



Government of Nepal  
Ministry of Agriculture & Livestock Development  
Rural Enterprise and Economic Development Project  
Hariharbhawan, Lalitpur

## **Labor Management Procedures**

August, 2022

## Executive Summary

The Rural Enterprise and Economic Development (REED) Project aims to enhance rural entrepreneurship and strengthen the market linkages of rural entrepreneurs, including smallholder farmers and producers. The project is being implemented by the Ministry of Agriculture and Livestock Development (MOALD) in six provinces: Province 1, Madhesh, Bagmati, Gandaki, Lumbini and Sudurpaschim provinces. The project will strengthen rural market linkages and entrepreneurship ecosystem and will create job opportunities as the recovery actions from COVID-19. The Project activities would involve, among others: technical support for the development of Productive Partnership (PP) business plans and a grant support for the implementation of key PP business subprojects under those plans; construction of value chain related infrastructures and semi-public infrastructures to support the partnerships and their communities; establishments of regional market centers to promote market and export of agricultural commodities.

The Labor Management Procedures (LMP)<sup>\*</sup> is prepared for proper management of the labor issues and other associated risks during implementation of the project. The LMP aims to ensure proper management of the laborers in the project area by identifying potential labor-related risks and prescribing appropriate mitigation measures. This LMP mainly addresses legal compliance requirements as stipulated in the Labour Act 2074 (2017 AD) and Labour Rule 2075 (2018 AD) of Government of Nepal along with the requirements of the World Bank's Environment and Social Standards (ESSs), especially ESS-2: Labor and Working Conditions and ESS-4: Community Health and Safety.

It is estimated that the project will need a total of approximately 800 workers which includes 160 skilled, 240 semi-skilled, and 400 unskilled workers over the period of 5 years during project's implementation. Similarly, around 60% workers of the total requirement are envisaged to be local and 40% migrant workers. The Project also envisions the engagement of Community Workers through Cash For Work (CFW) modality. This LMP applies to four types of workers viz. direct workers, contracted workers, primary supply workers, and community workers. Similarly, this LMP will apply to both; full-time and/or part-time workers including national or international, male or female workers with a minimum age of 18.

This LMP presented the policies and procedures that will be in place to ensure that the risks identified in this Project are addressed during project implementation. Risk of workers in the project being denied their rights, risk of hiring and/or involvement of children and inadequate occupational health and safety standards in construction of infrastructure and facilities are key labor risks. In addition, risk of accidents and incidents at the workplace, labor influx and associated community health and safety risks, including possible Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) risks due to labor influx in host communities are also the risks associated with this project.

The measures essential to mitigate the identified risks as prescribed by this LMP are ensuring fair labor and working conditions, enforcing contract management, managing safety-related training/orientation for workers, particularly on workers' code of conduct (CoC) to be prepared

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<sup>\*</sup> Approved by Project Director, Dr. Chandra Prasad Risal on 24<sup>th</sup> of August 2022.

by contractors based on the template provided in Annex 3. In addition, establishing worker's grievance mechanism, including the management of causes related to Gender Based Violence (GBV), among others.

The Office of the Project Director (OPD) along with Economic Corridor Offices (ECO) will be responsible for the implementation of the LMP. The Project Director at the OPD will hold the overall responsibilities for implementation, monitoring, and reporting of the LMP covering project workers, community workers, and the primary supply workers. The Social Safeguard Specialist and Environment Safeguard Specialist in the OPD in coordination with the Monitoring and Evaluation Specialist will be responsible for implementing and supervising the LMP on the field. The Environment and Social (E & S) Focal Person(s) at the Economic Corridor Offices will hold the day-to-day operational responsibility for implementing the LMP through the field staff and reporting on its implementation to OPD. The responsible staff(s) of OPD and ECOs will be preparing the necessary training modules and organizing training programs for the project and Contractor's staff on the implementation of the LMP. The contractor will be responsible to address LMP as part of procurement for works and subsequently responsible to manage LMP's provisions. The LMP will be monitored by consciously tracking the Key Performance Indicators (KPIs) specified in the detailed monitoring plan (Annex-X) that will be used to ascertain compliance to the LMP.

The Project has prepared Grievance Redress Mechanism (GRM) Guideline, 2078 (2022 AD). All the grievances related to REED Project including those related to labor issues will be addressed as per this guideline. All project workers will be informed of the Grievance Redress Mechanism (GRM) process as part of their contract and induction package. The grievance mechanism for workers includes transparent channels for submitting workplace grievances, explicit standards and deadlines to respond to grievances, effective institutional structures and processes to receive, address and resolve grievances. This project will receive and register worker's grievances communicated/submitted verbally or in writing through telephone hotlines/toll free numbers, email, fax, website, social media, express delivery, public hearing and SMS. The mechanism will also allow for anonymous grievances to be raised and addressed. At each level (subproject, ECO, OPD, Contractors and Supervision Consultants) there will be a designated person to address all work-related grievances. The Environment and Social Safeguard Specialists at the OPD and E&S Focal Persons at ECO will provide overall implementation and capacity-building support to resolved workers' grievance and will also supports the Project Director.

Grievances related to SEA/SH and other GBVs will be managed by the trained GBV focal person of the GRM who will subsequently refer potential survivors to prior identified locally available GBV service providers who have extensive experience and are actively engaged in GBV work and services. A detailed procedure for managing SEA/SH related complaints is integrated in the project GRM guideline.

## कार्यकारी सारांश

ग्रामीण उद्यम तथा आर्थिक विकास आयोजनाले ग्रामीण उद्यमशीलता प्रवर्द्धनका साथै ग्रामीण उद्यमी, साना कृषकहरू र उत्पादकहरूको बजार आवद्धता सुदृढ गर्ने लक्ष्य लिएको छ । कृषि तथा पशुपन्छी विकास मन्त्रालय मार्फत कार्यान्वयनमा आएको यस आयोजनाले प्रदेश नं १, मधेश प्रदेश, बागमती प्रदेशलुम्बिनी प्रदेश र सुदूरपश्चिम प्रदेश गरी जम्मा ६ वटा प्रदेशहरूमा, गण्डकी प्रदेश, १९ को -उद्यमशीलताको वातावरण निर्माण गर्न र कोभिड, ग्रामीण बजार आवद्धता सुदृढ गर्न प्रतिकार्य स्वरूप रोजगारीहरूका अवसरहरू सृजना गर्न सहयोग पुर्याउने छ । आयोजनाका क्रियाकलापहरू मुख्यतः उत्पादनमूलक साझेदारीका लागि व्यवसायिक योजना तयारीमा प्राविधिक सहयोग, उक्त योजना अन्तर्गतको उप आयोजना कार्यान्वयनमा पुरक अनुदान उपलब्ध गराउने, उत्पादनमूलक साझेदारीलाई सहयोग हुने मुल्य श्रृंखला सम्बद्ध पूर्वाधारहरू र अर्ध सार्वजनिक संरचनाहरूनिर्माणमा सहयोग पुर्याउने र क्षेत्रीयप्रादेशिक बजार पूर्वाधारहरू स्थापना मार्फत कृषि / उपजहरूको बजार एवं निर्यात प्रवर्द्धनमा सहजीकरण गर्नेमा केन्द्रीत रहने छन्।

यस श्रम व्यवस्थापन प्रक्रियाहरू (Labor Management Procedures, LMP) आयोजना कार्यान्वयनका क्रममा आईपर्ने विभिन्न श्रम श्रमिक सम्बन्धी सवालहरू एवं सम्बद्ध जोखिमहरूको / उचित व्यवस्थापनका लागि आयोजनाले तयार गरेको छ । आयोजना सम्बद्ध श्रमिकहरूको उचित संभाव्य श्रम सम्बन्धी जोखिमहरू पहिचान एवं उक्त जोखिमहरूको न्युनिकरणका, व्यवस्थापन उचित उपायहरू सुलझाउनु नै यसको उद्देश्य रहेको छ । यस दस्तावेजले मुख्यतः नेपाल सरकारको श्रम ऐन २०७४ र श्रम नियमावली २०७५ मा रहेका कानुनी प्रावधानहरूको परिपालनाका, आवश्यकताहरू सम्बोधनका साथै विश्व बैंकको वातावरण तथा सामाजिक मापदण्डहरू(ESSs) विशेषतः ESS-२: श्रम तथा कार्यवातावरणको अवस्था र ESS-४ सामुदायिक स्वास्थ्य एवं सुरक्षाका मापदण्डहरूलाई समेट्ने छ ।

आयोजनाको ५ वर्षको अवधिमा १६० जना दक्ष, २४० अर्ध दक्ष र ४०० अदक्ष गरि कुल करिब ८०० जना कामदारहरू आवश्यक रहने आकलन गरिएको छ । यसमध्ये कुल आयोजनाको करिब ६०% स्थानीय र बाँकी ४०% हाराहारी अन्यत्रबाट आएका कामदारहरू रहने अनुमान गरिएको छ । आयोजनाको संभाग ३ अन्तर्गत “कामका लागि नगद” मोडालिटीमा समुदायस्तरका कामदारहरू समेतलाई संलग्न गराउने परिकल्पना रहेको छ । आयोजनामा सबद्ध हुनसक्ने प्रत्यक्ष कामदारप्राथमिक आपूर्तिकर्ता का, अनुबन्धित कामदार, मदार र समुदायस्तरका कामदार गरि मुख्यतः ४ प्रकारका कामदारलाई यस दस्तावेजले समेट्ने छ । कम्तीमा १८ वर्ष पुरा भएका राष्ट्रिय वा अन्तराष्ट्रिय, महिला वा पुरुष, पूर्णकालीन वा अल्पकालीन कामदारहरू सबैको हकमा यस दस्तावेजको व्यवस्था लागू हुनेछ ।

पहिचान भएका श्रम सम्बद्ध जोखिमलाई आयोजना कार्यान्वयनका क्रममा यथोचित सम्बोधनका लागि यस दस्तावेजले आवश्यक नीति एवं प्रक्रियाहरू सुनिश्चित गर्दछ । आयोजनामा कार्यरत कामदारहरूको अधिकारलाई अस्विकार गर्न सक्ने जोखिम, बाल श्रमिकहरू राख्ने र वा संलग्न गराउन सक्ने जोखिम, पूर्वाधारहरू एवं अन्य भौतिक संरचनाहरू निर्माणमा प्रयोग हुने कामदारहरूको पेशागत स्वास्थ्य र सुरक्षा मापदण्डहरूको पालनामा अपर्याप्तता आदि मुख्य श्रम जोखिमका रूपमा रहेका छन् । यस अलावा, दुर्घटना एवं कार्यस्थलमा हुने अन्य घटनाहरूको जोखिम, स्थानीय समुदायमा श्रमिकहरूको प्रवाह र सोसंग सम्बद्ध सामुदायिक स्वास्थ्य र सुरक्षा सम्बन्धी जोखिम लगायत यौन दुर्व्यवहार एवं यौनजन्य हिंसा सम्बन्धी जोखिमहरू समेत आयोजना सम्बद्ध श्रम जोखिमका रूपमा पहिचान भएको छ ।

यस किसिमका जोखिमहरू न्यूनिकरणका लागि स्वच्छ श्रम र काम गर्ने अवस्थाको सुनिश्चितता, करार व्यवस्थापनमा जोड, विशेषत अनुसूची ३ को ढाँचामा निर्माण व्यवसायीले तयार गरेको आचारसंहितामा आधारित रहेर कामदारहरूका लागि सुरक्षा सम्बन्धी तालिम/अभिमूखिकरणको व्यवस्थामा यस LMP ले जोड दिएको छ । यस अलावा, लैंगिक हिंसा लगायत अन्य विभिन्न सवालहरूमा कामदारहरूको गुनासो सुनुवाईका लागि संयन्त्रको स्थापनाको व्यवस्था समेत आयोजनामा रहने छ ।

यस LMP कार्यान्वयनका लागि आयोजना निर्देशकको कार्यालय, आर्थिक कोरिडोर कार्यालयका साथै आयोजना सम्बद्ध निर्माणमा संलग्न हुने निर्माण व्यवसायीहरू समेत जिम्मेवार हुनेछन् । आयोजनाका कामदार, सामुदायिक कामदार र प्राथमिक आपूर्ति कामदारका सवालहरूका सम्बन्धमा यस दस्तावेजका व्यवस्थाहरूको कार्यान्वयन, अनुगमन र रिपोर्टिङको समग्र जिम्मेवारी आयोजना निर्देशकमा रहनेछ । त्यसैगरी OPD मा रहेका अनुगमन तथा मूल्यांकन विज्ञसंगको समन्वयमा सामाजिक सुरक्षा विज्ञ र वातावरण सुरक्षा विज्ञ फिल्डस्तरमा यस दस्तावेजका व्यवस्थाहरूको कार्यान्वयन र सुपरिवेक्षणका लागि जिम्मेवार रहनेछन् । त्यसैगरी आर्थिक कोरिडोर कार्यालयका वातावरण र सामाजिक सम्पर्क व्यक्ति (E & S Focal Person) हरूले दैनिक रूपमा फिल्डस्तरमा कर्मचारीहरू परिचालन मार्फत LMP कार्यान्वयन र यसको कार्यान्वयन अवस्थाका सम्बन्धमा OPD लाई रिपोर्टिङको जिम्मेवारी बहन गर्दछन् । आयोजनामा रहेका यस सम्बद्ध कर्मचारीहरूले आवश्यक प्रशिक्षण मोड्युलहरू तयारीका साथै समय समयमा तालिमहरूको आयोजना गरेर यस दस्तावेज कार्यान्वयनका सम्बन्धमा आयोजना तर्फका एवं निर्माण व्यवसायी तर्फका कर्मचारीहरूलाई प्रशिक्षित गर्नेछन् । यस दस्तावेज कार्यान्वयनका सवालमा निर्माण कार्यका लागि ज्यालादारीमा राखिएका कामदारहरूका सम्बन्धमा LMP का व्यवस्थाहरू सम्बोधनका लागि सम्बन्धित निर्माण व्यवसायी जिम्मेवार रहने छ । आयोजना कार्यान्वयनका क्रममा LMP का व्यवस्थाहरू परिपालना भए/नभएको सम्बन्धमा अनुगमनका लागि अनुसूची १० अनुसारको विस्तृत अनुगमन योजनामा निर्दिष्ट गरिएका प्रमुख कार्यसम्पादन सूचकहरू (KPIs) लाई अत्यन्तै सचेततापूर्वक पछ्याइनेछ ।

आयोजनाले गुनासो सम्बोधन गर्न, गुनासो व्यवस्थापन सम्बन्धी कार्यविधि, २०७८ (२०२२ ई.स.) तयार गरेको छ। श्रमिक समस्याहरूसँग सम्बन्धित गुनासोहरू लगायत आयोजनासँग सम्बन्धित सबै गुनासोहरू यस कार्यविधि अनुसार सम्बोधन गरिनेछ। आयोजनाको गुनासो सुनुवाई संयन्त्र र सुनुवाई प्रकृयाका बारेमा सबै कामदारहरूलाई उनीहरूको करार सम्झौता एवं सेवा सम्बन्धी सुविधा/शर्तहरूकै अंशका रूपमा सुसुजित गराईनेछ। कामदारहरूका लागि गुनासो सुनुवाई संयन्त्र अन्तर्गत मुख्यतः कार्यस्थलका गुनासोहरू पेश गर्ने सक्ने पार्दर्शी माध्यमहरूको व्यवस्था, प्राप्त गुनासोहरू सम्बोधन गर्ने स्पष्ट मापदण्डहरू एवं समयसिमाहरू र गुनासो ग्रहण गर्ने, सम्बोधन गर्ने एवं समाधान गर्ने प्रभावकारी संस्थागत संरचना र प्रकृयाहरू समावेश छन्। आयोजनाले उपलब्ध विभिन्न माध्यमहरू जस्तै टेलिफोन, हट लाइनहरू/टोल फ्री नम्बरहरू, इमेल, फ्याक्स, वेबसाइट, सामाजिक सञ्जाल, एक्सप्रेस डेलिभरी, सार्वजनिक सुनुवाई वा एस एम एस मार्फत मौखिक वा लिखित रूपमा प्राप्त हुन आएका गुनासोहरू रितपूर्वक दर्ता गर्नेछ। साथै संयन्त्रले बेनामे रूपमा उठान भएका वा प्राप्त हुन आएका गुनासाहरू समेतलाई सम्बोधनको व्यवस्था गरेको छ। कार्यस्थलमा हुने सबै प्रकारका श्रम सम्बन्धी गुनासोहरू सम्बोधनका लागि प्रत्येक तह (उपआयोजना, ECO, OPD, निर्माण व्यवसायी र सुपरिवेक्षण परामर्शदाता) हरूमा गर्न एक जना फोकल व्यक्ति तोकिएको हुनेछ। OPD मा रहेका वातावरण र सामाजिक सुरक्षा विज्ञ र ECO मा रहेका E & S फोकल व्यक्तिहरूले कामदारहरूको गुनासो समाधान सम्बन्धमा समग्र कार्यान्वयन र क्षमता विकास सहायताका साथै आयोजना निर्देशकलाई समेत यस सम्बन्धमा आवश्यक सहयोग उपलब्ध गराउनेछन्।

यौनजन्य दुर्व्यवहार र यौन हिंसाका सम्बन्धमा प्राप्त गुनासाहरूको व्यवस्थापन गुनासो सुनुवाई संयन्त्रमा रहेको प्रशिक्षित लैंगिक हिंसा सम्बद्ध सम्पर्क व्यक्तिद्वारा गरिनेछ जसले सम्भावित पिडितहरूलाई पहिला नै पहिचान गरिएका स्थानीय रूपमा उपलब्ध व्यापक अनुभवका साथै सक्रिय रूपमा लैङ्गिक हिंसा न्यूनिकरण/व्यवस्थापनमा कार्य गरिरहेका सेवा प्रदायकहरूकोमा पठाउनेछन्। आयोजनाको SEA/SH सम्बन्धित गुनासोहरू व्यवस्थापन गर्ने विस्तृत प्रक्रिया आयोजनाको गुनासो व्यवस्थापन सम्बन्धी कार्यविधिमा एकीकृत गरिएको छ।

## ABBREVIATIONS

CHS	Community Health and Safety
CoC	Code of Conduct
ECO	Economic Corridor Office
ESF	Environment and Social Framework
ESMF	Environmental Social Management Framework
ESS	Environment and Social Standard
GBV	Gender-Based Violence
GRM	Grievance Redress Mechanism
ILO	International Labor Organization
LA	Labor Act
LC	Local Community
LMP	Labor Management Procedures
LO	Labor Office
LS	Local Stakeholders
MALSC	Municipal Agriculture & Livestock Service Center
MOALD	Ministry of Agriculture & Livestock Development
OHS	Occupational Health and Safety
OPD	Office of the Project Director
PP	Productive Partnership
PPE	Personal Protective Equipment
PS	Primary Suppliers
REED	Rural Enterprise and Economic Development
RMC	Regional Market Center
SEA/SH	Sexual Exploitation and Abuse/Sexual Harassment
WB	The World Bank

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# **1. Introduction**

## **1.1 Background**

1. The Labor Management Procedures (LMP) is developed for proper management of the labor and working conditions' risks associated with implementation of Rural Enterprise and Economic Development (REED) project implemented by Ministry of Agriculture & Livestock Development (MOALD) and funded by the World Bank (WB). Implementation of the REED Project will take place in four Economic Corridors, which will encompass six provinces (Province 1, Madhesh, Bagmati, Gandaki, Lumbini and Sudurpaschim) of Nepal.

2. This LMP addresses the risks and impacts of labor engagement during project interventions on the ground that would involve, among others: (i) technical support for the development of Productive Partnership (PP) business plans and a grant support for the implementation of key PP business subprojects under those plans; (ii) construction of value chain related infrastructures and semi-public infrastructures to support the partnerships and their communities; and (iii) establishments of regional market centers and a center for excellence in agriculture facility to promote market and export of agricultural commodities. It also provides a summary of the category of workers under the project, an overview of the main risks and mitigation measures throughout project implementation in relation to labor, with particular reference to Occupational Health and Safety (OHS) and Grievance Redress Mechanism (GRM). This is an 'up-to-date' or 'live' document (enabling revision when and wherever necessary) and will be maintained and implemented throughout the project period.

3. Management of labor and working conditions and Community Health and Safety (CHS) are crucial components of construction management. This essence realizes the project and project parties (e.g., proponent, implementing agencies) to develop LMP in order to identify the labor requirements and risks associated with the project, and also to determine the resources necessary to address project labor issues and enabling different project-related parties (e.g., staff of the OPD & ECOs, contractors and sub-contractors and project workers), to have a clear understanding of the requirements and procedures for legal compliance as stipulated in Government of Nepal's Labour Act 2074 (2017 AD) & Labour Rule 2075 (2018 AD); applicable collective agreements and WB's Environmental and Social Framework (ESF), particularly Environmental and Social Standards 2 (ESS-2): Labour and Working Conditions and ESS-4: Community Health and Safety.

## **1.2 Project Components**

4. The proposed development objective(s) of this project is to strengthen rural market linkages and entrepreneurship ecosystem and to create job opportunities as the recovery actions from COVID-19. The project has following five components:

**Component 1:** Strengthening Market Linkages through Productive Partnerships:

**Component 2:** Strengthening the Entrepreneurship Ecosystem in the Federal Structure

**Subcomponent 2.a:** Capacity Building of Provincial and Local Government and Related Agencies

**Subcomponent 2.b:** Capacity Building of Intermediary Institutions and Small and Medium Enterprises (SMEs)

**Component 3:** Restoring and Strengthening COVID-19-Disrupted Food Supply Chain and Local Economy

**Component 4:** Project Management

**Component 5:** Contingent Emergency Response Component

### **1.3 Purpose and Scope of the LMP**

5. The purpose of the Labor Management Procedures is to facilitate the planning and implementation of the Project by identifying the main labor requirements, the associated risks, and the procedures and resources necessary to address project-related labor issues. Moreover, the LMP is intended to protect the rights, health, safety and well-being of workers engaged during the implementation of the project, especially employees engaged in civil works under the project. It is also intended to help manage and implement measures that will avoid or reduce labor-related impacts on community health, safety, and security. In addition, the LMP will promote equal opportunity and non-discrimination in the management of the workforce considering both national and international labor requirements, especially the World Bank's standard on labor and working conditions (ESS-2).

6. The scope of the LMP covers the following types of workers (as defined under paragraph 3 of ESS-2) and will be used to manage risks and impacts related to such workers who hold direct technical, managerial, and other responsibilities under the project.

- i. People employed or engaged directly by REED project to work specifically in relation to the project (direct workers).
- ii. People employed or engaged by contractors and other third parties to perform work related to the core function of the projects, regardless of location (contracted workers).
- iii. People employed or engaged by primary suppliers in REED Project (primary supply workers)
- iv. Community people employed or engaged in Cash For Work (CFW) modality through participating municipalities (Community workers).

7. This LMP is relevant for the duration of the project and applies to the above workers regardless of their contract types i.e., full-time, part-time, temporary, or seasonal. For contract workers, the OPD/ECO will ensure that contractors prepare separate labor management plans for larger work in line with this LMP. For smaller contracts, the OPD/ECO may incorporate specific labor-related requirements and procedures to be inserted in the contract as part of the contractor's legal obligations.

### **1.4 Objectives of LMP**

8. The objective of the LMP is to promote proper worker management relationships and enhance development benefits of the project by treating workers in the project fairly and providing safe and healthy working conditions for project sustainability. Considering the facts, this LMP has set the following specific objectives:

- To document labor requirements and identify the risks associated with project activities.
- To promote safe and healthy working condition and the health of workers.
- To promote reasonable treatment, non-discrimination and equal opportunity of workers.
- To build, maintain, and improve worker-management relationship.
- To avoid the use of all forms of forced and child labor.
- To ensure compliance consistent with national employment laws, labor laws and WB ESF requirements.
- Provide secure working environment for labourers including vulnerable categories of workers such as women
- To provide project workers with accessible means to raise workplace concerns.
- Provide employees and contractors with a feedback mechanism to raise concerns, complaints, and grievances and to receive response and information on any associated corrective action.
- Prevent Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH) that may arise from project activities.

### 1.5 Responsibility for the LMP

9. The REED project under the MOALD bears ultimate responsibility for managing all labor issues during the implementation of the project together with providing technical guidance and enforcement of the labor requirements. Although this LMP is a generic one, adhering to the required procedures, the contractors hired for specific sub project level activities, will develop specific LMPs for the sub projects as required in the bid document. For all kinds of subcontract work and intermediaries involved during the project, responsibilities of the contractors for managing labor issues may be included in the General Conditions of Contract (GCC) and Special Conditions of Contract (SCC) of the contract document. In collaboration and support of the OPD and ECOs, contractors will play leading roles in direct supervision and enforcement of all the LMPs pertaining to the subprojects. The compliance monitoring of the same will be the responsibility of OPD. The LMPs for subprojects will be developed and applied throughout the project life cycle. The summary of key roles and responsibilities associated with the LMP is presented in Table 1 below:

Table 1: Summary of the key roles and responsibilities associated with the LMP

Agency	Roles and Responsibilities
MOALD (OPD, ECO)	<ul style="list-style-type: none"> <li>• Develop labor protocols and procedures for all subprojects in accordance with the World Bank’s ESS-2, ESS-4 and relevant national laws</li> <li>• Monitor and report all labor issues, including work related incidents</li> <li>• Ensure labor issues identified are resolved in accordance with ESS-2 and national laws</li> <li>• Functions as a level 2 of GRM</li> </ul>

	<ul style="list-style-type: none"> <li>• Coordinate with concerned agencies, as required, in resolving labor related disputes</li> <li>• Undertake public disclosure of the LMP along with other E &amp; S instruments and plans of the projects</li> </ul>
Contractors	<ul style="list-style-type: none"> <li>• Update the LMP into a plan and comply with all the provisions in the LMP for the management of the workforce and their health and safety</li> <li>• Contractors are responsible for management of their workers or subcontracted workers in accordance with this LMP</li> </ul>
Workers	<ul style="list-style-type: none"> <li>• Comply with various policies and procedures developed for the management of the workforce and their health and safety</li> </ul>
Local Community	<ul style="list-style-type: none"> <li>• Enforce various policies and procedures developed under the project for the management of the workforce and their health and safety</li> </ul>

## 2. Overview of Labor Use on the Project

10. The MOALD is the Implementing Agency (IA) for the project. The project implementation mechanism comprises of: Project Steering Committee (PSC); Office of the Project Director (OPD) at central level; Economic Corridor Technical Coordinating Committees (ECTCCs) & four Economic Corridors Offices (ECOs) at the five selected economic corridors at Province/ECO level and a Local Coordination Committee (LCC) at each participating Municipality. The PSC constituted by MOALD, is chaired by the Secretary of the MOALD and comprises of representatives from the National Planning Commission, Ministry of Finance, Ministry of Industry and Commerce and Department of Agriculture. Similarly, the OPD is headed by a Joint Secretary, designated as the Project Director (PD), deputed from the MOALD, who will be responsible for the overall supervision, quality assurance, Monitoring and Evaluation (M&E) and coordination with other relevant ministries as well as the coordination and implementation of policy and regulatory framework related issues. The PD is supported by the Senior M&E Officer, Senior Planning Officer, Senior Agricultural Engineer, Senior Procurement Officer, Technical and Coordinator Officer, Accountants, other government Offices, Administrative Assistant, JT/JTA, Computer Operators, Office Secretary and Assistants etc. in project management. Similarly, four ECOs established in Provinces 1, Madhesh, Lumbini and Sudurpaschim provinces are led by the Under Secretary deputed by MOALD and supported by specified permanent staffs in the OPD to carry out their routine activities. Additional number of direct workers from different categories will be arranged for the OPD and ECOs for the implementation of environmental, social, financial, procurement issues including planning, monitoring and performance appraisal. Besides this, Technical Assistance (TA) firms and intermediary institutions will support the OPD and ECOs during project execution as per their specific Terms of Reference (ToR). The REED Project will adopt two modalities of labor-intensive Cash For Work (details in Annex-IX) during the implementation of infrastructures under component-3.

## 2. 1 Number of Project Workers

11. Based on available information and the current scope of the work, it is estimated that approximately 800 workers will be required to implement the project over the period of five years, including:

- i. 160 skilled workers
- ii. 240 semi-skilled workers
- iii. 400 unskilled workers

12. It is estimated that around 480 workers of the total laborer requirement of the project will be local and 320 will be migrant workers. The table below provides additional information on local and migrant workers that will be hired for project activities and summarizes the labor requirements and their types for the entire project construction period and includes those workers who will be hired for intermittent assignments. Similarly, Table 3 summarizes the estimated number and types of labor requirements and their characteristics.

**Table 2: Estimated number of local and migrant workers for the project**

<b>Types of workers</b>	<b>Skilled</b>	<b>Semi-skilled</b>	<b>Unskilled</b>	<b>Total</b>
Local	96	144	240	480
Migrant	64	96	160	320
<b>Total</b>	<b>160</b>	<b>240</b>	<b>400</b>	<b>800</b>

**Table 3: Estimated number and types of labor requirements and their characteristics**

Works/Activities	Estimated Labor Requirement			Characteristics (Direct, Contracted, and Primary Supply, Local, International, Migrants)	Remarks
	Skilled	Semi-skilled	Unskilled		
<b>Component 1:</b> Strengthening Market Linkages through Productive Partnerships	16	24	40	Direct, Contracted, National/International	The Project will build Productive Partnerships (PPs) to promote rural-based value chains.
<b>Subcomponent 2.a:</b> Capacity Building of Provincial and Local Government and Related Agencies	6	6	-	Direct, Contracted	The activities under this component will be implemented with direct involvement of governments and contracted services of intermediaries' institutions.
<b>Subcomponent 2.b:</b> Capacity Building of Intermediary Institutions and Small and Medium Enterprises (SMEs)	10	10	-	Direct, Contracted, and National/International	
<b>Component 3:</b> Restoring and Strengthening COVID-19-Disrupted Food Supply Chain and Local Economy  Upgrading/constructing of Regional Market Centers (RMC), Municipal Agriculture & Livestock Service Center (MALSC) and value chain infrastructures & facilities	96	152	280	Direct, Contracted, Primary Supply workers, local and /or community workers, migrants, National/International	The activities under this component will be implemented with direct involvement of government staff at federal, provincial, and local government levels along with contracted services of specialized consultants and contractors

<b>Component 4: Project Management</b>	32	48	80	Direct, Contracted	The project will provide support to MOALD, respective provincial and local governments for Project implementation and management, including support for procurement, financial management, E & S risk management, monitoring and evaluation and reporting; provision of training and incremental operating costs.
<b>Total</b>	<b>160</b>	<b>240</b>	<b>400</b>		



## 2.2 Characteristics of Project Workers

13. **Direct Workers:** Direct workers in the project are largely skilled technical specialists and consultants in sectors such as engineering, finance, monitoring and evaluation, environmental and social fields. They will work on specific aspects of project implementation such as independent reviewers and experts. The OPD will employ consultants and support staff on a contractual basis. The total estimated number of direct workers (civil servants assigned by MOALD to work specifically in relation to the Project with an effective legal transfer of their employment to the project; administrative staff who work in contractual basis; technical specialists and consultants and independent reviewer and experts) engaged in this Project is estimated to be between 123 to 128. Civil servants assigned to serve in the project under the existing public sector employment agreement, unless an effective legal transfer of their employment to the project, are not covered by the provisions of World Bank ESS-2 with exceptions for OHS, forced labor and child labor.

14. **Contracted Workers:** These categories of workers under the REED Project are: (i) service providers (TA consultants, intermediary institutions and GBV service providers), (ii) civil works (upgrading/constructions of regional market center, agriculture & livestock service center and value chain related infrastructures and semi-public infrastructures and facilities) contractor's workers, (iii) third party monitoring consultant and (iv) workers engaged under Productive Partnership (PP)'s business plans. The following contracted workers may be required: professionals (e.g., site engineer), contractor's officers and administrative staffs. Both OPD and ECOs will recruit TA consultant to facilitate and implement at the province and municipality levels. Also, individual consultants associated with the TA consultant may show interest to provide technical assistance to the OPD and ECOs during the project implementation.

15. Contracted workers are eligible to work for a fixed period. The civil workers (mostly unskilled and semi-skilled) will be hired from the authorized supply channel as stipulated in the Labour Act 2074 (2017 AD) registered under the Department of Labour and Occupational Safety (DoLOS) and/or may also be hired through a *Naike* (a leader of a group of workers who will depute or supply construction workers – a practice in most places of Nepal especially in the construction sector) system. Contractors will recruit local staff and issue employment contracts and service contracts accordingly. The contractors will hire contracted workers based on their level of skill and Project needs. It is recommended, to the extent possible, that all unskilled workers (including women and men) be sourced from the project affected communities to minimize and disincentivize labor influx.

16. **Primary Supply (PS) Workers:** The Project will directly source goods or learning and training materials essential for the Project from primary suppliers. PS workers will be recruited by the suppliers. PS workers are likely to be included in the chain of suppliers of construction and quarry materials (brick, cement, gravel, sand, wood, iron roads, planting materials etc.) for any civil works to be supported by the project, as well as equipment (e.g., cold storage facilities and related machinery, calibration and packaging materials and laboratory equipment, etc.), as well as agriculture materials, e.g., seeds, and fertilizers.

**17. Community Workers:** The local community members may be hired for the project as employees by civil work contractors and as such will be covered under the provisions of this LMP. They can be engaged in the project through participating municipalities to implement CFW modality and have the choice to be paid or work on a volunteer basis. In case of involvement of community workers, the project will clearly identify the terms and conditions on which community labor will be engaged, including amount and method of payment and ensure against the use of child or forced labor. In this project, community workers may also be engaged as returnee migrant workers reengaged in agriculture or as beneficiaries of COVID-19 affected community members. Community workers may also be engaged through Productive Partnership (PP) business plan. It is difficult to estimate the exact number of community workers that will be recruited from the community. This will be known during construction stage. However, it is estimated that the number of local workers in this project will be 480 (Table 2). Of the total community workers, it is estimated that about 20 percent workers will be skilled, 30 percent will be semi-skilled, and the remaining will be unskilled.

**18. Migrant Workers:** The estimated number of migrant workers in this project is 320 (Table 2). Of the total migrant workers, it is estimated that about 20 percent will be skilled, 30 percent will be semi-skilled and the remaining will be unskilled. Based on the exact number of migrant workers, analysis of the risks and impacts will be done in proportion to the nature, size and other characteristics of the host community.

### **2.3 Timing of Labor Requirements**

19. The timing of the employment differs according to the nature and volume of the project activities. Except for short-term consultants, most direct workers are expected to stay throughout the project's implementation period. They will generally be required full time and are eligible to work for a fixed contract period. The timing and frequency of labor will depend on the nature of work. Contracted workers will be expected to work for 8 hours per day, 6 days a week, according to agreed plans that will not compete with the peak season of agricultural work. They will have the flexibility of working during afternoons and /or morning hours (sunrise to sunset) as decided by the community and in compliance with the Labour Act 2017 AD and the WB's ESF.

### **3. Assessment of Key Potential Labor Risks**

20. There are likely to be potential risks due to weak enforcement of the labor laws and worker rights by the contractor and weak compliance monitoring by the project. Some critical risks are: (i) risk of workers in the project being denied their rights, (ii) risk of hiring and/or involvement of children to work in the construction/upgrading works and in the Productive Partnership (PP) activities, and (iii) weak occupational health and safety standards in construction of infrastructure and facilities. Other risks associated with the projects are risk of accidents and incidents at the workplace, labor influx and associated community health and safety risks, including possible SEA/SH risks due to labor influx in host communities. The project will require skilled, semi-skilled and unskilled workers and specially. The major labor

risks are associated with (i) the project's funding of selected Productive Partnership (PP) subprojects under their business plans (component 1 a) and (ii) construction of value chain related infrastructures and semi-public infrastructures and establishments of regional market centers and a center for excellence in agriculture facility (component 3). These risks are further elaborated as:

### **Occupational Health and Safety (OHS) Risk:**

21. Potential risks relate to injury, traffic-related accidents, fall from height, poor working and living conditions of workers, and lack of Personal Protective Equipment (PPE). As the use of PPE is not a general practice on work sites across Nepal, awareness raising, and training will be provided to workers prior to commencement of work on the importance and use of PPE on work sites. The key potential OHS risks associated with construction/upgrading and operation stages are listed below:

- Hazardous work and process: risks due to working at heights or in confined spaces, use of heavy machinery, or use of hazardous materials.
- Accidents or emergencies: exposure to unsafe machinery, flammable chemicals/fuel, construction materials, landslide at workplace.
- General understanding and implementation of occupational health and safety requirements. Work related diseases (e.g., Allergies, Respiratory problems, Muscular-skeletal disorder, Eye problem), communicable diseases including Sexually Transmitted Diseases (STDs), and COVID-19 etc.

### **Child and Forced Labor:**

22. There is a possibility of child and forced labor in construction works, either directly through the *Naike* system or indirectly through suppliers of building materials. The project will put in place mitigation measures to prevent child labor. Workers below the age of 18 will not be hired to work in subprojects – their age will be verified through citizenship and/or birth certificates and cross-checked in the attendance log books maintained in all work sites. Product partnership (PP) facilities should adopt strict policies about hiring underage children. Further, awareness-raising programs will be conducted regularly for the communities on prohibition and negative impacts of child and bonded labor. The contractors will be required to comply with the Labour Act 2047 (2017 AD), the Child Labour (Prohibition and Regulation) Act 2056 (2000 AD) and International Labour Organisation (ILO) labor standards. This responsibility shall be reflected in the contractors' contract.

### **Labor influx:**

23. There is the possibility of labor influx during construction of buildings (to house trading centers, PP offices and post-harvest facilities); value chain related infrastructures; Agriculture Products Collection Centers (APCCs), Agriculture Products Market Centers (APMCs) (provincial and local), cold storage and Sanitary and Phyto-Sanitary (SPS) facilities. The prevalence of such risk might be due to the engagement of migrant or seasonal workers. The focus of the current project's operational procedure is to localize the economic benefits with

minimal opportunities for outside labor. The priority for local labor (based on skill, experience, capacity) is expected to minimize the risk of influx, where there is a requirement for special skills. For external workers, a proper labor camp will be established with accommodation at project sites. Specific requirements to manage risks associated with labor influx, related to the interaction between project workers and local communities, such as communicable diseases and gender-based violence, most specifically Sexual Exploitation and Abuse and Sexual Harassment: (SEA/SH), will be managed through contractual requirements, code of conduct and training set out in this document. These procedures will be guided by the Labour Act 2047 (2017AD) and WB ESF.

#### **COVID-19 and Communicable Diseases:**

24. The COVID-19 pandemic brings additional health and safety risks and challenges to the project activities due to the risk of transmission amongst workers and among the community members in case of an outbreak. Construction activities in the community could result in the spread of infectious diseases among residents and workers such as HIV/AIDs. The possibilities the above-mentioned risks will be avoided or minimized by adhering to the code of conduct (CoC) and complying with the site specific ESMPs developed for each subproject. Even though most of the project activities will be implemented in open spaces where chances of transmission are low, it is imperative to assess and mitigate the risks of COVID transmission at the project sites and provide a safe environment for project workers and local communities. State-developed and site-specific COVID control measures including physical and social distancing need to be developed and adhered to.

#### **Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH):**

25. The project was assessed as 'low' using the WB SEA/SH risk assessment tool. Although the risk is low, potential SEA/SH risks incurred by labor and/or other project interventions cannot be precluded. Hence the project will take measures to prevent, mitigate and respond to the risks through the implementation of the SEA/SH Action plan. The action plan covering laborers, contractors, communities, project staff will be prepared and measures such as prevention procedures, campaigns, CoC, and redressal mechanisms implemented in accordance with the ESMF and relevant national laws. The action plan is applicable to the Project implementing agency, including contractors, consultants, workers and covers the Project's footprint and adjoining communities. Contracted workers will be required to sign a CoC to mitigate against the risks of SEA/SH and workers will receive awareness training on SEA/SH related issues.

#### **4. Overview of Labor Legislation: Terms and Conditions**

26. The fundamental right of the labor management begins with the constitutional right stipulated in the **Constitution of Nepal 2072 (2015 AD)** through various articles such as the right against exploitation (article 29); the right to a clean and healthy environment (article 30); right to employment, the terms and conditions of employment, and the provision of unemployment benefits (article 33); rights to fair labor practice including appropriate remuneration, facilities and contributory social security (article 34); policy for barring the use

of a child in any factory, mine, or similar other hazardous works (article 39); and policies relating to labor and employment (article 51).

27. The **Labour Act 2074 (2017 AD)** provides directives on the areas of Occupational Health and Safety (OHS) for the workers in Nepal. Section 12, of the Act, clauses 68 to 83 are related to OHS. The Labour Act has also incorporated insurance provisions with a mandatory provision of coverage of at least NPR one hundred thousand per year for every worker as part of the medical treatment cost. Similarly, the Act demands coverage of at least NPR seven hundred thousand for every worker as workplace injuries-related treatment cost. This Act also requires the formation of a Safety Committee when 20 or more workers are engaged in any workplace and provides provision for the formation of different OHS-related committees as well. The Labour Act has made the employers responsible and accountable for the duties towards the workers and directs the employers for making appropriate safety and health arrangement, arrangements ensuring no adverse effect on the workers from the use, operation, storage, or transportation of chemical, physical, or biological materials. It also requires employers responsible for disseminating necessary notice, information, and training related to safety and health. The Labour Act has also made the employee and workers responsible towards attaining safety and health at the workplace which include abstaining from activities that are likely to affect the safety and health of any individual in the workplace, cooperate with the employer for proper implementation of the health and safety arrangements, to use the personal safety devices provided by the employer, etc. The Act has delegated authorities to the workers on stopping the work anytime, in case of the immediate threat of any injury or adverse health effect or damage to the equipment in the workplace. The Act also bars employees from coming to work while they are sick to prevent spread in the workplace. The compensation provision allowed by the Act identifies that all the expenses for the investigation and treatment of any work-related diseases should be provided by the employer and where such disease cannot be cured, the worker should be provided with compensation as prescribed.

28. The **Labour Rule 2075 (2018 AD)** is a fundamental regulation developed by the Government of Nepal and remains equally applicable to various emerging OHS concerns and issues. The rule informs about required working time, provision of work continuation with shifts, and resting hours. The rule has allocated additional resting hours to nursing mothers and pregnant workers. The rule provides provisions for receiving paid leave during weekly holidays. Chapter 7 of the Labour Rule has described specific OHS regulations. The rule also directs employers to be responsible towards the workers during accidents and injuries utilizing emergency preparedness and evacuation. The rule directs the greater use of personal protective equipment and safety gears, periodic maintenance, fencing and guarding, etc. to reduce any hazards arising from potentially hazardous working conditions. The rule prescribes permissible weight limits to be carried by an individual – up to 55 Kg for adult male workers and up to 45 Kg for adult female workers. Clause 44 of the Labour Rule has also highlighted other arrangements related to OHS which include hygiene and sanitation issues, adequate lighting and airflow, waste management, provision of safe drinking water, and health inspection of the workers, among others. The regulation directs the establishment of health care facilities for primary first aid at the workplace as the primary treatment for workers before seeking

specialized medical and health services. The regulation also warrants the development of sound accident recording and reporting mechanisms. Similarly, the regulation also informs on occupational diseases and compensation.

**29. The Right to Employment Act 2075 (2018 AD)** makes necessary provisions to ensure the right of every citizen to employment, provides every citizen with an opportunity to choose employment according to his or her capacity, and in relation to the terms and conditions of employment and unemployment support.

30. Moreover, **Child Labour (Prohibition and Regulation) Act 2056 (2000 AD)** is the main legal expedient to prohibit engaging children in factories, mines or similar risky activities and to make necessary provisions for their health, security, services and facilities while engaging them in other activities. The Act defines a child as a person who has not achieved the age of 14 years. Under Section 3, children under the age of 14 are strictly prohibited to be engaged in work as a laborer. The law allows limited and selected use of a child between 14-18 as workers but prohibits working in a hazardous work environment. Enterprises are required to obtain approval for employing workers between the ages of 14 to 18. Similarly, under Section 4, engagement of children in works as a laborers against his/her will by way of persuasion, misrepresentation or by subjecting him/her to any influence or fear or threat or coercion or by any other means is prohibited. Under Section 6, in case any enterprise, engaging a child in works, must get an approval from the concerned Labour Office (LO) or any authority or official prescribed by that office and from the fathers, mother or guardian of the child.

31. The government of Nepal promulgated the **OHS standards in the workplace on Noise and Light** in 2073 B.S (2016 AD) and it was published in Nepal Gazette dated 2074/03/25 B.S. (9 July 2017). Besides these, the Government has also formulated the directives/guideline for Brick industries in 2074 B.S. (2017 AD) which speaks on the Occupational Health and Safety of workers.

32. As the member country, the GoN has ratified 11 **ILO Conventions** till November 2020, and is considering the adoption of the Occupational Safety and Health Convention, 1981 (no. 155). Nepal has internalized the ILO conventions through constitutional vis-a-vis legislative frameworks (such as the Constitution, Labour Act, Labour Rule, Right to Employment Act) and is committed to ensuring labor-related rights. The GoN has already taken numerous innovative measures to implement provisions of ILO conventions and national legal frameworks on labor and employment. In this regard, Nepal's efforts, and achievements in terms of ensuring labor and employment rights have brought tangible effects.

33. Similarly, the **WB's ESF** clearly lays out the potential risks and their management on Labor and Working Conditions and Community Health and Safety respectively. ESS-2, paragraph 11 (i.e., wages, deductions and benefits) of the ESF ensures right, interest, facilities and safety of all types of laborers including issues on child labor and wage discrimination. ESS-2 states that a child over the minimum age (14 years unless national law specifies a higher age) and under

the age of 18 may be employed or engaged in connection with the project only under specified conditions.

34. The OPD and ECOs will be primarily responsible to raise awareness on the prevailing rules and norms to the Project workers. They will be provided with information that is clear and understandable regarding their terms and condition of employment. The project needs to develop standards code of conduct (CoC), condition of contract agreement by including all legal clauses, collective agreements and other special terms and conditions for each laborer, service provider, contractor and other project parties.

### **Overview of Labor Legislation: Occupational Health and Safety**

35. The Constitutional provisions of the **Constitution of Nepal 2072 (2015 AD)** for work, workplace, and workers, however, can be contextualized for few OHS issues.

36. Similarly, the **Labour Act 2074 (2017 AD)** entrusts the employer with the obligation to ensure the safety and health of all its employees, and also to mitigate risks of exposure to any hazards in the workplace. This Act includes a chapter (section 12, clauses 68 to 83) related to special provisions on OHS and working conditions. It includes requirements for preparation of a workplace health and safety policy, formation of a safety and health committee at sites hosting 20 or more workers, appropriate safety and health arrangements, providing personal safety means to workers as required, to disseminate relevant information and provide training related to safety, prevention of communicable diseases by barring workers from joining their regular duty until their treatment is complete, providing expenses for investigation and treatment for any work-related diseases. The Act spells out stringent measures against the violation of labor rules and norms. It can also indemnify the bonded labor and ask the employers for paying the amount double of remuneration, allowance and other facilities. However, the existing Act does not cover all the aspects of OHS, such as the design of the workplace according to the nature of work. Also, this Act does not require the assessment and reviews of any project in terms of labor and working conditions including OHS requirements before its approval. The Act does not require development projects to prepare a Labor Management Plan/Procedure or OHS Plan.

37. The **Labour Rule 2075 (2018 AD)**, section 7, spells out OHS policies; formation of a safety and health committee and provisions of special arrangement on OHS factors such as eye protection, protection against harmful chemicals and other risks in the working sites and provision for appointment responsible person (OHS Officer/Labour Officer-LO) at the workplace for information sharing against accident, fatality and diseases due to work.

38. Similarly, for the first time, the **National Occupational Safety and Health Policy 2076 (2019 AD)** provisions to make the workplace healthy, safe, organized and dignified. However, this policy does not include all major OHS aspects. OHS seems to be a low-priority sector for the GoN. There is lack of awareness at all levels on OHS.

**39. The ESF** details out the working conditions of labor deployed in the project activities all of which are important to protect the interest of laborers against potential risks related with various health hazards in the work sites. These legislations comprise provisions to ensure the safety and health of all employees and laborers including mitigation of health-related in the workplace. The OHS measures and compliance requirements include the following:

- Information dissemination on OHS policy at workplace including responsibility of employers towards workers such as facilities, PPEs and OHS related communication, orientation and knowhow.
- Assurance of non-discrimination among laborers based on caste/ethnicity, gender, religion, language, origin and ideology.
- Provision regarding the protection of non-laborers such as visitors and others.
- Fundamental provision on OHS including role and responsibility of manufacturer, importer and suppliers for assurance of OHS for their goods and services.
- Special provision for OHS factors such as eye protection, protection against harmful chemicals and other risks in the sites.
- Provision for appointment of responsible person at the workplace for information sharing against accident, fatality and diseases due to work and provisions for treatment and prevention of communicable diseases. Under this there will be joint safety and health committee comprising of supervisor and workers at worksite.
- Specific requirements in the workplace such as health and safety measures, proper sanitation and cleanliness, passage of fresh air, proper light and temperature, solid waste management, noise control measures, healthy drinking water, bathroom or modern toilet, mandatory medical check-up, and life and fire safety measures, etc.
- Provision of onsite first aid and primary health care facilities.
- Provision for immediate shutdown of work and machineries in case of severe OHS concern.
- Provision of accident investigation and reporting, inventory of work-related diseases and compensation.
- Measures to ensure Community Health and Safety (CHS) including risks of accidents and risks related to violence and potential conflicts between locals and laborers.

40. The Contractors are mandated to comply with all the mentioned requirements and orient their employees towards handling and management of OHS issues at the workplace. This can be ensured through providing the required facilities and developing their capacity and by briefing prospective contractors on OHS standards and other requirements during pre-bid meetings and including contractual obligations in contracts documents to develop contractor's OHS management plan and implementation framework compulsorily.

#### **Comparison Between National and World Bank E&S Requirements:**

41. Table 4 describes a gap analysis and measures to bridge the gap between the ESSs and GoN policy and legal requirements for environmental and social risk management related to this project.



Table 4: Major gaps between the government system and WB's ESF standards

<b>WB ES Standard</b>	<b>Gaps identified in the Government System</b>	<b>Gap-Bridging Measures</b>
ESS-2: Labor and Working Conditions	<ul style="list-style-type: none"> <li>• The practice of preparing a LMP in construction projects is not the norm.</li> <li>• Lack of segregation amongst direct, contracted, community and primary supply workers.</li> <li>• Lack of a specific provision for construction workers as the laws are more focused on the industrial sector.</li> <li>• No practice of conducting a detailed baseline assessment of labor and working condition.</li> <li>• Widespread practice of employing workers without employment contracts in construction projects.</li> <li>• Gender-based discrimination is widespread.</li> <li>• The Labour Act, 2017 AD does not have provisions for project worker GRM.</li> <li>• Periodic monitoring of working conditions is not carried out.</li> </ul>	<ul style="list-style-type: none"> <li>• This LMP is developed for bridging this gap and will be implemented effectively in this Project.</li> <li>• GRM will be established.</li> </ul>
ESS-4: Community Health and Safety	<ul style="list-style-type: none"> <li>• Despite regulatory requirements, the practice of preparing OHS plan/policy in the construction project is rare. However, there is a practice of preparing such plans/policies in some large industries.</li> <li>• Though the laws require the employer to provide set timings on the use and operation of equipment, it is barely practiced in the projects.</li> <li>• Nepal's law does not explicitly ask for an emergency</li> </ul>	<ul style="list-style-type: none"> <li>• ESMPs developed under the project will aim to address all community health and safety issues during execution and operation of the project.</li> <li>• Awareness trainings and guidelines will be developed and implemented for addressing OHS issues.</li> </ul>

	<p>preparedness and response mechanism for workers.</p> <ul style="list-style-type: none"> <li>• The law requires the employer to provide personal safety equipment to the worker, however, it is poorly implemented in development projects.</li> <li>• The laws require the establishment of mechanisms for workers to raise complaints, concerns, recommendations for improved safety practices, but in practice they are not implemented.</li> </ul>	
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42. A conformance of the Labour Act 2074 (2017 AD) with key features of WB's ESS-2 is provided in Table 5 below:

Table 5: Conformance of the GoN's Labour Act with key features of WB's ESS-2

<b>Key Elements of ESS-2</b>	<b>Provisions in the Labour Act 2017</b>
Equal opportunity and non-discrimination	The law contains important provisions prohibiting discrimination based on sex and disability, including equal wages for equal work (sections 6 & 7)
Timely payments	Wage must be paid before the expiry of the terms reflected in Chapter 8. The difference in the payment mode will not exceed a month.
Working hours and overtime	No workers shall be employed to work more than 8 hours a day and 48 hours a week by an employer. Similarly, where an employer requires a worker to work for more than the prescribed hours (8 hours a day and 48 hours a week), such worker may be made to work not exceeding 4 hours a day and 24 hours a week. (Chapter 7, sections 28-33).
Minimum wage	The minimum wage (chapter 8, section 34-39) and payment will be done in accordance with section 35. Provision for a basic wage for package work (section 170)
Worker rights	Regular leaves and benefits (chapters 9 and 10) The employer must provide reasons for termination (chapter 21, sections 139-150)
Prevents forced labor and child labor	Minimum age is not stipulated in the Labour Act, Child Labour (Prohibition and Regulation) Act 2000 prohibits children below the age of 14.

Protection of workers	Fundamental provisions for workers (chapter 2), schedule of work (chapter 7), internal management of workers (chapter 7), dispute settlement (chapters 18 and 19). Disciplinary and penalty (chapter 20).
OHS	The law provides for comprehensive OHS and empowers the Department of Labour and Occupational Safety (DoLOS) to conduct inspections of establishments and impose penalties for violations or non-compliance (chapter-12, sections 68-83).
Children of working age	The minimum age is not stipulated in the Labour Act (legally recognized documents such as citizenship card, voter's identification card, or birth certificate are used to prove workers on the project are 18 years or older).
Women	60 days of paid maternity leave for expectant mother is mandatory (chapter 9, section 45)
Person With Disability (PWD)	Person with Disability Rights and Protection Act, 2013 provides discrimination-free employment opportunities.
Migrant workers	There are no special provisions for migrant workers but there are provisions for foreign workers (chapter 6, sections 22-24).
Contract workers	In the case of non-payment of wages by a contractor, the wages must be paid by the employer of the establishment.
Community workers	The labor law does not recognize community workers as defined in the ESS-2 and hence does not provide any special considerations for such contracting arrangements. The Labour Act, 2017 requires that all labor supply contracting agencies should be formally registered and workers should first be the responsibility of the contracting agency.
Primary supply workers	The law does not assign any responsibility to the project on the supplier's laborers and their working conditions. The suppliers are responsible for their workers.
Freedom of association and collective bargaining	Where 10 or more workers are engaged in the entity, the employer shall also constitute the collective bargaining committee as per section 116 of Labour Act, 2017. However, it is important to note that the government does not permit any collective demand in the following areas: (a) providing essential service,(b) established in special economic zone, and (c) state of emergency declared as per the Constitution.
Access to a grievance redress mechanism	Workers can seek direct civil law redress from the labor courts for complaints regarding terms and conditions of employment and wages. While health and safety, maternity welfare and child labor offences are subject to criminal prosecution.

43. The project is required to introduce standard Codes of Conduct (CoC), conditions of contract agreement by including all legal clauses, collective agreements and other special terms and conditions of labor, service providers, and other project parties.

## 5. Responsible Staff

44. The OPD and ECOs have overall responsibility to oversee all aspects of the implementation of the LMP (e.g., monitoring the training of workers, and ensuring that the grievance mechanism for project workers is established and monitoring its implementation) in particular, to ensure contractor compliance. Specifically, the employers involved in hiring laborers will be responsible to implement LMP which include activities such as: recruitment, engagement and management of project workers. Other responsibilities, include the implementation of OHS and Community Health and Safety (CHS) in coordination with other stakeholders (local government, communities etc.). The E & S Safeguard Specialist and M&E Specialist will specifically oversee these aspects at OPD and ECOs level. The contractor will be responsible to address LMP as part of the procurement for works and subsequently responsible to manage LMP provisions. This includes ensuring compliance with key aspects of COVID-19 mitigation measures and OHS, provision of training to contract workers and ensuring that their contract workers sign the Code of Conduct (CoCs). Contractors will be supervised monthly or at shorter intervals as defined in the ESMF, ESMPs or relevant reports.

45. The LMP will be monitored by consciously tracking the key performance indicators (KPIs) specified in the detailed monitoring plan (Annex-X) that will be used to ascertain compliance to the LMP. To ensure effective implementation of the LMP including close supervision, periodic reporting, and compliance monitoring, the responsible staff along with their roles and responsibilities is clearly articulated in the Table 6 below:

**Table 6: Roles and responsibilities of Staff**

<b>Level of Government/Responsible Staff</b>	<b>Roles and Responsibilities</b>
<u>OPD</u>	
Project Director	<ul style="list-style-type: none"> <li>• Overall responsibility to oversee all aspects of the implementation of the LMP</li> </ul>
Procurement Specialist	<ul style="list-style-type: none"> <li>• To ensure contractor compliance in adherence to the safeguard instruments and the applicable procurement documents</li> <li>• Engagement and management of contractors/subcontractors, including coordination and reporting arrangements between contractors</li> </ul>
	<ul style="list-style-type: none"> <li>• Incorporate labor-related requirements into procurement of works and suppliers</li> <li>• Engagement and management of contractors</li> <li>• Conduct occupational health and safety induction to contractors and workers</li> </ul>

<p>Social Safeguard Specialist, Environmental Safeguard Specialist and Monitoring and Evaluation Specialist</p>	<ul style="list-style-type: none"> <li>• Training of workers, including awareness raising and training of workers in mitigating the spread of COVID-19</li> <li>• Monitoring, supervising, and reporting on health and safety issues relating to COVID-19</li> <li>• Monitor and audit implementation of policies and procedures of contractors including contractor performance</li> <li>• Ensure that the grievance mechanism for project workers is established and implemented and that workers are informed of it</li> <li>• Monitor the potential risks of child labor, forced labor and serious safety issues in relation to primary supply workers</li> <li>• Report to the World Bank on labor and occupational health and safety performance, including immediate notification of any project-related fatality or serious accident</li> </ul>
<p><u>ECOs</u></p>	
<p>Environmental and Social Safeguard Focal Person</p>	<ul style="list-style-type: none"> <li>• Conduct site visits on OHS</li> <li>• Support training of workers and community, workers on GRM, SEA/SH, CoC, COVID-19, etc.</li> <li>• Tracking and reporting on workers' GRM</li> <li>• Supporting the implementation of the LMP and reporting to the OPD</li> <li>• Monitor the potential risks of child labor, forced labor and serious safety issues in relation to primary supply workers</li> <li>• Ensure that the grievance mechanism for project workers is established and implemented and that workers are informed of it</li> </ul>
<p><u>Contractors</u></p>	
<p>Site Engineer/Supervisor and Occupational Health and Safety Officer</p>	<ul style="list-style-type: none"> <li>• Plan and implement contract-specific labor management plans</li> <li>• Coordinate toolbox meetings focused on health and safety, SEA/SH, COVID-19, HIV/AIDS, etc.</li> <li>• Task-based hazard identification and risk assessment to analyze and manage OHS risks related to construction and operations activities</li> <li>• Provide workforce suitable PPEs and continuous reminders to use PPE appropriately</li> <li>• Prepare and implement labor camp management/operations guideline as part of C-ESMP</li> <li>• Keep and maintain labor log-books for labor registry for each site with age verification</li> <li>• Ensure timely payment of wages and benefits and provide pay slips to the laborers</li> </ul>

	<ul style="list-style-type: none"> <li>• Ensure that all contractor and subcontractor workers understand and sign the CoC prior to the commencement of works, take all other measures to address risks of SEA/SH and supervise compliance with such measures</li> <li>• Tracking and responding to workers' grievances. Referred GBV/SEA/SH related grievances to a specific service provider, which channel will be identified and established by the OPD, as per the SEA/SH action plan</li> <li>• Report on OHS performance to ECOs and OPD on a monthly basis</li> </ul>
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46. To implement the activities efficiently, the Project staff/team are required to maintain information on the laborers such as:

- Labor and working condition including comprehensive commitment plan for labor and working condition, records of workers engaged under the project, including work and workers' category, contract documents, working hours, overtime work performed, actual worked days, remuneration and payment mode, etc.
- Occupational Health and Safety of workers covering safety measures in the working sites, records of any accidents, compliance of safety measures and protocols, community health and safety measures and their compliance.
- Worker's grievances and disciplinary procedure including grievance redress mechanism (GRM), grievance filing procedures, up-taking individual and group grievances, grievance hearing procedures and resolutions, grievance redressing timeframe, responding to the complainants on the decisions and actions taken as well as grievance reporting in regular progress reports.

## 6. Policies and Procedures

47. Based on the requirements of ESF and national labor laws, the following policies and procedures will apply in this project.

### 6.1 General Principles

#### Non-discrimination in Employment:

48. Decisions relating to the employment and conditions of project workers will not be made based on personal characteristics unrelated to typical requirements of the job. The employment of project workers will be based on the principle of equal opportunity and fair treatment, with no discrimination with respect to any aspects of the employment relationship, such as recruitment and hiring, compensation (including wages and benefits), working conditions and terms of employment, access to training, job assignment, promotion, termination of employment or retirement, or disciplinary practices. The contractual arrangements with each project worker must be clearly defined in accordance with national law and ESF requirements.

#### Contractor Responsibility for Labor Management:

49. Most labor management related impacts of subprojects resulting from activities directly under the control of contractors will be mitigated directly by the contractors. The OPD will incorporate standardized labor-related clauses in the tender documentation and contract

documents, to create awareness about project impacts among potential bidders, demonstrate project expectations about contractor performance, and to impose liability for compliance with the labor requirements of GoN and the World Bank. The potential bidders would be required to reflect their capacity to fulfill these requirements in their bids and be required to implement these clauses for the duration of the contract. The OPD will enforce compliance by contractors with these clauses.

50. As a core contractual requirement, the contractor is required to ensure all documentation related to labor management is available for inspection at any time by the OPD and concerned offices. Likewise, similar obligations will be required for third-party labor suppliers or *Naike*. The contractual arrangements with each project work must be clearly defined under national law. All labor-related requirements will be included in the bidding documents and contracts in addition to any additional clauses, which are contained, in the project's environmental and social instruments.

**No Forced and Bonded Labor:**

51. Under no circumstances will OPD, ECOs, municipalities, contractors, primary suppliers, or sub-contractors engage in forced labor and child labor. Forced labor includes bonded labor (working against an impossible debt), excessive limitations of freedom of movement, excessive notice periods, retaining the worker's identity or other government-issued documents or personal belonging, imposition of recruitment or employment fees payable at the commencement of employment, loss or delay of wages that impede the workers' right to end employment within their legal rights, substantial or inappropriate fines, physical punishment, use of security or other personnel to force or extract work from project workers, or other restrictions that compel a project worker to work in a non-voluntary basis. Project implementation and monitoring arrangements in coordination with the municipalities, and communities will monitor and report any child and forced labor issues. The project will also track and monitor any grievances through workers' GRM.

**Labor and Working Conditions:**

52. Contractors will keep records in accordance with specifications set out in this LMP. The OPD may at any time require records from contractors to ensure that labor conditions are met. The OPD/ECOs will review records against actuals at a minimum monthly and can require immediate remedial actions if warranted. A summary of issues and remedial actions will be included in quarterly reports to the World Bank.

**6.2 Occupational Health and Safety (OHS)**

53. The project is committed to the following: complying with the provisions of the Labour Act 2017, National Occupational Safety and Health Policy 2076 BS (2020 AD) and other relevant national legislation and policies t, as well as requirements under the ESF; enabling active participation in OHS risk elimination, through training and awareness raising of

appropriate skills, knowledge and attitudes towards risks; and continually improving OHS management systems and performance.

To further avoid workplace incidents the contractor will:

- provide protective masks, helmets, overalls, shoes, and safety goggles and other personal protective equipment (PPE) as appropriate.
- provide workers in high noise areas with ear plugs or earmuffs; higher levels of protection will be provided for more hazardous work, including the use of PPE.
- demarcation of workplace and notices for hazardous areas where applicable.
- accident reporting, notification and investigation of work practices at each workplace required.
- ensure availability of first aid box.
- properly dispose of solid waste as designated permitted landfill sites allocated by local authorities and cleaning funds.
- comply with national legislation, WB ESF and other applicable requirements.
- all workers to be covered by insurance against occupational hazards and COVID-19, including access to medical care and take paid leave if they need to isolate as a result of contracting COVID-19.
- procedures confirming workers are fit to work, which may include temperature testing and refusing entry to sick workers.

54. All project workers will need to follow all relevant measures in relation to COVID-19 such as the WHO guidelines and the WB's Interim note, "COVID-19 considerations in construction/civil works projects". Contractors will develop specific procedures/plans so that adequate precautions (Annex-VII) are in place to prevent or minimize an outbreak of COVID-19. All project workers will receive training on OHS as well as COVID-19 prevention, social distancing measures, hand hygiene, and relations with local community as and when required. The OPD and ECOs will undertake regular visits to sub-project worksites to ensure the subproject is in compliance with the LMP.

### **6.3 Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH)**

55. The Contractor should have a SEA/SH mitigation action plan which includes developing a system (GRM) to respond to gender-based violence, sexual exploitation and workplace sexual harassment-related complaints/issues; GBV awareness in affected communities, making the workplace and labour camps zero tolerance of SEA/SH, CoC, awareness training on SEA/SH and follow up orientations on SEA/SH to workers etc. The project's GRM will also include a channel to allow SEA/SH-related grievances to be received and addressed; the project GRM has appointed a GBV focal person within the GRM committee who will manage SEA/SH related complaints and the GRM guidelines articulates specific procedure, based on a survivor centric approach, in addressing SEA/SH grievances. Contractors will need to develop code of conduct stipulating actions against SEA/SH behaviors and orient workers and laborers on CoC have them sign it as well. The CoC will commit all persons engaged by the contractor, including sub-contractors and suppliers, to acceptable standards of behavior.



56. All project workers will sign a CoC. Workers shall ensure adherence to CoC. The CoC commits all direct and contracted workers to acceptable standards of behavior. The CoC will include sanctions for non-compliance, including non-compliance with specific policies related to SEA/SH (e.g., termination). The CoC will be written in plain and culturally appropriate language and signed by each worker. A copy of the CoC will be displayed in a location easily accessible to the community. The CoC indicate that workers have:

- received a copy of the code as part of their contract
- had the code explained to them
- acknowledged that adherence to the CoC is a mandatory condition of employment
- understood that violations of the CoC can result in serious consequences, up to and including dismissal, or referral to legal authorities.

57. A grievance redress mechanism for recording and addressing SEA/SH related complaints is defined as part of the project GRM outlined in the project SEP, further presented in section 9 below, and will be used to respond to such cases as necessary.

## **7. Age of Employment**

58. In order to prevent engagement of under-aged labor, all contracts with work contractors shall have contractual provisions to comply with the minimum age requirements including penalties for non-compliance, and it will be well communicated to all potential stakeholders including the local community where the unskilled workforce will be sourced. The contractor is required to maintain labor registry of all contracted workers with age information. Below is the description on minimum age of labor, age limitation for hazardous work, age verification means and responsible remedial measures required:

### **Minimum age:**

59. In Nepal, the mandatory provision of minimum age by law for hiring laborers is 18 years and no children under this age are allowed to work.

### **Age limitation for hazardous work:**

60. The sub-projects will not hire children below the age of 14 and it is consistent with the Child Labour (Prohibition and Regulation) Act, 2000 of Nepal as the Act bars employing any child below the age of 14. However, the law allows limited and selected use of children between the age of 14-18 and can be assigned only on light duties, and not on hazardous task or work environment. It is not be allowed to involve children in any hazardous work activities that are prohibited by law which may lead to several issues of laborers such as: (a) exposure to physical, psychological or sexual abuse; (b) underground, underwater, working at heights or in confined spaces; (c) with dangerous machinery, equipment or tools, or involving handling or transport of heavy loads; (d) in unhealthy environments exposing children to hazardous substances, agents, or processes, or to temperatures, noise or vibration damaging to health; or (e) under difficult conditions such as work for long hours, during the night or in confinement on the premises of the employer. However, use of children between the age of 14-18 requires a lengthy legal process, such as obtaining approval from the family of the child and concerned

labor office, and providing detailed information of the child to the labor office. The child workers are not allowed to deploy for more than 6 hours per day and 30 hours of work per week and are entitled to rest of half an hour after working for three consecutive hours in a day. They are entitled for one-day leave in every week.

**Age verification:**

61. Verification of the age shall be undertaken prior to the engagement of the laborer and be documented. Evidence such as birth certificate or citizenship documents need to be maintained by the Project to demonstrate the age and other details of laborer. The Project authority is advised to maintain log-books in working sites revealing information such as name and gender, age, attendance of the workers, worked time/hours etc. This information will be used to verify the age of workers in the sites. When required, the contractor will be responsible to produce required evidence, such as birth certificate or citizenship, and other documents to demonstrate the age and assurance of complying with the legal obligations.

**Responsible remedial measures:**

62. If any contractor employs a person under the age of 18 years, that contractor will not only be terminated but also be reported to the authorities for legal prosecution. Similarly, in case a project worker who does not satisfy the age limit is identified as working on the project (i.e., over 18 years old for hazardous work; and over 14 years for non-hazardous work), the employer (contractor, subcontractor or primary supplier) shall be required to immediately terminate the employment or engagement of the child in a responsible manner, taking into account the best interest of the child.

## **8. Terms and Conditions**

63. The Labour Act 2017 and the requirements of World Bank ESF govern the terms and conditions of labor and employment in this project. The Labour Act makes it mandatory for employers to give its employees a written contract of employment, signed by both parties. Accordingly, contractors in this project will be required to provide all their employees with written contracts. Contractors will also be required to comply with the current regulation of wages which is issued and periodically reviewed by the Government. The main terms and conditions that need to be reflected in employment or contract documents are, minimum wage, hours of work, overtime pay, leave entitlements, travelling and subsistence allowances and protective gears and clothing.

64. The Labour Act 2017 notes that before a contractor is awarded a public contract, that contractor is required to certify in writing that the wages are not less favorable than those contained in the most current wages regulation issued. Where a contractor fails to comply with this requirement, the contract with the contractor may be terminated. In ensuring full compliance with the law in this regard, contractors will be required to furnish the project (OPD) with copies of the Written Particulars of Employment or copies of the contract of all its workforce. Contractors will not be allowed to deploy any employee to work in the project if such copy of employment of that employee has not been received by the OPD. As a monitoring

mechanism, the contractor shall not be entitled to any payment unless he has filed, together with his claim for payment, a certificate: a) stating whether any wages due to employees are in arrears; b) stating that all employment conditions of the contract are being complied with. For this project, it will be a material term of the contract to allow the project to withhold payment from contractor should the contractor not fulfill their payment obligation to their workers.

### **8.1 Worker's Organization**

65. Nepal has ratified numerous ILO Conventions related to protecting workers and is committed to implementing the key elements of these conventions including the right of workers to collective bargaining. The Labour Act, 2017 gives effect to collective bargaining and allows for the collective negotiation of terms and conditions of employment. As per this law, workers under this project will have the right to join and form an organization for purpose of labor representation, and to negotiate favorable terms and conditions for their members.

## **9. Grievance Mechanism for Workers**

### **9.1 General Principles and Processes**

66. As per the requirements of this LMP, this project constituted a formal mechanism and procedure in REED's GRM guideline, 2078 BS (2022 AD). All the grievances related to the REED Project including those related to labor issues will be addressed as per this guideline. All project workers will be informed of the Grievance Redress Mechanism (GRM) process as part of their contract and induction package. The formation of the GRM for workers responds to the minimum requirements in this LMP and the mechanism will be made available for direct and contracted workers. The grievance mechanism for workers will include transparent channels for submitting workplace grievances, explicit standards and deadlines to respond to grievances, effective institutional structures and processes to receive, address and resolve grievances. This project will receive and register worker's grievances communicated/submitted verbally or in writing through telephone hotlines/toll free numbers, email, fax, website, social media, express delivery, public hearing and SMS. The mechanism will also allow for anonymous grievances to be raised and addressed. Individuals who submit their comments or grievances may request that their name to be kept confidential. At each level (subproject, ECO, OPD, Contractors and Supervision Consultants) a person will be designated within their unit to address all work-related grievances. The information on GRM and contact details of the designated person will be shared with the workers. Project workers may also submit complaints to the WB's Grievance Redress Service (GRS).

#### **Direct workers**

67. Considering the number of direct workers employed under REED, the project will have an effective grievance system for direct workers. Each unit (ECO, OPD) engaging direct workers will hold periodic team meetings to discuss any workplace concerns. Aggrieved direct workers can also submit grievances. They may also choose to remain anonymous and raise concerns to a person other than its immediate supervisor. The grievance raised by workers will be recorded

with the actions taken by each unit. The summary of grievance cases will be reported to the World Bank as part of its periodic progress report.

### **Contract workers**

68. Every Contractor(s) and Sub-contractors will commit to adhere to the principles of this Labor Management Procedure. Specific provisions in this regard will be made in the respective bidding documents, and terms and conditions of the contract. The contractor shall appoint a GRM focal point who will also be tasked to keep a GRM log. This set-up will be specified in the Contractor's Environmental and Social Management Plan (C-ESMP). The contract workers will be informed of the grievance mechanism at the induction session prior to the commencement of work. The grievance raised will be recorded with the actions taken by the contractor. Aggrieved contract workers can also submit grievances in person, through phone, text message, letter, and/or email to the site manager and/or to the technical expert capable of managing OHS risks. During project implementation, contractors should strictly adhere to the World Bank standards on Environmental, Social, Health and Safety (ESHS), Code of Conduct (CoC) and Occupational Health and Safety (OHS) in the workplace and on their relationship with affected communities. The summary of grievance cases will be reported to the Supervision Consultant and the ECO/OPD as part of contractor's periodic report. Where the aggrieved workers wish to escalate their issue or raise their concerns anonymously and/or to a person other than their immediate supervisor, the workers may raise their issue with the Supervision Consultant and ECO/OPD. Similarly, the ECOs and OPD relevant team will monitor such grievance mechanism. The Labor Inspection Officers of the Ministry of Labour, Employment and Social Security (MOLESS) and Department of Labour and Occupational Safety (DoLOS) shall undertake periodic spot check visits to the project sites to observe and document levels of compliance to the requirements of the LMP.

### **Community Workers:**

69. Community workers should always be committed to adhere to the principles of this LMP. They will be informed of the grievance mechanism at the induction session prior to the commencement of work. Aggrieved community workers can submit their grievances to any layer of GRC verbally or in writing, through telephone, hotlines/toll free numbers, email, fax, website, social media, public hearing or through SMS. He/she may also choose to remain anonymous and raise concerns. Community workers may also submit complaints to the WB's Grievance Redress Service (GRS). The grievance raised by workers will be recorded with the actions taken by each unit.

### **9.2 GRM Structure:**

70. The structure of the GRM for the REED Project comprised of a three-tier system: sub-project level, ECO Level and OPD/MOALD level. The Grievance Redress Committees (GRCs) will be responsible for receiving and resolving complaints in a fair, objective, accountable, effectively, timely and accountable manner in all phases of the project lifecycle. The procedure will allow workers to escalate grievances to a senior level if it is not resolved at the sub-project level, and also to give the worker the right to lodge a dispute directly with the ECOs, OPD and then to the MOALD. If the complaint is still not resolved to the satisfaction

of the complainant, then He/she can submit his/her complaint to the appropriate court of law. The grievance resolution system in this Project is presented in Figure 1.

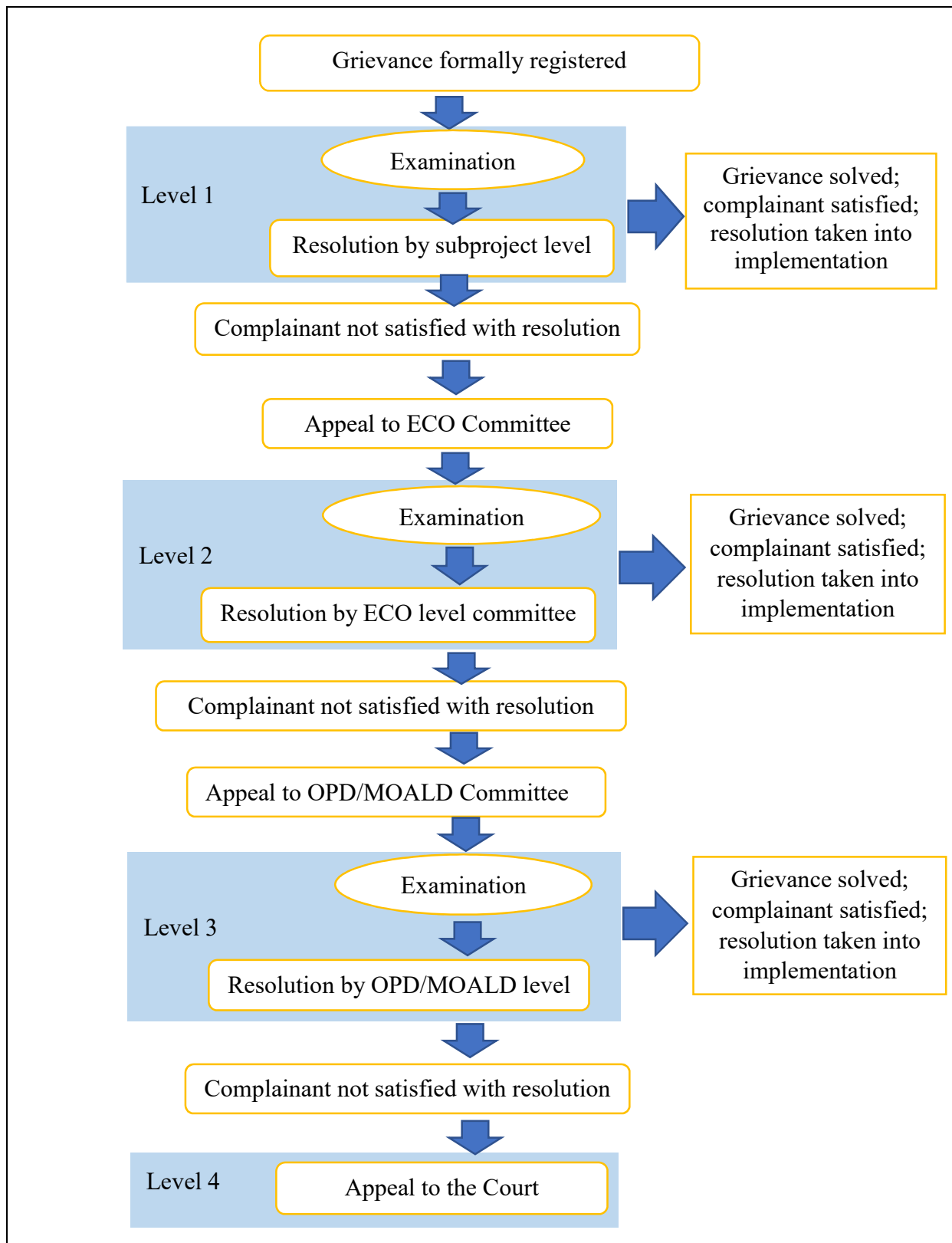


Figure 1: Grievance Resolution System

71. As per the arrangement of REED Project's GRM Guideline 2078 BS (2022 AD), in each level (sub-project, ECO and OPD/MOALD) of Project GRCs, there is GRM focal point to operationalize GRM. At the subproject level, the Secretary of the subproject will serve as GRM focal person. Similarly, at the ECO and OPD/MOALD level, the Information Officer will also serve as GRM focal person. Besides, at contractor level, the contractor will appoint a GRM focal point as per the set-up specified in the Contractor's Environmental and Social Management Plan (C-ESMP).

72. In any working environment, it is essential for both employers and employees to be fully conversant with all aspects of disciplinary processes, the grievance handling procedures and the legal requirements and rights involved. In implementing an effective dispute management system consideration must be given to the disputes resulting from the following:

- a. Disciplinary action
- b. Individual grievances
- c. Collective grievances and negotiation of collective grievances
- d. Gender-based violence, sexual exploitation, and workplace sexual harassment

### **9.3 Disciplinary Procedure**

73. Disciplinary procedures under the project will be in line with the Labour Act, 2017 and associated national regulations, and further discussed with organized labor union groups associated with the project. The OPD, contractors, and other authorities responsible for this project will ensure that disciplinary rules are:

- (i) Valid and reasonable
- (ii) Clear and unambiguous
- (iii) The employee is aware, or could reasonably be aware of the rule or standard
- (iv) The procedure to be applied in the event the employee contravenes any of these rules

74. The OPD and ECOs will establish a fair and effective disciplinary procedure in the workplace, which should be fair and just. The procedure is as follows:

- (i) Investigate to determine whether there are grounds for a hearing to be held
- (ii) If a hearing is to be held, the employer/contractor is to notify the employee about the allegations using a form and language that the employee can understand
- (iii) The employee will be given reasonable time to prepare for the hearing and to be represented by a fellow employee or a union representative
- (iv) The employee must be given an opportunity to respond to the allegations, question the witnesses of the employer and to lead witnesses
- (v) If an employee fails to attend the hearing, the employer may proceed with the hearing in the absence of the employee
- (vi) The hearing must be held and concluded within a reasonable time and is to be chaired by an impartial representative.

75. If an employee is dismissed, he/she must be given the reasons for dismissal and the right to seek recourse on the fairness of the dismissal. Therefore, contractors under this project will be required to ensure that they have a disciplinary procedure, code and standards which the

workers are aware of. Each contractor will be required to produce this procedure to ensure that workers are not treated unfairly.

#### **9.4 Individual Grievance Procedure**

76. In addition to using formal government administrative channels to resolve worker complaints and grievances, contractors under this project are required to have a formal grievance procedure. The procedure should:

- (i) Specify how workers can lodge their grievance
- (ii) Allow for reasonable time frame to address complaints expeditiously
- (iii) Allow complainants the right to refer their grievance to a more senior level within the organization, if it is not resolved at the lowest level
- (iv) If a grievance is not resolved the employee has the right to lodge a dispute with the OPD

77. Following formal contracts, contractors will be required to provide proof that workers have been inducted and signed that they have been inducted on the procedure.

#### **9.5 Collective Disputes Resulting from the Negotiations of Collective Agreements**

78. Where worker unions are recognized, they are entitled to negotiate on a regular basis with the employer over terms and conditions at the workplace and the employer is obliged to negotiate with the union. The procedures followed in such instances is usually contained in the collective bargaining agreement, which must have outlined how issues can be raised, the procedure for negotiations, the composition of the parties involved in the negotiation and the procedure to deal issues that are not resolved through consensus. In the type of disputes, if the dispute is not resolved at the workplace, the parties to the dispute can utilize the dispute resolutions mechanisms provided for in the labor legislation.

#### **9.6 Gender Based Violence, Sexual Exploitation and Workplace Sexual Harassment**

79. Provisions related to SEA/SH and gender-based violence (GBV) are outlined in section 6 and 132 of the Labour Act 2017. To avoid the risk of stigmatization, exacerbation of the mental/psychological harm and potential reprisal, the grievance mechanism will have a different and sensitive approach to SEA/SH related cases. The GRM committees will be trained on how to respond to SEA/SH cases in a sensitive manner. All SEA/SH related complaints, with the survivor's consent, will be referenced to the project identified service provider who will further manage the case in a survivor centric approach and will report back to the project GBV GRM once the case is solved. Further, such SEA/SH incidents will be immediately notified both to the OPD and the World Bank, with the consent of the survivor. In addition, the ESIA/ESMP will identify additional mitigation measures through a SEA/SH mitigation action plan which will be reflected in site specific ESMPs, including the C-ESMP or contractors specific labor management plans, where required.

### **10. Contractor Management**

80. The ECOs and OPD will use the World Bank's 2018 Standard Procurement Documents for contracting, and these include labor and OHS requirements. The tendering process will require

contractors to demonstrate environmental and social experience including OHS and labor management. Contractual provisions will include the following requirements:

- Monitor and keep records on terms and conditions in relation to labor management, including specific aspects related to COVID-19.
- Ensuring there is a health and safety focal point responsible for OHS and COVID-19 related issues.
- Keep records regarding labor conditions and workers engaged under the project.
- Record safety incidents and corresponding Root Cause Analysis (lost time incidents, medical treatment cases), first aid cases, remedial and preventative activities (e.g., training, new or different equipment).
- Report evidence that no child labor is involved.
- Training/induction dates, number of trainees and topics.
- Insurance for workers against occupational hazards and COVID-19, including ability to access medical care and take paid leave if they need to self-isolate as a result of contracting COVID-19.
- Details of any worker grievances including occurrence date, grievance, date submitted, actions taken to date, resolution and follow up.
- Signing CoC.

81. Contractual issues and contractor management are largely the responsibilities of employers (client) i.e., OPD and ECOs. However, in case where laborers are hired directly or contracted individually by the Project, the responsibility of resolving the contract issues lies with the employer or the Project who are also obliged to develop terms and conditions of contract for each category of works and services. In this project, the project staff, mainly the safeguards team at OPD and ECOs will be required to assign the works to the workers directly and keep all records of labor and their employment, however, not limited to the following:

- Details of work carried out by the workers including employment period, hours worked, over time worked, other compensation / remuneration and deductions etc.
- Labor safety measures including records of accidents, medical treatment cases, first aid cases, remedial and preventive measures including use of PPEs and safety gears.
- Number of workers (skilled/unskilled) with detailed information on their origin as well as names, gender, age, wage rates, days/hours worked etc.
- Training to the workers including dates, number of trainees and topics.
- Grievances such as details of the grievances field, processed and investigated, decisions/actions taken, resolved/unresolved and response to the complainants.

82. The performance evaluation will be regularly done through the project team and corrective actions (if required) will be noticed to the respective parties.

## **11. Community Workers**

83. The community workers may work on paid or volunteer basis. ESF provisions are to be applied to community workers, providing labor on a voluntary basis, proportionately with (a)



the nature and scope of the project; (b) the specific project activities in which the community workers are engaged; and (c) the nature of the potential risks and impacts to the community workers. The local community members may be hired for the project as employees by civil work contractors and as such will be covered under the provisions of this LMP. Similarly, the community workers will be engaged in implementation of Cash for Work modality through participating municipalities. Also, they may also either be engaged as returnee migrant workers reengaged in agriculture or as a beneficiaries of COVID-19 affected community members. Community workers may also be engaged through Productive Partnership (PP) business plan. The terms and conditions of engaging community workers will be as defined under national legal provisions. However, the following terms and conditions stipulated in the Labour Act 2017, Labour Rule 2018, and Child Labour (prohibition and regulations) Act 2000, are applicable for community workers of this Project as well:

- Provisions of work hours, rest breaks.
- Prohibition against the engagement of forced labor, bonded labor, child labor, and discrimination. The act also promotes equal pay for equal work.
- Fundamental provision on Occupational Health and Safety (OHS).
- Provision for a good culture of work, discipline at work, and performance for labor.
- Provision for labor audit for each workplace.
- Provision against sexual harassment, and sexual abuse.
- Specific requirements for the workplace: health and safety such as proper cleanliness, the passage of fresh air, proper light and temperature, solid waste management, noise control measures, safe drinking water, toilet, a mandatory medical check-up for the entities undertaking health-hazardous activities; appropriate lunchtime, childcare center for children under three years.
- Provision of accident investigation, inventory of work-related diseases, and compensation.

84. Accordingly, the project will be responsible for assessing and managing identified risks. The project will:

- Ensure compliance with legislation that relates to OHS as stipulated in the Labour Act 2017, Labour Rule 2018, ESS-2 and ESS-4, and Child Labour (Prohibition and Regulation) Act 2000.
- Develop a budgetary plan for OHS provisions.
- Communicate and provide training to all community workers on individual OHS responsibilities.
- Provide OHS measures to workers with PPE such as protective masks, safety shoes, and others, as appropriate
- Ensure availability of health and safety measures including first aid box, potable drinking water, and sanitation facilities among others.
- Assess and monitor the use of child labor and forced labor.

85. Additionally, the project will document the agreements reached with community workers. It will include:

- How agreements were reached in identifying and engaging community workers (e.g., community meetings, etc.).
- Activities/responsibilities that have been agreed upon between PIU/contractor and community worker.
- Set out terms and conditions on which community labor is engaged, including the work hours and rest breaks.
- How community workers can raise a grievance concerning the project.
- Roles and responsibilities for monitoring community workers.

86. The project will also be required to monitor that community labor is provided voluntarily. For this the FFPP will:

- Ensure the concerned community is informed about the project activity and plans.
- Conduct awareness sessions/campaigns.
- Include a code of conduct in the agreement with the community worker.
- Regular monitoring and reporting by the PIU.

## **12. Primary Supply Workers**

87. The project will recruit primary supply (PS) workers by the suppliers as required. When sourcing for primary suppliers, the project will require such suppliers to identify the risk of child labor/forced labor and serious safety risks. The project will ensure that no child and forced labor is hired by PS. If child labor or forced labor cases are identified, the project will require the PS to take appropriate steps to remedy them. The LMP requires that, under the project, any primary supplier maintains records related to occupational injuries, illness and lost time accidents. During the project implementation if serious safety issues have been identified the OPD and ECOs will be required the relevant PS to introduce procedures and mitigation measures to address the safety issues.

88. All primary suppliers are formal businesses who are required to procure and produce materials subject to high standards. Any new supplier is identified using a different form which screens the supplier in regard to compliance with taxes, certification, licensing, Public Liability Certificate and workmen's compensation, company's permanent staff, and declare any current or prior arbitrations as well as any criminal convictions. Registered suppliers are subjected to regular review in accordance with the applicable law.

## **13. Budget**

89. Budget for the contractor's LMP and duties under it will be the contractor's responsibility and should be priced into their bidding document. The cost of LMP under the contractor's responsibility will be included in the contractor's bidding and ultimately the contractor's contract. For this purpose, LMP and related obligations will be defined among the duties to be performed by the contractor in the tender documents to be prepared by the implementing agency (MOALD).

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## 15. Annexes

### Annex-I: LMP Template for Keeping Labour Records

S. N.	Items	Descriptions	Remarks (Specify where need)
1	Type of labor employed for civil works	Contracted works/Community worker etc.	
2	Number of workers	Male: Female:	
3	Characteristic of labor (Nos)	Unskilled: Skilled: Semi-Skilled:	
4	Terms of condition of contracts	Leave entitlement/wage, daily, weekly or monthly	
5	Occupational Health and Safety (OHS)	Fall prevention and working at heights/emergency response procedures/Excavation safety, ladders/welding and cutting safety/construction PPEs etc.	
6	Records of OHS violation		
7	Worker's payroll records		
8	Avail of workers code of conduct		
9	Labor camp cleanness/Waste management, spoil disposal etc.		
10	Child labor (including name, gender, age, work details etc.)		
11	GRM for laborers		
12	Others, if any		

**Annex-II: Grievance Mechanism Log**

<b>Log of complaints as part of grievance redress mechanism</b>								
<b>Item #</b>	<b>Complainant Name</b>	<b>Phone</b>	<b>Requires Confidentiality</b>	<b>Date of Complaint</b>	<b>Nature of Complaint</b>	<b>Date of Resolution</b>	<b>Method of Resolution</b>	<b>Referral of GBV</b>

## **Annex-III: Code of Conduct**

### **Preamble**

This Code of Conduct (CoC) has been adopted in order to describe the standards for REED employees and contractors must meet. This CoC defines labor standards that aim to achieve decent and humane working conditions. The code's standards are based on national law and accepted good labor practices; ethical and legal behavior; fair, courteous and respectful working environment.

This Code is applied to employees and contractors. All employees must adhere to the principles and requirements contained in this code and should consult the code for guidance when acting on behalf of REED. Employees and contractors are expected to act on the basis of public decency principles and prudent. This policy may be modified or updated at any time.

The OPD and ECOs monitors compliance with the workplace code by carefully examining adherence to the compliance benchmarks and the principles of monitoring. Contractors affiliated with the OPD and ECOs are expected to comply with all relevant and applicable laws, rules, and regulations of the jurisdiction of the country in which workers are employed and to implement the workplace code in their applicable facilities. The Contractor should conduct continuous awareness-raising and training activities (such as toolbox talks) to laborers and local community to ensure that workers abide by the CoC. Basic principles are listed below must be followed by all employees and contractors:

**Employment Relationship:** Employers shall adopt and adhere to rules and conditions of employment that respect workers and, at a minimum, safeguard their rights under national and international labor and social security laws and regulations.

**Non-discrimination:** No person shall be subject to any discrimination in employment, including hiring, compensation, advancement, discipline, termination or retirement, on the basis of family status, gender, race, religion, ethnicity, language, birth, age, marital status, disability, sexual orientation, nationality, political conviction, social group or ethnic origin.

**Harassment or Abuse:** It is always prohibited to use the language or behavior, in particular towards women or children, that is inappropriate, harassing, abusive, sexually provocative, demeaning or culturally inappropriate.

**Forced Labor/Bonded Labor:** There shall be no use of forced labor, including bonded labor or other forms of forced labor. No bonded labor should be allowed in PP's supported by the project.

**Child Labor:** No person shall be employed under the age of 18.

**Freedom of Association and Collective Bargaining:** Employers shall recognize and respect the right of workers to freedom of association and collective bargaining.

**Health, Safety and Environment:** Compliance with applicable health, and safety requirements, including wearing prescribed personal protective equipment (PPE), preventing avoidable accidents and a duty to report conditions or practices that pose a safety hazard or threaten the environment.

**Hours of Work:** Employers shall not require workers to work more than the regular and overtime hours allowed by the law of the country.

**Compensation:** Employers shall pay at least the minimum wage or the appropriate prevailing wage, whichever is higher, comply with all legal requirements on wages, and provide any fringe benefits required by law or contract.

**Respecting reasonable work instructions,** including regarding environmental and social norms.

Duty to **report violations of this code.**

**No retaliation against workers** who report violations of the code, if that report is made in good faith.

**Adherence:**

*I hereby acknowledge that I have read the foregoing individual CoC, I do agree to comply with the standards contained in this document, and I understand my roles and responsibilities to prevent and potentially report issues. I understand that any action inconsistent with this CoC or failure to act mandated by this CoC may result in disciplinary action and may affect my ongoing employment. I also acknowledge that SEA/SH, are prohibited. As an (employee/contractor) of this project, I acknowledge that SEA/SH activities on the project premises and outside its premises constitute a violation of this CoC. I understand SEA/SH activities are grounds for sanctions, penalties or potential termination of employment.*

**Name:**

**Title:**

**Signature:**

**Date:**

#### Annex-IV: Occupational Health and Safety (OHS) Training Description Format

Particulars	Short Description of Training
Title	OHS training for safety representative/engineers/site workers
Date & Venue	.....
Objectives	<ul style="list-style-type: none"> <li>• Impart knowledge on OHS</li> <li>• Capacity building on workplace assessment and improvement plan</li> <li>• Knowledge and understanding on accident recording and database management</li> </ul>
Participants Number and type	..... Number, Awareness /ToT/Onsite orientation
Methodology	Lecture, group work, focal group discussion, case study presentation
Contents	<ul style="list-style-type: none"> <li>• Introduction to OHS</li> <li>• Workplace accident and cause investigation</li> <li>• Workplace housekeeping and material handling</li> <li>• Workplace safety and health committee</li> <li>• Chemical safety at work</li> <li>• Emergency preparedness and First aid</li> <li>• Legal provision on OHS and onsite OHS policy</li> <li>• Labor management procedure and labor influx</li> <li>• Workplace assessment (hazard identification and Risk assessment) including job safety analysis</li> <li>• Personal Protective Equipment (PPE)</li> <li>• Welfare facility at workplace (including labor camp operation and management)</li> </ul>
Trainer	OHS Expert, Engineer, Labor Expert, E & S Safeguard Specialist
Training schedule	<ul style="list-style-type: none"> <li>• For onsite awareness: 4 hour/batch</li> <li>• For 2 days training: 6 hour/batch</li> <li>• For 5 days ToT: 6 hour/batch</li> </ul>
Training resources	Trainer, Financial, Physical facility including hall,
Training logistics	Computer, multimedia, stationary, food, refreshment, handout
Training evaluation	Questionnaire and email
Estimated budget	<ul style="list-style-type: none"> <li>• For onsite awareness: NRs. 80,000/batch</li> <li>• For 2 days training: NRs. 200,000/batch</li> <li>• For 5 days ToT: NRs. 350,000/batch</li> </ul>
Follow up	6 months after completion



**Annex-V: Use of Personal Protective Equipment (PPEs)**

<b>S. N.</b>	<b>Work types</b>	<b>PPE types</b>	<b>Impact due to not use of PPE</b>	<b>Mitigation measures</b>	<b>Time duration</b>	<b>Non compliance</b>	<b>Follow up</b>	<b>Action taken</b>	<b>Responsibility</b>

**Annex-VI: Due Diligence for Environmental and Social Mitigation Measures in Contracts**

Stage of Contractual Process	Suggested Due Diligence
Before bidding	<ul style="list-style-type: none"> <li>• Ensure that the terms of reference clearly define the supervision engineer’s responsibilities regarding oversight of, and reporting on, labor influx and workers’ camps. For high-risk projects, have independent safeguards supervision.</li> <li>• Ensure the team skills in the terms of reference clearly include key staff qualified and experienced in managing similar projects, and demonstrated capacity to manage social and environmental issues, including issues pertaining to community health and safety.</li> <li>• Ensure that the project GRM is established, and its use is widely publicized.</li> </ul>
Preparation of bidding documents	<ul style="list-style-type: none"> <li>• Review contract conditions included in bidding documents to:               <ol style="list-style-type: none"> <li>(i) Ensure that the relevant mitigation measures in the ESMP are reflected and budgeted in the contract,</li> <li>(ii) Ensure the ESMP forms part of and is explicitly referred to in the bidding documents.</li> <li>(iii) Identify relevant provisions (workers, camps, child and forced labor, safety, grievance redress for workers and the public, the Code of Conduct etc.) regulating the contractor’s responsibility and identify any gaps, inconsistencies or areas of concern that could be addressed through additional provisions in the “particular conditions of contract” and/or technical specifications</li> <li>(iv) Include a requirement that all workers sign ‘Codes of Conduct’ governing behavior, and identifying sanctions</li> <li>(v) Clearly identify that training programs on implementing the Codes of Conduct, etc. will be undertaken by external providers</li> </ol> </li> <li>• Ensure the contract conditions clearly specify what type of penalty the contractor will face if the provisions of the ESMP and C-ESMP are not adhered to—including by sub-contractors. This may include direct incentives to contractors in the form of penalties for poor performance on social and environmental matters or specific Performance Securities for ESMP and C-ESMP compliance.</li> <li>• Ensure bidding documents make clear the responsibilities of the contractor to prepare and adhere to a C-ESMP based on the ESMP and that no civil works will commence until the C-ESMP has been approved by the supervision engineer.</li> <li>• Ensure the bidding documents detail how the contractor and supervision engineer will be required to monitor and report on the impacts on the local community, issues related to labour influx and workers’ camps.</li> </ul>

	<ul style="list-style-type: none"> <li>Propose Key Performance Indicators (KPIs) for Contract Management, reflecting issues and risks specific to the contract and the monitoring plan.</li> </ul>
Bidding evaluation	<ul style="list-style-type: none"> <li>Review the Borrower's bid evaluation report and request to review the bids where appropriate, to verify for the recommended bidder that documents related to the ESMP, safeguard implementation capacity, and other obligations of the contractor required to be submitted with the bid are sufficiently detailed and cover the contractual requirements.</li> <li>Require the contractor's representative or dedicated community liaison staff to have the ability to communicate in the language of the Borrower and/or the local language.</li> <li>Verify that the contract management framework identifies clearly lines of communication and that these are formalized and a consistent record is provided.</li> <li>Ensure that the contractor meets the project's occupational health and safety (OHS) requirements for capability and experience.</li> </ul>
After contract signing	<ul style="list-style-type: none"> <li>Prior to commencing works, the contractor submits site-specific C-ESMP(s) based on the ESMP, which includes specific management plans for: (i) work activities; (ii) traffic management; (iii) occupational health and safety; (iv) environmental management; (v) social management; and (vi) labor influx.</li> <li>Supervision engineer reviews and approves the C-ESMP-with inputs from appropriate government agencies-before any works start. For high-risk projects, the Bank should also review and clear the C-ESMP. Borrower should disclose the approved C-ESMP.</li> <li>Ensure the ESCP, ESMP, C-ESMP and mitigation plans are updated promptly and re-disclosed as appropriate to address new issues.</li> <li>Report about training activities for workers on OHS, activities related to the CoC; status of stakeholder engagement, including information disclosed on issues related to labor influx; labor status (including planned influx or egress of workers) in reporting period and projections for next reporting period.</li> </ul>

## **Annex-VII: COVID-19 Specific Measures for Construction/Civil Works**

Contractors will develop specific procedures/plans so that adequate precautions are in place to prevent or minimize an outbreak of COVID-19, and it is clear what should be done if a worker gets sick. These will include:

- The characteristics of the workers will be assessed prior to engaging them in civil works, including those with underlying health issues or who may be otherwise at risk. This will be done by conducting pre-employment health checks.
- Assessment of whether the workers are fit for work will be confirmed by including temperature testing and refusing entry to sick workers.
- Entry/exit to site or the workplace will be minimized, and measures will be put in place to limit contact between workers and the community/general public.
- Contract duration of the existing/new workforce will be reviewed to reduce the frequency of workers entering/exiting the site.
- Trainings for workers on hygiene and other preventative measures will be carried out, and a communication strategy for regular updates on COVID-19 related issues and the status of affected workers, will be carried out.
- Treatment of workers who are or should be self-isolating and/or are displaying symptoms, will be immediately attended to.
- Risks to continuity of supplies of medicine, water, fuel, food and PPE, taking into account international, national and local supply chains, will be assessed and measures will be taken accordingly to address the supply constraints.
- Reduction, storage and disposal of medical waste, will be duly carried out taking into consideration workers' health and safety.
- Adjustments will be made to work practices to reduce the number of workers and increase social distancing.
- Access to health facilities on-site compared to usual levels, developing relationships with local health care facilities and organize for the treatment of sick workers, will be provided.
- Access to psychosocial support based on the needs and availability of such services.
- Worker accommodations will be provided further apart or having one worker accommodation in a more isolated area, which may be easily converted to quarantine and treatment facilities, if needed, will be explored.
- Procedure to follow if a worker becomes sick (following WHO guidelines), will be instituted and followed.
- Communication strategy with the community, community leaders and local government in relation to COVID-19 issues on the site, will be followed.

## Annex-VIII: Contractor Environmental, Social, Health and Safety (ESHS) Monitoring Checklist

### Instructions:

Tick (√) if available, put a cross (×) if unavailable. Tick (√) if there was activity, put a cross (×) if there was no activity. Tick (√) if there's evidence, put a cross (×) if there's no evidence. Make a comment according to the changes that have taken place as reflected by availability, activity and evidence on each ESHS item.

Name of Contractor:			Name of Subproject:		
S. N.	Monthly ESHS Items Checklist	Available	Activity	Evidence	Comment
1	Valid working contract				
2	Current employee list				
3	Copy of ID per employee				
4	Appointment letters				
5	Understanding of resources, roles, responsibilities & authority				
6	Inductions-all consultant staff: Reports available				
7	Hazard Identification and Risk Assessment (HIRA) & reporting: incidents, accidents & near misses				
8	Vehicles: daily inspection sheet, driver's licenses, bluebook,				
9	Training needs assessment				
10	Internal communication; minutes showing meetings				
11	Register for complaints: GRM being implemented				
12	Field workers PPE: branded and properly worn at all times while on duty				
13	First Aid Kit: availability and usage of the form				
14	Any Other (Specify?)				
<b>ECO E&amp;S Specialist/Focal Person Name:</b> <b>Signature:</b> <b>Date:</b>					
<b>Authorized Representative of Contractor:</b> <b>Signature:</b> <b>Date:</b>					

## **Annex-IX: Modalities for Cash for Work**

The labor-intensive Cash For Work (CFW) modality is simple and requires minimal preparatory works and supervision to meet the infrastructure construction requirements. The OPD, ECOs participating provinces, and/or municipalities will implement with due consideration of poverty levels, prioritizing disadvantaged area and areas affected by COVID-19. The REED Project will adopt following two modalities of labor intensive CFW during the implementation of infrastructures under component -3.

### **(a) Implementation of CFW through Contractors:**

The labor-intensive CFW will be implemented by the contractors assigned to implement the infrastructure investment under component-3. The TA firm, hired by OPD will assess and clearly state the requirement to spend an appropriate percentage of the total implementation budget for CFW for each infrastructure investment during detailed technical design. The ECOs and OPD will clearly state the minimum appropriate percentage of the total implementation budget for cash for work for each infrastructure investment while issuing the EOIs and RFPs to award the contract. In addition, the ECOs and OPD will also include the requirement to spend the set minimum budget to carry out CFW in the contractual agreement with the contractors.

The contractors will directly report to the respective ECOs, regularly updating the details of the workers, wages, disputes and GRM status and the progress of CFW. The ECOs will update and maintain the MIS based on the regular reporting from the contractors.

The project implementation supervision committee at the Municipal level, Provincial level, the ECOs and OPD will regularly monitor the works carried out by the contractor to ensure compliance of contractual agreement and implementation of CFW program.

### **(b) Implementation of CFW through Participating Municipalities:**

Participating Provinces and Municipalities will be responsible to carry out the CFW program for the approved infrastructure investment that will be implemented by the municipality through a conditional grant transfer. The TA firm will assess and clearly state the requirement to spend appropriate percentage of the total implementation budget for CFW for each infrastructure investment during detail technical design. Based on this assessment, the participating Provinces and Municipalities will be accountable to choose the workers (process is presented in Table 7), to use the minimum percentage of the conditional grant for CFW and overall oversight and implementation of CFW program. They will ensure the payments are only made after the verification of works and work completion. Provinces and Municipalities will update the details of workers, GRM status, wages and progress of the implementation of CFW to respective ECO. They will formally report to the ECO and ensure government's financial administration regulations are followed. The ECOs will update and maintain the MIS based on the regular reporting from the municipalities.

The project implementation supervision committee at the municipal level and the ECOs and OPDs will regularly monitor the works carried out by the contractor to ensure compliance of contractual agreement and implementation of CFW program.

### **General guidelines for CFW**

**The Approach:** CFW program under the infrastructure investments are labor-intensive, and use of heavy equipment is prohibited. CFW is targeted towards households, in particular towards the poor, Indigenous Peoples (IPs) and vulnerable households.

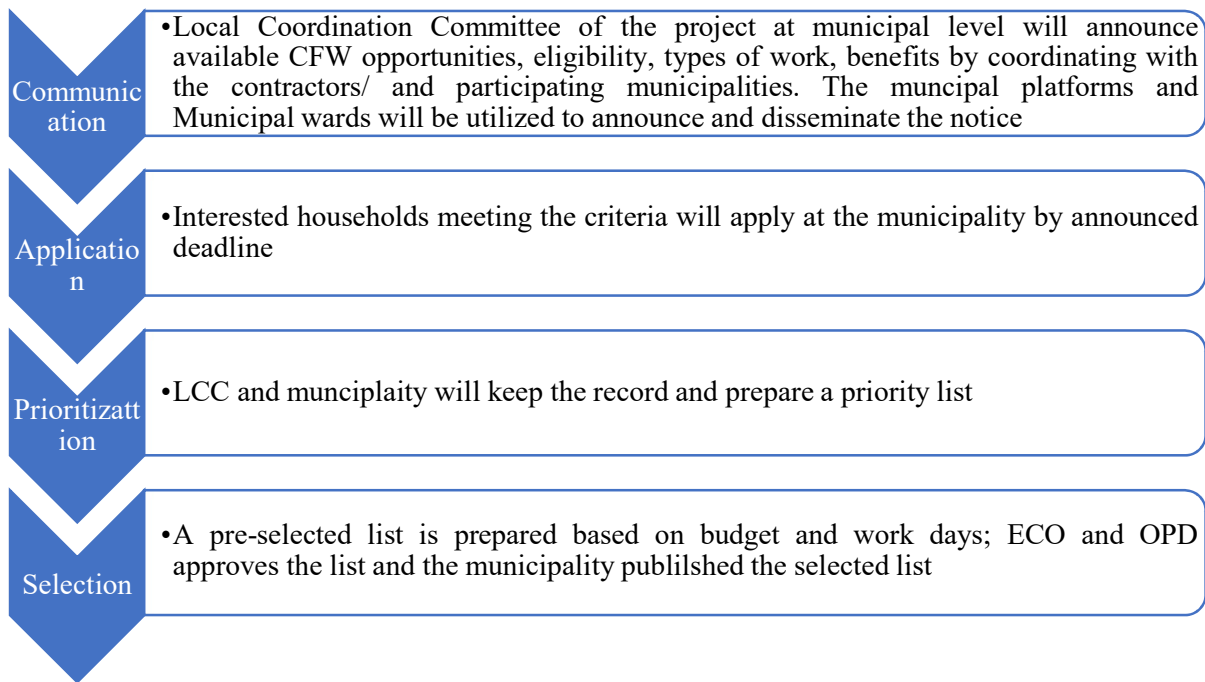
Depending on budget, each infrastructure investment will accommodate as many workers as possible guaranteeing a minimum of 50 days of work in a fiscal year to an individual selected according to the processes presented at table 7 below. During the implementation, the contractor/participating Provinces or Municipality should duly consider that minimum number of workers would be at work to avoid crowding in accordance with COVID-19 health guidelines circulated by the GoN or depending on the prevalence of COVID or other health endemics.

**Wages:** The wage rate will be uniform across municipalities. National wage rate or a wage rate fixed by a national level program-the Prime Minister Employment Programme shall be used. Periodic payments of wages are made as appropriate, and the final payment is made after completion of works. Wages are paid based on performance (measurement of works) and payments are made strictly on respective bank account of the primary beneficiary of the selected household. However, when banking institutions are not available, the contractor/participating municipalities may agree on manual payments with prior approval from ECOs and OPD.

**MIS:** The Project's Management Information System (MIS) will be used to manage and monitor the implementation of CFW. The ECOs will be responsible to regularly update the MIS based on the reporting from the contractor/participating municipalities.

**Beneficiary (Workers) selection:** Beneficiaries (CFW workers) are selected at the municipal level based on selection criteria. The pre-selected list is approved by the municipality and a final list is prepared based on availability of jobs in CFW for the infrastructure implementation. Selection of workers in general will go through the following process:

Table 7: Process of selection of workers





**Annex-X: Monitoring Plan for the LMP**

Objectives	Proposed Mitigation Measures	Measurable and Verifiable Indicators	Frequency	Responsibility
<b>1. Labor and working conditions</b>				
a. Develop and implement labor use policies and protocols	<ul style="list-style-type: none"> <li>• Include relevant topics such as working hours, contracting terms, wages, leave, equality and diversity, collective bargaining, hiring and recruitment, etc. on policies and procedures</li> </ul>	<ul style="list-style-type: none"> <li>• Monitor and audit implementation of policies and procedures of contractors including contractor performance</li> </ul>	Annually	OPD, ECO, E&S Specialist/Focal Person; Contractor
b. Deliver workforce training on policies and procedures	<ul style="list-style-type: none"> <li>• Train workforce on all policies and protocols, and labor standards prior to commencement of work</li> </ul>	<ul style="list-style-type: none"> <li>• # of workers that receive training</li> <li>• Record of information provided</li> </ul>	Annually	OPD, ECO, E&S Specialist/Focal Person; Contractor
c. Limits on working hours and overtime	<ul style="list-style-type: none"> <li>• Develop and implement a policy on working hours and overtime in adherence with national legislation</li> <li>• Monitor working hours and exercise control of overtime, and any payment of overtime premiums</li> </ul>	<ul style="list-style-type: none"> <li>• Policy on working hours and overtime</li> <li>• # of man-hours worked as overtime for key worker categories</li> <li>• Worker check-in and out procedure</li> </ul>	Monthly	OPD, ECO, E&S Specialist/Focal Person; Contractors Site Supervisor
d. Delivery of fair wages and benefit	<ul style="list-style-type: none"> <li>• Ensure that workers understand the contents of their contracts related to wages and benefits</li> <li>• Ensure timely payment of wages and benefits and provide pay slips</li> </ul>	<ul style="list-style-type: none"> <li>• % of workers that receive payments &amp; pay slip received within defined time</li> <li>• # of cases recorded on payments</li> </ul>	Monthly	OPD, ECO, E&S Specialist/Focal Person; Contractors
e. Worker - Management relationships	<ul style="list-style-type: none"> <li>• Formalize the procedures of communication and exchange of information</li> </ul>	<ul style="list-style-type: none"> <li>• # of meetings held to discuss worker concerns</li> </ul>	Bi-annually	OPD, ECO, E&S Specialist/Focal Person; Contractors

	<ul style="list-style-type: none"> <li>• Ensure workers representation, consultation and participation to act on behalf of those who they represent</li> </ul>	<ul style="list-style-type: none"> <li>• # of issues raised and resolved during workers forum</li> </ul>		
f. Ensure an adequate approach to managing grievances are available to the project workforce	<ul style="list-style-type: none"> <li>• Establish and operate a grievance mechanism to receive and respond to all concerns with no cost</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation of the workforce grievance procedures</li> <li>• Worker feedback mechanism in place</li> <li>• # of issues raised and addressed</li> <li>• # of relevant personnel that receive training on grievance mechanism</li> </ul>	Bi-annually	OPD, ECO, E&S Specialist/Focal Person; Contractors
g. Child labor and labor influx	<ul style="list-style-type: none"> <li>• Code of Conduct (Coc) to guide the workers, contractors and primary suppliers</li> <li>• Vigilance from law enforcement authority and compliance with the labor laws</li> <li>• Community sensitization/awareness, socio-economic development of women</li> <li>• Orientation of Supervision Consultant, and Contractors</li> </ul>	<ul style="list-style-type: none"> <li>• CoC in place</li> <li>• Labor log books for labor registry for each site with age verification</li> <li>• Records of briefing meetings on work norms and child labor</li> <li>• No. of child labor cases reported</li> </ul>	Continuous	Contractors Health and Safety Officer; OPD, ECO, E&S Specialist/Focal Person
<b>2. Contractors</b>				
a. Develop pre-qualification screening procedure for all contractors in bid document	<ul style="list-style-type: none"> <li>• Tendering contractors will be assessed according to responses to environment, labor, health and safety, and community relations performance and planned</li> <li>• Screening of all contractors and suppliers to assess whether their management of worker OHS and well-being is appropriate</li> </ul>	<ul style="list-style-type: none"> <li>• Criteria for award of contracts agreed and documented</li> <li>• # of contractors rejected due to failure to meet worker OHS and wellbeing standards</li> </ul>	Once during procurement	OPD, ECO, Procurement Specialist/Team

b. Develop and implement worker Code of Conduct (CoC)	<ul style="list-style-type: none"> <li>• Develop a standard worker CoC in their local language</li> <li>• Ensure all workers are briefed upon recruitment of requirements and CoC, and signed by each individual</li> <li>• Implement &amp; monitor adherence to CoC, by CoC Implementation Action Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Workers CoC in place</li> <li>• # of workers that receive induction on CoC and thereafter as required</li> <li>• # of incidents reported and addressed</li> </ul>	Bi-annually	OPD, ECO, E&S Specialist/Focal Person; Contractors Health and Safety Officer
c. Labor Camp Management and worker's accommodation	<ul style="list-style-type: none"> <li>• Prepared and implement labor camp management/operations guideline</li> <li>• Adequate space and with basic facility at camp as per the labor law</li> </ul>	<ul style="list-style-type: none"> <li>• Effective implementation of labor camp management/operations guideline</li> </ul>	Monthly	Contractors Health and Safety Officer; OPD, ECO, E&S Specialist/Focal Person
<b>3. Occupational Health and Safety (OHS)</b>				
a. Develop and implement a Hazard Identification and Risk Assessment (HIRA) procedure for construction workers	<ul style="list-style-type: none"> <li>• Develop and implement a task-based hazard identification and risk assessment to analyze and manage OHS risks related to construction and operations activities</li> <li>• Safe work practices</li> <li>• Job safety analysis</li> </ul>	<ul style="list-style-type: none"> <li>• Review of hazard identification and risk assessment procedure</li> </ul>	Annually	Contractors Health and Safety Officer; OPD, ECO, E&S Specialist/Focal Person
b. Provide workforce suitable Personal Protective Equipment (PPE)	<ul style="list-style-type: none"> <li>• Provide suitable PPE for workforce</li> <li>• Provide continuous reminders to use PPE</li> <li>• Audit PPE use on monthly basis</li> <li>• Continuous supervision</li> </ul>	<ul style="list-style-type: none"> <li>• # of workers that receive and used PPE appropriately</li> <li>• # of workers that receive training on OHS &amp; use of PPE</li> <li>• Records of injuries registered</li> </ul>	Monthly	Contractors Health and Safety Officer; OPD, ECO, E&S Specialist/Focal Person
c. Accidents or emergencies	<ul style="list-style-type: none"> <li>• Develop and utilize relevant safety warning signs</li> <li>• Maintaining safe and healthy working environment and culture</li> </ul>	<ul style="list-style-type: none"> <li>• Appropriate warning signs erected</li> <li>• # of incidents reported and recorded</li> </ul>	Continuous	Contractors Health and Safety Officer; OPD, ECO, E&S Specialist/Focal Person

	<ul style="list-style-type: none"> <li>• Emergency preparedness and management plan</li> </ul>			
d. Implementation of OHS training /capacity building program	<ul style="list-style-type: none"> <li>• Develop OHS training plan based on policies, procedures and risk / hazard assessment to define OHS training requirements for staff</li> <li>• Provide staff basic hygiene and sanitation training; specific sexual health training including HIV/AIDS, COVID-19 transmission, SEA/SH awareness and prevention program as part of the recruitment and induction procedures</li> </ul>	<ul style="list-style-type: none"> <li>• Presence and implementation of OHS training plan</li> <li>• Percentage of workers that receive OHS training</li> <li>• Good hygiene practices around the labor camp</li> </ul>	Bi-annually	Contractors Health and Safety Officer; OPD, ECO, E&S Specialist/Focal Person
<b>4. Community</b>				
a. Local employment and community relations	<ul style="list-style-type: none"> <li>• Contractor is to ensure the strict implementation of LMP to minimize local unrest</li> <li>• Prioritize the hiring of the locals for qualified skilled and unskilled work</li> <li>• Encourage and train women in variety of skilled and non-skilled jobs</li> </ul>	<ul style="list-style-type: none"> <li>• # of workers hired through the LMP</li> <li>• Ratio of locals hired for skilled and unskilled work</li> <li>• # of women hired</li> <li>• Skill development of local people</li> </ul>	Continuous	Local Community, Contractors
b. GBV/SEA/SH at the community level	<ul style="list-style-type: none"> <li>• The bidding documents will include specific requirements that minimize the use of workers from outside the vicinity</li> <li>• The contract documents for works require explicit CoC to be signed by all workers</li> <li>• Contractors will be required to develop a comprehensive SEA/SH Action Plan and periodic mandatory training of all workers on SEA/SH issues and CoC as per the plan</li> </ul>	<ul style="list-style-type: none"> <li>• SEA/SH Action Plan developed and implemented effectively</li> <li>• GBV sensitive GRM and referral protocols established and well known</li> <li>• # of signed SEA/SH CoC</li> <li>• # of briefing conducted on SEA/SH for workers &amp; project affected community</li> </ul>	Continuous	Local Community; Contractors Health and Safety Officer; OPD, ECO, E&S Specialist/Focal Person