



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

Development Cooperation Implementation Division (DCID)
Jwagal, Lalitpur

Strategic Road Connectivity and Trade Improvement Project (SRCTIP)

Labour Management Procedures (LMP)

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ABBREVIATIONS

| | |
|--------|---|
| C-ESMP | Contractor’s Environment and Social Management Plan |
| CHS | Community Health and Safety |
| CHS | Community Health and Safety |
| CLS | Core Labour Standard |
| COC | Code of Conduct |
| CSC | Construction Supervision Consultant |
| 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 |
| ESMF | Environmental Social Management Framework |
| ESS | Environment and Social Standard |
| GBV | Gender-Based Violence |
| GCC | General Condition of Contract |
| GESU | Geo-Environment and Social Unit |
| GoN | Government of Nepal |
| IFC | International Financial Corporation |
| ILO | International Labour Organization |
| InP | Interested Parties |
| KDP | Kamala-Dhalkebar-Pathlaiya |
| LA | Labour Act |
| LC | Local Community |
| LMP | Labour Management Procedures |
| LO | Labour Office |
| LS | Local Stakeholders |
| LWC | Labour and Working Conditions |
| M | Municipality |

| | |
|--------|---|
| MoLESS | Ministry of Labour, Employment and Social Security |
| NNM | Nagdhunga-Naubise-Mugling |
| OHS | Occupational Health and Safety |
| OHSMS | Occupational Health and Safety Management Framework |
| PAP | Project Affected Persons |
| PMU | Project Management Unit |
| PS | Primary Suppliers |
| RM | Rural Municipality |
| SCC | Standard Condition of Contract |
| SDG | Sustainable Development Goal |
| SEA | Sexual Exploitation and Abuse |
| SH | Sexual Harassment |
| SRCTIP | Strategic Road Connectivity and Trade Improvement Project |
| SRN | Strategic Road Network |
| WB | World Bank |

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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, upgrading Kamala-Dhalkebar-Pathlaiya(KDP) road (130 km) of the Mahendra Highway from 2-lane to 4-lane, and periodic maintenance work. The present report deals with the Labour Management Procedure (LMP) of NNM road project, located in Kathmandu, Dhading, and Chitwan district of Bagmati province and planned KDP road project located in Dhanusha, Mahottari, Sarlahi, Rautahat and Bara of province 2 of Nepal. The LMP is developed to manage labour and working conditions' risks, associated with improvement of NNM & KDP Road and periodic maintenance of selected roads to meet World Bank Environment and Social Standards (ESSs), in particular ESS2 on Labour and Working Conditions and ESS4 on Community Health and Safety.

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) includes new constructions and maintenance/or upgrade of the existing infrastructure related to road, bridge, tunnel, hydropower and building, etc. Likewise, this sector has high 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.

The Environment and Social Impact Assessment (ESIA) of the NNM Road, Environment and Social Assessment (ESA) of KDP road and the Environment and 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 and Abuse (SEA). 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 high-risk rating indicates that the risks, associated with road construction, required to be well understood and expected to have potential impact as they need appropriate possible efforts to be

avoided, minimized or managed through procedures, including procedures set out in this LMP. However, SRCTIP is committed to, on a continuous basis, throughout the project, evaluate risks and impacts and have in place adequate measures and procedures to manage adverse impacts.

The LMP will be applied to project workers, contracted workers and primary supply workers that will be employed by the SRCTIP. Adhering to these procedures, contractors will be required to prepare LMP for contracted workers for larger works. For smaller contracts, 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). Following to this procedure, the project contractors will be required to prepare a LMP as part of bidding document.

Overview of Labour Use in the project

Management of Labour and Working Conditions (LWC) and CHS are the crucial components of the construction management, which have been stipulated in World Bank Environment and Social Standards (ESS -2, ESS-4) and Labour Act (LA)-2017. This essence realize the project and project parties (including the project proponent and the project implementing agencies) to develop LMP in order to identify the main labour requirements and risks associated with the project and its components, and also to determine the resources necessary to address project labour issues and enabling different project-related parties, for example, staff of the project implementing unit, contractors and sub-contractors and project workers, to have a clear understanding of the requirements on a specific labour issue complying with statements of LA, 2017 applicable collective agreements and ESS-2 (Labour and Working Conditions) and ESS-4 (Community Health and Safety) for the proper management of the project. This also includes general condition of contract and special condition of contract agreement for all kinds of subcontract work and intermediaries' involvement, 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 types of workers to be engaged by the project whether they are full-time, part-time, temporary, seasonal or migrant workers. Also, this applies to all local workers, female workers, and others national or international migrant workers considering the minimum age of 18. The LMP is applicable in accordance with the LA2017, Labour rule 2018 and ESS2 to the project in following manner:

- i. People employed or engaged directly by Department of Road (DoR) to work specifically for this project (Direct Workers);
- ii. People employed or engaged by contractor or sub-contractors to implement work (Contracted workers); and contracted through labour suppliers;
- iii. People employed or engaged as primary suppliers (PS). ESS2 provisions regarding primary supplies apply to those suppliers (if any) with whom the project has a sufficiently significant and ongoing relationship. Due to the nature of the project, the primary supplier will be cement supplier.

iv. Due to the nature of the project SRCTIP will not use community workers

Labour Requirements at DoR-DCID

Department of Road - Development Cooperation Implementation Division (DoR-DCID) and Department of Road - Geo-Environment and Social Unit (DoR-GESU) has the limited number of staffs to carry out their routine activities. DoR will establish a Project Management Unit (PMU), which will be responsible to oversee the project.

Additional number of direct workers of different types 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

Direct Workers¹: Direct workers will be divided into three major units. Firstly, the PMU, then Project-based Staff and, finally, Permanent Staff. The PMU will employ consultants and support staff who are working on contractual bases as part of the PMU as listed below during the project implementation time. Terms and conditions of these consultants are guided by prevailing the public procurement act (2007) and LA-2017. The consultants will be engaged by the project to undertake short period assignments as necessary. The consultants are guided by specific contractual agreements between them and the SRCTIP.

The PMU will engage personnel responsible for LMP management and monitoring. The health and safety requirements in the LMP will also applies to Civil servants those seconded in the project implementation. The PMU staff responsible for LMP integration and OHS management will include:

- Project Technical Team
- Environmental Safeguard Advisor
- Social Safeguard Advisor
- OCHS and Labour Management Specialist
- Environmental Safeguard Specialist
- Gender Specialist
- Social Development Specialist
- Procurement Specialist
- Administrative and Financial Officer

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.

¹IA “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.

Timing of labour requirements: Direct workers are eligible to work for a fixed contract period and contracts will be renewed yearly based on satisfactory work/service performance. Construction Supervision Consultant 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.

Labour Requirements: Pre-construction and Construction work

Contracted Worker²: Based on the scope of works involved, the PMU will employ or engage one main contractor for carrying out the overall implementation of the works with required subcontractors for the supply and installation of materials and various equipment where different staffs (technical and non-technical) and workers (skilled/unskilled) are involved. The contractors will hire contracted workers based on their level of skills and project needs. The workers will be hired from the authorised supply channels, which are those stipulated in the Labor Act 2017, and are registered with the Department of Labour and Occupational Safety (DoLOS). Workers may also be hired through labor broker (Naike),³, who provide laborers and often manage them as subcontractors.

DoR detailed design estimates that the NNM road project will involve approximately 741,635 man-days of skilled and 3,711,633 man-days of unskilled workers and KDP involves approximately 1,208,943 man-days of skilled and 2,889,556 man-days unskilled workers to implement the project as part of contract workers. At this stage, the quantity of labour use of Periodic road maintenance can't be estimated since no subcomponent can be identified.

The following labours are required for day schedule work and remain engaged till the completion of construction work:

- Professionals (Project Manager, Site Engineer, Quality control engineer)
- Safety and health officers
- Logistic and facility officer
- Monitoring and supervision officer
- Administrative officer
- Information officer
- Finance Officer
- Manual labourers (Operator and Driver, Skilled and Unskilled workers)

Timing of labour requirements: 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

² A "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.

³A "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.

required, based on satisfactory work/service performance. The above estimated numbers of contracted worker will be placed 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: The project may require the use of primary supply workers. The primary supply worker provisions of ESS2 apply to those suppliers with whom the project will have a sufficiently significant and ongoing relationship. In the context of Nepal in general, and particularly in the transport sector, types of materials primary suppliers provide include cements.

Timing of labour requirements: Based on the requirement of the project, primary supply workers will be recruited by suppliers as required.

2. OBJECTIVE OF LMP

The objective of present LMP is to promote proper 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, WB-ESS2 on Labour and Working Conditions and LA- 2017, 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 this ESS2) and migrant workers, contracted workers, and primary supply workers, as appropriate.
- To prevent the use of all forms of forced labour and child labour.
- To support the principles of freedom of association and collective bargaining of project workers in a manner consistent with national law.
- To provide project workers with accessible means to raise workplace concerns.

3. ASSESSMENT OF KEY POTENTIAL LABOUR RISKS

The major labour risks associated with the upgrading of NNM & KDP roads and periodic road maintenance are risks of accidents and incidents at the workplace, labour influx and associated CHS risks, including SEA risks. Based on current conditions in the sector it is assessed that the risk of a child or forced labour is not significant, and prohibited by national legislation.

In the meantime, after meeting the requirement of project appraisal of SRCTIP, the COVID-19 pandemic brings additional health and safety risks and challenges to the project due to the risk of COVID-19 transmission amongst project workers and with the host community. State-developed COVID control measures including physical and social distancing can derail workers mobilization during commencement of civil works. It is imperative to assess and mitigate the risks of COVID transmission among workers and to provide a safe environment for project

workers and local communities. As a first step, contractors and workers on this project will (i) adhere to all COVID control protocols developed by the Department of Roads(Bridge Branch)and provincial authorities; (ii) where necessary, prepare and implement site-specific measures (as part of the project OHS plan) to mitigate the risks of COVID transmission among workers; (iii) promote measures for preventing the spread of COVID among host communities.

Occupational health and safety. OHS risk is likely to be high based on previous project experience. The expected risks relate to potential for injury, traffic-related accidents, fall from height, poor working and living conditions of workers, 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, Muscular-skeletal disorder, Eye problem), communicable diseases including Sexually Transmitted Infections (STIs),

Child and Forced Labour: The project has the insignificant risk of child labour which will be mitigated through certification of labourers' age. Workers below the age of 18 will not be hired to work on the project. To confirm that workers below the age of 18 years are not hired to work on the project, workers will need to provide legally recognized documents such as Citizenship Card or Birth Certificate. Further, awareness-raising programs will be conducted regularly to the communities to sensitize on prohibition and negative impacts of child and forced labour. However, in practice in some sector of works there might be the risk of the non-compliance.

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. 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. For external workers, proper labour camp will be established for worker accommodation at project site. Specific requirements to manage 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 ESS2.

Gender-based violence:The 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 whereby women and girls are forced into sex work.

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 practices. Some sub-projects are located near the Nepal-India border area, where there is human trafficking. The project will enforce stringent requirements to ensure the contractor, sub-contractors, labour suppliers (Naika) 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 subject to legal prosecution by applicable national laws.

4. 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).

Table 1: Major gaps of legislative system with respect to the WB ESS – 2 and 4

| WB ESS | Gaps |
|-------------------------------------|---|
| ESS2: Labour and Working Conditions | <ul style="list-style-type: none"> • The LA- 2017 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-2017 does not specifically require that development be assessed and reviewed in terms of labour and working conditions including OHS requirements before approval • The LA-2017 does not require development projects to prepare Labour Management Plans/Procedure or OHS Plan. • The LA-2017 prohibits the use of child labour, however it does not stipulate what the age of a child is. The Child Labor (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. |
| ESS4: Community Health and Safety | <ul style="list-style-type: none"> • LA, 2017 has not clearly illustrated the provision for CHS, rather have highlighted to avoid the discharge of harmful substances and waste to the community. • 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- 2017, Labour rule, 2018, Child Labour (Prohibition and Regulation) Act, 2000 and ESS2, 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 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.
- Provisions for special types of industries and facilities provided such as tea state, transport, and construction.
- 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 Child Labour (Prohibition and Regulation) Act 2000 is the main legal expedient to prohibit engaging children in factories, mines or similar risky activities and to make necessary provisions with 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 labourer 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 form the fathers, mother or guardian of the child.

The LA-2017, 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-2017 provisions relevant to work in road construction sector are as follows:

Contracts of employment: LA-2017 has stipulated the provision for the employment. 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-2017t. 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.

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 labourers 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 labourers' 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 labourers' concerns over job security. The legal workweek 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 13450.00 under article 106 of the LA-2017, by publishing a notice in Nepal Gazette (Volume 68, August 16, 2018 (2075-04-31) Number 20) on Aug. 16, 2018 (2075-04-31) (“Gazette Notice”). In addition to the Minimum Wage/Remuneration, Provident Fund and Gratuity will be provided in accordance with the LA-2017 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 labourers) 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-2017 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-2017, every worker must enjoy paid sick leave, casual leave, and festive holiday, mourning leave. The labourers would get festival allowances as per the rules. The act has also made it compulsory maternity leave from 2 weeks before the delivery up to at least 6 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 labourer 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-2017, 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-2017 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-2017 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, Contributory based Social Security Act-2017 has provisioned for different type of benefits including accidental and maternity.

Notice periods: The LA-2017 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, the resignation becomes effective on the next day of the expiry of the 15 days 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 act (article 132) 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-2017 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.

Fair and unfair reasons for termination of employment: LA-2017 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. If otherwise happens, the worker’s 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 labour office or labour court are applied.

Dispute settlement and bargaining: The LA-2017 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 Act: The LA-2017 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.

5. 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-2017 and section 7 of Labour Rule 2018, 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:

- Provision to demonstrate OHS policy at workplace.
- Responsibility of employers towards worker such as information, facility, personal protective equipment 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 Labour Office (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, bathroom 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 centre for children under three years.
- Provision of onsite first aid and primary health care.
- 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-2017. Other laws have specific provisions that address part of ESS4.

Health and Safety Offences:

The LA-2017 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 labour office, labour and occupation safety department 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 Nepal Labour Act with key elements of the ESS2

| Key Elements of ESS2 | Provisions in the Labour Act 2017 |
|--|---|
| 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 hours with 24 hrs overtime (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 | Minimum age is not stipulated in the Labour Act |
| 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) |
| OSHS | The law provides for comprehensive OHS (See Annex 1 for details) and empowers Department of Labour and Occupation Safety (DoLOS) to conduct inspections of establishments and to impose penalties for violations or non-compliance (section 12) |
| Children at Working Age | Minimum age is not stipulated in the Labour Act (Legally recognized documents such as a Citizenship Card or Birth certificate are used to prove workers on the project are 18 years or older) |
| Women | 60 days of paid maternity leave for expectant 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 labour law does not recognize community workers as defined in the ESS2 and hence does not provide any special considerations for such contracting arrangements. The LA-2017 requires that all labour supply contracting agency will have to be formally registered and workers should first be the responsibility of the contracting agency. |
| Primary Supply Workers | The law does not assign any responsibility to the project on the supplier's labourers 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 sec 116 of LA- 2017 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 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 needs to be developed. OH&S management plans developed by contractors may be subject to review and due diligence by the World Bank.

6. RESPONSIBLE STAFF

The overview of responsible staff and oversight mechanisms has been described in the institutional arrangement of ESIA of NNM and ESA of KDP. The PMU has the overall responsibility to 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 construction supervision consultant (CSC) is responsible to facilitate for the implementation of LMP in close coordination to PMU. The construction supervision consultant in close cooperation with OHS officer will work for the implementation and supervision of LMP for contractor and also coordinate to PMU through OCHS and Labour Management 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
- 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. |
| OCHS and Labour Management 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 will work for the implementation and supervision of LMP for contractor and also coordinate to PMU through OCHS and Labour Management Specialist.

Labour and Working Conditions:

The contractor (health and safety specialist) 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 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 reflect in LA- 2017.

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 World Bank. The gross minimum wages and facilities for all category of staffs and workers may apply 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 labourers by considering minimum labour wage and benefits as per the labour law.

Occupational Health and Safety:

Contractors must engage a minimum of one safety and health officer and joint safety and health committee comprising of supervisor and workers. Smaller contracts may permit the safety representative to carry out other assignments as well. All managers at project sites will be responsible for ensuring compliance with OH&S. Whilst the OH&S representative will ensure the day-to-day compliance with specified safety measures and records of any incidents, all managers at project sites will be responsible for ensuring compliance with OH&S. They will be responsible to comply above mentioned requirements to protect and control of environment, OHS, CHS and LMP. This incorporates engineering and management controls to reduce or minimize the possibility and magnitude of undesired consequences when impact avoidance is not feasible. Also, provides technical and financial resources to effectively and safely control accidents, preparing workers and nearby communities to respond on them. Furthermore, applies to ensure implementation of measures to avoid, minimize or rehabilitate risks and impacts on occupational health and worker' safety.

Worker Grievances and Disciplinary Procedure:

Legal provisions entrusted on the basics of disciplinary procedures and grievance redress mechanism (GRM) to harmonize working conditions and management of worker relationships (e.g. terms and condition of employment, non-discrimination and equal opportunity, Worker's organization) and protecting the workforce (e.g. child labour and minimum age, force labour). The project will establish a GRM specifically to receive workplace concerns and grievances from project workers, as required under ESS2. Worker grievances will be recorded, details recorded will include: occurrence date; details of the grievance; date submitted; actions taken and dates; resolution and date; and follow-up.

The PMU Social Management Advisor will review records on a monthly basis. The PMU will keep up-to-date resolutions and reflect them in quarterly reports to the World Bank. A summary of the grievances received should be included in the monthly and quarterly monitoring reports. If grievances are repeated, unresolved or submitted by several people, this should be escalated to the Unions or Labour Department.

Individual grievance (chapter 18, LA-2017) appeared during work related to non-compliance of the provision stipulated in will be settled as per the consultation and understanding of employer and labour. The project will have the risk of payment and facilities against individual workers so condition needs to be reflected into the contract agreement.

Collective grievances, disputes and their process to handle (chapter 19, LA-2017) provisioned for collective bargaining settlement committee and function based on the terms and condition. If the settlement is not effective and satisfactory, the Department of Labour and Occupational Safety is responsible to carry out. Negotiation and labour tribunal will apply for the settlement. Complaint handling mechanisms (GRM) and plan of action for the management of possible issues will be established specifically for workers. The finding will be communicated for future action as best practices. This applies for direct and contracted workers, and describes the way in which these workers will be made aware of the mechanism.

Gender-Based Violence, Sexual Exploitation and Sexual Harassment:

The contractor should prepare an SEA/SH Risk Mitigation Action Plan with 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 SEA/SH requirements and expectations to be incorporated in the bid documents. A separate parallel local SEA/SH GRM will be set up in the worksite to specifically and promptly respond to and manage GBV disclosures. A plan for GBV awareness raising in affected communities, making the workplace and labour camps zero tolerance of SEA/SH, COCs, and follow up orientations on SEA/SH to workers will be undertaken.

An 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. Contractors should refer to this Plan when developing their SEA/SH Risk Mitigation Action Plans.

Additional Training:

Contractors may be required to have a separate unit to deal labour and working condition as well as CHS with adequate number of Health and Safety officer and support staffs, and participation in this unit will form part of their job description. The Health and Safety officer will provide instructions to contractor staff.

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).

7. POLICIES AND PROCEDURES

Decisions relating to the employment or treatment of project workers will not be made on the basis of personal characteristics unrelated to inherent job requirements. 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.

Most environmental and social impacts of subprojects resulting from activities directly under the control of contractors, and will be mitigated directly by the same contractors. As a consequence, ensuring that contractors effectively mitigate project activities related impacts is the core of the Project. The PMU will incorporate standardized environmental and social clauses including the requirement of SEA Mitigation Action plan and worker COC in the tender documentation and contract documents, in order for potential bidders to be aware of environmental and social performance requirements that shall be expected from them, are able to reflect that in their bids, and required to implement the clauses for the duration of the contract. The PMU will enforce compliance by contractors with these clauses.

COVID-19 requirements

The COVID-19 pandemic brings additional health and safety risks and challenges to the project due to the risk of COVID-19 transmission amongst workers and with the host community. State-developed COVID control measures including movement restrictions, physical and social distancing can derail stakeholder engagement and consultations. It is imperative to assess and mitigate the risks of COVID transmission among workers and to provide a safe environment for project workers and local communities. As a first step, contractors and workers on this project will (i) adhere to all COVID control protocols developed by the Department of Roads, (Bridge Branch) and provincial authorities; (ii) where necessary, prepare and implement site-specific measures (as part of the project OHS plan) to mitigate the risks of COVID transmission among

workers; (iii) promote measures for preventing the spread of COVID among host communities. As part of E&S screening, contractors will assess the risks of COVID transmission before undertaking project activities: site access, construction of labour camps, consultations with project stakeholders, and based on the assessment, ensure that basic COVID-19 protocols are observed such as maintaining social distancing and practicing safe hygiene. The COVID-19 OHS protocols prepared by the DoR will be followed by the Project Office, construction supervision consultant and contractors' team and workers. The OH&S Specialist will perform additional roles as the focal point for COVID-19 and coordinate site specific measures with local health authorities and community leaders. The World Bank's Technical notes and draft protocols may be referenced for further guidance on the assessment and management of COVID-19 risks at construction sites.

Other requirements

As a core contractual requirement, the contractor is required to ensure all documentation related to environmental and social management, including the LMP, is available for inspection at any time by the PMU or its appointed agents. Likewise, similar obligations will be required for third party labour suppliers or Naike (leader). The contractual arrangements with each project worker must be clearly defined in accordance with national law. A full set of contractual requirements related to environmental and social risk and impact management will be provided in ESIA. All environmental and social requirements will be included in the bidding documents and contracts in addition to any additional clauses, which are contained, in the Programs environmental and social instruments.

Under no circumstances will PMU, contractors, primary suppliers or sub-contractors engage in forced labour and child labour. Forced labour includes bonded labour (working against an impossible debt), excessive limitations of freedom of movement, excessive notice periods, retaining the worker's identity or other government-issued documents or personal belonging, imposition of recruitment or employment fees payable at the commencement of employment, loss or delay of wages that impede the workers' right to end employment within their legal rights, substantial or inappropriate fines, physical punishment, use of security or other personnel to force or extract work from project workers, or other restrictions that compel a project worker to work in a non-voluntary basis.

7.1 Occupational, Health and Safety

To achieve the best OHS performance the DoR-DCID is committed to:

- (i) Comply with legislation which relate to OH&S requirements as stipulated in LA-2017, Labour Rule -2018, OHS policy- 2019, ESS 2, ESS4, Child Labour (Prohibition and Regulation) Act-2000.
- (ii) Prevent OHS risks through promotion of appropriate skills, knowledge and attitudes toward 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.

A Health and Safety Specialist and, Environmental Representative will be required for each project site for an agreed period. The qualifications required for the specialist will be Masters in Science, Engineering or equivalent, with a minimum of three years of practical working experience, whereas for the Representative 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 OH&S officer will carry out the investigation and determine the need for further remedial 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 Labour Act 2017.
- 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 its 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 location increases the chances of additional and often endemic diseases like diarrhoea, 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 Labour Act 2017, Labour Rule 2018, and World Bank policy.
- Provide occupational health and safety 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 earplugs; 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 specialised hospitals for complicated accidental 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 personal protective equipment 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 landfill 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. Minor incidents are reflected in the quarterly reports to the World Bank, major issues are flagged to the World Bank immediately

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.

7.2 - Labour Influx and Gender Based Violence

Contractors will need to maintain labour relations with local communities through a 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, sexual

exploitation and sexual harassment (e.g., termination). 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 workforce about refraining from unacceptable conduct toward local community members, specifically women. Training may be repeated;
- 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;

The contractor will prepare an SEA/SH Risk Mitigation Action Plan, as discussed above. This process will be under the portfolio of a designated Officer who shall identify and engage the relevant stakeholders on GBV issues.

8. AGE OF EMPLOYMENT

The Labour Management Procedure in accordance with the LA-2017 and ESS2 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. 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 contractor employs a person under the age of 18 years, that contractor's will not only be terminated but also be reported to the authorities for legal prosecution. Evidence such as birth certificate or citizenship, monitoring and inspection and other documents need to be produced to demonstrate the age and assurance of complying legal obligation.

9. TERMS AND CONDITIONS

As stated in section 4 of this LMP the terms and conditions of employment are governed by the LA-2017. 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, overtime 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 him 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 entitled to any payment unless he has filed, together with his 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 fulfil 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.

Worker's Organization

The LA- 2017, has protected the right of labour to involve or affiliation to the trade union organization. Besides as a member state of ILO it has the obligatory requirements to applies minimum conditions in terms of workers organization. The LA-2017 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, 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 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 ESS2, 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 Labour Office. .

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 a 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-2017. 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 gender-based violence, sexual exploitation and workplace

sexual harassment in order to establish a manual for referencing any potential survivors. The project unit and the contractor is not equipped to handle complaints or provide relevant services to survivors, but will reference any person to relevant service providers, including health facilities, law enforcement's gender unit or others, as relevant using the information on available services. A grievance redress mechanism (GRM) will be established specifically for the purpose of confidentially receiving grievances related to GBV. Further details of the GRM are provided in the SEA/SH Risk Mitigation Action Plan developed for SRCTIP. All SEA/SH related complaints, with the survivor's consent, will be referenced to the project identified service provider who will further manage the case in a survivor centric approach and will report back to the project GBV GRM once the case is solved.

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 contractor's ESMP or contractor 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 labour law and -ESS2. 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.

As part of E&S screening, contractors will assess the risks of COVID transmission before undertaking project activities: site access, construction of labour camps, consultations with project stakeholders, and based on the assessment, ensure that basic COVID-19 protocols are observed such as maintaining social distancing and practicing safe hygiene.

In the context of COVID pandemic, contractor must have in place effective arrangements for monitoring and reviewing their compliance with all the guideline and Standard Operating Procedures and developed COVID OHS Protocols during COVID-19. All the workforce at site should be reminded at every opportunity of the Site Operating Procedures and COVID OHS Protocols which are aimed at protecting the workers and reduce cross contamination at worksites.

Construction sites operating during the Coronavirus (COVID-19) pandemic need to ensure they are protecting their workforce by implementing measures to minimize the risk and spread of infection. Cleaning, disinfecting, social distancing etc. are critical to protect the worker health and community transmission by reducing COVID19 infections.

The contractors have to prepare the separate quarantine room and for the COVID-19 suspected workers with and isolation room for workers with COVID-19 symptoms. The contractors also have to prepare the mechanisms for medical treatment of those infected person to nearby hospital soon.

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 occupational health and safety (ESS 2 paragraph 32 and LA-2017chapter 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 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, Workers camp management plan, Traffic and road safety management Plan, Quarry/borrow area management plan, and site restoration plan among others in accordance with the GoN and IFC&WB workers accommodation guidelines. Where the contractor uses naikes for the provision of labour, 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 engineers. 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 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 worked, 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 Contractors Employee List.
- Monthly site visits (at a minimum) and reports. This includes, concerns or issues tracking using monitoring register.
- Evaluation of contractor requirements. This includes training, OH&S 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

Suppliers are formal businesses who are required to procure and produce materials subject to high standards. Any new supplier is identified using a different form which screens the supplier in regard to compliance with taxes, certification, licensing, Public Liability Certificate and workmen’s compensation, company’s permanent staff, and declare any current or prior

arbitrations as well as any criminal convictions. Registered suppliers are subjected to regular review in accordance with the applicable law.

Applicable of ESS2 provisions regarding primary supply workers

ESS2 requires specific and significant commitments in regards to the due diligence that needs to be carried out where the project uses primary supply workers. The provisions related to primary supply workers within ESS2 are only applied to those suppliers (if any) with whom the project will have a sufficiently significant and ongoing relationship, and only applies to the provision of goods, not services.

Due diligence requirements under ESS2

The risk related to primary supply workers the use of forced, labour and trafficked is not significant, no significant safety issue has been identified according to the preliminary screening. Where primary suppliers are employed in the project, the project will ensure that no child and forced labour are hired by the primary supplier, through conditions provided in contracts and through regular monitoring. If child labour or forced labour cases are identified, for example, by the PCU, labour office, 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 requirements. 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. Besides, the project will ensure that no child labour and forced labour are hired by PS. 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. Health and Safety/OHS officer having adequate understanding and experience on Labour and Working condition management will be hired. The qualifications required for the OH&S officer will include Masters in Science, Engineering or equivalent, with minimum of one year practical working experience or specific training of one month in a related field. 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 be responsible to carry out the activities such as: engagement and management of project workers; engagement and management of contractors/subcontractors; OHS; 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 updated accordingly.

14. COORDINATION AND COMMUNICATION

The project will be completed 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. MONITORING AND EVALUATION

This will be done through setting a special score board approach based on the activities accomplished during project interval. This will be done annually and applies both for the project including project parties and labourers as well based on the set criteria.

16. REFERENCE

- Child Labor (Prohibition and Regulation) Act -2000
- Constitution of Nepal 2015
- DoR GESU guidelines and publication
- DoR OCHS policy (2019, Draft)
- IFC-EBRD, Workers' accommodation: processes and standards
- ILO Convention
- 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

17. APPLICABILITY

This LMP is also applicable to both upgrading of NNM and KDP road and Periodic Road Maintenance subcomponent.

ANNEXES 1: WRITTEN PARTICULARS OF EMPLOYMENT

1. Name of Employer
2. Name of Worker
3. Date Employment began
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 (if worker female)
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 undertaking. 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 |
| | |

ANNEXES 2: SUGGESTED DUE DILIGENCE FOR SOCIAL AND ENVIRONMENTAL MITIGATION MEASURES IN CONTRACTS

| <i>Stage of Contractual Process</i> | <i>Suggested Due Diligence</i> |
|---|---|
| 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: <ol 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 Codes of Conduct, 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. • Ensure the bidding documents detail how the contractor and supervision engineer will be required to monitor and report on the |

| <i>Stage of Contractual Process</i> | <i>Suggested Due Diligence</i> |
|-------------------------------------|---|
| | <p>impacts on the local community, issues related to labour influx and workers' camps.</p> <ul style="list-style-type: none"> 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; and (vi) labour influx. 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. |

ANNEXES 3: 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 ongoing 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.

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.

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.

Harassment or Abuse

Every worker shall be treated with respect and dignity. No worker shall be subject to any physical, sexual, psychological or verbal harassment or abuse.

Forced Labour

There shall be no use of forced labour, including bonded labour or other forms of forced labour.

Child Labour

No person shall be employed under the age of 18

Freedom of Association and Collective Bargaining

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

Health, Safety and Environment

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.

Hours of Work

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

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.

ANNEXES 4: STAFF PROFILE

| | |
|---|--|
| Name | |
| ID | |
| Age | |
| Contact Address | |
| Education | |
| Employment Type | |
| Contract validity | |
| Job description and Terms and condition | |
| Wages and benefits (leave, insurance, social security, allowances and others) | |
| Emergency contact detail | |

**ANNEXES 5: 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, group work, 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 First aid • 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: 4 hour/batch • For 2 days training: 6 hour/batch • For 5 days ToT: 6 hour/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 5 days ToT: 300000.00/batch |
| Follow up | 6 months after completion |

ANNEXES 6: OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT FRAMEWORK - TEMPLATE

| S.N. | Activities | Risk Level | Impact | Mitigation measures | Time duration | Action taken | Follow up | Responsible person | Remark |
|----------------|----------------------|-----------------------|--------------------------|--|------------------------------|-----------------|----------------|---|--------|
| <i>Example</i> | | | | | | | | | |
| <i>1</i> | <i>Concrete work</i> | <i>Medium to high</i> | <i>Human Environment</i> | <i>-Automation of the process -Isolation/ enclosure of work process -Use of dust filter mask, ear muff</i> | <i>Immediate to 3 months</i> | <i>March 25</i> | <i>June 24</i> | <i>OHS officer (construction site) and OHS specialist (PMU)</i> | |
| | | | | | | | | | |

ANNEXES 7: USE OF PERSONAL PROTECTIVE EQUIPMENT (PPE)

| S.N. | Work types | PPE types | Impact due to not use of PPE | Mitigation measures | Time duration | Non compliance | Follow up | Action taken | Responsibility |
|------|------------|-----------|------------------------------|---------------------|---------------|----------------|-----------|--------------|----------------|
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

ANNEXES 8: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. | Legally registered national firm with adequate resources | DCID/PMU, WB |
| 2. | Labour conditions | 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, construction supervision consultant (CSC), PS, LO, Local Community (LC) |
| 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 scoreboard 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, Contractors, M/RM, worker |

| | | | |
|-----|--|--|--|
| | | <ul style="list-style-type: none"> • Enhance local health care facilities | |
| 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 labor | 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, supervision consultant, contractors 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, Contractors, |

| | | | |
|-----|--|---|--|
| | | <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 | M/RM, PS, LO, LS |
| 14. | Labour influx | <ul style="list-style-type: none"> • COC to guide the workers, contractors and primary suppliers • Operation and Management plan • Community sensitization, Socio-economic development of women, • Orientation of Supervision Consultant, 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 |