

The Environmental and Social Norms of the Islamic Development Bank

Environmental and Social Norm 2 (ESN2): Labour and Working Conditions



Acronyms and Abbreviations

AESR	Annual Environmental and Social Report
ACHPR	African Commission on Human and Peoples Rights
AMR	Anti-microbial Resistance
BC	Black Carbon
BMP	Biodiversity Management Plan
CBD	Convention on Biological Diversity
CBO	Community Based Organization
CDD	Community-Driven Development
CHMP	Cultural Heritage Management Plan
CO ₂	Carbon Dioxide
CITES	Convention on the International Trade in Endangered Species
CSO	Civil Society Organization
DLI	Disbursement Linked Indicator
DUC	Dam Under Construction
EHSGs	World Bank Group Environmental, Health and Safety Guidelines
ESDD	Environmental and Social Due Diligence
ESIA	Environmental and Social Impact Assessment
EITI	Extractive Industries Transparency Initiative
EPRP	Emergency Preparedness and Response Plan
ES	Environmental and Social
ESA	Environmental and Social Assessment
ESP	Environmental and Social Plan
ESMP	Environmental and Social Management Plan
ESMS	Environmental and Social Management System
ESNs	Environmental and Social Norms
FAO	Food and Agriculture Organization (of the UN)
FI	Financial Intermediary
FPIC	Free, Prior and Informed Consent
GBV	Gender-Based Violence
GCF	Green Climate Fund
GHG	Greenhouse Gas
GM	Grievance Mechanism
GMO	Genetically Modified Organism
GIIP	Good International Industry Practice
HIA	Health Impact Assessment
HSMP	Health and Safety Management Plan
HVRMs	Highly Vulnerable Rural Minorities
IDEV	Independent Development Evaluation Department
IFC	International Finance Corporation
IFI	International Financial Institution
ILO	International Labour Organization
IPP	Indigenous Peoples Plan
IPM	Integrated Pest Management
IRM	Independent Recourse Mechanism
ISS	Integrated Safeguards System
IUCN	International Union for the Conservation of Nature
IVM	Integrated Vector Management
LIMP	Labour Influx Management Plan
LMPs	Labour Management Procedures
MFI	Multilateral Financial Institution
NGO	Nongovernmental Organization
NSO	Non-Sovereign Operation
O&M	Operation and Maintenance
OHS	Occupational Health and Safety

OP	Operational Policy
OS	Environmental and Social Operational Safeguard
POPs	Persistent Organic Pollutants
PMP	Pest Management Plan
PPP	Public-Private Partnership
RAP	Resettlement Action Plan
RBF	Results-Based Financing
RCIP	Riparian Communities Involvement Plan
RHA	Risk Hazard Assessment
RMC	Regional Member Country
SDGs	Sustainable Development Goals
SEAH	Sexual Exploitation and Harassment
SEP	Stakeholder Engagement Plan
SESA	Strategic Environmental and Social Assessment
SO	Sovereign Operation
SPV	Special Purpose Vehicle
TA	Technical Assistance
UNDRIP	United Nations Declaration on the Rights of Indigenous Peoples

Introduction

1. ESN2 recognizes the importance of employment creation and income generation in the pursuit of poverty reduction and inclusive economic growth. Clients can promote sound worker-management relationships and enhance the development benefits of a project by treating workers in the project fairly and by providing safe and healthy working conditions. The respect of workers' rights is one of the keystones for developing a strong and productive workforce. This ESN2 is informed by the International Labour Organization's Declaration on the Fundamental Principles and Rights at Work¹, and the UN Guiding Principles on Business and Human Rights.

Objectives

2. The objectives of ESN2 are as follows:

- To protect workers' rights.
- To promote safety and health in the workplace.
- To promote the fair treatment, non-discrimination and equal opportunity of project workers.
- To protect project workers, including vulnerable workers such as women², persons with disabilities, children (of working age, in accordance with this ESN2) and migrant workers, contracted workers, community workers and primary supply workers, as appropriate.
- To prevent the use of all forms of forced labour and child labour³.
- To prevent and address all forms of violence, harassment, bullying, intimidation, reprisal including Sexual Exploitation and Harassment and Gender-based Violence.
- To support the principles of freedom of association and collective bargaining of project workers, align Bank requirements with the ILO's Fundamental Principles and Rights at Work, the UN Convention on the Rights of the Child and the Convention on the Elimination of all forms of Discrimination Against

¹ 1 Reflected in international instruments such as: the Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87); Right to Organize and Collective Bargaining Convention, 1949 (No. 98); Forced Labour Convention, 1930 (No. 29) (and its 2014 Protocol); Equal Remuneration Convention, 1951 (No. 100); Abolition of Forced Labour Convention, 1957 (No. 105); Discrimination (Employment and Occupation) Convention, 1958 (No. 111); Employment Policy Convention, 1964 (No. 122); Minimum Age Convention, 1973 (No. 138); Occupational Health Services Convention, 1985 (No. 161); Worst Forms of Child Labour Convention, 1999 (No. 182); Occupational Safety and Health Convention, 1981 (No. 155) and its Protocol of 2002; Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187); Violence and Harassment Convention, 2019 (No. 190) and Recommendation No. 206.

² The Bank and Client will be guided by the Convention on the Elimination of all Forms of Discrimination Against Women and the African Commission on Human and Peoples' Rights Guidelines on Combatting Sexual Violence and its Consequences in Africa.

³ Child labour is harmful either to education and other aspects of personal development; or directly affecting health, safety and morals. The ILO Conventions (138 and 182) define what is child labour and what is the acceptable work for children above the legal working age and from the working age until age 18. C138 also defines what is acceptable light work of children below the legal working age.

Women, where national laws do not provide equivalent protection.

- To provide project workers with accessible means to raise workplace concerns.
- To require that the Bank, and national competent authorities as appropriate, be informed promptly of any material adverse impacts and events relating to labour protection and health and safety at the workplace⁴.

Scope of Application

3. The applicability of ESN 2 is established during the environmental and social assessment described in ESN1⁵.

4. The scope of application of ESN2 depends on the type of employment relationship between the Client and the project workers. The term “project worker” refers to:

5. People employed or engaged directly by the Client (including the proponent(s) of project/activities and the implementing agencies that carry out projects, activities or other initiatives) to work specifically in relation to the project (direct workers).

- People employed or engaged through third parties⁶ to perform work related to core functions⁷ of the project, regardless of location (contracted workers).
- People employed or engaged by the Client’s primary suppliers⁸ (primary supply workers).
- People employed or engaged in providing community labour⁹ (community workers).

6. ESN2 applies to project workers including full-time, part-time, temporary, seasonal and migrant workers¹⁰. Contractors, primary suppliers and other service providers should be made aware of ESN2 requirements in invitations to tender, contracts and other documents so that they can internalize the costs of meeting ESN2 requirements in their technical and financial proposals. The Client and third parties shall refrain from entering into disguised employment relationships, such as contractual arrangements that have the effect of depriving workers of the protection, they are due. Situations may arise where people do not fit readily into the above categories. The Bank will identify the applicable requirements in such circumstances.

7. Where government civil servants are working with a project, whether on a full-time or part-time

⁴ Such as: (i) any work-related accident on a construction site, resulting in fatality of an employee, site visitor or any other third party; (ii) serious injuries requiring hospitalization of an employee, site visitor or any other third party, for more than 24 hours; (iii) Dangerous occurrences or serious events such as explosions, fires, workers’ strike, etc. causing works to be stopped on the construction site for more than 24 hours.

⁵ In conducting the environmental and social assessment and depending on the significance of the potential issues in the project relating to labour and working conditions, the views of representative workers’ and employer’s organizations may be sought.

⁶ Third parties may include contractors, subcontractors, brokers, agents or intermediaries

⁷ Core functions of a project constitute the production and/or service processes essential for a specific project activity without which the project, activities or other initiatives cannot continue.

⁸ Primary suppliers are those ESN2 suppliers who, on an ongoing basis provide, directly to the project goods or materials essential for the core functions of the project, set of activities or other initiatives, including during the implementation phase.

⁹ See paragraph 39

¹⁰ Migrant workers are workers who have migrated from one country to another or from one part of the country to another for purposes of employment and are employed in accordance with local laws and on comparable terms and conditions as non-migrant workers who are employed in similar work

basis, they will remain subject to the terms and conditions of their existing public sector employment agreement or arrangement, unless there has been an effective legal transfer of their employment or engagement to the project. ESN2 will not apply to such civil servants, except for the provisions of paragraphs 22-34.

Direct Workers

8. The requirements of paragraphs 9 to 33 of this ESN2 will apply to direct workers.

Contracted Workers

9. The requirements of paragraphs 9 to 36 of this ESN2 will apply to contracted workers, as specified in Section E.

Community Workers

10. The requirements of paragraphs 10-17, 20-33, and 37-40 of this ESN2 will apply to community workers, as specified in Section F.

Primary Supply Workers

11. The requirements of paragraphs 41 to 44 of this ESN2 will apply to primary supply workers, as specified in Section G.

Requirements

A. Working Conditions and Management of Worker Relationships

12. The Client will maintain or develop and implement written labour management procedures (LMPs)¹¹ applicable to the project. The LMP will be proportionate to the project size, needs, risks and impacts. The LMP will set out the way in which project workers will be managed, as a minimum, in accordance with the requirements of national law, GIIP (where appropriate) and this ESN2¹². The procedures will address the way in which this ESN will apply to different categories of project workers including direct workers, and the way in which the Client will require third parties to manage their workers in accordance with paragraphs 11 to 33. The LMP will be made accessible to all project workers in a language and format that they will understand. The LMP will also address cases where child labour, forced labour, modern slavery, human trafficking or GBV¹³

¹¹ The LMPs are developed as part of the ESMP. Further, based on the LMP, contractors will develop comprehensive Labour Management Plans (Contractor's Labour Management Plans), which will be approved before commencement of works, implemented and then reported on over the project cycle.

¹² To the extent that provisions of national law are relevant to project activities and satisfy the requirements of this ESN2, the Client will not be required to duplicate such provisions in labour management procedures. The provisions of national law are minimum requirements for compliance by the Client: they shall not be construed as a ceiling on project workers' terms and conditions of employment. If the requirements of ESN2 are more stringent than these shall apply unless to do so would violate national law.

¹³ GBV is Gender Based Violence and is defined in the Glossary.

/SEAH¹⁴ are identified; in such cases the Client will take immediate and appropriate steps to remedy them.

Terms and conditions of Employment

13. Project workers will be provided with information and documentation that is clear and understandable regarding their rights under national labour employment and social security law and any applicable collective agreements, including their rights related to hours of work, wages, overtime, compensation and benefits, and the grievance mechanism, as well as those arising from the requirements of this ESN. This information and documentation will be provided to workers at the beginning of the working relationship and when any material changes to the terms or conditions of employment occur. If there are significant changes to a project that result in additional risks and impacts on project workers, the Client will conduct or require that meaningful consultation takes place with project workers and/or their representatives, as appropriate. Any necessary changes to the LMP will then be made.

14. Project workers will be paid on a regular basis as required by national law and the LMPs. Deductions from wages will only be made as allowed by national law or the LMPs, and project workers will be informed of the reasons why such deductions will be made. Project workers will be provided with adequate periods of rest per day and week, annual holiday and sick, maternity, paternity and family leave, as required by national law and labour management procedures. Where the Client is party to a collective bargaining¹⁵ agreement with a workers' organization, it respects that agreement. Where such agreements do not exist, or do not address working conditions and terms of employment, the Client provides reasonable working conditions and terms of employment¹⁶ that, at a minimum, comply with national law and are otherwise consistent with this ESN2.

15. Where required by national law or the LMPs, project workers will receive written notice of termination of employment and details of severance payments in a timely manner¹⁷. The Client shall ensure that communication to any workers issued with notice of dismissal and severance payments mandated by law and collective agreements shall be done in a timely manner. All wages that have been earned, social security benefits, pension contributions and any other entitlements will be paid on or before termination of the working relationship, either directly to the project workers or where appropriate, for the benefit of the project workers. Where payments are made for the benefit of project workers, project workers will be provided with evidence of such payments.

¹⁴ SEAH is Sexual Exploitation, Abuse and Harassment and is defined in the Glossary.

¹⁵ The term collective bargaining extends to all negotiations that take place between an employer, a group of employers or one or more employers' organizations, on the one hand, and one or more workers' organizations, on the other, to (a) determine working conditions and terms of employment, and/or (b) regulate relations between employers and workers, and/or (c) regulate relations between employers or their organizations and a workers' organization(s) (ILO Collective Bargaining Convention, 1981)

¹⁶ Reasonable working conditions and terms of employment could be assessed by reference to (i) conditions established for work of the same character in the trade or industry concerned in the area/region where the work is carried out; (ii) collective agreement or other recognized negotiation between other organizations of employers and workers' representatives in the trade or industry concerned; (iii) arbitration award; and (iv) conditions established by national law.

¹⁷ Entitlement to such payments will depend on the nature of the employment relationship, including whether the project workers are employed on a fixed term contract, or are full-time, part-time, temporary or seasonal.

16. Where the Client or other third parties directly or indirectly provide residential or temporary accommodation to workers, facilities shall provide all basic services¹⁸, including water and sanitation and in certain circumstances, medical care should also be provided. The services shall be provided in a manner consistent with the principles of non-discrimination and equal opportunity. Workers' accommodation arrangements shall not restrict workers' freedom of movement or of association.

Non-Discrimination and Equal Opportunity

17. Decisions relating to the employment or treatment of project workers will not be made on the basis of personal characteristics unrelated to inherent job requirements. The employment of project workers will be based on the principle of equal opportunity and fair treatment, and there will be no discrimination with respect to any aspects of the employment relationship, such as recruitment and hiring, compensation (including wages and benefits), working conditions and terms of employment¹⁹, access to training, job assignment, promotion, termination of employment or retirement, or disciplinary practices. The principles of non-discrimination will also apply to migrant workers. The labour management procedures will set out measures to prevent and address harassment²⁰, intimidation and/or exploitation and reprisal. Where national law is inconsistent with this ESN and/or ILO standards, the Client must make every reasonable effort to carry out project activities in a manner consistent with this ESN and/or ILO standards.

18. Special measures of protection and assistance to remedy discrimination or selection for a particular job based on the inherent requirements of the job or the objectives of the project will not be deemed as discrimination, provided they are consistent with national law.

19. The Client will provide appropriate measures of protection and assistance to address the vulnerabilities of project workers, including specific groups of workers, such as women, persons with disabilities, migrant workers and children (of working age in accordance with this ESN2). Such measures may be necessary only for specific periods of time, depending on the circumstances of the project worker and the nature of the vulnerability.

Retrenchment

20. Prior to implementing any collective dismissals²¹, the Client will carry out an analysis of alternatives to retrenchment²². If the analysis does not identify viable alternatives to retrenchment which are technically and financially feasible, a retrenchment plan will be

¹⁸ Basic services may include security arrangements; appropriate work temperature; safe food; drinking water; access to safe exit in emergency conditions; segregated toilets, washing facilities and sleeping areas for women and men; and access to means of communication with areas outside the project boundary.

¹⁹ The Client will consider, to the extent technically and financially feasible, reasonable measures to adapt the workplace in relation to project workers with disabilities.

²⁰ Including Sexual Exploitation, Abuse and Harassment (SEAH)

²¹ Collective dismissals cover all multiple dismissals that are a result of an economic, technical, or organizational reason or other reasons unrelated to performance or other personal reasons.

²² Examples of alternatives may include negotiated working-time reduction programs, employee capacity building programs, long-term maintenance works during low production periods, etc

developed and implemented to reduce the adverse impacts of retrenchment on workers. The retrenchment plan will be based on the principle of non-discrimination and will reflect the Client's consultation with workers, their organizations, and, where appropriate, with other government agencies, and will comply with collective bargaining agreements if they exist. The Client will comply with all legal and contractual requirements related to notification of public authorities, and provision of information to and consultation with workers and their organizations. The Client complies with national laws in terms of supplying severance payments and benefits.

21. The Client should ensure that all workers receive notice of dismissal and severance payments mandated by law and collective agreements in a timely manner. All outstanding back pay and social security benefits and pension contributions and benefits will be paid (i) on or before termination of the working relationship to the workers; (ii) where appropriate, for the benefit of the workers; or (iii) payment will be made in accordance with a timeline agreed through a collective agreement. Where payments are made for the benefit of workers, workers will be provided with evidence of such payments.

Worker's Organizations

22. The Client will comply with all national labour laws and requirements consistent with fundamental labour standards. The Client shall allow workers to form, join, and participate in workers' organizations, such as trade unions or associations of their own choosing, to take collective action in support of their joint requests and grievances and protect their rights regarding working conditions and terms of employment. The Client shall not interfere with or try to control these workers' organizations. The Client shall allow workers to freely elect their own representatives and to engage in collective bargaining. The Client shall engage with workers' representatives and workers' organizations, and provide them with the information needed for meaningful negotiation in a timely manner. The Client shall not discriminate or retaliate against workers who participate, or seek to participate, in such organizations and engage in collective bargaining.

B. Protecting the Work Force

Child Labour and Minimum Age

23. If A child under the minimum age established in accordance with this paragraph will not be employed or engaged in connection with the project. The labour management procedures will specify the minimum age for employment or engagement in connection with the project, which will be the age of 14 unless national law specifies a higher age.

24. A child over the minimum age and under the age of 18 may be employed or engaged in connection with the project only under the following specific conditions:

- The work is not hazardous as per the footnote below.

- An appropriate risk assessment is conducted prior to the work commencing.
- The Client conducts regular monitoring of health, working conditions, hours of work and the other requirement of this ESN2.
- A child over the minimum age and under the age of 18 will not be employed or engaged in connection with the project in a manner that is likely to be hazardous²³ or interfere with the child's education or be harmful to the child's health or physical, mental, spiritual, moral or social development.

25. The Client will ensure that any project workers over the minimum age but younger than 18, will be subject to appropriate assessment of their physical health prior to commencing work.

Forced Labour and Modern Slavery

26. Forced labour, which consists of any work or service not voluntarily²⁴ performed that is exacted from an individual under threat of force or penalty, will not be used in connection with the project. This prohibition covers any kind of involuntary or compulsory labour, such as indentured labour, bonded labour, or similar labour-contracting arrangements. No trafficked persons will be employed in connection with the project²⁵.

C. Grievance Mechanism

27. A grievance mechanism will be provided for all project workers (and, where relevant, their organizations) to raise workplace concerns²⁶. Such workers will be informed of the grievance mechanism at the time of recruitment and the measures put in place to protect them against any reprisal for its use. Measures will be put in place to make the grievance mechanism easily accessible to all project workers.

28. The grievance mechanism will be proportionate to the nature and scale and the potential risks and impacts of the project. It will be designed to address concerns promptly, using an understandable and transparent process that provides timely feedback to those concerned in a language they understand, without any retribution, and will operate in an independent and objective manner.

²³ Work considered hazardous for children is work that, by its nature or the circumstances in which it is carried out, is likely to jeopardize the health, safety, mental, spiritual, moral or social development of children. Examples of hazardous work activities prohibited for children include work: (a) with exposure to physical, psychological or sexual abuse; (b) underground, underwater, working at heights or in confined spaces; (c) with dangerous machinery, equipment or tools, or involving handling or transport of heavy loads; (d) in unhealthy environments exposing children to hazardous substances, agents, or processes, or to temperatures, noise or vibration damaging to health; or (e) under difficult conditions such as work for long hours, during the night or in confinement on the premises of the employer.

²⁴ Work is on a voluntary basis when it is done with the free and informed consent of a worker. Such consent must exist throughout the employment relationship, and the worker must have the possibility to revoke their freely given consent. In particular, there can be no "voluntary offer" under threat or other circumstances of restriction or deceit. To assess the authenticity of a free and informed consent, it is necessary to ensure that no external constraint or indirect coercion has been carried out, either by an act of the authorities or by an employer's practice

²⁵ Trafficking in persons is defined as the recruitment, transportation, transfer, harboring or receipt of persons by means of the threat or use of force or other forms of coercion, abduction, fraud, deception, abuse of power, or of a position of vulnerability, or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purposes of exploitation. Women and children are particularly vulnerable to trafficking practices.

²⁶ This grievance mechanism will be provided separately from the grievance mechanism required under ESN10.

The grievance mechanism may utilize existing grievance mechanisms, providing that they are properly designed and implemented, address concerns promptly, and are readily accessible to such project workers. Existing grievance mechanisms may be supplemented as needed with project-specific arrangements that are consistent with this ESN.

29. The grievance mechanism will not impede access to other judicial or administrative remedies that might be available under the law or through existing arbitration procedures, or substitute for grievance mechanisms provided through collective agreements.

30. The Client will also establish confidential reporting channels as part of the grievance mechanism for cases involving GBV/SEAH.

D. Occupational Health and Safety (OHS)

31. Measures relating to occupational health and safety will be applied to the project. The OHS measures will include the requirements of this Section, and will take into account the World Bank's General Environmental, Health and Safety Guidelines (EHSGs) and, as appropriate, the industry-specific EHSGs and other relevant GIIP. The OHS measures applying to the project will be set out in the ESMP²⁷.

32. The OHS measures will be designed and implemented to address: (a) identification of potential hazards to project workers, particularly those that may be life-threatening; (b) provision of preventive and protective measures, including elimination, substitution, or modification of hazardous conditions or substances; (c) training of project workers and maintenance of training records; (d) provision of personal protective equipment without expense to the project workers; (e) recording, reporting and documentation of occupational accidents, diseases and incidents; (f) emergency prevention and preparedness and response arrangements to emergency situations²⁸; and (g) remedies for adverse impacts such as occupational injuries, deaths, disability and disease²⁹.

33. All parties who employ or engage project workers will develop and implement procedures to establish and maintain a safe working environment, including that workplaces, machinery, equipment and processes under their control are safe and without risk to health, including by use of appropriate measures relating to chemical, physical and biological substances

²⁷ Section 2 of the World Bank General Environmental Health and Safety Guidelines (EHSGs) on Occupational Health and Safety applies to all projects and can be found at <http://www.ifc.org/wps/wcm/connect/9aef2880488559a983acd36a6515bb18/2%2BOccupational%2BHealth%2Band%2BSafety.pdf?MOD=AJPERES>. Each of the industry-specific guidelines address the OHS issues relevant to the particular industry or activity. Links to each of these guidelines can be found at http://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/ifc+sustainability/our+approach/risk+management/ehsguidelines

²⁸ These arrangements will be coordinated with the Emergency Preparedness and Response measures established under ESN4.

²⁹ Such remedies should take into account, as applicable, the wage level and age of the project worker, the degree of adverse impact, and the number and age of dependents concerned.

and agents. Such parties will actively collaborate and consult with project workers and worker representatives in promoting understanding, and methods for, implementation of OHS requirements, as well as in providing information to project workers and training on occupational safety and health.

34. Workplace processes will be put in place for project workers to report work situations that they believe are not safe or healthy, and to remove themselves from a work situation which they have reasonable justification to believe presents an imminent and serious danger to their life or health, without prejudice, discipline or recrimination. Project workers who remove themselves from such situations will not be required to return to work until necessary remedial action to correct the situation has been taken. Project workers will not be retaliated against or otherwise subject to reprisal or negative action for such reporting or removal.

35. Project workers will be provided with facilities appropriate to the circumstances of their work and the number of workers, including access to canteens, hygiene facilities, and appropriate areas for rest. Where accommodation services³⁰ are provided to project workers, policies will be put in place and implemented on the management and quality of accommodation to protect and promote the health, safety, and well-being of the project workers, and to provide access to or provision of services that accommodate their physical, social and cultural needs.

36. Where project workers are employed or engaged by more than one party and are working together in one location, the parties who employ or engage the workers will collaborate in applying the OHS requirements, without prejudice to the responsibility of each party for the health and safety of its own workers.

37. A system for regular review of occupational safety and health performance and the working environment will be put in place and include identification of safety and health hazards and risks, implementation of effective methods for responding to identified hazards and assessed risks, setting priorities for taking action, and evaluation of results.

E. Contracted Workers

38. The Client will make reasonable efforts to ascertain that third parties³¹ who engage contracted workers are legitimate and reliable entities and have in place labour management procedures applicable to the project that will allow them to operate in accordance with the requirements of this ESN, except for paragraphs 37 to 40.

39. The Client will establish procedures for managing and monitoring the performance of such third parties in relation to the requirements of this ESN2. In addition, the Client will incorporate the requirements of this ESN2 into contractual agreements with such third parties, together with appropriate non-compliance remedies. In the case of subcontracting, the Client will require such third parties to include equivalent requirements and non-compliance

³⁰ The services might be provided either directly by the Client or by third parties

³¹ This may include contractors, subcontractors, brokers, agents or intermediaries.

remedies in their contractual agreements with subcontractors.

40. Contracted workers will have access to a grievance mechanism. In cases where the third party employing or engaging the workers is not able to provide a grievance mechanism to such workers, the Client will make the grievance mechanism provided under Section C of ESN2 available to the contracted workers.

F. Community Workers

41. Community labour involves workers engaged by the project-affected communities, including through representatives, organizations or similar entities³²

42. The use of community labour may occur in a number of different circumstances, such as where labour is provided by the community as a contribution to the project, activities or initiatives or where projects are designed and conducted for the purpose of fostering community-driven development, providing a social safety net³³ or providing targeted assistance in fragile and conflict-affected situations. Given the nature and objectives of such, the application of all requirements of ESN2 may not be appropriate. In all such circumstances, the Client will require measures³⁴ to be implemented to ascertain whether such labour is or will be provided on a voluntary basis as an outcome of individual or community agreement³⁵. Community labour excludes local hiring of contracted workers by third parties and local hiring of direct workers by the Client and implementing agencies.

43. In preparing the labour management procedures, the Client will clearly identify the terms and conditions on which community labour will be engaged, including amount and method of payment (if applicable) and times of work. The labour management procedures will also specify the way in which community workers can raise grievances in relation to the project, activities or other initiatives. The Client will assess the potential risks and impacts of the activities to be conducted by community workers and, at a minimum, apply the relevant requirements of the World Bank's General EHSGs and industry-specific EHSGs.

44. The labour management procedures will set out roles and responsibilities for monitoring the engagement of community workers and the performance of the entities engaging community workers, including measures to ascertain whether labour is provided on a voluntary basis.

³² For example, community-driven development projects in which the identification, planning and implementation of project activities is shared with or controlled by community organizations and leaders.

³³ For example, food for work and public works programs as safety net programs.

³⁴ These measures will be described in the labour management procedures.

³⁵ Reasonable working and employment conditions could be assessed by reference to (i) conditions established for similar work in the relevant trade or industry in the area/region where the work is performed; (ii) collective agreement or other recognized negotiation between other organizations of employers and representatives of workers in the trade or industry concerned; (iii) arbitration award; or (iv) conditions established by national law.

G. Primary Supply Workers

45. As part of the environmental and social assessment, the Client will take reasonable steps/measures to assess and identify risks of child labour, forced labour and serious occupational, health and/or safety issues which may arise in relation to the primary supplier(s) of goods and services essential to the core activities of the project.

46. Where there is a significant risk of child labour or forced labour related to primary supply workers, the Client will require the primary supplier to identify those risks consistent with paragraphs 21 to 23 above. The labour management procedures will set out roles and responsibilities for monitoring primary suppliers. If cases of forced labour are identified, the Client will take immediate steps to remove the workers from the condition of forced labour; address and remedy the specific incidents and the practices that led to the worker's situation; and address and remedy any other conditions that present a risk of forced labour. If a child under the minimum age of employment is discovered working on the project, measures will be taken to terminate the employment or engagement of the child in a responsible manner³⁶.

47. Additionally, where there is a significant risk of serious occupational, health and/or safety issues related to primary supply workers, the Client will require the relevant primary supplier to introduce procedures and mitigation measures to address such safety issues. Such procedures and mitigation measures will be reviewed periodically to ascertain their effectiveness.

48. The ability of the Client to address these risks will depend upon the Client's level of control or influence over its primary suppliers. Where remedy is not possible, the Client will, within a reasonable period, shift the project's primary suppliers to suppliers that can demonstrate that they are meeting the relevant requirements of this ESN2. Where there are significant risks related to OHS, child or forced labour or modern slavery, and to the extent technically and financially feasible, the Client will undertake efforts to raise its level of influence over the supply chain³⁷ to address the risks.

H. Prompt Reporting of Materially Adverse Labour and Health and Safety Events

49. Notwithstanding regular reporting requirements prescribed by the Bank or national requirements, the Client will notify the Bank promptly, within three working days, of any

³⁶ Immediately removing children from their work may aggravate their situation of vulnerability. At a minimum, immediate measures should include removing children from tasks that are dangerous, harmful, or inappropriate given their age and that hinder their education. A child removed from a child labour situation should receive remediation assistance and presented with alternatives to child labour, for example ensuring access to education or vocational training.

³⁷ Technical and financial feasibility and geographical constraints refer to the difficulties of identifying and addressing issues in supply chains that always involve multiple suppliers (primary, secondary, tertiary, etc.) that are often located in different legal jurisdictions over the World, with no legal obligations with the Client or perhaps even with the primary suppliers.

materially adverse event such as serious accidents, fatalities, significant dangerous occurrences, dispute-related collective action by workers, significant security issues or any other matters addressed within this ESN2. The Client will implement necessary corrective actions.