

"Striving for Excellence" Supplementary Resources May 2014



Mega-Sporting Event Local Organisers and Human Rights

"Striving for Excellence"
Supplementary Resources

May 2014

Background

The material in this report was originally written for the www.megasportingevents.org website to expand on and advance the research contained in IHRB's report "Striving for Excellence: Mega-Sporting Events and Human Rights" (2013). It is accurate and up to date as of May 2014. The www.megasportingevents.org website has since been updated and the original content replaced. The original content has been archived into this series of short reports to maintain their usefulness as early contributions to the body of research on mega-sporting events and human rights.

Copyright: © Copyright Institute for Human Rights and Business (IHRB), January 2017. Published by IHRB.

All rights reserved. IHRB permits free reproduction of extracts from this publication provided that due acknowledgment is given and a copy of the publication carrying the extract is sent to the address below. Requests for permission to reproduce and translate the publication should be addressed to IHRB.

Institute for Human Rights and Business

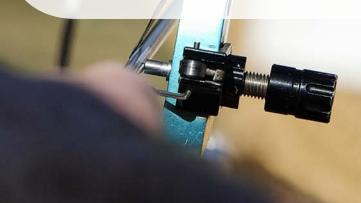
Phone: (+44) 203-411-433 Email: info@ihrb.org Web: www.ihrb.org

Cite as: Institute for Human Rights and Business (IHRB), "Mega-Sporting Event Local Organisers and Human Rights" (May 2014), available at: https://www.ihrb.org/megasportingevents/mse-resources.

Acknowledgments: The material in this report was written by Lucy Amis, IHRB Mega-Sporting Events Research Fellow.

Contents

What's the Issue?	4
Responses	5
VANOC – Buy Smart Programme and Licensee Code of Conduct	5
London's Olympic Delivery Authority — Making Health & Safety a Priority	6
LOCOG's Sustainable Sourcing Code - Integrating Labour Rights	6
LOCOG Sustainable Sourcing Code Complaint and Dispute Resolution Mechanism	7
Glasgow 2014 Organising Committee – Human Rights Statement	8
Glasgow 2014 Organising Commitee - Human Rights Reporting	9
The Rio 2016 Organising Committee – Supply Chain Practices	9
Qatar Supreme Committee - Workers' Welfare Standards	10
Recommendations	11



What's the Issue?

A mega-sporting event often is too complex to have one single local organiser. For most recent Olympics there have been at least two entities - an event organising body and a separate delivery authority responsible for physical construction of venues and infrastructure. These two bodies often work in parallel, but each has responsibility for establishing sustainability standards, including human rights and workplace issues.

An embryonic bid committee exists even during the bid to host the MSE. During this stage the committee tends to be made up of various representatives from government and the relevant sporting bodies, such as the National Olympic Committee or the country's Football Association.

In the months immediately after a successful bid, the host government is required - under the terms of a host city agreement / contract with the sport governing - to set up a local organising committee as a legal entity. In the case of the Olympics, the IOC insists on prior written approval to the constituting documentation. The IOC also spells out that the board of directors and executive committee of the new body must include the IOC member(s) in the host country, representatives of the National Olympic Committee, an Olympic athlete and "at least one member representing, and designated by, the City."

Each host city or country sets up its local organising committee a little differently. For example, the Sydney Organising Committee of the Olympic Games (SOCOG) was a corporation set up by the State Government of New South Wales. The London Organising Committee of the Olympics Games (LOCOG) was established as a private limited company. By contrast, the Vancouver's Organizing Committee for the 2010 Winter Olympics, and the Rio 2016 Organising Committee were set up as non-profit organisations, with the Sochi Organising Committee similarly referred to as an "autonomous non-commercial organisation."

In most cases, but not all, these local organising committees are event organisers. Not unlike theatrical producers, they are responsible for venue and competition management, sponsorship, ticket sales, as well as the opening and closing ceremonies, volunteer programmes, and security within the venues. In addition to sponsorship and broadcast rights revenue channelled through the sports governing body, the revenue they raise comes from ticket sales and the rights they sell, including sponsorship of the event, licensing agreements for the merchandise, and broadcast rights. LOCOG, for example, had a £2 billion budget, almost all of which had to be raised from the private sector.

The development and building of venues and infrastructure, and any preparations for their post-event use, is handled separately. Usually a publicly funded and publicly accountable delivery authority does this. In the case of the Sydney 2000 Olympics these tasks fell to the Olympic Coordination Authority, a statutory authority of the NSW government responsible for physical preparation. In London, the Olympic

Delivery Authority (ODA) was responsible for developing and building the new venues and infrastructure for the Games and their use post-2012. The ODA, for instance, was funded by the Department for Culture, Media and Sport (a UK government department), the Greater London Authority, the London Development Agency, and the Olympic Lottery Distributor. Brazil's equivalent is the Authoridade Publico Olympico (APO — or Olympic Public Authority), with Olympstroy (more fully know as the State Corporation for Construction of Olympic Venues and Development of Sochi as an Alpine Climatic Resort) assuming responsibility for the design, construction and renovation of venues for the Sochi 2014 Winter Olympics.

The host government and the relevant sports governing body both take an active role in overseeing the work of the event organiser and the delivery authority. In the UK, the entire delivery of the London 2012 Olympics was monitored by an Olympic Board, which comprised the Culture Secretary, the Mayor of London, the chairs of the British Olympic Association and London 2012 Organising Committee and other observers.

Responses

VANOC - Buy Smart Programme and Licensee Code of Conduct

The Vancouver Organising Committee's (VANOC) six corporate sustainability performance objectives included an explicit commitment "to care for our workforce, protect human rights and ensure health and safety." VANOC's procurement and licensing activities included a 'Buy Smart' programme, by which it put in place a set of procedures and activities designed to ensure that sustainability, ethical considerations and Aboriginal participation were taken into consideration.

VANOC supplemented these efforts by introducing a Licensee Code of Conduct, modelled on sponsor Hudson Bay Company's code and other industry best practice. The VANOC Code of Conduct defined criteria for producing official merchandise. In response to stakeholder input, VANOC also introduced a Supplier Code of Conduct (2009) which regular suppliers were expected to review as part of the bidding and contracting process. VANOC had limited resources for follow-up, on-the-ground monitoring and capacity building of its supply chain, but reported that between 2006-2010, 100% of its suppliers met Canadian human rights standards. Both codes were shared with the IOC and future Olympic hosts as part of the IOC's knowledge transfer process.

London's Olympic Delivery Authority – Making Health & Safety a Priority

The workforce on the London Olympic Park and Athletes' Village sites peaked at 13,000, with around 40,000 people having worked on the project by the time it was completed. During its lifespan, the ODA set a new bar by completing construction of the Olympic Park and Village with no fatalities. This Commission for a Sustainable London 2012 viewed this as an Olympic first. The Commission also found that the ODA's accident frequency rate of 0.16, although above the target set of 0.1, was nonetheless significantly below the construction industry's health and safety performance average of 1.0 and surpassed the national average for all workplaces.

The ODA complied with relevant UK and European regulation and standards. Success however was also achieved through a putting a range of standards, management systems and processes in place. The ODA's Design and Construction Health, Safety and Environment (HS&E) Standard outlined the HS&E expectations and requirements for all staff, accountable directors, stakeholders and suppliers. This included performance targets, such as completing the Games' construction without any fatalities. The ODA also integrated health and safety requirements in the tendering process for all contractors. On-site occupational health service teams were put in place. For the first time on a construction project of this size in the UK, these included both clinical and preventative teams working side by side to protect worker health. Principles of Cooperation agreed in 2008 between Trades Union Congress (TUC), ODA and LOCOG, additionally included health and safety provisions. In the view of the TUC, on-site union health and safety representation, and health and safety training also contributed to the good practice ODA achieved.

In its final recommendations, the Commission for a Sustainable London 2012 urged the ODA to continue "to work with the Health and Safety Executive [an independent UK watchdog] to develop a programme to disseminate the learning on health and safety and worker wellbeing from the construction phase of the Games". The Commission also called on the UK Government "to make this a requirement of all publicly funded projects" in order to help promote good practice and effective management of risk across UK industry.

LOCOG's Sustainable Sourcing Code - Integrating Labour Rights

The London Organising Committee for the Olympic Games (LOCOG) - the London 2012 event organising body - put in place a Sustainable Sourcing Code to help address the ethical procurement challenges linked to Games merchandise. This covered all contracts with suppliers and licensees, and was updated periodically to allow for the continuous integration of new learning. LOCOG also required its licensees, major direct suppliers and sponsors to register themselves and their production sites as a

member of the Sedex ethical database (this did not apply to IOC Worldwide Olympic Partners and approved suppliers of the International Sports Federations, with whom LOCOG had not direct contract).

There has been some criticism of LOCOG for being slow to act on labour issues. An independent assessment of LOCOG's labour risk management systems, found that its Sustainability Team was "largely unprepared for the more complex task of implementing the labour (versus environmental) provisions of the Code", but commended LOCOG's willingness to engage with stakeholders." For example, LOCOG incorporated the Ethical Trading Initiative (ETI) Base Code into its Sourcing Code on advice from the ETI, Playfair, and the Trade Union Congress (TUC). This integration of the ETI Base Code has since been replicated by both the Glasgow 2014 Organising Committee via its Procurement Sustainability Policy, and the Rio 2016 Committee's Sustainable Supply Chain Guide.

Factory disclosure — which potentially increases accountability - was not included as a contractual requirement for suppliers. However, some companies voluntarily revealed details of their supply chains. Adidas committed to disclose its London Olympic suppliers in 2011 having done so previously at the 2010 South Africa World Cup. In February 2012, LOCOG and the TUC signed an agreement providing for production site disclosure. This saw LOCOG agree to urge further voluntary factory disclosure. Eventually, ten licensees (representing 72% of licensed products being produced for London 2012).

The Commission for a Sustainable London 2012 observed that LOCOG should have made requests for full factory disclosure sooner. On the same note, the independent assessor, Verité, recommended that: "Future time-bound organisations should anticipate [resistance from commercial partners to disclose this data] and build longer lead times and firmer requirements for transparency into their approvals process." Among other things this would allow more time for training suppliers, and to familiarise SMEs with labour codes of conduct.

LOCOG Sustainable Sourcing Code Complaint and Dispute Resolution Mechanism

The London Organising Committee for the Olympic Games (LOCOG), London 2012's event organiser, put in place a Complaint and Dispute Resolution Mechanism to deal with breaches of LOGOG's Sustainable Sourcing Code and provide potential victims with access to remedy. The Mechanism's design was based on criteria set out in the UN Guiding Principles on Business and Human Rights. It was also backed up by a panel of expert stakeholders, the Oversight Group, who helped to ensure that the mechanism was accessible to, and served, those in need.

٧

iewed as groundbreaking by the Commission for a Sustainable London 2012, the Complaint and Dispute Resolution Mechanism encountered some challenges over training and alerting factory workers in time to the mechanism's existence. It also suffered from not being fully operational until April 2012. But after the Olympics, LOCOG made public many findings of how the Mechanism performed in practice. Several stakeholders close to the London Olympics, including civil society representatives, have commended LOCOG on the levels of public disclosure in relation to how the mechanism functioned in practice.

A parallel games-time grievance resolution protocol was developed with the TUC and the Advisory, Conciliation and Arbitration Service (ACAS). This was intended for LOCOG's UK-based workforce, including its contractors, and to help ensure that grievances arising during the Games were dealt with quickly, fairly, consistently and informally where that was possible.

Glasgow 2014 Organising Committee - Human Rights Statement

In December 2013 the Glasgow 2014 Organising Committee became the first MSE organiser to publish a human rights position statement. The Approach to Human Rights features an explicit commitment to respect human rights. It states that: "The Glasgow 2014 Organising Committee (OC) has an obligation — both moral and legal, and with the UN Guiding Principles on Business and Human Rights in mind — to respect, support and promote these rights through the course of its normal business."

The Glasgow 2014 Approach to Human Rights reiterates a number of commitments made by the Glasgow 2014 Organising Committee in its Procurement Sustainability Policy. Among other things this requires suppliers, and sponsors who provide goods or services, to adhere to ILO Fundamental Conventions. The Policy also spells out that "where [we procure goods and services from outside the UK] we require our suppliers to adhere to the terms of the Ethical Trading Initiative's Base Code and, if relevant, the Code of Conduct of the World Federation of the Sporting Goods Industry as a minimum." The Policy also says that the Glasgow 2014 Organising Committee will pay a Living Wage and promote it through its supply chain.

David Grevemberg, Chief Executive of Glasgow 2014 Organising Committee signalled this body's commitment to human rights at a conference on Responsibility and Rights: The Glasgow Commonwealth Games Upholding Human Rights, Preventing Forced Labour and Trafficking in October 2013. The event was jointly convened by IHRB, the Scottish Human Rights Commission and Anti-Slavery International.

Glasgow 2014 Organising Commitee - Human Rights Reporting

Following the staging of the Glasgow 2014 Commonwealth Games, the Glasgow 2014 Organising Committee released its Post-Games Update. This provides a progress report on what was achieved against the benchmark offered by the Approach to Human Rights.

The Post-Games Update is the first example of explicit human rights reporting by an MSE organiser. In the Update the Glasgow 2014 Organising Committee among other things outlined how it managed its supplier contracts and monitored compliance with the Procurement Sustainability Policy, as well as how it went about fulfilling its commitment to safeguarding the welfare of children and adults at risk of harm.

The report includes data on the percentage of principal suppliers who reported that they had adhered to the ETI Base Code, and paid a Living Wage. In line with its commitment to disclosure, the Glasgow 2014 Organising Committee additionally noted that it published the names and locations of all suppliers within its Licensing and Merchandising programme on the Glasgow 2014 website. Factory disclosure of this kind had been a final recommendation of the Commission for a Sustainable London 2012 when it published its closing report Making a Difference (2013).

In a section on lessons learned, the Glasgow 2014 Organising Committee emphasised the benefits of making an early human rights commitment, and the importance of direct engagement with human rights experts.

The Rio 2016 Organising Committee - Supply Chain Practices

The Rio 2016 Organising Committee published the first version of its Sustainable Supply Chain Guide (the Guide) in July 2012. Commentators familiar with London 2012 have indicated that the Rio 2016 Committee has set a clear, positive agenda and lessons from the London experience have been learned. Like LOCOG, the Rio 2016 Committee opened its door to dialogue with stakeholders from an early stage, and appears to have taken on board the suggestions that LOCOG got off to a slow start. The Rio 2016 Committee, for example, has integrated labour rights criteria into its supplier requirements from the beginning. The Guide demands that suppliers, sponsor and licensees ensure that the working conditions on manufacturing production sites "meet the minimum requirements set out in the Ethical Trading Initiative (ETI) Base Code." The Guide also makes it clear that it regards compliance with the ETI Base Code as a minimum standard. It urges Rio 2016 commercial partners to exceed this standard, and where national laws and the Base Code cover the same ground, to apply whichever of the two affords the greater rights protection.

The Rio 2016 organisers also appear to have acted to avert the criticisms levelled at LOCOG in relation to factory disclosure. Rio 2016's Guide specifies: "Where requested, suppliers, sponsors and licensees must disclose all information to Rio 2016 its representatives or auditors about the adopted venues or working conditions, and to grant access to their premises in the most transparent manner." The Rio 2016 Sustainable Supply Chain Guide also includes a "Diversity Manifesto", and commitment to encouraging practices that expand the participation of micro and SMEs "from a wide range of segments and social groups" in its Supply Chain. This also expands on a concern raised during London 2012 that not enough emphasis was placed on using local suppliers. The Rio 2016 Committee is currently putting in place a dispute mechanism process for Chinese and Brazilian suppliers.

The Rio 2016 Committee is working closely with industry federations, chambers of commerce, and various bodies like WBCSD and SEBRAE, to advance sustainable procurement within Brazil for the long-term. For example, it has entered into a strategic partnership with leading responsible supply chain specialist Sedex to support its responsible sourcing strategy. Under the agreement, Rio 2016 suppliers gain access to the Sedex database. Suppliers that Rio 2016 regards as critical are also required to enrol in Sedex, and will be monitored via the platform in relation to their supply chain standards management.

Since neither the Rio 2016 Organising Committee, nor the Public Olympic Authority (APO), is subject to independent assurance by a body like the Commission for a Sustainable London 2012, stakeholders will need to look to civil society, unions and others to monitor the effectiveness of the procurement strategy.

Qatar Supreme Committee - Workers' Welfare Standards

In February 2014, Qatar's Supreme Committee (the local organising committee for the 2022 FIFA World Cup) published a set of Workers' Welfare Standards. This followed an ultimatum from FIFA for Qatar to deliver a report on improving migrant labourer's working conditions. The 50-page document sets out detailed standards giving the Qatar Supreme Committee the authority to penalise, and potentially terminate the contracts of contractors who violate the welfare of its construction workers. The standards set out detailed requirements on the payment of wages, accommodation, and welfare, and commit to introducing a tough new inspection regime. Under the standards, employers will also be forced to install a telephone hotline for workers to raise grievances and report concerns, ensure workers receive paid annual leave, and do not have to worker longer than a 48-hour week, and receive rest days.

Critics however point out that the standards only apply to the construction of World Cup stadiums, and not to the wider issue of holding to account contractors and subcontractors working on the wider infrastructure projects that will underpin the World Cup, which may require a more systemic approach — working with the Qatar authorities - to resolve. International Trade Union Confederation (ITUC) General

Secretary Sharan Burrow said: "It promises employment standards but gives migrant workers no rights to collectively bargain or join a trade union".

An ILO press release noted that "some of the ILO comments [on an earlier draft] have been taken into account, for example in respect of prohibition of retention of workers' passports by employers, prohibition of the collection of deposits from workers, the protection of wage payments and some aspects related to working time...". However, it also made clear that "other ILO comments, in particular concerning fundamental principles and rights at work, including freedom of association and collective bargaining, as well as the adoption of a minimum wage or a living wage, are not reflected in the current text." Qatar has ratified five of the eight ILO Fundamental Conventions; it has not ratified those on Freedom of Association, Collective Bargaining, and Equal Remuneration.

In evidence before a European Parliamentary Committee hearing on sports and human rights, ILO Deputy Director-General Gilbert Houngbo, acknowledged that whilst the Workers' Welfare Standard demonstrated some willingness to address the key issues at stake, the ILO still had two key concerns. Houngbo argued that the ILO insists, firstly, upon an integrated approach if the Standards are to be effective. "For instance, proposals by the Supreme Committee regarding the withholding of passports and the repatriation will not be effective unless the Government translates those into national legislation and puts in place national mechanisms to enforce the law." Houngbo also stressed the importance of allowing workers a voice without fear of retaliation. He noted that "if workers do not have a way of expressing problems without fear, those measures [on ethical recruitment or health and security] will not be effective." He did however signal that: "with a clear commitment of the Qatari authorities, the ILO stands ready to work with all relevant stakeholders to overcome current challenges that can lead to success."

Recommendations

IHRB's 2013 report "Striving for Excellence – Mega Sporting Events and Human Rights" included a series of recommendations for local organisers and other key stakeholders involved in preparing and staging a Mega Sports Event. These recommendations are intended to support efforts by local organisers to ensure that human rights are more central to the way they do business in the years ahead.

1. Make an explicit public commitment to respect human rights as enshrined in the Universal Declaration of Human Rights, and in line with the Guiding Principles publicly disclose information on their efforts to implement human rights due diligence, and to remediate adverse human rights impacts.

- 2. Establish a strategy for integrating a human rights-approach based on the Guiding Principles across the full lifecycle of the MSE and for consultation with key stakeholders. Seek out good practice available from the sports governing body, former local organising committees and other key stakeholders.
- 3. Set up a domestic independent assurance body to oversee sustainability and human rights-related issues associated with the MSE, and a Code of Conduct on labour standards to be included in contracts with suppliers, licensees and other commercial partners, that is backed up by grievance and dispute resolution mechanisms.
- 4. Contractually require all commercial partners (e.g. sponsors, contractors, suppliers and broadcasters, hoteliers) in line with the Guiding Principles to adopt a human rights policy statement, and to publicly disclose information on their efforts to implement human rights due diligence, and to remediate adverse human rights impacts. Suppliers should be required to disclose factory locations in their supply chain.