Why is there a global boycott of Uzbek cotton?

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15 November 2013
Uzbekistan’s Cotton Industry

- 3rd largest cotton exporter
- 75% exported by state-owned enterprises Uzprommashimpeks, Uzmarkazimpeks, Uzinterimpeks
  - Mainly to Bangladesh, China, Russia, Germany, Italy
- 25% sold by SOE for domestic cotton processing
  - e.g. Daewoo International & Indorama International
- State order system, underpinned by forced labor
Forced-labor system of production. State demands farmers ‘meet cotton production quota, or lose your land’
Forced Child Labor in 2013:

• Parents required to sign contracts committing their children to pick cotton

• Students required to sign statements of their “voluntary” participation in the cotton harvest
“If a student doesn’t go to pick cotton, she/he will be expelled from university”
- University official, 2012

2013, director of academic lyceum No. 2 expelled 16-year old Barhayot Turaev for refusing to pick cotton
FORCED LABOR OF ADULTS

- Public-sector workers
  - Teachers, Nurses, Doctors, Military,
  - Pensioners, Mothers receiving childcare support

- Private Companies
  - GM Uzbekistan, Trastbank, Shurtanneftgaz

- Coercion: job, salary, benefits, tax penalties, legal action

- Negative impacts on health care & education
Health & Safety risks:
- Hazardous work
- Unhygienic living
- Lack of potable water & adequate food
- Agrochemicals?
Agrochemicals Applied While Children, Women and Men Pick Cotton, 2012

2013, citizens forced to work in fields obliged to apply defoliants w/o training or protection
11 Deaths resulting from forced-labor cotton production system in 2013

Safarboy Karimov, 38
Orif Ruziboyev, 29
Tursunali Sadikov, 63
Erkinboj Yoldashev, 16
Khayrulla Nurmatov, 31
Nuriddin Kholdorov, 22
Malika Embergenova, 17
Kozim Omonov, 22
Samandar Nurmatov, 23
Amirbek Rakhmatov, 6
Mukhlisa Rajabova, 17
Status of Monitoring

ILO
- Intl Worker & Employer Consensus
- Recommendation of tripartite HLM mission
- 2013 ILO mission
  - ILO C. 182
  - Uzbek government accompaniment & interference
- Start of a process? Depends on Uzbek Government response

Uzbek continues repression of civil society
- Sergei Naumov, Sept. 2013: human rights monitor, arrested on 0, detained, denied due process
- Bobomurad Razzakov, Sept. 2013: human rights defender, sentenced to prison
- Uktam Pardaev: house arrest=no monitoring 2013
Uzbekistan Cotton Commodity Chain

Certain links in the diagram presented here have been presumed and extrapolated from unofficial information from various sources. This diagram is only meant to provide a starting point for understanding how Uzbek cotton plays into the global economy.
Investor Leverage

• Government of Uzbekistan & bilateral govts.
• Firms in Uzbekistan: Daewoo, Indorama, etc.
  – Direct, with parent (POSCO), with investors (Berkshire Hathaway)
• Cotton traders:
  – Xinjiang Yinlong International Agricultural Cooperation Co., Ltd B. Liang (China)
  – Olam (Singapore)
  – Cargill UK
• Brands and Retailers
From Pledge to Practice

Daewoo Protocol

1. No Uzbek Cotton
2. No Uzbek Cotton Companies
3. Contractual Commitments
4. Throughout the Supply Chain
5. Utilize Supplier Databases
6. Compliance Audits
7. Document