

Neom:

A human rights and environmental impact assessment



A briefing for potential partners and
investors in Neom

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Introduction

Neom is a futuristic megacity project that is starting to be built on Saudi Arabia's Red Sea coast, with plans for it to cover an area larger than Kuwait. It is the flagship project of Crown Prince Mohammed bin Salman's ambitious "Vision 2030" programme to diversify the Saudi economy away from dependence on oil. Neom is owned by the Saudi kingdom's sovereign wealth fund, the Public Investment Fund (PIF), and aims to attract large-scale foreign investment. Little of the project or its infrastructure has yet been constructed, but the extensive publicity for it promises a world-leading reimagination of sustainable living for the future, based on innovative use of cutting-edge technologies, including ecotourism and winter sports in the desert.

Why is this seen as problematic by human rights and environmental experts?

Already, Neom's development has led to [forced evictions and brutal repression](#) of local inhabitants. Construction will likely be carried out by hundreds of thousands of migrant workers with few rights and little freedom. Current proposals, if brought to fruition, will create a dystopian urban environment and ecological catastrophe. And even before the project's realisation, Neom is creating an aura of Saudi modernity and globalism that is being used to consolidate the personal authority of its author, Mohammed bin Salman, and lend a spurious legitimacy to his repressive one-man rule.

ALQST has produced this business briefing, based on both first-hand and open-source information, to fact-check the claims being made for Neom, highlight its human rights and environmental impact, and point out the political and reputational risks for those involved or considering involvement in this mega-enterprise.

Human rights concerns regarding Neom

It is important to point out that Neom is a state-sponsored, top-down project completely detached from any popular demand for such a development, or any public participation in the decision-making, or any attempt at public consultation on the plans. Vast amounts of the kingdom's wealth are being poured into what some regard as a videogames-inspired vanity project at the expense of more prosaic but much-needed improvements to infrastructure such as housing, education and healthcare in existing Saudi towns and cities.

Forced evictions and suppression of dissent: Even before the Neom project was officially announced, the authorities began clearing the area by evicting local residents, members of the Huwaitat tribe, many of whom resisted while also publishing their objections on social media. Special Forces were sent to villages to raid the homes of, and arrest, Huwaitis resisting eviction. The killing of Abdul Rahim al-Huwaiti by the Special Forces, in April 2020, particularly shocked public opinion. Other Huwaitis expressing dissent were arrested and tried under the kingdom's Counter-Terrorism Law; at least 15 so far have been given prison sentences ranging from 15 to 50 years, and five sentenced to death. Once forcibly evicted, the former residents then fell victim to arbitrary and dishonest compensation policies; many did not receive the compensation they were promised.

All of this took place in blatant disregard of Saudi Arabia's commitments under international law, in violation of the Universal Declaration of Human Rights, the Cairo Declaration of Human Rights in Islam, the GCC Human Rights Declaration and the Arab Charter on Human Rights, as well as the United Nations Basic Principles and Guidelines on Development-Based Evictions and Displacement.

Migrant workers' conditions and lack of rights: The construction of Neom will require hundreds of thousands of migrant workers (as well as white-collar expatriates). Saudi Arabia's *kafala* (sponsorship) system regulates all foreign residents' legal and employment status in the country, but particularly affects low-paid workers recruited from some of the world's poorest countries. The *kafala* system restricts migrant workers' freedom of movement by requiring

them to obtain an exit permit to leave the country and, in most cases, their employer's approval to change jobs. Their legal status in Saudi Arabia is tied to their *kafeel* (sponsor), leaving them vulnerable to abuses such as non-payment of wages or retention of their passports by employers. In these circumstances, migrant workers can be coerced into forced labour. Construction workers in Saudi Arabia's construction industry typically endure poor working conditions, working long hours in the country's harsh climate and often suffering from heat stress and other health problems. There have also been several reports of wages going unpaid for months on end, as well as at least one migrant worker death on a Neom construction site (see box below for the shocking story of Abdul Wali Skandar Khan). Foreign companies must conduct due diligence to ensure that local partners and subcontractors are not exploiting their workers in the absence of protective labour legislation.



Abdul Wali Skandar Khan, a 25-year-old Pakistani civil engineer and father of two, died on 28 December 2023 while working on a Neom construction site after a guardrail collapsed. He was employed by China Comservice, via a subcontractor, Falcon Group. Despite the seriousness of the incident, neither the companies nor the Saudi authorities carried out a proper

investigation or organised repatriation of his body. His brother Meer Wali Khan, a dual British-Pakistani citizen, had to travel to Saudi Arabia in January 2024 to retrieve Abdul Wali's body at his own expense. China Comservice's response has also been inadequate in other regards, with promises of compensation and access to CCTV footage remaining unfulfilled, leaving Abdul Wali's family with neither clarity nor justice. The company deposited a small portion of the promised compensation in the Pakistani embassy's account, without the family's agreement, and nearly a year later they are still fighting to access it. Meer Wali is now seeking further support from NGOs and exploring legal avenues to ensure accountability for his brother's death, and to alleviate the plight of other migrant workers.

Digital surveillance and lack of privacy rights: Looking ahead to the lifestyle envisioned for future residents of Neom, plans for The Line, a sub-project of Neom dubbed the “world’s first cognitive city”, raise numerous questions regarding privacy, the management of personal data, and informed consent. A lack of transparency over the possibility of opting out of data mining is particularly concerning, given the Saudi authorities’ track record in cybersurveillance of human rights activists, and their use of draconian cybercrime legislation to suppress peaceful free speech online.

The environmental impact of Neom

In 2022, the United Nations recognised a clean, healthy and sustainable environment as a basic human right. Several Neom sub-projects are inherently problematic from an environmental perspective and fail to address climate change effectively. Moreover, as environmental rights and human rights are intrinsically interconnected, the Saudi authorities’ human rights abuses in the context of Neom, both documented and potential, will directly affect any attempt to create a thriving, sustainable environment.

Endangering biodiversity and the ecosystem: Some Neom projects risk wreaking havoc in the region’s ecosystem and causing declines in biodiversity. The envisioned 170 km-long structure of The Line raises questions regarding wildlife migration routes and avian diversity, among other grave disruptions to the ecosystem. In a similar vein, the yachting industry promoted by Neom in the Sindalah area poses a risk to the region’s marine flora and fauna. The planned ski slopes of Trojena are likely to endanger the biodiversity of the mountain due to the use of artificial snow.

A vastly energy-intensive venture: The colossal Neom project has come under fire for the huge quantities of raw materials that will need to be transported into the desert for its construction. The carbon footprint embedded in construction of the megacity is likely to offset the environmental benefits touted in Neom’s publicity materials. Add to that the humongous amounts of water Neom will consume when up and running – notably in Trojena,

if the site is indeed to become a year-round ski resort – and it becomes clear that the Saudi authorities could achieve far better environmental outcomes by upgrading and adapting existing infrastructure and cities, rather than spending billions on this fantastical new development.

Neom and greenwashing: Neom is symptomatic of a wider effort by the Saudi authorities to greenwash their environmental impact, as evidenced by their discourse concerning the climate crisis at COPs 26 and 28. The project's reliance on unproven technologies and techno-optimism, a form of climate delay, casts doubt on the genuineness of the authorities' whole green narrative. Their declared ambition to build the green megacity of the future is clearly at odds with the kingdom's broader policy direction, such as its vow to increase fossil fuel extraction.

Other considerations regarding Neom

Incoherence of design: The Neom project epitomises impractical and unrealistic designs. Trojena's folded village overlooks solar glare hazards, and The Line's design presents logistical challenges. Aside from doubts regarding its expansion, the concept of a linear city is questionable in terms of liveability, as it maximises distances between people and places, creating long commutes and threatening social cohesion. Reliance on a single trunk line transportation system also poses risks with regard to emergencies. Furthermore, the sheer scale of Neom appears unrealistic at best, given the Saudi kingdom's history of unfinished megaprojects. The Line is likely to meet the same fate as King Abdullah Economic City in failing to attract viable numbers of people.

The broader context: The Saudi authorities' allocation of USD500 billion for Neom stands in stark contrast to their continual disregard of the country's broader infrastructure deficiencies. While Neom promises cutting-edge technologies and futuristic urban planning, many existing Saudi cities struggle with fundamental infrastructure challenges like lack of transportation, power shortages, and inadequate healthcare facilities. The glaring gap between

the extravagant plans for Neom and the daily reality currently faced by Saudi citizens underscores the project's role in diverting attention away from human rights concerns within the kingdom. As part of a broader effort to bolster Crown Prince Mohammed bin Salman's image internationally, Neom joins initiatives like sportswashing campaigns and the hosting of celebrity entertainers from around the world to blunt criticisms of his egregious human rights record.

Business and human rights: Your role in Neom

Neom should be seen as an overambitious vanity project that presents both human rights and environmental challenges. A number of senior staff working on Neom have resigned over unrealistic specifications and the absence of the expertise and transparency required to bring the project to life. If a business does wish to participate in Neom, however, it has significant potential leverage to call out human rights abuses, as completion of the project will not be possible without foreign investment and support.

As well as avoiding actual complicity in human rights abuses, businesses have a responsibility, laid down in the UN Guiding Principles on Business and Human Rights (UNGPs), to prevent any adverse human rights impacts linked to their operations through their business relationships. This includes respecting the rights of indigenous peoples, ethnic minorities and migrant workers, all of which are being violated by the Neom project. The UNGPs further emphasise businesses' responsibility to address adverse impacts where they occur by taking "adequate measures for their prevention, mitigation and, where appropriate, remediation".

In light of the human rights abuses already being committed in the preliminary phases of Neom's construction, as well as the adverse environmental impacts that its full realisation would entail, investors and contractors involved in the project are urged to use all leverage at their disposal to call for the cessation of human rights abuses related to Neom, and specifically to call for the release of members of the Huwaitat tribe who have been wrongfully imprisoned.



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