

# Uzbekistan: Sustainability and Value Added in the Cotton Economy

## Part of the Global Programme “Sustainability and Value Added in Agricultural Supply Chains”

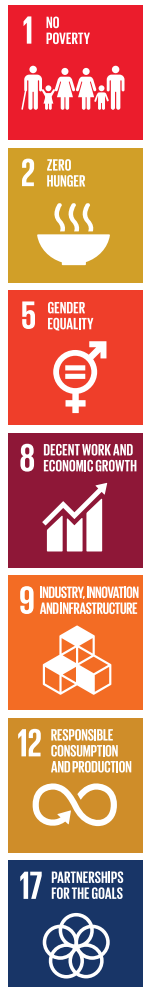
The global programme promotes sustainability in agricultural supply chains. It aims to make these fair, sustainable and free of deforestation. For this sake, the programme cooperates with market drivers in cotton, coffee, cocoa, natural rubber, palm oil and soy supply chains. Together with global companies, international standards organisations and national partners it implements project activities in eight partner countries (Uzbekistan, India, Colombia, Brazil, Indonesia, Ethiopia, Cameroon and Burkina Faso).

## The challenge

For decades, the state monopoly in the cotton economy reinforced human rights violations in the form of child and forced labour during the harvest season. There were harvest quotas and strict instructions on cultivation, and the sale of raw cotton, whilst the processing of textile goods took place almost entirely abroad.

In addition, inadequate farming methods inherited from Soviet times, such as excessive use of chemicals and wasteful irrigation, caused severe environmental damage. These have promoted climate change and have increased the risk of social conflicts. The cited flaws in the sector have driven Uzbek cotton to markets with low claims on sustainability and responsible production, hindering any change towards the better.

Project name	Sustainability and Value Added in the Cotton Economy in Uzbekistan
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Implementing organisation	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)
Project region	Tashkent region, Samarkand, Navoi, Jizzakh, Ferghana Valley
Lead executing agency	Ministry of Agriculture, Uzbekistan; Textile Association Uztextilprom
Duration	September 2019 – March 2023
Financial volume	EUR 3 million



The global programme is part of the BMZ’s special initiative “ONE WORLD no Hunger” (SEWOH). The aim of German development cooperation is to generate income in rural regions, to create jobs and to improve food security. This makes an important contribution to combating the causes of migration. Conflicts, environmental destruction and disasters can trigger hunger – and vice versa. That is why investments in rural development, sustainable agriculture and food security are so important to stabilize regions.

The programme will contribute to achieving the sustainable development goals on the right.



This geographical map is for informational purposes only and does not constitute recognition of international boundaries or regions.



Left: Project Regions  
Right: Worker in a spinning factory.



As the seventh largest cotton producer in the world, the Uzbek cotton and textile sector employs around 30% of the country's workforce. This results in both the economy and society in a large part being depended on the cotton sector. The liberalisation of the country, initiated in 2017, has introduced a correction of the social, economic and ecological circumstances in the sector. In addition to an environmental approach including the abolition of sales quotas and the criminalisation of forced labour, this also comprises a vertical integration of textile production and opening-up to other markets. The GIZ project supports this process in cooperation with partners from civil society, the economic sector and state ministries.

## Our approach

The GIZ project is a multidimensional programme that encompasses sustainable progress in the social, environmental and economic aspects of the cotton and textile economy in Uzbekistan. It provides support in three overlapping areas of activity:

1. **Primary cotton production:** Increasing the proportion of sustainable cotton cultivation.
2. **Local processing in textile clusters:** Improved working conditions ("decent jobs") along the entire value chain.
3. **Integration of the Uzbek cotton and textile sector in international trade:** Traceability instruments, export promotion and achievement of internationally recognised, sustainability standards and certifications.

Workshops on sustainable cultivation methods and the better working conditions and employee rights, directly address decision makers and those affected by the sector. Internationally recognised certifications and standards, both environmental and social, leverage access to new and more sustainable markets.

Passing on innovative technologies (e.g. digital methods) to improve irrigation systems, soil and field analysis as well as pest monitoring simplify field work, protect the environment and improve the fibre quality.

A business incubator transfers specialist knowledge in corporate management, product development and marketing to Uzbek

entrepreneurs in the textile and artisanal scene and strengthens the local company network. Likewise, an export promotion programme simplifies the integration into new markets, which require higher sustainability standards.

## Results in figures

The project supports its partners in achieving, among others, the following goals:

- The average income from sustainable cotton on 2,500 supported farms increased from EUR 7,500 by 10%.
- Employment in the subsidised upstream and downstream companies in Uzbekistan increased by a total of 1,500 jobs. 50% of the newly created jobs are held by young adults and 30% by women.
- The acreage in selected regions where cotton is grown in accordance with internationally recognised sustainability standards has increased to 30,000 hectares.

## Results in stories

During the first half of the project, 190 farmers and cluster managers took part in courses on organic cotton cultivation or cultivation in accordance with the Better Cotton principles and criteria. In field trainings and workshops, the participants learned about improved methods in irrigation, soil diversity and the adherence to social criteria. Seven digital pest traps were also piloted with the participating clusters. These traps automatically detect insect infestation using GPS and image recognition. This allows targeted pest control and prevents the excessive use of chemicals on the field. It furthermore enables the farmers to collect reliable data and fine tune applicable farming measures. Consequently, the amount of chemicals used on the field is reduced which guarantees better soil quality and improves the working conditions of harvest workers.

Published by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH  
Registered offices Bonn and Eschborn, Germany  
Global Programme „Sustainability and Value Added in Agricultural Supply Chains“ | Uzbekistan | Cotton  
GIZ Tashkent  
Chimkentskaya Street 7A  
100029 Tashkent, Uzbekistan  
Tel. +998 93 388 89 23  
giz-uzbekistan@giz.de  
www.giz.de

As at December 2020

GIZ is responsible for the content of this publication.

Author Joanna Möst  
Layout W4 Büro für Gestaltung, Frankfurt, Germany  
On behalf of Federal Ministry for Economic Cooperation and Development (BMZ)  
In cooperation with Ministry of Agriculture, Uztexilprom Textile Association  
Addresses of the BMZ offices  
BMZ Bonn Dahlmannstraße 4  
53113 Bonn, Germany  
T +49 (0)228 99 535-0  
poststelle@bmz.bund.de  
www.bmz.de  
BMZ Berlin Stresemannstraße 94  
10963 Berlin, Germany  
T +49 (0) 30 18 535-0