### QATAR META COATS W.L.L.



## قطر للحديد المجلفن ذ.م.م.

Ref: QMC/HR-04/2020/0687 Date: 12th April 2020

Steve Cockburn Deputy Director, Global Issues **Amnesty International** 

Subject: Payment of salaries to Qatar Meta Coats workers

Dear Sir,

We, at Qatar Meta Coats take the welfare and rights of our workers very seriously. When it comes to the issue you refer to, let me assure you that we are in the process of solving the financial issues of the company while some of your allegations are completely baseless.

Qatar Meta Coats W.L.L has been in operation for 18 years now and prides itself on the goodwill we have garnered in this time. We have employed over 1500 employees in this duration and 1386 have completed their tenure and left the company with mutual respect and good wishes. As you have been made aware, we have never defaulted on salaries up until this time. Every company faces its ups and downs and we, at the moment are going through a tough phase which we believe we will overcome in due course of time.

Having said this, let me address the questions posed by you.

- 1. We have faced difficulty with salary payment due to changes in specification and design in all our undertaken projects which caused a delay in submittal of invoices. These delays, which in some cases is around a year or more from the completion time. Due to this, we have been unable to renew legal documentation. We have never refused any employee to change jobs.
- 2. The workers have raised concerns on delay of payment of salaries, which Qatar Meta Coats has addressed by explaining the situation of the company. We have assured the workers that the company is doing everything it can to resolve the situation at hand. Despite some of the workers going on a protest and refusing to work, we have understood their frustrations and tried to alleviate the situation by arranging two months of pending salaries despite the company facing severe financial issues.
- 3. In order to secure payment of employees' wages and provide employees with valid residency permits we are working on obtaining our receivables from the market. The Qatar Government has put some initiatives in place to help struggling companies, which we hope to secure. We also have new projects in hand which will help us garner the required funds.
- 4. The allegation of refusal to grant NOC's is completely baseless. We have been more than willing to grant NOC's to employees who have requested for it.
- 5. Middle East Galvanizing is a sister concern company of Qatar Meta Coats which is still in the process of completion. There are no employees specifically employed by Middle East Galvanizing at this stage.

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- 6. Qatar Meta Coats was awarded the job of supply and installation of aluminum glazing works, cladding works and tent façade steel works. At peak time we have deployed 115 workers and 18 staff. During this time, we have also subcontracted heavy steel structure jobs to another company. At this point, I would like to bring to your attention that despite our workers mishandling and damaging material on site, such as glass, we have incurred heavy losses. But despite this, they were never held responsible for the same financially nor suspended from their job.
- 7. Qatar Meta Coats adheres to the Qatar Labour Law which offers a body of laws outlining legal rights, restrictions and obligations of employees and employers in all spoken languages. All the information regarding the labour laws is displayed on the company notice board as well as on the notice board of the company provided accommodation. The workers have never been discouraged to report their grievances to the HR Department. All grievances have been dealt with in a mutually understandable way.
- 8. Qatar Meta Coats doesn't encourage or support human rights abuse or labour exploitation of any form. We do not charge our employees any recruitment fees and no formal complaint on these lines has been filed with the company by any employee.
- 9. The Ministry of Administrative Development and Labour Affairs(MADLSA) is aware of the situation of the company after salary delay complaints were filed by the workers. After having met them and explained our situation, we were granted time till end of April to sort our issues. We have been working on every possible avenue to ensure that we redeem the company from its current situation.
- 10. GSIC-JV, our main contractor is aware of our problems and has been accommodating and supportive of these tough situations.
- 11. In light of COVID-19, Qatar Meta Coats has suspended work, despite the tough situation, keeping in mind only the safety and health of our employees. The workers have been asked to be in self quarantine in the provided accommodation while all basic amnesties are taken care of by the company. We are in the process of renewing expired health cards. In light of the current situation, the Qatar Government is providing medical aid to workers without active health cards. The Qatar Government has also put in place stringent measures to prevent the spread of COVID-19 and Qatar Meta Coats is following all the protocols and measures as dictated by the Government.

In conclusion, we agree that our company is experiencing some difficult times due to which we haven't been able to give the workers their salaries on time. But all the other accusations leveled at us are baseless.

We reassure you that we are in the process of acquiring the funds to pay off the salaries.

Sincerely, Felix Lobo **Managing Director** 





Date: 12 May 2020

Our ref. Q11017-0100D-ATI-CON-LTR-00003

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Attention:

Mr. Stephen Cockburn - Deputy Director, Global Issues

Project:

Al Bayt Stadium Al Khor City- (Stadium, Auxiliary Building & Bridge) Package

2, Part 1 & Part 2 (SP/C/1610/14) and Energy Centre- Package 4, Part 1 and

Part 2 (SP/C/1612/14)

Subject:

Non-Payment of Wages by Qatar Meta Coats to its Workers

Dear Sir,

We write in reference to your letters dated 16th April 2020 ("Your Letters"), which were addressed to Galfar Al Misnad W.L.L, Salini Impregilo S.p.A and Cimolai S.p.A, regarding the above subject.

Together, Galfar Al Misnad W.L.L, Salini Impregilo S.p.A and Cimolai S.p.A constitute the Galfar Al Misnad W.L.L - Salini Impregilo S.p.A - Cimolai S.p.A Joint Venture ("GSIC-JV"). As a joint venture, we respectfully request that you please address the joint venture and not its individual entities, which cannot individually speak for the GSIC-JV without the participation and agreement of all partners.

As you are likely aware, in 2015, GSIC-JV was appointed by Aspire Foundation ("Aspire") to be the main contractor for the construction of the Al Bayt Stadium (the "Al Bayt Stadium **Project**") in Al Khor, a city about 50 km North of the capital Doha.

Your Letters state that one of GSIC-JV's subcontractors on the Al Bayt Stadium Project, namely, Qatar Meta Coats, has delayed or failed to pay its employees, failed to renew expired residence permits and health cards, and has used prohibitive recruitment fees in the hiring of workers. We take the statements made in Your Letters regarding one of our subcontractors very seriously and respond for and on behalf of the GSIC-JV as follows.















The Al Bayt Stadium Project is a mega multi-million dollar construction project, and it involves a complex matrix of 160 separate subcontractors, more than 150 separate subsubcontractors, and by extension, several thousands of direct and indirect workers, as well as numerous independent entities, which GSIC-JV does not contractually or directly control, supervise, manage, pay or oversee.

Nonetheless, GSIC-JV takes great pride in its role as the main contractor on the Al Bayt Stadium Project and uses its best efforts and all leverage at its disposal to ensure that all its subcontractors' workers associated with the Al Bayt Stadium Project are treated humanely, with dignity and respect, and are paid their full wages on time, without delay and in accordance with Qatari legal requirements, as well as international labour and human rights standards. We outline below some of the policies and practices we have adopted on the project to protect workers' rights, and explain why GSIC-JV is not in a legal or financial position to make direct payments to Qatar Meta Coats' workers.

Although GSIC-JV does not customarily share project-related documents with third parties unless necessary, we will on this occasion share some documents with Amnesty International, given the circumstances, in a good faith effort to address and alleviate the concerns raised in Your Letters, and to demonstrate our commitment to protect and uphold the safety, welfare and payment rights of the workers involved in the Al Bayt Stadium Project.

#### 1. Requiring All Subcontractors to Comply with Workers' Welfare Standards:

GSIC-JV uses its best efforts and all leverage at its disposal to ensure that all its subcontractors on the Al Bayt Stadium Project comply with and adhere to the requirements of the Supreme Committee (the "Supreme Committee") for Delivery and Legacy's Workers' Welfare Standards ("Workers' Welfare Standards"), which cover health and safety, employment, working and living conditions, the provision of grievance mechanisms and other issues, and which include the obligation to pay workers, procure required residency permits and health cards and prohibit charging workers recruitment fees. GSIC-JV believes these objectives are not only essential and mandatory, but also crucial to the protection of workers' rights and the fostering of a safe, efficient and productive work environment.

Accordingly, it is our standard practice to include a standard provision in all our subcontracts related to the Al Bayt Stadium Project, which requires all subcontractors to comply with and adhere to the Workers' Welfare Standards. GSIC-JV includes this provision in its subcontracts to safeguard and protect the treatment of workers by all subcontractors.

The same contractual provision was included – as a matter of standard practice – in the subcontract between GSIC-JV and Qatar Meta Coats, and Qatar Meta Coats was therefore contractually required to comply with and adhere to the Workers' Welfare Standards as part of its contractual obligations.







In fact, we can confirm that the Qatar 2022 Workers' Welfare Standards Edition II was part of the subcontract agreement between GSIC-JV and Qatar Meta Coats and it was therefore part of Qatar Meta Coats' contractual obligations to comply with and adhere to these standards.

In addition, as part of the standard tendering process and project requirements, all tenderers were required to provide a Workers' Welfare Tenderer Commitment Statement in which they undertake and commit to adhere to various employee treatment standards including, amongst other things, fostering a healthy and safe work environment, protection of dignity, compliance with labour standards, maintaining acceptable living conditions, payment of wages on time and prohibiting retaliation against workers for expressing grievances.

In accordance with this standard practice, Qatar Meta Coats provided its Workers' Welfare Tenderer Commitment Statement, dated 23 September 2017, in which Qatar Meta Coats expressly undertook and committed, amongst other things, to pay its workers on time.<sup>1</sup>

The requirement for tenderers to provide a Workers' Welfare Tenderer Commitment Statement is strictly overseen and required by the Supreme Committee. By letter dated 27 February 2017, the Supreme Committee notified GSIC-JV that before any approval would be given for the pre-mobilization of subcontractors, they would all be required to submit records of the Workers' Welfare Commitment Statement signed by an authorized signatory and stamped; an accommodation inspection report, ensuring that workers' accommodations were up to standards; and an ethical recruitment audit report.<sup>2</sup> The Al Bayt Stadium Project therefore could not have moved forward, and subcontractors could not have been mobilized, absent meeting these strict requirements.

Furthermore, on 24 July 2018, GSIC-JV reiterated the commitments and obligations of subcontractors by distributing a Workers' Welfare Policy Statement to all its subcontractors in which it highlighted its position that "all workers engaged on Al Bayt Stadium have a right to be treated in a manner that ensures at all times their wellbeing, health, safety and security" and notified its subcontractors that "GSIC JV and its Suppliers/Subcontractors will ensure compliance with the SC Workers' Welfare Standards and all relevant Qatari Laws throughout the duration of the Al Bayt Stadium Project."

The Workers' Welfare Policy Statement was also issued in several languages to be read by and accessible to workers from various nationalities<sup>4</sup> and it reinforced the same principles included in the Workers' Welfare Tenderer Commitment Statement, including the requirement for workers to be paid on time and without delay.



<sup>1</sup> See Annex 1

<sup>&</sup>lt;sup>2</sup> See Annex 2

<sup>&</sup>lt;sup>3</sup> See Annex 3

<sup>&</sup>lt;sup>4</sup> See Annex 3





#### 2. Ensuring Full and Timely Payment of Salaries by Subcontractors:

As you are likely aware, the Qatar Labour Law requires all employers to pay all employees in Qatar through the automated Wage Protection System ("WPS") in order to ensure that all workers in Qatar are paid their salaries through an electronic salary transfer on time and without delay.

The WPS enables the Ministry of Labour to continuously monitor and track salary payments and to thereby ensure the timely and full payment of salaries and compliance with the provisions of the Qatar Labour Law. The WPS also assists the judiciary in issuing judgments and settling labour disputes concerning employee payments and entitlements. Knowing that salary payments to workers are being tracked and monitored forces employers to pay their employees and workers on time and without delay, absent exceptional circumstances.

In our efforts to ensure compliance with this objective, and the full and timely payment of salaries by subcontractors to their workers, our subcontracts unequivocally mandate that all subcontractors comply with Qatari legal requirements, which include the timely and full payment of wages through the WPS, as required under the Qatar Labour Law.

We also regularly inform and warn our subcontractors that as per the practice of Aspire and the Supreme Committee, failure to comply with salary payment requirements will result in the suspension and blacklisting of subcontractors from future projects.

If complying with legal requirements was not enough to ensure employers and subcontractors pay their workers in full and on time, the prospect of being suspended and blacklisted from future projects should ensure that all subcontractors comply with their salary payment obligations.

Unfortunately, however, all such comprehensive requirements, contractual provisions and good practices cannot completely exclude that subcontractors could sometimes fail to pay their workers for reasons beyond our (and also their) control. We can affirm that in the past, however, GSIC-JV has paid the workers of at least three subcontractors directly after the subcontractors were not able to make payments, and we subsequently deducted the payments from the subcontractors' invoices. However, this option is left as a last resort as it disrupts several contractual obligations and payment mechanisms. As explained below, this option has not been available with Qatar Meta Coats, as its payments under the subcontract with GSIC-JV have been assigned to a third-party bank.

#### 3. Qatar Meta Coats' Involvement and Obligations in the Al Bayt Stadium Project:

In September 2017, Qatar Meta Coats was retained by GSIC-JV not only to supply manpower, but primarily and more specifically, to complete the design, fabrication, supply and installation of the façade work for the Al Bayt Stadium Project and to supply the materials and manpower to do so.







However, very shortly after signing the subcontract with GSIC-JV, by letter dated 9 September 2017, Qatar Meta Coats requested that all its payments under the subcontract be assigned to a third-party bank (the "Assignment").<sup>5</sup> Qatar Meta Coats requested the Assignment to be irrevocable and to require the bank's written consent for any changes, which was approved.

Like all other subcontractors involved in the Al Bayt Stadium Project, Qatar Meta Coats was required to provide several assurances, undertakings and commitment letters to guarantee and ensure that it will:

- a. Foster and actively encourage a healthy and safe work environment and living conditions.
- b. Pay its workers in full and on time, as required by the Qatari Labour Law.
- c. Pay its workers medical and hospitalization costs.
- d. Provide its workers with an annual air fare ticket to their home country.
- e. Provide its workers with one-day holiday per week or otherwise compensate them if no weekly holiday is provided.
- f. Not charge its workers recruitment fees.
- g. Comply with and required employment standards and all relevant Qatari laws.
- h. Ensure the protection of workers' dignity and equality throughout their employment.<sup>6</sup>

As part of these assurances, undertakings and commitment letters ("QMC's Obligations"), in which it expressly undertook, agreed and underscored its obligation to pay its workers, Qatar Meta Coats provided a:

- a. Workers' Welfare Tenderer Commitment Statement, in which Qatar Meta Coats expressly undertook and committed, amongst other things, to pay its workers on time.<sup>7</sup>
- b. Commitment Letter dated 13 November 2017, in which Qatar Meta Coats expressly undertook and committed to provide all its workers with: (1) an annual air ticket; (2) one day holiday per week, or to compensate them if this is not provided; and (3) all end-of-service payments in accordance with the Qatar Labour Law.<sup>8</sup>
- c. Commitment Letter dated 29 October 2018, in which Qatar Meta Coats expressly undertook and committed to pay all its workers' salaries through the WPS and to also bear their medical expenses.<sup>9</sup>

In addition to the above, GSIC-JV also checked Qatar Meta Coats' internal procedures to ensure consistency with the applicable requirements, such as its Employee Handbook and HR Rules Manual, which states: "All employee shall be paid Salaries on a monthly basis based on their attendance. Company shall open salary bank account for all staff's and workers and 5th day of every month salary shall be directly credited into this account." <sup>10</sup>

<sup>&</sup>lt;sup>5</sup> See Annex 4

<sup>&</sup>lt;sup>6</sup> See Annex 1, 5 and 6

<sup>&</sup>lt;sup>7</sup> See Annex 1

<sup>8</sup> See Annex 5

<sup>9</sup> See Annex 6

<sup>&</sup>lt;sup>10</sup> See Annex 7





Therefore, in addition to being required to make timely payment of salaries to its workers under the Workers' Welfare Standards (which were included in its contractual obligations), the Qatar Labour Law and QMC's Obligations, Qatar Meta Coats was also required to do so under its own Employee Handbook and HR Rules Manual.

4. Delayed Payment of Salaries by Qatar Meta Coats and Suspension of its Involvement on the Al Bayt Stadium Project:

In late 2019, it came to our attention that Qatar Meta Coats had failed to pay its workers. We warned Qatar Meta Coats that this failure was not in compliance with its obligations. From October 2019 until February 2020, we issued several warnings to Qatar Meta Coats instructing it to make immediate payment to its workers and requesting proof of payment.

As a result of the combined efforts and pressure exerted on Qatar Meta Coats by Aspire, the Supreme Committee and GSIC-JV, in a Commitment Letter dated 9 February 2020, Qatar Meta Coats expressly undertook and committed to make payment of all pending salaries to its workers up to December 2019 by 13 February 2020.<sup>11</sup>

However, despite its numerous assurances, undertakings and commitment letters, and as a result of its severe financial issues, which are outside GSIC-JV's control, Qatar Meta Coats failed to pay its workers. Moreover, Qatar Meta Coats also failed to properly carry out its scope of the contractual work and to meet its contractual obligations. As a result of that, Qatar Meta Coats has not worked on the Al Bayt Stadium Project since 8 February 2020. Our understanding is that Qatar Meta Coats is currently facing severe financial distress and like many companies worldwide, not only in Qatar, Qatar Meta Coats is currently struggling financially for its survival.

We reached out to Qatar Meta Coats regarding the statements made in Your Letters and its management informed us that the company has been in business for 18 years, has always paid its workers, and is currently actively working to secure the funds necessary to pay its workers and to stay afloat. Qatar Meta Coats also informed us that:

- a. It is currently actively working to recover all receivables owed to it in order to secure the funds to pay its workers.
- b. The Qatar Government has put certain initiatives in place to help struggling companies, which Qatar Meta Coats is attempting to take advantage of to secure the necessary funds to pay its workers.
- c. The Qatar Ministry of Administrative Development, Labour and Social Affairs (MOADLSA) is aware of the situation, has met with Qatar Meta Coasts and is actively monitoring the resolution of its payment obligations.
- d. Its workers have been asked to self-quarantine in accommodation provided by Qatar Meta Coats and all their basic needs and amenities are provided at Qatar Meta Coats' cost.

<sup>11</sup> See Annex 8





As noted above, GSIC-JV has made payment directly to the workers of at least three subcontractors when they were not able to do so, in an effort to ensure that all workers are paid their salaries in full and on time.

It must be underscored, however, that the irrevocable Assignment by Qatar Meta Coats of its payment rights to a third-party bank has prevented GSIC-JV from being able to pay Qatar Meta Coats' workers directly.

In that respect, in February 2020, GSIC-JV requested the bank to allow it to make direct payments to Qatar Meta Coats' workers, but this request was refused. In a letter dated 4 March 2020, GSIC-JV notified Qatar Meta Coats that it had requested a deviation from the Assignment from the bank, in order to make direct payments to Qatar Meta Coats' workers, but that the bank had rejected the request.<sup>12</sup>

Furthermore, due to its failure to properly carry out its scope of work and contractual obligations – including failure to supply certain materials (which had to be purchased by GSIC-JV and back-charged to Qatar Meta Coats), and other incomplete and incompliant work – Qatar Meta Coats owes GSIC-JV more than QAR 3 million.

Despite the numerous protections and assurances put in place to ensure that subcontractors comply with their contractual obligations and pay their workers on time, there is unfortunately little that GSIC-JV can do to ensure that a subcontractor, like Qatar Meta Coats, completes its work properly, complies with all its contractual obligations and remains solvent throughout the duration of the project.

It is a harsh reality that in such a situation, where a subcontractor is in financial distress, has irrevocably assigned its payment rights to a third-party bank, has failed to pay its workers as it had committed to do, has failed to properly execute its scope of work, and is also no longer working on the project, there are unfortunately very few options available to GSIC-JV. We are not in a position simply to inject such a subcontractor with funds. We also do not have any authority to sanction such a subcontractor, and given that the subcontractor is already in dire financial distress, it is not clear whether sanctions – which would not improve its solvency – would be appropriate, since the negative repercussions would ultimately extend to all its workers.

In that respect, the OECD Guidelines on Multinational Enterprises, cited in Your Letters, acknowledge "that there are practical limitations on the ability of enterprises to effect change in the behaviour of their suppliers" and suggest that "enterprises can... influence suppliers through contractual arrangements", as GSIC-JV has clearly done by including compliance with the Workers' Welfare Standards as a contractual obligation in its subcontracts and by insisting that Qatar Meta Coats provide the assurances and undertakings in QMC's Obligations.

<sup>12</sup> See Annex 9





Furthermore, the comments to UN Guiding Principle 13, also cited in Your Letters, state: "If an enterprise is at risk of involvement in an adverse impact solely because the impact is linked to its operations, products or services by a business relationship, it does not have responsibility for the impact itself: that responsibility lies with the entity that caused or contributed to it. The enterprise therefore does not have to provide remediation. However, it has a responsibility to use its leverage to encourage the entity that caused or contributed to the impact to prevent or mitigate its recurrence. This may involve working with the entity and/or with others who can help." 13

Indeed, the adverse impact of Qatar Meta Coats' failure to pay its workers is solely attributable to Qatar Meta Coats', which is the only "entity that caused or contributed to it." Through the above-described practices and procedures, however, and by approaching the bank to seek a deviation from the Assignment in order to pay Qatar Meta Coats' workers, and by procuring the Commitment Letter from Qatar Meta Coats in which it expressly undertook and committed to make payment of all pending salaries to its workers, <sup>14</sup> GSIC-JV has indeed used its best efforts and "its leverage to encourage" Qatar Meta Coats to make immediate salary payments to its workers, and has also worked "with the entity and/or with others who can help", such as the bank, in an effort to remedy Qatar Meta Coats' failure to pay its workers.

GSIC-JV has therefore used its best efforts to comply with the above standards in its practice.

#### 5. Renewal of Expired Documents for Qatar Meta Coats' Workers:

Your Letters raised the concern of Qatar Meta Coats' employees having expired residence permits and facing delays in having their permits renewed. We reached out to Qatar Meta Coats regarding the statements made in Your Letters and its management informed us that the company is currently in the process of renewing all expired health cards.

Qatar Meta Coats also informed us that in in light of the current situation, the Qatar Government is providing medical aid to workers without active health cards and has put in place stringent measures to prevent the spread of COVID-19, which Qatar Meta Coats is following and in compliance with.

#### 6. Recruitment Fees:

In March 2018, Qatar Meta Coats entered into a recruitment agreement with a third party for the recruitment of personnel, pursuant to which Qatar Meta Coats expressly undertook and committed to pay the recruitment fees – in addition to transportation and medical expenses – for the recruited personnel. Under the same agreement, the third-party recruiter expressly undertook and committed not to charge any extra amounts or fees from the workers.

14 See Annex 8

<sup>&</sup>lt;sup>13</sup> See: Interpretive Guide to the UN Guiding Principles, p. 18, point b), at http://www.ohchr.org/Documents/Publications/HR.PUB.12.2\_En.pdf





Qatar Meta Coats provided us with a copy of the recruitment agreement so we could ensure that it would be paying the recruitment fees of the personnel, and that such recruitment fees would not be charged to the workers. The agreement is in compliance with these requirements and clearly allocates the responsibility of paying the recruitment fees to Qatar Meta Coats.

We were therefore surprised to see Your Letters state that some of Qatar Meta Coats' workers were charged recruitment fees between USD 900 to USD 2,000. As noted in section 9 below, we will be raising this concern with Qatar Meta Coats in an effort to find a solution.

#### 7. Workers' Grievance Mechanisms:

As part of our efforts to protect workers' rights, we continuously inform workers that they can anonymously report grievances. To that end, we display a flyer on a notice board, which includes a Toll-free Workers' Grievance Hotline telephone number, and which is publicized in more than one language to be readily accessible to workers.<sup>15</sup>

The flyer informs workers that: "All grievances are anonymous and will be handled efficiently and confidentially by a member of the Supreme Committee for Delivery & Legacy. You can also reach out to your Workers' Welfare Officer or elected Workers' Representative, and ask them to raise your complaint during a Workers' Welfare Forum." 16

In addition, by Circular dated 10 March 2018, GSIC-JV notified all its subcontractors involved in the Al Bayt Stadium Project of the "Grievance Mechanism / Support System for Workers at Al Bayt Stadium Project". Specifically, the Circular notified all subcontractors that:

- a. "In the case of any grievance, workers are advised to contact their immediate person in charge, workers welfare officer or concerned management representative, of their respective companies."
- b. Workers may also contact the GSIC-JV Workers Welfare Officer, whose name and contact details were provided.
- c. Workers may also approach the Ministry of Administrative Development, Labour and Social Affairs (MOADLSA), the National Human Rights Committee and the Supreme Committee, the contact details of which were provided.<sup>17</sup>

GSIC-JV therefore used its best efforts to keep workers informed and appraised of how they can express any grievances or concerns, anonymously or through a representative, and which agencies they can approach to seek redress for their grievances without fear of reprisal.

<sup>15</sup> See Annex 10

<sup>&</sup>lt;sup>16</sup> See Annex 10 <sup>17</sup> See Annex 11





#### 8. Denial of No-Objection Certificates:

Your Letters indicate that some employees stated that despite their requests, Qatar Meta Coats has refused to provide them with the No-Objection Certificates ("NOC") required under Qatar's sponsorship law to allow them to change employers.

Qatar Meta Coats has informed us that the allegations regarding the NOC are not true, and has stated that it provides NOCs to its workers who request an NOC.

In either event, as you are likely aware, GSIC-JV has no authority to instruct any employer to issue an NOC. We note that an NOC is not required if workers complete the contract duration or complete five years in the event of an undefined time period in a contract. NOC matters, however, are beyond our authority, and GSIC-JV has no say or control over them.

#### 9. GSIC-JV's Position:

As noted in Your Letters, the Workers' Welfare Standards provide that the contractor "shall ensure its Other Contracting Parties pay, all Workers in accordance with the Wage Protection System implemented under the Qatar Labor Law." As noted above, Qatar Meta Coats had specifically undertaken and committed to pay all its workers' salaries through the WPS.<sup>18</sup>

Through the above-described policies and procedures, assurances and commitment letters, GSIC-JV has indeed used its best efforts to ensure that all its subcontractors, including Qatar Meta Coats, fully comply with the Workers' Welfare Standards and, in particular, with their obligations to pay all workers involved in the Al Bayt Stadium Project on time and without delay.

We cement these obligations by including them in our subcontracts with the subcontractors involved in the Al Bayt Stadium Project, which are required to comply with and adhere to these standards in accordance with their contractual obligations, as well as Qatar's legal requirements.

We are constantly monitoring our subcontractors' compliance with the Workers' Welfare Standards and their contractual obligations, and as noted above, we also put grievance mechanisms in place in order to provide a platform that enables workers to express grievances without fear of reprisal, and to address such grievances.

However, as noted above, despite the numerous protections, assurances and contractual mechanisms put in place, there is unfortunately little that GSIC-JV can do to ensure that a subcontractor, like Qatar Meta Coats, completes its contractual work properly, complies with all its contractual obligations and remains solvent throughout the duration of the project.



<sup>18</sup> See Annex 6





GSIC-JV has repeatedly demanded and instructed Qatar Meta Coats to make immediate payment to its workers of their salaries and has exerted all reasonable pressure and exhausted all options and leverage available to us.

Although contractors are required to ensure salary payments by their subcontractors to their workers under the Workers' Welfare Standards – which GSIC-JV has clearly taken all reasonable steps to do, as evidenced above – there is nothing under the Workers' Welfare Standards, or indeed any law or contract, which requires GSIC-JV to make payments to a subcontractors' workers out of its own pocket at its own loss and expense. This is especially true where the subcontractor in question has failed to supply required materials, has failed to properly complete and execute its work, owes more than QAR 3 million in costs to GSIC-JV, has had its payments irrevocably assigned to a third-party bank, and is also no longer working on the Al Bayt Stadium Project.

In sum, GSIC-JV is unfortunately not in a financial or legal position to make direct payment to Qatar Meta Coats.

Notwithstanding the above, in a further attempt to remedy Qatar Meta Coats' failures, we have planned to provide Qatar Meta Coats with final notice to:

- a. Immediately pay all workers involved in the Al Bayt Stadium Project that have not been paid.
- b. Immediately initiate the process of renewing any expired residency identification and health cards and documents.
- c. Immediately reimburse and compensate any workers who were charged recruitment fees.
- d. Immediately provide NOCs to all workers that have requested them (notwithstanding that this is beyond GSIC-JV's power and authority, as explained in section 8 above).
- e. Refrain from any retaliatory measures against any worker.

Qatar Meta Coats will be put on final notice that failure to undertake and comply with the above remedial measures by the end of May 2020 will result in Qatar Meta Coats being blacklisted and disqualified from any future projects.

Unfortunately, GSIC-JV has no power or authority to take any action beyond that which is outlined above.

We trust that the above is responsive to the concerns raised in Your Letters.





Finally, we respectfully note that any use of the information contained in this letter that is inaccurate, misleading, taken out of context and/or which may defame GSIC-JV and/or harm its reputation will be considered to be actionable. We respectfully reserve our legal rights in this respect.

For and on behalf of GSIC-JV.

Yours faithfully, GSI Joint Venture

Satish 6. Pillai Galfar Al Misnad

Encl. :

Annexes 1 – 11.

CC.

Mr. Pietro Salini - CEO - Salini Impregilo S.p.A.

Mr. Salvatore De Luna - Managing Director - Cimolai S.p.A.



Date: June 1, 2020

Ref: SCP/CO/MG1/C/12540/20

Stephen Cockburn
Deputy Director, Global Issues Amnesty International
1 Easton Street,
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Subject: Response to letter relating to the non-payment of wages to workers

employed by Qatar Meta Coats W.L.L. on the Al Bayt Stadium Project

Dear Stephen,

Reference made to Amnesty International letter dated 20 May 2020, regarding the non-payment of wages to workers employed by Qatar Meta Coats W.L.L. (QMC), subcontractor under GSICJV the main contractor on the Al Bayt Stadium Project.

Aspire Zone Foundation (Aspire) was made aware of the delayed salary payments in July 2019, as a result of the Supreme Committee for Delivery & Legacy (SC) Workers Welfare Department's (WWD) ethical recruitment audits and workers 'interviews – a key component of the SC robust Workers Welfare Standards (WW Standards). Subsequently, the SC notified Aspire that they have received various complaints on the issue via our dedicated and anonymous SC WWD Grievance Hotline. Since that time, Aspire together with SC have been working to find a solution for the affected workers. We strongly agree that they should not be penalised because of their employer's financial restrictions.

The Aspire, the SC and Al Bayt Stadium main contractor GSICJV management have done regular follow ups with QMC regarding the issue of delayed salary payments which resulted in an outcome of the salaries for July and August 2019 were paid on 24 October 2019. In 9 February 2020, QMC committed to pay the remaining outstanding salaries by 13 February 2020 that was clearly mentioned in a commitment letter issued by QMC. Unfortunately, QMC didn't honored their commitment and failed to do so, claiming that their financial distress as the reason. As result of the non-compliance and the issues with salary payments delays QMC were reported by the SC WWD, to the Ministry of Administrative Development, Labour and Social Affairs (MoADLSA). MoADLSA confirmed to SC WWD that there are still pending salary payments owed to QMC workers and had recently informed SC WWD that QMC has been forced to make the necessary payments once the banks reopen after the Eid holiday. QMC has also been recently sold to a new owner and MoADLSA is dealing with new ownership on this matter.



The Aspire and SC continues to monitor and manage the current situation by implementing other enforcement measures with the main focus being the payment of the outstanding salaries to the affected workers. For example, we suggested that the main contractor GSICJV withhold the remaining payment from QMC and pay the outstanding salaries directly to their workers. However, as you are aware, this proposal was faced with legal and financial barriers. Every solution proposed, and where possible implemented, such as payment suspension; rectification at contractor's cost; blacklisting; and reporting to MoADLSA, was made available to the SC through our WW Standards. To claim that they "appear to have no real bite" undermines the impact they have had in managing our supply chain, and we are disappointed you have asserted as such. Isolated instances of egregious non-compliance occur on occasion. In the vast majority of cases, Aspire and SC have a credible track record of reaching a desired outcome. However, in this case, whilst we have been able to rectify some of the issues, we have not yet arrived at an acceptable conclusion. We will continue to pursue the options available to us until the workers have received their outstanding salaries.

The actual true fact that it was the enforcement of the SC WW Standards that brought the matter to Aspire and SC attention in the first place and with respect to your question regarding the due diligence check on QMC, the WW Standards are clear when it comes to the processes be followed for the onboarding of contractors. As part of SC WW Standard pre-mobilisation due diligence process, QMC provided the SC WWD with a copy of their recruitment agreement in line with the SC requirements and Qatar Labour Law. The agreement clearly allocates the responsibility of paying the recruitment fees to its management. As you know, contractors in SC projects are only permitted to use recruitment agencies registered with MoADLSA. Furthermore, the contract between the recruitment agent and the contractor must include mandatory clauses that include free recruitment and mobilisation of workers; contractors 'responsibility to bear the full cost of recruitment; no retention of workers 'personal documentation; and the strict prohibition of using unlicensed brokers/sub-agents.

The SC WWD conducts its own due diligence as detailed above, without exception.

This was the case with accommodation inspections, and review contractors 'ongoing reporting requirements and management of grievance mechanisms.

QMC's non-compliances of the SC WW Standards have been listed above. The core reason behind their violations is their precarious financial condition coupled with the irrevocable assignment of its right to receive direct payments from GSICJV to a third-party bank, due to their financing arrangements. QMC's management neglected to adhere to its commitments with respect to Workers 'Welfare obligations, including payment of outstanding salaries to the workers.

The steps taken by Aspire and SC are summarised as follows:

- 1. The WWD conducted nine ethical recruitment audits of QMC since 2018.
- 2. QMC were reported to GSICJV for rectification in mid-2019.



- 3. The SC WWD reported QMC to MoADLSA which resulted in QMC being "administratively blocked" by the MoADLSA until issues were rectified by QMC.
- 4. Joint meetings were conducted with, GSICJV and QMC management to regularly follow-up and attempt to resolve the issues.
- 5. QMC management commitment was sought and received on 30 January 2020 to clear all salaries up until December 2019, by no later than 6 February 2020. This deadline lapsed, and a further commitment was given for 13 February, as mentioned above.
- 6. GSICJV was noticed by SC WWD to demobilise QMC due to repeated non-resolution of critical issues, including non-payment of outstanding salaries.
- 7. QMC was placed on the SC WWD "watch-list" and cannot be employed on any Aspire or/and SC project until further notice.

The Aspire together with SC has engaged in significant efforts to enforce SC WW Standards and rectify the issues - over a nine-month period. To claim that the Aspire or/and SC "may be said to be contributing to these adverse human rights impacts by not enforcing the Standards against its contractors and sub-contractors" is incorrect and demonstrates a lack of understanding as to how SC WWD audit and inspection system works.

We trust the provided information herein provides the answers to quires raised by Amnesty International and will be fairly reflected and adequately contextualised in your report.

Your Sincerely,

Mohammed Khalifa Al-Suwaidi

**CEO** 

**Aspire Zone Foundation** 



Date: 29 May 2020

Ref. No.: SC-WWD-ABS-LET-AMN-20-00003

Stephen Cockburn
Deputy Director, Global Issues
Amnesty International
1 Easton Street,
London, WC1X 0DW,
United Kingdom

Subject: Response to letter relating to the non-payment of wages to workers employed by Qatar Meta Coats W.L.L. on the Al Bayt Stadium Project

Dear Stephen,

We refer to your letter dated 20 May, relating to the non-payment of wages to workers employed by Qatar Meta Coats W.L.L. (QMC), on the Al Bayt Stadium Project (the Project).

The Supreme Committee for Delivery & Legacy (SC) was made aware of the delayed salary payments in July 2019, as a result of the SC's Workers Welfare Department's (WWD) ethical recruitment audits and workers' interviews — a key component of our robust Workers Welfare Standards (WW Standards). Subsequently, the SC received 19 complaints on the issue via our dedicated and anonymous Grievance Hotline. Since that time, we have been working to find a solution for the affected workers. We strongly agree that they should not be penalised because of their employer's financial restrictions.

By way of background, to date, the WWD has conducted nine ethical recruitment audits of QMC since 2018 (the last being conducted in February 2020). The following critical non-compliances were identified:

- 1. Significant salary payment delays QMC did not pay salaries to workers from September 2019 to February 2020.
- 2. 10 workers had expired Qatar IDs six were expired for over three months with no renewal initiated by QMC.
- 3. Healthcare cards expired with no renewal initiated by QMC and no alternative private medical arrangement in place. 1
- 4. The workers, during interviews, confirmed that they had paid recruitment fees in their home country, but did not have any proof of payment. Despite our efforts, QMC refused to commit to repaying the fees incurred by the workers, under our reimbursement scheme.

<sup>&</sup>lt;sup>1</sup> Note that in light of the current situation, the Qatari Government has announced that it will provide free medical care to workers who do have active health cards and/or residency permits.



The SC, together with the Aspire Zone Foundation and GSIC-JV management regularly and diligently followed-up with QMC, particularly on the issue of delayed salary payments. As a consequence of our concerted efforts, the salaries for July and August 2019 were finally paid on 24 October 2019.

In a commitment letter dated 9 February 2020, QMC committed to paying the remaining outstanding salaries by 13 February 2020. Regrettably, they failed to do so, citing deep financial distress as the reason. They were subsequently demobilised from the Project site on 23 February 2020 and placed on the SC's watch list, meaning they are banned from mobilising on any SC project until further notice. In addition, on 8 March 2020, we reported QMC, for a second time, to the Ministry of Administrative Development, Labour and Social Affairs (MoADLSA), having already done so in September 2019. MoADLSA confirmed that there are still pending salary payments owed to QMC workers and had recently informed us that QMC has been forced to make the necessary payments once the banks reopen after the Eid holiday. QMC has also been recently sold to a new owner and MoADLSA is dealing with new ownership on this matter.

The SC implemented other enforcement measures with the main focus being the payment of the outstanding salaries to the affected workers. For example, we suggested that GSIC-JV withhold the remaining payment from QMC and pay the outstanding salaries directly to their workers. However, as you are aware, this proposal was faced with legal and financial barriers. Every solution proposed, and where possible implemented, such as payment suspension; rectification at contractor's cost; blacklisting; and reporting to MoADLSA, was made available to the SC through our WW Standards. To claim that they "appear to have no real bite" undermines the impact they have had in managing our supply chain, and we are disappointed you have asserted as such. Isolated instances of egregious non-compliance occur on occasion. In the vast majority of cases, we have a credible track record of reaching a desired outcome. However, in this case, whilst we have been able to rectify some of the issues, we have not yet arrived at an acceptable conclusion. We will continue to pursue the options available to us until the workers have received their outstanding salaries. With that said, it would be disingenuous to ignore the fact that it was the enforcement of the WW Standards which brought the matter to our attention in the first place.

With respect to your question regarding the due diligence check on QMC, the WW Standards are clear when it comes to the processes to be followed for the onboarding of contractors. This was the case with QMC. As part of our pre-mobilisation due diligence process, QMC provided us with a copy of their recruitment agreement in line with the SC requirements and Qatar Labour Law. The agreement clearly allocates the responsibility of paying the recruitment fees to its management. As you know, SC contractors are only permitted to use recruitment agencies registered with MoADLSA. Furthermore, the contract between the recruitment agent and the contractor must include mandatory clauses that include free recruitment and mobilisation of workers; contractors' responsibility to bear the full cost of recruitment; no retention of workers' personal documentation; and the strict prohibition of using unlicensed brokers/sub-agents.

The SC conducts its own due diligence as detailed above, without exception. As we have reported, in our Annual Progress Reports, we conduct ethical recruitment audits on a quarterly basis, regular

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<sup>&</sup>lt;sup>2</sup> Note that a vast majority of the workers deployed on the Project site were recruited before QMC was mobilised.



accommodation inspections, and review contractors' ongoing reporting requirements and management of grievance mechanisms.

QMC's non-compliances of the WW Standards have been listed above. The core reason behind their violations is their precarious financial condition coupled with the irrevocable assignment of its right to receive direct payments from GSIC-JV to a third-party bank, due to their financing arrangements. QMC's management neglected to adhere to its commitments with respect to Workers' Welfare obligations, including payment of outstanding salaries to the workers.

The steps taken by the SC are summarised as follows:

- 1. The WWD conducted nine ethical recruitment audits of QMC since 2018.
- 2. The SC reported QMC to GSIC-JV and Aspire for rectification in mid-2019.
- 3. The SC reported QMC to MoADLSA in September 2019 which resulted in QMC being "administratively blocked" by the MoADLSA until issues were rectified by QMC. The SC again reported QMC to MoADLSA in March 2020, as mentioned above.
- 4. Joint meetings were conducted with Aspire management, GSIC-JV and QMC management to regularly follow-up and attempt to resolve the issues.
- 5. QMC management commitment was sought and received on 30 January 2020 to clear all salaries up until December 2019, by no later than 6 February 2020. This deadline lapsed, and a further commitment was given for 13 February, as mentioned above.
- 6. SC advised GSIC-JV to demobilise QMC due to repeated non-resolution of critical issues, including non-payment of outstanding salaries.
- 7. QMC was placed on the "watch-list" and cannot be employed on any SC project until further notice.

The SC has engaged in significant efforts to enforce our WW Standards and rectify the issues - over a nine-month period. To claim that the SC "may be said to be contributing to these adverse human rights impacts by not enforcing the Standards against its contractors and sub-contractors" is incorrect and demonstrates a lack of understanding as to how our audit and inspection system works. We have not yet brought this issue to a close, but are doing everything in our power to ensure the affected workers receive their salaries.

We have repeatedly asked your organisation to be more expeditious in bringing such issues to our knowledge. On this occasion the SC was aware of the workers' concerns before your letter, however earlier correspondence would have allowed us to work collaboratively in alleviating the workers' justifiable anxieties. We would propose that we schedule regular update calls between the SC and Amnesty International to ensure closer collaboration on such matters in the future.

We trust the information enclosed gives you the answers required and will be fairly reflected and adequately contextualised in your report.

#### **Supreme Committee for Delivery & Legacy**



You indicated that QMC would be forced to pay workers after the Eid holidays. Could you
provide clarification on this – is it confirmed that QMC will make the payments, and can
you provide a timeline? Will this cover all outstanding salaries to all workers and office
staff who are owed money?

The process of ensuring the payment of all outstanding salaries is undertaken by the Ministry of Administrative Development, Labour and Social Affairs (MoADLSA). We have been informed that they have initiated the process for undertaking legal penalties against QMC for failing to pay the salaries during the agreed upon timeline. The owner has since been detained and has pledged to pay all outstanding salaries starting on Sunday, the 7th of June.

2. In relation to your welcome commitment to 'continue to pursue the options available to us until the workers have received their outstanding salaries,' could you clarify what the options would be, and when, if QMC again fail to pay the workers in the immediate future?

Upon demobilisation, QMC was placed on our "watch-list" and cannot be deployed on any SC project until further notice, a step that has proven to be highly effective in the past.

Also, as mentioned, we reported QMC to MoADLSA on two separate occasions since they are the responsible authority when it comes to non-payment of salaries and we will continue to follow-up with them until the matter is satisfactorily resolved.

3. Could you clarify what actions were taken, and when, between 23 February (when QMC was demobilized from the Project following its final lapsed deadline on the 13<sup>th</sup>) and 20 May (when our letter was delivered), in order to seek remedy for the workers?

We refer you to page 3 of our previous response on this issue.

4. In relation to recruitment fees, could you explain what levers the Supreme Committee has to force or encourage companies to participate in the Universal Reimbursement scheme, and what steps can be taken to provide remedy to workers when a company – such as QMC – chooses not to do so?

The foundation for the success of our scheme is effective collaboration with our contractors. Participation is voluntary and achieved through strong dialogue and negotiation with senior management, that is conducted after assessment of current recruitment practices. To date, 240+ contractors have participated in the scheme. Unfortunately QMC were one of the few contractors on our projects unwilling to participate and were mobilised prior to implementation of the scheme, which was effective post January 2018. In such cases, if a worker is able to prove having paid recruitment fees, then the contractor is obligated to repay them as per the <u>SC Workers' Welfare Standards</u>.



Amnesty International<sup>®</sup>
Stephen Cockburn
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London, WC1X 0DW,
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Via e-mail:

To: stephen.cockburn@amnesty.org

Zurich, 9 June 2020

# FIFA World Cup Qatar 2022™: Qatar Meta Coats (QMC) and labour rights due diligence

Dear Mr. Cockburn,

Thank you for your letter to FIFA dated 28 May 2020 with respect to the allegations of non-payment of workers of the company Qatar Meta Coats (QMC) and FIFA's labour rights due diligence in connection with the FIFA World Cup Qatar 2022™.

Firstly, please be assured of FIFA's ongoing commitment to human rights in relation to the FIFA World Cup Qatar 2022. Since receiving your letter, we have engaged with our partner in Qatar, the Supreme Committee for Delivery and Legacy (SC), as well as with other stakeholders in an effort to address the grievances presented to Amnesty International by the QMC workers. To this end, we understand that further salary payments have been made to QMC workers in the last few days and we are fully committed to continuing to work with our partners in Qatar and to engaging with you and other stakeholders to ensure that all outstanding salaries are paid without further delay.

In your letter, you raise several queries in relation to the QMC case and FIFA's due diligence mechanisms to ensure that the rights of workers involved in the preparation of the FIFA World Cup in Qatar are respected. As such, we are pleased to share the following information.

#### Oatar Meta Coats

We understand that QMC worked on the Al Bayt stadium site between September 2017 and February 2020 and was contracted by GSIC-JV, which is the project's main contractor, and with the stadium delivered by the Aspire Zone Foundation with oversight from the SC. Further to our ongoing dicussions with the SC and other independent entities, we were advised that there had been delays in salary payments, in the renewal of health cards by QMC, and of allegations by workers that they paid recruitment fees in their home countries. To date, we have not been able to confirm the withholding of No Objection Certificates (NOCs) by QMC.

We have engaged with the SC as our trusted partner to understand more fully the steps it had taken to address the QMC case and the failure of this company to meet its obligations in



accordance with the SC's Workers' Welfare Standards (WWS). We understand these issues were first identified through the SC's monitoring program in July 2019 with some outstanding salaries subsequently paid to QMC workers in October 2019. In February 2020, we understand that the SC demobilised QMC from the FIFA World Cup site after continued delays in salary payments and we kindly refer to the SC's letters to Amnesty International dated 29 May 2020 and 5 June 2020 which provide a detailed summary of the remedial steps taken by the SC in this case. We have noted the repeated and the sincere efforts by the SC, and their engagement with the Qatari authorities to find the desired outcomes in this challenging case.

FIFA welcomes the decisive measures the Qatari authorities have taken against the new owners of QMC over the past two weeks. We understand that these measures have been critical to ensuring the recent payments to the workers, and we trust that the measures exerted by the Qatari authorities on QMC will be upheld until all outstanding payments to the workers have been made. We will continue to liaise with the SC to this end and to learn lessons from this complex case to further strengthen our own mechanisms. Furthermore, we were pleased to learn about the ongoing efforts by the Qatari authorities to further strengthen the effectiveness of the Workers' Support and Insurance Fund as an instrument to intervene in comparable cases.

FIFA expects that none of the workers in question face repercussions for raising their legitimate greivances with the company, the government or other relevant entities. The SC and the Qatari authorities share this view, and we would encourage Amnesty International and / or the respective workers to report any such incidents through the established whistleblower reporting channels of the SC, FIFA or the Qatari National Human Rights Committee. In that respect, we would urge human rights defenders who face undue restrictions when working to advance human rights in connection with FIFA's activities to use FIFA's grievance mechanism for human rights defenders.

Wider due diligence on workers' rights in relation to the FIFA World Cup Qatar 2022

In regards to the wider due diligence systems in place to protect workers' rights in relation to the FIFA World Cup Qatar 2022, as you refer to in your letter, the joint <u>FIFA World Cup Qatar 2022 Sustainability Strategy</u> (joint strategy of the deilvery partners) sets out the respective commitments and objectives, and introduces several key initiatives to deliver them. This strategy was developed based on wide ranging stakeholders engagement and a robust assessment of salient human rights risks associated with the tournament (we kindly refer you to the <u>Development of the Sustainability Strategy document</u> which describes the strategy development process more fully).

The three aformentoined joint delivery partners, namely FIFA, FIFA's Doha-based subsidiary FIFA World Cup Qatar 2022 LLC (Q22) and the SC, work closely together to deliver this strategy through joint initiatives and systems, and with each taking the lead where best placed to do so to ensure the most effective use of their processes and preventative systems and the desired otucomes. We will continue to review the preventative measures in place and to strengthen these processes where needed and to provide for, collaborate in, or otherwise promote remediation based on our respective individual responsibilities under the UNGPs.

In regards to the protection of the rights of construction workers in Qatar, the day-to-day due diligence lead lies with the SC as the entity responsible for the delivery of the FIFA World Cup infrastructure. In recent years, the SC has put in place robust and transparent systems to address labour rights risks of FIFA World Cup workers based on the UNGPs. These are supported through collaborations with independent external entities such as the international trade union



for construction workers BWI, the work by the independent monitor Impactt Ltd., and through its engagement with a wide range of other expert entities focusing on particular topics such as nuitrition or heat stress, and the SC's close collaboration with the Qatari Ministry for Administrative Development, Labour and Social Affairs (ADLSA).

FIFA has taken an active involvement in the development of these systems and has every reason to trust their overall effectiveness and the sincerity with which the SC works to ensure that companies working on FIFA World Cup-related construction projects respect the rights of their workers. FIFA also steps in more proactively in accordance with our responsibility under the UNGPs when we become aware of particular adverse impacts, as in the QMC case, and / or where we believe that a specific topic requires FIFA's additional attention, such as the protection and care of workers during the Covid-19 pandemic.

FIFA and Q22 work closely together in the day-to-day due diligence of business relationships with companies that deliver operational services that will contribute to the delivery of the tournament such as in the hospitality, security, transportation or logistics sectors. Many of these business relationships are owned by FIFA or Q22 and the respective components of the due diligence process, such as the onboarding process, the contracting, as well as the handling of potential grievances are managed directly by FIFA and Q22. Leveraging on the existing enforcement systems set up by the SC on construction sites, the SC takes the operational lead in working with companies delivering services to the tournament to build capacity and monitor compliance with the SC's Workers' Welfare Standards.

The third group of workers covered by the sustainability strategy are workers outside Qatar involved in the supply chain of the tournament, for example in the production of licensed goods, with the respective due diligence processes to be fully managed by FIFA and Q22. With these relationships gradually being set up in the coming months, FIFA and Q22 are currently testing and strengthening these processes and systems to ensure that they are robust and transparent.

In closing, we would like to thank you once again for raising your concerns regarding the QMC workers and we will be pleased to continue to liaise with you and other stakeholders in our efforts to find effective remediation for all concerned QMC workers. We also look forward to our ongoing collaboration with Amnesty International in the lead up to the FIFA World Cup 2022 in Qatar and in leaving a lasting human rights legacy in the region.

Yours sincerely,

Joyce Cook, CBE, OBE

Chief Social Responsibility & Education Officer

### EMAIL RESPONSE FROM FIFA

TUESDAY 9 JUNE 2020

Dear Steve,

Thank you for your message and request for clarification, to which we are pleased to respond as follows:

FIFA was made aware of the QMC case by the SC after Amnesty International shared the results of its research in a letter to the SC in May 2020 and then contacted Amnesty for further information.

FIFA is not routinely notified of every case needing remediation but trusts its implementing partners and the preventative systems that have been put in place to protect workers' rights. This <u>particular case</u> has presented more complex challenges as you are aware. Nevertheless, and as referred to in our letter, we will be reviewing our processes and systems together with our partners in Qatar as part of the learnings in this case.

Thank you also for confirming the advance notice of the report publication.

With best regards,