

# **New York University Abu Dhabi Compliance Report 2011**

January 2012

**Mott MacDonald**

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# 1. Introduction

## 1.1 Background

New York University's agreement with the Emirate of Abu Dhabi to create New York University Abu Dhabi (NYUAD – also referred to as the "Project") is the outcome of a shared understanding of the essential roles and challenges of higher education in the 21st century. These are:

- Common belief in the value of a liberal arts education
- Benefits a research university brings to society
- Conviction that interaction with new ideas and people who are different is valuable and necessary
- Commitment to educating students and giving them a fully rounded education so that they can contribute to society.

NYUAD is the first comprehensive liberal arts and science campus in Abu Dhabi and its management has made a commitment to uphold workers' rights.

TAMKEEN has the mandate to deliver the NYUAD Project on behalf of the Government of Abu Dhabi and to monitor their commitment to workers' rights. TAMKEEN is part of the Executive Affairs Authority which provides strategic policy and communications advice to the Chairman of the Executive Council, His Highness Sheikh Mohamed bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Deputy Supreme Commander of the United Arab Emirates (UAE) Armed Forces.

Mubadala Development Company (Mubadala) is a Government of Abu Dhabi organisation with a mandate to facilitate the diversification of Abu Dhabi's economy. It is responsible for the construction of the main campus on Sadiyaat Island. Mubadala awarded the design and build contract to Al Futtaim Carillion (AFC). Construction on site commenced in June 2010.

Together NYUAD-TAMKEEN require that all employers working on the construction and operation of the Project adhere to **The Statement of Labour Values**. To achieve this NYUAD-TAMKEEN have put in place **The 14 Points**, which measures how **The Statement of Labour Values** is being implemented. Both documents are in the public domain and are reflected in employers' contracts. The issues they address are:

- Compensation – Workers' pay and benefits;
- Healthcare – Workers' access to healthcare;

### Safety Board at Construction Site Entrance



Source: Mott MacDonald, Aug 2011

- Workplace Health and Safety – Workers’ protection at work;
- Working Conditions – Contract terms and conditions;
- Living Conditions – Accommodation standards and conditions.

TAMKEEN appointed Mott MacDonald as the independent third party Verifier in October 2010. The appointment is aimed at providing analysis and confirmation that the requirements of **The Statement of Labour Values** and **The 14 Points** are being applied to workers employed on the NYUAD Project.

Staff provide services at its existing NYUAD facilities as well as its main campus, which is under construction. Employers of staff at existing facilities are also referred to as operational service providers in this report. These staff are considered ‘operational’ as they work at functioning facilities.

#### Site Training Room



Source: Mott MacDonald, Aug 2011

Construction of the main campus on Saadiyat Island commenced in June 2010. For the purpose of this report, construction employers are also called the main contractor, sub-contractors or service providers. Employees, staff, workers and operatives in reference to construction staff are terms that are used interchangeably in the discussions that follow.

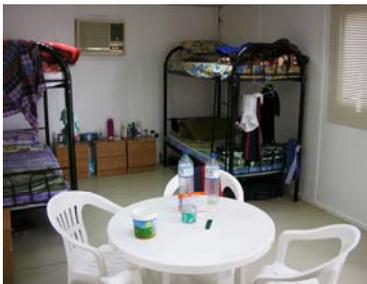
#### 1.2 Mott MacDonald Limited: Independent Labour Rights’ Verifier

Mott MacDonald is a global consultancy delivering solutions that add value to many areas of everyday life – from transport, energy, building, water and the environment to health and education, industry and communications. Mott MacDonald has extensive experience of implementing compliance monitoring, due diligence and quality control audits on major projects. Promoting the principle of sustainable development is one of the company’s core values.

The compliance monitoring team in Abu Dhabi consists of Simon Dove as Project Director and Howard Winfield as Project Manager and Lead Auditor. They have support from various other members of staff such as translators and experts in staff relationships, health and safety management and environmental issues.

The International Labour Specialist, Marielle Rowan, is a senior member of Mott MacDonald’s social sustainability team. The social sustainability team works with clients and local communities to provide social safeguard protection and, where possible, enhance social benefits in pursuit of sustainable infrastructure projects. The team

**Typical Operatives Sleeping Quarters**



Source: Mott MacDonald, Aug 2011

provides labour auditing and labour accommodation planning services in addition to other verification services. Since January 2011, Marielle Rowan has visited the UAE on a quarterly basis to ground check the locally based team activities and to provide advice on labour monitoring activities. She also carries out monthly peer reviews of the Verifier Compliance Reports produced by the Abu Dhabi team.

NYUAD-TAMKEEN have commissioned the production of this Annual Report to highlight the findings of the year's monitoring, interviews, site investigations, record reviews and payroll checks. These actions have been taken to ensure that the commitments made by NYUAD-TAMKEEN are being upheld in the day-to-day management of the Project.

**1.3 Introduction to *The Statement of Labour Values* and *The 14 Points***

**The Statement of Labour Values** (Table 1) expresses the shared values of the New York University and TAMKEEN for the construction and operation of NYUAD. **The Statement of Labour Values** is based on the existing laws of the UAE. At the beginning of 2010, NYUAD and TAMKEEN committed to including **The Statement of Labour Values** in tendering materials for contractors, vendors and service providers who are then contractually obligated to comply with them.

**Table 1 – *The Statement of Labour Values***

<b>The Statement of Labour Values</b>
<p><b>Wages and Benefits:</b> The Parties recognize that wages are essential to meeting workers' basic needs. As a floor, workers providing services to NYUAD will be paid wages and benefits which comply with all applicable UAE laws and regulations and which provide for their essential needs and living standards.</p>
<p><b>Working Hours:</b> Hourly and/or quota-based wage workers shall (i) not be required to work more than (a) 48 hours per week or (b) the limits on regular hours allowed by UAE law, and (ii) be entitled to at least one day off in every seven day period, as well as holidays and vacations. Daily working hours shall be such that no worker shall work for more than five successive hours without breaks, amounting in aggregate to not less than one hour.</p>
<p><b>Overtime Compensation:</b> As required by UAE law, overtime hours must be worked voluntarily. In addition to their compensation for regular hours of work, hourly and/or quota-based wage workers shall be compensated for overtime hours at a premium rate as is legally required by UAE law.</p>
<p><b>Child Labour:</b> As required by UAE law and the International Labour Organization Minimum Age Convention ratified by the UAE, no person younger than 15 years old will be employed to provide services in connection with NYUAD.</p>
<p><b>Forced Labour:</b> As required by UAE law, there shall not be any use of forced prison labour, indentured labour, bonded labour or other forced labour.</p>

**The Statement of Labour Values**

**Health and Safety:** As required by UAE law, a safe and healthy working environment shall be provided to workers providing services to NYUAD to prevent accidents and injuries to health arising out of, linked with, or occurring in the course of work. The direct operations of NYUAD and its sub-contractors will comply with all workplace safety and health regulations established by the UAE government and ensure regular health and safety worker training systems to detect threats to health and safety, access to bathrooms and potable water.

**Non discrimination:** No person shall be subject to any discrimination in employment, including in relation to hiring, salary, benefits, advancement, discipline, termination or retirement.

**Harassment or Abuse:** Every worker shall be treated with dignity and respect. No employee shall be subject to any physical, sexual, psychological, or verbal harassment or abuse, nor will any form of corporal punishment be used or tolerated.

**Resolution of Work Disputes:** As required by UAE law, the right of workers to seek resolution of labour disputes shall be recognized and respected. No worker shall be subject to harassment, intimidation or retaliation in their efforts to resolve work disputes.

**Women's Rights:** A. Women workers will receive equal remuneration, including benefits; equal treatment; equal evaluation of the quality of their work; and equal opportunity to fill all positions open to male workers.

B. Pregnancy tests will not be a condition of employment, nor will they be demanded of employees.

C. Workers who take maternity leave will not face dismissal or threat of dismissal, loss of seniority or deduction of wages, and will be able to return to their former employment at the same rate of pay and benefits.

D. Workers will not be forced or pressured to use contraception.

E. Workers will not be exposed to hazards, including glues and solvents, which may endanger their safety, including their reproductive health.

F. Appropriate services and accommodation will be provided to women workers in connection with pregnancy.

**Compliance with Laws:**

The labour inspection and remediation requirements of the UAE Labour Law and Regulations will be implemented and comprehensively enforced in the construction, operation and maintenance of the NYUAD Campus.

In February 2010, NYUAD provided further details on measures to be taken in the application of the **The Statement of Labour Values** with the publication of **The 14 Points** (Table 2). Commentary on the application of both documents is presented in Section 3.

**Table 2 – The 14 Points**

**The 14 Points**

- 1 Employers will fully cover or reimburse employees for fees associated with the recruitment process, including those relating to visas, medical examinations and the use of recruitment agencies, without deductions being imposed on their remuneration.
- 2 Employees will retain all of their own personal documents, including passports and drivers' licenses.

**Dining Room – Operatives Village**



Source: Mott MacDonald, Aug 2011

#### The 14 Points

- 3 Individuals employed in connection with NYUAD will be a minimum of 18 years of age.
- 4 Employees will work no more than eight hours a day, five days a week, except for those working in construction-related activities, who will work no more than eight hours a day, six days a week. Overtime will only be worked voluntarily, and will be compensated at premium rates.
- 5 Employees shall receive their full wages or basic salary via electronic bank transfers and on a pre-agreed schedule.
- 6 Employers will not impose or request employment bans on employees seeking to change jobs.
- 7 An employee who completes one or more years of continuous service will be entitled to severance pay at the end of their employment.
- 8 Employees will receive employer-provided medical insurance.
- 9 Employees will receive employer-funded transport to and from their job sites or an equivalent allowance.
- 10 Employees are entitled to thirty calendar days of paid annual leave each year.
- 11 Employees shall receive leave with full pay for ten UAE public holidays each year. In addition, employees will be granted two additional days per year for other religious holidays to be taken at their discretion.
- 12 Female employees shall be entitled to maternity leave, with full pay, for a period of up to 45 days.
- 13 Foreign employees shall receive employer-funded air travel between the UAE and their country of origin for expatriation at the beginning of their employment, for repatriation at the end of their employment, and one additional trip, either annually or biannually, to be used in conjunction with vacation leave.
- 14 In circumstances where contractors provide housing accommodation to those working on the NYUAD Project, the following requirements must be met:
  - No more than four individuals in any bedroom.
  - All rooms must be equipped with ventilation systems and central air conditioning units.
  - All workers are provided with secure wardrobes and/or lockboxes for safeguarding valuables, including personal documents.

Accommodation specifications vary by job classification, but at a minimum, construction operatives must have a minimum of 4.5 square meters of personal living area.

#### 1.4 Purpose and Structure of the Annual Report

Mott MacDonald is providing worker rights' verification services to TAMKEEN. These services include monthly reports with a quarterly report confirming compliance with the standards set forth in **The Statement of Labour Values** and **The 14 Points**.

This report is intended as an overview of the Project labour rights' management for 2011. It summarises the findings of the monthly and quarterly reports and comments on the contractors' and service providers' compliance.

Section 2 explains the methodology for the monitoring and verification activities. It also describes the institutional arrangements for monitoring and the labour force profile covered by the activities.

Section 3 presents the main findings from the monitoring and verification activities in relation to ***The Statement of Labour Values*** and ***The 14 Points***.

Section 4 of the report closes with conclusions regarding compliance with ***The Statement of Labour Values*** and ***The 14 Points***. It also considers the monitoring and verification priorities for the coming year.

## 2. Monitoring and Verification Methodology

Typical Recreation Facility – Operatives Village



Source: Mott MacDonald, Aug 2011

This section outlines the institutional arrangements for monitoring and verifying workers’ rights. The monitoring and verification activities are explained and the workforce covered by the activities is profiled.

### 2.1 Institutional Arrangements for Monitoring and Verifying Workers’ Rights

To meet the NYUAD-TAMKEEN commitment, there has been a monitoring regime that includes Compliance Monitors and an Independent Verifier. Table 3 below identifies the three Compliance Monitors involved in reviewing the implementation of **The Statement of Labour Values** and **The 14 Points**.

The Compliance Monitors are: NYUAD (self appointed), Mott MacDonald (TAMKEEN appointed) and EC Harris Asset Management (Mubadala appointed). NYUAD directly monitors NYUAD contracted service providers working at the Downtown Campus, Sama Tower and Centre for Science and Engineering (CSE). TAMKEEN has contracted Mott MacDonald to monitor TAMKEEN contracted service providers based at Sama Tower and CSE. EC Harris is compliance monitor for staff working at the construction site. Mott MacDonald has the overall role of Independent Verifier to confirm the monitoring results of NYUAD and EC Harris.

Table 3 – Compliance Monitoring Arrangements

Location	Compliance Monitor	Service Providers or Contractors
Main Campus Construction Site – Saadiyat Island	E.C. Harris	AFC (See Table 4 for the full list of sub-contractors)
Downtown Campus (DTC)	NYUAD	ADNH Compass (catering) Fast Rent a Car G4S (security) Magrudy (bookstore)
Sama Tower and Centre for Science and Engineering (CSE)	Mott MacDonald	Berkeley GS (cleaning) MAF Dalkia (maintenance) John Buck International (JBI) (facility management) Emirates Landscaping Al Tayer Stocks (outfitters)

### Satellite TV – Operatives Village



Source: Mott MacDonald, Aug 2011

## 2.2 Independent Verifier Activities

Mott MacDonald has two roles:

- Compliance Monitor of the TAMKEEN directly appointed contracts located at Sama Tower and at CSE Laboratories.
- Independent Verifier for Project compliance, covering all contractors, sub-contractors and service providers

Mott MacDonald's involvement in monitoring and verifying service providers' and contractors' adherence to ***The Statement of Labour Values*** and ***The 14 Points*** entails:

- Site visits to work locations to ensure that occupational health and safety systems are in place;
- Inspections of workers' accommodation and welfare facilities;
- Office visits to scrutinise employers' human resource systems including workers' files, contracts, timesheets and payroll systems;
- Interviews with construction workers and operational employees.

For the monthly and quarterly employee interviews, Mott MacDonald uses a detailed checklist based on the contract requirements. The interviews are held in confidence on a one to one basis. Interviewees are randomly selected by Mott MacDonald. At the beginning of the interviews, the workers are informed that the information they provide is confidential. They are given the interviewer's business card with contact details in case they want to make any additional comments at a later date.

Operational staff are interviewed in university offices and construction staff are interviewed in offices near the construction site or at their accommodation sites. For construction staff, Mott MacDonald identifies interviewees by company and grade to ensure that coverage is representative and includes a larger proportion of the higher risk groups (less literate, unskilled labourers). As well, the grievance log is reviewed.

To ensure sufficient coverage and adequate representation, Mott MacDonald aims for the following minimum levels of annual interviews:

- For companies with 50 or less staff working on NYUAD, at least 10% of staff are interviewed with the focus on the more junior or less skilled employees;
- For companies with between 50 and 250, at least 5% of staff are interviewed;
- For companies with between 250 and 1000 staff, at least 2% are interviewed;
- For companies over 1000, at least 1.5% of staff are interviewed.

Table 4 shows the number of interviews carried out by Mott MacDonald for compliance monitoring and verification with employees from each company. Footnotes provide explanations when the targets were not met.

**Table 4 – Staff Interviews Undertaken in 2011**

Company	Workforce Size	No. of staff Interviewed by Mott MacDonald	Percentage of staff Interviewed by Mott MacDonald
<i>Operational Staff</i>			
JBI	7	5	71.4
MAF Dalkia	7	7	100
Berkeley	37	21	56.8
Emirates Landscaping	3	3	100
G4S	78	31	39.7
ADNH Compass	54	16	29.6
Fast Car Rental	28	6	21.4
Magrudy	3	1	33.3
<i>Construction Staff</i>			
AFC – Main contractor direct employees, operatives and staff	2606 (median, peak in Dec 2011 was 4006)	47	1.8
<i>Construction Service Providers</i>			
Al Tayer Stocks – Outfitting at CSE <sup>1</sup>	70 (three month contract completed in Aug 2011)	1	1.4 <sup>2</sup>

<sup>1</sup> Al Tayer Stocks was monitored by Mott MacDonald because it was TAMKEEN contracted. All the other construction companies are monitored by EC Harris.

<sup>2</sup> The contract was three months so emphasis was given to the longer term companies.

Company	Workforce Size	No. of staff Interviewed by Mott MacDonald	Percentage of staff Interviewed by Mott MacDonald
Rafael Vinoly Architects LLC – Lead designers	57	2	3.5 <sup>3</sup>
WSP – Engineering checks	21	2	9.5
GHD – Building service design checks	22	2	9.0
Emrill – security	18	5	27.7
AST Reprographics – Photocopying	1	1	100
<i>Construction Sub-contractors</i>			
Orascom – Piling contractor	144 (median, peak in Jan 2010 was 246, contract completed in September 2011)	1	0.7 <sup>4</sup>
PTGulf – Mechanical engineering contractor	98 (median, peak in Dec 2011 was 173)	13	13.3
Robodh – Labour provision	584 (median, peak in Dec 2011 was 1168)	17	2.9
Strongforce – Post tensioning	20	3	15.0
William Hare – Structural Steelwork	57	2	3.5 <sup>5</sup>
Total	Median Total = 3915 December total= 5690 (6006 minus Osascom and Al Tayer)	186	4.7%

<sup>3</sup> Interview targets were not achieved. RVA was considered lower priority because the staff are highly specialised architects and therefore low risk in comparison to other construction workers.

<sup>4</sup> Orascom's contract was finishing when the minimal interview numbers were identified.

<sup>5</sup> William Hare commenced on site towards the end of 2011.

**Supermarket – Operatives Village**



Source: Mott MacDonald, Aug 2011

By the end of 2011, Mott MacDonald had interviewed 90 of the 216 operational staff (41.6%). Mott MacDonald also interviewed 98 construction workers. The average total workforce (including both construction and operational workforces) for the year was about 3915. Mott MacDonald undertook 186 interviews with employees, which is 4.7% of the workforce.

In addition to undertaking interviews with the labour force, Mott MacDonald made regular visits to the employers’ offices to review and check human resource (HR) files, timekeeping systems, and payroll records. The visit to offices is on rotation. See Table 5 for details of employer checks undertaken.

**Table 5 – Mott MacDonald Record Inspections in 2011**

Type of Company Monitored	No. of Mott MacDonald Visits in 2011
<i>Construction Site Companies</i>	
Main Contractor (AFC)	12
Sub-contractors	2
Security	3
<i>Operational Facility Companies</i>	
Maintenance	2
Catering	2
Cleaning	3
Landscaping	2
Transport	3
Facility Management	1
<b>Total</b>	<b>30</b>

**2.3 Compliance Monitoring Activities**

NYUAD and EC Harris are Compliance Monitors. As Independent Verifier, Mott MacDonald reviews the monthly compliance reports prepared by NYUAD and EC Harris. Mott MacDonald also is a Compliance Monitor for TAMKEEN contracted companies at Sama Tower and CSE.

NYUAD monitors approximately 165 staff working for four service providers. NYUAD has a Compliance Manager who reviewed the employees’ working and living conditions in 2011. It entailed undertaking accommodation inspections, visiting workers in their work location, and following up on comments and complaints. NYUAD monitors the standard of accommodation to ensure compliance with Point 14 of **The 14 Points**. Inspection visits are carried out periodically

**Junior Manager  
Accommodation – Operatives  
Village 2**



or in response to an employee comment that suggests a review is required. Mott MacDonald, in its role as Independent Verifier, undertakes regular inspections of all accommodation units.

Mubadala appointed EC Harris to undertake compliance monitoring on the Saadiyat Island construction site. EC Harris systematically interviews construction workers and carries out a payroll review each month. From January 2011 to December 2011, 214 operatives were interviewed by EC Harris to assess compliance with **The Statement of Labour Values** and **The 14 Points**. Mott MacDonald verifies EC Harris findings. Between EC Harris and Mott MacDonald, 312 construction workers were interviewed by the end of December 2011, which equates to 7.9% of the construction workforce.

**2.4 Labour Workforce Covered by Verification Activities**

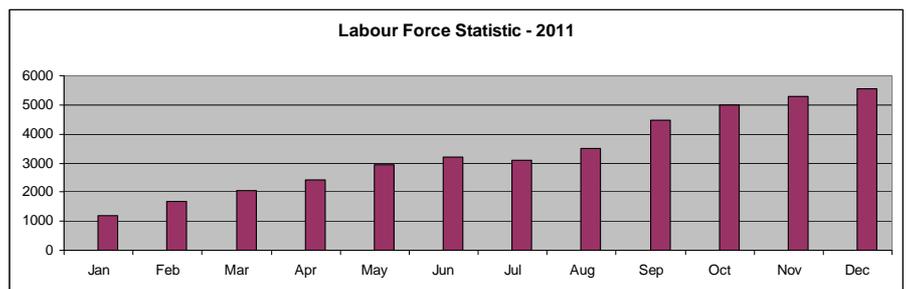
**2.4.1 Construction Workforce**

The construction workforce is under the responsibility of Al Futtaim Carillion (AFC) which was awarded the main campus design and build contract. AFC has transparent and well documented systems for the NYUAD Project.

The design and build contract commenced on site in June 2010. The construction workforce is based on Saadiyat Island and is mostly accommodated in purpose built operatives villages on Yas Island. Some senior staff have private accommodation.

During 2011 the construction workforce grew from 1,200 to 5,553. See Figure 1 for details.

**Figure 1 – Increase in Construction Labour at Saadiyat Island during 2011**



**Typical Gym Facility – Operatives Village**



Source: Mott MacDonald, Aug 2011

The construction workforce comprises AFC management and professional staff, AFC site operatives, sub-contractor employees and service providers (architects, consultants and security). At the end of September 2011, the four different groups represented four, 68, 26 and two per cent respectively of the construction workforce. Construction sub-contractors and service providers are subject to the same terms and conditions with regards to workers’ rights as those applied to AFC.

The majority of the operatives on the construction site at Saadiyat Island are from the Indian sub-continent. Notices at site are translated into the sub-continent core languages. Mott MacDonald has interviewed staff working at Saadiyat Island from ten countries of which about 55% have been Indian. See Appendix A for details on ethnicity.

**2.4.2 Operational Workforce for Existing Facilities**

The operational workforce is based at three sites within Abu Dhabi:

- Downtown Campus – Main study centre and book shop.
- Sama Tower – Residential accommodation and NYUAD-TAMKEEN offices.
- Centre of Science & Engineering (CSE) – Laboratories.

The operational workforce numbers have slightly increased throughout the year. NYUAD monitors approximately 165 staff who are employed by NYUAD contracted companies or services such as guarding, catering and driving. Mott MacDonald directly monitors TAMKEEN contracted companies with approximately 55 staff who provide cleaning, landscaping and systems maintenance services. Details of the operational labour workforce are provided in Table 6.

**Table 6: Operational Workforce as of December 2011**

Company	Male employees	Female employees	Total Employees
<i>Mott MacDonald Compliance Monitored Contracts</i>			
JBI – JBI appointed	6	1	7
MAFF Dalkia – JBI appointed	3	0	3
MAFF Dalkia – TAMKEEN appointed	4	0	4
Berkley GS – JBI appointed	9	2	11
Berkley GS – TAMKEEN appointed	23	3	26
Emirates Landscaping – JBI appointed	3	0	3

Company	Male employees	Female employees	Total Employees
<i>NYUAD Compliance Monitored Contracts</i>			
G4S Security	60	18	78
Fast Rent-a-Car	28	0	28
ADNH Compass	43	11	54
Magrudy Bookstore	1	2	3
Total	180	37	217

It is expected that the current staff numbers will not change significantly in the coming year.

Mott MacDonald has interviewed operational staff from 11 different countries. For both construction and operational staff, the highest number of interviews was undertaken with staff originating from India (42%), followed by the Philippines (13%), and 10% each from Bangladesh, Nepal and Pakistan. Workers from Bulgaria, Egypt, Ethiopia, Eritrea, Kenya, Somalia, Sri Lanka, Jordan, United States of America and the United Kingdom have also been interviewed. Appendix A provides details on the ethnic profile of the workforce.

### 3. Monitoring and Verification Findings on the Implementation of *The Statement of Labour Values* and *The 14 Points*

***The Statement of Labour Values*** and ***The 14 Points*** are the basis of the NYUAD-TAMKEEN commitment to workers' rights. This section reports on employer compliance based on Mott MacDonald's verification activities and results for 2011.

#### 3.1 *The Statement of Labour Values*

##### Wages and Benefits

- **The Parties recognise that wages are essential to meeting workers' basic needs. As a floor, workers providing services to NYUAD will be paid wages and benefits which comply with all applicable UAE laws and regulations and which provide for their essential needs and living standards.**

Mott MacDonald verified that employers had included all the necessary workers' rights commitments in the contracts that have been issued and signed by the employees. AFC and EC Harris had to work with two construction sub-contractors to ensure that the range of appropriate terms and conditions that reflect the NYUAD worker rights' commitments were included in the appointment letters. This entailed re-mapping job descriptions and titles to match work activities to ensure appropriate wage levels and benefit packages. Mott MacDonald worked with one Tamkeen contracted company to ensure job descriptions matched tasks.

With the exception of one construction sub-contractor, employee interviews indicate during 2011 staff were paid in accordance with ***The Statement of Labour Values*** and enjoyed the financial benefits of working on the NYUAD Project. Mott MacDonald identified that one construction sub-contractor, which began working in the latter half of 2011, was not paying staff on a timely basis. A corrective action plan is in place to address this issue.<sup>6</sup>

All employees enjoy specific benefits that have been agreed with NYUAD-TAMKEEN and are contractual requirements for Project companies. These include:

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<sup>6</sup> As of the 23rd February 2012, payments to employees had been brought up to date.

### Hand washing facilities at OV2 for operatives



Source: Mott MacDonald, Aug 2011

- Housing and provision of furniture;
- Payment for or provision of utilities – water, electricity, air-conditioning;
- Provision of food or a food allowance;
- Transportation to and from the work site in purpose built vehicles;
- Provision of airfares to the employee's country of origin for vacation and repatriation at the end of the employee's contract;
- Provision of costs for education where appropriate.

Interviews confirm that salaries are paid on time into bank accounts and payment for overtime and holidays are clearly defined on payslips. During Ramadan all employees who worked the prescribed six hours received pay for an additional two hours per day as required by law.

Mott MacDonald has found that both operational and construction employees are receiving basic packages which employees find favourable and satisfying. In worker interviews, construction workers have called them “enhanced” packages and indicated that the Project working conditions are attractive.

#### Working Hours

- *Hourly and/or quota-based wage workers shall (i) not be required to work more than (a) 48 hours per week or (b) the limits on regular hours allowed by UAE law, and (ii) be entitled to at least one day off in every seven day period, as well as holidays and vacations. Daily working hours shall be such that no worker shall work for more than five successive hours without breaks, amounting in aggregate to not less than one hour.*

All employees are aware of their working hours and their entitlement to overtime. The standard working week is five days for operational employees and six days for construction operatives. Both workforces work a standard eight hour day.

Overtime rates are clearly defined in UAE law. Construction operatives have the opportunity to work up to three hours of overtime. A construction company which had workers undertaking four hours of overtime per day was asked by AFC to reduce it.

In jobs that require a rotation of shifts and nighttime work, for example guarding, NYUAD pays an additional allowance to cover working ‘unsociable hours’. Those working on a public holiday are given a day

### Operatives Accommodation – ICAD Residential City



Source: Mott MacDonald, Feb 2011

off in lieu. NYUAD has been fairly involved to date in helping their operational service providers manage work schedules. This has helped ensure compliance with the working hour requirements.

#### Overtime Compensation

- *As required by UAE law, overtime hours must be worked voluntarily. In addition to their compensation for regular hours of work, hourly and/or quota-based wage workers shall be compensated for overtime hours at such a premium rate as is legally required by UAE law.*

From discussions with employees, inspection of payroll records and random checks on pay slips, hourly paid employees receive overtime payments at rates that are in accordance with the UAE law. Payment is based on 1¼ and 1½ times the employees' basic hourly rate.

In mid-2011, a spot check by Mott MacDonald identified inconsistencies with one operational service provider's payment of overtime. An investigation was undertaken by Mott MacDonald which NYUAD used to help identify appropriate corrective action. The employer was instructed to pay back the legal overtime amount. The same company was found not to be paying the specified increased overtime rate for hours worked between 9 pm and 4 am according to UAE law (1½ rather than 1¼) and back payments are also being made for the small amount of hours worked between these hours.<sup>7</sup>

#### Child Labour

- *As required by UAE law and International Labour Organization Minimum Age Convention ratified by the UAE, no person younger than 15 years old will be employed to provide services in connection with NYUAD.*

NYUAD has strengthened this statement to identify the age limit as 18 years in **The 14 Points**. From random checks and reviews of HR records and specific declarations from all employers, Mott MacDonald has found that no-one under the age of 18 is employed on the Project.

<sup>7</sup> As of 31st January 2012, the calculation of overtime payments was corrected and back payments were made to affected employees.

Typical AFC Site Hazard Notice Board



Source: Mott MacDonald, Mar 2011

Forced Labour

- *As required by UAE Law, there shall not be any use of forced prison labour, indentured labour, bonded labour or other forced labour.*

There is no evidence of forced labour being employed on the NYUAD Project. Mott MacDonald is of the opinion that it would be highly unlikely for such labour to be used on the Project due to the regular monitoring of employees' activities.

Health and Safety

- *As required by UAE law, a safe and healthy working environment shall be provided to workers providing services to NYUAD to prevent accidents and injuries to health arising out of, linked with, or occurring in the course of work. The direct operations of NYUAD and its sub-contractors will comply with all workplace safety and health regulations established by the UAE government and ensure regular health and safety worker training systems to detect threats to health and safety, access to bathrooms and potable water.*

From inspections of the existing NYUAD facilities and the construction site on Saadiyat Island, the standard of health and safety management is taken very seriously. Employers have demonstrated their commitment to protecting employees by undertaking inductions and regular 'tool box' talks or work site briefings on either a daily, weekly or monthly basis depending on the type of work.

At the main entry of the construction site, there is a large board where AFC lists its occupational health and safety (OHS) indicators which are frequently updated. AFC's statistics report that during 2011 there were 12.4 million culminative manhours worked with one fatality and 14 first aid treatments. The fatality occurred at the end of December 2011 and is under investigation at the time of this report.

AFC has a campaign called 'Don't Walk By' with comment boxes available around site to gather feedback on unacceptable or unsafe activities and suggestions for improvement.

Each month Mott MacDonald reviews the number of site safety meetings, site health safety and environmental (HSE) inspections, tool box talks and other OHS indicators. From the monthly reviews and inspections AFC is compliant with the UAE safety laws and regulations.

### Don't Walk By Comment Box



Source: Mott MacDonald, Aug 2011

Mott MacDonald pays particular attention to OHS when undertaking interviews with both employees and employers. Employees are asked about tool box talk subjects and regularity. The employers have to demonstrate their commitment to health and safety by providing detailed statistics in the monthly reports. Both employees and employers have commented that the OHS standards are high on this Project in comparison to others.

During the summer period particular emphasis was placed on safe ways to work in hot weather and how to prevent and address the effects of heat stress. Employers with staff working in the open provide air-conditioned shelters, sun shades and cool potable water at locations around the construction site. This is a requirement of the UAE Labour Law.

### Non-discrimination

- *No person shall be subject to any discrimination in employment, including in relation to hiring, salary benefits, advancement, discipline, termination or retirement.*

The workforce data presented in Appendix A shows that operational service providers and construction contractors' employ staff from 17 countries. Female staff represent about 20% of the operational workforce. During interviews with randomly selected employees from various nationalities and of both sexes, no anecdotal evidence of discriminatory behaviour in recruitment processes or work activities has been presented. Review of contract terms and conditions has not identified any discriminatory practices.

### Harassment or Abuse

- *Every worker shall be treated with dignity and respect. No employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse, nor will any form of corporal punishment be used or tolerated.*

There is no evidence of harassment or abuse. Employees have indicated that they are treated fairly and with respect. Mott MacDonald and monitoring staff do their best to help operatives feel at ease during interviews and discussions about their work experience.

## Resolution of Work Disputes

- *As required by UAE law, the right of workers to seek resolution of labour disputes shall be recognised and respected. No worker shall be subject to harassment, intimidation or retaliation in their efforts to resolve work disputes.*

In interviews, particularly of the lower paid members of the workforce, and therefore possibly the most at risk, there has been little concern regarding disputes. NYUAD's Compliance Manager and Mott MacDonald's Verifier speak to employees informally when visiting existing Project facilities. Construction workers are given Mott MacDonald Verifier's contacts for raising any issues after the interviews. Mott MacDonald has been contacted by two staff members away from site after interviews regarding worker rights' issues.

Interviewees have said they are aware of the procedures within their respective companies for raising workplace concerns or problems. They feel that they are able to approach their line managers in the first instance. They are also aware that they can address any concerns they have through their respective human resource managers. There is a clear route within AFC which allows any employee to raise any work related dispute. Company grievance mechanisms have been witnessed in several employers' offices. At least one company has an internal hotline for welfare issues. Workers have access to the UAE Labour Helpline.

AFC has a Labour and Welfare Officer who is a focal point for construction workers to raise concerns. He logs issues raised about the worksite and accommodation. In April 2011, 16 comments were received about the worksite (mostly in relation to the toilet facilities) and another 41 about accommodation (focussing on the ablution upgrades, furniture locks being replaced with padlocks, and food quality).

## Women's Rights

- *A – Women workers will receive equal remuneration, including benefits, equal treatment, equal evaluation of the quality of their work, and equal opportunity to fill all positions open to male workers.*
- *B - Pregnancy tests will not be a condition of employment, nor will they be demanded of employees.*

- *C – Workers who take maternity leave will not face dismissal or threat of dismissal, loss of seniority or deduction of wages, and will be able to return to their former employment at the same rate of pay and benefit.*
- *D – Workers will not be forced or pressured to use contraception.*
- *E – Workers will not be exposed to hazards, including glues and solvents, which may endanger their safety, including their reproductive health.*
- *F – Appropriate services and accommodation will be provided to women workers in connection with pregnancy.*

Female employees are contracted for guarding, catering, site administration and cleaning services. A sample of female employees has been interviewed from each organisation employing women and all were aware of their rights under **The Statement of Labour Values** and **The 14 Points**.

#### Compliance with Laws

- *The labour inspection and remediation requirements of the UAE Labour Law and regulations will be implemented and comprehensively enforced in the construction, operation and maintenance of the NYUAD Campus.*

Mott MacDonald has had meetings with the management of the contractor, sub-contractors and service providers. All the companies have confirmed their commitment to adhering to the UAE Labour Law. Mott MacDonald found a two companies not paying the legal overtime rate for work undertaken between 9 pm and 4 am. The construction sub-contractor amended its working schedule to avoid paying the higher rate. The affected employees of the operational service provider in question are receiving backpay<sup>8</sup>.

### 3.2 The 14 Points

NYUAD-TAMKEEN has reinforced their commitment to ensuring that workers' rights are protected by issuing **The 14 Points** which aim to

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<sup>8</sup> By the end of January 2011, the back pay had been provided.

help the application of ***The Statement of Labour Values***. The contractual requirements are part of all construction and operation contracts. Compliance with ***The 14 Points*** is analysed in the following sections.

#### Point 1 – Recruitment Fees and Commission

- ***Employers will fully cover or reimburse employees for fees associated with the recruitment process, including those relating to visas, medical examinations and the use of recruitment agencies without deductions being imposed on their remuneration.***

The payment of fees or commissions to attain employment has been part of the UAE employment culture for the majority of foreign workers, particularly those from India, Pakistan, Bangladesh, Nepal and some parts of Asia Pacific. During interviews approximately 30% of employees have indicated they paid fees or commissions to get jobs in the UAE but these were paid previously and not in relation to the NYUAD Project.

When employees join the Project, employers have been advised to ask them if a fee or commission had been paid or promised to secure the job. As a result, one service provider informed Mott MacDonald that their own management identified four cases where employees who had specifically been recruited for the NYUAD Project had paid fees. The four employees provided supporting documentation and were reimbursed the costs. No construction workers have indicated that they paid fees or commissions to work specifically on the NYUAD Project.

#### Point 2 – Personal Documents

- ***Employees will retain all of their own personal documents, including passports and drivers' licenses.***

Retention of personal documents has been a challenging issue for the Project because it is a fairly regular practice in the UAE for companies to keep workers' passports for security purposes. As a result there are mixed results regarding retention of personal documents.

All companies directly employed by NYUAD returned passports to their employees. Two operational service providers not directly contracted by NYUAD gave their workers the option to retain their passports. Workers chose to sign a permission sheet requesting the employers to retain their passports.

#### Metal Lockable Cabinets



Source - Mott MacDonald, Aug 2011

### Carom Games Room



Source: Mott MacDonald, Aug 2011

For the construction companies, the main contractor AFC and the sub-contractors retain most of their employees' passports. Workers have signed sheets in their HR files saying that they have the right to keep their passports or to leave them (passports) with the company for security reasons.

Construction employees interviewed by Mott MacDonald have confirmed that the majority of workers prefer the employer to hold their passport because of problems they would face if it was lost or stolen. As well, employees have indicated that their employers have systems to identify when passports and work permits require renewing and the workers prefer the companies to manage the renewal process.

All employers have procedures that provide 24/7 access to passports which are kept in fire proof safes. In interviews and from reviews of records there has been no evidence of any problems in the release of passports to employees.

At the beginning of January 2011 the majority of the employees had lockable metal cabinets in their rooms. By the end of March 2011 all employees had access to this secure storage for their belongings, including personal documents.

#### Point 3 – Minimum Age

- *Individuals employed in connection with the NYUAD will be a minimum of 18 years of age.*

From random checks, reviews of human resource records and specific statements from all employers, no-one under the age of 18 is employed on the NYUAD Project.

#### Point 4 – Working Hours

- *Employees will work no more than eight hours a day, five days a week, except for those working in construction-related activities, who will work no more than eight hours a day, six days a week. Overtime will only be worked voluntarily, and will be compensated at premium rates.*

From interviews of employees who are hourly paid, discussions with employers' payroll managers and inspection of payroll records, it is evident that employers are meeting this requirement.

During interviews with service provider staff including cleaners, maintenance engineers, gardeners, drivers and catering staff, all confirmed that they work overtime voluntarily. None had been forced to work hours over and above the base time stipulated in their contracts. As cited previously, one construction company was requested to limit overtime hours to three.

#### Point 5 – Wage Payments

- *Employees shall receive their full wages or basic salary via electronic bank transfers and on a pre-agreed schedule.*

In discussion with employees and payroll managers, monthly payments are made on a set date through a bank transfer. Employees are enrolled in the UAE Government *Wage Protection Scheme* (WPS). Employers operate an electronic payment system which automatically computes wages, overtime payments and any other allowance to which the employee is entitled. Mott MacDonald has been checking the electronic systems.

All workers interviewed have confirmed that they have not had any problems in receiving their wages either in amount or on time with the exception of one construction sub-contractor. As cited previously in this report, an employee interview identified a problem. Mott MacDonald immediately carried out a payroll audit which confirmed the late payments of several months' wages. Corrective action is being implemented to bring payments up to date and prevent further untimeliness.<sup>9</sup>

#### Point 6 – Change of Employer

- *Employers will not impose or request employment bans on employees seeking to change jobs.*

The Project activities commenced in June 2010 and the emphasis has been on recruiting and training workforces as well as scaling up employee numbers on the construction site. One construction sub-contractor was questioned by Mott MacDonald about their transfer procedures based on an end of year audit finding. The company's HR

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<sup>9</sup> As of 23rd February 2012, salary payments were brought up to date and the sub-contractor is now compliant.

manager provided documentation to show adherence. Other employers' HR managers are aware of the requirements of Point 6.

Point 7 – Severance Pay

- *An employee who completes one or more years of continuous service will be entitled to severance pay at the end of their employment.*

While many employees interviewed are aware of this UAE Labour Law requirement, there have been some who were vague in their understanding of their severance rights. Employers have confirmed their understanding of severance pay entitlements. They are responsible for advising their employees although severance pay is also explained as part of the Mott MacDonald interview process.

As construction began in mid 2010 and during 2011 the emphasis was on increasing the employee numbers, severance was not a main focus. Its importance may increase as construction employees complete their contracts on the NYUAD Project and are transferred internally to other projects.

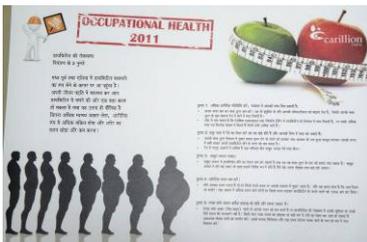
Point 8 – Medical Insurance

- *Employees will receive employer-provided medical insurance.*

Mott MacDonald reviewed the provisions of the healthcare insurance for all the operational employers and AFC. EC Harris monitored the provision of healthcare insurance for construction sub-contractors and service providers. AFC and EC Harris required three construction employers to increase their medical insurance coverage. This was done for the unskilled and semi skilled workers and administrative staff; and evidence that more senior office staff at two of the companies have been insured at appropriate levels has been promised.<sup>10</sup> From Mott MacDonald's checks of medical insurance policy documents an appropriate standard of medical insurance is being provided to construction operatives. The level of insurance varies depending on the grade of the employee.

During employee interviews with one operational service provider, their staff raised concerns that the medical services closest to their

Typical AFC Poster Advising on Diet



Source: Mott MacDonald, Oct 2011

<sup>10</sup> Mott MacDonald was informed in February 2012 by AFC that the companies are providing the required medical insurance.

### Operatives Transport



Source: Mott MacDonald, Aug 2011

accommodation and work site were not part of their medical insurance scheme coverage. As a result, the company contacted their insurer who has committed to including the facilities in their network coverage upon renewal at the beginning of 2012<sup>11</sup>.

#### Point 9 – Transport

- *Employees will receive employer-funded transport to and from their job sites or an equivalent allowance.*

Mott MacDonald can confirm that all the employers provide transport that meets set standards in safety and comfort for their employees. Mott MacDonald has undertaken a visual inspection of the buses used by AFC and found them to be manufactured to the required standards. Other employers use a smaller 15-seat bus or provide a transportation allowance at an appropriate rate.

#### Point 10 – Paid Annual Leave

- *Employees are entitled to thirty calendar days of paid annual leave each year.*

Employers provide the stipulated thirty days per year paid leave. This is in addition to public holidays as prescribed by the UAE Government. Interviewed employees have confirmed that they are aware of their annual leave entitlement. The majority of employees receive tickets to their country of origin for 60 days paid leave every two years. Other employees have yearly tickets for 30 days paid annual leave to return to their country of origin.

#### Point 11 – Public Holidays

- *Employees shall receive leave with full pay for ten UAE public holidays each year. In addition employees will be granted two additional days per year for other religious holidays to be taken at their discretion.*

Employers have confirmed that they provide the required amount of public holidays. In interviews with employees this statement has been confirmed. During payroll audits there is evidence that payments are made for public holidays.

<sup>11</sup> As of January 2012, the facilities have been included in the insurance coverage and employees have indicated their satisfaction with this change.

#### Point 12 – Maternity Leave

- *Female employees shall be entitled to maternity leave, with full pay, for a period of up to 45 days.*

During 2011, there were no reports of female employees taking maternity leave.

#### Point 13 – Air Travel

- *Foreign employees shall receive employer-funded air travel between the UAE and their country of origin for expatriation at the beginning of their employment, for repatriation at the end of their employment and for one additional trip, either annually or bi-annually, to be used in conjunction with vacation leave.*

Most of the employer paid travel for staff began in the latter half of 2011. NYUAD worked with their directly contracted operational service providers to organise schedules for employees to travel to their country of origin.

A spot check by Mott MacDonald identified two instances where employees had to pay a small amount for their tickets because they had changed their original destination. The matter was raised with the employer and was satisfactorily resolved by reimbursement.

#### Point 14 – Accommodation

- *In circumstances when contractors provide housing accommodation to those working on the NYUAD Project, the following requirements must be met:*
  - *No more than four individuals in any bedroom.*
  - *All rooms must be equipped with ventilation systems and central air conditioning units.*
  - *All workers are provided with secure wardrobes and/or lockboxes for safe guarding valuables, including personal documents.*
  - *Accommodation specifications vary by job classification, but at a minimum, construction operatives must have a minimum of 4.5 square meters of personal living area.*

#### Operatives Four Bed Unit



Source: Mott MacDonald, Aug 2011

### Typical Junior Staff Bedroom



Source: Mott MacDonald, Aug 2011

Mott MacDonald undertakes regular inspections of employer provided accommodation for both construction and operation workforces. In a small number of instances, in particular for senior staff or female operational staff, workers have identified their own housing and receive allowances. Employer provided accommodation sites include Operatives Villages 1, 2 and 4, managed by Al Raha International on Yas Island and ICAD Residential City, located in Mussafah, Abu Dhabi. All locations meet the above requirements.

All employees have air-conditioned rooms with furniture, namely a bed, bed-side table and lockable cabinet. Many units have dining tables and chairs. Some of the operational staff units have hot plates and kitchenettes suitable for staff to cook their own meals. Employees also have access to on-site medical and leisure facilities and services. Accommodation sites provide a wide range of recreational pursuits such as sports facilities, TV, internet services and libraries, mosques, money exchanges as well as dedicated helpline assistance for any problems.

Each employer-provided accommodation facility has dedicated security services with controlled access. Fire safety equipment is regularly inspected. Emergency contact numbers are well advertised in rooms and public areas.

Food quality is an ongoing challenge that the accommodation sites aim to address. Food quality is not specifically addressed in the NYUAD workers' rights commitments however it is the issue which tends to receive the most critical comments from workers.

Kitchens are regularly inspected by the Abu Dhabi Food Hygiene Department as well as by the monitors and Mott MacDonald. Mott MacDonald has noted that the kitchens do make an effort to meet personal and cultural preferences of workers. The menus present a variety of choice and are nutritionally balanced. Food quantity or temperature of food has rarely been mentioned in the discussions with workers regarding food quality. In several locations, kitchen and catering infrastructure has been upgraded to ensure the presentation of appealing and hygienic meals. It is Mott MacDonald's opinion that food quality will be an ongoing issue as there are so many workers involved. Inspections and discussions to ensure high quality meals are provided to workers will continue throughout the construction phase.

For staff living in private accommodation, the employers pay a fair allowance in accordance with the conditions of the employee's contract toward the cost of accommodation.

## 4. Conclusions

This section presents Mott MacDonald's conclusions regarding NYUAD Project compliance in 2011 with **The Statement of Labour Values** and **The 14 Points**. Final comments on awareness regarding workers' rights are made. The section closes by looking forward to monitoring and verification activities in 2012.

### 4.1 Statement of Compliance

Overall, there is wide ranging evidence that the NYUAD Project is taking workers' rights seriously. The standards related to workers' rights in Project contracts must comply with UAE Labour Law and in some instances are enhanced.

Employers have an understanding of the application of the worker rights' requirements described in **The Statement of Labour Values** and **The 14 Points**. In some cases, they have had to alter their time keeping and payroll systems. All the companies have customised employment contracts for personnel working on the NYUAD Project to ensure they fully capture the terms, conditions and benefits agreed with employees.

One of the most significant changes that Mott MacDonald has noted is with regards to communication. Employers have improved their workers' understanding of their labour rights by discussing **The Statement of Labour Values** and **The 14 Points** with them. Monitoring activities have significantly contributed to understanding of the two documents.. This understanding may influence the employers' recruitment and contracting practices on other projects. All employers associated with the NYUAD Project have agreed to apply **The Statement of Labour Values** and **The 14 Points** in the management of their workforces and contracts they let to sub-contractors.

Mott MacDonald interacts with the Compliance Monitors and all the NYUAD Project companies on a regular basis. When issues, both significant and not so significant, have been raised with companies, the relevant managers have shown willingness to address them and take corrective action.

The tables below present a summary of compliance with the two documents.

**Table 7: 2011 Project Compliance with *The Statement of Labour Values***

Labour Value	Compliance Comment
Wages and benefits	<p>Workers were very satisfied with their wages and benefits. For all but one employer, workers were paid on time during 2011. One construction company is still in corrective action for the delayed payment of wages.<sup>12</sup></p> <p>EC Harris, AFC and Mott MacDonald worked with three employers to ensure wages and benefits matched work activities. This entailed defining grades to suit positions and tasks as well as reviewing medical insurance provisions.</p> <p>TAMKEEN issued a non-compliance to one of its contracted companies. The company took immediate steps to make the necessary back payments.</p>
Working hours	Working hours are in accordance with UAE legislation. Operational staff rarely worked overtime. Construction workers were voluntarily working reasonable overtime hours. The Project is compliant.
Overtime compensation	The large majority of workers were compensated appropriately for overtime hours worked. One operational service provider was identified as calculating overtime incorrectly and is in the process of paying back the affected staff for a minor amount of hours. <sup>13</sup> The Project is compliant.
Child Labour	No child labour was employed during 2011. The Project is compliant.
Forced Labour	No forced labour was employed during 2011. The Project is compliant.
Health and Safety	Health and safety received substantial focus from all employers, and especially the main construction contractor, AFC. The Project is compliant.
Non-discrimination	The principle of non-discrimination was implemented among employers. The Project is compliant.
Harassment or Abuse	No incidents of harassment or abuse were reported. The Project is compliant.
Resolution of Work Disputes	The NYUAD Project provided means for employees to raise concerns about work terms and conditions, management relations and accommodation facilities. The Project is compliant.
Women's Rights	Women's rights were respected. The Project is compliant.
Compliance with Laws	NYUAD Project employers have in the main followed UAE Labour Laws. Where discrepancies were identified with two companies (both for overtime payments of hours worked between 9 pm and 4 am), they responded immediately. The Project is compliant.

<sup>12</sup> As of 23rd February 2012, salary payments were brought up to date and the sub-contractor is now compliant.

<sup>13</sup> As of 31<sup>st</sup> January 2012, the calculation of overtime payments was corrected. All affected employees received payments backdated to when they started work on the Project.

Table 8: 2011 Project Compliance with *The 14 Points*

The 14 Points	Compliance Comment
Recruitment fees reimbursed	Four employees recruited directly for the NYUAD Project had recruitment fees reimbursed. The Project is compliant.
Self retention of personal documents	NYUAD contracted company employees retain their own passports. TAMKEEN contracted company employees and almost all construction staff have signed letters indicating their preference for their employers to retain their passports. This point requires contractual changes for the employers retaining the passports to address. The Project is not considered to be compliant.
Minimum 18 years of age	There was no evidence of under-18s working on NYUAD. The Project is compliant.
Working hours within law and overtime voluntarily worked	Working hours were within law. There was very little overtime worked by operational staff. Evidence indicated that overtime hours were worked voluntarily on the construction site. The Project is compliant.
Wages paid via bank and on schedule	Workers' wages were paid into bank accounts. With the exception of one employer, all staff were paid on schedule. The construction sub-contractor is taking corrective action to catch up on wage payments and ensure the problems do not persist. <sup>14</sup> The Project is compliant.
No bans on changing jobs	There was no evidence to indicate issues with changing jobs. The enhanced remuneration packages make the NYUAD Project attractive to workers. The Project is compliant.
Severance pay for those over a year	Most employees were new to the Project in 2011. This point will be more applicable in 2012. The Project is compliant.
Employer provided medical insurance	Employers provided medical insurance packages to their employees. Employees who required medical services have not had any problems claiming through their insurance package. AFC worked with three construction sub-contractors to ensure they had appropriate medical insurance levels for all staff. Confirmation of the results is awaited. <sup>15</sup> The Project is compliant.
Employer funded transport	Employers provided transport in good quality vehicles. The Project is compliant.
Paid annual leave	Paid annual leave only began in earnest towards the end of 2011. There was no evidence during 2011 of any staff member not receiving their required annual leave. The Project is compliant.
Holiday pay	From interviews and random inspections of pay slips, workers received the correct holiday pay. The Project is compliant.
Maternity leave	No maternity leave was taken during 2011. The Project is compliant.
Employer funded air travel either annually or biannually	Employees interviewed received their travel entitlements. Two incidents with one service provider were identified where small amounts were paid by the employee.. Reimbursement was provided. The Project is compliant.

<sup>14</sup>As of 23<sup>rd</sup> February 2012, salary payments were brought up to date and the sub-contractor is now compliant

<sup>15</sup>In February 2012, AFC confirmed that appropriate medical insurance had been provided to employees by the three sub-contractors.

The 14 Points	Compliance Comment
Housing accommodation (four or less per room, ventilation, lockboxes, minimum living space requirement)	Worker accommodation was provided and maintained at the required level. Continual inspections showed that any maintenance or other issues were normally dealt with quickly. The Project is compliant.

In summary, in 2011 the NYUAD and TAMKEEN established and implemented their commitment to workers' rights. All employers are aware of their responsibilities and contractual requirements related to workers' rights. Workers know what to expect from their employers. Workers' rights are an important focus of the NYUAD Project and there are resources, systems and procedures in place for them to be upheld.

#### 4.2 Awareness of Workers' Rights

Few of the service providers or construction sub-contractors were aware of international safeguard protection measures for workers' rights and what they meant in practice at the beginning of their contracts on the NYUAD Project. The monitoring and verification process contributes to awareness creation regarding the responsibilities and rights among both the employers and employees. Mott MacDonald has ensured that all Project employers are fully aware of their contractual obligations to apply **The Statement of Labour Values** and **The 14 Points**. This has been achieved through direct dialogue as well as via the Compliance Monitors.

Mott MacDonald's reporting feeds into TAMKEEN's decision making on non-conformities. During 2011, TAMKEEN issued one non-conformance related to workers' wages and benefits (see Table 7). The matter was resolved with corrective action taken by the company.

AFC issued non-conformances to three of its construction sub-contractors and service providers in relation to gradings of staff, timely payments and medical insurance provisions. Corrective action has and is taking place and the non-conformances are expected to be closed out in the first quarter of 2012. Mott MacDonald found that the issues identified in the non-conformances were being addressed quickly and in a relevant manner by the employers.

The non-conformances were caused by a lack of awareness. The construction sub-contractors have, where required, made the necessary investments to prevent reoccurrences. AFC procurement staff now understand the main areas where challenges exist with construction

sub-contractors and service providers. In any future contracts (a small number is anticipated), AFC has indicated that more information and importance of the worker rights' commitments will be included in tender documentation and contract negotiations to prevent the types of non-conformances that have occurred to date.

NYUAD had a significant issue with one operational service provider and a minor travel-related issue with another one<sup>16</sup>. The significant issue was with the calculation and payment of overtime. Agreement was reached for the matter to be closed out during the first quarter of 2012. Mott MacDonald found the response acceptable.

Mott MacDonald has noticed an increase in workers' rights awareness by employees. For the existing operational facilities, NYUAD posted **The Statement of Labour Values** and **The 14 Points** in places where workers can see them. In addition, several of the service providers had staff meetings to discuss topics that were relevant to labour rights. Many of the operational staff met both NYUAD and Mott MacDonald Compliance Monitors and Verifiers on a regular basis in the work environment. Interviews towards the end of the year showed that workers, especially operational staff, were more familiar and comfortable discussing labour issues.

#### 4.3 Looking Forward

Looking forward to 2012, the first priority will be to close out the existing non-conformances. The aim is to do this within the first quarter of 2012. All of the non-conformances were identified in the second half of 2011. Most were in relation to recently appointed construction sub-contractors for whom the workers' rights commitments were generally new.

In 2012, it is anticipated that verification activities will focus more on issues that affect employees who are no longer new but have accrued benefits. In practice this means monitoring annual leave pay, travel provision and issues related to turnover or changing workforces – termination procedures, job changing procedures, and severance pay allocation.

In the first year, employees were mainly new to their work and as anticipated there was minimal staff turnover. It is not anticipated that

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<sup>16</sup> To address the travel related issues, the company held a staff meeting and explained its travel policy to staff. As well the two affected staff members were reimbursed. Both these actions took place at the beginning of 2012.

turnover will increase significantly because the Project offers good conditions in comparative terms to similar work for other companies. However, the passage of time could lead to some changes, for instance via promotions, in the operational staff. When employees leave the company, monitoring of the severance pay will be important. As far as possible, reasons for leaving will be determined to see how they might relate to **The Statement of Labour Values**. For staff changes that may occur as the companies and work scopes evolve, non-discrimination in promotion or training opportunities will also be a focus.

The profile of the employee workforce means emphasis will be on the construction operatives. At the beginning of 2011, Mott MacDonald's verification activities targeted the provision of satisfactory workers' terms and conditions for the operational staff. It is anticipated that verification activities for operational staff will be less intense in 2012 and aimed at ensuring that the satisfactory terms and conditions that have been established are maintained.

More emphasis will be given to construction operatives as that workforce continues to grow, in particular, verification of overtime use and pay as construction moves to peak production. Ensuring that there is no excessive overtime use (with excessive identified as over legal limits, involuntarily or unhealthy amounts) will be essential.

Maintaining awareness of the importance of **The Statement of Labour Values** and **The 14 Points** will remain an objective for all parties during 2012.

## Appendix A: Ethnicity Data

Company	Total Employees (NYUAD Project)	No. Interviewed	Bangladesh	Bulgarian	Egyptian	Eritrean, Ethiopian, Somalian	Filipino	Jordanian	Kenyan	Indian	Nepalese	Pakistani	Sri Lankan	Malay	Western
A.F.Carillion and their construction sub-contractors and service providers		95	12	0	1	2	4	1		51	6	7		1	10
JBI	7	5		1			2			1			1		
Berkeley GS	37	21	4				2			8	7				
MAF Dalkia	7	7					4			1		2			
Emirates L.S.	3	3								1	2				
Fast Car Rental	28	6								2		4			
G4S	79	31	1		6	2	6		2	6	3	5			
ADNH Compass	53	16	2				6		1	6	1				
Al Tayer Stocks	70	1								1					
Magrudy	3	1								1					
No interviewed		186	19	1	7	4	24	1	3	78	19	18	1	1	10
% interviewed			10.2	0.5	3.8	2.6	12.9	0.5	1.6	41.9	10.2	9.7	.5	.5	5.4