reason given (in particular by women) and personal issues (in particular by men).

The share of respondents who wanted to work in cotton weeding away from home was much lower than for cotton picking. They were ready to accept if paid an average of 44.5 thousand soums per day (men - 49.9 thousand soums; women - 43.2 thousand soums).

Most respondents believed that the Mahalla committees (47.2 percent) or khokimiyats (25.2 percent) should organize the mobility of cotton workers to other areas. Another 16 percent preferred private individuals (brigade leaders of mardikors) and only 6 percent of respondents thought that farmers should recruit workers.

Pickers' previous migration experience

27.9 percent of respondents picked cotton in 2017 in other regions of Uzbekistan. Of them 27.2 percent worked for about 20 days in Jizzakh and 26.5 percent in the Tashkent province. Almost half of respondents (45.9 percent) learned about the possibility of working in another region from employed staff, who asked them to replace them. Another important source of

information in 2017 were the relatives, neighbours, acquaintances (37.1 percent), brigade leaders of mardikors (17.6 percent) and local governments (12.6 percent). This distribution changed in 2018 with an evolved Government policy on payments for cotton picking especially in problematic areas.

When asked about the conditions under which they would be willing to participate in cotton picking in 2018 in other regions, the respondents mentioned the supply of drinking water, the arrangements for overnight stay, toilets close to cotton fields, washing facilities, etc.

Farmers' considerations with regard to mobility

Fields in the so-called "steppe zones" located far from populated areas are subject to shortage of pickers the most. These fields have usually low productivity due to poor soil, lack of irrigation water, difficulties in pest control, low use of manual labour during the vegetative season. The poor yield leads in turn to difficulties in hiring workers during the cotton picking season, since people are not willing to go to fields with little and poor cotton. In this situation, these farmers risk not being able to harvest on time the cotton during the 1st and 2nd passes, where the quality of the cotton and the incomes for farmers are higher. The 3rd and 4th passes are even more difficult. The combination of these factors leads to systematic unprofitability of many farms in such areas and increased risks of involuntary labour.

Virtually all farmers in areas with shortage of labour are forced to bear additional costs for attracting and encouraging pickers, such as additional bonuses for efficient pickers, payment for services of Madad group leaders, other intermediaries, arrangements for accommodation, food, transportation and additional payments. Nevertheless, they think that the best solution in their case is the organized labour mobility from other provinces and districts.

In order to be successful, the farmers would need to have access to information about where to hire seasonal workers and support from the authorities for covering accommodation, food and transportation costs for pickers.

Annexes

Annex 1 – Acronyms and abbreviations

CATI	Computer-Assisted Telephone Interviewing
GoU	Government of Uzbekistan
MELR	Ministry of Employment and Labour Relations
ICT	Item Count Technique (ICT)
ILO	International Labour Organization / Office
IRB	Institutional Review Board
RDD	Random Digit Dial
TPM	Third Party Monitoring
WB	World Bank

Annex 2 – Glossary

Khokimiyat	Territorial public and administrative authority (Uzbek)
Hokim	Head of khokimiyat (Uzbek)
Mahalla	Informal self-governance body, neighborhood community (Uzbek)
Pahta shtab	District cotton-picking committee; working groups of local officials who ensure coordination and the proper organization of the cotton harvest.
UZS	Currency of Uzbekistan

Annex 3 – IRB Approval for ILO Third Party Monitoring (field visits)



21 September 2018

Jonas Astrup,
Chief Technical Advisor, LL.B.
International Labour Organization
107A, Amir Timur str., 14 floor
Tashkent, Uzbekistan

RE: Expedited research ethics review findings for: *Third party monitoring of child and forced labour during the cotton harvest in Uzbekistan (field visits monitoring)*

Dear Mr. Astrup,

Protocols for the protection of human subjects in the above study were assessed through a full-board research ethics review by HML Institutional Review Board on 10 – 21 September 2018.

This study's human subjects' protection protocols, as stated in the materials submitted, received **IRB approval** for one year in accordance with the requirements of the US Code of Federal Regulations for the Protection of Human Subjects (45 CFR 46 & 45 CFR 46.109(e)). To be in compliance with 45 CFR 46, please notify this IRB of any changes in this study's human protection protocols.

HML IRB is authorized by the U.S. Department of Health and Human Services, Office of Human Research Protections (IRB #00001211, IORG #0000850), and has DHHS Federal-Wide Assurance approval (FWA #00001102).

Sincerely,



D. Michael Anderson, Ph.D., MPH
HML IRB Chair & Human Subjects Protections Director
dma@hmlirb.com

cc: Oxana Lipcanu, Evgeny Kochkin, Penelope A. Lantz

HML IRB
1101 Connecticut Avenue, NW Suite 450
Washington, DC 20036 USA
+1 202.753.5040
info@healthmedialab.com www.HMLIRB.com

Annex 4 – IRB Approval for ILO Third Party Monitoring (nationwide phone survey)



19 October 2018

Jonas Astrup, LL.B
Chief Technical Advisor
107A, Amir Timur str., 14 floor
Tashkent, Uzbekistan

RE: Expedited research ethics review findings for: *Third party monitoring of child and forced labour during the cotton harvest in Uzbekistan (Nationwide representative phone survey)*

Dear Mr. Astrup,

Protocols for the protection of human subjects in the above study were assessed through a full-board research ethics review by HML Institutional Review Board on 9 – 19 October 2018.

This study's human subjects' protection protocols, as stated in the materials submitted, received **IRB approval** for one year in accordance with the requirements of the US Code of Federal Regulations for the Protection of Human Subjects (45 CFR 46 & 45 CFR 46.109(e)). To be in compliance with 45 CFR 46, please notify this IRB of any changes in this study's human protection protocols.

HML IRB is authorized by the U.S. Department of Health and Human Services, Office of Human Research Protections (IRB #00001211, IORG #0000850), and has DHHS Federal-Wide Assurance approval (FWA #00001102).

Sincerely,



D. Michael Anderson, Ph.D., MPH
HML IRB Chair & Human Subjects Protections Director
dma@hmlirb.com

cc: Oxana Lipcanu, Evgeny Kochkin, Penelope A. Lantz

HML IRB
1101 Connecticut Avenue, NW Suite 450
Washington, DC 20036 USA
+1 202.753.5040
info@healthmedialab.com www.HMLIRB.com

Annex 5 – IRB Approval for ILO Third Party Monitoring (educational institutions)



17 October 2018

Jonas Astrup,
Chief Technical Advisor, LL.B.
International Labour Organization
107A, Amir Timur str., 14 floor
Tashkent, Uzbekistan

RE: Expedited research ethics review findings for: *Educational institutions survey. Assessment of measures to prevent child and forced labour among students and staff of educational institutions*

Dear Mr. Astrup,

Protocols for the protection of human subjects in the above study were assessed through a full-board research ethics review by HML Institutional Review Board on 9 – 17 October 2018.

This study's human subjects' protection protocols, as stated in the materials submitted, received **IRB approval** for one year in accordance with the requirements of the US Code of Federal Regulations for the Protection of Human Subjects (45 CFR 46 & 45 CFR 46.109(e)). To be in compliance with 45 CFR 46, please notify this IRB of any changes in this study's human protection protocols.

HML IRB is authorized by the U.S. Department of Health and Human Services, Office of Human Research Protections (IRB #00001211, IORG #0000850), and has DHHS Federal-Wide Assurance approval (FWA #00001102).

Sincerely,



D. Michael Anderson, Ph.D., MPH
HML IRB Chair & Human Subjects Protections Director
dma@hmlirb.com

cc: Oxana Lipcanu, Evgeny Kochkin, Penelope A. Lantz

HML IRB
1101 Connecticut Avenue, NW Suite 450
Washington, DC 20036 USA
+1 202.753.5040
info@healthmedialab.com www.HMLIRB.com

Annex 6 – IRB Approval for ILO Third Party Monitoring (medical institutions)



12 November 2018

Jonas Astrup
International Labour Organization
107A, Amir Timur str., 14 floor
Tashkent, Uzbekistan

RE: Expedited research ethics review findings for: *Risks of Forced Labour among the Staff of Medical Institutions Assessment*

Dear Mr. Astrup,

Protocols for the protection of human subjects in the above study were assessed through a full-board research ethics review by HML Institutional Review Board on 26 October – 12 November 2018.

This study's human subjects' protection protocols, as stated in the materials submitted, received **IRB approval** for one year in accordance with the requirements of the US Code of Federal Regulations for the Protection of Human Subjects (45 CFR 46 & 45 CFR 46.109(e)). To be in compliance with 45 CFR 46, please notify this IRB of any changes in this study's human protection protocols.

HML IRB is authorized by the U.S. Department of Health and Human Services, Office of Human Research Protections (IRB #00001211, IORG #0000850), and has DHHS Federal-Wide Assurance approval (FWA #00001102).

Sincerely,



D. Michael Anderson, Ph.D., MPH
HML IRB Chair & Human Subjects Protections Director
dma@hmlirb.com

cc: Oxana Lipcanu, Evgeny Kochkin, Penelope A. Lantz

HML IRB
1101 Connecticut Avenue, NW Suite 450
Washington, DC 20036 USA
+1 202.753.5040
info@healthmedialab.com www.HMLIRB.com

Annex 7 – Quantitative sampling for weeding study

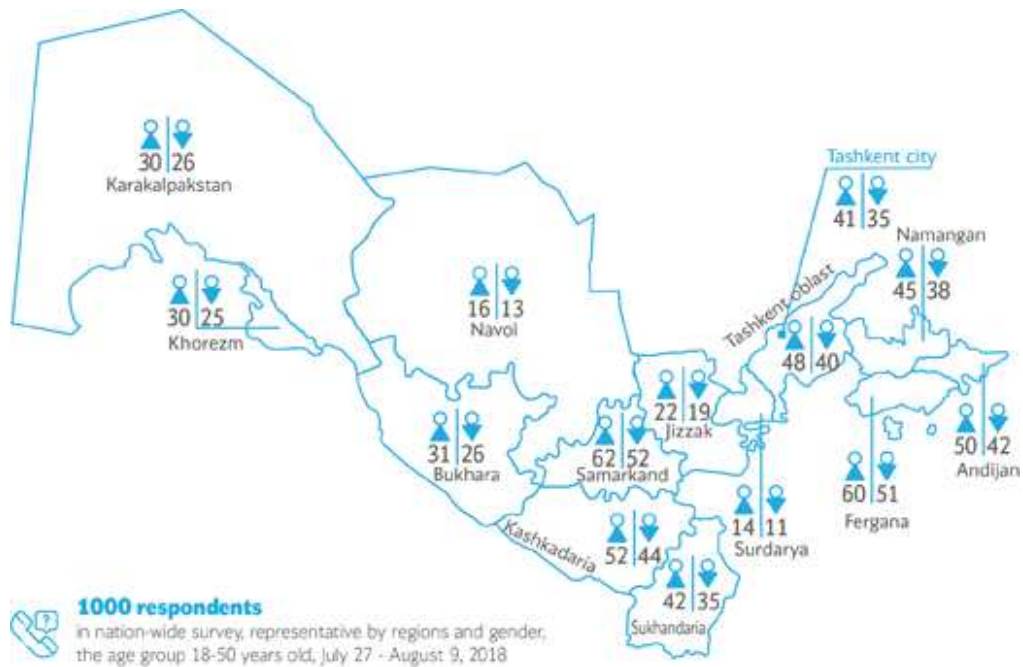
The target population for the survey is working age citizens of Uzbekistan (18–50 years old). The data collection method is a CATI survey. The sampling method is a random systematic stratified sample (RDD) of mobile phone users in the country. The sampling frame is mobile phone numbers in Uzbekistan (N = 34 601 000 cell phone numbers). The sampling design is based on a random systematic sampling of mobile telephone numbers, which enables an equal probability of selecting each mobile phone number. This method of selection can be called Random Digit Dial (RDD). The 95 percent confidence interval for the sample of 1000 respondents will be 3.2 p.p. These values are obtained using the following formula for simple random sample:

$$\Delta = t_d \sqrt{1-f} \sqrt{\frac{p(1-p)}{n-1}}$$

where p – percentage of attribute in sample (we used 50 percent for maximum variance), n – sample size, Δ – confidence interval, t_d – constant depending on the level of confidence (1,96 for 95 percent), f – percentage of sample in population (n/N). The regions of Uzbekistan vary quite significantly in terms of several socio-economic indicators, which suggests there may be a different level of mobile phone usage among the populations in different regions. Therefore, regions should be treated as strata in the construction of the sample, otherwise there may be a risk the sample could shift (be biased) toward regions with a higher coverage/usage of mobile phones. The number of respondents in each region should be proportional to the percentage of the working age population of the region among all working age citizens of Uzbekistan.

A strong gender imbalance was observed in the sampling conducted for the CATI survey in 2017. In order to fix this bias, it was suggested to add gender distribution as a target strata in the sampling. The CATI survey was conducted according to the following strata by region and gender:

Map 2. Distribution of respondents by region and gender



Statistical weightings by age, gender, and probability to be selected for the survey (practice of mobile phone usage) were developed and applied at the data analysis stage to ensure the sample better represents the working age population.

Annex 8 – Qualitative sampling for weeding study

The qualitative part of the study is based on FGDs and interviews with people engaged in cotton weeding, farmers, and representatives of local government/experts.

Four sampling regions have been pre-selected based on criteria that include geographic diversity, population density, proportion of rural population, availability of working age population, proportion of land under cotton and gross cotton harvest in the region. The selection process was based on official statistics (see next table) and enables a comparison of findings across a range of conditions that are typical for Uzbekistan.

Regions	Gross cotton harvest - 2015, thousand ton ⁴	Proportion of land under cotton - 2015, % ⁵	Working age population - 2016, million people ⁶	% of rural population, 2017 ⁷
Country's capital				
Tashkent oblast	237,2	28	1,6	51
Tashkent city	-	-	1,5	-
West				
Karakalpakstan	195,5	38	1, 04	51
Khorezm	286,7	43	0,98	68
Navoi	107,3	36	0,54	51
South West				
Khaskhadaryo	421,3	41	1,75	57
Bukhara	359,5	46	1,06	62
Surkhandarya	305,1	45	1,4	64
Center				
Samarkand	228,7	31	2,5	62
Jizzakh	213,7	37	0,74	53
Syrdaryo	226,7	46	0,47	57
East				
Fergana	286,7	35	2,01	43
Andijan	284,5	41	1,7	48
Namangan	230,4	37	1,53	35

⁴ Goscomstat data provided to IFC/WB.

⁵ IBID.

⁶ Data of the Ministry of Labour.

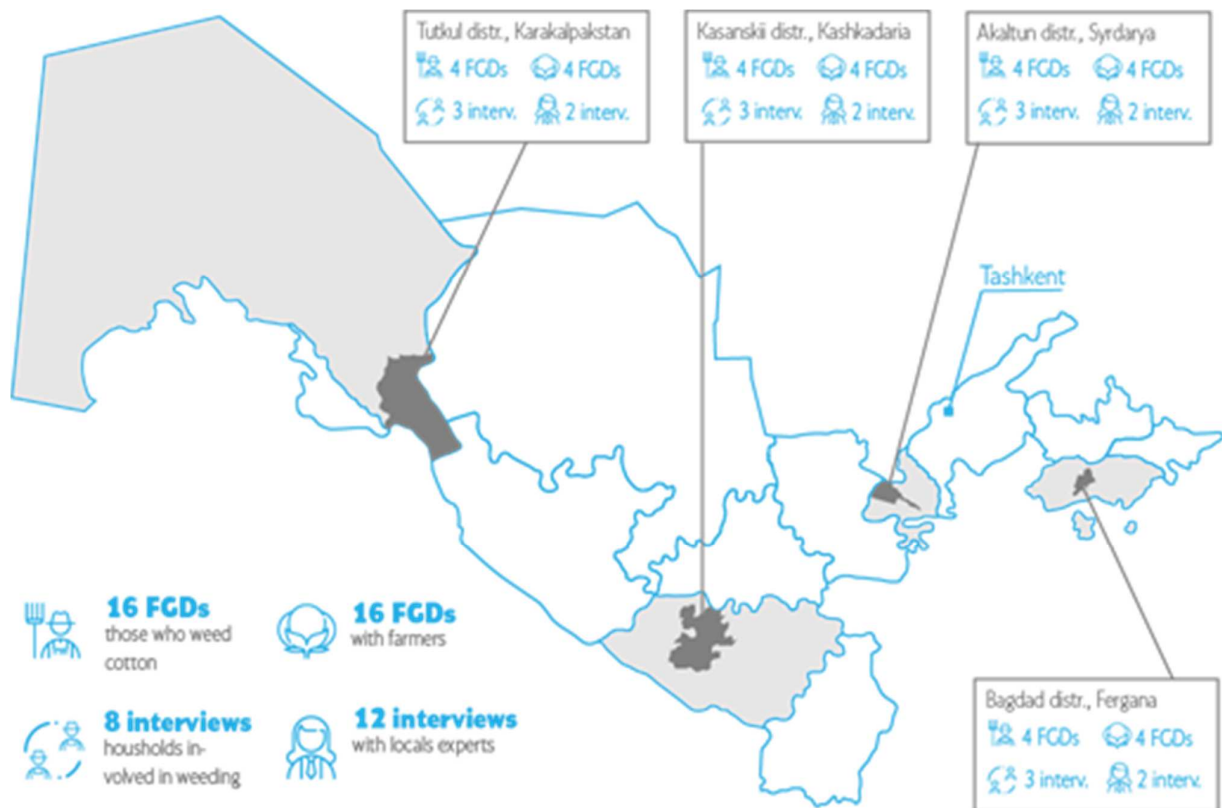
⁷ The State Committee of the Republic of Uzbekistan on Statistics (URL: <https://stat.uz/en/>).

The following regions were selected:

- **Karakalpakstan:** west of Uzbekistan, relatively low level of cotton production and proportion of land under cotton, mid-level proportion of rural population and mid-level availability of working age population.
- **Khaskhadaryo:** southwest of Uzbekistan, high level of cotton production, high proportion of rural population and availability of working age population.
- **Syrdaryo:** mid-level of cotton production, high proportion of land under cotton, high proportion of rural population but low availability of working age population.
- **Fergana:** east of Uzbekistan, low proportion of land under cotton, high cotton production rate, low proportion of rural population but high availability of working age population.

The research firm collected data in one district in each of these four regions. The firm selected a district that is the most illustrative for the region and meets the greatest number of region selection criteria.

Map 3. Distribution of qualitative data by type and region



The FGDs with farmers were conducted to ensure a broad range of cotton production conditions. Separate FGDs were conducted with the following sub-groups of farmers:

- Group 1-2. Farmers with small (less than 30 Ha) and large farms (more than 30 Ha).
- Group 3-4. Farmers whose fields are close to population centres (less than 5 km) or whose farms are remote (more than 5 km from population centres). At least 1 FGD with a specific group of farmers was conducted in each region.

Three FGDs of people involved in cotton weeding were conducted in each region (three FGDs with female workers and one FGD with male workers). All FGD participants were 18-60 years old. One FGD was conducted with 18-35 year-old women, one FGD with 35-60 year-old women and one FGD with low-income women per region.

3 KIIs per region were conducted with the following groups of respondents: local representatives of hokimiyats, Farmers' Council, Mahalla Fund and Women Committee. In addition, 2 interviews were conducted with households involved in weeding (e.g. state employees, farm workers, recipients of the state social support, etc.). The total number of interviews is 20.

Annex 9 – Minutes of 8 September 2018 meeting of the Cabinet of Ministers

(English translation)

“Approved”

**by the Prime Minister of the
Republic of Uzbekistan**

A. Aripov

___ September 2018

01-03/1-3276

10.09.2018

MINUTES

of the meeting held in the Cabinet of Ministers

8 September, 2018

City of Tashkent

Chairperson: A.N. Aripov, Prime Minister of the Republic of Uzbekistan

Participants: Deputy Prime Ministers, Chairman of the Jokorgu Kenges of the Republic of Karakalpakstan, khokims of regions and districts, heads of concerned line ministries and institutions, responsible focal points in the Cabinet of Ministers (list enclosed).

AGENDA:

On holding cotton picking activities in an organized, timely and qualitative manner with minimum losses during 2018 cotton harvesting season

(Aripov, Mirzaev, Otajonov, Abduhakimov, Yusupov, Haydarov, Kudbiev, Mamatkulov, Fayziev, Vahabov, Dehkanov, Aripov)

With a view to conduct the cotton harvesting campaign in an organized manner with minimum losses during the 2018 harvesting season and in order to ensure full implementation of activities specified in the resolution of the Cabinet of Ministers of 30 August, 2018 #703, the meeting

DECIDES TO:

1. Approve:

- List of members of The Republican Cotton Billing Information Centre responsible for organization of cotton harvesting activities in 2018 as per **Annex 1**;
- List of members of small groups of Cotton Billing Information Centre as per **Annex 2**;
- List of focal points assigned to regions to organize and provide practical support in the field as per **Annex 3**;
- Temporary Regulations of Holding Organized Cotton Picking Activities during 2018 cotton Harvesting Season as per **Annex 4**;
- Temporary Regulations of Making Payments for Cotton Pickers Participating in 2018 Cotton Harvesting Season as per **Annex 5**;
- Regulations of Accounting of Cotton Harvested in 2018 by Agricultural Enterprises Growing Cotton as per **Annex 6**;
- Sample Request Contract on recruitment of unorganized population from donor regions to Jizak, Sirdarya, Tashkent regions; Kasan, Mubarak, Nishan, Kasbi districts of Kashkadarya region; and Kizirik and Muzrabat districts of Surkhandarya region as per **Annex 7**;
- Sample request of the Council of Farmers, Dehkan Farms and Owners of Household Plots to labour authorities to pay remuneration to brigade leaders as per **Annex 8**.

2. Assign Republican Cotton Billing Information Centre with following tasks:

- coordinate and analyze activities on organization of cohesive cotton harvesting, ensure efficient resolution of existing issues;
- ensure effective use of transportation facilities and sufficient supply of fuel, take control over financing cotton harvesting works and payments to cotton pickers;

- organize supply of meals for workers involved in harvesting, mobile fairs, cultural programmes and medical services.
3. Assign the Ministry of Employment and Labour Relations of the Republic of Uzbekistan (Kudbiev) in partnership with the Multimedia Centre under the General Prosecutor's Office **within 3 days** to produce a special video on voluntary involvement of people in cotton harvesting works and created conditions for them.

Assign National Teleradiocompany of Uzbekistan (Khodjaev) to ensure broadcasting of special video on cotton harvesting works on national and regional TV channels every day, especially in prime-time and during peak times.

Assign Ministry for Development of Information Technologies and Communications (Sadikov) in partnership with the Ministry of Employment and Labour Relations (Kudbiev) and National Information Agency of Uzbekistan (Kuchimov) with task to demonstrate promotional materials related to the harvesting free of charge within the framework of established terms.

4. Assign the Council of Farmers, Dehkan Farms and Owners of Household Plots of Uzbekistan (Haitov) in partnership with the Chairman of the Council of Ministers of the Republic of Karakalpakstan, khokims of regions and districts, in order to involve the public in cotton harvesting works on a voluntary basis based on the public offer, ensure placement of banners in crowded places in each district (town) **by 12 September 2018**.
5. Assign the Council of Ministers of the Republic of Karakalpakstan and khokimiyats of regions together with all heads of sectors with tasks to:
 - establish, **within a week**, cotton picking brigades according to the Temporary Regulations of Holding Organized Cotton Picking Activities during the 2018 Cotton Harvesting Season specified in Annex 4;
 - affix picking brigades to specific farmers, develop cotton harvesting schedules based on the number of available cotton pickers, approve accommodation relocation for voluntary cotton pickers (*hasharchi*) based on their number, conduct full renovation of premises;
 - ensure supply of aprons, scales, tents, canvas, dishes, necessary inventory for pickers and *hasharchi* workers **within a week**;
 - establish Cotton Billing Information Centres in all regions and districts under the personal leadership of khokims **within 2 days**;
 - develop and approve harvesting schedules by all farms by dividing month of September into 5-day periods.
6. Assign the Council of Ministers of the Republic of Karakalpakstan and khokimiyats of regions, Council of Farmers, Dehkan Farms and Owners of Household Plots of Uzbekistan (Haitov) to form list of brigades (with 100 persons per brigade on average)

by 12 September 2018 and submit them to local internal affairs departments for information and oversight.

7. Assign the Council of Ministers of the Republic of Karakalpakstan and khokimiyats of regions, the Ministry of Employment and Labour Relations (Kudbiev) to establish electronic database of all categories of pickers by 15 September 2018.

Establish that:

- lists of brigade workers will be formed by District Councils of Farmers, Dehkan Farms and Owners of Household Plots using template specified in Annex 9, and approved by the district khokims upon agreement with heads of District Sectors;
 - such lists will serve as main supporting document for development of payrolls by commercial bank employees affixed to the brigades and making payments to cotton pickers.
8. Assign the Council of Ministers of the Republic of Karakalpakstan and khokimiyats of regions, Uzagrotekhsanoatholding JSC (Karimov), Inspection for Control over Agri-Industry Complex and Food Security under General Prosecutor's Office (Halilov), Ministry of Interior (Aripov), Automobile Transport Agency of Uzbekistan (Дехқонов), Uzagroservis JSC (Haitov) to:
 - develop list of number of vehicles by brands in each district regardless of their form of ownership and ensure they are repaired in line with technical requirements by 10 September;
 - ensure that all buses, transportation vehicles and cotton harvesting machinery pass technical check in State Road Control by Inspection for Control over Agri-Industry Complex and Food Security **within a week**;
 - ensure allocation of at least 1 transporting tractor and 2 trailers per each brigade and sufficient number of buses for transportation to and from the field depending on demand by the brigade;
 - report on the progress of the above-stated tasks to the Cabinet of Ministers in written form by **12 September**.
 9. Entrust Deputy Prime-Minister Otajonov, Uzagroservis JSC (Haitov) to take necessary measures on preparation of cotton harvesting machines for the season and ensure their regular functioning during the season.
 10. Assign the Council of Ministers of the Republic of Karakalpakstan and khokimiyats of regions, the Ministry of Agriculture (Ergashev), the Fund of State Support of Agriculture under the Ministry of Finance of the Republic of Uzbekistan (Urazkulov) in partnership with commercial banks, **within a week**, to take measures on finding sources for fundraising and make proposals on allocation of sufficient resources for preparation of machinery for the 2018 cotton harvesting season.
 11. Agree with proposal of the Ministry of Employment and Labour Relations of the

Republic of Uzbekistan (Kudbiev), the Council of Farmers, Dehkan Farms and Owners of Household Plots of Uzbekistan (Haitov) to cover following costs using budget of Public Works Fund established under the Ministry:

- payment remuneration to brigade leaders in amount of UZS 1.0 million for 80 tons of harvested cotton per season, and UZS 50.0 thousand for every ton exceeding 80 tons;
- transfer in advance to bank accounts of the district Councils of Farmers, Dehkan Farms and Owners of Household Plots at least 40 percent of remuneration amount to brigade leaders.
- When the brigade picks less than 80 tons per season, their remuneration shall be paid proportionally to volume of harvested cotton.

12. Entrust Agrobank JSC (Mamatkulov) to establish arrangement of opening separate special bank accounts of the district Councils of Farmers, Dehkan Farms and Owners of Household Plots for payment to the brigade leaders during cotton harvesting season, and reduce regular commission rate charged for these operations by 50 percent.

13. Take note of the following for information:

- pursuant to the paragraph 33 of Article 179 of the Tax Code, incomes of individuals involved in agricultural works for harvesting cotton, including brigade leaders, for performing these works are not subject to taxation;
- pursuant to the Article 308 of the Tax Code, unified social payments and insurance contributions are not accrued on incomes of individuals involved in agricultural works for harvesting cotton, including brigade leaders, for performing these works;
- in accordance with Article 7 of the Decree of the President of the Republic of Uzbekistan #PQ-3268 of 12 September 2018, income of physical persons involved in public works, which was received from Public Works Fund, is exempt from income tax;
- income of physical persons involved in public works, which was received in form of remuneration financed from Public Works Fund, is exempt from single social payment;
- in accordance with Article 4 of the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan # 703 of 30 August, 2018, starting from the harvesting season of 2018, insurance charges to non-budget pension fund shall not be applied to income of physical persons involved in agricultural works related to cotton harvesting received for performing such works.

14. Determine that:

- additional payment of 15 percent of regular buying rates for cotton submitted in volume exceeding the total volume agreed in contracts for state needs shall be covered by the Fund of State Support of Agriculture;
- additional payment of 15 percent will not be considered in final reconciliation between cotton ginning factories under the system of Uzpapkhtasanoat joint-

stock company and farms for submitted cotton, and between Uzpapkhtasanoat joint-stock company and the Fund.

15. Request the Ministry of Employment and Labour Relations of the Republic of Uzbekistan (Kudbiev) to:
 - send state labour inspectors for business trips, when needed, from one region to another during the cotton harvesting season;
 - provide methodical assistance on how to conclude labour contracts and agreements with the view to properly formalize labour relations during the harvesting season;
 - ensure oversight of arranging labour relations during the season in line with legal requirements.
16. Establish that involving students under the age of 18, and public servants in cotton harvesting works and any forms of forced labour is strictly prohibited. The Ministry of Employment and Labour Relations of the Republic of Uzbekistan (Kudbiev) shall apply legal sanctions against responsible officials in case of non-compliance to these requirements.
17. Assign the Ministry of Interior of the Republic of Uzbekistan (Bobojonov) to:
 - assign personnel of internal affairs to brigades, provide list of brigades to them for studying and provide conclusion for each brigade;
 - take strict control over technical conditions of vehicles transporting cotton pickers and cotton, ensure safety and security measures during transportation in organized manner via determined routes;
 - take measures on the prevention of transportation of people in trailers and uncovered vehicles and ensure observance of fire safety rules in workers' accommodation centres and cotton receiving points.
18. Assign the Ministry of Healthcare of the Republic of Uzbekistan (Shodmonov), Dori-Darmon JSC (Azimov) to arrange day and night duty shifts of medical personnel in workers' accommodation centres, and supply adequate medicine kits.
19. Entrust:
 - Uzbekenergo JSC (Mustafoev) to organize supply of electricity and night light lamps to workers' accommodation centres according to technical requirements;
 - Uztransgaz (Tursunov) to organize supply of liquefied natural gas and ensure observation of fire safety rules during supply of gas to kitchen facilities.
 - The payment for electricity and liquefied natural gas in cylinders shall be made by district khokimiyats, sponsors and farmers.
20. Determine that heads of commercial banks attached to respective regions bear personal responsibility for ensuring the distribution of cash in the fields for harvested cotton **every 5 days** (irrespective of whether it is a working day or the weekend), when

needed – every day in timely manner by the representative of the bank.

21. Request the Ministry of Economy of the Republic of Uzbekistan (Mirzaev) in partnership with Uzbekoziqovqatzahira Association (Fayziev), Uzpakhtayog JSC (Salihov), the Council of Ministers of the Republic of Karakalpakstan and khokimiyats of regions to take measures on continuous supply of food products (bread, flour, sugar, oil and others).
22. Entrust Uzneftmahsulot JSC (Fayziev) to:
 - supply fuel for transportation of workers and cotton for the 2018 season, on an exceptional basis, under direct contracts at average commodity exchange rates based on the requirements of the Agency of Automobile Transport of Uzbekistan;
 - develop schedule of delivery of fuel to the Republic of Karakalpakstan and regions, and take measures on creating reserve of fuel materials **by 10 September**.
23. Establish that during the involvement of unorganized population to Jizak, Sirdarya, Tashkent regions; Kasan, Mubarak, Nishan, Kasbi districts of Kashkadarya region; and Kizirik and Muzrabat districts of Surkhandarya region from donor regions:
 - transportation of people from one region to another and back by train shall be made by Uzbekiston Temir Yollari JSC as sponsorship support;
 - cost of transportation from the train station to places of accommodation by vehicles shall be covered by local hokimiyats;
 - The Ministry of Employment and Labour Relations and its regional branches shall ensure non-objection of khokimiyats of donor regions against involvement of local population of donor regions to participate in cotton harvesting in another region.
24. Assign the Council of Federation of Trade Unions of Uzbekistan (Rafikov) to ensure public oversight by trade unions of measures taken to create adequate conditions and supply good quality food products for cotton pickers during cotton harvesting season.
25. Agree with the proposal of the Ministry of Culture of the Republic of Uzbekistan (Sayfullaev) to organize cultural and leisure events for cotton pickers in partnership with regional branches of the Centre for Spirituality and Propagation and *Uzbeknavo* Estrada Association.
26. Entrust Uztukimachilik sanoat Association (Haydarov) in collaboration with cotton-textile enterprises to take measures to harvest cotton grown by cotton-textile enterprises with minimum losses, in timely and organized manner, following tasks mentioned above.
27. Request National Teleradiocompany of Uzbekistan (Khodjaev) and Press and Information Agency of Uzbekistan (Tangriev) in partnership with the Council of Ministers of the Republic of Karakalpakstan and khokimiyats of regions to widely show

most active pickers and pickers who achieve highest outcomes in public in media, newspapers and magazines.

28. I am leaving authority to control the follow-up of the decisions made at this meeting to myself.

Annex 10 – Temporary Regulations of Holding Organized Cotton Picking Activities

(English translation)

Annex 1

to the Resolution of the Cabinet of
Ministers _____ of ____ August
2017

Temporary Regulations of Holding Organized Cotton Picking Activities During the 2018 Cotton Harvesting Season

I. General Terms

1. This Temporary Regulations (further referred to as the Regulations) determines order and mechanism of holding organized cotton picking activities on a voluntary basis.

2. The following main definitions are used in these Regulations:

cotton picking brigade is a team of voluntary workers gathered to harvest cotton in the fields;

brigade leader leads a team of voluntary workers established by cotton pickers gathered to harvest cotton;

cotton pickers are people directly participating in the manual harvesting of cotton, in particular:

- farm workers;
- people over 18, having no fixed job, capable of working, temporarily jobless, in some circumstances – people from one region who wish to participate in cotton harvesting in another region with insufficient labour resources;
- voluntary personnel of enterprises, organizations and institutions who are on leave or wish to work during out of office hours;

farms are all agricultural producers growing cotton for the state needs regardless of the form of ownership, including farming households;

cotton processing (ginning) factory is a legal entity accepting cotton harvest from cotton pickers for industrial refinery purposes;

seasonal service contract is a civil legal contract concluded between the Council

of Farmers, Dehkan Farms and Owners of Household Plots of Uzbekistan and the brigade leader of cotton harvesting works performed for a certain fee;

civil legal contract is an individual agreement between staff of an enterprise, an organization or an institution who wishes to offer their voluntary services while they are on leave or outside normal working hours and the head of a farm where cotton harvesting works is performed on a fee basis;

public offer is a public call to conclude a contract for cotton harvesting on a voluntary basis on a fee basis;

information centre of cotton harvesting is a centre organized under the regional cotton terminals and cotton ginning factories coordinating progress of organized cotton harvesting activities, accounting of harvesting works and analytical information through information and communication system.

3. Based on the public offer announced by farms, citizens' self-government bodies in partnership with labour authorities formulate lists of cotton pickers.

4. Organization of work within the framework of these Regulations is coordinated and accounted for by the local information centres of cotton harvesting. A database of brigade leaders and cotton pickers is established in these centres.

Resolving issues arising during the cotton harvesting season is ensured by the centres with involvement of relevant responsible bodies.

5. Decent working conditions for the cotton pickers, payment of fees in full amount and in a timely manner, provision of hygienic living conditions, implementation and protection of labour rights are ensured by: i) labour authorities in terms of state control, and ii) the Trade Unions in terms of social control.

6. A follow up on: i) ensuring safety of cotton pickers, transportation,, fire safety, maintenance of public order is entrusted to internal affairs authorities; ii) ensuring safety and security and healthcare of cotton pickers, and supply of medicines – to medical departments, and iii) compliance with hygienic standards – is assigned to the Centres for State Sanitary and Epidemiologic Control.

II. Establishment of brigades and formation of teams of cotton pickers

7. The cotton picking brigades, consisting of voluntary cotton pickers within a range of 80-100 persons, and recruited according to proposals and recommendations of Mahalla activists and local population, are formed one month prior to the beginning of the cotton harvesting season (Appendix 1).

8. Candidates for the brigade leaders are selected from Mahalla activists who have prestige in the community, work experience and organizational skills (Appendix 2).

Based on the Power of Attorney issued by the farmer (Appendix 3), a seasonal contract is concluded between the brigade leader and the District Council of Farmers, Dehkan Farms and Owners of Household Plots of Uzbekistan (Appendix 4).

9. Each brigade is assigned to one commercial bank employee and one medical institution employee.

10. The staff of enterprises, organizations and institutions, regardless of the ownership form and sector subordination, who are on leave or wish to participate in harvesting during non-working hours on a voluntary basis, may take part in cotton harvesting on a voluntary basis, without being recruited to the brigades, following public awareness activities, announcements and public offer (Appendix 5). This work can be performed according to the civil-legal contract (Appendix 6) concluded between them and the respective farmer.

The participation of the full-time personnel of farms is regulated by the labour contract (Appendix 7) where the provision for the right to participate in cotton picking can be added to the main job duties of the worker.

11. Recruitment of personnel of enterprises, organizations and institutions regardless of the ownership form and sector subordination, for cotton harvesting works during working hours is strictly prohibited.

12. When there is a shortage of labour resources in one region, bringing labour force from other regions on voluntary basis is performed by the Ministry of Internal Affairs in partnership with the Council of Ministers of the Republic of Karakalpakstan and the regional khokimiyats, taking appropriate safety and security measures.

III. Organization of activities of cotton picking brigades

13. Individuals selected as brigade leaders are provided with proper instructions during training workshops organized at regional level. Guidance is provided in the fields on efficient organization of harvesting, safety and security measures, prevention of cases of forced labour and child labour.

14. When forming cotton picking brigades and recruiting cotton pickers, it is required to strictly follow the legislation of the Republic of Uzbekistan, international agreements, including the ILO Convention on the Worst Forms of Child Labour and the ILO Convention Concerning Forced or Compulsory Labour.

15. The Council of Dehkan Farms and Owners of Household Plots of Uzbekistan, Women's Committees, Self-Governing Bodies of Citizens, 'Nuroni' Social Fund, Youth Union shall organize public awareness activities on terms and conditions of participation in cotton harvesting works and provision of labour rights.

16. Accommodation premises for cotton pickers are provided according to the

Minimal norms of labour conditions (Appendix 8) and ensured by khokimiyats according to the agreement with enterprises, organizations and household owners.

Using premises and facilities of medical and educational institutions for accommodation purposes is strictly prohibited.

17. The organization of the brigade activities is based on daily cotton picking performance. Duration of daily cotton harvesting time is reflected in the contract.

18. Supply of items for the cotton picking brigade is provided as follows:

- aprons in sufficient quantity – by cotton ginning factories;
- scales, dishes, samovar and other equipment – by farms;
- food and meals – by the brigade leader or farmer based on their agreement.

19. Transportation of cotton pickers from accommodation premises to distantly located fields is performed by farmers.

20. Records of daily volume of cotton harvested by the cotton pickers are registered by the brigade leader.

21. Based on the payroll list prepared by the brigade leader, bank employee assigned to the brigade distributes the cash among cotton pickers for their work.

IV. Rights and obligations of the brigade leader

22. Rights of the brigade leader:

The brigade leader:

- demands from the farm - to prepare in advance the field for harvesting, provide transportation of cotton pickers to distantly located fields;
- demands to organize continuous availability of machinery and trailers for transportation of harvested cotton;
- demands to issue cheque for cash withdrawal from commercial banks;
- demands from cotton pickers – to perform cotton harvesting cleanly and of good quality;
- appeals to the respective authorities or court on cases related to the failure to perform obligations stated in contracts.

23. Obligations of the brigade leader:

The brigade leader:

- concludes a contract with the District Council of Farmers, Dehkan Farms and Owners of Household Plots of Uzbekistan on cotton harvesting on a fee basis;
- in partnership with farmers, calculates area of cotton fields and develops

- relocation of fields depending on the maturity of cotton;
- check with medical personnel attached to the brigade for availability of first aid kits and facilities, and ensures the continuous presence of medical personnel near the brigade throughout the harvesting period;
- organizes supply of aprons, scales, ingredients for hot meals, dishes, samovars in sufficient quantity and amount;
- organizes provision of accommodation and other relevant living facilities for brigade cotton pickers brought from other regions;
- counts daily volume of harvested cotton, visits cotton reception points together with the farm representative for submission;
- continuously supervises safety and security conditions of each cotton picker, and the provision of meals;
- ensures that cotton harvesting is performed cleanly and well.

V. Tasks of internal affairs authorities in organization of cotton harvesting

24. In terms of keeping public order and security of citizens:

- conducting prophylaxis activities aimed at maintaining public order in field mills and pickers' accommodation premises, preventing possible crime and offenses, ensuring fire and road safety;
- organizing necessary awareness and preventive activities aimed at preventing disagreement between local population and pickers, and other undesirable situations;
- organizing continuous day and night duty shifts based on predefined schedules around cotton pickers' accommodation premises using capacity of mahalla activists, volunteers and the wider public;
- take constant control over the security of routes from fields to cotton accepting points, cotton storing entities, ginning factories and points to prevent theft, squandering and taking out harvested cotton during the cotton harvesting season;
- formalize documents confirming offense cases such as attempts to take cotton and other values outside, trampling of cotton fields, and take respective legal measures.

25. In terms of ensuring road safety:

- in partnership with representatives of Uzagroservis JSC and State Inspection of Control over Technical Condition of Agricultural Machinery and Mechanisms, with the view to check preparedness of agricultural machinery for cotton harvesting season, collect agricultural machinery in all districts to machine-tractor parks, inspect technical conditions including formalization of acts of presence of light reflectors, net, tyres and submission to the brigade leader;
- strict prohibition of use during harvesting season of machinery not accepted through act of acceptance and not meeting set requirements;
- strict prohibition of use of trucks, tractors and trailers for transportation of people,

ensuring taking warning notes from drivers of trucks and tractors and similar service personnel for avoiding such cases;

- to prevent loss of harvested cotton, ensure that the trucks use to transport cotton close tightly, are in good working condition, are painted in colour and equipped with a special canvas cover;
- making sure that vehicles carrying cotton are equipped with fire extinguishers, medical aid kits, stop triangle signs and other relevant equipment;
- in bordering areas, recommend that khokimiyats in established order inspect all bypass roads and take measures for the installation of barriers or digging the land;
- in partnership with local khokimiyats and other interested authorities, re-inspect roads, railway junctions, bridges, artificial constructions, and installation of road signs in dangerous areas;
- provision of road escort to buses allocated by local khokimiyats for transportation of cotton pickers to the field, and upon the completions of the season taking respective road safety and security measures on the way back.

26. In terms of ensuring fire safety:

- conducting fire prevention inspections in all cotton accepting, storing and processing enterprises and according to the inspection recommendations and information, declare non-observance to respective bodies;
- examining fire safety status in cotton accepting, storing and processing enterprises, regional cotton terminals and places of accommodation of cotton pickers and taking respective measures to ensure fire safety and prevention;
- formalizing acts reflecting observations on ensuring fire safety in enterprises, development of action plan for its prevention and taking control of follow-up;
- control the availability of fire extinguishers, shovels, spark extinguishers and a cover for vehicles used for the transportation of cotton;
- control working conditions of fire trucks, motor pumps and continuous supply of fuel for them;
- Control repair of waterworks (basins, hydrants, water towers, water pumps, etc.), and availability of filled water;
- provision of periodical guidance to cotton pickers, operators of vehicles for cotton transportation and operators of cotton track distributors on fire safety rules;
- prohibition for vehicles not equipped with spark extinguishers and cover to enter cotton ginning factories;
- ensuring that all wires and cables on workers' accommodation premises are installed in accordance with the "Rules of electrical equipment installation" and prevention of the use of home heaters and temporary electric wires;
- prohibition of the use of defective, artisanal and other heaters and facilities not meeting the established requirements for heating, and organization of provision of sufficient fire extinguishing equipment.

VI. Final Provisions

27. Individuals guilty of an offense in regards to the terms and conditions of these Regulations will be prosecuted. .

28. The Republican Inter-Sectoral Commission on Implementation of the ILO Conventions Ratified by the Republic of Uzbekistan has a right to make amendments and additions to these Regulations when found necessary.

Appendix 1
to the Temporary Regulations of Holding
Organized Cotton Picking Activities
During 2018 Cotton Harvesting Season

List of cotton pickers of the brigade #__ in _____ district

№	Name and surname of the cotton picker	Passport series	Year of birth	Postal Address	TIN
1.					
2.					
3.					
4.					
5.					
...					
...					
...					
100					

Meeting of the brigade cotton pickers was held on ____ August, 2018.

Head of Mahalla
Name

signature

Inspector of district employment support centre
Name

signature

Annex 2
to the Resolution of the Cabinet of Ministers
of ____ August 2018

TEMPORARY REGULATIONS

on paying cotton pickers participating in the 2018 cotton harvesting season

Section 1. General rules

1. These regulations establish rules and mechanisms for paying (remuneration for cotton picking) cotton pickers participating in the 2018 cotton harvesting season.

2. Distribution of remuneration and additional incentive payments for cotton harvesting is made from accounts of cotton processing plants to accounts of farmers using target funds allocated from the Fund of State Support of Agriculture under the Ministry of Finance of the Republic of Uzbekistan.

3. Following terms are used in this regulations:

a brigade leader is a leader of the group comprising cotton pickers gathered on a voluntary basis to pick cotton;

an assigned bank employee is a staff member of the bank assigned to the picking brigade selected by the manager of commercial bank branch;

a liability contract is a contract between the assigned bank employees and branches of the Agrobank JSCB, based on accountability, on timely distribution, keeping and accounting of cash issued by bank for payment of remuneration to cotton pickers (Appendix 1).

Section 2. Mechanism of making payments for cotton pickers participating in the 2018 cotton harvesting season

4. The district khokimiyat sends information on brigades (brigade leader) participating in cotton harvesting and list of linked farms to the Agrobank JSCB branch.

5. Based on the bank branch order one bank employee is assigned to 3 brigades. A copy of order issued by other bank is submitted to the Agrobank JSCB branch and serves as a basis for concluding liability contract with assigned bank employee.

6. On the day of allocation of cash for payment for harvesting works, the manager of the Agrobank JSCB branch prepares information on scheduled distribution of payment by brigades and linked farms and sends it to the assigned bank employee.

7. Accounting unit of the Ahrobank JSCB branch makes appropriate transactions related to cash issuance and issues account cash warrant to the assigned bank employee on accountability basis.

8. The assigned bank employee receives in established order cash from cash office of the bank branch based on the issued account cash warrant.

9. The assigned bank employee in presence of the brigade leader, the farmer or the farm accountant distributes cash for harvested cotton in the field based on the payroll submitted by the brigade leader.

10. A cash cheque equal to amount of distributed cash is issued for farmer. The assigned bank employee submits payroll of distributed cash (Appendix 2) along with the cash cheque to the branch of Agrobank JSCB no later than the same day.

Section 3. Duties and responsibilities of parties on distribution of cash allocated for payment to cotton pickers for harvested cotton submitted by agricultural enterprises

11. The brigade leader takes responsibility for control over timeliness and quality of harvesting activities in the field.

12. The farmer together with the brigade leader ensures correct filling in of the payroll, actual signing of it by each individual picker and its timely submission to the assigned bank employee.

13. The assigned bank employee ensures delivery of cash allotted for payment for harvested cotton to the field for distribution among cotton pickers.

14. The brigade leader and the farmer bear personal responsibility for targeted distribution of received cash in the field in time and in full amount based on the payroll.

15. Regional departments of the Central Bank ensure sufficient cash allocation in commercial banks for payment of remuneration for harvested cotton submitted by agricultural enterprises.

Section 4. Monitoring and accounting of funds allocated for payment to cotton pickers

16. Control over target use of funds allocated for payment to cotton pickers is taken by the pakhta-shtab established under the district khokimiyat.

17. Information about cash distributed among cotton pickers is submitted by the branch of the Agrobank JSCB to the district pakhta-shtab by 7:00 p.m.

18. The district pakhta-shtab compiles daily information on cash distributed on payroll basis, analyses it and sends for summarizing to regional pakhta-shtab by 8:00 p.m.

19. The regional pakhta-shtab analyzes information on cash distribution by districts and submits to the republican pakhta-shtab by 9:00 p.m.

20. The republican pakhta-shtab summarizes information on cash distribution by regions and submits to the Cabinet of Ministers for information not later than 9:00 am of the next day.

Section 5. Concluding rule

21. The branch manager of commercial bank, the brigade leader and the farmer are responsible for timely and targeted distribution of cash and correct filling and submission of documents.

Appendix 3
to the Temporary Regulations of Holding
Organized Cotton Picking Activities
During 2018 Cotton Harvesting Season

POWER OF ATTORNEY

City/district of _____
2018

Date: ____

This Power of attorney authorizes the Council of Farmers, Dehkan Farms and Owners of Household Plots of _____ district of _____ region to act on behalf of farmers of _____ district listed below to perform following activities:

- conclude on behalf of the farmer a contract related to the recruitment of cotton pickers in the 2018 cotton harvesting season in accordance with current legislation requirements;
- provide instructions to the cotton pickers' team within the framework of the signed contract;
- bear all necessary expenses related to the implementation of the terms of this contract.

This Power of attorney is valid for 3 months without the right to transfer this authority to another person.

This Power of attorney comes into force starting from day of signing.

No	Name of farm	Full legal address	Name of farm owner	Signature of farm owner	Stamp of farm
1					
...					
...					
...					

Appendix 4
to the Temporary Regulations of Holding
Organized Cotton Picking Activities
During 2018 Cotton Harvesting Season

CONTRACT # ____

**between cotton picking brigade No. ____ and the Council of Farmers, Dehkan Farms
and Owners of Household Plots of _____ district to harvest cotton on a fee
basis**

Date: ____ 2018 ____ district

Mr./Ms. _____, Head of _____ (name of Council) of _____ district acting on behalf of the Council on the basis of the Charter (referred further as the Customer) on one side, and the Leader of the cotton picking brigade # ____ acting on behalf of the brigade based on the decision of the meeting of the cotton picking brigade dated _____, 2018, on the other side (referred further as the Cotton picking brigade), concluded this contract on the following:

I. SUBJECT OF CONTRACT

1.1. According to the terms of the contract, the Cotton picking brigade is committed to qualitatively pick cotton from the cotton field defined by the Customer, and the Customer is committed to make payment for this service.

II. RIGHTS AND OBLIGATIONS OF THE PARTIES

2.1. Rights of the Customer:

- organize qualitative cotton harvesting in defined cotton field and submission of harvested cotton;
- demand that the cotton picking brigade observe legislation according to the contract terms, including enforcement of legislation requirements on preventing forced labour and child labour;
- demand submission of one copy of payroll signed by cotton pickers after cash distribution to them.

2.2. Obligations of the Customer:

- provide information to the brigade about lands where the brigade can harvest cotton;
- organize supply of scales, dishes, pots, samovars and other equipment, decent work conditions according to safety and health standards and provide meals in agreement with other parties;
- organize timely acceptance of cotton harvested by the Cotton picking brigade;
- provide the Cotton picking brigade with trailers to load harvested cotton;
- submit information about the volume of cotton harvested by the brigade to the brigade leader;
- ensure everyday payment of fees for harvested cotton in agreed amount and time (within the period of maximum 5 days).

2.3. Rights of the Cotton picking brigade:

- obtain information of interest about the cotton field to which the brigade may be involved to harvest cotton;
- receive cotton harvested by the brigade in timely manner;
- provide the Cotton picking brigade with trailers to load harvested cotton;
- submit information about the volume of harvested cotton;
- demand timely payment of fees for harvested cotton in agreed amount every day (within the period of maximum 5 days).

2.4. Obligations of the Cotton picking brigade:

- organize qualitative picking and submission of harvested cotton in farm lands defined by the Customer;
- ensure observance of legislation according to the contract terms including enforcement of legislation requirements on preventing forced labour and child labour;

- ensure submission of one copy of payroll signed by cotton pickers to the Customer after cash distribution to cotton pickers.

III. CONTRACT IMPLEMENTATION. ORDER OF PAYMENT

3.1. The obligations must be fulfilled in accordance with the terms of this contract and legal documents.

3.2. The contract shall be deemed implemented when the parties ensure fulfillment of all their obligations.

3.3. The payment for harvested cotton is based on normative-legal documents and is paid in cash for each kilogram of harvested cotton in following amount:

First pass (when contractual agreement is fulfilled up to 70%) _____
(_____) soums;

/amount in words/

Second pass (from 70.1 to 85 per cent) _____ (_____) soums;

/amount in words/

Third pass (above 85 per cent) _____ (_____) soums.

/amount in words/

IV. RESPONSIBILITY OF PARTIES

4.1. The Customer bears responsibility in accordance with current legislative documents of the Republic of Uzbekistan for failure to: i) provide access to the cotton fields for the Cotton picking brigade, ii) accept harvested cotton, and iii) make timely payments for harvested cotton.

4.2. The Cotton picking brigade bears responsibility in accordance with current legislative documents of the Republic of Uzbekistan for failure to perform obligations for reasons depending on the brigade.

4.3. None of the parties bear responsibility on liabilities to third parties.

V. DISPUTES RESOLUTION

4.1. The parties shall make all efforts to resolve all disputes arising between them by mutual agreement and in order stated in this contract.

4.2. If not mutually agreed or if the resolution order is not reflected in this contract, the dispute shall be resolved in accordance with legislative documents of the Republic of

Uzbekistan.

VI. FINAL PROVISIONS

- 5.1. The contract is signed in two copies having equal force.
- 5.2. Any amendments and additions to this contract shall be made by mutual agreement of the parties in written form.
- 5.3. The contract can be terminated by one party unilaterally without prior notification of the other party.
- 5.4. The contract comes into force from the moment of signing and is valid until fulfillment of obligations of the parties.
- The contract may include other provisions by mutual agreement of the parties.

VII. REQUISITES OF THE PARTIES:

“Customer”

“Cotton picking brigade”

SIGNATURES

Customer _____

Brigade Leader _____

Appendix 5
to the Temporary Regulations of Holding
Organized Cotton Picking Activities
During 2018 Cotton Harvesting Season

TEXT OF THE PUBLIC OFFER

DEAR COMPATRIOTS!

Are you 18 or over? Are you temporarily unemployed? Or do you have free time out of work? Do you want to get additional income?

We

INVITE YOU

to participate in cotton harvesting in the fields of the farm of _____ district!

Daily cash payment in the amount of
 ____ soums per each kilogram of
 harvested cotton;

Qualified and quality medical
 services;

Accommodation, seasonal living
 conditions;

Transportation services;

Hot lunch, and 3 meals a day for cotton
 pickers arrived from other regions;

Provision of decent (living, health and
 safety) working conditions;

Clean drinking water supply;

Additional rewards to active cotton
 pickers

GUARANTEED!

Contact us:

Council of Farmers, Dehkan Farms and Owners of
 Household Plots of _____ district +9989.....

_____ district branch of the "Mahalla" Fund +9989.....

Additional queries +9989.....

Appendix 6
to the Temporary Regulations of Holding
Organized Cotton Picking Activities
During 2018 Cotton Harvesting Season

CONTRACT #___
TO PROVIDE CIVIL-LEGAL SERVICES

City of Tashkent

Date: ___, 2018.

The Head of farm ___(name of farm)___ acting on behalf of the farm on the basis of the Charter of the farm on one side, further referred to as the Customer, and Mr./Ms. _____, citizen of Uzbekistan, holder of passport # _____ issued by the Department of Internal Affairs of _____ district of Tashkent city acting on the basis of the Constitution of the Republic of Uzbekistan and the Civil Code, referred further as the Contractor on the other side, agreed to the following:

1. Subject of the Contract

The subject of this Contract is the request of the Customer to the Contractor to pick cotton in the fields of the farm of _____ district in good quality and making payment for harvested cotton in agreed amount, and the work performed by the Contractor in line with existing

legislation.

2. General Terms

2.1. This Contract has a civil-legal nature, and therefore all issues arising within its framework, if other provisions are not envisaged in legislation, are resolved in line with civil legislation.

2.2. Time of work shall be any time during the day, up to the Contractor, during out of office hours in main work place.

2.3. The Contract comes into force from date of signing and is valid during the cotton harvesting season. The Contractor has the right to terminate the Contract any time at his/her will. Using this right does not require consent of the Customer or does not imply any other liabilities.

2.4. Termination of the contract leads to the end of relations between the parties, with exception of obligations that have not been fulfilled yet according to this contract.

3. Rights and Obligations of the Customer

3.1. The Customer has the following rights:

- oversight work progress;
- if not satisfied with the quality of the work (contractor's actions leading to loss of harvest, loss or breakage of equipment, deliberate infliction of harm to the property of the Customer and other), the contract may be terminated with 3 days' notice;

3.2. The Customer is not strictly limited to the above-mentioned rights and may have other rights envisaged by law.

3.3. The main obligations of the Customer include i) offering decent working conditions for the Contractor, and ii) ensuring everyday payment (maximum once in 5 day period) for the harvested cotton at a rate that is not less than the rate established by the Government.

4. Rights and Obligations of the Contractor.

4.1. The Contractor has the right to demand from the Customer to:

- offer decent working conditions (supply of aprons, timely weighing and acceptance of harvested cotton, provision of meals when necessary and others);
- make timely payments for harvested cotton at agreed rates;
- make adequate additional payments when additional work is performed.

5. The responsibilities of the parties are regulated by the Civil Code.

6. Legal addresses of the parties:

Customer	Contractor
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

NB. This civil-legal contract to provide services may be concluded in written or verbal form.

Appendix 7
to the Temporary Regulations of Holding
Organized Cotton Picking Activities
During 2018 Cotton Harvesting Season

LABOUR CONTRACT #_____

City of _____

Date: _____, 2018

1. Mr./Ms. _____, Head of ____ (name of farm) acting on behalf of the farm based on the Charter of the farm, further referred to as the Employer, and Mr./Ms. _____, citizen of the Republic of Uzbekistan (may also be non-resident of Uzbekistan), further referred to as the Staff Member, made this agreement about the following:

2. Staff Member is hired on the farm ____ (name of farm) ____ for the position of ____ (name of position) ____.

3. The position of the Staff Member has ____ (full-time, part-time, other type as per legislative documents) ____ status.

4. Duration of work is as follows:

Start date _____

End date _____

5. Probation period _____

(with probation, without probation)

6. Staff Member's Obligations:

a) follow labour and technological discipline (internal labour rules, Charter and disciplinary regulations);

b) follow legal instructions given by the Employer;

c) follow labour protection, and health and safety requirements;

d) perform works specified in job description;

e) observe terms of the collective contract;

f) other obligations accepted by the Staff Member.

(quality of service/product; meet the work norms; provide services, etc.)

7. Employer's Obligations:

a) organize work of the Staff Member, instruct the Staff Member about labour protection, safety rules, job description, collective agreement terms and other normative and local documents;

b) ensure labour and production discipline;

c) timely payment of salaries;

d) create conditions for safe and effective work, train the Staff Member, guide him/her on health and safety requirements;

e) equip the workplace in line with labour protection and health and safety rules;

- f) observe legal and other normative documents;
- g) observe the terms of collective agreements;
- h) other obligations accepted by the Employer:

8. Working day mode _____

(part-time day, part-time week, reduced working time,
hourly work, start and end time of the working day and so on)

9. Remuneration

The Staff Member is eligible for the following remuneration:

a) _____

(payment type and amount)

b) additional payments, bonuses, premiums, surcharges, compensations in accordance with existing legislation and normative acts in following amount:

(name of bonus, premium, compensation)

(amount)

c) other additional payments, bonuses, premiums, surcharges, prizes and other incentive payments specified in the collective agreement and approved by the manager within available rights and funds;

(name of bonus, premium, compensation)

(amount)

10. Leave.

The Staff Member is entitled to the following paid leave types:

a) annual leave _____ working days;

b) additional leave _____ working days.
(please specify)

Addresses and signatures of the parties:

Staff Member:

Address: _____

(date, signature)

Employer:

Address: _____

(date, signature, stamp)

Appendix 8
to the Temporary Regulations of Holding
Organized Cotton Picking Activities
During 2018 Cotton Harvesting Season

Minimal Norms of Labour Conditions for Cotton Pickers

I. Health and safety Requirements:

1. Ensuring cotton pickers pass medical examination.
2. Allocation of premises for accommodation in healthy, safe and hygienic conditions. Special attention to be paid to proper lighting, ventilation, temperature (heating).
3. One week before allocation of cotton pickers, organize disinfection and pest control by district disinfection stations according to the agreement with the farmer.
4. Attention to proper opening and closure of doors and windows, availability of windows, even floors, ceilings, walls with no cracks, entrances (stairs) that meet established requirements.
5. Installation of shower rooms in proportion of 1 shower screen per 15 people and maintenance (repair) of sanitary equipment.
6. When there is no possibility to installing shower rooms, ensure cotton pickers have regular access to nearby bathrooms.
7. Installation of washbasins allowing pickers to wash their hands and feet in

proportion of 1 washbasin for 10 people and ensure their maintenance (repair).

8. Where there are 15 or more women accommodated in the dormitory, ensure provision of a special hygiene room.

9. Establishment of separate toilets for men and women in proportion of 1 toilet per 10 people to be located 30-50 metres away from the living premises, ensuring regular check of their sanitary condition, washing them with chlorinated lime and chloramines.

10. Opening irrigation ditches and directing the waste water to sewage pits outside the dormitory with permission of local sanitary control authorities; digging a special ditch for garbage and food residues 25 m away from the accommodation premises, and covering refuse with soil.

11. Taking measures of continuous supply of drinking water. If water is brought from other places, paying attention to proper installation of container and water taps functioning.

12. Ensuring safe and hygienic conditions in kitchens.

13. Equipping kitchens with necessary facilities in line with safety requirements. Ensuring ventilation when meal are cooked inside.

14. Provision of refrigerator for storage of perishable products.

15. Establish dining places for cotton pickers and paying attention to hygiene conditions.

16. Establish dining places inside the building or under a canopy, fully equipped with tables and chairs and allocate special rooms for storage of food products.

17. Ensuring proper lighting, supply of drinking water, hot water for dishwashing and detoxifying agents.

18. Provision of 2-5 litres of boiled water per day and daily hot meals to cotton pickers

19. Prohibition of drinking of water from puddles, water collectors, irrigation ditches.

20. Establishment of medical points and provision of necessary medicines and assignment of qualified medical personnel with a view to controlling the health of cotton pickers.

Expenses for medicines shall be covered by cotton ginning factories of the Uzpakhtasanoat JSC system and textile enterprises in established order.

21. Stop the work of cotton pickers and ensure their evacuation to safe places in case of dust storms, hurricanes, and downpours.

II. Safety requirements:

1. Provision of instructions on security and fire safety requirements to cotton pickers.

2. Checking wires on walls, isolation of wires, protection and functioning of sockets and switches.

3. Prohibition of use of spiral-type and hand-made electrical equipment.

4. Establishment of fire shield with fire-fighting equipment next to the dormitory.

5. Taking measures on electricity supply with no cuts. Inspection of electrical facilities before arrival of cotton pickers. Checking isolation of electrical wires. Ensuring that wires are installed not lower than 2.5 m from the floor.

6. Repairing lighting facilities and checking internal elements, replacement of broken lamps and protection glasses only after electricity cut-off. Using rubber conductors for isolation of mobile lighting equipment. Maintenance of lighting facilities in clean and working condition.

7. Ensuring that electricity-related works, services related to control and repair of electrical equipment are performed by responsible qualified specialists.

8. Ensuring uninterrupted provision of natural gas (coal, firewood). Paying attention to the functioning of gas stoves. Preparation of reserves of coal and firewood where there is no natural gas supply.

9. Transportation of cotton pickers to and from the field only in daytime, ensuring walking in columns so as not to interfere with traffic.

10. Allocation of cotton pickers in different places of the field upon arrival to the field.

11. If the distance from the dormitory to the field is far (more than 5 km), ensuring that transportation is organized only using special vehicles designed for transportation of people.

12. When leaving the vehicle, organization of road crossings from the rear side of the vehicle under the supervision of the leader.

13. Paying attention to the technical working condition of the vehicle and

availability of D-category driver's licences.

14. Ensuring that the cotton pickers wear caps, long-sleeve shirts with fastened buttons, boots or other proper shoes.

15. Ensuring working conditions of the tractor trailers.

16. Prohibition of cotton pickers climbing on to tractor trailers and hanging on tractor trailers when in motion.

17. Ensuring cotton pickers do not fall asleep or eat in the field.

18. Preventing cotton pickers from approaching and crossing the road of moving machines in the cotton field.

19. Ensuring full observance of fire safety requirements by the cotton pickers.

20. Organization of traffic police escort during transportation of cotton pickers from main workplaces to the field and vice versa.

Annex 1
of the Temporary Regulations of Holding
Organized Cotton Picking Activities
During 2018 Cotton Harvesting Season

List of cotton pickers of the brigade #__

№	Name and surname of the cotton picker	Passport series	Year of birth	Postal Address	TIN
1.					
2.					
3.					
4.					
Unit supervisor - Name. Tel: (00) 000-00-00					
5.					
6.					
7.					
8.					

№	Name and surname of the cotton picker	Passport series	Year of birth	Postal Address	TIN
9.					
Unit supervisor - Name. Tel: (00) 000-00-00					
10.					
11.					
12.					
13.					
14.					
15.					
16.					
17.					
18.					
19.					
20.					
21.					
22.					
23.					
24.					
25.					
26.					

Meeting of the brigade cotton pickers was held on ____ August, 2018.

The list of the cotton pickers is approved

Name and surname

Annex 2
of the Temporary Regulations of Holding
Organized Cotton Picking Activities
During 2018 Cotton Harvesting Season

Minutes
of the volunteer cotton pickers group

Date: ____ 2018 йил ____ № ____ town (district)

No of participants ____ persons (list enclosed)

Chairperson: _____

AGENDA:

On the participation of the population in cotton harvesting by provision of services on a fee basis.

Heard: Participants expressed their opinion on the agenda. In particular, it was noted that the participation of the population in cotton harvesting by provision of services on a fee basis will contribute to getting additional income.

In addition, it was proposed to form brigades of volunteers wishing to participate in cotton harvesting works and the candidacy of Mr./Ms. _____ was proposed for the position of brigade leader.

The above-mentioned topics were put to the vote. The results were as follows:

For ____ votes;

Against ____ votes;

Abstained ____ votes.

There was a proposal to authorize the brigade leader to sign, on behalf of the brigade members, service contracts on a fee basis with farmers or their representatives, which was unanimously supported. The candidate him/herself did not object to this proposal.

Decided:

1. Select _____ as a brigade leader of volunteer cotton pickers.
2. Authorize _____ to sign on behalf of the brigade members service contracts on a fee basis with farmers or their representatives.

Consider that brigade members have a right to stop fulfilling his/her contractual obligations unilaterally at any time.

Entrust brigade leader to ensure the prevention of cases of forced labour and child labour.

Chairperson

(name, surname)

Secretary

(name, surname)

Annex 3
of the Temporary Regulations of Holding Organized Cotton Picking Activities During the 2018 Cotton Harvesting Season

POWER OF ATTORNEY

City/district of _____
2018

Date: ____

This Power of attorney authorizes the Coucil of Farmers of _____ district to act on behalf of farmers of _____ district of _____ region listed below to perform the following activities:

conclude on behalf of the farmer contract on recruitment of cotton pickers in 2018 cotton harvesting season in accordance with current legislation requirements;

provide instructions to the cotton pickers' teams within the framework of signed contract;

bear all necessary expenses related to the implementation of this contract terms.

This Power of attorney is valid for 3 months without the right to transfer this authority

to another person.

This Power of attorney comes into force starting from the moment of signing.

No	Name of farm	Full legal address	Name of farm owner	Signature of farm owner	Stamp of farm
1					
...					

Annex X: Cabinet of Ministers Resolution 703

(English translation)

Resolution of the Cabinet of Ministers of the Republic of Uzbekistan

703 of 30 August, 2018

On Measures of Conducting Organized Cotton Harvesting Works in 2018

With the view to follow up on tasks specified in the Decree of the President of the Republic of Uzbekistan #PQ-3574 of 28 February 2018 “On Measures to Cardinaly Improve the System of Financing Cultivation of Cotton and Cereal Crops”, ensure harvesting of cultivated cotton in organized manner, ensure motivation of workers participating in cotton picking activities, and further enhance financial sustainability of farms growing cotton, the Cabinet of Ministers decides as follows:

1. Agree with proposals made by the Ministry of Agriculture, the Ministry of Economy, the Ministry of Employment and Labour Relations of the Republic of Uzbekistan, Uzpakhtasanoat joint-stock company, Uzagroservis joint-stock company,

Uztuqimachilik sanoat Association, The Council of Farmers, Dekhkan Farms and Homestead Gardens on the following during cotton harvesting season in 2018 to pay:

- UZS 400,000 for 1 ton of cotton harvested using machinery;
- for 1 kg of manually harvested cotton: i) UZS 650 when contractual terms are fulfilled in amount of up to 60 percent in the first stage; ii) UZS 850 when they are fulfilled up to 80 percent in the second stage, and iii) UZS 1,000 when they are fulfilled in amount of more than 80 percent in the third stage;
- additional daily fee of UZS 300 being UZS 150 for each kg of manually picked cotton and UZS 150 for food, in Jizak, Syrdarya, Tashkent regions; Kasan, Mubarak, Nishan, and Kasbi districts of Kashkadarya region; Kizirik and Muzrabat districts of Surkhandarya region (except for areas of functioning of cotton-textile production enterprises) aiming at extra motivation of cotton pickers in the said areas, assign Public Works Fund under the Ministry of Employment and Labour Relations of the Republic of Uzbekistan as the source of funding for these expenses;
- exceptional remuneration of brigade leaders based on civil-legal contracts, for performed work using budget of the Public Works Fund under the Ministry of Employment and Labour Relations of the Republic of Uzbekistan.

2. Establish the following:

- the brigade leaders shall be promoted through gradual remuneration increase depending on the volume of harvested cotton;
- in case of shortage of labour force during the cotton harvesting season, additional cotton pickers can be recruited on a voluntary basis by district (town) Employment Support Centres upon request by district khokimiyats and district Councils of Farmers, Dekhkan Farms and Homestead Gardens.

3. Take into consideration that cotton cultivated in the districts specified in the Annex to the present resolution shall be harvested by the farmers using their own resources (without involvement of pickers from outside).

In districts not mentioned in the Annex, establish the following arrangements:

- the district khokims, depending on maturity of cotton, in consultation with farmers and the Council of Farmers, Dekhkan Farms and Homestead Gardens, have the authority to independently set remuneration rates and scales for manually harvested cotton;
- with the view to additionally motivate cotton pickers, extra payment in amount

of UZS 100 shall be made for each kilogram of manually picked cotton using the budget of the Fund (except for areas of functioning of cotton-textile production enterprises);

- for each ton of harvested cotton, funds in the amount of UZS 10,000 will be transferred from national budget to the reserve funds of local budgets; these funds can be used by the district khokims for high-level organization of harvesting. During this process, as an exception, the public procurement rules shall not apply.

4. Establish the following order envisaging that:

- for cotton, submitted in volume exceeding the total volume agreed in contracts for state needs, there will be additional payment of 15 percent of regular buying rates;
- starting from the harvesting season of 2018, insurance charges to non-budget pension fund will not be applied to income of physical persons involved in agricultural works related to cotton harvesting received for performing such works.

5. With the view to better promote farmers and ensure timely harvesting of cotton, recommend that cotton-textile production enterprises, considering world market conjuncture, independently establish remuneration rates and guaranteed bonus payments for manual harvesting of cotton in fields under their control, in amount not less than those established in the present resolution.

6. Entrust Uzpakhtasanoat joint-stock company, Uztuqimachilik sanoat Association, cotton-textile production enterprises to ensure:

- purchase of cotton on state-guaranteed rates based on grade and class of cotton harvested manually and using machinery with the view to increasing levels of mechanization of cotton harvesting, promote broader use of machinery and foster interests of cotton growing farmers.
- transparency of the process of accepting harvested cotton through the use of ICT and electronic scales while receiving raw cotton from producers.

7. Recommend that the Inspection of Agro-Industrial Complex and Food Security

under the General Prosecutor's Office in partnership with the Council of Farmers, Dekhkan Farms and Homestead Gardens of Uzbekistan organize proper observance of norms of cotton's net and conditional weight when accepting it in the laboratories of cotton accepting points by cotton processing plants within the system of Uzpakhtasanoat JSC and by cotton-textile production organizations.

8. Assign the Fund, Uzpakhtasanoat JSC, The Central Bank of the Republic of Uzbekistan, commercial banks, Uztukimachiliksanoat Association, organizations of cotton-textile production, the Council of Ministers of the Republic of Karakalpakstan, and regional khokimiyats to ensure payment for harvested cotton considering the rates stated in this resolution every 5 days, when needed – on a daily basis.

9. With a view to organize cotton harvesting within a short period during the harvesting season of 2018, and to arrange timely payments to cotton pickers, pursuant to the requirements of the Decree of the President of the Republic of Uzbekistan #PQ-3574 of 28 February 2018 "On Measures to Cardinaly Improve the System of Financing Cultivation of Cotton and Cereal Crops", assign the Ministry of Finance to allocate zero interest loans to the Fund for State Support of Agriculture under the Ministry of Finance with the condition of paying them back in 2019.

10. Assign the Fund in partnership with Uzpakhtasanoat JSC to finalize all payments to cotton producing farms and other agricultural enterprises for cotton submitted for state procurement and for cotton-textile production enterprises until 31 December, 2018.

11. Impose personal responsibility for correct and timely payment to cotton producing farms and target use of funds on heads of Uzpakhtasanoat JSC, Uztukimachiliksanoati Association and Agrobank JSCB.

12. Assign the Council of Ministers of the Republic of Karakalpakstan and regional khokimiyats, within 3 days, to develop an action plan on the arrangement of an organized cotton harvesting campaign with minimum losses, timely payment of remuneration to cotton pickers, involving additional workforce to districts facing shortage of labour and ensuring guaranteed payments to them.

13. Entrust Deputies Prime-Minister J.T. Kuchkarov, Z.T. Mirzaev, A.A. Abduhakimov, N.S. Otajonov, Acting Chairman of the Council of Farmers, Dekhkan Farms and Homestead Gardens of Uzbekistan A.A. Haitov, Chairman of the Council of Ministers of the Republic of Karakalpakstan and regional khokims to ensure control over execution of this resolution.

The Prime-Minister
of the Republic of Uzbekistan

A. Aripov

Annex

to the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan

703 of 30 August, 2018

List of districts

of the Republic of Karakalpakstan and regions where the cotton will be harvested without involvement of pickers from outside

#	Regions	Districts	Cotton area, ha	Total yield, tons
1	Republic of Karakalpakstan	Amudarya	15,550	32,524
		Beruni	10,575	23,165
		Kungrad	3,487	7,009
2	Andijan	Bulakbashi	3,049	9,225
		Pakhtaabad	6,591	19,333
		Altinkul	5,435	17,939
		Shahrihan	7,342	23,260
		Khojaabad	2,003	5,508
		Marhamat	5,092	15,581
		Izbaskan	7,988	25,804
3	Bukhara	Alat	8,075	24,633
		Karakul	9,235	27,928
		Shafirkan	9,275	29,778
		Gijduvan	10,370	34,700
		Vabkent	10,075	33,958

4	Kahkadarya	Kamashi	8,500	16,000
		Shahrisabz	5,200	14,550
		Chirakchi	8,600	23,000
		Yakkabag	7,203	19,800
5	Namangan	Kasansay	9,550	10,237
		Turakurgan	4,869	16,120
		Chust	4,004	10,253
		Namangan	6,050	19,838
		Chartak	1,067	3,413
		Uychi	6,269	20,862
		Narin	6,338	21,182
6	Samarkand	Ishtikhan	8,598	23,943
		Pakhtachi	8,320	23,923
7	Surkhandarya	Denau	10,538	35,200
		Kumkurgan	8,742	25,890
		Sariasia	2,650	8,850
8	Ferghana	Buwayda	5,280	15,320
9	Khorezm	Khiva	5,968	17,340
		Yangiarik	5,058	14,570
	Total	34	231,345	670,636

Notes and references

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- ¹ World Bank. 2018. *Cotton Taxation in Uzbekistan: Recent Development and Reform Agenda*. Washington, DC.
- ² Cotton Taxation in Uzbekistan: Recent Developments and Reform Agenda Ahead, World Bank 2018
- ³ https://stat.uz/ru/index.php?option=com_content&view=article&id=2780&catid=183&lang=ru-RU
- ⁴ Cotton Taxation in Uzbekistan: Recent Developments and Reform Agenda Ahead, World Bank 2018
- ⁵ https://stat.uz/ru/index.php?option=com_content&view=article&id=2780&catid=183&lang=ru-RU
- ⁶ Cotton Taxation in Uzbekistan: Recent Developments and Reform Agenda Ahead, World Bank 2018
- ⁷ https://stat.uz/ru/index.php?option=com_content&view=article&id=2780&catid=183&lang=ru-RU
- ⁸ Strategy of the Ministry of Employment and Labour Relations 2021. In 2010, the number of jobs needed was 658,000 and in 2017, the need was 513,000 jobs and the projection is that 540,000 new jobs will be needed in 2020.
- ⁹ Official government data: <https://stat.uz/uploads/docs/bandlik17-ru1.pdf>
- ¹⁰ Complete list of ratifications for Uzbekistan can be accessed from the ILO website: https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11200:0::NO::P11200_COUNTRY_ID:103538
- ¹¹ Official English version of the Constitution of the Republic of Uzbekistan is available online at this address: <http://constitution.uz/en/clause/index#item37>
- ¹² Unofficial English text of the Labour Code of the Republic of Uzbekistan can be found at this address: <http://cis-legislation.com/document.fwx?rgn=974>
- ¹³ World Bank. 2018. *Cotton Taxation in Uzbekistan: Recent Development and Reform Agenda*. Washington, DC.
- ¹⁴ Estimated based on <http://www.nia.org.pk/gin%20cotton.html>, <http://www.csd.net.au/sft/17-nitrogen-fertiliser-use-efficiency-whats-happening-in-the-field>, http://www.csd.net.au/system/resources/files/000/000/027/original/Management_Guidelines_for_Growing_High_Yielding_Cotton_Crops.pdf?1399013141
- ¹⁵ Yusupov, Y. and Y. Naumov. 2012. *Analysis of Options for Development of Production Clusters and Cooperatives in Uzbekistan*. The United Nations Development Program's report, page 36.
- ¹⁶ The State Statistics Committee of Uzbekistan.
- ¹⁷ In 2017 and 2018, due to high inflation rates (13-18 percent), the price increase in real terms was much smaller.
- ¹⁸ See the Cabinet of Ministers (CM) Resolution No. 158 "On Additional Measures to Strengthen Payment Discipline and Reduction of Debts in Key Sectors of the Economy" from March 2, 2018, and CM Resolution No. 149 "On Measures for Wide Adoption of Market Approaches in Agriculture" from February 28, 2018.
- ¹⁹ This information is based on the presentation of the cluster's performance in 2017.
- ²⁰ CM Resolution No. 53 "On Measures to Adopt the Modern Forms of Cotton-Textile Production" from January 25, 2018 and amendments to it. <http://lex.uz/docs/3527483>
- ²¹ CM Resolution No. 632 "On Measures to Establish the Modern Cotton-Textile Production by Indorama (Singapore) in Uzbekistan" from August 8, 2018, CM Resolution No. 744 "On Additional Measures to Further Develop Cotton-Textile Production" from September 19, 2018, and CM Resolution No. 974 "On Measures to Establish the Modern Agro-Industrial Cluster in Kuychiriksky District, Tashkent Region" from December 1, 2018.
- ²² In the Navoi region, more cotton land is allocated to clusters than is available in the entire region. It implies that about 1,500 ha of non-cotton land will have to be reallocated to cotton production or the clusters would have to give away some of the initially allocated land, as was the case with RusUzbekTex in Fergana region, from which 620 ha of the initially allocated cotton land were taken away.
- ²³ Two clusters operate in two regions at the same time, so the total number of clusters presented in this table is 64.
- ²⁴ CM Resolution No. 744 "On Additional Measures to Further Develop Cotton-Textile Production" from September 19, 2018.
- ²⁵ In accordance with CM Resolution No. 703 from August 30, 2018.
- ²⁶ See the World Bank. 2018. *Cotton Taxation in Uzbekistan: Recent Developments and Reform Agenda*. Washington, DC. In 2019, the state procurement plan is planned to be increased to 4,000,000 UZS per ton of raw cotton. If this increase takes place, the gap with the project export parity price in 2019 will drop to 10-15

percent.

²⁷ These rules are described in detail in FAO. 2018: *Enabling Regulatory Framework for Contract Farming*. Food and Agriculture Organization of the United Nations, Legislative Study 111, Rome.

²⁸ FAO. 2018: *Enabling Regulatory Framework for Contract Farming*. Food and Agriculture Organization of the United Nations, Legislative Study 111, Rome.