

International Bank for Reconstruction and Development
International Development Association

SECOND PROGRESS REPORT
TO THE BOARD OF EXECUTIVE DIRECTORS
ON THE IMPLEMENTATION OF THE MANAGEMENT ACTIONS
IN RESPONSE TO THE

REQUEST FOR INSPECTION
OF THE

UZBEKISTAN
RURAL ENTERPRISE SUPPORT PROJECT – PHASE 2 (P109126) AND
ADDITIONAL FINANCING FOR SECOND RURAL ENTERPRISE SUPPORT PROJECT (P126962)

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Abbreviations and Acronyms

| | |
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| CSO | Civil Society Organization |
| C/FL | Child and Forced Adult Labor |
| FBM | Feedback Mechanism |
| GEF | Global Environment Facility |
| GoU | Government of Uzbekistan |
| GPE | Global Partnership for Education Project |
| HDP | Horticulture Development Project |
| IFC | International Finance Corporation |
| ILO | International Labour Organization |
| MoU | Memorandum of Understanding |
| NGO | Nongovernmental Organization |
| PFI | Participating Financial Institution |
| PSIA | Poverty and Social Impact Assessment |
| RESP | Rural Enterprise Support Project |
| RRA | Rural Restructuring Agency |
| SACMP | Sustainable Agriculture and Climate Mitigation Project |
| SDC | Swiss Agency for Development and Cooperation |
| SKWRMIP | South Karakalpakstan Water Resource Management Improvement Project |
| TPM | Third Party Monitoring |
| WCA | Water Consumer Association |

EXECUTIVE SUMMARY

i. This is the second and final Progress Report to the Board of Executive Directors (the Board) on the implementation of actions undertaken by Management (as presented in the Management Response) to address concerns from Requesters related to the Uzbekistan: Second Rural Enterprise Support Project (RESP II) and the Additional Financing for the Second Rural Enterprise Support Project (RESP II AF), as registered in the Request for Inspection on September 5, 2013. It complements a briefing to the Board delivered in November 2015 on actions undertaken.

ii. The RESP II is financed through an International Development Association (IDA) credit of SDR 41.3 million (US\$68 million equivalent) approved on June 12, 2008. On September 11, 2012, additional financing of SDR 26.4 million (US\$40 million equivalent) was approved to support the scaling up of sub-loans to beneficiaries. The Project is intended to increase (a) agricultural productivity, (b) financial and environmental sustainability of agriculture, and (c) profitability of agro-business in the Project area. This will be achieved through the provision of financial and capacity-building support to farmers and agro-businesses in seven regions of the Republic of Uzbekistan, and improved irrigation service delivery through the rehabilitation of the irrigation and drainage infrastructure and the strengthening of Water Consumers Associations (WCAs). Project beneficiaries include farmers, farmer groups, private enterprises, agro-firms, and agro-processing enterprises.

iii. On September 5, 2013, the Inspection Panel received a Request for Inspection, claiming that due to lack of adequate measures to prevent Bank funding from being used for agricultural lands in which child and forced adult labor (C/FL) is practiced, the Project contributes to “the Government’s policy of organized forced and child labor.” In its Response, Bank Management committed to bolster Project support to address the issue of C/FL through various measures, including through the implementation of third party monitoring (TPM) of C/FL across the Bank’s portfolio, introduction of a feedback mechanism (FBM), review and modification of implementation arrangements to include provisions requiring compliance with the applicable laws and regulations on C/FL, and conduct of trainings for beneficiaries.

iv. In its Report and Recommendation submitted to the Board on December 9, 2013, the Inspection Panel noted and appreciated the significant positive trends that had emerged with respect to the critical issues of child labor, including actions already taken and further commitments and intentions on the part of the Government of Uzbekistan (GoU) and its partners. Considering the important potential for further positive developments, the Panel decided to defer its recommendation on whether to investigate the matters raised by the Request and to report back to the Board within 12 months. On November 17, 2014, Bank Management submitted a Progress Report on the Implementation of the Management Actions, stating that all but one action had been successfully completed.

v. On November 20, 2015, the Bank, jointly with the International Labour Organization (ILO), provided a presentation reporting on the progress of the remaining action, which was the implementation of TPM and Grievance Redress Mechanism (later renamed FBM)¹. The TPM and FBM were fully operationalized during the 2015 harvest, based on a Memorandum of Understanding (MoU) signed with the ILO to undertake TPM of Bank-financed projects at risk for the use of C/FL during the 2015 and 2016 cotton harvesting seasons. The project beneficiaries’ obligations to comply with appropriate social standards and practices and any applicable laws and regulations on C/FL will be in full effect and subject

¹ For the purposes of this report, Feedback Mechanism (FBM) refers to the national system consisting of multiple channels for submission of complaints related to the use of child labor and the involuntary mobilization of adult labor for cotton production established and operated with technical assistance from the ILO. Grievance Redress Mechanism (GRM) refers to the mechanism operated under RESP II to collect and address complaints related to any aspect of the RESP II project.

to monitoring during the entire period of the respective projects' implementation. The MoU is expected therefore to be extended to cover future years.

vi. The ILO-led monitoring commenced in ten provinces on September 18 and lasted until October 31, 2015. The monitoring did not find conclusive evidence that project beneficiaries used C/FL during the 2015 cotton harvest in any of following Bank-supported projects deemed to be at risk for the use of C/FL: (a) RESP II (P109126) and RESP II Additional Financing (P126962); (b) its associated Global Environmental Facility (GEF)-financed project, the Sustainable Agriculture and Climate Mitigation Project (P127486); (c) the South Karakalpakstan Water Resources Management Improvement Project (SKWRMIP, P127764); (d) the Horticulture Development Project (HDP, P133703); or (e) the Global Partnership for Education Project (GPE, P144856). However, large-scale mobilization of adult labor in the cotton harvest did take place in 2015, and ILO emphasized that in such a context there is significant risk that some of it could have been forced.

vii. The Bank also partnered with the ILO to establish an FBM consisting of three elements: (a) support to the GoU's national system for FBM; (b) an international channel for complaints through the ILO's supervisory mechanism; and (c) a "facilitating role" for people or organizations unable or unwilling to access the other two channels. During the 2015 harvest the ILO was successful in supporting the establishment of an FBM through a process that included substantial technical assistance and capacity building support to the national system. To increase the usage of the National FBM in 2016, the ILO is currently developing a proposal for the GoU on how public confidence in the mechanism can be strengthened.

viii. Specifically for the RESP II and associated projects, as was described in the previous Progress Report, all of the following documents have been revised to include provisions that require the beneficiary/beneficiaries to comply with national and international laws and regulations on forced labor, alongside those for child labor: (a) the Rural Enterprise Investment Guidelines; (b) the Subsidiary Loan Agreement among the Ministry of Finance, the Rural Restructuring Agency (RRA) and the participating financial institutions (PFIs); (c) the Project Implementation Plan; and (d) the sub-loan agreement between the PFIs and the Project beneficiaries. In addition, the training materials for farmers and WCAs have been revised to include modules on the applicable legislation covering forced adult labor along with that on child labor and gender.

ix. Planning is underway for TPM and FBM during the 2016 cotton harvest. The ILO, in collaboration with the GoU and with support from the Bank and the development partners, is committed to improving the methodology in 2016. For TPM, proposed improvements include: (a) strengthening the focus of monitoring on the analysis of application of "protective measures" introduced by the GoU in 2016 to ensure that mobilization of seasonal workers takes place on a voluntary basis; (b) commencing monitoring prior to the onset of the harvest; and (c) improving the effectiveness of spot checks conducted during the harvest by deploying smaller, more mobile monitoring teams. These spot checks will focus specifically on project sites and beneficiaries of the Bank-financed projects. The monitoring will start in July, during the harvest preparation period, and site monitoring will take place in September and October. For FBM, ILO's technical assistance to the National FBM will focus on improved awareness-raising aimed at instilling public trust in the FBM, and strengthening systems for following up and resolving cases reported through the FBM.

x. Risk mitigation through TPM and FBM is one part of a broader World Bank Group strategy to assist the GoU to address the issue of C/FL, which includes support to the GoU's agricultural modernization agenda and promoting private sector demand for sustainably produced cotton. The Bank is engaged in a constructive dialogue with the GoU to assist it in developing its agricultural modernization strategy. The overall goal of this strategy is to maximize sustainable growth and jobs in the agricultural sector by

strengthening relevant institutions, creating framework conditions, building capacities and promoting investment in productive assets.

xi. Since the previous Progress Report, the GoU has made progress in mechanizing cotton harvesting. During the 2015 cropping season, 1,000 cotton harvesters were dispatched to the different cotton growing areas. The Bank specifically monitored cotton harvest mechanization in the three districts of Ellikkala, Berunyi and Turtkul in South Karakalpakstan covered by the SKWRMIP.

xii. As part of the Bank's support to agricultural modernization, it has completed a Poverty and Social Impact Assessment (PSIA) of the cotton mechanization policy in Uzbekistan on farm workers and vulnerable private farmers. It provides a series of short- and medium-term recommendations to mitigate the potential negative impacts of cotton mechanization on female agricultural workers, which are currently being discussed with GoU.

xiii. Through these actions and continued engagement, Management believes that the Bank has made diligent efforts to address the issues raised in the Request for Inspection, including those that pertain to the application of Bank policies and procedures in the context of both the Project in question and other Bank-financed activities in Uzbekistan.

I. INTRODUCTION

1. This is the second and final Progress Report to the Board of Executive Directors (the Board) on the implementation of actions undertaken by Management (as presented in the Management Response) to address concerns from Requesters related to the Uzbekistan: Second Rural Enterprise Support Project (RESP II) and the Additional Financing for the Second Rural Enterprise Support Project (RESP II AF), as registered in the Request for Inspection on September 5, 2013. It complements a briefing delivered to the Board in November 2015 on actions undertaken to date.

Project Status

2. The RESP II is financed through an International Development Association (IDA) credit of SDR 41.3 million (US\$68 million equivalent) approved on June 12, 2008. On September 11, 2012, additional financing of SDR 26.4 million (US\$40 million equivalent) was approved to support the scaling up of sub-loans to beneficiaries. The Project is intended to increase (a) agricultural productivity, (b) financial and environmental sustainability of agriculture, and (c) profitability of agro-business in the Project area. This will be achieved through the provision of financial and capacity-building support to farmers and agro-businesses in seven regions of the Republic of Uzbekistan, and improved irrigation service delivery through the rehabilitation of the irrigation and drainage infrastructure and the strengthening of Water Consumers Associations (WCAs). Project beneficiaries include farmers, farmer groups, private enterprises, agro-firms, and agro-processing enterprises.

3. Project implementation is progressing well and the following results have been achieved to date:

- (a) 555 agribusinesses have received financing for the procurement of agricultural machinery, processing equipment, packaging equipment and materials; and investments in tree-crops, poultry, fishery, and livestock production, resulting in the creation of 279 new jobs, an increase in household incomes by 151 percent, and higher average enterprise profits, sales and yields per ha.
- (b) 61,000 farmers have been trained under the Rural Training and Advisory Component on the following subjects: (i) principles of crop protection and pest control; (ii) development of livestock production; (iii) poultry production; (iv) fish production; (v) preparation of business plans; (vi) accountancy; (vii) agricultural law and taxation; (viii) water resource management; (ix) orchard and vineyard production; (x) processing and marketing of products; and (xi) products for domestic and export markets. Also, farmers' awareness has been raised on national laws and regulations and ratified International Labour Organization (ILO) conventions on the prevention of child labor and forced labor (C/FL);
- (c) 480 lending officers of the participating financial institutions (PFIs) have been trained in investment lending in agriculture and rural development; and
- (d) 11,841 water management specialists have been trained at 446 workshops within the training program for all new WCAs, Administration of Irrigation Systems, and Basin Administration of Irrigation Systems.

Request for Inspection and Management Response

4. On September 5, 2013, the Inspection Panel received a Request for Inspection. The central claim in the Request was that due to lack of adequate measures to prevent Bank funding from being used for agricultural lands in which C/FL is practiced, the Project contributes to "the Government's policy of organized forced and child labor." The Requesters argued that all farms in Uzbekistan are tied to the state cotton harvesting system and its reliance on C/FL, and a direct harm from perpetuation of the system of C/FL is the strain on public services, including essential medical care and education. They

further stated that the Social Assessment carried out for the Project failed to identify the problem of C/FL, adding that no serious consideration or analysis was undertaken to assess if, and how, the Project could contribute to this problem.

5. In its Response, dated November 5, 2013, Management committed to bolster Project support to address the issue of C/FL through various measures, including through the implementation of third party monitoring (TPM) of C/FL in other at-risk, ongoing and future projects in Uzbekistan; introduction of a feedback mechanism (FBM); review and modification of implementation arrangements to include provisions requiring compliance with the applicable laws and regulations on C/FL; and conduct of trainings for beneficiaries.

6. As outlined in its Management Response, Management made several commitments, specifically:

- (a) *Amendments to the sub-loan agreements.* Under the RESP II, any new Project beneficiaries using the credit line would be required to comply with the applicable laws and regulations on both forced and child labor. Specifically, the RESP II Rural Enterprise Investment Regulations; the subsidiary loan agreement among the Ministry of Finance, the Rural Restructuring Agency (RRA) and PFIs; the Project Implementation Plan; and the PFI sub-loan agreements with future credit line beneficiaries would be amended to add compliance with the applicable national and international laws and regulations on forced labor alongside those for child labor. *These documents have all been revised as indicated.*
- (b) *Introduction of a Project level grievance redress mechanism.* In addition to TPM, an FBM would be added to the RESP II. On November 27, 2013, as part of the Management Response Addendum, prepared at the request of the Inspection Panel, Management committed to implement TPM and a grievance redress mechanism in other relevant ongoing and future projects in Uzbekistan. This is the FBM, consisting of multiple channels for complaint submission and redress, established and operated with technical assistance from the ILO.
- (c) *Expansion of training coverage.* A module that raises awareness about forced and child labor laws and regulations would be added to the training programs for WCAs under Component 2(b) on Strengthening WCAs. The farmer training module in Component 3 on Rural Training and Advisory Services would be revised and expanded to include forced labor laws and regulations.

7. In its Report and Recommendation submitted to the Board on December 9, 2013, the Panel noted and appreciated the significant positive trends that had emerged with respect to the critical issue of child labor, including actions already taken and further commitments and intentions on the part of the Government of Uzbekistan (GoU) and its partners. Considering the important potential for further positive developments, the Panel decided to defer its recommendation on whether to investigate the matters raised by the Request and to report back to the Board within 12 months, taking into account the following: (a) positive result of the proposed third-party monitoring of C/FL in Project-financed activities and (b) progress in the dialogue between the Bank and the GoU on the concerns characterizing the current system of cotton production.

8. Management has achieved substantial progress in implementing the above actions. On November 17, 2014, Bank Management submitted a Progress Report on the Implementation of the Management Actions, stating that all but one action had been completed. On the remaining action, related to TPM, progress was made on partnering with the ILO. A year later, on November 20, 2015, the Bank, jointly with the ILO, provided a presentation on the progress on TPM and FBM during the 2015 harvest.

9. A detailed discussion of the amendments to the sub-loan agreements was provided in the first Progress Report and therefore is not repeated here. Section II below focuses on the status and results of Management's second and third commitments and other recent developments. Section III briefly describes the World Bank Group's three-pronged response to risks of child and forced labor in Uzbekistan.

II. ACTIONS SINCE FIRST PROGRESS REPORT

Introduction of Third Party Monitoring and Feedback Mechanism during the 2015 Cotton Harvest

10. *The TPM led by the ILO was fully operationalized during the 2015 cotton harvest.* This effort represents the first instance of monitoring of C/FL by the ILO with such a large scope and scale worldwide. The methodology was based on the child labor monitoring methodology of 2013, with additional questions on forced labor addressed to cotton pickers, farmers, representatives of education and medical establishments, private enterprises and mahallas (self-governance bodies at community level). It has particularly focused on checking the commitment of the GoU to ensure that schools and health facilities remain operational during the harvest. The methodology was developed and discussed during two Round Tables, held in April and August 2015, bringing together members of the GoU Coordinating Council on Elimination of Child Labor, representatives of the ILO and Bank, and other development partners. The ILO-led monitoring commenced in ten provinces on September 18 (preceded by a two-day training for monitors) and lasted until October 31, 2015. Monitoring units were comprised of an international ILO monitor, working alongside a team of national monitors, representing the Federation of Trade Unions, Ministry of Labor, Chamber of Commerce, Women's Committee and one more local nongovernmental organization (NGO). The focus of monitoring was on the ten provinces where Bank-financed projects are implemented. Another three provinces were covered by national monitoring teams that applied the same methodology.

11. *The ILO also led the efforts in operationalizing the FBM.* The ILO's work in this area consisted of three components: (a) support to the GoU's National FBM; (b) an international channel for complaints through the ILO's supervisory mechanism; and (c) a "facilitating role" for people unable or unwilling to access the other two channels. The National FBM consisted of two call centers – one by the Ministry of Labor and the other by the Federation of Trade Unions – and a website. Between September 26 and October 31, 2015, the call center operated by the Ministry of Labor received 207 official complaints, with 77 directly related to the cotton harvest. Of these, 20 related to child labor (students aged 16 to 18). All 77 cotton harvest complaints were investigated. According to the Ministry of Labor, the investigations into 75 of the complaints concluded that labor was fully voluntary. Only 2 complaints were officially accepted and subject to further actions and sanctions. The call center operated by the Federation of Trade Unions received over 1,000 calls, and registered 68 official complaints related to C/FL, labor conditions, and problems with payment. Fourteen of these complaints related to child labor, of which six pertained to students aged 16 to 18 years old. After investigation, 27 were rejected (not substantiated), 14 withdrawn, and 19 officially processed and resolved. The ILO concluded that the FBM provided redress in some cases, but the overall usage rate was low and public confidence was insufficient. The high percentage of withdrawn and rejected complaints was of concern. Such challenges are frequently encountered in the early years of FBM implementation. Further work is therefore needed in 2016 and subsequent years to raise awareness of the FBM and generate trust by the population that the FBM can be impartial and transparent in recording, investigating, and providing redress to complaints.

12. *High-level policy commitment to the abolition and prevention of the use of C/FL during the cotton harvest was reconfirmed by the GoU in 2015.* In July, the Coordination Council developed an Action Plan to facilitate voluntary hiring of cotton pickers and prohibition of C/FL, which was cleared by the Prime Minister and approved by the Cabinet of Ministers. The Action Plan included instructions that health and primary and secondary level education facilities should remain open during the harvest;

and reaffirmed the GoU's commitments to implementing ILO Conventions 138 and 182 on child labor, and Conventions 29 and 105 on forced labor. In October, the Prime Minister also issued a letter addressed to the Governors (hokims) of all Provinces, reminding them about the prohibition on C/FL and the measures outlined in the Action Plan.

13. ***An awareness-raising campaign was carried out by the GoU with ILO and Bank support.*** Seven hundred billboards and 5,200 posters detailing key aspects of GoU laws and policies related to C/FL, and instructions on the GoU Action Plan in this regard were posted throughout the country. In addition, the Federation of Trade Unions organized information sessions on GoU laws, policies, and the Action Plan for its members. Awareness-raising efforts were effective. Ninety percent of the nearly 10,000 individuals interviewed during the TPM effort were aware of publicity related to prohibitions on the use of C/FL in the cotton harvest.

14. ***The monitoring did not find conclusive evidence that beneficiaries of Bank-supported projects used C/FL during the 2015 cotton harvest.*** The projects assessed were: (a) RESP II (P109126) and RESP II Additional Financing (P126962); (b) its associated project financed by the Global Environmental Facility (GEF), the Sustainable Agriculture and Climate Mitigation Project (SACMP, P127486); (c) the South Karakalpakstan Water Resources Management Improvement Project (SKWRMIP, P127764); (d) the Horticulture Development Project (HDP, P133703); and (e) the Global Partnership for Education Project (GPE, P144856). Detailed monitoring findings, which were noted by the ILO Panel of Experts, were presented in a report to the Bank dated November 20, 2015. At the request of the GPE project, the ILO is also preparing a set of recommendations for the Ministry of Public Education, on the protective measures that are recommended to ensure that the risks, identified in the 2015 monitoring report, are addressed during the 2016 harvest. ***However, large-scale state-led mobilization of adults for the cotton harvest did take place in 2015 and is likely to continue in 2016. ILO thus emphasized that in such a context significant risks of forced labor remain.*** To address these risks, the GoU approved on January 7, 2016, a new Action Plan (Annex 2) to improve labor conditions, employment and social protection of workers in the agricultural sector during 2016-2018, covering the national regulatory and legal framework, agricultural modernization and mechanization; improving employment mechanisms and conditions for seasonal agricultural workers; and strengthening monitoring and feedback mechanisms for C/FL prevention. The Action Plan outlines key areas of cooperation with the Bank and ILO in minimizing the risks of the use of C/FL labor in cotton harvesting

15. ***The monitoring concluded that there was no systematic use of child labor during the 2015 harvest.*** Some isolated cases of child labor were identified, but data collected through the monitoring effort showed that child labor had become socially unacceptable, and knowledge of its prohibition was widespread. Nonetheless, TPM during future harvests should continue to cover use of child labor so as to discourage any potential backsliding.

Improving Third Party Monitoring and Feedback Mechanism in 2016

16. ***The 2015 experience will inform the 2016 TPM in several ways.*** First, the monitoring will include a focus on the application of "protective measures" committed to be introduced by the GoU in 2016 to ensure that mobilization of seasonal workers takes place on a voluntary basis. Monitoring will commence prior to the harvest to assess the system of protective measures introduced by ministries and organizations for labor recruitment, followed by spot checks made during the cotton harvest to assess their application. Second, the goal is to have several two-person teams consisting of one ILO monitor and one national monitor conducting site visits. Third, the 2016 TPM will have a narrower focus on the sites and beneficiaries of Bank-financed projects.

17. ***The 2016 TPM methodology will include site visits by independent monitoring teams, thereby ensuring proper monitoring of Bank-supported projects.*** Project teams are in dialogue with the ILO to ensure that high risk locations and types of investments and beneficiaries are taken into account when

selecting monitoring sites. The monitoring will start in July prior to the harvest. Site monitoring will take place in September and October.

18. ***The FBM also will be improved in 2016.*** ILO's technical assistance to national counterparts aims to increase public confidence in the FBM and ensure complaints are fairly investigated and complainants feel free and safe in accessing the FBM. Support in the form of sharing global good practices will be provided in the following broad areas: strengthening impartiality and transparency of investigations; simplifying structures and clarifying roles; improving access to and increasing awareness of the FBM; introducing robust protection measures; and improving internal capacity and client satisfaction. This will be accompanied by continued public outreach efforts intended to increase utilization of the FBM. The International Trade Union Confederation (ITUC), which recently accepted the Federation of Trade Unions as an associate member, will partner with the Federation of Trade Unions to improve the quality of the FBM.

19. ***On May 6, 2016 a Round Table titled "Uzbekistan's experience/practice on protection of workers' rights and creation of decent working conditions in agriculture," was organized in Tashkent jointly by the GoU, the ILO and the Bank.*** It was widely attended by representatives of relevant GoU ministries and the international community. Broad agreement was reached during the round table on the above-mentioned actions. Further discussion between the ILO and GoU on the details of monitoring and FBM in 2016 will continue throughout July, and the next High Level Round Table is planned for August 4, 2016.

20. ***Development partners have deepened their support to the Bank-ILO partnership with the GoU on C/FL for cotton harvesting.*** The European Union (EU) has provided substantial support to TPM and FBM in 2015, through a single donor trust fund. In 2015, the multi-donor trust fund (MDTF) for the "Support Program for Socially, Environmentally, and Financially Sustainable Production of Cotton in the Republic of Uzbekistan" was established. The Swiss Agency for Development and Cooperation (SDC) and the United States Government are the initial contributors to the MDTF, which supports analytical work related to sustainable intensification and/or diversification of agricultural production, and TPM and capacity building for the GoU and non-state actors to effectively address grievances in the cotton sector. The European Union is expected to join the MDTF in July.

21. ***The Bank has continued its active dialogue with independent civil society organizations (CSOs) and NGOs and with international development partners on TPM and FBM.*** It has engaged with a number of CSOs/NGOs at the country and international levels on the issues related to C/FL in Uzbekistan, including the Cotton Campaign, Human Rights Watch, and Open Society Foundation. In all these meetings, the Bank has informed the NGOs/CSOs about progress in activities and systematically conveyed the Bank's views on C/FL, emphasizing that: (a) the Bank does not condone C/FL in any form; (b) the Bank recognizes the importance and complexity of the forced labor situation in Uzbekistan; and (c) the most effective way to address the issue is a holistic approach through policy dialogue, collaboration with other international organizations, and mitigation measures and binding provisions at the project level. At both the country and international levels, the Bank has maintained an active dialogue with the EU, ILO, United Nations Development Programme, UNICEF, Finland, Japan, Switzerland, the United States, the United Kingdom and other development partners on this topic.

Expansion of Training Coverage

22. ***The training implemented under RESP II has been expanded to include coverage of the laws and regulations on forced labor in addition to those on child labor.*** The farmer training modules in Component 2 on Irrigation and Drainage and Component 3 on Rural Training and Advisory Services have been revised and expanded to include forced labor laws and regulations (provided as Annex 3 in the first Progress Report). In 2015, the RRA conducted another round of training sessions on "Legislation and regulations on prevention of child and forced labor and on gender issues." The sessions were attended by 203 Project beneficiaries. The trainings continued during January–May 2016, when a

consultancy firm, hired by the RRA, conducted 128 workshops in eight Project regions, reaching 9,077 farmers. Each workshop included a session on C/FL. In March 2016, RRA representatives participated in a Round Table with the ILO to jointly review and revise the training materials. The revised version of the training materials was translated into Uzbek and shared with the RRA in early April. The RRA is planning to use the revised materials when the training sessions recommence in December 2016.

Enhanced Implementation Support

23. ***Implementation support missions for the RESP II and RESP II AF in 2015 focused specifically on reviewing implementation of the agreements on the measures to prevent the risk of C/FL, as well as other social aspects.*** During the mission in September–October 2015, locations in six provinces were visited, with visits to the cotton fields and adjacent irrigation works, and interviews with farmers. It was confirmed that all agreements between the individual farmers and the WCAs include the clause 6.2 on the prohibition of C/FL in line with national laws/regulations and ILO conventions. During the interviews with WCA members, the farmers assured mission members that cotton collection in their fields was undertaken mostly by their permanent laborers, with some support from the voluntarily formed brigades composed of unemployed women from the local areas. The billboards, stating that C/FL is prohibited by the national laws of Uzbekistan, and advertising the phone numbers for hotlines that could be used to report violations (which were printed with the support of the Bank), were part of the awareness-raising component of TPM and FBM. The existence of the billboards was confirmed in several prominent locations along the main roads. During the November–December 2015 mission, meetings to review social issues were held with the RRA, including representatives of the regional PIU, and the sub-project beneficiaries. The mission also reviewed related documentation and visited one of the Project sites, and the details of the plans for training beneficiaries of the Project on C/FL related issues were discussed.

III. Sector Dialogue with Government

24. ***The World Bank Group is pursuing a three-pronged strategic response to C/FL.*** This consists of (a) risk mitigation in partnership with the ILO in at-risk operations through TPM, FBM, and awareness raising as described above; (b) support to the GoU’s agricultural modernization agenda; and (c) promotion of private sector demand for sustainably produced cotton. In doing so, the World Bank Group aims to alter the underlying incentives for the forced mobilization of labor.

25. ***The Bank is engaged in a constructive dialogue with the GoU to assist it in developing an agricultural modernization strategy.*** The overall goal of this strategy aims at maximizing sustainable growth and jobs in the agricultural sector by strengthening relevant institutions, creating framework conditions, building capacities, and promoting investment in productive assets. The Bank is assisting the GoU to frame a vision for market-led agricultural transformation, which is environmentally and socially sustainable, as well as economically and financially viable. The proposed strategy will help the agricultural sector to realize its full potential by addressing existing inefficiencies and by improving the incentives to stimulate market-led farming decisions and attract private investments. The GoU and the Bank are collaborating in establishing a sound diagnostic of Uzbekistan’s agricultural potential and constraints. This means identifying the country’s comparative advantages and opportunities in local, regional and international markets, as well as analyzing the constraints and bottlenecks that should be tackled to transform the sector and improve its performance.

26. ***To help accomplish this comprehensive agenda, concrete Bank support will consist of a combination of investments and technical assistance.*** Investments in diversification and value-addition are already in place with RESP II and the HDP, and will be pursued under a new livestock sector development project. Bank-funded operations will provide opportunities to pilot innovations in the field of credit, input supply, mechanization services, processing and marketing. For example, a pilot operation is already envisaged under the second phase of the Ferghana Valley Water Resources Management Project, where farmers will be given more flexibility in farming decisions and land use

for cotton production as a way to stimulate intensification. The Bank will also aim to assist the GoU in the identification of appropriate sector policies and strategies through provision of technical assistance, to enable it to access timely technical and policy advice, as well as international best practices on agricultural sector modernization.

27. ***The GoU's "Action Plan for improving labor conditions, employment and social protection of workers in the agricultural sector in 2016-2018,"² was approved by the Prime Minister on January 7, 2016.*** To support implementation of the Action Plan, the Bank is collaborating with the GoU in undertaking an in-depth review of the cotton sector, for which terms of reference have been officially submitted to the GoU. The review will analyze the sector's current performance, identify the existing inefficiencies and disincentives, and propose various options for a progressive liberalization of production, processing and marketing. The Round Table organized on May 6, 2016 by the Federation of Trade Unions and the ILO gave the Bank an opportunity to present the cotton sector review and other activities already developed or in preparation to support the implementation of the Government's Action Plan. These include, for example, the preparation, in close collaboration with the Ministry of Agriculture and Water Resources, of the assessment of the 2015 cotton mechanization campaign in South Karakalpakstan and elaboration of an action plan; organization of study tours in other cotton producing countries to analyze successful experiences of market-led transformation of the cotton value-chain; and preparation of pilots on private delivery of mechanization services, sustainable intensification of cotton production and labor market facilitation. The presentation was also an opportunity to highlight the recently discussed Uzbekistan Country Partnership Framework (CPF), where large investments are already targeted to support further modernization of the agricultural sector in general and to accompany core cotton sector reforms in particular.

28. ***The GoU has made progress in 2015 and 2016 in mechanizing cotton harvesting, but challenges remain.*** The GoU has defined accelerated mechanization of cotton production as a priority to further develop the agricultural sector, in particular cotton production. During the 2015 cropping season, 1,000 cotton harvesters were dispatched to the different cotton growing areas. The Bank specifically monitored cotton harvest mechanization in the three districts of Ellikkala, Berunyi and Turtkul in South Karakalpakstan, covered by the SKWRMIP. Out of 200 harvesters expected to be received in the Project areas, 194 were delivered (78 in Ellikkala, 72 in Berunyi and 44 in Turtkul) and the remaining six units were shipped to Kashkadarya for experiment. According to the farmers and Machine Tractor Park staff consulted during the Bank missions, harvesters operated satisfactorily. The use of mechanized harvesters has been, however, lower than anticipated. As usually observed in agricultural settings, technology introduction and adoption takes time, resulting in slow uptake during the first cropping season.

29. ***The SKWRIMP PIU, with support from the Bank, organized a workshop in South Karakalpakstan in February 2016, to hold in-depth discussions with farmers and other involved stakeholders on the agronomic, technical and financial constraints to the use of cotton harvesters, and identify lessons learned on the right incentives and adequate agronomic recommendations to help boost utilization in coming years.*** The main issue flagged by farmers was the below average quality of the mechanically harvested cotton, resulting in a lower grade and price paid by the ginner (see photo). Four factors were identified as key determinants to the quality of the mechanically harvested cotton: agronomic conditions of cotton plantations, timing and quality of the defoliation, quality of mechanized harvest and pre-cleaning process at the ginning factory. An action plan has been elaborated to address these issues, especially to provide adequate agronomic recommendations to farmers and ensure timely defoliation. The Ministry of Agriculture and Water Resources has issued a new set of recommendations for cotton production, including specific technical advice for mechanized harvesting. Information is being disseminated to cotton farmers and hokimiyats (local administrations)

² The Action Plan was developed as a response to the November 2015 Cabinet of Ministers resolution, requesting the development of a detailed action plan for "consistent implementation of comprehensive measures aimed at ensuring decent working conditions in the agricultural sector, diversification of agricultural production and increasing the level of mechanization of production processes."

and a supply of defoliants is being prepared for timely delivery in regions ahead of the 2016 harvest. The Ministry will also organize in August 2016 a refresher training course to strengthen the skills of cotton harvester operators in properly managing harvesting speed and ensuring smooth mechanical picking through regular spindle adjustment. In addition, new pre-cleaning equipment is being procured by the SKWRMIP for the South Karakalpakstan ginning factories to ensure proper pre-treatment of mechanically harvested cotton before it goes through the ginning process.



Hand-picked cotton (background) and mechanically harvested cotton delivered at Bustan Ginnery - September 30, 2015

30. ***The Bank completed a Poverty and Social Impact Assessment (PSIA) of the planned cotton mechanization policy in Uzbekistan on farm workers and vulnerable private farmers.*** The PSIA found that daily earnings from cotton picking are above rural daily wage rates for women only when they pick cotton on high-yielding farms. Cotton pickers across all sites believed that cotton harvest mechanization will negatively affect their livelihood, as alternative cash earning opportunities outside the agricultural sector are very limited, especially for women. Young male study respondents on the other hand thought that mechanization might open up new job opportunities for them. The PSIA concludes with a series of short- and medium-term recommendations to mitigate the potential negative impacts of cotton mechanization on female agricultural workers, which are currently being discussed with the GoU.

IV. CONCLUSIONS

31. The Bank has made considerable progress in its dialogue with the GoU and its development partners in addressing the systemic issues concerning C/FL in the cotton sector in Uzbekistan. Bank Management continues to implement a multi-faceted approach to the reform of the cotton production system while providing adequate support to the GoU to implement these reforms.

32. Bank Management has successfully completed the actions outlined in the Management Response.

33. As part of the risk mitigation efforts, the Bank is continuing its partnership with the ILO and working on strengthening and improving the operation of TPM/FBM during the 2016 harvest. These activities are also supplemented by broader capacity building efforts aimed to improve labor relations in cotton harvest in Uzbekistan. In addition to that, the World Bank Group is leading a broader dialogue on agricultural modernization, aiming to facilitate systemic changes in the cotton sector and beyond.

Annex 1: Matrix of Actions related to the Management Response

| Action | Update as of June 14, 2016 |
|---|--|
| Rural Enterprise Support Project II | |
| Revision of the Project Implementation Plan to include provisions on the prevention of forced labor in addition to child labor. | Completed. The Project Implementation Plans of the RESP II and Sustainable Agriculture and Climate Change Mitigation Project were revised by the RRA and approved by the Ministry of Agriculture and Water Resources. |
| Revision of the Rural Enterprise Investment Guidelines to include provisions that require the beneficiaries to comply with national labor legislation as well as any applicable national and international laws and regulations on C/FL. | Completed. The Rural Enterprise Investment Guidelines were revised by the RRA and PFIs and approved by the Central Bank, Ministry of Finance, Ministry of Economy and Ministry of Agriculture. |
| Revision of the Sub-Loan Agreements and Grant agreements to include provisions that require the beneficiary to comply with national labor legislation as well as any applicable national and international laws and regulations on C/FL. | Completed. The Sub-Loan Agreements and Grant agreements were revised by the RRA and PFIs accordingly and approved by the Ministry of Finance. |
| Amendment to the agreements between WCAs and member farmers was made to address the prevention of C/FL. (N.B. – this goes beyond the measures to which the Bank committed in the Management Response.) | Completed. A separate paragraph was introduced in the agreements between the WCAs and the farmers that the member farmers need to comply with national labor legislation as well as any applicable national and international laws and regulations on C/FL. |
| Revision of the Rural Training and Advisory Services Component training material on international and national laws and regulations, to include prevention of forced adult labor in addition to child labor. | Completed. The RRA has developed training materials with inputs from the Bank. The RRA conducted an awareness raising workshop during August–November 2014 where 2,900 farmers, chairmen of 55 WCAs, and environment specialists attended the training workshop. In 2015, the Project conducted another round of training sessions on “Legislation and regulations on prevention of child and forced labor and on gender issues,” which was attended by 203 Project beneficiaries. During January–May 2016, the RRA (via a consultancy firm) conducted 128 workshops in 8 Project regions, reaching 9,077 farmers; each workshop included a session on C/FL. In March 2016, RRA representatives also participated in a Round Table with the ILO to jointly review and revise the training materials. The revised version of the training materials was translated into Uzbek, and shared with the RRA in early April. The RRA is planning to use the revised materials when the training sessions recommence in December 2016. |
| Expansion of the awareness raising training to WCAs on various aspects of water management, to include raising awareness on national labor legislation as well as any applicable national and international laws and regulations on C/FL. | Completed. The RRA has shared the revised training materials with the (SDC) ³ to include training on prevention of C/FL in its farmers training program supported under parallel financing. The SDC consultants also used the new training material in its training of farmers. |

³ SDC is providing parallel financing to implement the RESP II sub-components called “strengthening WCAs and demonstrate water saving technologies”

| Action | Update as of June 14, 2016 |
|---|---|
| <p>Introduction of Third Party Monitoring (TPM) in RESP II and other projects in the Bank portfolio.</p> | <p>Completed. An MoU was signed with the ILO to undertake TPM of Bank-financed projects during the 2015 and 2016 cotton harvesting seasons (and is expected to be extended to cover future years). In 2015, following two Round Tables in April and August, and the training of monitors on September 14-15, the ILO-led monitoring commenced in 10 provinces on September 18 and lasted until October 31. The monitoring, conducted by the ILO, did not find conclusive evidence that beneficiaries of Bank-supported projects used C/FL during the 2015 cotton harvest. At the same time, the ILO emphasized that in the context of large scale state-led mobilization of adults for the harvest, significant risks of forced labor remain. To address these risks, the GoU approved on January 7, 2016 an Action Plan to improve labor conditions, employment and social protection of workers in the agricultural sector during 2016-2018. This also outlines key areas of cooperation with the Bank and ILO. The GoU will also continue to implement national programs on eradication of child labor.</p> <p>Discussions are currently ongoing with the ILO on improving the TPM methodology for 2016, to focus more on the safeguards measures introduced by the GoU to mitigate the risks of forced labor. It is expected that the monitoring for the 2016 harvest season will commence in July and last until the end of October, to cover the process of labor mobilization prior to the harvest as well.</p> <p>Two projects that have become effective since the last Progress Report – the HDP and the GPE – include legal covenants related to C/FL as well as participation in the TPM and FBM. The new higher education project is expected to become effective in late 2016, and it also includes such provisions.</p> |
| <p>Introduction of Project level Grievance Redress Mechanism (later renamed to Feedback Mechanism - FBM).</p> | <p>Completed. In 2015, the Bank, in collaboration with the ILO, provided support to the GoU on strengthening the National FBM, which comprised two call centers and a website. The usage of the mechanism remained low in 2015. The ILO is currently developing a proposal for the GoU on how public confidence in the mechanism can be strengthened in 2016.</p> |
| <p>Regular supervision missions by Bank teams.</p> | <p>Completed. The Bank team intensified supervision missions during the 2014 cotton harvesting season. Since early 2014, a Social Development Specialist has been stationed in the regional Bank office, whose primary task is to focus on C/FL labor issues, and to coordinate the work of TPM and FBM. In 2015, these responsibilities were handed over to a Senior Social Development Specialist who is stationed in the Tashkent office. Regular updates and briefs on the situation were prepared throughout the 2014 and 2015 harvests. Project implementation support missions in 2015 – September/October for the RESP II and November/December for the SACMP –specifically focused on reviewing social issues and C/FL compliance. A joint project implementation support mission for RESP II, SACMP and HDP, conducted in May-June, also focused on the social agenda. Also, in 2015, five meetings between the Bank and independent human rights monitors were conducted in order to get a better understanding of the situation on the ground.</p> |

Annex 2

#02/7-28
07.01.2016

“APPROVED”
Prime Minister of the Republic of Uzbekistan,
(signature)
Sh. Mirzoev
January 7th, 2016

ACTION PLAN
Government Action Plan for improving labor conditions, employment and social protection of workers in agricultural sector in 2016-2018
(approved on January 7th, 2016)

| Nr | Activities | Implementation periods | Financing Source | Responsible Parties |
|-----------|--|-------------------------------|--|--|
| 1. | Study international norms and experience regulating labour relations in agriculture and identify opportunities for integration of relevant provisions of ILO conventions in the national legislation. | 2016-2017 | ILO, Own resources of the implementing parties | Ministry of Labour and Social Protection of Population, Ministry of Agriculture and Water Resources, Ministry of Justice, Council of the Federation of Trade Unions, Chamber of Commerce and Industry, Farmers Council |
| 2. | Development of proposals on changes and amendments to the Labour Code and the Law on Employment envisaging establishment of recruiting agencies providing staff selection and employment support services for, inter alia, agricultural sector | 2016 | ILO, Own resources of the implementing parties | Ministry of Labour and Social Protection of Population, Ministry of Justice, Council of the Federation of Trade Unions, Chamber of Commerce and Industry |

| Nr | Activities | Implementation periods | Financing Source | Responsible Parties |
|----|--|------------------------|---|--|
| 3. | Development of draft proposal for introduction of the methodology for identifying minimal normative quantity of workers and minimum normative of wages, especially related to regulating labour relations in the farms. | 2016 | Own resources of the implementing parties | Farmers Council, Ministry of Labour and Social Protection of Population, Council of the Federation of Trade Unions Ministry of Agriculture and Water Resources, Ministry of Economy |
| 4. | Development of proposals on adopting a Law “On mediation” to facilitate resolution of disputes including labour disputes, through third party supported conciliation procedures | 2016 | Own resources of the implementing parties | Chamber of Commerce and Industry, Ministry of Labour and Social Protection of Population, Council of the Federation of Trade Unions |
| 5. | Clarification of the legal status of seasonal, dayman workers, working conditions and social protection of workers engaged in labour relationships without contracts including those engaged in one-time jobs | 2016 | Own resources of the implementing parties | Ministry of Labour and Social Protection of Population, Ministry of Agriculture and Water Resources, Ministry of Justice, Council of the Federation of Trade Unions |
| 6. | In connection with measures aimed at optimization and efficient use of land by farms, implement controls over job creation by the newly established farms and employment of local population in accordance with the working assets allocation norms. | 2016 | Own resources of the implementing parties | Ministry of Agriculture and Water Resources, Farmers Council, Ministry of Labour and Social Protection |
| 7. | Review and approval of labour intensity norms in agriculture by branches and territories. | 2017 | Own resources of the implementing parties | Ministry of Agriculture and Water Resources, Ministry of Labour and Social Protection of Population, Ministry of Justice |

| Nr | Activities | Implementation periods | Financing Source | Responsible Parties |
|-----|---|------------------------|--|---|
| 8. | Conducting a study to formulate the list of districts with difficult and unfavourable natural and climatic conditions for introduction of proposals for setting district coefficients and top-up payments for the wages, as well as defining minimal length of the annual additional leave. | 2017 | World Bank, Own resources of the implementing parties | State Committee on Nature, Ministry of Labour and Social Protection of Population, Federation of Trade Unions, Chamber of Commerce, Ministry of Economy |
| 9. | Conduct a comprehensive study aimed at identifying measures to improve efficiency of value chains in cotton production (from raw cotton to final products) including an analysis of tax and subsidy systems, determination of the farmers' real costs, analysis of the efficiency of utilization of subsidised production factors (fertilizers, chemicals, fuel and lubricants, water, etc.) Following the study, prepare feasibility study to justify options for liberalizing cotton production and processing with the use of private investments. | 2016-2018 | World Bank, Own resources of the implementing parties | Ministry of Agriculture and Water Resources, UzPakhtaSanoatEksport HC, stakeholder ministries and agencies |
| 10. | Establishment of demonstration farms and model sites in selected multi-profile farms providing autonomy in intra-farm decision making with regard to land use, crop cultivation, etc., in order to disseminate experience, knowledge and skills related to modern, resource saving and environmentally safe technologies | 2016 -2018 | World Bank, in the context of the projects implemented by international financing institutions and donor countries | Ministry of Agriculture and Water Resources, UzAgroPromMashHolding HC, Regional Hokimiyats |

| Nr | Activities | Implementation periods | Financing Source | Responsible Parties |
|-----|--|------------------------|---|---|
| 11. | Development of recommendations on improving the assets of machine tractor parks and farms through provision of high performance machinery as well as machines and equipment for maintenance and servicing, with primary focus on further mechanisation of cotton harvesting, laser levelling and improvement of mechanisation in vegetable and melon production, gardening, wine growing and livestock sectors through pilot demonstration of different types of machinery available from different manufacturers (in cooperation with manufacturers), providing the farmers with opportunities to pick those that best suit their circumstances; as well as piloting of private provision of machine-tractor services by private service providers. | 2016-2018 | Own resources of the implementing parties World Bank | Ministry of Agriculture and Water Resources, UzAgroMashServis Association |
| 12. | Training of staff for provision of mechanised services, retraining of operators and mechanics for work with modern high performance agricultural machines and technologies in cotton sector. Pilot implementation of private farmers cooperatives with the support of Farmers Council, and charging them with the provision of inputs with a view to achieve economies of scale and to strengthen their bargaining position vis a vis other stakeholders in the value chain. | 2016-2018 | Own resources of the implementing parties World Bank | Ministry of Agriculture and Water Resources, Farmers Council, Centre for SSVE, UzAgroMashServis Association |
| 13. | Introduction of innovative arrangements to improve mechanisms for provision of financing, credit and leasing services to farms, including overdrafts, supplier loans as well as piloting of seeds, fertilizers, agrochemicals by independent suppliers. | 2016-2017 | Own and mobilised resources of the implementing parties | Ministry of Agriculture and Water Resources, Central Bank, UzSelhozmashlising |
| 14. | Capacity building at scientific research and educational establishments involved in development and integration of new types of agricultural machinery and technologies. | 2016-2018 | Own resources of the implementing parties World Bank | Ministry of Agriculture and Water Resources |

| Nr | Activities | Implementation periods | Financing Source | Responsible Parties |
|-----------|---|-------------------------------|---|---|
| 15. | Development of a mechanism for provision of incentives to farms stimulating increased levels of mechanisation and use of modern resource saving technologies, such as laser assisted levelling of agricultural lands, etc. | 2016-2017 | World Bank | Ministry of Agriculture and Water Resources |
| 16. | Development of a range of activities aimed at further improvement of economic mechanisms stimulating increasing of agricultural output by farms. | 2016-2017 | World Bank | Ministry of Agriculture and Water Resources |
| 17. | Preparation of proposals on improving the system for provision of farms with required materials, technical resources (fertilisers, fuel, agricultural equipment) and services based on the studies of international best practices. | 2016 | Own resources of the implementing parties World Bank | Ministry of Agriculture and Water Resources, Ministry of Economy, UzKimyoSanoat, UzNeftMahsulot |
| 18. | Development and publication of training/methodology guides for provision of mechanised services and maintenance of agricultural machinery. | 2016-2018 | World Bank | Ministry of Agriculture and Water Resources |
| 19. | Organisation of study tours abroad to study international experience in sustainable agriculture, particularly cotton production (USA, PRC, European countries, Brazil, etc.) | 2016-2017 | World Bank | Ministry of Agriculture and Water Resources, MFA, MFERIT |
| 20. | Preparation and publication of media articles, flyers, prospectus reflecting social and economic efficiency of improved agricultural mechanisation, particularly in cotton sector. | 2016-2018 | In the context of approved programmes | Ministry of Agriculture and Water Resources |
| 21. | Implement pilot projects in one or two lead districts of Fergana valley to establish socially responsible and environmentally sustainable cotton production with IFC Advisory Services | 2016-2018 | World Bank, IFC | Ministry of Economy, Ministry of Agriculture and Water Resources, Farmers Council, Chamber of Commerce and Industry |

| Nr | Activities | Implementation periods | Financing Source | Responsible Parties |
|-----|--|------------------------|------------------|---|
| 22. | Implement “Labour Protection in Agriculture” Project | 2016-2018 | ILO | Council of the Federation of Trade Unions, Ministry of Labour and Social Protection of the Population, Ministry of Agriculture and Water Resources, Farmers’ Council |
| 23. | Conduct labour market analysis in light of cotton sector mechanisation, in order to assess demand and establish excess labour resources in regions considering seasonality of agriculture; identify structural barriers preventing internal migration | 2016 | World Bank, ILO | Ministry of Labour and Social Protection of Population, Ministry of Agriculture and Water Resources |
| 24. | <p>Modernising the system of providing employment services and social service to the population through: (1) creating of the national registry of beneficiaries; (2) expanding the Integrated Employment and Social Support Offices at each district level Employment Support and Social Protection Centre (ESSPC), including:</p> <ul style="list-style-type: none"> - Renovation and turn-key construction of modern office facilities based on a standardised design; - Introduction of computerised information management system, including a centralised data base of beneficiary registry and required software on the district level, including integration with the system of the Ministry of Finance; - full provision of furniture, computers and necessary network equipment; - comprehensive retraining and preparation of qualified and motivated specialists to work in the ESSPCs. | 2016-2018 | World Bank | <p>Ministry of Labour and Social Protection of Population, Local Authorities, Council of the Federation of Trade Unions, Chamber of Commerce and Industry, MFA</p> <p>Local Authorities</p> |

| Nr | Activities | Implementation periods | Financing Source | Responsible Parties |
|-----|---|---|------------------|--|
| 25. | <p>Improvement of the mechanism of seasonal requirement for agricultural works, through:</p> <ul style="list-style-type: none"> -Development of a Regulation on external employment for seasonal agricultural works, including responsibilities of the employer (farmer) and of the contractor (recruiting agency). - Development of a standard contract for provision of recruiting services (recruitment outsourcing) for seasonal agricultural works. - Project for organised recruitment of seasonal agricultural workers through internal migration via employment support centres and the newly established commercial recruitment organisations, in one of the densely-populated regional of the country. | 2016-2017 | World Bank, ILO | Ministry of Labour and Social Protection of Population, Ministry of Agriculture and Water Resources |
| 26. | <p>Implementation of project to strengthen the role of women in rural areas, including their ability to affect decision making on the local level, creation of employment and support to entrepreneurship. The components of the project would include financing of innovations to microbusiness, giving access to high-value markets, access to credit of organised groups of rural women and business support services, loans for Mahala Committees, for financing public infrastructures, which would allow women increase their income (e.g. organising child-care services, implementation of innovations in water supply, other public good projects). These measures with support to compensate for the losses of income by women as a result of mechanisation of cotton harvest and other agricultural works.</p> | 2016-research 2016-2021 investment project | World Bank | Ministry of Labour and Social Protection of Population, Council of the Federation of Trade Unions, Chamber of Commerce and Industry, Commercial Banks, Micro-Credit Organisations, Farmers' Council, Women's Committee, Makhalla Foundation, Local Authorities |

| Nr | Activities | Implementation periods | Financing Source | Responsible Parties |
|-----|--|-----------------------------|--|--|
| 27. | <p>Implement a project on protection the rights of workers in organising and implementing cotton harvest, including:</p> <ul style="list-style-type: none"> - Development and implementation “Recommendation on creation of favourable conditions for pickers, organised implementation of cotton harvest in the country” - Publication and distribution among the framers a leaflet “Framework rights in labour relations” - Conducting workshops prior to cotton-harvest season for administrative workers, employers, brigade leaders, and farmers on the issues of protection of the rights of workers, mobilised to implement agricultural works - Civil control during the cotton harvest season over the conditions of work and life (residence), labour protection, payment of wages, organisation of food, medical services and free time for the cotton pickers. | Annually in august-December | World Bank, ILO | Council of the Federation of Trade Unions, Ministry of Labour and Social Protection of Population, Chamber of Commerce and Industry, Farmers’ Council, Local Authorities |
| 28. | Study and introduction of ILO’s international standards for organisation of labour inspection activities including matters pertaining to working and employment conditions, labour safety, compliance with labour rights, regulation of labour relationships in informal sector, compliance with and enforcement of labour legislation. | 2016-2017 | ILO | Ministry of Labour and Social Protection of Population, Council of the Federation of Trade Unions |
| 29. | Development and approval of the Regulation on the State Labour Inspectorate that should combine tasks and functions of the legal and technical labour inspectorates under the Ministry of Labour and Social Protection of Population. | 2016-2017 | ILO, World Bank | Ministry of Labour and Social Protection of Population, Ministry of Justice |
| 30. | Strengthening institutional and technical capacity of state labour inspections through provision of equipment and training for the workers, to introduce new technologies in working with the employers, population and modern information technologies, including studying the experience from other countries. | 2016-2017 | ILO, World Bank, Own resources of the implementing parties | Ministry of Labour and Social Protection of Population, |

| Nr | Activities | Implementation periods | Financing Source | Responsible Parties |
|-----|---|------------------------|---|--|
| 31. | Organisation and annual implementation of national child and forced labour monitoring, in collaboration with the ILO based on agreed upon methodology, including development and adoption of the unified Regulation on the Monitoring and its tools (questionnaires). | 2016-2018 | Own resources of the implementing parties | Coordination Council for Child Labour, Ministry of Labour and Social Protection of Population, Council of the Federation of Trade Unions, Chamber of Commerce and Industry |
| 32. | Strengthen institutional and technical capacity of the national feedback mechanism of the Coordination Council for Child Labour Issues | 2016-2018 | ILO, World Bank | Council of the Federation of Trade Unions, Chamber of Commerce and Industry, Ministry of Labour and Social Protection of Population |
| 33. | Raising awareness of farmers of the matters related to compliance with the legislation on use of under 18 workers and adult workers (prohibition of forced labour and human trafficking). Organisation of practical workshops and round table discussions on the relevant labour legislation and safety issues, including in agricultural sector. Preparation and publication of brochures for enterprises, especially small businesses, on the main obligations of the employers before the worker in their social and labour relations. | Annually | ILO, World Bank | Farmers Council, Ministry of Labour and Social Protection of Population, Council of the Federation of Trade Unions, Chamber of Commerce and Industry |
| 34. | Development and dissemination in educational and healthcare establishments, trade centres, enterprises and other places of information materials (posters, banners, etc.) on protection of children's and workers' rights including with regard to prohibition of child and forced labour. | Annually | ILO, World Bank | Local Authorities, Ministry of Public Education, Ministry of Health, Ministry of Higher and Secondary Specialised Education, Centre for SSVE, enterprises, organisations |

| Nr | Activities | Implementation periods | Financing Source | Responsible Parties |
|-----|---|------------------------|------------------|--|
| 35. | Implement additional activities aimed at raising awareness of students, with possible support from the Kamolot Youth Movement, under the new higher education development project | 2016-2018 | World Bank, ILO | Ministry of Higher and Secondary Specialised Education, Kamolot Youth Movement |
| 36. | Implement measures aimed at awareness raising, conduct trainings under the ongoing healthcare improvement project | 2016-2018 | World Bank, ILO | Ministry of Health, Council of the Federation of Trade Unions |
| 37. | Develop and publish textbooks on 'Labour Law' and 'International Labour Law' for students of secondary specialised and higher education institutions | 2016-2017 | World Bank, ILO | Council of the Federation of Trade Unions, Ministry of Labour and Social Protection of the Population, Tashkent State University of Law |
| 38. | Production and demonstration in schools, colleges and lyceums of videos on the jobs with highest demand in the labour market (focusing on working specialisations) demonstrating the benefits of different vocations, history and interviews with the workers in these vocations, showcasing their skills and careers as well as labour rights and guarantees related to employment release from jobs, for youth, women and other categories of population in different sectors including agriculture | 2016-2018 | World Bank | UzbekKino NC, Ministry of Labour and Social Protection of Population, Ministry of Higher and Secondary Specialised Education |
| 39. | Preparation, together with the ILO and the World Bank, of materials on monitoring of child and force labour in cotton harvesting conducted in 2013-2015, and dissemination among resident missions of foreign states and international organisations | 2016 | World Bank, ILO | Coordination Council on Child Labour, Council of the Federation of Trade Unions, Chamber of Commerce and Industry, MFA, Ministry of Labour and Social Protection of Population |

*Note: The size of financial contributions would be defined in the process of implementation of the activities identified
The Plan of Action is developed and approved to implemented the Instruction of the Cabinet of Ministers of the Republic of Uzbekistan from 16.11.2015 #909-F

Submitted by:

Minister of Labour and Social Protection

First deputy Minister of Agricultural and Water Resources

Chairperson of the Federation of Trade Unions

Chairperson of the Chamber of Commerce

Executive direct of the Council of Farmers of Uzbekistan