## P7\_TA(2011)0586

## EC-Uzbekistan partnership and cooperation agreement and bilateral trade in textiles

European Parliament resolution of 15 December 2011 on the draft Council decision on the conclusion of a Protocol to the Partnership and Cooperation Agreement establishing a partnership between the European Communities and their Member States, of the one part, and the Republic of Uzbekistan, of the other part, amending the Agreement in order to extend the provisions of the Agreement to bilateral trade in textiles, taking account of the expiry of the bilateral textiles Agreement (16384/2010 – C7-0097/2011 – 2010/0323(NLE))

The European Parliament,

- having regard to the draft Council decision (16384/2010),
- having regard to the request for consent submitted by the Council in accordance with Article 218(6), second subparagraph, point (a)(v) and Article 207 of the Treaty on the Functioning of the European Union (C7-0097/2011),
- having regard to its previous resolutions of 15 November 2007<sup>1</sup>, of 26 October 2006<sup>2</sup>, of 27 October 2005<sup>3</sup> and 9 June 2005<sup>4</sup> on Uzbekistan, of 12 March 1999 on the EC-Uzbekistan Partnership and Cooperation Agreement <sup>5</sup> (PCA), of 8 June 2011 on the external dimension of social policy, promoting labour and social standards and European corporate social responsibility<sup>6</sup> and of 25 November 2010 on Human rights, social and environmental standards in International Trade agreements<sup>7</sup>,
- having regard to the Agreement between the European Economic Community and Uzbekistan on trade in textile products<sup>8</sup> and the Council decision 2000/804/EC of 4 December 2000 on the conclusion of Agreements on trade in textiles products with certain third countries (including Uzbekistan)<sup>9</sup>,
- having regard to the Partnership and Cooperation Agreement establishing a partnership between the European Communities and their Member States, of the one part, and the Republic of Uzbekistan, of the other part<sup>10</sup> and in particular Article 16, which states that 'this Title shall not apply to trade in textile products falling under Chapters 50 to 63 of the Combined Nomenclature. Trade in these products shall be governed by a separate agreement, initialled on 4 December 1995 and applied provisionally since 1 January 1996',

OJ C 282 E, 06.11.2008, p. 478.

<sup>&</sup>lt;sup>2</sup> OJ C 313 E, 20.12.2006, p. 466.

<sup>&</sup>lt;sup>3</sup> OJ C 272 E, 09.11.2006, p. 456.

<sup>&</sup>lt;sup>4</sup> OJ C 124 E, 25.05.2006, p. 422.

<sup>&</sup>lt;sup>5</sup> OJ C 175 E, 21.06.1999, p. 432.

<sup>&</sup>lt;sup>6</sup> Texts adopted, P7\_TA(2011)0260.

<sup>&</sup>lt;sup>7</sup> Texts adopted, P7\_TA(2010)0434.

<sup>&</sup>lt;sup>8</sup> OJ L 123, 17.5.1994, p. 745.

<sup>&</sup>lt;sup>9</sup> OJ L 326, 22.12.2000, p. 63.

<sup>&</sup>lt;sup>10</sup> OJ L 229, 31.8.1999, p. 3.

- having regard to Council conclusions on Uzbekistan, such as of 25 October 2010<sup>1</sup>, of 27 October 2009<sup>2</sup>, 16 December 2008<sup>3</sup>, 27 October 2008<sup>4</sup>, of 13 October 2008<sup>5</sup>, 29 April 2008<sup>6</sup>, in which concerns about human rights, democratisation and the rule of law in Uzbekistan were raised,
- having regard to the concluding observations of the UN Human Rights Committee (2005<sup>7</sup> and 2010<sup>8</sup>), the concluding observations of the UN Committee on Economic, Social and Cultural Rights (2006)<sup>9</sup>, the concluding observations of the Committee on Elimination of Discrimination against Women (2010)<sup>10</sup>, the Concluding observations of the UN Committee on the Rights of the Child (2006)<sup>11</sup>, the Report of the Working Group on Universal Periodic Review on Uzbekistan (2009)<sup>12</sup> and the Report the ILO Conference Committee on the Application of Standards (2010<sup>13</sup>), the Report of the ILO Committee of Experts on the Application of Conventions and Recommendations regarding the Worst Forms of Child Labour Convention (2010<sup>14</sup> and 2011<sup>1</sup>) and the Report of the ILO Committee of Experts on

http://www.consilium.europa.eu/uedocs/cms\_data/docs/pressdata/EN/foraff/117329.pdf

http://www.consilium.europa.eu/uedocs/cmsUpload/103295.pdf

http://www.consilium.europa.eu/uedocs/cms\_data/docs/pressdata/en/gena/110783.pdf

http://ec.europa.eu/sport/information-center/doc/timeline/european council 12-12-2008\_conclusions\_en.pdf

http://www.consilium.europa.eu/uedocs/cms\_data/docs/pressdata/en/gena/110783.pdf

http://www.eu2008.si/si/News\_and\_Documents/Council\_Conclusions/April/0428\_GAERC4.pdf

Office of the High Commissioner for Human Rights, Convention Abbreviation: CCPR, Concluding observations of the Human Rights Committee: Uzbekistan. 26/04/2005. (CCPR/CO/83/UZB. (Concluding Observations/Comments)),

http://www.unhchr.ch/tbs/doc.nsf/(Symbol)/CCPR.CO.83.UZB.En?Opendocument

United Nations, International Covenant on Civil and Political Rights, Distr. General, CCPR/C/UZB/CO/3/UZB 25 March 2010, Concluding observations of the Human Rights Committee, Uzbekistan,

www2.ohchr.org/english/bodies/hrc/docs/co/Uzbekistan98\_AUV.doc)

http://www.unhchr.ch/tbs/doc.nsf/%28Symbol%29/E.C.12.UZB.CO.1.En?Opendocument

United Nations, Convention on the Elimination of All Forms of Discrimination against Women, CEDAW/C/UZB/CO/4, Distr.: General 5 February 2010, Concluding observations of the Committee on the Elimination of Discrimination against Women, Uzbekistan, (http://www2.ohchr.org/english/bodies/cedaw/docs/co/CEDAW-C-UZB-CO-4.pdf)

Office of the High Commissioner for Human Rights, Committee on the Rights of the Child, *Concluding observations: Uzbekistan. 02/06/2006. (CRC/C/UZB/CO/2.*), (http://www.unhchr.ch/tbs/doc.nsf/(Symbol)/CRC.C.UZB.CO.2.En?Opendocument)

 $<sup>\</sup>underline{http://lib.ohchr.org/HRBodies/UPR/Documents/Session3/UZ/A\_HRC\_10\_82\_Add1\_Uzbekistan\_E.}\\ \underline{pdf}$ 

International Labour Organisation, 2010 Report of the Conference Committee on the Application of Standards, 99th Session, Geneva, 2010, (<a href="http://www.ilo.org/global/standards/applying-and-promoting-international-labour-standards/conference-committee-on-the-application-of-standards/lang--en/index.htm">http://www.ilo.org/global/standards/applying-and-promoting-international-labour-standards/conference-committee-on-the-application-of-standards/lang--en/index.htm</a>)

International Labour Conference, 99th Session, 2010, Report of the Committee of Experts on the Application of Conventions and Recommendations, (<a href="http://www.ilo.org/wcmsp5/groups/public/@ed\_norm/@relconf/documents/meetingdocument/wcms\_123424.pdf">http://www.ilo.org/wcmsp5/groups/public/@ed\_norm/@relconf/documents/meetingdocument/wcms\_123424.pdf</a>)

the Application of Conventions and Recommendations regarding the Abolition of Forced Labour Convention (2010<sup>2</sup> and 2011<sup>3</sup>), which all express concern over the continued use of child labour in Uzbekistan,

- having regard to the Communication from the Commission on 'Promoting decent work for all: The EU contribution to the implementation of the decent work agenda in the world' (COM(2006)0249),
- having regard to the Communication from the Commission on 'A Special Place for Children in EU External Action' (COM(2008)0055) as well as the European Commission staff working document on combating child labour (SEC(2010)0037),
- having regard to the Council conclusions on child labour of 14 June 2010 and its 'call on the Commission to study and report before the end of 2011 on the worst form of child labour and trade, taking into account international experience and the views of competent international organisations',<sup>4</sup>
- having regard to the Conventions of the International Labour Organization (ILO), in particular to the Convention concerning Minimum Age for Admission for Employment of 1973 (Nr 138)<sup>5</sup> and the Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour of 1999 (Nr 182)<sup>6</sup>, which were ratified by Uzbekistan in 2009 and 2008 respectively and which were followed by the adoption of a national Action Plan in Uzbekistan,
- having regard to Article 15 of the Council Regulation (EC) No 732/2008 of 22 July 2008 applying a scheme of generalised tariff preferences for the period from 1 January 2009 to 31 December 2011<sup>7</sup> (GSP Regulation) as well as Article 19 of the Proposal for a Regulation of the European Parliament and of the Council applying a scheme of generalised tariff preferences (COM(2011)0241),
- having regard to calls by various non-governmental organizations<sup>8</sup> and by trade unions<sup>9</sup> for investigations concerning the GSP preferences for Uzbekistan,
- International Labour Conference, 100th Session, 2011, Report of the Committee of Experts on the Application of Conventions and Recommendations (ILC. 100/III/1A), <a href="mailto:(http://www.ilo.org/wcmsp5/groups/public/@ed\_norm/@relconf/documents/meetingdocument/wcms\_151556.pdf">http://www.ilo.org/wcmsp5/groups/public/@ed\_norm/@relconf/documents/meetingdocument/wcms\_151556.pdf</a>)
- 2. http://www.ilo.org/wcmsp5/groups/public/@ed\_norm/@relconf/documents/meetingdocument/wcms\_123424.pdf
- 3. http://www.ilo.org/wcmsp5/groups/public/@ed\_norm/@relconf/documents/meetingdocument/wcms\_151556.pdf
- Council of the European Union, Council conclusions on child labour, 3023rd Foreign Affairs Council meeting, Luxembourg, 14 June 2010,
  - (http://www.consilium.europa.eu/uedocs/cms\_data/docs/pressdata/EN/foraff/115180.pdf)
- The General Conference of the International Labour Organisation, Convention concerning Minimum Age for Admission to Employment (Note: Date of coming into force: 19.6.1976.) Convention:C138, Geneva 26.6.1973, (http://www.ilo.org/ilolex/cgi-lex/convde.pl?C138)
- The General Conference of the International Labour Organization, C182 Worst Forms of Child Labour Convention, 1999, Geneva 17.6.1999, (<a href="http://www.ilo.org/ilolex/cgi-lex/convde.pl?C182">http://www.ilo.org/ilolex/cgi-lex/convde.pl?C182</a>)
- <sup>7</sup> OJ L 211, 6.8.2008, p. 1.
- Business Social Compliance Initiative, C.W.F Children Worldwide Fashion, Anti-Slavery International, Uzbek-German Forum for Human Rights and Ethical Trading Initiative
- <sup>9</sup> the ITUC-ETUC

- having regard to the Central Asia DCI Indicative Program 2011-2013<sup>1</sup>,
- having regard to Rule 81(3) of its Rules of Procedure,
- having regard to the interim report of the Committee on International Trade and the opinion of the Committee on Foreign Affairs (A7-0427/2011),
- A. whereas textiles are excluded from the PCA and were instead regulated by a bilateral agreement which lapsed in 2005, creating legal uncertainty for Union exporters, since Uzbekistan (not being a WTO member) is free to increase import tariffs whereas the Union accords Most-Favoured-Nation treatment (in tariffs) to every country in the world,
- B. whereas the Protocol aims to include textiles in the PCA, which will lead to both parties granting each other MFN status, thereby putting an end to the legal uncertainty for Union textile exporters,
- C. whereas the Union has previously rectified this legal uncertainty for Union textile exporters through amendments to PCAs with various countries (e.g. Azerbaijan in 2007 and Kazakhstan in 2008),
- D. whereas Article 2 of the PCA with Uzbekistan states that 'Respect for democracy, principles of international law and human rights as defined in particular in the United Nations Charter, the Helsinki Final Act and the Charter of Paris for a New Europe, as well as the principles of market economy, including those enunciated in the documents of the CSCE Bonn Conference, underpin the internal and external policies of the Parties and constitute essential elements of partnership and of this Agreement',
- E. whereas the Council stated on 25 October 2010 that it 'remains seriously concerned by the overall situation regarding human rights, democratisation and the rule of law in Uzbekistan'.
- F. whereas the Government of Uzbekistan is in the process of taking important steps to achieve democracy,
- G. whereas the Government of Uzbekistan acts contrary to the outcome of the European Union Central Asia Ministerial meeting in Tashkent on 7 April 2011, in which 'the sides recalled that the development of a strong civil society constitutes an integral part of democracy development',
- H. whereas Uzbekistan inherited and kept largely unreformed a state-run agricultural system; whereas other countries in the same region, such as Kazakhstan and to a lesser extent Tajikistan, are modernising their agriculture and addressing many of the problems<sup>2</sup>; whereas genuine agrarian reform and mechanisation will considerably reduce the incidence of forced child labour and water wastage and will make farms more profitable,
- I. whereas Uzbek farmers may officially be free operators but they lease their land, buy their

European Commission, External Relations Directorate General, Directorate Eastern Europe, Southern Caucasus, Central Asian Republics, DCI Indicative Programme 2011-2013, page 54, (http://www.eeas.europa.eu/central\_asia/docs/2010\_ca\_mtr\_en.pdf)

What has changed? School of Oriental and African Studies, University of London, November 2010, (http://www.soas.ac.uk/cccac/centres-publications/file64329.pdf)

fertilizer and are required to meet quotas, all from the government; whereas the government buys its cotton at a fixed price and earns considerable amounts of money from selling the cotton at the much higher world market price,

- J. whereas the Council Presidency recalled in the Union statement at the ILO in June 2011 'the well-documented allegations and broad consensus among the United Nations bodies, the UNICEF, the representative organizations of employers and workers and NGOs stating that, despite the legal commitments made by the Government of Uzbekistan to eradicate forced child labour, in practice, year after year an estimated number of 0,5 to 1,5 million school-aged children are still forced to take part in the hazardous work in the cotton harvest for up to three months each year',
- K. whereas schools are closed during the Autumn harvest period, hampering education,
- L. whereas children, their teachers and parents risk punishment for disobedience,
- M. whereas the Government of Uzbekistan stated that 'it is traditional for older children to assist in family businesses' and that 'the allegations concerning widespread forced labour in agriculture are unfounded'<sup>1</sup>,
- N. whereas independent international observers have gathered evidence of forced labour and in particular forced child labour as a systematic and organised practice involving pressure on teachers and families with the participation of the police and security forces,
- O. whereas so far the Government of Uzbekistan has refused access to independent monitoring missions the purpose of which was to bring out the facts and provide information on the duration of the Autumn harvest period, the working health conditions of students, their ages and where relevant the risk of punishments for disobedience,
- P. whereas according to the Commission Union textile and clothing exports to Uzbekistan account for 0,05% of Union textile and clothing exports,
- Q. whereas the Union is one of the main importers of cotton from Uzbekistan, estimates of which range from importing 6<sup>2</sup> to 23% <sup>3</sup> of Uzbek cotton exports over the past ten years,
- R. whereas, on the basis of the principles and objectives of the Union's external action, the Union has the moral responsibility to use its leverage, as one of the main trading partners and a major importer of cotton from Uzbekistan, to stop the use of forced child labour in this country; whereas, therefore, the Protocol cannot be treated as a purely technical agreement, as long as human rights concerns, such as forced child labour, are raised specifically with regard to cotton harvest,
- S. whereas fair and open international trade requires competition on a level playing-field and the economic factors determining the pricing of products exported to the Union should not

<sup>2011</sup> ILO Report of the Committee of Experts on the Application of Conventions and Recommendations, page 429,

(http://www.ilo.org/wcmsp5/groups/public/@ed\_norm/@relconf/documents/meetingdocument/wcm\_s\_151556.pdf)

Source: European Commission DG Trade and

<sup>3</sup> http://unctad.org/infocomm/anglais/cotton/market.htm

be distorted by practices contrary to the basic principles of human rights and the rights of the child,

- T. whereas many textiles retailers, including European ones, have decided that they will no longer buy cotton from Uzbekistan and will notify all of their suppliers of this commitment<sup>1</sup>,
- U. whereas the Council stated in its conclusions on child labour of 14 June 2010 that it is fully aware of the role and responsibilities of the Union in the struggle towards ending child labour,
- V. whereas Commission President Barroso has urged the Uzbek President Islam Karimov to allow an ILO monitoring mission to the country to address the issue of any remaining child labour practices'<sup>2</sup>,
- W. whereas Union assistance for Uzbekistan in the framework of the EU-Central Asia strategy so far has paid little attention to agricultural reform,
- X. whereas the Commission is also strictly insisting on ILO monitoring missions as the only relevant monitoring body in the context of investigations of temporary withdrawal of GSP references, welcoming the Commission proposal to do away with this requirement in the context of the review of the GSP Regulation,
- Y. whereas water is an important resource in the 21st century and therefore its preservation should be a priority; whereas the production of cotton in Uzbekistan has caused a severe reduction in the volume of the Aral Sea between 1990 and 2008 due to poor environmental standards and inefficient irrigation infrastructure,
- 1. Requests the Council and the Commission to take into account the following recommendations:
  - (i) Strongly condemn the use of forced child labour in Uzbekistan;
  - (ii) Strongly support the ILO's call on the Government of Uzbekistan to accept a high-level tripartite observer mission that would have full freedom of movement and timely access to all locations and relevant parties, including in the cotton fields, in order to assess the implementation of the ILO Convention;
  - (iii) Outline the importance of international observers to monitor the development of the situation of forced labour in Uzbekistan, as well as in other countries in the region;
  - (iv) Urge the Uzbek President Islam Karimov to allow an ILO monitoring mission into the country to address the issue of forced child labour practices;
  - (v) Urge the Government of Uzbekistan to allow an ILO monitoring mission and to ensure that the practice of forced labour and forced child labour is effectively in the

International Labor Rights Forum, <a href="http://www.laborrights.org/stop-child-forced-labor/cotton-campaign/company-response-to-forced-child-labor-in-uzbek-cotton">http://www.laborrights.org/stop-child-forced-labor/cotton-campaign/company-response-to-forced-child-labor-in-uzbek-cotton</a>)

Statement of European Commission President José Manuel Barroso following his meeting with the President of Uzbekistan Islam Karimov, (http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/11/40&type=HTML)

- process of being eradicated at national, viloyat and local level;
- (vi) Remind the Uzbek authorities that despite the fact that human rights principles are included in the text of the Constitution of the Republic of Uzbekistan and that Uzbekistan has signed and ratified most UN conventions relating to human rights, civil and political rights and the rights of the child, this formal set of legal acts still needs to be implemented effectively;
- (vii) Contribute through policy dialogue and assistance programmes to market-oriented reforms of Uzbekistan's agricultural sector; offer assistance from the Union for the transition, ultimately, to a privatised and liberalised farming sector in Uzbekistan, in line with developments in neighbouring countries;
- (viii) Ensure that pursuing the end to the practice of forced child labour in cotton production will be a priority of the Union human rights strategy in the Union Delegation in Tashkent; insists that this should be reflected in policy, monitoring, reporting, staffing and financial assistance;
- (ix) That the Commission shall study and if appropriate submit to the European Parliament a legislative proposal on an effective traceability mechanism for the goods being produced through forced child labour;
- (x) Support the Parliament's call to cotton traders and retailers to desist from buying cotton produced by forced child labour from Uzbekistan and to notify consumers and all of their suppliers of this commitment;
- (xi) If ILO monitoring bodies conclude that serious and systematic breach of Uzbekistan's obligations exists, the Commission should consider initiating an investigation into the temporary withdrawal of the GSP if all other requirements are met; and underlines that in doing so the Commission is merely enforcing the existing Union GSP rules, and stresses the importance of demonstrating consistency in the application of these rules;
- (xii) Outline the importance of the relations between the Union and Uzbekistan on the basis of the PCA and its democratic and human rights principles; reiterate the Union's commitment to further and deepen bilateral relations, which include trade, as well as all areas related to democratic principles, respect for human and fundamental rights and the rule of law;
- (xiii) Actively contribute to the improvement of the social, economic and human rights situation of the population of Uzbekistan by promoting a bottom-up approach and by supporting civil society organisations and the media in order to achieve a sustainable democratisation process;
- (xiv) Provide the Parliament regularly with substantial information on the situation in Uzbekistan, especially with regard to the eradication of forced child labour;
- 2. Concludes that Parliament will only consider the consent if the ILO observers, have been granted access by the Uzbek authorities to undertake close and unhindered monitoring and have confirmed that concrete reforms have been implemented and yielded substantial results in such a way that the practice of forced labour and child labour is effectively in the process of being eradicated at national, viloyat and local level;

- 3. Instructs its President to request further discussions with the Commission and the Council;
- 4. Instructs its President to forward this resolution to the Council and Commission and the Government and Parliament of Uzbekistan.