

NOTICE OF INTENT TO TESTIFY

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Pursuant to notice given in 84 FR 63955, the International Labor Rights Forum (ILRF) submits this formal notice of intent to testify at the public hearing on January 30, 2020, regarding the following ongoing country practice review:

Uzbekistan (worker rights): USTR-2013-0007

Summary Statement

Since the previous GSP hearing on November 29, 2018, significant developments have taken place in Uzbekistan with regard to forced labor in the cotton sector and the government's reform process. Uzbek President Shavkat Mirziyoyev has led his government in a vital shift in tone and commitment to end forced labor in the cotton sector. He has since articulated a vision of an Uzbek cotton sector without forced labor that will drive domestic economic development and job creation through value-added processing and manufacturing of finished goods. The government has undertaken a range of policy measures to realize this vision, including making strong, high-level commitments to end forced labor and introducing a range of reforms and policy responses. The government has fallen short however, in addressing some of the key structural drivers of forced labor. In particular, the government has not fully dismantled the quota system and national production targets which are under the supervision and responsibility of the regional and district officials. Evidence from the 2019 harvest shows that these quotas and targets continue to drive forced labor. Persecution of human rights defenders and perceived government critics has not ceased and could create a chilling effect in reporting forced labor.

As we noted in our submission in advance of the previous hearing on November 29, 2018, it will take several years and harvests to assess whether real, sustainable progress has been made in the fight to eradicate forced labor. The 2019 harvest reveals an inconsistent picture: the government's commitment to ending forced labor is real, and progress is significant, but also that government action and policy continues to drive forced labor in both government and cluster production areas. The need to address policy gaps is urgent: responsible investors and brands have ethical and legal commitments not to include any product in their supply chains that is tainted with forced labor. They also need to have confidence that supply chains are transparent

and have robust, independent monitoring to ensure that they do not fall afoul of their commitments.

Key Updates

To update the GSP committee on the reforms underway to address forced labor, the process of privatization of the cotton sector under the “cluster” system, and challenges that remain, ILRF has worked with partners and allies, including those on the ground in Uzbekistan, to gather information. Based on this information, it is clear that the government has made significant progress in reforms seeking to end forced labor but that key gaps in reforms remain that are linked to forced labor in the cotton sector, including in the 2019 harvest.

1. Findings from the 2019 cotton harvest

Evidence gathered by The Uzbek-German Forum for Human Rights (UGF), an independent nongovernmental organization (NGO) that has monitored labor rights in the Uzbek cotton harvest since 2010, and a frontline member of the Cotton Campaign, showed clearly both the progress as well as the problems that occurred in the 2019 harvest. A group of twelve trained and experienced UGF monitors working in seven regions in Uzbekistan found that the overall scale of forced labor has reduced in Uzbekistan with improvements in several key areas, but that the drivers of forced labor and methods of coercion and forced mobilization remain in place.

- Despite the reform effort, the government remained closely involved in cotton production, even on cotton clusters, and used coercion to meet quotas and production targets. Regional and local officials again had the responsibility to oversee the fulfillment of government-imposed cotton production quotas and targets, which has been identified as a key driver of forced labor. As in previous years, cotton growing lands were divided into four sectors under the direct supervision of the *hokim* (regional or district governor); chief of police; prosecutor; or head of the tax inspection. Officials required people to pick cotton involuntarily or face consequences including loss of job or problems at work. These targets also applied to cotton clusters. UGF monitors documented cases in several regions where local officials forcibly mobilized involuntary pickers to work on cluster farms.
- In 2019 the burden of forced labor shifted from people in lower paying/lower status jobs in health and education to people working in mid-level level civil servant positions, such as employees of banks, local administrations and government agencies, as well as law enforcement, firefighters, cadets, emergency workers. These employees had to pick cotton or pay for a replacement picker or face consequences at their jobs. Entrepreneurs and shopkeepers also had to pick cotton or pay money to contribute to the cost of the harvest or face problems with the tax inspection that could affect their businesses. In one

district in the Andijan region alone, UGF monitors documented pickers or replacement pickers sent to the fields from the following organizations:

- District *hokimiat*
 - District tax inspectorate
 - District department of finance
 - Agrobank
 - Halkbank
 - Kishlok Kurilish Bank
 - Hamkorbank
 - State pension fund
 - Clothing market
 - Food market
 - District department of employment
 - District electric grid company
 - District gas supply company
 - District department of landscaping
 - Farmers' Council
 - Agricultural inspectorate
 - Department of veterinary medicine
 - Silkworm cocoon processing plant
 - Grain reception point
 - Driver training school
 - Department of ecology
 - Zoning service
 - "Agrokhimhimoja" JSC (chemical fertilizer procurement enterprise)
 - "Agrosugurta" JSC (insurance company)
- Employees of schools and hospitals in most regions did not participate in the harvest at all, an improvement. Some health and education employees were ordered by their supervisors to pick cotton, mainly technical (nonprofessional) staff and mainly on the weekends. A key exception was Karakalpakstan, a low population region, where health and education employees were mobilized to pick cotton early in the harvest. Some nurses also picked cotton in Jizzakh.
 - In most areas, *mahalla* (neighborhood) committees were responsible for recruiting people to pick cotton. In interviews, people required to pick for their *mahalla* said that they would prefer to be hired privately as replacement workers so they could earn the replacement fee in addition to getting paid for the cotton they picked.
 - UGF monitors obtained documents that show that forced labor continues to be government organized or the result of government policy. For example, a September 27, 2019 decree from the Ministry of Emergencies orders 2100 firefighters to participate in the cotton harvest.ⁱ A letter from the Ministry of Defense in response to an inquiry from a human rights activist acknowledged that military cadets also picked cotton.ⁱⁱ

2. Government is taking steps to combat forced labor and to engage with stakeholders

As outlined above, the government of Uzbekistan has, over the last several years, initiated a reform process to address forced labor that has resulted in meaningful improvements in reducing forced labor. Key measures include:

- High-level, public, clearly articulated commitment to end forced labor;
- An increase in the price paid to pickers to make voluntary cotton picking more attractive;
- An end to systemic child labor and an end to the use of university students in cotton picking;
- A significant reduction in the numbers of health and education employees forcibly mobilized to pick cotton;
- An increase in penalties for forced labor;
- Public outreach and awareness;
- Increased number of trained labor inspectors.

The reform process includes meaningful engagement with stakeholders such as the International Labour Organization (ILO), some Uzbek civil society activists, and the Cotton Campaign. The Cotton Campaign and the government of Uzbekistan have intensified their engagement over the last year. In February 2019, a delegation of senior officials led by then-Deputy Prime Minister Tanzila Narbayeva and including then- Minister of Labor Sherzod Kudbiev met with Cotton Campaign members at the Campaign’s annual meeting in Washington, D.C. for a substantive discussion.ⁱⁱⁱ At the request of the government of Uzbekistan, the Cotton Campaign prepared an updated Roadmap of Reforms to end forced labor based on extensive consultation with campaign members, experts, and other stakeholders, which it delivered in June. The Roadmap includes core objectives across three reforms in three reform areas: End Systemic Forced Labor; Enact Structural Reforms; Empower Civil Society.^{iv} The government of Uzbekistan prepared its own roadmap on combatting trafficking in persons and forced labor, which it presented to the Cotton Campaign in October, in a meeting with a delegation of senior officials headed by Minister of Investments and Foreign Trade. The government reported to the Cotton Campaign that its roadmap includes policy measures designed to respond to the objectives and actions outlined in the Cotton Campaign’s recommendations. We are encouraged by the government’s willingness to uptake recommendations and are in the process of more closely evaluating impact.

The government has also made clear its interest in attracting responsible investment which could implement best practices and fair labor standards in the cotton sector and emerging textile industry once forced labor is addressed, if strong independent monitoring and worker protections are in place.

3. Core gaps in reforms remain and key policies linked to forced labor in 2019 harvest

a. Quota system still in place:

Despite the reform efforts and engagement outlined above, the government continues state policies that perpetuate forced labor. Key among these is the quota system, under which the government imposes production quotas on regions that are then allocated among districts and individual farmers. Officials bear personal responsibility for ensuring these quotas are fulfilled and can lose their jobs or face other consequences for failing to deliver quota amounts. Years of research and reporting by independent human rights groups such as the UGF and Human Rights Watch have shown that the quota system is a fundamental root cause of forced labor.^v In its most recent Third-Party Monitoring report on Uzbekistan, the ILO acknowledges that state production targets create an environment “conducive to forced labor,” and that this will continue until targets are adjusted or eliminated.^{vi}

In its draft agricultural strategy, the government announced a commitment to abolish the quota system for cotton and wheat by January 2021.^{vii} However, in the strategy eventually adopted on October 23, 2019, it pulled back from this commitment, aiming to “gradually reduce the role of the state in cotton and grain production” with the goal of ending public procurement.^{viii} The relevant section of the accompanying government roadmap to implement the agricultural strategy includes measures to develop investment programs and strengthen market mechanisms but is silent on ending cotton and quotas. It aims to end the practice of requiring farmers to allocate a certain number of hectares of their farms for cotton or grain only by the first quarter of 2023, meaning that for at least the next three cotton harvests, farmers can be required to allocate land for cotton production as determined by the government.^{ix}

Under the cluster system, the state government has also introduced cotton production targets for which local officials bear responsibility. In the 2019 harvest, this has resulted in officials forcibly mobilizing pickers to pick cotton on private cluster farms

b. Cluster system lacks transparency, subject to production targets, linked to forced labor; farmers lack autonomy

Over the last several years the government has undertaken fast-paced privatization of the cotton sector to create cotton “clusters” under which companies will control all aspects of the textile value chain from cotton growing, harvesting, and ginning, through to production of value-added goods. It has framed this effort as key response to forced labor. However, the governance framework has serious weaknesses, including a lack of transparency in the selection criteria or process. Clusters are also granted significant benefits such as tax exemptions, discounted loans, and the option to buy industrial infrastructure at zero cost, in return for their investments, although the investments are not made public and there appears to be significant variation in what is invested and publicly reported. The corporate governance framework is insufficient to ensure transparency and accountability: the 2001 law in operation contains just 55 provisions putting few obligations on corporations and has no requirements for transparency.

Research into the cluster system and findings from the 2019 harvest show that clusters enter into contracts with farmers to produce contract amounts in a way that closely mimics the quota system. Farmers, who have little autonomy or protection do not have a meaningful choice about whether they want to work with a particular cluster and no bargaining power. They face penalties for failure to meet the contract amounts, including threats from *hokims* that they will lose their land. The management of cluster contracts is often under the supervision of the prosecutor or other officials. While there is variation among clusters, in some cases clusters essentially act as joint ventures with local administrations with the clusters receiving financing and the *hokimiat* (local administration) pressuring farmers to deliver contract amounts and in some cases mobilizing pickers.

c. Lack of meaningful accountability mechanisms

Ensuring meaningful accountability for forced labor is a critical part of the reform effort. Here the government's record is mixed. The government has strengthened penalties for officials who use forced labor and is considering legislation to make forced labor a criminal offense. However, feedback mechanisms run by the Ministry of Labor and the Federation of Trade Unions of Uzbekistan for citizens to report forced labor remain weak and lack widespread trust among the population. Ongoing persecution of civil society activists and perceived critics also serves to undermine the public's willingness to report forced labor. People who call hotlines are required to give their full name, address, passport, and employment details to register a complaint. Inspections usually do not go up the chain of command but have targeted low-level officials and supervisors who are themselves pressured to provide cotton pickers and penalties are ineffective. The cases publicized in the ILO's Third-Party Monitoring report on the 2018 harvest show that those disciplined for forced labor were supervisors or low-level officials in occupations having nothing to do with the cotton sector, begging the question of why these officials were motivated to send their employees to pick cotton. A UGF monitor in Karakalpakstan reported a head doctor who was requiring hospital employees to pick cotton. A labor inspector found that the doctor had already been fined for but continued to send employees to the fields.

4. Limitations on civil society and persecution of human rights defenders undermine reform efforts

A diverse, vibrant, truly independent civil society is crucial for other reforms, including those to end forced labor, to take root and become sustainable and irreversible. Civil society plays a key role in ensuring transparency and accountability, identifying, documenting, and bringing to light violations. While the government has made commitments to allow independent monitoring of the cotton harvest, it has not created an enabling environment for the free operation of independent human rights activists or civil society organizations and continues to interfere with the work of independent monitors, including through arbitrary detention and spurious criminal charges.

Persecution of labor rights monitors and human rights defenders has decreased over the last several years but not ceased. The government has engaged in dialogue with a group of labor and human rights activists and fostered their participation in the ILO's Third-Party Monitoring work, a clear improvement over past years. However, it has failed to register independent human rights organizations and continues to interfere in the work of some activists. In addition, it has not exonerated or restored full legal rights to those who were wrongfully imprisoned or faced other legal consequences in retaliation for their human rights work. Together, these actions have a chilling effect on independent civil society and send a message that people can face consequences for speaking out or reporting on violations. This chilling effect could also prevent citizens from developing trust in government hotlines or other mechanisms to report forced labor. A few examples of cases of civil society activists follow:

- In January 2020, the government rejected the application to register **Chiroq**, an independent labor rights nongovernmental organization (NGO) in Nukus, Karakalpakstan, citing three minor grammatical errors in the application. It has also twice rejected the registration attempts in February and May 2019 of **Restoration of Justice**, an NGO that seeks to restore rights to people wrongfully imprisoned. The application was filed by three former political prisoners, one of whom participates in ILO monitoring efforts.^x
- Also in January 2020, a **UGF monitor** was summoned by the State Security Services (FSB) and questioned about her relationship with international NGOs including UGF. She was warned against cooperation with NGOs and specifically UGF and instructed to bring any violations she documented to the NSS instead of sharing them with NGOs. She said the FSB officer told that “International organizations are enemies.”^{xi}
- On October 18, 2019, **Makhmud Rajab** a poet, journalist, and labor rights monitor from Khorezm province in northwest Uzbekistan, was sentenced to a 5-year 6-month suspended sentence on criminal charges of smuggling. Rajab was taken into custody on September 22, when he staged a “pedestrian march” to Tashkent to request that charges brought against him for bringing books into the country be dropped. He was sentenced to ten days’ administrative arrest and released on October 3. Rajab has reported on forced labor and child labor in the cotton sector since 2009, including as a monitor for the Uzbek-German Forum for Human Rights (UGF). He is no longer able to carry out his labor rights work due to fears that he will be found in violation of the terms of his sentence and sent to prison.^{xii}
- Blogger **Nafosat Ollashukurova**, who posts on Facebook under the name Shabnam Ollashukurova, was released from forced psychiatric detention on December 28, 2019 after three months in custody and forced treatment.^{xiii} She was detained as she filmed police using force as they took Rajab and others into custody and sentenced to 10 days’ administrative arrest. On a court order dated September 30, Ollashukurova was committed to

a psychiatric clinic for forcible treatment. Since her release she has said that she was committed to an institution to silence her and that she does not feel safe.^{xiv}

- Activist and journalist **Malokhat Eshonqulova** faces criminal charges of slander and defamation for a video report she published accusing a district official of corruption. Eshonqulova subsequently left Uzbekistan, fearing she could be arrested and is afraid to return. Eshonqulova has reported extensively on forced labor in the cotton harvest in partnership with the Human Rights Alliance of Uzbekistan as well as with UGF.
- Criminal charges for illegal border crossing remained pending against **Dmitry Tikhonov**, an Angren-based journalist and human rights defender who documented forced labor for UGF and was forced to flee Uzbekistan in 2015 following an apparent arson attack on his home office. In 2018, Tikhonov was included on a “Wanted” poster in Uzbekistan.
- Long-time human rights activist **Elena Urlaeva**, who has extensively monitored forced labor in the cotton sector remains stripped of her legal capacity and under guardianship, preventing her from owning property or taking legal action on her own behalf.

5. Conclusion

The government of Uzbekistan continues to take steps in combatting forced labor in cotton production, an indicator of the effectiveness of the action of the GSP Committee. However, as in previous years, the government continues to remain closely involved in cotton production. Government officials continue to oversee fulfillment of quotas and production targets, even in the private system, a key driver in forced labor. Persecution of activists continues, which creates a chilling effect in reporting forced labor and creates a disjointed government policy for combatting forced labor in cotton production.

We recommend that the GSP Committee keep the country practice review open until the government takes steps to afford internationally recognized worker rights and address root causes of forced labor.

ⁱ Order No. 492 of the Ministry of Emergencies, the involvement of personnel of the Ministry of Emergencies in the cotton harvest in Jizzakh, Tashkent, September 27, 2019.

ⁱⁱ Letter No. 14/4022 from the Head of the Department of Education and Ideology of the Ministry of Defense to Elena Urlaeva, November 19, 2019.

ⁱⁱⁱ “Cotton Campaign Meets with Senior Uzbek Officials in Washington—Parties Agree to Intensify Dialogue on Ending Forced Labor,” Cotton Campaign Press Release, February 15, 2019, <http://www.cottoncampaign.org/cotton-campaign-meets-with-senior-uzbek-officials-in-washington.html>.

^{iv} Cotton Campaign Roadmap of Reforms for Uzbekistan: End Systemic Forced Labor, Enact Structural Reforms, and Empower Civil Society, Washington, D.C., June 2019, <http://www.cottoncampaign.org/what-the-uzbek-government-can-do.html>.

^v See for example: Human Rights Watch and Uzbek-German Forum "We Can't Refuse to Pick Cotton" - Forced and Child Labor Linked to World Bank Group Investments in Uzbekistan, 27 June 2017, available at: <https://www.hrw.org/report/2017/06/27/we-cant-refuse-pick-cotton/forced-and-child-labor-linked-world-bank-group>; Uzbek-German Forum, "They said we wouldn't have to pick and now they send us to the fields:" Forced Labor in Uzbekistan's Cotton Harvest 2018, April 2019, http://uzbekgermanforum.org/wp-content/uploads/2019/04/Cotton_Harvest_2018_Klein_Mail.pdf.

^{vi} Third party monitoring of child labour and forced labour during the 2018 cotton harvest in Uzbekistan, International Labour Office, April 2019, https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---ipec/documents/publication/wcms_681372.pdf, p. 33.

^{vii} Meeting with Uzbek Ambassador to the U.S. Javlon Vakhobov with Cotton Campaign members, New York, September 24, 2019.

^{viii} Decree of the President of Uzbekistan "On Approval of the Strategy of Agricultural Development of the Republic of Uzbekistan for 2020 – 2030," №УП-5853, October 23, 2019, Section 3., Expected Results of Implementation of the Strategy, <https://lex.uz/ru/docs/4567337>. See also Ilkhamov, Alisher, "В чем причина продолжающейся практики 'добровольно-принудительного' сбора хлопка в Узбекистане? [What is the reason for the continuing practice of 'voluntary-compulsory' cotton picking in Uzbekistan?]," Central Asian Bureau for Analytical Reporting, November 19, 2019, https://cabar.asia/ru/v-chem-prichina-prodolzhayushhejsya-praktiki-dobrovolno-prinuditelnogo-sbora-hlopka-v-uzbekistane/?fbclid=IwAR3m-jpsKJkfrMYGpc9pciwcblPguEqep5yn4uUAqxt_fUECu6k97WOUOU, reprinted in English at: <http://uzbekgermanforum.org/why-the-practice-of-forced-voluntary-cotton-harvesting-in-uzbekistan-continues/>.

^{ix} Ibid, Annex No. 2, Indicator No. 27.

^x "Uzbekistan: reforming or redecorating?," International Partnership for Human Rights, October 25, 2019, <https://www.iphronline.org/uzbekistan-reforming-or-redecorating.html>.

^{xi} "International Organizations are Enemies," Uzbek-German Forum for Human Rights, January 6, 2020, <http://uzbekgermanforum.org/international-organizations-are-enemies/>.

^{xii} "Журналист Махмуд Раджапов получил условный срок [Journalist Makhmud Rajab Receives Suspended Sentence]," *Gazeta.uz*, October 21, 2019, <https://www.gazeta.uz/ru/2019/10/21/rajapov/>.

^{xiii} "Blogger Nafosat Ollashukurova Released from Psychiatric Detention," Uzbek-German Forum for Human Rights, December 28, 2019, <http://uzbekgermanforum.org/blogger-nafosat-ollashukurova-released-from-psychiatric-detention/>.

^{xiv} "Я не чувствую себя в безопасности» — Нафосат Оллашукурова [I don't feel safe—Nafosat Ollashukurova]," *Gazeta.uz*, January 10, 2020, <https://www.gazeta.uz/ru/2020/01/10/nafosat-ollashukurova//>.