

P.O.Box 61139, Bishopsgate Durban 4008, South Africa www.streetnet.org.za

> +27 31 301 1618 media@streetnet.org.za

Report on Field Visit to Kazakhstan and Uzbekistan

26 March - 1 April 2023

Aim of the visit:

This field visit is jointly undertaken by Kateryna Yarmolyuk-Kroeck, SNI Regional Organizer for Europe and Central Asia and Legal Consultant, and Jamaladdin Ismayilov, SNI International Secretary. The aim of the visit was to get acquainted with the work and activities of informal economy workers' unions in both countries, to meet national union umbrella organisations and relevant stakeholders in the field of protecting and representing interests of informal economy workers, market traders and self-employed, as well as to explore the possibilities of potential extension of the SNI in the region.

Day 1, 26th March Astana, Kazakhstan

On the first day after the arrival to Astana, the SNI representatives had an informal meeting with Tulegen Shaimov, Chairman of the of the **Trade Union of Entrepreneurs of Kazakhstan** "YNTYMAQ." Mr. Shaimov briefed us on the on the situation on informal economy workers in Kazakhstan, defining main issues and challenges, such as the lack of social dialogue at the regional level, insufficient national legislation that does not cover informal economy workers, lack of regulations for self-employed and as a result lack of social protection and deterioration of working conditions.



With T. Shaimov, the Chairman of YNTYMAQ trade union at the Federation of Trade Unions of Kazakhstan

"YNTYMAQ" union accounts to around 14, 9 thousand members, most of them are entrepreneurs; but there are also self-employed (around 3 %). In past, "YNTYMAQ" used to have some market traders among its members, however, after some improvements in working conditions at one of the local markets, the members left the union (Tulegen Shaimov notes in this regard the absence of motivation among market traders after achieving positive results with the help of the union).



At the YNTYMAQ trade union office, Astana, Kazakhstan

In the afternoon, we conducted a visit to one of such local markets at the outskirts of Astana, where mostly food products are sold, as well as some non-food items of the first need. This is where the previous membership of "YNTYMAQ" was lost. At a first observation, the working conditions at the market are satisfactory, however, improvements would be needed in terms of hygiene, organisation and location of stalls, access to clean water. "YNTYMAQ" plans to organise market traders in future, but there are still concerns as regards the motivation of potential membership.



At the local market in Astana, Kazakhstan

Day 2, 27th March Astana, Kazakhstan

On Day 2, at the premises of Federation of Trade Unions of Kazakhstan, a hybrid meeting with leadership of regional organisations of YNTYMAQ (offline and Zoom) took place. The meeting was chaired by Tulegen Shaimov. Offline participants included SNI representatives as well as executive staff of YNTYMAQ. Tulegen Shaimov addressed the participants with a welcome speech, after which the chairpersons of regional organisations discussed the current problems in the sector, such as lack of social protection for self-employed, high taxation rates and increasing rent for market stalls as well as difficulties in negotiating better working conditions with market administrations.

K. Yarmolyuk-Kroeck gave a presentation on SNI, its structure and strategies as well as SNI activities in the region. J. Ismayilov talked about the work of SNI with Xhidmet-ISH in Azerbaijan and shared positive cases on protection and assisting informal economy workers.



During the hybrid meeting with YNTYMAQ affiliates, Astana, Kazakhstan

In the afternoon, a meeting with international department of the Federation of Trade Unions of Kazakhstan was held at the House of the of Federation. The members of the department exchanged their experience in working with international organisations, especially with ILO and Global Union Federations of different sectors and expressed their interest in extending their expertise to the problems of informal economy and collaborating with SNI in future.

Day 3, 28th March Astana, Kazakhstan

On the last day of the filed visit to Astana, SNI representatives and YNTYMAQ had an in-person meeting with the Chairman the Federation of Trade Unions of Kazakhstan – Satybaldy Dauletalin, including the Head of Social and Economic Affairs Department of the Federation.

Mr. Dauletalin started the meeting with addressing the SNI on the priorities and strategies of the Federation, its international cooperation and current activities. To date, the Federation has established cooperation with 36 organizations from foreign trade union centers and international organizations the ILO, the International Organization for Migration (IOM), UN Women. In addition, cooperation has been established with the International Trade Union Confederation, the Japan Labor Foundation (JILAF) and the Friedrich Ebert Foundation.



With S. Dauletalin, the Chairman of the Federation of Trade Unions of Kazakhstan

It was noted that Kazakhstan has ratified only 24 ILO convention out of 190, of which 8 are fundamental, 4 are governance and 12 are technical. The Federation together with social partners aims at holding discussions and campaigning for the ratification of other important ILO instruments in the area of social protection and occupational safety and health in particular. Mr. Dauletalin also noted that previously the Federation was not engaged in extending its activities to workers in informal economy, however, there is a crucial need to reassess this approach and to pay more attention to the rights of workers in informal sector given the large number of informal economy workers in Kyrgyzstan (around 32 % of working population) and the lack of legislative coverage for such workers. The Federation therefore supports the "YNTYMAQ" union in its closer cooperation with SNI and welcomes the potential membership perspective.



Meeting with the Chairman of the Federation of Trade Unions of Kazakhstan - S. Dauletalin

Day 4, 29th March

Travelling from Astana, Kazakhstan to Tashkent, Uzbekistan

Day 5, 30th March Tashkent, Uzbekistan

On the first day of the field visit to Tashkent, SNI representatives had a meeting with Ulugbek Machmudov, Chairman of the **Trade Union of Entrepreneurs, Business and Service sectors of Uzbekistan.** The SNI representatives presented on the activities and strategies of the organisation in the region. In turn, Mr. Machmudov briefed us on the activities of the Union, its membership and current challenges.

The Union covers most of the market traders in Tashkent and also in different regions of the country and has around 23.000 members. In Uzbekistan, however, about half of the working-age population is employed in the informal sector. Depending on the source, these data vary from 35 to 50%. According to the Ministry of Employment and Labor Relations, in January-July 2022, the share of people employed in the informal sector of the economy was 41% (around 6 million people of working age). Workers in informal economy do not have access to social protection, including unemployment benefits and pensions, paid sick leave, maternity, paternity and childcare leave.

In the afternoon, we have visited one of the biggest markets in Tashkent (Urakzorbazaar), where we had an opportunity to talk to the market traders – members of the union, as well as the head of the primary trade union organisation at the market.



Meeting with the primary trade union organisation at the market in Tashkent, Uzbekistan

The union accounts for 1500 members – market traders. We had a fruitful exchange (at the office of the union organisation located at the market) with the leadership of the primary

organisation on the working conditions at the market, occupational safety and health measures, recreation and sport activities for its members.

In general, the conditions at the market are very good, with high standards of hygiene, access to toilets and water, as well as to food for workers.

Market workers are generally very satisfied and have no essential complaints. It is noteworthy, that the rent of the market places is established by the city council and not the market administration, so that the latter has no right to increase or decrease the rent.

Day 6, 31st March Tashkent, Uzbekistan

At the second day of the visit to Tashkent, SNI representatives together with the leadership of Trade Union of Entrepreneurs, Business and Service sectors of Uzbekistan visited the craft market in the historical center of Tashkent. Traders at the craft market are also union members and are represented by craftsmen of various types, such as tailors, wood carvers, goldsmiths and others. We had an exchange with the union members on SNI work in the region as well as on the activities of Trade Union of Entrepreneurs in informal economy.



At the craft market in Tashkent, Uzbekistan

We later had a joint dinner with Ulugbek Machmudov, Chairman of the Trade Union of Entrepreneurs, where we had a follow-up discussion on the market visits and the possibilities of future cooperation between the SNI and the union.

Day 7, 1st April Tashkent, Uzbekistan During the last day of the field visit, K. Yramolyuk-Kroeck visited the Friedrich-Ebert-Foundation office in Tashkent, and had a closed-door meeting with its Resident Representative Bakhrom Radjabov.



Meeting with B. Radjabov, Resident Representative of the Friedrich Ebert Foundation in Tashkent, Uzbekistan

During the meeting, the parties exchanged opinions about the political and economic situation in Uzbekistan and in the region in general, defined current challenges pertaining to informal economy of the region; assessed the level of trade unions engagement with the issue of informal economy; social dialogue and political influences within the country. It was decided for a closer cooperation between FES and SNI on the regular basis in the future in order to better address the issues at hand and assist each other on projects relevant to informal economy workers and their rights.

Reflections and Recommendations from J. Ismayilov and K. Yarmolyuk-Kroeck pertaining to the field visit in respective states:

- 1. In Central Asian region, Kazakhstan and Uzbekistan belong to the countries with large scale of informal economy and workers engaged therein (32 and 41 per cent of informal economy workers in KZ and UZ respectively).
- 2. YNTYMAQ trade union in Kazakhstan unites around 3.000 members, who are market traders, whereas Trade Union of Entrepreneurs, Business and Service sectors of Uzbekistan has around 20 thousand market traders and street vendors among its members. Both unions plan to further engage themselves with organizing the informal sector as well as self-employed and the statutory provisions of both unions allow them to take action in this regard.¹

¹ Para. 1.1., Part I of the Statute of Trade Union of Entrepreneurs, Business and Service sectors of Uzbekistan states that "the union unites working people, regardless of the form of ownership, in the field of entrepreneurship, business, public utilities, …, associations of markets, trade, insurance, artisans,

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- 3. Given the vast scale of the territories of Kazakhstan and Uzbekistan, the unions are in dire need of assistance in organizing the training of street and market vendors, as well as in uniting them under the auspices of the national union umbrellas. This will enable marketers and street vendors to use the power of trade unions as an important part of the social dialogue.
- 4. After the SNI team familiarized themselves with the activities of the respective unions in Kazakhstan and Uzbekistan, we recommend to consider the issue of accepting both unions as member organizations of StreetNet International, which will broaden the presence of the SNI in Central Asia and, in turn, will raise the voices of the informal economy workers from respective states at the international level.

persons over fifteen years of age, as well as part-time and temporarily unemployed citizens, including pensioners, regardless of profession, position, race, nationality, gender, age, religious beliefs and social origin";

Para 1, Part 1 of the Statute of YNTYMAQ union of Kazakhstan states that the union "is an independent public association of citizens working in the field trade, cooperation, services, production of goods and other business activities, enterprises, institutions and organizations, large, medium and small businesses, public-private partnerships, education, innovation activity, entrepreneurs, students and educational workers establishments. The union is open to workers other branches that recognize it goals, objectives and principles of activities."