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# LABOR MANAGEMENT PROCEDURE

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**Solomon Islands Integrated Economic Development and Community Resilience  
Project (P173688)**

DRAFT

Ministry of Provincial Government and Institutional Strengthening  
and  
Ministry of Environment, Climate Change, Disaster Management and Meteorology

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## 1 INTRODUCTION

The Solomon Islands Government (SIG) is proposing the Integrated Economic Development and Community Resilience (IEDCR) Project ('the Project'). The SIG is seeking finance for the Project from the World Bank's (WB) International Development Association (IDA) for the Project. As part of project financing, the Project is required to comply with the requirements outlined in WB's Environmental and Social Framework (ESF) and ten Environmental and Social Standards (ESSs). This Labor Management Procedure (LMP) has been prepared to meet the requirements of ESS2 (Labor and Working Conditions) and to satisfy a project financing requirement. It is supported by an Environmental and Social Commitment Plan (ESCP), Environmental and Social Management Framework (ESMF), Stakeholder Engagement Plan (SEP), PCDF Project Operational Manual (POM) and other specific plans that have been or will be prepared for the Project.

This LMP will be finalized and disclosed within 30 days of the effective date of the Financing Agreement for the Project. Disclosure will include publication on the IDA and MPGIS and/or MECDM websites.

## 2 PROJECT DESCRIPTION

The Project Development Objective is to increase access to resilient economic and social infrastructure in rural wards and to enhance provincial governments' accountability to citizens. This is planned to be achieved through funding small projects that are identified as priorities by communities through Ward Development Committees.

The Ministry of Financing and Treasury (MOFT) will serve as the Executing Agency and the Project will be implemented by the Ministry of Provincial Government and Institutional Strengthening (MPGIS) and the Ministry of Environment, Climate Change, Disaster Management and Meteorology (MECDM). The Project expected to commence in late 2022, and to run for a period of five years.

The Project consists of three components:

- **Component 1 (Performance-based grants).** This component will finance four annual grant cycles through the existing Provincial Capacity Development Fund (PCDF) system, which is a performance-based grant system of inter-governmental financing for service delivery and small-scale infrastructure provision. This component will be implemented by MPGIS in coordination with MECDM and the Provincial Governments. The funding will enable approximately 200 additional PCDF projects (known as 'subprojects') to be implemented over the four annual grant cycles. Subprojects are likely to include small infrastructure projects such as buildings, feeder roads, bridges, culverts, pedestrian bridges, footpaths, jetties, seawalls, market facilities, storage facilities, water supply, solar power, etc. The average value of a subproject to date is US\$25,000.
- **Component 2 (Support to Subnational Entities).** This component will be implemented by MPGIS and MECDM in coordination with the Provincial Governments. Apart from funding, a lack of qualified and capable personnel to support implementation is a major constraint to effective citizen engagement, service delivery and reducing community vulnerability to climate change and disaster impacts. This component will build the capacity that is needed at the local level for the Provincial Governments to effectively execute the grants; give the Implementing Agencies the opportunity to incubate additional positions within their respective mandates to support the delivery of the Project; and support other non-investment activities required for implementation at the provincial and Ward level.
- **Component 3 (Project Management).** This component will be jointly implemented by MPGIS and MECDM. It will finance project management support to monitor and report on the Project, including the establishment of a joint Project Management Unit (PMU), with a Project Manager reporting to the Permanent Secretaries MPGIS and MECDM, located at

MPGIS' headquarters in Honiara. The PMU will support the implementing agencies to implement and monitor the Project, including financial management, procurement, work planning, consolidated reporting, overall evaluation and monitoring, and oversee the Grievance Redress Mechanism. Staffing for these core functions has been kept to a minimum. The PMU will also support project media and communications activities, oversee the Project's compliance with the E&S requirements, commission beneficiary and stakeholder surveys, and build, operate, and maintain a Project Management Information Systems.

### 3 OVERVIEW ON LABOR USE ON THE PROJECT

#### 3.1 Type of Project Workers

The scope of application of this LMP depends on the type of employment relationship between the Borrower and the project worker. The term 'project worker' (as defined in ESS2) refers to:

- Direct workers: people employed or engaged directly by the Borrower (including the project implementing agencies) to work specifically in relation to the project.
- Contracted workers: people employed or engaged through third parties<sup>1</sup> to perform work related to core functions<sup>2</sup> of the project, regardless of location.
- Primary supply workers: people employed or engaged by the Borrower's primary suppliers<sup>3</sup>.
- Community workers: people employed or engaged in providing community labor. Community workers will not be engaged as part of this Project.

Project workers include full- time, part-time, temporary and seasonal workers<sup>4</sup>.

Details of the project workers likely to be involved in the project are provided in the following sections.

##### 3.1.1 Direct workers

Direct workers on the Project will include:

- Staff assigned to the Project Management Unit (PMU) that will be established for the Project (e.g., roles covering project co-ordination, training, design, M&E, financial management, procurement specialist, media and communications, E&S oversight and engineering oversight).
- Staff assigned to the Project from MEDCM (e.g., Climate Change Adaptation and Risk Reduction Officers).
- Staff assigned to the Project from the provincial governments (e.g., Provincial Program Coordinators).
- Consultants to the PMU.

The total number of direct workers on the project is likely to be in the order of 20 to 30. Most direct workers will be required for the duration of the Project, with consultants to the PMU being engaged on an ad hoc basis as required.

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<sup>1</sup> Third parties may include contractors, subcontractors, brokers, agents or intermediaries.

<sup>2</sup> Core functions of a project constitute those production and/or service processes essential for a specific project activity without which the project cannot continue.

<sup>3</sup> Primary suppliers are those suppliers who, on an ongoing basis, provide directly to the project goods or materials essential for the core functions of the project.

<sup>4</sup> ESS2 also applies to migrant workers, however, migrant workers have not been identified as likely to be involved in the IEDCR Project.

### 3.1.2 Contracted workers

Contracted workers on the Project will mainly be construction workers hired by contractors or subcontractors to complete civil works subprojects. Contracted workers on the Project will include laborers, trades people, machinery operators, truck drivers, etc.

The total number of contracted workers required for the project is likely to be in the order of 2,000. This estimate is based on the average number of contracted workers required for each subproject funded by the PCDF historically and the expectation that the WB funding will enable approximately 200 additional PCDF projects to be implemented over the duration of the Project.

Contracted workers will be required for the duration of construction of subprojects; however, each worker may only be required for several weeks or months.

### 3.1.3 Primary supply workers

Primary suppliers will typically be required for civil works subprojects to be supported by the Project. They include local suppliers of construction materials (e.g., aggregates, timber, cement, roofing iron, solar panels, piping, electrical supplies, etc.) and equipment (e.g., machinery, tools, etc.).

Where contractors source materials or equipment directly from primary suppliers on an ongoing basis, the workers engaged by such primary suppliers are deemed "primary supply workers", as defined in ESS2. The number and type of primary suppliers will be determined at the project implementation stage. The timing of use of primary supply workers will cover the duration of construction of subprojects. The number of primary supply workers associated with the Project will be estimated during the implementation phase. Depending on supply and contracting arrangements, there may not be any workers who fit the definition of primary supply workers.

## 3.2 Summary of labor requirements

A summary of the Project labor requirements, including estimated number of workers and duration, is provided in Table 1.

**Table 1: Summary of labor requirements**

Type of project workers	Project component	Characteristics of project workers	Timing of labor requirements	Indicative number of workers
Direct workers	Components 1, 2 and 3	Technical staff forming the PMU, in the provincial governments and in the MEDCM. International and national specialist consultants.	Duration of Project	20 to 30
Contracted workers	Component 1	Construction workers hired by contractors or subcontractors to complete civil works subprojects including laborers, trades people, machinery operators, truck drivers, etc.	Duration of construction of subprojects; however, each worker may only be required for several weeks or months.	Around 2 to 30 per subproject, averaging approximately 10 per project
Primary supply workers	Component 1	Workers engaged by local suppliers of construction materials and equipment.	Duration of construction of subprojects	To be determined during implementation

## 4 ASSESSMENT OF KEY POTENTIAL LABOR RISKS ACTIVITIES

The Project will demonstrate high standards of human resource management and adhere to Solomon Islands national labour and Occupational Health and Safety (OSH) legislation and international instruments including International Labour Office conventions ratified by Solomon Islands.

The understanding and management of OHS risks at worksites in the Solomon Islands is generally poor and this exacerbates the risks of accidents and exposure to hazardous materials. As such, there will need to be an emphasis of worker safety and risk mitigation (e.g., use of Personal Protective Equipment (PPE), worker training, supervision, provision of appropriate tools, scaffolding for working at heights, etc.). Traffic safety in the Solomon Islands is also an issue with roads often being poorly maintained and vehicles not always equipped with standard safety features. Direct workers (e.g., PMU staff) will travel between provinces most likely via boat, and there is a need to ensure that the vessel is equipped with appropriate safety equipment (e.g., life jackets, first aid kit, GPS tool, and radio).

Contractors and suppliers who will employ project workers are likely unfamiliar with the labor and working condition requirements and there is a risk that such requirements will not be met. There is a need to ensure that contractors, suppliers, and their project workers are provided with information relating to labor and working conditions and understand the workers grievance mechanism. There is also a risk of child labor being engaged for project activities and this will require particular attention. Contractors and suppliers may use children for economic reasons and and/or not verify the ages of potential workers.

Vulnerable and disadvantaged people (e.g., women and persons with disabilities) may be subject to increased risk of exclusion from employment opportunities under the Project. Lack of equal pay for equal work for men and women is also a risk. Sexual harassment and other forms of abusive behaviour by workers will also have the potential to compromise the safety and wellbeing of the vulnerable groups of workers and local communities, while adversely affecting project performance. This will also include potential sexual exploitation or harassment in recruitment or retention of skilled or unskilled female workers supported under the project.

The key labor risks are summarized in Table 2.

**Table 2: Key Labor Risks**

<b>Project Activity</b>	<b>Project component</b>	<b>Key Labor Risks</b>
<b>General Project administration and implementation (project co-ordination, hiring of consultants, monitoring and reporting, financial management, audits, E&amp;S management, training, design, M&amp;E, financial management, procurement, communications, and engineering oversight).</b>	Components 1, 2 and 3	<ul style="list-style-type: none"> <li>• Risk of travel-related incidents when visiting subproject sites and provincial offices, including motor vehicle accidents, and boating accidents.</li> <li>• Risk of psychological distress, fatigue and stigma due to the nature of their work.</li> <li>• Risk of exposure to (and spread of) COVID-19 through travel between provinces when visiting subproject sites and provincial offices.</li> <li>• Exposure to construction-site related risks when visiting subprojects under construction (see following row).</li> </ul>
<b>Construction works associated with subprojects.</b>	Component 1	<ul style="list-style-type: none"> <li>• Risks of workplace accidents, particularly when operating construction equipment, when working at height on building construction, and when handling heavy equipment and materials.</li> <li>• Risks from exposure to hazardous substances (dust, cement, chemicals used in construction, etc.)</li> <li>• Terms of employment (employment period, working hours, remuneration, tax and insurance payments etc.) are not secured by contractual agreements.</li> <li>• Workers suffer discrimination and lack of equal opportunity in employment.</li> </ul>

		<ul style="list-style-type: none"> <li>• Use of child labour contravenes national legislation and international conventions ratified by Solomon Islands.</li> <li>• Workers exposed to Sexual Exploitation and Abuse (SEA), Gender Based Violence (GBV) and/or Violence Against Children (VAC).</li> </ul>
<b>Transportation of construction materials, equipment</b>	Component 1	<ul style="list-style-type: none"> <li>• Road traffic accidents expose workers to hazardous materials</li> <li>• Risk of travel-related incidents when transporting materials and equipment including motor vehicle accidents, and boating accidents.</li> <li>• Risks of accidents when handling heavy equipment and materials.</li> <li>• Risk of exposure to (and spread of) COVID-19 through travel.</li> </ul>

## 5 OVERVIEW OF LABOR REGULATION

### 5.1 National requirements

The principal legislation governing labor management in the Solomon Islands includes:

- Labour Act (Revised Edition 1996) provides an overarching framework for labour legislation, establishing standards in relation to:
  - Days and Hours of Work
  - Payment of Wages
  - Written Contracts of Employment
  - Maternity Leave
  - Child labour
  - Care of workers
  - Termination of employment
- Trade Unions Act (Revised Edition 1996), which regulates the registration, leadership and operation of trades unions in Solomon Islands.
- Workmen’s Compensation Act (Revised Edition 1996) makes provision for compensation to workmen injured at work in Solomon Islands, it also includes occupational diseases.
- National Provident Fund Act (Revised Edition 1993) requires employers to pay contributions for any employee under a contract of service or apprenticeship.
- Unfair Dismissal Act (Revised Edition 1996) provides a remedy for employees who may be unfairly dismissed and establishes right of referral to the Trade Disputes Panel.
- Safety at Work Act (1982) designed to establish safe systems of work to eliminate or minimize the risks to health, safety and welfare. Under the Safety at Work Act, employer has the duty to:
  - Ensure the health, safety and welfare of all employees including part- and full-time workers, temporary workers, and work experience people.
  - Inform, instruct and supply relevant information to all employees.

- Ensure that all plant, machinery and systems of work are safe and without risk to health and safety.
- Ensure that the premises are safe to use and that all hazardous processes are either eliminated or adequately controlled.
- Ensure that adequate training is supplied to staff where applicable.
- Ensure freedom from discrimination, harassment, bullying or violence in the workplace.
- Ensure the health and safety of others who are not employed by employer but may be affected by their undertaking, for example visitors or contactors.

Solomon Islands has in addition ratified the following International Labour Organisation (ILO) Conventions:

- C029 - Forced Labour Convention, 1930
- C087 - Freedom of Association and Protection of the Right to Organise Convention, 1948
- C098 - Right to Organise and Collective Bargaining Convention, 1949
- C105 - Abolition of Forced Labour Convention, 1957
- C111 - Discrimination (Employment and Occupation) Convention, 1958
- C138 - Minimum Age Convention, 1973
- C182 - Worst Forms of Child Labour Convention, 1999

The Gender Equality and Women’s Development (GEWD) Policy 2016 – 2020 is the overarching policy framework for achieving gender equality and women’s human rights in Solomon Islands. SIG has in addition adopted other national and international frameworks and commitments such as the Convention on the Elimination of All forms of Discrimination against Women (CEDAW) and the Sustainable Development Goals (SDGs) are also fundamental to the purpose of the GEWD Policy. The Policy places the promotion of gender equality at the heart of the government’s mission and recognizes that continuing to invest in women’s empowerment is vital to achieving gender equality, including improved economic status of women, and recognizes the need to work to address attitudinal and institutional barriers to gender equality.

## 5.2 Requirements of ESS 2

The requirements of ESS2 cover the following areas: (a) working conditions and management of worker relationships; (b) protecting the workforce; (c) workers' access to a grievance redress mechanism; and (d) OHS measures.

Working conditions and management of worker relationships include requirements that:

- Project workers are provided with clear terms and conditions of employment, consistent with national legal requirements.
- The principles of non-discrimination and equal opportunity are applied to project workers, and vulnerable project workers are protected.
- The rights of workers to form workers organisations, consistent with national law, are respected.

Protecting the workforce requirements include:

- Provisions to prevent the employment of children below the age of 14 or the national legal minimum, whichever is higher, and restrictions on the employment of children under 18;
- Prevention of forced labor.



- Requirement for direct and contracted workers to have access to a grievance mechanism. The grievance mechanism for contracted workers must be provided by the direct employer and is separate from the project grievance mechanism.

OHS requirements must address:

- Identification of potential hazards to project workers, particularly those that may be life-threatening.
- Provision of preventative and protective measures, including modification, substitution or elimination of hazardous conditions or substances.
- Training of project workers and maintenance of training records.
- Documentation and reporting of occupational accidents, diseases and incidents.
- Emergency prevention preparedness and response arrangements to emergencies.
- Remedies for adverse impacts, including occupational injuries, deaths, disabilities and disease.

### 5.3 Gap analysis and Measures

Common employment practice in the Solomon Islands frequently varies from the provisions of the Labor Law, which are not widely known or understood. For example, OHS measures are not linked to bidding documents to make it a contractual obligation for contractors. Other gaps between the common practice of the national labor legislation and the World Bank ESS2 requirements may include:

- No clear enforcement mechanism for the existing rules on non-discrimination and equal opportunity. It is not clear that quotas for the employment of people with disabilities are set as required by the law and / or enforced in practice.
- Although the law guarantees workers' rights to unionise, labor unions are prominent in the public sector (including Provincial Governments) but not common in other sectors.
- Employment of children is a risk and there is a need for heightened focus on OHS, grievance mechanisms in relation to child labor.
- Enforcement of safety standards is weak, especially in informal sectors and in the construction industry.
- Despite employers' legal liability for workplace accidents, construction workers may not be covered by insurance.

Project measures will need to close the gaps between national labor legislation and ESS2 and also include measures to enforce compliance with national labor legislation where these are consistent with ESS2. Furthermore, when there are differences between national labor legislation and ESS2, the more stringent provisions will be applied. Annex 2 provides more information about gaps between common practice and ESS2 requirements, including terms and conditions of employment.

## 6 ROLES AND RESPONSIBILITIES FOR PROJECT LABOR MANAGEMENT

### 6.1 Project Management

A Project Management Unit (PMU), based in Honiara, will be jointly managed by MPGIS and MECDM to implement and oversee the project on behalf of the agencies. The PMU will work closely with the dedicated staff based in the provinces (Provincial Program Coordinators; Climate Change Adaptation and Risk Reduction Officers [CCARROs]) who will be trained on the Project's reporting processes.

The PMU will be responsible for Project management, implementation and coordination with other government ministries and stakeholders. The Project Manager will oversee the overall implementation of the Project, supported by the Provincial Engineers, PMU E&S Specialist and CCARROs. The Project Manager, with support of the E&S team, will be responsible for the following within their responsibility area:

- Implementing this LMP with respect to Direct Workers (e.g., PMU staff and other positions directly funded by the Project).
- Ensuring that the grievance redress mechanism for Project workers is established and implemented and that workers are informed of its purpose and operation.
- Have a system for regular monitoring and reporting on labor and occupational safety and health performance; and data collection, monitoring, and analysis of the LMP as part of the Project's M&E activity.

## 6.2 Contractor Management

The day-to-day oversight of contractors will be the responsibility of the Provincial Engineers, who will undertake this role in conjunction with the CCARROs and Provincial Planning Coordinators, and under the direction of the Provincial Secretary. They will be responsible for:

- Ensuring that contractors and primary suppliers comply with their responsibilities under this LMP (see Section 6.3).
- Monitoring to verify that contractors and primary suppliers are meeting labour and OHS obligations toward contracted workers as required by national legislation and ESS2.
- Monitoring contractors and primary suppliers' implementation of this LMP.
- Monitoring compliance with occupational health and safety standards at contractor workplaces in line with the national occupational health and safety legislation.

## 6.3 Contractors

Contractors are responsible for management of their workers or subcontracted workers in accordance with their responsibilities under this LMP, which will be supervised as described above.

Contractors will be responsible for the following:

- To obey requirements of the national legislation (including any emergency regulations) and this LMP.
- Maintain records of recruitment and employment process of contracted workers.
- Communicate clearly job description and employment conditions to contracted workers.
- Provide workers with evidence of all payments made, including benefits and any valid deductions (and provide copies to the Provincial Treasurer for record keeping).
- Maintain records regarding labour conditions and workers engaged under the Project, including contracts, registry of induction of workers including Code of Conduct, hours worked, remuneration and deductions (including overtime).
- Maintain records of training/induction dates, number of trainees, and topics.
- Assign a designated safety officer, conducting training on and implementing OHS measures and measures, recording safety incidents, results of root cause analysis<sup>5</sup>, and implementation of remedial and preventive activities required (for example, revised job safety analysis, new

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<sup>5</sup> Process of discovering the root cause of an incident to identify appropriate measures from preventing the incident from reoccurring.

or different equipment, skills training, etc.). Incident reporting requirements are further detailed in the ESMF.

- Maintain records of recruitment and employment of contracted workers (including subcontractors) with age verification to avoid child labor.
- Provide induction and regular training to contracted workers on environmental, social and occupational health and safety issues.
- Require Primary Suppliers to identify and address risks of child labor, forced labor and severe safety issues, and risks of equity and discrimination for primary supply workers.
- Implement the grievance redress mechanism for workers, maintaining records of any worker grievances including occurrence date, grievance, and date submitted; actions taken and dates; resolution (if any) and date; and follow-up outstanding.
- Ensure that all contractor and subcontractor workers understand and sign the Code of Conduct (Annex 1) before the commencement of works, take all other measures to address risks of sexual exploitation and abuse and supervise compliance with such measures.
- Establish a system for regular review and reporting on labour, and occupational safety and health performance.
- Supervise their subcontractors' adherence to these requirements.

#### **6.4 Monitoring and reporting**

The PMU will monitor implementation of the LMP and report on activities and outcomes in the periodic and annual project reports. Reporting will include:

- Awareness-raising materials produced and training undertaken.
- Outcomes of recruitment of direct project workers by age group, gender and ethnicity
- Summary reports on the worker grievance mechanism which would be prepared by the Provincial Program Coordinator.
- Records of occupational health and safety incidents. Incident reporting requirements are detailed in the ESMF.

#### **6.5 Implementation Support**

Project activities associated with subprojects funded under the PCDF (Component 1) present the most significant labor-related risks associated with the Project. The PCDF has been operational since 2008, however, the application ESS2 to the fund is new and it is unlikely that staff (or contractors) will be familiar with the requirements.

The WB will provide implementation support and additional technical specialists will be hired as needed to ensure quality of implementation and drawing upon global experiences. Support will include:

- Implementation Support Missions, which will occur every six months and, subject to COVID-19 restrictions lifting, will include visits to randomly selected subproject sites to assess and physically verify the work financed by the Project.
- Capacity building and coordination, which will include training (including on the WB ESF) and support to be delivered prior to Project effectiveness and during implementation.
- Interim technical discussions and field visits.
- Periodic procurement post review.
- Various progress reports (e.g., quarterly progress reports., third-party impact evaluation reports, mid-term reports, audit reports, etc.).

## 6.6 Summary of Labor Management Responsibilities

A summary of the responsibilities for labor management is provided in Table 3.

**Table 3: Summary of Labor Management Responsibilities**

Key issues	Direct workers	Contracted workers	Primary supply workers
<b>Hiring and managing individual project workers</b>	PMU / Provincial Team	Contractor/Subcontractor	n/a (outside the scope of ESS2)
<b>OHS</b>	Direct workers will follow OHS measures when visiting construction sites	Contractor/Subcontractor to implement OHS measures on construction sites	Contractor to require the primary supplier to identify/address child labor/forced labor and serious safety risks.
<b>Child labor and forced labor</b>	The contract for direct workers does not allow child labor and forced labor	The contract for contract workers does not allow child labor and forced labor	
<b>Training</b>	PMU / Provincial Team Coordinators /Construction and Supervision consultants	Contractor/Subcontractor	n/a (outside the scope of ESS2)
<b>Code of conduct</b>	The contract for direct workers will address relevant risks.	The contract for contract workers will address relevant risks.	
<b>Grievance mechanism</b>	PMU to implement for Direct Workers	Contractor to implement for Contractor Workers	
<b>Monitoring and reporting</b>	PMU / Provincial Coordinators to monitor and report to World Bank	Contractor to monitor and report to PMU / Provincial Team to monitor and report to World Bank	Contractor to monitor and report to PMU / Provincial Team to monitor and report to World Bank

## 7 PROJECT LABOR POLICIES AND PROCEDURES

The project will apply the following policies and procedures to address the key labor risks identified in Chapter 4.

### 7.1 Terms and Conditions of Employment

Terms and conditions of direct workers are determined by their individual contracts. Recruitment procedures will be documented and filed in accordance with the requirements of national labour legislation and the ESS2. A standard forty hours per week employment should be practiced. Requirements and conditions of overtime and leave entitlements are agreed as part of individual contracts.

The Provincial Coordinators will ensure that contractors are aware of, and comply with, labour management and OHS policies and procedures outlined in this LMP.

Example terms and conditions of employment are provided in Annex 3.

### 7.2 Age of Employment

Solomon Islands has ratified both the ILO Minimum of Age Convention (C138) and the ILO Worst Forms of Child Labour Convention (C182). The minimum age of employment for this Project will be 18 years due to the hazardous working conditions. To ensure compliance, all employees will be required to produce a Tax Identification Number (TIN) as proof of their identity and age and this requirement is included in the bid evaluation form. Contractors and subcontractors will be required to receive approval for the specific procedures they will use to verify the ages of job applicants.

### 7.3 Anti-Discrimination

The employment of project workers under the project will be based on the principle of equal opportunity and fair treatment, and there will be no discrimination concerning any aspects of the employment relationship, such as recruitment and hiring, terms of employment (including wages and benefits),

termination and access to training. To address the risk of exclusion of vulnerable groups such as women and persons with disabilities from employment opportunities, the project will encourage the contractor to employ such groups as part of their unskilled workforce. The contractor will also be required to comply with the national Labor Code on gender equality in the workplace, which will include the provision of maternity leave and nursing breaks and sufficient and suitable toilet and washing facilities, separate from men and women workers where and when it is possible. The contractor will also be required to enable safety in the workplace to address potential sexual exploitation or harassment in recruitment or retention of skilled or unskilled female workers supported, and potential discrimination along ethnic lines under the project.

#### **7.4 Occupational Health and Safety**

The OHS measures of the Project are based on the requirements of the relevant sections of ESS2. The OHS measures will be designed and implemented to address:

- identification of potential hazards to project workers.
- provision of preventive and protective measures, including modification, substitution, or elimination of hazardous conditions or substances.
- training of project workers and maintenance of training records.
- documentation and reporting of occupational accidents, diseases and incidents.
- emergency prevention and preparedness and response arrangements to emergencies.
- remedies for adverse impacts such as occupational injuries and fatalities.

In the event of an incident the PMU shall report to the Bank as soon as becoming aware of such incidents and inform the relevant government authorities (where available) in accordance with national reporting requirements. Corrective actions shall be implemented in response to project-related incidents or accidents. The PMU or, where relevant the contractor, will be required to conduct a root cause analysis for designing and implementing further corrective actions. Incident management is further described in Section 6.4 of the ESMF.

#### **7.5 Workers' Rights to Refuse Unsafe Work Environments**

Workplace processes will be put in place for Project workers to report work situations that they believe are not safe or healthy. Project workers can remove themselves from a work situation which they have reasonable justification to believe presents an imminent and serious danger to their life or health. Project workers who remove themselves from such situations will not be required to return to work until an investigation has been conducted and necessary remedial action to correct the situation has been taken. Project workers will not suffer retaliation or otherwise be subject to reprisal or negative action for such reporting or removal. In the event of retaliation, the worker should submit a formal grievance which will be taken very seriously.

#### **7.6 Sexual Exploitation and Abuse and Sexual Harassment**

Solomon Islands has ratified the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW). By ratifying CEDAW, it has made a commitment to ensure that the principles of equality are adhered to and that discriminatory practices including sexual exploitation and abuse and sexual harassment are abolished. Provisions to prevent sexual exploitation and abuse and sexual harassment will be included in the Code of Conduct (Annex 1) for Project staff and for contracted workers in line with relevant international standards and national legislation.

#### **7.7 Labor influx**

Given the small number of workers required for each subproject and availability of local labor, the risk of labor influx is low. Nevertheless, the project will contractually require the contractor to preferentially recruit unskilled labor from the local communities.

## 7.8 Monitoring and reporting

The contractor shall report to the Provincial Secretary and the Provincial Program Coordinator on the status of implementation of the above policies and procedures on a monthly or quarterly basis. The PMU will then report on labor and occupational health and safety performance to the World Bank quarterly.

## 7.9 Workers' Grievance Management

A Worker's Grievance Mechanism (GM) will be established for project workers (direct workers and contracted workers) as required by ESS2. The workers' GM differs from the Project GM (which is provided in the SEP) as nature of workplace concerns of workers is usually different to general grievances related to the Project. For example, typical workplace grievances include demand for employment opportunities; labor wages rates and delays of payment; disagreement over working conditions; and health and safety concerns in the work environment.

The Worker's GM will be publicised to workers, easily accessible, and measures will be put in place to protect workers against reprisal for its use. The Worker's GM can be used to raise workplace related concerns including about the terms of employment, rights at work, unsafe or unhealthy work situations and others. If the issue cannot be resolved at the workplace level within seven days, it will be escalated to the Provincial Government where a nominated person will serve as the Grievance Focal Point to file the grievances and appeals. The Grievance Focal Point will coordinate with relevant departments/organizations and persons to address these grievances. The Project Manager will review the records on a quarterly basis and report on the grievances, response time and resolution status in a quarterly report to the WB.

The Worker's GM will indicatively operate as indicated below, although the steps and responsibilities may be refined by the PMU prior to implementation.

Workers GM Steps:

1. The complainant may report their grievance in person, by phone, text message, mail or email (including anonymously if required) to the initial focal point for information and raising grievances within their employee organisation (e.g., contractor, government departments, etc). For complaints that are satisfactorily resolved at this stage, the incident and resultant resolution will be logged and reported to the Grievance Focal Point.
2. If the complainant is not satisfied, the initial focal point will refer the aggrieved party to the Grievance Focal Point within the Provincial Government. The Focal Point endeavours to address and resolve the complaint and inform the complainant in two weeks or less. For complaints that are satisfactorily resolved by the Focal Point, the incident and resultant resolution will be logged by the Focal Point. Where the complaint is not resolved, the Focal Point will refer to the Provincial Secretary for further action or resolution.
3. If the complaint remains unresolved or the complainant is dissatisfied with the outcome proposed by the Provincial Secretary, the complainant may refer the matter to the appropriate legal or judicial authority, at the complainant's own expense. A decision of the Court will be final.

The Worker's GM is not an alternative or substitute for the legal system for receiving and handling grievances and does not preclude access to other judicial or administrative remedies that might be available under the law or through existing arbitration procedures. While all employees always have the right to access the legal system, the purpose of establishing a grievance mechanism is to provide an accessible and practical means to mediate and seek appropriate solutions, wherever possible.

The Worker's GM should have sensitive approach to GBV-related cases to avoid the risk of stigmatisation, exacerbation of the mental or psychological harm and potential reprisal. Where GBV-related cases are reported to the Worker's GM, it should immediately be referred to the appropriate service providers, such

as medical and psychological support, emergency accommodation, and any other necessary services. It should also be reported to the PMU who can advise on relevant service providers. Data on GBV cases should not be collected through the Worker's GM unless operators have been trained on the empathetic, non-judgmental and confidential collection of these complaints. Only the nature of the complaint (what the complainant says in her/his own words) and additional demographic data, such as age and gender, can be collected.

## ANNEX 1: GUIDELINES ON CODE OF CONDUCT FOR CONTRACTOR'S WORKERS

### Guidelines on Code of Conduct<sup>6</sup>

1. A satisfactory Code of Conduct will contain obligations on all project workers (including sub-contractors' workers) that are suitable to address the following issues, as a minimum. Additional obligations may be added to respond to particular concerns of the municipality, the location and the project sector or specific project requirements.
2. The Code of Conduct should be signed by each worker to indicate that they have:
  - received a copy of the code;
  - had the code explained to them;
  - acknowledged that adherence to this Code of Conduct is a condition of employment; and
  - understood that violations of the code could result in severe consequences, up to and including dismissal, or referral to legal authorities.

If more appropriate for the workers, the Code of Conduct should be translated into the local language.

3. The contractor should conduct continuous awareness-raising and training activities to ensure that workers abide by the Code of Conduct (such as through toolbox talks). The contractor should also ensure that local communities are aware of the Code of Conduct and enable them to report any concerns. Such training materials could be prepared by the PMU E&S Specialist for distribution to all contractors through the CCARROs.
4. The issues to be addressed include:
  - Compliance with applicable **laws, rules, and regulations** of the jurisdiction
  - Compliance with applicable **health and safety requirements** (including wearing prescribed personal protective equipment (PPE), preventing avoidable accidents and a duty to report conditions or practices that pose a safety hazard or threaten the environment)
  - The use of illegal substances
  - **Non-Discrimination** (for example based on family status, ethnicity, race, gender, religion, language, marital status, birth, age, disability, or political conviction)
  - **Interactions with community members** (for example to convey an attitude of respect and non-discrimination)
  - **Sexual harassment** (for example to prohibit the use of language or behaviour, in particular towards women or children, that is inappropriate, harassing, abusive, sexually provocative, demeaning or culturally inappropriate)
  - **Violence or exploitation** (for example the prohibition of the exchange of money, employment, goods, or services for sex, including sexual favours or other forms of humiliating, degrading or exploitative behaviour)
  - **Protection of children** (including prohibitions against abuse, defilement, or otherwise unacceptable behaviour with children, limiting interactions with children, and ensuring their safety in project areas)

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<sup>6</sup> Refer also to WHO Code of Ethics and Professional Conduct for guidance ([https://www.who.int/about/ethics/code\\_of\\_ethics\\_full\\_version.pdf](https://www.who.int/about/ethics/code_of_ethics_full_version.pdf))



- **Sanitation** requirements (for example, to ensure workers use specified sanitary facilities provided by their employer and not open areas)
- Avoidance of **conflicts of interest** (such that benefits, contracts, or employment, or any sort of preferential treatment or favours, are not provided to any person with whom there is a financial, family, or personal connection)
- **Respecting reasonable work instructions** (including regarding environmental and social norms)
- **Protection and proper use of a property** (for example, to prohibit theft, carelessness or waste)
- Duty to report violations of this code
- **No retaliation against workers** who report violations of the code, if that report is made in good faith.

### Template on Code of Conducts

Note: The template on Workers Code of Conduct will also be integrated into the bidding/contractual document. The template should be refined by the contractor so that it is specific to their scope of work and operating environment.

DO:	DO NOT:
<ul style="list-style-type: none"> <li>◆ USE THE TOILET FACILITIES PROVIDED – REPORT DIRTY OR FULL FACILITIES</li> <li>◆ CLEAR YOUR WORK AREAS OF LITTER AND BUILDING RUBBISH AT THE END OF EACH DAY – use the waste bins provided and ensure that litter will not blow away.</li> <li>◆ REPORT ALL FUEL OR OIL SPILLS IMMEDIATELY &amp; STOP THE SPILL FROM CONTINUING.</li> <li>◆ SMOKE IN DESIGNATED AREAS ONLY AND DISPOSE OF CIGARETTES AND MATCHES CAREFULLY. (Littering is an offence.)</li> <li>◆ CONFINE WORK AND STORAGE OF EQUIPMENT TO WITHIN THE IMMEDIATE WORK AREA.</li> <li>◆ USE ALL SAFETY EQUIPMENT AND COMPLY WITH ALL SAFETY PROCEDURES.</li> <li>◆ PREVENT CONTAMINATION OR POLLUTION OF STREAMS AND WATER CHANNELS.</li> </ul>	<ul style="list-style-type: none"> <li>◆ REMOVE OR DAMAGE VEGETATION WITHOUT DIRECT INSTRUCTION.</li> <li>◆ MAKE ANY FIRES.</li> <li>◆ POACH, INJURE, TRAP, FEED OR HARM ANY ANIMALS – this includes birds, frogs, snakes, etc.</li> <li>◆ ENTER ANY FENCED OFF OR MARKED AREA.</li> <li>◆ DRIVE RECKLESSLY OR ABOVE SPEED LIMIT</li> <li>◆ ALLOW WASTE, LITTER, OILS OR FOREIGN MATERIALS INTO THE STREAM</li> <li>◆ LITTER OR LEAVE FOOD LYING AROUND.</li> <li>◆ CUT TREES FOR ANY REASON OUTSIDE THE APPROVED CONSTRUCTION AREA</li> <li>◆ BUY ANY WILD ANIMALS FOR FOOD.</li> <li>◆ USE UNAPPROVED TOXIC MATERIALS, INCLUDING LEAD-BASED PAINTS, ASBESTOS, ETC.</li> </ul>

<ul style="list-style-type: none"> <li>◆ ENSURE A WORKING FIRE EXTINGUISHER IS IMMEDIATELY AT HAND IF ANY “HOT WORK” IS UNDERTAKEN e.g. welding, grinding, gas cutting etc.</li> <li>◆ REPORT ANY INJURY OF WORKERS OR ANIMALS.</li> <li>◆ DRIVE ON DESIGNATED ROUTES ONLY.</li> <li>◆ PREVENT EXCESSIVE DUST AND NOISE</li> </ul> <p><b>1</b></p> <ul style="list-style-type: none"> <li>◆ TREAT COMMUNITY MEMBERS WITH RESPECT</li> </ul>	<ul style="list-style-type: none"> <li>◆ DISTURB ANYTHING WITH ARCHITECTURAL OR HISTORICAL VALUE</li> <li>◆ USE FIREARMS (EXCEPT AUTHORIZED SECURITY GUARDS)</li> <li>◆ BE UNDER THE INFLUENCE OF ALCOHOL OR ILLICIT DRUGS DURING WORK HOURS AND/OR ON SITE</li> <li>◆ WASH CARS OR MACHINERY IN STREAMS OR CREEK</li> <li>◆ DO ANY MAINTENANCE (CHANGE OF OILS AND FILTERS) OF CARS AND EQUIPMENT OUTSIDE AUTHORIZED AREAS</li> <li>◆ DISPOSE TRASH IN UNAUTHORIZED PLACES</li> <li>◆ HAVE CAGED WILD ANIMALS (ESPECIALLY BIRDS) IN CAMPS</li> <li>◆ WORK WITHOUT SAFETY EQUIPMENT (INCLUDING BOOTS AND HELMETS)</li> <li>◆ CREATE NUISANCES AND DISTURBANCES IN OR NEAR COMMUNITIES</li> <li>◆ HARASS COMMUNITY MEMBERS</li> <li>◆ USE RIVERS AND STREAMS FOR WASHING CLOTHES</li> <li>◆ DISPOSE INDISCRIMINATELY RUBBISH OR CONSTRUCTION WASTES OR RUBBLE</li> <li>◆ SPILL POTENTIAL POLLUTANTS, SUCH AS PETROLEUM PRODUCTS</li> <li>◆ COLLECT FIREWOOD</li> <li>◆ DO EXPLOSIVE AND CHEMICAL FISHING</li> <li>◆ USE LATRINES OUTSIDE THE DESIGNATED FACILITIES; AND</li> <li>◆</li> </ul>
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## ANNEX 2: GAP ANALYSIS OF THE NATIONAL LABOR LEGISLATION AND ESS2

ESS2 requirement	National labor requirements	Comment on gap and practice	Project measures
Terms and Conditions of Employment	See Annex 3	Less formal enterprises may not be aware of these rules.  Unlikely that employment cards could be obtained for any type of temporary worker	Project direct workers will have clear terms and conditions of employment.  Contractors to be required to comply with Labor Law provisions.
Non-Discrimination and Equal Opportunity	All genders are entitled to equal employment opportunities with exception of women in mining.  Women are to be paid at the same rate as their male counterparts within an organization's pay structure.	No clear enforcement mechanism	Non-discrimination and equal opportunity to be applied to the employment of direct project workers.  Fair and non-discriminatory employment practices to be required for contracted workers. Where contractors hire workers from the beneficiary community, disadvantaged and vulnerable community members are to have equal access to opportunities.
Rights to Organise	Rights to Organise	Labor unions are prominent in the public sector (including Provincial Governments) but not common in other sectors.	GRM will be available to workers who are denied their right to organize.
Prevention/restriction of child labor	Various provisions for children of certain ages to work legally in certain industries.	Employment of children working alongside parents in agricultural labor is known to occur.	The minimum age of employment for this Project will be 18 years due to the hazardous working conditions.
Prevention of forced labor	Provisions related to forced labor are included in the constitution and penal code.	Debt bondage is known to occur	Any kind of forced labor, including debt bondage, prohibited. Project to monitor and report including notification on any incident within 48 hours.
Grievance Mechanism	Mechanisms exist in the government sector	The legislation does not guarantee workers' access to a grievance mechanism. Small companies (e.g., small construction contractors) unlikely to have such mechanisms in place	Project to establish and operationalise a project worker grievance mechanism. The project will monitor and report on the implementation of the mechanism,
Identification of potential hazards and provision of preventive and protective measures	Comprehensive legislation relating to OHS	Enforcement of safety standards is weak, especially in informal sectors and in the construction industry	Health and safety risk assessment procedure to be established. Occupational Health and Safety (OHS) strategy established for direct project workers Workplace safety measures for contracted workers under Environment, Social, Health and Safety Specification (ESHS)
Training of workers and maintenance of training records	Safety training not specifically mentioned		Appropriate safety training for workers to be provided
Documentation and reporting of occupational accidents, disease and incidents	Not clear	ESS2 requires reporting procedures	All workplace health and safety incidents to be recorded in a register, required by ESHS
Emergency Preparedness	Not specifically mentioned		All worksites to have health and safety plan including emergency plans (ESHS)

Remedies for adverse impacts	Provisions exist for the payment of compensation for death or incapacity resulting from accident and for occupational diseases	No or minimal number of construction workers insured	All workers to be insured for occupational hazards (ESHS)
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## ANNEX 3: EXAMPLE OF EMPLOYMENT TERMS AND CONDITIONS

1. **Direct workers.** The terms and conditions for direct workers will be governed by the Standard World Bank Consultancy which set higher standards than the National Labor Code.
2. **Contracted workers.** Chapter 5 on Overview of Labor Legislation provides the guiding legislation on employment terms and conditions for contracted workers.
3. **Provision of the written individual contract of employment.** A written individual contract of employment shall be provided to workers that specify the following: (a) name of workers; (b) address, occupation, age and sex of workers; (c) employer's name and address; (d) nature and duration of the contract; (e) hours and place of work; (f) remuneration payable to the worker; (g) procedure for suspension or termination of a contract. Depending on the origin of the employer and the employee, employment terms and conditions will be communicated in a language that is understandable to both parties. In addition to written documentation, an oral explanation of conditions and terms of employment will be provided to workers who may have difficulty understanding the documentation.
4. **Notice for termination of the contract.** Either of the contracting parties may terminate a contract of employment by giving written notice as under (a) not less than ten days in the case of manual workers, or (b) not less than 30 days in the case of non-manual workers. No notice needs to be given in case the duration of the contract does not exceed one month.
5. **Minimum Wages.** While the mechanism to set the official minimum wage as prescribed by *the Labor Code (para/Article 91)* is not currently functioning, the market rate is available for each job type in a different locality. The fair market rate will be identified and applied for the Project workers.
6. **Hours of Work.** The regular hour of work of a project worker shall not exceed 8 hours a day or 48 a week (Labor Code, Article 104). Hours worked more than the regular hours of work shall not exceed 12 hours a week and shall entitle a worker to a proportionate increase in remuneration.
7. **Rest per week.** Every worker shall be entitled to one day's rest each week, which should typically fall on Sunday (Article 108). It shall consist of at least 24 consecutive hours each week. Workers shall also be entitled to a rest day on public holidays recognised as such by the State.
8. **Annual leave.** Workers shall be entitled to 12 to 16 days' leave with pay for every year of continuous service (Art. 111). An entitlement to leave with pay shall usually be acquired after a full year of continuous service.
9. **Maternity leave.** A female worker shall be entitled, on presentation of a medical certificate indicating the expected date of her confinement, to 6 months of maternity leave (Art 157). During maternity leave, the female employee is entitled to maternity benefits as regulated in the Law on Social Insurance.
10. **Deductions from remuneration.** No deductions other than those prescribed by the Code (Article 101) or regulations made thereunder, or any other law or collective Labor agreement shall be made from a worker's remuneration, except for repayment of advances received from the employer and evidenced in writing. The contractor shall not demand or accept from workers any cash payments or presents of any kind in return for admitting them to employment or for any other reasons connected with the terms and conditions of employment.

11. **Death benefit.** In case of death of a worker during his contract of employment, the employer shall pay to his heirs an amount equivalent to 30 months' wages (Art. 145).
12. **Medical treatment of injured and sick workers.** It shall be the duty of the employer to arrange at his own expense for the conveyance to the nearest hospital of any injured or sick worker who can be so conveyed and who cannot be treated on the spot with the means available (article 144).
13. **Collective Agreements.** A collective agreement is an agreement relating to terms and conditions of work concluded between the representatives of one or more trade unions, on the one hand, and the representatives of one or more employers, on the other hand. Where collective agreements exist between the employer and project workers, such agreements will be applied, where relevant.