

WATER AND SANITATION SERVICES MODERNIZATION
PROJECT

LABOR MANAGEMENT PROCEDURE
FOR REPUBLIKA SRPSKA

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Abbreviations

APCU	Agriculture Project Coordination Unit
BD	Brcko District
BiH	Bosnia and Herzegovina
ESSs	Environmental and Social Standards of the World Bank
FBiH	Federation of Bosnia and Herzegovina
GBV	Gender-based violence
GRM	Grievance redress mechanism
ILO	International Labor Organization
LMP	Labor Management Procedures
M&E	Monitoring and Evaluation
RS	Republika Srpska
WSS	Water Supply and Sanitation

1 OBJECTIVES AND PURPOSE OF THE LABOR MANAGEMENT PROCEDURE

The World Bank (WB) aims to provide financing through a multiphase program approach to the Government of Bosnia and Herzegovina (BiH) for the implementation of the BiH part of the Water and Sanitation Services Modernization Project (hereinafter referred to as: The Project). The project development objective is to support the government of Bosnia and Herzegovina to **(i)** strengthen the institutional capacity at Entity and Municipal level for improved Water Supply and Sanitation (WSS) service delivery and **(ii)** improve access to safely managed WSS services, and **(iii)** improve the efficiency of public WSS service providers in participating local governments.

The Bank has defined specific Environmental and Social Standards (ESSs), which are designed to improve their environmental and social performance, avoid, minimize, reduce or mitigate the adverse environmental and social risks and impacts of projects. The desired outcomes for the project are described in the objectives of each ESS, followed by specific requirements to help Borrowers achieve these objectives through means that are appropriate to the nature and scale of the project and proportionate to the level of environmental and social risks and impacts.

Environmental and Social Policy for Investment Project Financing sets out the mandatory requirements of the Bank in relation to the projects it supports through Investment Project Financing and, as such, needs to comply with the Environmental and Social Standards (ESS).

The Framework specifies the mandatory requirements in the form of 10 standards that borrowers must apply.

One of those 10 standards is the **Environmental and Social Standard 2 (ESS2)** which concerns labor and conditions at work. ESS2 requires commitment to the fair treatment, non-discrimination and equal opportunity of workers, to promote and maintain sound worker management relationships, and to promote compliance with national employment, labor, occupational health and safety laws.

Objectives of ESS 2 are the following:

- 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 ESS) and migrant workers, contracted workers, community workers and primary supply workers, as appropriate.
- to prevent the use of all forms of forced labor and child labor.
- 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.

Under ESS2, loan recipients are required to develop and implement written **labor management procedures (LMP)** applicable to the project. The purpose of the LMP is to facilitate planning for the project and help identify the resources necessary to address the labor issues associated with the project. The LMP assists in identifying different categories of workers on a project and determining the ways to meet the requirements of ESS 2, which apply to different categories of workers. It sets out the terms

and conditions for employment or engagement of workers on the project, specifies the requirements and standards to be met and the policies and procedures to be followed, assesses risks and proposes the implementation of compliance measures and promotes fair treatment, nondiscrimination and equal opportunity of project workers. The LMP is developed to help avoid, mitigate and manage risks and impacts in relation to project workers and set out the way in which project workers will be managed, in accordance with the requirements of national law and the ESS2.

The LMP stipulates a systematic approach to management of labor issues in a project, reflecting the requirements of domestic legislation, applicable collective agreements and problems that relate to labor and conditions of work, and opinions of representatives of workers and the loan recipient can be solicited.

This procedure was developed on the basis of the Bank's requirements, as well as the current domestic legislation in RS. The procedure will be updated as necessary in the course of Project preparation, development and implementation. Supplementing and updating of the procedure shall also be performed in case the domestic legislation changes in any aspect of importance for this Procedure.

ESS2 identifies the following categories of workers on a project and they are presented in **Table 1**:

Table 1: Type of project workers according to ESS2

DIRECT WORKERS	Persons directly engaged or employed by the loan recipient to work on the project are referred to as direct workers. The <i>recipient</i> pays those workers directly and provides them with daily instructions in their work and controls them. Direct workers can be persons who have been employed or engaged by the PIUs for design and supervision, monitoring and evaluation, or community engagement in relation to the Project.	PRIMARY SUPPLY WORKERS	Persons who were employed or engaged by primary suppliers of the loan recipient are referred to as primary suppliers' workers. Primary suppliers imply those suppliers that are, on continuous basis, supplying products for the project or materials necessary for basic functions of the project. <i>Primary suppliers</i> control operations of those workers, their conditions of work, as well as the treatment of workers.
CONTRACTED WORKERS	Persons who get employed or got an engagement through third parties for performance of tasks on the basic/key functions of the project regardless of the location are referred to as contracted workers. The <i>third parties</i> are the contractors, sub-contractors, intermediaries and agents. The third parties define and control the labor, conditions of work and treatment of workers on the project.	COMMUNITY WORKERS	Persons who are employed or are active in working in the community are referred to workers in the community. Projects can include workers in the community where their work provides a contribution to the project or where the project were designed and implemented with the intention of encouraging development of the community.

2 OVERVIEW OF LABOR USE ON THE PROJECT

2.1 Categories of Project Workers

The Project will support the government of BiH, entity and municipal level with an aim to improve access, quality and efficiency of public water supply and sanitation (WSS) service delivery in selected areas. Through providing better access to public water and sanitation, the project will help prevent diseases and protect from infectious disease outbreaks, including the COVID-19 pandemic.

According to the categorization given in **Table 1**, the Project will include following project workers:

- **Direct workers**
 - staff (APCU) from the Ministry of Agriculture, Water Management and Forestry of RS (civil servants) and
 - external consultants for environmental and social standards to be recruited.

For civil servants involved in the Project operations, regardless of whether they work full time or part time, terms and conditions of their existing contracts or appointments in the public sector shall apply. When engaging external consultants, provisions of entity legislation on work engagement shall apply, in parallel with compliance with requirements of this Labor Management Procedure.

- **Contracted workers**
 - Workers of contractors and service providers to be engaged in rehabilitation and construction works of water supply networks and facilities.

It is possible that the contractor will engage multiple subcontractors and in such cases the subcontractors' workers will be also considered as contracted workers.

- **Primary supply workers**
 - Workers of companies involved in the provision of various materials and equipment (such as water and sewer pipes, drains, cables, control vents, sensors for automated condition assessments, etc.)

The table below provides data on the basis of preliminary assessment at the time of preparing this LMP. Data in the table below shall be updated by the APCU subsequently, after more precise data on engaged direct workers and contracted workers become known.

Table 2: Overview of labor use on the Project

Category of workers	Number of project workers	Type of tasks	Necessary skills	Timing of labor requirements	Location
Direct workers a) APCU b) external consultants for environmental and social standards, monitoring and evaluation and engineering/technical support.	a) 6 b) 4	a) Office and administrative tasks b) Office consulting tasks	a) Essential managerial skills b) Knowledge in the area of environmental and social standards, and M&E.	a) and b) continuously engaged	a) Banja Luka b) from entire BiH
Contracted workers	Approx. 100	Office and field tasks	Advanced technical skills (expertise in water and sanitation-related field) Communication skills for project managers	Starting from the second half of the first year and their engagement is expected to last until project closure.	From entire BiH
Primary supply workers	Unknown at this project stage	Office and administrative tasks	Expertise in water and sanitation equipment, time management and organization, communication skills	Starting from the second half of the first year and their engagement is expected to be during project implementation.	From entire BiH

2.2 Characteristics of Project Workers

The majority of skilled and unskilled workers are likely to come from local and wider communities, while managerial and technical staff might come from entire BiH.

Direct workers (civil servants and external consultants) will have managerial, coordination and administrative roles and their location will be at the Ministry's head office in Banja Luka. These are highly skilled and specialized technical workers. It is expected that these workers are from BiH and over the age of 18. Female workers will most likely be engaged as both civil servants and external consultants and they would represent about 25 percent of the workforce.¹

¹ According to the bulletin "Women and Men in BiH 2020" the representation of women in state institutions is 53%. Nevertheless, gender imbalance is present when observing the representation of women on managerial positions such as head of internal organizational unit (share

Contracted workers will be engaged or employed by third parties i.e., contractors, sub-contractors and service providers needed for project implementation. These workers will be engaged under design, construction, installation of WSS infrastructure including water treatment and distribution facilities and wastewater collection (managers, engineers, equipment and driver operators, plumbers, electricians, instrument technicians, water and sanitation workers, etc.). Given the nature of anticipated work of this category of workers, it is expected that these are mostly local skilled, semi-skilled and unskilled workers. Considering the nature of anticipated underground work, which is labor intensive, it is not expected that the number of female workers will be high. Women workers will most likely be engaged as technical staff (engineers) and administration staff² and it is estimated that women would represent about 10-15 percent of the workforce.

Primary supply workers engaged by primary suppliers could be national and international (regional) companies that would supply the Project with various supplies such as different types of pipes, control vents, iron, geotextile, etc. Although these impacts are not the subject to ESS2 it will be looked through ESS1 and ESS2, and relevant management plans (i.e., the Project level ESMF, sub-project ESMPs and any Contractors management plan as required by the ESMF). The labor management procedures set out the procedures how potential risks of child labor, forced labor and serious safety issues which may arise in relation to primary suppliers will be identified including roles and responsibilities for monitoring primary suppliers.

2.3 Timing of Labor Requirements

It is expected that the first Contract for construction works will be awarded by April 2021. Each sub-project will be subject to separate tendering procedure, separate contracts and formation of teams. Each contract will be managed separately in terms of labor and working conditions.

Direct workers (APCU and external consultants) will be continuously engaged i.e., from the beginning of the project implementation and their engagement is expected to last until project closure (84 months).

Contracted workers will be hired under design, construction, installation of WSS infrastructure including water treatment and distribution facilities and wastewater collection. It is anticipated that this category of worker will be engaged for approximately 12 months.

of women in 2019 was 47.1% and men 52.9%). The publication at entity level "Women and Men in RS 2019" published by the RS Institute of Statistics does not include data on the position of women and men in public administration.

² The bulletin "Women and Men in BiH 2020" published by the Agency for Statistics of BiH includes data on a variety of statistical areas categorized by gender. The presented data is disaggregated by sex in the following areas: health, education, employment, social welfare, political power, public administration and violence. However, the bulletin does not include the data on participation of women in sector - Water and Sanitation Services. Moreover, the similar publication published on entity level also does not cover the data on representation of both sexes in WSS. Recently developed analysis "Gender Gap and Citizen Engagement in the BiH WSS Utility Sector" showed that women are largely underrepresented in the WSS sector. According to this analysis workforce in eight water and sanitation service providers has a low share of female workers i.e., only 22.6% of their workers are women. Additionally, the top leading positions are occupied by men (executive directors of all 8 WSS utilities are men).

Migrant and community workers will not be engaged on the project. The project will engage persons of the age of 18 and above.

3 ASSESSMENT OF KEY POTENTIAL LABOR RISKS

3.1 Project activities

It is expected that the Project will include several sub-projects such as: construction of the new water intake and separate rain collector as well as reconstruction of water supply network in Doboj, reconstruction of the water tank Tilava in Istocno Sarajevo, construction/extension of the water supply in Laktasi, construction of water supply and sewerage network in Prnjavor, construction of sewerage network and waste water treatment plant in Zvornik and construction/reconstruction of the water supply and sewerage network in Trebinje³. The project will involve the physical works and typical activities of such sub-projects are:

- Land-clearing and mechanical excavation (removing of soil and vegetation)
- Excavation of trenches and construction of retaining walls
- Laying of pipes
- Construction of primary, secondary, tertiary network and home connections
- Construction of wastewater treatment plants
- Expansion of water supply networks
- Pipeline reconstruction and water reservoir expansion
- Pipelines replacement
- Reconstruction of water treatment plant
- Development of telemetry system
- Construction of water tanks.

3.2 Key Labor Risks

The main labor risks associated with the Project are assessed to be related to the potentially health and safety risks with regard to the construction/reconstruction activities on the Project. These risks may include exposure to physical hazards during construction activities: hazards from work equipment, trip and fall hazards, exposure to hazardous materials and electrical hazards from the use of tools and machinery, water and groundwater penetration. Furthermore, the Project will include work outside in all weather conditions year-round, occasionally exposure to wet and/or humid conditions, fumes and airborne particles and vibration. Since the construction activities will involve hazardous work, persons under the age of 18 will not be employed by the Project.

It is expected that **direct workers** (APCU and external consultants) within the framework of the Project would perform office operations primarily, in addition to occasional visits to project locations on the part of the consultants. Given the nature of activities performed by this category of workers

³ These sub-projects present preidentified utilities and it is expected that the Project will most likely include sub-projects from other municipalities in RS. Consequently, this procedure will be updated.

(consultancy nature) the risks upon the health and safety are minimal or negligible. Furthermore, the risks in relation to work in civil service and consultant business are, in general, very small in RS (for instance, irregular payment for work, informal labor or labor of minors are not practiced).

It is anticipated that the workers (**contracted workers**) will be exposed to occupational health and safety hazards, primarily including but not limited to:

- trip and fall hazards (falling into the trench or excavation),
- equipment or excavated soil failing on workers,
- exposure to toxic waste and gases, dust, noise and vibration,
- exposure to asbestos-cement pipes and chlorine,
- working near reservoirs,
- working in confined spaces (pipeline works),
- conditions in worker's camps, if worker camps are foreseen (adequate water supply and sanitation facilities),
- cracking or slipping of masses and excavated material,
- lifting of heavy materials,
- hazards related to materials handling (e.g., lifting, struck by, crushed between, etc.);
- working on steep and treacherous terrain,
- working near or on roads with live traffic,
- contact with buried service lines such as electrical, natural gas, water, sewage, telecommunication, etc.,
- work with electrical equipment
- working in a non-physiological position of the body.

The Project is assessed as low on gender-based violence (GBV) risk. If other labor risks arise during sub-projects implementation, this procedure will be appropriately amended to prevent further impacts.

4 BRIEF OVERVIEW OF LABOR LEGISLATION: TERMS AND CONDITIONS

4.1 Conventions of the International Labor Organization

Bosnia and Herzegovina has been a member of the International Labor Organization (ILO) since June 1993. In BiH there are in effect eight fundamental conventions and four priority conventions. The eight fundamental conventions include the following:⁴

- Convention on Forced Labor, dating from 1930.
- Convention on Trade Union Freedoms and Protection of Trade Union Rights, dating from 1948.
- Convention on Application of Principle of Right to Organize and Collectively Negotiate, dating from 1949.
- Convention on Equal Awards to Male and Female Labor Force for Work of Equal Value, dating from 1951.

⁴ Source: https://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102704 [accessed on November 10, 2020]

- Convention on Prohibition of Forced Labor, dating from 1957.
- Convention on Discrimination in Regard to Employment and Occupation, dating from 1958.
- Convention on Minimum Age for Entering into Labor Relations, dating from 1973.
- Convention on Worst Forms of Abuse of Child Labor, dating from 1999.

The priority conventions that BiH has also ratified are the following:

- Convention on Labor Inspection, dating from 1947.
- Convention on Employment Policy, dating from 1964.
- Convention on Tripartite Consultations (International Labor Standards), dating from 1976.

The other ratified conventions are the following:

- Convention on Unemployment, dating from 1919.
- Convention on Worker Indemnity (in Case of Accidents), dating from 1925.
- Convention on Workers' Compensation for Occupational Diseases, dating from 1925.
- Convention on Equal Treatment (Indemnity in Case of Accident), dating from 1925.
- Convention on Employment Services, dating from 1948.
- Convention on Nighttime Work of Women, dating from 1948.
- Convention on Nighttime Work of Youth / Children (Industry), dating from 1948.
- Convention on Social Insurance (Minimum Standards), dating from 1952.
- Convention on Weekend Rest (Trade and Administration), dating from 1957.
- Convention on Determination of Minimum Salaries, dating from 1970.
- Convention on Paid Annual Holidays, dating from 1970.
- Convention on Workers' Representatives, dating from 1971.
- Convention on Occupational Cancerous Diseases, dating from 1974.
- Convention on Paid Leave for Expert Education Purposes, dating from 1974.
- Convention on Human Resource Development, dating from 1975.
- Convention on Work Environment (Air Pollution, Noise and Vibrations), dating from 1977.
- Convention on Promotion of Collective Bargaining, dating from 1981.
- Convention on Safety and Protection of Health at Work, dating from 1981.
- Convention on Termination of Labor Relations, dating from 1982.
- Convention on Professional Rehabilitation and Employment of Persons with Disabilities, dating from 1983.
- Convention on Part-time Work, dating from 1994.
- Convention on Protection of Motherhood, dating from 2000.
- Convention on Promotional Framework for Occupational Safety and Protection of Health at Work, dating from 2006.

4.2 Key Conventions on Gender Equality

BiH has taken significant legal steps to address gender equality and gender-based violence (GBV). The constitution of BiH and the constitution of RS provide equal opportunities for all citizens and prohibit discrimination on the basis of gender. By signing and ratifying the below-stated conventions, BiH is

obliged to conciliate its laws, policies and practice with the provisions and articles of signed and ratified conventions and documents:

- Convention on the Elimination on all Forms of Discrimination against Women (CEDAW) – ratified in 1993⁵
- The Council of Europe Convention on Preventing and Combating Violence Against Women and Domestic Violence (the so-called Istanbul Convention) – ratified in 2013⁶
- Beijing Declaration and Platform for Action – originally adopted and implemented in 1995⁷

4.3 Labor Legislation

The legislation from the area of labor relations in BiH is in exclusive competence of the two entities and BD. The key legislation that regulates the terms and conditions of employment in RS is the Labor Law of RS⁸, wherein key aspects of this law on the treatment of different categories of workers are presented separately.

The terms and conditions provided by this Law include **prohibition of discrimination** in terms of employment requirements and selection of candidates, education, training and professional development, promotion and employment contract termination. Discrimination of workers and job seekers is prohibited with regard to sex, sexual orientation, marital status, family obligations, age, disability, pregnancy, language, religion, political and other opinions, ethnic origin, social origin, financial status, birth, race, skin color, membership or lack of in political parties and trade unions, health status, or any other personal characteristic. **Harassment and sexual harassment** are also prohibited. The employer is obliged to take timely and effective measures in order to prevent gender-based violence, discrimination, harassment, sexual harassment at work and/or in connection with work and mobbing, and must not take any measures against the worker due to the fact that he complained of violence, discrimination, harassment, sexual harassment and mobbing.

Entering into a labor relation

A labor relation shall be initiated by concluding a labor contract, a decision on recruitment, a decision on selection and appointment or other legal grounds regulated under a special law. A labor contract shall be concluded in writing and shall contain a list of data prescribed under the Labor Law.

Rights of workers

The Law guarantees the worker's right to safety and protection of life and health at work; protection of personal integrity, special protection in case of illness and reduction or loss of capacity to work and old age. Workers are entitled to full compensation of salary for the period of annual holidays, official holidays, temporary inability to work due to injury at work or occupational disease, as well as during interruption in work caused by oversight on the part of the employer. Severance payment for a worker with a permanent labor contract is also provided. A worker cannot be placed in an unequal position

⁵ Source: https://treaties.un.org/Pages/ViewDetails.aspx?src=TREATY&mtdsg_no=IV-8&chapter=4&lang=en [accessed on November 22, 2020]

⁶ Source: www.coe.int [accessed on November 22, 2020]

⁷ Source: https://www.un.org/en/events/pastevents/pdfs/Beijing_Declaration_and_Platform_for_Action.pdf [accessed on November 22, 2020].

The Declaration was adopted in Bosnia and Herzegovina in 1995.

⁸ Official Gazette of RS No. 1/16 and 66/18

when realizing rights on the basis of labor and right to employment because of his race, ethnic or national origin, skin color, sex, language, religion, political or other opinion and affiliation, social origin, financial status, membership or lack of in a trade union or a political organization, physical and mental health and other characteristics that are not in a direct relation with the nature of the labor relation.

Obligations of workers

Obligations of workers shall be to perform the tasks responsibly, comply with business operations of the employer, inform the employer on important circumstances that could affect performance of tasks under labor contract and to inform the employer on potential hazards to life and health. If workers are unable to work due to an illness or injury, workers must immediately inform the employer and deliver a doctor's certificate within three days from the start of their absence.

Obligations of employer

Employer's obligation is to register workers to the Single system and, after registration for mandatory insurance, employer shall serve the worker with a photocopy of the registration as well as in case of any other change in insurance that concerns the worker. Furthermore, employer is tasked to pay salary to the worker for his/her performed work, to ensure safe and healthy working environment, to ensure that the worker can perform tasks under the labor contract and to insure all workers in case of accidents at work.

Salary and deductions

The worker exercises the right to a salary in accordance with the general act and the employment contract. Workers are guaranteed the same salary for the same work or work of the same value that they earn (same level of education is required, i.e. education, knowledge and abilities, in which the same work contribution has been achieved with equal responsibility). The employer may not pay the worker a lower salary than the one determined in accordance with the general act and the employment contract. The basic salary is determined on the basis of the conditions necessary for work on jobs for which the worker has signed a contract.

Work performance is determined on the basis of the quality and scope of work performed. The employment contract may determine the basic salary in a higher amount than the basic salary determined on the basis of the elements from the general act. The salary is paid within the deadlines determined by the general act and the employment contract, at least once a month, and no later than the end of the current month for the previous month. Salaries are paid only in cash, to the current account of the employee.

The minimum salary is paid for full-time work and the average achieved results of workers in accordance with the acts of the employer. Workers have the right to compensation of salary during the absence from work in the cases provided by this law, the general act and the employment contract.

Salary compensation during annual leave, holidays, temporary incapacity for work due to injury at work or occupational disease, as well as during interruption of work due to failure of the employer to take appropriate safety measures at work, amounts to 100% of the average salary the worker earned in the relevant previous period or from the salary he would have earned if he had been at work.

Workers are entitled to remuneration of salary during temporary inability to work caused by sickness or injury or other reasons provided for by the Law on Health Insurance.⁹ If the temporary inability is caused by illness or injury (not work-related), the remuneration shall amount to at least 70% but not more than 90% of the net salary the worker would have earned had s/he been at work. The remuneration for the first 30 days of temporary inability to work due to illness or injury is paid by the employer. After 30 days, the remuneration is paid by the health insurance fund of RS, but for no longer than 12 months. If the temporary inability is due to a work-related injury or illness, the employer is obligated to pay the remuneration for the entire duration of the temporary inability to work until the worker is determined by the relevant bodies to be permanently unable to work.

Employment of women

Employer is prohibited to condition employment of a woman worker with a pregnancy test, except if the enactment on risk assessment determines that it concerns tasks in which there is a risk upon health of the woman and the child, to allow nighttime work of a woman, starting from the 6th month of pregnancy and of mothers with children up to 2 years of age nor refuse an employment of a woman because of pregnancy. The employer is also prohibited to cancel a labor contract because of pregnancy or maternity leave. During pregnancy, a woman may be temporary assigned to other job while breastfeeding, if it is in the interest of her and child's health. If the employer is not able to provide the woman with assignment for another job, the woman is entitled to a salary compensation. Mother of a child up to three years of age may be assigned by the employer to another job only upon her consent. During pregnancy, childbirth and child care, a woman has the right to maternity leave for a period of one year continuously, and for twins, every third and next child for a period of 18 months continuously. A woman may, at her own request, with the consent of the employer, start working before the expiration of maternity leave, but not before the expiration of 60 days from the day of childbirth. After the expiration of maternity leave, one of the employed parents has the right to work half-time until the child reaches the age of three, if the child needs an intensive care. A worker (father) is also entitled to one year of parental leave in the following cases: mother's death, a mother abandons a child or woman is prevented to take maternity leave and after the expiration of 60 days from the child's birth, if parents agree so.

Employment of persons of age 15 to 18

A labor contract can be concluded in exceptional cases with persons who are 15 to 18 years of age, pending written consent of the legal representative, if such work does not jeopardize his health, ethic and education and on the basis of findings of a competent health institution which determines health capacity of workers for work and if those tasks are not harmful to his health. This category of workers cannot work in nighttime, on jobs for which it is determined that they carry increased risk or that they involve especially hard manual tasks, in workplaces that are underground or under water, on other tasks that could carry increased risk upon his life, health and psychological and physical development.

Working hours

Full working hours amount to 40 hours per week and cannot be shorter than 36 hours per week. The working week lasts 5 working days, while the working day lasts 8 hours.

⁹ Official Gazette of RS, No. 18/99, 51/01, 70/01, 51/03 and 57/03

Overtime work

Overtime work can neither last for more than 10 hours per week, nor more than 4 hours per day. A worker cannot work for more than 180 hours of overtime in the course of a calendar year. Overtime work is not allowed to workers who are minors, pregnant women and mothers with children up to three years of age and single parents of children younger than six. Workers are entitled to increase of salary during overtime work. If the requirement for overtime work lasts for more than three consecutive weeks or for a total duration of ten weeks in one calendar year, the labor inspection office must be notified.

Nighttime work

Working during the hours between 22 in the evening and 6 in the morning of the next day shall be deemed nighttime work. Nighttime work shall be prohibited to workers who are minors, pregnant women, starting from the sixth month of pregnancy, and mothers with children up to two years of age. Workers shall be entitled to increase of salary during nighttime work.

Rest during working hours

A worker who is working full working hours or at least 6 hours a day shall be entitled to rest during working hours in the duration of 30 minutes. For overtime work, the worker shall, in addition to the rest of 30 minutes, be entitled to additional 15 minutes.

Daily rest

A worker shall be entitled to daily rest between two consecutive working days in the duration of at least 12 hours without interruptions, and for workers employed in agriculture and on seasonal tasks at least ten hours without interruptions.

Weekly rest

A worker shall be entitled to weekly rest in the duration of at least 24 hours without interruptions.

Annual holidays

A worker shall have the right to annual holidays in the duration of at least 4 working weeks, i.e. at least 20 working days. Annual holidays can be used without interruptions, in two or more parts. The first part shall last 2 weeks, and the second part should be used by June 30th of next year.

Workers' grievance mechanism

A worker who is of the opinion that his employer has violated his right from labor relation can submit a written request to the employer to ensure realization of that right, within the deadline 30 days from the date of gaining the knowledge of the violation of the right, and within three months at the latest from the date on which the violation was committed. The employer shall be under obligation to decide on the worker's request within the deadline of 30 days from the date of submitting the request, and if it fails to decide within that deadline, it shall be deemed that the request was granted.

A worker who is of the opinion that his employer had violated a right from his labor relation can submit a proposal for peaceful resolution of the labor dispute to the competent authority or a lawsuit to the competent court for protection of that right. The lawsuit can be submitted if the subject of the dispute had not been resolved prior to that in the procedure of peaceful dispute resolution with the competent authority.

Freedom of association

Worker shall be entitled to organize a trade union based on their own free choice and to become members of it, i.e. cease to be members of it. His engagement in a trade union cannot place a worker in a less favorable position in regard to conditions of work and realization of rights on the basis of work. Employers are prohibited to interfere in the organization and operations of the trade union and to control its work.

Safety and health at work

An employer shall be under obligation to facilitate to the worker to get acquainted with regulations on labor relations and regulations on protection at work, within 15 days of starting to work.

A worker shall be under obligation to use, when working, appropriate means and equipment for personal protection at work and to manage the means of work in compliance with their purpose and features.

Inspection supervision

The Republic Administration for Inspection Affairs supervises the implementation of the Labor Law in RS, other regulations on labor relations, collective agreements and rulebooks on labor regulations.

Inspection supervision over this law, and regulations adopted for its implementation, is performed by the labor inspection, in a part that refers to the rights, obligations and responsibilities of workers in republic administration bodies and local self-government units. When performing inspection supervision, the competent inspector is authorized and takes measures from the regulations governing labor relations, in addition to the authorized regulations prescribed by the law determining the appropriate regional inspection.

4.4 Legislation on Gender Equality in Bosnia and Herzegovina

The Law on Gender Equality in BiH¹⁰ has been in power for 17 years and it present the most important instrument for developing awareness about gender equality and implementing the principles of gender equality into public policies and regulations. Scope of this Law defines gender equality, guarantees equal opportunities and equal treatment of all persons regardless of gender, in both, public and private areas of society, and regulates protection against discrimination on the grounds of sex. Male and female persons are equal. Full gender equality is guaranteed in all areas of society, including, but not limited to, education, economics, employment and labor, social and health care, sports, culture, public life and the media, regardless of marital and family status. Discrimination based on gender and sexual orientation is prohibited.

The competent authorities are obliged to take appropriate measures to eliminate and prevent gender-based violence in the public and private areas of life, and to provide assistance and compensation to victims as well.

Employment, work and access to all forms of resources

¹⁰ Official Gazette of BiH No: 16/03, 102/09 and 32/10

Everyone is equal in the employment process on the basis of gender. Furthermore, this Law strongly forbids any discrimination based on sex in the process of offering employment, open advertising, the procedure of filling vacancies, employment and termination of employment.

Prohibited discrimination on the grounds of sex in work and labor relations requires non-application of equal pay and other benefits for the work of equal value, preventing business promotion under equal conditions, unequal conditions for education, training and professional development and unequal equipment and auxiliary premises for workers of both sexes. Moreover, other requirements this Law includes are unequal treatment due to pregnancy, childbirth or right to maternity leave, which later affects their return to the same job position, or equally paid work at the same level or unfair treatment in using the right to leave after the birth of a child. Additionally, organization of work, task assignments or other working conditions that are unfair or unequal on the basis of gender or marital status, or assignment of a less favorable status to worker, as well as any other act that represents any form of discrimination, is strictly prohibited by the regulations of this Law.

The employer is obliged to take effective measures to prevent harassment, sexual harassment and discrimination based on sex at work, and must not take any measures against the employee due to the fact that he/she has complained of harassment, sexual harassment and discrimination based on gender.

Trade unions and employers' associations shall have a special role in ensuring equal protection of the right to work and employment conditions and shall ensure that there is no discrimination on grounds of sex.

Health care and social welfare

Everyone has an equal right to health care, access to health services, regardless of gender. Health care institutions will take all measures to prevent gender discrimination in the enjoyment of all forms of health care.

Discrimination on the basis of sex in exercising all forms of social rights, established by applicable laws, is prohibited, especially in cases of submitting requests for exercising any right in the field of social protection, procedure of determining and using social rights and established benefits, cessation of enjoyment of established rights.

Judicial protection

Anyone who considers himself/herself a victim of discrimination or considers his/her rights were violated, may request protection of that right in the procedure in which that right is issued, or in a special procedure for protection against discrimination. According to this law the victim of discrimination is entitled to compensation.

5 BRIEF OVERVIEW OF LABOR LEGISLATION: OCCUPATIONAL HEALTH AND SAFETY

Legislation from the area of protection and safety at work in BiH is within the scope of competence of the entities. The text below provides key aspects of the Law on Protection and Safety at Work of RS¹¹.

¹¹ Official Gazette of RS, No. 1/8 and 13/10

Rules and measures for protection of workers at work

This Law stipulates general rules and measures for protection at work related to manufacture of means of work, inspection and testing of equipment, training and informing workers, as well as establishing cooperation in labor relation, a ban on placing workers at a disadvantages and other measures and requirements that can prevent risks at work, as well as manufacturing, packaging, transport, use and destruction of hazardous substances, organize education and training in the area of health and protection at work.

Obligations of employers

Employer is obliged to ensure preventive measures for workers in order to create safe and healthy working environment, train workers for safe and healthy environment, ensure necessary funds for implementation and improvement of protection at work, ensure functional condition of means and equipment for personal protection and inform workers on introduction of new technologies and means of work danger from injuries and damages to health. Other obligations of employer refer to adjusting the work process to physical and psychological capacities of workers, adopting risk assessment, implementing equipment tests and informing labor inspection on dangerous occurrences that could jeopardize protection of workers' health.

Rights and duties of workers

Workers need to get acquainted with safe and healthy working conditions, medical check-ups and to inform employer on any injury or occurrence at work or irregularities, which are supposed to impose any form of danger, use means and equipment for personal protection and manage them carefully, as well as to control health in accordance with the risks of the job.

Participation of trade unions

The trade union shall participate in the regulation, undertaking and improvement of workers' protection and health at work.

Records on protection at work

Employers shall be under obligation to keep records on jobs with increased risk and workers who are deployed to such jobs, to keep records on dangerous substances, injuries, occupational diseases and illnesses at work. Moreover, keeping records on training for safe and healthy work, performing tests and examinations of equipment and means for personal protection at work and work environment are prescribed by this Law.

Protection of vulnerable categories

Protection of vulnerable categories is prescribed in this law for the purpose of preserving unimpeded psychological and physical development of workers who are minors, protection of women from risks that could jeopardize them in realizing motherhood, protection of persons with disabilities and persons who suffer occupational diseases from continued harm to their health and reduction in their work capacity and in order to preserve work capacities of older workers within the limits appropriate for their age. The employer shall be under obligation to inform the vulnerable categories of workers in writing of the results of risk assessment of jobs and measures to remove the risks in order to increase protection and health at work.

6 RESPONSIBLE STAFF

Agriculture Project Coordination Unit (APCU) shall be responsible for overall supervision and coordination for project implementation as well as monitoring and reporting on the project, and especially for implementation of this Environmental and Social Management Framework and this Labor Management Procedure.

Responsibilities of APCU, in accordance with this Labor Management Procedure, are the following:

- Implement and monitor this procedure,
- Engage and manage ministry employees and external consultants,
- Monitor that the contractors are meeting obligations towards contracted and sub-contracted workers and these are in line with ESS2 and entity labor and OHS laws,
- Ensure that the grievance mechanism for project worker is established, monitor and report on its implementation,
- In instances of medium, sever and fatal accidents, inform the Labor Inspectorates and the World Bank,
- Update this procedure when necessary in the course of preparation, development and implementation of the project, as well as in case the domestic legislation changes in any aspects of importance for the LMP.

An APCU head shall be responsible for overall supervision and coordination of the project implementation. Additionally, the APCU head will be responsible for managing and engaging ministry employees and external consultants. The APCU head will be complemented by technical staff from the Ministry of Agriculture, Forestry and Water Management of RS. Environmental and social specialists shall supervise the implementation of this Procedure and update it regularly. Furthermore, their responsibilities shall include monitoring of contractors and monitoring of implementation of the GRM for all project workers.

The contractors will be responsible for:

- Ensure compliance of their policies and procedures with entity legislation on labor and OHS,
- Communicate job description and employment conditions to contracted workers,
- Deliver regular induction and health and safety training to workers, including mitigation of COVID-19,
- Provide appropriate PPE to contractors and ensure use of it,
- Carry out health checks of workers to prevent COVID-19, including pre-employment health checks,
- Ensure establishment and maintenance of mechanism for grievance management in compliance with the requirements of this LMP,
- Supervise their subcontractors' implementation labor management procedures and occupational and safety plans,
- Monitor, supervise and report on health and safety issues related to COVID-19,

- Establish and maintain an easily accessible worker GRM in line with the obligations of this LMP (if a worker GRM is not in place, contractors shall establish it by the time of contract signing).

7 POLICIES AND PROCEDURES

The policies and procedures adopted for this Project shall enable achievement of ESS2 objectives and compliance with RS Labor Law.

The main policies and procedure for **employment-related labor aspects** that will be followed during the implementation of the project are:

- The project promotes fair treatment, non-discrimination and equal opportunity of project workers.
- Gender, language, age, pregnancy, health condition, ethnic origin, religion, marital status, sexual orientation, political or other belief, financial status, social background, membership in political organizations and/or trade unions, cannot be taken into consideration when making decision regarding employment.
- Minimum age for employment is 18, and in case of employment of a person of age 15 to 18, compliance with legislated obligations (i.e. that consent must be acquired of legal representative and medical certificate for such an employee, that those employees cannot work overnight and on demanding tasks).
- Clear jobs description will be provided in advance of recruitment and will explain the skills required for each post.
- Workers will have written contracts describing terms and conditions of work and they must be registered for pension and disability insurance, health insurance and insurance in case of unemployment.
- Contracts shall contain all the mandatory provisions of RS labor law.
- Workers are entitled to a regular salary, as well as to compensation of salary for periods of absence from work or specific conditions of work (nighttime work, overtime work, etc.).
- Workers are entitled to rest during working hours, daily rest, weekly rest and annual holidays as prescribed under the law.
- Compliance with working hours of 40 hours per week, and in case of necessity of overtime work (cannot be shorter than 36 hours per week in RS, while working day lasts 8 hours) increase of worker's salary.
- In no way contracted workers will be prevented from joining a trade union or any other worker organization.
- Workers are entitled to fair treatment and protection from harassment and sexual harassment and abuse at work.
- The grievance mechanism shall be in place to enable the project worker to file grievances/concerns.
- Compliance with legislated deadlines and conditions for notices (i.e., that a notice is given in writing along with an explanation, that a notice cannot be given because of unjustified reasons,

such as lodging a complaint on the part of the worker, that the notice period cannot be shorter than 15 days.

The following policies and procedures for **OHS related aspects** will be followed:

- Workers shall be acquainted with regulations for safety and health at work.
- Provide a safe workplace and risk assessment procedure will be completed before the commence of any activities.
- Implementation of measures of protection at work and safety for jobs with increased risk of injury and damage to health, as well as organization of training for workers in such jobs.
- Keep records of workers who are working on tasks with increased risk of injury and harm to health.
- Keep records on employees who are working on jobs with increased risks.
- Provide workers with task-appropriate PPE without costs for workers.
- Ensure that workers follow procedure on obligatory use of PPE and that they have received training in accordance with OHS law, adding COVID-19 specific considerations.
- Develop emergency response procedure.
- Contractors shall appoint OHS staff that will be responsible for the implementation and supervision of the OHS program.
- Equipment and other means for work shall be ensured, as well as adequate work premises.
- First aid on site must be provided.
- Danger warning signs and general warning signs shall be placed at workplaces, on work equipment and associated installations, in accordance with special regulations.
- Contractors will control the access to the construction site only to authorized people.
- Newly engaged workers will complete induction OHS training before having access to the construction site.
- Contractors will develop and implement Code of Conduct. The Code of Conduct will reflect the company's core values and overall working culture. Additionally, the Code of Conduct will include provision related to GBV and SEA/SH.

8 AGE OF EMPLOYMENT

Minimum age for the employment in RS is 18. The entity labor law prohibits persons under the age of 18 to be engaged in hazardous work. As prescribed by the Law of Labor of RS a labor contract can be concluded in exceptional cases with a person who is 15 to 18 years of age, if they fulfill the following conditions:

- consent of the legal representative,
- health certificate proving that the person is capable to work,
- the tasks must not jeopardize the minor's life, his/her health, development or ethics.

The minimum age of employment for this project will be 18 and in the recruitment process of contracted workers, candidates shall be asked to provide:

- a document confirming the age of the person (a birth certificate and/or health insurance card),
- written statement on age,
- personal identification card or passport,
- school certificate.

If it is determined that a minor is engaged on such project activities, the APCU shall inform the competent labor inspectorate.

9 TERMS AND CONDITIONS

The employers of both direct workers and contracted workers shall be under the obligation to prepare information and necessary documentation that is clear and understandable for workers in regard to their conditions in employment. Prepared information and documentation shall be in compliance with the entity labor legislation.

The terms and conditions of employment or engagement of the project worker must meet the following standards:

- Project workers shall have contracts on labor in writing that contain a description of conditions of employment, including mandatory registration for pension and disability insurance, health insurance and insurance in case of unemployment.
- Project workers shall be informed in advance about the job, working hours, salaries and compensation.
- Project workers shall be entitled to a regular salary, as well as to compensation of salary for periods from work or specific condition of work (nighttime work, overtime work, work with difficult working conditions, work during weekends and holidays).
- Project workers will work 8 or fewer hours a day, with payment of overtime.
- Any work longer than 8 hours shall be considered overtime work and the project workers should receive compensation for the hours of overtime work. The project worker cannot work more than 10 hours per week.
- The project worker is entitled to a daily rest of at least 12 hours within 24 hours and to a weekly rest as well, of at least 24 consecutive hours.
- Average weekly hours of work in a six-month period cannot exceed 40 hours.
- The project worker is entitled to annual, sick, maternity and family leave, as required by the entity legislation. Where the entity legislation does not stipulate entitlement to leaves on any ground (i.e. temporary or seasonal work), the contracted party will provide the project worker, at his/her request, with a reasonable period of leave taking into consideration all the circumstances.
- The employer will be responsible for taking preventive and protective measures to ensure a safe and healthy work environment and informing project workers on all the relevant issues and conditions affecting his/her health and safety at work. Project workers will respect regulations relating to safety and protection of life and health at work in order not to put in danger his life and health and health of others.

- An employment contract or engagement agreement ends on the date of its expiry, unless both parties have agreed otherwise. In case of an early termination, a written notice will be submitted at least 15 days in advance. The termination of employment contract and payment of any related entitlements will be done in compliance with the entity legislation.
- The employer shall provide adequate PPE for project workers and organize OHS training, in line with entity OHS legislation and the latest WHO guidelines and recommendations.
- The employer shall prevent discrimination, harassment, sexual harassment and abuse at work and ensure equal treatment and equal opportunity for all.
- The employer shall be responsible for taking required measures in order to ensure a safe and healthy work environment and is obliged to inform project workers on all the relevant issues and conditions affecting his/her health and safety at work.
- All project workers will be aware of GRM specified under this LMP and will be able to raise their grievances.
- Project workers have the right to form or join union or other organizations, in accordance with the entity legislation. The employer shall not interfere with the worker's right to choose the organization or to opt for an alternative mechanism to protect their rights with regard to working conditions and terms of employment.

10 GRIEVANCE REDRESS MECHANISM

In accordance with ESS2, the grievance redress mechanism (GRM) should be provided for all direct and contracted workers, with the aim to address workplace concerns. The main objective of a worker GRM is to ensure timely, effective and efficient resolution of complaints and grievances related to labor and working conditions.

For **direct workers** (*civil servants*) in RS there are already established appeal boards for workers' complaints at the respective ministry. In RS, the Civil Service Appeal Board is an independent authority for performing activities stipulated under the Law on Civil Service of RS. In case a worker believes that any of his/her rights are violated, she/he can lodge an appeal within 15 days from the date learning about the violations of his/her rights. According to the Board Rules of Procedure appeals can be directly submitted or mailed to the body whose decision is challenged (the first instance authority). The first instance authority shall examine whether an appeal is admissible and timely submitted by an authorized person. Within eight days from the date of receipt of the appeal, the first authority submits to the Civil Service Appeal Board all files related to the case. The Appeal Board shall reach its decision within 60 days of the receipt of the appeal and the files related to the first instance decision.

For **direct workers** (*external consultants*) recruited by APCU, a special grievance mechanism shall be conceived and housed by the APCUs. This grievance mechanism shall address workplace concerns specifying procedures as to whom a direct worker should lodge the grievance, the time frame for receiving a response or feedback and steps to refer to a more senior level, while allowing for transparency, confidentiality and non-retribution practices. This category of workers should be informed

on available grievance mechanism upon their engagement i.e., the information about GRM and how to lodge a complaint shall be included in their engagement contracts.

For **contracted workers**, a GRM shall be established in compliance with requirements of this LMP, ESS2 and entity law¹² unless such a mechanism is already existing in their facilities. Contractors shall develop its own GRM and resolve grievances of contracted workers. In the tender itself the potential contractors shall be informed that it would be expected to have such a mechanism. If the bidders already have a mechanism established, they should submit in their bid statement on its existence, and if they do not, contractors would be under obligations to establish it by the contract signing with a municipality. The contract shall specify that the contractor is confirming that the GRM has been established and that all workers are informed of its existence.

The contracted workers will be informed about the existence of the GRM through notifications on notice boards, through union, during training, at the time of recruitment, etc. The GRM shall include the following elements:

- Simplicity of procedure (possibility to provide comments, lodge complaints, proposals, informal grievances, etc.)
- Stipulated timeframes to respond to grievances and address cases
- A grievance log to register and track timely resolution of grievances,
- Anonymous grievances shall be treated equal to those that are not anonymous,
- Right to accompaniment by colleagues and/or trade union representative,
- The management shall treat grievances seriously and undertake appropriate actions
- Possibility of submitting a second-instance grievance in case the worker is not satisfied with the solution offered¹³

The grievance redress mechanism will be transparent and allow workers to express their concerns and file grievances. Additionally, there will be no discrimination or sanctions against those who express grievances and grievances will be treated confidentially. The GRM template is provided in the Annex D of this LMP.

The grievance redress mechanism should not impede access to other judicial or administrative legal remedies that could be accessible in accordance with the law or through existing arbitration proceedings or replace grievance mechanisms that are provided through collective agreements.

¹² Entity labor law in RS enables workers to file written grievances to their employers within a specified timeframe (30 days). However, this grievance mechanism is not specified in the law, and thus cannot be considered to be completely in line with WB ESS2 requirements. Namely, labor law does not clearly define that information on the grievance mechanism needs to be accessible to all workers in a clear and understandable manner. In fact, employers are not required to inform their workers of the existence of such a mechanism nor the process of grievance management. Furthermore, there are no defined measures to protect workers against any type of retaliation (through, for example, allowing for the possibility of filing anonymous complaints). There is also no obligation to keep records on grievances.

¹³ Under entity labor law, second-instance resolution of labor disputes relates to peaceful resolution of disputes (mediation) by authorized mediators appointed in line with entity legislation.

11 CONTRACTOR MANAGEMENT

The APCU will use the Bank's 2017 Standard Procurement Documents for solicitations and contracts, and these include labor and occupational, health and safety requirements. The APCU shall ensure that the contractors are legitimate and reliable entities, and that any written labor procedures the contractors have in place are in compliance with this Procedure. As part of the selection process, the Borrower may review the following information:

- Information in public records, for example, corporate registers and public documents relating to violations of applicable labor law, including reports from labor inspectorates and other enforcement bodies,
- Business licenses, registration, permits and approvals
- Documents relating to a labor management system, including OHS issues, for example, labor management procedures.

During implementation of the Contracts the following shall be reviewed:

- Identifications of labor management, safety, and health personnel, their qualifications and certifications,
- Workers' certifications/permits/training to perform required work,
- Records of safety and health violations, and responses,
- Worker payroll records, including hours worked and pay received,
- Copies of previous contracts with contractors and suppliers, showing inclusion of provisions and terms reflecting ESS2.

The APCU can, if they deem necessary, request contractors to submit additional documentation, including, without limitation, the following:

- written policies on labor (for example, the Rulebook on Labor),
- reports of labor inspection and other authorities,
- documentation in connection with the labor management system, including OHS procedures,
- workers' payroll records, including hours worked and pay received,
- copies of previous contracts with contractors and suppliers, showing inclusion of provisions and terms reflecting ESS 2.
- OHS records, including entries on accidents and fatalities, as well as information provided to competent authorities.

Contractors' labor management shall be monitored on the basis of Reports on Compliance of Conditions of Work with the ESS 2, which the contractors shall submit to the APCU on a semi-annual basis. The format of the report is provided in Annex A. In case any irregularities are found on the basis of these reports or through the mechanism for grievance management, the APCU shall inform the competent labor inspectorate.

Contracts concluded with contractors shall contain provisions on mandatory compliance with relevant legislation on labor and OHS, as well as the obligation to establish a grievance redress mechanism for workers (if such a mechanism is not already in place) in the manner defined in this LMP. Monitoring of

contracts concluded with contractors shall include periodic audits and spot checks of work sites and labor management records and reports. Contractor's labor management records and reports may include: (i) a representative sample of employment contracts or arrangements between third parties and contracted workers; (ii) records relating to grievances received and their resolution; (iii) reports relating to safety inspections, including fatalities and incidents, and implementation of corrective actions; (iv) records of training provided for contracted workers to explain labor and working conditions and OHS related to the project. In the contractual agreements with contractors/subcontractors the APCU shall include appropriate non-compliance remedies, such as termination of the contract should the contractor fail, within the reasonable time given, to comply with any notice to correct related inter alia to compliance with the entity labor law, OHS law and this LMP. The third parties' statement/template on compliance with provisions of labor legislation and the Project's LMP is given in Annex B.

12 PRIMARY SUPPLY WORKERS

The primary suppliers will be the companies that shall provide various construction materials and equipment, such as various types of pipes, iron, geotextile, control vents, etc. For any supply chain adequate management systems and controls must be in place to ensure compliance with the national/entity law and the requirements of ESS2 (in the area of child labor, forced labor and serious safety issues which may arise in relation to primary suppliers).

The primary suppliers under this project could be national and international (regional) companies that provide water and sanitation supplies (vents, geotextile, water tanks, water and sewer pipes, etc.). When purchasing materials from primary suppliers, the contractor will require such suppliers to identify the risk of child labor, force labor and serious safety risks in producing the construction materials. If any of these risks are identified in relation to primary suppliers, the APCU will require the primary supplier to take appropriate steps to remedy them. Such mitigation measures will be monitored periodically. In the case mitigation measures are found to be ineffective, the APCU will, within a reasonable period, shift the project's primary suppliers that can demonstrate that they are meeting the relevant requirements. The primary suppliers' statement of compliance with provisions of labor legislation and the Project's LMP related to child labor, forced labor and OHS is given in Annex C.

Third parties will be required through the provisions of the ESMF to ensure their suppliers and subcontractors comply with the entity/national law and to ensure that Employees of any Suppliers or subcontractors are adequately trained on the requirements covered in the law. The APCU reserves the rights to verify compliance with the requirements set by a combination of mechanisms including but not limited to self-assessments, surveys, site-visits or audits. Relevant Records must therefore maintain relevant records to demonstrate compliance and if necessary, allow access to their own and their suppliers' and subcontractors' premises for authorized representatives of the APCU.

Annex A**FORMAT FOR REPORT ON COMPLIANCE WITH CONDITIONS OF WORK WITH ESS2 FOR THIRD PARTIES ENGAGING CONTRACTED WORKERS**

Assignment name:
Contract ref. No:
Contract period: Start date (M/D/Y) End date (M/D/Y)
Contractor/Service Supplier:
Reported period:
Date of report:
Signature of authorized person:

LABOR AND WORKING CONDITIONS COMPLIANCE REPORT

Company employees* statistics:

Total number of employee's gender disaggregated: M _____ F _____

Number of employees with an employment contract out of total number of employees

Number of employees without an employment contract out of total number of employees

Number of employees with access to social security, pension and health insurance out of total number of employees

Number of employees who receives wages/salaries at least once a month out of total number of employees

Number of employees who left the company in the reported period out of total number of employees

Number of employees hired in the reported period

Number of hours worked per employee (monthly average)

Total overtime (monthly average per employee)

- Number of injuries at work (in reporting period and cumulative since contract start) out of total nr. of employees
- Number of fatalities at work (in reporting period and cumulative) out of total nr. of employees
- Number of reported violence out of total nr. of employees
- Number of reported harassment/ abuses out of total nr. of employees

Availability of an accessible and functioning employee grievance mechanism (Y/N)

Number of grievances raised with the GM (in reporting period and cumulative since contract start)

Number of grievances resolved by GM (in reporting period and cumulative since contract start)

Number of suits filed with regard to labor, employment and OHS issues

Number of disputes brought to peaceful settlement/ voluntary arbitration procedure

Number of visits by labor/ OHS inspection

*The employee is any natural person employed or engaged to work or perform service for the employer

1 The number of employees refers to the actual number/headcount on the date of the report.

2 The numbers imply the total number of incidents in the reported period.

Project workers statistics:

- o Total number of project workers**:
- o Number of project workers with an employment contract:
- o Number of project workers without an employment contract:
- o Number of project workers with access to social security, pension and health insurance verified by confirmation from registry:

	Terms and conditions	Yes / No	Notes
1	All project workers have an employment contract or engagement agreement in writing.	Yes <input type="checkbox"/> No <input type="checkbox"/>	If "No" please specify and explain
2	All project workers are paid at least once a month	Yes <input type="checkbox"/> No <input type="checkbox"/>	If "No" please specify and explain
3	All project workers worked 8 hours a day, 40 hours a week	Yes <input type="checkbox"/> No <input type="checkbox"/>	If "No" please explain and specify the hours worked
4	All project workers had a regular daily and weekly rest	Yes <input type="checkbox"/> No <input type="checkbox"/>	If "No" please specify and explain

	Terms and conditions	Yes / No	Notes
5	Number of project workers were terminated from employment with termination in line with national labor law and ESS2	Yes <input type="checkbox"/> No <input type="checkbox"/>	If "Yes" please specify number and explain conditions of termination
6	Number of project workers attended OHS related training programme	Yes <input type="checkbox"/> No <input type="checkbox"/>	If "Yes" please specify number and explain
7	Project workers were granted leaves they are entitled to	Yes <input type="checkbox"/> No <input type="checkbox"/>	If "Yes" Please specify the type and number of leaves
8	Project workers were involved in accidents at work resulting in injuries or fatalities	Yes <input type="checkbox"/> No <input type="checkbox"/>	If "Yes" please specify and explain
9	Project workers reported on cases of discrimination, harassment, sexual harassment or non-compliance with law	Yes <input type="checkbox"/> No <input type="checkbox"/>	If "Yes" please specify and explain
10	Project workers raised grievances or started voluntary arbitration/ legal proceedings to settle a dispute	Yes <input type="checkbox"/> No <input type="checkbox"/>	If "Yes" please specify and explain
11	In the reported period there were some incidents on noncompliance with the LMP	Yes <input type="checkbox"/> No <input type="checkbox"/>	If "Yes" please specify and explain

Annex B**THIRD PARTIES STATEMENT (POTENTIAL CONTRACTORS AND SERVICE PROVIDERS) ON COMPLIANCE WITH PROVISIONS OF LABOR LEGISLATION and THE PROJECT'S LMP**

Date and place of issuance: _____

Name and address of the issuer (Bidder): _____

STATEMENT OF LEGAL AND REGULATORY COMPLIANCE

Hereby we declare that

- We are aware of, and comply with, the standards laid down in the Labor Management Procedures.
- We conform to all national laws* and applicable regulations concerning employment, labor and employee relations, and labor and working conditions.
- We are committed to providing a safe and healthy environment for our employees and to implementing all occupational health and safety requirements as stipulated by national legislation.
- We do not tolerate any form of child, forced or slavery work.
- We prohibit any form of harassment, sexual harassment, abuse, violence, including GVB at work and forbid direct or indirect discrimination against any employee or groups of employees on any ground and for whatever reason.
- We confirm that a worker GM is available.
- We confirm that no worker GM is available but will be established by the time the contract is signed.

We hereby state that should we be awarded with the contract; we shall adopt the Labor Management Procedures applicable to the project and incorporate them in our practice.

We understand that the failure to respect any of the above stated commitments could lead to termination of the contract and exclusion from the project.

Signature:

Name:

Position:

*National Laws refers to the Laws of RS and the domicile Law of the country in case the Bidder is foreign.

Annex C

PRIMARY SUPPLIERS STATEMENT OF COMPLIANCE WITH PROVISIONS OF LABOR LEGISLATION and THE PROJECT`S LMP RELATED TO CHILD LABOR, FORCED LABOR AND OHS

Date and place of issuance: _____

Name and address of the Supplier: _____

STATEMENT OF LEGAL AND REGULATORY COMPLIANCE

Hereby we declare that

- We conform to all national laws* and applicable regulations concerning employment, labor and employee relations, and labor and working conditions.
- We are committed to providing a safe and healthy environment for our employees and to implementing all occupational health and safety requirements as stipulated by national legislation.
- We do not tolerate any form of child, forced or slavery work.
- We prohibit any form of harassment (including sexual), abuse, violence and GBV at work and forbid direct or indirect discrimination against any employee or groups of employees on any ground and for whatever reason.
- We shall maintain records related to labor, occupational injuries, illness, near misses and incidents.

We hereby acknowledge our understanding that our company may be subjected to announced and unannounced visits, site checks and labor and working condition audits by the Contractor through which materials and good are supplied to the Project, APCU staff and independent third parties with the aim to verify compliance with the above statement.

We understand that the failure to respect any of the above stated commitments could lead to termination of the contract and exclusion from the project.

Signature:

Name:

Position:

*National Laws refers to the Laws of RS and the domicile Law of the country in case the Suppliers are expatriates.

Annex D

GRIEVANCE REDRESS MECHANISM TEMPLATE

Designation (entered by the contractor)	
First name and Surname (not obligatory) <i>Please indicate with an X</i> [...] I would like to lodge a complaint anonymously [...] Please do not disclose my identity without my consent	
Contact data Signify the desired manner of contact (by mail, phone, email)	[...] By mail: <i>Provide an address for mail delivery.</i> _____ _____ [...] By phone: _____ [...] By email: _____
Description of event to which the complaint relates	What occurred? Where did it happen? To which person did it happen? What came out as a consequence of the problem?
Date of the event/complaint	
	[...] Event that occurred once/complaint (date _____) [...] It occurred more than once (how many times? _____) [...] Ongoing (a problem that currently exists)

What would you want to be undertaken?
Signature: _____ Date: _____