

# **Government of the Republic of Albania**

## **Bridge Rehabilitation and Upgrade Project (BRUP)**

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### **LABOR MANAGEMENT PROCEDURES**

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## ACRONYMS AND ABBREVIATIONS

ARA	Albanian Road Authority
CSW	Centers for Social Work
BRUP	Bridge Rehabilitation and Upgrade Project
E&S	Environmental and Social
EU	European Union
ESF	Environment and Social Framework
ESS	Environmental and Social Standards
ESS2	Environmental and Social Standard 2 on Labor and Working Conditions
FM	Financial Management
GM	Grievance Mechanism
GoA	Government of Albania
ILO	International Labor Organization
LMP	Labor Management Procedures
MoFE	Ministry of Finance and Economy
MoIE	Ministry of Infrastructure and Energy
NRN	National Road Network
<b>OHS</b>	Occupational Health and Safety
PDO	Project Development Objectives
PMT	Project Management Team
SEP	Stakeholder Engagement Plan
SHI	Social Health Insurance
UN	United Nations
WBG	World Bank Group

## 1. INTRODUCTION

The Government of Albania through the Ministry of Finance and Economy and Ministry of Infrastructure and Energy seeks Funding for the Albanian Bridge Rehabilitation and Upgrade Project (BRUP) from the World Bank (the Bank). The Project for Bridge Rehabilitation and Upgrade Project (BRUP) aims to finance the rehabilitation or reconstruction of priority bridges and structure on the NRN to modern standards, in order to enhance their reliability, operational performance and resilience to future climate change and geological hazards events. In addition, to ensure sustainability of the investments, the project will finance softer components aimed at strengthening the capacity of Albanian Road Authority at managing the bridge and culvert assets.

The Project needs to comply with the World Bank's Environmental and Social Framework (2017) (ESF) comprising the Environmental and Social Standards (ESS). In response to the commitment of the GoA to comply with the ESF, the Albanian Road Authority (ARA), has developed these Labor Management Procedures (LMP), laying out the Project's approach to meeting the objectives of World Bank ESS 2: Labor and Working Conditions. 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. 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 procedures address the way in which both standards will apply to different categories of project workers including direct workers, and the way in which third parties will manage their workers compliant to this document.

## 2. OVERVIEW OF LABOR USE ON THE PROJECT

The LMP applies to project workers as defined by ESS2. The focus of this LMP is on the project workers which will be both direct project workers and contracted workers. Direct project workers will be PMT employees and consultants, whereas contracted workers and primary supply workers are going to be hired by the contractors and subcontractors to carry out the rehabilitation of the selected bridges. The legal framework of the government of Albania guiding Labor and Working Conditions is, with a few minor shortcomings, strongly compliant with the ESS2 as Albania is signatory to the International Labor Organization (ILO) and United Nations (UN) Conventions informing the ESS2.

It is expected that Project will engage the following categories of **project workers** as defined by ESS2:

**Direct workers.** Direct workers are the independent consultants hired specifically to work in relation to the project, actually integrated into the project management team (PMT). These workers are engaged

through the standard form of Contracts for Consultancy services provided by the World Bank. The PMT have managerial, administrative and coordination roles. They will be hired under individual contracts, with different time inputs (full-time or part-time), who will be assigned specific tasks and will have specifically defined responsibilities and services process essential for the core functions of the project.

**Contracted workers:** Contracted workers will be engaged or employed by third parties' i.e. contractors, sub-contractors<sup>1</sup> and service providers/consultants needed for project implementation and these imply professionals and support staff provided by the Contractor or Consultants or by any Sub-Contractor or Sub-Consultants assigned to perform the Services or any part thereof.

The contractual and legal relationship between the third parties and ARA will be established through contracts awarded in line with the standard procurement procedures and bidding documents of the World Bank for specific project activities which have a standard wording for labor and working conditions requirements. Each Sub-Project will be subject to a competitive open tendering procedure both for works and supervision services (although the scope of one supervision service contract may cover multiple construction contracts.) Due to the size of the contract, their scattered locations, required qualification to carry out design activities, it is expected that contracts will be awarded to well-known reputable predominantly national companies or international companies who have already established their operation in Albania and obey by and operate under the Albanian regulatory framework including Labor and Occupational Health and Safety (OHS) laws. Should Contracts be awarded to multiple entities forming a Joint Venture or association alike each company shall be bound by these LMP.

Primary supply workers: Will not apply

**Community workers:** will not be engaged on the project.

**Number of Project Workers:**

At appraisal time, we cannot point the exact number of employees but can give a list of Project's components that has been agreed. The list will be further refined during negotiation and implementing stage. Assessment of the number of project workers to be engaged in the project is based on the client previous experience in bridge and roads construction.

**Direct workers.** The number of PMT personnel is estimated between 10 - 15, along with the job positions and responsibilities such as: Project Management, Environmental and Social Specialists, Sub-Project Coordinators, Financial Specialist, Procurement Specialists, Administrative services etc.

**Contracted workers:** Contracted workers would be hired under design, supply, Installation, construction and supervision. Each contractor might need engagement of multiple subcontractors. The subcontractors' workforce will be also considered as contracted workers.

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<sup>1</sup> Sub-Consultant/Contractor means any person or entity to whom/which the Contractor or Consultant subcontracts any part of the Works or Services.

The number of contracted workers is not yet firm, but based on recent experience, it is estimated that the total number of workers working on each construction site could range between 10-50 workers involved in civil engineering / construction works (depending on the sub-project activities) and additional 10-40 persons involved in the supervision of works. Since the Project envisages the works on (i) Rehabilitation of 25 bridges or more (ii) roads that are included in the project (iii) improvement of over 50 level crossings depending of the proceedings of the project the installation for 4 measuring stations, the total number of contracted workers during project implementation could range from 100 to 500 workers.

**Community workers:** Given the nature of the project and the country context, community workers, as defined in EES2, are highly unlikely to be engaged on the project

### 3. ASSESSMENT OF KEY POTENTIAL LABOR RISKS

This section describes the following, based on available information:

**Project activities:** The Project supports the rehabilitation of bridges and culverts while a smaller portion of the financing will be invested in significant upgrade/replacement of bridges (with changed design and dimensions) and new supporting infrastructure (for protection of bridges). The rehabilitation types of works likely to be financed will be e.g. road/bridge widening for the sidewalks, bridge replacement, culvert replacement, removal of the road surface, waterproofing the superstructure, removal of the loose concrete surface, reprofiling the structural concrete, construction of the parapet and/or traffic barriers, rainwater drainage etc.

**Key Labor Risks:** It is assessed that key labor risks would be associated with health and safety risks related to the construction activities such as exposure to physical and biological hazards during demolition and construction activities such as: use of heavy equipment, trip and fall hazards, exposure to noise and dust, working in water presence, falling objects, possible exposure to hazardous materials and exposure to electrical hazards from the use of tools and machinery.

As the construction activities will involve hazardous work, persons under the age of 18 will not be employed by the Project. Many workers will be exposed to occupational health and safety hazards, primarily including but not limited to:

- Working at height or in confined spaces
- Working on water presence
- Electrical works
- Exposure to chemicals (as paints, silicone and liquid bitumen etc..)
- Possible accidents or emergencies, with reference to the sector or locality.
- Excavations hazards
- Lifting of heavy structures

- Accidents with exposed rebars
- Exposure to construction airborne agents (dust, silica etc...)
- Environmental hazards (snakes, wasps, bees, etc..)

There would be no cases of labor influx situations in the localities, as the project is engaging local workers. Albanian OHS legislation is harmonized with ILO conventions, while the country is making continuous efforts to align with the relevant EU requirements and standards. Nevertheless, given moderate to substantial OHS risks (including working at height, working under water, working with heavy machinery, etc.), in addition to national regulation, OHS impacts will be mitigated by the application of relevant provisions.

#### **4. BRIEF OVERVIEW OF LABOR LEGISLATION: TERMS AND CONDITIONS**

Various laws, policies and code of practices are applicable to the implementation of this LMP. These laws and policies are aligned with the international standards, namely ILO Conventions and EU Directives, as the terms, conditions and instruments proposed in the international conventions and directives are incorporated into the national labour legislation.

##### **Employment Terms**

Various laws, policies and code of practices are applicable to the implementation of this LMP. These laws and policies are aligned with the international standards, namely ILO Conventions and EU Directives, as the terms, conditions and instruments proposed in the international conventions and directives are incorporated into the national labour legislation.

The Constitution of the Republic of Albania (recently updated with Law No. 76/2016, date 22.7.2016) guarantees the right to work, free choice of occupation, availability of work positions under equal conditions, respect of person's dignity at work, safe and healthy working conditions, necessary protection at work, limited working hours, daily and weekly interval for rest, paid annual holiday, fair remuneration for work done and legal protection in case of termination of working relations.

The Law Labour Code of Albania (as amended in 2003) is the main legislation that guides labour practices in Albania. The terms and conditions provided by this Law includes ban to direct or indirect discrimination regarding employment conditions and choice of candidates for performing a specific job, conditions of labour and all the rights deriving from the employment relationship, education, vocational training and specialization, job promotion and cancelling an employment contract for reasons of sex, birth, language, race, color of the skin, age, pregnancy, health condition, and/or disablement, ethnic origin, religion, marital status, family obligations, sexual orientation, political or other belief, social background, financial status, membership in political organizations, trade unions, or any other personal characteristic. The Law guarantees the employee's right to corresponding earnings, compensations and refund of expanses, entitlement to training and professional development, provision of safety and health at work, health-care protection, personal integrity protection, personal dignity, and other rights

in the event of illness, reduction or loss of work ability and old age, including financial benefits in course of temporary unemployment, as well as the right to other forms of protection. Women in course of pregnancy and childbirth, parents with a child under three years of age or in need of special care and minors (younger than 18) are given special protection. Harassment and sexual harassment are prohibited. The Law sets out the conditions for employment (including the minimum age for employment), specifies what information an employment contract must contain, and defines fixed term (definite period of time) employment, part time employment, remote work (outside the Employer's premises) and work without established employment relationship (service supply contract, temporary and seasonal work, supplementary work). It stipulates maximum hours of work, overtime, break during working day, daily and weekly rest and leave entitlements (annual leave, sick leave, and maternity leave). The Law lays out the framework for retrenchment and termination of the employment relationship, provides for freedom of association and collective bargaining and guarantees the right to judicial protection.

The rights stemming from the employment relationship are further elaborated by the Law no. 10383, dt. 24.2.2011 "On compulsory insurance of health care", the law No. 7870, dated 13.10.1994 on Health insurance in the republic of Albania. These laws specify contributions, benefits and entitlements covering all employees and extending the entitlement to social security, retirement, disability, injury and health insurance to those who work without the established working relationship.

## **5. BRIEF OVERVIEW OF LABOR LEGISLATION: OCCUPATIONAL HEALTH AND SAFETY**

law no. 10 237, dated 18.2.2010 on Health and Safety at Work is the key legislative act in this area. It regulates the implementation and improvement of occupational safety and health for persons involved in working processes or found in work environments, in order to prevent injuries at work, occupational diseases and work-related illnesses. The employer must ensure that measures have been taken to provide a safe and healthy workplace and work environment for any employee (any person working or undertaking training at the employer, regardless of their employment status) to work. The Law stipulates the obligations and responsibilities of the employer in relation to ensuring safety and health at work (general obligations, special obligations and training for employees) and assessing and mitigating labour-related risks and hazards, provides for appointment of persons responsible for ensuring labour compliance and creating a safe working environment, and determines preventive measures for ensuring occupational safety and health. It also regulates the rights and obligations of employees, the way of organizing the task of occupational safety and health, provision of the first aid at the workplace, the possibility of selecting representatives among the employees for occupational safety and health, obligations of the employer related to keeping records, information exchange and cooperation with relevant institutions, the issue of the professional exam and licensing, the competence of the Occupational Safety and Health Administration. The present law applies the following:



- The Directive of the European Council 89/391/EEC, dated 12 July 1989 “On the introduction of measures to encourage improvements in the safety and health of workers at work”;
- The Directive of the European Council 94/33 EEC, dated 22 July 1994 “On the protection of young people at work,” article 6; and
- The Directive of the European Council 92/85 EEC “On the introduction of measures to encourage improvements in the safety and health at work of pregnant workers and workers who have recently given birth or are breastfeeding”.

Summarized Albanian legislation on health and safety and the relevance to the project are highlighted in the table below.

**Table 1: Legislation on health and safety**

Legislation	Overview
Law No. 10237/2010 (18/02/2010)	“On Safety and Health at Work” - This law regulates the framework of health and safety in the workplace and determines the roles of each party subject to the law.
Law No. 9863/2008	The State Sanitary Inspectorate aims to protect workers from the impacts of adverse working conditions, such as exposure to toxic substances, radiation, unworkable noise, vibrations, unfavorable microclimate, and controls the level of occupational diseases and accidents as a result of adverse conditions.
Law No. 10433/2011 (16/06/2011)	“On Inspection in the Republic of Albania”
DCM No. 562/2013 (3/07/2013)	Decision of the Council of Ministers concerning the approval of the regulation on minimum safety and health requirements for the workplace.
DCM No. 312/2010 (5/5/2010)	“On safety in site construction” sets the rules of safety for construction activities.
Decision No. 692/2001 (13/12/2001)	“On special measures on safety and health protection at work”
DCM No. 842/2014 (3/12/2014)	“For the health and safety and protection of the employee from noise risks in the working places” requires the employer to assess the noise levels at the working place and ensure the protection of its workers

## 6. RESPONSIBLE STAFF

ARA through PMT carries out the function of the Project Management Team during the implementation of the projects. The project will be implemented under direct supervision and management of the PMT, with overall management and supervision of ARA.

The Heads of ARA coordinates with PMT respective Management Board and supervision consultant in monitoring and management of the projects.

The head of ARA will be responsible for direct workers labour management (PMT).

The Social Consultant of PMT will be assigned responsibly to:

- Implement this Labour management procedure
- Ensure the contracts with contractors are developed in line with provisions of this LMP.
- Monitor to verify that the contractors are meeting labour and OHS obligations toward contracted and subcontracted workers as required by Albanian law and respective contracts between ARA and the constructors.
- Monitor the contractor's implementation of labor management plan
- Monitor compliance with occupational health and safety standards at all workplaces in line with Albanian occupational health and safety legislation
- Monitor and implement training on LMP and OHS for project workers
- Ensure that the grievance redress mechanism for project workers is established and implemented and that workers are informed of its purpose and how to use it.
- Have a system for regular monitoring and reporting on labor and occupational safety and health performance
- Monitor implementation of the Worker Code of Conduct

The Supervision Consultant will oversee labor and safety performance on a daily basis, on the behalf of the Employer (MoIE, ARA).

The contractor has to implement human resources for the workforce in accordance with the requirements of the Albanian law. These policies should be clear, understandable and available for employees to review and should focus on:

- Establishing and maintaining healthy relations regarding worker/manager in the bridge construction
- Promoting fair treatment, non-discrimination and equal opportunities for all employees
- Upholding Albanian Labour Law, basic principles and regulatory standards further described in the Labour Code of the Republic of Albania
- Protecting the health and safety of workers and promoting in particular, healthy working conditions on the Project site.
- Employ or appoint qualified social, labor and occupational safety experts to prepare and implement project specific labor management procedure, occupational health and safety plans, and to manage subcontractor performance.
- Develop labor management procedures and occupational health and safety plan which will apply to the contracted workers. These procedures and plans will be submitted to the

Supervision Consultant for review and approval before the contractors mobilize for the design stage

- Communicate clearly job description and employment conditions to contracted workers
- Develop, and implement workers' grievance mechanism and address the grievance received from the contracted and sub-contracted workers
- Have a system for regular review and reporting on labour, and occupational safety and health performance
- Deliver regular induction (including social induction) and Health Safety and Environmental training to employees
- Ensure that all contractor and sub-contractor workers understand and sign the Code of Conduct prior to the commencement of works

After the bidding process is completed and the Contractors are known, this labour management procedure can be updated to include additional details about companies, as necessary.

## 7. POLICIES AND PROCEDURES

This section outlines main policies and procedures to be followed during construction phase of the project. This section will be updated and amended as needed, after construction contracts have been awarded.

The policies adopted for the project will contribute to the achievement of ESS2 objectives and are in line with the MoIE Policies.

All Employers of direct or contracted workers, in the project must ensure safety and health at work. Strict adherence to the legal provisions, notably the LHSW, is required. It is the responsibility of the Implementing Agency, OHS and third parties as Employers (both civil servants and consultants regardless of their employment status) to fulfill all the obligations stipulated by the law. This includes assessment of the PMT risks and hazards, informing and training of project workers on the occupational health and safety issues, and taking preventive measures prior and during the work process in order to mitigate or diminish risks for project workers' health and safety. The third party should adapt work processes, work stations and work environment in such a manner to make them safe and hazard free. If any protective equipment is needed, the Implementing Agency, MF and the third party will provide project workers with it at the third party's expense. The third party must keep records prescribed by the national legislation regarding health and safety at work, and duly report work-related injuries, near misses, fatalities and diseases, in compliance with the law. As for the risks relating to transportation and traffic and residual risks of the workplace, the third party will take reasonable precautionary measures as part of normal work routine.

The project promotes fair treatment, non-discrimination and equal opportunity of project workers. Any and every Employer to direct or contracted workers, will ensure that the selection process for project workers is bias-free, and that the requirements set are not directly or indirectly discriminatory. The

project workers will be recruited and assessed on the basis of their competence and professional achievements. Gender, birth, language, race, color of the skin, age, pregnancy, health condition, and/or disablement, ethnic origin, religion, marital status, family obligations, sexual orientation, political or other belief, social background, financial status, membership in political organizations, trade unions, or any other personal characteristic unrelated to inherent job requirements cannot be ground for making any decision regarding employment and the employment relationship. However, third parties are encouraged to take a gender sensitive approach and make reasonable accommodation to make it possible for persons with disabilities to take part in the project. Provided that project workers are expected to be established experts, no person under the age of 18 years will be employed or engaged for work on the project.

All project workers will perform work or provide services under conditions set in their engagement/employment contract or agreement in return for remuneration. Their status must be clearly defined in line with the national law. Any form of disguised employment will not be acceptable. For short term and part time workers, the agreement on work should foresee the possibility of providing some rights typical of the employment relationship (refund of travel expenses, leaves, etc.).

All project workers are entitled to fair treatment and protection from harassment and sexual harassment and abuse at work. The contracted part must install mechanisms that will protect the project worker from incidence of mistreatment. If it happens anyway, the grievance mechanism should be in place to enable the project worker to file grievances to a competent person within the company/institution and be informed on the actions taken subsequently in relation to his grievances, without prejudice to his/her right to seek judicial protection. If a third party does not have an affective grievance mechanism, they may follow the guidelines in section 10 to design and install such mechanism.

Adherence to law and good practice and a high level of integrity is expected from all participants in the project. The Borrower should make it clear in tender documentation that non-compliance with the national legislation, particularly the legislation regarding terms and conditions of employment, labor rights and occupational health and safety, may constitute the ground for termination of the contract with a contracted party and exclusion of that party from the project.

The following measures will be developed by the contractors and monitored by PMT and supervision consultant to ensure fair treatment of all employees:

- As per Labor Code requirements, recruitment procedures will be transparent, public and non-discriminatory with respect to ethnicity, religion, sexual orientation, disability, gender, and other grounds included in the Labor Code
- Applications for employment will be considered in accordance with the application procedures established by the contractors.

- Clear job descriptions will be provided in advance of recruitment and will explain the skills required for each post.
- All workers will have written contracts describing terms and conditions of work and will have the contents explained to them. Workers will sign the employment contract. Terms and conditions of employment will be available at work sites.
- Unskilled labor will be preferentially recruited from the affected communities, settlements and municipalities.
- Employees will be informed at least two months before their expected release date of the coming termination. If more than 50 workers will be terminated within any three-month period, the Contractor will prepare a retrenchment plan for review and approval by the Supervision Consultant
- The contracted workers will not pay any hiring fees. If any hiring fees are to be incurred, these will be paid by the Employer ('Contractor').
- Depending on origin of the employer and employee the contracts will be developed in corresponding language understandable for both parties.
- In addition to written documentation, an oral explanation of conditions and terms of employment will be provided to workers who may have difficulties with understanding the documentation.
- While communication language related problems are not expected, attention should be given to ensuring coordination between different contractors and means to address any language differences.
- Foreign workers will require residence permit, which will allow them to work in Albania.
- will include in contracts that all contractor (and subcontractor) personnel must be of the age of 18 years or more.

If accommodations, other than collective work camps are provided for workers, Contractors will ensure that they are provided in good hygiene standards, with fresh drinking water, clean beds, restrooms and showers, clean bedrooms, good illumination, lockers, proper ventilation, safe electrical installation, fire and lightning protection, separate cooking and eating areas. There will be separate facilities provided for men and women.

Supervision Consultant (on behalf of the PMT) will conduct periodic supervision of contractor's OHS performance, including site visits, at least monthly. These supervisions will cover compliance with above

mentioned standards, accidents, violations of golden rules, recommendations, and progress of ongoing corrective actions. The PMT will include in the contract(s) as requirement for contractors to report on issues such as number of accidents rates, near misses, severity rates, number of recurring non-compliances, violations of Golden rules, fatalities and serious injuries; and penalties for non-compliance.

The supervision consultant will review and approve contractors' safety plans and procedures.

The PMT will inform the Bank promptly about any incident or accident related to the project which has, or is likely to have a significant adverse effect on the environment, the affected communities, the public or workers (labor, health and safety, or security incident, accident or circumstance) as soon as reasonably practicable, but no later than five calendar days after the occurrence of the event. Such events can include strikes or other labor protests, serious worker injuries or fatalities, project-caused injuries to community members or property damage the PMT will prepare a report on the event and the corrective action and submit to the Bank within 30 calendar days of the event.

The contractors will be required to provide the periodic information on the performance in terms of labor, occupational health and safety issues. The information will be included in the construction contractor's monthly report and will be reviewed by the supervision consultant's team.

In addition, the contractor shall report to PMT about any inspections and audits carried out by the respective ministries – Ministry of Labor and Social Welfare. The findings of the labor audits will be presented to PMT and the Bank at request.

## **8. AGE OF EMPLOYMENT**

Albania has adopted ILO conventions on child labour and incorporated them in the legal system. The minimum age of employment is 15, but the employment relationship with persons under the age of 18 can be established with a consent in writing of a parent provided that work to be performed does not put at risk their health, integrity or education. A person under 18 years of age must present a medical certificate attesting that he/she is capable of performing the activities related to the specific job, and that such activities do not harm his/her health.

As contractors are expected to employ or engage highly qualified, experienced and competent project workers, it is understood that no one under the age of 18 will be employed or engaged. If any contractor employs or engages a person under the age of 18 years, that contractor will not only be terminated and excluded from the project but will also be reported to the authorities (Labour Inspectorate).

No other restrictions regarding the age of employment will be imposed. The age of workers will not be used as a criterion in deciding on hiring and promoting project workers or terminating their contracts. The contractors will be required to verify the identify and age of all workers. This will require workers to

provide official documentation, which could include a birth certificate, national identification card, passport, or medical or school record.

## 9. TERMS AND CONDITIONS

The terms and conditions of employment in Albania are governed by the provisions of the labor code of the republic of Albania, while occupational health and safety is guided by the Law no. 10 237, dated 18.2.2010 and DCM No. 312 on the approval of the yard safety regulation.

### ON SAFETY AND HEALTH AT WORK.

A project worker may be employed or engaged for work on the project only after negotiating, signing, and receiving a copy of an employment contract or engagement agreement which contains information required by the provisions of the of the labor code.

The project worker can be employed on a permanent (open-ended contract) or temporary (fixed-term contract) basis, or can be engaged without establishing the employment relationship on the basis of an agreement. In either case, the project worker will be registered in the Central Registry of Compulsory Social Insurance, in accordance with the national legislation of the Republic of Albania. If the project worker is employed / engaged in his/her domicile country other than Albania, he/she will be registered in accordance with the national legislation of that country. In case of self-employed project workers, the evidence of registration in the Central Registry of Compulsory Social Insurance or a corresponding foreign body has to be presented.

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

The project worker should in advance be clear about the job he/she is going to do and the wage/salary/fee he/she is going to receive.

The project worker will be paid on a regular basis, at least once a month, or, if so agreed, upon the completion of specific activities, in accordance with the employment contract or engagement agreement.

The project worker will work 8 or fewer hours a day, with payment of overtime.

Any work longer than 8 hours is considered overtime work and the project worker should receive extra payment for the hours of overtime work. In any case, the project worker cannot work more than 12 hours a day.

The project worker is entitled to a daily rest of at least 11 hours within 24 hours.

The project worker is entitled to a weekly rest 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 national 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.

An employment contract or engagement agreement, except in case of permanent employment, 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 national legislation.

The third party will assess the risk related to specific jobs. In conformity with the national legislation. The third party will be responsible for taking preventive and protective measures to ensure a safe and healthy work environment and informing the project worker on all the relevant issues and conditions affecting his/her health and safety at work. The project worker 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 or life and health of others.

The third party will make effort to establish mechanisms that will prevent discrimination, harassment, sexual harassment and abuse at work and ensure equal treatment and equal opportunity for all. The service providers working in Albania should follow the procedure laid out by the national legislation regulating the area of discrimination, harassment and equal opportunity.

Project workers have the right to form or join union or other organizations of their choosing and to bargain collectively, in accordance with the national legislation. The employer (third party) will not interfere with the worker's right to choose the organization or opt for an alternative mechanism to protect their rights regarding working conditions and terms of employment.

The project worker will be able to raise his/her grievances using the grievance mechanism defined in section 10.

## **10. GRIEVANCE MECHANISM**

In the country of Albania, the grievance mechanism is not applicable, but the national legal framework provides judicial protection of employees in case of unfair or unlawful employment relationship practices instead. Any employee may refer to trade union or other representative labor organization for help in handling any disciplinary or grievance action. The Employer should not prevent any project worker from seeking assistance or advice in such situations. The Labor Code of the Republic of Albania Law no. 7961 dated 12.07.1995, updated by law no. 9125 dated 29.07.2003 disputes, allows for settlement of both individual and collective grievances and claims arising from the employment relationship and work situations without referring to judiciary through mediation of mediators and arbiters and agreement of the parties involved. On the contrary, the Albanian legislation relating to



prevention of discrimination, sexual harassment and abuse at work and combating corruption is much more specific and is aligned with the above stated requests laying out clear procedures to be followed in any case of discriminatory actions, unjust treatment or concerns over non-compliance with the law.

The above stated mechanisms provided by the Albanian legislation are considered as minimum standard to be achieved in addressing labour dissatisfaction and perceived maltreatment. Any third party employing and engaging contracted workers are expected to design and implement grievance mechanisms that will be aligned or surpass this standard ensuring an easy access to protective measures and effective remedial actions in work situations that may give rise to grievances and disputes.

For direct workers employed or engaged by ARA, a special GM should be conceived and housed by the PMT. This GM shall both serve as workplace and dispute resolution instrument for direct workers and contracted workers in case that no GM exists with the third parties employing or engaging them. Grievance mechanisms should address workplace concerns specifying procedures as to whom a project 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

The mechanism should foresee the procedure that at least:

- ✓ Specifies to whom the employee should lodge the grievance;
- ✓ Refers to the time frame allowed for the grievance to be dealt with;
- ✓ Allows the employee to refer to a more senior level within the organization if the grievance is not resolved at the lower level;
- ✓ Includes right to representation;
- ✓ Guarantees non-retribution practice;
- ✓ Does not impede access to other judicial or administrative remedies that might be available under the law or through existing arbitration/dispute resolution procedures, if the grievance is not resolved within the organization;
- ✓ Provides for anonymous complaints to be raised and addressed.

The project worker is entitled to give suggestions, remarks and information regarding health and safety at work. He/she may refuse to work if his/her life or safety is endangered or if appropriate measures for provision of health and safety at work are not in place. The project worker may express his/her concern or raise grievances to the appointed OHS officer or through the workers' representative in the Health and Safety Council if such exists in the company.

Contracted parties should demonstrate their willingness to implement these mechanisms, even if such requirement is not prescribed by any law of the domicile country. The Supervision Consultant will

monitor the contractors' recording and resolution of grievances, and report these to PMT in their monthly progress reports.

The workers grievance mechanism will be described in staff induction trainings, which will be provided to all project workers. The mechanism will be based on the following principles:

- The process will be transparent and allow workers to express their concerns and file grievances.
- There will be no discrimination against those who express grievances and any grievances will be treated confidentially.
- Anonymous grievances will be treated equally as other grievances, whose origin is known.
- Management will treat grievances seriously and take timely and appropriate action in response.

Information about the existence of the grievance mechanism will be readily available to all project workers (direct and contracted) through notice boards, the presence of "suggestion/complaint boxes", and other means as needed.

## 11. CONTRACTOR MANAGEMENT

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

As part of the process to select design and build contractors who will engage contracted workers, PMT and/or the supervision consultant 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, registrations, permits, and approvals;
- Documents relating to a labor management system, including OHS issues, for example, labor management procedures;
- Identification 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;
- Accident and fatality records and notifications to authorities;
- Records of legally required worker benefits and proof of workers' enrollment in the related programs;

- 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 contracts with selected contractors will include provisions related to labor and occupational health and safety, as provided in the World Bank and Albanian law.

The Supervision Consultant will manage and monitor the performance of Contractors in relation to contracted workers, focusing on compliance by contractors with their contractual agreements (obligations, representations, and warranties). This may include periodic audits, inspections, and/or spot checks of project locations or work sites and/or of labor management records and reports compiled by contractors. Contractors' labor management records and reports may include: (a) a representative sample of employment contracts or arrangements between third parties and contracted workers; (b) records relating to grievances received and their resolution; (c) reports relating to safety inspections, including fatalities and incidents and implementation of corrective actions; (d) records relating to incidents of non-compliance with national law; and (e) records of training provided for contracted workers to explain labor and working conditions and OHS for the project.

## 12. COMMUNITY WORKERS

Under the project is not foreseen to have volunteer employees. If they are included at some point of the project it will be preceded with the laws of the Albanian Labor Code.

## ANNEX 1: LABOR AND WORKING CONDITIONS COMPLIANCE REPORT – for third parties engaging contracted workers

### LABOR AND WORKING CONDITIONS COMPLIANCE REPORT – Contents

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:

- Company employees\* statistics:
  1. Total number of employee's gender disaggregated: Male \_\_\_\_\_ Female \_\_\_\_\_

2. Number of employees with an employment contract out of total number of employees
3. Number of employees without an employment contract out of total number of employees
4. Number of employees with access to social security, pension and health insurance out of total number of employees
5. Number of employees who receives wages/salaries at least once a month out of total number of employees
6. Number of employees who left the company in the reported period out of total number of employees
7. Number of employees hired in the reported period
8. Number of hours worked per employee (monthly average)
9. Total overtime (monthly average per employee)
10. Number of injuries at work (in reporting period and cumulative since contract start) out of total nr. of employees
11. Number of fatalities at work (in reporting period and cumulative) out of total nr. of employees
12. Number of reported violence out of total nr. of employees
13. Number of reported harassment/ abuses out of total nr. of employees
14. Availability of an accessible and functioning employee grievance mechanism (Y/N)
15. Number of grievances raised with the GM (in reporting period and cumulative since contract start)
16. Number of grievances resolved by GM (in reporting period and cumulative since contract start)
17. Number of suits filed with regard to labor, employment and OHS issues
18. Number of disputes brought to peaceful settlement/ voluntary arbitration procedure
19. 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

○

• WORKING AND LABOR CONDITIONS SCREENING CHECKLIST			
	Terms and conditions	Yes / No	Notes
1	All project workers have an employment contract or engagement agreement in writing.	Yes <input type="checkbox"/>	If "No" please specify and explain

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	Terms and conditions	Yes / No	Notes
		No <input type="checkbox"/>	
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
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

	Terms and conditions	Yes / No	Notes
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
12	All project workers have read, signed and understood the Code of conduct including Albanian Low	Yes <input type="checkbox"/>  No <input type="checkbox"/>	If "No" please specify and explain

## ANNEX 2: STATEMENT OF POTENTIAL CONTRACTORS AND SERVICE PROVIDERS ON COMPLIANCE WITH PROVISIONS OF LABOR LEGISLATION AND THE PROJECT'S LMP

This STATEMENT is to be submitted as part of bidding documents by prospective Service/Works providers

Date and place of issuance: \_\_\_\_\_

Name and address of the issuer: \_\_\_\_\_

STATEMENT OF LEGAL AND REGULATORY COMPLIANCE

Hereby we declare that<sup>2</sup>

We are aware of, and comply with, the standards laid down in World Bank Environment and Social Framework;

We are aware of, and comply with, the standards laid down in the Labor Management Procedures;

We are aware of, and comply with, the standards laid down in World Bank Group Health and Safety Guidelines;

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, abuse and violence 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 Grievance Mechanism is available

We confirm that no worker Grievance Mechanism is available but will be established by the time the contract is signed or will inform all contracted workers of the Grievance Mechanism available

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 both to the Laws of Republic of Albania and the domicile Law of the country in case the Bidder is foreign

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<sup>2</sup> The Applicant should state the adequate commitment