

Semi-Annual Workers' Welfare Compliance Report

October 2014 to March 2015

A Lasting Legacy of Human and Social Development



Letter From the Secretary General

Ensuring the health, safety, security and dignity of every individual working on delivering the 2022 FIFA World Cup[™] is a core value for the Supreme Committee for Delivery & Legacy (SC). Our commitment to this ethos has been constant since we were awarded the right to host the region's first FIFA World Cup[™]. In line with the guiding principles laid out in the Qatar National Vision 2030 and the steps taken by our government in this field, we consider the welfare of our workers of the utmost importance.

Our second semi-annual compliance report provides an update on the efforts we have undertaken in all areas relating to Workers' Welfare, outlining the processes in place and identifying the challenges that have arisen during the implementation of our Workers' Welfare Standards.

The report provides the SC and our stakeholders with an overview of what has been achieved so far, areas requiring adjustments and how these adjustments are being undertaken. It covers matters both detailed – such as particular food items served in workers' canteens – and at the programme-wide level, including the adaptation of our Workers' Welfare Standards to ensure contractual provisions are meeting the needs of our workforce.

The compliance reports are stepping stones on the way to the second edition of our Workers' Welfare Standards, which will continue to cover the entire cycle of employment – from recrtuiment to work environment, accommodation and repatriation. The standards are supported by initiatives such as the Workers' Welfare Forums, which serve to ensure that workers' grievances are heard and addressed accordingly. Our approach to managing Workers' Welfare is grounded in a spirit of transparency and open dialogue, and our issuance of these reports – which involves extensive consultations with non-governmental organisations and others – is an important part of that commitment.

Our Workers' Welfare Standards have been well received by workers, contractors, international organisations and NGOs. Any changes to the standards will involve consultation and the integration of feedback from all relevant internal and external stakeholders.

We remain steadfast in our belief that the 2022 FIFA World Cup[™] will create a meaningful social legacy, and we view Workers' Welfare as central to ensuring that legacy. During his visit to Qatar in 2013, the United Nations Special Rapporteur on Human Rights of Migrants, Mr Francois Crepeau welcomed our 'exemplary attention to workers' rights' and stressed that he hoped 'the World Cup will be used as an opportunity for Qatar to enhance the effective respect, protection and fulfilment of the rights of migrant workers'.

We are striving every day to ensure that these principles are met and exceeded, working closely with our partners in government and the private sector, along with international organisations, to provide the best environment for those working to assist us in hosting a successful event in 2022 and leaving a positive social legacy for our country, in line with the goals of the Qatar National Vision 2030.

Hassan Al Thawadi Secretary General Supreme Committee for Delivery & Legacy

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01 Executive Summary



The Supreme Committee for Delivery & Legacy (SC) is pleased to share its second Semi-Annual Compliance Report, detailing Workers' Welfare-related progress, challenges and lessons learned for the period from October 2014 to March 2015.

Since the previous compliance report, the SC has continued to implement its Workers' Welfare Standards (WW Standards) and further progress has been made. One challenge faced by the SC during this period has been the continued misperception by the media and many people outside of Qatar that the SC represents the government of the State of Qatar. Although the SC was established as a government body, it does not have the authority to make or amend legislation. The SC supports the reforms being planned by the government and, like others, looks forward to seeing these reforms implemented soon. As the reform process makes progress, the SC will continue implementing its WW Standards.

Currently, the SC has launched five stadiums. They are in various stages of construction, with approximately 2800 workers on stadium sites as of 31 March 2015. There have been no deaths and no serious incidents on any 2022 FIFA World Cup[™] stadium sites. All workers on these sites are living in accommodation which has been upgraded in accordance with the WW Standards. These improved conditions allow the workers to eat well, sleep well and, ultimately, work well.

Held at the workers' accommodation facilities, Workers' Welfare Forums (WW Forums) give a voice to the workers. In a collaborative and empowering environment, Workers' Welfare Officers and worker representatives raise and resolve grievances and issues important to the workers. Members of the SC's compliance and enforcement team continue to periodically attend these forums, and remain pleased with their overall operations. However, we have observed that some Workers' Welfare Officers require additional support to enable them to fully succeed in their roles. In the future, training and assistance will be offered to people in these important roles.

Through the WW Forums and accommodation visits, the SC's compliance and enforcement team has come to know many of our workers. This includes personal stories, such as how one worker has been able to build an extension on his house in India for the benefit of his family, to better understanding their day to day requirements. We learned that most workers send home their entire salary, keeping only their overtime pay to purchase items for themselves. This in turn means workers are often willing to work additional hours and work on their days off to earn overtime. Part of our programme is, therefore, to not only target contractors and their practices, but also to educate workers regarding looking after their own health and well-being.

We also know that the basic salary of most workers in Qatar is QAR 800-1200 per month. The SC has been monitoring the wages of our workers. No worker has had any deduction made from their salary for the benefits and facilities being provided to them as part of the WW Standards. In fact, some of our contractors are continuing to pay a food allowance in addition to basic salaries, despite providing catered food. This effectively serves as a pay increase for those workers receiving the food allowance.

Some of the overtime and pay issues previously identified by the SC (and reported on by the media) have in fact resulted from confusion about the difference between basic salaries and allowances. Workers are often given a payslip showing a lump sum amount, without a breakdown into basic salary and allowances. As overtime is calculated on basic salary only, misunderstandings have arisen. To address this confusion, in the next edition of the WW Standards the SC will include a template payslip which can be used by contractors.

Recruitment and employment practices continue to be areas requiring attention. As mentioned in the first compliance report, the SC dedicated the initial six months of implementation to improving accommodation. For the previous six month period, the SC's ability to have a meaningful impact on recruitment practices has been limited, owing to the relatively small number of workers currently on our sites and that most of these workers were recruited before the implementation of the WW Standards. However, with main contractor appointments on the horizon, recruitment practices will become a focus area for the SC. We are currently developing strategies to ensure recruitment for our projects achieves our objectives.

With regard to employment practices, the SC has revised its approach to passports and will implement a new policy requiring that all workers must have personal possession of their passports, without exception. This decision came following dialogues with several NGOs, including Human Rights Watch. The updated policy will be reflected in the next edition of the WW Standards. Although not officially implemented yet, most of our contractors are already complying.

By maintaining interest and ensuring we meet the goals we have set ourselves, the media and NGOs continue to play a role in our implementation of the WW Standards. Over 20 media and NGO personnel have requested and been given access to our construction sites and accommodation facilities. Though the SC would welcome specific reporting on the implementation of our WW Standards following these visits, we are pleased with the generally positive feedback we have received.

Along with our stakeholders, the SC remains committed to Workers' Welfare and the continued implementation of the WW Standards.

02 Introduction



Responsibility for implementing our WW Standards resides with the SC, as the entity overseeing the delivery of all stadiums for the tournament. Although the number of workers on FIFA World Cup™ stadium sites remains relatively low (around 2800 as of 31 March 2015), we have continued to ensure that our workers' living and working conditions, and their legal rights, are respected.

Part of this process has been continuing to build public awareness about the WW Standards. The SC regularly hosts business delegations from around the world, during which Workers' Welfare is discussed in detail as part of the presentation given to this key demographic. In addition the SC presented on Workers' Welfare during the IGLP Harvard Law School Workshop held in Doha.

This report follows on from our first Semi-Annual Compliance Report and covers the period from October 2014 to March 2015, outlining the progress and challenges experienced during this period.



Semi-Annual Workers' Welfare Compliance Report: October 2014 to March 2015



03 Project Update

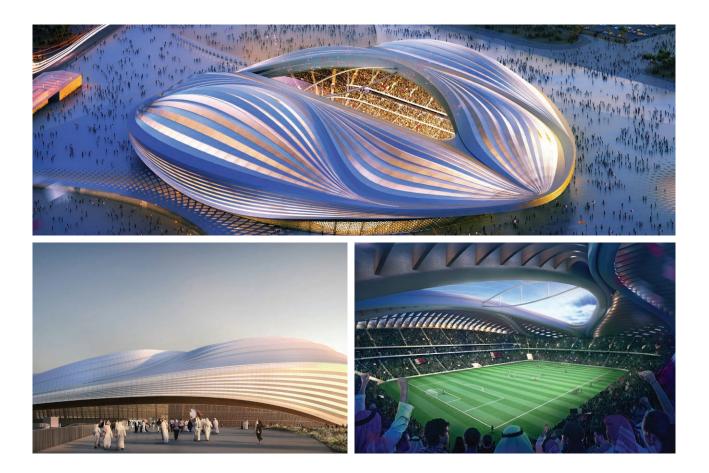


With a number of stadium and non-competition venues to be built or refurbished in preparation for the 2022 FIFA World Cup[™], the construction programme will be staggered over the next seven years. For the six month period covered by this report, construction has continued to advance on the five stadiums officially launched by the SC, the contracts for which now all incorporate the SC's WW Standards, as set out below.

Al Wakrah Stadium

HBK Contracting continues to undertake enabling works, due to be completed mid-year. The completion of enabling works will allow the transition to main works (construction of the stadium), the contract for which is currently out for tender. Appointment of the main works contractor is expected towards the end of 2015.

Both the enabling works contractor and the upcoming main works contract incorporate the WW Standards.



Qatar Foundation Stadium

Qatar Foundation Stadium is being delivered by Qatar Foundation (QF), one of the SC's stakeholders. In March 2013, United Construction Establishment (UCE) was appointed by QF to undertake package 1 of phase 1 enabling works, which was completed in October 2014. In October 2014, a joint venture between Consolidated Contracting Company (CCC) and Teyseer was appointed to undertake package 2 of phase 2 enabling works.

Contractors appointed by QF are contracted to the QF Mandatory Standards of Migrant Workers' Welfare. QF prepares its own Workers' Welfare feedback reports, which are provided to the SC, after which the SC may perform its own audits on these contractors.





Al Bayt Stadium – Al Khor City

Al Bayt Stadium – Al Khor City is being delivered by Aspire Zone Foundation (Aspire), one of the SC's stakeholders. Bin Omran Trading & Contracting Company (Bin Omran) was appointed in April 2014 to undertake early works. Aspire has incorporated the WW Standards into its contract.

The main works contract is currently out for tender, with the appointment of the main works contractor expected in mid-2015.



Khalifa International Stadium

Khalifa International Stadium is being delivered by Aspire. A Midmac/Six Construct joint venture was appointed in April 2014 to undertake the total renovation, construction, completion and maintenance of Khalifa International Stadium at Aspire Zone. Aspire has incorporated the WW Standards into its contract. The SC, in conjunction with Aspire, audits the contractors working on the stadium.





Al Rayyan Stadium

MANCO was appointed in June 2014 to undertake early works and deconstruction works. Deconstruction works were successfully completed and early works are ongoing. MANCO's contract incorporates the WW Standards.





04 Procedures Update



During the six month period covered in this report, Workers' Welfare has become more deeply embedded in the policies and practices of the SC. Notably, the Workers' Welfare Committee (WWC) has continued to work with the SC's Procurement Department to revise the request for proposal (RFP) process to incorporate Workers' Welfare requirements and to close a loophole discovered relating to single source contracts.

In addition, the WWC has focused on capacity building and revising the WW Standards to incorporate lessons learned during the first six months of implementation.

Procurement Procedures

An initial Workers' Welfare screening is the very first step of engagement for companies interested in doing business with the SC. Potential issues are identified and raised before the SC ever signs a contract with a company. During the period covered in this report, Workers' Welfare requirements embedded in the RFP process were refined and strengthened.

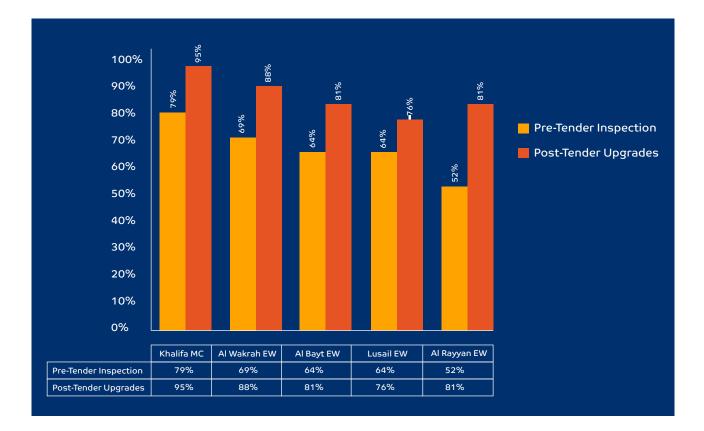
Currently, to bid for manpower-related SC projects, companies must provide the following: a signed Workers' Welfare commitment statement; the name of its nominated Workers' Welfare Officer; details about its recruitment procedures; projections about workforce requirements and how many workers will be supplied by subcontractors; details about the accommodation facility where workers will be housed; and permission for the SC to gain access to the accommodation facility to conduct an inspection.

Companies that do no fulfil these requirements are disqualified from the tendering process. To date, 12 companies have been disqualified from tendering for not fulfilling Workers' Welfare requirements.

Data Collection

In the past six months, the WWC also focused on improving tools for collecting and analysing data. Access to information is critical, as it allows us to analyse trends, identify problems and continously refine our approach. To strengthen data collection, we digitised and catalogued the information collected during audits and inspections. The data allows us to create a compliance snapshot, helping us to prioritise issues for rectification. In addition, since some contractors are audited or inspected more than once, the data allows us to compare the level of compliance after adoption of the WW Standards with the baseline compliance score calculated during the tendering phase.

In the six month period covered in this report, we were able to calculate the rate of improvement for five contractors. We were pleased to see that, after months of engagement with and training of contractors, all of them were able to improve their level of compliance, as shown in the chart below.



Capacity

Successfully implementing the WW Standards requires the support of devoted staff, in addition to the knowledge of external experts who have a great deal of experience in the field. In the past six months, the SC has been in discussions with a leading international organisation which specialises in assisting companies to ensure people work under safe, fair and legal working conditions. The SC intends to partner with this organisation to assist the SC in undertaking a baseline assessment of the WW Standards, developing a specialised training programme for SC auditors and assisting the SC with the appointment of an external monitor function.

In addition, members of the WWC have undertaken training to build capacity. In February 2015, members attended a five-day training session on hotlines, organised by the National Human Rights Committee (NHRC) and the Qatar Foundation for Protection and Social Rehabilitation, in collaboration with Polaris. The session was comprehensive, aiming to help attendees understand how to operate a call centre, train staff to deal with call centre cases properly and make a hotline accessible to potential users.

Second Edition of the WW Standards

The SC is constantly refining its approach to Workers' Welfare. Based on the lessons learned since the SC began implementing the WW Standards in February 2014, the WWC undertook a comprehensive review and updating process.

Indeed, in the first six months of implementation, we found that contractors were not able to fully comply with the WW Standards, especially the accommodation requirements, which are detailed down to the decibel levels allowed at each facility. We found that some requirements, such as the tack boards and open shelving requirements for bedrooms, did not fundamentally impact the daily lives of the workers, yet contractors were spending valuable resources to meet them. In addition, some requirements were already contained in construction specifications or similar documents, so were not required to be duplicated in the WW Standards. Accordingly, we have begun to revise the WW Standards, simplifying some of the requirements and strengthening others – such as the requirements related to passports and overtime pay – that are likely to have a significant impact on the welfare of the workers. These updates will support the efficient implementation of the WW Standards while focusing our efforts on the issues that will have the most impact on the well-being of the workers.



05 Compliance Update

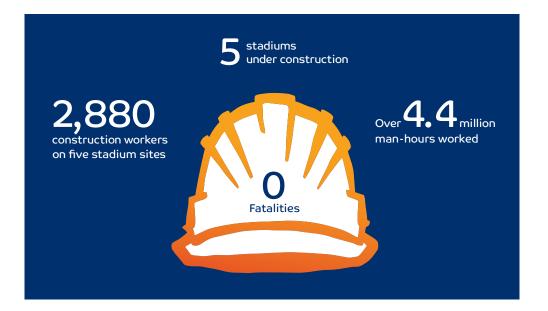


The SC continued to make progress on key issues during the past six months. The SC and our stakeholders have maintained strong health and safety records on each of our stadium sites. In addition, accommodation conditions have continued to improve. We also initiated three Workers' Welfare Forums in three different accommodation facilities. These forums, which meet every month, have already started to have a significant impact on the relationship between workers our contractors' management teams. They have succeeded in opening up a channel of communication and increasing worker input into company practices.

Recruitment is proving to be one of the most challenging areas in which to achieve compliance. At this stage, we are meeting with a number of organisations and experts to study the issue and to determine how the SC can most effectively intervene to eliminate expatriate workers' payment of recruitment or processing fees.

Site Health and Safety

Ensuring good health, safety and environment (HSE) practices on construction sites remains a key focus of the SC, in addition to taking care of the workers' other requirements. Key safety statistics for the period through 31 March 2015 are shown in the chart below.



Accommodation

The SC continues to work very hard to ensure that workers on our projects have suitable housing. During the past year, our compliance and enforcement team has worked tirelessly with contractors to educate them about maintaining high quality accommodation facilities. Our efforts have seen some notable success, as at least two companies that have worked on SC projects have begun building new accommodation facilities which are aligned with our WW Standards.



The SC is also participating in government initiatives aimed at assessing the manpower needs of the country's largest infrastructure projects, so that new accommodation facilities can be built to handle the expected large increase in the number of workers in Qatar. The SC has met with the Ministry of Labour & Social Affairs and Ministry of Municipality & Urban Planning to share lessons learned in implementing the WW Standards and our workforce projections. We expect that large government accommodation projects currently being planned will fill existing gaps in the availability of worker accommodation.

Recruitment and Employment

During the first six months of implementation of the WW Standards, we focused on ensuring that accommodation met our standards and that contractors provided healthy and safe environments for their employees. As all accommodation has reached or exceeded an acceptable standard (recognising the constraints which apply to upgrading existing facilities), we have now started to work on the most pressing employment issues. Our initial focus in this regard is on payment and wages, passport possession and recruitment practices.

With regard to wages and overtime, we noticed a lack of consistency in contractors' organisation of payslips and calculation of overtime. Without a clear format or agreed definitions, it is difficult for the compliance and enforcement team to ensure that workers are receiving the overtime pay to which they are entitled. To resolve this issue, the SC developed a payslip template, which will be included in the second edition of the WW Standards. Contractors on SC projects will be required to use this template if they do not already have a suitable system in place.

The first edition of the WW Standards included a provision that allows workers to sign a consent form to allow companies to hold their passport for safe-keeping. We found that this policy, while not necessarily leading to unlawful withholding of passports, created an unnecessary vulnerability. To resolve this issue, the second edition of the WW Standards eliminates the voluntary safe-keeping provision. Going forward, all workers will be required to be in possession of their passports, regardless of their preference. In the interest of security, the second edition of the WW Standards will require companies to procure lockable storage containers for each worker, so they are able to keep their passports safely in their possession. Although the second edition of the WW Standards has not yet been released, we are provisionally enforcing this new policy.

In addition, one of the SC's contractors currently issues a document holder to its workers for the protection and safe-keeping of their passports and other personal documents. The SC intends to develop a way to provide or require contractors to provide a similar document holder to their workers.

Ethical recruitment remains an extremely challenging issue. Many problems begin in the workers' home countries, and many workers on SC projects were recruited before the companies they work for were awarded an SC contract. In some cases, recruitment occurred several years prior to the establishment of the SC.



We are still in the process of analysing available ethical recruitment research and models, and meeting with stakeholders to determine the most appropriate way to approach this issue. In discussions with stakeholders in Qatar, we have learned that some companies are now recruiting directly in the workers' countries of origin, effectively eliminating the role of the recruitment agent. This ensures that the process is ethical and workers do not pay recruitment fees. One company currently contracted to the SC has implemented a new policy whereby the company's Human Resources Manager conducts recorded information sessions with prospective employees, during which he advises that they should not pay recruitment fees.

During the next six months, the SC intends to visit the home countries of many countries which send workers to Qatar, where we will hold information sessions on the WW Standards. We see this as a first step in directly educating recruiters and agents about the SC's requirements regarding the recruitment of workers.

WW Forums

All stadium construction contracts in place to date have been relatively short, lasting between six months and one year. Nonetheless, we have set up three WW Forums within three companies' accommodation facilities. Each WW Forum is composed of elected workers' representatives from each nationality represented in the company, and led by a Workers' Welfare Officer (WW Officer), who is a representative of the company.

The WW Forums meet once per month. During the meetings, minor issues are resolved immediately. Larger issues requiring the input of management are documented, raised to management and resolved, with feedback provided at the next meeting. The meetings are structured so they are not merely a discussion of grievances, but also an opportunity to develop solutions. Workers' representatives are encouraged to propose their own solutions to the issues their colleagues have raised. For example, the workers at one company had a complaint about the taste of the food and raised it at a WW Forum. The workers' representatives decided that the best way to resolve the issue was to put various spices on the table, allowing workers to spice their food to their individual tastes. As a result of this discussion, the company purchased spices, which were placed on each table in the dining room.

The next page contains a summary of the other issues that have been raised during WW Forums, along with an overview of the actions taken. It is important to note that WW Forums have been put in place following the upgrading of each of the accommodation facilities.

Issues and Initiatives	Resolution
Food: Request for additional equipment	Passed to catering provider to implement
Gym: Request for additional equipment	Passed to internal procurement to source
Power sockets: Request for additional sockets in rooms	Cannot be implemented at this time due to overload of existing generator
Barber: Request for on-site barber shop	Seeking license to implement
Food: Chapattis hard and difficult to chew, and khaboos preferred	Passed to catering provider to implement
Maintenance: Lightbulbs to be replaced and air conditioning to be fixed	Actioned by camp supervisors
Refuse: Complaints about disposal of cigarette butts	Signed smoking areas created with designated dust bins
Initiative: Prize arranged for the best room each month	
Recreation: Request for additional volleyballs	Passed to compound office to implement
Recreation: Request for buses to attend Workers Cup matches	Buses provided every Friday for the duration of the tournament
Initiative: Deep cleaning of bathrooms increased to two times per day	

WW Officers are required to keep minutes of each meeting. These minutes are submitted to the SC for review. In addition, members of the SC's compliance and enforcement team periodically attend meetings to observe the proceedings and provide feedback on the session to the WW Officers. For workers who do not feel comfortable raising issues to their representatives, the companies allow workers to submit grievances in writing. Coupled with high attendance rates, the fact that the meetings have been taking place for several months is a testament to the fact that workers have faith in the process.

Transport

Another significant challenge, both in terms of the quality and travel time, is transport. Currently, many buses used to transport workers do not meet the WW Standards. The SC understands that replacing bus fleets is expensive and time-consuming. We are pleased that many of our contractors have purchased or leased a small number of higher quality buses, with a long-term vision of upgrading their entire fleets.

With many new workers' accommodation facilities being built outside of residential areas (predominantly due to the availability of land), travel time between construction sites and accommodation facilities varies. In some cases, travel times are longer than are ideal. However, the SC does not currently intend to place restrictions on travel times. Instead, we aim to ensure that other requirements included in the WW Standards, such as catered food and laundry service, are complied with, thus maximising the workers' leisure time.



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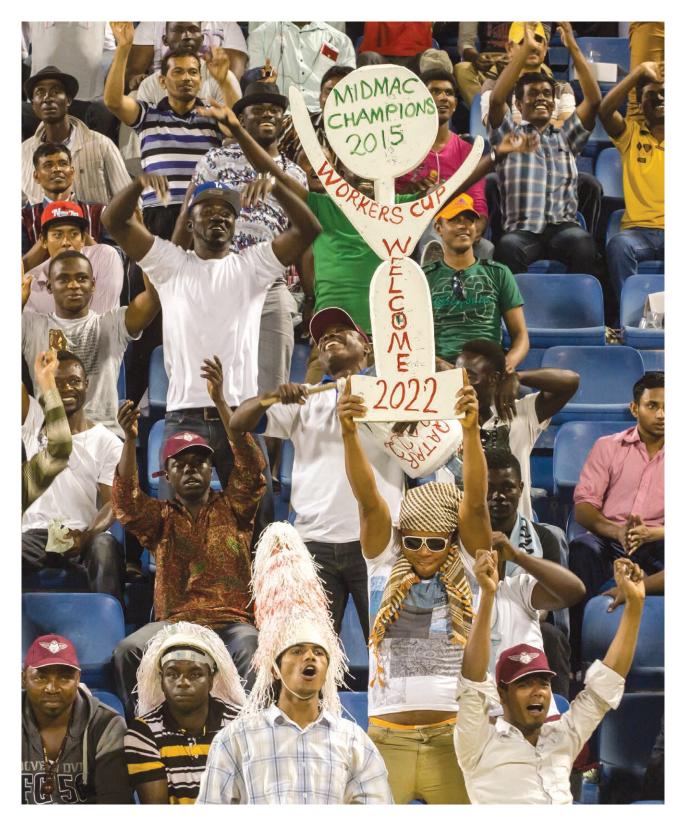
06 Transparency and Engagement



The SC has continued to work with its stakeholders and civil society in Qatar, FIFA, NGOs and other international organisations to address issues surrounding Workers' Welfare.

Significant milestones during the past six months include the following:

- The SC presented on our WW Standards to potential contractors and suppliers visiting as part of business delegations from several European countries, including France, Italy, the United Kingdom and Germany.
- On Qatar National Day (18 December) and International Migrants Day, the SC sponsored the Ministry of Interior's entertainment and sports activities for workers.
- In December 2014, the SC accompanied the United Nations Secretary General's Special Adviser on Sport for Development and Peace on a tour of the Al Wakrah Stadium construction site, along with accommodation facilities for workers on Al Wakrah, Khalifa International and Al Rayyan Stadiums.
- In January 2015, the SC signed a Memorandum of Understanding with the Ministry of Information & Communications Technology (ictQATAR) to implement ictQatar's Better Connections Programme. By providing workers with access to ICT tools and training at their accommodation, the programme aims to bridge the digital gap and raise awareness.
- In February 2015, FIFA's Secretary General and other FIFA officials visited the Al Wakrah Stadium construction site and accommodation facilities for workers on the site.
- In February and March 2015, meetings were held in Qatar in with the International Labour Organisation, Human Rights Watch and Amnesty International.
- In March 2015, the SC and the Qatar Stars League kicked off the third edition of the Workers Cup, which brought together 16 football teams representing workers from various sectors of Qatar's economy. Of the 16 participating teams, four were SC contractors, including Amana Contracting and Steel Buildings and HBK Contracting Company, both working on Al Wakrah Stadium, Midmac Contracting Company, one of the Khalifa International Stadium contractors, and Al-Asmakh Facilities Management, one of the service suppliers at Al Bidda Tower, the SC's headquarters.
- The SC engaged with several media outlets to provide interviews specific to Workers' Welfare and arranged visits to workers' accommodation facilities provided by contractors and suppliers working on SC projects. This included media from the Associated Press, ARD, FAZ and the ABC.



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07 Conclusion

The SC continues to act as a catalyst for social change, and to ensure that all workers on 2022 FIFA World Cup[™] stadium projects live and work in accordance with our WW Standards. Contractors on our projects are making steady and sustainable progress in increasing their levels of compliance. In the coming months, main contractors for several stadium projects will commence work. As this happens, the impact of the WW Standards on the lives of workers will multiply. To keep pace with the increasing construction activity on our projects, the SC will scale up its workforce, ensuring we are in a position to effectively monitor our contractors' implementation of the WW Standards.

Additionally the SC will continue to involve and benefit from the support of stakeholders, NGOs and other external parties, and we look forward to their continued co-operation as we work to further improve the lives of workers on our projects.

Workers' Welfare