

Revised draft

**KYRGYZ REPUBLIC**  
**MINISTRY OF ENERGY OF THE KYRGYZ REPUBLIC**

**Kyrgyzstan Renewable Energy  
Development Project**  
**(Phase 1)**

**LABOR MANAGEMENT  
PROCEDURES**

**February, 2023**

**Bishkek**

## TABLE OF CONTENTS

List of Acronyms .....	4
CHAPTER 1. GENERAL INFORMATION .....	5
1.1. ....Summary	5
1.2. Project information .....	5
CHAPTER 2. PROJECT DETAILS .....	6
2.1. Project Development Objective and indicators .....	6
2.2. Project components .....	6
2.3. Project beneficiaries .....	9
2.4. Project implementation mechanism .....	10
2.5. Project-affected area .....	10
CHAPTER 3. BRIEF OVERVIEW OF LABOR ENGAGED UNDER THE PROJECT .....	11
3.1. Categories of workers .....	11
3.2. Number of Project workers .....	13
3.3. Labor engagement schedule .....	13
CHAPTER 4. KEY LABOR RISKS ASSESSMENT .....	15
4.1. The key staff risks .....	15
4.2. Risks associated with COVID-19 .....	16
4.3. Occupational health and safety risks .....	17
4.4. Recruitment risks .....	17
4.5. Overtime risks .....	17
CHAPTER 5. SHORT OVERVIEW OF THE NATIONAL LEGISLATION .....	19
5.1. ....National labor laws: conditions of employment	19
5.2. .... Short overview of the national legislation: occupational health and safety	22
CHAPTER 6. THE WORLD BANK ENVIRONMENTAL AND SOCIAL STANDARD, AND GAPS IN THE NATIONAL REGULATIONS .....	23
6.1. .... World Bank Environmental and Social Standards (ESS2)	23
6.2. Gaps in government regulations .....	24
CHAPTER 7. RESPONSIBLE STAFF .....	27

7.1. Internal regulations .....	28
7.2. Age of the labor resources .....	29
7.3. Employment terms and conditions.....	29
CHAPTER 8. GRIEVANCE REDRESS MECHANISM .....	31
8.1. .... Description of the grievance redress mechanism .....	31
8.2. .... GM structure for PMO staff .....	31
8.3. GM structure for contract workers and workers of main suppliers.....	32
8.4. Especially sensitive grievances .....	32
8.5. ....Grievance monitoring and reporting .....	33
8.6. .... World Bank grievance system .....	34
CHAPTER 9 CONTRACT MANAGEMENT .....	34
CHAPTER 10. MONITORING AND REPORTING.....	36
APPENDIXES .....	37
APPENDIX 1. SAMPLE CODE OF CONDUCT .....	37

## List of Acronyms

ES	“Electric Stations” Open Joint Stock Company
ESA	Environmental and Social Assessment
ESMP	Environmental and Social Management Plan
ESMSP	Electricity Sector Modernization and Sustainability Project
ESP	environmental and Social Principles
ESS	Environmental and Social Standard
FS	Feasibility study
GBV	Gender-based violence
GCF	Green Climate Fund
GHG	Greenhouse gas
GRM	Grievance Redress Mechanism
HPP	Hydroelectric power plants
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
ILO	International Labor Organization
KR	Kyrgyz Republic
KREDP	Kyrgyz Renewable Energy Development Project
LC	Labor Code
LMP	Labor Management Procedures
LSG	Local self-governments
MFA	Multi-phase approach
MoE	Ministry of Energy
NEGK	National Electrical Grid of Kyrgyzstan
OHS	Occupational health and safety
OJSC	Open joint stock company
PIA	Project Implementing Agency
PMO	Project management office
PPE	Personal protection equipment
RLA	Regulatory legal act
SEA	Sexual exploitation and abuse
SH	Sexual harassment
WB	World Bank

## CHAPTER 1. GENERAL INFORMATION

### 1.1. Summary

This Labor Management Procedures (LMP) has been developed by the Ministry of Energy of the Kyrgyz Republic (MoE) for the *Kyrgyz Renewable Energy Development Project* (hereinafter referred to as the “KREDP” or the “Project”) funded by the International Development Association or the International Bank for Reconstruction and Development (hereinafter referred to as the “Association” or “IDA”). The LMP is aligned with the World Bank’s (WB) Environmental and Social Standard 2 “Labor and Working Conditions” (ESS2) that regulates labor relations and working conditions. As required by this standard, the Project Implementing Agency (PIA) must develop and maintain Labor Management Procedures. The LMP defines key requirements and risks associated with labor and resources that are required to address respective issues. LMP is developed at the project preparation stage, and then regularly revised and updated during project implementation. The document indicates the types of labor resources to be engaged in Project implementation and provides methods to manage these resources.

#### **LMP aims to:**

- ✓ ensure safe and healthy working conditions;
- ✓ ensure fair treatment, non-discrimination, and equal opportunities for Project workers;
- ✓ protect Project workers, including vulnerable categories such as women, people with disabilities, children (who has reached working age as defined by the ESS2), as well as migrant workers, contract workers, municipal workers, and workers of the main suppliers, as appropriate;
- ✓ prevent any form of forced and child labor;
- ✓ support freedom of association and collective bargaining by Project workers as allowed by the national legislation;
- ✓ provide Project workers with accessible means to discuss issues that arise in the process of work that cause workers’ concern.

### 1.2. Project information

The proposed *Kyrgyz Renewable Energy Development Project* supports the ambitious vision of the Government of the Kyrgyz Republic towards affordable and green future (through 2030). In its recent White Paper, the Government presented comprehensive vision for the energy sector outlining respective challenges and opportunities, and an ambitious Roadmap for reforms to be implemented in the next decade, which includes renewable energy.

The proposed Project will help the country improve the access to renewable energy diversifying the energy supply sector through developing new technologies and engaging the private sector in a transparent manner.

The proposed Project will be implemented through a multi-phase programmatic approach (MPA). As envisioned by this approach, the first phase addresses the urgent need for rehabilitation of existing and for construction of new HPPs that will be followed by development of solar energy and then by expansion of generating capacity in hydro and solar sector. The proposed Project will help the government achieve its renewable energy production targets, including 100 MW of small and medium hydropower by 2026 and competitive procurement of 700 MW of solar and wind power by 2030. In its most recent Nationally Determined Contribution, the country aims to reduce its greenhouse gas (GHG) emissions by 43.62% by 2030 as compared to its "business as usual" levels and become carbon-neutral by 2050. Considering that 60 percent (or approximately 6.0 billion tons of CO2 equivalent) of the overall emission reduction target is expected to come from the energy sector, development of renewable energy sources becomes the key element for achieving the Paris Agreement targets by 2025 and 2030.

## CHAPTER 2. PROJECT DETAILS

### 2.1. Project Development Objective and indicators

**Program Development Objective (PDO):** Using a multi-phase approach, the KREDP seeks to increase the capacity of renewable energy sources and diversify electricity generation through public and private financing.

**The Project Development Objective (PDO)** for Phase I is to increase hydropower generation, and to facilitate integration of renewable energy into the power grid of the Kyrgyz Republic.

**The proposed Project** will focus on (i) development and rehabilitation of small and medium HPP; (ii) preparation of a pilot solar energy project, which will include grid strengthening; and (iii) provision of technical assistance under the preparation of the Kambar Ata 1HPP-1 project.

### 2.2. Project components

This section describes the scope of the proposed Project that will cover implementation of Phase 1, as described by MFA above. This phase will have three following components that seek to address the generation capacity gap over a short-term horizon and to lay the groundwork for subsequent phases. The MoE will be responsible for managing the entire multi-phase program, while “Chakan HPP” Open Joint Stock Company, “Electric Stations” Open Joint Stock Company and “National Electrical Grid of Kyrgyzstan” (NEGK) Open Joint Stock Company will be responsible for specific components, as indicated below. The scope and funding of each component are detailed below.

**Component 1: Rehabilitation and construction of small and medium-sized hydropower plants** (estimated IDA funding – USD 39 million). This Component will support priority investments and provide technical assistance and capacity building activities to increase national

hydropower capacity. The Component will be implemented by Chakan HPP and consists of two following subcomponents:

***Subcomponent 1.1: Construction of new and rehabilitation of existing HPP.*** This Subcomponent will finance construction of new small and medium HPPs and rehabilitation of some existing HPPs that will be selected based on several key factors, including: (i) priority investments as determined by the Lowest Cost Power Generation Expansion Plan; (ii) manageable environmental and social impacts and readiness for implementation; and (iii) lack of alternative funding sources on a short-term horizon.

The MoE and Chakan HPP have prepared a short-list of four small and medium HPPs, including Karakul HPP, Tar HPP and Bystrovskaya HPP. The first two HPPs in this list are new constructions, while the fourth HPP will be a rehabilitation project. The counterparty is currently preparing a ground survey and a pre-feasibility study to select finalists, which will include up to two projects. The key factors that will inform the final decision include potential technical risks and issues, the likelihood of significant social and environmental impacts, and economic and financial benefits.

***Subcomponent 1.2: Technical research and consulting services.*** This Subcomponent will finance technical assistance to and capacity building of Chakan HPP. Specific technical assistance activities will include: (i) finalization of the feasibility study and preparation of tender documents for the selected hydropower projects; (ii) finalization of safeguards documents; (iii) provision of consulting services, such as construction supervision and implementation of safeguards instruments; (iv) completion of feasibility studies for rehabilitation and construction of hydropower projects in the future; and (v) implementation of training and capacity building activities to ensure safety of the dams and optimize the reservoirs to support solar energy integration.

**Component 2: Technical assistance under the preparation of Kamar Ata-1 large hydropower plant** (estimated IDA funding – USD 2 million). Activities covered by this Component include updating the feasibility study, conducting environmental and social studies, and drafting procurement documents and implementation agreements. Given the large investment needs (around USD 2.9 billion, as determined by the feasibility study that was conducted in 2014), this work will be complemented by technical assistance from the Bank to assess potential funding options, including possible funding stages, co-funding options, and the potential role of public-private partnerships (PPP). The implementing agency under this Component is “Electric Stations” Open Joint Stock Company.

This Component will finance the support as required to conduct and update feasibility study, baseline design and tender documentation for the expected Kamar Ata-1 large hydro project (the installed capacity is approximately 1,800 MW). This support will include: (i) updating the earlier studies to verify engineering and economic feasibility, and preparing baseline design and tender

documents, (ii) developing and updating environmental impact assessment study and land acquisition and resettlement plans, and (iii) improving the quality of procurement documents and implementation agreements, including shareholder agreement, implementation agreement, electricity purchase agreement, etc. This Component will be complemented by Bank-led technical assistance activities, including but not limited to market research and analysis of project financing options.

### **Component 3: Preparation and grid integration of renewable energy projects**

This component will prepare the power system for increased deployment and integration of variable renewable energy, with a focus on supporting the solar pilot project, which is planned in Phase 2 using World Bank guarantee instrument.

The Component consists of the following two subcomponents:

#### ***Subcomponent 3.1: Power grid strengthening to facilitate integration of hydro and solar energy***

This subcomponent will finance upgrading and strengthening of existing grid infrastructure to facilitate the development of large-scale renewable energy.

Currently, two options are being considered to be financed under Component 3:

- Option 1: Construction of the 220kV Isanova substation and 220-110kV overhead lines.
- Option 2: Transition and implementation from manual control of the power system to automation of the work of dispatch control and emergency automation. Both options are under Bank's review.

If option 1 is approved, 220 kV Isanova substation with a new overhead lines 220kV with laying of fiber-optic cables in the lightning rod (on the scheme of the approach-exit from VL 220kV "Datka-Uzlovaya 1, 2") of length of about - 1.2 km, new HVL-110kV "Isanova - Kara-Shoro-1, 2" (3 km) will be constructed.

If option 2 is approved, a transition and implementation from manual control of the power system to automation of the work of dispatch control and emergency automation will be financed under this component.

***Subcomponent 3.2: Technical assistance and capacity building*** (estimated potential GCF grant funding – USD 2 million). This Subcomponent will finance technical assistance and capacity building for the MoE, NEGK and other key stakeholders to strengthen their institutional capacity as required to manage development and integration of large-scale solar energy. Specific activities under this Subcomponent may include: (i) development and implementation of a Grid Code (a code that regulates connection renewable energy sources); (ii) review and evaluation of the policy and regulatory framework to strengthen the regulatory and institutional framework that regulates renewable energy development; (iii) development and implementation of measures that help



forecast demand on a short-term horizon, including close to real-time sub-hour forecast; (iv) improvement of the means, tools and procedures for planning and managing various types of reserves, as well as dispatching protocols and procedures; (v) feasibility studies for solar and wind energy projects, including measuring wind and solar energy resources, and conducting environmental and social impact assessments; and (vi) training and capacity building.

**Component 4: Institutional strengthening and project implementation support** (estimated funding – USD 1.5 million, including USD 1 million from IDA, and USD 0.5 million as GCF grant). This Component will finance activities aimed at strengthening the technical, operational, and managerial functions of energy companies and ensuring efficient implementation of the Project. Specific activities to be supported include:

- i. Strengthening the technical and operational capacity of Chakan HPP, Electric Stations OJSC and NEGK (including fiduciary, technical, operational and management functions) through targeted training and technical assistance; as well as conducting activities aimed at raising gender awareness and closing the gender gap in energy companies through instruction, training and supervision of female staff and trainees in energy companies.
- ii. Conducting key sectoral studies, including feasibility studies for other priority investment projects and other sectoral studies to improve the sector planning framework.
- iii. Providing project implementation support, including strengthening the Project Management Office (PMO) by providing it with qualified fiduciary, environmental and social consultants, conducting project monitoring and evaluation activities, organizing Project audit by qualified companies acceptable to the World Bank, and covering additional Project operating costs. The Component will also implement community engagement activities, including community outreach campaigns, roundtables to obtain community feedback and inform the community how their feedback influences Project implementation decisions, and disclosures of information on various websites.

### **2.3. Project beneficiaries**

The Project's Phase 1 beneficiaries include electricity consumers, including industrial, commercial, and residential consumers. The HPP to be constructed or rehabilitated under this phase will help increase the electricity supply in the Kyrgyz Republic and improve the quality of electricity in the country. In addition, the local community is expected to benefit from employment opportunities during the construction and rehabilitation phases.

Implementing agencies will benefit from capacity building and technical assistance that will improve their ability to plan, develop, manage, and maintain existing hydropower systems and services. As a result, they will provide consumers with better, more reliable, and cost-effective services, and will additionally benefit from reduced electricity losses and increased revenues from additional electricity generation.

In the context of MFA, the beneficiaries also include electricity consumers who will benefit from higher quality services, and local communities. The program is also expected to create employment opportunities for local and nearby communities (including youth and women) during construction, operation, and maintenance works. Utility companies will benefit from reduced cost of solar energy, which will also benefit end-users. The program will send clear signals to the private sector about the size of the future market, stimulating local industrial development and capacity building.

#### **2.4. Project implementation mechanism**

The implementation arrangements for the proposed Project will build on the current arrangements for the *Electricity Sector Modernization and Sustainability Project* (ESMSP) that is currently establishing a Project Management Office (PMO) and is hiring key staff, including specialists in procurement, financial management and payments, social and environmental issues. The proposed Project will be managed by the same PMO that may be strengthened with additional specialists as needed.

In the meantime, the MoE instructed Chakan HPP, Electric Stations OJSC and NEGK to provide project preparation support, including coordination and preparation of the necessary Project documentation. The PMO, which is being created under the MoE, will be headed by Director, and will have designated teams that will work on environmental and social standards, procurement, financial management, accounting, and internal audit. The PMO will hire additional technical specialists to coordinate and oversee the technical aspects of Components 1, 2 and 3. Procurement, financial management, environmental and social standards trainings are expected, and the Bank will continue to provide PMO's staff with trainings throughout the Project preparation and implementation period.

#### **2.5. Project Locations**

The proposed Project prepared a prioritized list of locations where it could build new small and medium HPP or rehabilitate existing facilities, as well as location where substation could be built.

## CHAPTER 3. BRIEF OVERVIEW OF LABOR ENGAGED UNDER THE PROJECT

The exact number of direct and indirect Project workers who will be hired to implement various subprojects is not clear yet. Most workers will be hired by contractors who will determine their own labor requirements as the Project unrolls. Thus, for the time being, the number of workers to be involved in the construction phase is estimated based on the historical data gained in the course of similar projects implemented in Kyrgyzstan.

### 3.1. Categories of workers

In accordance with ESS2, all labor resources are divided into the following categories: Direct Workers (PMO staff): Project direct workers are workers employed or engaged directly by the Project to perform Project-related works, including civil servants and Project consultants who will operate in accordance with the national legislation and under agreed contracts with MoE. To hire staff for this Project, MoE will follow the established practices. PMO staff (consultants) are not civil servants and will be hired on a contract basis. The PMO will use two types of employment contracts: one-year employment contract and short-term service contract.

#### **Direct workers (PMO staff)**

The PMO will comprise the Director and consultants (coordinators) for the three Components, including finance specialists, procurement specialists, social specialist, environment specialists, monitoring and evaluation specialist and other technical specialists who will coordinate Project implementation and carry out the following functions: management of financial operations and procurements, and social and environmental risks; control, monitoring and evaluation Project work plans execution; facilitation of cooperation between stakeholders at the central and local levels; provision of project progress reports and ensuring that external audits of the project's financial management and procurement procedures are conducted in a timely manner; ensuring monitoring and implementation of the World Bank's environmental and social standards. The PMO will also be responsible for preparation and communication of information to all Project stakeholders.

To ensure successful implementation/coordination of the Project, the Project may engage additional short-term consultants to upskill PMO, MoE, Chakan HPP, Electric Stations OJSC, NEGK and other organizations, as well as local authorities. The Project may also engage short-term national consultants to conduct training workshops, organize meetings and round tables, arrange annual public consultations and quarterly focus groups with the beneficiaries on key activities related to the Project.

To provide technical supervision over construction of small HPP and solar power plants or reconstruction of existing HPP, the Project will hire specialists who have expertise in technical supervision. The Project is expected to engage technical supervision specialists from both local community and other regions of the country (for example, from the area where the design organization is originally based). The Project may send its representatives to some Project-affected

areas to provide support and oversee work implementation, as well as coordinate with contractors, local authorities, beneficiaries, and communities.

The Project will also engage consultants (specialists who have expertise in technical supervision) to exercise technical supervision and control over contractors' (subcontractors' and suppliers') compliance with technological process and quality requirements, and make sure they complete works and services and comply with the contract terms (designs, terms of reference).

The Project may also engage national short-term consultants to carry out institutional capacity building in the energy sector, hold training seminars, organize meetings on regional cooperation, monitor and evaluate work plans and Project reports.

### **Contract workers**

Contract workers are workers hired or engaged by a third party to perform works related to the main functions of the Project, irrespective of the location where such works are implemented. As defined by KREDP, these are contractors and subcontractors to be identified during implementation of the Project. To implement Project activities, the Project will sign agreements with contractors (whose exact number will be identified only at the tender stage) in accordance with the World Bank Procurement Guidelines of the Project. The number of contractors' workers will be identified after commencement of construction/rehabilitation works. Contractors will be selected through a competitive process guided by the World Bank procurement principles and the legislation of the Kyrgyz Republic, and will engage subcontractors, who must be agreed with MoE represented by the PMO.

**Subcontractors:** To implement its activities in rural areas, the Project Contractors can engage subcontractors, including local private firms and non-governmental organizations. Contractors may also engage subcontractors for construction of small HPP and sub stations. Subcontractors are expected to come from among local companies. Subcontractors will be guided by the national legislation, regulations, and the Labor Code of the Kyrgyz Republic.

The Labor Code of the Kyrgyz Republic (which entered into force on 1 July 2004) has a section on "Labor Protection". The Labor Code of the Kyrgyz Republic obliges employers to ensure labor protection and establishes national regulatory requirements for labor protection and employees' obligations in the field of labor protection. It guarantees employees' right to labor protection, training and instruction, sanitary and medical care. It also covers creation and operation of labor protection services, investigation and registration of work-related accidents and occupational diseases, establishment of benefits and compensations for certain working conditions.

Article 281 of the Labor Code of the Kyrgyz Republic guarantees a healthy and safe working environment. Employers are obliged to create healthy and safe working conditions for employees, introduce tools and technologies that ensure compliance with sanitary and hygienic norms and labor protection standards.

Article 282. The Labor Code of the Kyrgyz Republic establishes labor protection requirements for construction and operation of industrial buildings, structures, and equipment. Industrial buildings, structures, equipment, and technological processes must be organized, as to meet the requirements associated with work health and safety. These requirements include rational use of the territory and industrial premises, proper use of equipment and organization of technological processes, protection of workers from exposure to harmful working conditions, maintenance of industrial premises and workplaces in accordance with sanitary and hygienic standards and rules, and arrangement of sanitary and amenity premises. Industrial buildings and structures must be so designed, constructed, and operated, as to ensure compliance with labor protection rules and regulations. Machines, tools, and other production equipment must be so designed, as to comply with safety requirements and industrial hygiene.

### **Primary supply workers**

A primary supply worker is a worker employed or engaged by a primary supplier, providing goods and materials to the project, over whom a primary supplier exercises control for the work, working conditions, and treatment of the person. Primary supply workers will be expected consisting of employees of third-party companies who will provide machinery and/or equipment for construction, infrastructure investment component of the project and employees of companies who will provide hardware, security, and cleaning services.

### **3.2. Number of Project workers**

**Direct workers.** The total number of PMO staff to be involved in KREDP implementation will be approximately 15 specialists.

**Contract workers.** The total number of contractors will be identified only at the tender stage, while the number of contractors' staff will be determined during construction and rehabilitation works. Contracted workers will include:

1. *Civil Works Contractors and Workers.* Civil works are foreseen under Components 1 and 3 of the Project.
2. *Technical Assistance Consultants* will be recruited for research and capacity building tasks in components 1, 2 and 3 of the project.

#### ***Primary supply workers***

The precise number of project contracted workers who will be employed is not known as of now. This will become known as and when implementation begins. Primary supply workers will include:

*Hardware and software delivery and installation workers.* Civil works are foreseen under Components 1 and 3 of the Project.

### **3.3. Labor engagement schedule**

During the Project implementation, PMO direct workers will work full-time all year round, initially for 5 years. Additional experts/consultants will be engaged on as need basis.

Contract workers for general construction works will be engaged at the discretion of respective contractors. While as a rule the construction season lasts from April to October, it can be longer or shorter, depending on the weather. Thus, mobilization of labor force for certain rehabilitation and construction works remains at the discretion of respective contractors (depending on the type of work and the season). The working day may not exceed 8 hours, and employees should be provided with rest break (at least 1 hour).

## CHAPTER 4. KEY LABOR RISKS ASSESSMENT

The key labor risks during the construction stage will include health and safety risks arising from executing construction works within the various components of the Project.

Typical risks will include equipment-related hazards, falling hazards, exposure to noise and dust, falling objects, use of hazardous materials, tools, and machines. The key risks during facilities operation stage will be “normal” health and safety risks. As the construction works will involve hazardous activities, persons under 18 years of age will not be hired for the Project, with the possible exception of office work or other non-construction work.

All workers will be exposed to some harmful and dangerous work factors, which mainly include:

- walking and working on steep slopes and slippery surfaces (power lines);
- carrying heavy loads (building materials, etc.);
- exposure to chemicals (such as paints and fuels);
- traffic accidents;
- altitude sickness and/or snowfall (relevant to individuals arriving from other regions);
- work near water and in water;
- work at height;
- work near vehicles and machines;
- exposure to extreme weather conditions;
- harmful environmental factors (snakes, wasps, bees, etc.);
- lack of awareness about health and safety requirements, such as personal protective equipment (PPE) and safe work practices.

During facilities operation stage, workers will be exposed to the same risks, but such exposure will be less frequent, because at that stage the number of workers will be reduced, and they will perform less hazardous physical work.

### 4.1. The key labor risks

**Key labor risks:** The key labor risks may include:

- hazardous operations that require heavy equipment for construction of water infrastructures, installation of electromechanical equipment, etc.
- exposure of construction site workers to physical hazards: dust, noise, vibration, injuries. Moreover, construction of small HPP will require use of heavy equipment;
- use of child or forced labor for certain construction works that do not require physical strength or special skills;
- Unclear terms and conditions of employment,
- Denial for workers’ rights to form workers organizations,

- Absence of a grievance mechanism for labour to seek redressal of their grievances/issues
- labor influx or gender-based violence;
- general understanding of and compliance with occupational health and safety requirements are the key precautions to prevent or eliminate hazards to the health of Project workers. Prevention and protection measures should be carried out in the following order: at the design stage (eliminate hazards by liquidating or replacing certain operations in the work flow); at the contracts conclusion stage (add labor protection and safety requirements to contracts); at the work commencement stage and then periodically at the work implementation stage (conduct trainings and briefings, establish control and minimize the impact of a hazardous factor, provide personal protective equipment (PPE), monitor the use of PPE).

#### 4.2. Labor influx associated risks

Labor would be required for construction and rehabilitation of the small-scale HPPs. Unskilled labor would be required for civil work and would be preferably sourced from local areas. However, skilled labor in subspecialty required for construction and rehabilitation works supervision may include some migrant labors.

The basic issues related with migrant labor may include:

- Conflict amongst workers, and between workers and local community, based on cultural, religious or behavioral practices.
- Discontent amongst local community on engagement of outsiders.
- Outbreaks of certain infectious diseases due to interactions between the local and migrant populations. The most common of these are respiratory (TB), water borne (Stomach infections, typhoid) and sexually transmitted diseases (HIV, Syphilis and Hepatitis) and more recently COVID 19.
- Use of community facilities such as health centers, mosque, transport facility etc. by migrant labor may lead to discontent with local community.
- In case contractors bring in unskilled migrant labor, there stands the risk of exploitation of a laborer. This can happen in the form of hiring underage laborers, low and unequal wage payments, forced labor and discrimination on basis of the basis of religion or ethnicity.

Measures to manage these risks will be in line with the ESMF stipulations.

#### 4.2. Risks associated with COVID-19

**Risks associated with COVID-19:** The COVID-19 outbreak in the country began in March 2020, changing the situation dramatically and entailing social distancing, quarantine, and isolation. Despite the current situation with COVID-19, the Project must identify all potential risks and threats, as well as measures to mitigate those risks.

Project will carry out its activities in accordance with the World Bank's Interim Guidance on BOT/Safeguards: COVID-19 Considerations in Construction.



**Gender-Based Violence, Sexual Exploitation and Abuse, and Sexual Harassment (GBV/SEA/SH):** The risk of gender-based violence (GBV/SH) under the Project is low. The GBV/SH risk mitigation measures are discussed in the Section on policies and procedures. Meanwhile, if other labor risks arise during project implementation, the Borrower will develop procedures to mitigate the exposure.

All civil works contracts will also include the standard Code of Conduct (see Appendix 1), including measures to prevent gender-based violence/sexual exploitation and harassment (GBV/SEA).

#### **4.3. Occupational health and safety risks**

**Occupational health and safety (OHS) risks** will depend on the type of subproject works to be implemented. Since components 1 and 3 related to civil works which includes electricity voltage risk remains that some accidents may occur that lead to injuries. All contractors engaged in construction and rehabilitation works under Components 1 and 3 will be required to prepare (in writing) and implement Labor Management Procedures, including procedures for creating and maintaining a safe working environment as defined by ESS2. In accordance with the Environmental and Social Management Plan (ESMP), all contractors working under Components 1 and 3 will make sure their workers use personal protective equipment, will provide their workers with safety trainings, and will implement other risk prevention measures as specified in the Environmental and Social Management Framework (ESMF).

#### **4.4. Recruitment risks**

**Recruitment risks:** Direct workers are hired by the PMO either directly (as PMO staff) or indirectly (through agreements with consultants or service providers). The evidence from practice suggests that construction contractors usually offer employment contracts that provide for lump-sum payments for provision of a certain type of service or performance of a certain work. Lump-sum payments will be in line with the national requirements or as mutually agreed. Short-term consultants will be engaged for no more than a few months on mutually agreed terms of payment, and work conditions.

#### **4.5. Overtime risks**

**Overtime risks:** There is a certain risk that some hours worked will not be properly accounted, and employees will not receive compensation for overtime work. In accordance with the Labor Code of the Kyrgyz Republic, with employer's consent, direct workers will be provided with additional hours of rest on other days to compensate for overtime work (Article 174). To mitigate

this risk, the project will inform direct workers of their rights and the Grievance Redress Mechanism

## CHAPTER 5. SHORT OVERVIEW OF THE NATIONAL LEGISLATION

### 5.1. National labor laws: conditions of employment

The legislation of the Kyrgyz Republic that regulates labor protection is based on the Constitution of the Kyrgyz Republic and includes the Labor Code, the Law “*On Labor Protection*” and other regulatory legal acts of the Kyrgyz Republic.

In terms of working environment and occupational safety, the Constitution of the Kyrgyz Republic provides every citizen with:

- The right to safe working environment. Child and forced labor are prohibited<sup>1</sup> (article 28);
- The right to rest. Everyone has the right to rest. This right is ensured through establishment of maximum working hours, provision of paid annual leave and weekly days off, as well as provision of other conditions stipulated by the legislation (Article 42);
- The right to health care. Everyone has the right to medical care (Article 43);
- The right to social protection. Citizens are guaranteed social security associated with old age, illness, disability, or loss of breadwinner in cases and in the manner prescribed by law (Article 44).

**The Labor Code of the Kyrgyz Republic** (Law #106 of 4 August 2004) is the key legal document that governs all matters associated with labor in the Kyrgyz Republic. The Code regulates labor relations and other relations directly associated with labor; protects the rights and freedoms of all participants in labor relations; and establishes minimum guarantees of rights and freedoms in the labor sphere. Article 9 of the Code prohibits discrimination and guarantees all citizens equal rights to work; discrimination in labor relations is prohibited. It shall be prohibited to establish any differentiated conditions, refuse recruitment, or provide any preferences that may lead to violation of equal opportunity right in labor sphere, based on ethnicity, race, gender, language, religion, political opinion, social and property status.

#### **Salary and deductions**

Individual labor contracts and bargaining agreements establish form and amount of work remuneration. The monthly salary of an employee who has successfully completed all standard work hours and fulfilled labor norms (labor duties) may not be lower than the minimum wage established by the law. The minimum wage does not include fringe benefits, allowances, bonuses, and other incentive payments, as well as compensations for work in abnormal working conditions, special climatic conditions and in territories exposed to radioactive contamination, as well as other compensations and social payments (Article 154).

Salaries are paid at least once a month (Article 157). In addition, employers must compensate work-related damage to the health or property of their workers; in case of death of a worker, his/her

---

<sup>1</sup> <http://cbd.minjust.gov.kg/act/view/ru-ru/112213?cl=ru-ru>

dependents receive compensation. While deductions for specific reasons are allowed, they may not exceed 50 percent of the employee's salary (Article 161).

### **Working time**

The standard work week consists of 40 hours (Article 90). The working hours for persons under 18 years of age may be reduced. The number of working hours per day and the number of working days per week must be documented in contract between the employer and the employee (Article 90). In accordance with Article 18 of Labor Code of the Kyrgyz Republic, persons under 14 years of age are not allowed to perform work that is harmful to health or disrupts their education.

Women with children under the age of 18 months must be provided with additional breaks to feed their children, which should be 30 minutes every 3 hours of work. If a working mother has two or more children under the age of 18 months, the duration of the additional breaks must be 1 hour. At the woman's request, additional breaks can be added to the normal rest break or lunch break or summed up and used at the beginning or the end of her working day (work shift) so as to reduce the duration of the working day/work shift (Article 309). The terms and procedure for providing breaks are documented in the contract.

Article 304. The Labor Code prohibits engaging pregnant women and women with children under 3 years of age to overtime work or work on weekends, as well as sending them on business trips. With woman's consent, pregnant woman, and woman with children under 3 years of age may be engaged to overtime work or work on weekends, as well as sent on business trips.

Article 114. The Labor Code prohibits work on weekends and non-working holidays. With their written consent, employees may be requested to work on weekends and non-working holidays in the following cases:

- to prevent a work-related accident or catastrophe; eliminate the consequences of a work-related accident, catastrophe, or natural disaster; prevent safety incident, destruction, or damage to property;
- to perform unforeseen work, the urgent implementation of which affects future normal work of the whole organization or its individual divisions;
- to carry out operations, the suspension of which is impossible due to production and technical conditions (continuously operating organizations); execute works caused by the need to provide services to the population; implement urgent repair and loading/unloading works.

### **Rest time (breaks)**

Article 109 of the Labor Code of the Kyrgyz Republic establishes the following types of rest time:

- breaks during working day (work shift);
- daily rest (between shifts);
- days off (uninterrupted rest provided on weekly basis);

- non-working holidays;
- annual leave.

During working day, employee must be provided with a break for rest and food. The time and duration of such break are determined by the internal regulations, shift schedule or individual labor contract/collective agreement between the employer and the employee (Article 110 of the Labor Code of the Kyrgyz Republic).

### **Annual leave**

In addition to the rest on national non-working holidays, employees are entitled to 28 calendar days of annual paid leave. Employees under the age of 18 and employees with disabilities are entitled to 30 days of annual leave.

Certain groups of persons are entitled to unpaid leave, which should also be detailed in labor contract. In the event of termination of labor contract, employees are paid monetary compensation for the unused days of annual leave or use those days on the last days of employment.

At respective request, women are granted maternity leave; workers are also granted additional baby-care unpaid baby-care leave until the child reaches the age of three. By agreement of the parties, baby-care leave until the child reaches the age of three may be granted at any time and for any period. Baby-care leave can be used in full or in parts by father, grandmother, grandfather, other relative or guardian who are actual caretakers of the child.

### **Overtime work**

Work outside the normal working hours can be carried out both at the initiative of the employee (spare-time work) and at the initiative of the employer (overtime work) (Article 98).

The first 2 hours of overtime work are paid in accordance with at least 1.5 rate; subsequent hours are paid in accordance with at least dual rate. Specific rates for overtime work may be determined by bargaining agreement or individual labor contracts. At employee's request, overtime work may be compensated by providing the employee with additional rest time, which should be at least equal to the number of hours worked overtime. Spare-time work outside the normal working hours is paid according to number of hours worked or according to the output (Article 174).

### **Labor disputes**

Labor disputes are unresolved disagreements between employer and employee related to application of legislation and other regulatory acts of the Kyrgyz Republic that govern labor relations, as well as related to working conditions established in individual labor contracts and bargaining agreements. Individual labor disputes that cannot be resolved directly by the employee and the employer (who is a natural individual), are considered in court. (Article 356).

Individual labor disputes are addressed by Labor Dispute Commissions, by the authorized state body that supervises and controls compliance with labor laws, and by courts. At his/her choice, employee may bring his/her labor dispute to Labor Dispute Commission, the authorized state body that supervises and controls compliance with labor laws, or directly to court. If organization does not have Labor Dispute Commission has, labor dispute shall be reviewed directly by the authorized state body that supervises and controls compliance with labor laws or by court (Article 412).

### **Grievances**

The Law “*On the Procedure for Considering Citizens' Appeals*” (of 4 May 2007) contains legal provisions regarding information channels that are made available to citizens to submit their grievances, requests, and appeals. According to Article 8, appeals that do not require additional study or investigation must be reviewed within 14 working days from the date of receipt; appeals that require additional study or investigation must be reviewed within 30 working days from the date of receipt.

## **5.2.Short overview of the national legislation: occupational health and safety**

The right to healthy and safe working environment is established by the Constitution of the Kyrgyz Republic. In accordance with Article 42 of the Constitution of the Kyrgyz Republic, citizens of the Kyrgyz Republic have the right to freedom of labor, to choose a profession and occupation, to have protection and working conditions that meet safety and hygiene requirements, as well as the right to receive wages that are not lower than the statutory living wage.

The Labor Code of the Kyrgyz Republic, which was adopted on 1 July 2004, also has a section on occupational health and safety (OHS). The section establishes employer's obligations in terms of ensuring labor safety; provides for state regulation in the field of labor safety; and specifies employee's obligations in terms of OHS. Employee is guaranteed labor safety, training and instruction, sanitary conditions, and medical services. The Code also governs creation and operation of Labor Protection Services; investigation and registration of work-related accidents and occupational diseases; payment of allowances and compensations for special working conditions.

On 1 August 2003, the Kyrgyz Republic adopted the Law "*On Labor Protection*" that regulates the relations between employers and employees and is designed to create working environment that ensures protection of employees' life and health at the workplace. The law establishes the key areas of focus for state labor protection policy and the principles for government regulation of labor protection. On the one hand, it provides employees of the state bodies responsible for labor protection and social insurance and of public monitoring representatives with access to organizations to check working environment and labor safety measures and investigate work accidents and occupational diseases.

The primary responsibility for state policy on labor law rests with the Ministry of Labor, Social Security and Migration of the Kyrgyz Republic. Key relevant legislation includes the Law of the Kyrgyz Republic "*On Labor Protection*" (2003), the Labor Code of the Kyrgyz Republic (2004), and other regulatory legal acts. On 31 March 1992, the country joined the International Labor Organization (ILO). A review conducted by the ILO in 2008 found that the Law of the Kyrgyz Republic "*On Labor Protection*" meets international norms and standards.

The primary responsibility for state supervision and control over compliance with labor laws rests with the State Service for Environmental and Technical Safety under the Ministry of Natural Resources, Ecology and Technical Supervision of Government of the Kyrgyz Republic.

## **CHAPTER 6. THE WORLD BANK ENVIRONMENTAL AND SOCIAL STANDARD, AND GAPS IN THE NATIONAL REGULATIONS**

### **6.1. World Bank Environmental and Social Standards (ESS2)**

The World Bank's labor policies are set out in the ESS2. The Implementing Agency builds effective relationships between employees and management and provides safe working environment. ESS2 establishes the following key objectives:

- Ensure safety and hygiene in the workplace;

- Ensure fair treatment of project workers by eliminating discrimination and creating equal conditions;
- Ensure protection of Project workers (including members of vulnerable groups, such as women, persons with disabilities, children (who have reached working age as defined by the ESS2 standard) and migrants), contact workers, workers from the local community, and workers of main contractors;
- Prevent any form of forced or child labor;
- Support the freedom of association and bargaining agreements, if it does not contradict the national legislation;
- Provide project workers with an easily accessible mechanism to communicate their concerns to the management.

The ESS2 is applicable to Project workers, including full-time, part-time, temporary, seasonal, and migrant workers. If the project involves government employees (be it full-time or part-time employees), the terms of their employment are governed by the existing employment agreement or arrangement with the respective government authority, unless those employees have been officially transferred to the staff of the Project.

Working conditions and labor relations management. The Borrower will develop and implement internal project labor management procedures. The procedures will establish methods of managing labor resources in accordance with the requirements of the national legislation and this ESS. In addition, they will establish the criteria to categorize project workers as direct workers and contracted workers.

Project workers will be provided with clear and understandable information and documentation on their terms of employment. Such information/documentation will specify their rights as provided by the national law and ESS requirements (including the right for bargaining agreements), such as the rights related to work hours, wages, overtime, compensation, and benefits. This information will be provided when they first hired, as well as when significant changes are made to the working conditions.

Detailed information on the World Bank's Environmental and Social Standards is available at: [www.worldbank.org/en/projects-operations/environmental-and-social-framework/brief/environmental-and-social-standards](http://www.worldbank.org/en/projects-operations/environmental-and-social-framework/brief/environmental-and-social-standards) and <http://projects-beta.vsemirnyjbank.org/ru/projects-operations/environmental-and-social-framework/brief/environmental-and-social-standards> .

## **6.2. Gaps in government regulations**

Comparative analysis of the World Bank's OHS requirements and the government regulations of the Kyrgyz Republic is tabulated below.



ESS and area of focus	WB requirements	Key requirements/gaps in the regulatory framework of the Kyrgyz Republic
A. Working conditions and labor relations management	<ul style="list-style-type: none"> <li>- Written procedures for labor resource management.</li> <li>- Recruitment conditions.</li> <li>- Prevention of discrimination and creation of equal opportunities.</li> <li>- Organizations of workers.</li> <li>- Preparation of labor management procedures, including contractors' ESMPs.</li> </ul>	<ul style="list-style-type: none"> <li>- Mandatory written labor contracts that include recruitment procedures and conditions.</li> <li>- There are requirements for non-discrimination and equal opportunities.</li> <li>- There is no legal requirement for labor resource management plans.</li> </ul>
B. Protection of labor resources	<ul style="list-style-type: none"> <li>- Child labor is prohibited (children under 14 years of age).</li> <li>- Forced labor is prohibited.</li> </ul>	<ul style="list-style-type: none"> <li>- Child labor is prohibited (children under 14 years of age).</li> <li>- Forced labor is prohibited.</li> </ul>
C. Grievance submission mechanism	<ul style="list-style-type: none"> <li>- Grievance mechanism (GM) for employees should be developed and implemented.</li> <li>- Anonymous grievances are accepted.</li> </ul>	<ul style="list-style-type: none"> <li>- Employees working under individual labor contracts do not have access to any no specific GM.</li> <li>- The procedure for addressing individual labor disputes is regulated by Chapter 42 of the Labor Code of the Kyrgyz Republic.</li> <li>- Registration of grievances and subsequent procedures are established by the Law “<i>On the Procedure for Considering Citizens' Appeals</i>”.</li> <li>- As situated by Article 9 of the Law “<i>On the Procedure for Considering Citizens' Appeals</i>” anonymous grievances may not be accepted”.</li> </ul>
D. Occupational health and safety	<ul style="list-style-type: none"> <li>- A detailed procedure is required for each project.</li> <li>- Requirements regarding protection of workers, training of workers, official registration of accidents, preparation of emergencies action plans.</li> <li>- Monitoring of fulfillment of OHS requirements.</li> </ul>	<ul style="list-style-type: none"> <li>- Individual and detailed procedures for individual projects are not developed.</li> <li>- Requirements for protection of workers, training of workers, official registration of accidents;</li> <li>- Emergency action plans are prepared only in case of the occurrence of an emergency.</li> </ul>
E. Category of workers	<ul style="list-style-type: none"> <li>- Defines categories of workers.</li> </ul>	<ul style="list-style-type: none"> <li>- The legislation does not provide any classification</li> </ul>
F. Minimum age of workers	<ul style="list-style-type: none"> <li>- The minimum age for employment is 14 years.</li> </ul>	<ul style="list-style-type: none"> <li>- Persons over 14 years of age can be hired, but only with the permission of their guardians.</li> </ul>

	– Children aged 14-18 may be hired or engaged only under certain conditions.	– Children aged 14-18 may not be engaged into in work that involves difficult or dangerous working conditions.
Employee Code of Conduct	An Employee Code of Conduct is required.	Code of Ethics for State and Municipal Employees of the Kyrgyz Republic.
Initial training for workers	Safety trainings and instructions for contractors are provided.	Safety trainings and instructions for contractors are provided.
Worker rights at the community level	The labor relations management procedures establish conditions enabling community workers to file project-related grievances.	
Rights of primary suppliers' workers	The labor relations management procedures will establish roles and responsibilities as it pertains to monitoring of key suppliers.	

In the event of conflict, the provisions of ESS2 shall prevail.

## CHAPTER 7. RESPONSIBLE STAFF

The PMO helps MoE implement the KREDP. The PMO Director is responsible for the day-to-day coordination of the entire project.

The PMO Social and Environmental Compliance Specialists have the following responsibilities as related to KREDP implementation:

- Ensure implementation of this Labor Management Procedures;
- Make sure that construction contractors comply with these Labor Management Procedures, and ensures preparation of health and safety plans before site visits;
- Make sure that labor contracts are prepared in accordance with the provisions of this LMP and the Project Environmental and Social Management Framework, as detailed in the Project Operational Manual;
- Monitor contractors to make sure they fulfill their labor obligations and labor protection obligations in relation to contract and subcontract workers in accordance with the requirements of the legislation of the Kyrgyz Republic and relevant agreements between MoE and contractors;
- Monitor contractors and subcontractors to make sure they comply with the labor management procedures;
- Ensure compliance with labor protection and safety regulations at all workplaces in accordance with the legislation of the Kyrgyz Republic that regulates labor protection and safety;
- Monitors and conducts trainings on LMP and labor protection for Project workers;
- Ensure development and implementation of a grievance mechanism for Project workers; makes sure the workers are aware of this mechanism's goals and know how to use it;
- Maintain a system of regular monitoring and reporting on labor protection and safety;
- Monitor compliance with the Code of Conduct and Ethics of Employees.

PMO will make sure to include LMP and OHS requirements to standard contracts with contractors. As established by LMP and OHS requirements, contractors shall be obliged to:

**Contractors' responsibilities as related to LMP and occupational health and safety are as follows:**

- Ensure compliance with labor management procedures and occupational health and safety requirements as stipulated by the provisions of the Environmental and Social Management Framework that are included to the contracts signed with the MoE/PMO require that the Contractor shall follow the LMPs and develop and implement their occupational health and safety plans.
- Monitor subcontractor compliance with labor management procedures and occupational health and safety requirements.

- Maintain records of recruitment and employment of employees as stipulated in their contracts.
- Communicate job descriptions and terms of employment to all employees.
- Make sure that every Project worker hired by the contractor/subcontractor knows the MoE's designated phone number, email address and a web portal through which the workers can file their grievances.
- Conduct orientation and periodic labor protection briefings for workers, including briefings about workers' rights to safe working conditions as established by the legislation of the Kyrgyz Republic, about the risks associated with their work and measures to reduce risks to acceptable levels.
- Together with the PMO, Environmental and Social Compliance Specialists will provide training on labor management and labor protection procedures as required to manage subcontractors.
- Make sure that all contractor and subcontractor workers understand and sign the Code of Conduct (Appendix 1) before they begin their work, monitor compliance with the Code.
- To make sure contractors and subcontractors comply with Labor Management Procedures, an Occupational Health and Safety Coordinator must be appointed to perform tasks related to workplace health and safety requirements.

### **7.1. Internal regulations**

In pursuance of the Labor Code, recruitment and subsequent employment will be based on the principles of non-discrimination and equal opportunities. The Project will not tolerate any discrimination in any aspects of the employment relationship, including recruitment, compensation, working conditions, access to training, promotion, and termination of labor contracts. To ensure fair treatment of all employees, contractors will comply with, and PMO staff will control their compliance with the following measures.

- Recruitment procedures are transparent, publicly accessible, and non-discriminatory; they are the same for everyone, regardless of the applicant's ethnicity, religion, gender, sexual orientation, or physical limitations.
- Employment applications are only considered if they are submitted through formal procedure established by the contractors.
- Clear job descriptions are circulated prior to initiation of the recruitment process, describing the skills required for each position.
- Contracts are signed with all employees and include description of working conditions (the conditions will be additionally explained to employees).
- Employees are informed of their contract termination at least two weeks prior to the expected termination date.
- Employees are not required to pay any recruitment fees. If any recruitment fees are incurred, they will be reimbursed by the employer.

- Depending on the origin of the employer and employee, the conditions of employment are prepared in two languages: the state language and a language that is understandable to both parties.
- Employees who have difficulties with understanding written documentation receive oral explanation of the employment conditions.
- Foreign workers need work permits to work in the Kyrgyz Republic.
- All employees involved in construction works must be at least 18 years of age. This requirement will be specified in contracts between MoE and construction contractors.
- Regular number of work hours should not exceed 40 hours per week. Considering that the working week consists of five days, daily work hours will be determined by internal regulations approved by the employer in agreement with employees' representatives (based on the approved duration of working week).

## **7.2. Age of the labor resources**

As established by the legislation of the Kyrgyz Republic, persons under the age of 18 may not work in “hazardous or difficult conditions”. The legislation establishes special requirements regarding leave, working hours and other working conditions for such persons. Employer will not engage persons under 18 years of age in construction works. Workers under 18 years of age may work in industries that do not involve risks to human health; at the same time, they have reduced work hours as follows: employees who are 14-16 years of age – no more than 24 hours per week, employees who are 16-18 years of age – no more than 36 hours per week.

Contractors will be required to find out and verify the age of all their workers. In this connection, workers will be required to provide official documentation, such as birth certificate, national identity card, passport, medical documents, or documents from their educational establishment. If it is determined that the project engages a minor who has not reached the minimum working age, measures will be taken to immediately terminate the employment relationship with this minor in such a way as to protect his/her interests as effectively as possible.

## **7.3. Employment terms and conditions**

This section sets out the terms and conditions of employment applicable to PMO employees. These internal rules governing labor relations will be applicable to all PMO employees who will work under the Project (direct workers). The terms and conditions of employment of part-time direct workers will be determined in individual labor contracts.

The PMO uses two types of labor contracts: one-year agreements and short-term service contracts. Most employees are full-time workers working under one-year employment contracts with a fixed monthly salary. As required by the labor legislation of the Kyrgyz Republic, all recruitment procedures are documented and stored in designated folders. Based on a review of existing

contracts signed by PMO staff, all documentation will be maintained as required for PMO staff contracts. Monthly time sheets will be maintained. Employees work 40 hours per week, which is documented in writing. It should be noted that while PMO employees are not civil servants and work after hours, this work is not always documented and remunerated. In accordance with the terms of the labor contract, and as required by local legislation, project's direct workers must be paid for work outside of working hours.

The exact number of workers under the contract is still unknown. This figure will become clear when the implementation of the project begins.

The terms and conditions of employment of contractors' and subcontractors' workers should be documented in written labor contracts. These conditions will comply, at a minimum, with the Labor Management Procedures and the Labor Code of the Kyrgyz Republic. They will be specified in the model contracts used by the PMO and will be in line with the Project's LMP and ESMF.

## **CHAPTER 8. GRIEVANCE REDRESS MECHANISM**

### **8.1. Description of the grievance redress mechanism**

The Grievance Redress Mechanism is a procedure that provides a clear and transparent framework for handling grievances related to recruitment and employment. Usually, workers can submit their grievances through internal channels, which is followed by review, management response and feedback.

The PMO will provide clear grievance mechanisms for partners, workers, employees, and contractors, including consultants and experts who will be hired or engaged to implement the Project.

The PMO will inform workers about grievance submission channels such as phone numbers and email addresses. MoE and the PMO will authorize the Social Compliance Specialist to receive, register and sort grievances coming from workers and employees (contract workers and full-time employees). Grievances will be registered, and grievance review progress will be tracked in the Grievance Register.

Before the Project effectiveness, the Project will establish a step-by-step GM procedure for project participants in accordance with ESS2 and will describe the procedure in the Project Operations Manual (POM). This is a procedure that has several levels. A different grievance redress mechanism will be developed for project affected parties. The grievance redress mechanism proposed by the Project does not prevent employees from using court procedures.

Grievance procedures should be tailored to the Project's needs, culture, and staff composition. Grievance procedures may be included in collective agreements. A clause in a collective bargaining agreement at the contractor level establishing a mechanism for individual workers to file employment-related grievances (potentially through a union and/or assisted by a union) would be sufficient to meet ESS2.

All workers can access GM and submit a grievance through a variety channels: send a letter, by phone, by fax, through social networks, etc. PMO will maintain a Grievance Register.

### **8.2. GM structure for PMO staff**

To mitigate risks associated with staff, the Project will establish a GM. Figure 3 below describes the grievance submission and review procedure.

**Level 1 – PMO.** In accordance with the PMO’s Code of Conduct and Ethics, which is an integral part of employment contracts, the PMO Director and specialists are the **first level** to address grievances related to labor law violations. Depending on the nature of the concern, these persons will be responsible for timely receipt and review of grievances, including concerns related to violation of employment contracts. If a concern cannot be resolved at the first level within 7 working days, the concern will be escalated to the next level.

**Level 2 – MoE.** The second level to address grievances will be the Grievance Commission established under the MoE. If the PMO does not respond to the grievance, or if the response does not satisfy the applicant, then the applicant and the PMO’s specialist who provided the response shall have the right to apply directly to the Chairperson of the Grievance Commission. Grievances must be reviewed, and response provided within 14 working days. If the worker is not satisfied with the response, he/she shall have the right to seek a solution to their grievances through judicial mechanisms.

Any grievance must be reviewed and resolved in a timely manner.

### **8.3. GM structure for contract workers and workers of main suppliers**

**Level 1 – Contractor.** Contractors will develop their own GM and will address grievances of contract workers. Contractors will appoint GM Coordinators to register grievances and appeals of contract workers and to facilitate grievance reviews. If a concern cannot be resolved at the contractor level within 7 working days, the concern will be escalated to the PMO level.

**Level 2 – PMO.** The PMO’s Social Compliance Specialist will serve as GM Coordinator and will register the grievances and appeals from the Project workers. To resolve grievances, he/she will coordinate with various departments/organizations and individuals. The PMO level must resolve concerns within 14 working days. If the worker is not satisfied with the response, he/she shall have the right to seek a solution to their grievances through judicial mechanisms.

### **8.4. Especially sensitive grievances**

The World Bank requires all Bank-funded projects to comply with its Sexual Exploitation and Abuse/Harassment (SEA/SH) Prevention Standards, and requires that projects must take necessary measures to raise awareness about SEA/SH and prevent SEA/SH. In this connection, the Project will be informing all Project workers and contractors about the control and prevention of SEA/SH risks. The GM will be made easily accessible, and applicants’ confidentiality will be ensured, so as to make sure the applicants do not have any retaliation concerns. Grievances will be reviewed in a prompt manner and all responsible will be held accountable. SEA/SH issues require some additional measures:

- When hiring new staff, Social Compliance Specialists will consider gender issues.
- Social Compliance Specialists will be informed about SEA/SH issues.



In addition to the issues of socio-cultural diversity and non-violent communication, the orientation trainings for workers will also include the following SEA/SH issues:

- Violence against women, as defined in national and international documents;
- Types of violence (physical, sexual, economic, emotional);
- Types of punishment established by law;

The Project will develop such grievance mechanism that will protect confidentiality of personal information.

Awareness campaigns will be held to inform women about this mechanism. The campaigns will include the following information:

- Women's rights;
- Self-defense in cases of violence and sexual harassment;
- Hotline telephones;
- Contact information of institutions and organizations, where women can receive support;
- Grievance mechanism and privacy policy

All information materials will stress that grievance mechanism protects applicant's confidentiality.

The Project will use additional mitigation measures that will be proportional to respective risk. Contractors will be responsible for developing labor management procedures, health and safety plans, and SEA/SH protocols that will be applicable to their employees, as well as employees of subcontractors working on the Project. These procedures and plans will be submitted to the PMO for review and approval before contractors can commence construction works. In their contracts, all contractors will be obliged to declare that they do not tolerate child and forced labor and will introduce measures to mitigate SEA/SH, while the PMO staff who supervise contractors will monitor and confirm that contractors' working environment that is free of forced labor and SEA/SH. The specialist responsible for grievance review will ensure confidentiality of all personal data and grievances that he/she receives, unless the applicant gives his/her consent to the disclosure of his/her personal information. Special efforts will be given to protect confidentiality of sensitive appeals and grievances related to SEA/SH.

### **8.5. Grievance monitoring and reporting**

The PMO will be responsible for:

- Analysis of qualitative data on the number, content and review status of grievances, and proper reflection of this data in PMO reports;
- Monitoring of unresolved issues and proposing solutions;
- Preparing GM reports as part of Project Progress Reports for the World Bank. Annual reports for the World Bank should include a GM section that provides updates on the following:
- GM implementation status (procedures, trainings, public awareness campaigns, budgeting,

etc.);

- Qualitative data on the number of grievances received (applications, suggestions, complaints, requests, positive responses), specifying the number of resolved grievances;
- Quantitative data on the types of grievances and responses provided, and on problems and appeals that remain unresolved;
- Level of satisfaction with the measures taken (response);
- Any corrective action taken.

## **8.6. World Bank grievance system**

Project staff may file grievances through the existing grievance redress mechanisms at the project level or directly to the World Bank Grievance Redress Service (GRS). To resolve project-related concerns, the GRS reviews grievances within the shortest possible time. Project workers can file a grievance with an Inspection Panel of the World Bank, which determines whether any harm has been (or could be) caused as a result of the WB's failure to comply with its own policies and procedures. Grievances may be submitted to the Inspection Panel at any time after concerns have been brought directly to the World Bank and after the World Bank's management has been given an opportunity to respond. Information on how to file grievances with the World Bank Corporate Grievance Redress Service can be found at: <http://www.worldbank.org/en/projectsoperations/products-and-services/grievance-redressservice>. Information on how to file grievance with the World Bank Inspection Panel can be found at: [www.inspectionpanel.org](http://www.inspectionpanel.org).

Grievance should clearly identify the adverse impact(s) that are suspected or likely to be caused by the Bank-supported project. The grievance should be supported, if possible, by documentation and correspondence. The grievance can also indicate the desired outcome. Finally, the grievance should identify the applicant(s) or his/her designated representative(s) and provide contact information.

## **CHAPTER 9 CONTRACT MANAGEMENT**

Construction contracts and other contracts will include provisions that regulate employment and occupational health and safety, as established by the standard procurement documents of the World Bank and the legislation of the Kyrgyz Republic.

The PMO will manage and supervise contractors as it pertains to contractors' employees, focusing on contractors' compliance with their contractual agreements (commitments, representations, and warranties) and labor management procedures. This may include periodic audits, inspections and/or spot checks of Project's and work sites, as well as review of labor management records and reports maintained by contractors.

The PMO may review the following labor management records and reports: representative samples of labor contracts or agreements between third parties and employees; records related to grievances received and how the grievances were resolved; reports relating to safety audits, including accidents and incidents, and corrective actions; records relating to non-compliance with national laws and records of employees training on occupational health and safety risks and preventive measures.

## **CHAPTER 10. MONITORING AND REPORTING**

Monitoring and reporting on the Project labor management process are essential to enable the PMO/MoE to respond to identified issues and take necessary steps to ensure efficient labor management.

During the Project implementation period, the Social Compliance Specialist will provide the Project management with brief monthly labor management reports, which will include updates on LMP implementation. Monthly reports inform quarterly reports and annual reports that will be reviewed by the MoE management. Quarterly and annual reports will be published on the Project website.

During the Project implementation period semi-annual reports on ESS2 implementation will be prepared and submitted to the World Bank. These reports will include LMP section that will provide updates on direct workers, contract workers and GM.

## APPENDIXES

### APPENDIX 1. SAMPLE CODE OF CONDUCT

#### CONTRACTOR STAFF CODE OF CONDUCT

##### Contractor Staff Code of Conduct: template

We, [insert Contractor's name], acting as a Contractor, have signed a contract with [insert the name of the employer] for [insert a description of the Works]. These Works will be carried out at [inserts the Site and other places where the Works will be carried out]. Our contract requires us to take steps to address the environmental and social risks associated with the Works, including the risks of sexual exploitation and abuse, and gender-based violence.

**Note:**

**The minimum content of the template of the Code of Conduct, established by the Employer, may not be changed significantly.** Contractor, however, may add requirements as necessary, including to address issues/risks associated with the Contract.

This Code of Conduct is a part of our efforts to address the environmental and social risks associated with the Works. This applies to all our personnel, workers and other employees at the Site or other locations where the Works are carried out. This also applies to the personnel of each subcontractor and any other personnel assisting us in the execution of the Works. All such persons are referred to as "**Contractor Staff**" and are subject to this Code of Conduct.

This Code of Conduct defines the conduct we require of all Contractor Staff.

Our workplace is an environment where unsafe, abusive, or violent behavior is unacceptable and where all people should feel comfortable raising questions or concerns without fear of retaliation.

#### REQUIRED BEHAVIOR

The Contractor Staff must:

1. Perform their duties in competent and diligent manner;
2. Comply with this Code of Conduct and all applicable laws, regulations, and other requirements to protect the health, safety and welfare of other Contractor Staff and any other persons;
3. Maintain safe work environment through:
  - a. Ensuring safety of workplaces, machines, equipment, and processes;
  - b. Wearing necessary personal protective equipment;

- c. Undertaking appropriate measures in relation to chemical, physical and biological substances, and agents;
  - d. Following applicable emergency operating procedures;
4. Report about work situations that, in his/her opinion, are unsafe or insecure, and distance from work situations that, in his/her reasonable opinion, represent an imminent and serious danger to his/her life or health;
5. Treat others with respect and not discriminate against certain groups such as women, people with disabilities, migrant workers, or children;
6. Not engage in any form of sexual harassment, including unwelcome sexual advances, requests for sexual favors, and other unwanted verbal or physical acts of sexual nature, with other Contractor or Employer Staff;
7. Not engage in sexual exploitation, which means any actual abuse or attempted abuse of vulnerable position, differential power, or trust for sexual purposes, including, but not limited to, obtaining financial, social, or political benefit from the sexual exploitation of another person;
8. Not engage in sexual coercion, which means actual coercion or coercion of a sexual nature with the use of physical force, in unequal or coercive conditions;
9. Not engage in any form of sexual activity with anyone under 18 years of age unless they have contracted a marriage;
10. Attend relevant training courses to be provided on the environmental and social aspects of the Contract, including health and safety trainings, and sexual exploitation and sexual harassment trainings;
11. Report of violations of this Code of Conduct;
12. Not retaliate against anyone who reports violations of this Code of Conduct, whether to us or to the Employer, or anyone using the Grievance Redress Mechanism.

## **GRIEVANCE SUBMISSION**

If anyone notices any behavior that he/she believes may constitute a violation of this Code of Conduct, or otherwise concerns him/her, he/she must raise the concern immediately. This can be done in one of the following ways:

1. Contact [insert the name of the Contractor's Social Compliance Expert who has relevant experience in dealing with gender-based violence, or, if such person is not required by the Contract, another person appointed by the Contractor to deal with these matters] in writing at this address [] or by phone [] or in person at []; or
2. Call [] to contact the Contractor's hotline (if any) and leave a message.

The person's identity is not disclosed unless it is required by the national law that regulates reporting of suspicions. Grievances or allegations may also be filed anonymously and will be dealt with in due course. We take all reports of potential violations seriously, investigate them and take

appropriate action. We will provide warm referrals to service providers who can help support the victim of a suspected incident, if needed.

There will be no retaliation against any person who raises a concern in good faith for any conduct prohibited by this Code of Conduct. Any retaliation would be a violation of this Code of Conduct.

## CONSEQUENCES OF BREACHING THE CODE OF CONDUCT

Any violation of this Code of Conduct by the Contractor Staff may lead to serious consequences, which includes termination of the contract and possible recourse to the judicial authorities.

FOR CONTRACTOR STAFF:

I have received a copy of this Code of Conduct in a language I understand. I understand that if I have any questions about this Code of Conduct, I may contact [insert the name of the Contractor's contact person who has relevant experience in dealing with gender-based violence] for clarifications.

Contractor Staff Name: [insert the name]

Signature: \_\_\_\_\_

Date: (day/month/year): \_\_\_\_\_

Signature of the authorized representative of the Contractor:

Signature: \_\_\_\_\_

Date: (day/month/year): \_\_\_\_\_

**BOX 1: Behavior that constitutes sexual exploitation and abuse (SEA), and behavior that constitutes sexual harassment (SH)**



## **BEHAVIOR THAT CONSTITUTES SEXUAL EXPLOITATION AND ABUSE, AND BEHAVIOR THAT CONSTITUTES SEXUAL HARASSMENT**

The following is a list of prohibited behaviors. This list is not comprehensive.

(1) **Examples of sexual exploitation and abuse include** but are not limited to the following:

- Contractor's staff member tells a local community member that he/she can get a job at the work site (for example, cooking and cleaning) in exchange for sexual services.
- Contractor's staff member who connects households to the electric grid tells the head of a female-headed household that his can connect her house to the electric grid in exchange for sexual services.
- Contractor's staff member rapes a local community member or commits another violent sexual act against a local community member.
- Contractor's staff member denies a person access to the construction site unless that person provides him/her with sexual services.
- Contractor's staff member advises a job applicant that he/she will only be hired if he/she has sex with this staff member.

(2) **Examples of sexual harassment in work environment**

- Contractor's staff member makes positive or negative comments about appearance and sexual attractiveness of another staff member.
- Contractor's staff member reports about another staff member's remarks about his/her appearance, the staff member who made such remarks responds by stating that he/she is "provoking him to make such remarks" by the way he/she dresses.
- Unwanted touches to a contractor's/customer's staff member or by another contractor's/customer's staff member.
- Contractor's staff member tells another staff member that he/she will receive a raise or promotion only if he/she shares his/her nude photos.