

DATE 04.09.2013

Executive Secretary, The Inspection Panel
The World Bank
1818 H Street, NW
Washington, DC 20433
USA

Members of the Inspection Panel of the World Bank:

1. We the Association for Human Rights in Central Asia, Human Rights Society of Uzbekistan “Ezgulik” and Uzbek-German Forum for Human Rights represent others, see attached claimant authority, who live in the areas known as Andijon Region, Bukhara Region, Fergana Region, Kashkadarya Region, Samarkand Region, Syrdarya Region, Tashkent Region in Uzbekistan.

2. Those we represent and the broader communities in which they reside have suffered harm as a result of the World Bank’s failures and omissions in the International Development Association-funded Rural Enterprise Support Project-Phase II (RESP-II) located in Uzbekistan. The harm suffered is due to the project’s investment in an agriculture sector underpinned by government orchestrated, forced labor, without adequate measures in place to prevent World Bank funds from contributing to such forced labor. This problem of forced labor went completely unacknowledged in the Social Assessment carried out prior to the project¹ and no serious consideration of the potential for the project to contribute to this problem was done. Instead, the Bank described the labor situation as one in which child labor is sometimes used and then implemented measures designed to prevent the use of child labor by farmers receiving project funds, rather than measures that would address the system of forced labor. In fact, in the project documents for a second round of funding for the project produced by the Bank in August of 2012, even these measures were not included as a genuine attempt by the Bank to address the real risk of child labor. Instead they were listed as being instituted as an attempt to address the risk that “External NGOs may continue raising child labor issue [sic] with the Bank”.²

3. We represent farmers, children, university students, public-sector workers, private-sector workers and parents who have been forced to provide labor to the Government-controlled agricultural system, which is supported by investments from the RESP II project in violation of OP 4.01. The project was purportedly designed “to increase the productivity and financial and environmental sustainability of agriculture and the profitability of agribusiness in the project area” through “the provision of financial, infrastructure and capacity building support to newly independent farmers.”³ While receiving RESP II funds, the Government has forced children and adults, including claimants, to work in the cotton sector, in violation of our rights under national law and international conventions prohibiting forced labor. Despite our repeated requests to the Bank to ensure that its loans are not supporting government orchestrated forced labor, the Bank has failed to carry out an assessment of sufficient quality to genuinely determine

¹ The issue of child labor was briefly discussed but forced labor was not.

² World Bank, *Project Paper on a Proposed Additional Credit in the Amount of SDR 26.4 Million to the Republic of Uzbekistan for the Second Rural Enterprise Project*, p. 8, August 6, 2012.

³ Integrated Safeguards Data Sheet, RESP II, 21 April 2008

what steps are necessary to prevent the project from contributing to forced labor. We describe the violations of our rights here:

Government Organization of Land and Quota System

The national Government sets the cotton production target each spring. This number is then broken down by region, and district *hokims* (governors) are responsible for making sure that the delivery quota is filled, including through the forced mobilization of farmers to meet a share of the Government imposed cotton quota. Despite the World Bank's reference to "independent farmers" in the RESP II documents, all farms in Uzbekistan are tied to the state order system. There exists no farm in Uzbekistan that the World Bank could make loans to that is not tied to this system and its use of forced labor. This is because, to cultivate land in Uzbekistan, farmers sign leases (lasting between 40- 60 years) with the government. The contracts specify the percentage of land on which cotton is to be grown and the annual cotton production quota. The regional *hokim* assigns land to farmers and establishes quotas for each and every farm, according to expected yield assessments conducted by the governmental agricultural agency *Uzpaxtasanoat*. For the 2012 harvest, approximately 50% of each farm's land was dedicated to cotton. Many contracts in force in 2012 also required another percentage of the farm land to be dedicated to wheat production, for which the harvest is mechanized. On the remainder of the land, the farmer can grow crops of his choosing, although some *hokims* require farmers to request permission to grow crops other than cotton and wheat.

The quota system is implemented by the regional and district *hokims*, who report to the prime minister. The national cotton production plan is developed by several government agencies including the Ministry of Agriculture and Water Resources, the Ministry of the Economy, the Ministry of Finance, the Ministry for Foreign Economic Relations, Investments and Trade, and the Association *Uzpaxtasanoat*. Then the prime minister, reporting directly to the president, publicly announces the national plan for cotton production, including the national production target.⁴ The prime minister then convenes the regional *hokims* and dictates the cotton production quotas for each region.⁵ The regional *hokims* are responsible for ensuring that their region's quota is delivered, including the forced mobilization of farmers to meet a share of the Government imposed cotton quota.⁶

The *hokimiyat* delivers quotas to farmers each year after receiving its orders from the central government. Farmers have to meet state-ordered cotton production quotas in order to retain their land leases, and therefore their livelihood. If a farmer fails to produce his assigned cotton quota, the regional *hokim* will assign the land to another farmer. Although it is illegal to sell cotton to anyone but the government-owned purchasing companies, farmers who surpass their quotas reportedly sell cotton to farmers who fail to meet theirs. During the harvest, regional *hokims* closely monitor production rates. Many regional *hokims* are known to convene daily meetings to receive reports from all the farmers in the region. At these meetings, the regional *hokims* verbally and physically abuse farmers who are under-producing. Reports abound of farmers beaten and tortured for growing crops other than cotton on land the government dictates should be used for cotton or for failing to meet cotton growing quotas. In 2012, farmers around the country were required to fulfil quotas of 3,000 kg on average.

⁴ Uzbek human rights activists, names anonymous for personal safety. Personal Interviews by Matthew Fischer-Daly, 23 September – 6 October, 2012.

⁵*Id.*

⁶*Id.* at para. 4. (unclassified)

State-Sponsored Forced Labor of Children and Adults for Agricultural Field Work

Despite national laws prohibiting forced labor and child labor., commitments to international conventions concerning forced labor and child labor, and its own statements, the Government continues to forcibly mobilize children and adults to work in the cotton fields.

"In our school, children took part in the harvest. First were sent grades 7-9 after school. After some time they did not study, and went to the harvest directly from their houses. In the end, grades 4-5 were also sent (to pick cotton). Until the school holidays children were taken out to the fields." - School teacher, Kashkadarya, 2012.

A clear chain of command ensures the mobilization of forced labor for the cotton harvest, with farmers having no control over the forced labor system. Taking orders from the Prime Minister, the regional *hokim* in turn controls deputies who have responsibilities for specific sectors such as education, health care and the military.⁷ In most districts, the *hokimiyat* functions as the headquarters for the mobilization of children and adults to harvest cotton. It includes the staff of the *hokimiyat*, the district prosecutor, the district police, and the director of the district departments of public services. After receiving its target for cotton picking, the director of each institution – school, hospital, military office, *etc.* – develops schedules and quotas for the staff.

"We have a new district prosecutor. In the evening, after submission of the picked cotton, he invites the team leaders, who did not fulfil the plan. Three to four policemen are also present during the meeting. The first time, one can get away with curses and threats, but the second time he can order one's arrest. On March 1, I spent one night in the cell of the district police station. Next morning I was released. This is done in order to keep us in fear." – School administrator, 2012

Each individual is assigned a daily quota. The individual quotas in 2012 ranged from 80 kilograms per day during the peak harvest to 30 kg per day, the amount that pickers were told was the minimum to cover the cost of food and transportation.

The work day in the cotton fields typically starts at 4:30am and lasts for 10 to 12 hours. Adult workers are generally not paid for their labor in the cotton fields. For picking the daily quota of 60 kilograms, children and university students can be paid only 20 cents USD per day after the cost of food and transportation is deducted. Conditions for the men, women and children working in the cotton harvest were unsafe, unsanitary and unhygienic. Observers photographed tractors spraying agrochemicals in fields, immediately beside the people picking cotton. Accommodation lacked essential hygienic facilities and adequate potable water.

Failure to meet the quota is not an option. Each province and region of Uzbekistan has an established infrastructure to enforce participation. Just like farmers, citizens who refuse to participate in the cotton harvest face punishment by the state, including the loss of employment; suspension, expulsion or other disciplinary action at school or work, loss of state welfare payments, fines, social ostracization, verbal

***Id.*

abuse, public humiliation, and physical abuse. The government, not farmers, force children and adults to pick cotton. The directors of schools, hospitals and other government entities report directly to the *hokim* and face punishment, including dismissal from their post, for failing to deliver the state order of cotton. The directors therefore assign a foreman of each group sent to the cotton field to oversee the work and report at the end of the day to the *hokimiyat*, who also often visits farms to reinforce the pressure. During the 2012 cotton harvest, examples of the enforcement practices of the regional- and local-level authorities included:

- In Yangiyul city, Tashkent region, parents and students (ages 15-18) were obliged to sign permission slips to establish their ‘voluntary’ participation in the cotton harvest, under threat of not being allowed to graduate.
- In the Buka district of Tashkent region, the police and national security service (SNB) and prosecutor’s office visited school and college directors to ensure their support for mobilizing teachers and students (aged 15-18) to pick cotton.
- In the Nizhnechirchiksky district, Tashkent region, students with illnesses were denied medical exemptions.
- Nurses from several regions reported that they were threatened with the loss of their jobs for refusing to participate.
- Staff of several medical clinics reported salary deductions for not meeting their daily quotas.
- Students of the Tashkent National University of Economics were threatened with expulsion.
- In the Chirchiq district, Tashkent region, students were threatened with expulsion and beaten by school staff, as coercion to meet their quotas.
- Shoir, a young mother in the Shahrisabz district, Kashkadarya region, reported that she had to pick cotton or lose child-care benefits, which are distributed by the *mahalla* committees.

Impacts Suffered in Our Communities

Each year we suffer deaths, physical hardship, debts, deprivation of education for our children, and strained health care services so that the few government officials and their colleagues earn the income of cotton sold to domestic and international markets.

At the height of the 2012 cotton harvest, 19-year-old Navruz Muysinov died. The young man decided to return home early from the cotton fields in Shakhrisabz district of Kashkadarya region on the 6th of October. He was stopped by the police, beaten and died thereafter.⁸ The results of the investigation into the cause of death remain unknown. In addition to Navruz, there were several tragic deaths. Igor Yachkevskiy, a 55-year old resident of Tashkent city, died of a heart attack while picking cotton in Okkurgon district, Tashkent region on the 17th of September.⁹ Umid, a third year student of the Bukhara Engineering Institute of High Technologies, in Bukhara region, died after he was hit by a tractor on his

⁸Barno Anwar, “Шахрисабзлик мархум теримчинингоиласи адолат кутмоқда,” *Ozodlik.org*, 15 October 2012, available at <http://www.ozodlik.org/content/article/24740357.html#hash=relatedInfoContainer>, last accessed 21 October 2012.

⁹Барно Анвар, “Шахрисабзлик мархум теримчинингоиласи адолат кутмоқда,” *Radio Ozodlik*, 15 October 2012, available at <http://www.ozodlik.org/content/article/24740357.html#hash=relatedInfoContainer>, last accessed 1 May 2013.

way from the field after dark on the 22nd of October.¹⁰ The authorities failed to report any information concerning these tragic deaths during the cotton harvest.

Forced labor in Uzbekistan's cotton sector is not the result of family poverty, but rigid state control of all aspects of the cotton industry, whereby the forced mobilization of children is organized and enforced by authorities, as channeled through the local administration and benefiting the Government. Under the state-order system of cotton production, the Government of Uzbekistan not only controls the land and enforces cotton production quotas, but also controls input markets, prices and cotton sales. Given the low purchase price for cotton set by the government, farmers are unable to afford to hire the labor necessary for cotton farming.¹¹

While depleting rural communities of income and human resources, the state order cotton production system also provides government officials, particularly those with specific roles in the cotton industry, multiple avenues for extorting money from their less-powerful fellow citizens. Since Soviet times, the cotton and irrigation systems have served as patronage systems, insuring loyalty of regional and district authorities to the highly centralized national administration. At the regional and district level, authorities extort from citizens through unpaid wages, direct payments for unfulfilled quotas, and fines for insufficient contributions to the cotton harvest. In this climate, any investment in the agricultural system merely sustains the state-order system and forced labor which underpins it.

In addition, the massive and nationwide forced labor of government employees strains the delivery of many public services, including essential medical care and education. Just in Tashkent, approximately 11,000 nurses and doctors from hospitals and clinics were sent to the fields during the 2012 cotton harvest. As in previous years so in 2012, both high school and university students had no access to education during the harvest. The school calendar for colleges and lyceums (high schools) and universities starts in September, but classes started in November. Teachers were required to falsify records indicating that lessons had been covered. Often grades depend on how well students picked cotton. Even where younger school children were not mobilized for the harvest, the state-sponsored mobilization of teachers, parents and older school children continued to negatively affect the learning process. As the result of an estimated 60% of school teachers being forced to pick cotton, primary school students received partial lessons for two and a half months and, while not in the fields themselves, teachers had to manage combined classes of 50 to 60 children, without additional payment. The impacts on our youth and next generation cannot be overstated.

4. The main World Bank policy that World Bank staff has violated in connection with the RESP II loan is Operational Policy 4.01 [OP 4.01] on Environmental Assessments [EA]. For both Category A and B projects, this policy requires an assessment of the potential negative and positive impacts on human populations, as well as measures to prevent, minimize, mitigate or compensate for adverse impacts.¹²

¹⁰ Садриддин Ашур, "Бухорода хашарчилга ба фаожиалиҳалок бўлди," *Radio Ozodlik*, 25 October 2013, available at <http://www.ozodlik.org/content/article/24750266.html>, last accessed 1 May 2013.

¹¹ 12 Uzbek human rights activists, anonymous for personal safety. Personal Interviews by Matthew Fischer-Daly, 23 September – 6 October, 2012.

¹² OP 4.01

While the Bank does not have the responsibility to carry out the EA, it is responsible for ensuring that the EA “provide[s] an adequate basis for processing the project for Bank financing.” This would require an assessment with adequate scope and quality.

The Social Assessment [SA] carried out in connection with the RESP II loan falls far short of OP 4.01’s standards and demonstrates that the Bank clearly failed to exercise its supervisory role in connection with this project. The widespread and systematic use of forced child labor in Uzbekistan went completely unacknowledged in the SA, which spoke only of “child labor” and there is a total lack of assessment of whether the Bank’s project, which funnels money directly into the agriculture sector, would contribute to this endemic problem. In fact, the SA contains only one paragraph discussing the problem of child labor in cotton production and this paragraph is full of internal contradictions and outright falsehoods.

“Respondents stated that school children are not exploited for cotton production. Indeed, the recent work of UNICEF and the SA showed the lack of worst forms of child labor in rural Uzbekistan.¹³ There is little difference in the nature of child labor on the cotton plantations and on DF. Usually, 12 to 18 year old children are not used in FEs during weeding, cotton and guzapaia (cotton stems) picking.¹⁴ Their labor is used during the period of cotton picking when districts/provinces cannot fulfill their plan of cotton picking. Children do not participate in cleaning of the irrigation and drainage systems. In some provinces where there was a shortage of farm labor school children were picking cotton (grades 5 and above), and in other provinces there worked only high school children (pupils of 8-11 grades and college students). In some provinces, where there is excess farm labor (women), children were not involved at all.¹⁵ Women and school children believe that they can earn the most only when they pick cotton when each

¹³This is false: UNICEF made the following findings in 2011 that show the worst forms of child labor are used in Uzbekistan: “(i) children aged 11–17 years old have been observed working full time in the cotton fields across the country; (ii) the mobilization of children has been organized by way of instructions passed through Khokimyats (local administration), whereby farmers are given quotas to meet and children are mobilized by means of the education system in order to help meet these quotas; (iii) in some instances, farmers also made a private arrangement with schools to pick their cotton often in return for material resources or financial incentives for the school; (iv) children were predominantly supervised in the fields by teachers; (v) in over a third of the fields visited, children stated that they were not receiving the money themselves; (vi) quotas for the amount of cotton children were expected to pick generally ranged between 20–50 kilos per day; (vii) the overwhelming majority of children observed were working a full day in the field and as a result, were missing their regular classes; (viii) children worked long hours in extremely hot weather; (ix) pesticides were used on the cotton crop that children spent hours hand picking; (x) some children reported that they had not been allowed to seek medical attention even though they were sick; and (xi) that the only noticeable progress towards the eventual elimination of the use of children in cotton picking was observed in the Fergana region.” ILO Committee on the Application of Conventions and Recommendations, “Observation: Uzbekistan- Worst Forms of Child Labour Convention, 1999 (No. 182) (ratification: 2008),” 2012.

¹⁴This is contradicted by an ILO report from May of this year that noted with “serious concern” information that indicated 16 – 18 year olds are mobilized for work during the cotton harvest. It reminded the Government that the forced labour of, or hazardous work by, all children under 18 constituted one of the worst forms of child labour, and urged the government to take necessary measures as a matter of urgency to ensure the effective implementation of national legislation prohibiting the practice. ILO Committee of Experts on the Application of Conventions and Recommendations (CEACR), *Individual Observation concerning the Worst Forms of Child Labour Convention, 1999 (No. 182) Uzbekistan*, 2013

¹⁵ Available evidence demonstrates that in fact forced child labor occurs in every province in Uzbekistan.

can earn more than \$7 per day and more than \$300 per month, which many families badly need.”¹⁶

Of even more concern than the contradictions and errors in this paragraph is the fact that the SA has completely failed to note that the child labor violations taking place in Uzbekistan’s agriculture sector all constitute systematic, government orchestrated forced labor. Because of this glaring omission, the SA misrepresents the nature of the problem and thus prevents the Bank from taking the steps necessary to avoid contributing to the problem of child labor and forced labor in the country. This is evidenced by the fact that in multiple Bank documents from 2008 and 2012, and in conversations and correspondence with claimants’ civil society representatives, management has sought to demonstrate that it is avoiding contributing to the problem of child labor through training of farmers and contract provisions in loans to farmers and agribusinesses. Such trainings and contract provisions have absolutely no impact on the child labor problem in the country because, as demonstrated above and in the accompanying documents, farmers have no control over the system of forced labor and child labor. It is the government, not the farmers, that forces children and adults to work in the cotton fields and thus the Bank cannot expect to address the issue of forced labor through trainings or other engagement at the farm level. We believe this demonstrates that the Bank is also violating OP 13.60 on monitoring and evaluation as its monitoring procedure, directed at the farm or agribusiness rather than the state, are insufficient to determine whether its funds are supporting state-sponsored forced labor.

5. We have complained to World Bank staff on multiple occasions both in person and in writing including:

- On 18 December 2010 Vasila Inoyatova of Ezgulik wrote an open letter to Philippe H. Le Houerou, the World Bank’s regional vice president, on the situation of children’s rights, child labor and the Bank’s activities in Uzbekistan.
- On March 31, 2011 Vasila Inoyatova of Ezgulik and other civil society representatives met with Mrs. Mehrnaz Teymourian the Office Director for Central Asia and other World Bank staff in Washington, DC.
- Ezgulik submitted to the World Bank on October 11, 2012 “The Independent Review of the World Bank’s Rural Enterprise Support Project – Phase 2”
- On 1 September 2013 Vasila Inoyatova of Ezgulik wrote a letter to Shigeo Katsu, Vice-President of the World Bank, Europe and Central Asia Division
- A written case study prepared by Ezgulik in partnership with Bank Information Center was submitted to Bank Management on April 24, 2013.
- Staff from the Bank Information Center, representing both their organization and Ezgulik as authors of the joint case study, met with several individuals from Bank management on May 2, 2013.

¹⁶Note that \$7 per day works out to more than \$300 per month only if there are 43 days in a month. Additionally, all available evidence demonstrates that school children earn only negligible sums from working in the cotton fields, never receiving anything close to \$7 per day.

Each time we have received an unsatisfactory response. The reasons we find the responses unsatisfactory include:

- Whenever we have raised the issue of state sponsored forced child labor Management responds with information about its education efforts with farmers and compliance requirements for farmers, refusing to acknowledge that it is not farmers who have control over, or are responsible for, the forced labor of children and adults in Uzbekistan.
- Management has, on occasion, argued that forced child labor is not a genuine problem in the country and/or that the situation is improving¹⁷, something which is proven 100% false by the facts on the ground, as acknowledged by the ILO, UNICEF, the EU, the US government, retailers' associations, and even Walmart.
- Management has had difficulty determining who wrote the problematic assessment with different responses coming from different staff.
- Management argues that the loans are aimed at diversifying agricultural production and reducing reliance on cotton and thus are not directed at the cotton industry. However, management has identified no policies or contractual measures in place to prevent its funds from being used for cotton production.
- Management refuses to disclose which farms and agribusinesses are receiving the World Bank loans making it impossible to verify any of the claims made by management regarding these farms.

Additionally, instead of working with civil society to protect the children in project affected communities, Bank management staff has listed “[e]xternal NGOs may continue raising child labor issue with the Bank” as a risk associated with the project. This attitude towards NGOs demonstrates that management does not welcome constructive engagement from civil society with respect to this project.

6. We request the Inspection Panel recommend to the World Bank’s Executive Directors that an investigation of these matters be carried out.

List of attachments:

1. Claimant Authority
2. Case study report by Bank Information Center and Ezgulik titled “The Need for Child Impact Assessments: A Case Study of the International Development Association Funded Uzbekistan Rural Enterprise Support Project-Phase II” submitted to the World Bank on 24 April 2013.
3. Letter dated 18 December 2010 from Vasila Inoyatova of Ezgulik to Philippe H. Le Houerou
4. Report title “The Independent Review of the World Bank’s Rural Enterprise Support Project – Phase 2” and submitted to the World Bank on October 11, 2012
5. Letter dated 1 September 2012 from Vasila Inoyatova of Ezgulik to Shigeo Katsu

¹⁷ See e.g. World Bank, “Uzbekistan: Economic Development and Reforms: Achievements and Challenges”, April 2013.

Signed by:

Inoyatova Vasila Akhmedjanovna
Chair of the Human Rights Society of Uzbekistan “Ezgulik”
Date: 04.09.2013 (stamped)

Nadezhda Ataeva,
President of the Association of Human Rights in Central Asia
Date: (stamped)

Umida Niyazova
Head of the Uzbek-German Forum for Human Rights
Date: 3.09.2013

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Ответственному секретарю Инспекционной комиссии
Всемирный банк
1818 H Street, NW
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Члены Инспекционной комиссии Всемирного банка:

1. Мы, Ассоциация по правам человека в Центральной Азии, Общество прав человека в Узбекистане «Эзгулик» и Узбекско-германский форум по правам человека, представляем других лиц (см. прилагаемую доверенность заявителей), проживающих в Андижанской, Бухарской, Ферганской, Кашкадарьинской, Самаркандской, Сырдарьинской и Ташкентской областях Узбекистана).

2. Те, кого мы представляем, и кто проживает в более крупных общинах, понесли ущерб в результате некорректной работы Всемирного банка и упущений Проекта поддержки сельскохозяйственных предприятий – Фаза 2 (RESP-2), реализуемого в Узбекистане за счет средств Международной ассоциации развития. Понесенный ущерб возник вследствие инвестирования проекта в сельское хозяйство, которое было подкреплено широкомасштабным и систематическим принудительным трудом детей и взрослых, организованным правительством, без принятия надлежащих мер со стороны Всемирного банка по недопущению участия своих финансов в практике принудительного труда. В проведенной до начала проекта социальной оценке проблема принудительного труда осталась совершенно незамеченной, и также не было серьезного рассмотрения вероятности поддержания такой практики кредитами Банка. Напротив, Банк описал положение дел в сфере труда как таковое, в котором детский труд используется лишь в отдельных случаях, а затем осуществил меры, направленные на предотвращение использования детского труда фермерами, которые получают проектные средства, а не меры по устранению самой системы принудительного труда. Более того, в проектных документах по второму раунду финансирования проекта, опубликованных Банком в августе 2012 года, даже эти меры представлены не как искренняя попытка устранить реальные риски использования детского труда, а как попытка устранить риск того, что «внешние НПО могут продолжать ставить Банку вопрос о детском труде [так в оригинале]»¹

3. Мы представляем фермеров, детей, студентов, работников бюджетной сферы, работников частного сектора и родителей, которых вынуждают обеспечивать труд сельскохозяйственной системе, контролируемой правительством и поддерживаемой инвестициями проекта RESP-2 в нарушение операционной политики ОП 4.01. Проект был разработан якобы с целью «повышения продуктивности, финансовой и экологической устойчивости сельского хозяйства и рентабельности предприятий агробизнеса в регионе реализации проекта», и эта цель должна быть достигнута посредством «оказания новым независимым фермерам финансовой и инфраструктурной поддержки, а также помощи в наращивании мощностей».² Получая средства по

¹ Всемирный банк, *Проектный документ о предлагаемом дополнительном кредите на сумму 26, 4 млн. СДР Республике Узбекистан для Проекта поддержки сельскохозяйственных предприятий – Фаза-2*, стр.8; 6 августа 2012г.

² Сведения о комплексных мерах защиты, RESP-2, 21 апреля 2008г.

проекту RESP-2, правительство заставляет детей и взрослых, в том числе заявителей, работать в хлопковом секторе в нарушение наших прав в рамках национального законодательства и международных конвенций, запрещающих принудительный труд. Несмотря на наши неоднократные обращения в Банк с требованием обеспечить, чтобы выделяемые им кредиты не поддерживали организуемый правительством принудительный труд, Банк не провел надлежащей оценки для реального определения мер по недопущению содействия принудительному труду со стороны проекта. Здесь мы описываем нарушения наших прав:

Организация правительством системы землепользования и квотирования

Каждую весну правительство страны устанавливает директивный план (норму) по сдаче хлопковой продукции. Затем эта цифра разбивается по регионам, и районные *хокимы* (губернаторы) несут ответственность за выполнение установленной квоты, в том числе путем принудительной мобилизации фермеров для отработки своей части нормы, введенной правительством. Несмотря на имеющуюся в документах Всемирного банка упоминание о «независимых фермерах» проекта RESP-2, все фермерские хозяйства в Узбекистане привязаны к системе госзаказа. Здесь нет ферм, которым Всемирный банк может выдавать кредиты, и которые не связаны с системой госзаказов и используемым в ней принудительным трудом. Это происходит потому, что для возделывания земли в Узбекистане фермеры подписывают с правительством контракт аренды (продолжительностью от 40 - 60 лет). Контракты определяют долю земельных площадей для обязательного выращивания хлопка, а также ежегодные квоты по производству хлопка. *Хоким* региона выделяет фермерам землю и устанавливает квоты для каждой отдельной фермы, в соответствии с оценками ожидаемого размера урожая, проведенными правительственным сельскохозяйственным ведомством «*Узпахтасаноат*». В урожае 2012 года около 50% площадей каждого фермерского хозяйства отводились под хлопок. Многие действующие в 2012 году контракты требовали выделения части сельскохозяйственных угодий под пшеницу, жатва которой механизирована. На оставшейся части земли фермер может выращивать сельскохозяйственные культуры по своему выбору, хотя некоторые *хокимы* требуют от фермеров запроса на разрешение выращивать другие культуры, помимо хлопка и пшеницы.

Система квотирования осуществляется *хокими* областного и районного уровня, которые подотчетны премьер-министру. План национального производства хлопка разрабатывается несколькими государственными учреждениями, к числу которых относятся: Министерство сельского и водного хозяйства, Министерство экономики, Министерство финансов, Министерство внешних экономических связей, инвестиций и торговли, а также Ассоциация «*Узпахтасаноат*». Затем премьер-министр, подотчетный непосредственно президенту, публично объявляет план национального производства хлопка³. После чего премьер-министр созывает региональных *хокимов* и диктует им хлопковые квоты для каждого региона.⁴ *Хокимы* несут ответственность за обеспечение квот обязательных поставок своего региона, включая принудительную мобилизацию фермеров с целью выполнения своей части квоты, введенной правительством.⁵

После получения разрядки центрального правительства *хокимият* устанавливает ежегодные квоты для фермеров. Фермеры вынуждены соблюдать эти квоты, чтобы сохранить свои договоры аренды земли, и, следовательно, средства к существованию. Если фермер не производит назначенную ему хлопковую квоту, *хоким* региона передает его землю в аренду другому фермеру.

³ Узбекские правозащитники, чьи имена не называются по причинам их безопасности. Личные интервью Мэтью Фишер-Дэли (Matthew Fischer-Daly), 23 сентября – 6 октября 2012г.

⁴ Там же, абзац 4 («открытый»)

Хотя продавать хлопок кому-либо, кроме государственных закупочных компаний противозаконно, превысившие свои квоты фермеры, по сообщениям, продают хлопок фермерам, которые их не выполнили. Во время хлопкоуборочного сезона региональные хокимы внимательно отслеживают показатели производства. Известно, что многие хокимы созывают ежедневные собрания для получения отчетов от всех фермеров региона. На таких общественных собраниях местные хокимы словесно и физически оскорбляют фермеров, которые недовыполняют норму. Имеются множественные сообщения об избиениях и пытках фермеров за выращивание других сельскохозяйственных культур на землях, предписанных правительством для хлопка, или за невыполнение хлопковых квот. В 2012 году обязательные хлопковые квоты для всех фермеров страны составили в среднем 3000 кг.

Государственный принудительный труд детей и взрослых на полевых работах. Несмотря на государственные законы, запрещающие принудительный и детский труд, на обязательства в рамках международных конвенций, касающихся принудительного и детского труда, а также на свои собственные заявления, правительство Узбекистана продолжает в принудительном порядке мобилизовать детей и взрослых для работ на хлопковых полях.

«Дети нашей школы участвовали в сборе урожая. Сначала учеников 7-9 классов отправляли в поле после уроков. Через какое-то время они уже не учились и ходили на уборку урожая прямо из дома. А в конце были отправлены (на сбор хлопка) и ученики 4-5 классов. Дети вывозились на работы до школьных каникул». – Школьный учитель, Кашкадарья, 2012г.

Четкая система подчинения обеспечивает мобилизацию принудительного труда на сбор хлопка, и фермеры не имеют никакого контроля над этой системой принудительного труда. Принимая разрядку премьер-министра, региональный хоким, в свою очередь, контролирует работу заместителей, которые отвечают за конкретные сектора, такие как образование, здравоохранение и армия.⁶ В большинстве районов хокимият функционирует как штаб-квартира по мобилизации детей и взрослых на уборку хлопка. В нее входят сотрудники хокимията, прокурор района, районная милиция и директор районных отделов государственных служб. После получения плановых цифр по сбору хлопка директор каждого учреждения - школы, больницы, военкомата и т.д. - разрабатывает графики и квоты для персонала.

«У нас новый прокурор района. Вечером, после сдачи собранного хлопка, он приглашает бригадиров, не выполнивших план. На совещании присутствуют три-четыре милиционера. В первый раз дело может обойтись оскорблениями и угрозами, но во второй раз прокурор может приказать кого-то арестовать. 1 марта я провел одну ночь в камере РОВД. На следующее утро меня освободили. Это делается для того, чтобы держать нас в страхе». - Школьный администратор, 2012г.

Каждому назначается дневная норма. В 2012 году индивидуальная дневная норма составляла в среднем от 80 кг в разгар уборки урожая до 30 кг, являющейся, как сказали сборщикам, минимальным объемом, необходимым для покрытия расходов на их питание и транспортировку.

Рабочий день на хлопковых полях, как правило, начинается в 4.30 и продолжается 10-12 часов. Труд взрослых работников на хлопковых полях в большинстве случаев не оплачивается. За сбор суточной нормы в 60 килограммов детям и студентам могут платить только 20 центов в день за

** Там же.

вычетом расходов на питание и транспорт. Условия для мужчин, женщин и детей, работающих на сборе хлопка, были опасными, антисанитарными и негигиеничными. Наблюдатели сфотографировали тракторы, распыляющие на полях агрохимикаты в непосредственной близости от сборщиков хлопка. В местах временного размещения сборщиков отсутствуют основные санитарно-гигиенические объекты и пригодная для питья вода.

Не выполнить норму невозможно. Каждая провинция и регион Узбекистана имеет инфраструктуру, обеспечивающую принудительное участие. Как и фермеры, граждане, которые отказываются участвовать в уборке хлопка, подвергаются со стороны государства наказанию, заключающемуся в утрате работы или временном отстранении от работы, исключении или другом дисциплинарном взыскании в школе или на работе, утрате социальных выплат, штрафах, социальном гонении, словесном оскорблении, публичном унижении и физическом насилии. Не фермеры, а правительство заставляет детей и взрослых собирать хлопок. Директора школ, больниц и других государственных организаций отчитываются непосредственно перед хокимом и наказываются, в том числе увольнением с должности, за невыполнения госзаказа на хлопок. Поэтому директора назначают бригадира в каждую группу, отправляемую на хлопковом поле, для контроля за работой и отчета в конце дня перед хокимиятом, который также часто посещает фермерские хозяйства с целью усиления давления. Ниже представлены примеры правоприменительной практики властей регионального и местного уровня во время хлопкоуборочного сезона в 2012 году:

- В городе Янгиюль Ташкентской области родителей и студентов (в возрасте 15-18 лет) заставляли давать подписку о «добровольном» участии в сборе хлопка под угрозой отчисления.
- В районе Бука Ташкентской области сотрудники милиции, службы национальной безопасности (СНБ) и прокуратуры посещали директоров школ и колледжей для обеспечения их поддержки в мобилизации преподавателей и студентов (в возрасте 15-18 лет) на сбор хлопка.
- В Нижне-Чирчикском районе Ташкентской области студентам с заболеваниями было отказано в медицинском свидетельстве об освобождении от работы.
- Медсестры из нескольких регионов сообщили, что им угрожали потерей работы за отказ от участия в уборке урожая.
- Сотрудники нескольких клиник сообщили об удержании из их зарплат за невыполнение дневных норм.
- Студентам Ташкентского государственного экономического университета угрожали отчислением.
- В Чирчикском районе Ташкентской области школьники находились под угрозой отчисления и были избиты сотрудниками школы для понуждения к выполнению норм.
- Шоира, молодая мать Шахрисабзского района Кашкадарьинской области, сообщила, что должна была или собирать хлопок или потерять льготы по уходу за ребенком, которые распределяются махаллинскими комитетами.

Вред, причиняемый нашему населению

Каждый год мы подвергаемся смертям, физическим лишениям, долгам, лишению наших детей образования, дефициту медицинских услуг ради того, чтобы несколько правительственных

чиновников и их коллег получили доход от продажи хлопка на внутреннем и международном рынках.

В разгар уборки урожая хлопка 2012 года умер 19-летний Навруз Муйзинов. 6 октября молодой человек решил раньше вернуться домой с хлопковых полей, расположенных в районе Шахрисабз Кашкадарьинской области. Он был остановлен сотрудниками милиции и избит, после чего скончался.⁷ Результаты медицинской экспертизы по установлению причины смерти остаются неизвестными. Помимо смерти Навруза было и несколько других трагических смертей. Ячевский Игорь, 55-летний житель Ташкента, умер 17 сентября от сердечного приступа во время уборки хлопка в Аккурганском районе Ташкентской области.⁸ Умид, студент третьего курса Бухарского инженерно-технологического института высоких технологий, умер после того, как 22 октября попал на дороге под трактор, возвращаясь с поля в темное время суток.⁹ Власти не сообщают никакой информации о таких трагических смертях во время хлопкоуборочного сезона.

Принудительный труд в хлопковом секторе Узбекистана является результатом не бедности семьи, а жесткого государственного контроля всех аспектов хлопковой индустрии, при помощи которого власти через местную администрацию организуют и приводят в исполнение принудительную мобилизацию детей, приносящую прибыль правительству. В рамках системы госзаказов на хлопковую продукцию узбекское правительство не только контролирует земельный рынок и навязывает квоты на хлопок, но также контролирует рынок факторов производства, цены и сбыт хлопка. Учитывая низкую закупочную цену на хлопок, которую устанавливает правительство, фермеры не имеют финансовой возможности использовать наемный труд, необходимый в хлопководстве.¹⁰

Хотя доходы и человеческие ресурсы сельских общин истощаются, при этом система госзаказа на хлопковую продукцию открывает государственным чиновникам, и, прежде всего тем, кто играет особую роль в хлопководстве, многообразные пути для вымогательства денег у своих менее влиятельных сограждан. Еще с советских времен хлопок и ирригационные системы являлись системами патронажа, обеспечивая лояльность региональных и районных властей крайне централизованному правительству. За невыполненные квоты власти регионального и районного уровня лишают граждан заработной платы и вымогают от них прямых платежей, а также накладывают штрафы за недостаточное участие в хлопкоуборочной кампании. В этой обстановке любые инвестиции в сельское хозяйство лишь поддерживают систему госзаказов и принудительный труд, лежащий в ее основе.

Помимо этого, массовый принудительный труд госслужащих в общенациональном масштабе создает напряжение в сфере социального обслуживания населения, включая важнейшую

⁷ Барно Анвар «Шахрисабзлик мархум теримчининг оиласи адолат кутмоқда», *Ozodlik.org*, 15 октября 2012г., опубликовано на: <http://www.ozodlik.org/content/article/24740357.html#hash=relatedInfoContainer>, последнее обращение 12 октября 2012г.

⁸ Барно Анвар «Шахрисабзлик мархум теримчининг оиласи адолат кутмоқда», *Ozodlik Радиоси*, 15 октября 2012г., опубликовано на: <http://www.ozodlik.org/content/article/24740357.html#hash=relatedInfoContainer>, последнее обращение 1 мая 2013г.

⁹ Садриддин Ашур «Бухорода ҳашарчи талаба фожиали ҳалок бўлди», *Ozodlik Радиоси*, 25 октября 2012г., опубликовано на: <http://www.ozodlik.org/content/article/24750266.html>, последнее обращение 1 мая 2013г.

¹⁰ 12 узбекских правозащитников, чьи имена не называются по причинам их безопасности. Личные интервью Мэтью Фишер-Дали (Matthew Fischer-Daly), 23 сентября – 6 октября 2012г.

медицинскую помощь и образование. Только в Ташкенте около 11000 медсестер и врачей были отправлены из больниц и клиник на поля во время сбора хлопка урожая 2012 года. Как и в предыдущие годы, в 2012 году школьники средней школы и студенты не имели доступа к образованию во время хлопкоуборочной страды. Занятия в колледжах и лицеях (вузах) и университетах по учебному плану должны начинаться в сентябре, но они начались в ноябре. От учителей потребовали фальсифицировать записи о том, что уроки проводились. Зачастую оценки школьников зависели от того, насколько хорошо они собирали хлопок. Даже там, где младшие школьники не были мобилизованы на сбор урожая, государственная мобилизация учителей, родителей и старшеклассников продолжала негативно сказываться на процессе обучения. В результате принуждения около 60% школьных учителей к сбору хлопка, в течение двух с половиной месяцев с учащимися начальной школы проводились только частичные уроки, и хотя сами учителя не были на полях, им пришлось обучать объединенные классы, насчитывающие от 50 до 60 детей, без дополнительной оплаты. Нельзя переоценить негативные последствия такой практики на нашу молодежь и будущее поколение.

4. Основной политикой Всемирного банка, которую нарушили его сотрудники в связи с кредитами по RESP-2, является операционная политика 4.01 [OP 4.01] - Экологическая оценка [EA]. Согласно данной политике, для проектов категории А и В требуется проведение оценки возможных негативных и положительных последствий для населения от их реализации, а также мер по предотвращению, минимизации, смягчению или компенсации неблагоприятных последствий.¹¹

Хотя Банк не отвечает за проведение EA, он несет ответственность за то, чтобы EA «обеспечивала [и] надлежащую основу для подготовленности проекта к банковскому финансированию». А это требует оценки соответствующего объема и качества.

Социальная оценка [SA], проведенная в связи с кредитованием RESP-2, сильно не дотягивает до стандартов OP 4.01 и свидетельствует о том, что Банку явно не удалось осуществить свои надзорные функции по этому проекту. Широкомасштабное и систематическое использование принудительного детского труда в Узбекистане оказалось совершенно незамеченным в SA, где есть лишь упоминание о «детском труде» и полностью отсутствует оценка того, усугубит ли эту системную проблему проект Банка, который направляет свои финансы непосредственно в сельское хозяйство. Фактически, SA содержит только один пункт, описывающий проблему детского труда в хлопководстве и этот пункт полон внутренних противоречий и откровенной лжи.

«Респонденты заявили, что школьников не используют в хлопководстве. Действительно, проведенная недавно работа UNICEF и SA не выявила наихудших форм детского труда в сельских районах Узбекистана.¹² Существует небольшая

¹¹ OP 4.01

¹² Это не соответствует действительности: в 2011 году ЮНИСЕФ сделал следующие выводы, которые свидетельствуют о том, что наихудшие формы детского труда в Узбекистане используются: «(i) дети в возрасте 11-17 лет работали полный рабочий день на всех хлопковых полях страны; (ii) мобилизация детей была организована по поступающим через *хокимияты* (местную администрацию) разнарядкам с установленными для фермеров обязательными квотами, для содействия в выполнении которых и были мобилизованы дети через систему образования; (iii) в некоторых случаях фермеры заключали со школами частные договоренности по сбору хлопка, нередко в обмен на материальные ресурсы или финансовые поощрения школам; (iv) дети в поле контролировались главным образом учителями; (v) в более чем трети из посещенных полей дети заявили, что за работу они сами не получают деньги (vi) дневные нормы сбора для детей составляли от 20 до 50 кг хлопка; (vii) подавляющее большинство детей работали в поле целый день и, следовательно, пропускали свои обычные занятия в школе; (viii) дети помногу работали в условиях крайне

разница в характере детского труда на хлопковых плантациях и на DF. Как правило, дети в возрасте от 12 до 18 лет не привлекаются к/на FEs во время прополки, сбора хлопка-сырца и гуза-паи (стеблей хлопчатника).¹³ Их труд используется в период хлопкоуборочных работ, когда районы/области не могут выполнить планы по сбору хлопка. Дети не участвуют в очистке ирригационных и дренажных систем. В некоторых районах, которые испытывали нехватку сельскохозяйственной рабочей силы, школьники (начиная с 5 класса и старше) собирали хлопок, а в других районах работали только старшекласники (ученики 8-11 классов и студенты). В регионах, имеющих избыток сельскохозяйственных трудовых ресурсов (женщины), дети вообще не участвовали в уборке урожая.¹⁴ Женщины и школьники считают, что они имеют возможность больше заработать только на сборе хлопка, когда каждый из них может заработать более \$7 в сутки и более \$300 в месяц, в которых многие семьи остро нуждаются». ¹⁵

Еще большую обеспокоенность, чем противоречия и ошибки в этом пункте вызывает тот факт, что SA совершенно не отметила, что связанные с детским трудом грубые нарушения, происходящие в сельском хозяйстве Узбекистана, являются составной частью организованного правительством систематического принудительного труда. Из-за этого вопиющего упущения SA искажает природу проблемы, тем самым препятствуя Банку в принятии необходимых мер по недопущению усугубления проблемы детского и принудительного труда в стране. Об этом говорит тот факт, что в нескольких документах Банка за период с 2008 по 2012гг., а также в разговорах и переписке с активистами гражданского общества, представляющими заявителей, руководство Банка демонстрировало стремление избежать усугубления проблемы детского труда посредством проведения профессионального обучения фермеров и введения контрактных положений о кредитах для фермеров и предприятий агробизнеса. Такое обучение и контрактные условия не имеют абсолютно никакого влияния на проблемы детского труда в стране, потому что, как было показано выше и в сопроводительных документах, фермеры не имеют никакого контроля над системой принудительного и детского труда. Не фермеры, а правительство заставляет детей и взрослых работать на хлопковых полях, причем Банк не может рассчитывать на решение вопроса о принудительном труде с помощью профессионального обучения или другого взаимодействия на уровне фермерских хозяйств. Мы считаем это свидетельством того, что Банк также нарушает ОР

высоких температур; (ix) хлопок, который дети часами собирали руками, обрабатывался пестицидами; (x) некоторые дети сообщили, что им не позволили обратиться к врачу, даже когда они были больны; (xi) единственный заметный прогресс в направлении окончательной ликвидации использования детей в сборе хлопка наблюдался в Ферганской области». Комитет экспертов МОТ по применению конвенций и рекомендаций, «Отдельное замечание по Узбекистану в отношении Конвенции МОТ №182 о наихудших формах детского труда (1999г.) (ратифицировано в 2008г.)», 2012г.

¹³ Это противоречит докладу МОТ, опубликованному в мае этого года, который отметил с «серьезной обеспокоенностью» информацию о том, что 16-18-летние дети будут мобилизованы на сбор хлопка. Доклад содержал напоминание правительству о том, что принудительный труд или опасные работы для детей младше 18 лет являются одной из худших форм детского труда, а также призвал правительство принять в срочном порядке необходимые меры для обеспечения эффективной реализации национального законодательства, запрещающего такую практику. Комитет экспертов МОТ по применению конвенций и рекомендаций (СЕАСР), *Отдельное замечание по Конвенции МОТ №182 о наихудших формах детского труда (1999г.)*, Узбекистан, 2013г

¹⁴ Имеющиеся данные свидетельствуют о том, что принудительный детский труд действительно имеет место в каждой области Узбекистана.

¹⁵ Отметим, что \$7 в сутки дает в месяц более \$300, только при условии, что в месяце свыше 43 дней. Кроме того, все имеющиеся данные свидетельствуют о том, что школьники получают лишь незначительные суммы за работу на хлопковых полях и никогда ничего похожего на \$7 в сутки.

13.60 по мониторингу и оценке, т.к. проводимой им процедуры мониторинга, ориентированной не на государство, а на фермы или предприятия агробизнеса, недостаточно, чтобы определить, поддерживает ли Банк своими финансами государственный принудительный труд.

5. Мы неоднократно жаловались сотрудникам Всемирного банка при личной встрече и в письменной форме, в частности:

- 18 декабря 2010г. Василя Иноятова (председатель правозащитного общества «Эзгулик») написала открытое письмо Филиппу Ле Уэру, Вице-президенту Всемирного банка по региону Европы и Центральной Азии, о ситуации с правами ребенка, детском труде и деятельности Банка в Узбекистане
- 31 марта 2011г. Василя Иноятова («Эзгулик») и другие представители гражданского общества встретились с г-жой Мехназ Теймурян, координатором программ по Центральной Азии, и другими сотрудниками Всемирного банка в Вашингтоне, округ Колумбия
- 11 октября 2012г. «Эзгулик» представил на рассмотрение Всемирного банка «Независимую экспертизу проекта Всемирного банка по поддержке сельскохозяйственных предприятий - Фаза 2»
- 11 октября 2012г. Василя Иноятова («Эзгулик») написала письмо Шигео Кацу, Вице-президенту Всемирного банка по региону Европы и Центральной Азии
- 24 апреля 2013г. письменное целевое исследование, подготовленное «Эзгулик» в партнерстве с Центром информации и банках, представлено на рассмотрение руководства Банка
- 2 мая 2013 года сотрудники Информационного центра Банка, представляющие свою организацию и «Эзгулик» как авторы совместного исследования, встретились с несколькими лицами из Руководства Банка.

Каждый раз мы получили неудовлетворительный ответ. Причины, по которым мы считаем ответы неудовлетворительными, таковы:

- Всякий раз, когда мы поднимаем вопрос о государственном принудительном детском труде, Руководство отвечает информацией о своей работе по обучению фермеров и нормативных требованиях к фермерам, отказываясь признать, что не фермеры имеют контроль или несут ответственность за принудительный труд детей и взрослых в Узбекистане.
- Руководство иногда утверждает, что принудительный детский труд не является подлинной проблемой в стране и/или ситуация улучшается, а это является 100%-ой ложью, доказанной фактами на местах, как подтверждено МОТ, ЮНИСЕФ, ЕС, правительством США, ассоциацией ритейлеров и даже их лидером Walmart.
- Руководство испытывает трудности в установлении того, кто написал проблематичную оценку с различными ответами, поступающими от разных сотрудников.
- Руководство утверждает, что кредиты имеют целью диверсификацию сельскохозяйственного производства и снижение зависимости от хлопка и, следовательно, не направлены на хлопковую индустрию. Однако руководство не выявило никакой политики или контрактных мер, препятствующих использованию финансов Банка в хлопководстве

- Руководство отказывается предоставить информацию о том, какие фермерские хозяйства и предприятия агробизнеса получают кредиты Всемирного банка, делая невозможной проверку любого из утверждений, сделанных Руководством в отношении этих хозяйств

В дополнение, вместо того чтобы совместно с гражданским обществом проводить работу по защите детей в затрагиваемых проектом общинах, старший руководящий персонал Банка включил в список рисков, связанных с проектом то обстоятельство, что «[в]нешние НПО могут продолжать ставить Банку вопрос о детском труде». Такое отношение к НПО свидетельствует о том, что Руководство не приветствует конструктивное взаимодействие с гражданским обществом по данному проекту.

6. Мы просим Инспекционную комиссию рекомендовать Исполнительным директорам Всемирного банка провести расследование указанных вопросов.

Подписи:



V. Inoyatova Sp Дата: 04.05.2013
 Иноятова Василя Ахмеджановна
 Председатель Общества прав человека Узбекистана «Эзгулик»



_____ Дата: _____
 Надежда Атаева, президент
 Ассоциация по правам человека в Центральной Азии

Niyazova, UMG "UGF" Дата: 3.09.2013

Умида Ниязова, руководитель
 Узбекско-германский форум по правам человека

Список приложений:

1. Доверенность заявителя
2. Отчет Центра информации о банках и Общества прав человека в Узбекистане «Эзгулик» по результатам совместного целевого исследования «Необходимость проведения оценок воздействия на ребенка: комплексный анализ Международной ассоциации развития финансируемого ею Проекта поддержки сельскохозяйственных предприятий в

Узбекистане - Фаза 2; Отчет представлен к рассмотрению во Всемирный банк 24 апреля 2013г.

3. Письмо председателя правозащитного общества «Эзгулик» Василя Иноятовой Филиппу Ле Уэру от 18 декабря 2010г.
4. Отчет по результатам независимого обзора Проекта поддержки сельскохозяйственных предприятий в Узбекистане - Фаза 2, проведенного Всемирным банком; Отчет представлен к рассмотрению во Всемирный банк 11 октября 2012г.
5. Письмо председателя правозащитного общества «Эзгулик» Василя Иноятовой Шигео Кацу от 1 сентября 2012г.

Request to the Inspection Panel in relation to Rural Enterprise Support Project-Phase II

Claimant Authority

We, the undersigned citizens of Uzbekistan, residing in the Andijan, Bukhara, Ferghana, Kashkadarya, Samarkand, Syrdarya, and Tashkent oblasts (provinces), have suffered a significant damage as a result of the International Development Association’s investments to the second phase of the Rural Enterprise Support Project being implemented in our regions.

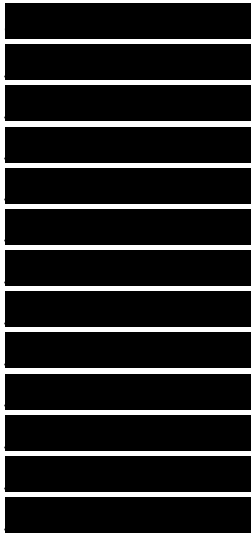
We believe that this damage is a result of the World Bank’s non-compliance with its operational policies. The second phase of the Rural Enterprise Support Project promoted and continues to promote the system of forced and child labour in the agricultural industry. It had a negative impact on the health, safety and economic wellbeing of our population and has detrimental effects on the educational level of our children, and ultimately on the future development of our country.

Due to concern related to our personal safety and given that the Government of Uzbekistan harshly retaliates against citizens criticizing its policies and methods in the cotton sector, we ask the Inspection Panel to keep our personal information strictly confidential.

Hereby we authorize the Uzbek-German Forum for Human Rights, the Association of Human Rights in Central Asia, and the Human Rights Society of Uzbekistan “Ezgulik” to file a claim (request) with the World Bank on our behalf. With our consent, these organizations will help prepare the claim and will take the lead in liaising with the Inspection Panel and Management of the World Bank.

Sincerely,

Claimants (requesters) with signatures



Uzbekistan

**Заявление в Инспекционную комиссию по рассмотрению жалоб
в отношении Проекта поддержки сельскохозяйственных предприятий (Фаза-II)**

Доверенность заявителя

Мы, нижеподписавшиеся граждане Узбекистана, проживающие в Андижанской, Бухарской, Ферганской, Кашкадарьинской, Самаркандской, Сырдарьинской и Ташкентской областях, понесли значительный ущерб в результате инвестирования Международной ассоциацией развития второй фазы проекта поддержки сельскохозяйственных предприятий, реализуемого на наших регионах.

Мы считаем, что этот ущерб является результатом несоблюдения Всемирным банком положений своей политики. Вторая фаза проекта поддержки сельскохозяйственных предприятий способствовала и продолжает способствовать системе принудительного и детского труда в сельскохозяйственной индустрии. Это негативно отразилось на здоровье, безопасности и экономическом благополучии нашего населения, а также оказывает разрушительное влияние на уровень образования наших детей и тем самым на будущее развитие нашей страны.

Из-за опасений по поводу нашей безопасности и приняв во внимание суровое возмездие правительства Узбекистана в отношении граждан, критикующих его политики и методы работы в хлопковом секторе, мы просим Инспекционную комиссию сохранить информацию о наших личных данных в строгой конфиденциальности.

Настоящим мы уполномочиваем Узбекско-немецкому форуму по правам человека, Ассоциацию по правам человека в Центральной Азии, а также Общество прав человека в Узбекистане «Эзгулик» подать иск во Всемирный банк от нашего имени. С нашего согласия эти организации помогут в подготовке иска и возьмут на себя ведущую роль в осуществлении связи с Инспекционной комиссией и руководством Всемирного банка.

С уважением,
Заявители:

[Redacted signature area]

Узбекистан

The Need for Child Impact Assessments

A Case Study of the International Development Association Funded Uzbekistan Rural Enterprise Support Project-Phase II



“While many governments fail to effectively curb human trafficking and slave labor, Uzbekistan stands out. It is the only country where the government is the trafficker. Each year, the Uzbek government forces hundreds of thousands of its own citizens to pick cotton. Schools are closed and students are threatened with expulsion. Essential services are downgraded as teachers, doctors and nurses are forced to pick cotton.”¹

Bank Information Center
Human Rights Society of Uzbekistan “Ezgulik”

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Introduction

Forced child labor in the Uzbek agriculture sector, primarily in the harvesting and weeding of cotton, Uzbekistan's most important cash crop, costs the nation's children tens of millions of hours of school time annually and exposes the children to serious health and safety risks. The systemic, government orchestrated forced child labor in Uzbekistan has been widely condemned by the International Labour Organization (ILO), United Nations (UN) bodies, The European Union (EU), the United States (US), private companies, and a myriad of non-governmental organizations (NGOs).

In planning for and approving the Second Rural Enterprise Support Project (RESP II) loan to the government of Uzbekistan, a project which directs funds towards the agriculture sector, the World Bank failed to properly assess and address the issue of forced child labor. The social assessment carried out prior to the approval of the RESP II loan barely dealt with the issue of child labor in the cotton fields and contained a number of inconsistencies and factual errors. Additionally, public World Bank documents relating to the project wholly ignored the fact that child labor in the cotton fields is not incidental or instigated by families or local communities but rather is widespread and orchestrated by the Uzbek government. In the Project Document for the additional financing, published in August 2012, child labor is not listed as a project risk but "[e]xternal NGOs may continue raising child labor issue with the Bank" is considered to be a project risk.

This case study does not provide conclusive evidence that funds from the World Bank financed RESP II project directly support the exploitation of forced child labor in Uzbekistan's cotton fields. However, the case study does argue that insufficient attention was paid to the issue of forced child labor and inadequate due diligence was carried out by the Bank before approving this loan. Bank documents indicate that the World Bank sought to prevent child labor only through action at the local farm level, which is wholly ineffectual given that forced child labor is mobilized at the governmental level. It is also the case that the lack of transparency and independent monitoring around the project's operations makes it impossible for civil society to determine whether funds from the project could be, directly or indirectly, supporting the cotton industry and its use of forced child labor on a mass scale.

The case study thus recommends that the World Bank's social assessment requirements be strengthened, including by explicitly requiring environmental assessments to specifically assess the unique impacts of a project on children. Additionally, the World Bank should recognize the role that violations of labor rights play in perpetuating poverty and thus adopt a labor safeguard that requires compliance with fundamental ILO conventions. Finally, all monitoring and supervision reports related to the RESP II project should be made publically available on the project website.

¹ Freeman, Herman & Lagon, *Uzbekistan Must End State-Sponsored Slavery*, March 15, 2013, <http://www.cottoncampaign.org/2013/03/15/uzbekistan-must-end-state-sponsored-slavery/>.

Background

*Uzbekistan is the only country where children are organized and forced by the government to harvest cotton which earns the Uzbek government over one billion dollars annually. The cotton sector in Uzbekistan is strictly managed by the central government in Tashkent who imposes cotton production quotas on all farmers and local governments and determines procurement prices.*²

Uzbekistan is a country of 29 million people with a GDP of approximately US\$ 45 billion. More than 25% of Uzbekistan's population is employed in the agriculture sector and cotton is the country's most important cash crop. Uzbekistan exports 1 million tons of cotton per year, making the country the world's third largest exporter of cotton.³

The Uzbek government maintains tight control over "all aspects of cotton production. These aspects include the area utilized, production targets, prices, inputs, procurement and marketing."⁴ It is the government that profits the most from the export of cotton or "white gold" with farmers earning little above subsistence incomes. "The central government tells farmers how much cotton to plant, buys it on the cheap at below market prices and sells it abroad at a huge profit. And state-sponsored forced labor is the lubricant that keeps the creaky gears of this economically irrational system from collapsing."⁵

On 12 June 2008 the World Bank approved the Rural Enterprise Support Project, Phase II for Uzbekistan. The project's stated objective is "to increase the productivity and financial and environmental sustainability of agriculture and the profitability of agribusiness in the project area." This was to be carried out through "the provision of financial, infrastructure and capacity building support to newly independent farmers."⁶ As of September 2012, the project made loans of "US\$ 25.7 million to 317 agribusinesses to finance agricultural machinery, processing equipment, packaging equipment and materials, investments in tree-crops, poultry, fishery and livestock production."⁷ The project was designed, in part, to diversify agricultural production, reducing the reliance on cotton as a cash crop and increasing the cultivation of fruits and vegetables as well as the raising of livestock. Other goals of the project include improving irrigation and drainage systems and providing training and advisory services to farmers to strengthen farm management capacity. A second round of funding for the project was approved in September of 2012.

As the US Department of State noted in a cable from the US Embassy in Tashkent "While virtually all farms in Uzbekistan are now classified as private, they are still tied to the state order system. Farmers are required to both seed a certain amount of their land with cotton each year and produce a certain quantity

² Business Social Compliance Initiative, *BSCI Guidance on Uzbek Cotton*, October 2012, <http://www.bsci-intl.org/bsci-guidance-uzbek-cotton-0>.

³ International Cotton Advisory Committee, *Cotton Fact Sheet: Uzbekistan*, 2011, http://www.icac.org/econ_stats/country_fact_sheets/fact_sheet_uzbekistan_2011.pdf.

⁴ *Id.*

⁵ Freeman, Herman & Lagon, *Uzbekistan Must End State-Sponsored Slavery*, March 15, 2013, <http://www.cottoncampaign.org/2013/03/15/uzbekistan-must-end-state-sponsored-slavery/>.

⁶ World Bank, *Integrated Safeguards Data Sheet*, April 21, 2008, http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2008/04/21/000076092_20080422135153/Rend ered/PDF/Integrated0Saf1et010Appraisal0Stage.pdf.

⁷ World Bank Press Release, *World Bank Continues Supporting Productivity and Sustainability of Agriculture in Uzbekistan*, September 11, 2012, <http://www.worldbank.org/en/news/press-release/2012/09/11/world-bank-continues-supporting-productivity-and-sustainability-of-agriculture-in-uzbekistan>.

for the state purchase.”⁸ It is thus virtually impossible for the World Bank to finance agricultural projects without working with farmers that are engaged in state mandated cotton growing, and thus in the exploitation of the worst forms of child labor.

Forced Child Labor in the Cotton Sector

Widespread and systematic use of forced child labor in manual cotton picking occurs every autumn at the direction of the Uzbek government. School children as young as ten years old are forced to pick cotton in inhuman conditions under the supervision of teachers, school administrators, and government officials from mid-September through late November, resulting in several months of missed classes. In many cases schools are shut down and students are bused from their homes to rural areas where they are housed in ill-equipped dormitories for the duration of the harvest. The children are required to pick cotton for more than 12 hours per day and those who fail to meet the daily cotton quota—as high as 60 kgs for older children—are routinely beaten.⁹ Forced child labor is also sometimes used in the weeding of cotton plants earlier in the season.

In many cases parents and children are forced to sign documents stating that they are participating in the harvest voluntarily. However, the reality is that families are virtually never given a genuine choice with respect to participation in the cotton harvest, children who refuse to join the harvest are often threatened with expulsion from school and their parents may face steep fines. In most cases children participating in the cotton harvest, or weeding cotton, receive little or no compensation for their labor.

Uzbekistan has ratified ILO Convention 138, the Minimum Age Convention, ILO Convention 182, the Worst Forms of Child Labour Convention, ILO Convention 29, the Forced Labour Convention, ILO Convention 105, the Abolition of Forced Labour Convention, and the UN Convention on the Rights of the Child. The country also has laws on the books that set 16 as the minimum age for employment and that call for the protection of the rights of the child. However, these domestic and international obligations are completely ignored when it comes time for the annual cotton harvest.

The conditions that children are subject to during the cotton harvests present serious hazards to their health and development. The extensive use of pesticides in the cotton fields exposes the working children to high levels of dangerous chemicals which can lead to respiratory illness, skin diseases, and other health problems. Additionally, the dormitories where students are housed are unheated and in many cases lack access to clean water and sanitary facilities, increasing rates of communicable diseases. Finally, workplace safety standards are not observed in the cotton fields, leaving children at risk of debilitating injury. There is generally little access to medical services for children working in the cotton fields and children who develop illnesses are often forced to continue working while ill.

There is some evidence that, in the most recent harvest during the fall of 2012, the government reduced, but did not eliminate, its use of the youngest children in the harvest, shifting the burden of forced labor

⁸ US Department of State, Cable from the US Embassy in Tashkent Uzbekistan: Information on Forced Labor and Child Labor for Mandatory Congressional Reporting Requirements, June 6, 2008.

⁹ Human Rights Watch, *Uzbekistan: Forced Labor Widespread in Cotton Harvest*, January 26, 2013, <http://www.hrw.org/news/2013/01/25/uzbekistan-forced-labor-widespread-cotton-harvest>.

onto older children, ages 15-17, and adults.¹⁰ Given the dangerous nature of the work, the extent to which cotton picking interferes with school attendance, and the fact that all such work constitutes forced rather than voluntary labor, it is clear that the child labor in the cotton industry continues to violate ILO core labor standards. The ILO Committee of Experts on the Application of Standards and Recommendations (CEACR) observed in its 2013 report,

“section 241 of the Labour Code prohibits the employment of persons under 18 years in hazardous work, and that the “list of occupations with unfavourable working conditions in which it is forbidden to employ persons under 18 years of age” prohibited children from watering and gathering cotton by hand.”¹¹

International Recognition of Forced Labor in the Cotton Sector

The fact that every fall the Uzbek government forcibly mobilizes more than a million children and adults to participate in the grueling and hazardous cotton harvest has been acknowledged and condemned by a myriad of UN bodies, the European Union, the United States government, non-governmental organizations and private companies.

In 2012 the ILO Committee of Experts on the Application of Conventions and Recommendations noted with respect to Convention 182 the extent to which the Uzbek government’s policy of forcing children to participate in the cotton harvest represents a serious threat to children’s well-being stating that:

UNICEF completed observation visits in 12 regions, finding that: (i) children aged 11–17 years old had been observed working full time in the cotton fields across the country; (ii) the mobilization of children had been organized by way of instructions passed through Khokimyats (local administration), whereby farmers are given quotas to meet and children are mobilized by means of the education system in order to help meet these quotas; (iii) in some instances, farmers had also made a private arrangement with schools to pick their cotton often in return for material resources or financial incentives for the school; (iv) children were predominantly supervised in the fields by teachers; (v) in over a third of the fields visited, children stated that they were not receiving the money themselves; (vi) quotas for the amount of cotton children were expected to pick generally ranged between 20 to 50 kilos per day; (vii) the overwhelming majority of children observed were working a full day in the field and as a result, were missing their regular classes; (viii) children worked long hours in extremely hot weather; (ix) pesticides were used on the cotton crop that children spent hours hand picking; (x) some children reported that they had not been allowed to seek medical attention even though they were sick; and (xi) that the only noticeable progress towards the eventual elimination of the use of children in cotton picking was observed in the Fergana region.

Both the United States government and the European Parliament have sought to address forced child labor in Uzbekistan. The European Parliament rejected a trade deal that would have eased Uzbekistan’s export of textiles to Europe because “independent international observers have gathered evidence of

¹⁰ Open Society Foundations, *Changing the Pattern, but Not the Policy: Uzbekistan Shifts the Demographics of Forced Labor*, January 17, 2013, <http://www.opensocietyfoundations.org/voices/changing-pattern-not-policy-uzbekistan-shifts-demographics-forced-labor>.

¹¹ Committee of Experts on the Application of Conventions and Recommendations, Individual Observation concerning Worst Forms of Child Labour Convention, 1999 (No. 182) Uzbekistan, p. 406, 2013.

forced labour and in particular forced child labour as a systematic and organised practice involving pressure on teachers and families with the participation of the police and security forces.” The United States government’s 2012 Trafficking in persons Report wrote that “[d]omestic labor trafficking remains prevalent during the annual cotton harvest, when many school-age children as young as 10 years old, college students, and adults are victims of government-organized forced labor. The Uzbek government continued to force children and adults to pick cotton.” Similarly, the US Department of Labor’s findings on the Worst Forms of Child Labor in Uzbekistan stated that

In 2011, Uzbekistan made no advancement in efforts to eliminate the worst forms of child labor. Authorities again closed schools and mobilized children to work in the annual autumn cotton harvest to meet Government-mandated harvest quotas ... During the autumn harvest, children, estimated to number in the hundreds of thousands, continue to be forced to work due to a governmental system that requires local administrators and farmers to meet cotton harvest quotas.

Additional sources commenting on the issue include the Committee on the Elimination of Discrimination Against Women which expressed concern about “the educational consequences of girls and boys working during the cotton harvest season” and the Human Rights Committee which “remains concerned about reports, according to which children are still employed and subjected to harsh working conditions in particular for cotton harvesting.” Even the clothing company Carter’s “prohibits the use of any cotton from Uzbekistan in our products” because “of the systemic, government-sanctioned use of forced child labor in the harvesting of cotton in Uzbekistan”, and Walmart has expressed the fact that it “has instructed its global supply base to cease sourcing cotton and cotton materials from Uzbekistan in an effort to persuade the Uzbek government to end the use of forced child labor in cotton harvesting.”

Despite the widespread recognition of the seriousness of the problem of forced child labor in the Uzbek agriculture sector, the World Bank failed to treat this as a significant issue in the context of the RESP-II project, according to its own documents.

Assessment Process for RESP-II

2008 Project Appraisal

The only public World Bank document in which the issue of child labor in Uzbekistan is discussed prior to the approval of the RESP II loan comes in the Project Appraisal document and the Social Assessment undertaken by the government of Uzbekistan in March 2008. Only one paragraph of the Social Assessment discusses the problem of child labor in cotton production and it reads as follows:

“Respondents stated that school children are not exploited for cotton production. Indeed, the recent work of UNICEF and the SA[Social Assessment] showed the lack of worst forms of child labor in rural Uzbekistan. There is little difference in the nature of child labor on the cotton plantations and on DF[dehkan farm]. **Usually, 12 to 18 year old children are not used in Fes[farm enterprises] during weeding, cotton and guzapaia (cotton stems) picking. Their labor is used during the period of cotton picking when districts/provinces cannot fulfill their plan of cotton picking.** Children do not participate in cleaning of the irrigation and drainage systems. **In some provinces where there was a shortage of farm labor school children were picking cotton** (grades 5 and above), and in other provinces there worked only high school children (pupils of 8-11

grades and college students). In some provinces, where there is excess farm labor (women), children were not involved at all. Women and schoolchildren believe that they can earn the most only when they pick cotton when **each can earn more than \$7 per day and more than \$300 per month**, which many families badly need.”

This paragraph contains statements that appear to contradict one another, making it difficult to determine whether the Bank recognized the extent to which forced child labor is present in Uzbekistan’s cotton fields. The paragraph begins by stating that “school children are not exploited for cotton production” but then goes on to say that “when there was a shortage of farm labor school children were picking cotton.” Similarly the paragraph states that “Usually, 12 to 18 year old children are not used in FEs during weeding, cotton and guzapaia (cotton stems) picking. Their labor is used during the period of cotton picking when districts/provinces cannot fulfill their plan of cotton picking.” This appears to be arguing that child labor is used only when it was seen to be needed, which makes it no more acceptable and is in no way relevant to Uzbekistan’s international obligations to prevent the worst forms of child labor. The paragraph also fails to address the fact that the shortage of farm labor that precipitates the so-called inability to “fulfill their plan of cotton picking” —and thus the resort to forced child labor—occurs as a direct result of government policy, namely the setting of an artificially low price for cotton such that farmers cannot afford to pay wages sufficient to attract legitimate adult labor.

The assessment goes on to assert that women and schoolchildren “can earn more than \$7 per day and more than \$300 per month” from picking cotton. The evidence contradicts this assertion and many sources have documented the fact that schoolchildren are receiving nowhere close to \$7 per day, and in some cases receiving no compensation at all for picking cotton. However, the more glaring problem with the statement that they “can earn more than \$7 per day and more than \$300 per month” is the fact that the numbers simply do not add up. In a normal 30 day month, even if one works seven days a week, \$7 per day only provides an income of \$210 per month.

The only other place in which the Project Appraisal document seeks to address the issue of child labor, paragraph 76 in the appraisal summary section, is explicitly based upon the social assessment conducted by the government and discussed above. This is extremely problematic given that, if the risk of the worst forms of child labor is not properly assessed and understood, it is impossible for the World Bank to take adequate measures to ensure that the RESP II loan does not contribute to forced child labor in Uzbekistan. Paragraph 76 itself demonstrates why this concern is all too real as it states that one way the project addresses the issue of child labor in the cotton fields is by financing “public awareness raising to inform farmers and the public about child labor issues and relevant legislation.” However, as the US State Department recognized in June 2008, at exactly the time this project was approved, “[a]s a long-standing practice dating from the Soviet era, the use of child labor during the cotton harvest is widely tolerated by society. Probably the most important factor is the continuance of the quota system for cotton production.”¹² This demonstrates that efforts to educate “farmers and the public” will have little impact on the rates of forced child labor until change occurs at the governmental level. Similarly, covenants with individual borrowers that require farmers or agribusiness owners to comply with all relevant ILO provisions are ineffectual at addressing the labor problems in the cotton industry.

Directly related to this lack of understanding is the fact that the Project Appraisal fails to acknowledge, in either paragraph 76 or the Social Assessment, that the child labor taking place in the cotton sector is

¹² US Department of State, Cable from the US Embassy in Tashkent Uzbekistan: Information on Forced Labor and Child Labor for Mandatory Congressional Reporting Requirements, June 6, 2008.

forced labor. Thus, by definition, it constitutes the worst forms of child labor as defined by ILO Convention 182 which states that, “[f]or the purposes of this Convention, the term ‘the worst forms of child labour’ comprises: (a) all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labour.” This directly contradicts the statement in the Social Assessment that there is an absence of the worst forms of child labor in rural Uzbekistan. Additionally, the suggestion in paragraph 76 that the “[g]overnment is already taking steps to eliminate this practice” is not backed up with any evidence and is completely contradicted by the facts on the ground.

2012 Additional Financing for the Second Rural Enterprise Support Project

For the second round of financing for the RESP II project, only two new World Bank documents were made public—a November 2011 Environmental Management Framework which failed to address the issue of labor at all and an August 2012 Project Paper. The Project Paper included only the following references to the issue of child labor:

- “The additional finance will continue to focus on 3 main social issues: (i) to ensure that no child labor is used in any of the enterprises supported by the project; (ii) to give preference to activities that lead to creation of additional jobs; and (iii) to encourage the direct and indirect targeting of women beneficiaries as well as any other vulnerable group where feasible.”
- “There is limited scope to affect other vulnerable groups such as disabled persons, or children used as labour as the equipment bought is normally heavy and requires hygienic environments with restricted entry. This, along with the need for formal work passports for employment, is why the risk of child labor is seen to be low in activities directly financed by the project.”
- “All beneficiaries need to comply with the ratified ILO conventions and local child labor regulations. On site supervision by the PFIs, RRA and Bank supervision mission also will look into this issue as necessary.”¹³

The document contains no discussion of existing forced child labor in the agriculture sector, no mention is made of the fact that child labor in Uzbekistan is compulsory and orchestrated by the government and no reference is made to how the Bank will ensure that no forced child labor is used in the project. There is also absolutely no examination of the possibility that the loan could contribute indirectly to the continuation of child labor in the Uzbek cotton industry, through the strengthening of the government’s state order system of cotton production which is underpinned by mass forced labor and manipulation of land ownerships and cotton prices. Additionally, sufficient financial data from the project’s implementation has not been made available to determine how the money is being used and to verify that it is not directly, or indirectly, reaching cotton farms that benefit from child labor.

Similarly, while the Bank reports in this document that, “[t]here have been no cases of use of child labor in RESP II,”¹⁴ there is no way to verify this claim. The Bank’s supervision mission have not made public any reports related to the beneficiaries’ compliance “with the ratified ILO conventions and local child labor regulations” despite the requirement in the Project Paper.¹⁵ The fact that such documents have not been made public is particularly worrisome in light of the Uzbek government’s continued denial, year after year, of requests by the ILO, employers and workers organizations, governments, and NGOs for

¹³ World Bank, *Project Paper on a Proposed Additional Credit in the Amount of SDR 26.4 Million to the Republic of Uzbekistan for the Second Rural Enterprise Project*, p. 8, August 6, 2012.

¹⁴ *Id.*

¹⁵ *Id.*

Uzbekistan to allow a high-level ILO tripartite observer mission into the country to monitor the cotton harvest.

We note that the Bank lists that one of the focus areas of the additional financing is “to ensure that no child labor is used in any of the enterprises supported by the project.”¹⁶ However, the fact that the Operational Risk Assessment Framework, does not list child labor as a risk related to the project but simply states categorically that “[t]here have been no cases of use of child labor in RESP II” is worrisome. The US government clearly saw the issue of forced labor in the Uzbek agriculture sector as a genuine risk factor in this project as it abstained on the vote for the additional funding, noting in its explanation for doing so that the project was “leading into sector with ongoing labor violations.”¹⁷ Yet rather than acknowledge the high level of forced child labor in the sector the project is operating in as a Project Risk, the Operational Risk Assessment Framework lists “[e]xternal NGOs may continue raising child labor issue [sic] with the Bank” as a Project Risk.

1. Project Stakeholder Risks	
1.1. Stakeholder Risk	Rating Moderate
Description:	Risk Management:
Bank’s relation with Borrower is positive and project’s PDOs are aligned with Bank’s sector priorities.	Bank will continue advocacy for the reform agenda with intensive consultations with Government and donor community.
External NGOs may continue raising child labor issue with the Bank.	The Bank will address this issue by continuing to include: covenants in the Financing Agreement of the Additional Credit signed between the government and World Bank that all farmers seeking credit for farm investments under this project must comply with ratified ILO convention and all national child labor laws and regulations; raise farmers’ awareness about national child labor laws and policies through the winter and summer trainings, and in the project monitoring and evaluation plan, close monitoring of the progress and compliance on labor issues through regular supervision missions.
	Resp: Bank Stage: Preparation Due Date: Status: Not yet due

The methods by which the Framework suggests that the risk that “[e]xternal NGOs may continue raising child labor issue [sic] with the Bank” will be mitigated are worrisome for reasons already discussed with respect to the initial RESP II loan. For example, the emphasis on providing training to farmers fails to address the real cause of forced labor, compulsory mass mobilization orchestrated by the government. Additionally, the fact that these measures are put in place to mitigate the risk of NGOs raising the issue of child labor, rather than to mitigate the risk of forced child labor, makes it abundantly clear that that such measures are a public relations effort rather than a genuine attempt to play a constructive role in ending Uzbekistan’s forced child labor problem.

¹⁶ *Id.*

¹⁷ United States Government, *MDB Voting Record September 2012*, available at <http://www.treasury.gov/resource-center/international/development-banks/Documents/Sept%202012%20monthly%20FINAL.pdf>

The Uzbek government's practice of harassing NGOs, arbitrarily detaining human rights defenders, and torturing activists makes the World Bank's decision to list "external NGOs" as a risk associated with the project particularly worrisome. Doing so puts local activists monitoring the forced child labor issue within Uzbekistan, and transmitting information to international NGOs, in increased danger by telegraphing to the Uzbek government that civil society represents a threat to the projects success.

Recommendations

World Bank approval of a project based upon an assessment with internally contradictory statements, readily apparent falsehoods, mathematical errors, and minimal treatment of forced child labor—an issue which impacts the health, safety and education of a nation's children—suggests an urgent need to improve the assessment process with respect to child protection. "Any revision of the Environmental and Social Impact Assessment safeguard policy must require the Environmental and Social Impact Assessment to specifically assess the unique impacts of the project on children. Such an assessment should examine the potential for the project to negatively impact the lives and development of children both directly and indirectly, and should look at areas of risk including, but not limited to, the health and safety of children, the possibility that a child's access to education will be interrupted, and the potential for increased economic or sexual exploitation of children, including child labor, prostitution and the sale and trafficking of children.

As the Committee on the Rights of the Child noted earlier this year in its General Comment on State obligations regarding the impact of the business sector on children's rights,

International organizations should have standards and procedures to assess the risk of harm to children in conjunction with new projects and to take measures to mitigate risks of such harm. These organisations should put in place procedures and mechanisms to identify, address and remedy violations of children's rights in accordance with existing international standards including when they are committed by or result from activities of businesses linked to or funded by them.¹⁸

Additionally, the World Bank should take a stronger stance on issues related to labor violations, such as the use of child labor and forced labor, by incorporating into its safeguard policies the core labor standards as defined by the ILO. Bank safeguards should prohibit the use of forced labor or the worst forms of child labor in all Bank projects, as well as in activities that may benefit either directly, or indirectly, from Bank funds. Safeguard policies should work towards the elimination of all forms of child labor, taking into account the distinction between forced child labor and other forms of child labor as well as the reality that punitive measures which push children out of remunerative employment without providing for their families' support may leave children vulnerable to trafficking or more dangerous forms of exploitation.

Finally, there is a need for increased transparency to allow civil society both within Uzbekistan and internationally to better understand how World Bank funds are used in a sector that is subject to strict government control. NGOs should be viewed as partners rather than risks and, particularly in countries where operating an NGO poses a danger to activists, the World Bank should refrain from listing NGOs as a risk associated with Bank projects. All monitoring and supervision reports related to the RESP II project

¹⁸ Committee on the Rights of the Child, *General Comment on State obligations regarding the impact of the business sector on children's rights*, p. 14, April 17, 2013, <http://www2.ohchr.org/english/bodies/crc/comments.htm>.

should be made publically available on the project website. Financial documentation sufficient to determine whether agribusinesses receive funding from the RESP II project have any ties to the Uzbek government, the perpetrators of forced labor, or the cotton industry or are in anyway engaged, directly or indirectly, in the use of forced child labor, should be released.

OPEN LETTER TO THE VICE-PRESIDENT OF THE **WORLD BANK**

Philippe H. Le Houerou,
Vice-President of the **World Bank**
Europe and Central Asia Division

December 18, 2010

Dear Mr. Philippe H. Le Houerou!

First of all, I would like to express my respect to You and to the **World Bank**, which has contributed a lot to the development and poverty alleviation in developing countries, including in Uzbekistan. However, we believe that not all **World Bank** projects in Uzbekistan deserve unconditional approval. In particular, our concern is that some of the projects in the agricultural sector supported by the **Bank** have not received adequate prior study and have not been sufficiently consulted with civil society organizations and human rights groups. At least, neither our organization nor other local human rights groups I'm aware of have been ever contacted and consulted despite the fact that we work together with them to addressing social and rights related issues existing in the farming sector of Uzbekistan.

Our human rights organization has been for last several years monitoring the situation with the rights of farmers and the use of child labor in the cotton sector. Our research has shown that the use of forced child labor in this sector is widespread. According to our observations, children are sent to the cotton fields to pick cotton not by their parents, but by their school administrations at the directive of the district and provincial authorities.

In spite of international criticism for this practice and the subsequent adoption in 1998 of the Law "On Guarantees of the Rights of the Child" as well as the ratification by our government of ILO Conventions No. 138 "On Minimum Age for Admission to Employment" and No. 182 "On the Elimination of the Worst Forms of Child Labor", the practice of mass scale mobilization of children and college students for picking cotton remains unchanged since the Soviet times. For instance, in 2009, hundreds of thousands of school and college students spent on cotton fields for more than two months and returned to their classes only at the end of November. This year's harvest is seems to be no exception from this practice. The school kids are working in cotton fields in hazardous conditions exactly at this time, while the agro-project managers of the **World Bank** keep reporting success stories about the situation in the farming sector of Uzbekistan.

One of the reasons of the Uzbek government not heeding criticism is that not everyone in the **world** is aware of this problem. This is partly because some of the most respected international organizations not only exhibit indifference, but also support the Government's version of this problem. It is well known that the Uzbek government denies that the use of forced child labor is widespread and that the public authorities are complicit in it. Such a respected international agency as UNICEF had been already criticized for adopting this position when they underreported the true nature and extent of the problem of child labor in Uzbekistan. To our best knowledge, due to growing criticism, UNICEF has since changed its stance and now recognizes the problem.

Nevertheless, another authoritative international organization, the **World Bank**, has failed so far to provide an adequate assessment of the realities in the agro-sector of Uzbekistan and to acknowledge the fact

of the widespread use of child labour in this sector. We regret that the Bank's support to projects in the agricultural sector in Uzbekistan has been unconditional and was not used as a leverage to encourage the government of Uzbekistan to stop the human rights abuses in this sector. What is also regretful is that in documents justifying the allocation of loans and grants for agro-projects, the World Bank has admitted statements that are completely at odds with reality. Thus, intentionally or not, the authors of respective appraisal documents mislead the international community and donors to these projects on the real situation in Uzbekistan's agricultural sector. We sincerely hope that our constructive criticism will be received accordingly and can initiate a frank and open discussion directed at seeking solutions to the issues we are raising with the World Bank.

Particularly, we would like to pay Your and public attention to the World Bank project, "Rural Enterprise Support Project - Phase 2," which is a continuation of a project by the same name that had been implemented from 2001 to 2008. Our concerns came out from reading the following Project document:

Project Appraisal Document on a Proposed Credit in the Amount of SDR 41.3 million (US\$ 67.96 million Equivalent) to the Republic of Uzbekistan for a Rural Enterprise Support Project, Phase II, World Bank: May 8, 2008 (report No: 43479-UZ).

Our assessment of this document is described in the report we're about to release. In this letter, we would like to summarize our conclusions.

First of all, as the authors of the Project Appraisal Document stated themselves, the Project's phase two had been initiated by the Government of Uzbekistan, so the Bank did have an incentive to encourage the Uzbek government to meet its international obligations in terms of the rights of children and farmers. Did the bank try to use this leverage? We doubt it did.

After a careful reading of the aforementioned Appraisal Document and comparison between its assumptions and the reality on the ground, we would like to respectfully express our disagreement with some of these assumptions, namely on the following two issues:

- 1) The state of reforms in agriculture of Uzbekistan;
- 2) The extent of child labor in the cotton sector of Uzbekistan.

On the first of these issues, we believe that it would be incorrect to say, as the authors of the Appraisal Document did, that there have been fundamental reforms in the agricultural sector. Despite the transformation of collective farms into private farms, the centralized management in two major sectors of agriculture, grain and cotton sectors that occupy up to 70% of arable lands, has remained almost entirely unchanged. The command economy continues to prevail in these two sectors. The Appraisal Document has failed to recognize that farmers remain to be under a direct administrative control of the executive government. As kolkhozes in the past, the farmers are still denied the right to decide what crops to sow in their fields, as well as the right to dispensation of their products.

The phase One of the World Bank Rural Enterprise Support Project which the authors of the appraisal document regard as successful may have indeed brought some benefit to farmers, but mainly in terms of technical and financial benefits such as the revitalization of irrigation and drainage systems, as well as the allocation of loans to

the farmers in five selected districts where the project was implemented. But at the institutional level, it failed to promote genuine reforms, in contrary to what the authors of the Appraisal Document claim. As we said, the farmers still lack the freedom of enterprise, and the de-collectivization has changed a little since the times before the RESP-1. There is no guarantee that the second phase of this project, which began this year, will demonstrate any progress in this regard, as there are no signs of the government's intentions to liberalize the cotton and grain sectors and give farmers the right to decide how to dispose of their land and production.

The assessment in the document on the issue of child labor is even more dismaying to us. The authors of the Appraisal Document state that the use of child labour in the cotton industry in Uzbekistan is not a big issue. It would be naive to suggest that the staff of the **World Bank** office in Uzbekistan, which has been present in the country for quite a number of years, would be unable to notice the magnitude and scope of this problem. In any case, we think this ignorance is unacceptable and undermines the credibility of the **Bank**, at least, in the eyes of the civil society of Uzbekistan.

We also believe that these two issues, namely (1) the still persistent command economy in the agriculture and (2) the issue of forced child labor in the cotton industry, are closely related to each other. The second is caused by the first. The farmers themselves, if they were freed from the administrative dictate of the executive authorities, would possibly still bring children to pick their cotton, but would do this on a much smaller scale and, what is most important, on a contractual basis and not under duress and administrative coercion, as it currently takes place practically in all regions of the country.

Here is what we kindly urge to the **World Bank**:

1) Submit **Bank's** documents and projects related to agriculture in Uzbekistan, for re-assessment, particularly in terms of evaluating the state of reform in the farming sector and the use of forced child labor;

2) Establish partnerships with civil society organizations on local and international levels. Particularly, the **Bank** should engage with those organizations which are already fighting for the abolition of forced child labor in Uzbekistan;

3) Strengthen support of reforms in Uzbekistan's farming sector, to free the farmers from administrative directives of the local and central authorities; and to make loans to the agricultural sector contingent on Uzbekistan's progress in executing real reforms in the sector.

Our analysis and proposals are aimed at promoting reform in the country, improving the welfare of our people, and assisting the **World Bank**, the Government of Uzbekistan and other interested parties to conduct honest assessments of the situation in Uzbekistan, notably in its agriculture. We believe that the reforms and the abolishment of forced child labour are in best interests of our country.

Sincerely Yours,
Vasila INoyatova,
Chairwoman, Ezgulik

Ps. We chose to publicly express our position on this project as we were unable to meet with Mr. Shigeo Katsu, Vice-President of the **World Bank's** Europe and Central Asia division, who visited Uzbekistan in May

of this year to attend a summit of the Asian Development Bank. At that time, despite a pre-filed application, we were not able to get a meeting with Mr. Katsu, nor could we obtain accreditation to be present at the ADB summit. Realizing that being busy Mr. Katsu is likely unable to fit a meeting with us into his schedule, we sincerely hope that he will receive this document and will read our remarks and will, in the future, decide to take meetings with representatives of civil society in Uzbekistan.

jfrieden@worldbank.org

Dear Mr. Joerg Frieden

I'm Vasila Inoyatova, Chair of "Ezgulik" Human Rights Society of Uzbekistan. In December 2010, our organization released an open letter to the World Bank and a report where we expressed our concerns with regard to the Bank's Rural Enterprise Support Project – Phase II (RESP-II).

In our view, this project got at least two serious flaws: (1) it ignores the nature and the scale of forced child labour in the cotton industry of Uzbekistan; 2) it depicts inadequately the current status of reforms in the farming sector. As a result, the RESP-II that commenced last year may only aggravate the current problems in Uzbekistan's agriculture. Having this financial input that aimed to alleviate poverty in rural areas the government of Uzbekistan may perpetuate its practice and policy of exploiting school children and abusing the rights of private farmers.

I'd like to inform you that I'm planning a visit Washington DC to meet with Mrs. Mehrnaz Teymourian the Office Director for Central Asia to discuss the situation around RESP-II. This meeting is scheduled for March 31, 2011, at 11.45 am.

I know you've just entered the position of Executive Director representing a number of countries including Uzbekistan. I congratulate you with this appointment and wish you to take a right position towards Uzbekistan.

I was wondering would you be interested and able to join our meeting on March 31, to learn more about Uzbekistan and get a feedback from its civil society to the projects supported by the World Bank.

I'm sending for your reading our open letter and report.

Sincerely Yours,
Vasila Inoyatova

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**THE INDEPENDENT REVIEW
OF THE WORLD BANK'S
RURAL ENTERPRISE SUPPORT PROJECT – PHASE 2**

Background information

The current review is implemented by the Human Rights Society of Uzbekistan 'Ezgulik' which has been for last several years monitoring the situation with the rights of farmers and the use of child labour in the cotton sector. Our research has shown that the use of forced child labour in this sector is widespread. According to our observations, children are sent to the cotton fields to pick cotton not by their parents, but by their school administrations at the directive of the district and provincial authorities.

In spite of international criticism for this practice and the subsequent adoption in 1998 of the Law "On Guarantees of the Rights of the Child" as well as the ratification by our government of ILO Conventions № 138 "On Minimum Age for Admission to Employment" and № 182 "On the Elimination of the Worst Forms of Child Labour", the practice of mass scale mobilization of children and college students for picking cotton remains unchanged since the Soviet times. For instance, in 2009, hundreds of thousands of school and college students spent on cotton fields for more than two months and returned to their classes only at the end of November. This year's harvest is seems to be no exception from this practice. The school kids are working in cotton fields in hazardous conditions exactly at this time, while the agro-project managers of the World Bank keep reporting success stories about the situation in the farming sector of Uzbekistan.

One of the reasons of the Uzbek government not heeding criticism is that not everyone in the world is aware of this problem. This is partly because some of the most respected international organizations not only exhibit indifference, but also support the Government's version of this problem. It is well known that the Uzbek government denies that the use of forced child labour is widespread and that the public authorities are complicit in it. Such a respected international agency as UNICEF had been already criticized for adopting this position when they underreported the true nature and extent of the problem of child labour in Uzbekistan. To our best knowledge, due to growing criticism, UNICEF has since changed its stance and now recognizes the problem.

Regretfully, another authoritative international organization, the World Bank, has failed so far to provide an adequate assessment of the realities in the agro-sector of

Uzbekistan and to acknowledge the fact of the widespread use of child labour in this sector. We regret that the Bank's support to projects in the agricultural sector in Uzbekistan has been unconditional and was not used as a leverage to encourage the government of Uzbekistan to stop the human rights abuses in this sector. What is shocking to read is that in document justifying the allocation of loans and grants for agro-projects, the World Bank has admitted statements that are completely at odds with reality. Thus, intentionally or not, the authors of respective appraisal documents mislead the international community and donors to these projects on the real situation in Uzbekistan's agricultural sector. We sincerely hope that our constructive criticism will be received accordingly and can initiate a frank and open discussion directed at seeking solutions to the issues we are raising with the World Bank.

Reviewing the World Bank Appraisal Document

The current assessment is based on a review of the following World Bank document:

Project Appraisal Document on a Proposed Credit in the Amount of SDR 41.3 million (US\$ 67.96 million Equivalent) to the Republic of Uzbekistan for a Rural Enterprise Support Project, Phase II, World Bank: May 8, 2008 (report No: 43479-UZ).¹

Rural Enterprise Support Project, Phase II (RESP-2) is a continuation of the RESP-1 supported by the World Bank in 2001-2008 which the World Bank considers successful. In private conversations, the Bank's representatives complain that they don't have much leverage with regard to Uzbekistan to promote the reform agenda and raise concerns over the use of child labour and other human and labour rights violations endemic to the country's agro- sector. However, as the authors of the Project Appraisal Document stated themselves, the Project's phase two has been initiated by the Government of Uzbekistan,² so the Bank did have an incentive in its hands to encourage the Uzbek government to meet its international obligations in terms of farmers' rights and the rights of children. But instead of using this chance, the Bank preferred to appease the Uzbek authorities, satisfy its hunger for hard currency, without any preconditions, thereby sanctioning further human rights abuse.

The project's key details:

Project name:	Rural Enterprise Support Project – Phase 2
World Bank loan:	\$67.8 mln
Approve year:	2008
Commencing year:	Early 2010
Ending year:	2015
No of regions covered:	7
No of districts:	7

¹ Available online: http://www-wds.worldbank.org/external/default/main?pagePK=64193027&piPK=64187937&theSitePK=523679&menuPK=64187510&searchMenuPK=64187283&siteName=WDS&entityID=000333037_20080522025832

² Project Appraisal Document on a Proposed Credit in the Amount of SDR 41.3 million (US\$ 67.96 million Equivalent) to the Republic of Uzbekistan for a Rural Enterprise Support Project, Phase II, World Bank: May 8, 2008 (report No: 43479-UZ), p.3.

In justifying the project, the document's authors made several assumptions. The current assessment seeks to examine to what extent these assumptions correspond to reality and can be considered credible. Below is the juxtaposition of the Document's key statements on such issues as the status of reforms in the agro-sector, the well-being of farmers and the use of child labour with the actual situation the information of which has been collected through civil society activists and the farmers themselves.

	What the World Bank Appraisal Document says	Actual situations
1	The abolishment of the collective farms and creation in their places of 'private farms' was presented as a fundamental reform ³	<p>This assumption was too optimistic. In reality it was imitation of reforms. In fact, this reorganization of collective farms into 'private' farms can be better qualified as de-collectivization, not privatization, as the farmers had not acquired real autonomy and the respective accompanying rights in terms of free enterprise. In most cases, the 'private' farms were created on the basis of former brigades as constituent part of collective farms. The former brigadiers now called 'farmers,' were allowed to open bank accounts and receive a stamp. But in reality, little has changed in comparison with their previous status: they remained under direct command of local administrations and their various branches and institutional associates. The government continued to speak with the farmers in the language of administrative instructions and intimidation for not meeting these instructions, rather than as providing incentives.</p> <p>As for former kolkhoz bosses they have found themselves occupying management positions in such quasi-associational institutions as Water Users Associations, or Associations of Private and Dehqon Farmers. The administration of these quasi-associations often serve as the local government's agents in supervising the farmers, and often transferring bribes from the latter to local governors. Bribes are collected in exchange for various benefits and access to resources, such as better quality land, water, fuel, sparing farmers from difficult to meet quotas, and avoiding penalization for not meeting these quotas, etc.</p> <p>The agrarian sector continues to operate as an administrative-command system. Most of the instructions are implemented with no consideration of the business plans of the farms or their strategic goals, but based on the orders of local authorities. The financial and economic activities of farms are devoid of any autonomy, and as a result, farms cannot independently manage their funds and assets. Most of the farms have been established on the</p>

³ Ibid, p. 1.

		<p>basis of former collective farms and are dependent on the technical services of machine-tractor parks, collective farms, as well as organizations that provide fertilizers. And these actors are all monopolists in provision of services and supplies of seeds, fertilizers, etc.</p>
2	<p>As the World bank document stated ‘The impact of the reforms has created a new class of private farmer, no longer subject to direct government management...’⁴</p>	<p>It is a completely misguided assessment of the current situation. On the contrary, farmers remain subject to direct government management. The government dictates what to plant, to whom to sell, and sets the price. If farmers do not obey government orders, they may be subject to confiscation of their lands, legal persecution, and even physical abuse. Local hokims (governors) routinely beat and insult farmers at public meetings. Police, investigators from the procuracy, and tax inspectors are frequent visitors to the farmers. Each inspection forces the farmers to pay bribes to appease the inspectors. Such visits are frequent and systematic. Thus, bribes have become a factor eating into the farmers’ budget.</p> <p>Farms are created by decisions and orders issued by the Government, and on terms that are favorable to the government only. From year to year, the plans to boost cotton cultivation do not take into account the state of land, access to water, and weather conditions. The practice of forced labor is widely used. They do not take into account the opinions of the farmers. That the prosecutor’s office has created departments of agriculture speaks volumes about the nature of the relationship between government and farmers. The prosecutor’s office is vested with authority and total control over the activities of farmers.</p>
3	<p>The same document says: ‘Agricultural produce covered by state planning has been reduced to only cotton and wheat, and the percentage to be sold to GOU also reduced (all other crops and agricultural products now being subject to individual farmer choice).’⁵</p>	<p>First of all, it should be noted that state plans for growing cotton and wheat have neither been canceled nor reduced. In comparison with the Soviet era, plans for the gross production of cotton have barely changed, remaining at 1.5 million tons of cotton fiber. At the same, the amount of land for cotton cultivation has decreased significantly, and the condition of the land has deteriorated. This demonstrates the degree of exploitation of farmers by the state. As a result, the farmers’ incomes do not cover the costs of the cotton harvests. As the main customer of the cotton, the government only stands to gain from these lands at the expense of the low prices it pays for the cotton and the exploitation of the farmers who work practically without turning a profit.</p> <p>The reduction of the percentage (of cotton and grain crops) to be sold to the GOU exists only on paper. In reality, the quotas (de facto, Soviet style directive plans) assigned to farmers are so high that practically all their land is used for cotton and grains, which are subject to confiscation by the state for artificially low prices imposed</p>

⁴ Ibid, p.2.

⁵ Ibid, p.1.

		<p>from above and that do not cover costs for inputs.</p> <p>The reduction of the production quotas for cotton is a fiction. One reason is that quotas tend to be so high, not taking into account the actual condition of the land, its salinity, or availability of water, so that the entire crop ends up being submitted to the state to fulfil state orders. Should a farmer manage to produce cotton above the quota, from a financial point of view the surplus wouldn't bring any additional benefit. The best prices are paid during the first period of the cotton harvest when the farmers are still meeting the quota. By the end of the harvest, the cotton is bought by the cotton gins at the lowest rates. That is why the so-called negotiated prices for the surplus product turns out to be a fiction. Because of this, farmers don't distinguish between quota prices and so called negotiated prices. What is important to the farmer is how much cotton he or she manages to submit in the first 2-3 weeks of the harvest season when the cotton is accepted by the cotton gins at the highest rates and better prices</p>
4	<p>The same document says: 'State procurement prices for cotton and wheat have increased significantly, with wheat almost at international parity. While cotton procurement prices are still lower than parity prices (largely due to processing inefficiency and undervaluing of by-products), they increased in US Dollar terms over 70 percent in the 2000 to 2007 period, whilst the international price increased by only 17 percent'.⁶</p>	<p>This assessment does not take into account the fact that under the collective farms system, the state had provided the farms with subsidies and subventions, and periodically written off their debts. Now, with the creation of the 'private' farms, subsidies are gone, while the obligatory quota system remains untouched, and the prices for inputs increased dramatically. Another striking fact is that upon the creation of 'private farmers,' the former collective farms' debts were transferred to the them. So one cannot say that 'reform' has improved the economic condition of the farmers or their well-being. The truth is that only a small percentage of farmers associated with the local administration have become better-off. The farmers, in comparison with the times when they were brigadiers, became worse off because they are now subject to numerous inspections and accompanying extortions. In the past, as brigadiers they maintained control over their land plots and were protected from the inspectors. They paid tribute only to one person, the collective farm boss who dealt with the inspectors himself and protected the brigadiers from inspectors.</p> <p>As stated earlier, the "reforms" carried out by the government benefit only those farmers who, with the assistance of acquaintances, corruption, and bribes, can sell A grade cotton, through non-legal means. Using their own contacts in the local government bodies, they falsify data on cotton production. And the burden for covering the shortage falls on ordinary farmers.</p>
5.	<p>The World Bank document says: 'The main rationale for Bank involvement is the results on the ground of the first</p>	<p>The RESP-1 was implemented during 2001-2008 with the World Bank loan of \$36.14 mln in five districts (Akhangaran (Tashkent region), Ellikalin</p>

⁶ Ibid, p.1.-2.

	<p>Rural Enterprise Support Project. This project was rated as satisfactory by the World Bank, the Government of Uzbekistan, and by FAO, a neutral external partner which carried out a comprehensive final evaluation including beneficiaries' survey'.⁷</p>	<p>(Karakalpakstan), Marharnat (Andijan), Nishan (Kashkadarya) and Sherabad (Surkhandarya). The institutional outcomes of this project can hardly be qualified as successful. The creation of 'private' farmers turned out not to achieve more than de-collectivisation, and farmers have not acquired real autonomy or freedom from the state's direct, micro-managing, and administrative dictate. As for the FAO's survey the World Bank refers to, it is available to readers only in the form of a one page summary while the full-text report is not posted online. In claiming the project's success, the report refers to the growth in productivity in the five districts selected for the project. But the productivity figures were most probably provided by the Uzbekistan state department of statistics, which are unreliable as local governments providing such statistics are known for systematic manipulation for propagandistic use. One possibly real impact was achieved by improving the districts' irrigation and drainage systems and in the supplying the farmers with access to finances. In terms of institutional development, the project's effect is minimal.</p>
6.	<p>The World Bank says that RESP-2 responds directly, among others, to the following objective: 'Supporting the further development of private sector farming'.⁸</p>	<p>In the light of the aforementioned arguments, it is unclear how the project in reality supported private sector farming.</p> <p>In order to free the private sector from the state monopoly and the administrative-command system, the Uzbek government must implement a series of successive reforms.</p>
7	<p>Only in one section titled 'Social' the World Bank refers to the issue of child labour: 'Although the SA [Social Assessment] did not reveal extensive use of child labour in the areas where consultations were conducted, it raised general concerns about farmers' seasonal hiring of children, starting from the fifth grade, to pick cotton in some districts. Although the SA indicated that children work to contribute needed income to support their families, preventing their access to an education through full time work, and through work where there are unhealthy working conditions, is detrimental to their well-being and perpetuates the cycle of poverty. Recognizing that the Government is already taking steps to eliminate this practice, the project's Financing Agreement includes requirements that all farmers seeking</p>	<p>The fact that the Social Assessment 'didn't reveal extensive use of child labour in the areas where consultations were conducted' demonstrates the extent of the SA's credibility. The SA's statement that seasonal hiring of children is taking place only in some areas and is driven only by the need by children to help their families indicates that the SA authors, and the bank as well, is out of touch with the reality in Uzbekistan.</p> <p>At the same time, the fact that 'the project's Financing Agreement includes requirements that all farmers seeking credit for farm investments must comply with all national child labour laws and regulations can be considered positive provided that it will be possible for civil society groups to monitor how this requirement is fulfilled in practice. Therefore, the project's management should disclose the list of farmers who are going to receive the bank's credits.</p> <p>The selection of the 'third party monitoring,' its work, and the results of its work should be transparent and accountable to all stakeholders.</p>

⁷ Ibid, p.3.

⁸ Ibid, p. 3.

	credit for farm investments must comply with all national child labour laws and regulations (see annex 12). The project also includes financing of third party social monitoring that will monitor the use of child labour, among other social development issues. In addition, the project finances public awareness raising to inform farmers and the public about child labour issues and relevant legislation'. ⁹	The public awareness raising activity planned by the bank also should be implemented in cooperation with civil society groups.
8	The SA the project document refers to contains a deeply flawed assessment of the status of child labour in agriculture: 'Respondents stated that school children are not exploited for cotton production. Indeed, the recent work of UNICEF and the SA showed the lack of worst forms of child labour in rural Uzbekistan*. There is little difference in the nature of child labour on the cotton plantations and on DF [dehqon, or household, plots of land where cotton is not planted]. Usually, 12 to 18 year old children are not used in FEs [farmer enterprises] during weeding, cotton and <i>guzapaia</i> (cotton stems) picking. Their labour is used during the period of cotton picking when districts/provinces can not fulfil their plan of cotton picking. Children do not participate in cleaning of the irrigation and drainage systems. In some provinces where there was a shortage of farm labour school children were picking cotton (grades 5 and above), and in other provinces there worked only high school children (pupils of 8-11 grades and college students). In some provinces, where there is excess farm labour (women), children were not involved at all. Women and schoolchildren believe that they can earn the most only when they pick cotton when each can earn more than \$7 per day and more than \$300 per month, which many families badly need'. ¹⁰	It is amazing that the Social Assessment refers to the widely criticised UNICEF sponsored MICS [Multiple Indicator Cluster Survey] 2000 and 2005 Uzbekistan survey reports, which UNICEF itself have renounced. It is not true that school children are not being used in weeding works. Rural children are widely mobilised for weeding works well before the end of academic year, in May. The statement that school children are not exploited for cotton production is utterly untrue. A number of surveys implemented by human rights groups have already demonstrated the opposite. Contradicting itself, the Social Assessment admits that in some provinces where there was a shortage of farm labour, school children were picking cotton. The reality is that there are no provinces in Uzbekistan with a labour shortage. All provinces are overpopulated. But what is true is that many adults leave their homeland to find work in other countries, mainly in Russia and Kazakhstan. The SA report claims that the cotton picker can make \$300 per month during the harvest season. Were this true, no adults would leave to work in other countries where they earn exactly the same amount (\$300 per month). Cotton pickers at best can eke out \$100, a part of which is deducted for meals and confiscated by school administrations for renovations. In any case, money that schoolchildren earn cannot compensate for the two months of lost educational opportunity.
9	The document says that a 'wide range of stakeholders have been consulted in the preparation of the project. All participating government agencies and implementing partners have contributed to the design of the relevant components	First of all, the preparation of the Social Assessment report was done under the supervision of the government. It's nit surprising then that it failed to mention the main problem that farmers face, which is the systematic violation of their human, entrepreneurial, and ownership rights by the state, by local administrations, and by all

⁹ Ibid, p. 17.

¹⁰ Ibid, p.74.

<p>of the project. RRA [rural restructuring agency] on behalf of the Government and with the assistance of a local social science research firm carried out an extensive qualitative social assessment (SA) to better understand stakeholder expectations; determine the optimal means by which the project can benefit poor farmers, the newly established private farmers, and those relying on their home gardens for income.... A stakeholder consultation ... was organized by RRA in Tashkent on 18 March 2008 with broad participation from government agencies and a number of NGOs'.¹¹</p>	<p>associated agencies. On the same reason, such acute problem as forced child labour was left almost unnoticed by the Social Assessment report and its importance downplayed.</p> <p>It would be interesting to know which NGOs were invited to participate in the stakeholder consultation that took place on 18 March 2008. It is likely that only “GONGOs” or government-organized NGOs, which are not independent and which are called upon to serve the government’s interests, were the only invited participants.</p> <p>Since 2004, the government has cracked down on independent NGOs in the country, closing down most of them. Only GONGOs and a handful of still existing grass-root NGOs have been left untouched. Under such circumstances, only a few human rights groups can be considered as representing Uzbekistan’s civil society sector. However, they most probably were not invited to participate in the consultations.</p> <p>By the way, exactly at that time, at the beginning of 2008, our organization distributed a report on the results of monitoring forced child labour in the Uzbekistan’s cotton industry. A copy of that report was sent to the World bank too.</p> <p>The Bank should disclose the list of NGOs which were invited to the stakeholder consultation on 18 March 2008.</p>
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¹¹ Ibid, p. 76.

Conclusion

After a careful reading of the aforementioned Appraisal Document and comparison between its assumptions and the reality on the ground, we would like to respectfully express our disagreement with some of these assumptions, namely on the following two issues:

- 1) The state of reforms in agriculture of Uzbekistan;
- 2) The extent of child labour in the cotton sector of Uzbekistan.

On the first of these issues, we believe that it would be incorrect to say, as the authors of the Appraisal Document did, that there have been fundamental reforms in the agricultural sector. Despite the transformation of collective farms into private farms, the centralized management in two major sectors of agriculture, grain and cotton sectors that occupy up to 70% of arable lands, has remained almost entirely unchanged. The command economy continues to prevail in these two sectors. The Appraisal Document has failed to recognize that farmers remain to be under a direct administrative control of the executive government. As kolkhozes in the past, the farmers are still denied the right to decide what crops to sow in their fields, as well as the right to dispensation of their products.

The phase One of the World Bank Rural Enterprise Support Project which the authors of the appraisal document regard as successful may have indeed brought some benefit to farmers, but mainly in terms of technical and financial benefits such as the revitalization of irrigation and drainage systems, as well as the allocation of loans to the farmers in five selected districts where the project was implemented. But at the institutional level, it failed to promote genuine reforms, in contrary to what the authors of the Appraisal Document claim. As we said, the farmers still lack the freedom of enterprise, and the de-collectivization has changed a little since the times before the RESP-1. There is no guarantee that the second phase of this project, which began this year, will demonstrate any progress in this regard, as there are no signs of the government's intentions to liberalize the cotton and grain sectors and give farmers the right to decide how to dispose of their land and production.

The assessment in the document on the issue of child labour is even more dismaying to us. The authors of the Appraisal Document state that the use of child labour in the cotton industry in Uzbekistan is not a big issue. It would be naive to suggest that the staff of the World Bank office in Uzbekistan, which has been present in the country for quite a number of years, would be unable to notice the magnitude and scope of this problem. In any case, we think this ignorance is unacceptable and undermines the credibility of the Bank, at least, in the eyes of the civil society of Uzbekistan.

We also believe that these two issues, namely (1) the still persistent command economy in the agriculture and (2) the issue of forced child labour in the cotton industry, are closely related to each other. The second is caused by the first. The farmers themselves, if they were freed from the administrative dictate of the executive authorities, would possibly still bring children to pick their cotton, but would do this on a much smaller scale and, what is most important, on a contractual basis and not under duress and administrative coercion, as it currently takes place practically in all

regions of the country.

Here is what we kindly urge to the World Bank:

- 1) Submit Bank's documents and projects related to agriculture in Uzbekistan, for re-assessment, particularly in terms of evaluating the state of reform in the farming sector and the use of forced child labour;
- 2) Establish partnerships with civil society organizations on local and international levels. Particularly, the Bank should engage with those organizations which are already fighting for the abolition of forced child labour in Uzbekistan;
- 3) Strengthen support of reforms in Uzbekistan's farming sector, to free the farmers from administrative directives of the local and central authorities; and to make loans to the agricultural sector contingent on Uzbekistan's progress in executing real reforms in the sector and abolishment of forced child labour in the country's cotton industry.

Our analysis and proposals are aimed at promoting reform in the country, improving the welfare of our people, and assisting the World Bank, the Government of Uzbekistan and other interested parties to conduct honest assessments of the situation in Uzbekistan, notably in its agriculture. We believe that the agro-reforms and the abolishment of forced child labour are in best interests of our country.

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OPEN LETTER TO THE VICE-PRESIDENT OF THE WORLD BANK

Shigeo Katsu,
Vice-President of the World Bank
Europe and Central Asia Division

September 23, 2013

Dear Mr. Katsu,

First of all, I would like to express my respect to You and to the World Bank, which has contributed a lot to the development and poverty alleviation in developing countries, including in Uzbekistan. However, we believe that not all World Bank projects in Uzbekistan deserve unconditional approval. In particular, our concern is that some of the projects in the agricultural sector supported by the Bank have not received adequate prior study and have not been sufficiently consulted with civil society organizations and human rights groups. At least, neither our organization nor other local human rights groups I'm aware of have been ever contacted and consulted despite the fact that we work together with them to addressing social and rights related issues existing in the farming sector of Uzbekistan.

Our human rights organization has been for last several years monitoring the situation with the rights of farmers and the use of child labor in the cotton sector. Our research has shown that the use of forced child labor in this sector is widespread. According to our observations, children are sent to the cotton fields to pick cotton not by their parents, but by their school administrations at the directive of the district and provincial authorities.

In spite of international criticism for this practice and the subsequent adoption in 1998 of the Law "On Guarantees of the Rights of the Child" as well as the ratification by our government of ILO Conventions № 138 "On Minimum Age for Admission to Employment" and № 182 "On the Elimination of the Worst Forms of Child Labor", the practice of mass scale mobilization of children and college students for picking cotton remains unchanged since the Soviet times. For instance, in 2009, hundreds of thousands of school and college students spent on cotton fields for more than two months and returned to their classes only at the end of November. This year's harvest is seems to be no exception from this practice. The school kids are working in cotton fields in hazardous conditions exactly at this time, while the agro-project managers of the World Bank keep reporting success stories about the situation in the farming sector of Uzbekistan.

One of the reasons of the Uzbek government not heeding criticism is that not everyone in the world is aware of this problem. This is partly because some of the most respected international organizations not only exhibit indifference, but also support the Government's version of this problem. It is well known that the Uzbek government denies that the use of forced child labor is widespread and that the public authorities are complicit in it. Such a respected international agency as UNICEF had been already criticized for adopting this position when they underreported the true nature and extent of the problem of child labor in Uzbekistan. To our best knowledge, due to growing criticism, UNICEF has since changed its stance and now recognizes the problem.

Nevertheless, another authoritative international organization, the World Bank, has failed so far to provide an adequate assessment of the realities in the agro-sector of Uzbekistan and to acknowledge the fact of the widespread use of child labour in this sector. We regret that the Bank's support to projects in the agricultural sector in Uzbekistan has been unconditional and was not used as a leverage to encourage the government of Uzbekistan to stop the human rights abuses in this sector. What is also regretful is that in documents justifying the allocation of loans and grants for agro-projects, the World Bank has admitted statements that are completely at odds with reality. Thus, intentionally or not, the authors of respective appraisal documents mislead the international community and donors to these projects on the real situation in Uzbekistan's agricultural sector. We sincerely hope that our constructive criticism will be received accordingly and can initiate a frank and open discussion directed at seeking solutions to the issues we are raising with the World Bank.

Particularly, we would like to pay Your and public attention to the World Bank project, "Rural Enterprise Support Project - Phase 2," which is a continuation of a project by the same name that had been implemented from 2001 to 2008. Our concerns came out from reading the following Project document:

*Project Appraisal Document on a Proposed Credit in the Amount of SDR 41.3 million (US\$ 67.96 million Equivalent) to the Republic of Uzbekistan for a Rural Enterprise Support Project, Phase II, World Bank: May 8, 2008 (report No: 43479-UZ).*¹

Our assessment of this document is described in the report we're about to release. In this letter, we would like to summarize our conclusions.

First of all, as the authors of the Project Appraisal Document stated themselves, the Project's phase two had been initiated by the Government of Uzbekistan, so the Bank did have an incentive to encourage the Uzbek government to meet its international obligations in terms of the rights of children and farmers. Did the bank try to use this leverage? We doubt it did.

After a careful reading of the aforementioned Appraisal Document and comparison between its assumptions and the reality on the ground, we would like to respectfully express our disagreement with some of these assumptions, namely on the following two issues:

- 1) The state of reforms in agriculture of Uzbekistan;
- 2) The extent of child labor in the cotton sector of Uzbekistan.

On the first of these issues, we believe that it would be incorrect to say, as the authors of the Appraisal Document did, that there have been fundamental reforms in the agricultural sector. Despite the transformation of collective farms into private farms, the centralized management in two major sectors of agriculture, grain and cotton sectors that occupy up to 70% of arable lands, has remained almost entirely unchanged. The command economy continues to prevail in these two sectors. The Appraisal Document has failed to recognize that farmers remain to be under a direct administrative control of the executive government. As kolkhozes in the past, the farmers are still denied the right to decide what crops to sow in their fields, as well as the right to dispensation of their products.

¹ Available online: http://www-wds.worldbank.org/external/default/main?pagePK=64193027&piPK=64187937&theSitePK=523679&menuPK=64187510&searchMenuPK=64187283&siteName=WDS&entityID=000333037_20080522025832

The phase One of the World Bank Rural Enterprise Support Project which the authors of the appraisal document regard as successful may have indeed brought some benefit to farmers, but mainly in terms of technical and financial benefits such as the revitalization of irrigation and drainage systems, as well as the allocation of loans to the farmers in five selected districts where the project was implemented. But at the institutional level, it failed to promote genuine reforms, in contrary to what the authors of the Appraisal Document claim. As we said, the farmers still lack the freedom of enterprise, and the de-collectivization has changed a little since the times before the RESP-1. There is no guarantee that the second phase of this project, which began this year, will demonstrate any progress in this regard, as there are no signs of the government's intentions to liberalize the cotton and grain sectors and give farmers the right to decide how to dispose of their land and production.

The assessment in the document on the issue of child labor is even more dismaying to us. The authors of the Appraisal Document state that the use of child labour in the cotton industry in Uzbekistan is not a big issue. It would be naive to suggest that the staff of the World Bank office in Uzbekistan, which has been present in the country for quite a number of years, would be unable to notice the magnitude and scope of this problem. In any case, we think this ignorance is unacceptable and undermines the credibility of the Bank, at least, in the eyes of the civil society of Uzbekistan.

We also believe that these two issues, namely (1) the still persistent command economy in the agriculture and (2) the issue of forced child labor in the cotton industry, are closely related to each other. The second is caused by the first. The farmers themselves, if they were freed from the administrative dictate of the executive authorities, would possibly still bring children to pick their cotton, but would do this on a much smaller scale and, what is most important, on a contractual basis and not under duress and administrative coercion, as it currently takes place practically in all regions of the country.

Here is what we kindly urge to the World Bank:

- 1) Submit Bank's documents and projects related to agriculture in Uzbekistan, for re-assessment, particularly in terms of evaluating the state of reform in the farming sector and the use of forced child labor;
- 2) Establish partnerships with civil society organizations on local and international levels. Particularly, the Bank should engage with those organizations which are already fighting for the abolition of forced child labor in Uzbekistan;
- 3) Strengthen support of reforms in Uzbekistan's farming sector, to free the farmers from administrative directives of the local and central authorities; and to make loans to the agricultural sector contingent on Uzbekistan's progress in executing real reforms in the sector.

Our analysis and proposals are aimed at promoting reform in the country, improving the welfare of our people, and assisting the World Bank, the Government of Uzbekistan and other interested parties to conduct honest assessments of the situation in Uzbekistan, notably in its agriculture. We believe that the reforms and the abolishment of forced child labour are in best interests of our country.

Sincerely Yours,
Vasila Inoyatova,
Chairwoman, Ezgulik

Ps. We chose to publicly express our position on this project as we were unable to meet with Mr. Shigeo Katsu, Vice-President of the World Bank's Europe and Central Asia division, who visited Uzbekistan in May of this year to attend a summit of the Asian Development Bank. At that time, despite a pre-filed application, we were not able to

get a meeting with Mr. Katsu, nor could we obtain accreditation to be present at the ADB summit. Realizing that being busy Mr. Katsu is likely unable to fit a meeting with us into his schedule, we sincerely hope that he will receive this document and will read our remarks and will, in the future, decide to take meetings with representatives of civil society in Uzbekistan.