



Government of Nepal
Ministry of Physical Infrastructure and Transport Department of Roads

Development Cooperation Implementation Division

Babarmahal, Kathmandu

Strategic Road Connectivity and Trade Improvement Project

Labour Management Procedures

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September, 2024

ABBREVIATIONS

C-ESMP	Contractor's Environment and Social Management Plan
CHS	Community Health and Safety
CLA	Child Labour (Prohibition and Regulation) Act, 2000
COC	Code of Conduct
CSC	Construction Supervision Consultant
CSEAH	Child sexual abuse, exploitation and harassment
DCID	Development Cooperation Implementation Division
DoR	Department of Road
EMG	Environmental Management Guidelines
ESA	Environment and Social Assessment
ESF	Environment and Social Framework
ESIA	Environment and Social Impact Assessment
ESS	Environment and Social Standard
GBV	Gender-Based Violence
GESU	Geo-Environment and Social Unit
GoN	Government of Nepal
HAM	Hybrid Annuity Model
IFC	International Financial Corporation
InP	Interested Parties
KDP	Kamala-Dhalkebar-Pathlaiya
LA	Labour Act, 2017
LMP	Labour Management Procedures
LO	Labour Office
LR	Labour Rule, 2018
LS	Local Stakeholders
LWC	Labour and Working Conditions
MoLESS	Ministry of Labour, Employment and Social Security
NNM	Nagdhunga-Naubise-Mugling

OHS	Occupational Health and Safety
OHSMS	Occupational Health and Safety Management Framework
PMU	Project Management Unit
PPE	Personal Protective Equipment
PS	Primary Suppliers
SEA	Sexual Exploitation and Abuse
SH	Sexual Harassment
SRCTIP	Strategic Road Connectivity and Trade Improvement Project
SRN	Strategic Road Network
WB	World Bank
WBESS	World Bank Environmental and Social Standard

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1. INTRODUCTION

The Government of Nepal (GoN) has requested financial support from the World Bank (WB) to prepare and implement the Nepal Strategic Road Connectivity and Trade Improvement Project (SRCTIP). In particular, the SRCTIP will support the improvement of the existing Nagdhunga-Naubise-Mugling (NNM) road section (94.7 km) to 2-lane, connecting Kathmandu and Mugling, and Kamala-Dhalkebar-Pathlaiya (KDP) road (130 km) of the Mahendra Highway from 2-lane to 4-lane, as well as the periodic maintenance work. This Labor Management Procedure (LMP) has been updated to focus on the overall NNM & KDP road including their periodic maintenance to manage labor and working conditions' risks to meet the national requirements well as the objectives of the World Bank's Environmental and Social Framework, specific objectives of Environmental and Social Standard 2: Labour and Working Conditions (ESS2) and Standard 4: Community Health and Safety (ESS4).

The construction sector is a milestone of the development and widely linked to the economic growth of the country through playing a major role in satisfying a wide range of physical, economic and social needs, including shelter and employment creation (The World Bank, 1984, Jorge, 1997) that comprises primarily engaged in the construction, renovation, maintenance and civil engineering works. The sector represents labour intensive public work to create productive assets at community level and provide temporary employment opportunities to beneficiary households, mainly people living under the food poverty line nationwide, not only in on-site construction, but also in construction-related professional services and the supply of materials and resources. Nepal, construction industries (Industrial Policy, 2010) include new constructions and maintenance/ or upgrading of the existing infrastructure related to road, bridge, tunnel, hydropower and building, etc. Likewise, this sector has diversity in terms of types of work, informal sector of employment, high involvement of temporary/seasonable or migrant workers, associated workplace risk and health problems that may influence to development indicators; concerned people; deteriorate global environment; and increase project expenditure.

1.1 OBJECTIVE OF LMP

The objective of the LMP is to promote sound worker - management relationships and enhance the development benefits of a project by treating workers in the project fairly and providing safe and healthy working conditions for the project sustainability. Considering the facts, ESS 2, on Labour and Working Conditions and Labour Act, 2017 (LA), has set following specific objectives:

- To promote safety and health at work.
- To promote the fair treatment, non-discrimination and equal opportunity of project workers.
- To protect project workers, including vulnerable workers such as women, persons with disabilities, children (of working age, in accordance with the ESS 2) and migrant workers,

contracted workers, and primary supply workers, as appropriate.

- To prevent the engagement of all forms of forced labour and child labour.
- To support the principles of freedom of association and collective bargaining of project workers in consistent with national law.
- To provide project workers with accessible means to raise workplace concerns.

1.2. PURPOSE OF LMP

The Environment and Social Impact Assessment (ESIA) of NNM and the KDP road and the Environment & Social Management Plans (ESMP) for Periodic Road Maintenance identified key risks and impacts associated with project implementation (e.g. road's improvement, upgrading and construction of new bridges) relevant to engagement of labours, community health and safety (CHS) and the risks associated with labour influx including Sexual Exploitation, Abuse and Sexual Harassment (SEA/SH). The World Bank has rated the overall Environment and Social risk of the project as High, which indicates a high likelihood of adverse impacts associated with project implementation in terms of likely risk on construction workers and CHS. The guide notes LMP preparation (activities and practices) is presented in *Annex 1*.

The high-risk rating indicates that the risks associated with road construction, required to be well understood and ensure applicable mitigation measures are established and possible efforts are to be in place adopting the principle of avoid, minimize, mitigate or managed. through procedures, including procedures set out in this LMPSRCTIP is committed to evaluate and manage the adverse risk and impacts related to the project continuously throughout the project.

The LMP will be applied to project/direct workers, contracted workers and primary supply workers that will be employed by the SRCTIP. Adhering to these procedures, contractors will be required to prepare site specific labour management plan for each labor camp of contracted workers or other supplier workers. The SRCTIP will prepare specific procedures to be inserted in the contract as part of contractors' legal obligations. The approach will be assessed as part of the initial screening of environmental and social risk and impact carried out by SRCTIP's Project Management Unit (PMU).

1.3. OVERVIEW OF LABOUR USE IN THE PROJECT

Management of Labour and Working Conditions and CHS are the crucial components of the construction management, which have been stipulated in ESS 2, ESS 4 and LA. This also includes general condition of contract and special condition of contract agreement for all kinds of subcontract and intermediaries' involvement during execution of the project work, if applicable during the project. The timing of the employment differs according to the nature and volume of the project activities.

The LMP applies to all category of workers to be engaged by the project whether they are full-

time, part-time, temporary, seasonal or migrant workers. Also, applies to all local workers, female workers, and others national or international migrant workers considering the minimum age of 18. The detail Term of Reference for Employment Contract is presented in *Annex 2*.

1.3.1. CHARACTERISTIC OF PROJECT WORKERS:

The Department of Roads (DoR), Development Cooperation Implementation Division (DCID) and Geo-Environment and Social Unit (GESU) has the limited number of staffs to carry out their routine activities. DoR-DCID will establish a Project Management Unit (PMU), which will be responsible to oversee the project. In addition to that the project workers are responsible to carry out monitoring of overall provisions stipulated in LMP.

Direct Workers¹: Direct workers will be engaged under three major categories such as PMU, Project-based Staff and, Permanent Staff. The PMU will employ consultants and support staffs who are working on contractual bases as part of the PMU as listed below during the time of project implementation. Terms and conditions of these consultants are guided by prevailing the Public Procurement Act, 2007 and LA. The consultants will be engaged by the project to undertake short period assignments or the specific time of the project as necessary. The consultants are guided by specific contractual agreements between them and the SRCTIP.

Additional number of personnels under direct workers categories will be employed by the PMU and GESU for the implementation of environmental, social, occupational and community health and safety issues, including planning, monitoring and performance appraisal. These include:

- Project Technical Team
- Environmental Safeguard Advisor
- Social Safeguard Advisor
- Occupational Health and Safety Specialist
- Environmental Safeguard Specialist
- Gender Specialist
- Social Development Specialist
- Procurement Specialist
- Administrative and Financial Officer

¹A “direct worker” is a worker with whom the Program has a directly contracted employment relationship and specific control over the work, working conditions, and treatment of the project worker. Where government civil servants are working in connection with the project, whether full-time or part-time, they will remain subject to the terms and conditions of their existing public sector employment agreement or arrangement, unless there has been an effective legal transfer of their employment or engagement to the project.

In addition to that Construction Supervision Consultant (CSC), Contractors and other respective professionals as part of project team consider direct workers and additional staffing, if necessary.

Contracted Worker²: Based on the scope of works involved, the PMU will employ or engage contractors for carrying out the overall implementation of the works with required subcontractors for the supply of materials and installation of various equipment where different staffs (technical and non-technical) and workers (skilled/unskilled) are involved. The contractors will hire contracted workers both local and migrant based on their level of skills and project needs. The workers will be hired from the authorized supply channels, as per the guidelines stipulated in the LA, and are registered in Department of Labour and Occupational Safety (DoLOS). Workers may also be hired through labor broker (Naike)³, who supplies laborers and often manage them as subcontractors and it the duty of the contractor to ensure proper management of these labours. The hiring and engagement of the labour is solely depends on the contractor’s plan but in general practice and experience prevailed in other similar projects that the labours will be mostly non locals for specialized/skilled job, migrated from the other districts. However, the project will encourage the contractors to engage the local labours as possible. Regarding, the international labour, this possibility could be very less or may be not practiced in the other similar projects.

The following personnels under contracted workers category are required for day schedule work and remain engaged till the completion of construction work:

- Professionals (Project Manager, Site Engineer, Resident Engineers, Quality control engineer)
- Occupational Health and Safety Oofficer and OHS Inspectors.
- Logistic and facility officer
- Monitoring and supervision officer
- Administrative officer
- Information officer
- Finance Officer
- Manual labours (Operator and Driver, Skilled and Unskilled workers)

Primary Supply Workers: The project will engage the primary supply workers during the execution of the project under ESS 2. The provisions mentioned in the LMP are applies to all the workers came under the category of primary suppliers. In context of Nepal, particularly in

²A “contracted worker” is a worker employed or engaged by a third party to perform work or provide services related to the core functions of the project, where the third-party exercises control over the work, working conditions, and treatment of the project worker.

¹ A “Naike” is a leader of the group of the workers who will depute or supply construction worker. This is practiced in most of the places of Nepal especially in construction project.

construction sector, the major primary suppliers include the supply of cements, steel, stone, soil, sand, vehicle (construction and other material supplies), worksite facilities and required office support facilities.

1.3.2. INFORMATION ON WORKERS

The NNM and KDP road section will engage the workers under different categories which are estimated as follows:

Direct Workers: The estimated numbers of the workers under this category for NNM road section includes 42 personnel in different capacity in Construction Supervision Consultant (CSC) and 7 safeguard experts from DoR-DCID DCID out of 49 personnels whereas KDP includes 43 personnel in different capacity in CSC and 7 safeguard experts from DoR-DCID out of total 50 personnels.

Contracted workers: The detail design proposed the NNM road sections into three packages where Approximately 741635 man-days of skilled and 3711633 man-days of unskilled workers will be involved for the entire construction work for the proposed period of five years. The engagement could be at different stage of project activities till completion. Among all contracted workers, the expected number of women workers will be at least 33%. Moreover, the KDP has proposed for five packages except Hybrid Annuity Model (HAM) package and periodic road maintenance. The DoR detail design for KDP estimated number of contract workers will be 1000 including 600 migrant workers to be from outside for the proposed period of three years. Among all contracted workers, the expected number of women workers will be at least 33% percent. However, the number of labour engaged in Periodic Road maintenance work has not been estimated due to no subcomponent identified.

This estimation and information apply to all contractors/subcontractors. The recruitment of the workers will not be ascertained because of the nature of the contract that will be awarded. However, there would be possibility of recruitment of workers either/ or through brokers, intermediaries or agents for labour contract. Nevertheless, the contractor/ subcontractors are liable to apply the aforementioned conditions.

Primary Supply Workers: The details of the PS workers will not be ascertained, however, the workers under this category will be recruited and supplied by the suppliers so all the mandate needs to be complied by each supplier and individual worker.

2. ASSESSMENT OF KEY POTENTIAL LABOUR RISKS

The major activities accomplished under the NNM and KDP road section includes Site Clearance, Earthwork, Pavement works, Structural Works, Road Furniture and Traffic Safety, Bio-engineering Works, Geo Synthetic and Reinforced Wall, Bridge Construction Works, Bridge Repair and Rehabilitation, Foot over Bridge Construction. The major labour risks associated with the upgrading of NNM and KDP road and periodic road maintenance are risks of OHS including

wages disparity, accidents and incidents at the workplace, labour influx and associated CHS risks, SEA/SH risks including, human trafficking. The detail of the suggested due diligence for social and environmental mitigation measures in contracts is presented in *Annex 3*.

Occupational health and safety: OHS risk is likely to be high based on previous project experience and physical observation. The expected risks relate to potential for injury, traffic-related accidents, fall from height, poor working and living conditions of workers, use of hazardous chemicals, handling of heavy load, long working hour, risk of radiant heat and cold, exposed to mechanical risk, electric risks, and lack of PPEs.

The key potential OHS risk associated with construction and operation stages are listed below.

- Hazardous work and process: risk due to working at heights or in confined spaces, use of heavy machinery, or use of hazardous materials.
- Accidents or emergencies: exposure to unsafe machineries, flammable chemicals/fuel, construction materials, landslide at workplace, falling object, fall from height.
- General understanding and implementation of OHS requirements: work- related diseases (e.g. Allergies, Respiratory problems, Musculo-skeletal disorder, Eye problem), communicable diseases including Sexually Transmitted Infections (STIs etc.).

Child and Forced Labour: The project has a low risk of child labour, which will be mitigated by certification of labours' ages. Workers under the age of 18 will not be hired for the project, and will be required to provide legally recognized documents such as citizenship cards or birth certificates. Further, awareness-raising programs will be conducted regularly to the communities to sensitize on prohibition of the engagement of child and forced labour. Also, the awareness continued on the potential adverse impacts happened to child labour along with their supplier/organization and the legal actions against noncompliance if engaged. Besides, the involvement of the children along with the working parents at worksite will also be prohibited. However, if any noncompliance noticed during the project phase, the respective contractors are legally prosecuted.

Labour influx: Given the employment and supply chain opportunities that will be created from the project, labour influx in project area is expected and assessed as substantial risk. The prevalence of such risk might be due to the engagement of migrants or seasonal workers (as per previous experience on OHS). The focus of the current project's operational procedure is to localize the economic benefits with minimal opportunities for outside labour to service work that require specialized/skilled labour that is not present in project localities. The priority for local labour (based on skill, experience, capacity) is expected to minimize the risk of influx, where there is a requirement for special skills. The KDP baseline report prevailed that among the total surveyed population (4,929), 3.3 percent are involved as wage labour. Further, only 11.6 percent population have received skill training in the project area. Out of them, about 38.9 percent population have received skill training on driving, 27.4 percent on mechanic training, 14.1 percent on computer training, 2.7 percent on carpenter training and 1.7 percent masonry training that can be useful for the project.

For migrant workers, labour camp will be established for worker accommodation at project site at yard, batching plant and other rented private buildings. Specific requirements to manage or mitigate risks associated with labour influx, related to the interaction between project workers and local communities, such as communicable diseases and gender-based violence, most specifically sexual exploitation, abuse and sexual harassment, will be managed through contractual requirements, code of conduct and training set out in this document . These procedures are guided by LA, 2017 and ESS 2.

Labor Camps and Camps Management: The establishment of labor camps in project areas at yard, batching plant and other rented private buildings may result in land encroachment; solid and liquid waste from the labor camps, as well as potential community health issues, including SEA/SH risks, are some of the key risks related to this issue. Contractors will be responsible for ensuring that no solid or liquid waste is discharged into bodies of water, and they will instruct workers to keep the camps clean. Furthermore, through enforcing a Code of Conduct for all workers and with the community to raise awareness about STDs, SEA/SH, and the project GRM.

Gender-based violence: The gender-based violence (GBV) risk assessment for the project is rated as substantial, indicating the potential for labour to create or exacerbate patterns of GBV, SEA, SH risk. Construction workers are predominantly younger males. Those who are away from home on the construction job are typically separated from their family and act outside their normal sphere of social control. This can lead to inappropriate and criminal behaviour, such as sexual harassment of women and girls, exploitative sexual relations, and illicit sexual relations with minors from the local community. A large influx of male labour may lead to an increase in exploitative sexual relationships and human trafficking where by women and girls are forced into sex work.

Therefore, a SEA/SH Risk Mitigation Action Plan has been developed for SRCTIP to identify the issues, stakeholders, possible service providers, and assess their capacity, and document the legal and institutional mechanisms that aid in accessing grievance redressal. Mitigating measures include orientation and awareness campaigns on GBV/SEA/SH, zero-tolerance policies at the workplace and in the labor camps for SEA/SH, COCs, and follow-up orientations on SEA/SH for workers. Furthermore, cases of GBV/SEA/SH will be referred to the GBV service provider who will be hired by the project to respond to such cases in a survivor-centric approach.

Contractors should refer to this plan when developing their SEA/SH Risk Mitigation Action Plans. The plan should include a clear set of rules and responsibilities, detailing how SEA/SH-related costs will be paid in the contract, in the procurement documents to mitigate risks, and in SEA/SH requirements and expectations to be incorporated in the bid documents.

Human Trafficking: Trafficking in persons is defined as the recruitment, transportation, transfer, harbouring or receipt of persons by means of the threat or use of force or other forms of coercion, abduction, fraud, deception, abuse of power, or of a position of vulnerability, or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purposes of exploitation. Women and children are particularly vulnerable to trafficking. As for the KDP road section, the project area is closer to India, where there is a high

potential for human trafficking due to the open border between India and Nepal. The project will enforce stringent requirements to ensure the contractor, sub-contractors, labour suppliers (Naike) will not hire trafficked workers. These requirements will be spelled out in the bidding document, contract and C-ESMP, and in case of non-compliance contractor will be subjected to legal prosecution by applicable national laws.

For the effective management of LMP the procedural format required to be documented are presented in Annexes such as code of conduct in *Annex 4*, employee & labor registration format in *Annex 5*, Grievance register format in *Annex 6*, OHS management framework template in *Annex 7*, Use of Personal Protective Equipment (PPE) in *Annex 8*, implementation format in *Annex 9*, management of labour camp in *Annex 10*, OHS training description format in *Annex 11*, Worksite Accident/incident Register format in *Annex 12* and Monitoring and evaluation at field in *Annex 13*.

3. OVERVIEW OF LABOUR LEGISLATION: TERMS AND CONDITIONS

The fundamental right of the labour management begins with the constitutional right stipulated in the Constitution of Nepal 2015, through various articles such as the right against exploitation (article 29); the right to a clean and healthy environment (article 30); rights to fair labour practice including appropriate remuneration, facilities and contributory social security (article 34), and policies relating to labour and employment (article 51). The LA and WB ESS has found the following gaps (listed in Table 1) and needs during the desk review process.

Table 1: Major gaps of national legislative system (LA with respect to the WB ESS 2 and ESS 4)

WB ESS	Gaps
ESS 2: Labour and Working Conditions	The LA encompasses OHS legal provisions (Section 12) mostly related to manufacturing industries and only few special provisions for construction sectors have been stipulated.
	Construction related work standards and compliance have not been developed and lack of procedures for performance appraisal.
	The LA does not specifically require that development be assessed and reviewed in terms of labour and working conditions including OHS requirements before approval
	The LA does not require development projects to prepare Labour Management Plans/Procedure or OHS Plan.
	The LA prohibits the use of child labour, however is does not stipulate what the age of a child is. The Child Labour (Prohibition and Regulation) Act, 2001 prohibits the employment of any child below the age of 14 while children below the age of 16 are prohibited to work in hazardous work environments such as construction-related works.

ESS Community Health Safety	4:	LA has not clearly illustrated the provision for CHS, rather have highlighted to avoid the discharge of harmful substances and waste to the community.
	and	The Environment Protection Act, 2019 covered under EIA, but the systems do not provide clear requirements for the development project and implementation.

More specifically, the Labour Management Provisions are reflected in LA, Labour Rule, 2018 (LR), Child Labour (Prohibition and Regulation) Act, 2000 (CLA) and ESS 2, paragraph 11 (i.e. wages, deductions and benefits) to ensure right, interest, facilities and safety of all forms of labours. This aims to establish harmonic relationship among employer and workers as well as good culture of work. The glimpse of the legal obligation as term and conditions applicable to LMP are:

- Provision of labour against the engagement of force labour, child labour at work, discrimination and equal pay at work.
- Provision for employment for five categories of employment based on the time and nature of work.
- Provision of employment contract for all types of labours. This include (a) nature of employment, (b) primary work of the Employee and his/her position, (c) statement that the Employees' Service Rule will be integral part,(d) remuneration or wages, (e) overtime, compensation and benefits, (f) terms of the employments of the Employee (g) date, time and schedule of work, (e) payment mode and such other matters as prescribed, (f) rest per week, annual holiday and sick, maternity and family leave, as required by national law and labour management procedures.
- Provision of part time work and social security for the workers.
- Provisions for issuing work permit for foreign labour.
- Provision for labour supply and the responsibility of the suppliers towards labour. This states employer must obtain the workers from licensed labour supplier. If outsourced workers are not from the licensed labour supplier, they are deemed to be workers of the main employer The employer should ensure the workers are provided minimum remuneration and facilities as per this act.
- Provision on OHS including role and responsibility of suppliers and manufacturer.
- Provisionsforspecialtypesofindustriesandfacilitiesprovidedsuchasteastate,transport,andco nstruction.
- Provisions for good culture of work, and discipline at work and performance for labour.
- Provision against harassment, and sexual abuses.
- Provision for handling dispute and bargaining.
- Provision for labour audit for each workplace.

- Provision of non-discrimination based on caste/ethnicity, gender, religion, language, origin and ideology.
- Provisions for fair and unfair reasons for termination of employment. This includes written notice of termination of employment and details of severance payments in a timely manner.

The CLA is the main legal expedient to prohibit engaging children in factories, mines or similar risky activities and to make necessary provisions in regard to their health, security, services and facilities while engaging them in other activities. The Act establishes the minimum age of work at 14, and the minimum age for hazardous work, such as construction-related work, at 16. Under Section 4, the engagement of child in works as a labour 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.

The LA, has clearly described all things related to labour and workforce including wage and salary, termination, redressing, work environment, female worker, recruitment, unionization, child labour and so on. The salient features of LA provisions relevant to work in road construction sector are as follows:

Contracts of employment: LA has provisioned for the contract to all types of the employment relationship. This includes employment types, involvement of workers, employment relationship, provision period, work continuation for all short- term and long-term contracts. And, no one shall be involved without employment contract.

Work hours: Working hours continue to be 8 hours a day and 48 hours a week as per article 28 of the LA. Overtime has been increased to 24 hours per week from 20 hours a week. The act provides arrangement for transportation while engaging female workers for the extended period after the sunset.

Work hours of labours can be managed properly by creating work schedules, tracking employee hours and managing absences. For efficient management, software technologies and monthly timesheet can also be applied that will use real-time data to make crucial workforce decisions.

Wages: The term "Wages" means all economic benefits including salary, any bonus, and remuneration for overtime work, holiday or leave, termination of employment or other additional remuneration payable under the terms of employment. Every employer is responsible for the payment of wages to labours employed by them. In the case where the wages of a worker employed by a contractor are not paid by the contractor, the wages must be paid by the employer of the establishment. The maximum wage period is one month. The wages of every worker must be paid before the expiry of the 7th working day after the last day of the wage period in respect of which the wages are payable.

Public sector labour's wages are set by the National Pay and Wages Commission and may not be

disputed. In the private sector, wages are set by the industry, and collective bargaining rarely occurs due to high unemployment and labour's concerns over job security. The legal work week is 48 hours, with one day off mandated.

The Ministry of Labour, Employment and Social Security has recently prescribed the minimum remuneration/wage of the workers is NRs. 17,300 monthly, NRs 668 daily and NRs 89 hourly and for part time work NRs 95 hourly under article 106 of the LA, by publishing a Gazette notification (section 73, number 24, volume 5, August 17, 2023) ("Gazette Notice"). Moreover, the province ministries and local palikas would also develop their own wages for the construction workers so that it could also be reviewed and adjust in a contract accordingly. In addition to the Minimum Wage/Remuneration, Provident Fund and Gratuity will be provided in accordance with the LA and Contribution Based Social Security Act, 2017 and other applicable prevailing laws.

Where the employment of a worker is terminated by retirement or by the employer, whether by way of retrenchment, discharge, removal, dismissal or otherwise, the wages payable to him must be paid before the expiry of the 30th working day from the day on which his employment is so terminated. Wages have to be paid in legal tender, through cheque and in some cases (given the requirement of the labours) through an electronic transfer in favour of the bank account of the worker or through any other digital medium. Wages must be paid on a working day. No deduction can be made from the wages of a worker except those authorized by the Labour.

Workers union: The LA entrusted the right of labour to involve or affiliation to the trade union organization. The law also provides the provision of formation of trade union where the number of workers exceeds 10. The committee formed in accordance with such provisions will be responsible for collective bargaining agreement and is authorized to submit collective demands, negotiate and settle the demand, among other things. The act also entrusts to form a labour relation committee comprised of management and workers where more than ten labours are employed for handling and settlement of workplace issues. The discrimination will not be accepted against developing alternative mechanisms to express their grievances and protect their rights regarding working conditions, terms of employment as well as collective bargaining or alternative mechanisms.

Regular leaves and benefits: According to LA, every worker must enjoy paid sick leave, casual leave, and festive holiday, mourning leave. The labours would get festival allowances as per the rules. The act has also made it compulsory maternity leave from two weeks before the delivery up to at least six weeks after the delivery.

There have been also major changes in the terminal benefit provided to the workers such that the benefits are provided to each labour irrespective of length of service or nature of employment. The act provides the provision of terminal benefits to the permanent and for certain benefits such as gratuity the worker should have completed certain year of services. There have been also changes in the benefits such as rate of gratuity and leave encashment etc.

Maternity/Paternity leave: According to LA, female worker will get paid maternity leave. An

expectant mother would be entitled to 98 days maternity leave. Full paid up to 60 days after submission of the necessary documents. The act also has a provision of the 15 days fully paid paternity leave.

Safe work environment- Health/ Safety/ Welfare: The LA entrusts to constitute a Safety and Health Committee where 20 or more workers are engaged (article 74). Also, the employer shall constitute the Collective Bargaining Committee (article 116) where 10 or more workers are engaged in the entity. This act also ensures worker safety, health and resolving any kind of disputes and unfairness.

Social Security: The LA requires the retirement fund such as (a) gratuity, and (b) provident fund to be deposited in the Social Security Fund. This also includes medical and accidental insurance for all workers at workplace. Furthermore, Contribution Based Social Security Act, 2017 has provisioned for different type of benefits including accidental and maternity.

Notice periods: The LA made provision on the termination of employment voluntarily by submitting a resignation letter. The employer must approve the resignation within 15 days and provide a notice thereof to the worker. Even if the employer does not approve the resignation, there resignation becomes effective on the next day of the expiry of the 15days time. However, if the worker continues to work in the entity even on the effectiveness of resignation in such situation the resignation is deemed cancelled.

Termination is considered a “discharge” in the case that a worker is fired for reasons of mental or physical incapacity, illness or other reasons not related to misconduct by the worker. An employer must pay compensation when a termination is unrelated to discharge or dismissal and must give justification when they do terminate on grounds of discharge or dismissal.

The article 132 of LA also prohibits the sexual harassment and violence in the workplace. If anyone found to be involved in the sexual misconduct the service may be terminated on the basis of seriousness of offence.

Penal provisions for misconduct: LA made provision for reprimanded/warning, condition for deduction of one day’s remuneration, conditions for withholding of annual salary increment for one year or withholding promotion for one year, condition for suspension up to 3 months and condition for dismissal from service.

Retrenchment of employment: LA made provision on protection of employment other than the provisions such as time bond employment, self-resignation, work efficiency and bad health condition. In such condition advance notice will be circulated to the concerns. No workers are discriminated and treated fair and unfair reasons for retrenchment against legal mandates. If otherwise happens, the worker’ union facilitated discussion with the management or contractors to settle down the issues at workplace if not success the formal official legal provisions like appeal to LO or Labour Court are applied.

Dispute settlement and bargaining: The LA highlighted on the condition and procedure for handling of dispute and bargaining for work and workplace. Stepwise process needs to be followed

according to the article 113 to 129.

Non- Applicability of the LA: The LA as per article 180 is not applicable to the following entities:

- Civil Service
- Nepal Army, Nepal Police, Armed Police force.
- Entities incorporated under other prevailing laws or situated in the Special Economic Zones to the extent separate provisions are provided.
- Working journalists, unless specifically provided in the contract.

The project needs to introduce the practices to develop standards code of conduct (COC), condition of contract agreement by including all legal clauses, collective agreements and other special terms and condition for each labour, service providers, contractors, subcontractors and other project parties.

4. OVERVIEW OF LABOUR LEGISLATION: OCCUPATIONAL HEALTH AND SAFETY

Special provisions related to OHS and working condition have been stipulated in the section 12 of LA and section 7 of LR, ESS 2 (labour and working condition) and the IFC General EHS Guidelines, 2007. The provisions are made to protect the labour and concerned people at the workplace against hazards to safety and health arising in connection with the activities. This act 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.

The legal obligations on OHS, applicable to LMP, are listed below:

- Provisions to demonstrate OHS policy at workplace.
- Responsibility of employers towards worker such as information, facility, personal protective equipment (PPE) and training on all kinds of OHS related training and responsibility of workers for work and use of safety gears.
- Provision regarding the protection of non-labours such as visitors and others.
- Provision OHS includes role and responsibility of manufacturer, importer and suppliers for assurance of OHS for their goods and services.
- Provision for appointing responsible person (OHS Officer) at the workplace for OHS implementation. Under this there will be joint safety and health committee comprising of supervisor and workers at worksite.
- Provision for immediate shutdown of work and machineries in case of severe OHS concern.
- Special provision for OHS for eye protection, protection against harmful chemicals,

operation of pressurized machine/vessel, machine guarding, handling/lifting of load, fire protection, provision against fatigue.

- Information to respective LO against accident, fatality and disease happened due to work.
- Provision for treatment and prevention of communicable diseases.
- Specifies requirements for workplace in terms of health and safety such as: proper cleanliness, passage of fresh air, proper light and temperature, solid waste management, noise control measures, healthy drinking water, bath room or modern toilet, mandatory medical check-up for the entities undertaking health hazardous activities, provide appropriate time for the lunch to the workers, child care center for children under three years. Tentative locations and provisions to be adopted for efficient management of labour camps is given in Annex 9.
- Provision of onsite first aid and primary healthcare.
- Provision of accident investigation, inventory of work-related diseases and compensation.

There are two components of CHS. One is the physical safety of project communities who are exposed to the project activities during construction and operation, including risks of accidents and risks of violence due to increase in crimes and cultural conflict between locals and migrant population. The other pertains to the exposure and/or increased risks of diseases by the community due to influx of people during construction and operation and due to the changes in the project area, including pollution and ecological change. The physical safety aspects are partly addressed by the OHS provisions of LA. Other laws have specific provisions that address part of ESS 4.

Health and Safety Offences:

The LA provides more stringent sanctions for the violation of the provision of such act. The sanctions include fine, imprisonment and both. The authority to impose sanction also depends on nature of violation. As per the act there are three institutions viz; the LO, DoLOS and Labour Court.

If any entity is found of discriminating among the labour, they will be fined up to NRs 100,000 and order to maintain equality may be given. Similarly engaging a worker without appointment letter or employment agreement fine up to NRs. 500,000 at a rate of NRs. 10,000 per worker; the order to conclude an employment agreement and provide an appointment letter shall also be given. Likewise, for engaging a bonded labour, imprisonment up to 2 years or fine up to NRs. 500,000 or both. The Labour Court can require the entity to provide such bonded labour with remuneration, allowance and other facilities, as well as to indemnify the bonded labour with an amount double such remuneration, allowance and other facilities.

If the entity does not make health and safety arrangements knowingly and as a result the worker dies or suffers physical or mental injury: Imprisonment up to 2 years, except otherwise provided. Such person suffering the injury should be compensated.

Table 2: Conformance of the LA with key elements of the ESS 2

Key Elements of ESS2	Provisions in the LA
Equal Opportunity and Non-discrimination	The law contains important provisions prohibiting discrimination based on sex and disability, including equal wages for equal work (article 6 and 7).
Timely payment	Wages must be paid before the expiry of the terms reflected in section 8. The difference of the payment mode will not exceed a month.
Working hours and overtime	48 hours per week extendable up to 72 hrs. with 24 hrs. over time (section 7)
Minimum Wage	The minimum wage (section 8) and the payment will be done in accordance with article 35. Provision for basic wage for package work (article 170)
Worker rights.	Regular leaves and benefits (article 9 and 10) The employer must provide reasons for termination (article 21)
Prevents use of all forms of forced labour and child labour	The Act establishes the minimum age of work at 14, and the minimum age for hazardous work, such as construction-related work, at 16.
Protection of Workers	Fundamental provisions for workers (article 2) Schedule of work (article 7) Provisions for internal management of workers (article 17) Dispute settlement (article 18 and 19) Disciplinary and penalty (article 20)
OHS	The law provides for comprehensive OHS (Annex 1 for details) and empowers DoLOS to conduct inspections of establishments and to impose penalties for violations or non-compliance (section 12)
Children at Working Age	The Act establishes the minimum age of work at 14, and the minimum age for hazardous work, such as construction-related work, at 16.
Women	60 days of paid maternity leave for expectant mothers is mandatory (section 9, article 45)
Person with Disabilities (PWD)	Person with Disabilities Rights and Protection Act, 2013 provides for rights to discrimination-free employment opportunities
Migrant Workers	No special provisions for migrant workers but provisions for foreign workers (article 6)
Contract Workers	In the case if the wages of a worker employed by a contractor are not paid by the contractor, the wages must be paid by the employer of the establishment.
Community Workers	The LA does not recognize community workers as defined in the ESS 2 and hence does not provide any special considerations for such contracting arrangements. The LA requires that all labour supply contracting agency will have to be formally registered and workers

Key Elements of ESS2	Provisions in the LA
	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 labours and their working conditions. Workers of suppliers will have to be the responsibility of the suppliers.
Freedom of association and collective bargaining	Where 10 or more workers are engaged in the entity, employer shall also constitute the Collective Bargaining Committee as per section 116 of LA but the government does not permit any collective demand in following area providing essential service, or (b) established in Special Economic Zone, (c) state of Emergency declared as per the Constitution.
Access to a grievance redress mechanism	Workers can seek direct civil law redress from the Labour Courts for complaints regarding terms and conditions of the employment and wages. While health and safety, maternity welfare and child labour offences are subject to criminal prosecution.

Contractors have the mandate to comply with all mentioned requirements and also make their employee compatible towards handling and management of entire OHS condition at workplace. This may be ensured through providing the required facilities and develop their capacity. Also, through developing standard commitment paper submitted to contractor during the bid process included into bid documents as mandatory requirements. Additionally, development of OHS management plan and implementation framework need to be developed. OHS management plans developed by the contractors may be subject to be reviewed and due diligence by the WB.

4.1 POLICIES AND PROCEDURES RELATED TO GENDER/GBV

The Sexual Harassment at Work (Prevention) Act, 2014 along with the LA, which contains provisions pertaining to preventing sexual harassment at workplaces, to ensure that everyone has the right to work in a safe environment and this applies to NNM and KDP road section. Moreover, the legal provisions mandate on employment or fair treatment of project workers. There shall not be made any discrimination on the basis of personal characteristics. The PMU will incorporate such requirements of SEA/SH under risk mitigation action plan and worker COC in the BID document. A copy of signed COC shall be in hand to employee/personnel/worker and made documented.

5. RESPONSIBLE STAFF

The overview of responsible staff and oversight mechanisms has been described in the institutional arrangement of ESIA of both NNM and KDP Road Project. The OHS Specialist under the PMU oversee all aspects of the implementation of the LMP, in particular to ensure contractor compliance. The contractor will be responsible to address LMP as part of procurement for works

and subsequently responsible to manage LMP provisions. The CSC is responsible to facilitate for the implementation of LMP in close coordination with PMU. Besides, CSC need to work in close cooperation with OHS officer of contractors for the implementation and supervision of LMP for contractor. The OHS expert of CSC needs to coordinate to PMU through OHS Specialist.

The project will form a team of responsible staffs to carry out the following activities:

- Engagement and management of project workers.
- Engagement and management of contractors/subcontractors/labour supplier.
- Implementation of OHS.
- Training of workers.
- Addressing worker grievances.
- Labour camp management.
- Emergency preparedness plan.

Table 3: The staff and their scope of work

Staff	Specialization, Functions or Area of Coverage
Project Technical Team	Support PMU in implementation of project
Environmental Safeguard Advisor	Supports the PMU in implementing the environmental safeguard issues including planning, monitoring and performance appraisal.
Social Safeguard Advisor	Supports the PMU in implementing the social safeguard issues including planning, monitoring and performance appraisal.
Environmental Safeguard Specialist	Supports the PMU and Environmental Safeguard Advisor in implementing the environmental safeguard issues including planning, monitoring and performance appraisal.
Social Development Specialist	Supports the PMU and Social Safeguard Advisor in implementing the social safeguard issues including planning, monitoring and performance appraisal.
OHS Specialist	Specializes and provides technical backstop on OHS and labour management and community health safety issues, post-construction management measures for road safety including planning, monitoring and performance appraisal.
Procurement Specialist	Supports the PMU in implementing procurement activities including planning, monitoring and performance appraisal.
Administrative and Financial Officer	Support PMU in all administration, financial and other required administrative support.

The CSC in close cooperation with OHS officer of respective contractors will work for the implementation and supervision of LMP for contractor and also coordinate to PMU through OHS Specialist.

Labour and Working Conditions:

The OHS Officer engaged in the respective contractor will be responsible to develop a comprehensive commitment plan for labour and working condition in accordance with specifications and keep record set up in LMP as discussed: records of workers engaged under the project, including work and workers' category, contracts, hours worked, remuneration and deductions (including overtime), payment mode, collective bargaining agreements, capacity development plan, workplace code of conduct. And, contractors are obliged to comply with maintain all requirements and keep their records updated. Also, address the provision of labour accommodation, welfare and other workplace facility.

The working schedule for the day will be 8 hours and 48 hours per week. Additionally, the wages, leave, welfare, social security, insurance and safety measures for all employees will be provided as per the provision made available by Ministry of Labour Employment and Social Security. The discrimination will not be accepted against gender, caste, ethnicity as reflected in LA.

The DoR-DCID may require records any time to ensure that labour conditions are met. The PMU will review records on a monthly basis and can require immediate remedial actions, if needed. A summary of issues and remedial actions will be included in the quarterly reports to the WB. The gross minimum wages and facilities for all category of staffs and workers may applies as listed:

- The executive/professional, experts and specialists by considering procurement policy of WB.
- The support staff by considering the public procurement act, 2007.
- The skilled and unskilled labours by considering minimum labour wage and benefits as per the LA.

6. EMPLOYMENT OPPORTUNITY AND TIMING OF WORK

6.1. EMPLOYMENT OPPORTUNITY:

The employment of project workers will be based on the principle of equal opportunity and fair treatment, and there will be 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 equal opportunity for all category of labour since recruitment shall be provided through employment contract along with the benefits and facilities including timing of work in regards to establish decent work. The discrimination shall not be acceptable at any level. The employment to the new persons shall be taken as mandate by LA. The employment on OHS has been the major concern for the OHS implementation at work for that DoR-DCID is committed to:

- (i) Comply with legislation which relate to OHS requirements as stipulated in LA, LR, OHS policy, 2019, ESS 2, ESS 4, CLA and The Sexual Harassment at Workplace (Prevention)

Act, 2014.

- (ii) Prevent OHS risks through promotion of appropriate skills, knowledge and attitudes towards hazards;
- (iii) Contribute to improve OHS management system and performance during project implementation;
- (iv) Develop budgetary plan for OHS improvement including capacity development and performance assessment. This will be based on the project activities which will be determined during detailed design, and will be reflected in bid documents.
- (v) Communicate OHS provisions to all persons, working under control of the PMU with emphasis on individual OHS responsibilities.

To implement OHS at work, an OHS Expert and OHS Inspector will be required in CSC for each project for an agreed period. The qualifications required for the expert will be Masters in Science, Engineering or equivalent, with a minimum of three years of practical working experience, whereas for the Inspector a minimum +2 level or diploma in science, engineering or equivalent with 1 year of practical experience will be required.

At a minimum, the Representative must:

- Identify potential hazards and confirm that the appropriate measures are in place before hazardous tasks are done: likely during excavation, operation of construction vehicles such as excavators and dump trucks, operation of crusher plants, operation of quarry sites. Typical health hazards could be encountered during rock cutting, slope cutting, working in bridge over river, equipment handling etc.;
- Collaborate with contractors, investigate the causes of accidents at work place. The OHS Expert will carry out the investigation and determine the need for further remedial actions and put in place these actions. Independent experts will be hired for a short term to carry out detailed investigation. Further, a safety audit will be carried out as stipulated in the LA.
- Inspect the workplace, including plant, machinery, technology, project sites and social environment with a view of establishing the safety and health of employees;
- Attend meetings of the Safety and Health Committee, being as member;
- Make recommendations to employer and take action in respect to safety and health matters, affecting the employees.
- Develop capacity building and monitoring plan.
- Develop emergency preparedness and management plan.
- Develop OHS Management Framework and compliance plan.
- Report and record all OHS related issues mainly focusing on the workplace accident.

Workers could encounter injuries and accidents (sometimes casualties) in lack of adequate safety measures. And, project is paying high compensation in terms of human life, economy and society and also, face high burden to the project during construction and operation. Also, lack of capacity and training to workers on safe operation of heavy equipment make job become risky. Other possible health impacts are respiratory and eye diseases due to exposure to dust, and smoke. Similarly, unhygienic sanitary condition e.g., lacking of latrines and washing facilities and unsafe water increases the chances of additional and often endemic diseases like diarrhea, dysentery and cholera.

To avoid workplace health and safety issues including accidents and injuries, the Contractor will:

- Develop workplace OHS policy and OHS management framework, based on LA, LR, and WB policy.
- Provide OHS training to all employees engaged in work.
- Conduct workplace assessment and develop implementation plan.
- Provide workers in dusty and high noise areas with masks and ear plugs/ear muffs; higher levels of protection will be provided for more hazardous work, including use of PPE.
- Demarcation of workplace and noticed for hazardous area where applicable.
- Accident reporting, notification and investigation practices at each workplace required,
- Safety sign and symbols displayed at workplace.
- Ensure availability of first aid boxes; also identify and service agreement done with specialized hospitals for complicated accidental cases and health problems. Specific details will be included in the emergency management plan.
- Provide employees with access to toilets for male and female and potable drinking water;
- Provide occupational safety measures to workers with specific PPEs like ear muff, protective mask, helmet, safety boot, hand glove, safety goggle, face shield, apron, safety belt, etc.
- Workplace hazard communication practices and hearing conservation programme required.
- Properly dispose of solid waste at designated permitted sites landfill allocated by the local authorities and cleaning funds; and attach the receipt of waste from the relevant land fill authority.
- Carry out all procedures to prevent leakage of generator oil into the site.
- Ensure that the head of the well is covered tightly.
- Provide secondary tank for oil and grease to avoid spills.

Additionally, the minor incidents are reported to PMU on a monthly basis and serious incidents are reported immediately to the CSC/engineer. Minor incidents are reflected in the quarterly reports to the WB, major issues are flagged to the WB immediately.

In the event of an incident or accident that has a significant adverse effect on the environment, tangible cultural heritage, the communities affected, the public, or workers connected to or have an impact on the Project, the contractor will inform the CSC/Engineer and PMU within 24 hours. In addition, the PMU will notify the WB no later than 48 hours after learning about the accidents or incidents.

Further to enforcing the compliance of environmental management, contractors are responsible and liable of safety of site equipment, labours and daily workers attending to the construction site and safety of citizens for each subproject site, as mandatory measures.

6.2. TIMING OF WORK

Direct Workers:

Direct workers are eligible to work for a fixed contract period and contracts will be renewed yearly based on satisfactory work/service performance. CSC will be engaged to calculate labour requirement and time schedule of the construction works. The timing and frequency of labour will depend on the nature of work. The day schedule of work will be 8 hour/day (48 hour/week). The consultant will be on board before the award of contract by DoR-DCID. This applies to both NNM and KDP.

Contracted Workers:

Contracted workers are eligible to work for a contract period fixed by the PMU, and then recruited by the Contractors. Their contracts will be renewed, if required, based on satisfactory work/service performance. The above estimated numbers of contracted workers will be deployed at different locations depending upon the demand and nature of the job. The timing and frequency of labour will depend on the scope of the work. The day schedule of work will be 8 hour/day (48 hour/week). The proposed workers will be mobilized after contract award.

Primary Supply Workers:

Based on the requirement of the project, primary supply workers will be recruited by suppliers as required. The timing could be as per the agreement between contractor and suppliers.

7. LABOUR INFLUX AND GENDER BASED VIOLENCE

As a core contractual requirement, the contractor is required to ensure all documentation related to environmental and social management, including LMP, is available for inspection at any time by the PMU or its appointed parties. Contractors will need to maintain sound labour relationship with local communities through COC. The COC commits all persons engaged by the contractor, including sub-contractors and suppliers, to acceptable standards of behaviour. The COC must include sanctions for non-compliance, including non-compliance with specific policies related to

gender-based violence (GBV), sexual exploitation, abuse and sexual harassment (SEA/SH) (e.g., termination) including child sexual abuse, exploitation and harassment (CSEAH). The COC should be written in plain language and signed by each worker to indicate that they have:

- Received a copy of the COC as part of their contract;
- Had the COC explained to them as part of the induction process;
- Acknowledged that adherence to this 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.

A copy of the COC shall be displayed in a location easily accessible to the community and project-affected people. It shall be provided in Nepali.

Contractors must address the risk of gender-based violence, through:

- Mandatory training and awareness-raising for the work force about refraining from unacceptable conduct toward local community members, specifically women. A detailed training plan along with the calendar could be scheduled and design as per the site-specific labor management plan.
- Informing workers about national laws that make sexual harassment and gender-based violence a punishable offence which is prosecuted;
- Adopting a policy to cooperate with law enforcement agencies in investigating complaints about gender-based violence;
- Visible signage on zero tolerance against GBV and CSEAH should be placed around the project area.

The contractor will prepare a SEA/SH Risk Mitigation Action Plan, as discussed above. This process will be overseen by GBV Officer (Focal Person) who shall identify and engage the relevant stakeholders on GBV issues.

8. AGE OF EMPLOYMENT

The LMP in accordance with the LA and ESS 2 has adopted the standard desk review of related references and reports and legal valid documents followed by the field study by consultation with concerns project and project parties both at central and project alignment site. This applies to NNM and KDP road sections. The mandatory provision of minimum age by law for the hiring of labour is 18 and no children under this age are allowed to work. If any contractors are found employed a person under the age of 18 years, the respective contractor will not only be terminated but also be reported to the authorities for legal prosecution. To assure for this compliance the evidence such as birth certificate or citizenship or other legal notices/papers issued by the government will be taken to demonstrate the age.

9. TERMS AND CONDITIONS

As stated in section 4 of this LMP the terms and conditions of employment are governed by the LA and the requirement of ESS 2. The Act makes it mandatory for employers to give its workers a copy of the written particulars of employment, signed by both parties. For this program, contractors will be required to provide all its workers with written particular of employment.

Contractors will also be required to comply with the most current regulation of wages which is issued by the Government and reviewed on a regular basis. The order specifies the minimum wages, hours of work, over time pay, leave entitlements, travelling and subsistence allowances and the issue of protective clothing.

The act states that before a contractor is awarded a public contract, that contractor is required to certify in writing that the wages, hour and conditions of work or persons to be employed by the respective contractors on the contract 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 withdrawn as an approved contractor upon recommendations of the PMU.

In ensuring full compliance with the law in this regard, contractors will be required to furnish PMU 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 worker to work in the project if such copy of employment of that worker has not been handed to PMU.

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

The wage, hours of work, maximum no of hours will be applied as mentioned in section four of LMP.

9.1 WORKER'S ORGANIZATION

The LA has protected the right of labour to involve or affiliation to the trade union organization.. The LA enacted to give effect to the collective bargaining, amongst other purposes. The Act allows for the collective negotiation of terms and conditions of employment. The discrimination will not be accepted against developing alternative mechanisms to express their grievances and protect their rights regarding working conditions, terms of employment as well as collective bargaining or alternative mechanisms. Labour relation committee comprised of management and workers will be applicable in any workplace where more than ten labours are employed for handling and settlement of workplace issues.

The PMU does not forbid the workers with the right to join and form an organization for purpose of labour representation to negotiate favourable terms and conditions for their members amongst

other rights.

10. GRIEVANCE MECHANISM

In any working environment it is essential for both employers and workers 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:

- Disciplinary action
- Individual grievances
- Collective grievances and negotiation of collective grievances
- Gender-based violence, sexual exploitation and workplace sexual harassment including (CSEAH), recognizing that SEA/SH cases require prompt response with a survivor centric approach (assuring quick access to services, confidentiality, safety, consent, non-discrimination and respect to and of the survivor).

10.1 DISCIPLINARY PROCEDURE

The starting point for all disciplinary action is rules. These rules may be implied or explicit and of course will vary from workplace to workplace. Some rules are implied in the contract of employment (e.g. rule against stealing from the employer), however it is advisable that even implied rules be included in the disciplinary code or schedule of offences. In an organized workplace these rules ideally are negotiated with the trade union and are often included in the Recognition Agreements signed by the employer (here contractor) and trade union. These workplace rules must be:

- a. Valid or reasonable;
- b. Clear and unambiguous;
- c. The worker is aware, or could reasonably be aware of the rule or standard; and
- d. The procedure to be applied in the event the worker contravenes any of these rules.

The PMU will establish a fair and effective disciplinary procedure in the workplace, as follows:

- a. Conduct an investigation to determine whether there are grounds for a hearing to be held;
- b. If a hearing is to be held, the employer will notify the worker of the allegations using a form and language that the worker can understand;
- c. Worker is to be given reasonable time to prepare for the hearing and to be represented by a fellow worker or a union representative;
- d. Worker must be given an opportunity to respond to the allegations, question the witnesses of the employer and to lead witnesses;

- e. If worker fails to attend the hearing the employer may proceed with the hearing in the absence of the worker;
- f. The hearing must be held and concluded within a reasonable time and is to be chaired by an impartial representative.

If worker is dismissed, it must be given the reasons for dismissal and the right to refer the dispute concerning the fairness of the dismissal. Therefore, it is incumbent upon the Contractors to ensure that they have a disciplinary procedure and 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.

10.2 INDIVIDUAL GRIEVANCE PROCEDURE

Based on Nepal's country regulations and in accordance with the requirements of ESS 2, the project will have a formal grievance handling procedure and mechanism for workers to submit complaints related to their conditions of their work, as noted above. The procedure comprises:

- a. Specify to whom the worker should lodge the grievance;
- b. Refer to time frames to allow the grievance to be dealt with expeditiously;
- c. Allow the person to refer the grievance to a more senior level within the organization, if it is not resolved at the lowest level;
- d. If a grievance is not resolved the worker has the right to lodge a dispute with the PMU and then to LO.

All the contractors who will be engaged for the project will be required to produce their grievance procedure as a requirement for tender which at a minimum comply with these requirements. In addition, good international practice recommends that the procedures be transparent, is confidential, adheres to non-retribution practices and includes right to representation. After they are engaged, they will be required to produce proof that each worker has been inducted and signed that they have been inducted on the procedure.

10.3 COLLECTIVE GRIEVANCES AND DISPUTES RESULTING FROM THE NEGOTIATIONS OF COLLECTIVE AGREEMENTS

Where the trade union is recognized, it is entitled to negotiate on a regular basis with the employer over terms and conditions existing at the workplace and the employer is obliged to negotiate with it. The procedures followed in such instances is usually contained in the agreement, which state how the issues are 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 labour legislation.

10.4 GENDER-BASED VIOLENCE, SEXUAL EXPLOITATION AND WORKPLACE SEXUAL HARASSMENT

Provisions related to GBV and sexual harassment are stipulated respectively in section 6 and section 132 of LA. The law states no one shall be discriminated against cast, gender, sex, language, ideology and pay (salary) etc. Also, no one will be sexually abused during work and the action against will be appalled legally and the penalized by termination of job.

The PMU will, with support from consultants, identify institutions and services provides who are actively engaged in prevention of GBV, sexual exploitation and workplace sexual harassment including SEA/SH in order to establish a manual for referencing any potential survivors. A worker's grievance redress mechanism (GRM) will be established specifically for the purpose of confidentially receiving grievances related to GBV. All SEA/SH related complaints, with the survivor's consent, will be referred to the project identified service provider who will further manage the case in a survivor centric approach and will report minimum information to the project GRM. Further details of the GRM are provided in the SEA/SH Risk Mitigation Action Plan developed for SRCTIP.

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 contractors ESMP or contractors' site-specific Labour Management Plans, where required. This will include engagement with communities on gender related risks, grievance and response measures available, as identified in the manual.

11. CONTRACTOR MANAGEMENT

The project may deal with all four different categories of contractor as a part of principal and subcontractor for the construction and operation of the project. Besides, labour and goods suppliers may also involve for supplying required labours, facilities, goods. The project will face the challenge to manage all the contractors for hiring, regulating, and termination of the job including role and contract obligation and security in accordance with the LA and ESS 2. Profile or database is suggested to overcome such challenges. The project or the project parties has the obligation to develop a standard condition of contract for each category of contract and services. Also, make reasonable efforts to ascertain that the contractor and their subcontractors hire the workers from legitimate labour entities in the country providing the information like business licenses, registrations and permits of the local entities that supply labour to the Contractor and its subcontractors.

Major terms and conditions required for the contractor management are selection process for contractors (paragraph 31); contractual provisions that will put in place relating to contractors for the management of OHS (ESS 2 paragraph 32 and LA chapter 12); procedure for managing and monitoring the performance of contractors (paragraph 32); and collective agreements that apply to the project. Additionally, technical, financial and other specific work experience may also apply during contractor management.

The project shall demonstrate and acquire the commitment from respective parties on the conditions as indicated in the section contract management. The Contractor's Environment and Social Management Plan (C-ESMP) of NNM and KDP ESIA will be applicable prior to the commencement of construction activities. The C-ESMP shall include OHS plan including hazardous work and emergency management, Water and Waste Management Plan, Labour Influx management Plan, Labour camp management plan, Traffic and road safety management Plan, Quarry/borrow area management plan, and site restoration plan among others in accordance with the GoNand IFC & WB workers accommodation guidelines. Where the contractor uses naikes for the provision of labour supplies, the contractor will be responsible for ensuring that the naike complies with the labor requirements contained within the contractor's C-ESMP, including ensuring that the naike maintains a list of all workers, and that all workers are above the age of 18.

Also, the contractor will be responsible to prepare and update traffic management plans prior to construction activities. The contractor will construct camps for labour and other personnels (engineers, experts and staffs). The contractor must provide workers with evidence of all payments made, including social security benefits, or other entitlements regardless of the worker being engaged on a fixed term contract, full-time, part-time or temporarily. The application of this requirement will be proportionate to the activities and to the size of the contract, in a manner acceptable or compatible to DoR-DCID, WB and local laws and regulations.

The DoR-DCID safeguards team will monitor to contractors and assigned activities, keeping records and reports on terms and conditions as mentioned in labour management procedures, proportionate to the activities and to the size of the contract, including:

- **Labour conditions:** records of workers engaged under the Project, including contracts, registry of induction of workers including COC, hours of work, remuneration and deductions (including overtime), collective bargaining agreements;
- **Safety:** recordable incidents and corresponding Root Cause Analysis (lost time incidents, medical treatment cases), first aid cases, high potential near misses, and remedial and preventive activities required (for example, revised job safety analysis, new or different equipment, skills training, and so forth).
- **Workers:** number of workers, indication of origin (expatriate, local, nonlocal nationals), gender, age with evidence that no child labour forced labour and no trafficked labour is involved, and skill level (unskilled, skilled, supervisory, professional, management).
- **Training/professional development:** dates, number of trainees, and topics;
- **Worker grievances:** details including occurrence date, grievance, and date submitted; actions taken and dates; resolution (if any) and date; and follow-up yet to be taken—grievances listed should include those received since the preceding report and those that were unresolved at the time of that report.
- **Emergency and security:** details of risks the contractor may be exposed to while performing

its work. The threats may come from third parties external to the project.

The Project's oversight of contractors to set out the following procedures are currently in place for NNM and KDP contractor management, but have been adjusted to adhere to LMP provisions:

- Ensure that Contractors have valid contracts with clearly define service level agreement in accordance with national guideline and all environmental and social clauses, as applicable.
- Monthly submission of records: Contractor submission to PMU, this includes: Managing incidents and accidents, the Incident Reporting and Investigation Procedure is followed and the Incident/Accident Monitoring Register is used to monitor; and Contractor employees recorded using contractor's employee list.
- Regular site visits (at least 15 days a minimum) and reports. This includes, concerns or issues tracking using monitoring register.
- Evaluation of contractor requirements. This includes training, OHS files, certifications and other. The evaluation results in Portfolio Reports which includes recommendations for contract extension or termination.
- Training needs identification recorded in Contractor Training Schedule for workers & project parties.
- Annual Contractor Management Plans submitted to PMU.

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

12. PRIMARY SUPPLY WORKERS

The potential risk related to primary supply workers will be the use of forced labour and trafficked labour where such risk has not been identified according to the preliminary screening to both the sites (NNM and KDP). Where primary suppliers are employed in the project, the project will ensure that no child and forced labour are hired or are engaged in SEA/SH, through conditions provided in contracts and through regular monitoring. If SEA/SH, child labour or forced labour cases are identified, for example, by the PCU, LO, or municipality office, the project will require the PS to take appropriate steps to remedy them. During the project implementation, if the serious safety issues have identified during project implementation the PMU will required the relevant PS to introduce procedures and mitigation measures to address the safety issues. The LMP requires that, under the project, any primary supplier maintains records related to occupational injuries, illness and lost time accidents. These records will be subject to review twice annually, as a condition of the contract, and requires and update and the project will ensure, that any primary supplier to the project report fatalities or serious injury, and informs government authorities in accordance with national reporting and WB requirement. The PS will be responsible and committed to demonstrate towards protecting the workforce and maintaining all level of OHS at workplace. Appropriate procedures and mitigation measures to address the safety issues will be

introduced and has been reviewed periodically. If PS doesn't comply the project will seek to change to another supplier. The PMU will also ensure, that any primary supplier to the project report fatalities or serious injury, and informs government authorities in accordance with national reporting requirements.

13. INSTITUTIONAL ARRANGEMENTS

A separate dedicated labour and working condition management (safety and health) unit needs to be established under core organizational function, within the PMU. Moreover, the similar set up has been established to respective CSC and contractor office. The OHS Specialist having adequate understanding and experience on Labour and Working condition management will be hired to look after the OHS activities from PMU whereas OHS expert and OHS officer will be hired and works for CSC and contractor respectively. The qualification and experience have been considered as per the terms of reference/job description set by the DCID. Also, required number of supportive staffs and joint safety and health committee at each worksite will be appointed. At least one staff member will be appointed at each work site. The contractor will determine the appropriate number, which will be confirmed by the PMU. The core function includes scope of work; staff detail; their role, responsibility and accountability; experience and training; performance appraisal. The unit will responsible to carry out the activities such as: engagement and management of project workers; engagement and management of contractors/subcontractors; OHS related activity; compensation and rehabilitation on workplace accident; training of workers; and addressing worker grievances and disciplinary action. Special provision on condition of contract, monitoring and evaluation and performance appraisal (scoreboard) and budgetary allocation will be practiced. The institutional functioning and performance will be evaluated annually and update accordingly.

Furthermore, the OHS Officer from Contractor will provide instructions to contractor staff on OHS implementation.

The DoR-DCID will require for training to address risks associated with construction and labour influx as well as will provide a schedule for required training. The contractor will be obligated to ensure staff participation for such training, and any additional mandatory training required, as specified by contract to maintaining a safe and healthy working environment. The training and retraining will be conducted at different intervals such as after appointment, annually and if new things happened changed at the workplace (material, technology, procedure, emergency).

14. COORDINATION AND COMMUNICATION

The project will to complete in time with high quality and cost effectively. To accomplish the project needs to develop effective coordination and communication mechanism among project and project parties such as Public-public, public-private, private-private organization will be developed based on the nature and requirement of services. As applicable, memorandum of understanding will be developed and updated timely. Two-way written communications will be applicable for all kinds of notification at each level. Public relation officer will be appointed as Information Officer

to execute the process.

15. REFERENCE

- Child Labor (Prohibition and Regulation) Act, 2000.
- Constitution of Nepal.
- DoR GESU guidelines and publication.
- DoR- OHS policy, 2023 OHS Guideline, 2023.
- IFC-EBRD, Workers' accommodation: processes and standards
- Industrial Policy, 2010
- Jorge Pedro Lopes, (1997). Interdependence between the construction sector and the national economy in developing countries: a special focus on Angola and Mozambique.
- T.I.M.E. Research Institute, Department of Surveying, University of Salford, UK.
- Labour Act, 2017, Labour Rule, 2018, OHS Policy 2019.
- World Bank Environmental and Social Framework

16. APPLICABILITY

This LMP applies to all section of SRCTIP road, including the NNM, KDP road and Periodic Road Maintenance subcomponent.

ANNEX 1: Guide note for LMP preparation (Activities and practices)

Activities/Concern	Practices
Engagement and management of project workers	Recruitment criteria/procedure, facilities, accessibility to the resources, distribution pattern, registration and update
Engagement and management of contractors/subcontractors	Term and condition of engagement of subcontractor and labour contractor, contractual obligation and commitment towards contract in regards to OHS and other facilities and benefits
Implementation of OHS	Identification of workplace hazards/risk and intervention of possible improvement measures. Monitoring and assessment of the OHS issues and its monitoring frequencies.
Training of workers	Types of training, awareness and toolbox talk planned and intervals.
Worker grievances handling.	Grievance collection and screening based the nature of the project. Handling system and disseminations processes.
Labour camp management	Layout plan and facilities available considering volume of labour and legal provision.
Emergency preparedness and response plan	List of possible emergencies, resources/facilities available to control, responsible person to handle, communication mechanism, response plan.
Accident reporting and management	List of accident and reporting system, first aid facilities and post accidental care such as hospital and rehabilitation.

ANNEX 2: TERM OF REFERENCE FOR EMPLOYMENT CONTRACT

1. Name of Employer
2. Name of Worker
3. Employment commence date
4. Wage and Method of Calculation
5. Interval at which wages are paid
6. Normal Hours of work
7. Short description of worker’s work
8. Probation Period
9. Annual Holiday Entitlement
10. Paid Public Holiday
11. Payment during sickness
12. Maternity Leave
13. Nursing Break Entitlement(for female worker)
14. Notice worker entitled to receive
15. Notice employer required to give
16. Pension Schedule, Provident Fund Gratuity Schedule etc.
17. Any other matter either party wishes to include

Notes:

- (a) An worker is free to join a trade union or staff association, which is recognized by the under taking. The address of the Trade Union or Staff Association is:.....
- (b) The grievance procedure and disciplinary procedure in this undertaking requires to be followed when a grievance arises or disciplinary action that needs to be taken.....
- (c) When any heading is inapplicable enter NIL.

.....
Employer’s signature

.....
Witness

Worker’s signature
.....

Witness
.....

ANNEX 3: SUGGESTED DUE DILIGENCE FOR SOCIAL AND ENVIRONMENTAL MITIGATION MEASURES IN CONTRACTS

Stage of Contractual Process	Suggested Due Diligence
Before bidding	<ul style="list-style-type: none"> • Ensure that the terms of reference clearly define the supervision engineer’s responsibilities regarding oversight of, and reporting on, labour influx and workers’ camps. For high risk projects, have independent safeguards supervision. • 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. • Ensure that the project GRM is established and its use is widely publicized.
Preparation of bidding documents	<ul style="list-style-type: none"> • Review contract conditions included in bidding documents to: <ul style="list-style-type: none"> (i) Ensure that the relevant mitigation measures in the ESMP are reflected and budgeted in the contract, (ii) Ensure the ESMP forms part of, and is explicitly referred to in the bidding documents. (iii) Identify relevant provisions (workers, camps, child and forced labour, safety, grievance redress, 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 (iv) Include a requirement that all workers sign ‘Codes of Conduct’ governing behavior, and identifying sanctions (v) Clearly identify that training programs on implementing the COC etc. will be undertaken by external providers • Ensure the contract conditions clearly specify what type of penalty the contractor will face if the provisions of the ESMP and CESMP 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 CESMP compliance. • Ensure bidding documents make clear the responsibilities of the contractor to prepare and adhere to a CESMP based on the ESMP and that no civil works will commence until the CESMP has been approved by the supervision engineer.

Stage of Contractual Process	Suggested Due Diligence
	<ul style="list-style-type: none"> • 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. • Propose Key Performance Indicators (KPIs) for Contract Management, reflecting issues and risks specific to the contract and the monitoring plan.
Bidding evaluation	<ul style="list-style-type: none"> • 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. • 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. • Verify that the contract management framework identifies clearly lines of communication and that these are formalized and a consistent record is provided. • Ensure that the contractor meets the project’s OHS requirements for capability and experience.
After contract signing	<ul style="list-style-type: none"> • Prior to commencing works, the contractor submits site-specific CESMP(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; (vi) labour management plan and (vii) SEA/SH mitigation plan • Supervision engineer reviews and approves the CESMP—with inputs from appropriate Government agencies—before any works start. For high-risk projects, the Bank should also review and clear the CESMP. Borrower should disclose the approved CESMP.

ANNEX 4: CODE OF CONDUCT

Preamble

The DoR-DCID Code of Conduct defines labour standards that aim to achieve decent and humane working conditions. The Code's standards are based on national law and accepted good labour practices.

Companies affiliated with the PMU are expected to comply with all relevant and applicable laws and regulations of the country in which workers are employed and to implement the Workplace Code in their applicable facilities. When differences or conflicts in standards arise, affiliated companies are expected to apply the highest standard.

The PMU monitors compliance with the Workplace Code by carefully examining adherence to the Compliance Benchmarks and the Principles of Monitoring. The Compliance Benchmarks identify specific requirements for meeting each Code standard, while the Principles of Monitoring guide the assessment of compliance. The PMU expects affiliated companies to make improvements when Code standards are not met and to develop sustainable mechanisms to ensure compliance.

The PMU provides a model of collaboration, accountability, and transparency and serves as a catalyst for positive change in workplace conditions. As an organization that promotes continuous improvement, the PMU strives to be a global leader in establishing best practices for respectful and ethical treatment of workers, and in promoting sustainable conditions through which workers earn fair wages in safe and healthy workplaces.

Legal provisions and condition of contract

This describes the mandates stipulated under ESS2: Labour and Working Conditions, ESS4: Community Health and Safety, Labour Act, 2017 and condition of contract under ICB in regards to assure fair labour standards and working condition.

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 labour and social security laws and regulations.

Self-declaration

Employees entered into the employment under any of the criteria and capacity shall self-declare and signed all the relevant protocols, standard and requirements at context. This includes the declaration against any communicable diseases, security violation, harm to community, GBV and other project related adversities.

Health, Safety and Environment

Employers shall provide a safe and healthy workplace setting to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation

of employers' facilities. Employers shall adopt responsible measures to mitigate the negative impacts that the workplace has on the environment. The employees must follow the safe work practices including good culture of work and behaviour, obey all the legal mandates or protocols and demonstrates its best performance at work. Also, every person are responsible to ensure safety and health of the community nearby.

Hours of Work

Employers shall not require workers to work more than eight hours at regular and four hours overtime allowed by LA, 2017. The regular workweek shall not exceed 48 hours. Employers shall allow workers at least 24 consecutive hours of rest in every seven-day period. All overtime work shall be consensual. Employers shall not request overtime on a regular basis and shall compensate all overtime work at a premium rate. Other than in exceptional circumstances, the sum of regular and overtime hours in a week shall not exceed 72 hours.

Worker behaviour

Employees must demonstrate safe work practices including good culture of work and behaviour through obey of all the legal mandates or protocols for its best performance at work. This includes, no consumption of alcohol, drugs, smoking and other unusual activities declared by the project or project parties. This encourages the Do's and Don't practice at work.

Wage

Employers shall execute with necessary updates in regards to wages to be paid to the labours as per the prevailing law and standards as minimum condition of wage.

Non-discrimination

No person shall be subject to any discrimination in employment, including hiring, compensation, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, social group or ethnic origin.

Freedom of association and Collective bargaining

Employers shall recognize and respect the right of workers to freedom of association and collective bargaining.

Exploitation, Harassment and Abuse

Every worker shall be treated with respect and dignity. No worker shall be subject to exploit, harass and abused of any kinds such as physical,sexual, psychological or verbal harassment or abuse. Also, not engage in physical touch or activities with sexual intention, sexual harassment demonstrating sexual object, audio visual object or any other seductive materials as per The Sexual Harassment (Prevention)at Workplace Act 2015. Report violations of this Code of Conduct, including acts of GBV/SEA/SH by fellow contractors, staff, or supervisors. Also, the contractor will follow the COC on Sexual Exploitation and Abuse/Sexual Harassment practiced in SRCTIP.

Also, prohibition of engagement in any sexual activity (including SEA/SH) with children (persons under the age of 18).

Child labour and Forced labour

Employment has not been entertained or engaged any form of child labour and not engage in any form of sexual activity with individuals under the age of 18, except in case of pre-existing marriage including grooming or contact through digital media. Mistaken belief regarding the age of a child is not a defense. Consent from the child is also not a defense or excuse. Use of any language and behaviors that are demeaning, threatening, harassing, abusive, culturally inappropriate, or sexually provocative are prohibited. Similarly, Contractor's Personnel will not allow to sexual exploitation and abuse through dates or has a romantic relationship with a child under 18 years old, keeps secrets with children, or displays favoritism. Moreover, the contractors will not engage any forced labour, including bonded labour or other forms of forced labour at work.

Compensation

Every worker has a right to compensation for a regular workweek that is sufficient to meet the worker's basic needs and provide some discretionary income. 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. Where compensation does not meet workers' basic needs and provide some discretionary income, each employer shall work with the PMU to take appropriate actions that seek to progressively realize a level of compensation that does.

Protection of children

The employer shall ensure no children get affected due to project activities. For that, the contractors need to develop the special consideration for their protection. If this fails to address and any happening was noticed the contractor will be responsible.

Personal Protective Equipment

The use of PPE is the responsibility of all employees at work. And, the contractors are assured for their availability and monitoring of proper use at worksite.

This CoC has been signed with consent after fully understanding of the aforementioned conditions. The misleading or false statement of any conditions will be the sole responsibility of the respective parties. The effective of the COC applies from the date of the signature.

Name of Employees/ Labour Supplier: [insert name]

Signature:

Date: (day month year):

Contact Address:

Contact Information: (Tel, email, mobile number):

Name of Witness: [insert name]

Signature:

Date: (day month year):

Contact Address:

Contact Information: (Tel, email, mobile number):

Name of Contractor's Personnel: [insert name]

Signature:

Date: (day month year):

Contact Address:

Contact Information: (Tel, email, mobile number):

ANNEX5: EMPLOYEE & LABOR REGISTRATION FORMAT

Project Name:										
Employer/Contract ID:										
Correspondence Address:										
S. N.	Employee Detail						Detail of beneficiary (Father/mother/ other)		Emergency contact Name and Number	Remark ³
	Name	Gender	Post/Description of work	Date of Birth/ ID	Nationality	Contact	Name	Number		

³ Photograph and other detail if apply

ANNEX 6: GRIEVANCES REGISTER FORMAT

S N	Cas e ID⁴	Dat e	Complaina nts Details⁵	Mode of communicati on to receive the grievance⁶	Categorie s of grievance s⁷	Grievance Brief Descriptio n⁸	Mode of acknowledgeme nt with tentative timeline of response/resolut ion	Grievan ce Handing process⁹	Modes of communicati on to share the outcomes with the complainant s	Status of resolution with brief reasons/explanat ion	Remar ks

⁴ Case registration number

⁵ Detail of person register or apply for the grievance with name and correspondence

⁶ Mode of communication by which the person has registered the grievance such as written/ verbal/ telephone/SMS/meetings)

⁷ Description of grievance according to the category such as social, environment, land related, road safety

⁸ Brief description of the case/grievances/concerns /feedback specifying the location/chainage [put photograph, if applicable]

⁹ Describe the steps taken to resolve the grievances and the outcome [put photograph, if applicable]

ANNEX9: IMPLEMENTATION FRAMEWORK

The summary of the concern and the implementation plan for the major concern has been tabulated below:

S.N.	Activities/issues	Mitigation measures	Responsible
1.	Identification and selection of project parties.	<ul style="list-style-type: none"> Legally registered national firm with adequate resources 	DCID/PMU, WB
2.	Labour conditions	<ul style="list-style-type: none"> Profile of workers engaged includes contracts, hours worked, remuneration and deductions (including overtime), collective bargaining agreements 	DCID/PMU, Contractor, PS, LO, WB
3.	Hazardous work and process	<ul style="list-style-type: none"> Safe work practices Job safety analysis Permit to work 	DCID/PMU, Contractor
4.	Accidents or emergencies	<ul style="list-style-type: none"> Safety measures in place Investigation, notification, review and settlement of all issues Emergency preparedness and Management Plan First aid facilities in place Identify and service agreement with specialized hospitals for complicated accidental and health problems 	DCID/PMU, Contractors, M/RM, CSC, PS, LO, Local Community.
5.	Occupational health and safety requirements	<ul style="list-style-type: none"> Institutional arrangement through H&S officer and committees Operational and management guideline on labour and working condition (OHS) and OHSMF, based on the Government of Nepal Occupational Safety and Health Centre COC for complying OHS provisions Capacity building programme Performance monitoring standard score board checklist 	DCID/PMU, Contractors, M/RM, CSC, PS, LO, worker
6.	Work related diseases	<ul style="list-style-type: none"> Good hygiene practices 	DCID/PMU,

S.N.	Activities/issues	Mitigation measures	Responsible
		<ul style="list-style-type: none"> • Enhance local health care facilities 	Contractors, M/RM, worker
7.	Safeguards to compliance requirements	<ul style="list-style-type: none"> • Operation and management plan for personal protective equipment. • Maintaining safe and healthy working environment and culture • Compliance of SEA/SH CoC for labour 	DCID/PMU, Contractors, CSC, PS, LO, workers
8.	Migrants or seasonal workers	<ul style="list-style-type: none"> • Worker accommodation (labour camp management) • Skill development of local people 	DCID/PMU, Contractors, M/RM, PS, LC
9.	Worker accommodation	<ul style="list-style-type: none"> • Worker Camp Operations Guidelines • Adequate space and with basic facility of leaving, washing, sanitary and other waste disposal as per the labour law 	DCID/PMU, Contractors, PS, workers
10.	Child labour or forced labour	<ul style="list-style-type: none"> • COC • Orientation to PS and local community 	DCID/PMU, Contractors, M/RM, PS, LO
11.	Non-payment of wages, benefits and the liability (e.g. compensation, maternity benefits, leave, insurance)	<ul style="list-style-type: none"> • Contract agreement with the PMU • Vigilance from law enforcement authority and compliance with the labour laws 	DCID/PMU, Contractors, M/RM, PS, LO
12.	Discrimination at employment including GBV	<ul style="list-style-type: none"> • Establishment of institutional framework and operational guideline • COC • Vigilance from law enforcement authority & compliance with labour laws • Community sensitization particularly in terms of GBV • Socio-economic development of women, • Orientation to labour force, CSC and PS 	DCID/PMU, Contractors, M/RM, PS, LO, local stakeholders (LS)
13.	Violence and grievances	<ul style="list-style-type: none"> • Standard grievance and GBV handling mechanism and plan. 	DCID/PMU,

S.N.	Activities/issues	Mitigation measures	Responsible
		<ul style="list-style-type: none"> • Discourage and prevent all types of harassment, SEA, discrimination & GBV. • Profile of worker grievances • All SEA/SH cases to be referred and addressed through the parallel SEA/SH GRM and service provider 	Contractors, M/RM, PS, LO, LS, Service provider
14.	Labour influx	<ul style="list-style-type: none"> • COC to guide the workers, contractors and PS Operation and Management plan • Community sensitization, Socio-economic development of women, • Orientation of CSC and Contractors 	DCID/PMU, Contractors, M /RM, PS, LS
15.	Road traffic accident	<ul style="list-style-type: none"> • Comprehensive traffic management plan includes signs, zebra crossings, traffic light, speed breakers, speed limits at crowded places, vehicle maintenance and inspection, control loud horns, installation of GPS tracking and CC cameras • Road safety awareness trainings to general public; • Capacity enhancement for traffic police and locals 	DCID/PMU, Contractors, M/RM, Traffic Police, Road Users group, LS, interested parties (InP), workers
16.	Human trafficking	<ul style="list-style-type: none"> • Establish Worker Camp Operations Guidelines • Worker COC to avoid issues of GBV Action Plan • Vigilance from law enforcement authority and compliance with the labour laws. • Display of hoarding boards about anti trafficking • Community orientation focusing young women and girls. 	DCID/PMU, Contractors, M/RM, InP
17.	Information disclosure and Disciplinary action	<ul style="list-style-type: none"> • Legal protocol for information disclosure and confidentiality • Provision for spokesperson or information officer 	DCID/PMU, Contractors, LO, workers
18.	Security risks at work	<ul style="list-style-type: none"> • Management plan for handling threats from third parties external to the project 	DCID/PMU, Contractors, M/RM, Nepal Police

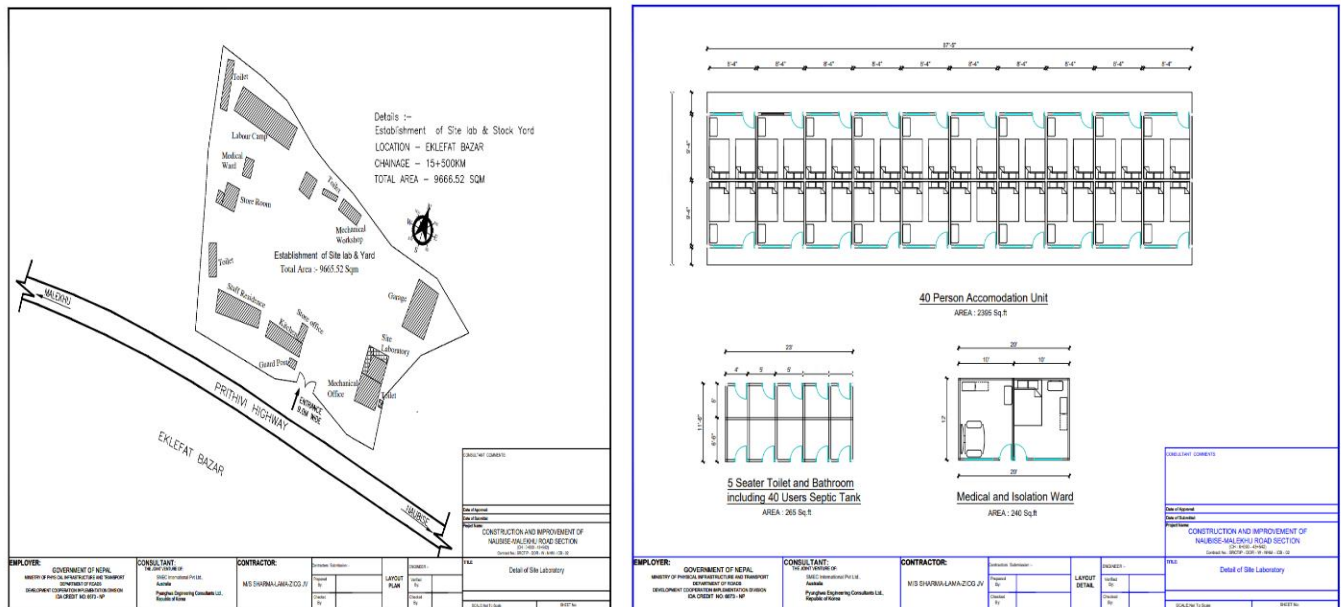
ANNEX10: MANAGEMENT OF LABOUR CAMPS

The basic standard and facilities for the labour camp for NNM and KDP road section has been described below.

Setting up of Camps

- i. Work and labour camps should have basic requirements for workers and labors, adequate bed, spacing, ventilation, canteen, laundry etc.

Typical arrangement for labour camp is shown in map below.



Sanitation and Hygiene

- i. Adequate number of toilet and bathroom facilities should be provided in the camps including separate toilets for male and female workers.
- ii. Camps should be kept clean, hygienically and measures taken to prevent breeding of vectors.
- iii. Staff should be designated for proper housekeeping and maintenance and cleaning the camps and toilets daily.

Water Supply

- i. For domestic water supply, either camp should be connected with municipal water supply system or ground water with treatment facilities can be used (if municipal water supply is insufficient, both can be adopted).
- ii. Regular monitoring of the water quality should be done to ensure supply of potable water. National Drinking Water Quality Standard to be followed for such case.

Storm water and Waste-Water Management

- i. Proper drainage system should be developed for managing storm water so that there will be no water logging issues.
- ii. For waste-water management, proper septic tanks with soak pits should be constructed. Storm water as well as waste water can be connected to municipal sewerage system where available.

Solid Waste Management

- i. For waste management, the principal of 3R (Reduce, Reuse and Recycle) should be adopted.
- ii. Separate bins should be used for organic, paper and plastic, metals and other wastes.
- iii. Recyclable wastes can be sold to scavengers, organic wastes can be composted and used in gardening and bio-engineering and remaining wastes can be sent to municipal waste collection system by coordinating with municipal waste collection team.
- iv. No waste shall be open dumped or burnt on site.

Health

- i. Campaigns on Information, Education and communication (IEC) should be conducted to all the site staff and labor (including all the Contractor's and Subcontractor's employees) concerning the risk, dangers and impact and appropriate avoidance behavior with respect to Sexually Transmitted Diseases (STD) or Sexually Transmitted Infections (STI) in General and HIV/AIDS in particular.
- ii. A first aid facility should be established within the camp itself. This facility will contain all the general medicines, bandages and other equipment required for minor cuts and minor accidents. This facility will also include all necessary drugs for the daily preventive doses for tropical diseases and any other drugs prescribed by the medical representative.
- iii. Camps should be kept clean, hygienically and measures will be taken to prevent breeding of vectors. Stagnant water will be eliminated to prevent mosquito breeding place particularly of the malaria, filarial and dengue causing mosquitoes.

Disaster Management

- i. All electrical circuits and equipment should be earthed and fitted with earth protective devices to reduce the possibility of electrocution.
- ii. Rented house or newly constructed (though temporary in nature), should address earthquake hazards. Sufficient open space should be maintained at camps for assembly during disaster.
- iii. Fire extinguishers should be provided by all exit doors from buildings and adjacent to any specific areas of high risk. Consideration should be given for the provision of fixed fire protection system in areas such as kitchens, cooking ranges and other areas.

Security

- i.** A security policy should be developed for taking appropriate measures to protect camp staff and workers against theft and attack. The policy should be managed by a qualified individual supported by team of properly trained security specialists.
- ii.** The policy should also address contingences for the impact that the camp may have upon the neighboring communities with regard to security and possible civil disturbance as well as other security risks that are properly managed.

ANNEX 11: OCCUPATIONAL HEALTH AND SAFETY TRAINING DESCRIPTION FORMAT

Training Description	Short description of training [for those working in hazardous areas, specialized training will be required on those specific hazards]
Title	OHS training for safety representative/engineers/site workers
Venue	XXX
Date	XXX
Objective	<ul style="list-style-type: none"> • Impart knowledge on OHS • Capacity building on workplace assessment and improvement plan • Knowledge and understanding on accident recording and database management
Participants Number and type	XXX Number, Awareness/ToT/onsite orientation
Methodology and methods	Lecture, groupwork, focal group discussion, case study presentation
Content	<ul style="list-style-type: none"> • Introduction to OHS • Workplace accident and cause investigation • Workplace housekeeping and material handling • Workplace safety and health committee • Chemical safety at work • Hazardous work and permit to work procedure • Emergency preparedness and Firstaid • Legal provision on OHS and onsite OHS policy • Labour management procedure and labour influx • Workplace assessment (hazard identification and Risk assessment) including job safety analysis • Personal protective equipment • Welfare facility at workplace (including labour camp operation and management)
Trainer	OHS expert, Engineer, Labour Expert,
Training schedule	<ul style="list-style-type: none"> • For onsite awareness: 4hour/batch • For 2 days training:6hour/batch • For 5days ToT: 6hour/batch
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"> • For onsite awareness:50000.00/batch • For 2 days training:150000.00/batch • For 5days ToT: 300000.00/batch
Follow up	6 months after completion

Annex 13: MONITORING AND EVALUATION AT FIELD

S. N.	Location	Date	Issues monitored	Status	Recommendation for improvement	Evidence/reference	Remark

Monitored by: Name/position