

WATER AND SANITATION SERVICES MODERNIZATION
PROJECT

LABOR MANAGEMENT PROCEDURE
FOR FEDERATION OF BOSNIA AND HERZEGOVINA

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Abbreviations

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
PIU	Project Implementation Unit
SEA	Sexual exploitation and abuse
SH	Sexual harassment
WB	World Bank
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 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 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 FBiH. 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 (PIU) from the Ministry of Agriculture, Water Management and Forestry of FBiH (civil servants) and
 - external consultants for environmental and social standards, procurement and finance 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 and sanitation 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.

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 PIU 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) PIU b) external consultants for environmental and social standards, procurement, finance, M&E, and engineer/technical support	a) 6 b) 6	a) Office and administrative tasks b) Office consulting tasks	a) Essential managerial skills b) Knowledge in the area of environmental and social standards, procurement, finances and M&E	a) and b) continuously engaged	a) Sarajevo 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

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 Sarajevo. 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

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

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 of women in 2019 was 47.1% and men 52.9%). The publication at entity level "Women and Men in FBiH 2018" published by the Institute for Statistics of FBiH does not include data on the position of women and men in public administration.

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.

2.3 Timing of Labor Requirements

It is expected that the first Contract for construction works will be awarded by July 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 (PIU 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.

Migrant, community workers and primary supply 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 new wastewater treatment plant in Tesanj, rehabilitation of the existing water tank and main water pipeline in Citluk, rehabilitation of existing transmission mains for non-revenue water reduction and construction of new water distribution system in Gracanica, and expansion of the water supply system in the municipality in Siroki Brijeg³. 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

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).

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

- 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, occasionally exposure to wet and/or humid conditions, fumes and airborne particles and vibration. Depending on the type of work and weather conditions (geographical location) construction works can generally be performed throughout the year. 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** (PIU 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 (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 FBiH (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.
- 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.

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 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 FBiH 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 – adopted in 1995⁷

4.3 Labor Legislation in FBiH

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 FBiH is the Labor Law of FBiH⁸, wherein key aspects of this law on the treatment of different categories of workers are presented separately.

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 FBiH No. 29/16 and 89/18

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.

Entering into a labor relation

A labor relation shall be initiated by concluding a contract on labor. The contract shall be concluded in writing and shall contain a list of data (description of duties, working hours, salary, compensations, duration/termination of contract, etc.) prescribed under the Labor Law of FBiH. Employment contract can be concluded as open ended or fix-term, part time, for temporary and occasional work, as well as for work outside of the employer's premises.

Rights of workers

The Law guarantees the worker's right to a fair salary and full compensation of salary for the period of annual holidays, official holidays, temporary inability to work due to injury at work or occupational disease. Workers are entitled to an increased salary for overtime, night work and work during holidays. The Law prescribes breaks during working hours, as well as daily (at least 12 hours) and weekly rest (at least 24 hours). Workers are entitled to refuse to work if their lives and health are threatened because prescribed occupational health and safety measures are not implemented. A worker, who has a permanent labor contract, is entitled to severance payment.

Obligations of workers

Obligations of workers shall be to perform the tasks taken over, comply with business operations of the employer, inform the employer of any disease or other circumstances that are distracting him in execution of obligations under the labor contract; educate oneself and develop oneself for work in compliance with one's capacities and requirements of work.

Obligations of employer

Employer's obligation is to register workers for pension and disability insurance, health insurance and insurance in case of unemployment. 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.

Salary and deductions

The salary of workers and the elements for basic salary on the basis of working performance are determined by the collective agreement, the rulebook and the employment contract. Workers are entitled to an increased salary for difficult working conditions, overtime work and night work, and for work on a weekly rest as well, holiday or any other day for which the law stipulates not to work, in accordance with the collective agreement, work regulations and employment contract. Employers are obliged to pay workers equal wages for work of equal value (same level of education, the same work ability, responsibility, physical and intellectual work, skills, working conditions and work results) regardless of their national, religious, sexual, political and trade union affiliation as well as other

discriminatory grounds. Employers shall not pay employees a salary lower than the salary determined by the collective agreement and the rulebook.

The salary is paid after the work is done, in payment periods that cannot be longer than 30 days. Salary and salary compensation are paid in cash. Workers have the right to salary compensation for the period of absence from work for justified reasons (annual leave, temporary incapacity for work, maternity leave, paid leave, etc.). Additionally, workers have the right to compensation of salary during the interruption of work which occurred due to circumstances for which the worker is not guilty (force majeure, temporary stoppage in production, etc.), in accordance with the collective agreement, rulebook and employment contract.

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 Workers have the right for salary compensation during sick leave taken due to sickness injury or childcare and has a right for salary compensation from the first day of his/her sickness until a day when a competent doctor determines that the worker is capable of work. Salary compensation during sick leave amounts to at least 80% of the salary paid to the worker in the month preceding the month in which the worker became sick. Salary compensation amounts to 100% of the salary during sick leave for injuries at work, for diseases related to pregnancy and birth, and for organ transplantation. Employers pays salary compensation for the first 42 days of sick leave. After 42 days employers also pay salary compensation to workers, but employers have the right to a refund from the competent health insurance fund.

Employment of women

Provisions of this Law prescribe that women cannot be employed in underground work (in mines) except in a managerial position that does not require physical labor or in services of health and social protection. The Law stipulates that the employer cannot refuse to hire a woman because of her pregnancy or maternity leave. Furthermore, it is not allowed to terminate a labor contract to a woman after the expiry of the maternity leave. During pregnancy and breastfeeding, a woman may, upon on her written consent, be assigned to other job if this is in the interest of her condition as established by the certified medical doctor. The temporary assignment shall not result in reduction of her salary. Women are entitled to 52 weeks of maternity leave. 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 (if parents so agree). As stipulated by the Law, a woman is obliged to spend 42 days with a child after the birth and afterwards a father (worker) can take parental leave. At the end of maternity leave, a woman with a baby of up to one year of age shall be entitled to work half-time. Women are entitled to maternity leave benefits during duration of their leave.

Employment of persons of age 15 to 18

A labor contract can be concluded in exceptional cases with a person who is 15 to 18 years of age, pending consent of the legal representative and a health certificate that proves that the person is health-wise capable of work. This category of workers cannot work for longer than 35 hours per week,

⁹ Official Gazette of FBiH, No. 30/97, 7/02, 70/08, 48/11, 100/14 and 36/18

work overtime, in nighttime and on especially heavy physical work, underground work or under water or on other jobs with an increased risk to minor's health and life.

Working hours

Full working hours amount to 40 hours per week and they can be allocated to max. six working days.

Overtime work

Overtime work (up to 8 hours per week) is allowed in case of a sudden increase in the scope of work and in cases of force majeure. Overtime work shall not be allowed to workers who are minors, pregnant women, mothers i.e., adoptive parents of a child up to three years of age, as well as a single parents, single adoptive parents and persons to whom, on the basis of a decision of a competent authority, a child had been entrusted to keep and raise, up to six years of age of the child. If workers work overtime for three consecutive weeks or a total duration of ten week in one calendar year, employers shall notify the inspection.

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. Employers shall provide night and shift workers with safety and health care in accordance with the nature of the work they perform. Additionally, employers are obliged to send night workers for a periodic medical checkup (at least ones in two years).

Nighttime work shall be prohibited to pregnant women starting from the sixth month of pregnancy, mothers and adoptive parents, as well as persons to whom, on the basis of a decision of a competent authority, a child had been entrusted to keep and raise, up to two years of age of the child. Nighttime work of workers who are minors shall also be prohibited.

Rest during working hours

For working longer than 6 hours a day, a worker shall be entitled to rest in the duration of at least 30 minutes.

Daily rest

A worker shall be entitled to rest between two consecutive working days (daily rest) in the duration of at least 12 hours, uninterrupted.

Weekly rest

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

Annual holidays

For each calendar year, a worker shall be entitled to paid annual holidays in the duration of 20 working days at least, and 30 working days at most. The right to annual holidays shall be acquired after 6 months of uninterrupted working. Annual holidays shall be used in two parts, wherein the first part shall last at least 12 days, and the second part needs to be used by June 30th of next year.

Workers' grievance mechanism

A worker who believes that his/her employer has violated any of the rights from his/her labor relation shall be under obligation to request from the employer to realize that right within the deadline of 30 days from the date of delivery of the decision under which his right had been violated i.e., from the date

of gaining the knowledge of the violation of the right. Before submitting a lawsuit, the worker and the employer can agree on peaceful resolution of the dispute. If the procedure is not concluded within a reasonable deadline (not longer than 60 days) or the reconciliation process ends without success, the worker shall be entitled to initiate a lawsuit before the competent court.

Freedom of association

Workers may freely form, become members in or leave a trade union based on their own free choice without any prior approval, and cannot be discriminated against on the basis of their membership or lack of in such an organization. Employers are prohibited to interfere in the establishment, functioning and provision of assistance with intent to control such a trade union.

Safety and health at work

It is an employer obligation to inform workers about regulations related to labor relations and safety and health at work and shall be under obligation to acquaint them with the organization of work. Workers are under obligation to use all measures of protection envisaged under regulations on safety and health at work and other current regulations.

Inspection supervision

Supervision over the application of this Labor Law and regulations adopted on the basis thereof shall be performed by the federal or cantonal labor inspector. The labor inspector is obliged to provide instructions to employers and workers on the most efficient way on applying legal regulations, to inform the competent administrative bodies about deficiencies that are not specifically defined by existing legal regulations and to establish cooperation with other administrative bodies, employers and associations of employers and workers. In conducting supervision, the labor inspector has the powers determined by law and regulations adopted on the basis of law. Workers, trade union, employers and the employees' council may submit a request to a labor inspector to conduct an 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 presents 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.

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

Employment, work and access to all forms of resources

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 Work¹¹.

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. Such requirements refer to protection against mechanical hazards and physical harmful influences, ensuring cleanness and means for hygiene, ensuring mechanical resistance, necessary working space, prescribed lightning, temperature and necessary roads for passage, transport and evacuation.

Obligations of employers

Employer is obliged to ensure preventive measures for workers in order to create safe and healthy working environment (ensuring first aid, providing workers with means and equipment for work and ensuring regular inspections of such means, work premises and microclimate in the workplace as well). Furthermore, employer is obliged to organize trainings and risk assessment activities for jobs with increased risk, to inform workers, trade unions and OHS Commissioner on potential dangers and harms and to provide medical check-ups for workers in order to determine their abilities and health. In case of completion of construction or reconstruction works, replacement of equipment or injuries, accidents and deaths that occurred in the workplace, the employer is tasked to inform the competent labor inspection on such cases. Employer protection measures regarding safety and health at work must not impose financial obligations on workers.

Obligations of OHS Officer

An employer with high-risk jobs shall designate one or more workers (OHS Officer) to perform work related to the prevention of risks at work and the protection of workers' health. This Law defines the explicit term of OHS Officer, whose tasks are to provide training, instructions and plan and program for safety and health at work, to monitor and organize periodic inspections of means and equipment and microclimate at work and to provide assistance and in other professional stuff. Such assistance refers to implementing and improving occupational safety and health measures, drafting the act on the risk assessment and a proposal for an internal act on safety at work, as well as analyzing causes of injuries and reporting it to employer. The OHS Officer may not be placed in a less favorable position due to the performance of work and must be adequately trained for such position. The OHS Officer shall cooperate with the employer, trade union, Employee Council and the OHS Commissioner.

OHS Commissioner's rights and duties

¹¹ Official Gazette of FBiH, No. 79/2020

If an employer employs 30 or more workers, the workers shall elect or appoint OHS Commissioner¹². The Commissioner has the right to receive information on working conditions, analysis of injuries at work, occupational diseases and work-related illnesses, findings and recommendations of inspection bodies. Furthermore, he is obliged to require a provision of appropriate measures and to request inspection in cases of necessity. The OHS Commissioner may not be placed in a less favorable position due to his/her duties. During the performance of tasks, the OHS Commissioner is entitled to salary compensation in the amount of the salary he would have earned if he had worked on the tasks for which he signed employment contract and shall perform the tasks determined by this Law for a maximum of six hours per week.

Rights and duties of workers

Workers are entitled to safe and healthy working conditions, medical check-ups and to inform employer or OHS Officer on any injury or occurrence at work, which is supposed to impose any form of danger. Workers shall comply with rules of safety and health at work, properly use means and equipment of work, cooperate with the employer or OHS Officer and provide data information to labor inspection. A worker has the right to refuse to work if he/she considers that the work is an imminent danger to his/her life and is obliged to immediately inform an employer and the competent labor inspection.

Participation of trade unions

The trade union participates in regulating and improving the safety and protection of the health of workers at work in accordance with the law, regulations adopted on the basis of the law and the collective agreement.

Records on protection at work

The employer is obliged to keep the prescribed records on jobs with increased risk and workers who work in such jobs, records on hazardous substances used during work, knowledge of workers in the field of safety and health at work, performed inspections and tests of working environment and means of work, as well as to keep records on injuries, occupational diseases and death causes at work and medical check-ups of workers.

The employer is obliged to submit an annual case report to the competent labor inspection.

Protection of vulnerable categories

Vulnerable groups, such as pregnant women, mothers or nursing mothers, minors, persons with disabilities, as well as workers with changed working capacity in terms of pension and disability insurance regulations, are not allowed to work in jobs where there is a risk to their physical and mental health and life and in a difficult working conditions. It is prohibited for minors to work on jobs that may endanger their health and development.

¹² As described in the Section 3.2 Key Labor Risks, it is not expected that PIU will work in conditions with increased risk to safety and health, unlike contracted workers. This provision applies to contracted workers.

6 RESPONSIBLE STAFF

Project Implementation Unit (PIU) 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 PIU, 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.

A PIU head shall be responsible for overall supervision and coordination of the project implementation. Additionally, the PIU head will be responsible for managing and engaging ministry employees and external consultants. The PIU head will be complemented by technical staff from the Ministry of Agriculture, Water Management and Forestry of FBiH. 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 FBiH 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 FBiH 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 (8 hours per week at the maximum in FBiH) 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 14 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 FBiH 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 FBiH 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 PIU 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 12 hours a day.
- 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 national 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 FBiH there is already established appeal boards for workers' complaints at the respective ministry. In FBiH, the Civil Service Appeal Board is an independent authority for performing activities stipulated under the Law on Civil Service of FBiH. 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 PIU, a special grievance mechanism shall be conceived and housed by the PIU. 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 law¹³ 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. 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 offered¹⁴.

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. For GBV and particularly SEA and SH, the GRM will have a channel¹⁵ through complaints can be registered in a safe and confidential manner, in particular related to the identity of complainant. The GRM should not ask for, or record information on no more than three aspects related to GBV/SEA/SH incident:

- The nature of the complaint (what the complainant says in his/her words without questioning),
- The age of the survivor,
- If, to the best of their knowledge, the perpetrator was associated with the Project.

The GRM Operators shall be instructed to collect GBV/SEA/SH cases with no judgment and any disclosure must be made in consultation and with the permission of the complainant. The GRM

¹³ Entity labor law in FBiH 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.

¹⁴ 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.

¹⁵ Complaint boxes/forms should not have a specific designation written on them because people will not use them if they can be associated with GBV/SEA/SH.

Operators receiving the complaints should report such cases immediately to PIU, copying the World Bank. The GRM template is provided in the Annex C 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.

11 CONTRACTOR MANAGEMENT

The PIU will use the Bank's 2017 Standard Procurement Documents for solicitations and contracts, and these include labor and occupational, health and safety requirements. The PIU 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 PIU 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 PIU 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 PIU 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 PIU 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.

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:

- Total number of project workers**:
- Number of project workers with an employment contract:
- Number of project workers without an employment contract:
- 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 entity 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	All project workers are above the age of 18.	Yes <input type="checkbox"/> No <input type="checkbox"/>	If "No" please specify and explain
11	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

	Terms and conditions	Yes / No	Notes
12	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 FBiH and the domicile Law of the country in case the Bidder is foreign.

Annex C

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: _____