



Race to the Bottom

**Exploitation of Migrant Workers in Advance of the
2014 Winter Olympic Games in Sochi**

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2014 Winter Olympic Games in Sochi

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**SOCHI 2014 WINTER OLYMPICS
COASTAL CLUSTER**

Russia will host the Sochi 2014 Winter Olympic and Paralympic Games in two clusters of venues. The Coastal Cluster is home to the Central Olympic (Fisht) Stadium and five ice arenas. The Mountain Cluster will host skiing, snowboarding, and sliding events. Altogether 74,000 workers, including 16,000 foreign migrant workers, are building 136 Olympic sites.



Summary

“People work, they don’t get paid, and leave. Then a bus comes and unloads a fresh group of workers to repeat the cycle.”

—*“Maxim,” a migrant worker from Ukraine*

When Russia hosts the Winter Olympic and Paralympic Games in February 2014 in the Black Sea coast city of Sochi, Olympic athletes, coaches, spectators, journalists, and other visitors will enjoy state-of-the-art sports venues, lavish hotels, newly constructed roads, telecommunications systems, transportation hubs, and other major infrastructure necessary to support several weeks of top-level Olympic sports. This rapid transformation of Sochi, formerly a small resort town and a favored vacation destination for Soviet and contemporary Russian leaders, has been made possible by a fast-paced construction schedule and an influx of tens of thousands of migrant construction workers from within Russia and from abroad. As this report documents, dozens of these workers suffered abuse and exploitation while employed on key Olympic venues.

This report is based on in-depth interviews with 66 migrant workers who at the time of the interviews were employed in construction or had previously been employed in construction on Olympic and other sites in Sochi. Migrant workers said employers subjected them to a range of abuses and exploitation, including: failing to pay full wages, excessively delaying payment of wages, and in some cases failing to pay any wages at all; withholding identity documents, such as passports and work permits; failing to provide employment contracts, or failure to respect terms of a contract; and requiring excessive working hours and providing little time off. In many cases, employer-provided housing was overcrowded, and employer-provided meals were inadequate. In several cases documented by Human Rights Watch, employers retaliated against foreign migrant workers who protested against abuses by denouncing them to the authorities, resulting in the workers’ expulsion from Russia.

The migrant workers we interviewed hailed from Armenia, Kyrgyzstan, Serbia, Tajikistan, Ukraine, and Uzbekistan. Human Rights Watch also interviewed internal migrant workers from within the Russian Federation. However, while workers from Russia face many of the same abuses documented here, Human Rights Watch chose to focus on migrant workers in this report because they can be particularly vulnerable to abuse. For example, in the event

an employer fails to provide a worker with a copy of a signed employment contract or with any written employment contract at all, the worker's employment status becomes irregular, and their residency status will also eventually become irregular. In these circumstances, migrant workers are less able or willing to seek redress through government agencies or the courts out of fear of facing fines or expulsion for violations. Migrant workers are also typically poor, often speak or read limited Russian, and have limited contact with Russian civil society or other resources that can provide assistance.

In some cases, Human Rights Watch was able to interview only a handful of workers employed on a particular site in Sochi, but the abuses and forms of exploitation each group described indicated consistent patterns of abuse. Workers interviewed said their conditions and experiences were similar to those of the larger groups of workers with whom they worked, or with whom they lived in shared accommodations.

The Russian government has obligations under national and international law to protect workers, including migrant workers, from abuse. In the case of sites included within the official Olympic program, Russian authorities, including the State Corporation Olympstroy, which is responsible for delivering hundreds of Olympics-related structures and infrastructure projects, have obligations under national and international law to ensure labor protections. The private companies involved in management and construction on these sites also have responsibilities to ensure that they respect the rights of their workers by undertaking adequate due diligence to identify and effectively mitigate human rights problems both in regard to their own practices, as well as the practices of all subcontractors engaged on their sites. Companies should respond quickly and adequately in cases where problems arise.

However, the abuses and exploitation of workers described in this report strongly suggest an inability or unwillingness on the part of the Russian authorities and private companies to guarantee basic rights for migrant workers on Olympic construction sites and other sites in Sochi. For example, Human Rights Watch found violations of laws ensuring regular payment of wages across all sites identified in this report, as well as other sites not specifically named in this report. These abuses ranged from, in the most severe cases, non-payment of promised wages for months at a time to an apparently more routine practice on some sites of withholding a worker's first month's wages allegedly as a guarantee that the worker will not leave a job before the employer determines they are no

longer needed for the job. On all sites on which Human Rights Watch documented abuses, workers described how employers took unexpected and illegal deductions from wages variously for arranging work permits for employees, for housing or for food, or as a penalty for taking days off.

Human Rights Watch also documented a consistent pattern of excessive working hours, with nearly all workers stating they were expected to work 12-hour shifts, seven days a week, with at most only one day off every two weeks. Some workers worked longer hours or had only a few days off during months of work. On a number of sites involving different employers, employers denied workers copies of their signed employment contracts. Migrant workers on four different sites specified in this report stated that their employer withheld personal identity documents allegedly as a coercive measure to prevent workers from leaving and seeking employment elsewhere. Workers on several different sites also described severely overcrowded accommodations and food that did not provide sufficient sustenance given the pace and difficulty of work the workers were expected to perform.

The Olympic sports venues in Sochi are divided into two groups: a “coastal cluster,” located on the shore of the Black Sea, and a “mountain cluster,” situated 50 kilometers to the northeast in the Caucasus Mountains. The coastal cluster will be home to the Central Olympic Stadium, also known as the Fisht Stadium, a 40,000-seat arena that will host the opening and closing ceremonies for the Olympic and Paralympic Games, as well as five ice arenas, the Main Media Center, and numerous hotels and other infrastructure. The mountain cluster will host the alpine skiing, snowboarding, sliding, and Nordic events, and will also be home to a smaller media center and other facilities. Each cluster will contain an Olympic Village to house the thousands of athletes competing in the Games, with the Main Olympic Village in the coastal cluster designed to house 3,000 athletes.

The overwhelming majority of workers interviewed for this report stated that they worked on sites within the coastal cluster, including the Central Olympic Stadium, the Main Olympic Village, and the Main Media Center, a large complex which includes the international broadcasting center and the main press center, as well as a large hotel complex designed to house media representatives. Human Rights Watch also interviewed workers who had been employed on a health resort that falls within the Olympic program, as well as workers on sites of other hotels and health resorts outside of the Olympic

program but among many projects undertaken to build and renovate infrastructure in Sochi in anticipation of the influx of visitors for the Olympic Games.

Non-Payment of Wages or Severe Delays in Wages

Nearly all workers interviewed by Human Rights Watch in Sochi worked in low-wage, low-skill jobs such as odd-jobs workers, carpenters, welders, or steel fitters. They reported earning typically between 55 and 80 rubles (US\$1.80 to \$2.60) per hour, for an average salary of between 14,000 and 19,200 rubles (\$455 to \$605) per month. Workers stated that some employers failed to pay full wages or failed to pay some workers at all. A group of workers employed on the Main Media Center site worked for up to six months without pay, hoping to be paid and reluctant to leave, thereby forfeiting several months' wages. Numerous workers, including those on the Central Olympic Stadium site and the Main Olympic Village site, also described a practice of withholding the first month's wages, whereby workers received their first payment only after working for two months. This practice allegedly served to coerce workers to remain with the employer based on an informal understanding that if the worker stays on the job until the employer determines the project complete, he will receive the withheld wages.

Human Rights Watch interviewed four workers from three different brigades working on the Main Media Center who received almost no wages or a fraction of the wages promised to them. For example, when Omurbek (not his real name), from Uzbekistan, agreed to work for a subcontractor on the Main Media Center site, a company representative promised him 24,000 rubles (\$770) per month in an oral agreement. However, for the more than two months he worked on the site, from December 2011 to February 2012, the company never paid Omurbek the wages promised to him. "I worked for almost three months, others worked for five months, for nothing. Nothing but promises, promises from them," he told Human Rights Watch.

Non-Provision of Contracts, Failure to Provide Copies of Contracts

The majority of migrants interviewed by Human Rights Watch for this report signed written employment contracts at the start of their work on a site, as required under Russian law. However, as the various abuses and forms of exploitation documented in this report show, the existence of an employment contract did not ensure an employer's respect for the terms of the contract or basic labor protections. In addition, most migrant workers who

signed a written employment contract with their employer stated that they were not given a copy of the contract and that the employer retained the only copy of the contract, in violation of Russian law. In a number of cases, workers did not sign employment contracts at all. In the absence of a written employment contract, workers' employment status is irregular, making them reluctant to seek assistance from the authorities in the event of abuse. Workers without an employment contract also have great difficulty proving employment relations before a court.

Excessive Working Hours and Few Days Off

All migrant workers interviewed by Human Rights Watch in Sochi stated that they worked long hours and had very few days off. Sites maintained a system of two 12-hour shifts, whereby workers worked from 8 a.m. to 8 p.m. or from 8 p.m. to 8 a.m., with one hour for meals and for changing into and out of work gear. They typically worked seven days a week for weeks at a time, with just one day off every two weeks. Russian law specifies a 40-hour work week, with some exceptions, overtime pay, and at least one day off per week. Some workers reported working with even fewer days off. Contrary to often-cited explanations for migrant workers' interest in working long hours in order to maximize earnings, workers interviewed by Human Rights Watch on Olympic and other sites in Sochi stated that they were exhausted by the long hours and lack of days off, particularly as the lack of rest was coupled with fast-paced and physically difficult work. A 32-year-old worker from Kyrgyzstan who did not disclose the site where he worked due to security concerns described his days off this way: "On your day off, you don't go anywhere. You catch up on sleep. All day you sleep and gather strength. Otherwise, it's not possible to work these hours."

Withholding of Personal Identity Documents

Human Rights Watch documented how some employers withheld migrant workers' work permits or passports allegedly as a means to prevent workers from moving to another employer. In some cases, this left workers feeling trapped.

Inadequate Employer-Provided Housing and Food

Many migrant workers interviewed by Human Rights Watch described overcrowded employer-provided housing and employer-provided food that did not provide sufficient sustenance given the long hours and demanding work they were expected to perform. In all cases, housing and meals were provided to workers as a component of compensation.

For example, workers employed on the Central Olympic Stadium site stated that their employer provided them with housing in private houses. Often several dozen workers were living in one single-family house with one bathroom or outhouse. One worker described the crowded room he shared with 13 other men in a single-family house packed with migrant workers: “In this house there are about 200 people. Fourteen men live in one six by six [36 square-meter] room,” he said.

The Russian Government’s Obligations under National and International Law

The Russian government has obligations under national and international law to protect workers, including migrant workers, from abuse. Protections enshrined in Russian law include regular payment of wages; a requirement for written employment contracts and a copy for both the employer and the worker; a prohibition on withholding of identity documents; limits on working hours; and at least one day off per week. International law provides similar guarantees.

The State Corporation Olympstroy, established by the Russian government to realize the program of Olympic venues and infrastructure, has overall responsibility and oversight over the development and construction of the five projects falling under the Olympic program named in this report and numerous other projects. Olympstroy has publicly committed to ensuring labor protections on sites falling within the Olympic program and requires that contractors engaged in Olympic construction adhere to Russian labor law and provide appropriate working conditions, accommodation, food, and medical care to workers whom they hire. In 2010, Olympstroy established a department of inspection control to cooperate with the regional labor inspectorate to ensure adherence to the Russian labor code on sites that fall within the Olympic program.

In response to a letter sent by Human Rights Watch regarding the concerns raised in this report, Olympstroy stated that its department of inspection control had conducted more than 1,300 inspections in 2011 and 2012, and that the most common violations were related to failure to use protective equipment and other occupational safety concerns. Olympstroy also stated that it had received five complaints from citizens regarding problems with wage payments. According to Olympstroy, following outreach to the employers, these workers received their full wages. Additional details regarding Olympstroy’s position on the concerns raised in this report are detailed below.

Responsibility of Businesses Engaged in Construction in Sochi

International human rights treaties and other instruments pay particular attention to the duty of states to uphold equal and inalienable rights. However, the basic principle that companies also have a responsibility to respect human rights, including workers' rights, has achieved wide international recognition, as evidenced by numerous instruments, initiatives, guidelines, and declarations, as well as in case law.

In line with these principles, companies are expected to have policies and procedures in place to ensure human rights are respected and not abused, to undertake adequate due diligence to identify and effectively mitigate human rights problems, and to adequately respond in cases where problems arise.

On each of the sites documented in this report, migrant construction workers had been employed by a private company acting as either a general contractor responsible for the overall construction work on the site, or as a subcontractor hired to perform a specific piece of work or type of work. In addition, projects falling within the Olympic program have a company acting as the project manager responsible for the overall delivery of the site, including in some cases planning and design. As part of the research for this report, Human Rights Watch sent letters to the companies identified as having responsibility for a particular project requesting their response to the allegations documented here.

Human Rights Watch received written responses from five companies. Both Botta Management Group, AG, the project manager for the Central Olympic Stadium, and Engeocom Association, the general contractor for the Central Olympic Stadium, responded. Botta Management Group is a Swiss firm specializing in project development for different types of large-scale and complex construction projects, including for the World Cup and the Olympic Games. Engeocom is a Russian construction firm that identifies itself as a leading construction company in Russia specializing in city transport infrastructure, residential structures, and cultural venues.

Human Rights Watch also received letters from three companies engaged in construction on the Main Media Center and the Accommodations for Media Representatives, a component of the center. Construction Technology Transfer Center "Omega," the project manager for the Main Media Center, is a construction and development firm based in

Krasnodar, Russia, specializing in construction project design and management, financial advising, and other activities. Omega's sole shareholder is the Krasnodar Region's Department of Property. SU-45, a subcontractor on the Main Media Center site, and named by workers as having hired them to work on the Main Media Center, is a Russian company that has been functioning in the Russian market since 2006, and until 2010, it was known as Montazhtransstroj. Little information is available about the company from its website.

The Group of Companies "MonArch," is a subcontractor on the Accommodations for Media Representatives site and described by workers as having hired them and exploited them, as described in this report. MonArch is a group of 16 companies founded in Russia in 1994 that do business in construction, development, property management, and production of construction materials, specializing in large residential buildings. According to its website, the company is one of the largest construction companies in Moscow.

Human Rights Watch did not receive written responses from the six other companies contacted regarding concerns raised in this report. None of the companies responsible for construction on the Main Olympic Village responded, including Austrian construction company STRABAG SE, the general contractor for the site. STRABAG, SE is one of Europe's leading construction companies and one of the most prominent foreign companies in the Russian construction market.

The Role of the International Olympic Committee

The International Olympic Committee (IOC) is the supreme body responsible for leading the Olympic movement and promoting the philosophy of Olympism throughout the world. The spirit of Olympism includes placing "sport at the service of the harmonious development of humankind, with a view to promoting a peaceful society concerned with the preservation of human dignity." The IOC has not always seen a clear role for itself in human rights protection in the context of the Olympic Games, as evidenced by, for example, the Chinese government's imprisonment of human rights activists, internet censorship, extensive forced evictions, and abuses against migrant workers engaged on Olympic venues and other sites in advance of the 2008 Summer Olympic Games in Beijing. However, since 2009, the IOC has taken its responsibility to preserve human dignity to include a commitment to intervening at the level of the Olympic Games Organizing Committee in the event of serious abuse, including against those displaced due to Olympic

venue construction; abuses against migrant workers at Olympic venue construction sites; child labor; and improper restrictions on the media's freedom to cover the Games.

Human Rights Watch repeatedly approached the IOC regarding a number of human rights abuses in Sochi, including abuses against migrant workers. The IOC shared, in at least some cases, this information with the Sochi 2014 Organizing Committee authorities. With respect to the allegations detailed in this report, the IOC responded by citing the information provided to Human Rights Watch by Olympstroy. The IOC also stated that it had contacted the Sochi 2014 Organizing Committee to obtain further details and was seeking more information regarding the different cases concerning abuses against migrant workers in Sochi shared by Human Rights Watch.

Yet, as this report went to press, the IOC had yet to comprehensively address human rights concerns in Sochi, for example by establishing a standing committee on human rights or a similar mechanism to monitor human rights in host countries. The IOC has also failed to use its highly publicized coordination commission visits to Sochi to oversee the progress of Olympic construction and other preparations to publicly state clear expectations for protection of the rights of workers, including migrant workers, as well as other human rights protections.

Recommendations

To the Russian Government

- Rigorously investigate and prosecute employers who confiscate passports, deny workers legal employment contracts, withhold wages, force employees to work long hours without overtime pay, deny days off, or commit other violations of Russian law.
- Establish and enforce minimum standards for company-provided housing and food for migrant construction workers to ensure that workers who live in employer-provided housing are guaranteed adequate shelter and sufficient quality and variety of food necessary for long hours of hard physical labor.
- Remove remaining obstacles for migrant workers to quickly and easily regularize their stay in Russia.
- Upon identification of falsified residency registration or work permit documents in a migrant worker's possession, the police or the Federal Migration Service should notify the prosecutor's office, who should undertake an investigation to identify and prosecute those responsible for issuing false documents.
- Establish accessible, effective complaint mechanisms, and rigorously investigate complaints of abuse made by migrant workers, irrespective of a migrant worker's contractual status or migration status.
- Improve the capacity of the Russian Work and Employment Service "Rostrud" inspectors to investigate labor law violations by:
 - Ensuring a sufficient number of inspectors responsible for monitoring private sector labor practices so that there are enough qualified inspectors to ensure private sector compliance with labor law;
 - Ensuring that worker interviews are part of routine inspections and hiring inspectors or interpreters who speak the languages most commonly spoken by migrant workers;
 - Increasing the number of routine periodic spot inspections;
 - Instructing inspectors to check, as part of routine inspections, whether workers hold their passports and a copy of their employment contract, as required by labor law;

- Expanding the authority of Rostrud to fully investigate complaints of any labor law violations, including wage violations, even in cases in which there is no employment contract;
- Ensuring that Rostrud has sufficient staff trained in addressing the complaints of migrant workers, including in cases when there is no employment contract;
- Establishing a separate department in Rostrud to work closely with the Federal Migration Service to address the specific complaints and circumstances of migrant workers.
- Train prosecutors to more rigorously investigate complaints made by migrant workers, including criminal as well as labor claims. Emphasize that all labor claims should be pursued, even in the absence of written labor contracts, and encourage pursuit of evidence other than written labor contracts to demonstrate employment relations.
- Train judges to consider all cases of alleged violations of the rights of migrant workers, even those in which workers do not have employment contracts, to demonstrate formal work relations, including by emphasizing the possibility that other evidence may be sufficient to prove employment relations.
- Cooperate with countries from which migrant workers come to work in Russia to facilitate prosecutions and investigations of abusive employers in Russia, including by facilitating the participation in the investigation of complaints, and any legal proceedings, of victims who have already returned home.
- Take immediate action to inform and educate migrant construction workers arriving in Russia of their rights under Russian law.
- Conduct information and rights awareness campaigns as part of the work permit application process for arriving migrant workers at train stations, airports, and other locations.
- Consider organizing these campaigns in conjunction with employers, NGOs, diaspora groups, and embassies of governments whose citizens work in Russia.
- As part of rights awareness training, ensure that migrant workers are aware of the complaint mechanisms available to them and the location and contact information of relevant offices.
- To the greatest extent possible, written materials should be available in the languages of the migrant workers, as well as in Russian.

- Ratify the European Social Charter, which Russia has already signed, and sign and ratify the following international treaties relevant to protection of migrant workers and in all cases comply with treaty body reporting requirements and recommendations:
 - The International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families;
 - The Optional Protocol to the International Covenant on Economic, Social and Cultural Rights;
 - The European Convention on the Legal Status of Migrant Workers;
 - The Council of Europe Convention on Action against Trafficking in Human Beings.
- Implement the recommendations of the concluding observations by the Committee on the Elimination of Racial Discrimination published in August 2008 following its review of Russia concerning non-citizen and ethnic minority workers, including providing effective remedies for victims and training judges and labor inspectors on the application of articles 2 and 3 of the labor code.
- Issue a standing invitation to the UN special rapporteurs on the human rights of migrants and on trafficking in persons to conduct country visits.
- Comply fully with Resolution 1509 (2006) of the Parliamentary Assembly of the Council of Europe, “Human rights of irregular migrants,” and issue statements at the highest level reaffirming the need to observe the rights of irregular migrants.

To Construction and Other Companies Engaged in Projects in Sochi

- Develop and implement human rights policies to ensure the protection of workers.
- Undertake due diligence to ensure that potential or existing human rights problems are identified and addressed.
- Strictly prohibit the retention of workers’ passports or other identity documents, including by subcontractors, and ensure that safe storage facilities where they can access such documents are made available.
- Ensure that all workers receive and sign enforceable employment contracts in a language that they understand. Ensure on-time payment in full of workers’ wages from the first month of their employment, paid into bank accounts on a no-less-than monthly basis.

- When accommodation is provided as a component of compensation, ensure adequate and sanitary housing facilities for all.
- Inform workers of their rights under Russian law in languages that they understand, including rights to overtime rates, a minimum number of days off and holidays, health and safety information, and medical care.
- Hire reputable independent monitors to monitor conditions of all workers employed by contractors and subcontractors on company projects. Publish annual independent monitoring reports that include remedial measures taken or planned. Remedial measures should include not only restitution but damage payments to workers to discourage future violations.
- Publicly pledge to respect workers' rights to freedom of association and collective bargaining. Ban employer interference in union activity and conduct designed to impede or prevent non-citizens from exercising their right to organize.

To the International Olympic Committee

- State publicly, including during Coordination Commission visits to Sochi and to other Olympic Games host cities, that human dignity and the rights of workers should be protected at all venues and sites built in relation to the Olympic Games.
- Establish a standing committee on human rights or similar mechanism to monitor human rights in host countries, which will
 - Be authorized to help set and apply human rights benchmarks for potential Olympic hosts. These standards would be included in the IOC Model Candidature for Olympic host countries;
 - Be empowered to monitor the host country's adherence to specific human rights benchmarks;
 - Serve a vital function as a liaison between the IOC and rights organizations or individuals on human rights issues;
 - As part of this standing committee, the IOC should establish an independent commission to investigate and report on labor-related abuses relating to Olympics venues, infrastructure, and related projects.
 - This commission should fully disclose information, including statistics on all labor disputes, workplace injuries, and deaths on construction sites for Olympic venues.

- Require, as part of the bid city documentation, detailed policies and procedures that the host city will implement to ensure that human rights violations, including abuses against migrant workers, do not take place in the preparations for, during, or in the immediate period after the Olympic Games. The policies and procedures should include specific information about complaint mechanisms, monitoring mechanisms, and oversight and investigations into allegations.
- Amend the host city contract to require detailed policies and procedures that the host city will implement to ensure that human rights violations, including abuses against migrant workers, do not take place in the preparations for, during, or in the immediate period after the Olympic Games. These policies and procedures should include specific information about complaint mechanisms, monitoring mechanisms, and oversight and investigations into allegations.
- Ensure that future host city contracts be made public.
- Incorporate human rights benchmarks and inspections into regular IOC inspection visits (as, for example, is currently done for environmental assessments).
- Ensure that media and civil society activists in the host country can report on migrant labor and other human rights violations arising in the context of the preparations for and during the Olympic Games.

Methodology

Human Rights Watch began researching the situation of migrant workers engaged on construction projects related to the 2014 Winter Olympics in 2009. From March 2009 through December 2012, Human Rights Watch undertook periodic visits to Sochi to interview migrant workers and document other types of human rights abuses not included in this report.

This report is based on in-depth interviews with 66 migrant workers who are employed in construction or who had previously been employed in construction in Sochi. All in-person interviews took place in Sochi. Human Rights Watch also undertook a handful of phone interviews. Human Rights Watch interviewed migrant workers from Armenia, Kyrgyzstan, Serbia, Tajikistan, Ukraine, and Uzbekistan, as well as a few internal migrant workers from Russia.

The majority of interviews were conducted in private. A small percentage of the interviews were conducted in groups. Interviews were conducted by a team of Human Rights Watch researchers and a consultant. Most interviews were conducted in Russian. One of the researchers and the consultant are native speakers of Russian, and the second researcher is fluent in Russian. Some interviews of migrant workers from Uzbekistan and Kyrgyzstan were conducted in the relevant languages by a consultant who is a fluent speaker of Uzbek and Kyrgyz.

In a few cases, Human Rights Watch identified migrant workers through the help of local activists or others in Sochi who knew of migrant workers who faced difficulties in their employment. In most cases, Human Rights Watch researchers approached migrant workers directly and requested an interview.

Before being interviewed, interviewees were told of the purpose of the interview, informed what kinds of issues would be covered, and asked if they wanted to proceed. No incentives were offered or provided to persons interviewed.

In some cases, migrant workers refused to speak to Human Rights Watch out of fear of repercussions for speaking about the abuses they have faced. In almost all cases, we have changed the names of interviewees to protect their safety. In a few cases, interviewees requested that their full name be used, and we have respected these requests.

In most cases, workers identified the company for which they worked and the building that they were engaged in constructing. Human Rights Watch interviewed workers employed on five sites that fall within the program for construction of venues and infrastructure for the 2014 Winter Games: the Central Olympic Stadium, the Main Olympic Village; the Main Media Center; an immense hotel formally known as the Three-Star Complex of Buildings and Structures to Accommodate Media Representatives (referred to in this report as the Accommodations for Media Representatives); and the “Zolotoi Kolos” health resort.

In these cases, workers often felt safer from potential repercussions from their employers because they had already left the job and were engaged in other employment or were soon going to be completing their work on that site and with that employer. Human Rights Watch also interviewed workers engaged on other sites but who requested that Human Rights Watch not name their employers and the sites they worked on, out of fear of possible retaliation.

Human Rights Watch sent letters to a number of private actors who are responsible for the treatment of workers on the Olympic venue sites identified in this report requesting their response to our findings. These included the International Olympic Committee (IOC) and the State Corporation Olympstroy, as well as private companies serving variously as project managers, general contractors, and subcontractors on various Olympic venue sites. Background information on these companies as well as the responses received by five of the companies—Botta Management Group, Engeocom Association, Construction Technology Transfer Center “Omega,” SU-45, and the Group of Companies “MonArch”—are described in this report. We did not receive responses from the six other companies contacted regarding concerns raised in this report.

In addition, Human Rights Watch representatives met with IOC staff in Lausanne, Switzerland to discuss treatment of migrant workers and other human rights issues in Sochi in March 2009 and February 2012, and with Olympstroy officials in Moscow in June 2010 and July 2011.

In a 2009 report, “Are You Happy to Cheat Us? Exploitation of Migrant Construction Workers in Russia,” Human Rights Watch documented many of these same abuses in other parts of Russia, including Moscow, the Moscow Region, St. Petersburg, and Ekaterinburg. Human Rights Watch has urged reform of government policies and practices that enable workers’ rights abuses in Russia and has likewise called on private actors to ensure that they uphold and respect workers’ rights.

I. Background

After a highly competitive bidding process, on July 4, 2007, the International Olympic Committee selected Sochi to be the host city for the 22nd Winter Olympic Games in 2014.¹ Located in southern Russia on the Black Sea coast, Sochi is a popular summer resort destination for Russian travelers. The Caucasus Mountains rise steeply to the north of Sochi and are home to several ski resorts. Hosting the Olympic Games in Sochi has required large-scale construction, possibly on a scale larger than previously seen in any Olympics² or in Russia.³ Dmitri Chernyshenko, president of the Sochi 2014 Organizing Committee, stated in October 2012 that work on Olympic sites was ongoing 24 hours a day, seven days a week, with workers on the sites working in three [eight hour] shifts.⁴

According to Russian Deputy Prime Minister Dmitry Kozak, tasked with overseeing preparations for the 2014 Winter Olympics, 400 venues will be constructed for the Games.⁵ The official Olympic program includes more than 230 construction projects involving sports venues, hotels, roads, transportation infrastructure, energy plants, and other facilities.⁶

The Olympic sports venues are divided into two groups: the “coastal cluster,” built along the Black Sea in the Imeritinskaya lowlands in the Adler section of Sochi, will be home to the Central Olympic Stadium, also known as the Fisht Stadium, which will host the opening and closing ceremonies, as well as five ice arenas, the Main Media Center, and numerous

¹ “Russia Wins 2014 Olympic Games,” *New York Times*, July 5, 2007, <http://www.nytimes.com/2007/07/05/sports/05iht-OLY.1.6507274.html> (accessed July 2, 2012).

² Galina Masterova, “Sochi: An Olympic makeover,” *Russia Beyond the Headlines*, February 23, 2010, http://rbth.ru/articles/2010/02/23/230210_olympic.html (accessed July 16, 2012), and Jim Caple, “With London Around the Corner, Sochi Building Its Dream Project,” *ESPN*, July 16, 2012, http://espn.go.com/blog/olympics/post/_id/2850/with-london-around-corner-sochi-building-its-dream-project (accessed August 9, 2012).

³ The president of the Sochi 2014 Organizing Committee has called the 2014 Olympics preparations “the largest [construction] project in Russia’s history.” Ruslan Aliev, “Sochi has Surpassed St. Petersburg,” [Сочи превзошел Санкт-Петербург], *Gazeta.ru*, October 6, 2012, http://www.gazeta.ru/sport/2012/10/06/a_4803493.shtml (accessed October 24, 2012).

⁴ *Ibid.*

⁵ “Sochi 2014 Proceeding At Impressive Pace - IOC Commission,” *Gamebids.com*, January 16, 2012, http://www.gamesbids.com/eng/olympic_bids/1216136041.html (accessed July 9, 2012).

⁶ Program of Olympics Venues Construction and Development of Sochi City as a Mountain Climatic Resort, *Russian Federal Government*, approved by decree December 29, 2007, with amendments, http://www.scos.ru/common/upload/ENG/Programm_eng_revised.pdf (accessed October 24, 2012). Olympstroy has numerous public and private partners including national economic ministries and major joint-stock companies. A full list of partners can be found at: http://www.scos.ru/en/about/our_partners/interaction_and_coordination/index.php#3.

hotels and other infrastructure.⁷ The “mountain cluster” will host the alpine, skiing and snowboarding, sliding, and Nordic events, and will also be home to a smaller media center and other facilities.⁸ Each cluster will contain an Olympic Village, with the Main Olympic Village in the coastal cluster.⁹ Preparations also include numerous non-transportation and transportation infrastructure projects, such as a 48-kilometer combined road and rail link between the coastal and mountain clusters.¹⁰

According to the official Sochi 2014 website, Russia had “earmarked over US\$30 billion for the construction of sports facilities and infrastructure in Sochi”¹¹ through a combination of public and private financing.¹²

The Olympic preparations have not been without controversy. Olympic construction projects have suffered cost overruns and delays,¹³ and in May 2012 Russian President Vladimir Putin warned construction companies operating in Sochi against inflating prices and lagging behind schedule.¹⁴ In June 2012, Ministry of Interior investigators opened two criminal cases into allegations of attempted embezzlement of public funds through artificial inflation of projected construction costs, allegedly totaling up to 17.7 billion

⁷ “Fisht Olympic Stadium,” *Sochi2014.com*, http://sochi2014.com/en/objects/sea/central_stadium/, and “Coastal Cluster,” *Sochi2014.com*, <http://sochi2014.com/en/objects/sea/> (both accessed July 5, 2012).

⁸ “Mountain Cluster,” *Sochi2014.com*, <http://sochi2014.com/en/objects/mountain/>, and “Laura Cross-Country Ski & Biathlon Center,” *Sochi2014.com*, <http://sochi2014.com/en/objects/mountain/ski/> (both accessed July 5, 2012).

⁹ “Venues: Interactive map,” *Sochi2014.com*, <http://www.sochi2014.com/en/objects/> (accessed July 16, 2012). There will be a third Olympic Village near the mountain cluster. “Three Olympic Villages with space for 6,700 people are being brought to Sochi,” [Три олимпийские деревни на 6,700 мест возводят в Сочи], *Administration of Sochi*, August 7, 2012, http://www.sochiadm.ru/press_office/news/detail.php?ID=8329 (accessed October 2, 2012).

¹⁰ See: “Rail,” *Sochi2014.com*, <http://sochi2014.com/en/legacy/infrastructure/transport/railway/>; “Air,” *Sochi2014.com*, <http://sochi2014.com/en/legacy/infrastructure/transport/avia/>; and “Auto,” *Sochi2014.com*, <http://sochi2014.com/en/legacy/infrastructure/transport/auto/> (accessed February 19, 2012).

¹¹ “Dmitry Medvedev promises modern infrastructure for Olympic host city residents,” *Sochi2014.ru*, January 4, 2011, <http://www.sochi2014.com/en/sochi-live/news/38367/> (accessed July 5, 2012).

¹² Program of Olympics Venues Construction and Development of Sochi City as a Mountain Climatic Resort, *Russian Federal Government*, approved by decree December 29, 2007, with amendments, http://www.scos.ru/common/upload/ENG/Programm_eng_revised.pdf, pp. 4-7. According to media reports, the combined public and private financing of venues has led “to an apparent lack of cohesion and organization at the many different construction sites.” Justin Davis, “Russians insist Sochi Olympic venues on track,” *Agence France-Presse*, February 14, 2012, <http://www.google.com/hostednews/afp/article/ALeqM5jD52d-Pkilyzaa7EkhBWFrfUfuNw?docId=CNG.1b7cob5abee48c6a1dfe4025be09a1d9.2b1> (accessed February 19, 2012).

¹³ A report released by the Regional Development Ministry, which oversees Olympstroy, revealed that the company’s budget has more than doubled from 143.6 billion rubles (US\$4.9 billion) to 304 billion rubles (\$10.8 billion). Courtney Weaver, “Russia’s dreams of Olympic glory gets more expensive,” *Financial Times*, August 12, 2011, <http://blogs.ft.com/beyond-brics/2011/08/12/russias-dreams-of-olympic-glory-gets-more-expensive/#axzz1mr8rU7xV> (accessed July 5, 2012).

¹⁴ “Putin Warns Sochi Builders,” *The Moscow Times*, May 12, 2012, http://www.themoscowtimes.com/business_in_brief/article/putin-warns-sochi-builders/458375.html#ixzz1zVEsGblo (accessed July 2, 2012).

rubles (US\$5.6 million). The allegations concern four Olympic venues, including the Central Olympic Stadium, the large hockey stadium, the ice arena for figure skating and short track speed skating, and the bobsled track.¹⁵ Charges of fraud had already been brought against six senior members of Olympstroy in 2010, leading to the resignation of Olympstroy's director, Taimuraz Bolloyev.¹⁶ In 2010, the Russian Federal Accounts Chamber, the body responsible for oversight of public spending, recommended that national budget reporting on Olympics-related spending be made more transparent.¹⁷

The Accounts Chamber, as well as the United Nations Environmental Program and environmental activists, have raised concerns about the impact of Olympic construction on the local environment.¹⁸ Russian officials claim they are taking all relevant measures to protect the environment and deliver a "green" Olympics.¹⁹ Environmental issues, property concerns, and other issues have led to peaceful protests by Sochi residents, some of which have been met with interference by local authorities.²⁰

There have been wide-ranging estimates of the number of workers needed to realize the large-scale Olympic construction in Sochi. For many years Russia has been home to millions of migrant workers, approximately 40 percent of whom work in the highly unregulated construction sector.²¹ Some 80 percent of all foreigners seeking to work in

¹⁵ Aleksandra Ermakova, "Olympic Construction Sites Received First Criminal Cases [Олимпийские стройки получили первые уголовные дела]," *Izvestia*, August 9, 2012, <http://izvestia.ru/news/532535> (accessed August 9, 2012).

¹⁶ Jacqueline Magnay, "Sochi Winter Olympics construction arm hit by resignation amid more claims of financial impropriety," *The Telegraph*, February 1, 2011, <http://www.telegraph.co.uk/sport/other sports/winter-olympics/8297158/Sochi-Winter-Olympics-construction-arm-hit-by-resignation-amid-more-claims-of-financial-impropriety.html> (accessed February 19, 2012).

¹⁷ Courtney Weaver, "Russia's dreams of Olympic glory gets more expensive," *The Financial Times*, August 12, 2011, <http://blogs.ft.com/beyond-brics/2011/08/12/russias-dreams-of-olympic-glory-gets-more-expensive/#axzz1mr8rU7xV> (accessed July 5, 2012).

¹⁸ United Nations Environmental Program, "Restoration of Rivers and Enlargement of National Park among UNEP-Proposed Measures for Green 2014 Winter Olympics," *UNEP Press Release*, July 12, 2012, <http://www.unep.org/Documents.Multilingual/Default.asp?DocumentID=2691&ArticleID=9225&l=en?> (accessed July 12, 2012); "UN Criticises Russia over Sochi Winter Olympics construction," *The Guardian*, March 15, 2010, <http://www.guardian.co.uk/world/2010/mar/15/russia-sochi-olympics-un-report/> (accessed July 12, 2012); "The Accounts Chamber has Reviewed the Use of State Resources for the Olympic Games," *Accounts Chamber of the Russian Federation*, December 30, 2008, <http://www.ach.gov.ru/ru/news/archive/20081230-2/> (accessed July 5, 2012); and "In Sochi, ecologists state discharge of harmful substances into Mzymta River," *Caucasian Knot*, November 19, 2011, <http://www.eng.kavkaz-uzel.ru/articles/19055/> (accessed July 12, 2012).

¹⁹ "Green Standards' in Construction Key to a Truly Green and Inspirational Sochi 2014," *Sochi2014.ru*, March 4, 2009, <http://www.sochi2014.com/en/sochi-live/press-center/36728/> (accessed July 12, 2012).

²⁰ Svetlana Kravchenko, "Sochi residents rally demanding to stop Olympic construction," April 27, 2012, <http://www.eng.kavkaz-uzel.ru/articles/20868/> (accessed July 12, 2012).

²¹ The World Bank estimates that Russia hosts approximately 12.3 million migrant workers. "World Bank Migration and Remittances Factbook 2011," *World Bank*, April 2011, <http://data.worldbank.org/data-catalog/migration-and-remittances>

Russia come from nine countries of the former Soviet Union with which Russia maintains a visa-free regime.²² In Sochi, according to Russia's Federal Migration service, there were 70,000 workers engaged in Olympic construction, 16,000 of them from other countries.²³ Federal Migration Service officials had earlier estimated that upwards of 200,000 foreign workers would be employed in Sochi by 2012.²⁴

(accessed July 12, 2012). The Russian Federal Statistics Service reports that in 2010 there were 1,640,801 registered migrant workers. "15.8: The number of foreign citizens who were working in the constituent entities of the Russian Federation, measured by economic activity in 2010," *Federal State Statistics Service*, 2011, http://www.gks.ru/bgd/regl/b11_36/lssWWW.exe/Stg/d1/05-18.htm (accessed July 10, 2012). Federal Migration Service Director Konstantin Romodanovsky has estimated that there are 5.2 million migrants in Russia, 4.5 of whom million are working. Evgenia Dyleva, "Russia can benefit from migrants," *Rosblat*, October 30, 2009, <http://www.rosbalt.ru/main/2009/10/30/684822.html> (accessed July 12, 2012).

²² The countries are: Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan, Ukraine, and Uzbekistan. "International Migration" [Международная миграция], *Federal Service on Government Statistics*, http://www.gks.ru/bgd/regl/bo8_11/lssWWW.exe/Stg/do1/05-09.htm (accessed September 25, 2008).

²³ "EU Afraid of Switching to Visa-Free Travel by Sochi Games, Russia Beyond the Headlines, January 21, 2013, http://rbth.ru/news/2013/01/21/eu_afraid_of_switching_to_visa-free_travel_by_sochi_games_-_federal_migr_22056.html In June 2012, Olympstroy officials stated that there were approximately 61,000 workers involved in the Olympic construction, approximately 11,000 of whom were migrant workers. Human Rights Watch interview with Victor Pryadein, vice president, Olympstroy, and other Olympstroy officials, Moscow, July 10, 2012.

²⁴ "Olympic Construction Will Bring 200 Thousand Foreigners" [На олимпийскую стройку привлекут 200 тысяч иностранцев], June 17, 2009, <http://realty.lenta.ru/news/2009/06/17/olimp/> (accessed August 9, 2012).

II. Abuses against Migrant Workers

Human Rights Watch's research in Sochi found multiple examples of abuse and exploitation of migrant workers working on a number of different sites in Sochi, including five sites that fall within the Olympic program. Human Rights Watch has found that workers on these sites have been subjected to a range of abuses, including: non-payment of wages or excessive delays in payment of wages; illegal deductions in wages; withholding of identity documents, such as passports and work permits; non-provision of employment contracts or failure to respect terms of a contract; excessive working hours and working extra hours without payment of overtime; few days off and no paid days off; and overcrowded employer-provided housing and inadequate employer-provided meals. In addition, in several cases documented by Human Rights Watch, employers retaliated against migrant workers who protested against abuses by denouncing them to the authorities, resulting in the workers' expulsion from Russia.

Media reports indicate that abuses against migrant workers may have started as early as 2008, when construction on Olympic sites was in its initial stages.²⁵ Since then, there have been periodic media reports of abuses against migrant workers, including non-payment of wages, wage deductions for fake expenses, excessively long work hours, physical and psychological abuse, and unsafe working conditions.²⁶

Wage-Related Abuses

Nearly all workers interviewed by Human Rights Watch in Sochi worked in low-wage, low-skill jobs such as odd-jobs workers, carpenters, welders, or steel fitters. They reported earning typically between 55 and 80 rubles (US\$1.80 to \$2.60) per hour, for an average salary of between 14,000 and 19,200 rubles (\$455 to \$605) per month. Workers stated that some employers failed to pay full wages or failed to pay some workers at all. Some workers worked for up to six months without pay, hoping to be paid and reluctant to leave, thereby forfeiting several months' salary. Workers in these most egregious situations ultimately did

²⁵ Sima Ayvazyan, "Gastarbeiters of Olympic Sochi," *BBCRussian.com*, September 19, 2008, http://news.bbc.co.uk/hi/russian/russia/newsid_7624000/7624712.stm (accessed July 12, 2012).

²⁶ See for example, "Moldovan Lumberjacks Tricked at the Olympic Construction Sites in Sochi," *Lenta.ru*, March 27, 2010, <http://lenta.ru/news/2010/03/27/sochi/> (accessed July 12, 2012), and Maria Antonova, "Sochi Workers Unpaid for Months," *Moscow Times*, March 15, 2010, <http://www.themoscowtimes.com/news/article/sochi-olympic-workers-unpaid-for-months/401622.html> (accessed August 9, 2012).

leave these abusive employers, concluding that they might never be paid. Numerous workers also described a practice of withholding the first month's wages, whereby workers received their first payment only after working for two months. This practice allegedly served to coerce workers to remain with the employer, based on an informal understanding that if the worker stays on the job until the employer determines the project complete, the missing month's wages will be paid.

Russian law requires that workers be paid a minimum wage and at least twice per month.²⁷ Under the Russian criminal code it is a crime, punishable by fines as well as a possible prison term, to withhold any portion of wages for over three months or to withhold wages altogether for more than two months.²⁸ The salaries offered to migrant construction workers in Sochi were well above the federal minimum wage of approximately \$150 per month in 2011,²⁹ and slightly below the average wage of construction workers, including skilled and unskilled workers across Russia, of 21,172 rubles (\$700) per month in 2010, according to official statistics.³⁰

Some employers also took deductions from wages for expenses—including food and work documents—incurred on behalf of the worker, although usually the worker is not informed about these deductions in advance. Under Russian law, employers have the right to make salary deductions in certain instances, yet the deductions described by workers on sites in Sochi do not appear consistent with Russian law.³¹ Workers at one site stated that their employer penalized them for missing a day of work by withholding approximately two days' wages, which is also a violation of Russian law.

²⁷ Labor Code of the Russian Federation, art. 136. Federal Law on the Minimum Wage, art. 133.

²⁸ The Criminal Code of the Russian Federation, No. 64, 1996, with amendments, art. 145.

²⁹ The federal minimum wage in 2009 was 4,330 rubles per month (US\$144); in 2011 it was 4,611 rubles (\$151) based on historical exchange rates of January 1, 2009 and January 1, 2011, respectively. The minimum wage for 2013 was raised to 5205 rubles (\$170) per month. Federal law of June 24, 2008, No. 91, on changes to article 1 of the federal law on the minimum wage; Federal law of June 1, 2011, No. 106, on changes to article 1 of the federal law on the minimum wage; Federal law of December 3, 2012, No. 232, on changes to article 1 of the federal law on the minimum wage; and Federal law of June 19, 2000, No. 82, on the minimum wage.

³⁰ "Average Monthly Wages, by Economic Sector, 1995-2010," *State Statistics Service of the Russian Federation*, <http://www.gks.ru/wps/wcm/connect/rosstat/rosstatsite/main/population/wages/#> (accessed January 20, 2013).

³¹ Labor Code of the Russian Federation, arts. 137-138. Deductions can be made only in relation to advance payments to a worker which have not been worked off or utilized (such as relocation expenses, or cash advance for business expenses) or in the case of excessive payments.

Non-Payment of Wages

Workers on the Olympic Media Center Site

Human Rights Watch interviewed four workers from three different brigades working on the Main Media Center who received almost no wages or a fraction of the wages promised to them. For example, when Omurbek, from Uzbekistan, agreed to work for SU-45, a subcontractor for the Main Media Center, an SU-45 representative promised him 24,000 rubles (\$770) per month in an oral agreement. However, for the more than two months he worked on the site, from December 2011 to February 2012, the company never paid Omurbek the wages promised to him. Instead, according to Omurbek, “The employer occasionally gave us small amounts: 200 rubles or 500 rubles [\$6, \$15], one time 1,400 rubles [\$42], for cigarettes, the phone, incidental things.”³² Eventually, he and the other workers were pressured to leave their jobs. “I worked for almost three months, others worked for five months, for nothing. Nothing but promises, promises from them,” he told Human Rights Watch.³³

Another worker, Abdulatif, who worked from October 2011 to March 2012 on the Main Media Center site stated that he was promised 24,000 rubles (\$770) per month based on an oral contract with SU-45. For the first three months, Abdulatif received regular wages, although with an illegal deduction of one month.³⁴ However, from January through mid-March 2012, he received no wages, and quit. Yunus, another worker working in the same brigade, started work on the site in December 2011. When Human Rights Watch met him in mid-April 2012, he said, “I have no written contract. I got paid only in February: 2,400 rubles [\$77] for December. I wasn’t paid after that. I worked for 70 full days without pay. We worked from 8 a.m. to 8 p.m. with no days off.”³⁵ Yunus quit without recovering the wages owed to him.³⁶

Ruziboi Aliev, 48, a father of four from Tajikistan, worked in a different brigade also for SU-45 on the Main Media Center site for nearly four months from October 2011 to February 2012. Aliev had a written contract with his employer, which indicated that he would be paid 18,500 rubles (\$560) per month as well as additional payments based on the volume

³² Human Rights Watch interview with Omurbek, Sochi, April 19, 2012.

³³ Ibid.

³⁴ Human Rights Watch interview with Abdulatif, Sochi, April 19, 2012.

³⁵ Human Rights Watch interview with Yunus, Sochi, April 19, 2012.

³⁶ Ibid.

of work in performing different tasks. The contract also specified that he would receive free food, housing, and personal protective equipment required for his work.³⁷

However, after one month of work, in November, the employer paid Aliev only 9,500 rubles (\$304). By the end of December, Aliev received nothing for his full-time work in November and December. The other 24 workers in the work brigade with Aliev were similarly paid only a fraction of the wages owed to them for those two months, and, according to Aliev, 18 of them quit. Aliev received 35,500 rubles (\$1,140) in early February 2012. According to Aliev, “They paid us, but it did not reflect anything close to the work we actually did.”³⁸ Aliev and the other remaining workers in his work brigade quit a few days later.

Soon after, Aliev and the other workers approached the Sochi office of Civic Assistance, a Russian non-profit organization that provides assistance to migrant workers, in hopes of recouping some of the wages owed to them. A member of the organization called the management of the company Aliev worked for and raised concerns about the company’s failure to pay the workers. In March, the company issued an additional 8,800 rubles (\$280) to Aliev and to each of the eight other men in his brigade, a fraction of the overall amount owed to the men. Aliev estimates that in total, his employer cheated him out of 85,200 rubles (\$2,635) between the non-payment of wages, including for work performed by volume and not detailed here, and the deductions from the payments he did receive.³⁹ The organization helped Aliev and one other worker from the brigade, Shakarbek Yunusov, file complaints with the Russian labor inspectorate on March 27, 2012, asking the authorities to conduct an inspection.

In response to the complaint, on October 3, 2012, the Federal Work and Employment Service (Rostrud) forwarded an April 23, 2012 response to the complaint from the Moscow municipal labor inspectorate. The letter stated that its inspectors had conducted an inspection of SU-45 on April 2, 2012 and, based on a review of the company’s documents, concluded that the workers had been paid their full salary of 18,500 rubles on time, in accordance with their employment contracts, for November and December 2011 and January 2012, and that housing in a dormitory, food, and specialized clothing and footwear

³⁷ Human Rights Watch interview with Ruziboi Aliev, Sochi, April 19, 2012.

³⁸ Ibid.

³⁹ Ibid.

had been provided by SU-45. The letter also stated that it was not possible to confirm any other violations without further documentation.⁴⁰ The inspectors did not interview Aliev or Yunusov as part of their investigation into their complaint, nor are they aware whether inspectors conducted any other interviews, for example with other workers employed at the same time, in an effort to document additional potential violations.

Two workers from Uzbekistan who worked for SU-45 on the Main Media center site from November 2011 to February 2012 filed complaints with the help of the Sochi office of Civic Assistance to the Krasnodar Region prosecutor's office regarding non-payment of wages and illegal dismissal in July and August 2012. The Krasnodar Region prosecutor forwarded the complaint to the Sochi prosecutor's office, which did not respond. In December 2012, Civic Assistance appealed to the general prosecutor's office, which sent the complaint back to the Krasnodar Region prosecutor's office. As this report went to press, the workers had not received a substantive response to their complaint.⁴¹

In response to an October letter from Human Rights Watch regarding allegations of non-payment of wages by SU-45 documented by Human Rights Watch, SU-45 responded, "Wages are paid on time and monthly, as specified in employment contracts and hire orders consistent with the work hours, which are recorded in a table recording work time...."⁴²

Workers on the Accommodations for Media Representatives Site

Human Rights Watch interviewed three workers on the Accommodations for Media Representatives site, known officially as the Three-Star Complex of Buildings and Structures to Accommodate Media Representatives, who stated that they worked for MonArch, a subcontractor on the site. The workers arrived in Sochi in March 2012 from their home near the Carpathian Mountains, together with 13 other workers from Ukraine. According to two of the workers, Maxim, 30, and Yaroslav, 32, an intermediary had promised them \$1,500 per month as well as free accommodation and food doing interior finishing work, for which they were qualified. However, on their first day, the men were told that the only work available was heavy work for unskilled laborers.⁴³

⁴⁰ A copy of the complaint and the response from the Moscow City Labor Inspectorate and the Federal Labor and Employment Service (Rostrud) are on file with Human Rights Watch.

⁴¹ Copies of the complaints are on file with Human Rights Watch.

⁴² Letter from B.M. Lelenko, general director, SU-45, to Human Rights Watch, November 7, 2012.

⁴³ Human Rights Watch interviews with Maxim, and with Yaroslav, Sochi, April 18, 2012.

The workers did not receive employment contracts. They worked without days off, and for several months they were not paid. The foreman of the group, Viktor, stated that their employer repeatedly promised to pay them, and so they continued to work. “We will work until tomorrow and then see,” he told Human Rights Watch in April 2012. “Each day, we will work until tomorrow, hoping to be paid.”⁴⁴ After more than two months of work, each of the workers received only around \$420, a fraction of what they had been promised. All except Maxim returned home in May. In an interview in early June 2012, Maxim stated that he had received an additional 7,000 rubles (\$225) and would remain on the site, hoping to be paid in full, but planning to return home as soon as his work permit expired.⁴⁵

Human Rights Watch sent a letter to MonArch in November 2012 with questions regarding these allegations. In a December 2012 letter to Human Rights Watch, the general director of MonArch stated that for the company, “its employees are the primary and most valued resource.”⁴⁶ In response to the specific human rights concerns raised by Human Rights Watch, MonArch stated that the company has “strict rules about the hiring ... of workers,” and that it “does not use the services of intermediaries for hiring employees.”⁴⁷ With respect to wages and contracts, the letter states that “the median [monthly] salary for qualified workers is 50,000 rubles [\$1,630]” and that salaries are paid based on the wages set forth in the employment contract and in accordance with Russian law into workers’ bank accounts.⁴⁸ The letter also states that the company “never confiscates workers’ personal identity documents” and that all workers receive employment contracts.⁴⁹ Finally, the letter notes that the company takes “all necessary measures for the protection of the life and health of its workers” and provides workers with “uniforms, personal protective equipment, hot meals, and accommodation.”⁵⁰

The letter also suggests that the workers may have been hired by a subcontractor to MonArch, Investing Construction Company, linking the workers to a woman who provided accommodations to them in her private hotel and complained about the lack of payment

⁴⁴ Human Rights Watch interview with Viktor, Sochi, April 18, 2012.

⁴⁵ Human Rights Watch interview with Maxim, Sochi, June 5, 2012.

⁴⁶ Letter from S.A. Ambartsumyan, general director, Group of Companies “MonArch,” to Human Rights Watch, December 10, 2012.

⁴⁷ Ibid.

⁴⁸ Ibid.

⁴⁹ Ibid.

⁵⁰ Ibid.

for the accommodations allegedly because MonArch had failed to pay Investing Construction Company, who in turn could not pay its workers.⁵¹ Workers interviewed by Human Rights Watch did not indicate that they worked for Investing Construction Company.⁵² According to the December 2012 letter from MonArch, MonArch “does not take responsibility for monitoring subcontractors’ adherence to existing laws, including with regard to payment of wages,” and that “while we [MonArch’s management] take all possible measures to guarantee respect for workers’ rights, we cannot take responsibility for [respect for rights by] other organizations.”⁵³

Workers Employed by Novii Gorod

Eight workers employed by Novii Gorod on sites in Sochi in 2010 and interviewed by Human Rights Watch stated that beginning approximately in early 2010, the company stopped paying them regular wages, and in some cases did not pay workers at all. According to one worker, Kayrat, who worked for Novii Gorod from February to October 2010, “They started to delay our wages 15 to 20 days, then for more than a month, and then for several months.”⁵⁴ Two workers from Uzbekistan, both interviewed in October 2010, also reported serious wage problems. One worker told Human Rights Watch that he had not been paid his full salary since April 2010,⁵⁵ and another stated that he had not been paid at all for two months.⁵⁶

Radmilo Petrovic, a 52-year-old worker from Serbia, told Human Rights Watch that he worked for Novii Gorod from June 2010 to January 2011. He stated that during the eight months he was there, he never received a full monthly wage: “Instead of real wages, I only ever received small allowances from them, a little bit here or there, a few thousand rubles at a time.”⁵⁷ Petrovic told Human Rights Watch that when he returned to Serbia without any money, his wife left him, accusing him of having squandered or hidden eight months’ wages.⁵⁸ Milorad Rancic, also from Serbia, said,

⁵¹ Ibid.

⁵² Human Rights Watch interviews with Maxim, with Yaroslav, and with Viktor, Sochi, April 18, 2012.

⁵³ Letter from S.A. Ambartsumyan, general director, Group of Companies “MonArch,” to Human Rights Watch, December 10, 2012.

⁵⁴ Human Rights Watch interview with Kayrat, Sochi, March 15, 2011.

⁵⁵ Human Rights Watch telephone interview with Eshmat, October 14, 2010.

⁵⁶ Human Rights Watch telephone interview with Mansur, October 14, 2010.

⁵⁷ Human Rights Watch telephone interview with Radmilo Petrovic, October 26, 2012.

⁵⁸ Ibid.

We got paid in pieces. For 10 days, maybe we would get \$400. The rest of the month, we would get rubles, around 2,000 rubles [\$63] at a time. Then, at the end of the month, when you tried to establish the balance owed, the employer would say, “Oh, we never kept track of it. We don’t have any record of it.”⁵⁹

Several of the workers told Human Rights Watch that they had appealed to the local labor inspectorate several times in 2010, but without result.⁶⁰ Following these written complaints as well as an October 2010 public demonstration by 50 workers from Uzbekistan to protest non-payment of wages, the company retaliated against the workers, including by calling in the Federal Migration Service to verify their documents, after which dozens of workers who had complained or demonstrated were deported.⁶¹ A worker from Serbia told Human Rights Watch that he and 10 other workers stopped working in December 2010 over wage arrears. Following this work stoppage, the company threatened them with withholding the food the company provided to all the workers.⁶² These threats are also described in more detail below.

Dilmurod, a worker from Uzbekistan who worked for the company for eight months and who had participated in the demonstration, said he never recovered a portion of the wages owed to him:

Everything was fine. I had a work permit, housing, food, insurance, and everything was paid for. Then they stopped bothering to pay us. They paid me in pieces: 10,000, 15,000 rubles [\$325, \$484]. Sometimes 5,000 rubles [\$160]. But after our demonstration everything went downhill. When we were trying to sort out some kind of payment from them, they kept 43,000 rubles [\$1,360] owed to me. They went about this in an ugly way.⁶³

⁵⁹ Human Rights Watch telephone interview with Milorad Rancic, October 26, 2012.

⁶⁰ Human Rights Watch telephone interviews with Mansur, and with Eshmat, October 14, 2010, and Human Rights Watch telephone interview with Radmilo Petrovic, October 26, 2012.

⁶¹ Human Rights Watch telephone interviews with Eshmat, and with Mansur, October 14, 2010.

⁶² Human Rights Watch telephone interview with Radmilo Petrovic, October 26, 2012.

⁶³ Human Rights Watch interview with Dilmurod, Sochi, March 13, 2011.

Withholding of the First Month's Wages

Workers on both the Main Olympic Village site and the Central Olympic (Fisht) Stadium site stated that their employer withheld their first month's wages. Workers were paid for one month of work only after completion of two months' work. Workers employed on the Central Stadium site were told that if they remained on the job until Engeocom released them, they would receive that month's wages. If they quit or were fired, they would not recover the first month's wages. One unskilled worker from Kyrgyzstan, Kayrat, 34, described to Human Rights Watch his experience with this system:

For some reason they only give wages after the second month. You work August and September, but only at the end of September do they give you the money.... And the money for August they give to you when you're returning home [after the job is complete]. In that way, they try to protect themselves.⁶⁴

Another worker on the Central Stadium site, 28 year-old Pamirbek, from Kyrgyzstan, similarly said, "They pay you after two months. Why they do that, I don't know. Some people say that they do this to protect themselves, so the worker doesn't leave."⁶⁵ Referring to the withholding of the first month's wages, another worker from another site stated, "This way of doing things, I think, isn't correct. They should pay every month. But we can't do anything about it."⁶⁶ Similarly, workers employed on the Main Olympic Village site stated that they were paid their wages with a month's delay and did not know if they would ever recover those wages.⁶⁷

In a November 2012 letter to Human Rights Watch, the general director of Engeocom stated that at the company "wages are always on time and in accordance with the terms of employment contracts,"⁶⁸ and that for any overtime, workers are paid based on the extra hours worked.⁶⁹

⁶⁴ Human Rights Watch interview with Kayrat, Sochi, August 18, 2011.

⁶⁵ Human Rights Watch interview with Pamirbek, Sochi, March 13, 2011

⁶⁶ Human Rights Watch interview with Oybek, Sochi, August 20, 2011.

⁶⁷ Human Rights Watch interviews with Salimjon, and with Ibrokhimjon, Sochi, June 6, 2012.

⁶⁸ Letter from D.V. Sokolov, general director, Engeocom, to Human Rights Watch, November 21, 2012.

⁶⁹ Ibid.

Illegal Deductions from Wages

On all sites on which Human Rights Watch documented abuses, in some cases employers took unexpected deductions from wages for arranging work permits for employees, for housing or for food, or as a form of punishment for taking days off. For example, when interviewed by Human Rights Watch, workers working on the Main Media Center site stated that they received work permits, but that SU-45 withheld more than half a month's wages for the work permit and other sums for food and equipment.⁷⁰ One worker stated that SU-45 "took deductions that they had never told us about, including for food, for our protective clothes, and for the work permit."⁷¹ According to the November 2012 letter from SU-45 to Human Rights Watch, "There are no violations related to the issuing of work permits in the organization."⁷²

Two workers from the Main Olympic Village site also stated that the costs of preparing their work permits and other documentation required for legal employment in Russia were deducted from their wages.⁷³ "They prepared all the documents. Our employer did it themselves. But then they took it out of our pay," Ibrokhimjon told Human Rights Watch.⁷⁴

Under Russian law, employers have the right to make salary deductions in certain instances.⁷⁵ However, the deductions documented in this report do not appear consistent with Russian law. Furthermore, because employers have hired migrant workers without providing them with contracts or with copies of contracts, workers have difficulty proving employment relations before a court of law and thus have few legal options to challenge these deductions or seek redress from wage-related violations.

Workers on different sites also told Human Rights Watch that they would be penalized by a substantial wage deduction for failing to show up for work. For example, several workers on the Central Stadium site employed by Engeocom told Human Rights Watch how after they failed to show up for one day of work, their employer fined them 1,000 to 1,500 rubles (\$32 to \$49), or the equivalent of more than one, and in some cases, more than two days'

⁷⁰ Human Rights Watch interviews with Ruziboi Aliev, and with Abdulatif, Sochi, April 19, 2012.

⁷¹ Human Rights Watch interview with Ruziboi Aliev, Sochi, April 19, 2012.

⁷² Letter from B.M. Lelenko, general director, SU-45, to Human Rights Watch, November 7, 2012.

⁷³ Human Rights Watch interviews with Ibrokhimjon, and with Salimjon, Sochi, June 6, 2012.

⁷⁴ Human Rights Watch interview with Ibrokhimjon, Sochi, June 6, 2012.

⁷⁵ Labor Code of the Russian Federation, arts. 137-138.

wages. Isamiddin, a 43-year old worker from Kyrgyzstan who had been working in Sochi for several years and supports a wife and five children, told Human Rights Watch,

Twice they fined me 1,000 rubles [\$32] for not showing up to work. I was sick both times. But they considered that I failed to show up without a proper explanation. And that's the way it is. When you earn 600 to 700 [\$19 to \$22] rubles a day, but they fine you 1,000 to 1,500 rubles [\$32 to \$49] for one day you miss, I think that's not fair.⁷⁶

Another worker on the site from Kyrgyzstan said,

They fined me 1,500 rubles [\$49] for not showing up. I was simply exhausted and didn't go. I had asked three times for a day off, but they wouldn't give it to me, so I decided simply not to go. Then they said, "If you do that again, we'll fire you."⁷⁷

As noted above, Engeocom stated in a letter to Human Rights Watch that it pays its workers in full and in accordance with the terms of employment contracts signed with the workers. The letter did not address concerns regarding illegal deductions or fines.⁷⁸

Similarly, a carpenter from Uzbekistan working for Novii Gorod in 2011 stated, "If we failed to show up for work without a reason," he and other workers were fined between 2,000 to 5,000 rubles (\$65 to \$162).⁷⁹ Radmilo Petrovic, a 52-year-old worker from Serbia said that when he worked for Novii Gorod in 2010, the company would fine the workers 5 percent of their wages, on top of the wages they were not paid for not working that day. As described below, the workers had no regular days off.⁸⁰ Another worker from Serbia employed by Novii Gorod in 2010, Milorad Rancic, a painter, told Human Rights Watch that the company penalized him 30 percent of his wages on top of not receiving wages for three days. "I hurt

⁷⁶ Human Rights Watch interview with Isamiddin, Sochi, August 19, 2011. Similarly, another worker, Nodirbek, stated he was twice fined 1,200 rubles (US\$38) because he overslept, missed the workers' bus, and didn't make his shift. Human Rights Watch interview with Nodirbek, Sochi, August 21, 2011.

⁷⁷ Human Rights Watch interview with Abduzhali, Sochi, August 20, 2011.

⁷⁸ Letter from D.V. Sokolov, general director, Engeocom, to Human Rights Watch, November 21, 2012.

⁷⁹ Human Rights Watch interview with Sherniyoz, Sochi, March 14, 2011.

⁸⁰ Human Rights Watch telephone interview with Radmilo Petrovic, October 26, 2012.

my knee while at work. They insisted that I keep working. I ended up having to take three days off. I didn't get paid and I got penalized," he said.⁸¹

These deductions of additional wages beyond the missed work hours as penalty or punishment for unexcused absences are not consistent with Russian law. Under the Russian labor code, employers have the right to take the following actions as disciplinary measures for non-fulfillment or inadequate fulfillment of job requirements: notification; reprimand; and firing on the basis of the relevant failures. With respect to wages in the event of non-fulfillment of job requirements, an employer may only withhold wages corresponding to the volume of work not performed. In the case of a worker not appearing for work for one day, the volume of work not performed would correspond to one day's wages, not more.⁸²

Contract-Related Abuses

Seven of the migrant workers interviewed by Human Rights Watch in Sochi stated that they did not sign a written employment contract (*trudovoi dogovor*) when they began work, as required under Russian law. Most migrant workers interviewed by Human Rights Watch for this report did sign employment contracts at the start of their work on a site. However, as the various abuses and forms of exploitation documented in this report show, the presence of an employment contract did not ensure an employer's respect for the terms of the contract or basic labor protections. In addition, most migrant workers who signed a written employment contract stated that they were not given a copy of the contract, and that the employer retained the only copy of the contract. Russian labor law specifies that employment contracts must be signed in two copies, one for each party.⁸³ In addition, these workers were either not allowed to read the contract before they signed it, or in some cases did not understand the contract because they could not read Russian. No one offered to assist them in understanding it.

⁸¹ Human Rights Watch telephone interview with Milorad Rancic, October 26, 2012.

⁸² Labor Code of the Russian Federation, arts. 155 and 192.

⁸³ "Labor relations arise between employee and employer on the basis of an employment contract [trudovoi dogovor] concluded by them in accordance with this Code." Labor Code of the Russian Federation, art. 16. The labor code details the information that must be contained in an employment contract and specifies that the contract must be signed in two copies, one for each party. Labor Code of the Russian Federation, arts. 56-62. Article 16 of the Labor Code also recognizes that formal employment relations exist for workers employed by an employer even when an official employment contract has not been signed. However, the Federal Migration Service only recognizes as official the employment of migrant workers in possession of both a work permit and a contract.

Without a valid written employment contract, a migrant worker can be accused of not being legally employed, and, because the worker is not officially recognized as employed, in the case of migrant workers coming from countries falling under the non-visa regime, a migrant worker's right to stay in Russia cannot be legally extended and expires 90 days after entry into Russia.⁸⁴ In addition, in the absence of a contract, employers frequently do not fulfill other legal obligations vis-à-vis their employees or the government.

Workers without an employment contract also have great difficulty proving employment relations before a court. The worker can face almost insurmountable obstacles should they seek redress for abuses or seek to resolve a dispute with an employer. The worker also risks fines and possible deportation should they approach the authorities with a complaint. Furthermore, the Federal Work and Employment Service (Rostrud) conducts full investigations into allegations of labor violations only in cases when the worker is in possession of a written employment contract or, in the absence of a contract, in the unlikely event that an employer admits that the worker works as a regular employee, albeit illegally.

Non-Provision of Written Employment Contracts

Two workers employed in one work brigade by SU-45 stated that they did not sign employment contracts when they started work for SU-45, a subcontractor for the Main Media Center. Both workers also stated that they were not paid for several months of work in early 2012. "The agreement for monthly pay was 24,000 rubles [\$770]. I had an oral contract. They promised that I will get paid soon: every month for the last three months, but nothing happens," Abdulatif, a worker from Uzbekistan, who worked on the Main Media Center site for six months, told Human Rights Watch.⁸⁵ Omurbek, 30, from Uzbekistan, who also worked on the Main Media Center site told Human Rights Watch that he worked in a brigade of 24 people for SU-45 from December 2011 to February 2012. He never received a written contract. Instead SU-45 made a number of promises regarding wages and working conditions to Omurbek orally.⁸⁶ SU-45 told Human Rights Watch, in a November 2012 letter, that "the organization concludes limited duration employment contracts" with workers that it hires.⁸⁷

⁸⁴ Law on the legal status of foreign individuals in the Russian Federation, Federal Law 115, July 25, 2002, last amended in July 2012, art. 5.1.

⁸⁵ Human Rights Watch interview with Abdulatif, Sochi, April 19, 2012.

⁸⁶ Human Rights Watch interview with Omurbek, Sochi, April 19, 2012.

⁸⁷ Letter from B.M. Lelenko, general director, SU-45, to Human Rights Watch, November 7, 2012.

Two workers from Uzbekistan interviewed by Human Rights Watch in 2010, who stated that they worked for Engeocom on the Central Stadium site, claimed that they had been working for seven weeks and had not signed contracts. In the absence of a contract, the workers did not know exactly how much they would be paid. One worker, Solikh, from Uzbekistan, stated, “Probably, I will receive 45 to 50 rubles (\$1.45 to \$1.60) per hour. I think it will be something like that.”⁸⁸ Three workers from Ukraine working on the Accommodations for Media Representatives site also did not have contracts, and, as described above, their employer, MonArch, did not pay them wages for several weeks, compelling most of the group of workers to return home to Ukraine without any payment.⁸⁹ As described above, MonArch failed to pay the workers the wages promised to them.

No Copies of Contracts

A more pervasive problem than non-provision of contracts on Olympic sites in Sochi was employers’ failure to provide workers with a copy of their employment contract. A number of workers employed by different employers said that they were never offered copies of their contracts, but that they were simply told that there were certain documents they must sign in order to start work. The workers typically did not know or could not remember what information was in the contracts because they were not given time to read what was in it.

For example, workers interviewed who were employed on the Central Stadium site stated that they were not given copies of the written employment contracts they had signed. Farkhod, a 34-year-old worker from Uzbekistan, told Human Rights Watch, “Well, there’s an employment contract, but it’s only with them [the employer]. We don’t have a copy in our hands. I didn’t read what was written there. They said, ‘Sign here.’ And I signed.”⁹⁰ Similarly, Iskandar, who also worked for Engeocom on the Central Stadium site in 2011 said, “I signed it, but what was written there, I don’t know. They didn’t even give us time to read it. They said, ‘Sign here,’ and I signed. Only later did I understand that that was my employment contract.”⁹¹ Another migrant worker hired by Engeocom also indicated that he did not know what the contract he signed said. “They concluded a contract with me, but what’s written there, I don’t remember,” said Isamiddin, a 43-year-old worker from Kyrgyzstan. “Probably, it

⁸⁸ Human Rights Watch interview with Solikh, Sochi, September 22, 2010.

⁸⁹ Human Rights Watch interview with Maxim, Sochi, June 5, 2012.

⁹⁰ Human Rights Watch interview with Farkhod, Sochi, March 14, 2011.

⁹¹ Human Rights Watch interview with Iskandar, Sochi, August 20, 2011.

says who's involved and what they should do. Probably that. I don't know whether the wages are written there or not. Probably. They didn't give me a copy."⁹²

Four workers for Novii Gorod stated that they did not receive a copy of the employment contracts that they signed with the company. Dilmurod, a 34-year-old worker from Uzbekistan, stated, "There was a contract, but I didn't have a copy of it. I don't know why, they just didn't give me a copy. There was only ever one copy."⁹³

Two migrant workers employed by Engeocom on the Central stadium site in 2011 told Human Rights Watch that the company explained its refusal to provide them a copy of the employment contract claiming that workers might lose it.⁹⁴ "They say that we don't need it, that we might lose it," said one of the workers, 26-year-old Khushruz.⁹⁵

Several workers interviewed by Human Rights Watch recognized that Engeocom's failure to provide a copy put the workers at risk and meant that the contract itself had little or no meaning. Farrukh, 28, from Uzbekistan, told Human Rights Watch, "What's the point of that contract? There's no benefit to us since we don't have a copy."⁹⁶ Iskandar, a 37-year-old worker from Uzbekistan said,

I don't have [a copy of] the contract. At first I was afraid that they might toss us out [without paying us]. But they do pay us. So, maybe you could think, "What's the point of having a copy of the contract if we get paid?" But in any case, we should each have a copy of it. We really should know what's written there.⁹⁷

Another worker employed by Engeocom, Farkhod, described his resignation and frustration at not being able to seek redress in the event of abuse due to the absence of a contract.

⁹² Human Rights Watch interview with Isamiddin, Sochi, August 19, 2011.

⁹³ Human Rights Watch interview with Dilmurod, Sochi, March, 13, 2011.

⁹⁴ Human Rights Watch interviews with Khushruz, Sochi, August 19, 2011, and with Karim, Sochi, August 20, 2011.

⁹⁵ Human Rights Watch interview with Khushruz, Sochi, August 19, 2011.

⁹⁶ Human Rights Watch interview with Farrukh, Sochi, March, 14, 2011.

⁹⁷ Human Rights Watch interview with Iskandar, Sochi, August 20, 2011.

“In the case we aren’t paid, there’s no one to turn to. Who can we turn to? Most are afraid to lose their jobs. No one wants to put themselves out there,” he said.⁹⁸

Non-Fulfillment of Contractual Obligations

Even in cases documented by Human Rights Watch in Sochi when migrant workers did secure written contracts from their employers, the employer did not necessarily respect the terms of the contract, nor did the existence of a written contract mean that the employer would abide by all relevant laws regarding wage payments, working hours, or other conditions.

For example, Ruziboi Aliev, who worked on the Main Media Center site from October 2011 to February 2012 and whose case is described above in *Non-Payment of Wages*, did receive a written contract. However, according to Aliev, he signed the contract more than six weeks after he had already started working. In addition, the terms outlined in the contract did not correspond to the actual wages, working hours, and other conditions of the job. The employer cheated Aliev of his wages, paying him only a fraction of the wages specified in the contract and owed to him. Aliev’s contract defined the working hours as Monday through Friday, eight hours per day, for a 40-hour work week, with Saturday and Sunday off. The contract also indicated paid vacation days, although the number of vacation days was not specified. As described in more detail below, Aliev told Human Rights Watch that he actually worked 12-hour shifts and received only a few days off during nearly four months of employment.⁹⁹ A second worker from the same work brigade as Aliev had an identical experience.¹⁰⁰

Problems Understanding Contracts

In a number of cases, workers who signed employment contracts did not understand the terms of the contract because their Russian language skills were poor and no one offered to assist them in understanding the contract. This happened both when workers were given copies of the contracts and when they did not. For example, one worker from Uzbekistan employed by a subcontractor on the Main Olympic Village site stated that he had a copy of his contract, signed by both parties and with a stamp. However, he could not

⁹⁸ Human Rights Watch interview with Farkhod, Sochi, March 14, 2011.

⁹⁹ Human Rights Watch interview with Ruziboi Aliev, Sochi, April 19, 2012. During the interview Human Rights Watch was able to review the contract.

¹⁰⁰ Human Rights Watch interview with Shakirbek Yunusov, Sochi, April 19, 2012.

understand the contract because of his poor Russian. No one had offered to translate it for him. “I also have a contract. It’s, I think, three to four pages long, with signatures and a stamp. I didn’t read what was written there.... I know Russian poorly, and so didn’t read this employment contract,” Ibrokhimjon told Human Rights Watch.¹⁰¹ A worker on the Central Stadium site similarly told Human Rights Watch that he couldn’t read the contract he signed with Engeocom representatives: “I have a contract. I signed it. I have a copy, too. I didn’t read what it says. I can’t read Russian,” he said.¹⁰²

Withholding of Identity Documents, Non-Provision of Work Permits

Human Rights Watch documented how some employers withheld migrant workers’ passports and work permits, allegedly as a means to prevent workers from moving to another employer. Under Russian law, all foreign workers employed in Russia must have an official work permit, which they can obtain themselves or which the employer may obtain on their behalf. . Human Rights Watch also documented three cases in which an employer confiscated workers’ passports. It is illegal to withhold any kind of identity document.

Maxim and Yaroslav, two experienced construction workers from Ukraine who arrived in Sochi in March 2012 and began work on the Accommodations for Media Representatives site stated that their employer withheld their passports. “We have no contracts and no work permits. They’ve taken away our passports,” said Maxim. “They promised to help us with the work permits, but we got nothing. All I have in the way of an official document is a pass to enter the construction site.” As a result, the men felt trapped and with few options to resolve the situation. “We came here from over 2,000 kilometers away and ended up in a complete mess,” said Maxim.¹⁰³

Omurbek, 30, from Uzbekistan, told Human Rights Watch that when he began working for a company on a non-Olympic construction site in Sochi in 2012, a company employee took his passport. As a result, Omurbek felt trapped in his employment situation and wanted to look for work elsewhere: “Without my passport, where could I go? I am no one without a passport. I finally convinced them to give it to me, and left.”¹⁰⁴

¹⁰¹ Human Rights Watch interview with Ibrokhimjon, Sochi, June 6, 2012.

¹⁰² Human Rights Watch interview with Rustamjon, Sochi, June 6, 2012.

¹⁰³ Human Rights Watch interview with Maxim, Sochi, April 18, 2012.

¹⁰⁴ Human Rights Watch interview with Omurbek, Sochi, April 19, 2012.

Two workers from Serbia employed by Novii Gorod stated that the company withheld their passports for several months when they started the job.¹⁰⁵ For Radmilo Petrovic, who worked for Novii Gorod for eight months starting in June 2010, this left him feeling trapped, particularly when the company was also not paying him wages. “The situation was bad because they weren’t paying regular wages or any real money at all. But I couldn’t do anything because they had my passport and I had no money. I had no choice but to just keep working.”¹⁰⁶

Numerous workers on the Central Stadium site told Human Rights Watch that Engeocom withheld their work permits, allegedly as a coercive measure, to prevent workers from leaving and going to another employer and gaining employment on the basis of that work permit. For example, an 18-year-old migrant worker from a village in Uzbekistan told Human Rights Watch, “They [a company representative] showed me the work permit, and then they made a copy of it and gave me the copy. They kept the original. They said they do this so that I don’t run off to another place to work.”¹⁰⁷ Kayrat, a migrant worker from Kyrgyzstan employed by Engeocom told Human Rights Watch, “They keep the original work permit themselves and give us a copy. They are afraid that the worker will go to a different place to work. But that isn’t right, in my opinion.”¹⁰⁸ Isamiddin, from Kyrgyzstan, who worked on the Central Stadium site, said that likely because he was older, he was allowed to keep his work permit. “I have my work permit with me. Some people have copies. I’m not 20 years old anymore, so they trust me [not to go work somewhere else].”¹⁰⁹

In a November 2012 letter to Human Rights Watch, Engeocom stated that it “does not withhold workers’ passports or other documents” and that it “conducts its activities on the territory of the Russian Federation in strict compliance with Russian law and international legal acts.”¹¹⁰

¹⁰⁵ Human Rights Watch telephone interviews with Milorad Rancic, and with Radmilo Petrovic, October 26, 2012.

¹⁰⁶ Human Rights Watch telephone interview with Radmilo Petrovic, October 26, 2012.

¹⁰⁷ Human Rights Watch interview with Almaz, Sochi, August 19, 2012.

¹⁰⁸ Human Rights Watch interview with Kayrat, Sochi, August 18, 2011.

¹⁰⁹ Human Rights Watch interview with Isamiddin, Sochi, August 19, 2011.

¹¹⁰ Letter from D.V. Sokolov, general director, Engeocom, to Human Rights Watch, November 21, 2012.

Excessively Long Working Hours and Few Days Off

Migrant workers' descriptions of the work hours across a number of different construction sites were remarkably consistent. All migrant workers interviewed by Human Rights Watch in Sochi stated that they worked long hours and had very few days off. Sites maintained a system of two 12-hour shifts, whereby workers worked from 8 a.m. to 8 p.m. or from 8 p.m. to 8 a.m., with one hour for meals and for changing into and out of work gear. They typically worked seven days a week for weeks at a time, with just one day off every two weeks. In a few instances documented by Human Rights Watch, workers worked many weeks or months without any days off or with very few days off.

Under Russian law, normal working hours are not to exceed 40 hours per week, except in certain circumstances, when workers should be paid overtime. Workers should have at least one day off per week, as well as non-working holidays and paid vacation time.¹¹¹ As stated above, in violation of Russian law, workers were penalized by having more than one day or in some cases more than two days' wages withheld if they did not show up for work.

All workers employed by Engeocom at the Central Stadium site interviewed by Human Rights Watch stated that they worked 12-hour shifts, seven days a week, with approximately one hour off for meals and for changing into and out of work gear. They had one day off work every two weeks. In its November 2012 letter to Human Rights Watch, Engeocom did not comment specifically on working hours, but stated that the company operates "in strict compliance with Russian law."¹¹²

Both workers at the Main Olympic Village site interviewed by Human Rights Watch also stated that they worked 12-hour shifts with one hour off for meals and for changing into and out of work clothing. They were not paid overtime. Workers received one unpaid day off every two weeks.

Ruziboi Aliev, who worked on the Main Media Center site, stated that although he and other workers had contracts specifying a 40-hour work week with two days off, he and the 28 others in his brigade worked far more than this, working an 8 a.m. to 8 p.m. shift for

¹¹¹ Labor Code of the Russian Federation, arts. 91, 111-115.

¹¹² Letter from D.V. Sokolov, general director, Engeocom, to Human Rights Watch, November 21, 2012.

weeks at a time.¹¹³ Aliev also told Human Rights Watch that he had only five days off during nearly four months of work.¹¹⁴ A worker from his brigade similarly stated that he had only four days off.¹¹⁵

Workers employed by Novii Gorod also worked 12-hour shifts, although some also reported being required at times to work 14-hour days with fewer days off each month and with no consistent schedule for days off.¹¹⁶ A 23-year-old worker from Uzbekistan who told Human Rights Watch that he was employed on an Olympic site but refused to specify which one out of fear of possible retaliation, stated that he had worked for six months, but had only one day off.¹¹⁷

Contrary to the opinion at times heard in discourse about migration for employment that migrant workers are inclined to work excessive hours out of a desire to earn as much money as possible, the workers interviewed by Human Rights Watch on sites in Sochi stated that they felt the 12-hour work shifts and the lack of days off were exhausting and not their preference, particularly given the difficult and demanding nature of the work they were required to perform and the intense pace of work expected by their employers.

For example, Salimjon, 22, a migrant worker from Uzbekistan employed on the Main Olympic Village site, told Human Rights Watch: “The work is really very difficult. There isn’t any rest. It’s really hard. The pay is miserly, but what can you do? We’re all just trying to get by somehow. They don’t even give you a minute to have a cigarette, or rest for a minute.”¹¹⁸ Abdurazzoq, a worker from Uzbekistan working for Engeocom for more than six months on the Central Stadium site said, “Probably, I’ll work for just a year, and then quit, when my work permit expires. The work is really hard. Work this hard isn’t worth the money they pay. You almost never get to rest.”¹¹⁹ Another worker employed at the Central Stadium by Engeocom, Khatamjan, 27, said, “It’s basically all the same: the work and your life.

¹¹³ Human Rights Watch interview with Ruziboi Aliev, Sochi, April 19, 2012.

¹¹⁴ Ibid.

¹¹⁵ Human Rights Watch interview with Burkhon, Sochi, April 19, 2012.

¹¹⁶ Human Rights Watch telephone interviews with Radmilo Petrovic, and with Milorad Rancic, October 26, 2012.

¹¹⁷ Human Rights Watch interview with Zulfiqor, Sochi, September 21, 2010.

¹¹⁸ Human Rights Watch interview with Salimjon, Sochi, June 6, 2012.

¹¹⁹ Human Rights Watch interview with Abdurazzoq, Sochi, June 6, 2012.

Nothing good in it. Just work-home-work. That's it. After work you don't even have the strength to watch television. You're completely exhausted."¹²⁰

Workers consistently told Human Rights Watch that they felt one day off every two weeks was insufficient time to recover from the physical demands of the work, and they largely spent their days sleeping or at home. A 32-year-old worker from Kyrgyzstan, Oybek, described his days off this way: "On your day off, you don't go anywhere. You catch up on sleep. All day you sleep. Otherwise, it's not possible to work these hours."¹²¹ Sarvarbek, who had worked for Engeocom on the Central Stadium site for almost four months at the time of his interview with Human Rights Watch in June 2012, stated, "We rest one day every two weeks. The whole day we sleep."¹²² Tokhirjon, a 25-year-old worker from Tajikistan working on the Central Stadium site stated, "We rest just two days per month. On my days off I walk in the city or in the park. I sleep half the day. You really need to recover your strength."¹²³

As described above, workers faced financial penalties for missing work if the employer considered the absence to be unexcused.

Substandard Food and Accommodations

Many migrant workers interviewed by Human Rights Watch described overcrowded employer-provided housing and employer-provided food that did not correspond to the long hours and demanding work they were expected to perform. In all cases, housing and meals were provided to workers as a component of compensation. According to Olympstroy, its agreements with contractors engaged on Olympic sites require that the contractor provide "appropriate working conditions, accommodation, [and] food..."¹²⁴

Overcrowded conditions like those described by workers interviewed by Human Rights Watch offer workers little to no privacy and may lead to unhygienic conditions. This is particularly relevant in cases in which hundreds of workers live in a single-family home with one toilet or outhouse for all workers living there.

¹²⁰ Human Rights Watch interview with Khatamjan, Sochi, August 22, 2011.

¹²¹ Human Rights Watch interview with Oybek, Sochi, August 20, 2011.

¹²² Human Rights Watch interview with Sarvarbek, Sochi, June 6, 2012.

¹²³ Human Rights Watch interview with Tokhirjon, Sochi, August 21, 2011.

¹²⁴ State Corporation Olympstroy, "Non-Financial Report on Sustainable Development and Environmental Responsibility in 2010," undated, pp. 60-61, on file with Human Rights Watch.

With respect to food, in its General Comment on the Right to Adequate Food, the UN Committee on Economic, Social and Cultural Rights refers to food that is “in a quantity and quality sufficient to satisfy the dietary needs of individuals, free from adverse substances, and acceptable within a given culture.”¹²⁵ The Committee indicates that “dietary needs” implies that “the diet as a whole contains a mix of nutrients for physical and mental growth, development and maintenance, and physical activity that are in compliance with human physiological needs ... according to gender and occupation.”¹²⁶

Workers employed on the Central Stadium site stated that Engeocom, the general contractor for the site, provided them with housing in private houses in Adler. Often several dozen workers were living in one single-family home, with one bathroom or outdoor toilet. For example, Iskandar described the crowded room he shared with 13 other men in a single-family house packed with migrant workers. “In this house there are about 200 people. Fourteen men live in one six by six [36 square-meter] room. It’s like being in barracks.”¹²⁷ Another worker similarly told Human Rights Watch that Engeocom housed him together with about 150 other workers in a single-family home with one bathroom. This worker shared a room with up to 12 other workers.¹²⁸

A number of workers employed on the Central Stadium site said that the food provided was not consistent with sustaining themselves at the pace and degree of difficulty of work they were expected to perform. For example, one worker told Human Rights Watch, “The work and the food don’t correspond to one another. ‘But at least we give you food.’ That’s what they say to us.”¹²⁹ Khatamjan, who also worked on the Central Stadium, described the food this way: “Not too much [red] meat: mostly chicken, macaroni, potatoes. We also cook some things ourselves in addition to what they give us.”¹³⁰ An 18 year-old worker from Uzbekistan said, “The food we get is macaroni, oil, rice, potatoes, beans. There is very little meat. They bring prepared food. We buy meat ourselves.”¹³¹ Engeocom did not

¹²⁵ United Nations Committee on Economic, Social, and Cultural Rights, General Comment 12, The Right to Adequate Food, UN Doc. E/C.12/1999/5 (1999), para. 8.

¹²⁶ *Ibid*, para. 9.

¹²⁷ Human Rights Watch interview with Iskandar, Sochi, August 20, 2011.

¹²⁸ Human Rights Watch interview with Kayrat, Sochi, August 18, 2012.

¹²⁹ Human Rights Watch interview with Rustamjon, Sochi, June 6, 2012.

¹³⁰ Human Rights Watch interview with Khatamjan, Sochi, August 22, 2011.

¹³¹ Human Rights Watch interview with Almaz, Sochi, August 18, 2011.

specifically comment on food or accommodation provided to workers in its letter to Human Rights Watch in November 2012.¹³²

Workers on the Main Media Center site interviewed by Human Rights Watch stated that SU-45 promised to provide housing and meals as a component of compensation. Workers lived in a dormitory near the construction site with overcrowded dorm rooms. Ruziboi Aliev stated that he shared a 16 square-meter room with nine other workers.¹³³ Aliev stated that although SU-45 had promised free meals and housing as a component of compensation, the company withheld 6,150 rubles (\$196), or more than a week and a half's pay, for food and space in the dorm room.¹³⁴ In its letter to Human Rights Watch in response to these allegations, SU-45 stated that workers' "accommodation in dorms, food, and provision of work clothing and boots is provided by the employer, as confirmed by the relevant documents."¹³⁵

Workers on the Main Olympic Village site stated that they were provided housing and meals as a component of compensation. One worker from Uzbekistan described his living conditions:

Our accommodations? It's a place in a bunk bed. Eight to twelve guys are in one room. In the summer, it's hot and stuffy, totally unbearable. In the winter, it's not as bad; it's tolerable, though you get really tired of the overwhelming smell of sweat.¹³⁶

Another worker on the site, Salimjon, stated that he shared a room with 10 to 16 other workers.¹³⁷ A worker from Tajikistan who worked on an Olympic site, but did not tell Human Rights Watch which one out of fear of possible retaliation, stated that about 200 workers lived in one single-family home with one bathroom, with up to 16 workers in one room.¹³⁸

In interviews with Human Rights Watch, migrant workers employed by Novii Gorod on sites in Sochi stated that they lived on the second floor of a factory, with typically eight people

¹³² Letter from D.V. Sokolov, general director, Engeocom, to Human Rights Watch, November 21, 2012.

¹³³ Human Rights Watch interview with Ruziboi Aliev, Sochi, April 19, 2012.

¹³⁴ Ibid.

¹³⁵ Letter from B.M. Lelenko, general director, SU-45, to Human Rights Watch, November 7, 2012.

¹³⁶ Human Rights Watch interview with Ibrokhimjon, Sochi, June, 6, 2012.

¹³⁷ Human Rights Watch interview with Salimjon, Sochi, June 6, 2012.

¹³⁸ Human Rights Watch interview with Khovar, Sochi, August 22, 2011.

sharing a room that was not designed as living accommodations. One worker from Serbia described the conditions: “There were six of us in one room. We slept on bare mattresses and a bare pillow. Some of us got skin rashes. It was really unhealthy. We made a lot of complaints and finally we got some bed sheets.”¹³⁹ Regarding the food, according to one worker, “The food was generally poor. Rice prevailed. We also had soup, macaroni, and hot dogs, mostly.”¹⁴⁰ The workers stated that this food was not sufficient to sustain them in the difficult work they performed.

Retaliation Against Migrant Workers Protesting Abuse

As described above, several migrant workers employed by the company Novii Gorod and engaged in construction of two health resorts, one of which falls within the Olympic program, told Human Rights Watch that the company began to fail to pay them their full wages beginning in April 2010. On October 5, 2010, a group of approximately 50 migrant workers from Uzbekistan organized a demonstration in Sochi to protest the wage arrears. Prior to the demonstration, workers had appealed to the Russian labor inspectorate regarding problems receiving wages. Following both the written complaints and the protest, Novii Gorod retaliated against the workers by sending dozens of workers home and threatening to denounce workers to the Federal Migration Service (FMS). According to one worker, some workers were not in possession of all the legal documentation required to work legally in Russia, either as a result of Novii Gorod’s or their own omissions or failures. These workers were particularly vulnerable to this form of retaliation, as under Russian law, workers may be fined and expelled if they are found in violation of migration legislation. Employers also face fines for illegally employing migrant workers.¹⁴¹

Human Rights Watch interviewed Mansur, a worker from Uzbekistan detained following his participation in the demonstration, while he was in detention in the Ministry of Internal Affairs special facility for migrants in Adler awaiting expulsion. Mansur stated that approximately 60 other workers had already been deported following the October 5

¹³⁹ Human Rights Watch telephone interview with Radmilo Petrovic, October 26, 2012.

¹⁴⁰ Human Rights Watch telephone interview with Milorad Rancic, October 26, 2012.

¹⁴¹ A foreign worker who works without a work permit can be fined from 2,000 rubles (US\$64) to 5,000 rubles (\$159), and may be subject to administrative expulsion from Russia. Code of Administrative Offenses of the Russian Federation, art. 18.10. An employer hiring a foreign worker without a work permit can also face fines. For a citizen, the fine is between 2,000 (\$64) and 5,000 rubles (\$159). For an official at a company, the fine is 20,000 (\$635) to 50,000 rubles (\$1,588), and for a legal entity, the fine is from 250,000 (\$7,940) to 800,000 rubles (\$25,404), or administrative suspension of the entity’s activities for up to 90 days. Code of Administrative Offenses, art. 18.15.

demonstration. None of them had received the full back wages owed to them before their expulsion. Mansur believes Novii Gorod alerted the FMS to problems with his work authorization documentation.¹⁴²

After the intervention of Human Rights Watch with senior Federal Migration Service officials, Novii Gorod did provide Mansur with 60,000 rubles (\$1,900) in back wages, but withheld 20,000 rubles (\$632) for expenses, including preparing the work permit and other documentation.¹⁴³ According to Mansur, the three other migrant workers in detention with him at that time, also detained after participating in the demonstration, also received the wages owed to them. All of the men were deported from Russia to Uzbekistan on October 21, 2010.¹⁴⁴

A group of 11 workers from Serbia, also employed by Novii Gorod during the same period, stopped work in December 2011 in protest over wage arrears. One of the participants, Radmilo Petrovic, told Human Rights Watch, “After we stopped working, that’s when the real problems began. They threatened that we would be denied access to the mess hall and denied vouchers for getting meals there. Since we weren’t getting much money at all, this was a serious threat to us.”¹⁴⁵ These workers had also complained to the labor inspectorate. “We went to the Sochi labor inspectorate and tried to complain,” Petrovic said. “But the officials didn’t seem to care at all. Even though they also seemed to know about the situation. They showed no understanding of how we were being treated. ‘You can go home if you want!’ was all that they told us.”¹⁴⁶

After intervention by ASTRA, a non-governmental organization based in Serbia, the general manager of Novii Gorod told the workers that they would be paid and that they can go home. However, Petrovic told Human Rights Watch, “They promised that we would get the wages owed to us. But we didn’t get everything. They claimed, ‘You didn’t comply with the contract provisions. You didn’t work the way you were supposed to.’ But it was they who

¹⁴² Human Rights Watch telephone interview with Mansur, October 14, 2010.

¹⁴³ Ibid. As described above, these types of deductions are not consistent with Russian law regarding deductions from wages.

¹⁴⁴ Human Rights Watch telephone interview with Mansur, October 21, 2010.

¹⁴⁵ Human Rights Watch telephone interview with Radmilo Petrovic, October 26, 2012.

¹⁴⁶ Ibid.

didn't abide by the contract."¹⁴⁷ Novii Gorod did not respond to a letter sent by Human Rights Watch in November 2012 regarding these allegations.

In another case, workers employed by SU-45 on the site of the Main Media Center, including Omurbek and other members of his work brigade, attempted to speak to company management about their wage arrears. However, officials refused to speak to them. Eventually, Omurbek explained, the employer asked the brigade of 24 workers to leave their jobs because of their insistent demands to be paid for the work they had already performed and their reluctance to continue working without receiving wages.¹⁴⁸ Another worker employed by SU-45 on the Main Media Center site told Human Rights Watch that the company kicked them out of the dormitory supplied to them as part of their compensation after he and other workers began complaining about the non-payment of wages.¹⁴⁹ In its November 2012 letter which provided a detailed response to a number of concerns about SU-45's treatment of workers on the Main Media Center site, the company did not respond to these specific allegations.¹⁵⁰

¹⁴⁷ Ibid.

¹⁴⁸ Human Rights Watch interview with Omurbek, Sochi, April 19, 2012.

¹⁴⁹ Human Rights Watch interview with Akram, Sochi, April 19, 2012.

¹⁵⁰ Letter from B.M. Lelenko, general director, SU-45, to Human Rights Watch, November 7, 2012.

III. Role of Companies Involved in Construction for Sochi 2014

State Corporation Olympstroy

The State Corporation Olympstroy, established to realize the program of Olympic venues and infrastructure, has overall responsibility and oversight over the development and construction of the venues named in this report and numerous other structures and construction projects.¹⁵¹ Olympstroy has undertaken a number of public commitments regarding labor protections on sites falling within the Olympic program. Olympstroy's 2010 report on sustainable development and environmental responsibility indicates that the company "maintains a high level of labour protection, labour and social guarantees" for "employees of contractors" at Olympic construction sites.¹⁵² The report further elaborates the design documentation for each project and specifies the labor and labor safety protections provided under Russian law to which contractors must adhere. Under agreements with contractors, Olympstroy specifies that the contractor must provide "safe conditions," as well as "appropriate working conditions, accommodation, food, household services and medical care" for workers hired on the sites, and that the company "is liable for any failure to meet the said requirements."¹⁵³ Olympstroy also requires that "any subcontractor engaged to carry out works on behalf of the contractor performs them in accordance with the regulatory legal acts of the Russian Federation" and other relevant laws.¹⁵⁴

Human Rights Watch met with Olympstroy officials in June 2010 and again in July 2012 to share with them our findings related to abuses against migrant workers as well as other human rights concerns linked to the Olympic preparations in Sochi. In the July 2012 meeting, Olympstroy officials also told Human Rights Watch that in 2010 they had founded their own labor inspection services, which cooperate with the labor inspectorate

¹⁵¹ "The activities of the State corporation 'Olympstroy' are founded on realizing the program of construction of Olympic venues and development of Sochi as a mountain-climate resort" [Деятельность государственной корпорации «Олимпстрой» основана на реализации Программы строительства олимпийских объектов и развития города Сочи как горноклиматического курорта], *State Corporation Olympstroy*, <http://www.sc-os.ru/ru/activity/> (accessed October 2, 2012). Information about the sites named in this report can be found in the description of the Olympic construction program under Olympstroy at this same web address, sites 12, 15, 17, and 182, respectively.

¹⁵² "Non-Financial Report on Sustainable Development and Environmental Responsibility in 2010," *State Corporation Olympstroy*, undated, pp. 60-61, on file with Human Rights Watch.

¹⁵³ "Non-Financial Report 2010," *State Corporation Olympstroy*, pp. 61-62.

¹⁵⁴ *Ibid.*, p. 62.

of the Krasnodar Region, which has oversight for respect for the labor code in Sochi and in other parts of the region. Officials stated that the Olympstroy labor inspectorate “conducts regular unannounced inspections at different sites to ensure that all labor standards are being met.”¹⁵⁵

At the same time, officials sought to distance themselves from responsibility for treatment of workers hired by subcontractors on Olympic sites, indicating that Olympstroy is several layers of contractual relationship removed from the workers. They consider Olympstroy to have a limited role in intervening to address abuses related to migrant workers hired by subcontractors, intervening only when “something very big comes up,” citing an example of a woman who had agreed with a subcontractor to rent rooms to migrant workers but who did not receive any payment because the workers were not receiving wages.¹⁵⁶

In response to Human Rights Watch’s letter regarding the abuses against migrant workers documented in this report, Olympstroy Vice President Viktor Pryadein responded to Human Rights Watch with a letter stating that a number of Russian governmental structures, including prosecutors’ offices, the labor inspectorate, and the Federal Migration Service “continuously” monitor, through inspections, respect for Russian law, including with respect to labor and other rights of “all workers employed on Olympic construction sites...”¹⁵⁷

The letter confirmed that Olympstroy has a monitoring department that conducts inspections in cooperation with other state organs regarding respect for fire safety codes and labor rights. The monitoring department carried out over 1,300 inspections in 2011 and 2012 that had most often revealed safety issues, including related to protective clothing, shoes, and personal protective equipment, and other safety issues.¹⁵⁸ Information regarding violations is submitted to the relevant state agencies for “decision regarding the appropriate sanctions.”¹⁵⁹ The letter does not state how many violations were uncovered in the course of these inspections in 2011 and 2012. Olympstroy received only five individual complaints from “citizens” in 2011 and 2012, all of which concerned payment of wages.

¹⁵⁵ Human Rights Watch interview with Viktor Pryadein, vice president, Olympstroy, and other Olympstroy officials, Moscow, July 10, 2012.

¹⁵⁶ Ibid.

¹⁵⁷ Letter from Viktor Pryadein, vice president, Olympstroy, December 5, 2012.

¹⁵⁸ Ibid.

¹⁵⁹ Ibid.

Each of the cases was “reviewed individually” and in each of the cases, “the obligations of the employer fully fulfilled.”¹⁶⁰

The letter also noted that large billboards displaying the phone numbers of Olympstroy, the Russian prosecutors’ office, and the directors of companies serving as general contractors are placed at all Olympic construction sites. According to Olympstroy, “any worker who believes his rights were violated” can call one of these numbers and register a complaint.¹⁶¹

Companies Involved in Construction of the Central Olympic Stadium

The Central Olympic Stadium—also known as the Fisht Stadium—is a large, 40,000-seat arena located in the coastal cluster of Olympic venues. The Central Stadium will host the opening and closing ceremonies and medal ceremonies for both the Olympic and Paralympic Games. After the Olympics, the stadium will be used as a venue for entertainment events and Russian national football team matches, and will serve as a training center for the team.¹⁶²

The general contractor for the Central Olympic Stadium is Engeocom Association, a Russian construction firm founded in 1989. The company identifies itself as a leading construction company in Russia and has completed more than 200 projects in Russia and outside of Russia, including city transport infrastructure, residential structures, and cultural venues.¹⁶³ Engeocom’s website indicates the company’s commitment to social responsibility, described in terms of a number of philanthropic activities the company commits to, but does not specify whether the company explicitly recognizes its human rights responsibilities or has adopted any relevant policies or procedures.¹⁶⁴ Human Rights Watch wrote to Engeocom in October 2012 regarding abuses and exploitation of migrant workers on the Central Stadium site and documented in this report.

¹⁶⁰ Ibid.

¹⁶¹ Ibid.

¹⁶² The stadium was named Fisht after a famous mountain peak located in the Caucasus Mountains and visible from the stadium. “Fisht Olympic Stadium,” *Sochi2014.ru*, http://www.sochi2014.com/en/games/places/objects/sea/central_stadium/ (accessed October 23, 2012).

¹⁶³ “About the company,” *Engeocom website*, <http://www.engeocom.ru/> (accessed October 23, 2012).

¹⁶⁴ “Social Responsibility,” *Engeocom website*, <http://www.engeocom.ru/Page/Social> (accessed October 23, 2012).

Human Rights Watch received a one-page response from the general director of Engeocom dated November 21, 2012. The letter stated that the company

works ... in strict adherence to the legislation of the Russian Federation and international legal acts regulating both the construction industry and compliance with and protection of rights of the citizens employed by us, ... [and] strictly follow[s] federal laws and Russian government decrees regulating protection of migrant workers' rights.¹⁶⁵

The letter also stated that Engeocom, in its role as a general contractor on Olympic sites in Sochi, "takes full responsibility for respect of labor law on the part of its subcontractors."¹⁶⁶ According to Engeocom, it "regularly undertakes inspections of the respect for rights of migrant workers," and that in the event of a problem or conflict, quickly resolves the issue in line with Russia's existing labor norms.¹⁶⁷

With respect to the specific concerns raised by Human Rights Watch, as detailed in this report and in the October letter to Engeocom, the company responded that it "is not aware of these instances of violations of migrant workers' rights," that it had not received any "anonymous appeals regarding any violations of labor law," and "therefore, cannot comment on them."¹⁶⁸

In June 2012, Ministry of Interior investigators opened a criminal case against Engeocom and other companies involved in construction of Olympic venues, including Olympstroy, regarding allegations of attempted embezzlement of public funds by artificially inflating projected construction costs.¹⁶⁹

The project manager for the site is Botta Management Group, AG, a Swiss firm specializing in project development for different types of large-scale and complex construction projects, including for the World Cup and the Olympic Games, as well as residential, shopping, and

¹⁶⁵ Letter from D.V. Sokolov, general director, Engeocom, to Human Rights Watch, November 21, 2012.

¹⁶⁶ Ibid.

¹⁶⁷ Ibid.

¹⁶⁸ Ibid.

¹⁶⁹ Aleksandra Ermakova, "Olympic Construction Sites Received First Criminal Cases [Олимпийские стройки получили первые уголовные дела]," *Izvestia*, August 9, 2012, <http://izvestia.ru/news/532535> (accessed October 24, 2012).

commercial properties.¹⁷⁰ According to its website, Botta Management Group was awarded management of the entire Central Olympic Stadium project, including the feasibility study, design, and preliminary works.¹⁷¹ Human Rights Watch was not able to find any publicly available information indicating whether Botta Management Group explicitly recognizes its human rights responsibilities or has adopted any policies and procedures in that regard.

In October 2012, Human Rights Watch wrote to Botta Management Group regarding concerns on the Central Stadium site documented in this report. Botta Management Group responded stating that the general contractor for the site, Engeocom, “pays close attention to complying with human rights principles regarding both migrant workers and all project participants,” and that Engeocom’s activities are “in compliance with generally recognized international acts, national laws and rules...”¹⁷² The letter also noted that respect for labor and other rights is “constantly monitored and controlled, by way of planned and ad hoc inspections, by relevant monitoring and supervisory bodies of the Russian Federation,” including prosecutors’ offices, labor inspectorates, and the Federal Migration Service, and that “none of the facts you [Human Rights Watch] have mentioned have been detected by the competent bodies during their inspections at the Central Olympic Stadium construction site so far.”¹⁷³

The letter also noted that in its contracts with subcontractors, Engeocom requires subcontractors to “comply with legislation, including in the sphere of migration and provision of workers with accommodation and food, and checks that employees have special [work] clothing.”¹⁷⁴ In addition, Botta Management Group also stated that employees of the Russian prosecutor’s office “held meetings and conversations with employees of the general contractor and contractors,” providing information regarding the labor code and also inquiring about any complaints received from workers. According to Botta Management Group, “no claims or petitions have been received so far.”¹⁷⁵

¹⁷⁰ “Portfolio,” *Botta Management Group website*, <http://www.bottamanagement.com/htm/portfolio.htm> (accessed October 23, 2012).

¹⁷¹ “Central Stadium, 2014 Winter Olympic Games, Sochi, Russia,” *Botta Management Group website*, <http://www.botta.com/htm/portfolioslide.htm?pid=1&sid=13> (accessed October 23, 2012). Botta Management Group also participated in the pre-project design for another Olympic venue, the Bolshoi Ice Stadium, with a capacity of 12,500. <http://www.bottamanagement.com/htm/portfolioslide.htm?pid=1&sid=14> (accessed October 23, 2012).

¹⁷² Letter from Charles R. Botta, Botta Management Group, to Human Rights Watch, November 20, 2012.

¹⁷³ *Ibid.*

¹⁷⁴ *Ibid.*

¹⁷⁵ *Ibid.*

Companies Involved in Construction of the Main Olympic Village

The Main Olympic Village is located adjacent to the coastal cluster and will have the capacity to host 3,000 athletes, including Paralympic athletes. The village will consist of 1,700 one- to four-room apartments in 53 three- to six-story buildings featuring balconies with sea, mountain, or park views.¹⁷⁶ It will be adjacent to the Olympic stadiums.

The project developer for the Main Olympic Village is RogSibAl, LLC, a Russian commercial real estate developer focused on Russia's regions. RogSibAl is part of Glavstroy, a major construction group within Basic Element, a diversified investment company consisting of dozens of large companies in a number of sectors including construction, aviation, energy, and finance.¹⁷⁷ Human Rights Watch was not able to locate any public information regarding RogSibAl's company policy with respect to human rights protections. Human Rights Watch wrote to RogSibAl in October 2012 regarding the conditions for migrant workers on its sites and documented in this report. Human Rights Watch did not receive a response from RogSibAl.

The general contractor for the site is the Austrian company STRABAG, SE, one of Europe's leading construction companies.¹⁷⁸ According to the STRABAG website, STRABAG "is one of the leaders among foreign construction companies in Moscow and has been successfully operating since 1991 in the Russian Federation."¹⁷⁹ STRABAG has a code of ethics which states, "We recognise the importance of all applicable laws as well as all internal and external regulations, guidelines and standards, and we follow these to the letter." The code of ethics also notes,

It is self-evident practice that all legal labour and social regulations and standards are observed within the entire company. Furthermore all

¹⁷⁶ RogSibAl is also serving as project manager for another Olympic venue: the Buildings Complex for the Accommodation of the Olympic Family and the International Paralympic Committee. "RogSibAl laid the first stone for the Olympic Village in Sochi," [РогСибАл заложил первый камень Олимпийской деревни в Сочи], March 23, 2011, <http://www.1prime.ru/news/pressreleases/-106/%7BE2E6A750-D454-4516-AD3C-892C8A5A51B7%7D.uif?d1=30.01.2011&d2=31.03.2011#ixzz2A9K1yXCj> (accessed October 23, 2012).

¹⁷⁷ For more information on Glavstroj, see <http://www.glavstroy.ru/>. For more information on Basic Element, see <http://www.basel.ru/>.

¹⁷⁸ "Building Visions. Building Values. Building Europe," STRABAG, SE website, http://www.strabag.com/databases/internet/_public/content.nsf/web/SE-PRESSE.COM-index_e.html#?men1=0&sid=100&l=EN (accessed October 23, 2012).

¹⁷⁹ "STRABAG Russia," *STRABAG, SE website*, http://www.strabag.com/databases/internet/_public/content.nsf/web/EN-STRABAG.COM-russland.html#?men1=3&sid=300&h=4 (accessed October 23, 2012), p. 17.

employees are instructed to require that suppliers and subcontractors observe this principle and must check its observance to the extent allowed by law.

The code of ethics also states that the company “respect[s] human rights and promote[s] the common good.”¹⁸⁰

Given STRABAG’s importance in the construction market in Russia, Human Rights Watch met with STRABAG officials three times in 2010 and 2011 and sent two letters in 2011 regarding concerns about the treatment of migrant construction workers in Russia based on Human Rights Watch research in 2008 and 2009, as documented in a 2009 report.¹⁸¹ Human Rights Watch did not receive a response to those letters. Human Rights Watch sent another letter to STRABAG in October 2012 detailing concerns about the treatment of migrant workers employed on the Main Olympic Village site. At the time of publication of this report, Human Rights Watch had not met separately to discuss STRABAG’s operations in Sochi or the allegations by migrant workers interviewed by Human Rights Watch concerning its operations. Human Rights Watch received no response from STRABAG to our October 2012 letter.

Companies Involved in Construction of the Main Media Center

The Main Media Center is also located in the coastal cluster of Olympic venues and infrastructure. The center will be an immense building, which includes the international broadcasting center, the main press center, and a 600-room hotel. Following the Olympic Games, the structure will be reconfigured as a shopping and entertainment center.¹⁸²

The project manager for the Main Media Center is the Construction Technology Transfer Center “Omega,” a construction and development firm based in Krasnodar, Russia, specializing in construction project design and management, developer services, financial advising, and other activities. Omega’s sole shareholder is the Krasnodar Region’s

¹⁸⁰ “STRABAG: Code of Ethics,” *STRABAG, SE website*, October 1, 2007, [http://www.strabag.com/databases/internet/_public/files.nsf/SearchView/650558042E8CB4A3C12573E80036C833/\\$File/Code_of_Ethics.pdf?OpenElement](http://www.strabag.com/databases/internet/_public/files.nsf/SearchView/650558042E8CB4A3C12573E80036C833/$File/Code_of_Ethics.pdf?OpenElement) (accessed October 23, 2012), pp. 7, 17, 11.

¹⁸¹ “Are You Happy to Cheat Us? Exploitation of Migrant Construction Workers in Russia,” Human Rights Watch, February 2009, <http://www.hrw.org/reports/2009/02/09/are-you-happy-cheat-us-o>.

¹⁸² “Main Media Center,” *Omega website*, <http://www.omega2014.ru/projects/media/> (accessed October 23, 2012).

Department of Property.¹⁸³ According to the company’s website, it is the project manager for four sites under the Olympic program, as well as the Formula One race track under development near the coastal cluster of Olympic venues.¹⁸⁴ Human Rights Watch was not able to locate any public information regarding Omega’s policies or procedures with respect to human rights protections.

In response to two letters sent by Human Rights Watch to Omega raising concerns related to the Main Media Center and the adjacent Three-Star Complex of Buildings and Structures to Accommodate Media Representatives, Omega responded stating that it had “not been informed of any violations of labor rights of workers” on its construction sites and that “[a]n inspection has shown that workers have employment contracts” and other documents required by law.¹⁸⁵

The general contractor for the Main Media Center is Inzhtransstroy Corporation, a Russian construction company founded in 2007 specializing in design and architecture, transportation construction, and industrial and cultural structures. Inzhtransstroy is involved in nine different projects within the Olympic program, including reconstruction of the airport and seaport, as well as the Formula One racing complex.¹⁸⁶ Human Rights Watch was not able to locate any public information regarding Inzhtransstroy’s policies or procedures with respect to human rights protections. Human Rights Watch wrote to Inzhtransstroy regarding the concerns identified on the Main Media Center site, but received no response.

As also described in detail in the previous chapter, a subcontractor on the Main Media Center site identified by migrant workers in interviews with Human Rights Watch as having violated their labor rights was SU-45. SU-45, an abbreviation for “Construction Department 45,” is a Russian company that has been functioning in the Russian construction market since 2006 and until 2010 was known as Montazhtransstroi. Little information is available about the company from its website. The logo on its website

¹⁸³ In Russian: Государственное унитарное предприятие Краснодарского края «Центр передачи технологий строительного комплекса Краснодарского края «Омега» (ГУП КК «Центр «Омега»). “History of Omega,” *Omega website*, <http://www.omega2014.ru/about/> (accessed October 23, 2012).

¹⁸⁴ “Omega,” *Omega website homepage*, <http://www.omega2014.ru/> (accessed October 23, 2012).

¹⁸⁵ Letter from V. Sh. Abulgafarov, general director, Construction Technology Transfer Center “Omega,” November 8, 2012.

¹⁸⁶ “Olympic Infrastructure Projects, Sochi 2014,” *Inzhtransstroy website*, <http://www.engtransstroy.com/newsection1392> (accessed October 23, 2012).

includes both “SU-45” as well as “Inzhtransstroy,” but does not elaborate on the relationship between the two companies.¹⁸⁷

In response to an October letter detailing the abuses identified by Human Rights Watch, SU-45 responded saying that “foreign workers work in the company for several years at a time,” and that “the company treats these employees with respect.” SU-45 also stated that following receipt of our letter it would “ensure the improvement of conditions and daily life of foreign citizens.”¹⁸⁸ The letter also responds to specific allegations.

Companies Involved in the Construction of Accommodations for Media Representatives

The Three-Star Complex of Buildings and Structures to Accommodate Media Representatives (referred to in this report as the Accommodations for Media Representatives) is a large hotel complex designed to provide accommodations for media representatives covering the Olympic Games.¹⁸⁹ Omega, a construction and development company described above, is the project manager for this site, as it is a component of the Main Media Center. Omega’s response to Human Rights Watch’s October and November 2012 letters concerning this site and the Main Media Center is described above.

The general contractor for the Accommodations for Media Representatives hotel is KubanStroyInvest, a construction company operating for seven years and wholly-owned by Snegiri Development.¹⁹⁰ Snegiri Development is a Russian development company that has produced large commercial and residential constructions for the last 18 years in Moscow and other cities.¹⁹¹ Human Rights Watch did not locate publicly available information about any policies or procedures KubanStroyInvest or Snegiri Development have in place concerning human rights, including workers’ rights.

¹⁸⁷ “SU-45,” *SU-45 website*, <http://www.su-45.ru/> (accessed October 23, 2012).

¹⁸⁸ Letter from B.M. Lelenko, general director, SU-45, November 7, 2012.

¹⁸⁹ For clarity, in this report, the Main Media Center site and the Accommodations for Media Representatives Site are referenced separately, as some workers interviewed by Human Rights Watch stated that they worked on the Main Media Center site while others stated that they were specifically engaged on the Accommodations for Media Representatives site.

¹⁹⁰ Public Information about Open Joint Stock Company “KubanStroyInvest,” http://www.snegiri.com/PORTFOLIO/sochi/ongoing/sunnyhill/information_disclosure/ (accessed November 7, 2012).

¹⁹¹ Snigiri homepage, <http://www.snegiri.com/>, and “About the Company,” *Snigiri Website*, <http://www.snegiri.com/company/> (accessed November 7, 2012).

Workers indicated that they were engaged to work on the Accommodations for Media Representatives by the Group of Companies “MonArch,” a large construction company. The site’s official billboard listing the major companies involved in the site, as well as MonArch’s website, confirm its engagement on this site.¹⁹² MonArch is a group of 16 companies founded in Russia in 1994 that do business in construction, development, property management, and production of construction materials, with particular specialization in “monolithic” residential buildings. According to its website, the company is one of the largest construction companies in Moscow and has “earned a reputation as a responsible general contractor.”¹⁹³

Human Rights Watch did not locate publicly available information about any policies or procedures MonArch has in place concerning human rights, including workers’ rights. According to the MonArch website, the company’s work culture, work conditions, and “workers’ way of life” function at the “highest level,” and the company has created conditions for the professional and personal development of workers in order to inspire strong motivation and productivity in work. Human Rights Watch wrote separately to MonArch and to KubanStroyInvest in November 2012 regarding concerns on the site described by workers interviewed by Human Rights Watch and documented in this report.

In a December 2012 letter, the general director of MonArch responded to a number of human rights concerns documented by Human Rights Watch, as raised by workers engaged on this site, and as detailed in the text above.

Human Rights Watch did not receive a response to our letter to KubanStroyInvest.

Construction Projects Managed by Novii Gorod

According to its website, the Sochi-based Russian construction firm Novii Gorod has operated for eight years in construction, production of construction materials, engineering, and consulting. In recent years, Novii Gorod projects in Sochi have included a number of health resorts and hotels.¹⁹⁴

¹⁹² Group of Companies “MonArch” homepage, <http://www.mon-arch.ru/about/> (accessed November 7, 2012).

¹⁹³ Photo on file with Human Rights Watch, and “Three-Star Complex of Buildings and Structures to Accommodate Media Representatives at the XXII Olympic and XI Paralympic Games,” *MonArch website*, <http://www.mon-arch.ru/objects/49/789> (accessed November 7, 2012).

¹⁹⁴ Novii Gorod home page, <http://www.ngskd.ru/> (accessed November 7, 2012).

Workers interviewed by Human Rights Watch said that they worked in 2010 and 2011 for Novii Gorod, variously, on the site of the “Belarus” health resort, the “Zolotoi Kolos” resort, and on a site one worker believed to be a shopping center in Sochi. The Zolotoi Kolos and Belarus resorts are listed on Novii Gorod’s website as projects they have been engaged in from 2009 to 2011.¹⁹⁵ The reconstruction of the 300-room Zolotoi Kolos resort in Sochi falls under the Olympic program.¹⁹⁶ Human Rights Watch did not identify any publicly-available information about policies and procedures Novii Gorod has in place concerning human rights protections, including protection of migrant workers. Human Rights Watch wrote to Novii Gorod in November 2012 regarding the allegations concerning its treatment of migrant workers documented in this report. Human Rights Watch did not receive a response.

Most workers worked on more than one Novii Gorod site and also had difficulty specifying which site they worked on for which dates and for how long, as they were not always given information about the site they worked on, and the interviews with Human Rights Watch took place in some cases many months or over a year after they had begun working.

The experience of workers on all of the Novii Gorod sites are included in this report, as they were found to be consistent with the treatment of workers on the Olympic sites named in this report. In addition, there is extensive development and construction in Sochi that does not fall directly under the Olympic program but in many cases takes place in anticipation of the Olympic Games and other major sporting events.

¹⁹⁵ “Construction Projects,” *Novii Gorod website*, <http://www.ngskd.ru/category/stroitelstvo/obekty-stroitelstva/> (accessed November 7, 2012).

¹⁹⁶ In the Olympic program, site 182, <http://www.sc-os.ru/ru/activity/programm/> (accessed November 7, 2012).

IV. Role of the International Olympic Committee

The International Olympic Committee (IOC) is the “supreme authority of the Olympic movement,” and has a number of roles with respect to the regular celebration of the Olympic Games and promoting sport and sporting competitions.¹⁹⁷ One of the IOC’s principle missions is “to promote Olympism throughout the world and to lead the Olympic Movement.”¹⁹⁸ The guiding principle of Olympism is enshrined in the Olympic Charter, which serves as the statute of the IOC and defines the main reciprocal rights and obligations of the IOC, as well as the other constituent parts of the Olympic Movement: the International Sports Federations, National Olympic Committees, and the Organizing Committees of the Olympic Games.¹⁹⁹ Olympism “seeks to create a way of life based on the joy of effort, the educational value of good example, social responsibility and respect for universal fundamental ethical principles.”²⁰⁰ The goals of Olympism include placing “sport at the service of the harmonious development of humankind, with a view to promoting a peaceful society concerned with the preservation of human dignity.”²⁰¹

A 2011 report further elaborated on the IOC’s role in the “preservation of human dignity as a fundamental tenet of the Olympic Movement” by specifying its role in addressing human rights abuses that take place in the context of or during Olympic Games. The report lists and details the steps taken to address a series of recommendations adopted by the IOC in October 2009 after the 13th Olympic Congress held in Copenhagen, Denmark. Recommendation 30 specifies that “all members of the Olympic Movement should work together in pursuit of the harmonious development of men and women in order to promote through sport a peaceful society based on the most fundamental common principles and values inherent in a civilized society.” For the implementation of this recommendation, the IOC committed to intervening at the level of the Olympic Games Organizing Committees “in the event of serious abuse,” such as:

¹⁹⁷ “IOC: The Organization,” *IOC website*, <http://www.olympic.org/about-ioc-institution> (accessed October 25, 2012).

¹⁹⁸ Olympic Charter, *International Olympic Committee*, entered into force July 8, 2011, http://www.olympic.org/Documents/olympic_charter_en.pdf (accessed October 25, 2012), “The Mission and Role of the IOC,” p. 14.

¹⁹⁹ *Olympic Charter*, “Introduction,” p. 8.

²⁰⁰ *Olympic Charter*, “Fundamental Principles of Olympism,” p. 10.

²⁰¹ *Ibid.*

- “Mistreatment of people displaced due to Olympic venue construction;
- Abuse of migrant workers at Olympic venue construction sites;
- Child labour;
- Improper restrictions on the media’s freedom to cover the Games, including cultural aspects.”²⁰²

The information regarding implementation of the recommendation also specified that “the IOC will not intervene in non-sport human rights issues.”²⁰³

Since 2006, in the run-up to the 2012 Summer Olympic Games in Beijing, Human Rights Watch has been pressing the IOC to address Olympics-related human rights violations, including through letters, meetings, and official submissions. In 2009, in advance of the Olympic Congress in Copenhagen, Human Rights Watch made a detailed submission calling on the members of the Olympic Movement to create a permanent mechanism to monitor human rights in host countries before, during, and after the Olympic Games.²⁰⁴

Beginning in 2009, Human Rights Watch has regularly raised with the IOC its concerns about the treatment of migrant workers working on Olympic sites as well as other human rights concerns.²⁰⁵ IOC officials shared at least some of these concerns with their counterparts in the Sochi 2014 Organizing Committee. Specifically with respect to migrant workers, the IOC shared the following information with Human Rights Watch in March 2011:

According to information from SC Olympstroy, the following has happened in regard to the late payment of wages: 50 migrants from the Republic of Uzbekistan worked at OOO “Novy gorod SKD” [transliterated in this report as Novii Gorod]. In October 2010 this company fell behind on paying wages, and on 5 October 2010, a representative of the foreign workers met the specialists from the construction department of the city of Sochi.

²⁰² “XIII Olympic Congress,” *International Olympic Committee*, September 2011, http://www.olympic.org/Documents/Congress_2009/XIII-Olympic-Congress_Follow-up_EN.pdf (accessed October 25, 2012), p. 33.

²⁰³ *Ibid.*

²⁰⁴ See Human Rights Watch, “Submission to the 2009 Olympic Congress: Proposal for an IOC Committee on Human Rights,” February 23, 2009, <http://www.hrw.org/news/2009/02/23/human-rights-watch-submission-2009-olympic-congress>.

²⁰⁵ Letter from Human Rights Watch to Christophe De Kepper, International Olympic Committee, May 7, 2009; letter from Human Rights Watch to Christophe De Kepper, International Olympic Committee, December 9, 2010; letter from Human Rights Watch to Christophe De Kepper, International Olympic Committee, September 22, 2011; and letter from Human Rights Watch to Christophe De Kepper, International Olympic Committee, November 12, 2012.

Information received from the management of OOO “Novy gorod-SKD” indicates that on 21 January 2011 the labour state inspectorate audited OOO “Novy gorod-SKD” and established that the organization’s employees and fired foreign workers had been fully paid the wages they were owed.

The company Novii Gorod is named in this report in relation to abuses on its construction sites in Sochi. As described in detail above, workers employed by Novii Gorod in 2010 and 2011 told Human Rights Watch that they were not paid regular wages during a certain period of their employment, and that even after quitting or being fired, the company did not pay them their wages in full.

In a February 3, 2012 letter to Human Rights Watch, the IOC wrote that the “Sochi [2014 Organizing Committee] has informed us that the regional administration has only received complaints recently concerning the late payment of salaries and that following action by the state prosecutor’s office, these issues have been resolved.”²⁰⁶ There is no further information provided as to the number of complaints, which companies are implicated, and on which Olympic or other sites the late payment of salaries occurred, or how specifically the complaints were resolved.

In response to a November 2012 letter from Human Rights Watch detailing the concerns documented in this report, Christophe De Kepper, the general director of the IOC, responded by citing a number of details from the letter sent by Olympstroy vice president Viktor Pryadein to Human Rights Watch, as described in detail above. Mr. De Kepper also stated that the IOC had requested information regarding Human Rights Watch’s concerns from the Sochi 2014 Organizing Committee and was continuing to gather information regarding the specific cases raised. Mr. De Kepper also noted that the IOC takes “all the Games-related cases you [Human Rights Watch] raise seriously and address them with Sochi 2014 [organizers] with a strong sense of urgency.”²⁰⁷

²⁰⁶ Letter from Christophe De Kepper, general director, International Olympic Committee, to Human Rights Watch, December 9, 2012.

²⁰⁷ Ibid.

V. International Legal Standards

The International Labour Organization (ILO) has developed a comprehensive body of conventions that address virtually every aspect of workers' rights. Russia has ratified all eight of the core ILO conventions, including the two ILO conventions prohibiting forced labor (Nos. 29 and 105); two ILO conventions ensuring freedom of association and the right to organize and bargain collectively (Nos. 87 and 98); the ILO convention concerning discrimination in employment and occupation (No. 111); and the convention on equal remuneration (No.100), all of which prohibit discrimination in the workplace.²⁰⁸ Russia has also ratified the ILO Convention on the Protection of Wages (No. 95), which guarantees regular payment of wages, and the ILO Convention on Occupational Safety and Health (No. 155), which calls for policies to prevent accidents and injuries to health, for effective enforcement of laws and regulations concerning occupational safety and health, and for the government to publish annually information on accidents and other work-related health concerns.²⁰⁹ Despite these ratifications, migrant workers in Russia very often do not receive the basic protections enshrined in these legal obligations.

The International Covenant on Economic, Social and Cultural Rights (ICESCR) recognizes “the right of everyone to the enjoyment of just and favourable conditions of work.”²¹⁰ Such conditions must ensure: remuneration, safe and healthy working conditions and equal opportunity for promotion, as well as rest, reasonable limitation of working hours and periodic holidays with pay, and remuneration for public holidays.²¹¹ The ICESCR also guarantees “the right of everyone to form trade unions and join the trade union of his choice...” and the right to strike.²¹² The ICCPR also guarantees freedom of association and

²⁰⁸ “List of Ratifications of International Labour Conventions: Russian Federation,” *International Labour Organization*, <http://webfusion.ilo.org/public/db/standards/normes/appl/appl-byCtry.cfm?lang=EN&CTYCHOICE=0640&hdroff=1> (accessed October 24, 2012).

²⁰⁹ ILO Convention No. 155 concerning Occupational Safety and Health, adopted June 22, 1981, 1331 U.N.T.S. 279, entered into force August 11, 1983.

²¹⁰ International Covenant on Economic, Social and Cultural Rights, adopted by General Assembly resolution 2200A (XXI) of December 16, 1966, entered into force January 3, 1976, ratified by Russia October 16, 1973, art. 7.

²¹¹ *Ibid.* The Universal Declaration of Human Rights also provides that everyone has the right to rest and leisure, including reasonable limitation of working and periodic holidays with pay, as well as the right to just and favorable remuneration, and the freedom to form and join trade unions. UDHR, arts. 23 and 24.

²¹² ICESCR, art. 8.

the right to form and join trade unions.²¹³ As described above, some migrant workers in Sochi did not consistently enjoy these conditions.

Russia has signed, but not ratified, the revised European Social Charter, which sets out rights concerning conditions at work in some detail.²¹⁴ As a signatory, it is required not to take any action that would defeat the object and purpose of the treaty.²¹⁵

Regarding non-citizens' rights at work, the UN Committee on the Elimination of Racial Discrimination's General Recommendation No. 30 states that once an employment relationship has been initiated and until it is terminated, all individuals, *even those without work permits*, are entitled to the enjoyment of labor and employment rights.²¹⁶ This recommendation is relevant for migrant workers in Russia, insofar as many of them work without valid work permits, either because they were not able to obtain work permits due to expired quotas or excessive delays in processing work permits or, very often, as a result of an employer's refusal to provide written employment contracts (in Russian, *trudovoi dogovor*). Employment contracts are necessary for a worker's employment and residency status to remain regular, as well as for the worker to access particular avenues for redress.

Corporate Responsibility

Although the government of Russia has the primary responsibility to respect, protect, and fulfill human rights under international law, private entities also have responsibilities regarding human rights.

²¹³ ICCPR, art. 22.

²¹⁴ The European Social Charter provides numerous guarantees with regard to employment rights, including prohibition of forced labor, fair working conditions as regards wages and working hours, protection from sexual and psychological harassment, and freedom to form trade unions. One of its core provisions relates to the rights of migrant workers and their families and obliges states among other measures to take appropriate steps, so far as national laws and regulation permit, against misleading propaganda relating to emigration and immigration. European Social Charter (revised), CETS, No. 163, entered into force January 7, 1999.

²¹⁵ Vienna Convention on the Law of Treaties, Vienna, May 23, 1969, entered into force January 27, 1980, United Nations, Treaty Series, vol. 1155, art. 18, p. 331, http://untreaty.un.org/ilc/texts/instruments/english/conventions/1_1_1969.pdf.

²¹⁶ Emphasis added. UN Committee on the Elimination of Racial Discrimination, General Recommendation 30, Discrimination Against Non-Citizens (Sixty-Fourth Session, 2004), UN Doc. CERD/C/64/Misc.11/rev.3 (2004), para. 35. International Covenant on Elimination of All Forms of Racial Discrimination, adopted by General Assembly resolution 2106 (XX), December 21, 1965, entered into force March 7, 1966, ratified by Russia, February 4, 1969.

The responsibilities of business in relation to human rights, including workers' rights, are increasingly recognized by international law and other norms.²¹⁷ They include, at a minimum, the responsibility to respect all human rights, but also include additional responsibilities of protection in relation to certain issues.²¹⁸ Consistent with their responsibilities to respect human rights, all businesses should have adequate policies and procedures in place to prevent and respond to abuses.

In Human Rights Watch's view, states should impose clear requirements on business entities to ensure that they uphold their responsibility to respect human rights in all company actions in the state's jurisdiction, and that a remedy is provided in cases where abuses nonetheless occur. In the absence of nationally mandated requirements, we believe all businesses should take certain steps to meet their human rights obligations. All businesses should carry out human rights due diligence, address prospective human rights impacts, and be ready to decline to undertake a potential business venture if harmful impacts are unavoidable.

As one component of such due diligence efforts, companies should be required to conduct or commission a credible human rights impact assessment that addresses the full scope of potential issues, including risks to workers' rights, and reflects extensive input from affected individuals and civil society. Businesses should also monitor human rights impacts through ongoing internal processes and periodic independent reviews, and take action to correct any identified problems. Importantly, company due diligence processes should cover business relationships. For example, companies should vet potential business associates to avoid forming business ties with individuals or entities that undermine human rights, including workers' rights, and include enforceable human rights provisions in contracts with parties involved in a relevant business relationship (for example, suppliers, contractors, and business partners).

²¹⁷ The preambles to key human rights treaties recognize that ensuring respect for human rights is a shared responsibility that extends to "every organ of society," not only to states. In addition, the preambles of both the International Covenant on Civil and Political Rights and the International Covenant on Economic Social and Cultural Rights recognize that "individuals" have human rights responsibilities, a term that can incorporate juridical persons (including businesses) as well as natural persons. The broad consensus that businesses have human rights responsibilities is also reflected in various standards and initiatives, as discussed below.

²¹⁸ For example, corporate responsibilities in relation to child rights are somewhat broader than general human rights obligations, and include a responsibility to protect children's rights. Businesses that carry out a public function are subject to additional obligations. See, for example, "Annotated Outline for the General Comment on Child Rights and the Business Sector," *Committee on the Rights of the Child*, <http://www2.ohchr.org/english/bodies/crc/docs/AnnotatedOutlineBroaderConsultations.doc> (accessed July 3, 2012).

Additionally, businesses should disclose what they are doing to address human rights by publicly reporting on a regular basis, including with reference to workers' rights. To the extent that mitigation and remediation efforts fail to adequately address grievances that may arise affecting workers or others, companies must cooperate fully with formally established mechanisms to provide recourse for victims and accountability for violations, including judicial avenues, as appropriate. It is also essential that company due diligence processes cover business activities abroad, outside the home state, when businesses operate transnationally.

The basic principle that businesses of all sizes have a responsibility to respect human rights, including workers' rights, has achieved wide international recognition. The Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, UN Human Rights Council resolutions on business and human rights, UN Global Compact, various multi-stakeholder initiatives in different sectors, and many companies' own codes of behavior draw from principles of international human rights law and core labor standards in offering guidance to businesses on how to uphold their human rights responsibilities.

For example, the "Protect, Respect and Remedy" framework and the "Guiding Principles on Business and Human Rights," which were developed by the former United Nations Special Representative on Business and Human Rights Professor John Ruggie, and endorsed by the UN Human Rights Council in 2008 and 2011, respectively, reflect the expectation that businesses should respect human rights, avoid complicity in abuses, and adequately remedy them if they occur. They specify that businesses must exercise due diligence to identify, prevent, mitigate, and account for the impact of their activities on human rights.²¹⁹

The OECD sets out norms for responsible social behavior by multinational firms, incorporating the concept of due diligence and the content of ILO core labor standards. The guidelines call on multinational companies in all sectors of the economy to "respect the right of workers employed by the multinational enterprise to establish or join trade unions and representative organizations of their own choosing," and further, to "respect the rights of workers ... [to have such organizations] recognized for the purpose of collective

²¹⁹ See UN Human Rights Council, "Mandate of the Special Representative of the Secretary-General on the issue of human rights and transnational corporations and other business enterprises," Resolution 8/7, A/HRC/RES/8/7; and "Human rights and transnational corporations and other business enterprises," Resolution 17/4, A/HRC/17/L.17/Rev.1.

bargaining, and engage in constructive negotiations ... with such representatives with a view to reaching agreements on terms and conditions of employment.” In addition, the guidelines call on enterprises to “respect human rights, which means they should avoid infringing on the human rights of others and should address adverse human rights impacts with which they are involved,” including by carrying out “human rights due diligence” and working to remedy adverse human rights impacts they have caused or to which they have contributed.²²⁰

²²⁰ OECD Guidelines for Multinational Enterprises (2011 Edition): Recommendations for Responsible Business Conduct in a Global Context, May 25, 2011, http://www.oecd.org/document/28/0,3746,en_2649_34889_2397532_1_1_1_1,00.html (accessed July 6, 2012). As described in the document itself, “[t]he Guidelines are recommendations jointly addressed by governments to multinational enterprises [that] provide principles and standards of good practice consistent with applicable laws and internationally recognized standards.”

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Appendix

1. Human Rights Watch Correspondence with the International Olympic Committee
2. Human Rights Watch Correspondence with State Corporation Olympstroy
3. Human Rights Watch Correspondence with STRABAG, SE
4. Human Rights Watch Correspondence with Botta Management Group, AG
5. Human Rights Watch Correspondence with Engeocom Association
6. Human Rights Watch Correspondence with Construction Technology Transfer Center “Omega”
7. Human Rights Watch Correspondence with SU-45
8. Human Rights Watch Correspondence with the Group of Companies “MonArch”

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November 12, 2012

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Subject: Human rights concerns related to Olympic construction sites in Sochi

Dear Christophe,

Thank you for your letter of November 2, 2012 concerning the questions we raised on October 18 vis-à-vis the International Olympic Committee's position on the Kudepsta power plant as well as your availability for a meeting in December. We will respond in detail to the substantive issues in that letter in the coming weeks. Regarding the meeting, since you are unfortunately not available in early December, we would hope that a meeting in late November or early January will be possible. We will be in touch with Mark to agree on a date that works for everyone.

You have asked that we be specific in details and contact you well in advance to notify you when we determine that abuses are occurring in the context of the Sochi Olympic preparations. We are writing today to share with you our concerns related to exploitation of and abuses against migrant workers laboring on Olympic and other sites in Sochi. As you may remember, we wrote to you previously about some of our general findings concerning exploitation and abuse against migrant workers on Olympic sites and other construction projects in Sochi.

We are currently preparing a report on the topic. The forthcoming report will cite our interviews with workers on these construction sites and other sites to illustrate the problems that have arisen in Sochi in conjunction with construction of Olympic venues and related infrastructure.

We have written separately to Olympstroy regarding all of these concerns and to each of the companies named here regarding the issues on the relevant sites.

Summary

Human Rights Watch has found that workers laboring on five sites included in the official Olympic program as well as other sites in Sochi have been subjected to a range of abuses, including: non-payment of wages or excessive delays in payment of wages; illegal deductions in wages;

withholding of identity documents, such as passports and work permits; non-provision of written employment contracts, failure to provide copies of employment contracts, or failure to respect terms of a contract; excessive working hours without payment of overtime; few days off; and overcrowded employer-provided housing and inadequate employer-provided meals.

Key findings on Olympic construction sites in Sochi

1) Central Olympic (Fisht) Stadium

In 2011 and 2012 Human Rights Watch interviewed more than 20 migrant construction workers who said they worked for Engeocom on the Central Olympic Stadium (Fisht Stadium) and alleged that their rights were not respected. We interviewed the workers separately and in private.

We have also written to Botta Management Group, AG, the project manager for the Central Olympic Stadium, regarding these concerns.

Withholding of Wages

The workers stated that Engeocom withheld their first month's wages. Workers were paid for one month of work only after completion of two months' work. If they quit or were fired, they were unable to recover the first month's wages. They were told that if they remained on the job until Engeocom released them, they would receive that month's wages. Russian law requires that salaries be paid at least twice per month.

Withholding of wages as a penalty for unexcused absences

A number of workers employed by Engeocom stated that they were penalized 1,000 to 1,500 rubles (US\$31 to US\$48)—i.e. more than one, or in some cases more than two, days' wages—in the event of an unexcused absence from work. In at least one case, this occurred after a worker had made three requests for a day off but was denied. In at least one other case a worker incurred this penalty because he was sick and could not show up for work.

Under the Russian labor code, employers have the right to take the following actions as disciplinary measures for non-fulfillment or inadequate fulfillment of job requirements: notification, reprimand, and firing on the basis of the relevant failures. With respect to wages in the event of non-fulfillment of job requirements, an employer may only withhold wages corresponding to the volume of work not performed. In the case of a worker not appearing for work for one day, the volume of work not performed would correspond to one day's wages, not more.

Excessive working hours

Workers stated that they worked 12-hour shifts with one hour off for meals and for changing into and out of work clothing. They were not paid overtime. Workers received one unpaid day off every two weeks.

Under Russian law, normal working hours are not to exceed 40 hours per week (i.e. a maximum of 8-hour shifts in the case of a five-day working week), except in certain

circumstances, when workers should be paid overtime. Workers should have at least one day off per week, as well as non-working holidays and paid vacation time.

Withholding of work permits

A number of workers told Human Rights Watch that Engeocom also withheld their work permits, allegedly as a coercive measure, to prevent them from leaving and using this work permit to gain employment elsewhere. Under Russian law, employers are not allowed to withhold any identity documents from workers. In addition, in the absence of a work permit, a migrant worker stopped by police would be unable to prove the legality of an extended stay in Russia and would be at risk of expulsion.

Failure to provide written employment contracts

Workers further stated that they were not given copies of the written employment contracts (in Russian, *trudovoi dogovor*) they had signed, and in some cases they were not given time to read the single copy of the contract or to arrange for a translation in cases where their Russian language skills were poor.

Under Russian labor law, labor relations arise between employee and employer on the basis of a written employment contract concluded by them in accordance with the labor code. The labor code details the information that must be contained in an employment contract and specifies that it must be signed in two copies, one for each party.

Employer-provided housing and food

Workers stated that Engeocom provided housing and meals as a component of compensation. Workers interviewed by Human Rights Watch lived in private houses. Often several dozen workers were living in one single-family home, leading to overcrowded conditions. For example, one worker stated that he shared a 36 square-meter (387 square foot) room with 13 other men. The workers felt that the food provided was not consistent with sustaining themselves given the intense pace and physical demands of the work they were expected to perform.

2) Main Olympic Village (in the Imeritinskaya lowlands)

Human Rights Watch interviewed two construction workers who said they worked for a subcontractor on the Main Olympic Village site in the Imeritinskaya lowlands and who alleged that their rights were not respected. We interviewed the workers separately and in private.

These workers stated that approximately 500 migrant workers from Central Asia were employed on the site during initial construction stages and that the majority worked with them or lived with or near them in the same or similar conditions.

We have written separately on these issues to RogSibAl, the project manager for the main Olympic Village, and STRABAG, SE, the general contractor for the Olympic Village.

Withholding of wages

The workers employed on the main Olympic Village site stated that they were paid their wages with a month's delay. That is, workers were only paid for the first month of work after

completion of two months' work. Those who quit or were fired were unable to recover the final month's wages.

Excessive working hours

Both workers stated that they worked 12-hour shifts with one hour off for meals and for changing into and out of work clothing. They were not paid overtime. Workers received one unpaid day off every two weeks.

Withholding of work permits

Workers also stated that the costs of preparing their work permits and other documentation required for legal employment in Russia were deducted from their wages. No such deductions are envisioned in Russian labor law regulating deductions from wages.

Employer-provided housing and food

Both workers stated that they were provided housing and meals as a component of compensation. One worker described living in one small room with 8 to 12 other workers. The room held 6 bunk beds and was poorly ventilated. In the summer, the room was extremely hot and the air stagnant. The workers felt that the food provided was not consistent with sustaining themselves at the pace and degree of difficulty of work they were expected to perform.

3) Main Media Center

Human Rights Watch interviewed four migrant construction workers in 2012 who said they worked for a subcontractor, SU-45, on the Main Media Center and alleged that their rights were not respected. We interviewed the workers separately and in private. They worked in two brigades, one consisting of 40 workers, and the other consisting of 25 workers. We have written to Omega, the project manager for the Main Media Center; Inzhtransstroy, the general contractor for the Main Media Center; and to SU-45.

Non-payment of promised wages

The four workers interviewed by Human Rights Watch stated that SU-45 regularly failed to pay promised wages or any wages at all. Two workers stated that they agreed to work for SU-45 on the promise of 18,500 rubles (US\$590) per month; two other workers were promised 24,000 rubles (US\$765) per month. During some months of work, SU-45 paid them, but significantly less (in some cases less than half) than they had been promised at the start of the job. In certain months, SU-45 did not pay the workers at all. One worker stated that he was not paid for 70 days of work and that 39 other workers in his brigade were also not paid for months of work.

Excessive working hours

The workers stated that they were required to work 12-hour shifts with one hour off for meals and for changing into and out of work clothing. They were not paid overtime. Two workers who worked for 117 and 118 days, respectively, each received only five unpaid days off. One worker's employment contract indicated that he would work 40 hours per week with Saturday and Sunday off.

Lack of contracts or failure to respect contracts

Two of the workers interviewed stated that they were not given written employment contracts. One of the workers stated that of 25 people in his brigade, 8 did not receive contracts or work permits from SU-45. Two workers were given written employment contracts, but the contracts were signed more than six weeks after the men had already started working and the employer did not observe key obligations, including on wages, working hours, and days off.

Problems with work permits

Workers also reported various violations related to their work permits. One worker stated that he received a fake work permit. Another never received a work permit, despite the fact that the employer deducted money from his wages to pay for the work permit. Under Russian law, any employer hiring foreign workers must provide them with an official work permit received through an application by the employer to the migration service. Two other workers on the site interviewed by Human Rights Watch stated that they received work permits, but that SU-45 withheld more than half a month's wages for the work permit.

No such deductions are envisioned in Russian labor law regulating deductions from wages.

Employer-provided housing and food

Workers interviewed by Human Rights Watch stated that SU-45 promised to provide housing and meals as a component of compensation. Workers lived in a dormitory near the work site. Workers stated that the dorm rooms were overcrowded. One worker stated that he shared a 16 square-meter (172 square foot) room with nine other workers. Another stated that he shared a similarly sized room with six other people. One worker stated that although SU-45 had promised free meals and housing as a component of compensation, the company withheld 6,150 rubles, or more than a week and a half's pay, for food and space in the dorm room. One worker stated that when he and other workers began complaining about the non-payment of wages, SU-45 kicked them out of the dormitory.

4) Hotel formally known as the Three-Star Complex of Buildings and Structures to Accommodate Media Representatives at the XXII Olympic and XI Paralympic Games

In 2012 we interviewed three migrant construction workers, including one foreman, who said they worked for MonArch, a subcontractor on a 4,200-room hotel located at the Main Media Center, formally known as the Three-Star Complex of Buildings and Structures to Accommodate Media Representatives at the XXII Olympic and XI Paralympic Games, and alleged that their rights were not respected. We interviewed the workers separately and in private. The workers were part of a group of eight workers who arrived together to work on the site on the basis of promises from an intermediary whom they met in Ukraine.

We have written to Omega, the project manager for the Main Media Center, and to KubanStroyInvest, the general contractor on the hotel site, regarding these concerns.

Non-payment of promised wages

The workers interviewed by Human Rights Watch said that for the duration of their employment on the site, they did not receive any wages. One worker worked for several

weeks before quitting. Another worker had worked for nearly two months without wages at the time of the most recent interview with Human Rights Watch. Russian law establishes a minimum wage (as stated above) and requires that salaries be paid at least twice per month.

Failure to provide written employment contracts

The workers stated that when they began work and for the duration of their work on the site, they did not receive written employment contracts.

Confiscation of passports

When the workers arrived in Sochi, MonArch confiscated their passports. The employer failed to provide work permits, as required under Russian law. The workers were given only a pass authorizing them to enter the work site. It is illegal under Russian law for an employer to withhold a person's identity documents. Workers were able to obtain their passports only after they quit, having not received any payment for several weeks of work.

Deceptive recruitment practices

The workers told Human Rights Watch that MonArch provided none of the conditions that they were promised by an intermediary before agreeing to travel to Sochi for the jobs. The workers were promised regular wages of up to 4,000 rubles (US\$127) per day, written employment contracts, and work permits. The workers were also promised jobs in interior finishing, for which they had the experience and qualifications. Upon arrival, however, they were only offered the work of unskilled workers, at a lower pay rate.

5) Allegations concerning Novii Gorod sites in Sochi

Human Rights Watch interviewed eight migrant construction workers who said they worked for the construction company Novii Gorod on hotel and sanatorium and other construction sites in Sochi in 2009 and 2010, including the "Belarus" sanatorium, the "Zolotoi Kolos" sanatorium, which is a site listed within the official Olympic program, and a site one worker believed to be a shopping center, and alleged that their rights were not respected. We interviewed the workers separately and in private. We have written to Novii Gorod as well as to the sanatorium "Zolotoi Kolos" company responsible for realizing the project regarding these concerns.

Unpaid wages, severe delays in wages, illegal deductions in wages

Five workers employed by Novii Gorod and interviewed by Human Rights Watch stated that Novii Gorod paid wages with up to six months' delay. The other three workers employed by Novii Gorod and interviewed by Human Rights Watch stated that following a demonstration to protest against wage delays (described below), Novii Gorod began to withhold their wages. Workers reported having between 25,000 and 43,000 rubles (US\$795 to US\$1,365) withheld from their wages.

Retaliation for complaints and participation in a protest

Five of the six workers interviewed by Human Rights Watch stated that they participated in a demonstration in October 2010 to protest Novii Gorod's non-payment or severe delays in the payment of their wages. According to these workers, a number of migrant workers from Uzbekistan employed by Novii Gorod, including some who participated in the demonstration

and others who did not, were denounced to the Federal Migration Service and removed from Russia in October 2010. None of these workers received the full wages owed to them. One worker also stated that following the workers' submission of written complaints to the labor inspectorate in June and October 2010, Novii Gorod undertook retaliatory measures against the workers, handing them over to the authorities who removed them from Russia.

Human Rights Watch raised concerns about the workers who were scheduled for removal from Russia but who had not been paid their full wages in a letter to the Federal Migration Service on October 15, 2010. After the intervention of Human Rights Watch with senior Federal Migration Service officials, Novii Gorod did provide one worker with 60,000 rubles (US\$1,900) in back wages, but withheld 20,000 (US\$350) for expenses, including preparing the work permit and other documentation. According to this worker, the three other migrant workers in detention with him at that time, also apparently in retaliation for their participation in the demonstration, also received the wages owed to them. They were deported from Russia on October 21, 2010 and banned from reentering for five years.

Two other workers working for Novii Gorod interviewed by Human Rights Watch stated that they, together with nine other workers, stopped working in December 2010 in protest non-payment of wages. The workers stated that Novii Gorod threatened to withhold their meal coupons and access to the cafeteria in retaliation.

Lack of contracts or failure to respect contracts

Six of the interviewed workers stated that they were not given a copy of the written employment contracts they signed with Novii Gorod when beginning work. Two of the workers interviewed did receive written employment contracts, but the terms of those contracts were not respected.

Excessive working hours

All of the workers interviewed by Human Rights Watch who were employed by Novii Gorod stated that they were required to work 12-hour shifts with one hour off for meals and for changing into and out of work clothing. They were not paid overtime.

Substandard food and accommodation

Two of the workers interviewed by Human Rights Watch stated that Novii Gorod housed them on one floor in a factory in rooms that were not designed for human habitation. One worker stated that they were only given bare mattresses to sleep on. Another worker stated that the food was not of a quality or quantity to meet their nutritional needs given the pace and difficulty of the work required of them.

Request for follow-up

In light of these findings, we reiterate our recommendations articulated in previous letters and our February 2009 submission to the Copenhagen Olympic Congress for the **establishment of an independent commission** to investigate and report on labor-related abuses relating to Olympic venues and for **full disclosure of all labor disputes, workplace injuries, and deaths** on construction sites for Olympic venues. We also feel that it would be helpful for the IOC to state publicly, in particular during its visits to Sochi as well as at other

opportunities, that **the human dignity and rights of workers should be protected at all venues and sites** built in relation to the Olympic Games in Sochi.

We would welcome a reply to this letter at your earliest convenience in order to reflect the IOC's position on these important issues on the problems faced by migrant construction workers in Sochi. In order to reflect your position in our upcoming report, we would ask for a written response by **December 10, 2012**.

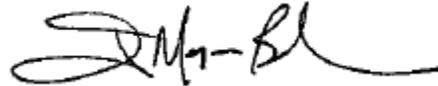
We would also welcome the opportunity of a **meeting with you in Lausanne in late November or early January** (given your unavailability in early December) in order to answer any questions you may have on the findings described above and provide you with any updates that might be available at that time.

We look forward to your response and thank you in advance.

Best regards,



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INTERNATIONAL
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COMMITTEE

Human Rights Watch

Office of the Director General

Lausanne, 9 December 2012

Ref. No. 2012/CDK/bje/aci
By e-mail only
wordenm@hrw.org
buchani@hrw.org

Dear Minky, dear Jane,

Thank you for your letter of 12 November and for informing us about your upcoming report on the conditions of migrant workers at Olympic and other sites in Sochi. We studied carefully the cases you raised and also shared your letter with the Sochi 2014 Organising Committee to obtain from them further details and give them the opportunity to address the issues with the relevant authorities. Whilst Olympstroy has provided Sochi 2014 with feedback which I will share with you today, we have requested further details and the process of gathering all the information is still ongoing.

Let me share with you the information Olympstroy has come back with and which you may have already received directly from them :

According to Olympstroy, they have a dedicated department in charge of monitoring the situation on the various construction sites for the Sochi 2014 Olympic Games. This department carried out 1300 inspections in 2011 and in 2012. It seems that the most common violations detected referred to safety issues, including incomplete provision of protective clothing, shoes and personal protection equipment, failure to use personal protective equipment, inadequate fencing around dangerous areas, violations of the operating rules for LPG equipment by employees, and violations of electrical safety requirements. In order to avoid such violations in the future, Olympstroy has addressed these issues with the State Labor Inspectorate for the Krasnodar Region and the Federal Service for Labor and Employment so they can take the necessary measures. In addition, Olympstroy has conducted joint inspections with these two bodies.

Olympstroy has also indicated that it has a reporting system in place through which workers can file complaints. In practical terms, phone numbers of Olympstroy, the Prosecutor's Office of the Russian Federation and the general contractors are displayed on large billboards and in several languages on all sites so that workers know how to get in touch with these bodies. Olympstroy reports that they only received five individual complaints from workers in the period of 2011 and 2012. These complaints all referred to the payment of salaries. Olympstroy insists that the cases were investigated and that the employers corrected the issues.

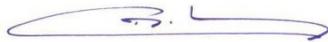
Whilst we are still seeking more information on the different cases outlined in your letter, we hope you find this information useful. We are aware of your deadline for your report and will send you more details as soon as we should receive them.

As a general note and as you are certainly aware, we require the information provided by you on these sensitive cases to be as specific as possible which will enable us to address these important issues properly with the Sochi 2014 organisers. Whilst we understand that you cannot release the names of the workers you interviewed, it would be useful for instance, if you could specify further the exact dates when the alleged abuses of workers occurred. In the case of the allegations concerning the Novii Gorod sites in Sochi, it would be interesting to know if the interviews you conducted are different from the ones you had referred to in your letter of 9 December 2010 and which we had addressed in our reply in March 2011.

Rest assured that we take all the Games-related cases you raise seriously and address them with Sochi 2014 with a strong sense of urgency. However, as Sochi 2014 needs to contact many different stakeholders and authorities to obtain feedback on these complex issues, it always takes some time to gather the necessary information.

I am also looking forward to your reply on our letter of 2 November and am happy to connect with you via phone or during a personal meeting early 2013. Please note that our offices will be closed from 22 December 2012 to 7 January 2013 and feel free to contact my assistant Céline Etienne at celine.etienne@olympic.org or +41 21 621 64 97 to agree on a convenient date.

With best wishes for the end of the year,



Christophe De Kepper

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November 9, 2012

Victor Vasilevich Pryadein
Vice President
Olympstroy

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Dear Victor Vasilevich,

Thank you very much for the informative meeting in July. We appreciate the constructive dialogue we have had with Olympstroy officials to date. As discussed, we are writing to provide additional detail and recommendations on a number of human rights issues in Sochi related to preparations for the 2014 Winter Olympic Games.

We acknowledge and thank you for the letter from your office on August 7, 2012 regarding the Khlistov family in Sochi. Further information regarding our serious concerns in this case is included below.

We look forward to your prompt and thorough attention to the concerns detailed in this letter and very much hope that Olympstroy will take all measures necessary to ensure that its operations and projects go forward in a manner consistent with Russia's obligations under national and international law.

This letter seeks Olympstroy's views on a number of issues. For clarity, information and questions regarding the treatment of migrant workers in Sochi is included in Part 1 below. Part 2 includes information and questions on other issues, including the Khlistov family, compensation and resettlement, and the proposed power plant in Kudepsta.

In light of our upcoming report on migrant workers in Sochi, we would welcome your response to our concerns regarding migrant workers by December 10, 2012, so that we have adequate opportunity to ensure that the report reflects Olympstroy's information and perspectives.

We also look forward to your response to the other concerns raised in this letter.

PART 1: Migrant workers

As discussed during our meeting with you, Human Rights Watch has been researching conditions for migrant workers employed on Olympics-related construction in Sochi. We are currently preparing a report on the conditions for migrant workers working on construction sites in Sochi, including Olympic venues and infrastructure and related projects.

We would like to draw your attention in particular to our concerns about the treatment of migrant workers involved in the construction of four structures that fall under the Olympic program: the Central Olympic Stadium (also known as the Fisht Stadium); the primary Olympic Village in the Imeritinskaya lowlands; the Main Media Center; the Three-Star Complex of Buildings and Structures to Accommodate Media Representatives at the XXII Olympic and XI Paralympic Games, a component of the Main Media Center; and the “Zolotoi Kolos” sanatorium (sites 12, 15, 17, and 182 respectively, in the Olympic Program). As detailed below, we have contacted the relevant project managers, general contractors, and subcontractors separately about these concerns.

We note that the State Corporation Olympstroy was established in order to realize the program of construction of Olympic venues and the development of Sochi as a mountain-climate resort, and as such has oversight over the development and construction of these structures.

The forthcoming report will cite our interviews with workers on these construction sites and other sites to illustrate the problems that have arisen on construction sites in Sochi in conjunction with construction of Olympic venues and related infrastructure.

1) Central Olympic (Fisht) Stadium

In 2011 and 2012, Human Rights Watch interviewed over 20 migrant construction workers who said they worked for Engeocom on the Central Olympic Stadium and alleged that their rights were not respected. We interviewed the workers separately and in private.

We have also written to Botta Management Group, AG, the project manager for the Central Stadium, and Engeocom regarding these concerns.

Withholding of Wages

The workers stated that Engeokom withheld their first month’s wages. Workers were paid for one month of work only after completion of two months’ work. If they quit or were fired, they would not recover the first month’s wages. They were told that if they remained on the job until Engeocom released them, they would receive that month’s wages. Russian law requires that salaries be paid at least twice a month.

Withholding of wages as a penalty for unexcused absences

A number of workers employed by Engeocom stated that they were penalized 1,000-1,500 rubles, or more than one, or in some cases more than two, days’ wages, in the event of an unexcused absence from work. In at least one case this occurred after a worker had made three requests for a day off, but was denied. In at least one other case a worker faced this penalty because he was sick and did not show up for work.

Under the Russian labor code, employers have the right to take the following actions as disciplinary measures for non-fulfillment or inadequate fulfillment of job requirements: notification; reprimand; and firing on the basis of the relevant failures (article 192). With respect to wages in the event of non-fulfillment of job requirements (article 155), an employer may only withhold wages corresponding to the volume of work not performed.

In the case of a worker not appearing for work for one day, the volume of work not performed would correspond to one day's wages, not more.

Excessive working hours

Workers stated that they worked 12-hour shifts with one hour off for meals and for changing into and out of work clothing. They were not paid overtime. Workers received one unpaid day off every two weeks. Under Russian law, normal working hours are not to exceed 40 hours per week, except in certain circumstances, when workers should be paid overtime. Workers should have at least one day off per week, as well as non-working holidays and paid vacation time.

Withholding of work permits

A number of workers told Human Rights Watch that Engeocom also withheld their work permits, allegedly as a coercive measure, to prevent workers from leaving and going to another employer and gaining employment on the basis of that work permit. Under Russian law, employers are not allowed to withhold any identify documents from workers. In addition, in the absence of a work permit, a migrant worker stopped by police would be unable to prove the legality of an extended stay in Russia and would be at risk of expulsion.

Failure to provide written employment contracts

Workers further stated that they were not given copies of the written employment contracts they had signed, and in some cases were not given time to read the single copy of the contract or were not able to read the contract because their Russian language skills were poor. Russian labor law specifies that employment contracts must be signed in two copies, one for each party

Employer-provided housing and food

Workers stated that Engeocom provided housing and meals as a component of compensation. Workers interviewed by Human Rights Watch lived in private houses. Often several dozen workers were living in one single-family home, leading to overcrowded conditions. For example, one worker stated that he shared a six by six square-meter room with 13 other men. The workers felt that the food provided was not consistent with sustaining themselves given the intense pace and physical demands of the work they were expected to perform.

2) Main Olympic Village [in the Imeritinskaya lowlands]

Human Rights Watch interviewed two construction workers who said they worked for a subcontractor on the Olympic Village site in the Imeritinskaya lowlands who alleged that their rights were not respected. We interviewed the workers separately and in private.

The workers interviewed by Human Rights Watch stated that there were approximately 500 migrant workers from Central Asia employed on the site during initial construction stages. According to the workers whom Human Rights Watch interviewed, these other workers, most of whom worked with or lived with or near the workers whom we interviewed, lived and worked in the same or similar conditions.

We have written separately to RogSibAl, the project manager for the Main Olympic Village, and STRABAG, SE, the general contractor for the Olympic Village regarding these concerns.

Withholding of Wages

The workers employed on the Main Olympic Village site stated that they were paid their wages with a month's delay. That is, workers were paid for the first month of work, only after completion of two months' work. If they quit or are fired, they will not recover the final month's wages. Russian law requires that salaries be paid at least twice a month.

Excessive working hours

Both workers stated that they worked 12-hour shifts with one hour off for meals and for changing into and out of work gear. They were not paid overtime. Workers received one unpaid day off every two weeks.

Under Russian law, normal working hours are not to exceed 40 hours per week, except in certain circumstances, when workers should be paid overtime. Workers should have at least one day off per week, as well as non-working holidays and paid vacation time.

Withholding of work permits

Workers also stated that the costs of preparing their work permits and other documentation required for legal employment in Russia were deducted from their wages. No such deductions are envisioned in Russian labor law regulating deductions from wages.

Employer-provided housing and food

Both workers stated that they were provided housing and meals as a component of compensation. One worker described living in one small room with 8 to 12 other workers. The room held 6 bunk beds and was poorly ventilated. In the summer, the room was extremely hot and the air stagnant. The workers felt that the food provided was not consistent with sustaining themselves at the pace and degree of difficulty of work they were expected to perform.

3) Main Media Center

Human Rights Watch interviewed four migrant construction workers in 2012 who said they worked for a subcontractor, SU-45, on the Main Media Center and alleged that their rights were not respected. We interviewed the workers separately and in private. The workers interviewed worked in two brigades, one consisting of 40 workers, and the other consisting of 25 workers.

We have written separately to the Construction Technology Exchange Center of Krasnodar Krai, "Omega," the project manager for the Main Media Center; Inzhtransstroy, the general contractor; and SU-45 regarding these concerns.

Non-payment of promised wages

The workers working on the Main Media Center stated that SU-45 regularly failed to pay promised wages or failed to pay any wages at all. Two workers stated that they agreed to work for SU-45 on the promise of 18,500 rubles per month; two other workers were promised

24,000 rubles per month. During some months of work, SU-45 paid them, but significantly less (in some cases less than half) than they had been promised at the start of the job. In certain months, SU-45 did not pay the workers at all. One worker stated that he was not paid for 70 days of work. He stated that 39 other workers in his brigade were also not paid for months of work. Russian law requires that salaries be paid at least twice a month.

Excessive working hours

The workers stated that they were required to work 12-hour shifts with one hour off for meals and for changing into and out of work gear. They were not paid overtime. Two workers who worked for 117 and 118 days, respectively, each received only five unpaid days off. One worker's employment contract indicated that he would work 40 hours per week with Saturday and Sunday off. Under Russian law, normal working hours are not to exceed 40 hours per week, except in certain circumstances, when workers should be paid overtime. Workers should have at least one day off per week, as well as non-working holidays and paid vacation time.

Lack of contracts or failure to respect contracts

Two of the workers interviewed stated that they were not given written employment contracts. One of the workers stated that of 25 people in his brigade, eight did not receive contracts or work permits from SU-45. Two workers were given written employment contracts, but the contracts were signed more than six weeks after the men had already started working and the employer did not observe key obligations of the contract, including wages, working hours, and days off.

Under the Russian labor code, labor relations arise between employee and employer on the basis of an employment contract (*trudovoi dogovor*) concluded by them in accordance with this code. The labor code details the information that must be contained in an employment contract and specifies that the contract must be signed in two copies, one for each party.

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Workers interviewed by Human Rights Watch stated that SU-45 promised to provide housing and meals as a component of compensation. Workers lived in a dormitory near the work site. Workers stated that the dorm rooms were overcrowded. One worker stated that he shared a four square-meter room with nine other workers. Another stated that he shared a similar sized room with six other people. One worker stated that although SU-45 had promised free meals and housing as a component of compensation, the company withheld 6,150 rubles, or

more than a week and a half's pay, for food and space in the dorm room. One worker stated that when he and other workers began complaining about the non-payment of wages, SU-45 kicked them out of the dormitory.

4) Hotel formally known as the Three-Star Complex of Buildings and Structures to Accommodate Media Representatives at the XXII Olympic and XI Paralympic Games

In 2012, we interviewed three migrant construction workers, including one foreman, who said they worked for MonArch, a subcontractor on a 4,200-room hotel located at the Main Media Center, formally known as the Three-Star Complex of Buildings and Structures to Accommodate Media Representatives at the XXII Olympic and XI Paralympic Games, and alleged that their rights were not respected. We interviewed the workers separately and in private. The workers were part of a group of eight workers who arrived together to work on the site, on the basis of promises from an intermediary whom they met in Ukraine.

We have written separately to MonArch and to Construction Technology Exchange Center of Krasnodar Krai "Omega," the project manager for the Main Media Center, and KubanStroyInvest, the general contractor for the Three-Star Complex of Buildings and Structures to Accommodate Media Representatives at the XXII Olympic and XI Paralympic Games separately about these concerns.

Non-payment of promised wages

The workers interviewed by Human Rights Watch said that for the duration of their employment on the site, they did not receive any wages. One worker worked for several weeks before quitting. Another worker had worked for nearly two months without wages at the time of the most recent interview with Human Rights Watch. Russian law establishes a minimum wage and requires that salaries be paid at least twice a month.

Failure to provide written employment contracts

Under Russian labor law, labor relations arise between employee and employer on the basis of an employment contract (*trudovoi dogovor*) concluded by them in accordance with this Code. The labor code details the information that must be contained in an employment contract and specifies that the contract must be signed in two copies, one for each party.

Confiscation of passports

When the workers arrived in Sochi, MonArch confiscated their passports. The employer failed to provide work permits, as required under Russian law. The workers were given only a pass authorizing them to enter the work site. It is illegal under Russian law for an employer to withhold a person's identity documents. Workers were able to obtain their passports only after they quit, having not received any payment for several weeks of work.

Deceptive recruitment practices

The workers told Human Rights Watch that MonArch provided none of the conditions that they were promised by an intermediary before agreeing to travel to Sochi for the jobs. The workers were promised regular wages of up to 4,000 rubles per day, written employment contracts, and work permits. The workers were also promised jobs in interior finishing, for

which they had the experience and qualifications. Upon arrival, however, they were only offered the work of unskilled workers, at a lower pay rate.

5) Allegations concerning Novii Gorod sites in Sochi

Human Rights Watch interviewed eight migrant construction workers who said they worked for the construction company Novii Gorod on hotel and sanatorium and other construction sites in Sochi in 2009 and 2010, including the “Belarus” sanatorium, the “Zolotoi Kolos” sanatorium, which is a site listed within the official Olympic program, and a site one worker believed to be a shopping center, and alleged that their rights were not respected. We interviewed the workers separately and in private. We have written to Novii Gorod regarding these concerns.

Unpaid wages, severe delays in wages, illegal deductions in wages

Five workers employed by Novii Gorod and interviewed by Human Rights Watch stated that Novii Gorod paid wages with up to six months’ delay. The other three workers employed by Novii Gorod and interviewed by Human Rights Watch stated that following a demonstration to protest against wage delays (described below), Novii Gorod began to withhold their wages. Workers reported having between 25,000 to 43,000 rubles withheld from their wages.

Russian law requires that salaries be paid at least twice a month.

Retaliation for complaints and participation in a protest

Five of the eight workers interviewed by Human Rights Watch stated that they participated in a demonstration in October 2010 to protest Novii Gorod’s non-payment or severe delays in the payment of their wages. According to these workers, a number of migrant workers from Uzbekistan employed by Novii Gorod, including some who participated in the demonstration and others who did not, were denounced to the Federal Migration Service and removed from Russia in October 2010. None of these workers received the full wages owed to them. One worker also stated that following workers’ submission of written complaints to the labor inspectorate in June and October 2010, Novii Gorod undertook retaliatory measures against the workers, handing them over to the authorities who removed them from Russia.

Human Rights Watch raised concerns about the workers who were scheduled for removal from Russia but who had not been paid their full wages in a letter to the Federal Migration Service on October 15, 2010. After the intervention of Human Rights Watch with senior Federal Migration Service officials, Novii Gorod did provide one worker with 60,000 rubles in back wages, but withheld 20,000 for expenses, including preparing the work permit and other documentation. According to this worker, the three other migrant workers in detention with him at that time, also apparently in retaliation for their participation demonstration, also received the wages owed to them. They were deported from Russia on October 21, 2010.

Two other workers interviewed by Human Rights Watch stated that they, together with nine other workers, stopped working in December 2010 in protest over non-payment of wages. The workers stated that Novii Gorod threatened to withhold their meal coupons and access to the cafeteria in retaliation.

Lack of contracts or failure to respect contracts

Six of the workers interviewed stated that they were not given a copy of the written employment contracts they signed with Novii Gorod when beginning work. Two of the workers interviewed did receive written employment contracts, but those contracts were not respected.

Under the Russian labor code, labor relations arise between employee and employer on the basis of a written employment contract (*trudovoi dogovor*) concluded by them in accordance with this code. The labor code details the information that must be contained in an employment contract and specifies that the contract must be signed in two copies, one for each party.

Excessive working hours

All of the workers interviewed by Human Rights Watch who were employed by Novii Gorod stated that they were required to work 12-hour shifts with one hour off for meals and for changing into and out of work clothing. They were not paid overtime.

Under Russian law, normal working hours are not to exceed 40 hours per week, except in certain circumstances, when workers should be paid overtime. Workers should have at least one day off per week, as well as non-working holidays and paid vacation time.

Substandard food and accommodation

Two of the workers interviewed by Human Rights Watch stated that Novii Gorod housed them on one floor in a factory, in rooms that were not designed for human habitation. One worker stated that they were only given bare mattresses to sleep on. Another worker stated that the food was not of a quality or quantity to meet their needs, given the pace and difficulty of the work required of them.

Questions

We are aware of the information contained in the report provided to us during or July 2012 meeting: State Corporation Olympstroy, “Non-Financial Report on Sustainable Development and Environmental Responsibility in 2010,” including that Olympstroy “maintains a high level of labour protection, labor and social guarantees” for “employees of contractors” at Olympic construction sites. The report also indicates that Olympstroy requires that contractors must provide “safe conditions,” as well as “appropriate working conditions, accommodation, food, household services and medical care” to workers hired on the sites, and that the company “is liable for any failure to meet the said requirements.” Olympstroy also requires that “any subcontractor engaged to carry out works on behalf of the contractor performs them in accordance with the regulatory legal acts of the Russian federation” and other relevant laws.

We are also aware that in 2010, Olympstroy established its own labor inspectorate service that cooperates with the Krasnodar Krai labor inspectorate. You informed us that the Olympstroy labor inspectorate conducts regular unannounced checks at different sites to ensure that all labor standards are being met. We would welcome information about the activities of this labor inspectorate, including information about past announced and unannounced inspections and the results of those inspections. In particular, could you please inform us about:

- The number of announced and unannounced visits undertaken by the Olympstroy labor inspectorate from the time of its inception through October 2012.
- The kinds of allegations that have come to your attention as a result of these visits or through other means, with respect to labor rights or other human rights violations on sites in Sochi.
- The response to these allegations on the part of Olympstroy or other agencies.
- Whether Olympstroy has engaged independent, third-party monitoring to also monitor its sites for human rights, including labor rights, violations.
- What action Olympstroy will take in response to the allegations detailed above.

In addition, we would welcome information about other steps that Olympstroy takes to uphold labor rights on sites in Sochi.

Part 2: Other Concerns: Resettlement and the Power Plant at Kudepsta

The Khlistov family house in Adler

We are deeply shocked at the conduct of Olympstroy and the Sochi administration with respect to the Khlistov family in Adler. We raised our concerns with you regarding the threatened eviction of this family in order to allow for Olympic construction. As you may know, the home and the construction next to it were demolished on September 18, 19, and 21 while the family continued to live in the house. They have not received compensation for the home, which for over 16 years the authorities treated as legal, including by issuing official documents and collecting taxes.

We would like to ask for clarification regarding a few issues in this case. After conducting two inspections in the case, the prosecutor's office of the Krasnodar Region responsible for oversight of legal compliance in the course of preparations for the 2014 Olympics concluded that the family's use of the land had been legal. In a letter of July 12, 2012, the prosecutor's office instructed the Sochi authorities to take action to resolve the contradiction in the property documents in a way that would take into consideration the Khlistovs' property rights and that the family should be included in the Olympic resettlement program.

We would welcome information as to what steps Olympstroy took to ensure that the treatment of the Khlistov family, whose land was transferred to Olympstroy, was consistent with domestic and international law, and, in particular, what steps Olympstroy took to ensure that the recommendations of the main body responsible for oversight of Olympic preparations, the prosecutor's office of the Krasnodar Region responsible for oversight of legal compliance in the course of preparations for the 2014 Olympics, were implemented.

We are also aware that there was a lack of clarity regarding responsibility for the actions directed at the family and their property. In a letter to the Sochi prosecutor's office dated July 30, 2012, the Sochi city administration stated that because the land had been transferred to Olympstroy for use in Olympic construction, there was nothing further that the Sochi authorities could do for the Khlistovs. In your letter to Human Rights Watch of August 7, 2012, you stated that the Krasnodar and Sochi authorities have competency for the case.

We would welcome information about what steps Olympstroy took to resolve this lack of clarity and reluctance to assume responsibility so as to ensure that the case was resolved in a manner that respected the Khlistov family's rights and dignity.

International standards

Under the International Covenant on Civil and Political Rights and the European Convention on Human Rights, the Russian government is obliged to respect and protect the rights of all people from arbitrary interference in their home and family life. The failure to respect and protect those rights and ensure a fair process concerning the home where the Khlistovs have lived since 1996, and which, until 2010, the authorities treated as a legal structure, is a violation of the European Convention.

Forced eviction, or the coerced or involuntary displacement of individuals from homes or lands that they occupy or depend on, without provision of and access to appropriate forms of legal or other protection, as well as provision of reasonable compensation, is a serious violation of international law.

The treatment of evictees in certain cases of forced eviction can rise to a level of severity that constitutes "inhuman or degrading treatment" in violation of article 3 of the European Convention. The European Court of Human Rights has found that forced evictions and destruction of homes can amount to inhuman and degrading treatment, for example, when the government undertakes "deliberate destruction in utter disregard for ... [residents'] welfare, depriving them of most of their personal belongings and leaving them without shelter and assistance."

Recommendations

We once again call on you to ensure, together with the Krasnodar Krai and Sochi authorities, that the Khlistov family is treated in a manner that respects their rights and dignity, that no further harm comes to them, and that they receive compensation, such as relocation to a home built for persons resettled for Olympic construction.

Resettlement and compensation for other families

Dozens of individuals and families who have been resettled for Olympic construction have told Human Rights Watch that the process of compensation was not fair or transparent.

For example, Irina Brovkina lived in a high rise building on Voikova Street in the center of Sochi in an apartment that she and her husband purchased in 2008 for 5 million rubles. In early 2011, Brovkina was informed that the building was to be demolished to make way for Olympic construction (railroad construction). In April 2011, the authorities offered the family compensation that amounted to less than half of the initial price they paid for the apartment. Brovkina and her husband refused the compensation and ordered an independent assessment which valued the apartment at the same amount the family paid for it initially.

The family planned to contest what they viewed as grossly unfair compensation in court but before they could file a lawsuit, the authorities transferred the sum of the compensation to their bank account. Irina Brovkina told Human Rights Watch that neither she nor her family

members authorized that transfer. She also said that they consistently refused to sign any documents stating that they agreed to the compensation. The authorities then sued the residents of the building, including Brovkina and her husband, who did not accept the compensation offered to them, winning a court order to evict them in the summer of 2011. After the residents were evicted, the apartment building was demolished.

In another example, Natalia Gordienko, who lived with her mother, brother, and two sons in a single-family home at 45 Prosvesheniya Street in Adler, received a written notification in December 2010 that her property would be expropriated for state needs for Olympic construction.

The authorities initially offered Gordienko 300,000 rubles for her property and then sued her when she refused the offer. A court ordered her home to be expropriated and for the authorities to pay her 1.3 million rubles. However, an independent appraisal of the home, which the judge did not admit into the proceedings, valued the home at 3.5 million rubles. A court-ordered appraisal in a second court hearing similarly valued the home at 3,131,000 rubles, in addition to 100,000 rubles for outbuildings, but the court refused to review this appraisal, stating that it had not been contracted by Olympstroy and therefore was not completed with the correct “methodology.”

It is not clear why two appraisals valued the home at more than 3 million rubles, but ultimately the family was offered only 1.2 million rubles in monetary compensation, which is not sufficient to buy a home in Sochi comparable to the one in which they lived. The authorities alternatively proposed that Gordienko and her relatives be resettled to a one-bedroom apartment, an option deeply unsatisfactory to the family of five and not commensurate with the value of their single-family home. After extensive efforts to secure an alternative, including multiple lawsuits, the family was offered a home in Veseloe, an option they felt was their only real choice, but in order to obtain this property, they were forced to pay nearly 500,000 rubles for “upgrades” that the new property has (a fence and a road) that her old property did not have. The new home is also significantly farther from the location of her previous house, forcing Gordienko and her husband to spend significantly more time and money commuting than they had previously.

International standards

In light of our findings, and our concern that there are many others whose property is likewise affected, we believe it would be helpful to set out some of the human rights law applicable in this situation, so that you are aware of the legally binding standards on all Russian authorities and, in particular, obligations with respect to compensation. Russia is a party to the European Convention on Human Rights and is bound by the Convention and the case law of the European Court of Human Rights. Anyone whose property is impacted by measures taken in connection with preparation for the Olympics would have a right, after trying any effective domestic remedies, to go to the European Court of Human Rights to seek a judgment that their rights were violated and obtain compensation.

The European Convention explicitly protects against unlawful expropriation of property, which includes expropriation not carried out in a fair and appropriate manner. Article 1 of

Protocol No. 1, paragraph 1, reads, “Every natural or legal person is entitled to the peaceful enjoyment of his possessions. No one shall be deprived of his possessions except in the public interest and subject to the conditions provided for by law and by the general principles of international law.”

The notion of “possessions” for this purpose covers a wide range of interests, including business or professional interests, proprietary interests, and claims or legitimate expectations in relation to enjoyment of property. According to the Court, any deprivation of such possessions, for example via expropriation or forced sale, must comply with the principle of lawfulness, be in the public interest, and pursue a legitimate aim in a proportionate manner.

Therefore, when a person is deprived of their property, the Court has made clear on repeated occasions that the authorities must strike a “fair balance” between the demands of the public interest and the requirements of the protection of the individual’s fundamental rights; the measure must not impose an excessive burden on the individuals and the state cannot derive unjust enrichment from the measure.

The Court has said that compensation terms are material to the assessment of whether an expropriation measure respects the requisite fair balance and whether it does not impose a disproportionate burden on the individual whose property has been expropriated. Whilst the notion of “public interest” is necessarily extensive, involving consideration of political, economic and social issues, and it follows that the margin of appreciation available to the government is a wide one, the Court has held that there is a direct link between the importance or compelling nature of the public interest pursued and the compensation that should be provided in order to guarantee compliance with Article 1 of Protocol No. 1.

It has been held that a sliding scale should be applied, balancing the scope and degree of importance of the public interest against the nature and amount of compensation provided to the persons concerned. Moreover, the Court has held that failing to pay compensation of a sum reasonably related to the value of the property is an excessive interference with an individual’s rights, and in many cases of lawful expropriation, only full compensation can be regarded as reasonably related to the value of the property.

In the context of land expropriation, or de facto expropriation occurring for the purposes of establishing an infrastructure suitable to host the Olympic Games, Human Rights Watch believes that the “fair balance” and applicable human rights standards are not being met.

Recommendations

We feel that to ensure Russia’s international legal obligations are met, as the state corporation overseeing Olympic construction, Olympstroy, in conjunction with the Krasnodar Krai and the Sochi authorities, should set up a specific mechanism to receive and review, in a transparent and comprehensive manner, complaints regarding the awarding of compensation from residents and property owners whose properties have been or will be expropriated. Olympstroy and Sochi authorities should widely publicize this mechanism and ensure that it includes public oversight to ensure its transparency and credibility.

The mechanism should examine all appraisals of a property, including both state-ordered appraisals, private appraisals, as well as information from individual homeowners and residents regarding their use of their property, including whether the property served both as a home and as a source of income (for example, if the property was used for rental income, or to provide food for the family or to sell, etc.) as part of determining whether the compensation awarded was fair. The mechanism should be capable of awarding supplemental compensation in the event that previously awarded compensation was not fair.

Natural Gas Power Plant at Kudepsta

We are concerned that some preparatory construction for the construction of the Kudepsta thermal power plant have taken place in violation of the law and that local residents have not been provided with sufficient information, including documentation that should be made publically available, and are being hindered in their attempts to voice their concerns publicly.

Failure to follow legal procedures before starting preparatory construction work

As you know, the proposed plans for the thermal plant place it very near residential areas of Kudepsta. Environmental experts and groups have criticized the project, warning of health threats that could result from high levels of pollutant gas and noise. Kudepsta residents have raised legitimate concerns about potential health or other impacts from noise and emissions pollution and oppose the choice of a site so close to a residential area.

We are concerned that the preparatory work began in violation of federal law 174 “On environmental assessment” and Ministry of Regional Development Order no. 356 regulating preparatory construction for Olympic sites, which both state that no preparatory construction work for an Olympic site can be performed until all required documentation has been submitted for state review, following completion of a number of procedural steps.

Under the law, preparatory construction work can begin only after 1) the results of an environmental impact assessment (EIA) are presented at a public hearing, and 2) documents that include both the EIA and the results of the hearing are submitted for state environmental assessment and then state review.

However, preparatory construction on the Kudepsta power plant, including construction of a fence and an access bridge and the felling of trees, began in spring 2012, more than two months before the August 24, 2012 public hearing on the plant and before documents had been submitted for state environmental assessment and state review.

Members of the Kudepsta TOS have faced difficulties obtaining official documentation, such as the full results of the environmental impact assessment studies, which according to law FZ 174 “On Environmental Assessment,” the authorities should share publicly. Villagers submitted dozens of petitions and complaints listing environmental and legal concerns to the local and federal authorities as well as to the International Olympic Committee. They did not receive any substantive responses.

International standards

In addition to the concerns that the requirements under national law have not been met, we believe that the failure to publicly disclose accurate and comprehensive information about the power plant, including the results of the environmental impact assessment studies, including relevant documents related to it, also infringe on rights guaranteed under international law. Under the European Convention on Human Rights, to which Russia is a party, states are obligated to undertake a meaningful investigation and assessment to determine the impact on human rights of construction projects that it engages in or authorizes. The European Court of Human Rights has repeatedly ruled that the right to private and family life includes a right to protection from environmental pollution, which may affect individuals' well-being and prevent them from using their homes.

In cases such as the construction of a power plant, the Court requires that a proper and complete investigation, which takes into account the interests of those impacted by the construction, precedes the project. The study should assess the impact of the project on the individuals' rights with the aim of finding the best possible solution to minimize the interference with these rights "by trying to find alternative solutions and by generally seeking to achieve their aims in the least onerous way as regards human rights."

Violations of the right to free assembly

We are also concerned that residents and activists supporting them have suffered harassment and arrest in their attempts to publicly voice concerns that preparatory construction at the Kudepsta thermal power plant site are not being carried out lawfully. TOS members and other residents have set up an observation camp near the site of the proposed power plant and on several occasions have blocked the road leading to the site. They sought to prevent heavy machinery from entering the site to perform work they believed to be unlawful. They have also called the police to inspect whether workers entering the site and carrying out preparatory construction have legal documentation required under national law.

On August 14, police detained Kudepsta TOS head Anatoly Mahnovsky and TOS member Pavel Chesnokov. Both men told Human Rights Watch that police asked them to sign police reports containing false information about the circumstances of their detention, which they refused to do. Police later released them but charged them with organizing unsanctioned gatherings. The men denied that they organized anything, but simply gathered with others near the construction site with fellow residents who gathered peacefully to obstruct the arrival of heavy machinery. Chesnokov was re-detained and charged with disobeying police orders on August 15. The charges against him for organizing an unsanctioned gathering and disobeying police orders were later dropped. Mahnovsky passed away in uncertain circumstances on September 11, 2012.

At a substantial protest in Kudepsta on September 9, police detained two environmental activists, Alexei Mandrigelya and Ivan Karpenko. Karpenko was charged with disobeying police orders. At his trial on September 10, the judge stated that the accusations against Karpenko were not clear and returned the case to the police for clarifications. On September 14, two youth political activists from Moscow, Kiril Goncharov and Tatiana Romanova, were

arrested and charged with disobeying police orders. In rushed proceedings which lasted minutes, a court sentenced them to fines of 1,000 rubles each.

International standards

Article 11 of the European Convention on Human Rights (ECHR) guarantees the right to freedom of assembly and sets out circumstances in which this right may be limited. As with several other rights under the ECHR, freedom of assembly is only subject to restrictions “prescribed by law” and “necessary in a democratic society.” Restrictions may be justified by the “interests of national security or public safety, the prevention of disorder or crime, the protection of health or morals,” among other interests. The European Court of Human Rights has noted that where demonstrators do not engage in acts of violence, it is important for the public authorities to show a degree of tolerance towards peaceful unauthorized gatherings in order to uphold the guarantee of freedom of assembly.

The Sochi authorities bear primary responsibility for respecting international law by refraining from arresting and charging residents and activists who are peacefully voicing concerns about the power station’s construction. However, as the state corporation ordering the construction of the thermal plant, Olympstroy also has a responsibility to ensure that the construction works are being carried out in accordance with national and international law, and that accurate and comprehensive information about the plant, including the legal basis for the preparatory construction, is made public.

Recommendations regarding the Kudepsta thermal power plant

Olympstroy should ensure that no further preparatory or other construction takes place on the site without a legal basis for doing so, including until all the procedural steps, including submitting all the required documentation for state environmental review and the state review has been followed. Before any construction work goes forward, Olympstroy should also work with the relevant Russian authorities to conduct a comprehensive investigation that takes into account the interests of those impacted by the construction. The study should assess the impact of the project on individuals’ rights with the aim of finding the best possible solution to minimize the interference with these rights. The study should be public and distributed widely.

Olympstroy should also ask the Sochi authorities, in the interests of demonstrating respect for fundamental human rights as well as Olympic values, to allow residents and activists supporting them to express valid concerns peacefully and without fear of repercussions.

We look forward to hearing from you on these issues and to continuing our constructive dialogue in the interest of ensuring human rights protections in the context of the Sochi 2014 Winter Olympic Games.

Sincerely,



Rachel Denber

Translation from Russian

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December 5, 2012
No. VP-PZ-38503

Human Rights Watch
Ms. Rachel Denber

Dear Ms. Denber,

Thank you for your letter to the State Corporation Olympstroy. We highly value both the role your organization plays in human rights monitoring in a broad range of issues and our mutual achievements in developing a constructive dialogue between Human Rights Watch and SC Olympstroy.

In response to your letter dated November 9, 2012, please let us outline Olympstroy’s position within its competence regarding the issues raised in that letter.

Please note that compliance with the Russian legislation, which addresses issues related to rights protection, including those protecting labor rights, of all workers employed on Olympic construction sites, not limited to foreign workers, is continuously monitored by respective supervisory agencies of the Russian Federation, including the prosecutor’s offices of Sochi and the Krasnodar Krai, the Krasnodar Krai Labor Inspectorate, and the Federal Migration Service.

Mandatory information boards, including in foreign languages, are displayed on construction sites and have a list of phone numbers for Olympstroy, Russia’s prosecutor’s offices, and managers of general contractors. Any worker that believes that his/her rights have been violated may call the above mentioned phone numbers and make an appropriate statement.

The Olympstroy labor inspectorate, within the limits of its competence, conducts control and monitoring tasks, including those in cooperation with state control agencies, of the project managers’ compliance with the Russian Federation’s rules and regulations related to industrial and fire safety and labor protection at construction sites.

Please be informed that the department has conducted more than 1,300 visits as a part of supervisory measures during the time period from 2011 to 2012. The most common violations include: failure to provide sufficient special working clothes, boots, and other means of individual protection; failure to use means of individual protection; insufficient

enclosure of dangerous areas; violation of gas cylinder equipment operating rules by workers; violation of electric safety requirements.

In order to correct the uncovered violations, Olympstroy has been cooperating closely with the Krasnodar Krai State Labor Inspectorate of the Labor and Employment Service, and the two organizations have been conducting joint inspections. Information about uncovered violations obtained during inspections is submitted to appropriate agencies in an obligatory fashion in order for them to make decisions regarding appropriate sanctions.

During the time period from 2011 to 2012, Olympstroy has received five complaints from citizens maintaining that their rights have been violated; all five complaints were related to wage payment. The complaints were reviewed on a case-by-case basis and employers have fulfilled their obligations in full. In order to form a more comprehensive and credible picture of the violations revealed and the measures taken, we also recommend to submit inquiries to agencies that have supervisory responsibility for observance of Russian Federation legislation.

We already pointed out to you that the procedure of real estate expropriation in order to provide land lots for Olympic construction sites is under jurisdiction of the Krasnodar Krai administration; please refer your requests to head of the department of the Krasnodar Krai on the Exercise of Powers in Preparation for the 2014 Winter Olympic Games Aleksei Sheian Nikolaevich at (862) 262-74-10, email: dzoi@krasnodar.ru. According to the information that we have, the Khlistov family of 7 received 4 apartments with a total area of 155.7 square meters in new multi-family apartment building in exchange for their expropriated property.

Monetary compensation for the expropriated property in the amount of 2,605,377 rubles was transferred to the owner of the expropriated property, V.A. Brovkin, in accordance with a court decision.

Owner of the expropriated property N.V. Gordienko received in compensation, based on individual residential construction norms and free of charge, a house with an area of 55.7 square meters and a land lot on which it is built with an area of 300 square meters located in an individual residential area on Tavricheskaya Street.

Olympstroy, in accordance with signed agreements on expropriation and court decisions in force provides compensation either in kind or in monetary form. Olympstroy obtains land lots free of third party claims.

“Kudepstinskaya TPP [thermo power plant] GazEnergoStroi” LLC activities in implementing the Kudepstinskaya TPP project which is a part of the program of construction of Olympic venues and the development of Sochi as a mountain-climate resort is in compliance with the current legislation of the Russian Federation.

Kudepstinskaya TPP is eager to provide your organization with more detailed information on the issue. Contact information: General Director Seleznev Dmitrii Georgievich, Tel: +7-(495)-915-52-11, email: info@gazenergostroy.ru.

We are grateful to your organization for helping to reveal human rights violations and your constructive approach in facilitation of prevention of such situations.

Sincerely,
V.V. Pryadein
SC Olympstroy Vice-President

O.V. Kovalchuk
(862)243-40-47

Approval list of draft response in accordance with request No. 53353 dated November 16, 2012:

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Media Relations Division Specialist

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November 30, 2012

APPROVED BY:
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December 3, 2012

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James Ross, *Legal & Policy Director*
Joe Saunders, *Deputy Program Director*
Frances Sinha, *Human Resources Director*
James F. Hoge, Jr., *Chair*

October 18, 2012

Hans Peter Haselsteiner
Chief Executive Officer
STRABAG SE
Donau-City-Straße 9
1220 Vienna
Austria

Via facsimile: +43 1 22422-2226

Dear Mr. Haselsteiner,

I am writing to you to resume our previous dialogue with STRABAG SE concerning protection of migrant workers, and in particular to raise our concerns about workers' rights in advance of the 2014 Winter Olympic Games and Paralympic Games in Sochi, Russia. Human Rights Watch is currently preparing a report on the topic. Our research to date in part relates to the treatment of migrant workers at the primary Olympic Village under construction in the Imeritinskaya lowlands of Adler, Sochi, where we understand STRABAG is the general contractor.

As you may know, we met with STRABAG staff in Moscow in June 2010. We also met with Mr. Peter Fischer, STRABAG Chief Ethics Coordinator, at your offices in Vienna in September 2010 and June 2011. We subsequently sent two letters to Mr. Fischer, in June and October 2011, to which we received no response. Copies of those letters are attached for your reference.

We again wish to inquire about steps STRABAG has taken or will take to address workers' rights in its work in Sochi, in keeping with the widely-recognized principle that businesses have a responsibility to respect human rights, including labor rights, and in line with your company's own human rights commitments.

As you may know, Human Rights Watch is an independent, international nongovernmental organization that monitors human rights in more than 90 countries worldwide. We have been monitoring the human rights of migrant workers in Russia since 2008. In a 2009 report, "Are You Happy to Cheat Us? Abuses against Migrant Construction Workers in Russia," we documented widespread abuse of migrant workers working in Russia's construction sector.

We have urged reform of government policies and practices that enable workers' rights abuses in Russia, and have likewise called for private actors to ensure that they uphold and respect workers' rights.



HRW.org

Our current research is focused on the conditions for migrant workers working on construction sites in Sochi, including Olympic venues and infrastructure and related projects. Human Rights Watch has found that workers on these sites have been subjected to a range of abuses, including non-payment of wages or excessive delays in payment of wages; illegal deductions in wages; withholding of identity documents, such as passports and work permits; non-provision of employment contracts or failure to respect terms of a contract; excessive working hours without payment of overtime; few days off and no paid days off; and overcrowded employer-provided housing and inadequate employer-provided meals.

Allegations Concerning the Olympic Village

We are aware that in 2010, STRABAG was awarded a contract to build the Olympic Village in Sochi. We therefore wish to draw your attention to the fact that we interviewed two construction workers who said they worked on the Olympic Village site in the Imeritinskaya lowlands who alleged that their rights were not respected. We interviewed the workers separately and in private.

The workers interviewed by Human Rights Watch stated that there were approximately 500 migrant workers from Central Asia employed on the site during initial construction stages. According to the workers whom Human Rights Watch interviewed, these other workers, most of whom worked with or lived with or near the workers whom we interviewed, experienced the same or similar conditions.

We have separately contacted Olympstroy regarding these concerns.

Withholding of Wages

The workers employed on the Olympic Village site in the Imeritin Valley stated that they were paid their wages with a month's delay. That is, workers were paid for the first month of work only after completion of two months' work. If they quit or are fired, they will not recover the final month's wages. Russian law requires that salaries be paid at least twice a month.

Human Rights Watch documented a widespread practice of withholding the first month's wages in other parts of Russia in our 2009 report, "Are You Happy to Cheat Us? Exploitation of Migrant Construction Workers in Russia."

Illegal Deductions

The workers interviewed by Human Rights Watch also stated that the costs of preparing their work permits and other documentation required for legal employment in Russia were deducted from their wages.

Under Russian law, employers have the right to make salary deductions in certain instances, yet the deductions described by these workers do not appear consistent with Russian law.

Excessive Working Hours

Both workers stated that they worked 12-hour shifts with one hour off for meals and for changing into and out of work clothing. They were not paid overtime. Workers received one unpaid day off every two weeks.

We also documented excessive working hours in our report “Are You Happy to Cheat Us? Exploitation of Migrant Construction Workers in Russia.”

Under Russian law, normal working hours are not to exceed 40 hours per week, except in certain circumstances when workers should be paid overtime. Workers should have at least one day off per week, as well as non-working holidays and paid vacation time.

Withholding of Work Permits

Workers also stated that the costs of preparing their work permits and other documentation required for legal employment in Russia were deducted from their wages. No such deductions are permitted under Russian labor law regulating deductions from wages.

Employer-Provided Housing and Food

Workers stated that they were provided housing and meals as a component of compensation. One worker described living in one small room with eight to twelve other workers. The room held six bunk beds and was poorly ventilated. In the summer, the room was extremely hot and the air stagnant. The workers felt that the food provided was not consistent with sustaining themselves at the pace and degree of difficulty of work they were expected to perform.

STRABAG’s Corporate Commitments

Human Rights Watch presented our 2009 report, “Are You Happy to Cheat Us? Exploitation of Migrant Construction Workers in Russia,” to STRABAG representatives in June 2010 and June 2011 in hopes that STRABAG would undertake preventive measures to ensure that such practices did not take place on its sites in Russia, including in Sochi. In addition, as discussed with Mr. Fischer in our meeting and in our previous correspondence with STRABAG, we have taken note of STRABAG’s corporate commitments addressing human rights, including labor rights, and the expectations of contractors and subcontractors.

We are aware, for example, that STRABAG’s Code of Ethics states, “We recognise the importance of all applicable laws as well as all internal and external regulations, guidelines and standards, and we follow these to the letter,” and that the company accepts, “It is self-evident practice that all legal labour and social regulations and standards are observed within the entire company. Furthermore, all employees are instructed to require that suppliers and subcontractors observe this principle, and must check its observance to the extent allowed by law.” STRABAG’s code of ethics also states that the company “respect[s] human rights and promote[s] the common good.”

In previous dialogue with Mr. Fischer, he indicated that STRABAG does not have a system to monitor workers’ rights or other human rights on its projects. According to Mr. Fischer, STRABAG did not consider this monitoring practical or necessary because STRABAG is not aware of these types of abuses taking place on its sites. We therefore note that some of the industry-wide problems we identified in our 2009 report, and which we encourage STRABAG to try to avoid, have now been alleged in connection with the Olympic Village.

We welcome this opportunity to share information about the alleged violations on a STRABAG site and reengage in a dialogue with STRABAG in relation to migrant workers in Sochi and in Russia. In particular, we would appreciate your response to the following questions, as well as any additional information you wish to provide.

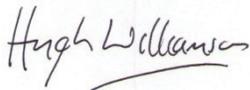
- In view of the complaints raised by workers who said they worked on the Olympic Village site and the role of STRABAG as the general contractor on that site, we would again welcome information on how STRABAG acts to ensure that contractors and subcontractors on the Olympic Village site uphold labor rights.
- We would also welcome information on how STRABAG acts to ensure that contractors and subcontractors on the site uphold labor rights. Does STRABAG have policies or procedures to address workers' rights and other human rights, including labor rights violations such as those described above? How does it implement these policies?
- How does STRABAG monitor the treatment of workers on its sites, including in Sochi?
- Have similar allegations come to your attention previously in conjunction with STRABAG's work in Sochi? If so, what actions have you taken in response? If not, how would you respond?
- What is STRABAG's response regarding the allegations of worker rights violations described above?
- We would also welcome information on policies that STRABAG has in place to address workers' rights, as well as measures you are taking to implement these policies.

In light of our prior research documenting the prevalence of abusive conditions for workers in Russia's construction industry, as well as our previous engagement with you on these important topics, we strongly encourage all companies in that industry, including STRABAG, to publicly pledge to respect the rights of all workers associated with their projects and to undertake concrete measures to prevent, mitigate, and address abuses of worker rights, as outlined in our previous correspondence with you.

We would be very grateful to know if your company would be willing to undertake this pledge and adopt the concrete measures we have previously identified.

We would welcome a reply at your earliest convenience, and your willingness to make the pledge outlined above in order to reflect STRABAG's position on these important issues in our work on the problems faced by migrant construction workers in Sochi. In order to reflect your position in our upcoming report, we would ask for a written response by November 15, 2012. Thank you in advance for your attention to this matter.

Sincerely,



Hugh Williamson

350 Fifth Avenue, 34th Floor
New York, NY 10118-3299
Tel: 212-290-4700
Fax: 212-736-1300 ; 917-591-3452

October 23, 2012

Charles R. Botta
President and CEO
Botta Management Group AG
Mühlegasse 12a
CH-6340 Baar
Switzerland



HRW.org

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James Ross, *Legal & Policy Director*
Joe Saunders, *Deputy Program Director*
Frances Sinha, *Human Resources Director*
James F. Hoge, Jr., *Chair*

Dear Mr. Botta,

I am writing to you to initiate a dialogue with Botta Management Group AG concerning protection of migrant workers, and in particular to raise our concerns about violations of workers' rights in advance of the 2014 Winter Olympic Games and Paralympic Games in Sochi, Russia. Human Rights Watch is currently preparing a report on the topic. Our research to date in part relates to the treatment of migrant workers at the Central Stadium (also known as the Fisht Stadium). We understand from your website that Botta Management Group was awarded development of the Central Stadium project as a whole.

We wish to inquire about steps Botta Management Group has taken or will take to address workers' rights on company projects in Sochi, in keeping with the widely-recognized principle that businesses have a responsibility to respect human rights, including labor rights. We were not able to find any publicly available information indicating whether Botta Management Group explicitly recognizes its human rights responsibilities or has adopted any policies and procedures in that regard.

Human Rights Watch is an independent, international nongovernmental organization that monitors human rights in more than 90 countries worldwide. We have been monitoring the human rights of migrant workers in Russia since 2008. In a 2009 report, "Are You Happy to Cheat Us? Exploitation of Migrant Construction Workers in Russia," we documented widespread abuse of migrant workers working in Russia's construction sector.

We have urged reform of government policies and practices that enable workers' rights abuses in Russia, and have likewise called for private actors to ensure that they uphold and respect workers' rights.

Our current research is focused on the conditions for migrant workers working on construction sites in Sochi, including Olympic venues and infrastructure and related projects. Human Rights Watch has found that workers on these sites have been subjected to a range of abuses, including: non-payment of wages or excessive delays in payment of wages;

illegal deductions in wages; withholding of identity documents, such as passports and work permits; non-provision of employment contracts or failure to respect terms of a contract; excessive working hours without payment of overtime; few days off and no paid days off; and overcrowded employer-provided housing and inadequate employer-provided meals.

Allegations concerning the Central Stadium project

We wish to draw your attention to the fact that we interviewed over 20 migrant construction workers in 2011 who said they worked for Engeocom, which has served as the general contractor on the Central Stadium. The workers alleged that their rights were not respected. We interviewed the workers separately and in private.

We have separately contacted Engeocom and Olympstroy regarding these concerns.

Withholding of wages

The workers stated that Engeocom withheld their first month's wages. Workers were paid for one month of work only after completion of two months' work. If they quit or were fired, they would not recover the first month's wages. They were told that if they remained on the job until Engeocom released them, they would receive that month's wages.

Russian law requires that salaries be paid at least twice a month.

Withholding of wages as a penalty for unexcused absences

A number of workers employed by Engeocom stated that they were penalized 1,000-1,500 rubles, or more than one, or in some cases more than two, days' wages, in the event of an unexcused absence from work. In at least one case this occurred after a worker had made three requests for a day off, but was denied. In at least one other case, a worker faced this penalty because he was sick and did not show up for work.

Under the Russian labor code, employers have the right to take the following actions as disciplinary measures for non-fulfillment or inadequate fulfillment of job requirements: notification; reprimand; and firing on the basis of the relevant failures (article 192). With respect to wages in the event of non-fulfillment of job requirements (article 155), an employer may only withhold wages corresponding to the volume of work not performed. In the case of a worker not appearing for work for one day, the volume of work not performed would correspond to one day's wages, not more.

Excessive working hours

Workers employed by Engeocom stated that they worked 12-hour shifts with one hour off for meals and for changing into and out of work clothing. They were not paid overtime. Workers received one unpaid day off every two weeks.

Under Russian law, normal working hours are not to exceed 40 hours per week, except in certain circumstances, when workers should be paid overtime. Workers should have at least one day off per week, as well as non-working holidays and paid vacation time.

Withholding of work permits

A number of workers told Human Rights Watch that Engeocom also withheld their work permits, allegedly as a coercive measure, to prevent workers from leaving and going to another employer and gaining employment on the basis of that work permit.

Under Russian law, employers are not allowed to withhold any identity documents from workers. In addition, in the absence of a work permit, a migrant worker stopped by police would be unable to prove the legality of an extended stay in Russia and would be at risk of expulsion.

Failure to provide written employment contracts

Workers further stated that they were not given copies of the written employment contracts they had signed with Engeocom, and in some cases were not given time to read the single copy of the contract or were not able to read the contract because their Russian language skills were poor.

Russian labor law specifies that employment contracts must be signed in two copies, one for each party.

Employer-provided housing and food

Workers stated that Engeocom provided housing and meals as a component of compensation. Workers interviewed by Human Rights Watch lived in private houses. Often several dozen workers were living in one single-family home, leading to overcrowded conditions. For example, one worker stated that he shared a six by six square-meter room with 13 other men. The workers felt that the food provided was not consistent with sustaining themselves given the intense pace and physical demands of the work they were expected to perform.

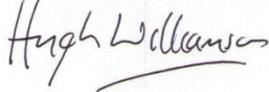
We would welcome learning Botta Management Group's perspective on conditions for migrant workers in Sochi and we would appreciate responses to the following questions regarding how Botta Management Group acts to uphold labor rights, as well as any additional information you wish to provide.

- In view of the complaints raised by workers who said they worked at the Central Stadium site, and the role of Botta Management Group in development of the Central Stadium project, can you please clarify the nature of the contractual relationship with Engeocom?
- We would also welcome information on how Botta Management Group acts to ensure that contractors and subcontractors on the site uphold labor rights. Does Botta Management Group have policies or procedures to address workers' rights and other human rights, including labor rights violations such as those described above? How does it implement these policies?
- Does Botta Management Group monitor the treatment of workers on its sites, including in Sochi? If so, how?
- Have similar allegations come to your attention previously in conjunction with Botta Management Group's work in Sochi? If so, what actions have you taken in response?

- What is Botta Management Group's response regarding the allegations of workers' rights violations described above?

We would welcome a reply at your earliest convenience in order to reflect Botta Management Group's position on these important issues in our work on the problems faced by migrant construction workers in Sochi. In order to reflect your position in our upcoming report, we would ask for a written response by November 21, 2012. Thank you in advance for your attention to this matter.

Sincerely,

A handwritten signature in black ink that reads "Hugh Williamson". The signature is written in a cursive style with a horizontal line underneath the name.

Hugh Williamson



Human Rights Watch
Mr Hugh Williamson
350 Fifth Avenue
34th Floor
New York
NY 10118-3299
USA

Baar, 20 November 2012

Dear Mr Williamson,

Thank you for contacting Botta Management Group International Ltd.

Please find here our answer which we sent already previously by Fax on November 20th 2012.

As we highly appreciate the role of your organization in monitoring the observance of human rights in all spheres of life, we are ready for a meaningful dialogue with you. I consider it necessary to express our opinion on several issues including the one concerning migrant worker protection that Human Rights Watch has raised.

The General Contractor ZAO ENGEOCOM Enterprise pays close attention to complying with human rights principles regarding both migrant workers and all project participants whatever their position, nationality and faith are. The General Contractor's activities are in compliance with generally recognized international acts, national laws and rules, as well as traditions, including religious ones, in the states and regions where our projects are implemented and all of our colleagues' and partners' are duly apprised of this.

The General Contractor and Botta Management Group are carrying out work on a single Olympic venue – the Central Olympic Stadium – and we cannot comment on incidents that may have taken place at Sochi construction sites or at other Olympic venues and infrastructural and associated projects.

We have now submitted your letter to the General Contractor and they assured us of the following:

The compliance with Russian legislation, including that referring to protection of rights, including labour rights, of all employees, and not only foreign workers, is constantly monitored and controlled, by way of planned and ad hoc inspections, by relevant monitoring and supervisory bodies of the Russian Federation, including but not limited to: the Olympic Prosecutor's Office, Sochi City Prosecutor's Office,

/ 1

Krasnodar Region Prosecutor's Office, Krasnodar Region Labour Inspection and the Federal Migration Service. According to our information, none of the facts you mentioned have been detected by the competent bodies during their inspections at the Central Olympic Stadium construction site so far.

ZAO ENGEOCOM Enterprise, when signing contracts with contractors, requires them to comply with legislation, including in the sphere of migration and provision of workers with accommodation and food, and checks that employees have special clothing (workers without special clothing are not allowed to work). Moreover, in compliance with the requirements of the Prosecutor's Office and SC Olympstroy, the venue features information stands with hotline telephone numbers for SC Olympstroy, the RF Prosecutor's Office and the management of ZAO ENGEOCOM Enterprise, which any employee of a general contractor or any contractor entity may call to report that their rights have been violated. For foreign workers that are not fluent in Russian, there are interpreters from among the engineers and other technical workers. During their field inspections, employees of the RF Prosecutor's Office held meetings and conversations with employees of the general contractor and contractors, giving them clarifications on their rights according to the RF Labour Code and employer's duties, and also interviewed them on the matter of claims and petitions for violation of their rights. No claims or petitions have been received so far.

As far as we know, our partners ZAO ENGEOCOM Enterprise along with SC Olympstroy and the competent RF authorities have initiated and are carrying out a joint inspection based on the assumptions made in your letter.

Yours sincerely,

BOTTA MANAGEMENT GROUP INTERNATIONAL LTD.

A handwritten signature in black ink, appearing to read 'M. R. H.' with a stylized flourish.

Charles R. Botta

350 Fifth Avenue, 34th Floor
New York, NY 10118-3299
Tel: 212-290-4700
Fax: 212-736-1300 ; 917-591-3452

October 22, 2012

Alexander Mikhailovich Rudyak
President
JSC “Association” Engeokom
Yakovapostolskii Pereulok 5, Bldg 1
Moscow, Russian Federation



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**EUROPE AND CENTRAL ASIA
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James Ross, *Legal & Policy Director*
Joe Saunders, *Deputy Program Director*
Frances Sinha, *Human Resources Director*
James F. Hoge, Jr., *Chair*

Dear Alexander Mikhailovich,

I am writing to you to initiate a dialogue with JSC “Association” Engeokom, (hereafter “Engeokom”) concerning protection of migrant workers, and in particular to raise our concerns about violations of workers’ rights in advance of the 2014 Winter Olympic Games and Paralympic Games in Sochi, Russia. Human Rights Watch is currently preparing a report on the topic. Our research to date in part relates to the treatment of migrant workers at the Central Stadium (also known as the Fisht Stadium), for which we understand Engeokom has served as the general contractor since June 2010.

We wish to inquire about steps Engeokom has taken or will take to take to address workers’ rights on company projects in Sochi, in keeping with the widely-recognized principle that businesses have a responsibility to respect human rights, including labor rights. Engeokom’s website indicates the company’s commitment to social responsibility, described in terms of a number of philanthropic activities the company commits to, but does not indicate if the company explicitly recognizes its human rights responsibilities or has adopted any policies and procedures in that regard.

Human Rights Watch is an independent, international nongovernmental organization that monitors human rights in more than 90 countries worldwide. We have been monitoring the human rights of migrant workers in Russia since 2008. In a 2009 report, “Are You Happy to Cheat Us? Abuses against Migrant Construction Workers in Russia,” we documented widespread abuse of migrant workers working in Russia’s construction sector.

We have urged reform of government policies and practices that enable workers’ rights abuses in Russia, and have likewise called for private actors to ensure that they uphold and respect workers’ rights.

Our current research is focused on the conditions for migrant workers working on construction sites in Sochi, including Olympic venues and infrastructure and related projects. Human Rights Watch has found that workers on these sites have been subjected to a range of abuses, including: non-payment of wages or excessive delays in payment of wages;

illegal deductions in wages; withholding of identity documents, such as passports and work permits; non-provision of employment contracts or failure to respect terms of a contract; excessive working hours without payment of overtime; few days off and no paid days off; and overcrowded employer-provided housing and inadequate employer-provided meals.

Allegations concerning Engeokom

We wish to draw your attention to the fact that in 2011 and 2012 we interviewed over 20 migrant construction workers who said they worked for Engeokom on the Central Stadium and alleged that their rights were not respected. We interviewed the workers separately and in private.

We have contacted Olympstroy and Botta Management Group separately about these concerns.

Withholding of Wages

The workers stated that Engeokom withheld their first month's wages. Workers were paid for one month of work only after completion of two months' work. If they quit or were fired, they would not recover the first month's wages. They were told that if they remained in the job until Engeokom released them, they would receive that month's wages. Russian law requires that salaries be paid at least twice a month.

Withholding of wages as a penalty for unexcused absences

A number of workers employed by Engeokom stated that they were penalized 1,000-1,500 rubles, or more than one, or in some cases more than two, days' wages, in the event of an unexcused absence from work. In at least one case this occurred after a worker had made three requests for a day off, but was denied. In at least one other case a worker faced this penalty because he was sick and did not show up for work.

Under the Russian labor code, employers have the right to take the following actions as disciplinary measures for non-fulfillment or inadequate fulfillment of job requirements: notification; reprimand; firing on the basis of the relevant failures (article 192). With respect to wages in the event of non-fulfillment of job requirements (article 155), an employer may only withhold wages corresponding to the volume of work not performed. In the case of a worker not appearing for work for one day, the volume of work not performed would correspond to one day's wages, not more.

Excessive working hours

Workers stated that they worked 12-hour shifts with one hour off for meals and for changing into and out of work clothing. They were not paid overtime. Workers received one unpaid day off every two weeks.

Under Russian law, normal working hours are not to exceed 40 hours per week, except in certain circumstances, when workers should be paid overtime. Workers should have at least one day off per week, as well as non-working holidays and paid vacation time.

Withholding of work permits

A number of workers told Human Rights Watch that Engeokom also withheld their work permits, allegedly as a coercive measure, to prevent workers from leaving and going to another employer and gaining employment on the basis of that work permit. Under Russian law, employers are not allowed to withhold any identify documents from workers. In addition, in the absence of a work permit, a migrant worker stopped by police would be unable to prove the legality of an extended stay in Russia and would be at risk of expulsion.

Failure to provide written employment contracts

Workers further stated that they were not given copies of the written employment contracts they had signed, and in some cases were not given time to read the single copy of the contract or were not able to read the contract because their Russian language skills were poor.

Russian labor law specifies that employment contracts must be signed in two copies, one for each party.

Employer-provided housing and food

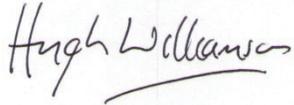
Most workers stated that Engeokom provided housing and meals as a component of compensation. Workers interviewed by Human Rights Watch lived in private houses. Often several dozen workers were living in one single-family home, leading to overcrowded conditions. For example, one worker stated that he shared a six by six square-meter room with 13 other men. The workers felt that the food provided was not consistent with sustaining themselves given the intense pace and physical demands of the work they were expected to perform.

We would welcome learning Engeokom's perspective on conditions for migrant workers in Sochi and we would appreciate responses to the following questions regarding how Engeokom acts to uphold labor rights, as well as any additional information you wish to provide.

- Does Engeokom have policies or procedures to address workers' rights and other human rights, including labor rights violations such as those described above? How does Engeokom implement these policies?
- Does Engeokom monitor the treatment of workers on its sites, including in Sochi? If so, how?
- Have similar allegations have come to your attention previously in conjunction with Engeokom's work in Sochi? If so, what actions have you taken in response? If not, how would you respond?
- What is Engeokom's response regarding the allegations of worker rights violations described above?

We would welcome a reply at your earliest convenience in order to reflect Engeokom's position on these important issues in our work on the problems faced by migrant construction workers in Sochi. In order to reflect your position in our upcoming report, we would ask for a written response by November 19, 2012. Thank you in advance for your attention to this matter.

Sincerely,

A handwritten signature in black ink that reads "Hugh Williamson". The signature is written in a cursive style with a horizontal line underneath the name.

Hugh Williamson

Translation from Russian

Closed Corporation
ENGEOCOM

5, Bldg. 1, Yakovoapostolskii Pereulok, Moscow, 105064, Russia
Phone: + 7 (495) 980-48-05 Fax: +7 (495) 917-26-67

November 21, 2012
No. I-4432-11

Mr. Hugh Williamson
“Human Rights Watch, Inc.” Corporation (USA)
Representative Office in the Russian Federation

Dear Mr. Williamson,

Closed Corporation “ENGEOCOM” would like to honor and thank you for your active work on protection of human rights around the world.

To the point of your letter, we would like to inform you about the following:

Closed Corporation “ENGEOCOM Association” works on the territory of the Russian Federation in strict adherence to the legislation of the Russian Federation and international legal acts regulating both the construction industry and compliance with and protection of rights of the citizens employed by us in order to fulfill our obligations to our partners and customers. Over a period of more than twenty years, our company has not only realized large-scale construction projects, but has also strictly followed federal laws and Russian government decrees regulating protection of migrant’ workers’ rights.

In accordance with the state contracts on construction of Olympic sites in Sochi, Closed Corporation “ENGEOCOM Association,” as a general contractor, is fully liable for compliance with labor legislation by its subcontractors. Any disputes arising between workers and employers are resolved promptly, in accordance with the labor norms established on the territory of the Russian Federation. Closed Corporation “ENGEOCOM Association’s” Division on Labor Protection and Labor Safety Standards regularly conducts inspections on observance of migrant workers’ rights and reports results to the management of our company, after which disputes are settled.

Also, we inform you for certain that Closed Corporation “ENGEOCOM Association” is not aware of the workers’ rights violations described in your letter; we have not received anonymous reports about any violations of labor legislation; and therefore, we are not in a position to comment on those.

Our company does not practice withholding of passports or other workers’ documents, and wages are paid on time and in accordance with provisions of employment contracts. Overtime work is compensated based on the number of overtime hours worked.

Closed Corporation “ENGEOCOM Association” thanks you for your interest in our activities and assures you of further strict adherence to labor legislation and other legal acts of the Russian Federation in its work on construction projects.

Respectfully,

Sokolov D.V.
General Director
Closed Corporation “ENGEOCOM Association”

Prepared by: Tagirbekov S.T., lawyer, Tel. 8495917375

350 Fifth Avenue, 34th Floor
New York, NY 10118-3299
Tel: 212-290-4700
Fax: 212-736-1300 ; 917-591-3452

October 19, 2012

V. Sh. Abulgafarov
General Director
JSC Construction Technology Transfer Center of
Krasnodar Krai “Omega”
350063, Russia
Krasnodar Krai, Krasnodar
3 Kirova Street



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James Ross, *Legal & Policy Director*
Joe Saunders, *Deputy Program Director*
Frances Sinha, *Human Resources Director*
James F. Hoge, Jr., *Chair*

Dear Mr. Abulgafarov,

I am writing to you to initiate a dialogue with the Construction Technology Exchange Center of Krasnodar Krai “Omega” (hereafter Omega) concerning protection of migrant workers, and in particular to raise our concerns about violations of workers’ rights in advance of the 2014 Winter Olympic Games and Paralympic Games in Sochi, Russia. Human Rights Watch is currently preparing a report on the topic. Our research to date in part relates to the treatment of migrant workers at the Main Media Center, for which we understand Omega is the project manager and therefore has responsibility for realizing, under the Olympic program.

We wish to inquire about the steps Omega has taken or will take to take to address workers’ rights on company projects in Sochi, in keeping with the widely recognized principle that businesses have a responsibility to respect human rights, including labor rights. We were not able to find any publicly available information indicating whether Omega explicitly recognizes its human rights responsibilities or has adopted any policies and procedures in that regard.

Human Rights Watch is an independent, international nongovernmental organization that monitors human rights in more than 90 countries worldwide. We have been monitoring the human rights of migrant workers in Russia since 2008. In a 2009 report, “Are You Happy to Cheat Us? Abuses against Migrant Construction Workers in Russia,” we documented widespread abuse of migrant workers working in Russia’s construction sector.

We have urged reform of government policies and practices that enable workers’ rights abuses in Russia, and have likewise called for private actors to ensure that they uphold and respect workers’ rights.

Our current research is focused on the conditions for migrant workers working on construction sites in Sochi, including Olympic venues and infrastructure and related projects. Human Rights Watch has found that workers on these sites have been subjected to a range of abuses,

including: non-payment of wages or excessive delays in payment of wages; illegal deductions in wages; withholding of identity documents, such as passports and work permits; non-provision of employment contracts or failure to respect terms of a contract; excessive working hours without payment of overtime; few days off and no paid days off; and overcrowded employer-provided housing and inadequate employer-provided meals.

Allegations concerning the Main Media Center

We wish to draw your attention to the fact that we interviewed five migrant construction workers in 2012 who said they worked for a subcontractor, SU-45, on the Main Media Center and alleged that their rights were not respected. We interviewed the workers separately and in private. The workers interviewed worked in two brigades, one consisting of 40 workers, and the other consisting of 25 workers.

We have separately contacted SU-45, Inzhtransstroy, and Olympstroy regarding these concerns.

Non-payment of promised wages

The workers working on the Main Media Center stated that SU-45 regularly failed to pay promised wages or failed to pay any wages at all. Two workers stated that they agreed to work for SU-45 on the promise of 18,500 rubles per month; two other workers were promised 24,000 rubles per month. During some months of work, SU-45 paid them, but significantly less (in some cases less than half) than they had been promised at the start of the job. In certain months, SU-45 did not pay the workers at all. One worker stated that he was not paid for 70 days of work. He stated that 39 other workers in his work brigade were also not paid for months of work. Russian law requires that salaries be paid at least twice a month.

Excessive working hours

The workers stated that they were required to work 12-hour shifts with one hour off for meals and for changing into and out of work clothing. They were not paid overtime. Two workers who worked for 117 and 118 days, respectively, each received only five unpaid days off. One worker's employment contract indicated that he would work 40 hours per week with Saturday and Sunday off. Under Russian law, normal working hours are not to exceed 40 hours per week, except in certain circumstances, when workers should be paid overtime. Workers should have at least one day off per week, as well as non-working holidays and paid vacation time.

Lack of contracts or failure to respect contracts

Two of the workers interviewed stated that they were not given written employment contracts. One of the workers stated that of 25 people in his work brigade, eight did not receive contracts or work permits from SU-45. Two workers were given written employment contracts, but that the contracts were signed more than six weeks after the men had already started working and the employer did not observe key obligations of the contract, including wages, working hours, and days off.

Under Russian labor law, labor relations arise between employee and employer on the basis of a written employment contract (*trudovoi dogovor*) concluded by them in accordance with

the labor code. The labor code details the information that must be contained in an employment contract and specifies that the contract must be signed in two copies, one for each party.

Problems with work permits

Workers also reported various violations related to their work permits. One worker stated that he received a fake work permit. One worker never received a work permit, despite the fact that the employer deducted money from his wages to pay for the work permit. Under Russian law, any employer hiring foreign workers must provide them with an official work permit, received through an application by the employer to the migration service. Two other workers on the site interviewed by Human Rights Watch stated that they received work permits, but that SU-45 withheld more than half a month's wages for the work permit. No such deductions are permitted in Russian labor law regulating deductions from wages.

Employer-provided housing and food

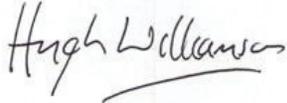
Workers interviewed by Human Rights Watch stated that SU-45 promised to provide housing and meals as a component of compensation. Workers lived in a dormitory near the work site. Workers stated that the dorm rooms were overcrowded. One worker stated that he shared a four square-meter room with nine other workers. Another stated that he shared a similar sized room with six other people. One worker stated that although SU-45 had promised free meals and housing as a component of compensation, the company withheld 6,150 rubles, or more than a week and a half's pay, for food and space in the dorm room. One worker stated that he and other workers began complaining about the non-payment of wages, SU-45 kicked them out of the dormitory.

We would welcome learning Omega's perspective on conditions for migrant workers in Sochi and we would appreciate responses to the following questions regarding how Omega acts to uphold labor rights, as well as any additional information you wish to provide.

- In view of the complaints raised by workers who said they worked at the Main Media Center site, and the role of Omega as the project manager for the Main Media Center project, can you please clarify the nature of the contractual relationship with Inzhtransstroy and with SU-45?
- We would also welcome information on how Omega acts to ensure that contractors and subcontractors on the site uphold labor rights. Does Omega have policies or procedures to address workers' rights and other human rights, including labor rights violations such as those described above? How does Omega implement these policies?
- Does Omega monitor the treatment of workers on its sites, including in Sochi? If so, how?
- Have similar allegations come to your attention previously in conjunction with Omega's work in Sochi? If so, what actions have you taken in response?
- What is Omega's response regarding the allegations of worker rights violations described above?

We would welcome a reply at your earliest convenience in order to reflect Omega's position on these important issues in our work on the problems faced by migrant construction workers in Sochi. In order to reflect your position in our upcoming report, we would ask for a written response by November 9, 2012. Thank you in advance for your attention to this matter.

Sincerely,

A handwritten signature in black ink that reads "Hugh Williamson". The signature is written in a cursive style with a horizontal line underneath the name.

Hugh Williamson

Translation from Russian

JSC Construction Technology Exchange Center of Krasnodar Krai "Omega"
350063, 3 Krasnodar, Kirova Street
Phone: (861) 262-26-46, 268-12-23, 268-03-69
Fax: (861) 262-26-46

November 8, 2012, No. o-601

Hugh Williamson
Director
Independent international
non-government organization
Human Rights Watch

Subject: Migrant workers' labor rights monitoring at the Main Media Center site in Russia

Dear Mr. Williamson,

In response to your letter dated October 19, 2012 we inform you that:

The contractual relationship between JSC "Center Omega" and general contractor JSC "Corporation Inzhtransstroy" is based on a contract dated March 12, 2010. According to paragraph 1.1 of the contract, the general contractor undertakes an obligation to fulfill "turn-key" building and assembly jobs. In accordance with paragraph 6.7, the general contractor is also obliged to obtain all necessary professional clearances, permits, and licenses required to fulfill the work in accordance with the legislation of the Russian Federation and federal subjects of the Russian Federation, including permits and approvals related to the use of a foreign labor force. In accordance with the section, "Other Expenditures," based on Chapter 9 of the summary budget, Omega pays the general contractor travel allowance that consists of accommodation and per diem allowances. We have not been informed of any violations of labor rights of workers employed at construction sites that fall under Omega's responsibility. An inspection has shown that workers have employment contracts and licenses required for fulfilling the work in accordance with the legislation of the Russian Federation and federal subjects of the Russian Federation.

V.Sh.Abulgafarov
General Director
JSC Construction Technology Exchange Center of Krasnodar Krai "Omega"

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Fax: 212-736-1300 ; 917-591-3452

November 9, 2012

V. Sh. Abulgafarov
General Director
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Frances Sinha, *Human Resources Director*
James F. Hoge, Jr., *Chair*

Dear Mr. Abulgafarov,

Further to our letter of October 19, 2012, we are writing to request information from Construction Technology Exchange Center of Krasnodar Krai “Omega” (hereafter Omega) regarding additional information concerning treatment of migrant workers on the Main Media Center site, for which we understand Omega is the project manager and therefore has responsibility for realizing, under the Olympic program. The allegations in this letter relate to the hotel formally known as Three-Star Complex of Buildings and Structures to Accommodate Media Representatives at the XXII Olympic and XI Paralympic Games, which is a component of the Main Media Center.

As with our previous letter, we wish to inquire about steps Omega has taken or will take to take to address workers’ rights on company projects in Sochi, in keeping with the widely-recognized principle that businesses have a responsibility to respect human rights, including labor rights. We were not able to find any publicly available information indicating whether Omega explicitly recognizes its human rights responsibilities or has adopted any policies and procedures in that regard.

As stated in our previous letter, our current research is focused on the conditions for migrant workers working on construction sites in Sochi, including Olympic venues and infrastructure and related projects. Human Rights Watch has found that workers on these sites have been subjected to a range of abuses, including: non-payment of wages or excessive delays in payment of wages; illegal deductions in wages; withholding of identity documents, such as passports and work permits; non-provision of employment contracts or failure to respect terms of a contract; excessive working hours without payment of overtime; few days off and no paid days off; and overcrowded employer-provided housing and inadequate employer-provided meals.

Allegations concerning the Three-Star Complex of Buildings and Structures to Accommodate Media Representatives at the XXII Olympic and XI Paralympic Games

We wish to draw your attention to the fact that in 2012 we interviewed three migrant construction workers, including one foreman, who said they worked for the Group of Companies

“MonArch” (hereafter MonArch), a contractor on the Three-Star Complex of Buildings and Structures to Accommodate Media Representatives at the XXII Olympic and XI Paralympic Games, a component of the Main Media Center, and alleged that their rights were not respected. We interviewed the workers separately and in private. The workers were part of a group of eight workers who arrived together to work on the site, on the basis of promises made by an intermediary whom they met in Ukraine.

We have also written to Olympstroy, KubanStroyInvest, the general contractor for the Main Media Center, and MonArch, regarding these concerns.

Non-payment of promised wages

The workers interviewed by Human Rights Watch said that for the duration of their employment on the site, they did not receive any wages. One worker worked for several weeks before quitting. Another worker had worked for nearly two months without wages at the time of the most recent interview with Human Rights Watch. Russian law establishes a minimum wage and requires that salaries be paid at least twice a month.

Failure to provide written employment contracts

The workers stated that when they began work and for the duration of their work on the site, MonArch did not supply them with written employment contracts. Under Russian labor law, labor relations arise between employee and employer on the basis of an employment contract (trudovoi dogovor) concluded by them in accordance with this Code. The labor code details the information that must be contained in an employment contract and specifies that the contract must be signed in two copies, one for each party.

Confiscation of passports

When the workers arrived in Sochi, MonArch confiscated their passports. The employer failed to provide work permits, as required under Russian law. The workers were given only a pass authorizing them to enter the work site. It is illegal under Russian law for an employer to withhold a person’s identity documents. Workers were able to obtain their passports only after they quit, having not received any payment for several weeks of work.

Lack of safety equipment

The workers were given hard hats but no other personal protective equipment, such as uniforms, boots, or gloves. Under Russian law, an employer must provide employees working in dangerous conditions, special working clothes, boots, and other means of individual protection.

Deceptive recruitment practices

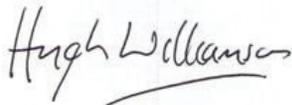
The workers told Human Rights Watch that MonArch provided none of the conditions that they were promised by an intermediary before agreeing to travel to Sochi for the jobs. The workers were promised regular wages of up to 4,000 rubles per day, written employment contracts, and work permits. The workers were also promised jobs in interior finishing, for which they had the experience and qualifications. Upon arrival, however, they were only offered the work of unskilled workers, at a lower pay rate.

With respect to both the allegations concerning the Main Media Center previously shared with you as well as these allegations specifically related to the Three-Star Complex of Buildings and Structures to Accommodate Media Representatives at the XXII Olympic and XI Paralympic Games, we would welcome learning Omega's perspective on conditions for migrant workers in Sochi and we would appreciate responses to the following questions regarding how Omega acts to uphold labor rights, as well as any additional information you wish to provide.

- In view of the complaints raised by workers who said they worked at the Main Media Center site, and the role of Omega as the project manager for the Main Media Center, can you please clarify the nature of the contractual relationship with MonArch?
- We would also welcome information on how Omega acts to ensure that contractors and subcontractors on the site uphold labor rights. Does Omega have policies or procedures to address workers' rights and other human rights, including labor rights violations such as those described above? How does Omega implement these policies?
- Does Omega monitor the treatment of workers on its sites, including in Sochi? If so, how?
- Have similar allegations have come to your attention previously in conjunction with Omega's work in Sochi? If so, what actions have you taken in response?
- What is Omega's response regarding the allegations of worker rights violations described above?

We would welcome a reply at your earliest convenience in order to reflect Omega's position on these important issues in our work on the problems faced by migrant construction workers in Sochi. In order to reflect your position in our upcoming report, we would ask for a written response by December 10, 2012. Thank you in advance for your attention to this matter.

Sincerely,



Hugh Williamson

Duplicate letter

Translated from Russian

JSC Construction Technology Exchange Center of Krasnodar Krai “Omega”
350063, 3 Krasnodar, Kirova Street
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November 8, 2012, No. o-601

Hugh Williamson
Director
Independent international
non-government organization
Human Rights Watch

Subject: Migrant workers’ labor rights monitoring at the Main Media Center site in Russia

Dear Mr. Williamson,

In response to your letter dated October 19, 2012 we inform you that:

The contractual relationship between JSC “Center Omega” and general contractor JSC “Corporation Inzhtransstroy” is based on a contract dated March 12, 2010. According to paragraph 1.1 of the contract, the general contractor undertakes an obligation to fulfill “turn-key” building and assembly jobs. In accordance with paragraph 6.7, the general contractor is also obliged to obtain all necessary professional clearances, permits, and licenses required to fulfill the work in accordance with the legislation of the Russian Federation and federal subjects of the Russian Federation, including permits and approvals related to the use of a foreign labor force. In accordance with the section, “Other Expenditures,” based on Chapter 9 of the summary budget, Omega pays the general contractor travel allowance that consists of accommodation and per diem allowances. We have not been informed of any violations of labor rights of workers employed at construction sites that fall under Omega’s responsibility. An inspection has shown that workers have employment contracts and licenses required for fulfilling the work in accordance with the legislation of the Russian Federation and federal subjects of the Russian Federation.

V.Sh.Abulgafarov
General Director
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October 19, 2012

B.M. Lelenko
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Joe Saunders, *Deputy Program Director*
Frances Sinha, *Human Resources Director*
James F. Hoge, Jr., *Chair*

Dear Mr. Lelenko,

I am writing to you to initiate a dialogue with SU-45 concerning protection of migrant workers, and in particular to raise our concerns about violations of workers' rights in advance of the 2014 Winter Olympic Games and Paralympic Games in Sochi, Russia. Human Rights Watch is currently preparing a report on the topic. Our research to date in part relates to the treatment of migrant workers at the Main Media Center, where we understand SU-45 has operated as a subcontractor.

We wish to inquire about SU-45 has taken or will take to take to address workers' rights on company projects in Sochi, in keeping with the widely-recognized principle that businesses have a responsibility to respect human rights, including labor rights. We were not able to find any publicly available information indicating whether SU-45 explicitly recognizes its human rights responsibilities or has adopted any policies and procedures in that regard.

Human Rights Watch is an independent, international nongovernmental organization that monitors human rights in more than 90 countries worldwide. We have been monitoring the human rights of migrant workers in Russia since 2008. In a 2009 report, "Are You Happy to Cheat Us? Abuses against Migrant Construction Workers in Russia," we documented widespread abuse of migrant workers working in Russia's construction sector.

We have urged reform of government policies and practices that enable workers' rights abuses in Russia, and have likewise called for private actors to ensure that they uphold and respect workers' rights.

Our current research is focused on the conditions for migrant workers working on construction sites in Sochi, including Olympic venues and infrastructure and related projects. Human Rights Watch has found that workers on these sites have been subjected to a range of abuses, including: non-payment of wages or excessive delays in payment of wages; illegal deductions in wages; withholding of identity documents, such as passports and work permits; non-provision of employment contracts or failure to respect terms of a contract; excessive working hours without payment of overtime; few days off and no paid days off; and overcrowded employer-provided housing and inadequate employer-provided meals.

Allegations concerning the Main Media Center

We wish to draw your attention to the fact that we interviewed five migrant construction workers in 2012 who said they worked for SU-45 on the Main Media Center and alleged that their rights were not respected. We interviewed the workers separately and in private. The workers interviewed worked in two brigades, one consisting of 40 workers, and the other consisting of 25 workers.

We have separately contacted Construction Technology Exchange Center of Krasnodar Krai 'Omega' and Olympstroy regarding these concerns.

Non-payment of promised wages

The workers working on the Main Media Center stated that SU-45 regularly failed to pay promised wages or failed to pay any wages at all. Two workers stated that they agreed to work for SU-45 on the promise of 18,500 rubles per month; two other workers were promised 24,000 rubles per month. During some months of work, SU-45 paid them, but significantly less (in some cases less than half) than they had been promised at the start of the job. In certain months, SU-45 did not pay the workers at all. One worker stated that he was not paid for 70 days of work. He stated that 39 other workers in his work brigade were also not paid for months of work. Russian law requires that salaries be paid at least twice a month.

Excessive working hours

The workers stated that they were required to work 12-hour shifts with one hour off for meals and for changing into and out of work clothing. They were not paid overtime. Two workers who worked for 117 and 118 days, respectively, each received only five unpaid days off. One worker's employment contract indicated that he would work 40 hours per week with Saturday and Sunday off. Under Russian law, normal working hours are not to exceed 40 hours per week, except in certain circumstances, when workers should be paid overtime. Workers should have at least one day off per week, as well as non-working holidays and paid vacation time.

Lack of contracts or failure to respect contracts

Two of the workers interviewed stated that they were not given written employment contracts. One of the workers stated that of 25 people in his work brigade, eight did not receive contracts or work permits from SU-45. Two workers were given written employment contracts, but that the contracts were signed more than six weeks after the men had already started working and the employer did not observe key obligations of the contract, including wages, working hours, and days off.

Under Russian labor law, labor relations arise between employee and employer on the basis of a written employment contract (trudovoi dogovor) concluded by them in accordance with this Code. The labor code details the information that must be contained in an employment contract and specifies that the contract must be signed in two copies, one for each party.

Problems with work permits

Workers also reported various violations related to their work permits. One worker stated that he received a fake work permit. One worker never received a work permit, despite the fact that the employer deducted money from his wages to pay for the work permit. Under Russian law, any employer hiring foreign workers must provide them with an official work permit, received through an application by the employer to the migration service. Two other workers on the site interviewed by Human Rights Watch stated that they received work permits, but SU-45 withheld more than half a

month's wages for the work permit. No such deductions are permitted in Russian labor law regulating deductions from wages.

Employer-provided housing and food

Workers interviewed by Human Rights Watch stated that SU-45 promised to provide housing and meals as a component of compensation. Workers lived in a dormitory near the work site. Workers stated that the dorm rooms were overcrowded. One worker stated that he shared a four square-meter room with nine other workers. Another stated that he shared a similar sized room with six other people. One worker stated that although SU-45 had promised free meals and housing as a component of compensation, the company withheld 6,150 rubles, or more than a week and a half's pay, for food and space in the dorm room. One worker stated that he and other workers began complaining about the non-payment of wages, SU-45 kicked them out of the dormitory.

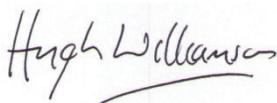
We would welcome learning SU-45's perspective on conditions for migrant workers in Sochi and we would appreciate responses to the following questions regarding how SU-45 acts to uphold labor rights, as well as any additional information you wish to provide.

- Does SU-45 have policies or procedures to address workers' rights and other human rights violations, including labor rights violations such as those described above? How does SU-45 implement these policies?
- Does SU-45 monitor the treatment of workers it hires, including in Sochi? If so, how?
- Have similar allegations have come to your attention previously in conjunction with SU-45's work in Sochi? If so, what actions have you taken in response?
- What is SU-45's response regarding the allegations of worker rights violations described above?

We would welcome a reply at your earliest convenience in order to reflect SU-45's position on these important issues in our work on the problems faced by migrant construction workers in Sochi. In order to reflect your position in our upcoming report, we would ask for a written response by November 16, 2012. Thank you in advance for your attention to this matter.

You may contact our Moscow office by phone at +7 (495) 621 46 97 or email researchers Jane Buchanan at buchanj@hrw.org or Yulia Gorbunova at gorbuny@hrw.org.

Sincerely,



Hugh Williamson

Translated from Russian

“SU-45” LLC
105118, Moscow
Burakova Street 17/2
Phone/Fax (499) 748-99-47
E-mail: smpmts@yandex.ru

November 7, 2012
No. 197

Dear Mr. Williamson,

Federal Law No. 115 dated July 25, 2002, “On the Legal Status of Foreign Citizens in the Russian Federation” regulates legal status of foreign citizens in the Russian Federation, as well as special provisions related to their employment on our territory.

In connection with performing work at Olympic sites in Sochi, “SU-45” Ltd. has received quotas for employing a foreign labor force that does not require visas. On the basis of the above-stated, SU-45 acts as a receiving party and completes the entire package of documents required for obtaining a work permit on behalf of foreign citizens, as foreign citizens have a right to work only with a work permit. The company is administratively liable for violating migration legislation (chapter 18 of the Russian Federation Administrative Violations Code) in case it illegally employs foreign citizens in the RF. There are no violations related to the issuing of work permits in our company.

Furthermore, in accordance with the Russian Federation Labor Code—the collective agreement and legal acts—the company hires employees, signs temporary employment contracts, pays wages according to the staff list, and provides social benefits (meals, accommodation).

Wages are paid in a timely manner in accordance with a monthly salary stipulated in the employment contracts and orders regarding employment, in accordance with the hours worked, which is recorded in time sheets.

Accommodation in a dormitory, meals, and special working clothes and boots are provided at the expense of the employer, which is tracked in appropriate documentation.

Foreign citizens enjoy the right to freely use their work skills and choose the form of activity and profession.

Foreign citizens have been working in our company for several years. We respect these employees.

Keeping your letter in mind, our company will facilitate the improvement of everyday life and work conditions of foreign citizens.

Respectfully,

B.M.Lelenko
General Director
“SU-45” LLC

350 Fifth Avenue, 34th Floor
New York, NY 10118-3299
Tel: 212-290-4700
Fax: 212-736-1300 ; 917-591-3452

November 9, 2012

S.A. Ambartsumyan
General Director
GK "MonArch"
125284, Moscow
Leningrad Prospect, 31A, Bldg 1



HRW.org

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Dear Mr. Ambartsumyan,

I am writing to you to initiate a dialogue with MonArch concerning protection of migrant workers, and in particular to raise our concerns about violations of workers' rights in advance of the 2014 Winter Olympic Games and Paralympic Games in Sochi, Russia. Human Rights Watch is currently preparing a report on topic. Our research to date in part relates to the treatment of migrant workers at the Three-Star Complex of Buildings and Structures to Accommodate Media Representatives at the XXII Olympic and XI Paralympic Games, a component of the Main Media Center, a venue within the Olympic program, where we understand MonArch has operated as a contractor.

We wish to inquire about steps MonArch has taken or will take to take to address workers' rights on company projects in Sochi, in keeping with the widely-recognized principle that businesses have a responsibility to respect human rights, including labor rights. We were not able to find any publicly available information indicating whether MonArch explicitly recognizes its human rights responsibilities or has adopted any policies and procedures in that regard.

Human Rights Watch is an independent, international nongovernmental organization that monitors human rights in more than 90 countries worldwide. We have been monitoring the human rights of migrant workers in Russia since 2008. In a 2009 report, "Are You Happy to Cheat Us? Abuses against Migrant Construction Workers in Russia," we documented widespread abuse of migrant workers working in Russia's construction sector.

We have urged reform of government policies and practices that enable workers' rights abuses in Russia, and have likewise called for private actors to ensure that they uphold and respect workers' rights. Our current research is focused the conditions for migrant workers working on construction sites in Sochi, including Olympic venues and infrastructure and related projects. Human Rights Watch has found that workers on these sites have been subjected to a range of abuses, including: non-payment of wages or

excessive delays in payment of wages; illegal deductions in wages; withholding of identity documents, such as passports and work permits; non-provision of employment contracts or failure to respect terms of a contract; excessive working hours without payment of overtime; few days off and no paid days off; and overcrowded employer-provided housing and inadequate employer-provided meals.

We wish to draw your attention to the fact that in 2012 we interviewed three migrant construction workers, including one foreman, who said they worked for MonArch on Three-Star Complex of Buildings and Structures to Accommodate Media Representatives at the XXII Olympic and XI Paralympic Games site and alleged that their rights were not respected. We interviewed the workers separately and in private. The workers were part of a group of eight workers who arrived together to work on the site, on the basis of promises from an intermediary whom they met in Ukraine.

Non-payment of promised wages

The workers interviewed by Human Rights Watch said that for the duration of their employment on the site, they did not receive any wages. One worker worked for several weeks before quitting. Another worker had worked for nearly two months without wages at the time of the most recent interview with Human Rights Watch. Russian law establishes a minimum wage and requires that salaries be paid at least twice a month.

Failure to provide written employment contracts

The workers stated that when they began work and for the duration of their work on the site, MonArch did not supply them with written employment contracts. Under Russian labor law, labor relations arise between employee and employer on the basis of an employment contract (trudovoi dogovor) concluded by them in accordance with this Code. The labor code details the information that must be contained in an employment contract and specifies that the contract must be signed in two copies, one for each party.

Confiscation of passports

When the workers arrived in Sochi, MonArch confiscated their passports. The employer failed to provide work permits, as required under Russian law. The workers were given only a pass authorizing them to enter the work site. It is illegal under Russian law for an employer to withhold a person's identity documents. Workers were able to obtain their passports only after they quit, having not received any payment for several weeks of work.

Lack of safety equipment

The workers were given hard hats but no other personal protective equipment, such as uniforms, boots, or gloves. Under Russian law, an employer must provide employees working in dangerous conditions, special working clothes, boots, and other means of individual protection.

Deceptive recruitment practices

The workers told Human Rights Watch that MonArch provided none of the conditions that they were promised by an intermediary before agreeing to travel to Sochi for the jobs. The workers were

promised regular wages of up to 4,000 rubles per day, written employment contracts, and work permits. The workers were also promised jobs in interior finishing, for which they had the experience and qualifications. Upon arrival, however, they were only offered the work of unskilled workers, at a lower pay rate.

We have contacted Olympstroy, Construction Technology Exchange Center of Krasnodar Krai 'Omega', the project manager for the Main Media Center, and KubanStroyInvest, the general contractor for the Three-Star Complex of Buildings and Structures to Accommodate Media Representatives at the XXII Olympic and XI Paralympic Games separately about these concerns.

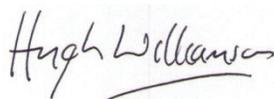
We would welcome learning MonArch's perspective on conditions for migrant workers in Sochi and we would appreciate responses to the following questions regarding how MonArch acts to uphold labor rights, as well as any additional information you wish to provide.

- Does MonArch have policies or procedures to address workers' rights and other human rights violations, including labor rights violations such as those described above? How does MonArch implement these policies?
- Does MonArch monitor the treatment of workers on its sites, including in Sochi? If so, how?
- Have similar allegations have come to your attention previously in conjunction with MonArch's work in Sochi? If so, what actions have you taken in response? If not, how would you respond?
- What is MonArch's response regarding the allegations of worker rights violations described above?

We would welcome a reply at your earliest convenience in order to reflect MonArch's position on these important issues in our work on the problems faced by migrant construction workers in Sochi. In order to reflect your position in our upcoming report, we would ask for a written response by December 10, 2012. Thank you in advance for your attention to this matter.

You may contact our Moscow office by phone at +7 (495) 621 46 97 or email researchers Jane Buchanan at buchanj@hrw.org or Yulia Gorbunova at gorbuny@hrw.org.

Sincerely,

A handwritten signature in black ink that reads "Hugh Williamson". The signature is written in a cursive style with a horizontal line underneath the name.

Hugh Williamson

Translation from Russian

Group of Companies “MonArch”

JSC “Corporate Group MonArch”

125284 Moscow, Russia, Leningradskii Prospekt 31-A, Bldg 1

Phone: +7 495 221-10-02; Fax: +7-495 228-98-05; info@mon-arch.ru

Moscow

November 28, 2012, No. GK-1129

Mr. Hugh Williamson

Human Rights Watch

Dear Mr. Williamson,

The Group of Companies “MonArch” was founded in 1994 and is one of the leading construction companies in Moscow. During 18 years of business, the company has gained a reputation of a reliable construction company capable of implementing the most difficult projects: residential housing, administrative buildings, buildings used for sports, and buildings used for medical, educational, and cultural purposes.

MonArch currently employs more than 2500 people, from more than 10 countries, including 2000 workers: citizens of Russia, Belarus, Ukraine, Armenia, Moldova, Kyrgyzstan, Uzbekistan, Kazakhstan, and Tajikistan who work at construction sites in Moscow and Sochi. The majority of the workers are highly skilled construction workers that have been working in the company for over 5 years.

In 2010, MonArch started to implement two projects in Sochi within the framework of preparation for the 2014 XXII Olympic and XI Paralympic Winter Games, acting as a general contractor for construction of the Olympic Games Organizational Committee Building and as a contractor for concrete construction work for construction of the Complex of Buildings and Structures to Accommodate Media Representatives.

MonArch’s human resources policy encourages mobility of the company’s employees. Thus, in 2005, MonArch workers built two secondary schools in Beslan, which suffered from terrorist attacks. Likewise, teams of concrete construction workers, brick-masons, carpenters, and construction workers of other specialties that have been working for the company for a long time came to Sochi. Some workers were recruited locally from the pool of local residents. MonArch has never engaged intermediaries or recruiting agencies to employ workers.

All employees become employed in accordance with the current labor and migration legislation of the Russian Federation: employment contracts are signed; work permits are obtained if needed (for foreign workers); and work-books and retirement insurance policies are issued when necessary.

Wages are paid by wire transfers into employees' bank accounts. For this purpose a check card is issued to every employee, and salary is transferred into this account twice a month.

In 2011 and 2012, MonArch construction sites in Sochi have been named laureates of trade competition for the best worker camp; criteria for the commission's evaluation are: work conditions at the construction site, condition of living quarters, availability of means of individual and comprehensive protection of workers, and uniform availability.

Management openness to employees at any level is one of the main values of our company. In situations of a dispute, an employee has the ability to appeal to any manager, line foreman, or human resources representative, including of the managing company. All appeals are accepted and comprehensively analyzed, and efficient actions are taken in order to resolve the situation. The employee submitting an appeal is guaranteed confidentiality and feedback.

In conversation with your representative, the "Investment Construction Company" Ltd. had been mentioned, which was indeed a subcontractor at one of the MonArch sites. In May 2012, we were approached by the hotel owner that hosted "ICC" Ltd. workers regarding payment for their accommodation. She informed us that employees of the above-mentioned company do not pay their rent, saying that MonArch does not pay "ICC" Ltd., and as a result they do not receive their wages and cannot pay for their accommodation. Workers' statements regarding non-payment to "ICC" Ltd. are not valid. MonArch does not have outstanding balances payable to "ICC" Ltd. Control of the subcontractor's compliance with current legislation, including payment of wages, is not MonArch's responsibility. All works that "ICC" Ltd. has performed on our sites are accepted and paid for. For performing work at site 11, MonArch issued passes into Olympic park for subcontractors (through the State Corporation Olympstroy). Foreign citizens are required to submit a full document package, including work permit; it is impossible to obtain a pass to the site without this package.

Commenting in your letter regarding allegations of labor rights violations, we would like to inform you about the following:

1. MonArch employees are the main and the most valuable resource of the company.
2. MonArch has strict rules regarding employment of both engineering-technical employees and workers, regardless of their citizenship;
3. MonArch does not use intermediary services to recruit our labor force;
4. Average salary of skilled workers is 50 thousand rubles per month;
5. MonArch never confiscates employees' identification documents;

6. Salary is paid based on a tariff rate/wage stipulated in the employment contract. There is a system of bonuses. Form and content of the employment contract is standardized across the entire Group of Companies;
7. Salary is paid in accordance with the Russian Federation current legislation by a wire transfer into employees' checking accounts opened in a leading state bank;
8. MonArch takes all necessary measures to protect the life and health of its employees;
9. MonArch management respects customs and traditions of its multinational employees;
10. All employees are provided with uniforms, means of individual protection, hot meals, and accommodation.
11. We take all possible measures to ensure protection of employees' rights but cannot assume responsibility for other organizations.

We welcome an open dialogue regarding all issues and, if needed, are willing to provide comments about our company's work in Sochi and Moscow.

Respectfully,

S.A. Ambartsumyan
General Director
Group of Companies "MonArch"