

Due diligence essentials for responsible construction

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The construction sector is a cornerstone of economic development and urbanisation, encompassing three closely interlinked subsectors (real estate, construction materials and construction) that together span land acquisition, raw material sourcing, manufacturing and the delivery of built assets. Globally, approximately 220 million people work across the sector, which ranges from large multinational corporations and materials manufacturers to vast networks of small and medium-sized enterprises and subcontractors. The sector's fragmented, project-based structures and heavy reliance on migrant and informal labour make it particularly susceptible to certain risks. These include greenhouse gas emissions and resource consumption in materials manufacturing, labour rights concerns and governance issues such as bribery, bid rigging and anti-competitive behaviour. This case study examines the sector's key characteristics, salient risks and impacts, and the opportunities and challenges that companies face in implementing risk-based due diligence in line with international standards on responsible business conduct.¹ It is targeted at companies in and outside the construction sector who are seeking to understand their exposure to related risks, and also for policymakers and stakeholders seeking to better understand opportunities for promoting effective due diligence in the sector.



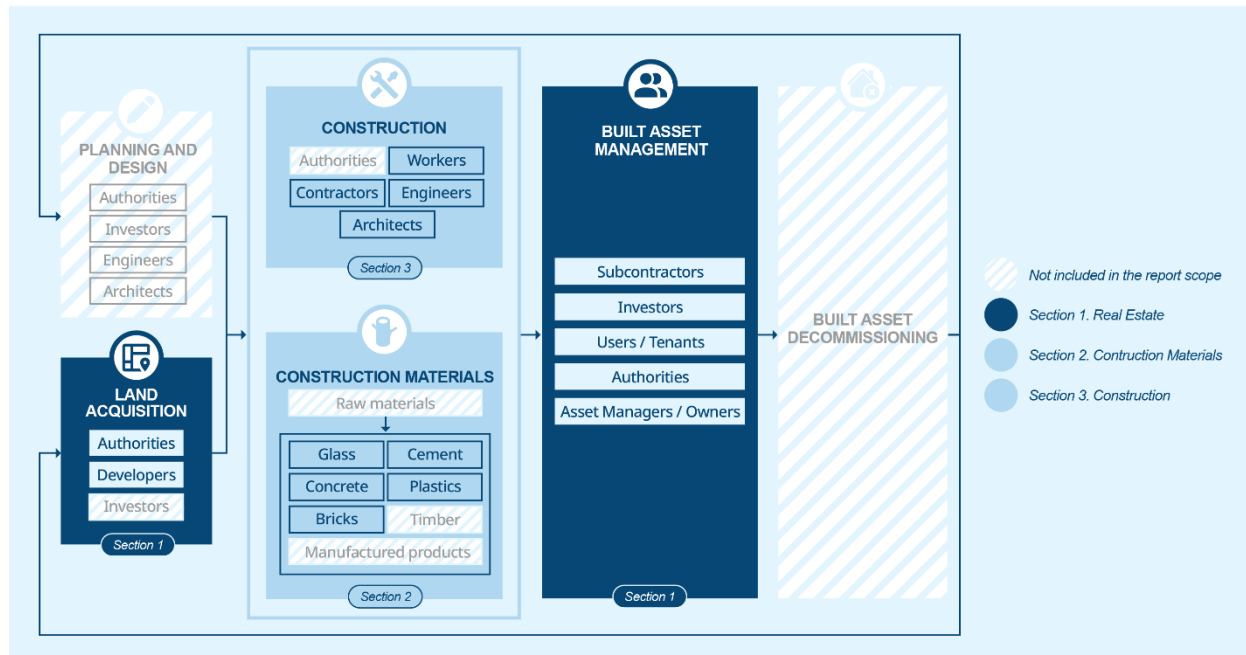
Key characteristics of the construction sector and its value chain

This case study is structured into three key subsectors: construction (sometimes referred to as “built environment”), real estate and construction materials, each representing distinct stages of the broader construction value and supply chain. The construction sector serves all types of clients, whether public or private, local, national or global, including heavy construction and large infrastructure (e.g. bridges, railways, airports, motorways, dams, pipelines, sewage and water systems, etc.), energy infrastructure (e.g. wind farms, subsea control systems), institutional buildings (e.g. schools, hospitals, etc.), and industrial or commercial buildings (plants, offices, stores, etc.). For public infrastructure, upstream activities such as permitting and land acquisition are managed and driven by the public sector. For privately developed infrastructure, it is the developer that manages land acquisition and acquires the necessary permits. For residential and commercial projects, real estate encompasses both upstream activities, such as land acquisition, and downstream activities, including built asset management. Construction materials sit between these two segments, covering the sourcing of raw materials used in the projects, as well as finished materials and equipment. The sector accounts for 13% of global GDP (OECD, 2026^[1]).

Real estate

The real estate value chain encompasses both land acquisition and built asset management, representing two distinct phases separated by the manufacturing of construction materials and development (see Figure 1).² Following development, properties are marketed and sold through agents and brokers, connecting sellers with buyers in residential and commercial markets. For rental properties, leasing activities play a central role, facilitating agreements between landlords and tenants. Property management ensures ongoing maintenance, tenant relations and operational efficiency.

Figure 1. Real estate value chain



The real estate sector's workforce profile is diverse, combining technical, managerial and customer-facing, as well as maintenance-based roles. Property development and management require skilled professionals such as real estate developers, urban planners and property managers who oversee property portfolios and tenant relations (PwC & Urban Land Institute, 2024^[11]). Workers involved in buying and selling activities are typically skilled professionals such as real estate agents, brokers and financial analysts who engage in pricing strategies, client negotiations and regulatory compliance. In contrast, the maintenance of these properties, such as cleaning and security, may rely on low-skilled and migrant workers, depending on where the activities are taking place (Equality and Human Rights Commission, 2014^[21]).

Construction materials

The construction materials value chain encompasses the production of key building products³ and, as such, is closely interlinked with the cyclical nature of the construction sector. It begins with the sourcing of sand and silicates, which include essential natural resources such as limestone, clay, and gravel (OECD, 2026^[3]). Raw materials undergo processing and manufacturing to produce finished products such as cement, concrete, tiles, bricks and glass. Depending on the specific material, these processes involve activities such as crushing, mixing, heating and moulding, which vary depending on the type of material produced. Annually, 30 billion tonnes of sand, gravel and rocks are consumed for residential and non-residential construction, infrastructure including roads, airports, ports, and railways, and artificial islands and land reclamations projects. The capital-intensive nature of production often requires significant investment in specialised equipment and facilities. For construction raw materials, many of these supply chains are short, with local sourcing being dominant. Manufactured construction materials are distributed through a network of wholesalers and retailers up to their final application in construction projects, contributing to infrastructure and building development.

Approximately 55 million people (1.6% of global employment) work in the construction materials sector (ILO, 2024^[3]). The workforce profile in the construction materials sector is diverse. Workers in lower tiers of the supply chain, such as those involved in raw material transportation and processing, are often lower-skilled (ILO, 2024^[3]). However, the heavy and increasing reliance on specialised machinery and automation during materials manufacturing (e.g. cement kilns, glass furnaces) is reflected in a semi-skilled

to skilled labour force, especially in machine operation, quality control and maintenance roles (ILO, 2024^[3]). Overall, the building materials industry is highly male dominated, with women representing, for instance, only 8% of the workforce of cement, lime and plaster manufacturing (ILO, 2023^[4]).

Structurally, the construction materials industry is increasingly concentrated and dominated by large manufacturers sourcing from a large number of smaller suppliers, providing either raw materials or specialised industrial equipment. Due to the industry's wide range of associated materials and activities, no reliable data exists on the global number of building materials enterprises (ILO, 2024^[3]). However, for cement alone, more than 1 000 producers exist, although the largest ten players account for about nearly half (45%) of global capacity, while five countries account for nearly three-quarters of global production (CW Research, 2020^[5]; Edwards, 2020^[6]). The glass manufacturing industry is even more concentrated, with four companies accounting for over half of global production (OECD, 2026, pp. Table A B.3, pp. 63-64^[1]) (Wintour, 2015^[7]).

Construction

The construction sector encompasses the development of residential, commercial and public buildings, as well as civil engineering projects such as roads, tunnels, railways and utility infrastructure. Its value chain spans initial site preparation to project completion. During pre-construction, project plans are finalised, and the procurement of materials, equipment and labour takes place. The construction phase involves various contractors managing site operations. Co-ordination between contractors, engineers and architects is essential to maintain project timelines. Regular inspections and quality control processes are conducted throughout. The post-construction phase includes final safety inspections, occupancy certification and handover to owners or users.

Production models vary widely, influenced by project scope and complexity as well as market demands. Overall, the construction sector is highly cyclical. As it is closely tied to economic trends, (regional) property market dynamics and client demands, fluctuations in workforce demand and subcontracting are common (ILO, 2020^[8]). Construction companies rely both on direct workers and subcontractors. Depending on the length, nature and location of the project, as well as the business model of the company, each situation may differ. Subcontracting is also part of the construction industry to compliment a set of existing skills when it may be required for a project. While a huge proportion may subcontract in a certain country, in another, due to the legislative landscape and the availability of workforce and a specific skillset, subcontracting might be limited. In several locations, the construction industry is known to be a provider of jobs for people and economic opportunities in the country in which the project is operating. (ETUC, 2021^[9]). The cyclical nature of construction activities often requires seasonal recruitment, procurement, and ad hoc management structures for each project. As a result, decentralised project structures are commonplace, with each construction site managed by a small team with limited resources.

The construction sector's workforce profile is diverse. Globally, approximately 220 million people (7% of global employment) work in the sector (ILO, 2020^[8]), comprising engineers, architects, tradespeople such as electricians, plumbers, carpenters and scaffolders as well as a majority of unskilled construction workers. Low and unskilled workers in the construction industry play a critical role in executing fundamental tasks essential for project progression, such as site preparation, material handling and basic labour activities. As construction projects evolve to incorporate advanced technologies and innovative practices like green building and smart infrastructure, there is an increasing demand for technical expertise and associated upskilling in these areas.

Overall, the construction industry is characterised by a large number of SMEs operating alongside a few large corporations. For example, over nearly 1 million enterprises operated in Europe in 2022, 98% of which employed less than 50 workers (Eurostat, 2024^[10]). Similarly, in the United States, the reporting by the Association of General Contractors (AGC, 2023^[11]) implies that construction establishments in the United States on average employed only eight to nine employees. Globally, the total number of

construction companies is estimated at over 27 million (BoldData, 2024^[12]). Construction firms are increasingly pursuing both vertical and horizontal integration strategies, i.e. acquiring companies within the supply chain, such as construction materials manufacturers and their suppliers, as well as competitors within the same segment of the value chain (Deloitte, 2025^[13]).

Salient impacts associated with the sector

Real estate

Environmental impacts

- **Contribution to climate change:** Buildings are significant contributors to greenhouse gas (GHG) emissions through energy consumption for heating, cooling, and lighting. Globally, buildings' energy demand accounts for circa 27% of global CO₂ emissions in 2022 (UNEP, 2023^[14]). Inefficient building systems and reliance on non-renewable energy sources exacerbate the sector's carbon footprint, highlighting the need for widespread adoption of energy-efficient technologies and renewable energy solutions (see also (OECD, 2022^[15])).
- **Biodiversity and ecosystem impacts:** The development and management of properties can disrupt local ecosystems and biodiversity, particularly in urban and peri-urban areas. Poorly planned developments may lead to habitat loss, deforestation, and pollution, affecting both natural environments and the well-being of surrounding communities. Properties also contribute to air and soil pollution through improper waste disposal and management systems, outdated energy systems, and the use of harmful chemicals in cleaning and maintenance. Poor indoor air quality in managed properties can directly affect tenant health, emphasising the need for safe materials and efficient ventilation systems. Unlike naturally ventilated buildings, mechanically ventilated spaces depend on the correct specification, installation, and maintenance of equipment to prevent the build-up of pollutants; failures in any of these areas can result in prolonged occupant exposure to harmful substances, with disproportionate health impacts on vulnerable groups such as children, the elderly, and those with respiratory conditions.

Social impacts

- **Violations of land rights and forced displacement:** Violations of land rights and forced displacement remain prominent issues in real estate development, especially in regions with weak governance. This manifests in the form of displacement of low-income populations in large cities, as well as displacement of Indigenous Peoples. Inadequate consultation or the lack of free, prior, and informed consent (FPIC) when engaging with affected communities can lead to conflicts, loss of livelihoods, and cultural disintegration, particularly in Indigenous territories or areas with historical ties to marginalised communities.
- **Exploitation of low-skilled workers in property management:** Property management in both residential and non-residential settings tends to rely heavily on low-skilled workers in roles such as cleaning, maintenance and security. These workers often face unsafe working environments, excessive working hours, low wages, poor working conditions and limited labour protections, particularly when employed by subcontractors (World Green Building Council, 2024^[16]).
- **Affordability, accessibility and inclusivity:** Affordability issues from residential housing to non-residential spaces, such as commercial and industrial properties, where rising rents and speculative practices can lead to inequitable access and displacement (IHRB, 2024^[17]). This affects low-income tenants, small businesses and community organisations, particularly in urban centres with high demand. Discrimination in renting, selling and property use based on race,

gender and socio-economic status may further exacerbate this accessibility and inclusivity impacts. Particularly older properties may also fail to meet accessibility standards, leaving disabled individuals with limited options for housing, workplaces and public services.

Governance impacts

- **Corruption and tax evasion:** Bribery, corruption, and illicit financial flows remain significant risks in the real estate sector, particularly in jurisdictions with weak property regulations. Exacerbated by opaque ownership structures that obscure beneficial ownership, common issues include money laundering through real estate transactions and preferential treatment for politically connected individuals or corporations (Transparency International, 2023^[18]).
- **Data privacy and confidentiality:** As real estate services increasingly rely on smart building technologies and digital platforms for real estate transactions and tenant management, risks related to data privacy and cybersecurity have grown. Mismanagement of tenant or buyer data - such as personal financial details, rental histories, or location data – can lead to breaches of privacy, identity theft and misuse.

Construction materials

Environmental impacts

- **Depletion of natural resources:** Sand and silicates are resources which are essential components of the environment (OECD, 2026, pp. 34-39^[11]). They contribute to the functioning of ecosystems and their extraction consequently disrupts basic ecological processes that help sustain animal life and the natural environment. These impacts tend to be exacerbated by the massive amounts of sand and silicates that are extracted and consumed each year, in nearly every country.
- **Air pollution and climate change:** Construction materials manufacturing is associated with substantial levels of GHG emissions and accordingly represents a key driver of climate change (SASB, 2023^[19]). Cement production in particular is estimated to account for 7-8% of global GHG emissions (World Economic Forum, 2024^[20]). Pollutants like dust, particulate matter, sulphur oxides and nitrogen oxides produced during construction materials manufacturing also degrade local air quality and increase respiratory illnesses. Vulnerable groups such as children, the elderly and individuals with pre-existing conditions like asthma are particularly at risk.
- **Soil and water contamination:** Contamination from industrial activities, such as cement slurry, chemical runoff and improper waste disposal, can pollute drinking water, exposing residents to severe health risks, including gastrointestinal diseases and chronic toxicity caused by substances like chromium and lead found in industrial effluents. Improper handling or storage of industrial by-products, such as kiln dust or chemical waste, raises the likelihood of accidents or disasters, such as toxic spills or plant explosions, which can devastate nearby communities.
- **Depletion of water resources in manufacturing:** Production processes in the construction materials sector also demand substantial water resources, particularly for cooling and processing, which can deplete local water supplies in arid or drought-prone regions, exacerbating water scarcity for surrounding communities.

Social impacts

- **Forced and child labour:** The use of forced labour and child labour has been reported in parts of the construction materials sector, particularly in jurisdictions with weak labour laws or lax enforcement. Migrant and temporary workers, often involved in brick kilns or tile production, are vulnerable to exploitation. Forced labour risks may include debt bondage due to recruitment fees,

withheld wages, and physical coercion. Worst forms of child labour have been documented in the brick-making sector, where entire families, including children, work under bonded labour arrangements, with women and girls sometimes subjected to physical, psychological and sexual abuse. While strongly interlinked, forced labour and worst forms of child labour may have different underlying causes and require different response measures, depending on the context.

- **Health and safety impacts:** Construction material manufacturing exposes workers to hazardous environments, including high temperatures, silica dust and chemical exposure during cement and glass production. Prolonged exposure to silica dust in cement and tile manufacturing can cause silicosis, a potentially fatal lung disease. Poor ventilation, lack of safety gear and inadequate training exacerbate risks.
- **Lack of freedom of association:** Workers in the construction materials sector face significant barriers to unionizing and engaging in collective bargaining. This is particularly pronounced in countries with weak labour protections, where anti-union policies or intimidation of workers attempting to organise are prevalent. Reports highlight union-busting practices in cement and concrete manufacturing, where temporary and subcontracted workers often have fewer protections.
- **Poor working conditions, including wages:** Workers, especially in the lower tiers of the supply chain, often receive wages below minimum standards or are compensated based on exploitative productivity targets. Excessive overtime to meet high production demands is frequently reported, particularly during peak construction seasons. Isolated work sites can force workers into collective shift work and uncompensated overtime work. Prolonged exposure to industrial noise and vibrations further impacts worker and community well-being, contributing to stress, hearing loss and other long-term health issues.

Governance impacts

- **Support for non-state armed groups:** Non-state armed groups and organised crime networks have documented involvement in sand and silicate extraction across multiple countries, benefiting from the sector's extraction, processing, and trade (OECD, 2026, p. 30^[11]). A recent case in which a major French construction firm financially supported ISIS and Al Nusra Front during the Syrian conflict further illustrates how construction material supply chains can intersect with serious human rights violations and armed group financing, warranting continued due diligence attention (Le Monde, 2026^[22]).
- **Bribery and corruption:** Large-scale investments in cement plants, kilns and other facilities in resource-rich regions are often accompanied by risks of bribery and corruption. Local governments may offer favourable tax conditions or turn a blind eye to environmental violations in exchange for economic benefits.

Construction

Environmental impacts

- **Land and soil degradation:** Poorly managed construction activities significantly contribute to land and soil degradation. The clearing of large areas for infrastructure projects results in land artificialisation – the removal of vegetation that accelerates soil erosion and alters natural drainage patterns. The introduction of impervious surfaces and changes in topography further exacerbate surface runoff, increasing the risk of flooding and reducing groundwater recharge. In addition, improper disposal of hazardous materials such as paints, solvents and fuels can lead to soil contamination, seeping into the ground and affecting soil chemistry. This contamination threatens plant growth, groundwater quality and human health (UNEP, 2023^[14]).

- **Water and air pollution:** Construction processes generate significant pollution, affecting both water bodies and air quality. Runoff from construction sites often carries sediments, synthetic chemicals and debris into nearby rivers, lakes and groundwater sources, endangering aquatic life and posing health risks to communities dependent on these water supplies. Air pollution is a major concern, as construction activities release particulate matter and GHGs through machinery operation and material transportation. Dust emissions not only degrade local air quality but also contribute to respiratory issues among nearby residents.
- **Resource consumption and waste:** The construction industry is highly resource-intensive, leading to significant energy consumption and waste generation. The operation of heavy machinery and the energy demands of production processes result in high greenhouse gas emissions, exacerbating global warming. The sector also produces vast amounts of waste, including demolition debris, packaging materials and excess construction materials. Many of these materials are non-biodegradable, creating long-term landfill challenges and environmental concerns.
- **Noise pollution:** Construction activities generate persistent noise pollution that disrupts both wildlife and human communities. Heavy machinery, transportation, and on-site operations produce high noise levels, which can disturb local ecosystems and interfere with animal behaviour. For nearby residents, prolonged exposure to construction noise contributes to stress, sleep disturbances and overall reduced quality of life.

Social impacts

To better reflect the substantial human rights impacts associated with the construction industry in certain geographies, the following key impacts are categorised into three main areas: those affecting migrant workers, broader workforce conditions, and community-level disruptions.

Impacts on construction workers

- **Poor working conditions:** Many construction workers, particularly low-skilled and low-wage labourers, face precarious employment due to flexible labour practices and reliance on subcontractors. Work is often temporary and unstable, offering limited economic opportunities, training and social security benefits. In addition, extended work hours driven by tight deadlines and mandatory overtime increase the risk of accidents, while wage withholding or delayed payments further contribute to financial insecurity. These poor working conditions often go unreported, as workers fear retaliation or job loss if they voice complaints.
- **Health and safety impacts:** The construction industry presents significant occupational hazards, including falls, heavy machinery accidents, electrocutions, and exposure to harmful substances such as silica dust and asbestos. Environmental factors like extreme heat and humidity further exacerbate risks, leading to heat-related illnesses that affect both workers' health and productivity. The combination of physical hazards and demanding working conditions underscores the urgent need for stronger workplace safety measures.
- **Limitations of worker rights:** Many construction workers face significant barriers to organizing and engaging in collective bargaining. In some regions, legal restrictions prevent workers from forming unions, while in others, worker representatives are limited to addressing basic welfare concerns rather than advocating for broader labour rights. Without strong representation, workers struggle to negotiate better conditions, making them more vulnerable to exploitation and unfair labour practices (IHRB, 2024^[21]).

Impacts on migrant workers (including internal migrants)

- **Recruitment practices and forced labour:** Labour intermediaries (e.g. temporary employment agencies and recruitment agencies) frequently charge migrant construction workers large fees for

recruitment and placement, which can lead to situations of forced labour.⁴ Recruitment companies may charge more than five months' worth of wages (Goodman, 2017^[22]). Many workers find that their actual pay and working conditions do not match what was promised during recruitment. Intermediaries may make false promises, manipulate contracts and withhold wages, trapping workers in debt bondage and forcing them to accept poor conditions to repay recruitment fees.

- **Physical and mental health of migrant workers:** Temporary or migrant construction workers often endure substandard living conditions. Accommodations are typically overcrowded, lacking privacy and basic amenities. Restricted movement and minimal recreational opportunities contribute to their isolation and stress. These conditions, combined with separation from family, can severely affect workers' physical and mental health. Irregular wage payments and unclear payslips add to the financial insecurity of migrant workers. They are also vulnerable to harassment by authorities and abuse during work-related travel. Inadequate health and safety standards on the jobsite, lack of healthcare, and limited access to essential facilities exacerbate impacts on migrant workers (IHRB, 2024^[21]).

Impacts on communities

- **Socio-economic impacts:** The influx of workers during the construction phase can lead to economic opportunities in the local area, boosting demand for goods and services. However, this sudden demographic change, often dominated by male migrant workers, can also strain local resources, such as housing and public services. In some jurisdictions, it can also lead to the rise of informal economies, including prostitution, which can impact the functioning of health services. Development projects that require large areas of land can also temporarily or permanently displace local populations and limit access to vital resources like water. This disruption can jeopardise traditional livelihoods, such as agriculture and fishing, resulting in loss of income and undermining cultural practices.

Governance impacts

The infrastructure sector is highly susceptible to corruption, particularly in large-scale and public projects, where it manifests, for example, through bid rigging, kickbacks, and contract favouritism. Corruption can facilitate human rights abuses and environmental impacts. The construction sector is also prone to collusion among companies, where major firms collaborate to fix prices, rig bids or share contracts, undermining competitiveness and accountability in public procurement.

Key considerations for due diligence

Challenges

High use of subcontracting and intermediary actors

Sub-contracting to third parties, especially in cross-border contexts in the construction sector is associated with key due diligence challenges. A key step in the due diligence process is to map out supply chains and business relationships in order to establish an initial understanding of risks that companies might be contributing to or directly linked to. Subcontracting and use of intermediary actors makes this initial scoping exercise particularly difficult as business relationships become difficult to track and leverage over certain actors in supply chains that might be causing impacts is reduced. In many cases, the decision to subcontract is legitimate (e.g. need for a specific skillset or legal obligations to contribute to the local economy through contracting local service providers). Particularly during the labour-intensive construction phase of large infrastructure projects, subcontracting is an increasingly common practice to flexibly acquire large a workforce. Subcontracting, from property development to real estate services like maintenance,

cleaning and security, is no longer restricted to specialised tasks but nowadays extends even to companies' core activities (ETUC, 2021^[9]). According to IHRB, sub-contracting chains can “go down nine levels or more” with systemic pressures on wages and working conditions at each stage to remain profitable (IHRB, 2016^[23]).

Fragmented supply chains and overlapping responsibilities

The construction and construction materials sectors are characterised by diverse, fragmented, and often short and localised supply chains with numerous third parties (including many SMEs) providing raw materials, components and specialised construction services at different stages of the value chain. This distance and complexity significantly limit supplier visibility and supply chain traceability, particularly in complex cross-border production networks. This makes it more challenging to identify, monitor and provide remedy for adverse impacts, especially further upstream in the supply chain, and target engagement efforts. Opaque corporate structures and multiple layers of ownership further add to this fragmentation and dilute accountability.

Cyclical demand and economic volatility

The strongly cyclical nature of the construction sector may exacerbate various due diligence challenges. Sectoral activity in the construction sector is heavily influenced by global economic conditions and trends, including global interest rates. This translates into highly volatile project cycles and associated labour demand, encouraging short-term contracts, flexible subcontracting practices and reliance on migrant labour with weak labour rights protections. In periods of high demand, tight project schedules may lead to additional pressures and deteriorating working conditions, including excessive working hours and unremunerated overtime work. Irregular and project-based work also makes it difficult to establish long-term, responsible supplier relationships and invest in long-term due diligence strategies.

Opportunities

Technological tools facilitating due diligence

By enabling real-time monitoring of environmental and social risks, tech solutions such as satellites and drones are increasingly used to facilitate sustainability due diligence in the construction sector (Engineers Outlook, 2024^[24]). High-resolution and low earth orbit (LEO) satellite imagery can detect unauthorised deforestation, land degradation and water depletion, habitat loss as well as early signs of forced relocation, particularly near indigenous lands. Drones may provide close-up visual data for on-site inspections, offering detailed insights into working conditions and site safety, especially in remote areas where in-person audits are challenging. These technologies help companies and regulators identify and address risks more effectively.

Existing industry initiatives and certification schemes

Many construction trade associations and professional bodies have begun substantial work to raise awareness of human rights and environmental impacts within the industry and to encourage the sector to work collaboratively to address key challenges. For instance, the Coalition for Responsible Sand and Silicate Supply Chains brings together industry and civil society actors to drive uptake of OECD RBC standards, the World Green Building Council promotes sustainable building practices globally, while the Green Building Initiative supports the certification of green buildings and the promotion of environmentally responsible construction practices. Building Responsibly, a coalition of leading engineering and construction companies, focusses on improving worker welfare by adopting common principles and practices to drive accountability and innovation in the sector.

Many of these as well as other initiatives offer certifications spanning across various stages of construction, from material sourcing to building operation. For instance, initiatives like the Aluminium Stewardship Initiative (ASI) and Forest Stewardship Council (FSC) focus on promoting sustainability in the sourcing of metals and timber, while Fair Stone ensures ethical labour practices in the extraction of stone materials. In construction, common certifications such as Leadership in Energy and Environmental Design (LEED) and the Building Research Establishment Environmental Assessment Method (BREEAM) promote sustainable building design, construction and operation.

Co-ordinated approaches to promote circularity

Resource circularity and international collaboration offer further avenues for companies and governments to address upstream extraction risks in construction materials supply chains (OECD, 2026^[1]). Where extraction rates for key inputs such as sand and silicates exceed natural replenishment, companies can prioritise recycling, the use of alternative materials, and efficiency measures to reduce dependence on unsustainable sourcing. At the policy level, international co-operation to track and regulate sand and silicate extraction can help establish the governance conditions for more sustainable production and consumption patterns. Multi-stakeholder collaboration between governments, industry, and civil society will be essential to making such frameworks effective in practice.

Related OECD sources

The OECD has developed various resources to support businesses carrying out due diligence:

- [OECD Due Diligence Guidance for Responsible Business Conduct](#)
- [OECD Guidelines for Multinational Enterprises on Responsible Business Conduct](#)
- [OECD e-learning Academy on Responsible Business Conduct](#)
- [Due Diligence for Responsible Sand and Silicate Supply Chains](#)

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Notes

¹ The sector was chosen for a case study based on a previous study by the OECD to identify and synthesise insights from key resources on the prevalence of issues covered by the OECD Guidelines for Multinational Enterprises (the OECD Guidelines) across industry sectors. To complement this analysis, the OECD further conducted an expert survey to attain a broad picture of the perceived association with responsible business conduct (RBC) issues across sectors.

² For the purposes of this case study, real estate refers to the management, purchase, sale, rental and development of residential and non-residential real estate properties as well as related real estate services such as agent and broker activities and property management. To keep the framing concise for the purposes of this publication format, the case study does not consider the broader activities in the construction value chain related to the planning and design of real estate projects as well as financing and investment activities related to property decommissioning.

³ This sector note does not consider extractive activities such as mining and quarrying as well as the production of steel and timber. It also does not address retail-related activities.

⁴ 16.3% of documented forced labour cases are associated with the construction sector (UN Global Compact, n.d.[25]).

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