



Business & Human Rights
Resource Centre



On Shaky Ground:
**Migrant Workers' Rights
in Qatar & UAE Construction**

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Executive Summary

As tourism to the Gulf grows and is set to balloon around Expo 2020 in Dubai and the 2022 FIFA World Cup in Qatar, businesses are increasingly aware of the need to respond to people's concerns about worker abuse in the hotels they stay at, the roads and railways they travel on, and in the places they visit.

Prompted by international scrutiny of working conditions on flagship projects in Qatar and the UAE, in 2016, the Business & Human Rights Resource Centre [surveyed](#) construction companies on their approach to safeguarding migrant workers' rights in both countries. Two years on and with a [second survey](#), our findings show that while a consistent but small group of construction companies demonstrate real commitment to tackling the risks to migrant workers in their operations, the overwhelming majority operate with high risks to human rights and continued disregard for workers' welfare. In both years, more than 70% of surveyed companies did not respond and over 60% did not have a public commitment to human rights.

Without mechanisms in place to respect workers' rights, migrant workers continue to suffer labour abuse and exploitation. In 2017 and 2018, the Resource Centre recorded 17 public allegations of labour rights abuse by construction companies in the Gulf, impacting more than 12,000 workers. Most allegations concerned late or non-payment of workers' wages (71%), restricting freedom of movement by withholding passports and failing to renew workers' visas (76%), and hazardous living conditions (41%). Payment of recruitments fees were referred to in three instances. There were four cases of hazardous conditions causing worker deaths and five of health and safety violations.

These public allegations are not exceptional cases. The lack of civic and press freedoms in the region severely limit the ability of rights groups and journalists to catalogue and report on the full extent of migrant worker abuse in the construction sector. These restrictions operate in tandem with severe curbs on workers' rights to assembly and collective

bargaining in order to gag migrant workers and prevent their experiences coming to light.

However, several years of declining oil prices in the region have exacerbated delayed payments from clients to construction companies and down the supply chain. While governments and businesses can ignore the impact on migrant workers who have limited voice and access to recourse, they cannot avoid the rise in payment disputes, project delays and high-profile bankruptcies. In the worst cases, companies like **HKH Contracting Company** and **Joannou & Paraskevaides (Overseas)** have collapsed and gone into liquidation, leaving thousands of unpaid workers in their wake.

Along with the squeeze on cash flow in Qatar and UAE's construction markets, clients' adoption of least-cost procurement creates a race to the bottom in the industry. Construction companies underprice their work to secure projects, putting downward pressure on workers' wages and the safety and standards of their work and living conditions. Companies with stronger labour rights policies are thus at risk of having to exit the market, as their competitors are not subject to the same standards and the associated costs.

“ QDVC operates in a highly competitive market. Unfortunately, some competitors do not take workers' welfare issues into consideration when conducting their own operations, thus placing QDVC in a challenging position. The tendering process should account for the true cost of responsible labour practices, for instance. This would help compliant contractors to remain competitive and create positive incentives for the rest of the industry.¹¹”

11 Vinci (QDVC) response to 2018 survey: <https://www.business-humanrights.org/en/vinciqdvc-2018>

Leading companies themselves recognise the need for proactive, pre-competitive collaboration to counter this race to the bottom and to create a level-playing field for companies. **Vinci**, which operates in Qatar as **QDVC**, and **Multiplex** are both members of [Building Responsibly](#), an industry collation aimed at improving standards and practices throughout the construction and engineering sectors.

As Expo 2020 in Dubai and the 2022 Qatar World Cup draw closer, it is clear that these events provide an impetus for change. But the issues pertaining to migrant workers' rights in the construction sector go well beyond these events and call for widespread and long-term change in industry practice. This briefing analyses the survey responses and public human rights commitments of construction companies with current projects in the region and makes recommendations to companies, clients and governments to advance the rights of migrant workers.

Key Findings

- Despite government labour reforms and new industry welfare commitments, **most construction companies operating in Qatar and the UAE maintain an unacceptable lack of transparency and engagement on migrant workers' rights.**

 - There was no increase in the absolute number of companies that responded to our survey between 2016 and 2018. Only 14 companies responded in both years, representing a non-responding majority of 86 out of 100 companies in 2016 and 35 out of 49 in 2018.
 - Only 39% of the companies (19 out of 49) have a public commitment to human rights. This is no change on the previous survey, when we recorded 39 out of 100 companies with a commitment.
 - Less than a handful of respondents (4 out of 14) report engaging with civil society and global trade unions to address risks in their regional supply chains.
- Construction companies with **dedicated worker welfare policies and labour rights commitments** report stronger action to safeguard migrant workers' rights in Qatar and the UAE.

 - These companies are: **Vinci (QDVC), Laing O'Rourke, Multiplex, Salini Impregilo, Besix** and **Al Naboodah Construction Group.**
- Companies that only cite **compliance with client standards** provided minimal evidence of meaningful action on labour rights.

 - They are: **Bin Omran Trading & Contracting, Larsen & Toubro, and Tekfen Construction.**
- Key risk areas:** Companies are failing to fulfill their responsibility to respect workers' rights on the following:

 - Worker representation:** 10 out of the 14 respondents do not describe how their worker welfare committees facilitate dialogue between workers and management staff, nor how they monitor and remedy workers' collective grievances in a systematic manner.
 - Freedom of employment:** 9 out of the 14 respondents do not report their procedures and timelines for issuing no-objection certificates to migrant workers to change employers.
 - Heat stress:** None of the respondents report an explicit policy for protecting workers from heat stress throughout the year or using international standards of best practice to monitor heat conditions.
 - Wage delay:** Only three respondents – **Besix, Multiplex** and **Vinci (QDVC)** – describe concrete measures to oversee their subcontractors and verify that they are paying their workforce on time and in full.

Key Recommendations

Companies should

- Develop and implement labour rights and welfare policies specific to the heightened human rights risks to migrant workers in Qatar and the UAE.
- Take urgent action to introduce protections for migrant workers from heat stress and late payment of wages in the supply chain, establish systematic, unconditional and timely procedures for workers to change employment, and convene worker committees as a means of collective representation and bargaining.
- Introduce monitoring systems to check subcontractor compliance with company welfare policies, including mechanisms to build the capacity of subcontractors to adopt better practices and where necessary, penalties for non-compliance.
- Collaborate with other construction companies to collectively identify risks in Qatar and the UAE and influence the labour practices of subcontractors, share and develop good practice and guidance, and push for pre-competitive industry-wide labour standards within their sector, and with the governments.

Clients should

- Award contracts to construction companies with demonstrable labour rights and welfare policies and procedures in place and require existing contractors to embed labour rights throughout their policies and operations.
- Ring-fence the cost of worker welfare/labour rights in tendering documents and account for it in contract prices so that companies in their supply chain can make the necessary investments in fair wages, recruitment and worker welfare.
- Ensure prompt payments to contractors to prevent wage delays in the supply chain.

Governments should

- In their capacity as construction clients, reform government procurement practices to incorporate human and labour rights standards and create a level playing field for construction companies on worker welfare.
- Introduce legislation:
 - to regulate payments and increase cash flow in construction supply chains
 - requiring employers to protect workers from heat stress risks throughout the year
 - to allow migrant workers to transfer employment without requiring their employer's permission and at any time during their contract period
- Regulate the construction industry through stricter enforcement of existing labour laws and application of penalties for labour rights violations.

Introduction

In the next four years, the UAE and Qatar are set to host two large global events that will attract over 25 million extra visitors to the region. Expo 2020 in Dubai and the 2022 Qatar World Cup have fueled construction activity, as governments and businesses work to deliver large-scale infrastructure and ambitious leisure and sporting venues on time. While the events have presented an opportunity for both countries to showcase themselves on the world stage, the international spotlight has also drawn attention to the treatment of migrant construction workers by the construction companies that employ them and to the countries' visa-sponsorship laws that restrict workers' freedom of movement and ability to organise.

The construction sector in the Gulf employs an [estimated](#) 10 million construction workers, many of whom are low-wage migrant workers from South Asia, Southeast Asia and Africa. Companies and governments benefitting from this large migrant workforce have the potential to deliver on safe, decent work for migrant workers. However, this requires that companies have procedures in place to respect workers' rights, overseen by effective government regulation, enforcement, and incentives to drive up labour standards.

The rights of migrant workers have come into sharp focus in the region due to evidence of exploitative conditions on the construction of the Louvre and Guggenheim museums and NYU campus in Abu Dhabi and the 2022 FIFA World Cup stadiums in Qatar. Although much recent international scrutiny has been on building for the World Cup, construction activity in the UAE is also ramping up ahead of Expo 2020 in Dubai. The country [accounts](#) for 44% of new contracts in the Gulf in 2017, two-thirds of which were awarded for projects in Dubai.

To assess how businesses are addressing labour risks to migrant workers in their operations and supply chains, the Business & Human Rights Resource Centre [conducted a survey](#) of 100 construction and engineering firms in Qatar and the UAE in 2016. [Our findings revealed](#) an alarming lack of engagement and transparency from companies, with only a handful reporting action in key risk areas such as recruitment, worker representation and subcontractor oversight, and the majority failing to fulfill their responsibility to respect human rights.

Two years on, migrant construction workers are still vulnerable to labour abuse and exploitation. In 2017 and 2018, the Resource Centre recorded 17 public allegations of labour rights abuse by construction companies in the Gulf, impacting more than 12,000 workers.

Most allegations we recorded concerned late or non-payment of workers' wages (71%), restricting freedom of movement by holding passports and failing to renew workers' visas (76%), and hazardous living conditions (41%). Payment of recruitments fees were referred to in three instances, there were four cases of hazardous conditions causing worker deaths and five of health and safety violations.

These public allegations are not exceptional cases. The lack of civic and press freedoms in the region severely limit the ability of rights groups and journalists to catalogue and report on the full extent of migrant worker abuse in the construction sector. These restrictions operate in tandem with severe curbs on workers' rights to assembly and collective bargaining in order to gag migrant workers and prevent their experiences coming to light, except in the most extreme cases:

CASE STUDY | HKH Contracting in Qatar

In 2018, over 1,000 migrant construction workers in Qatar experienced months-long delays in payment when their employer, **HKH Contracting Company**, defaulted on their salaries. The company also reportedly failed to renew workers' visas, putting them at risk of fines, detention or deportation if found by authorities. The situation deteriorated to the extent that workers were living under hazardous conditions, without running water, electricity or access to medical care, and were reliant on charitable donations for food, water and sanitation services.

[Research by Migrant Rights](#) into **HKH Contracting's** supply chain identified over a dozen subcontracting companies on one of the company's projects, and close to 50 suppliers and subcontractors on another. According to their sources, those companies had not been paid, but it was not clear if the subcontractors' workers had also not been paid.

Despite lodging complaints with numerous authorities – including embassies, local police, the Ministry of Labour, the National Human Rights Committee and the ILO Qatar office – and the much-touted introduction of labour dispute committees in the country, resolution of the workers' circumstances has been slow, and many workers have changed jobs or left the country without receiving their financial dues.

Our [2018 Human Rights Primer for Business](#) on construction in the Middle East describes other recent allegations of labour rights violations in Qatar and the UAE in more detail.

Policy Developments

While the case above paints a bleak picture of what happens when companies fail to have the policies and procedures in place to safeguard workers' labour rights, there have been some advancements on human rights commitments in the construction sector and reforms to local legislation governing workers' rights in Qatar and the UAE in recent years.

Qatar government and ILO technical cooperation programme: In November 2017, the ILO and Qatar entered into a three-year [technical cooperation programme](#) on working conditions and labour rights. Under the agreement, the ILO will work with the government and other stakeholders to improve employment conditions and recruitment practices for migrant workers, ensure timely payment of wages, strengthen labour inspection and occupational health and safety standards, enhance protection from forced labour, facilitate worker voice, and support measures to replace Qatar's visa-sponsorship system with a contractual employment system.

UAE payment reforms: In October 2018, the UAE replaced its existing system of requiring companies employing migrant workers to deposit an AED 3,000 (US\$ 817) bank guarantee for every new hire with an [insurance scheme](#) that would cost employers a much lower annual fee of AED 60 (US\$ 16) per worker. It would also secure wider coverage for workers for unpaid wages, overtime allowance, paid leave, as well as end-of-service benefits and return airfare, capped at a maximum of AED 20,000 (US\$ 5,546) per person. Abu Dhabi has also [introduced a card](#) for workers who have not been paid their wages that will pay for food, transport and other costs while they wait to receive their dues.

Building Responsibly Principles: In June 2018, [Building Responsibly](#) – a coalition of engineering and construction companies – launched 10 principles to serve as the global industry standard on worker welfare. [The principles](#) address key areas of worker vulnerability, including freedom from forced labour, safe and healthy working conditions and respect for worker representation. The eight companies that have committed to the principles are: **Bechtel, Flour, Jacobs** (formerly CH2M), **Multiplex, Vinci, Wood** (formerly Amec Foster Wheeler) and newest members **Acciona Infraestructuras** and **SBM Offshore**.

FIFA Human Rights Policy: [FIFA's Human Rights Policy](#) – the first for an international sports organisation – was adopted by the FIFA Council in May 2017 in line with Article 3 of its statutes. The policy, which extends to the Qatar tournament, identifies labour rights as a salient human rights risk and acknowledges that FIFA *“is linked to workers through its engagement with other entities and through supply chains as part of [...] the construction of stadiums and infrastructure.”* In view of the risk, FIFA commits *“to uphold and promote the highest international labour standards [...] and seeks to ensure respect for labour standards by its business partners and in the activities linked to its operations”*.

Client standards: Numerous construction clients in Qatar and the UAE have adopted worker welfare standards aimed at improving the working and living conditions of migrant workers on their projects. These include the [Supreme Committee for Delivery & Legacy's](#) Workers' Welfare Standards and [Qatar Foundation](#) Mandatory Standards of Migrant Workers' Welfare in Qatar, and the [Expo 2020](#) Dubai Worker Welfare Policy and [TDIC](#) Employment Practices Policy in the UAE.

SPOTLIGHT | Client Procurement Behaviour

As the actors commissioning, procuring and often financing construction projects, clients, whether private developers or governments entities, have a significant influence on the labour standards governing construction projects.

Several quasi-governmental entities in Qatar and the UAE (listed above) have introduced worker welfare standards into their tendering documents and contracts with construction companies and have taken steps to make sure they are enforced.

However, most clients in Qatar and the UAE adopt a least-cost approach to procurement, awarding contracts to construction companies that submit the lowest bids, with no prequalification requirements related to workers' rights. A [recent industry report](#) points out that many public procurement laws in the Gulf in fact *require* government entities to award contracts to the lowest bidder that meets the minimum requirements of a request for proposal. This creates a race to the bottom in the industry, with companies underpricing their work to secure projects, and puts downward pressure on workers' wages and the safety and standards of their work and living conditions.

The Company Survey

Methodology

To assess progress in the transparency and labour rights practices of construction companies operating in Qatar and the UAE in the last two years, the Business & Human Rights Resource Centre conducted a second round of outreach in July 2018, surveying 49 construction contractors on migrant workers' rights and analysing their publicly available human rights policies.

The survey consisted of 22 questions on company policies and procedures in the following eight areas:

- Recruitment
- Payment & wages
- Health & safety
- Living conditions
- Freedom of movement
- Worker representation
- Grievance mechanisms
- Supply chain management

The complete set of company responses and non-responses are available on our [Migrant Workers and Construction](#) platform and are summarized in [Annex 1](#).

We drew our survey sample from the [Gulf Construction Tracker](#), selecting companies that received new construction contracts for projects in Qatar or the UAE between January and December 2017. The Tracker is a joint project between the Business & Human Rights Resource Centre and the [NYU Stern Center for Business and Human Rights](#) that tracks new construction awards in Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE. The data is collected from publicly available sources of information, capturing contracts that are likely to require the labour of large numbers of low-wage migrant workers.

The 49 companies we invited to participate in the survey were selected for the survey if they met two or more of the following criteria.

- Contract or project value > USD\$ 100 million
- 2 + contract awards
- Contractor on a World Cup or Dubai Expo project

In the cases where a contract was awarded to a joint venture or consortium, we contacted all the companies involved. If companies had been awarded contracts in both countries, we surveyed them on the country where they had received the highest value or highest number of contracts.

Company Responses

There has been no increase in the number of companies disclosing information on their actions to respect workers' rights in Qatar and the UAE since the previous survey, despite the fanfare around government labour reforms and new industry welfare commitments.

In 2016 we counted general statements from companies, clients and project management consultants as responses to the survey, reaching a figure of 22 survey responses. We used a stricter classification in 2018, discounting general statements, and only surveyed construction companies. We then retrospectively applied this standard to the 2016 responses in order to compare the two sets of results.

In doing so, we found there was no increase in the absolute number of companies that responded to our survey between 2016 and 2018. Only 14 companies responded in both years, representing a non-responding majority of 86 out of 100 companies in 2016 and 35 out of 49 in 2018.

- | Nine companies – **Al Naboodah Construction Group, AF Construction** (formerly Al Futtaim Carillion), **Aktor, Besix, Interserve, Laing O'Rourke, Multiplex, Salini Impregilo** and **Vinci (QDVC)²** – responded in both years.
- | **Bin Omran Trading & Contracting, Larsen & Toubro, Muhibbah Engineering Porr,** and **Tekfen Construction** responded for the first time.
- | **Bouygues, QD-SBG Construction, TAV Construction** and **Yapi Merkezi** did not respond to this year's survey, despite responding in 2016.
- | Twenty-six companies did not respond in both years:

<ul style="list-style-type: none"> Al Balagh Trading & Contracting Al Shafar General Contracting ALEC Arabian Construction Company Arabtec Bam International³ BIC Contracting China Harbour Engineering Corporation China Railway Construction Corporation China State Construction Engineering Cimolai Consolidated Contractors Company Daewoo E&C 	<ul style="list-style-type: none"> DBB Contracting Galfar Al Misnad HBK Contracting Hyundai E&C Joannou and Paraskevaides (J&P) Kier Midmac Orascom Construction Shapoorji Pallonji Teyseer Contracting Trojan General Contracting United Engineering Construction Wade Adams
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² VINCI (QDVC) operates in Qatar through QDVC. Qatar Diar Real Estate Investment Company is 51% shareholder in the company and VINCI (QDVC) Construction Grand Projects is the shareholder of the remaining 49%

³ Bam International responded to the 2016 survey after the publication of the report. The company provided a general statement in response to the 2018 survey, which is not classed as a survey response.

Human Rights Due Diligence in Construction Financing & Procurement

Where construction companies fail to report on their human rights policies and procedures, it is imperative that funders and clients have strong human rights due diligence in place, as illustrated by the following two examples:

UK Export Finance (UKEF) has provided over US\$ 900 million in support for projects in the UAE since 2017, despite the well-known risks to labour rights in the country's construction sector. UKEF has been criticised by human rights NGOs who contend that *"its eagerness to help secure overseas contracts for British companies often comes at the expense of human rights"*, and that it is *"out of kilter with current standards and best practice on business and human rights"*.

One of the companies that has received UKEF funding in the UAE is **Kier**, the only UK-headquartered company not to respond to our survey in both years. The other firm that received UKEF funding in the UAE in 2017 was **Carillion**, despite allegations against the company for migrant labour abuse in its Qatar operations. **Carillion** subsequently went into liquidation in early 2018 leaving the UK government with an enormous bill for retendering contracts and tens of thousands of subcontractors, suppliers and workers with unpaid dues.

In order to avoid similar funding reversals in the future, UKEF and other financing entities should undertake robust human rights due diligence on construction projects in the region, taking into account companies' previous human rights records and disclosures.

Qatar's Supreme Committee for Delivery and Legacy's (SC) tendering process requires construction companies to submit a signed commitment to comply with the SC's worker welfare standards as part of their bids, as well as information on their recruitment, workforce numbers and worker accommodation.

In 2016, **Joannou & Paraskevaides (Overseas)** won the contract for the Qatar Foundation World Cup Stadium in a joint venture with two of its Qatari subsidiaries (**J&P Qatar** and **Conspel Qatar**) and **J&P Avax**.

Joannou & Paraskevaides (Overseas), which failed to respond to our survey in 2016 and 2018, filed for bankruptcy and went into liquidation in 2018, leaving over 6,000 employees of its subsidiaries in Saudi Arabia and Oman stranded without valid work permits, owed months of unpaid salaries, and unable to access medical care.

Although **J&P Avax** has said it does not expect **Joannou & Paraskevaides (Overseas)**'s fate to *"materially affect"* its own activities and that *"appropriate measures had been taken with banks and clients that would allow [joint venture] projects to continue without any interruptions"*, the potential risk exposure for the World Cup project should prompt the SC and other clients to strengthen their human rights due diligence and prequalification criteria for the award of contracts. Clients should require companies to have worker welfare policies and procedures in place prior to awarding contracts and not rely on contractors *"to implement all necessary rectifications and measure to improve the welfare of its workers"* once the contract is awarded.

Policy to Practice

Thirty-nine percent (19 out of 49) of the companies we surveyed have a public commitment to respect human rights: 10 of the survey respondents and nine non-respondents.

RESPONDENTS

- Al Naboodah Construction Group
- Aktor
- Besix
- Interserve
- Laing O'Rourke
- Larsen & Toubro
- Multiplex
- Porr
- Salini Impregilo
- Vinci (QDVC)

NON-RESPONDENTS

- Arabtec
- Bam International
- Bouygues
- Consolidated Contractors Company
- Daewoo E&C
- Hyundai E&C
- Itinera
- Kier
- Orascom Construction

In the case of **Aktor** and **Orascom Construction**, these stated commitments have not been adopted as formal policies. **Al Naboodah Construction Group** has a human rights policy that has been made public on our website as part of their survey response but is not otherwise publicly available.

Our analysis of company responses and human rights commitments shows that companies that have their own policies in place are more likely to describe concrete measures to safeguard workers' rights in key risk areas (see '[Company Evaluation](#)' table).

Al Naboodah Construction Group, Besix, Laing O'Rourke, Multiplex, Salini Impregilo and **Vinci (QDVC)** have the strongest policies in place for the protection of migrant workers' rights. Multinational companies **Laing O'Rourke** and **Multiplex** have developed dedicated worker welfare policies for their Middle East operations, while **Al Naboodah Construction Group** and **Vinci (QDVC)** have country-specific worker welfare policies in place that cover human rights risks that are prevalent in the UAE and Qatar respectively.

Vinci (QDVC) also has an agreement with the global construction trade union Building & Wood Workers' International (BWI) to uphold the fundamental labour rights of construction workers, as do **Besix** and **Salini Impregilo**. BWI has visited **Salini Impregilo's** worker accommodation in Qatar under the ambit of their international agreement, while the agreement with Vinci is the first to be tailored to the specific circumstances in Qatar and signed with the local partner QDVC.

Conversely, **Bin Omran Trading & Contracting, Larsen & Toubro,** and **Tekfen Construction**, who all cited compliance with client standards on worker welfare as the main guidelines governing labour practices on their project, have the weakest disclosure on their operational procedures to safeguard the rights of migrant workers.

Because international contractors often have global policies to comply with international standards on labour and human rights, they are finding it increasingly [difficult to compete](#) with regional competitors who are not subject to the same standards and the associated costs.

“ QDVC operates in a highly competitive market. Unfortunately, some competitors do not take workers’ welfare issues into consideration when conducting their own operations, thus placing QDVC in a challenging position. The tendering process should account for the true cost of responsible labour practices, for instance. This would help compliant contractors to remain competitive and create positive incentives for the rest of the industry.”

Recognising the need for proactive, pre-competitive collaboration to counter a race to the bottom in Qatar and the UAE and create a level-playing field, **Vinci (QDVC)** and **Multiplex** are both founding members of [Building Responsibly](#), an industry collation aimed at improving standards and practices throughout the construction and engineering sectors.

Company Evaluation

	Human rights policy	Risk areas						
		Recruitment	Payment & wages	Freedom of movement	Living conditions	Health & safety	Worker representation	Grievance mechanisms
Laing O'Rourke	●	●	●	●	●	●	●	●
Vinci (QDVC)	●	●	●	●	●	●	●	●
Multiplex	●	●	●	●	●	●	●	●
Salini Impregilo	●	●	●	●	●	●	●	●
Besix	●	●	●	●	●	●	●	●
Al Naboodah Construction Group	●	●	●	●	●	●	●	●
Porr	●	●	●	●	●	●	●	●
Interserve	●	●	●	●	●	●	●	●
AF Construction	●	●	●	●	●	●	●	●
Muhibbah Engineering Middle East	●	●	●	●	●	●	●	●
Aktor	●	●	●	●	●	●	●	●
Larsen & Toubro	●	●	●	●	●	●	●	●
Tekfen Construction	●	●	●	●	●	●	●	●
Bin Omran Trading & Contracting	●	●	●	●	●	●	●	●

Human rights policy: ● Dedicated worker welfare policy ● Human rights policy ● Commitment/undisclosed policy ● None
Risk areas: ● Leading the way ● On the path ● Started the journey ● In the starting blocks

4 Vinci (QDVC) response to 2018 survey: <https://www.business-humanrights.org/en/vinciqdvc-2018>

As in our [previous assessment](#), the action reported by companies varies greatly, with only a small cluster of leaders standing out. **Laing O'Rourke, Multiplex, Salini Impregilo** and **Vinci (QDVC)**'s reporting reflected better action to respect workers' rights and provided detailed disclosure that went beyond compliance or policy statements. This leadership group remains the same as for the last year, with **Al Naboodah Construction Group, Besix** and **Porrr** following closely, with much more detailed survey responses than previously disclosed.

It is important to note that Vinci has had human rights allegations levelled against it by the French NGO, Sherpa, for labour abuse in its Qatar operations. The first complaint was filed in 2015 and was closed by the public prosecutor in January 2018. A new complaint was filed against the company in November 2018. The company has responded to the new allegations.

Some specific examples of good practices demonstrated by this group include:

Recruitment

Click the headings to compare company action in each risk area

Laing O'Rourke employs several measures to ensure that migrant workers are not charged fees during recruitment. Steps taken by the company include conducting robust due diligence and pre-qualification of recruitment agents, inserting requirements for ethical recruitment into contract clauses with recruitment agents, paying for the fees and costs associated with recruitment, having direct oversight of the recruitment process in labour-sending countries, prohibiting agents from using sub-agents, communicating their no-fee recruitment policy to prospective workers, and having mechanisms in place for workers to report being charged fees. On reimbursing fees, **Porrr** requires recruitment agents to submit a bond of 500,000 QAR (approximately US\$ 137,000), which is liquidated to reimburse workers if the agent is found to have breached the company's no-fee recruitment policy.

Wages

Besix sets workers' wages according to merit, based on a candidate's skills, experience, education and certifications. The company also takes into account prevailing labour market rates and verifies that workers can "*afford fair living standards in the country of assignment*". It provides its workers with clear information about their wages and benefits through monthly pay slips.

Health & safety

Salini Impregilo has a health and safety policy and management system in place that complies with the OHSAS 18001 standard and is certified by an independent external body. Key elements of the system include risk assessment and prevention, safety induction, training and daily briefings for workers, internal and external audits, rewards for positive safety behavior, and the provision of emergency hotlines and medical care.

Freedom of movement

Laing O'Rourke has a passport management policy mandating that all workers have possession of their passports. They provide individual digital lockers to every worker in their workforce accommodation and require subcontractors to do the same. Where subcontractors secure their workers' passports, Laing O'Rourke requires that they have demonstrable safeguards in place to protect workers' legal rights to unconditionally request the return of the passport, such as a defined procedure to return passports to workers within six hours in the event of an emergency.

Worker representation

Vinci (QDVC) promotes worker representation through the facilitation of a Workers' Welfare Committee. Worker representatives are elected by their peers and have received capacity-building on Qatar's labour laws and soft skills from BWI. The Committee meets once every two months for workers to raise concerns with QDVC executives and managers from the company's human resources, CSR and safety departments on topics such as working and living conditions, wages, and leave.

Grievance mechanism

Multiplex provides several channels for workers to report grievances confidentially and in a language they understand. The grievances received are assessed, categorized, recorded, tracked and closed out using a grievance tracker to ensure that all grievances are attended to and resolved within specified timeframes. Grievances are categorized by risk, where high-risk grievances are investigated immediately by the Welfare Team and escalated to senior management.

The weakest areas of disclosure by companies were worker representation and freedom of movement – labour rights that are restricted under Qatar and UAE law. In both countries, migrant workers require their employers' permission to transfer employment and are prohibited from collectively organising. While all the companies, bar **Larsen & Toubro**, state that they convene regular forums for migrant workers to raise issues related to welfare, accommodation and health and safety, only three companies (**Laing O'Rourke**, **Multiplex** and **Vinci (QDVC)**) describe how these forums operate to elect worker representatives, facilitate dialogue between workers and management staff, and monitor and remedy collective grievances in a systematic manner.

Most respondents also say they allow migrant workers to change jobs, but only 36% disclose procedures and timelines for issuing no-objection certificates. Similarly, just 36% of the respondents report providing lockers for workers to safely store their passports and report only holding onto workers' passports during the processing of their visas and residence permits.

I Supply Chain Management

Workforce data shared by the companies that responded to the survey reveals large differences in the extent of subcontracting in their operations. At one extreme, **Al Naboodah Construction Group** reported employing 87% of its workforce directly. At the other extreme, 88% of **Salini Impregilo's** workforce and 82% of the workforce at **QDVC** were employed through subcontractors and labour supply companies. That said, most construction projects will involve numerous companies hired on a short-term basis depending on the phase of construction, and the composition of an individual company's workforce will vary accordingly (see [Annex 2](#)).

Our [human rights primer](#) on risks to construction workers explains how the sector's reliance on subcontracting and labour outsourcing contributes to serious violations of migrant worker's rights, due to long, complex supply chains that are difficult to monitor and to hold accountable to human rights policies and standards.

Companies therefore need strong mechanisms in place for oversight of their subcontractors and suppliers, including robust policies and procedures, contractual controls, due diligence, training and monitoring.

While two-thirds of the respondents have supply chain standards that extend labour rights requirements to their subcontractors, less than a handful of companies disclose the steps they take to ensure that subcontractors are actually meeting these requirements.

Multiplex reports that it undertakes pre-engagement due diligence of subcontractors, embeds contractual controls at the supplier procurement phase, and provides continual capacity-building on labour rights across its value chain. By making grievance mechanisms available to all workers and adopting a risk-based approach to auditing entities in its supply chain, Multiplex is able to check adherence down its supply chain *"as far as reasonably practicable"*.

Vinci (QDVC) maintains a "CSR Subcontractor Database" that lists the company's current subcontractors and labour suppliers and their CSR performance based on key accommodation and labour rights requirements outlined in their contracts. Subcontractors are assessed against these requirements during procurement to develop an *"improvement plan"* with a clear timeline for subcontractors to achieve full compliance, and these are subsequently monitored through follow up audits. Where companies demonstrate repeat non-compliance against these agreed indicators, **QDVC** may apply financial penalties, payment suspension, contractual restriction or termination of the subcontract depending on the severity of non-compliance and the *"proactivity of the subcontractor to resolve them"*.

Al Naboodah Construction Group's Sustainable Supply Chain Charter expresses the company's commitment to supporting its supply chain to achieve the company's sustainability goals and developing long term relationships. To do so, the company reports providing guidance to subcontractors which only meet their basic requirements during the accreditation process and leading continuous improvement programmes for them.

These examples demonstrate the types of measures companies can employ to safeguard migrant workers in their supply chain; monitoring contractual conditions, supporting suppliers to adopt better practice through capacity-building, putting penalties in place in cases of repeat non-compliance, and ensuring subcontracted workers have access to grievance mechanisms.

In Focus

Heat Stress Protection

In Qatar and the UAE risks to workers' health and safety are magnified by heat-related risks. The summer working ban, which is adopted in all six countries of the Gulf, legally prohibits outdoor work between specified months and periods of the day. In Qatar, workers are banned from working outdoors between 11.30 am and 3.00 pm from June 15 until August 31.

The ban is not based on actual weather conditions and does not account for the high temperatures and humidity outside these hours and time of year. Data collected and analysed by Human Rights Watch (HRW) confirmed that the heat stress index in Qatar can be dangerously high times of year when there is no work ban in place, putting workers at risk of *"suffering acute health-related injuries"* with a *"high probability that heat stroke play(s) a role in many of the unexplained deaths or deaths attributed to cardiac arrest"* in Qatar.

In September 2017, HRW issued a call to action to the government of Qatar to replace the summer working hours ban *"with a legal binding requirement that employers adequately minimise the heat stress risk to workers, including the prohibition of work at all times of unacceptable heat risk."* HRW also called on FIFA to insist that Qatar put in place these reforms and urged the Supreme Committee for Delivery & Legacy to update its current monitoring procedures in line with international standards of best practice⁵. FIFA's independent Human Rights Advisory Board echoed the recommendation to FIFA in their [2018 report](#), listing several steps FIFA should take alongside the Supreme Committee for Delivery and Legacy to address the impact of heat stress on workers involved in the 2022 World Cup.

In this year's survey, we asked companies what steps they take to protect workers from high temperatures and humidity *throughout the year*, asking them to include information on how they monitor heat risk. While just over half of the respondents have heat monitoring systems in place to determine work/rest schedules and work stoppages during extreme temperatures, only **Interserve** explicitly stated that it monitors heat stress indices and institutes protective measures throughout the year. Technical references in **Multiplex**, **Salini Impregilo** and **Vinci (QDVC)**'s responses suggest their use of a heat index that measures the combined effect of temperature, humidity, wind speed and solar radiation to determine thresholds for outdoor work, in line with international standards of best practice.

Aktor provided the least detail, saying only that it complies with the summer working ban in Qatar and communicates amended working hours to workers.

⁵ The International Organization for Standardization's (ISO) Standard 7243 uses the Wet Bulb Global Temperature (WBGT) as the heat stress index to specify recommended rest/work cycles at different physical work intensities. The WBGT measures the combined effect of temperature, humidity, wind speed and solar radiation on humans.

I Wage Delays in Supply Chains

Concern over late and non-payment in the region's construction sector has escalated in recent years, not just as a human rights concern, but as a major risk to business that leads to project disputes and delays.

Low oil revenues since 2014 have triggered cuts in government spending and tight liquidity in the private sector in Qatar and the UAE, resulting in delayed payments from clients to construction companies. The squeeze on cash flow puts immense pressure on the supply chain, forcing companies to self-fund for work to progress. **Aktor** and **Vinci (QDVC)** say they maintain reserves to pay workers' wages irrespective of client payments, while **Al Futtaim Construction, Multiplex, Porr** and **Salini Impregilo** all report having intervened to pay for workers' wages when their subcontractors have defaulted on payment of salaries.

Current market conditions aside, industry experts point to widespread subcontracting and use of "pay when paid" clauses in construction contracts as one of the main reasons migrant workers' salaries are delayed. Under these arrangements, contractors are not obliged to pay their subcontractors until they have received payment from the client, and in turn, subcontractors do not make payments until they receive payment from the company in the tier above. As a result, it can take several months for payments to reach migrant workers at the furthest points of a supply chain.

Seventy-one percent of the companies say that they do not operate on a "pay when paid" basis with their subcontractors, but only three describe concrete assurance measures to verify that subcontractors are paying their workforce on time and in full:

Besix conducts random interviews with subcontracted workers to make sure they are receiving their salaries on time. Subcontractors are requested to provide documentary evidence of their payments to workers, and where discrepancies are detected, Besix coordinates with the subcontractor or supplier to pay workers their dues.

Multiplex reports using the wage protection system (WPS) in the UAE to monitor its subcontractors and suppliers for late and non-payment of wages and has in place numerous operational mechanisms to capture wage payment issues including audits, worker interviews, drop boxes and worker representative committees.

Vinci (QDVC) requires subcontractors provide pay slips to their employees and provide a breakdown of wages including sick and paid leave. The company has also introduced a specific clause in its contracts with subcontractors that requires the subcontractor to demonstrate the financial ability to cover workers' salaries for the duration of the contract. Subcontracted workers can raise payment issues directly with **QDVC** through its grievance mechanism and health and safety committees. If the subcontractor goes into liquidation, **QDVC** attempts to absorb as many of the workers into its direct workforce.

In response to the issues of non-payment in the industry, Qatar and the UAE have both introduced new regulations to support migrant workers when their companies run into financial difficulties and are unable to pay them. The UAE has established a new wage and benefits insurance scheme and Qatar has introduced a new law establishing a fund for worker support and insurance. The fund will be used to pay workers' dues as ordered by dispute resolution committees before the expenses are recouped from employers.

These interventions, while welcome, do not address the underlying causes of late payment in the industry. A [recent report](#) by Engineers Against Poverty examines the causes and consequences in detail and makes recommendations to Gulf governments on how to improve cash flow in the industry and protect subcontractors and the workers they employ against late payment.

Recommendations

Despite government labour reforms and new industry welfare commitments, our findings demonstrate that most construction companies operating in Qatar and the UAE maintain an unacceptable lack of transparency and engagement on migrant workers' rights. The risks of serious labour abuse require urgent action by companies, clients, and governments, both ahead of the coming major international events – Expo 2020 in Dubai and the 2022 FIFA World Cup in Qatar – and beyond to safeguard migrant workers.

Companies should

- Develop and implement labour rights and welfare policies specific to the heightened human rights risks to migrant workers in Qatar and the UAE.
- Take urgent action to introduce protections for migrant workers from heat stress and late payment of wages in the supply chain; establish systematic, unconditional and timely procedures for workers to change employment; and convene worker committees as a means of collective representation and bargaining.
- Introduce monitoring systems to check subcontractor compliance with company welfare policies, including mechanisms to build the capacity of subcontractors to adopt better practices, and where necessary penalties for non-compliance.
- Collaborate with other construction companies to collectively identify risks in Qatar and the UAE and influence the labour practices of subcontractors; share and develop good practice and guidance; and push for pre-competitive industry-wide labour standards within their sector, and with the governments.

Clients should

- Award contracts to construction companies with demonstrable labour rights and welfare policies and procedures in place and require existing contractors to embed labour rights throughout their policies and operations.
- Ring-fence the cost of worker welfare/labour rights in tendering documents and account for it in contract prices so that companies in their supply chain can make the necessary investments in fair wages, recruitment and worker welfare.
- Ensure prompt payments to contractors to prevent wage delays in the supply chain.

Governments should

- In their capacity as construction clients, reform government procurement practices to incorporate human and labour rights standards, and create a level playing field for construction companies on worker welfare.
- Introduce legislation:
 - to regulate payments and increase cash flow in construction supply chains
 - requiring employers to protect workers from heat stress risks throughout the year
 - to allow migrant workers to transfer employment without requiring their employer's permission and at any time during their contract period
- Regulate the construction industry through stricter enforcement of existing labour laws and application of penalties for labour rights violations.

For detailed recommendations on payment in the construction sector refer to [Protecting the Wages of Migrant Construction Workers: Addressing the problem in Gulf Cooperation Council countries](#). For recommendations on heat stress, see: [Qatar: Take Urgent Action to Protect Construction Workers](#).

Annex 1a: Qatar Survey Companies

	Country of HQ	Response 2018	Response 2016
AKTOR	Greece	●	●
Bin Omran Trading & Contracting	Qatar	●	●
Interserve	UK	●	●
Larsen & Toubro	India	●	●
Muhibbah Engineering Middle East	Malaysia	●	○
Porr	Austria	●	●
Salini Impregilo	Italy	●	●
Tekfen Construction	Turkey	●	●
Vinci (QDVC)	France	●	●
Al Balagh Trading & Contracting	Qatar	●	●
Al Jaber Engineering	Qatar	●	○
Bouygues	France	●	●
China Railway Construction Corporation	China	●	●
Cimolai	Italy	●	●
Consolidated Contractors Company	Greece	●	●
Daewoo E&C	South Korea	●	●
Galfar Al Misnad	Qatar	●	●
HBK Contracting	Qatar	●	●
Hochtief	Germany	○	●
Hyundai E&C	South Korea	●	●
Joannou and Paraskevaides (Overseas)	Cyprus	●	●
Midmac	Qatar	●	●
OHL	Spain	○	●
QD-SBG Construction	Qatar	●	●
SNC-Lavalin	Canada	○	●
Teyseer Contracting	Qatar	●	●
Yapi Merkezi Insaat	Turkey	●	●
Carillion	UK	○	●

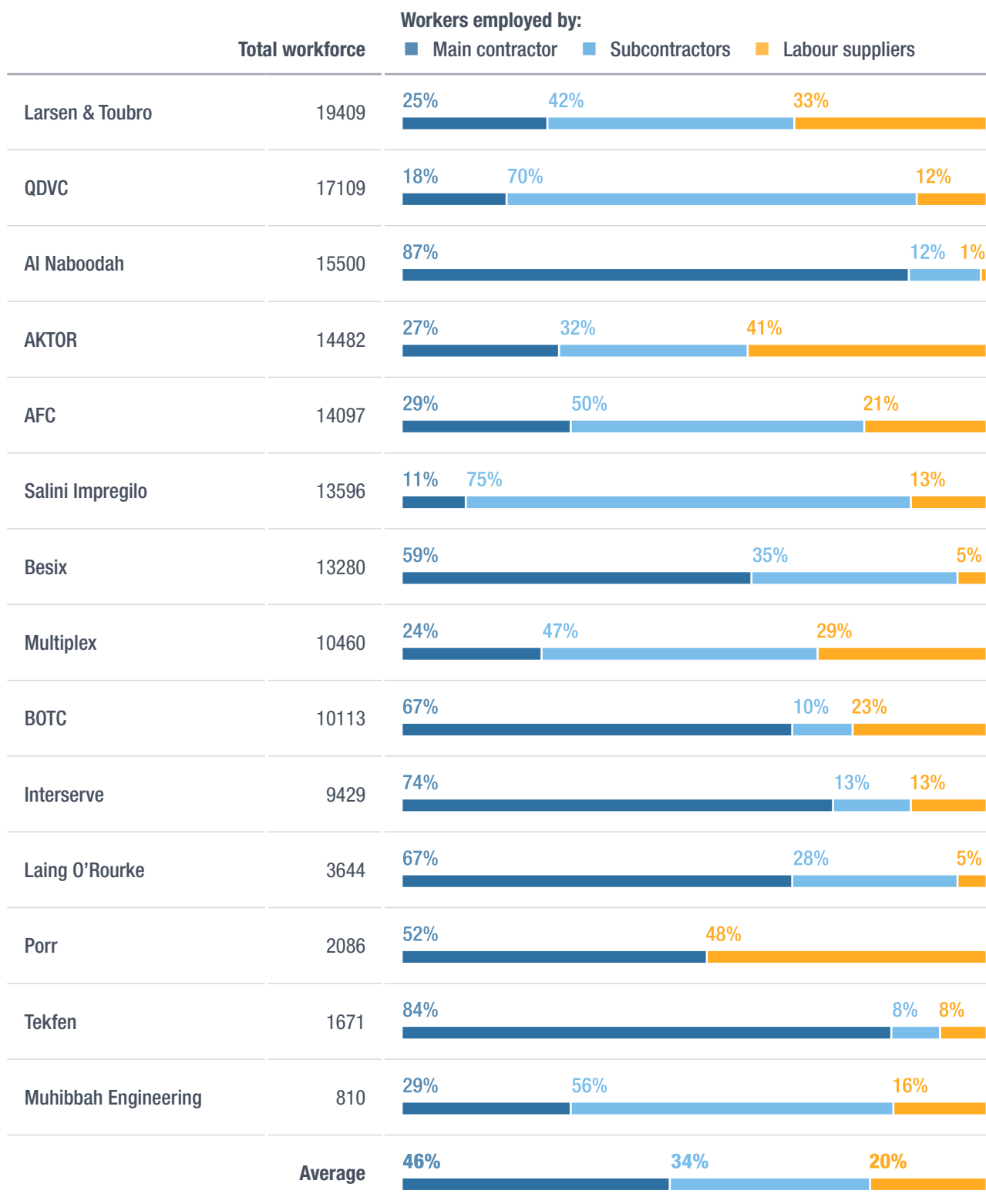
Colour code: ● Yes ● Partial ● No ● Post-publication ○ Not contacted

Annex 1b: UAE Survey Companies

	Country of HQ	Response 2018	Response 2016
AF Construction	UAE	●	●
Al Naboodah Construction Group	UAE	●	●
Besix	Belgium	●	●
Laing O'Rourke	UK	●	●
Multiplex	UK	●	●
Al Jaber Group	UAE	○	●
Al Shafar General Contracting	UAE	●	●
ALEC	UAE	●	●
Arabian Construction Company	Lebanon	●	●
Arabtec	UAE	●	●
BAM International	Netherlands	●	●
Belhasa International	UAE	●	○
BIC Contracting	UAE	●	●
China Harbour Engineering Corporation	China	●	●
China State Construction Engineering	China	●	●
DBB Contracting	UAE	●	●
Eversendai	Malaysia	●	○
Ghantoot Gulf Contracting	UAE	●	○
Itinera	Italy	●	○
Kier	UK	●	●
Orascom Construction	Egypt	●	●
Shapoorji Pallonji	India	●	●
TAV Construction	Turkey	●	●
Trojan General Contracting	UAE	●	●
United Engineering Construction	UAE	●	●
Van Oord	Netherlands	○	●
Wade Adams	UAE	●	●

Colour code: ● Yes ● Partial ● No ● Post-publication ○ Not contacted

Annex 2: Company Workforce Composition



Annex 3: 2018 Questions for Construction Companies

Migrant worker rights

- 1a.** Please describe the scope of your company's operations in [Country], including reference to the company's current projects and any labour rights standards governing these projects.
- 1b.** List your company's business relationships on its current projects, including with business partners⁶ and entities in its contracting chain⁷. If your company maintains this information publicly, please provide a link or attachment to it.
- 2.** Does your company maintain public workforce data? If yes, please provide a link or attachment with the data. If not, please provide the information on the number of:
 - a.** Directly employed⁸ workers on your current projects, and their countries of origin
 - b.** Workers employed by subcontractors on your current projects
 - c.** Workers employed by labour supply companies on your current projects

Human rights policy & due diligence

- 3.** Does your company have a publicly-available written policy to respect human rights in its operations that addresses:
 - a.** The rights of workers employed by the company
 - b.** The rights of workers employed by subcontractors, labour supply companies and other entities in the company's subcontracting chain?

Please provide links or attachments to the company's relevant policies

- 4.** Does your company require subcontractors and other entities in your contracting chain in [Country] to comply with your human rights and other rights-related policies and procedures? If yes:
 - a.** How do you hold them accountable to these requirements (e.g. through contract clauses) and ensure their compliance (e.g. through training, monitoring, penalties etc.)?
 - b.** Do you enforce compliance beyond the first-tier of your contracting chain? What challenges does the company face in ensuring subcontractor compliance, both in the first and subsequent tiers?

⁶ i.e. joint venture partners, State and non-State clients, and State and non-State project financiers

⁷ i.e. subcontractors, recruitment agencies, and labour supply companies in countries of origin and destination

⁸ A directly employed worker is a worker with whom you have a contract of employment and to whom you pay wages

Recruitment

5. Please describe your company's process for recruiting migrant workers to be part of your directly employed workforce in [Country].
6. Does your company have a publicly-available written policy to respect migrant workers' rights that addresses the specific risks migrant workers face during recruitment? Please provide links or attachments to the company's relevant policies.
 - a. How does your company prevent the practice of contract substitution? Does your company have a policy of honouring the terms of contract signed in workers' home countries?
 - b. If your company has a policy of no-fee recruitment, what steps does it take to ensure workers do not pay recruitment fees and related costs?
 - c. If your company has a policy of reimbursing fees, please describe the company's process for identifying incidences of worker-paid fees and reimbursing fees to workers.
 - d. How do these policies apply to the recruitment agents you engage and to labour suppliers and subcontractors who have workers on your projects?

Payment & wages

7. What is your company's process for determining the wages of its workers in [Country], and what external benchmarks does it use to set wage levels? Does your company consider a living wage in setting its wage amounts? Please explain.
8. Does your company operate on a contractual "pay when paid" basis in relation to:
 - a. Subcontractors?
 - b. Employee wages?
 - c. Other creditors? Please specify.
9. What mechanisms does your company have in place to detect unpaid wages to workers on your projects? Does your company maintain reserves to ensure salary commitments can be met, and has the company ever intervened to pay workers' wages when the direct employer has defaulted or gone into liquidation? Please describe.

Freedom of movement

10. How does your company ensure that all workers on its project sites have free and secure access to their passports and identity documents, including workers employed by subcontractors and labour-supply companies?
11. How does your company ensure that all workers on its project sites have valid work permits and other documents required for employment, including workers employed by subcontractors and labour-supply companies? Please include information on who pays for work permits and what steps the company takes when employers on its projects fail to issue or renew workers' permits.
12. How does your company ensure all workers on its projects are free to change jobs and/or leave [Country] at will?

Living conditions

- 13.** How does your company ensure safe and decent accommodation for all workers on its project sites, including workers employed by subcontractors and labour-supply companies? Please include information on what steps the company takes when employers on its projects fail to house workers in adequate living conditions.
- 14.** Please describe how your company makes provision for workers to have access to:
- a.** safe and adequate nutrition
 - b.** healthcare
 - c.** banking and remittance services
 - d.** transportation
 - e.** leisure activities

Health & safety

- 15.** Please describe your company's health & safety policy and procedures, including what steps the company takes to ensure that they are applied to directly employed and subcontracted workers on your projects.
- 16.** What is your company's policy and procedures on overtime? Please include in your answer:
- What the maximum/limit is on the amount of overtime
 - Whether overtime work is voluntary
 - What the premium is for overtime work
 - How the company prevents all workers on its projects from exceeding overtime limits during peaks in construction activity
- 17.** What steps does the company take to protect all workers on its projects from high temperatures, humidity and sunlight throughout the year? Please include information on how you monitor heat risk and how you communicate protective measures to all workers.
- 18.** Does your company maintain public data on fatalities and injuries to workers on its projects? If yes, please provide a link or attachment with the data. If not, please provide information for 2016 and 2017 on the total number and the causes of:
- a.** Work-place fatalities in your direct and subcontracted workforce
 - b.** Permanent disabilities in your direct and subcontracted workforce
 - c.** Lost-time injuries in your direct and subcontracted workforce⁹

⁹ Lost time-injuries calculated on the basis of injuries resulting in incapacity for work of at least three consecutive days (excl. the day of the accident)

Representation & remedy

19. Given legal restrictions on freedom of association and membership of trade unions in [country], how does your company ensure workers' voices are represented and heard by the company, e.g. through worker-representative committees? Please describe the mechanism in place.
20. In accordance with the UN Guiding Principle on Business and Human Rights, does your company have an operational level grievance mechanism in place for direct and subcontracted workers on your projects to raise concerns, in their own language, and in a way that ensures grievances can be reported safely, without intimidation or retaliation? Please provide a description of the company's grievance mechanism.
21. How many grievances were raised in 2017 by directly employed and/or subcontracted workers on your projects? Please provide a summary of the grievances and the remedial actions that were taken by the company and its subcontractors.

Other information

22. Is there anything else that you would like to tell us about how your company takes a responsible approach to managing its operations in the Gulf region, including any challenges it faces in doing so?



Business & Human Rights Resource Centre

Business and Human Rights Resource Centre is an international NGO that tracks the human rights impacts (positive & negative) of over 8000 companies in over 180 countries making information available on its eight language website.

We seek responses from companies when concerns are raised by civil society. The response rate is over 75% globally.

For any questions about this briefing paper, please send an email to contact@business-humanrights.org