

E-Mail

From: Embassy of India, Luanda
To : Leader of Opposition, Gujarat Vidhan Sabha, Gandhinagar

Shri Shaktisinh Gohil, Hon'ble Leader of Opposition from Ambassador

Respected Sir,

Please refer to your e-mail message of May 11, 2012 regarding labour situation at Sumbe Cement Project, Angola, particularly after the violent incidents on May 9, 2012. In this connection, an updated report prepared by the Mission as on May 17, 2012 on the labour situation at Sumbe Cement Project is attached herewith, for kind information.

2. After the violent incidents on May 9, 2012 at the project site, 59 persons were taken into custody; one person received bullet injury; and **between 8-10 persons were reportedly missing or hiding in the nearby areas.**

3. As directed by the Mission, by May 16, 2012, the project management completed a head count of all employees to establish whether a number of workers including 40 Gujarati workers as stated in your letter were missing or hiding. However, they have found that all are present at the site and no one is missing.

4. The enclosed report deals with issues relating to labour situation and the efforts made by the Mission and the management to resolve relevant issues, at the earliest. The workers who wish to return to India due to the prevailing situation at the site, are being repatriated in batches, by the management.

With kind regards,


(Debraj Pradhan)
Ambassador

No. LUA/411/1/2010
Dated 17 May 2012

Embassy of India
Luanda(Angola)

Updated Report on Labour Situation at FCKS Cement Project,
Sumbe, Kwanza Sul Province, Angola

Summary

A brief account of all relevant issues is given below:

- (a) Out of 59 workers originally arrested after May 9 incidents, 37 were declared to be innocent and 22 to be guilty by the Sumbe court.
- (b) 1 person who received bullet injury is getting medical treatment in Luanda.
- (c) 8-10 persons who were reportedly missing or hiding have since returned to the project site.
- (d) ETA Star (i.e. management of the project) is making provisions for immediate payment of outstanding overtime allowance for February and March 2012 in US\$.
- (e) ETA Star is proposing to pay 10% of the salary which was earlier paid in US\$ to be disbursed in the local currency.
- (f) ETA Star is also proposing to deposit overtime dues along with salaries in US\$ in the accounts of the employees in India, in future.
- (g) ETA Star is yet to take a decision on payment to the workers for the strike period, i.e. wef April 16, 2012.
- (h) Passports pending with the Angolan authorities for issue of Work Visas are yet to be released.
- (i) About 220 workers have reported on duty during the last 2 days, i.e. May 16 & 17.
- (j) A total of 326 employees have left the site and reached India during the period April 3-May 15, 2012. On May 18, 2012, another 40 persons will be elaving for India.
- (k) As on date, about 175 including 59 in custody have already resigned to return to India. Arrangements are being made by the management in this connection.
- (l) Emergency Certificates are being issued by the Mission to the employees of ETA Star, on a regular basis.

Issues demanded by the Indian Workers

2. There are two main issues involving the management and the workers of the project:

- (a) No payments have been received from Angolan client FCKS by ETA Star since February 2012 and ETA Star has been managing the site with its own finances since then. As a result of non-receipt of funds, the management has stopped overtime work to

avoid payment of overtime dues since April 2012, resulting into discontentment among the workers. *Payment of salaries is not an issue as salaries in US\$ are deposited directly in the accounts of the employees.*

(b) A large number of passports (about 646 in number) of the employees of ETA Star have remained pending with the Angolan Immigration Department for more than 15-18 months. These passports have been submitted to the Immigration Department through FCKS for issue of Work Visas.

Labour Unrest

3. At present, the total workforce of the Sumbe Cement Project is about 1260 (1100 Indian nationals, 140 Bangladeshi nationals and 20 Nepalese nationals). Out of 1100 Indian employees, there would be about 950 workers, engaged from all over the country.

4. Initially, there was nominal unrest and discontentment among the workers due to non-payment of overtime dues for February and March 2012 and also stoppage of overtime work since April 1, 2012. But, ultimately, the workers went on strike from April 16, 2012 onwards, despite repeated requests from the management to resume work. The project has been shut down since then.

5. After striking, the workers are now demanding the wages for the period of strike. The management has informed them that this cannot be done and the condition of "No Work No Pay" would apply to all persons for not coming for work, as is the practice and rule elsewhere in the world.

Agitation of May 9, 2012

6. To make the matter worse, on May 9 evening at about 4:30 p.m., the workers intensified their agitation and gheraoed some of the managers and senior staff, shouting and manhandling some of them. Then, they reportedly started damaging vehicles, parked nearby and burnt down 16 motor bikes. The workers damaged the Officer's Mess and Pantry. Some Housing containers and equipments etc also got damaged during the agitation.

7. The management called for the police force including special forces from Luanda and nearby town of Benguela. Once the police came, the workers pelted stones at them and physically clashed with them. The police lobbed teargas shells and not being able to control the situation, they had to resort to firing in the air. Finally, Police brought the situation under control and took some workers into custody. Subsequently, the local authorities have arranged 24-hour security in the area.

Consequences of the Agitation

8. After the violent incidents on May 9, 59 workers were taken into custody by the Angolan Police and kept in Sumbe Jail. Second, one person got bullet injury in his left

thigh. Third, about 8-10 workers reportedly fled from the scene and did not report back at the site.

Official Meetings/Demarches

9. Ambassador Debraj Pradhan met the Minister of Geology, Mines and Industry Mr Joaquim David on May 14 and Ambassador Andre Panzo, Director(Asia), Ministry of External Relations, Government of Angola on May 15 and handed over Aide Memoire, highlighting issues involved and seeking early solutions to them. Ambassador has also sought urgent meetings with the Minister of Interior and the Head of Immigration Department. In addition, written demarches have been made by the Mission with the relevant Angolan authorities such as Ministries of External Relations; Interior; and Geology, Mines & Industry, on the matter.

10. Shri S. K. Varun, Second Secretary(Consular) of the Mission travelled to Sumbe on May 15 to meet the workers as well as the management. During his meeting with the workers, he took note of the issues/complaints they had about delay/non-payment of overtime allowances, passports pending for Work Visas, May 9 incidents etc. Shri Varun also met the management and urged them to deal with the issues pointed out by the workers on an urgent basis, so that normalcy could return to the project site and the operation could resume early.

Status of Arrested Persons

11. The group of 59 persons taken into custody was produced before the Sumbe Court on May 14 and 15. Out of 59, 37 persons were declared to be innocent and 22 guilty by the court which imposed a fine of US\$ 180 on each guilty person to be paid within a period of 15 days. If the penalty is not paid, then the guilty workers could face jail sentence upto a period of 4 months. They have also been directed to pay an amount of US\$ 40,000 as compensation to the company for damages caused during the agitation.

12. On May 15 night itself, the entire group of 59 workers was shifted from Sumbe to Luanda. It seems that 37 persons have been handed over to the Immigration authorities and remaining 22 held in Viana Jail, Luanda. They would be repatriated to India soon by the Angolan authorities with their passports/relevant travel documents. Mission is in touch with ETA Star and Angolan authorities to facilitate their repatriation to India.

Status of Injured Person

13. Mission was informed by one of the Managers of ETA Star on Sunday, May 12 evening that one worker, viz. Shri Vijay Kumar Moodabettu, Kumbra house, Volamogaru, Mumbra, Puttur, Karnataka-574202 had got bullet injury during the May 9 incidents. Initially, he was receiving treatment at Sumbe Hospital. Upon the request of Ambassador to the Minister of Geology, Mines and Industry, the injured person was transferred from Sumbe to Luanda Army Hospital on May 15, better treatment.

14. According to the doctors, bullet is still lodged in the left thigh and its impact had caused a hairline fracture on the thigh bone. Accordingly, plaster has been put on the leg and the person is under medication to avoid any infection by the bullet. He has since been shifted to ETA Star Guest House in Luanda. Mission has sought a detailed medical report and is constantly monitoring the case.

Status of Missing/Hiding Persons

15. Apart from the above, Mission has learnt from different sources that some workers between 8–10 in number have not reported back at the site since May 9 incident, fearing arrests by the local authorities. However, the management at Sumbe could not confirm the number of workers reportedly missing/hiding at that point of time. Mission has impressed on the management to undertake head count on an urgent basis and encourage them to return, assuring their safety and security.

16. However, during the visit of Shri S. K. Varun, Second Secretary(Consular) of the Mission to Sumbe on May 15, he was informed by the workers that some of the workers who have reportedly missing or hiding have returned to the project site. Their number is yet to be confirmed by the management.

17. ***Mission has just received the head account of the staff and workers of the project as on May 16, 2012 which includes all nationalities (i.e. Indian, Bangladeshi and Nepalese) and also all contract labours. Management has confirmed that all are present at site and no one is missing.*** Details are as follows:

Managerial staff

Total: 184
On leave: 28
Available at site: 155

Workmen

Total: 984
On leave: 62
In Luanda: 1 (person who received bullet injury)
Patient: 2
Attendant: 2
In custody: 50 (37 in Immigration custody and 11 in Viana Jail, Luanda)
Available at site: 859

Operation of the Mess

18. Since April 16 (when the workers went on strike), there has been no work at the project site. Despite the difficulties and complexities of the situation, the management has ensured that basic food such as rice, roti, dal, vegetables etc are provided to all the

employees. Management has promised that the operation of the mess would return to the previous position, at the earliest.

Resumption of Work

19. ***Mission was informed by the management that at least 170 workers have reported on duty on May 16 and 50 more on May 17. Management is optimistic that the workers would return to work gradually.***

Payment of Overtime Allowances

20. According to the management, an amount of US\$ 100 per person has been paid towards overtime dues for February 2012 from company's own US\$ account. Further, the management has offered to pay the balance payment of US\$ 200 per person in the local currency which has again been rejected by the workers.

21. Overtime payments for March 2012 are now being disbursed (i.e. again US\$ 100 per person). April salaries remain unresolved as the management has taken the position that there would be "no work no pay" for the strike period, i.e. wef April 16 till date.

22. On May 16, Ambassador met Shri Rabi Dasgupta, GM, ETA Star International LLC, Dubai to take stock of the situation. ***The ETA Star representative informed that the company was taking immediate steps to settle all the outstanding overtime allowances for February and March 2012 in US\$ with the workers. Second, only 10% of the salary could be paid in the local currency to the workers for their local expenses. Third, overtime allowances due to the workers in future could be deposited into the accounts of the workers in India in US\$ for dealing with cash availability, exchange rate and conversion issues.***

23. Ambassador impressed on ETA Star representative on urgent settlement of dues for February and March 2012 and also payment for the strike period (wef April 16, 2012), if possible, with a view to avoiding further complications relating to the current situation.

Release of Passports

24. As on date, a total of 646 passports are pending with the Angolan Immigration Department for issue of Work Visas. During a meeting of Ambassador with the Minister of Geology, Mines and Industry on May 14, it was intimated that the Minister himself had pursued the matter with the Minister of Interior as well as Head of Immigration Department, for taking urgent action.

25. Regarding release of passports with Work Visas, Angolan authorities are very much aware of the situation at Sumbe. Therefore, it is hoped that they would return the

passports, as soon as possible. In this connection, Ambassador has sought urgent meetings with both the Minister of Interior and Head of Immigration Department.

Repatriation of ETA Star employees

26. A total of **326** employees have already left the site and reached India during the period April 3-May 15, 2012. On May 18, another **40** persons will be leaving for India. Further, as on date, about **175** persons including 59 under custody have resigned from their jobs and opted for going back to India. Arrangements are being made by the management in this regard.

Issue of Emergency Certificates

27. So far as the repatriation of workers who opt to return to India is concerned, Mission would facilitate their early repatriation by issuing Emergency Certificates due to the absence of their passports, in the present circumstances. In fact, since April 2012 till date, Mission has issued more than 50 Emergency Certificates to the workers who have opted to return to India and whose passports are still pending with the Angolan authorities.

Immediate Course of Action

28. Following issues have been identified for resolving the current situation:
- (a) Early release of 59 workers presently under custody and their repatriation to India;
 - (b) Appropriate treatment and early repatriation of the Indian worker who had received bullet injury, to India;
 - (c) Payment of overtime dues in US\$ to Indian workers rather than in local currency, as done earlier;
 - (d) Early release of 646 passports of Indian workers pending with Department of Immigration for Work Visas to enable interested workers to return to India; and
