

**Comments Concerning the Ranking of Turkmenistan by the United States Department of State in the 2016 *Trafficking in Persons Report*, submitted by the Cotton Campaign, January 30, 2016**

In 2015, the government of Turkmenistan not only failed to meet the minimum standards of the Trafficking Victims Protection Act, it orchestrated systematic forced labor of its citizens on a mass scale. Tier 3 is the only appropriate placement for Turkmenistan in the 2016 TIP Report.

In 2015, the Turkmen government required civil servants to participate in the cotton harvest, either by picking cotton or paying a fine, under various threats, including losing their job. Officials also required some business owners to contribute their employees or a payment, under threat of closing the business. The Turkmen government also suppressed freedom of association and speech, obliging monitors to report on its use of forced labor from outside the country.

The Tier 3 placement would communicate to the Turkmen government that its policy and practice of forced labor is unacceptable and encourage the Turkmen government to respond to long-ignored concerns raised by the International Labour Organization and end state-led trafficking in persons.

**I. The Turkmen government uses systematic forced labor for economic development<sup>1</sup>**

The government of Turkmenistan uses a forced labor system of cotton production. The government maintains total control of cotton production. It owns the land, leases it to farmers in exchange for the delivery of state-established production quotas for cotton, monopolizes cotton buying and sales, and maintains artificially low procurement prices. In addition to insecure land tenancy and low procurement prices, local officials underpay farmers by as much as half of what they are owed according to state-established prices. The government maintains total secrecy over cotton procurement and sales.

President Gurbanguly Berdymuhamedov gives cotton production orders to regional governors, who face dismissal if they fail to fulfill their cotton production plan. Governors assign responsibilities to district and city officials, who in turn deliver orders to school administrators, other public institutions, and businesses. Authorities force public sector workers, including teachers, doctors, nurses, and staff of government offices to pick cotton, pay a bribe, or hire a replacement worker, under threat of losing their job. Officials also force businesses to contribute labor, financially or in-kind, under threat of closing the business. The mobilization leaves institutions severely understaffed, undermining education, health care and municipal services.

Turkmenistan is the 9<sup>th</sup> largest producer and 7<sup>th</sup> largest exporter of cotton in the world.<sup>2</sup> Cotton produced by forced labor in Turkmenistan enters supply chains of global apparel brands multiple ways. Cotton traders report that they purchase cotton from Turkmenistan and throughout Central Asia, and global companies purchase apparel made wholly with Turkmen cotton from manufacturers in Turkmenistan.

## **II. The Turkmen government implemented its forced labor system of cotton production in 2015**

### **A. In 2015, the Turkmen government orchestrated systematic forced labor on a mass scale.**

Turkmen officials forced tens of thousands of citizens, primarily public-sector workers, to pick cotton under threat of punishment.

A flood of the Amu Darya river in July disrupted the cotton production cycle in Turkmenistan in 2015. In September, the President of Turkmenistan Gurbanguly Berdymuhamedov reprimanded provincial governors and members of the Cabinet of Ministers for a delay in the harvest, leading officials to intensify forced mobilization of citizens to the cotton harvest in September and continue the mobilization through mid-December.

In the cotton-growing regions of Dashoguz, Lebap and Mary, governors forcibly mobilized public-sector workers to pick cotton, primarily from the education, health-care and utilities sectors. The mobilization proceeded similarly in each region. Regional governors oversaw the district officials and administrators in their region. Administrators of public sector institutions ordered employees to participate in the cotton harvest. Each morning at 6 AM was registration and departure to the cotton fields from the district administration offices. After officials recorded attendance, they directed everyone onto buses for transportation to the cotton fields.

Officials assigned work quotas and enforced them with threats of job loss, docked pay or fines. For example, high-school teachers in the Lebap region were assigned a quota of 1,300 kilograms of cotton to collect during the harvest, and those who could not work in the fields paid the value of the cotton quota, approximately \$334.

“The headmaster strictly controls all this. He records every day of harvest work and threatens to take the amount from our salaries,” reported one of the teachers.

In Magdanly city of Lebap region, school administrators fired teachers and technical staff who did not fulfill their harvest quota or pay the fine, and in all cases officials reported other reasons for dismissing the workers.

Many people ordered to work the harvest hired replacement workers at rates between \$3 and \$7 per day instead of picking cotton themselves, resulting in citizens paying out-of-pocket for the labor costs of the government's cotton industry. Administrators of public-sector institutions also sold exemptions, and workers reported that administrators pocketed such payments. Throughout the country, teachers reported that their options were to work in the harvest, pay a bribe, or lose their jobs.

Officials also forcibly mobilized university students to pick cotton. The Turkmen Agricultural University and Dashoguz Agricultural Institute forced approximately 2,000 students to pick cotton under threat of expulsion from the schools. The school administrators sent the students to cotton fields in Akhal and Dashoguz regions, where both schools own farmland. While the administrators claim picking cotton is an internship, for the students to acquire practical skills, the students had no choice. Either they picked cotton or they would lose their spot in the university. A staff person with the Dashoguz Agricultural Institute reported that the students were not provided any instruction on agricultural practices, merely instructed to pick cotton.

Government-led forced labor of parents to fulfill harvest quotas resulted in children picking cotton in at least one area, the Boldumasaz district of Dashoguz region. Despite the health hazards of picking cotton, parents brought their children to work alongside them and in some cases sent their children to pick cotton for them. The parents reported that they feared losing their jobs if they did not deliver the cotton quota assigned to them.

**B. State-led forced labor undermined delivery of essential services, including education and health care during the 2015 cotton harvest.**

During an unusually long cotton harvest in 2015, the government coerced employees of wide range of private- and public-sector institutions to pick cotton, including education and health-care institutions, municipal government offices, libraries, museums, meteorological agencies, cultural centers, sports organizations, and utility, manufacturing, construction, telecommunications, and fishing companies. As a result, the government disrupted many services, including education and health care.

In each region, administrators forced teachers to the cotton fields, leaving schools short on staff. In Dashoguz, Lebap and Mary regions, administrators force teachers to pick cotton two days each week and one Sunday each month. The administrators order teachers who remain in the school to teach courses for which they have no training and to teach groups of 60 or more

students. Many students are simply not going to school. Instead of the scheduled 6 hours each day, many students attended school for 3-4 hours.

“During school hours our children are hanging around in the streets, playgrounds, markets. The school principal doesn’t even consider that children can get hurt, hit by a car, or involved in a crime. They should just make the harvest a holiday. What is the point of going to school if students are told in the morning that their teacher is in the field today?” said the mother of a 5th-grade student in Mary region.

A teacher in Mary region said,

“We haven’t done much teaching since September. By the end of the second quarter, we will have to catch up on what we missed and rush through the topics. This happens every year.”

The administrators of hospitals and other health-care facilities also forced employees to pick cotton. In Lebap region, hospitals had the bare minimum number of staff to be open, and many of the employees left at the hospital were not authorized to receive patients. As a result, patients waited in long lines for attention.

Administrators of public utilities were among the first to send employees to this year’s cotton harvest. Throughout the harvest, several cities had overflowing garbage containers lining the streets, and municipalities did not respond to calls for assistance. In one case, a pipe burst in an apartment building, but the municipality responded that “everyone is picking cotton.”

### **III. The Turkmen government denial of civil rights is an essential component of its forced-labor system of cotton production.**

State-orchestrated forced labor in Turkmenistan occurs in the context of an appalling human rights situation in Turkmenistan. The United Nations Committee Against Torture reported it “is deeply concerned over the numerous and consistent allegations about the widespread practice of torture and ill-treatment of detainees...persons deprived of their liberty are tortured, ill-treated and threatened by public officers, especially at the moment of apprehension and during pretrial detention, to extract confessions and as an additional punishment after the confession.”<sup>3</sup> The UN Committee on Civil and Political Rights reported the Turkmen government “systematically does not respect the right to freedom of expression” and “expresses concern at reports of the harassment and intimidation of journalists and human rights defenders.”<sup>4</sup> The UN Committee Economic, Social and Cultural Rights reported it “is concerned that that the National Trade Union Centre is the only trade union in the State party, that it is controlled by the Government of Turkmenistan, and that the absence of independent trade unions may lead to various violations of

workers' rights.”<sup>5</sup> The Turkmen government is responsible for hundreds of forced disappearances; denies freedoms of association, movement, expression and religion; and refuses cooperation with United Nations human rights bodies.<sup>6</sup>

In 2015, the Turkmen government intimidated many human rights monitors into silence when it arbitrarily arrested and imprisoned journalist Saparmamed Nepeskuliev. Mr. Nepeskuliev is a journalist for *Radio Free Europe / Radio Liberty* and *Alternative Turkmenistan News* and has reported on state corruption and human rights abuses, including forced labor in the cotton sector. On July 7, 2015, police arrested Nepeskuliev and held him incommunicado for three weeks. Officials denied Nepeskuliev access to a lawyer and his family and sentenced him to three years in prison on trumped up charges of narcotics trafficking. In January, the United Nations Working Group on Arbitrary Detention (UN WGAD) concluded that the detention of Nepeskuliev was arbitrary and in retaliation for exercising his right to freedom of expression. The UN WGAD noted that the Turkmen government's denial of access to legal assistance to Nepeskuliev fits a pattern and expressed concern over incommunicado detention, closed trials, lack of legal defense, torture and ill-treatment in detention facilities.

#### **IV. Forced labor underpins Turkmenistan's state-controlled cotton sector**

The government of Turkmenistan maintains total control over the cotton sector. It owns the land<sup>7</sup> and the state-owned bank “Dayhanbank” manages all financial transactions in the cotton sector. Reporting to President Berdymuhamedov, the regional governors oversee the Farmers Associations, which manage farmers, and the local-level officials, which mobilize other citizens to harvest cotton. The state-owned company Turkmenpagta has a monopoly over cotton purchasing from farmers and cotton sales. The government does not report total sales, income or allocations of income from cotton. At every level, the system exploits farmers and the general population for the benefit of the central government.

The government leases land to farmers for 1-5 years, depending on the region, and farms average 2.5 hectares. Under the legislation on private farmers and enterprises,<sup>8</sup> the government dictates use of the land through Farmers Associations.<sup>9</sup> Farmers Associations may take away a farmer's right to use the land for “irrational and inappropriate use,” under the law.<sup>10</sup> In practice, the Turkmen government orders cotton and wheat production on three quarters of the arable land, and Farmers Associations take away land from farmers for many reasons, including local officials personal views on a farmer concerned. Since 2009 the state has set a fixed production quota of 2 tons of cotton per hectare.

The state-owned Turkmenpagta manages procurement and sales of cotton, and the state-owned Dayhanbank manages financial flows in the cotton sector. The bank's chairman is appointed by President Berdymuhamedov. Annually, Dayhanbank manages credit lines on behalf of

Turkmenpagta and in the names of farmers. The farmers purchases inputs for cotton cultivation with checks under their respective credit lines at Dayhanbank. Yet often Farmers Associations physically hold the checkbooks and in fact charge farmers' accounts for tractors, inputs or other services never provided, resulting in payments to themselves or peers.

During the cotton harvest, Dayhanbank pays into farmers' accounts for cotton delivered daily, and after the harvest the bank settles each farmers' account, in December and January. However, most farmers never see the contract stipulating the procurement price and other terms. The Farmers Associations hold the cotton procurement contracts, leaving the farmers in the dark when settling their accounts.

Since 2007, the state-established cotton procurement price has remained 1,040 manats per ton of Upland cotton (95% of cotton grown in Turkmenistan) and 1,500 manats per ton of Pima or long-fiber cotton, despite substantial depreciation of the manat.

Farmers report much more explicit exploitation throughout the annual cotton production process. State owned companies maintain monopolies over inputs. Obahyzmat is the only source for agricultural equipment, and farmers report it regularly charges for services never provided. Turkmendokun is the only source for fertilizers, and farmers report it charges farmers for more fertilizer than it delivers and cuts fertilizers with fillers. The state owned gins are responsible for transporting cotton from farms to gins and for weighing, grading and recording cotton delivered by the farmers. Farmers report the gin managers fail to transport the cotton yet still charge farmers for the service and then record less volume and a lower grade cotton than what the farmer delivers. A farmer in Mary Region explained,

“The gin staff never under-records the amount delivered by farmers whose relatives are prosecutors, security officers, or high-ranking government officials. For ordinary farmers, it is useless to argue, even though we know we are being cheated. The gin staff under-record the cotton delivered and then sell the excess cotton to farmers who do not fulfill their quotas. Farmers are cheated everywhere, not only at the gins. In the final payment, officials charge 3% extra for local taxes and deducts for all kinds of things, even magazine subscriptions. Then they tell us, ‘Don’t spoil relations with us. We contribute to your success, and you don’t lose much for this small amount.’”

While official statements often claim that farmers earn substantial income, in fact Turkmen farmers receive less than a dollar per day, as demonstrated by the example below.

According to a presidential decree, farmers who exceed cotton quotas are eligible to receive a premium rate 30% above the regular state procurement price and allowed to sell the excess cotton through the national commodity exchange to either domestic or international buyers.<sup>11</sup>

Yet farmers must register with the State Commodity Exchange and pay duties to trade on the exchange, and most farmers are not even aware of these options, let alone informed adequately to participate.

Turkmenpagta manages all 36 state-owned cotton gins in Turkmenistan. Turkmenpagta does not report the volume of cotton it receives. Similarly, the commodity exchange does not report on total cotton sales, and the Central Bank does not report on income from cotton sales. Therefore, the farmers and general population have no idea much income they generate laboring in the cotton fields, much less how the government spends cotton income.

**Sample income statement of a Turkmen farmer in 2014:**

<b>FARMER'S INCOME STATEMENT</b>					
		In Turkmen Manats		In USD	
<b>Revenues:</b>					
Yield, ton/ha				1.8	
Procurement price, USD/ton	TMM	1,040.25	\$	365.00	
<b>Revenues:</b>	TMM	1,872.45	\$	657.00	
<b>Expenses:</b>					
Mechanical services	TMM	273.60	\$	96.00	(50% state subsidy)
Irrigation	TMM	34.20	\$	12.00	
Seeds	TMM	96.90	\$	34.00	(50% state subsidy)
Fertilizers	TMM	353.40	\$	124.00	(50% state subsidy)
Defoliation	TMM	59.85	\$	21.00	
Plant protection (chemical, biological)	TMM	119.70	\$	42.00	(50% state subsidy)
Cotton transportation	TMM	71.25	\$	25.00	
Overhead administration	TMM	131.10	\$	46.00	
Social insurance	TMM	105.45	\$	37.00	
Newspaper subscription	TMM	19.95	\$	7.00	
Red Crescent Society Fund	TMM	5.70	\$	2.00	
Water Rescue Society Fund	TMM	5.70	\$	2.00	
Nature Protection Fund	TMM	5.70	\$	2.00	
Tips to drivers and cotton quality laboratory	TMM	57.00	\$	20.00	
Bank fees	TMM	34.20	\$	12.00	
Total expenses	TMM	1,373.70	\$	482.00	
Expenses covered by state	TMM	421.80	\$	148.00	
Farmer's expenses	TMM	951.90	\$	334.00	
<b>Total income</b>	<b>TMM</b>	<b>920.55</b>	<b>\$</b>	<b>323.00</b>	

**III. Tier 3 is the only appropriate placement for the government of Turkmenistan in the 2016 Trafficking in Persons Report.**

Tier 3 is the only appropriate placement for Turkmenistan in the 2016 TIP Report. In 2016, the State Department no longer has the authority to maintain Turkmenistan in Tier 2 Watch List. The Turkmen government not only fails to meet the TVPA minimum standards, it orchestrates and benefits from forced labor. The practice violates national laws and international conventions prohibiting forced labor.

The ILO Committee of Experts on the Application of Conventions and Recommendations has repeatedly reported concerns and requested information from the Turkmen government on the application of ILO Conventions No.29 on Forced Labour and No.105 on the Abolition of Forced Labour. The Committee specifically highlighted Convention 105, Article 1(b)'s prohibition of "forced labour as a method of mobilizing and using labour for purposes of economic development."<sup>12</sup> The government of Turkmenistan has ignored the ILO's request for information on the application of the forced labor conventions.

Placing the government of Turkmenistan in Tier 3 will reflect the reality on the ground, and it will help press the Turkmen government to take steps to address the problem. Such steps would include enforcing national laws prohibiting forced labor, fairly prosecuting those who violate forced labor laws in accordance with international standards, ending coercion-enforced work quotas in the cotton sector, and permitting journalists, human rights defenders and others to document and report human rights concerns without fear of reprisals.

**Endorsing organizations:**

Advocates for Public Interest Law



AFL-CIO



American Federation of Teachers

Anti-Slavery International



Association for Human Rights in Central Asia





Australian Council of Trade Unions



Bennett Freeman, Cotton Campaign Adviser  
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Center for Reflection, Education and Action



Child Labor Coalition



Dignity Health



Environmental Justice Foundation



The Eurasian Transition Group, e.V.



Freedom House



Inditex



International Labor Rights Forum



International Union of Food, Agricultural, Hotel, Restaurant,  
Catering, Tobacco and Allied Workers' Associations



Korean Teachers and Education Workers Union



National Consumers League  
National Retail Federation



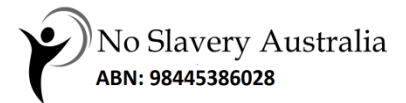
National Union of Workers



Northwest Coalition for Responsible Investment



No Slavery Australia



Open Society Foundations



Public Services International



Responsible Sourcing Network



Sisters of St. Francis of Philadelphia



Solidarity Center



Stop the Traffik



Sunshine Coalition



Synod of Victoria and Tasmania, Uniting Church in Australia



Textile, Clothing and Footwear Union of Australia



U.S. Fashion Industry Association

Uzbek – German Forum for Human Rights

Walden Asset Management



Walk Free



## Endnotes:

<sup>1</sup> The Cotton Campaign works with Alternative Turkmenistan News (ATN) to monitor labor practices in the cotton industry of Turkmenistan. ATN monitors with a network of key informants in Turkmenistan, including government officials, farmers, rural residents, public-sector workers and businessmen, who provide first-hand accounts, documentary evidence and photographs to ATN.

<sup>2</sup> International Cotton Advisory Committee, ICAC World Cotton Database, <https://www.icac.org/>

<sup>3</sup> United Nations Committee Against Torture, “Consideration of reports submitted by States parties under article 19 of the Convention: Concluding observations of the Committee against Torture- Turkmenistan,” CAT/C/TKM/CO/1, 15 June 2011,

[http://tbinternet.ohchr.org/\\_layouts/treatybodyexternal/Download.aspx?symbolno=CAT/C/TKM/CO/1&Lang=En](http://tbinternet.ohchr.org/_layouts/treatybodyexternal/Download.aspx?symbolno=CAT/C/TKM/CO/1&Lang=En)

<sup>4</sup> United Nations Human Rights Committee, “Consideration of reports submitted by States parties under article 40 of the Covenant on Civil and Political Rights: Concluding observations of the Human Rights Committee- Turkmenistan,” CCPR/C/TKM/CO/1, 19 April 2012,

[http://tbinternet.ohchr.org/\\_layouts/treatybodyexternal/Download.aspx?symbolno=CCPR/C/TKM/CO/1&Lang=En](http://tbinternet.ohchr.org/_layouts/treatybodyexternal/Download.aspx?symbolno=CCPR/C/TKM/CO/1&Lang=En)

<sup>5</sup> United Nations Committee on Economic, Social and Cultural Rights, “Consideration of reports submitted by States parties under articles 16 and 17 of the Covenant- Turkmenistan,” E/C.12/TKM/CO/1, 13 December 2011,

[http://tbinternet.ohchr.org/\\_layouts/treatybodyexternal/Download.aspx?symbolno=E/C.12/TKM/CO/1&Lang=En](http://tbinternet.ohchr.org/_layouts/treatybodyexternal/Download.aspx?symbolno=E/C.12/TKM/CO/1&Lang=En)

<sup>6</sup> See <http://provetheyarealive.org/>, <http://www.hrw.org/world-report/2015/country-chapters/turkmenistan>, <https://www.amnesty.org/en/countries/europe-and-central-asia/turkmenistan/report-turkmenistan/>

<sup>7</sup> From 1995 - 2005, the Turkmen government transferred plots of 3-4 hectares to private individual ownership. Yet only as much as 750 hectares were transferred; only 15 people received land ownership; and the Turkmen government stopped transfers to private ownership in 2006.

<sup>8</sup> Ministry of Justice of Turkmenistan, [http://minjust.gov.tm/ru/mmerkezi/doc\\_view.php?doc\\_id=649](http://minjust.gov.tm/ru/mmerkezi/doc_view.php?doc_id=649) (Accessed April 3, 2015)

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<sup>9</sup> In 1995, the Turkmen government replaced Soviet-established collective farms with Farmers Associations and tenant farmers. Since, individual farmers lease land from the government, and the Farmers Associations enforce state-assigned cotton, wheat and rice quotas.

<sup>10</sup> Ministry of Justice of Turkmenistan, [http://minjust.gov.tm/ru/mmerkezi/doc\\_view.php?doc\\_id=8375](http://minjust.gov.tm/ru/mmerkezi/doc_view.php?doc_id=8375) and [http://minjust.gov.tm/ru/mmerkezi/doc\\_view.php?doc\\_id=14663](http://minjust.gov.tm/ru/mmerkezi/doc_view.php?doc_id=14663) (Accessed April 3, 2015)

<sup>11</sup> Decree "On ensuring cultivation of high cotton yields in Turkmenistan, and economic stimulation of cotton producers" in force since January 20, 2012

<sup>12</sup> International Labour Organization, CEACR, "Direct Request (CEACR) - adopted 2011, published 103rd ILC session (2012) Abolition of Forced Labour Convention, 1957 (No. 105) - Turkmenistan (Ratification: 1997) available at [http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100\\_COMMENT\\_ID:2699323](http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:2699323) and International Labour Organization, CEACR, "Direct Request (CEACR) - adopted 2013, published 103rd ILC session (2014) Abolition of Forced Labour Convention, 1957 (No. 105) - Turkmenistan (Ratification: 1997) available at [http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100\\_COMMENT\\_ID:3146802](http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:3146802)