

## CASE REPORT \_\_\_\_\_

### **Classic Case of Human Rights Violations: Exploitative working conditions – in particular child labor – in the textile industry**

#### **State-directed forced and child labor in Uzbekistan's cotton industry**

Inhumane working conditions are not limited to textile factories in Pakistan and Bangladesh; systematic exploitation is also rife in the cotton growing industry. Western firms profit from these conditions and their business supports inhumane regimes by making such regimes economically viable.

Every year in Uzbekistan, one of the world's biggest producers and exporters of cotton, the state forces millions of children and adults to work on the cotton harvest under deplorable conditions. The administration determines quotas for the harvest and orders schools to close. To fulfill the quotas, students from schools and colleges as well as state and private sector employees are obliged to work for months, often against their will, on the cotton fields. Those who refuse to work on the harvest face harsh punishment. Uzbek human rights activists who monitor the harvest are subjected to arbitrary arrest and torture.

The huge profits made on the international markets go only to the corrupt government-aligned elite. None of the children, their families, or the farmers profit from this form of forced and child labor. The International Labor Organization and other UN bodies have for years criticized Uzbekistan for this system and have called on the state to allow independent inspections of cotton harvesting.

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#### **ECCHR submits complaints against traders who buy Uzbek cotton**

In 2010, in view of these links to European corporations, ECCHR together with its partners submitted complaints about seven cotton traders in Germany, Britain, France and Switzerland under the OECD Guidelines for Multinational Enterprises. While these internationally recognized standards on responsible business conduct are not legally binding for companies, they do provide for a complaint mechanism that allows companies and complainants to meet for mediation and try to come to a solution to the problems at hand. The proceedings are led by the National Contact Points (NCPs), which may then issue a final statement determining whether or not there has been a breach of the guidelines.

By doing business with the Uzbek state, the traders involved in this case are supporting the inhumane system of forced and child labor in Uzbekistan. After many years of business dealings in Uzbekistan, these firms have great influence

over the state and are obliged to make effective use of this power. If this proves impossible, the trade relations with the state must as a last resort be discontinued for as long as the human rights violations continue.

The seven proceedings have now been completed. In six of the cases we reached an agreement with the companies that they would use their influence on the Uzbek government to press for the abolition of forced and child labor. The companies were not, however, willing to accept more effective measures. We however managed to establish that trading in Uzbek cotton represents a violation of the OECD Guidelines: This was determined by the French NCP which found that *“child and forced labor in Uzbek cotton fields represents in all circumstances a flagrant and classic violation of the OECD Guidelines”*.

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## **With the various parallel complaints ECCHR aims to highlight the responsibility of corporations for their global trading and bolster the OECD Guidelines**

The primary aim of the OECD complaints is to prompt the companies involved to take responsibility and to remedy their violations of the OECD Guidelines. While the response of the cotton traders was disappointing, the banks that finance the trading proved to be more willing to engage with our work and make the necessary changes to their practice: The bank BNP Paribas stated in its 2012 CSR Report that: *“BNP Paribas is highly vigilant when it comes to managing the risk of being complicit in violations of Human Rights. For example, it recently decided to suspend any type of financing of cotton from a country in Central Asia on the grounds that the country in question used forced labour during the picking season.”*

Through its parallel complaints in different European countries, ECCHR also aims to pinpoint weaknesses within the OECD complaint mechanism and compare the greatly varying procedures and interpretations of the OECD Guidelines of the different NCPs. The NCPs should be urged to come to an agreement on the interpretation of the OECD Guidelines and procedural rules in order to provide for a more coherent system.

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