On the human rights situation in the cotton fields of Azerbaijan Monitoring Report

(The period of monitoring: October1 - December 31, 2019)

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Executive summary

The Monitoring Report on the situation of human rights in the cotton fields of Azerbaijan briefly reviewed the latest development mechanism of cotton production in Azerbaijan and the state policy in the area of cotton growing. The document covers the human rights situation in the cotton fields based on facts and information collected in 7 districts (Salyan, Hajigabul, Sabirabad, Saatli, Imishli, Beylagan, and Fuzuli) specializing in cotton-growing from October 1 to December 31, 2019 - accurate information obtained during the cotton harvest including video footage, photo facts, the results of a survey of farmers and cotton pickers, monitoring and observations in these areas.

It should be noted that this is the second report covering the human rights situation in the cotton fields. The first such report was prepared in 2019 and included the cotton harvest season from October 1, 2018, to January 31, 2019. The results obtained in the final report are presented in comparison with the results of the previous release.

Key words: Azerbaijan, agriculture, cotton, cotton picking, farmers, child labor, working conditions, labor rights, labor contract, compulsory insurance, accident, subsidy, supply companies

Abrivations:

SCFWC - The State Committee for Family, Women, and Children Affairs of the Republic of Azerbaijan

FVF - Family-Village Farm

- CAS Council for Agrarian Subsudisy
- ILO International Labor Organisation
- SSC State Statistical Committee
- SFSP State Fond for Social Protection
- MoA Ministry of Agriculture
- MoE Ministry of Economy
- MLSPP Ministry of Labor and Social Protection of Population
- MoT Ministry of Taxes
- CSSİ Compulsory state social insurance

Introduction

The cotton sector, which exports raw cotton, flaxseed, and cotton oil, is one of the leading non-oil exports in the Republic of Azerbaijan. The government also sees it as a means of providing employment in the region. The primary trend that distinguishes 2019 from the previous season is the increase in the volume of cotton supplied to the country and the average productivity.

In 2019, many small companies in the cotton industry were consumed by large ones, creating monopolies. In the last season, the process of establishing large cotton farms under the patronages of officials has also been observed. The establishment of these farms was made possible by the seizure of small plots of land, large areas of pasture and sheepfold, where grounds saved for winter seasons, fields and cattle farms are located, and the long-term lease of municipal and state lands. In order to supply such farms with irrigation water, small canals from the Araz and Kura rivers were built in these areas at the expense of the state budget.

Monitoring, surveys, and personal meetings with farmers and focus group discussions show that the cotton sector in the Republic of Azerbaijan does not protect human rights, does not formalize labor relations with workers, does not comply with labor protection norms, does not create safe working conditions, compulsory insurance against accidents and occupational diseases remains an unseen sector.

In particular, the exploitation of child labor in the cotton fields is an undeniable fact. In the 2019 season, about 30 cases were recorded. Parents, who remove their children from school to help in the cotton harvest, attribute this to financial difficulties and inability to make ends meet. Monitoring has shown that all of these families are living below the poverty line. They do not benefit from the relevant social protection programs of the state (targeted state social assistance program, self-employment program, etc.), which is mainly due to the non-transparent corruption of social service providers.

In the cotton sector, the rights of workers, as well as small farmers, are violated, which is a negative effect of the monopolistic control of the industry. In the 2019 season, problems were seen in the supply of irrigation water to farmers, technical support, access to proper fertilizers, pesticides, and humus. At the same time, the artificially inflated moisture and litter rates of the delivered cotton have reduced the incomes of farmers and cotton pickers. The dominant cotton suppliers have gained additional income illegally.

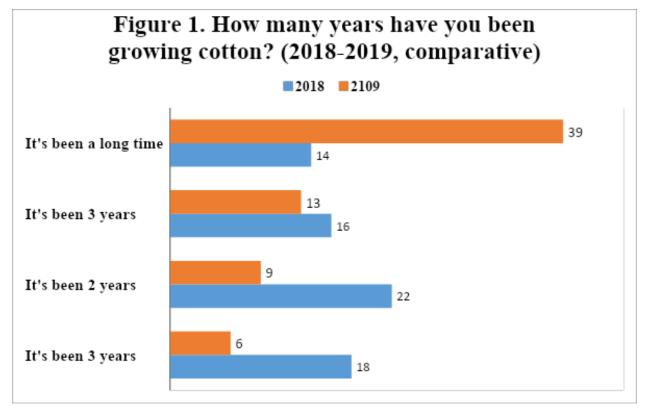
The only positive trend in the 2019 season is that the government stopped forcing of the heads of state enterprises and organizations to plant cotton, and put an end to forcibly involving technical staff of budget organizations in the cultivation and harvesting of cotton.

1. The methodology of monitoring report

This monitoring report's methodology is based on regular monitoring and observations in the cotton fields of 7 cotton-growing regions of Azerbaijan (Salyan, Hajigabul, Saatli, Sabirabad, Imishli, Beylagan and Fuzuli) during the 2019 season. It is based on the results of a survey conducted between 2 different groups (farmers and cotton pickers), interviews with 15 farmers in each of the seven districts, and seven focus group discussions aimed at identifying violations of labor rights.

The survey involved 70 cotton growers from 7 cotton-growing regions - Salyan, Hajigabul, Sabirabad, Saatli, Imishli, Beylagan, and Fizuli. Sixty-eight respondents were men, and 2 were women. Sixty-nine of these farmers are married, and one is single. Sixty-three respondents live in rural areas, 5 in the district center, and 2 in settlements. Thirty-seven of them have secondary education, 6 have secondary training, six have incomplete secondary education, and 21 have higher education.

The survey focused on issues related to labor relations and asked questions to identify and measure labor rights compliance. The surveyed farmers were selected based on their length of service in the cotton sector (at least one year of experience), independence of farms (voluntary involvement in cotton planting), and variable lands (small and medium farms). This selection aimed to gather more reliable, comparable, and accurate information from experienced and independent farmers on cotton planting, harvesting, and other issues.



When interviewing cotton pickers, their gender, age, social status, education, and place of residence were taken as the selection criteria of the respondents. Of the 70 cotton pickers surveyed, 61 were women, and 9 were men. Of the cotton pickers, 60 were married, six were single, and 4 were widows. Fifty-nine

respondents lived in the village, 4 in the district center, and 7 in the settlement. Sixty of them had secondary education, 5 had incomplete secondary training, 2 had higher education, and 3 had secondary specialized training.

The results of both surveys were used in all sections according to the topic. Before the start of the survey, its goals and objectives were defined, the methodology and selection criteria of the respondents were selected, the questionnaire was compiled, the survey was pre-tested in a pilot manner, and then its application was started.

The precondition for selection was to determine the required number of samples. For this, calculations were made based on three factors.

- 1. The degree of spread of the sphere of interest
- 2. Statistical confidence level
- 3. Acceptable error runway

The survey of farmers consisted of 6 A4 pages each. The survey of cotton field workers (cotton growers, weeders, cotton pickers, etc.), each consisting of 7 A4 pages, covered 20 randomly selected respondents in each district, for a total of 140 respondents.

After the selection, the respondents were surveyed, the survey data were summarized and processed, and its results and findings were included in the monitoring report.

Before the focus group discussions, specific questions consisting of 27 articles were identified, and the discussion was conducted based on compiled questions. The results of the discussions and one-on-one interviews with farmers were summarized and included in the report.

Local human rights violations were documented through videos and photos. Based on these recordings, three videos were made summarizing the labor rights violations in the cotton fields. The two most essential videos on human rights violations and child labor have been translated into English and posted on the "Azerbaijan Cotton" Youtube and Facebook pages.

Focus group discussions and one-on-one interviews during the monitoring period reaffirmed farmers' lack of knowledge on registration of agricultural producers, accounting of income and expenses, turnovers, and submission of reports to relevant government agencies.

To create an overview of the Azerbaijani cotton industry, as well as issues that indirectly affect the human rights situation - measuring profitability, the realization of goals, identifying and presenting the main economic and administrative problems related to cotton in the country, official statistics and Actual data from farmers was also used for this monitoring report.

2. The main tendencies of 2019 in cotton farms

2.1. Identified tasks and the state of their implementation

During the period of independence, the volume of production in Azerbaijan has changed depending on the size of the sown areas, as cotton growing is based on extensive development and is outside the state support.

Following the devaluation of Azerbaijan's currency in 2015, many traditional sectors of agriculture, including cotton, began to be seen as potential non-oil exports and employment opportunities. Following the order of the President of the Republic of Azerbaijan No. 2350 dated September 22, 2016 "On state support for the development of cotton in the Republic of Azerbaijan," a subsidy of 0.1 manats per kilogram of raw cotton was introduced, and the supply price of raw cotton was increased.

By the order of the President of the Republic of Azerbaijan No. 3082 dated July 13, 2017, the "State Program for the Development of Cotton Growing in the Republic of Azerbaijan for 2017-2022" was approved. The Program identifies tasks, each of which includes many areas, and adopts the Action Plan for the Program. These tasks include improving the infrastructure of cotton, strengthening scientific support and human resources in the field of cotton, supporting the application of innovative technologies in the field of cotton production and processing, establishing effective economic relations between cotton producers and processing enterprises, promoting local and foreign investment in cotton production and processing, Ambitious tasks have been identified, such as increasing competitiveness, supporting the development of areas related to the production of cotton goods, the development of cooperation in cotton growing.

The Strategic Roadmap for the production and processing of agricultural products in the Republic of Azerbaijan, approved by the Decree of the President of the Republic of Azerbaijan¹ dated December 6, 2016, outlines the following strategy for cotton production and export:

 \cdot short-term increase in output for shipping in the form of raw materials;

• In the long run, replace and increase exports by forming the local production of processed products from these products.

the following steps will be taken to implement these tasks: increase raw cotton production and ensure efficiency in this area through the application of advanced management practices, intensive cultivation and irrigation technologies, improve the provision of cotton with modern equipment, the introduction of crop rotation in cotton production, determine the optimal cotton planting area and deepening specialization, restoration, and modernization of existing cotton processing enterprises, support for the establishment of new cotton processing enterprises based on advanced techniques and technologies, promotion of deep processing products, strengthening the material and technical base of cotton seed farms and organization of fiberless seed production. After monitoring the work carried out is possible to conclude that the best part of this has been achieved in some areas.

The goals of increasing the production of raw cotton and ensuring efficiency in this area through the application of advanced management practices, intensive cultivation, and irrigation

¹ Strategic Road Map for the production and processing of agricultural products in the Republic of Azerbaijan https://mida.gov.az/documents/strateji_yol_xeritesi_kend_teserrufati_mehsullarinin_istehsalina_ve_emalina_dair.pdf

technologies were not achieved in 2019. The Ministry of Agriculture (MOA) (private companies and farmers were not interested in this work in 2019), established pilot farms for the application of innovative technologies. Pilot projects on cotton production based on Chinese technology in the Ujar region and Turkish technology in Beylagan region were implemented. According to the Minister of Agriculture Inam Karimov, 60 quintals of raw cotton were produced per hectare with Chinese technology and 58 quintals with Turkish technology².

So far, farmers and large cotton companies have not been involved in this work. At the end of 2019, the President of the Republic of Azerbaijan instructed the Ministry of Agriculture, "Amelioration and Water Management," OJSC and local executive bodies to expand the application of intensive cultivation and irrigation technologies: "Villagers should know what concrete steps should be taken to achieve higher productivity. Local executive bodies should also monitor the situation and ensure the transition to new technologies. Therefore, think about it and instruct the Presidential Administration to inform me before the new sowing season that new technologies will be applied to thousands of hectares."³

Private companies are not interested in the application of innovative technologies because of the high cost. For example, Chinese technology uses laser mulching, drip irrigation, and polyethylene coating during the planting and cultivation of cotton, which, while providing higher productivity than traditional farming, also dramatically increases the cost of cotton.

According to the agreement reached with MOA in 2020, Azerbaijan's two leading cotton suppliers - "Azerpambig Agrarian Industrial Complex" LLC and "Istehsalat Kommersiya" LLC - have pledged to plant cotton on at least 100 hectares with advanced Turkish and Chinese technologies.

As for improving the supply of modern equipment to the cotton industry, according to official statistics, over the past three years, the state has purchased 15,700 machines, including more than 400 US-made John Deere combines. In total, more than 500 million manats were spent on equipment. At present, Azerpambig LLC uses 753 vehicles, including 45 combines, 201 tractors, and 507 trailers for various purposes. However, despite the availability of sufficient equipment, there is a "shortage of artificial equipment" due to its inefficient use⁴.

Let's take a look at the measures taken by the state in 2019 to apply the rotation system in cotton production, determine the optimal area for sowing cotton in the regions and deepen specialization. The MOA claims that in 2018, cotton was planted on 132.5 thousand hectares in Azerbaijan, and in 2019 the volume of cotton planted areas was reduced to 100.1 thousand hectares due to the removal of low-yielding lands from the crop rotation⁵. Cotton is planted on shared lands, and on lands leased by farmers from the state and the municipality, and farmers make the final decision on what to plant on those lands. Therefore, the Ministry of Agriculture's statement on the reduction of cotton fields and the withdrawal of less productive areas does not reflect the truth. As for the next crop, most agricultural producers are either

² <u>https://president.az/articles/35252</u>. Meeting on the results of the cotton season and measures to be taken in 2020 with charing of Ilham Aliyev on December 19, 2019.

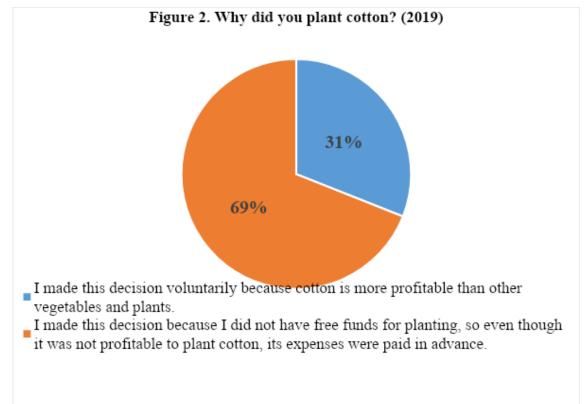
³ ibid

⁴ More information is provided in Section 5 of the monitoring report.

⁵ <u>https://www.agro.gov.az/az/news/bu-guenedek-qebul-menteqelerine-229-min-595-ton-pambiq-tehvil-verilib</u>

unaware of it or are unable to follow the principle of crop rotation due to it being impossible. This is confirmed by the results of a survey conducted among farmers in 7 cotton-growing regions in the 2019 season.

Twenty-two people (31.4%) said that they made this decision voluntarily because cotton is more profitable than other vegetables and plants. The remaining 48 people (68.6%) said that they did not have the capital to plant crops and preferred cotton because it was paid in advance, even if it was not profitable. This shows that the most significant factor influencing farmers' decisions on crops to plant is the lack of funding.



The share of farmers who voluntarily grow cotton has decreased significantly compared to 2018 (from 50% to 31.4%). In 2018, 35 farmers (50%) surveyed said that cotton is more profitable than other vegetables and plants. Of the remaining 35, 19 (27.1%) said they planted cotton under pressure from the executive and the mayor, and 16 (22.9%) said they were not farmers and were forced to plant cotton because they worked for a budget organization.

As for the support of the establishment of new cotton processing enterprises based on advanced techniques and technologies, the promotion of deep processing products, strengthening the material and technical base of cotton seed farms and the organization of fiber seed production, the existing cotton processing plants in Azerbaijan which were commissioned in 2004-2008 are being used, and there is a serious need for their modernization and reconstruction. At present, there are two yarn factories in Mingachevir light industry park. A cotton processing plant with an annual production capacity of 40,000 tons and a production capacity of 1.5 tons of fiber-free cotton seeds per hour has been put into operation in Ujar region, and a plant with a capacity of processing 200 tons of cottonseed per day is being completed.

Azerpambig LLC has built a new ginning plant in Agjabadi district with a daily processing capacity of 200 tons of raw cotton. The plant is expected to be commissioned in 2020.

Despite the above, 60% of the cotton produced in the country is exported as cottonseed and 40 percent is exported as yarn. Azerbaijan is forced to import products made with cotton, which it exports as raw materials and semi-finished products, at higher prices.

It should be noted that the situation with seed production is also unsatisfactory. In 2020, it was planned to carry out joint work within the framework of cooperation between MKT Company and MoA in the field of planting new varieties of cotton seeds in experimental areas, researching the zoning of seed varieties, testing new methods such as drip irrigation and sowing. In 2019, as in previous years, cotton seeds were imported from Turkey by supply companies and sold to farmers at 5.50 manat per kilogram, and seed varieties were not regionalized.

There were significant positive developments in the 2019 season related to forced labor in the cotton industry (both in the fields of cotton planting and harvesting). Until the last season, the processes related to the planting, cultivation, and collection of cotton were managed from a single-center - the Administration of the President of the Republic of Azerbaijan, and this administrative control was carried out openly. Under the leadership of the district executive authorities, municipalities and state-funded government agencies were forcibly involved in cotton planting.

Even at the "Republican Conference on the Development of Cotton" held in September 2106, President Ilham Aliyev officially acknowledged that the work of the state is not only coordination: "... The Presidential Administration undertook general coordination. Zeynal Nagdaliyev is personally engaged in this work. As I said, local executives have been active ... I want to say again that the experience of previous years shows that if we leave the development of cotton only to businesses, we will lose, as we lose now. Therefore, strict state policies must be pursued, and the state plays a key role here. The role of the state is not limited to the organization of coordination work ..."⁶

The order from above -the Presidential Administration to the district executives - was in the form of a concrete commitment. The head of the district executive body also distributed this responsibility among the district departments (education, health, culture, sports, etc.) financed from the budget, chairpersons of municipalities, and heads of executive offices. The heads of budget-funded institutions distributed their employees' responsibilities and subordinate institutions (for example, education departments, school principals, and teachers, etc.). The executive and municipal structures also imposed a specific obligation on farmers and family farms to plant cotton on several hectares of land, rather than on how much to supply, following their landholdings. Dozens of facts confirming the statements of the 2018 cotton season have been recorded.

It should be noted that in 2019, this failed practice was abandoned. There was also no compulsory involvement of employees of budget organizations registered in all cotton-growing regions in the process of growing and harvesting cotton in 2019.

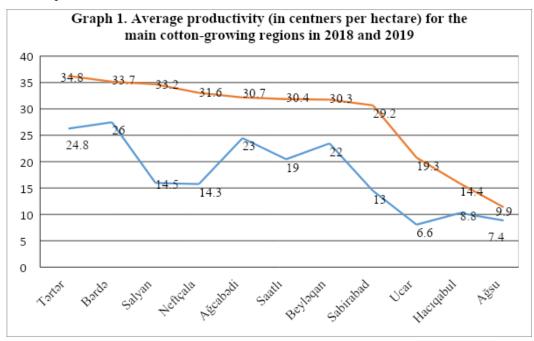
⁶ https://president.az/articles/21117/print

2.2. What caused the significant increase in average productivity?

Despite the failure to fulfill the tasks, according to official statistics, in 2019, cotton was planted on 100.1 thousand hectares, more than 294,000 tons were harvested, and the average yield was 29.4 quintals per hectare, it means that cotton production was increased 61,000 tons, and the average yield was increased 11.8 per hectare compared to 2018. It should be noted that in 2018, the average productivity in the country was 17.6 quintals.

In 2019, most cotton was planted in Saatli (13741 ha), Agjabadi (10452 ha), Bilasuvar (10257 ha), Barda (10140 ha) and Beylagan (9706 ha) districts.

Based on the figures announced by the State Statistics Committee and the Ministry of Agriculture, we present the average productivity indicators for the central cotton-growing regions in 2019 and 2018 in Graph 1.



Source: MOA Ministry of Agriculture

According to official statistics, in 2019, the highest productivity was recorded in Tartar (34.8 quintals), and the lowest in Agsu (9.9 quintals). The most substantial increase in productivity compared to 2018 was recorded in Salyan: 18.7 quintals. Leaders of low-yielding regions explained this with low soil fertility.

The rapid increase in productivity raises many questions, and the absence of any significant changes compared to 2018 in seed quality, agro-technical care for cotton, and adaptation of the composition and amount of fertilizers to the needs of the soil raises doubts about the declared productivity. Observations and monitoring of cotton fields in the 2019 season, one-on-one talks with farmers and joint discussions noted that there were no positive changes in the 2019 season compared to previous years.

As paradoxical as the official statistics is, observations, monitoring, and discussions with farmers have shown that in 2019, most farmers did not achieve high yields compared to last year. There were no quality changes in any of the factors encouraging an increase in productivity compared to 2018, agrotechnical rules were not fully followed in cotton cultivation, there was no change in the composition or amount of fertilizers and pesticides, and in 2019 weeds were more widespread in the fields. The photos were taken during monitoring in different cotton-growing regions.



Photo 1. Cotton farm in Fuzuli district



Photo 2. Cotton farm in Imishli district



Photo 3. Cotton farm in Salyan district

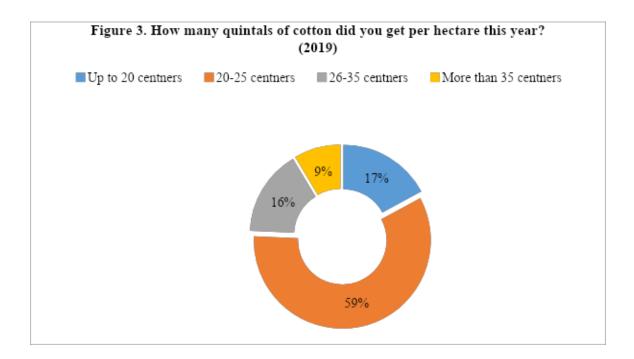


Photo 4. Cotton farm in Sabirabad district

During the focus group discussions with farmers in 7 cotton-growing districts, it was found that there was a severe shortage of experienced agronomists in all regions, and there were delays and deficiencies in the supply of irrigation water and machinery. At the same time, the weight of seeds sold to farmers in 2019, due to high fiber yield and low yield, indirectly reduced productivity. This is detailed in Section 5 of the monitoring report.

Farmers surveyed in 2019 gave the following answers to the question: "How many quintals of cotton did you get per hectare this year?"

- 1. Up to 20 centners 12 farmers (17.1%)
- 2. 20-25 centners– 41 farmers (58.6%)
- 3. 26-35 centners 11 farmers (15.7%)
- 4. More than 35 centners 6 farmers (8.6%)



As can be seen, the number of respondent farmers receiving 26 quintals or more was 17, which is 24.3% of the respondents. The majority of respondents (58%) harvested between 20 and 25 quintals per hectare.

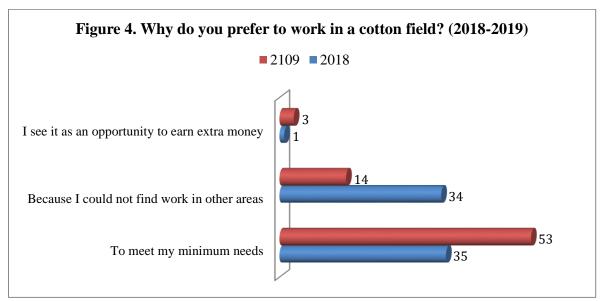
In our opinion, the main reason for the "high productivity" in 2019 year is that, in 2018, the district executive authorities failed to plant as much cotton as they promised, and lowered real productivity. As you know, the requirement was not to deliver a certain amount of cotton by the end of the season, but to plant on a certain number of hectares. The district executive authorities, unable to meet their cotton-growing obligations, applied cotton harvest from more of their relatively small area to the larger area, which automatically led to a decline in average productivity. It should be noted that in the 2018 season, there were farmers who harvested as much as 50-60 quintals per hectare.

Another important reason is that farmers are planting more cotton than stated in the contract. Although it is not widespread, in 2019, such cases were encountered in some cotton-growing regions. One of the highlights of the official statement on productivity growth is the reduction in cotton acreage compared to previous years. MOA claims that the area cotton is planted on has decreased by 32,000 hectares compared to 2018. In our country, cotton is grown by private sector farmers, who decide for themselves what to plant on their own or leased land. Farmers who want to plant cotton can plant after signing a contract with one of the distribution companies. We wonder how MOA reduced the area under these conditions? The ministry does not have any leverage to reduce the area.

3. Violation of labor law in cotton fields

The results of monitoring, surveys, and observations conducted in the cotton fields over the past two years show that the people working here are mainly in a difficult socio-economic situation. Although most of them belong to low-income social groups, they are excluded from state social protection and employment measures (targeted social assistance, self-employment, etc.).

To determine the social identity of those working in the cotton fields in the 2018 and 2019 seasons, they were asked: "Why do you prefer to work in the cotton field?" Fifty-three respondents (75.7%) answered this question "To meet my minimum needs." It should be noted that in 2018, 35 respondents (50%) chose this answer. This is an indication of the deterioration of the population's social situation in the regions in the last season compared to the previous season. In 2019, 14 respondents (20%), and in 2018, 34 (48.6%) said that they participated in the cotton harvest because they could not find work in other areas. Last season 3 (4.3%) and in 2018 1 cotton picker (1.4%) said they saw this work as an additional income source.



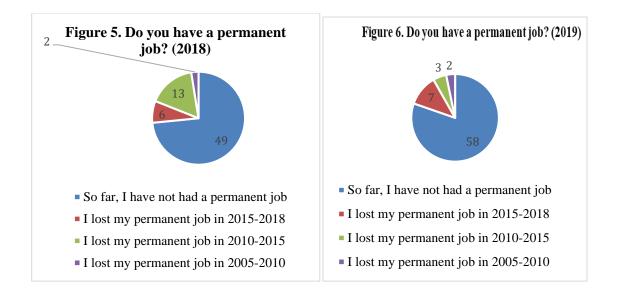
It should be noted that during the conversation with the cotton pickers in the fields, even though their income was below the need criterion, it was revealed that they were excluded from state social protection measures such as targeted social assistance.⁷

Respondents were also asked if they currently have permanent jobs. In 2018, only 2 (2.8%) of the volunteer cotton pickers surveyed said they had a permanent job. In 2019, all respondents (100%) said they did not have a permanent job. Only six respondents said they were temporarily involved in paid social work.⁸

⁷ <u>https://www.youtube.com/watch?v=VRkX2fu6euw&t=93s</u>

⁸ Citizens involved in public works are identified from the persons registered as job seekers or unemployed in the district (city) employment centers. In this case, preference is given to those from vulnerable groups (people with disabilities, IDPs, family members of martyrs, etc.). According to the Law on Employment, paid public works are organized to provide temporary employment for the unemployed, and these jobs are of a socially useful nature that does not require basic vocational training. Paid public works include the provision of social services, repair, landscaping, environmental rehabilitation of areas, including

One of the questions asked during the survey was, **"Do you have a permanent job?"** Interestingly, 58 people (82.9%) surveyed in 2019 and 49 people (70%) in 2018 said they had never worked anywhere. In 2019, 7 respondents (10.0%) in the period from 2015 to 2018, 3 people (4.3%) in 2005-2010, and 2 people (2.8%) in 2010-2015 resigned from his permanent job over the years. In 2018, 6 respondents (8.6%) left their permanent jobs in 1996-2005, 13 (18.6%) in 2005-2017, 2 respondents (2.8%) -he noted that he is currently working. As can be seen, the number of people who have never had a permanent job has increased in the last season, as well as those who have never had a permanent job.



In the 2019 season, 38 respondents (54.3%) participated in the cultivation of cotton, and 3 (4.3%) participated in irrigation. Twenty-nine respondents (41.4%) said that they only participated in the cotton harvest.

In 2018, 43 respondents (61.4%) participated in the cultivation of cotton, 3 (4.3%) in irrigation, and 24 (34.3%) only in the harvesting process.

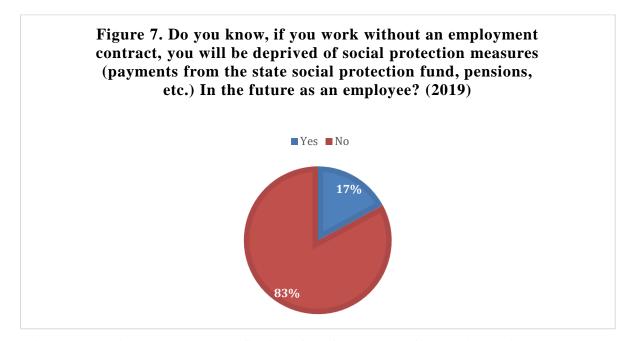
Landscaping, maintenance of parks, public places, etc. Such employees are usually paid for two months. To organize such work in 2019, the state has allocated 80 million manats to pay the salaries of 30,000 people. In 2019, contracts were signed with 16,000 people under the "Friend of the Unemployed" program. Each of them was paid 203 manats.

3.1. Lack of formalization of labor contracts

Violation of labor and social rights of workers in the cotton sector is based on the failure to conclude employment contracts with them. Because as a result of the absence of an employment contract, employees work in conditions that do not ensure their life and health, receive a salary not lower than the minimum amount established by law and work during certain working hours, cannot take advantage of weekends, paid basic leave and, where appropriate, additional social, unpaid, education they are deprived of fundamental labor rights, such as the right to take leave, to demand compensation for damage to health while performing work, to enjoy social protection benefits and privileges, the right to social insurance, and to receive state unemployment benefits.

In general, the employment of workers without a labor contract is typical for the entire agricultural sector. In a survey of 70 respondents, including ten cotton pickers in each of the seven cotton-growing districts, all of them said that no employment contract had been signed. At the same time, 70 farmers surveyed said they did not have a labor or service contract with cotton pickers. Surveys of both cotton pickers and farmers confirmed that labor relations between them had not been formalized in any way. All cotton pickers surveyed confirmed that no internal orders had been issued for their employment.

The survey showed that only 12 respondents (17.1%) were informed that they would be deprived of social security benefits if they worked without an employment contract. Another 58 cotton pickers (82.9%) did not have any information that they were deprived of these guarantees when working without a contract. Note that the results of a survey conducted in the 2018 season were similar, only 13 cotton pickers (18.6%) said they knew they would be deprived of pensions and other social protection measures in the future.



It is also interesting to know the justification of the fact that why farmers do not sign labor contracts with cotton pickers. The situation in this area that was noted in 2018 has not changed. As for farmers' reasons for not concluding contracts with workers, unlike last season, the number of those who said, "If I sign a contract, my expenses will increase due to salaries and social security contributions" and "Agriculture

is tax-exempt," decreased. "I do not see the need to conclude a contract because it is tax free" and " the state bodies supervising this case (State Labor Inspection Service under the Ministry of Labor and Social Protection) do not require a contract " increased- as firstly from 57.1% to 65.7% - and for the second increased from 20% to 25.7%.

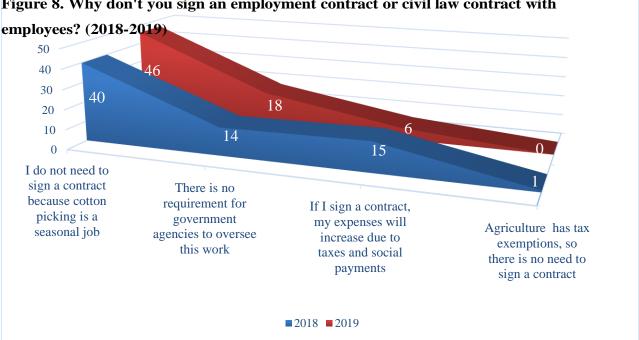


Figure 8. Why don't you sign an employment contract or civil law contract with

However, labor relations in agricultural producers, including cotton, are regulated by the Labor Code of the Republic of Azerbaijan.⁹ This includes both individuals and legal entities registered with the tax authority and acting as taxpayers and family farms registered in the municipality. The Labor Code states explicitly that the salaries of employees working under contract in agricultural enterprises shall be determined by agreement of the parties, not less than the norms provided for in the Labor Code.

In agricultural producers registered as taxpayers, employment contracts must be fixed for a fixed period, as work is usually seasonal. In this case, reference may be made to Article 47 (b) of the Labor Code.¹⁰ According to this paragraph, it is allowed to conclude a fixed-term employment contract during the performance of seasonal work that cannot be done throughout the year due to natural and climatic conditions or the nature of the work. Employees to whom an employment contract is concluded shall enjoy all the benefits and rights provided for in the Labor Code. Paragraph 3 (a) of Article 114 of the Labor Code stipulates that employees engaged in the production of agricultural products shall be granted paid basic leave for 30 calendar days. However, paragraph 5 of the same article states that "employees working in seasonal jobs shall, as a rule, be granted at least two calendar days per working month at the end of the season." This is because not all workers in agriculture may work in seasonal jobs. It would be better to give such employees paid leave for 30 days. However, if this is not the case, it is acceptable to take paid leave for at least two calendar days per working month at the end of the season. In addition to paid leave,

⁹ <u>http://www.e-qanun.az/code/7</u>

¹⁰ ibid

agricultural workers may enjoy other leave provided for in the Labor Code (maternity leave, study leave, etc.).

As we have mentioned, one of the forms of registration of agricultural producers is family farms registered in the municipality. Labor relations in such farms are regulated by Article 258 of the Labor Code. According to the article, labor relations in family farms are regulated by the application of the rules and norms of labor relations established by the Labor Code or by their discretion. However, the labor relations of the members of these farms should not be determined in violation of existing legislation. Part 3 of the article stipulates that labor relations in family farms are usually regulated by concluding a written employment contract following the procedure established by the Labor Code. However, in such farms, the employment contract may be concluded orally. In this case, the employment relationship may be formalized at the request of one of the parties. Registration of an employment contract may be carried out by order of the head of the family farm or by the record in a duly compiled family book.

Another critical issue related to labor relations in agricultural producers is that an individual or legal entity registered with the tax authority is considered to be a labor book for taxpayers. By Article 87 of the Labor Code, the employee's employment record shall contain notes on his / her length of service - day, month, year, occupation (position), grounds for dismissal, day, month, and year. However, the document confirms that the family farm's labor activity and length of service are considered a certificate issued by the municipalities.

3.2. For not insuring regard to compulsory insurance of cotton pickers against loss of ability to work as a result of accidents at work and occupational diseases

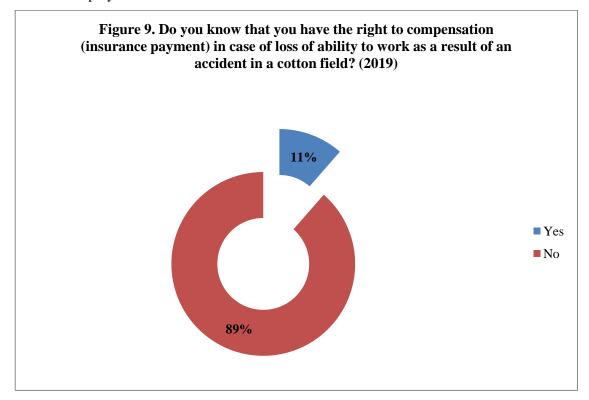
Although required by law, farmers do not have to ensure their cotton harvests with the relevant insurance company. This makes it impossible to pay insurance premiums to workers in the event of accidents (poisoning, sunstroke, snakebite, etc.) in cotton fields that do not comply with occupational safety and health standards. Besides, cotton fields have "favorable" conditions for the emergence of occupational diseases.

As in the 2018 season, cotton pickers and farmers surveyed in 2019 confirmed that field workers were not compulsorily insured against loss of ability to work as a result of industrial accidents and occupational diseases.

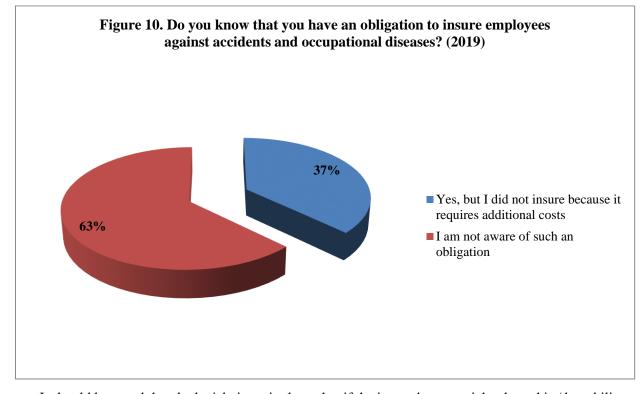
During the survey, the level of awareness of both farmers and cotton pickers on the payment of compensation (insurance) to the employee in case of loss of ability to work as a result of an accident in a cotton field was studied.

In the 2019 season, eight cotton pickers surveyed (11.4%) said they were aware of the right to receive compensation (insurance payment) in the event of loss of ability to work as a result of an accident in a cotton field. Another 62 cotton pickers (88.6%) said they were unaware of their right to compensation due to an accident in the field.

It should be noted that 55 respondents (78.6%) who collected cotton in the 2018 season were unaware of their right to receive compensation due to an accident in the field. Although the respondents' composition changed over the years, it turned out that their level of awareness of the issue did not differ significantly, and almost all employees did not know about it.



Interestingly, 37.1% or 26 of the farmers surveyed said they were aware of compulsory insurance for field workers, but did not insure workers because of the cost. 62.9% or 44 farmers said they did not know that they had obligations to insure their employees. It should be noted that in 2018, half of the respondents said they were unaware of such an obligation.



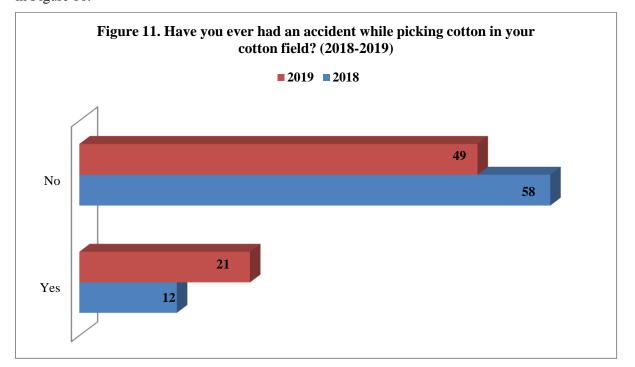
It should be noted that the legislation stipulates that if the insured cotton picker loses his / her ability to work and dies, he/she and his / her relatives must be paid a monthly insurance payment, a lump sum payment, and an additional insurance payment by the employer.

The amount of monthly insurance indemnity shall be determined as a percentage of the average monthly salary of the insured injured before the date of loss of professional capacity as a result of the insured event. However, as is well known, in the agricultural sector, including cotton, employers do not sign employment contracts with workers, so they are paid informally. The legislation also takes this into account. It is envisaged that in such cases, the amount of the average monthly salary in the sector will be used based on a select calculation.

Of course, the insurance company also receives an individual insurance premium from the employer in exchange for ensuring employees, which, as a result, determines the limit of the insurer's liability under the compulsory insurance contract. Indicators such as the age of the insured and the insured's annual salary fund, calculated under the legislation, play a crucial role in determining the sum insured.

To determine the rates of compulsory insurance against loss of ability to work due to accidents at work and occupational diseases, the Cabinet of Ministers approved 14 risk levels for economic activities, and cotton was included in the 3rd risk group.

During the survey, farmers were also asked whether there was an accident in their fields. The answers given by the farmers in 2018 and 2019 to the question of the farmers involved in the survey "Accidents"



(snakebite, poisoning, sunstroke, etc.) happened to the cotton pickers in your cotton field?" are given in Figure 10.

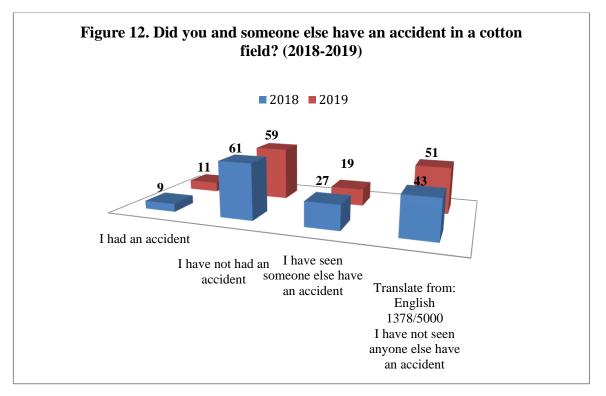
As can be seen from the diagram, the number of accidents has almost doubled in the last year. If in 2018 there were accidents such as snake bites, sunstroke, and poisoning, in 2019, there were no snake bites. It should be noted that last season and the latest season, no insurance payments were made to employees connected to the accident.

The cotton pickers were asked if they had seen an accident in the field or if others had seen it happen.

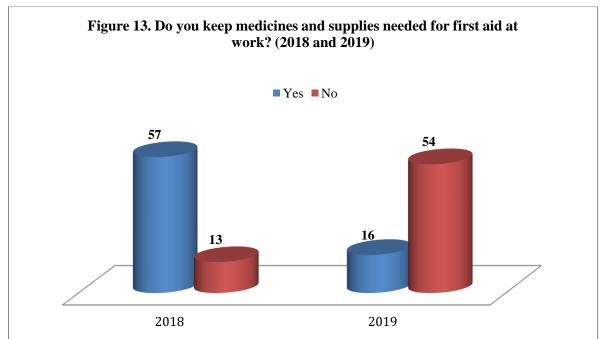
In 2019, 59 people (84.3%) and in 2018, 61 (87.1%) did not have an accident in the cotton field. In 2019, because of 9 out of 11 people (15.7%) sunburn, two poisonings, and in 2018, 6 out of 9 people (12.9%) poisoning, one sunburn, one snakebite, workers suffered from injuries.

In 2019, 51 cotton pickers surveyed (72.9%) said that no one had an accident in a cotton field; 14 out of 19 people (27.1%) witnessed sunstroke, and five people were poisoned.

In 2018, 61.4% of cotton pickers surveyed (43 people) said that no one had an accident in a cotton field. Another 27 people (38.6%) reported 10 cases of sunstroke, 4 cases of snakebite, 1 case of convulsions, and 12 cases of poisoning. It should be noted that 2 out of 12 people who witnessed mass poisoning. The two respondents said they had seen about 100 cotton pickers poisoned.

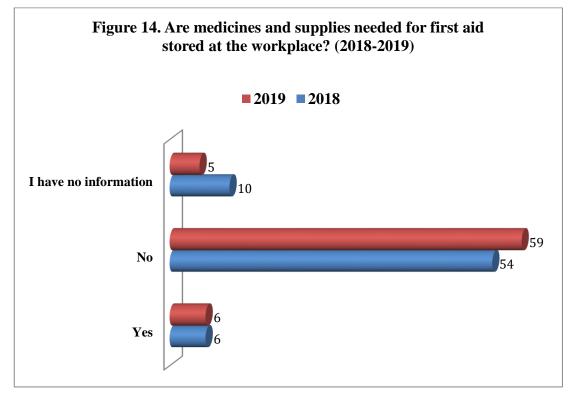


It is essential to have appropriate medical equipment to provide first aid to employees on the spot in the event of an accident. In 2019, 22.8% of respondents (16 people) answered "Yes," and 54 farmers (77.2%) answered "No" to the question "**Do you keep medicines and equipment for first aid at work**?". It seems that the situation in this area has worsened compared to last year. In 2018, 18.6% of farmers surveyed (13 people) said they did not have the necessary medicines and medical care supplies in the workplace. Fifty-seven farmers (81.4%) reported storing such drugs and equipment in their workplaces.



There are objective reasons for this. In June 2018, mass poisoning was registered in cotton fields in Saatli (24 workers), Tartar (14 workers), Imishli (more than 140 workers), and Yevlakh (25 workers). In general, in 2018, the number of people who applied to medical institutions for poisoning in cotton fields

across the country was about 500 people. Fearful of this, executive bodies and municipalities instructed farmers to keep first aid kits in the fields. In 2019, the number of farmers keeping medicines in the fields decreased sharply due to the absence of cases of mass poisoning and weakened control by government agencies. The same question was asked to cotton pickers. They were asked if farmers kept medicines and supplies needed for first aid at their workplaces. Six cotton respondents (8.6%) said that medicines and supplies needed for first aid were stored in the workplace, and 5 (7.1%) did not know whether such drugs were in the field. Another 59 cotton pickers (84.3%) said they did not have such equipment.



3.3. Problems in the organization of labor protection and occupational safety

According to Labor Code of Azerbaijan,¹¹ There are many provisions related to the organization of labor protection and occupational safety in the workplace, which also apply to agriculture, including cotton. Although government agencies monitor compliance with occupational safety and health regulations, as well as the requirements of occupational safety and health regulations, employers have a greater responsibility to ensure healthy and safe occupational safety and health.

According to the Labor Code, the employer or the owner of the enterprise must annually allocate the necessary funds and materials for the implementation of labor protection measures, depending on the working conditions and occupational safety situation, the level of injuries and illnesses. It is forbidden to use these funds for other purposes.

Under the Labor Code of the Republic of Azerbaijan (Article 215. Duties of employers and employers in the field of labor protection), farmers must provide workers with special clothing and protective equipment to protect them from accidents and harmful effects. However, unfortunately, surveys conducted among farmers and cotton pickers in 2018 and 2019 and regular monitoring of the fields did not show that workers were provided with special clothing and protective equipment.

One of the most apparent examples of non-compliance with labor safety in the cotton fields is the transportation of workers. The monitoring revealed that the transportation of cotton pickers to and from the fields is carried out by machines, sometimes even tractors, which do not meet any standards in terms of human safety. In most cases, these were either trucks or old buses with dismantled seats to transport more people. The submitted photos were recorded in different cotton-growing regions during the 2019 cotton harvest season.



Photo 5. Truck carrying workers to the field, Imishli district

¹¹ <u>http://www.e-qanun.az/code/7</u>



Photo 6. A bus carrying workers to the field with dismantled seats, Beylagan district



Photo 7. Seatless bus carrying workers to the field, Aciduz



Photo 8. Seatless bus parked on the edge of the field, Imishli district

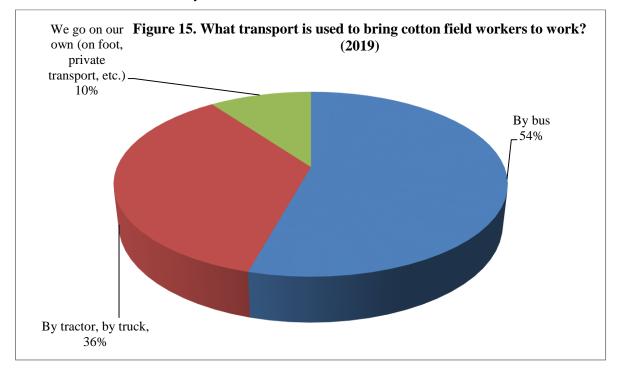


Photo 9. Trucks gather workers to take them to the field, Sabirabad district

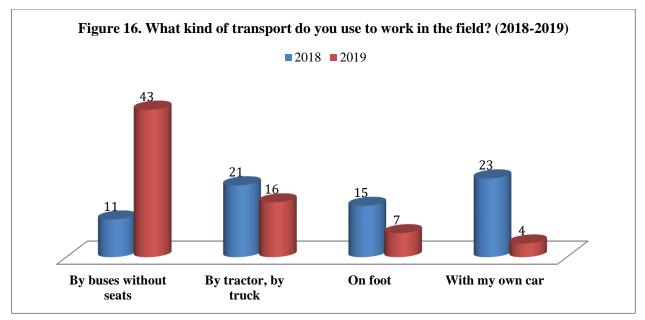


Photo 10. Cotton pickers returning from the field, Beylagan region

During the survey of farmers, 38 people (54.3%) said that those who work in the cotton fields are brought to work by bus. Twenty-five farmers (35.7%) said they transported workers by tractor, while seven other farmers (10.0%) said they came to the field themselves (on foot, by private transport, etc.). There have been no significant changes in this regard compared to 2018. The monitoring revealed that the so-called unofficial "brigadiers" decide on the means of transporting workers to the fields and that they receive a certain fee from the farmer in return for this service. Because of their low cost, brigadiers usually use vehicles that do not meet safety standards.

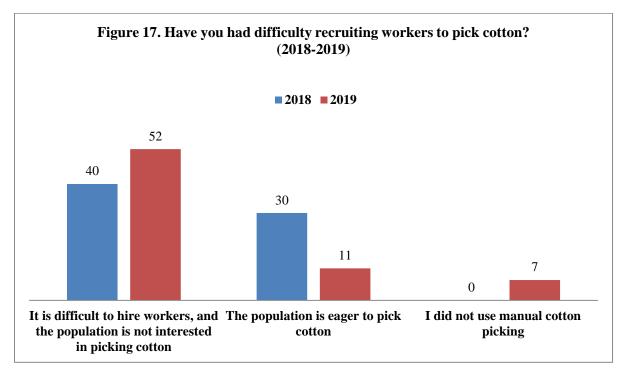


The same question was asked to the cotton pickers, and they were asked what kind of transport they use to get to and from the field. In 2018, the majority of respondents - 23 people (32.9%) - drove their own cars, and in 2019, the vast majority of respondents - 43 people (61.4%), went to the field by buses, none of which had the conditions to work, the seats were removed.



The change in transportation conditions in 2019 compared to 2018 is due to the characteristics of the last season. Thus, in the 2019 season, there were severe difficulties in recruiting staff. This is confirmed by our monitoring results in the fields, one-on-one conversations with farmers, and focus group discussions. The reason for the predominance of unsanitary bus transportation in 2019 and the sharp decline in the number of private car arrivals is that it is no longer possible to recruit workers from nearby cotton fields (usually those from nearby settlements use their own cars), sometimes even from neighboring areas. Another reason for the shortage of workers in 2019 is that, unlike in 2018, employees of budget organizations are not involved in the forced harvesting and cultivation of cotton.

Farmers also acknowledged the shortage during the survey. To the question "**is it not difficult for you to gather workers to pick cotton?**", 74.3% of farmers (52 people) in 2019 said that it is challenging to gather workers, so the population is not interested in picking cotton. 15.7% of respondents (11 farmers) said that the people came to pick cotton willingly, and 10.0% (7 people) did not use manual harvesting. It should be noted that against 42.3% (30 people) of farmers surveyed in 2018, 15.7% (11 farmers) in 2019 said there was no difficulty in this area. The farmers also acknowledged the existing problem.



Interestingly, the government treats cotton as a solution to the problem of employment in rural areas and the export-oriented non-oil sector. President of the Republic of Azerbaijan Ilham Aliyev said in his speech at the cotton conference on the results of 2019: "... The Azerbaijani government views cotton growing as a leading sector of the export-oriented non-oil sector and as a means of employment. At present, cotton is grown in 20 regions of Azerbaijan, and about 200,000 people have been employed in these regions. That is, there are several areas of cotton growing, and thousands, tens of thousands of new jobs have been created in each area. Imagine what it means to create about 200,000 jobs in 20 districts. Now the population of our regions is about 100-150 thousand, a maximum of 200 thousand people. In

almost every district, an average of 10,000 people is engaged only in cotton growing. Of course, unemployment problems are successfully solved in these regions. "¹²

The main reasons for not being able to collect the required amount of cotton in the 2019 season are gross violations of the labor rights of these workers, failure to conclude employment contracts with them, non-compulsory insurance against accidents and occupational diseases, none of the rights of workers guaranteed by the Labor Code is unrecognized.

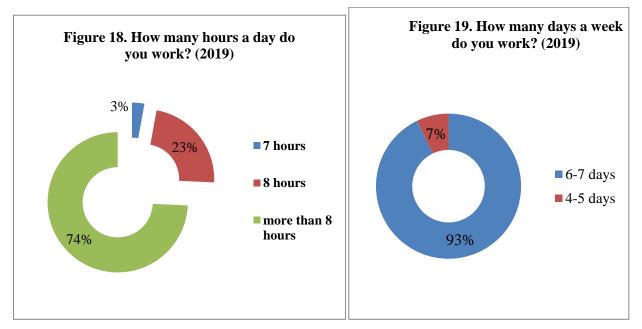
Due to these problems, the population had not shown interest in the cotton harvest since 2016, when the state provided support for the development of cotton. Even offering a higher amount per kg of harvested cotton compared to 2018 did not solve the worker problem in 2019. This problem has always existed, but in recent seasons, the forced labor of employees of budget organizations - the collection of cotton - has resulted in a sharp shortage of workers.

¹² <u>https://president.az/articles/35252</u>. Meeting with Ilham Aliyev on December 19, 2019 on the results of the cotton season and measures to be taken in 2020.

3.4. Violations of other working conditions of employees (daily and weekly working hours, overtime, work on weekends and holidays, breaks for rest and lunch, proper assessment and payment of labor, etc.)

According to the Labor Code of the Republic of Azerbaijan, the duration of average weekly working hours corresponding to regular daily working hours may not exceed 40 hours. In a six-day working week, the daily working time may not exceed 7 hours when the weekly norm is 40 hours, the daily working time may not exceed 6 hours when the weekly norm is 36 hours, and the regular working time may not exceed 4 hours when the weekly norm is 24 hours.¹³

In 2019, 70 cotton pickers surveyed in 7 cotton-growing districts were asked, "How many hours a day do you work?" Two cotton pickers (2.9%) reported working 7 hours a day. Of the other cotton pickers, 16 (22.9%) worked 8 hours, and 52 (74.2%) worked more than 8 hours. To the question "How many days a week do you work?", 92.9% of cotton pickers (65 people) said that they harvest cotton 6-7 days a week. The other five respondents (7.1%) said they worked 4-5 days a week. Both responses suggest that almost all employees work overtime on a daily and weekly basis. Even if an employee who works 7 hours a day works six days a week, it is a violation of the weekly norm provided by law.



It should be noted that daily and weekly working hours do not differ much from the previous year. In 2018, 2 cotton pickers (2.9%) surveyed said they worked 6 hours a day. Of the other cotton pickers, 14 (20%) reported working 7 hours, 30 (42.9%) worked 8 hours, and 24 (34.2%) worked more than 8 hours.

As for compliance with the weekly work norm, 84.3% (59 people) of cotton pickers in 2018 said they harvested cotton 6-7 days a week. Another 11 respondents (15.7%) reported working 4-5 days a week.

The Labor Code of the Republic of Azerbaijan stipulates that every employee must be provided with consecutive weekends. The number of days off per week should be two days in a five-day working

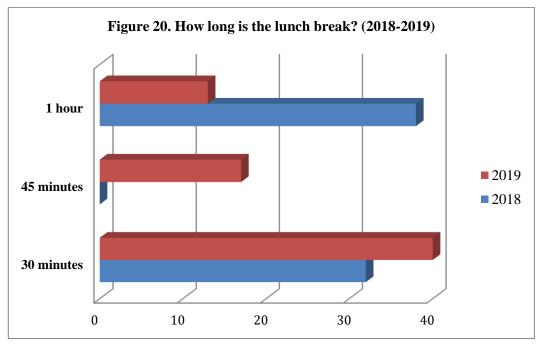
¹³ Labor Code of Azerbaijan, 89 and 90th articles.

week and one day in a six-day working week.¹⁴The results of two years confirm that employees are not given days off, and labor legislation requirements are violated.

According to the Labor Code, employees must be given a break to rest and eat during the working day (shift). The time and duration of the break shall be determined by the internal disciplinary rules, shift schedules or employment contract, collective agreement. Unfortunately, this issue is not regulated by law, as farmers do not have labor contracts or collective agreements with workers.

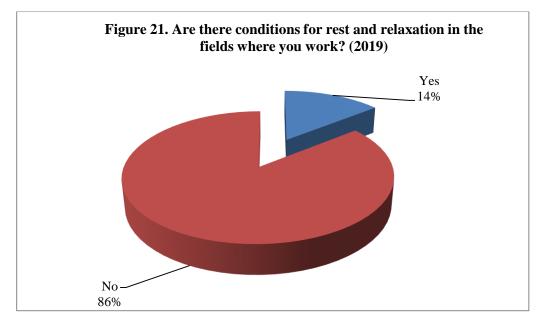
The employee must have at least 12 hours of daily rest between one working day and the next. In the regular working hours, the rest time of employees is regulated by the relevant shift schedules. By law, the duration of rest and lunch breaks is not included in working hours.

To the question "How long is the lunch break?", Forty people (57.1%) said that the lunch break is half an hour. Seventeen people (24.3%) said they went to lunch for 45 minutes, and 13 people (18.6%) for an hour. The results of the lunch break for 2018 and 2019 can be seen in Figure 19.



The employer must create conditions for employees to have lunch and rest. In 2019, cotton pickers who took part in the survey answered the question, "are there conditions to take a break in the fields where you work?" as follows: 60 respondents (85.7%) said that there were no conditions to rest in the fields where they work. Of the other ten cotton pickers (14.3%), seven were provided with an attic and 3 with a shed. It should be noted that no significant changes have been registered compared to last year's results. In 2018, 63 out of 70 cotton pickers said there were no such conditions.

¹⁴ Article 104. Rest days



Monitoring also showed that very few fields have special conditions for workers to take lunch breaks and rest. The cotton pickers eat either in the shade of the car they brought to the field, or at the edge of the field, or in the middle of the field, near the cotton bushes.

Pictures of the unfavorable conditions for lunch and rest were taken during the monitoring in different cotton fields located in 7 cotton-growing districts.



Photo 11. A place set aside for dinner in a cotton field in Hajigabul district.



Photo 12. Resting place in a cotton field in Sabirabad district



Photo 13. Lunch break in a cotton field in Saatli district



Photo 14. Lunch break in a cotton field in Fizuli district



Photo 15. Lunch break in a cotton field in Salyan district

The Labor Code provides for breaks and suspension of work in cold and hot weather. According to the Code, in open-air workplaces, workers must take breaks and stop work in temperatures of at least 41 degrees Celsius.¹⁵

With this in mind, the survey also looked at whether employees went to work in temperatures of 41 degrees Celsius and higher and rainy weather. In 2019, 43 respondents (61.4%) said that they work during periods when the weather is not suitable for work. Another 18 cotton pickers (25.7%) said they took

¹⁵ Article 233. breaks and suspension of work in cold and hot weather

extra breaks when the weather was terrible. Nine respondents (12.9%) said that they did not go to work in unfavorable weather conditions.

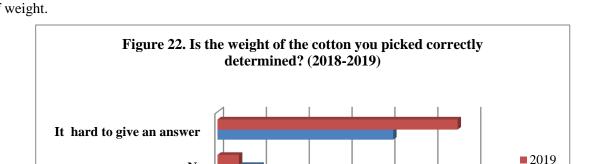
In 2018, only 28.6% of respondents (20 people) reported working during periods when the weather was not conducive. Others said they did not go to work in unfavorable weather conditions (28.6%) and took additional breaks when weather conditions were not favorable (42.8%).

It should be noted that the number of people working in unfavorable weather increased in 2019 due to the hot weather last season, and farmers were forced to work seven days a week, ignoring the weather conditions to prevent cotton from remaining in the fields. Another factor influencing this issue is the suspension of cotton imports by supply companies after mid-November 2019. However, in January 2018, even in January, the cotton harvest continued.

Correct calculation of the weight of cotton is one of the main problems in cotton growing. It does not depend only on the farmer. Excessive waste and moisture content by cotton supply companies also lead to an underestimation of cotton pickers. The cotton pickers participating in the survey were also asked the question, "Is the weight of the cotton you collect correctly determined?"

In 2019, 9 respondents (12.9%) said that the product's weight was correctly determined. Five respondents (7.1%) said that the weight of the cotton they collected was not calculated accurately. Fifty-six respondents (80.0%) said that they had difficulty answering the question about the correct determination of the weight of cotton. In other words, they noted that the accurate calculation of the weight depends on the fairness of the farmer and the cotton receiving point.

It should be noted that in 2018, 19 people (27.1%) said that the weight of the product was determined correctly, ten people (14.3%) said that the weight was not calculated accurately, and 41 people (58.6%) had difficulty answering the question.



No

Yes

A

Apparently, there has been a decrease in the number of people who believe in the correct calculation of weight.

In 2019, 36 farmers surveyed (52.0%) said that they paid 15 cents per kg of hand-picked cotton, 15 (21%) 16-18 cents, and 19 farmers (27%) 20 cents. In 2018, 42 farmers (60%) surveyed said they paid 15 cents, and 28 farmers (40%) said they paid between 10 and 14 cents. If we compare with last season, we can see that there is a significant increase in the amount of payments made to manual cotton pickers. The reason for this was revealed in one-on-one conversations with farmers and focus group discussions. In

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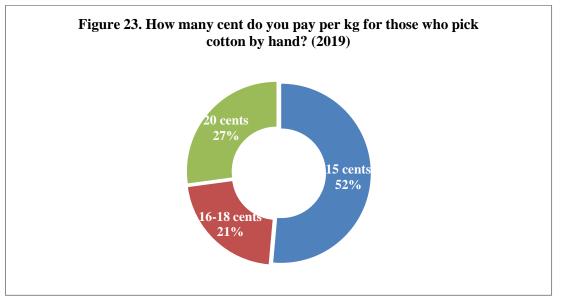
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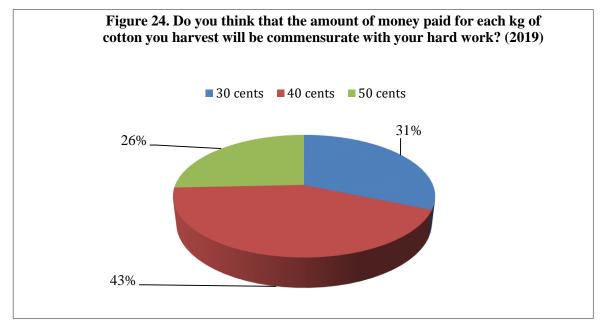
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2018

2019, the population's interest in growing (fighting weeds) and harvesting cotton was very low. Farmers saw the solution of the problem of labor shortages by increasing the payment per kilogram of cotton.



During the survey, cotton pickers were asked how much they were paid for each kilogram of cotton. Thirty cotton pickers (42.9%) said they would be paid fairly if they received 40 cents per kg of cotton. Another 22 people (31.4%) received 30 cents and 18 (25.7%).) Stressed that if there is a payment of 50 kopecks, their labor will be paid. In 2018, half of the cotton pickers (50%) said it would be fair if they received 30 cents per kilogram of cotton harvested. Last season, some considered the payment of 20 cents (25.7%) and 25 cents (24.3%) to be sufficient. The expectations of employees about the evaluation of their work have increased.

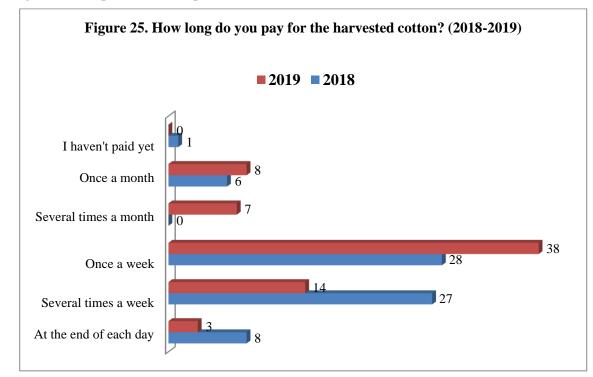


There were also problems with the payment of salaries in the 2019 season. Since cotton farms do not have employment contracts with workers, they do not make any written commitments regarding the calculation and payment of wages. All issues related to fees are verbally agreed between farmers and cotton pickers. Farmers undertake to pay a certain amount per kg of harvested cotton, either on the day of receiving the cotton, or one day later, or at the end of the week.

If, in 2018, 11.4% of farmers surveyed paid for cotton at the end of the harvest day, in 2019, this figure dropped to 4.3%. Last season, 38.6% of respondents paid several times a week, but this season their share fell to 20.0%.

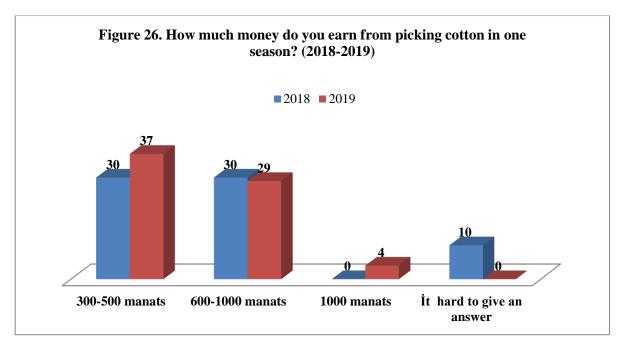
Instead, the once-weekly payment rate rose from 40% in 2018 to 54.3% in 2019, and the monthly payment rate rose from 8.6% to 11.4%, respectively. According to the answers, several payments per month were not registered in 2018, but in 2019 it was 10% of respondents.

In one-on-one conversations and focus group discussions, farmers explained the delays in payments to cotton pickers by the failure of suppliers to make advance payments under the contract. It should be noted that payment problems were more pronounced in Hajigabul and Saatli.



In Figure 25, it is possible to compare the difference between last season and latest season.

To the question **"How much income did you get from each hectare of cotton harvest in the last season?"**, Thirty-seven people (52.9%) were surveyed in 2019 in the range of 300-500 manats, 29 (41.4%) in the range of 600-1000 manats, 4 Another person (5.7%) said he earned more than 1,000 manats. It should be noted that in 2018, no one made more than 1,000 manats, 30 people (42.9%) said they received the money in the range of 600-1000 manat, and 30 people said in the range of 300-500 manat. One hundred cotton pickers (14.2%) said they had difficulty answering this question.



Farmers surveyed in 2019 said they did not encounter **forced labor of budget employees** in the cotton harvest, which is commendable in recent seasons.

Even though the forced labor is forbidden by law,¹⁶ In 2018 and earlier, forced labor was used in the cultivation and harvesting of cotton. In 2018, 38.6% of respondents (27 people) said that people working in budget organizations were forced to work in their fields several times, and 12.9% of farmers (9 people) said that it happened regularly.

¹⁶ Labor Code. Article 17. Prohibition of forced labor

3.5. Discrimination against employees

Another case of violation of labor rights is the existence of cases of discrimination against employees. Azerbaijan has adopted 57 ILO conventions, one of which is the Convention on Discrimination in Labor and Employment.¹⁷ By ratifying this Convention, Azerbaijan has made the following commitments:

- Assist in ensuring the cooperation of employers, employees and other relevant bodies to eliminate discrimination;

- Adopt such laws and encourage the implementation of such programs to prevent discrimination;

- Repeal legislation, administrative guidelines, and practices that impede policies that serve to eliminate discrimination;

- Exercise state control over the implementation of this policy;

- The annual reports on the implementation of the Convention should reflect the results of the measures taken in this area.

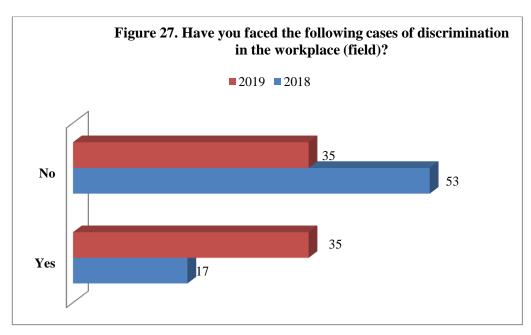
According to the Labor Code of the Republic of Azerbaijan, the primary duty and responsibility of the employer are to create the same working conditions for employees engaged in the same work, regardless of gender, not to apply different disciplinary measures to employees for the same violation, to take the measures required to prevent discrimination and sexual harassment was attributed.¹⁸At the same time, following the Code, It is strictly forbidden to discriminate between employees for citizenship, sex, race, religion, nationality, language, place of residence, property status, social origin, age, marital status, beliefs, political views, being a member of trade unions or other public associations and not based on their position, as well as not based on their professional qualities, professional competence, and other factors and not related to the results of their work, to determine benefits or privileges directly or indirectly on these factors. An employer or other natural person who discriminates between employees in the course of labor relations following the legislation shall be liable under the legislation.¹⁹

In a survey conducted among 70 cotton pickers in 7 districts in 2019, 35 people (50.0%) said they **had experienced discrimination in the workplace.** Note that in 2018, this figure was 24.3% (17 people).

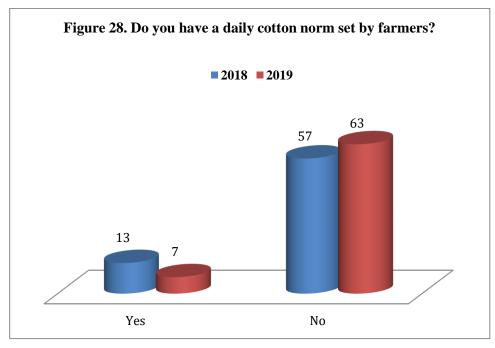
¹⁷ adopted in the conference of ILO in 25 june 1958

¹⁸ Ibid. Article 12. The main duties of employer

¹⁹ Labor Code. Article 16. Inadmissibility of discrimination in labor relations



Seventeen of those discriminated against said they were involved in the second face cotton harvest, while others picked the first face cotton in the combine and unharvested areas. Another eight discriminated cotton pickers said they received less money per kilogram than others, and ten were forced to work on weekends. One of the cases of discrimination in the field is the daily norm for employees. The answers of farmers surveyed in 2019 to the question "Do you set a daily norm for field workers" did not differ significantly from the previous year. If in 2018, the respondents noted that 12 farmers (17.1%) set a norm for employees; in 2019, this figure was equal to 8 (11.4%). In 2018, 58 farmers (82.9%) and in 2019, 62 farmers (88.6%) said there was no such norm. Of the 70 cotton pickers surveyed, 7 (10.0%) in 2019 and 13 (18.6%) in 2018 confirmed that farmers set a daily norm.



4. Child labor exploitation

The Republic of Azerbaijan has ratified the UN Convention on the Rights of the Child²⁰, the Universal Declaration²¹ on the Life, Protection, and Development of Children and formed a national legal framework based on the progressive international norms arising from these documents. In turn, the Azerbaijani parliament has ratified the ILO Conventions on the Minimum Age for Recruitment and the Prohibition of the Worst Forms of Child Labor and Urgent Measures to Eliminate Them.²²

The principles of these Conventions are also reflected in national legislation. Involvement of children in activities that may endanger their life and health, their morals are prohibited by the law of Azerbaijan. According to the Labor Code, the minimum age for employment of children is 15 years. The Code stipulates working conditions, time, and duration of work and leaves for employees under 18 in connection with the use of labor. In terms of additional guarantees, discounts are also reflected.

In the field of protection of children's rights, the Law of the Republic of Azerbaijan "On Children's Rights"²³ and the Regulation "State control over the implementation of children's rights"²⁴ were approved.

Under the Constitution of the Republic of Azerbaijan, the Declaration of the Rights of the Child, the Convention on the Rights of the Child and other international law, the law defines the rights and freedoms of children in the Republic of Azerbaijan, basic principles of state policy on children, duties of state bodies and other legal entities.

The regulation states that the purpose of state control is to protect the rights and interests of children established by the Constitution and laws of the Republic of Azerbaijan, to create a favorable environment for ensuring children's rights, to eliminate violations of children's rights and to prevent them.

The State Committee for Family, Women and Children Affairs, the Ministry of Internal Affairs, the Ministry of Education, the Ministry of Health, the Ministry of Labor and Social Protection of the Republic of Azerbaijan, The Ministry of Youth and Sports of the Republic of Azerbaijan, commissions for the affairs and protection of the rights of minors, and guardianship and trusteeship bodies of local executive authorities control and surveillance the situation regarding child labor.

It should be noted that in 2019, Azerbaijan encountered the facts of mass exploitation of child labor in the cotton fields of Azerbaijan. During the monitoring of 7 cotton-growing districts during the cotton harvest season alone, about 30 such facts were recorded and documented through photos and videos.

²⁰<u>https://migration.gov.az/content/pdf/5acb09f3100d0_U%C5%9Faq%20h%C3%BCquqlar%C4%B1%20haqq%C4%B1nda%20</u> Konvensiya.pdf

²¹ <u>http://www.e-ganun.az/framework/8277</u>

²² <u>http://sosial.gov.az/post/2387</u>

²³ Law of the Republic of Azerbaijan No. 499-IQ of May 19, 1998

²⁴ Approved by the Decree of the President of the Republic of Azerbaijan No. 626 dated May 8, 2012

The video-based on these photos and videos was posted on the "Azerbaijani cotton" Youtube page in two languages - Azerbaijani and English..²⁵

The monitoring revealed that bringing children to the cotton fields is the initiative of parents, not farmers. During the conversation with the parents, they stressed that they took this step out of necessity and could not survive.

When examining the social identities of parents of children picking cotton in the field, it was found that all of them are low-income families. The income of one family member is below the Needs Criteria (190 manat) set for the poverty line in Azerbaijan. The investigation revealed that none of these families were covered by state social protection measures.

Some of them said that they applied to the Targeted State Assistance Program, but could not benefit from this support and that the assistance required additional money-fee. The monitoring also revealed that the children of such families are out of school and do not have access to quality health care. Some parents complained about the lack of teachers in their area and the low quality of education. During the monitoring, the fact that children were brought to the fields by their parents at the age of 3-4 was recorded. This is due to the lack of appropriate infrastructure in the regions, such as orphanages and kindergartens.

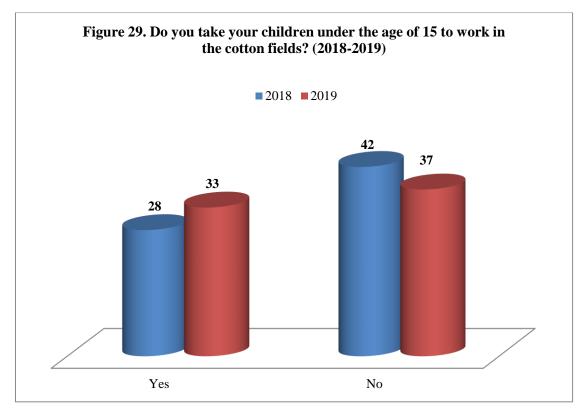


Photo 16. Photo-facts reflecting the exploitation of child labor in cotton fields

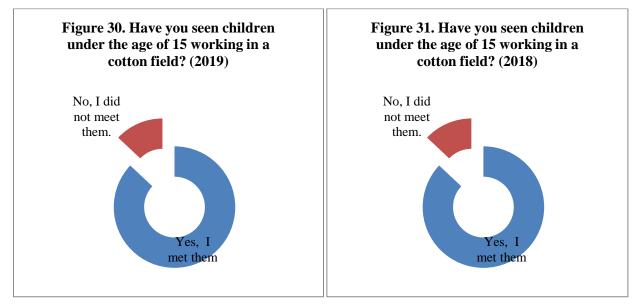
During a survey of 70 cotton pickers in 7 cotton-growing districts, respondents were asked whether they took their children to the cotton harvest. Of the workers surveyed in 2019, 33 (47.1%) said they took their children under the age of 15 to work in the field, while 37 (52.9%) did not.

Note that in 2018, 28 respondents (40%) reported that they took their children under the age of 15 to work in the field, and 42 (60%) did not use child labor.

²⁵ <u>https://www.youtube.com/channel/UCekt9ItCagORtsC9pbH6ATQ/videos</u>

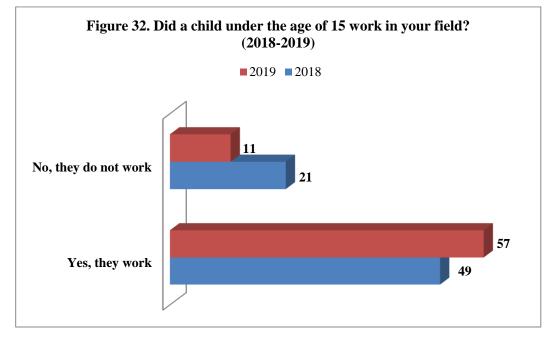


In addition to those working in the field, the survey also asked whether cotton pickers brought children to the field and whether they witnessed such a situation. At the same time, these indicators are closer to reality. Although some cotton pickers took their children to the fields, because of fear of pressure from local authorities, they were reluctant to admit the fact but admitted that they had observed child labor in the fields because they were not directly involved. Fifty-eight respondents (82.9%) said that they saw children under the age of 15 picking cotton in the field, and 12 (17.1%) did not see young children working.



In 2018, 61 respondents (87.1%) answered "Yes" to this question, and 9 (12.9%) answered "No." The results of the last two years confirm that the problem of child labor in the cotton fields is persistent and has not changed for the better.

Farmers were also asked about the involvement of children in the cotton harvest, and whether children under the age of 15 work in the fields they own. In 2019, 81.4% (57 people) of respondents admitted and in 2018, 70% (49) that children under the age of 15 worked in the fields. Respectively, 18.6% (13 farmers) and 30% -1 (21 farmers) said that this was not the case.



Due to the lack of state control over the observance of labor legislation in the cotton fields (registration of labor relations, labor protection, safe labor, wages, working hours, child labor, etc.), farmers are only interested in timely and lossless harvesting of cotton. The regular monitoring and surveys of farmers and cotton pickers show that the most acute problem currently facing cotton fields is the exploitation of child labor. Farmers turn a blind eye to the involvement of children in the cotton harvest, knowing that they will not be held administratively or criminally liable for this reason.

5. Violation of farmers' rights

5.1. Monopolization of cotton supply and processing

The monopoly of the cotton supply and processing industry in Azerbaijan was formed in early 2019. At present, the cotton industry is controlled by three large business entities with many reception points and cotton mills. These companies are:

1. MKT Istehsalat Kommersiya LLC²⁶ is the most massive cotton supply and production company in Azerbaijan. There are 13 cotton receiving and processing plants, 11 cotton receiving points, and five innovative farms in 20 regions of Azerbaijan.

MKT Istehsalat Kommersiya planted cotton on 45,763 hectares in 2019 under a contract with 10,000 farmers and supplied 145,800 tons of raw cotton in seasonal weight. The average yield was 31.9 quintals per hectare, which is 4.6 quintals more than in 2018. By the end of 2019, the company's export revenues exceeded \$70 million. Contracts have been signed with 5,807 farmers for 27,231 hectares for cotton planting in 2020.

2. "Azerpambig ASK" LLC²⁷ was established on May 25, 2018, by "Azerpambig Agrarian Industrial Complex" LLC. .) deals with sales.

The company has six cotton processing plants, six cotton supply points, one oil processing factory, and a test center equipped with pivot irrigation facilities on 2,000 hectares in Bilasuvar region. Over the past two years, Azerpambig LLC has provided 753 vehicles, including 45 combines, 201 tractors, and 507 trailers for various purposes.

Azerpambig LLC has built and commissioned a new cotton ginning factory in Agjabadi district in 2020 with a daily processing capacity of 200 tons of raw cotton. The plant will be able to process 80,000 raw cottons. In 2018, Agjabadi, Beylagan, Bilasuvar, Saatli factories were provided with gas and dryers. The company plans to build a textile factory equipped with modern equipment in the coming years.

In 2019, the company signed contracts with 4,481 farmers and planted cotton on 29,000 hectares. In the 2020 season, contracts were signed with 2,661 farmers. It covers an area of 16,000 hectares.

3. CTS AGRO LLC²⁸ has six cotton processing factories and more than ten cotton supply points.

These three large companies not only receive cotton from farmers and family farms in advance but also grow cotton themselves. In recent years, MKT Istehsalat Kommersiya LLC has planted cotton on an average of about 50,000 hectares, CTS AGRO LLC on 20,000 hectares, and Azerpambig ASK LLC on about 30,000 hectares.

The companies mentioned above bought small local cotton mills and concentrated the cotton industry in their hands. For example, in March 2019, MKT Istehsalat Kommersiya LLC acquired Legno-Imishli LLC, Legno-Neftchala LLC (cotton mills), and Innovation Farm LLC (cotton growing company).

²⁶ <u>https://www.mktcotton.com/</u>

²⁷ <u>http://www.ask.gov.az/</u>

²⁸ <u>https://www.facebook.com/pages/Cts-Agro-MMC/264530946909321</u>

In 2019, these three companies had always been in the top five in the ranking of exporters in the non-oil sector, published periodically (quarterly, annually) by the Center for Economic Reforms Analysis and Communication.

In addition to the three main companies, P-Agro LLC (there are cotton processing plants in Ujar and Saatli, supply points in 17 districts), Agro-Az LLC (there is a cotton processing plant in Saatli, about 5,000 hectares of cotton in Saatli and Sabirabad each year and financied farmers) and several small companies are engaged in the supply of cotton.

Major cotton suppliers	Form of ownership	The area planted with cotton on a contract basis with farmers, in hectares	Product producti on, tons	Average productivity in 2019, in centners per hectare
"MKT İstehsalat Kommersiya" LLC	Private	45 763	146 442	31,9
"Azərpambıq Aqrar Sənaye Kompleksi" LLC	State	29 000	80 000	27,6
"CTS AGRO" LLC and other cotton suppliers	Private	25 237	65 558	26,8

Table 1. Main indicators of companies engaged in cotton supply (2019)²⁹

As shown in Table 1, the two leading cotton suppliers, Azerpambig and MKT Istehsalat Kommersiya LLC supplied 77.7% of the country's cotton production. MKT Istehsalat Kommersiya LLC accounted for the largest share of cotton production (50%) and high productivity (31.9). Due to the low productivity of CTS AGRO LLC in 2019, this information was not disclosed by the company of the Ministry of Culture of the Republic of Azerbaijan. Even a representative of CTS AGRO LLC was not invited to the meeting with the President of the Republic of Azerbaijan Ilham Aliyev on December 19, 2019, on the results of the cotton season and the measures to be taken in 2020.

Unified purchase prices agreed by the monopolists. The monopolization of cotton supplies by monopolistic companies is primarily reflected in the existence of a single purchase price for cotton. Starting from the 2018 season, the purchase price of 1 kg of cotton has been changed. At present, the purchase price of 1 kg of 1st-grade cotton is 65 cents, 2nd type 63 cents, 3rd type 59 cents and 4th type 55 cents. Interestingly, the purchase price of cotton is unofficially set by the state.

According to the Ministry of Agriculture, the Ministry of Agriculture and Economy has reached an agreement with the heads of companies engaged in producing and processing cotton on the purchase price.³⁰ This is a manifestation of private companies setting a single purchase price at the command of the state.

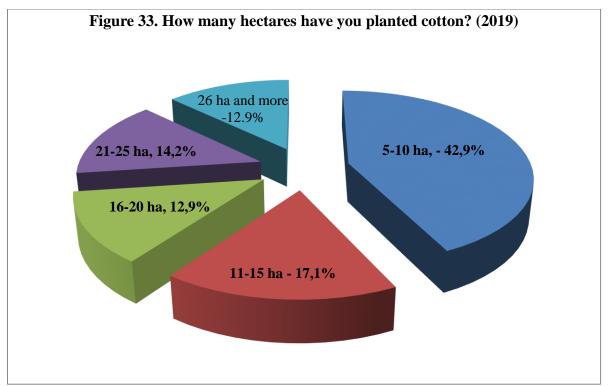
²⁹ Source: <u>https://president.az/articles/35252</u>

³⁰ https://sputnik.az/news/20180920/417114380/pambig-bahalasdi.html

However, companies must be independent in setting purchase prices and offer farmers different prices. The fact that this is not the case, and that monopoly prices are set by state-owned and government-supplied suppliers, confirms that cotton-receiving and processing companies are centrally managed and monopolized.

5.2 Problems created by farmers due to the formation of large cotton farms by officials

Disposal of small landowners. Another trend that distinguishes the 2019 season from 2018 is the significant reduction in cotton planting on small plots of land. A survey of farmers confirms this conclusion. The size of the cotton field planted by 30 farmers (42.9%) was in the range of 5-10 ha, and 12 farmers (17.1%) were in the range of 11-15 ha. Nine farmers (12.9%) planted cotton in the range of 16-20 ha, ten farmers (14.2%) planted cotton in the range of 21-25 ha, and nine people (12.9%) planted cotton in larger areas.



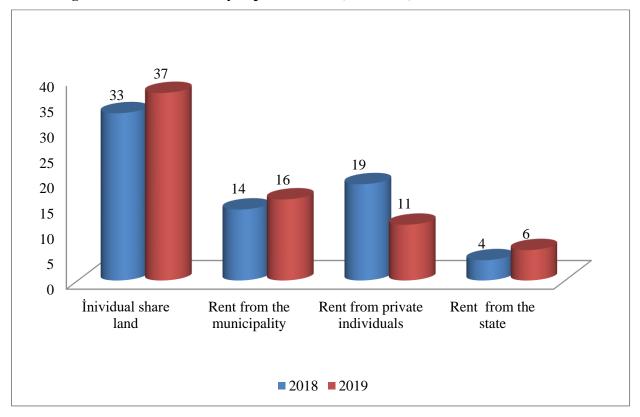
The second primary reason for the significant decline in cotton planting on small plots of land was the seizure of small plots of land by villagers, especially hectares of arable, pasture, and pasture land owned by the state and municipal funds by senior officials. The farmers surveyed in 2018 were distributed differently according to the size of their arable land. The size of the cotton field planted by half of the respondents (35 people, 50%) was 5 ha or less. Seventeen farmers (24.3%) planted cotton in the area of 5-10 ha. 10% (7 people) farmers planted cotton on 10-20 ha, and another 15.7% (11 people) farmers planted cotton on larger areas.

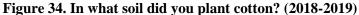
Although the growth trend of cotton fields is typical for all 20 cotton-growing regions, it is particularly acute in the Saatli, Sabirabad, and Imishli regions covered by the monitoring. The construction of special irrigation canals in such areas at the expense of the budget is an indisputable fact.

In October 2018, with the participation of the President of the Republic of Azerbaijan, a new concrete canal, a tributary of the Araz River, was opened. Eighty million manats has been allocated from the budget for the construction of the channel. The concrete canal meets the irrigation needs of 53,000 hectares of field land. Twenty-six thousand hectares of field lands are in the Saatli region, about 16,000

hectares in the Imishli region, and about 10,000 hectares in the Bilasuvar region.³¹ It should be noted that the areas supplied with irrigation water at the state's expense were pastures and grazing lands where lands concerned for winter season and farms are located until 2019, and now cotton is grown in those owned by several officials.

In 2018, 33 farmers (47.1%) surveyed, and in 2019, 37 people (52.9%) said that the land where they planted cotton was private land. In 2018, 14 people (20%) and 2019, 16 people (22.9%) rented land from the municipality. In 2018, 19 farmers - 27.1%, and in 2019 - 11 farmers - 15.7% (2019) rented land from other private individuals. The number of farmers renting land from the state in 2018 was 4 (5.8%), and in 2019 - 6 (8.5%).





According to the results of focus group discussions with cotton growers in 7 cotton-growing regions (Salyan, Hajigabul, Sabirabad, Saatli, Imishli, Beylagan, Fuzuli) in late 2019, we can say that cotton supply points with 2020 owners of small plots of land, they(farmers) refuse to sign a contract for various reasons. This gives reason to say that in 2019, along with the supply of cotton, the process of monopolization of its cultivation has been concluded.

Lack of irrigation water. In 2019, the biggest problem facing independent farmers is the supply of irrigation water. The local offices of the Melioration and Water Management OJSC and the Sudanese Users' Union refuse to sign a water supply contract with farmers. However, large farms owned by officials have been contracted in advance to provide their areas with irrigation water. Farmers who lose in unfair

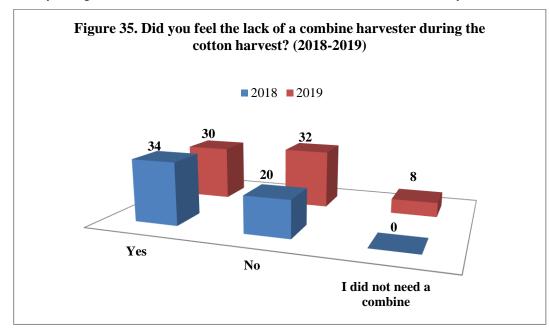
³¹<u>https://azertag.az/xeber/Imislide Araz chayinin yeni qol kanalinin achilis merasimi kechirilib Prezident Ilham Aliyev me</u> rasimde istirak edib YENILANIB VIDEO-1206774

competition try to irrigate their fields at extra cost (pump, fuel, electricity, etc.). This situation is mainly typical for arable lands located above water bodies. However, irrigating the field at an additional cost is not available to every farmer, as water bodies' location plays a vital role in this.

Since the first months of 2020, a sharp drop in water levels in rivers has been recorded. This is primarily due to the canals drawn from these rivers (Araz, Kura) to large official farms. There are many facts about the shortage of irrigation water in the middle of 2020. Water shortages are expected to be severe during the growing season.

Lack of equipment. The results of monitoring, surveys, one-on-one meetings with farmers, and focus group discussions show that there was a lack of equipment at all stages of the 2019 cotton season. This has led to early and high-quality planting and cultivation, premature harvesting, and in all cases, farmers have lost in the end. The fact that cotton was not planted during the harvest period (for example, sowing was carried out in the middle of May instead of the beginning of May) significantly reduced the yield.

As it is known, farmers benefit from combine harvesters on a rotating basis. If the cotton is not harvested on time, the nut will open completely, and the cotton will fall to the ground or become too dry. This leads to a loss of part of the product, as well as about 10-15% weight loss due to excessive drying. The results of a survey conducted among 70 farmers in 7 cotton-growing regions in 2019 also confirmed the fact of lack of equipment. To the question "**Did you feel the lack of combine harvesters during the cotton harvest?**", Thirty-two farmers (45.7%) said that they did not have any problems with the combine during the cotton harvest. Thirty farmers (42.9%) said there was a shortage of combine harvesters during the harvest. Eight people (11.4%) said they did not order the combine because they did not need it. In 2018, 36 farmers (51.4%) surveyed said that they did not have problems with the combine during the cotton harvest, and 34 (48.6%) said that there was a shortage of combine harvesters. As can be seen, there have been no significant changes in this area compared to last year. It should be noted that, according to the Ministry of Agriculture, 87% of the cotton delivered in 2019 was harvested by combines.



5.3. Problems faced by farmers with subsidies

To compensate for the losses of raw cotton producers caused by the price difference, the government provides them with a subsidy of 0.1 manat for each kilogram of raw cotton (in conventional weight) delivered to suppliers.³²

Additional, since 17 april 2018,³³ There is a 70 percent discount on the price of mineral fertilizers, pesticides and industrially produced bio humus sold by individuals to agricultural producers, a discount on the selling price of mineral fertilizers and bio humus per hectare of genetically modified crops and perennial crops is related to the limit of maximum 150 manats, the upper limit of the discount on the sale price of pesticides is set at 50 manats.

Thus, the upper limit of the discount applied to all types of mineral fertilizers is set at 150 AZN per 1 hectare of the sown area; the discount applied to pesticides is set at 50 AZN per 1 hectare of the planted area. Depending on the area under cultivation, farmers may obtain all or part of the specified fertilizers or pesticides, provided that the concession does not exceed the upper limit. The farmer must pay 100% of the mineral fertilizer and pesticides cost after using the preferential rate under the relevant legislation.³⁴

Previously, discounts on mineral fertilizers, pesticides, and bio-humus produced industrially in the country were taken into account when obtaining them, and farmers were not paid in cash. Since in 2020, the mechanism of subsidies has been modified. From this year, grants are provided following the ratios adopted by the Council for Agrarian Subsidy (CAS). Under paragraph 2.4 of the "Rules for subsidizing agricultural production" approved by the Decree of the President of the Republic of Azerbaijan No. 759 dated June 27, 2019³⁵, the crop, yield and seed ratios for crops and fields of the regions of crop production for 2020, it has been decided to determine seed and tubers quotas and planting demands by CAS.

According to the decision, the rate of sowing and the amount of sowing subsidy in 2020 is determined by a base of 200 manats. The sowing rate of cotton is set at 1.1 manats, and the sowing subsidy is set at 220 manats per hectare. Due to the new subsidy mechanism, in 2020, it is planned to provide a subsidy of 220 manats per hectare and 100 manats per ton of product. According to the Minister of Agriculture Inam Karimov, the farmers received 30 quintals per hectare under the subsidy and received 520 manats from the state, which is 55% of the cost³⁶. According to the Minister of Agriculture Inam

³² Order of the President of the Republic of Azerbaijan No. 2350 dated September 22, 2016 "On state support for the development of cotton growing in the Republic of Azerbaijan"

³³Resolution of the Cabinet of Ministers of April 17, 2018 on amendments to the "Rules for preferential sale of mineral fertilizers to agricultural producers" agroleasing by "Open Joint Stock Company and other legal entities and individuals"

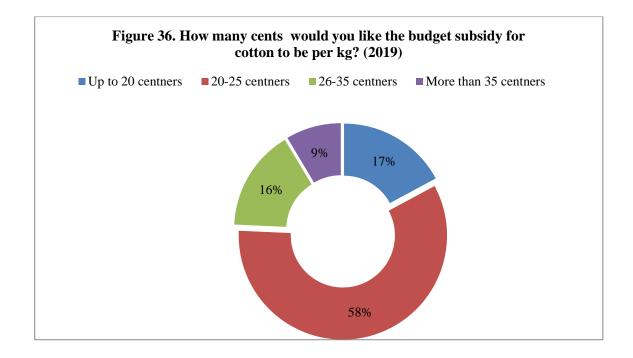
³⁴ http://agrolizing.gov.az/az/news/190

³⁵ <u>http://www.e-qanun.az/framework/42750</u>

³⁶ <u>https://president.az/articles/35252</u>. Meeting with Ilham Aliyev on December 19, 2019 on the results of the cotton season and

measures to be taken in 2020.

Karimov, the farmer who received 30 centners per hectare under the subsidy received 520 manats from the state, which is 55% of the cost.



Another issue that cotton farmers are dissatisfied with the government's subsidy policy is the composition and potency of fertilizers and pesticides. Farmers think that pesticides they buy from outside, from private companies, are more productive, and they do not want to buy pesticides from suppliers, even at a 70% discount. However, suppliers are forced to sell pesticides. Nitrogen fertilizers are mainly given to farmers. Sometimes they are also sold amorphous (a soluble fertilizer enriched with nitrogen and phosphorus). Farmers claim that these fertilizers have twice the effect of the percentages indicated on the packaging.

It should be noted that after the mass poisoning in the 2018 season, the effectiveness of drugs has been significantly reduced.

5.4. Other Issues

They are artificially lowering the conditioned weight of cotton. Another problem faced by farmers in the 2019 season is the overestimation of litter and moisture content by cotton supply points. At the beginning of the season, this figure was 12-15% for machine harvesting and 9% for manual harvesting. From November 15, the garbage and humidity of manual collection have been increased to 22-25%. In some regions, this figure has even risen to 38% by the end of the season. Due to this, the companies supplying cotton received additional income.

Insufficient qualified personnel support is provided to farmers by the state and suppliers. Cotton farmers suffer from a severe shortage of skilled staff (agronomists). Their lack of knowledge makes it difficult to plant and cultivate crops following agro-technical rules.

As of July 31, 2018, the effective management and coordination of local branches of the Ministry of Agriculture of the Republic of Azerbaijan, the establishment of service-oriented activities in the agricultural sector, strengthening work with farmers, awareness of the use of e-services and innovative technologies, directing the activities of farming producers State agrarian development centers have been established based on district and city departments of the Ministry. However, neither the agronomists of the agricultural development centers in the regions nor the local specialists of the companies contracting with farmers can cope with their work due to lack of knowledge and experience.

6. Conclusion

According to the results of the monitoring conducted in the cotton fields of 7 major cottongrowing regions of Azerbaijan from October 1 to December 31, 2019, which included observation, oneon-one conversations with farmers and focus group discussions, surveys, video-photo shootings, and video-audio interviews, the following results were revealed regarding the observance of human rights, including labor and entrepreneurial rights in production and supply:

a) In the field of workers' rights:

- 1. Labor contracts are not concluded with workers in cotton fields;
- 2. The requirements of labor legislation related to ensuring normal and safe working conditions for cotton pickers are not observed;
- 3. Occupational safety standards do not apply;
- 4. Compulsory insurance of employees against accidents and occupational diseases is not provided;
- 5. There are irregularities in the assessment and payment of cotton pickers. This is possible primarily due to the reduction of the conditioned weight of the cotton as a result of the supply company inflating the cotton waste and moisture;
- 6. Farmers sometimes discriminate against cotton pickers;
- 7. Safety norms provided for in the labor legislation are not observed during the transportation of employees;
- 8. Cotton pickers are employed in excess of the daily and weekly work norms provided for in the labor legislation;
- 9. The practice of employing workers in adverse weather conditions (temperatures above 41 degrees Celsius and on rainy days) is widespread;
- 10. The unsuccessful practice of forcibly involving technical staff of budget organizations in the cultivation and harvesting of cotton has come to an end.

b) In the field of children's rights:

- 1. Mass involvement of children under the age of 15 by their parents in the cotton harvest has been reported;
- 2. There are cases of children involved in cotton picking being deprived of education;

c) In the field of farmer's rights:

- 1. As a result of the seizure of small plots of land, winter pastures, and pastures by high-ranking officials, the tendency to monopolize cotton fields has intensified;
- 2. The cotton supply and processing industry was completely taken over by the monopolists;
- 3. There are big problems with the supply of irrigation water to farmers. The local offices of the Melioration and Water Management OJSC and the Water Users' Union refuse to sign contracts with farmers;
- 4. There are shortcomings in the provision of machinery to farmers, which is primarily due to the fact that the machinery is directed primarily to official farms;

- 5. Excessive waste and moisture content of cotton by suppliers, along with a decrease in the weight of the cotton delivered by the farmer, leads to a lower price, rated as Types II and III;
- 6. As a result of the monopoly of cotton growing, purchase prices agreed by the monopolists are set;
- 7. Fertilizers and pesticides purchased by farmers at discounted prices are insufficient and do not meet quality standards;
- 8. *Relationships between drivers and farmers are not formalized, and no service contracts are concluded between them.*