



# Annual External Compliance Report of the Supreme Committee for Delivery & Legacy's Workers' Welfare Standards

Strong foundations: the journey to improving worker welfare

April 2017



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# Executive Summary

## Background

In 2010, the State of Qatar won the bidding process to host the 2022 FIFA World Cup Qatar™ (the Tournament). This will be the first World Cup to be hosted in the Middle East, a momentous event with potential to have a lasting positive effect on the region and beyond.

To deliver the infrastructure required to host the event, the State of Qatar established the Supreme Committee for Delivery & Legacy (the SC) in 2011. The SC is primarily responsible for the design, construction and upgrade of stadiums, training sites and fan villages. Its work will contribute to achieving the Qatar National Vision 2030, the country's roadmap to sustainable development and the legacy of the Tournament.

In 2013, the SC published a Workers' Charter to protect the health, wellbeing, safety and security of workers involved in the construction works. This was followed by the publication of the Workers' Welfare Standards (WWS) in 2014. Two years later, in 2016, the SC published an updated version of the WWS, following a consultation process with civil society organisations. The WWS are mandatory for contractors working on SC projects.<sup>1</sup>

## Context

The SC operates in a challenging context.<sup>2</sup> Qatar has not ratified three of the eight ILO Fundamental Conventions on freedom of association, collective bargaining and equal remuneration. The ILO Committee of Experts has made recommendations to Qatar on the implementation of three Fundamental Conventions, which Qatar has ratified (on forced labour and discrimination).

Civil society organisations have been vocal in raising their concerns about labour practices in the region.<sup>3</sup> In particular, criticisms have been made about recruitment fees, employers retaining workers' passports and identity documents, contract substitution, late payment of wages, differential wages depending on nationality of the worker and poor working and living conditions. Civil society organisations argue that the lack of freedom of association and collective bargaining, workers' limited access to grievance mechanisms, gaps in law enforcement (particularly among small employers), and lack of transparency all exacerbate these issues.

## The SC Workers' Welfare Strategy

To establish whether contractors are adhering to the WWS, the SC developed an innovative four-tier auditing system. This comprises due diligence carried out in line with the WWS by contractors, the SC, an External Compliance Monitor and in line with Qatari law by the Ministry of Administrative Development Labour and Social Affairs (MOADLSA).<sup>4</sup>

The SC has made significant progress since the WWS were introduced, reaching the following key milestones:

- **Transparent public reporting:** In 2014, the SC published its first Semi-Annual Workers' Welfare Compliance Report, followed by a second Semi-Annual Compliance Report in 2015 and an Annual Progress Report in 2016. These reports provide details on the SC's activities, and the successes and challenges relating to the Workers' Welfare Programme. The SC has since released detailed statements in response to major events, such as two worker fatalities: one at the Al Wakrah site in October 2016 and the other at the Khalifa site in January 2017. These examples of public reporting represent a step forward in transparency.
- **External compliance monitoring:** In April 2016 following a competitive tender, the SC appointed Impactt as External Compliance Monitor, in line with its four-tier auditing system. Impactt's independence and scope of work, including the publication of an annual report, reinforce the SC's commitment to communicating transparently with the public on progress and challenges in improving worker welfare at SC projects.

- **Memorandum of Understanding (MoU) with Building and Wood Workers' International (BWI):** In November 2016, the SC signed an MoU with BWI (a global trade union representing workers in the construction sector) to conduct joint health and safety inspections at construction and accommodation sites. The BWI also agreed to provide health and safety training to the SC and its contractors, and review the effectiveness of the Workers' Welfare Forums as part of the SC worker grievance mechanisms. Together, the SC and BWI will form a joint working group and issue progress reports. The MoU is an important step forward in ensuring workers' health and safety. The first inspection took place in February 2017.<sup>5</sup>

### Scope of Impactt's work

Impactt reviewed SC's standards and processes and developed an independent methodology tailored specifically to assess contractors and subcontractors' compliance against the WWS.<sup>6</sup> It focuses on putting worker experience at the centre of the agenda to test the degree to which the efforts made by their employers and/or the SC result in recognisable improvements on a day-to-day basis.

Impactt carried out two quarterly rounds of initial compliance audits (five contractors in August and five contractors in November 2016) of a sample of businesses representing all tiers of contractors that work at all SC projects.<sup>7</sup> Each contractor audit took the equivalent of six to nine person days. Impactt selected which contractors to audit, and which workers to interview, independently of the SC. In January 2017, we revisited the five contractors audited in August 2016 to carry out follow-up audits to understand and verify improvements made to date.<sup>8</sup> In total, we interviewed 253 workers. This report reflects the findings of these three rounds of work.

### Findings

The results of Impactt's external compliance monitoring show overall progress in some of the most prominent areas of concern. The majority of contractors we audited show a good degree of compliance with the WWS for **accommodation** and **construction sites**. Most contractors were compliant on **recruitment fees**, **contract substitution** and **passport retention**, however there were some critical issues that require the SC's ongoing attention.

Moreover our audits identified the following priority topics:

- Recruitment fees
- Personal documents
- Induction
- Contracts and administration
- Working hours, wages, rest and leave
- Working conditions (H&S)
- Accommodation and food
- Treatment
- Worker representation
- Grievance mechanisms
- Disciplinary procedures

Follow-up audits of five contractors demonstrated an impressive ability to improve. Seventy-eight percent of the non-compliances and observations identified were resolved or progress had been made in resolving them, particularly in areas related to procedural compliance requirements. These are areas such as provision of medical care and transportation, facilities management and end of service procedures.

Further progress is needed on some of the more complex challenges, such as promoting the effective functioning of robust dialogue mechanisms (Workers' Welfare Forums), providing workers with adequate residence permits and reimbursing recruitment fees to workers who provide evidence of payment.

Based on our monitoring findings, we propose a three-year roadmap for the future to enable the SC to focus its efforts in support of its belief that “all workers engaged on [its] projects, and those of the other infrastructure developers in Qatar, have a right to be treated in a manner that ensures at all times their wellbeing, health, safety and security.”<sup>9</sup>

## Roadmap

### 1. Improve the effectiveness of efforts to drive compliance with the WWS

- **Support contractors in improving the effectiveness of their due diligence processes:** The primary risk assessment and remediation process should be driven by contractors themselves. The SC and the external compliance monitor should check the robustness of their approach by evaluating the assessments of randomly selected companies.
- **Encourage contractors to share challenges transparently:** This is especially important for subcontractors, who tend to have a greater number of more severe compliance issues.
- **Build contractors’ capacity to develop and implement improvements within their own operations:** Our follow-up audits show that contractors were able to make significant progress in resolving procedural issues and some of the priority issues. The SC should focus its support on more challenging issues and supporting change within subcontractors.
- **Ensure that contractors, rather than workers, pay the cost of recruitment:** To comply with the WWS, employers (contractors) should pay recruitment agents the full costs of recruitment and refund those workers who have paid fees. This is currently the exception rather than the rule. SC should take a strong line in enforcing repayment so as to send a clear message to contractors and subcontractors.

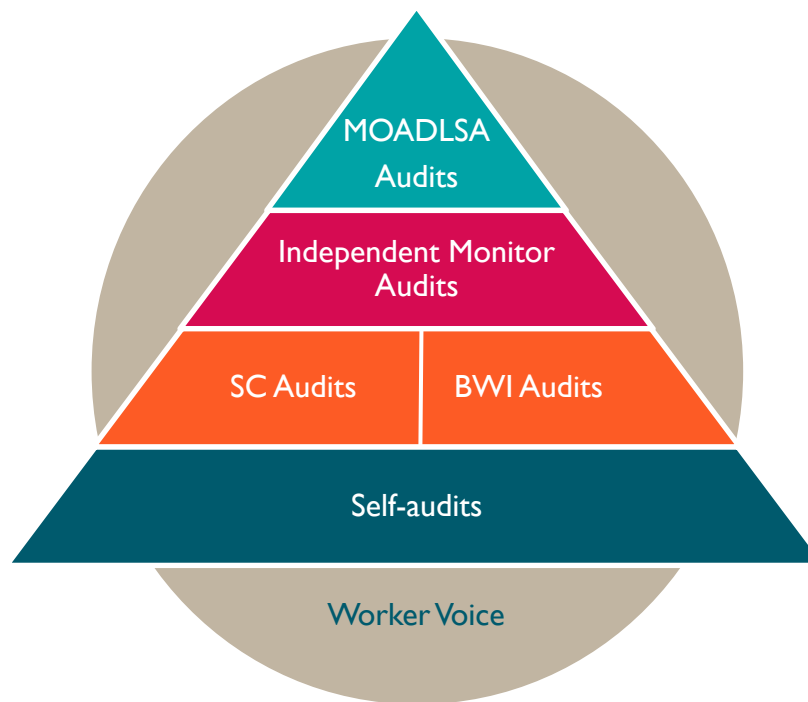
### 2. Prompt behaviour change in manager-workers interaction

- **Amplify workers’ voices:** Ensure that workers’ voices inform every aspect of improvement efforts and the four-tier auditing system (see Figure 1). Worker feedback should not be seen as a beyond compliance activity or an activity to be carried out once compliance issues are resolved. Capturing worker feedback should be central to the compliance assessment process, supported by worker satisfaction or experience surveys. This will enable the contractors and the SC to understand which issues matter most to workers and whether workers perceive any positive changes to their welfare.
- **Build management skills:** Ensure that foremen, accommodation managers and worker welfare officers develop people management skills based on mutual respect for managing a diverse workforce, for example through developing train-the-trainer modules on leadership and positive management skills.
- **Ensure that contractors run effective worker representation systems (Worker Welfare Forums) and grievance mechanisms:** These mechanisms should have feedback loops to verify to what extent workers feel that they operate fairly and drive positive change. The SC should build on its work with the ‘nudge unit’ to boost the effectiveness of Workers’ Welfare Forums by increasing the quality and quantity of issues raised by workers. If provided, the SC should incorporate recommendations from BWI on the operation of Workers’ Welfare Forums to maximise effectiveness.

### 3. Collaborate for greater reach and impact

- **Participate in and contribute to multi-stakeholder action to catalyse improvements in addressing systemic issues.** For issues which lie outside the SC’s direct control, the SC should work with the governments of Qatar and workers’ origin countries, industry, worker representatives and civil society to support:
  - Changes in the economics of recruitment so that workers do not bear any of the costs of getting a job in Qatar.

- Changes in the tendering and contracting processes to ensure contractors take into account the cost of worker recruitment in their bids.
- Alignment of recruitment laws and regulations between Qatar and origin countries, in particular to outlaw the charging of recruitment fees to workers.
- Alignment in the regulation and licensing of recruitment agents between Qatar and origin countries.
- Alignment of law and practice to enable workers to change employer in Qatar and/or to return home in line with international labour standards.



**Figure I - Recommended four-tier auditing system**

## About the authors

### Federico Burlon

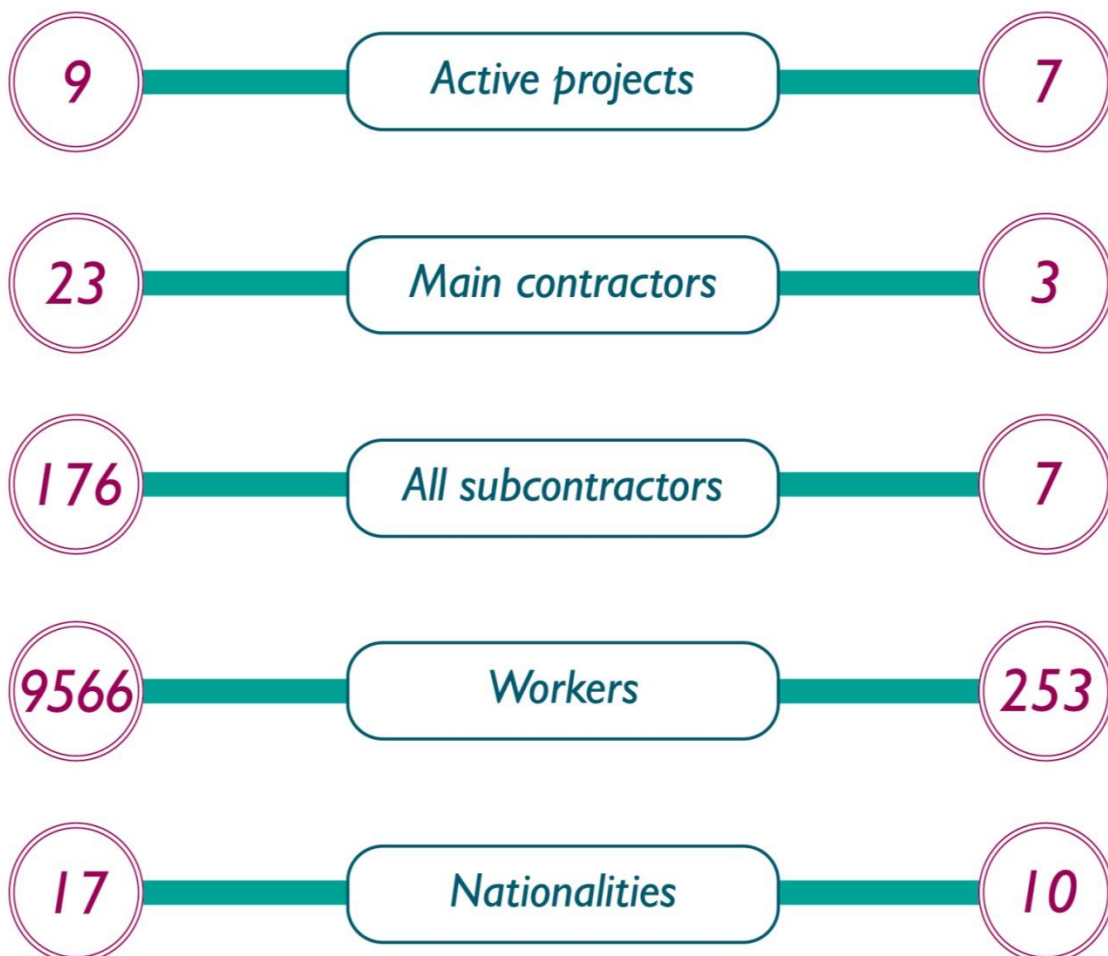
Federico joined Impacttt in January 2016 and is currently a Senior Project Manager. He was previously a Responsible Sourcing Manager at Tesco Plc. He has a background in human rights and labour standards improvement. Federico has an MSc in Human Rights from the London School of Economics and a BA in Political Science from Macalester College.

### Bernard Gouw

Bernard joined Impacttt as a Senior Project Officer in September 2016. He has a background in project management and research and analysis in the areas of Ethical Trade and International Development. Bernard has an MA in International Development and has previously worked for Oxfam and the United Nations Development Programme.

Scale of the SC's projects  
as of Dec. 2016

Sample covered  
by Impacttt





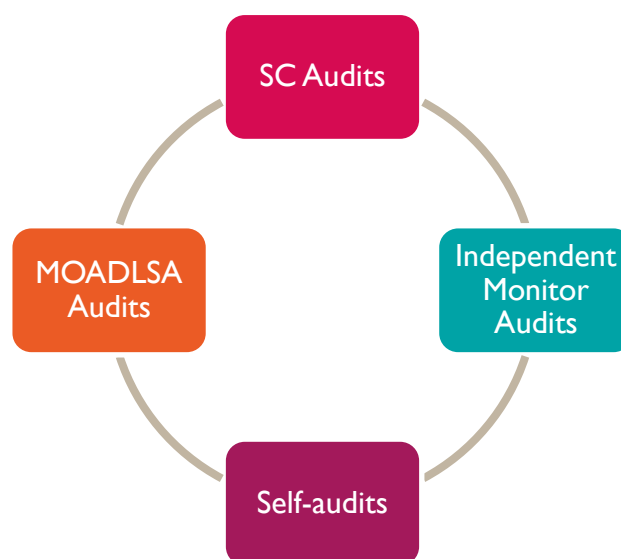
## Introduction

In 2010, the State of Qatar won the bidding process to host the 2022 FIFA World Cup Qatar™ (the Tournament). This will be the first World Cup to be hosted in the Middle East, a momentous event with potential to have a lasting positive effect on the region and beyond.

To deliver the infrastructure required to host the event, the State of Qatar established the Supreme Committee for Delivery & Legacy (the SC) in 2011. The SC is primarily responsible for the design, construction and upgrade of stadiums, training sites and fan villages. Its work will contribute to achieving the Qatar National Vision 2030, the country's roadmap to sustainable development, and the legacy of the Tournament.

In 2013, the SC published a Workers' Charter to protect the health, wellbeing, safety and security of workers involved in the construction works. This was followed by the publication of the Workers' Welfare Standards (WWS) in 2014. Two years later, in 2016, the SC published an updated version of the WWS, following a consultation process with civil society organisations. The WWS are mandatory for contractors working on SC projects.

The WWS reflect the principles of the Workers' Charter, translating them into specific, contractual requirements. They cover the worker's journey from recruitment to repatriation. To establish whether companies are adhering to the rules, the SC developed a four-tier auditing system (Figure 2). This comprises due diligence carried in line with the WWS by contractors, the SC, an External Compliance Monitor and in line with Qatari law by the Ministry of Administrative Development Labour and Social Affairs (MOADLSA).<sup>10</sup>



**Figure 2 - SC four-tier auditing system**

In April 2016, the SC appointed Impactt as External Compliance Monitor. Impactt's role is to monitor compliance by contractors, subcontractors and the SC with the WWS, provide advice and publish an annual public report. This first external compliance annual report sets out our 2016 findings, and makes a number of recommendations to support the SC in continuing to improve workers' welfare.

### Introduction to Impactt

Impactt is a consultancy firm, founded in 1997, that specialises in delivering tangible and systemic improvements for workers in multiple industries and countries worldwide.

Our mission is to help improve the lives of 6 million workers in global supply chains by 2020 by developing win-win solutions that work for businesses and workers, harnessing the power of supply chains for positive change. Since 2006, we have reached some 1.38m workers.



Our global teams draw on both ethical and commercial expertise, and include former workers as well as technical experts to bring a full understanding of complex supply chain challenges. We help companies all along the supply chain to address pressing social issues, from modern slavery to empowering women. Importantly, we ‘bridge the gap’ between diverse stakeholders to develop robust, long-term, holistic solutions.

## Context

Here, we describe the context in which the SC project operates. We explain the challenges arising from the differences between Qatari law and International Labour Law, and the concerns raised by civil society stakeholders. These challenges and concerns are not exclusive to SC projects - they are relevant to the employment conditions of all migrant workers across the region. It is also important to underscore the distinction between the SC as a government agency, which has purview over Tournament Projects, and the State of Qatar.

### Understanding the differences between Qatari law and International Labour Law

The [International Labour Organization](#) (ILO) brings together governments, employers and workers representatives of 187 member States to set international labour law covering people’s basic principles and rights at work.

The ILO’s mission is to “promote rights at work, encourage decent employment opportunities, enhance social protection and strengthen dialogue on work-related issues.”<sup>11</sup> This ambition is reflected in the SC’s belief that “all workers engaged on [its] projects, and those of the other infrastructure developers in Qatar, have a right to be treated in a manner that ensures at all times their wellbeing, health, safety and security.”<sup>12</sup>

However there are some differences between Qatari law and international labour law (Figure 3).<sup>13</sup>

- Qatar has not ratified three of the eight ILO Fundamental Conventions on freedom of association, collective bargaining and equal remuneration.<sup>14</sup>
- The ILO Committee of Experts has made recommendations to Qatar on the implementation of three Fundamental Conventions which Qatar has ratified (on forced labour and discrimination).

Ratified	Minimum Age Convention, 1973 (No. 138) Ratified by Qatar in 2006
	Worst Forms of Child Labour Convention, 1999 (No. 182), Ratified by Qatar in 2000
	Forced Labour Convention, 1930 (No. 29) Ratified by Qatar in 1998
	Abolition of Forced Labour Convention, 1957 (No. 105) Ratified by Qatar 2007
	Discrimination (Employment and Occupation) Convention, 1958 (No. 111). Ratified by Qatar in 1976
Not Ratified	Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)
	Right to Organise and Collective Bargaining Convention, 1949 (No. 98)
	Equal Remuneration Convention, 1951 (No. 100)

**Figure 3 - Alignment of Qatari law with International Labour Law**

## Stakeholder views

Civil society organisations have been vocal in raising their concerns about labour practices in the region.<sup>15</sup> In particular, criticisms have been made about recruitment fees, employers retaining workers' passports and identity documents, contract substitution, late payment of wages, differential wages depending on nationality of the worker and poor working and living conditions. Civil society organisations argue that the lack of freedom of association and collective bargaining, workers' limited access to grievance mechanisms, gaps in law enforcement (particularly among small employers) and lack of transparency all exacerbate these issues.

Many of these concerns relate to migrant workers in the Middle East generally, rather than only those working on SC Projects. In particular, freedom of association and collective bargaining tend to be very limited in many contexts globally. Some concerns relate to events that take place in workers' countries of origin, before they reach Qatar. Resolving these issues is not in the power of a single actor, and requires collaboration, within Qatar and between Qatar and the governments of origin countries.

The SC's programme is necessarily limited to workers on Tournament sites and therefore the SC cannot directly affect conditions for other workers. However, the organisation has made progress in prominent areas of concern (e.g. accommodation standards) and through its compliance framework, it has the opportunity to make an indirect positive impact on workers' beyond SC projects.



## Supreme Committee Workers' Welfare programme

Here, we introduce the SC Workers' Welfare programme, including the road travelled since Qatar won its bid to host the Tournament. We also explore the structure, activities and targets of the Workers' Welfare Division.<sup>16</sup>

### The journey so far

Since its establishment in 2011, the SC has sought to identify and address worker welfare challenges. In particular, it has:

- Set down its welfare principles in the Workers' Charter
- Created a detailed compliance framework with contractually-binding worker welfare requirements
- Grown its internal capacity to implement and enforce those standards
- Reported publicly on successes and challenges
- Appointed Impactt as External Compliance Monitor.

The SC's journey has taken place in a demanding context. In addition to the challenges arising from the legal framework in Qatar and the nature of global labour supply chains, the SC also faces the following issues:

- **A steadily increasing number of workers at SC projects:** In 2016 alone, the number of workers at SC projects increased by more than 80% to 9,600 in December, from 5,200 in January. The SC expects the number to peak in 2017 and 2018, at approximately 36,000. The more workers, the greater the demand on SC resources. And as the SC extends the scope of its compliance programme beyond measuring contractors' performance to supporting improvements, its resources will be even tighter. However, this is an important shift to make, as the public is increasingly asking what is being done to address worker welfare challenges.
- **Differences in contractors' awareness of worker welfare processes:** For some contractors, the WWS are their first experience of comprehensive labour standards. In interviews with Impactt several contractors emphasised that the WWS framework is not an industry-wide standard and is markedly different to the "usual," "historical," or "common" practices in the Middle East's construction industry. In many cases, complying with the WWS requires contractors to change their mind-sets in how they see workers and understand the global labour supply chain. It also requires them to establish robust worker welfare management systems from scratch and allocate adequate resources to manage these systems.
- **Historic issues:** While the WWS were made contractually binding for contractors and subcontractors in 2014, many workers were initially recruited to work on non-SC projects and/or were recruited before the publication of the WWS. Two-fifths of the workers interviewed by Impactt joined their employers before the publication of the WWS in 2014. Contractors find it challenging to rectify non-compliances that occurred before the WWS existed (e.g. recruitment fees, contract substitution). In these cases, the SC has partnered with contractors to find effective ways of preventing future non-compliances and address issues faced by workers as a result of previous practices.

Despite these challenges, the SC has made significant progress in its first six years, reaching the following key milestones:

- **Transparent public reporting:** In 2014, the SC published its first Semi-Annual Workers' Welfare Compliance Report, followed by a second Semi-Annual Compliance Report in 2015 and an Annual Progress Report in 2016. These reports provide details on the SC's activities, and the successes and challenges relating to the Workers' Welfare Programme. The SC has since released detailed statements in response to major events, such as two worker

fatalities: one at the Al Wakrah site in October 2016 and the other at the Khalifa site in January 2017. These examples of public reporting represent a step forward in transparency.

- **External compliance monitoring:** In April 2016, following a competitive tender, the SC appointed Impactt as External Compliance Monitor, in line with its four-tier auditing system. Impactt's independence and scope of work, including the publication of an annual report, reinforce the SC's commitment to communicating transparently with the public on progress and challenges in improving worker welfare at SC projects.
- **Memorandum of Understanding (MoU) with Building and Wood Workers' International (BWI):** In November 2016, the SC signed an MoU with BWI (a global trade union representing workers in the construction sector) to conduct joint health and safety inspections at construction and accommodation sites. The BWI also agreed to provide health and safety training to the SC and its contractors, and review the effectiveness of the Workers' Welfare Forums as part of the SC worker grievance mechanisms. Together, the SC and BWI will form a joint working group and issue progress reports. The MoU is an important step forward to ensuring workers' health and safety. The first inspection took place in February 2017.<sup>17</sup>

Figure 4 shows the evolution of the SC's journey in developing and implementing the WWS:

		Workers at SC projects
2010	<ul style="list-style-type: none"> <li>• Qatar wins bid to host the Tournament</li> </ul>	0
2011	<ul style="list-style-type: none"> <li>• Government of Qatar establishes the SC</li> <li>• SC begins discovery exercise to create a set of worker welfare standards</li> </ul>	0
2013	<ul style="list-style-type: none"> <li>• SC publishes Workers' Charter</li> </ul>	38
2014	<ul style="list-style-type: none"> <li>• SC publishes first edition of WWS</li> <li>• WWS integrated into the procurement process</li> <li>• SC develops contractual enforcement mechanisms</li> <li>• SC publishes first semi-annual workers' welfare compliance report</li> </ul>	2700
2015	<ul style="list-style-type: none"> <li>• SC establishes Workers' Welfare Division (WWD)</li> <li>• SC publishes second semi-annual workers' welfare compliance report</li> </ul>	5000
2016	<ul style="list-style-type: none"> <li>• SC publishes second edition of WWS</li> <li>• SC publishes workers' welfare progress report</li> <li>• SC appoints Impactt as External Compliance Monitor</li> <li>• SC signs MoU with BWI for joint construction site inspections</li> <li>• SC launches IT platform for them and contractors to carry out audits and inspections</li> </ul>	9600

**Figure 4 - The SC Workers' Welfare journey**



## SC Workers' Welfare Division

The SC created a Workers' Welfare Committee in 2013, which in April 2015 became a dedicated Workers' Welfare Division (WWD). The WWD reports directly to the Office of the Secretary General. Its vision is to achieve "an amazing 2022 FIFA World Cup that meets best practice in promoting Workers' Welfare while supporting human and social development in Qatar."

The WWD is responsible for:

- Developing effective governance, compliance and enforcement mechanisms for the WWS.
- Leading and undertaking audits and inspections of contractors (including worker interviews and accommodation and construction site inspections) and worker welfare tender evaluations.
- Delivering engagement, outreach and training activities, conducting research to guide policy and decision-making, and engaging with internal and external stakeholders.

The WWD has continuously expanded its capacity, expertise and scope:

- **Capacity:** The team grew between April 2015 and December 2016 to 13 full-time staff, which includes four social auditors from an external audit firm.
- **Expertise:** The WWD is a diverse and multi-lingual team. Team members have backgrounds in areas such as industrial psychology and auditing. They also speak eight languages including Hindi and Bengali, which makes it easier to interact with workers during compliance audits. In 2016, the WWD completed 128 hours of training. This included social auditing skills training from Verité, an organisation that specialises in assessing social compliance and improving working conditions.
- **Scope:** The WWD assesses contractors' level of compliance with the WWS from the tender stage. It conducts inspections of nominated accommodation and asks bidders to self-report on their recruitment practices. Every quarter, the WWD audits every contractor to check that they are adhering to the recruitment, accommodation and site welfare requirements of the WWS. Beyond compliance, the WWD is also responsible for conducting research, outreach and training activities (see below).

## Key 2016 activities and initiatives

In 2016, the WWD focused on consolidating the workers' welfare **compliance** framework. In particular, it raised awareness of the WWS among contractors and sought to continuously improve internal processes to help the programme operate effectively at scale. Table 1 provides a summary of SC's activities in 2016.

SC key 2016 activities			
Compliance			
Tender stage evaluations of contractors level of compliance against WWS requirements	# of contractors evaluated	46	
	% disqualified	20	
		Initial	Follow up
Main contractors where the SC carried out an audit	Ethical recruitment	17	11
	Accommodation	30	20
	Construction site welfare	32	0
Tier 1-2 contractors where the SC carried out an audit	Ethical recruitment	105	51
	Accommodation	98	30
Workers interviewed (and % of total on SC sites)		875 (15%)	
NCs identified by WWD		59	
NCs rectified by contractors (% of total identified)		41 (69%)	
Hours spent by WWD on audit activities		3,750	
Contractors whose work was suspended as part of SC enforcement of non-compliances		9	

Beyond compliance	
Training	Developed a training and upskilling plan targeting contractors and workers. Provided training sessions to more than 35 contractors, including the social audit training course led by Verité, which was originally intended only for the WWD.
Dialogue	Incubated the first “nudge unit” in the Middle East to identify opportunities for behavioural change across a range of topics including worker welfare and health. Currently, the unit’s team members are exploring how to boost the effectiveness of Workers’ Welfare Forums by increasing the quality and quantity of issues raised by workers. Preliminary results suggest that the trials have increased the number of issues raised by 31%.
Grievance mechanisms	Developed a blueprint for an anonymous grievance hotline and appointed Navex, a global ethics and compliance provider, to run implement and operate the system.
Wellbeing	Collaborated with Aspire Foundation and researchers in Qatar to develop a cooling helmet which can reduce body temperature by 10°C during the hottest months of the year. The WWD also worked with contractors to test multiple cooling technologies ranging from cooling towels to vests, and identified products for wider roll-out based on user feedback.

Table 1 - SC key 2016 activities

## Key 2017 targets

For the year ahead, the WWD has adopted the following **compliance** targets:

- Audit 100% of contractors (including accommodation and construction site visits) across all nine active projects on a quarterly basis.<sup>18</sup> This means that every contractor will undergo an SC audit every three months.
- Interview at least 5% of the workers employed by each contractor at every audit.
- Institute pre-mobilisation approval of subcontractors. This will ensure that those with significant non-compliances are not allowed to enter SC sites without carrying out the required rectifications.
- Based on historical data from compliance audits, the WWD will prioritise the following issues:
  - Visas: Employers providing workers with business visas instead of residence permits. Workers must not be appointed on business visas unless and until required due diligence is performed and contractors have sought pre-approval from the SC on case by case basis.
  - Contract substitution: Employers changing the terms and conditions of jobs after workers arrive in Qatar.
  - Recruitment fees: Employers neglecting to provide reimbursement for recruitment fees to workers who provide evidence of having paid fees.
  - Medical care: Employers failing to provide a registered nurse at accommodation sites.
  - Excessive working hours: Workers working more than 260 hours per month or more than two hours of overtime per day.

To support its compliance efforts, the WWD will carry out the following activities:

- **Grievance mechanisms**: Launch the dedicated SC worker hotline and conduct a comprehensive awareness-raising campaign directed at workers.
- **MoU with BWI**: Implement the terms of the agreement, including:
  - Joint health and safety inspections of construction and accommodation sites

- Health and safety training by BWI for the SC and contractors
- Review and assessment by BWI of existing Workers' Welfare Forums.

Likewise, the WWD has begun the following **beyond compliance** activities:

- **Training:** As part of its training and upskilling plan, the WWD will launch training activities targeting workers, in order to provide them with a broad range of technical and soft skills.
- **Worker survey:** Finalise plans for a workers' survey project to be rolled-out to SC workers in phases throughout 2017. The survey will be a direct communication tool with workers, and will gather sentiment and satisfaction levels, which will be used to drive planning and delivery for the years ahead.
- **Wellbeing:** Distribute 10,000 cooling towels to workers in advance of the summer months and cooling vests and helmets to selected categories of workers. The WWD will continue to research and pilot new technologies aimed at improving wellbeing and safety of workers.
- **Nutrition:** Launch a pilot project with Weill Cornell Medicine-Qatar to identify the prevalence of health risks among workers and test interventions to improve nutrition and health. The pilot will be rolled out throughout 2017 and will include a health assessment of a sample of SC workers; training and awareness campaigns for workers and catering providers; and catering and nutritional recommendations and interventions based on the findings of the health assessment.





# Impactt's external compliance monitoring programme

## Scope of Impactt's work

The SC contracted Impactt in April 2016 as External Compliance Monitor. The scope of our external compliance monitoring covered all contractors, across all contracting tiers, working at SC competition and non-competition venues. We provided a set of initial advisory services (see Appendix 1) followed by external compliance audits. As part of the initial advisory services, we developed a bespoke auditing methodology to assess the extent to which the SC, its main contractors and their subcontractors comply with the WWS and relevant Qatari labour law.<sup>19</sup>

The SC also asked us to develop a process to assess the effectiveness of SC contractor audits in improving compliance with the WWS and their alignment with Impactt audit findings. During the advisory phase (April – June 2016), we carried two trial assessments to test the Impactt methodology in-situ.

With the advisory services phase complete, we carried out two quarterly rounds of initial compliance audits (five contractors in August and five contractors in November 2016) of a sample of businesses representing all tiers of contractors that work at all SC projects.<sup>20</sup> Impactt selected which contractors to audit, and which workers to interview, independently of the SC. In January 2017, we revisited the five contractors audited in August 2016 to carry out follow-up audits to understand and verify improvements made to date.<sup>21</sup> This report reflects the findings of these three rounds of work.

## Impactt's compliance monitoring methodology for the SC

Impactt developed an independent methodology tailored specifically to assess contractors and subcontractors' compliance against WWS and relevant Qatar labour law. The methodology covered:

- Sampling and auditing of contractors including in-depth worker interviews
- Assessment of the effectiveness of SC audits

The audit methodology followed international best practice and Impactt's approach of putting worker experience at the centre of the agenda. This allowed us to test the degree to which the efforts made by their employers and/or SC result in recognisable improvements for workers on a day-to-day basis.

In order to achieve this aim in our audits:

- Our audit process, interviews, document review and reporting **followed the workers' journey** from their recruitment in their home country and arrival in Qatar to their everyday working practices and to repatriation. At each stage we aimed to identify what management teams want to achieve for the business and workers, how this translates into business practices and/or systems and the degree to which this is recognised by workers.
- Our two-person audit teams comprise a qualified social auditor and a dedicated worker interviewer. Impactt's worker interviewers speak workers' languages and use a mixture of appreciative enquiry and participatory techniques to create an environment of trust which enables workers to reflect on and share their experiences. Our approach **allowed workers to tell their personal stories** rather than answer a list of compliance questions. This elicits a more detailed response that can provide vital context for audit findings. It can also provide great insight for contractors on what they need to do to build better bridges with workers and better meet their needs.

Our bespoke methodology enabled the SC and contractors to:

- Identify (and then address) worker welfare risks before they materialise.
- Identify contractors who understand the requirements and demonstrate improvement, and allocate support to those who do not.



- Focus the efforts of the Workers' Welfare Programme on the issues that matter most to workers, in order to make the greatest positive impact on their lives.
- Demonstrate improvements based not only on compliance indicators but also on workers' perspectives and on the impact of the project on workers' lives.

## Audit Structure

Impactt's initial audits involved a two-person team of lead auditor and worker interviewer and lasted three days per contractor, totalling **90 person days** in the field across two quarters. Our audits included:

- Opening meeting at the contractor's offices, interviews with management and review of documents.
- Accommodation visit to assess physical conditions and welfare provisions and to interview workers. Each contractor is contractually responsible for providing accommodation to their workers in line with the WWS, however, in some cases, Tier 1 contractors use the same accommodation as their main contractor.
- Site visit to assess worker welfare facilities and basic safety standards (using the WWS checklist) and to interview workers, where safety procedures allowed. In some instances we reviewed relevant documentation kept at site offices. We mostly carried out site visits for main contractors, who are responsible for worker welfare at the construction sites.
- Closing meeting, normally at the contractor's office, where we discussed and agreed the audit findings with the contractor and the SC. We also provided contractors with a written record of our findings, which they used to develop remediation plans for each of the issues identified.

Our audits covered:

- **Due diligence processes:** contractor's self-audits and audits of their supply chain.
- **Integration of the WWS into business processes:** strength of management systems.
- **Compliance with the WWS:** based on the requirements in Edition 2 of the WWS.

Our audits covered general health and safety management practices at accommodation and construction sites, including inductions for workers on health and safety. We did not investigate or assess accidents, including worker fatalities at construction sites. This is because our audits focused on worker welfare requirements rather than technical health and safety construction standards.

Using the "worker journey" structure, we began the audit with a review of the contractor's due diligence processes, followed by their processes to recruit and induct workers, working and living conditions, dialogue mechanisms and finally their end of service and repatriation procedures. Evaluating every aspect of the journey is critical, as the issues we identify are interrelated and intrinsic to the global labour supply chain.

Impactt's audits produced three types of finding:

- **Non-compliances with the WWS and/or Qatari law:** Material breaches of the legal or contractual requirements. Where we use the term "compliance", we mean the extent to which contractors follow the WWS and Qatari labour law.<sup>22</sup>
- **Observations:** Issues that could become a breach of the WWS or Qatari law if not addressed, areas where there is some evidence of an issue, but not the full weight of evidence to demonstrate non-compliance (these issues require further investigation), or areas that fall outside of WWS and legal requirements but are significant to workers.
- **Good examples:** These are cases where contractors go above and beyond the minimum WWS or legal requirements, or demonstrate sustained improvement.

The findings were triangulated between document review, worker interviews and management interviews.

Impactt's follow-up audits of the five contractors we initially visited in August 2016 also involved a two-person team of lead auditor and worker interviewer. The audits lasted one day per contractor and focused on reviewing evidence to understand the progress made on issues raised in the initial audit.

### Sampling of contractors

Impactt selected a sample of contractors for audit: five in August 2016 and five in November 2016. We selected these contractors from the master list provided by the SC at the beginning of each quarter. We selected the contractors independently and randomly from a cross-section of projects and contracting tiers without any interference.

Impactt did initial audits of 10 of the 199 contractors (see Table 2 below), a 5% sample. Seventy percent of these were main contractor or Tier 1 contractors. These contractors were active across 78% of the SC sites.

### Sampling of workers

In preparation for each audit, Impactt requested participating contractors to provide a complete list of their workers at SC projects. Impactt selected a sample of workers for interview, ensuring a cross-section of nationalities, job types and lengths of service.

The workers we interviewed were employed at seven of nine active SC projects. The two projects where Impactt did not interview workers were: Al Rayyan Stadium (where the main contractor was announced in June 2016) and 5th Precinct (which, as of December 2016, was in the design stage).

We conducted the interviews at the workers' accommodation, construction sites and sometimes at the contractors' office, depending on contractors' production plans and logistics. In all locations, workers spoke freely, confidentially and away from management. In addition, we carried out spontaneous and unstructured interviews with other workers. All interviews were completed without involvement from contractors or the SC.

Impactt sample				
		Sample	Population	% covered
Interviews conducted		260	-	
Workers interviewed		253	9566 <sup>1</sup>	3%
# of workers' nationalities		10	17 <sup>1</sup>	59%
Breakdown of workers interviewed by contracting tier	Main	102	4832 <sup>2</sup>	2%
	Tier 1	124	2869 <sup>2</sup>	4%
	Tier 2	27	181 <sup>2</sup>	15%
SC sites audited		7	9	78%
Contractors audited	Main	3	23 <sup>1</sup>	13%
	Tier 1-2	7	176 <sup>1</sup>	4%
	Total	10	199 <sup>1</sup>	5%
Contractors with a follow up audit	Main	1	-	
	Tier 1-2	4		

<sup>1</sup> Data provided by the SC, as of December 2016

<sup>2</sup> Data provided by the SC, as of October 2016

**Table 2 - Impactt sample**

The nationalities of workers interviewed are shown in Figure 5. Impactt interviewed workers from 10 of the 17 nationalities present at SC projects. More than four fifths of all workers interviewed were nationals of India, Nepal and Bangladesh – they represent the largest proportion of worker nationality in SC Projects.

The year in which the workers we interviewed joined their employers is shown in Figure 6. Sixty-three percent of the workers interviewed joined their employer in 2014 or later, i.e. after the release of the first edition of the WWS. Sixteen percent of the workers interviewed joined their

employer before Qatar won the Tournament bid in 2010. This group includes four workers who joined their employer before 2000.

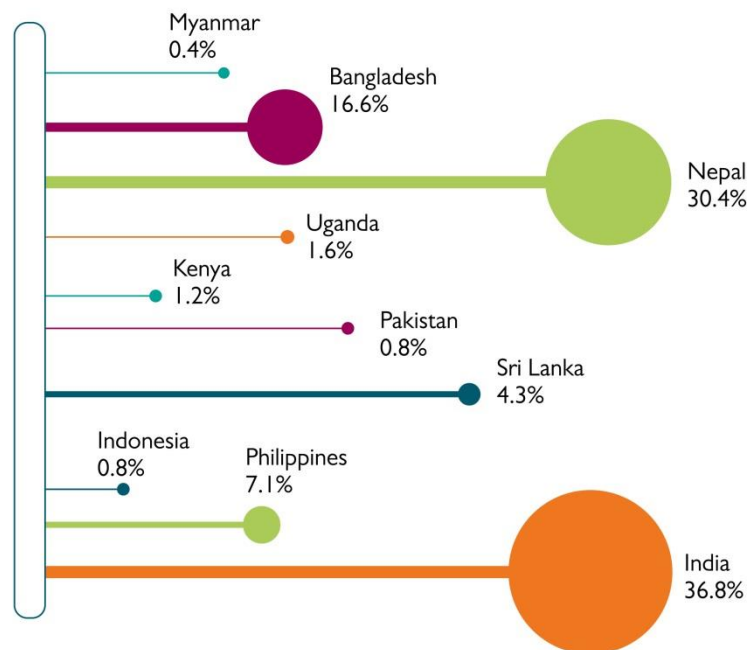


Figure 5 - Workers interviewed by nationality

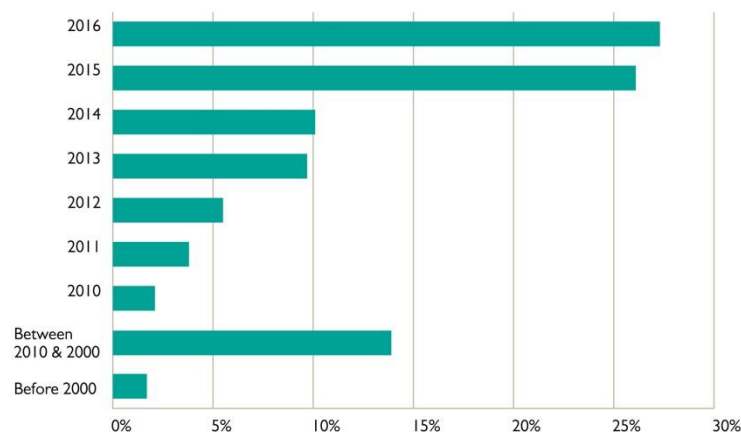


Figure 6 – The year workers interviewed by Impactt joined their employer

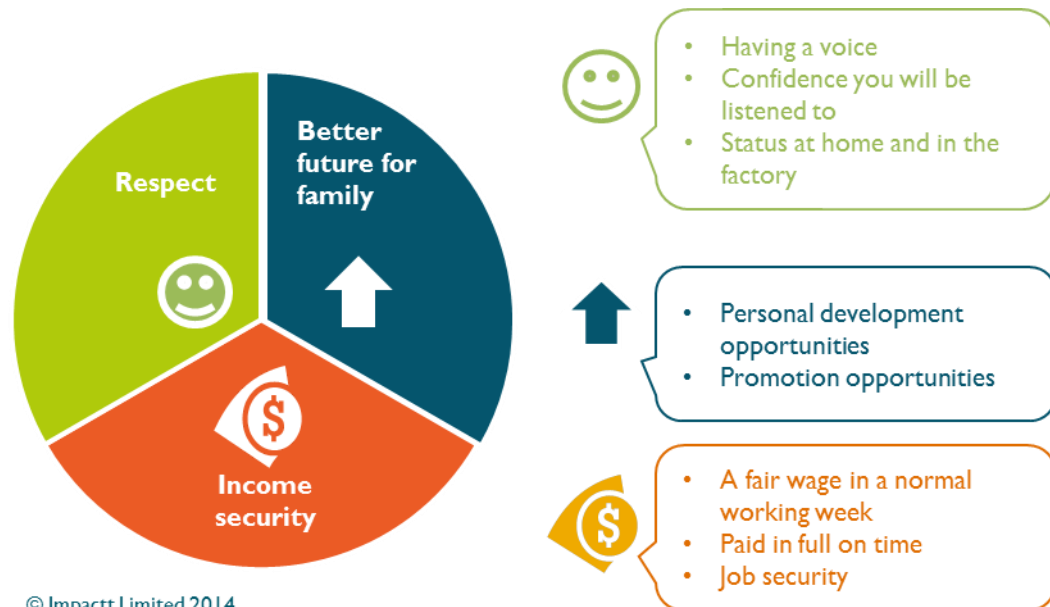
### Worker Satisfaction and Socio-economic Survey pilot

In addition to the standard audit worker interviews, Impactt conducted a pilot survey of 39 workers at two contractors on their degree of satisfaction with their work and their socio-economic status. We focused on the issues that Impactt's previous research indicates are most important to workers: income security, respect, and progression for themselves and their family (see Figure 7).

Understanding *worker satisfaction* has the potential to:

- **Provide insight into audit findings** - We identify areas where workers have concerns, despite contractors complying with WWS requirements. This can be the result of gaps in communication between employers and workers, or can highlight concerns that are not part of compliance requirement checks.

- **Measure workers perceptions' of the SC's efforts to improve their welfare** - We identify areas where workers recognise and experience the benefits of the SC's efforts and areas where they feel that they are not experiencing change.
- **Provide a more holistic view of contractor performance** -We deliver an additional measure of contractor performance based on workers' day-to-day experiences, in order to help the SC move beyond compliance.



**Figure 7 - Impactt's summary of what matters most to workers**

Through the socio-economic aspects of the survey, we focused on gathering data on worker demographics not already captured in the audit interviews and deepening our understanding of priority issues. See Appendix 2 for the list of satisfaction and socio-economic survey questions.

While the pilot provided useful insights, a much larger sample is required for these to be representative. In addition, it is important to acknowledge some of the limitations of using stakeholder feedback as a proxy for worker welfare performance. Firstly, workers' responses can be manipulated through coercion or incentives. Secondly, workers may not feel confident in responding openly or may assume that a certain kind of treatment is "normal". Thirdly, worker feedback should not be seen as a replacement of worker dialogue mechanisms (trade unions, Workers' Welfare Forums). Finally, worker surveys are not suited to assessing compliance with technical requirements. Nevertheless, using worker satisfaction and demographic surveys marks an important departure from the increasingly embattled compliance model towards a more worker-centric approach.<sup>23</sup>



## External monitoring findings

This section sets out the overall results of our independent, external compliance assessment in August and November 2016 and the follow-up visit in January 2017, together with our assessment of the effectiveness of SC audits and their alignment with Impactt's audits.<sup>24</sup>

Table 3 summarises the results. We have organised the findings by audit section, following the "worker journey". Each audit section contains a number of topic areas, as well as requirements derived from the SC WWS or Qatari law.

The table sets out the overall level of compliance with the WWS across contractors on a scale of 0% (no compliance) to 100% (compliance with all requirements), the total number of non-compliances, observations and good examples, and the percentage of non-compliances resolved as of January 2017.

Impactt external monitor audit structure	Q3				Q4 <sup>1</sup>		
	Initial Audit			Follow up	Initial Audit		
Topic area	Compliance %	Non-compliances	Observations	Non-compliances closed (%)	Compliance %	Non-compliances	Observations
Due diligence	37%	17	2	4 (24%)	84%	3	1
Fair treatment	50%	3	0	2 (67%)	40%	3	1
Recruitment fees	70%	2	7	1 (50%)	63%	4	7
Contracts and administration	82%	14	14	7 (50%)	59%	31	5
Induction	52%	14	3	8 (57%)	55%	12	8
Personal documents	87%	4	1	2 (50%)	90%	2	0
Treatment	70%	3	2	1 (33%)	47%	7	4
Working conditions (H&S)	90%	0	3	N/A	63%	6	4
Working hours, wages, rest and leave	76%	17	10	7 (41%)	61%	27	14
Disciplinary procedures	23%	9	3	4 (44%)	70%	5	4
Accommodation and food	91%	40	18	23 (58%)	91%	42	8
Medical care	91%	4	0	3 (75%)	89%	4	1
Transportation	93%	5	0	4 (80%)	84%	11	2
Facilities management	98%	1	0	1 (100%)	93%	3	0
Worker representation	28%	23	4	8 (35%)	43%	13	4
Grievance mechanisms	60%	2	2	0 (0%)	20%	5	4
End of service procedures	82%	3	5	2 (67%)	100%	0	2

KEY
>76≤100%
>51≤75%
>26≤50%
≥0≤25%

Table 3 - Summary of Impactt's audit findings

<sup>1</sup> Follow-up of these contractors will be done in Q2 of 2017

## Initial audit findings

Contractors attained relatively **high levels of compliance** in some procedural areas (contracts and administration, end of service procedures, working conditions related to health and safety, and management of workers' personal documents), living conditions (accommodation and food, medical care and facilities management), and transportation.

Impactt identified several examples of good practice, particularly in the management of workers' personal documents and the food provided to workers at their accommodation.

Contractors demonstrated the **lowest levels of compliance** in three procedural areas (due diligence, recruitment policies to ensure fair treatment, and completion of SC-mandated New Starter Checklists as part of worker induction), and in complex areas such as worker representation, treatment of workers, disciplinary procedures and grievance mechanisms.

Specific issues of concern are:

- Six workers at two contractors could prove they paid recruitment fees but had not been reimbursed by their contractors, in breach of WWS requirements.
- Two workers at one contractor were fired for allegedly inciting all workers at the site to strike in protest over the contractor's clocking in system.

## Follow-up audit findings

The five contractors that Impactt re-visited in January 2017 have made significant progress as shown on Table 4:

	Non-compliances closed	Observations closed
Closed	77 (48%)	39 (53%)
Progress made	54 (33%)	14 (19%)
Open	27 (17%)	19 (25%)
Unverified	3 (2%)	2 (3%)
<b>TOTAL</b>	<b>161</b>	<b>74</b>

**Table 4 – Overall follow-up improvement**

Contractors had closed or made progress on 81% of non-compliances and 72% of observations. Contractors' progress was strongest on policy and procedural issues such as worker induction, medical care and food in accommodation and end-of-service procedures.

Contractors are still in the early stages of addressing some of the more complex challenges. These include setting up robust dialogue mechanisms (Workers' Welfare Forums), providing workers with adequate residence permits and reimbursing recruitment fees to workers who provide evidence of payment.

Table 5 shows the rectifications made by the five contractors that were audited during the follow-up visit in January 2017. We note that in February 2016 the SC suspended Contractor B from carrying out new work on other projects until they rectified certain issues previously identified by the SC. Following Impactt's audit, this contractor has closed 64% of the non-compliances and half of the observations raised by Impactt. Additionally, Contractor E had completed its work after Impactt's audit in August and were not performing any work for the SC in January 2017. However, following Impactt's audit Contractor E agreed to implement the rectifications previously agreed with Impactt and submit to a follow-up audit in January 2017.

Contractor	% of non-compliances closed	% of observations closed	Contractor description
A Main Contractor	36%	56%	International company headquartered in Europe with a global workforce of under 20,000
B Tier I Contractor	64%	50%	International company headquartered in Asia with a global workforce of over 15,000

C	Tier 1 Contractor	85%	68%	Company headquartered and operating in Qatar with a total workforce of less than 2,000
D	Tier 1 Contractor	43%	46%	Company headquartered and operating in Qatar with a total workforce of less than 1,000.
E	Tier 2 Contractor	22%	33%	Manpower company headquartered and operating in Qatar

**Table 5 - Individual contractor follow-up improvement**

### Findings by contracting tier

A comparison of the average number of findings by contractor tier shows that subcontractors tend to have more severe and numerous issues than main contractors.

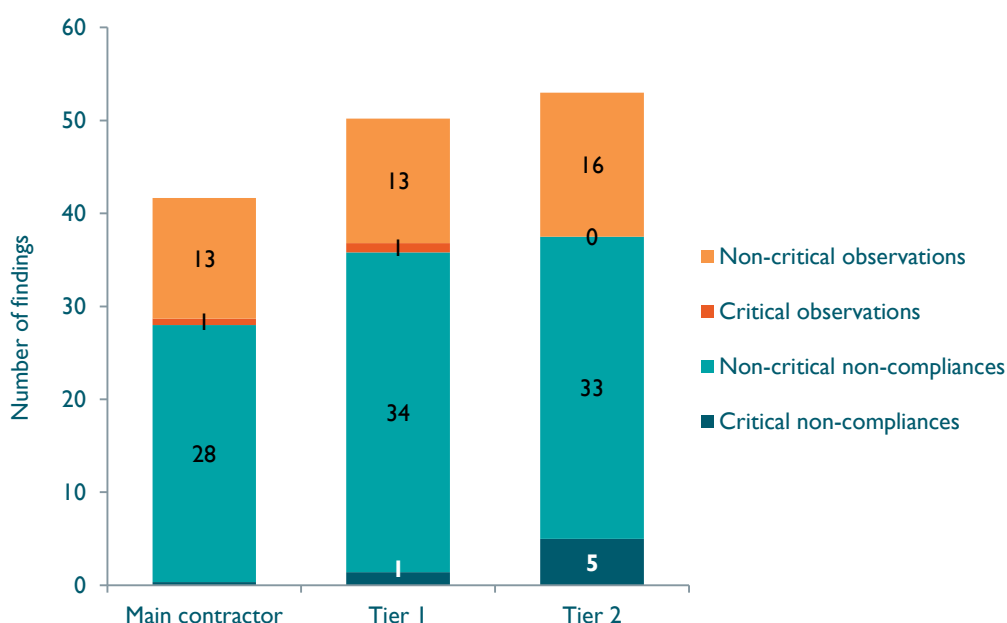
There are three tiers of contractors at SC projects:

- **Main contractors:** these contractors have a direct relationship with the SC and have a contractual obligation to ensure their subcontractors comply with the WWS (three audited by Impactt).
- **Tier 1:** specialist companies such as excavation, scaffolding, landscaping, contracted by the main contractors (five audited by Impactt).
- **Tier 2:** generally manpower agencies, which supply labour to other companies (two audited by Impactt).

Figure 8 shows the difference in average number of non-compliances and observations by contracting tier:

- Main contractors have on average ten fewer non-compliances than Tier 2 contractors.
- Tier 2 contractors have on average five critical non-compliances where main contractors have on average less than one.

This difference in performance echoes Impactt's experience in other contexts that the number and severity of issues tends to increase further down the supply chain.



**Figure 8 - Findings by contracting tier**

## Priority topics

The figures in Table 3 (Summary of Impactt's audit findings) provide a high level summary of compliance. This is a first step to understanding contractors' overall compliance with WWS and Qatari labour law but has three key limitations:

- The figures are aggregates for all contractors. Although there are common areas of higher and lower compliance, the reality at each individual contractor is more nuanced.
- The compliance scores only take into account non-compliances and therefore exclude observations which are not proven non-compliances (but could become non-compliances if they are not addressed).
- The compliance scores do not take into account the nature and severity of the issues and therefore the likely impact of these issues on workers.

In order to provide greater nuance and highlight the issues that affect workers the most, we identified ten **priority topics** (Figure 9). We determined these topics based on our analysis of the severity<sup>25</sup> and prevalence<sup>26</sup> of the findings (non-compliances and observations) within each issue.

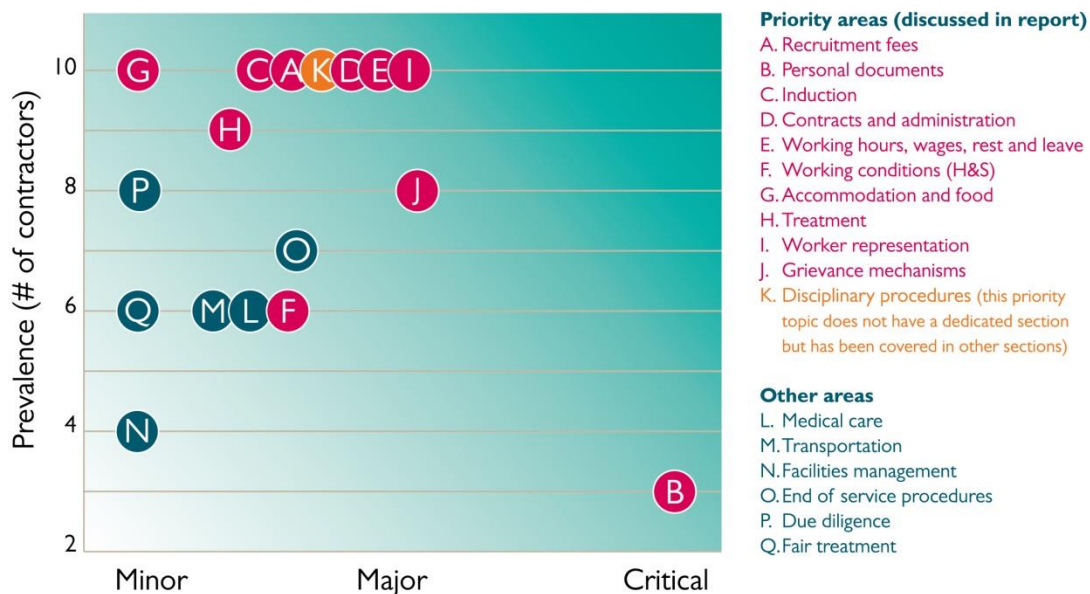


Figure 9 - Priority topics

Each priority topic section below begins with a summary of the relevant WWS requirement, followed by a non-exhaustive list of key findings from the first two quarters' audits and evidence of improvement from the follow-up audits on the five contractors audited in January 2017. We also discuss relevant results from the small scale worker satisfaction and socio-economic survey pilot.

### A. Recruitment fees

#### WWS requirements

The WWS requires contractors to:

- Reimburse workers for recruitment or processing fees if the worker is able to provide proof that they have paid such fees (WWS 6.9)
- Stipulate that they (the Contractor) are responsible for paying all recruitment and processing fees in their contracts with recruitment agents (WWS 6.4)
- Complete a checklist with new workers, covering whether they paid any recruitment fees (WWS 6.10).



### Initial audit findings

Impactt identified two types of non-compliances at five of the ten contractors audited. We graded one as **critical**: six workers (of 253 interviewed) at two contractors reported that they had not been reimbursed for recruitment fees despite having proof of payment. Four of these workers were from Nepal, where, according to the contractor, recruitment fees of up to Rs 20,000 (USD 180) are sanctioned by the government. The SC is investigating these cases further to confirm whether the fees were related to recruitment. By paying recruitment fees, workers contract a debt before being able to earn an income from their jobs. They are therefore more likely to be dependent on their employer and vulnerable to abuse.

The remaining non-compliances relate to four contractors not having a process in place to check whether workers pay recruitment fees and to reimburse workers who provide receipts.

Impactt identified observations related to recruitment fees at all of the ten contractors audited. These observations are not direct and proven non-compliances. However, they reveal that recruitment fees remain a key area of concern and further improvement is needed.

- Seventy-nine percent of all workers interviewed reported having paid recruitment fees. These workers were employed by all ten contractors audited and across three contracting tiers. However, apart from the six workers mentioned in the critical non-compliance above, these workers did not have receipts or other documentation to prove that they had paid fees. This means that under the WWS they are not entitled to reimbursement of their fees. It is also important to consider that recruitment fees are a historical issue for workers who were recruited before the WWS came into force in 2014. Thirty-seven percent of workers interviewed by Impactt began working for their employer before 2014 (see Figure 6 above).
- At two contractors, workers did not know that they were not expected to pay recruitment fees and were not aware that they could be reimbursed for recruitment fees if they had receipts. The WWS requires contractors to ensure that their recruitment agents inform workers in job adverts that workers are not required to pay recruitment fees. This issue was identified in November 2016 and therefore Impactt has not yet carried out a follow-up assessment.
- At two contractors, the contracts between the employer and the recruitment agent did not stipulate that the former will pay for recruitment costs. This increases the risk that the recruitment agents will seek to cover their costs by charging workers.

### Satisfaction and socio-economic survey results

The findings we gathered through the socio-economic survey pilot indicate that workers paid the equivalent of between USD 80 and 3,800 in fees during the recruitment process. The average paid by these workers was USD 1,120, which is comparable to estimates of the cost of recruitment compiled by the ILO.<sup>27</sup>

### Follow-up audit improvement

The five contractors visited for follow-up audits showed significant progress: they had resolved half of the non-compliances and over a quarter of the observations we had originally identified. However the reimbursement for the four Nepalese workers mentioned above was still outstanding. We identified the other two workers mentioned in that example in November 2016. We have not yet conducted a follow-up audit of the relevant contractor, but SC reported they are investigating these cases.

Mustafa came to Qatar to provide a better future for his family as there were no opportunities at home. His wife advised him to search for a job in the Gulf as some of her relatives had done. His friends told him they knew an agent who could help him find a job. The agent charged him for introducing him to the job. He did not have enough money to cover the fee, so obtained a loan from a local moneylender, incurring 10% interest per month. He was interviewed by his employer in his home country, but could not understand everything as the interviewer was speaking in English and a local representative was interpreting for him.

## B. Personal documents

### WWS requirement

The WWS require contractors to:

- Provide workers with visas, Qatar residence permits and health insurance free of charge (WWS 9.2)
- Ensure that workers are in possession of their personal documents (identity papers and bank cards) and provide workers with individual, lockable facilities to store their documents (WWS 9.3).

### Initial audit findings

Impactt identified six **critical** non-compliances and one **critical** observation at three of ten contractors audited:

- **Passport retention:** Four contractors retain workers' passports. In two cases, the passport was retained by a subcontractor to the contractor. Although these subcontractors were not in the scope of the audit, Impactt verified this with workers and contractors' management. In one case, a worker reported that their passport was at their employer's office but managers denied this. It was therefore raised as an observation.
- **Visas and documents:** The remaining three critical non-compliances relate to two contractors not providing workers with residence permits or health insurance cards (employing them on continuous business visas instead). Both contractors said that this practice was a result of the limited number of work permits available for workers from countries like India. Repeated renewal of visas for the same individual is not in the spirit of immigration laws and may not work to the benefit of workers, especially where it deprives workers of medical insurance. The SC reported that they have instituted a process to assess the use of business visas on a case-by-case basis to ensure workers have adequate access to health insurance.

Impactt identified that six of ten contractors audited had completed or initiated a process to return passports to all workers employed at SC projects. Two of these contractors also implemented a process to ensure their subcontractors return passports to their workers. A further two extended the practice to workers across all their sites, even ones not affiliated with the SC.

### Follow-up audit improvement

In our follow-up audits, we found that contractors had made significant progress, closing four of the five critical issues raised in August 2016. This included two contractors who had returned passports to workers and engaged their subcontractors to help ensure that they stop confiscating passports and return documents to workers. One contractor was unable to close the issue related to providing workers with residence permits and health insurance cards. The contractor said that due to government visa quotas, they had to continue employing workers under successive business visas or under visas that are not appropriate for the jobs workers are doing.

Overall, we found that contractors are making progress in ensuring that workers keep hold of their personal documents. Contractors are also starting to work with others along their supply chains to prevent passport confiscation. The issue of business visas remains a significant challenge, particularly where it can increase workers' vulnerability (for example, as a result of not having medical insurance).

## C. Induction

### WWS requirements

The WWS requires contractors to provide an induction to workers in the prescribed languages, covering emergency procedures, medical, health and safety procedures, a summary of workers' rights and protections, and information on worker representation (WWS 12.2 and 12.3). The

information workers learn through the inductions help them settle into Qatar, understand their roles and responsibilities and exercise their rights.

Workers receive two types of induction. Through the first induction, which takes place at their accommodation, contractors brief workers on their rights and responsibilities. This covers how to report grievances and participate in the Workers' Welfare Forums, their employer's policies (e.g. disciplinary procedures), the roles and responsibilities of key personnel, and accommodation rules and procedures, including health and safety. The second induction takes place at the construction site. Workers learn about site rules, including health and safety procedures. Depending on their role, workers also undertake specialist technical training and daily safety briefings with their foreman.

#### Initial audit findings

Our audits focused on the general accommodation and site inductions, not on the specialist training. We found that the majority of contractors struggle to provide workers with inductions that meet WWS requirements.

In particular:

- Three of ten contractors did not provide an induction to new workers.
- Six contractors provided inductions that lacked key content, such as avenues for reporting grievances, operation of the Workers' Welfare Forum, roles and responsibilities of key personnel and workers' rights.
- Five contractors did not provide inductions in workers' native language.

The feedback we gathered from workers also reflects the non-compliances we identified. At two contractors, 100% of workers interviewed reported that they were unaware of the disciplinary procedures. One hundred percent of workers interviewed at two contractors and a further 87% of workers at a third contractor reported that they were unaware of how to raise grievances.

Impactt also raised an isolated non-compliance at one contractor where the employer had deducted a total of QAR 1500 (USD 410) from one worker's pay to cover the cost of their machine operator licence. The manager explained that they provide the training free of charge but deduct the cost of the licence from workers' pay in cases of repeated failure in obtaining the licence.

“

Hari started working as a steel fixer back home in India at the age of 12. Now an adult, he came to Qatar four years ago to improve his earning potential. In India there was no way he could earn more to help his family survive. His salary in Qatar was not what he expected. He had hoped to earn QAR 1500 (USD 410) with additional overtime payments of QAR 1200 (USD 329), a total monthly wage of QAR 2700 (USD 741). In fact, he earns a total of QAR 2000 (USD 549) monthly. He can still send home QAR 1500 (USD 410) each month, which is less than he had hoped, but still more than he would have earned in India.

Hari has two sons (25 and 19 years old) and a married daughter. Seventy-five percent of the money he sends home goes towards food and the construction of his home. His wife earns QAR 60 (USD 16) each month from a part-time cleaning job. His sons are unemployed. He says that his hard work gives his family a better livelihood.

But Hari says that the foremen do not understand his language and feels that they ask him take on the harder jobs to punish him if something goes wrong at work. Hari never tells his family about these experiences because he feels ashamed. He misses his wife every day.

He does not think he can ever earn enough in his current job, partly due to his age. He wants to go back home once both his sons are employed, but in the meantime he wants to keep working to give his family a better life.

Note: This testimony is provided to illustrate an individual workers' story, and is therefore not representative of the entire workforce.

”

Finally, Impactt found that only three of the ten contractors complete the New Starter Checklists required by the SC. The checklist requires contractors to ask individual workers a set of detailed questions about whether they have paid recruitment fees. This document provides useful information to enable contractors to check whether workers have paid fees and to inform workers of the process for reimbursement.

The gaps in the induction process do not extend to all contractors. We did identify one contractor who had recently upgraded its training programme and rolled it out to 2,000 workers working at SC and non-SC projects alike.

#### Follow-up audit improvement

In our follow-up audits we found that contractors had made significant progress on inductions. Contractors resolved almost 60% of the non-compliances and addressed two-thirds of the observations we identified in August 2016. As contractors revise their worker induction programmes, it is vital that they include all the relevant information in the prescribed languages. It will be important to determine whether these changes make contractors' policies and procedures more accessible to workers.

### D. Contracts and administration

#### WWS requirements

The WWS require contractors:

- to provide workers with an original offer of employment in their home country that includes information about their professional role, working hours, wages and entitlements, days off and holiday entitlements, access to medical care (WWS 7.1). This must be in writing, in a language the worker understands (WWS 7.2), with a copy given to the worker (WWS 7.6).
- to provide workers with a contract on arrival in Qatar (WWS 8.1) that includes the relevant terms and benefits of employment (8.2b). All contracts must be signed and witnessed (8.2d), and their contents must be explained to the worker in a language they understand (8.2c). Workers must be given a signed copy of their contract (WWS 8.5).

#### Initial audit findings

Impactt found non-compliances and observations at all ten contractors we audited. This indicates that contractual arrangements (between employers and recruitment agents and employers and workers) are a common challenge to contractors.

Impactt identified a **critical** non-compliance and two **critical** observations related to contract substitution at two contractors.<sup>28</sup> The critical non-compliance and one of the critical observations related to workers being offered a lower wage either in the late stages of the recruitment process or on arrival in Qatar. By the time that workers learned of the lower wage, they had taken on loans to pay their recruitment fees and felt unable to cancel their application. This issue affected 36% of workers interviewed at one contractor and 10% of workers interviewed at another.

We also identified non-compliances at nine of ten contractors audited:

- Eight of ten contractors recruited workers from agents who were not registered with the MOADLSA, did not have contracts with their recruitment agents, or had contracts that fell short of the WWS requirements.
- Seven contractors' offer letters omitted key information (e.g. job description), were not provided to workers or were missing from workers' files.
- Eight contractors did not provide workers with employment contracts, the contracts were not attested by the MOADLSA or were missing from workers' files.



Impactt identified two **critical** observations related to the issue of transparency:

- At one contractor, 100% of workers interviewed felt under pressure to sign their offer letters. Therefore, workers did not have time to read and understand the content of the document they were signing.
- At another contractor, a manager asked a worker to sign an offer letter – which should be signed in the country of origin – during the audit, without giving the worker sufficient time to read and understand the document. The manager said they did this in order to have a complete worker file.

#### Follow-up audit improvement

During the follow-up visit, Impactt found that the two cases of contract substitution had been resolved, and progress had been made on the issue of workers' wages being lower than promised. At two of three contractors, the issue of contracts not being distributed to workers had also been resolved. Finally, contractors resolved both cases of offer letters missing key information by developing a new offer letter template. We were unable to verify the way in which the new templates are used as no new workers had been recruited.

### E. Working hours, wages, rest and leave

#### WWS requirements

The WWS stipulate that contractors shall follow Qatari law with respect to working hours and wages (WWS 9.8 and 10.7). Qatar's main employment law is Law No 14 of 2004 which stipulates:

- Working hours are a maximum of 8 hours per day and 48 hours per week (Article 73).
- Overtime can be worked up to a maximum of 10 total hours of work per day and shall be compensated at a premium rate (Article 74).
- Workers shall have one rest day per week (Article 75).

In terms of annual leave, contractors must provide workers with a flight home on an annual basis (WWS 9.7), which goes above the standard required by Qatari law and common business practices (which stipulate a flight every two years).

#### Initial audit findings

Impactt identified **critical** non-compliances at six of ten contractors audited. These cases relate to excessive working hours (more than 72 total hours per week) or excessive overtime hours (more than two hours of overtime per day).

The maximum number of hours observed per month across all ten contractors was 456 (equivalent to 18-hour days six days per week). While the nature of each contractor differed, the average number of working hours observed at each audited contractor ranged from 218 hours per month (equivalent to eight-hour days six days a week) to 387 (equivalent to 15-hour days six days a week).

Additional non-compliances include:

- Five contractors did not provide workers with one rest day per week. The maximum number of days worked without a rest day was 148, equivalent to almost five continuous months. At this contractor, 86% of the workers whose records Impactt checked were not provided with adequate rest days.
- Three contractors did not provide workers with payslips and six contractors provided payslips that were missing the required information.
- Eight contractors failed to provide workers with a flight home every year.

Impactt identified the following observations:

- At three contractors, at least 87% of participating workers were unaware of the calculation used to pay their overtime premium. This limits workers' ability to ensure that their pay respects the law.

- At two contractors, there was no system in place to monitor working hours. There were also cases of excessive working hours and insufficient rest days. The combination of excessive working hours and the lack of a monitoring system exposed workers to the risk of exhaustion and workplace injury.

Impactt found one example of good practice: at one contractor workers can receive a monthly attendance bonus of USD 18.

#### Satisfaction and socio-economic survey results

Working hours, wages and leave is one of the areas covered in the Worker Satisfaction and Socio-economic Survey pilot. Although we would need a greater sample of workers to conduct a full, representative analysis, the pilot results show that:

- Workers at both contractors identified the inadequate time given for rest by scoring the contractors 2.5 and 2.0 (on a scale of 1-5) when asked if they “get enough time to rest”.
- Workers tend to agree with the statement “I get paid fairly for the work I do”. Eighty-seven percent of workers felt their household income was sufficient to meet their family needs. In fact, 100% of workers reported sending money home every month. The monthly average each worker sends is USD 221. However, 27% felt that it was not worth moving to Qatar because of the low wages. It could be that these workers can make do with their monthly salary, but feel that their recruitment fees and associated loans still make migrating financially challenging.
- Workers tend to agree with the statement “I am happy with my working hours”. However, workers tend to disagree with the statement “I get enough time to rest”. This may mean that workers are satisfied with the level of hours they work on a daily basis (which may include opportunities to work overtime at a premium rate), but find it difficult to get sufficient rest on their day off.

#### Follow-up audit improvement

During our follow-up visit, we found that for the two cases of excessive working hours, one was resolved and the other had seen progress. In addition, the one case of insufficient rest days that could be verified had also been resolved. Where workers were unaware of how their overtime was calculated, the contractors were able to make some progress.

Three payslip non-compliances were resolved, one had seen progress and one remained open. The risk of workers not knowing how their overtime pay was calculated had also been addressed.

On the issue of workers receiving flights home once a year, none of the contractors had made any progress. This highlights the barriers which the SC faces (through the WVS) in trying to advance practices beyond local law and common business practice.

Vijay feels that in his current job there are fewer opportunities to work overtime.

Ranjit sends 90% of his salary to his family for the education of his children, younger brother and family care. He is not able to save a single penny. His wife does not want him to stay working abroad as he has not been able to make any savings after several years of hard work and being away from his family. He still wants to work hard and to give his family a better life. Ranjit believes that once his brother has completed his education, he will be able to plan for retirement and open a clothes shop at home.

Abdul is happy with his decision to come to Qatar. He sends 45% of his salary home for his children's education and family healthcare. As a result, his children are able to go to a good school. He saves 55% of his salary for the future and wants to start a small business in his home country. Abdul loves football and would like to be able to see the Tournament.

## **F. Working conditions (H&S)<sup>29</sup>**

### **WWS requirements**

The WWS covers a large number of requirements relating to working conditions and health and worker welfare at construction sites. These requirements include detailed health and safety manuals prepared by the SC Technical Delivery Office (TDO). Below, we summarise the key requirements relevant to the findings on this issue.

Contractors should:

- At their expense, arrange for a medical practitioner to examine and treat the worker in cases of illness, accident or injury (WWS 9.10).
- Pay for any treatment that is the result of any work-related injury or occupational disease (WWS 9.11).
- Ensure all workers report health and safety matters in accordance with the health, safety and environmental reporting system without any penalty or threat of termination (WWS 13.5).

### **Initial audit findings**

In this area, Impactt's findings varied widely. We found non-compliances, observations and good examples. In particular, we found two **critical** non-compliances:

- At one contractor, a medical record relating to a casualty had been altered.
- At another contractor, 25% of workers interviewed felt unable to report health and safety concerns out of fear that their supervisor would move them to another site. This worried the workers because they would lose benefits that they associate with working at SC projects.

An observation we identified at two of ten contractors is that workers feel they are forced to continue working despite feeling unwell. In one case, this was because their concerns are dismissed by the foreman, and in the other, because a sick note is difficult to obtain.

At two of ten contractors, workers felt that health and safety issues were dealt with quickly and effectively, and felt safe on their sites. We also heard from a worker who feels his company saved his life by arranging and paying for his bypass surgery after he had suffered a heart attack.

### **Satisfaction and socio-economic survey results**

The Worker Satisfaction Survey shows that workers at two contractors do not “feel safe in their workplace”, scoring their employer 2.8 and 1.8 on a scale of 1-5.

### **Follow-up audit improvement**

We were able to verify the resolution of the issue of workers feeling forced to continue working despite feeling unwell. The majority of the remaining issues were found during the second quarterly round of audits, on which we have not yet followed up.

## **G. Accommodation and food**

### **WWS requirements**

The WWS contains three appendices (Appendix A, B and C) with detailed requirements for contractors relating to: general accommodation standards, food standards, transport requirements and facilities management. All contractors must comply with the requirements in these appendices (WWS 12.4).

The accommodation and food sections of the WWS have the highest number of individual requirements. This could explain why Impactt found the highest number of non-compliances and observations in these areas, accounting for 22% of all findings. Overall, we found non-compliances at ten of ten contractors.

### Initial audit findings

Although accommodation issues are very prevalent across contractors, the severity of the issues is typically low. The key non-compliances we found related to insufficient showers, wash basins or toilets (all identified at the accommodation site of one contractor). Managers at contractors who rent private accommodation for workers reported that they find it difficult to make structural changes to facilities in order to comply with the WWS (such as adding more toilets or showers).

The most significant observation identified at four of ten contractors related to the quality of the food or unhygienic conditions in kitchens. Workers interviewed reported not liking the quality, quantity or flavour of the food. The contractors highlighted the challenge of catering to different personal and ethnic tastes. However, it is important to continue searching for ways to address workers' concerns for two main reasons. Firstly, the issue of food is central to workers' quality of life. Secondly, as the SC has recognised through its collaboration with Weill Cornell Medicine-Qatar, it is important to understand the impact of the nutritional value of food on workers' health.<sup>30</sup>

The relatively low-severity accommodation and food issues identified by Impactt are demonstrative of the SC's efforts to prioritise this topic. Improving the overall accommodation standards has been an integral part of the SC's journey, and it has made significant progress in recent years. This is also supported by workers' testimonies. When asked what they like about their jobs, workers at seven of the ten contractors said they liked their accommodation, making it the most well liked aspect of their work.

### Follow-up audit improvement

During the follow up audits, Impactt found that two-thirds of food- and kitchen-related issues had been resolved. Of the remaining issues related to the accommodation, most of which are relatively minor, 63% had been resolved.

## H. Treatment

### WWS requirements

The WWS requires contractors to help ensure the dignified and ethical treatment of all workers by establishing written policies and procedures that prohibit the use of violence, bullying, harassment, victimisation, threats or intimidation (WWS 9.1).

### Initial audit findings

Impactt identified non-compliances at eight of ten contractors. These all relate to contractors not having the required policies in place.

We identified observations related to mistreatment at two of ten contractors. In both cases, the observations related to workers feeling threatened by their supervisors and foremen. Impactt raised these issues as observations rather than non-compliances because they did not relate to specific WWS requirements.

- At one of these two contractors, Impactt identified a **critical** observation that 42% of workers interviewed felt threatened by their supervisor with removal from the SC Project. Workers felt that if removed from the SC Project, they would lose important benefits derived from the WWS, such as improved accommodation. This finding was made at the same contractor where 25% of workers felt unable to report health and safety concerns for fear of reprisal (see 'Working conditions').
- At both contractors, 11% and 42% of workers respectively felt they were being treated unfairly. For example, workers reported that their foreman would not allow them to take breaks in the shade. At one of these contractors, the workers interviewed believed the unfair treatment was the result of having a different nationality to their foreman.

### Satisfaction and socio-economic survey results

At the contractor where we identified the critical observation, we also found that workers (through our Worker Satisfaction and Socio-economic Survey pilot) agreed with the statements "I am treated



with respect”, “I always feel listened to”. and “I feel appreciated at my workplace”. While acknowledging that the pilot survey had a limited sample size, the results may indicate that these observations relate to the behaviour of specific individuals rather than to a company culture of mistreatment. This does not make the issue less significant, but means that the contractor may be able to address the observation with adequate supervisor training and open dialogue with workers.

### Follow-up audit improvement

Where we conducted a follow-up visit, one of three non-compliances relating to not having the required policies in place was resolved. At the contractor where 11% of workers felt they were being treated unfairly, there had been some progress on that issue.

"These people [the workers] are not raised like us; I'm sorry to tell you, but they have a very low IQ; so if you give them anything they misuse it."

Accommodation Manager

Martin is very happy with his earnings and feels treated with respect at work. He also appreciates the food and transportation provided. Martin has a one and half year old daughter who lives back at home with his family. He feels alone in Doha and misses his family very much. His dream is to provide the best education for his daughter and to help his parents. He hopes he will get a promotion soon that allows him to earn enough to achieve his dreams. He therefore works hard and rarely takes time off from work.

## I. Worker representation

### WWS requirements

The WWS requires contractors to establish a Workers' Welfare Forum (WWF) at each accommodation site. The forum shall:

- Enable workers to raise concerns on any issue without fear of retaliation (WWS 16.1).
- Consist of the contractor's Workers' Welfare Officer and Worker Representatives (WWS 16.2).
- The Worker Representatives shall be one per nationality and elected by the workers every six months (WWS 14.1).
- Meet at least once a month (WWS 16.3).

The SC WWS go beyond Qatari labour law in the area of worker representation, but they fall short of international standards. This is an attempt by the SC to deliver positive change for workers through developing open and trusted communication mechanisms between workers, contractors and the SC. This mirrors the position of organisations such as the [Ethical Trading Initiative](#)<sup>31</sup> which recommends the development of “parallel means” of worker representation where trade unions are illegal.<sup>32</sup>

### Initial audit findings

Impactt found that seven of ten contractors have set up WWFs, which is a step in the right direction. We also found one contractor actively trying to encourage workers to vote for representatives by holding a prize draw.

However:

- Three of the ten contractors had not yet set up a WWF, and therefore no effective worker representation system was in place.

- The remaining seven contractors who had set up a WWF did not have elected worker representatives.
- Seventy-eight percent of all workers interviewed across ten contractors either did not know about the WWF, did not trust it, or did not see it as an effective platform for raising concerns. At four contractors, the percentage of workers stating this rises to 100%.

#### Follow-up audit improvement

During the follow-up audits, Impactt found that contractors had made good improvements in this area: 33% of non-compliances had been resolved. One contractor had set up a new WWF and another had given their workers access to the WWF of an affiliated contractor. It is vital to ensure that WWF representatives are freely elected and representative of all worker nationalities.

Worker representation is another important area for improvement. The SC should continue working with contractors, within the framework of Qatari law, to ensure that all contractors set up a WWF and that the forums are trusted and perceived as effective by workers. Effective worker-management dialogue is integral to protecting workers' rights. It is also an avenue to identify practical improvements to contractors' policies and procedures. These improvements yield benefits for workers by creating a better working environment. They also generate benefits for contractors through stronger management systems.

### J. Grievance mechanisms

#### WWS requirements

The WWS require contractors:

- To establish a support system to address worker welfare issues confidentially and in a culturally appropriate manner (WWS 18.1).
- To advise workers of support systems available where workers can report grievances (WWS 18.2). The mechanisms provided by the WWS are the Ministry of Administrative Development, Labour and Social Affairs (MOADLSA), the National Human Rights Committee, the Qatar Foundation for Protection and Social Rehabilitation and the SC via an e-mail address.

#### Initial audit findings

Impactt identified a non-compliance at six of the ten contractors. In each case, the contractor had not informed workers of the available grievance mechanisms. At two of these contractors, 100% of workers interviewed were unaware of how to report a grievance.

At one of these contractors, Impactt identified a **critical** observation that 85% of workers interviewed said that they were afraid of raising grievances for fear that their contract would be terminated.

At this same contractor, there was a recent case (October 2016) in which two workers were fired for allegedly inciting a strike. Workers at this site had a grievance with the clock-out system and gathered at the management's office, where they nominated one person to discuss the issue with managers. The latter person was one of those later fired. This brings to light a range of issues at this contractor: no safe avenue for reporting grievances, an inadequate dismissal/disciplinary policy, threatening workers with dismissal, a lack of focus on recording workers' perspectives, and a lack of transparency in dealing with sensitive issues.

Impactt also identified that three of ten contractors did not have adequate logging/monitoring systems for grievances. Although this is not a WWS requirement, having a system to monitor grievances raised by workers is essential to determine the effectiveness of the recourse mechanisms that contractors provide to workers.

#### Satisfaction and socio-economic survey results

The results of the Worker Satisfaction Survey conducted at this contractor reveal widespread dissatisfaction among workers, in particular in the category of respect (scoring 2.1 on a scale of 1-5).

This is likely both influenced by the case mentioned above, but also reflects systemic issues at the contractor that led to these terminations.

Workers scored this contractor lowest in response to the statement: “I am treated with respect” (1.7 on a scale of 1-5). These are noteworthy findings considering this contractor attained a high overall compliance score (80%). It is therefore possible for there to be widespread dissatisfaction and systemic problems with promoting workers’ welfare at a contractor that is relatively compliant with the WWS. This highlights the value of the insights provided by worker-centric surveys in addition to compliance monitoring.

Being able to report grievances is crucial to protecting the rights and welfare of workers, and not being able to do so has knock-on effects for other areas.

#### Follow-up audit improvement

In the follow-up audits, Impactt found that progress had been made at both contractors where workers were unaware of the avenues for reporting grievances. One of two contractors who did not have a grievance log had resolved the issue.

At one contractor, 96% of workers interviewed reported that when they raise issues about their food with their Camp Boss, the Camp Boss tells them: “Eat the food we provide, or else go home”

### Effectiveness of SC audits and alignment with Impactt

Impactt conducted an assessment of the effectiveness of SC audits compared to Impactt audits. The purpose is to strengthen the audits of both parties by identifying good practices and blind spots, and ultimately to support SC to build the capacity of contractors and subcontractors to own the assessment of their practices.

The ‘effectiveness’ of compliance audits means the extent to which audits assess contractor compliance and identify priority issues, particularly those issues that have the greatest impact on workers. To support this, the SC has set up a unique and innovative four-tier audit structure, where each actor plays a distinctive role (see Figure 10):

- Self-audits by contractors against the WWS
- SC audits of contractors against the WWS
- Independent and external compliance audits of contractors (Impactt)
- Audits carried out by the Ministry of Administrative Development, Labour and Social Affairs (MOADLSA) against Qatari law.

Responsibility for ensuring labour standards should lie with contractors themselves, with audits from the SC and the External Monitor simply testing the robustness of contractors’ self-assessments. However, there is some distance to be travelled before achieving this reality.

Impactt’s assessment is designed to help contractors take the first step in this journey. We review the level of consistency (overlap) in priority findings between Impactt and SC audits. This helps identify areas where Impactt and the SC obtain consistent (overlapping) results, and areas where consistency is limited. It will be important to understand what causes the differences and what can be done to close the gaps.

#### Overall mapping of audit results

Here we provide an overall comparison of the contractor compliance assessment made by Impactt and the SC for the five contractors audited in the November 2016 quarter. For each contractor, Table 6 shows the total number of non-compliances found by both teams, followed by the compliance scores calculated by SC Impactt and SC.

Despite the differences in the timing of the audits (SC audits predated Impactt's by a few weeks) and the audit methodologies, the compliance scores show a significant degree of convergence.

	Tier 1 Contractor	Tier 1 Contractor	Main Contractor	Tier 2 Contractor	Main Contractor
Total number of non-compliances found by Impactt	45	42	37	35	19
Total number of non-compliances found by the SC	45	46	37	38	59
Impactt compliance score	76%	76%	80%	81%	90%
SC compliance score	78%	85%	89%	77%	80%

**Table 6 - Mapping of Impactt and SC audit results**

### **Consistency in identifying priority issues**

Impactt used the issues raised at contractors audited in August and November to assess the level of consistency in the way Impactt and the SC identify priority issues.

Our analysis shows that 43% of priority issues (non-compliances as well as observations) were found both by Impactt and the SC. This shows a significant level of consistency between the audit teams.

We also found that 13% of priority issues were found by the SC but not by Impactt. The majority of these issues related to passport retention and reimbursement of recruitment fees. Given that SC audits took place a few weeks before Impactt audits, it is possible that these critical issues were rectified by contractors immediately after the SC audit and before the Impactt visit.

The remaining 44% of priority issues were found by Impactt but not by the SC. The majority of these issues related to:

- Workers' awareness of avenues to access grievance mechanisms (a WWS requirement)
- Insufficient rest days (a legal requirement)
- Contractors neglecting to provide yearly flights home during their annual leave (a WWS requirement which is above Qatari law)
- Contractors seeking the MOADSLA's approval of their disciplinary policies (a legal requirement).

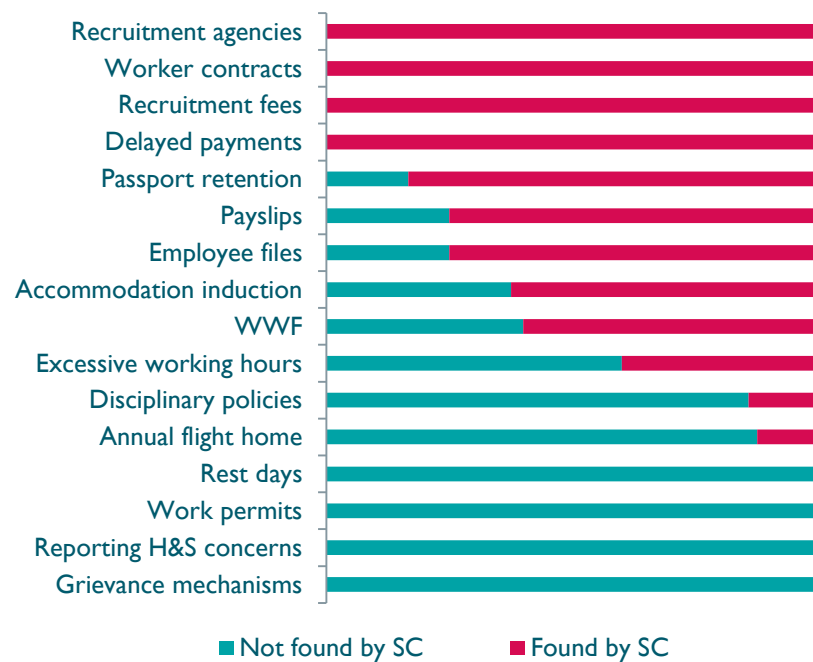
The variance between Impactt and SC findings for these issues may be explained in the first place by differences in the time when the audits were carried out (SC audits predated Impactt's) and in the sample of workers interviewed (SC and Impactt auditors did not interview the same individuals).

The variance may also be a result of the SC's use of an abridged Ethical Recruitment audit checklist. The checklist serves as a prioritising, early warning system.

The variance may also be explained by the way in which auditors interpret elements of the checklist. For example, the WWS checklist observed by Impactt contains a clause about the provision to workers of flights home for annual leave. However it may be that auditors accept annual leave provided every two years rather than annually. Another possibility is that the time allocated to perform different checks varies. SC auditors may find fewer instances of rest days not provided to workers because they spend less time checking working hours records compared to other audit activities. A further possibility is that the focus of SC worker interviews is different to that of Impactt's worker interviews. For example, the SC worker interview checklist observed by Impactt asks workers if they have been informed about grievance mechanisms, but it does not ask whether workers understand or trust such mechanisms.



Figure 10 shows the extent to which SC audits found different priority issues to Impactt.

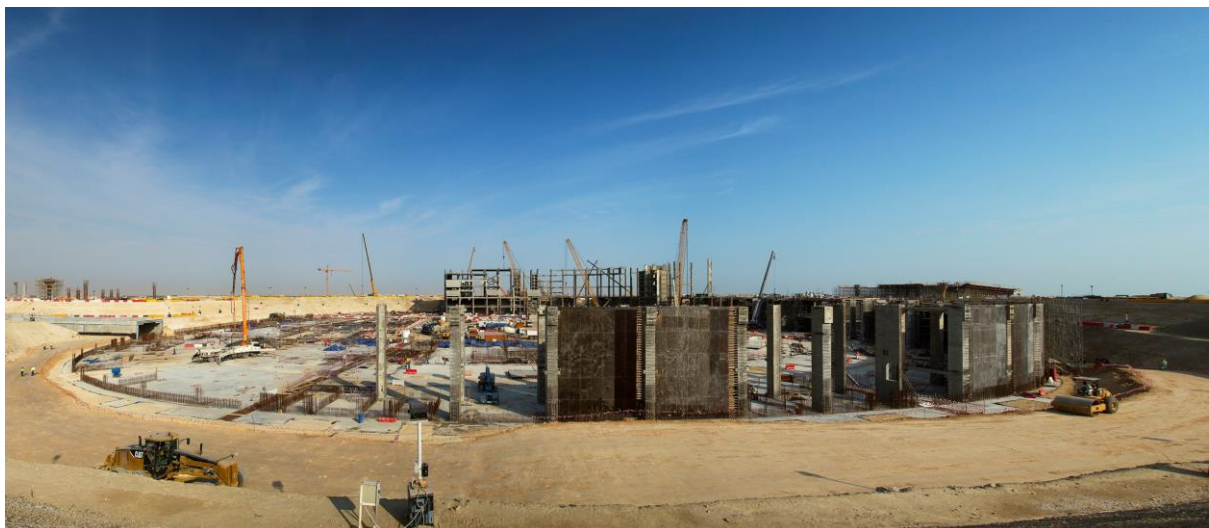


**Figure 10 - Consistency in priority findings**

Impactt's initial assessment of the effectiveness of SC audits shows that together Impactt and the SC are identifying a wide range of priority non-compliances and observations.

To continue strengthening the audit process, it will be important to:

- Analyse the root causes of the lack of consistency in the identification of priority issues, in order to support Impactt and the SC audit teams.
- Assess the extent to which contractors are reliably able to identify these issues by themselves and identify opportunities for improvement.
- Continue to cascade good audit practices to contractors and their supply chains, so that the identification of issues rests primarily with them. This will allow the SC to allocate more resources to supporting improvement and continuing to convene industry-wide action.



## Conclusion

Since its establishment in 2011, the SC has taken a leadership role in setting thorough and ambitious worker welfare standards through the WWS, and creating the framework and internal capacity for enforcing them throughout its supply chain. The standards encompass an innovative four-tier auditing system, including an external compliance monitor (Impactt), and provide protections that go beyond Qatari law in some areas. The SC has issued regular public reports on progress in implementing the standards. It has also signed an MoU with the BWI to conduct joint health and safety inspections of construction sites and training.

The WWD has been active in helping contractors to integrate the WWS into their business practices and monitoring compliance. In 2016, it continued to strengthen its audit and compliance programme by growing its resources, developing its internal capability and conducting a large amount of compliance monitoring. The WWD's upcoming initiatives in 2017 reflect its intention to tackle some of the key worker welfare challenges beyond compliance requirements. Innovation and collaboration will be central to these efforts.

## Findings

The results of Impactt's external compliance monitoring show overall progress in some of the most prominent areas of concern. The majority of contractors we audited show a good degree of compliance with WWS for **accommodation** and **construction sites**. Most contractors were compliant on **recruitment fees**, **contract substitution** and **passport retention**, however, there were some critical issues that require the SC's ongoing attention.

Moreover our audits identified the following priority topics:

- Recruitment fees
- Personal documents
- Induction
- Contracts and administration
- Working hours, wages, rest and leave
- Working conditions (H&S)
- Accommodation and food
- Treatment
- Worker representation
- Grievance mechanisms
- Disciplinary procedures

Follow-up audits of five contractors demonstrated an impressive ability to improve. Seventy-eight percent of the non-compliances and observations identified were resolved or progress had been made in resolving them, particularly in areas related to procedural compliance requirements. These are areas such as provision of medical care and transportation, facilities management and end-of-service procedures.

Further progress is needed on some of the more complex challenges, such as promoting the effective functioning of robust dialogue mechanisms (Workers' Welfare Forums), providing workers with adequate residence permits and reimbursing recruitment fees to workers who provide evidence of payment.

Based on our monitoring findings, we propose a three-year roadmap for the future to enable SC to focus its efforts, in line with its belief that "all workers engaged on [its] projects, and those of the other infrastructure developers in Qatar, have a right to be treated in a manner that ensures at all times their wellbeing, health, safety and security."<sup>33</sup>

## Roadmap for the future

Based on our findings from the external compliance monitoring audits, we propose the following three-year roadmap for the SC:

### 1. Improve the effectiveness of efforts to drive compliance with the WWS

- **Support contractors in improving the effectiveness of their due diligence processes:** The primary risk assessment and remediation process should be driven by contractors themselves. The SC and the external compliance monitor should check the robustness of their approach by evaluating the assessments of randomly selected companies.
- **Encourage contractors to share challenges transparently:** This is especially important for subcontractors, who tend to have a greater number of more severe compliance issues.
- **Build contractors' capacity to develop and implement improvements within their own operations:** Our follow-up audits show that contractors were able to make significant progress in resolving procedural issues and some of the priority issues. The SC should focus its support on more challenging issues and supporting change within subcontractors.
- **Ensure that contractors, rather than workers, pay the cost of recruitment:** To comply with the WWS, employers (contractors) should pay recruitment agents the full costs of recruitment and refund those workers who have paid fees. This is currently the exception rather than the rule. SC should take a strong line in enforcing repayment so as to send a clear message to contractors and subcontractors.

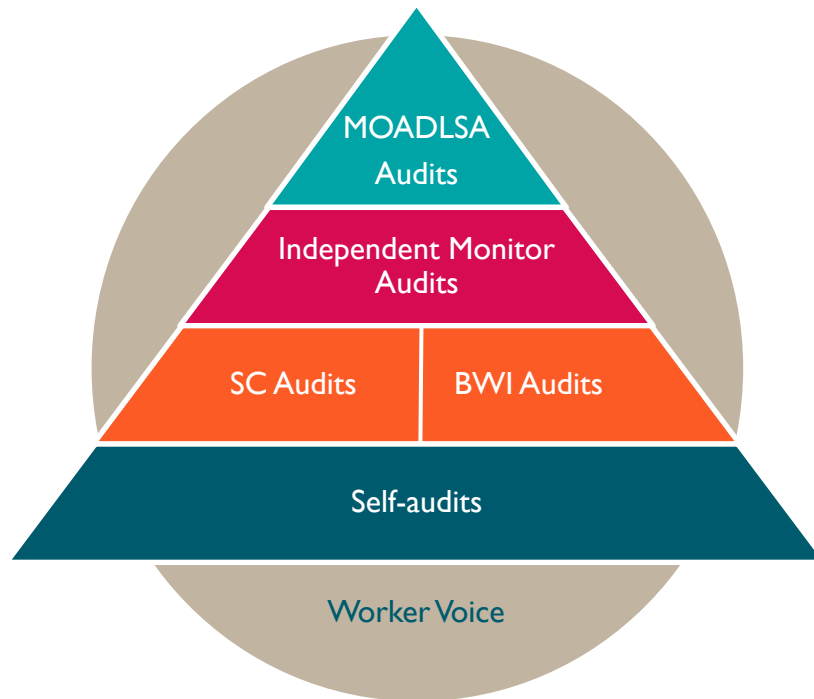
### 2. Prompt behaviour change in manager-worker interactions

- **Amplify workers' voices:** Ensure that workers' voices inform every aspect of improvement efforts and the four-tier auditing system (see Figure 11). Worker feedback should not be seen as a beyond compliance activity or an activity to be carried out once compliance issues are resolved. Capturing worker feedback should be central to the compliance assessment process, supported by worker satisfaction or experience surveys. This will enable the contractors and the SC to understand which issues matter most to workers and whether workers perceive any positive changes to their welfare.
- **Build management skills:** Ensure that foremen, accommodation managers and worker welfare officers develop people management skills based on mutual respect for managing a diverse workforce, for example through developing train-the-trainer modules on leadership and positive management skills.
- **Ensure that contractors run effective worker representation systems (Worker Welfare Forums) and grievance mechanisms:** These mechanisms should have feedback loops to verify to what extent workers feel that they operate fairly and drive positive change. The SC should build on its work with the 'nudge unit' to boost the effectiveness of Workers' Welfare Forums by increasing the quality and quantity of issues raised by workers. The SC should incorporate recommendations from BWI on the operation of Workers' Welfare Forums to maximise effectiveness.

### 3. Collaborate for greater reach and impact

- **Participate in and contribute to multi-stakeholder action to catalyse improvements in addressing systemic issues.** For issues that lie outside the SC's direct control, the SC should work with the governments of Qatar and workers' origin countries, industry, worker representatives and civil society to support:
  - Changes in the economics of recruitment so that workers do not bear any of the costs of getting a job in Qatar.
  - Changes in the tendering and contracting processes to ensure contractors take into account the cost of worker recruitment in their bids.

- Alignment of recruitment laws and regulations between Qatar and origin countries, in particular to outlaw the charging of recruitment fees to workers.
- Alignment in the regulation and licensing of recruitment agents between Qatar and origin countries.
- Alignment of law and practice to enable workers to change employer in Qatar and/or to return home in line with international labour standards.



**Figure 11 - Recommended four-tier auditing system**



## Glossary of terms

### **BWI**

Building and Wood Workers' International

### **Civil Society Organisation (CSO)**

CSOs are non-state actors whose aims are neither to generate profits nor to seek governing power. CSOs unite people to pursue shared interests in the public domain to provide benefits, services, or political influence to specific groups within society.

### **Contractor**

Any party that has a contractual standing in the SC's supply chain. This includes main contractors, who have a direct, contractual relationship with the SC, as well as the companies that have a contractual relationship with the main contractor. A contractor to a main contractor is referred to as a Tier 1 subcontractor. A contractor to a Tier 1 contractor is referred to as a Tier 2 contractor.

### **Contract substitution**

The practice of replacing the terms initially promised to workers during the recruitment process with less favourable terms (e.g. lower wages) after the worker has committed to taking up employment.

### **Manpower agency**

Companies that sponsor and employ workers and lease them out to other companies to provide a variety of services.

### **MOADLSA**

Ministry of Administrative Development, Labour and Social Affairs

### **Other Contracting Parties (OCP)**

Any subcontractor, consultant, labour supplier or recruitment agent to a contractor.

### **Prescribed language**

The WWS define prescribed languages as "the languages of Arabic, Bengali, English, Tagalog, Hindi, Nepali, Tamil and Urdu"

### **SC**

Supreme Committee for Delivery & Legacy

### **Wage Protection System (WPS)**

The WPS is a system launched in 2015 by the MOADLSA that requires employers to pay employees' wages through bank accounts and to submit details of these payments to the MOADLSA. The system is designed for the MOADLSA to check the timeliness and regularity of payments and phase out the payment of wages in cash.

### **WWD**

Workers' Welfare Division

### **WWF**

Workers' Welfare Forums

### **WWS**

Workers' Welfare Standards

## Limitations

Impactt's external compliance monitor annual report for 2016 has the following limitations:

- The report covers only two quarters of initial audits (August 2016 and November 2016), rather than a full calendar year with four audit quarters.
- Impactt was only able to carry out follow-up verification audits of the five contractors audited in August 2016 (third quarter) in January 2016. Impactt did not re-visit the five contractors audited in November 2016 because the contractors did not have sufficient time between November 2016 and January 2017 to adequately address the issues raised.



## Appendix I – Impactt’s initial advisory services

Here we provide a summary of the initial advisory services provided by Impactt to the SC. Impactt provided a set of initial advisory services to the SC between April and June 2016. The services provided by Impactt were:

### Initial review services

These services comprised three deliverables:

#### ***Review and assessment of current training and awareness programmes***

Impactt carried out a review of the workers’ welfare training provided by the SC to contractors and subcontractors. We mapped the existing training programmes, reviewed documentation including watching a full training session, and carried out a set of interviews with trainers and participants.

Impactt assessed the following areas of the SC’s workers’ welfare training for contractors: learning objectives, course design, course content and training effectiveness.

Our assessment was that the training content reviewed was clear and robust, and the training delivery created an open atmosphere where participants felt they could ask questions. We made a number of recommendations to the SC that would improve the effectiveness of the training.

#### ***Review and assessment of the Workers’ Welfare compliance framework***

Impactt carried out a strategic review of the workers’ welfare compliance framework and a gap analysis of the WWS, the process and tools for SC audits and contractors’ self-audits, and the processes for implementing and verifying rectification.

Impactt mapped the existing compliance framework, and reviewed the content of the WWS and the workers’ welfare process and audit documentation provided by the SC. We carried out nine days of fieldwork, which included meetings with the WWD, six contractors (three main contractors, two subcontractors and one manpower supplier) and two contractor audits.

Our strategic review analysed the alignment of Qatar’s legal context and the workers’ welfare compliance framework to ILO Fundamental Conventions and best practice. The findings from this review informed the [Context](#) section of this report.

The gap assessment identified good practices and gaps in the WWS requirements, audit processes, audit tools and processes for implementing and verifying rectification.

As a product of our assessment, Impactt made five key recommendations to the SC to increase the alignment of the workers’ welfare compliance framework’s processes and tools with international law and best practice.

#### ***Review the SC’s contractual mechanisms relating to the WWS***

Impactt reviewed a set of contractual documents and contract forms to identify areas where the SC is meeting or exceeding international best practice and ways in which the SC could strengthen contract mechanisms to achieve better contractor compliance with the WWS. As part of our assessment, we also reviewed the existing enforcement mechanisms. Impactt made a number of recommendations to the SC.

### Processes and procedures services

These services comprised three deliverables relating to the development of Impactt’s external compliance monitor methodology, which has been covered in the methodology section [above](#):

- Development of an external monitoring planning and scheduling process
- Development of monitoring procedures
- Development of a process to evaluate the effectiveness of SC audits of contractors and subcontractors in improving compliance with the WWS

## Appendix 2 – Worker survey pilot

Here we provide the list of satisfaction and socio-economic questions in Impactt's pilot survey.

Workers answered the satisfaction survey by scoring the statements from 1 (disagree) to 5 (agree). The socio-economic survey consisted of mostly open ended questions.

Survey type	Category	Statements
Satisfaction survey	Income	<ul style="list-style-type: none"> <li>• I get paid fairly for the work I do</li> <li>• I am happy with my working hours</li> <li>• It is easy to take emergency leave</li> <li>• I have realistic targets at work</li> <li>• I get enough time to rest</li> </ul>
	Respect	<ul style="list-style-type: none"> <li>• I feel safe at my workplace</li> <li>• I can get care if I am sick or injured</li> <li>• I always feel listened too</li> <li>• It is easy to get a problem resolved</li> <li>• I am treated with respect</li> <li>• I feel appreciated at my workplace</li> </ul>
	Progression	<ul style="list-style-type: none"> <li>• I have opportunities to get promoted and learn at work</li> <li>• I am supported by my work to give my best</li> </ul>
Socio-economic survey		<ul style="list-style-type: none"> <li>• Why did you come to work here?</li> <li>• What are you hoping to achieve through this work? Do you think it is possible?</li> <li>• Do you feel it was worth moving here for work? Why/why not?</li> <li>• What were your expectations of living and working here? Were your expectations met?</li> <li>• Is your household income sufficient to meet your family's needs? If not, what can you not afford?</li> <li>• Do you send money home each month? If yes how much? What is the percentage of your wage?</li> <li>• Have you had to take out any loans? If yes, for how much?</li> <li>• Will you be able to repay your loans? If yes, how long will it take you?</li> </ul>

<sup>1</sup> We use the term “contractor” to refer to any business that works at an SC project. This includes “main contractors” who have a direct relationship with the SC and “subcontractors” who have a direct relationship with main contractors. Subcontractors are split into at least two tiers: Tier 1, who have a direct relationship with main contractors and Tier 2, who have a direct relationship with Tier 1 subcontractors.

<sup>2</sup> International Labour Organization, *Supervising the application of International Labour Standards for Qatar*, [http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11100:0::NO::P11100\\_COUNTRY\\_ID:103429](http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11100:0::NO::P11100_COUNTRY_ID:103429) (accessed 13 January 2017).

<sup>3</sup> Amnesty International, *Qatar World Cup of shame*, <https://www.amnesty.org/en/latest/campaigns/2016/03/qatar-world-cup-of-shame>, accessed 14 September 2016; Amnesty International, *Ugly side of the beautiful game*, <https://www.amnesty.org/en/documents/mde22/3548/2016/en/>, accessed 6 January 2017; United Nations Human Rights Council, *Report of the Special Rapporteur on the human rights of migrants*, François Crépeau, [http://www.ohchr.org/EN/HRBodies/HRC/RegularSessions/Session26/Documents/A-HRC-26-35-Add1\\_en.doc](http://www.ohchr.org/EN/HRBodies/HRC/RegularSessions/Session26/Documents/A-HRC-26-35-Add1_en.doc), accessed 14 September 2016; Ray Jureidini: International Labour Organization, *Ways forward in the recruitment of low-skilled migrant workers in the Asia-Arab States corridor: ILO white paper*, 2016; Business and Human Rights Resource Centre, *A Wall of Silence: The construction sector's response to migrant rights in Qatar and the UAE*, 2016; DLA Piper, *Migrant Labour in the Construction Sector in the State of Qatar*, April 2014, <http://www.engineersagainstopoverty.org/documentdownload.axd?documentresourceid=58> (accessed 16 January 2017); International Labour Organization, Governing Body, 328<sup>th</sup> Session, *Complaint concerning non-observance by Qatar of the Forced Labour Convention, 1930 (No. 29), and the Labour Inspection Convention, 1947 (No. 81), made by delegates to the 103rd Session (2014) of the International Labour Conference under article 26 of the ILO Constitution*, 2 November 2016, GB.328/INS/11; Gardner, Andrew; Pessoa, Sylvia and Harkness, Laura; *Labour migrants and access to justice in contemporary Qatar*, November 2014,

<http://www.lse.ac.uk/middleEastCentre/publications/Reports/LabourMigrantsQatarEnglish.pdf> (accessed 16 January 2017).

<sup>4</sup> MOADLSA audits follow Qatari labour law rather than the WWS.

<sup>5</sup> SC and BWI sign MoU for joint inspections on 2022 FIFA World Cup Qatar™ stadiums, 15 November 2016, <http://www.sc.qa/en/news/sc-bwi-sign-mou-for-joint-inspections-on-2022-fifa-world-cup-projects>, accessed 23 January 2017.

<sup>6</sup> Impactt's bespoke methodology followed the WWS, which is based on Qatari labour law. Impactt audited directly against Qatari labour law in the following areas: working hours, rest and leave and disciplinary procedures.

<sup>7</sup> The contractor list provided by SC to Impactt contained no non-competition sites except for Al Bidda Tower (SC's headquarters). Therefore the only non-competition site audited by Impactt was Al Bidda Tower.

<sup>8</sup> The SC reported that follow-up audits of contractors audited by Impactt in November 2016 will take place by the second quarter of 2017.

<sup>9</sup> Supreme Committee for Delivery & Legacy, Workers' Welfare Standards (Edition 2), <http://www.sc.qa/en/opportunities/workers-welfare/workers-welfare-standards>, accessed 13 January 2017.

<sup>10</sup> MOADLSA audits follow Qatari labour law rather than the WWS.

<sup>11</sup> International Labour Organisation, *About the ILO*, <http://ilo.org/global/about-the-ilo/lang-en/index.htm>, accessed 13 January 2017.

<sup>12</sup> Supreme Committee for Delivery & Legacy, Workers' Welfare Standards (Edition 2), <http://www.sc.qa/en/opportunities/workers-welfare/workers-welfare-standards>, accessed 13 January 2017.

<sup>13</sup> International Labour Organization, *Supervising the application of International Labour Standards for Qatar*, [http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11100:0::NO::P11100\\_COUNTRY\\_ID:103429](http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11100:0::NO::P11100_COUNTRY_ID:103429) (accessed 13 January 2017).

<sup>14</sup> As of February 2017, ILO Convention C087 has been ratified by 154 countries, ILO Convention C098 has been ratified by 164 countries and ILO Convention C100 has been ratified by 172 countries. Despite the relatively high level of ratifications of these three Fundamental Conventions, the ILO highlights difficulties in the application of these Conventions even in countries that have ratified them. International Labour Organization Committee of Experts on the Application of Conventions and Recommendations, *Giving Globalization a Human Face*, International Labour Conference, 101<sup>st</sup> session, 2012, [http://www.ilo.org/global/standards/WCMS\\_125798/lang-en/index.htm](http://www.ilo.org/global/standards/WCMS_125798/lang-en/index.htm)

<sup>15</sup> Amnesty International, *Qatar World Cup of shame*, <https://www.amnesty.org/en/latest/campaigns/2016/03/qatar-world-cup-of-shame>, accessed 14 September 2016; Amnesty International, *Ugly side of the beautiful game*, <https://www.amnesty.org/en/documents/mde22/3548/2016/en/>, accessed 6 January 2017; United Nations Human Rights Council, *Report of the Special Rapporteur on the human rights of migrants*, François Crépeau, [http://www.ohchr.org/EN/HRBodies/HRC/RegularSessions/Session26/Documents/A-HRC-26-35-AddI\\_en.doc](http://www.ohchr.org/EN/HRBodies/HRC/RegularSessions/Session26/Documents/A-HRC-26-35-AddI_en.doc), accessed 14 September 2016; Ray Jureidini: International Labour Organization, *Ways forward in the recruitment of low-skilled migrant workers in the Asia-Arab States corridor: ILO white paper*, 2016; Business and Human Rights Resource Centre, *A Wall of Silence: The construction sector's response to migrant rights in Qatar and the UAE*, 2016; DLA Piper, *Migrant Labour in the Construction Sector in the State of Qatar*, April 2014, <http://www.engineersagainstopoverty.org/documentdownload.axd?documentresourceid=58> (accessed 16 January 2017); International Labour Organization, Governing Body, 328<sup>th</sup> Session, *Complaint concerning non-observance by Qatar of the Forced Labour Convention, 1930 (No. 29), and the Labour Inspection Convention, 1947 (No. 81), made by delegates to the 103rd Session (2014) of the International Labour Conference under article 26 of the ILO Constitution*, 2 November 2016, GB.328/INS/11; Gardner, Andrew; Pessoa, Sylvia and Harkness, Laura; *Labour migrants and access to justice in contemporary Qatar*, November 2014, <http://www.lse.ac.uk/middleEastCentre/publications/Reports/LabourMigrantsQatarEnglish.pdf> (accessed 16 January 2017).

<sup>16</sup> The worker figures and description of initiatives on this section were provided to Impactt by the SC and have not been independently verified by Impactt.

<sup>17</sup> SC and BWI sign MoU for joint inspections on 2022 FIFA World Cup Qatar™ stadiums, 15 November 2016, <http://www.sc.qa/en/news/sc-bwi-sign-mou-for-joint-inspections-on-2022-fifa-world-cup-projects>, accessed 23 January 2017.

<sup>18</sup> The nine sites include the SC's head office at Al Bidda Tower.

<sup>19</sup> Impactt's bespoke methodology followed the WWS, which is based on Qatari labour law. Impactt audited directly against Qatari labour law in the following areas: working hours, rest and leave and disciplinary procedures.



<sup>20</sup> The contractor list provided by SC to Impactt contained no non-competition sites except for Al Bidda Tower (SC's headquarters). Therefore the only non-competition site audited by Impactt was Al Bidda Tower

<sup>21</sup> The SC have reported that follow-up audits of contractors audited by Impactt in November 2016 will take place by the second quarter of 2017.

<sup>22</sup> Impactt's bespoke methodology followed the WWS, which is based on Qatari labour law. Impactt audited directly against Qatari labour law in the following areas: working hours, rest and leave and disciplinary procedures.

<sup>23</sup> The University of Sheffield, Ethical audits and the supply chains of global corporations, January 2016, <http://speri.dept.shef.ac.uk/wp-content/uploads/2016/01/Global-Brief-I-Ethical-Audits-and-the-Supply-Chains-of-Global-Corporations.pdf> (accessed 01/02/2017).

<sup>24</sup> The five contractors Impactt audited in January 2017 were the same five contractors audited in August 2016.

<sup>25</sup> The severity of a finding is classified as critical, major or minor. Severity relates to the level of risk to workers' life or limb or the size of the gap between current practice and legal or WWS requirements.

<sup>26</sup> Prevalence is a function of the number of contractors that have the same issue.

<sup>27</sup> Ray Jureidini: International Labour Organization, *Ways forward in the recruitment of low-skilled migrant workers in the Asia-Arab States corridor*: ILO white paper, 2016

<sup>28</sup> Contract substitution means that on arrival in Qatar, workers are asked to do a job different to the job they were promised at the recruitment stage.

<sup>29</sup> Through our audits of working conditions, we covered welfare facilities at accommodation sites (cafeterias, toilets, water points, medical facilities and communication mechanisms), worker health and safety inductions, and general health and safety practices. We did not investigate workplace accidents or fatalities at construction sites.

<sup>30</sup> For more information on the links between nutrition and non-communicable diseases, see the World Health Organization's factsheet: <http://www.who.int/mediacentre/factsheets/fs317/en/>

<sup>31</sup> Ethical Trading Initiative is a tri-partite organisation composed of businesses, trade unions and non-governmental organisations. The ETI's vision is "a world where all workers are free from exploitation and discrimination, and enjoy conditions of freedom, security and equity." The ETI has developed the ETI Base Code which is based on the standards of the International Labour Organization.

<sup>32</sup> ETI Base Code Section 2.4 [http://s3-eu-west-1.amazonaws.com/www.ethicaltrade.org/files/shared\\_resources/eti\\_base\\_code\\_english.pdf?ppXz9ivoyynr1uTT05e.Z5n.ZHaQvQfN](http://s3-eu-west-1.amazonaws.com/www.ethicaltrade.org/files/shared_resources/eti_base_code_english.pdf?ppXz9ivoyynr1uTT05e.Z5n.ZHaQvQfN) (accessed 07/02/17)

<sup>33</sup> Supreme Committee for Delivery & Legacy, *Workers' Welfare Standards* (Edition 2), <http://www.sc.qa/en/opportunities/workers-welfare/workers-welfare-standards>, accessed 13 January 2017.