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REPUBLIC OF LEBANON

KAFALAT SAL

BUILDING BEIRUT BUSINESSES BACK & BETTER (B5) FUND PROJECT

(Situations in Urgent Need of Assistance or Capacity Constraints)

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LABOUR MANAGEMENT PROCEDURES (LMP)

BEIRUT

June 2021

Version	Date	Description or Reason for Change
01	02/06/2021	Appraisal Version

Prepared by: Kafalat SAL

Abbreviations and Acronyms

B5	Building Beirut Businesses Back & Better Fund
COVID-19	Corona Virus Disease
EHS	Environment, Health and Safety
E&S	Environmental and Social
ESCP	Environmental and Social Commitment Plan
ESF	Environment and Social Framework
ESP	Environmental and Social Policy
ESS	Environmental and Social Standard
GBV	Gender Based Violence
GOL	Government of Lebanon
GM	Grievance Redress
ILO	International Labour Organization
LFF	Lebanon Financing Facility
LMP	Labour Management Procedures
MFIs	Microfinance Institutions
MSE	Medium and Small Enterprise
OHS	Occupational Health and Safety
PIA	Project Implementation Agency
POB	Port of Beirut
PMU	Project Management Unit
SEA/H	Sexual Exploitation and Abuse/Harassment
SEP	Stakeholder Engagement Plan
WB	World Bank

Table of Contents

Abbreviations and Acronyms	2
Table of Contents	3
1. Introduction.....	4
2. Overview of labor use on the Project.....	4
3. Assessment of key potential labor risks	5
4. Brief overview of labor legislation: Terms and conditions.....	6
5. Brief overview of labor legislation: Occupational Health and Safety.....	8
6. Responsibility Staff	9
7. Policies and Procedures.....	10
8. Age of Employment	12
9. Terms and Conditions.....	12
10. Grievance Mechanism	13
11. Contractor Management.....	14
12. Community Workers.....	14
13. Primary Supply Workers.....	14
Annex 1: Legal Documents relevant to E&S.....	15



1. Introduction

Building Beirut Business Back & Better (B5) Fund Project is funded by the Lebanon Financing Facility (LFF) and implemented by Kafalat SAL (PIA). B5 comprises three components:

- **Component 1** (US\$ 18.50 Million) will provide non-reimbursable grants to eligible Medium and Small Enterprises (MSEs) regardless of whether they are formal, or informal, and banked or unbanked through Microfinance Institutions (MFIs) up to US\$ 25,000.
- **Component 2** (US\$ 5.00 Million) will provide financing grants to MFIs to cover part of their operational expenses and help them restructure their loan portfolio.
- **Component 3** (US\$ 1.50 Million) will finance Kafalat project management and supervision costs over the project life that includes consultancy fees, operations, and administrative costs.

The Project is intended to start in July 2021 and be completed by June 2024.

As required by the World Bank (WB), Kafalat SAL (PIA) prepared an Environmental and Social Commitment Plan (ESCP) and a Stakeholder Engagement Plan (SEP) that were submitted in June 2021. The WB also required Kafalat SAL to prepare and implement Labour Management Procedures (LMP).

Through the LMP, Kafalat SAL ensures that its activities comply with the Environmental and Social Standards (ESS) of the WB's Environmental and Social Framework (ESF), in particular ESS2 (Labor and Working Conditions) and the requirements of the national law. Under ESS2, borrowers are required to develop a LMP. The purpose of the LMP is to facilitate planning and implementation of the project related to labor. The LMP identify the main labor requirements and risks associated with the project, and help the borrower determine the resources necessary to address project labor issues. The LMP will enable different project-related parties, for example, staff of Kafalat SAL, participating MFIs and eligible MSEs, to have a clear understanding of what is required on a specific labor issue. The LMP also addresses the way in which Kafalat SAL will require third parties to manage their workers.

LMP is a living document, which is initiated early in project preparation, and is reviewed and updated throughout development and implementation of the project.

2. Overview of labor use on the Project

Based on available information, this section describes the Project workers, their characteristics, the timing of labor requirements, the anticipated or known contracting structure for the project, with numbers and types of contractors/subcontractors and the likely number of project workers to be employed or engaged by each contractor/subcontractor in addition to the migrant workers.

Table 1: Overview of labor use on B5 Fund Project

Workers Type	Number of Workers	Local Residents	Imported/ Foreign Workers	Staff Under 18	Timing of Engagement	Type of Job or Skills
Direct Workers (PMU and seconded staff)	10	10	0	0	Q4 2021- Q4 2023	Technical & Financial Staff including E&S specialist
Contracted Workers (employees of MFIs and MSEs)*	1,100	1,100	0	0	Q4 2021- Q4 2024	Technical & Financial Staff and workers
Primary Supply Workers	Not identified**	Not identified**	Not identified**	Not identified**	Q4 2021- Q4 2024	Not identified**
Community Workers	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

*Number of employees in participating MFIs (500) + Number of training providers (50) + Number of rehabilitation workers hired by MSEs (550)

** To be updated when the beneficiaries will be identified

3. Assessment of key potential labor risks

The proposed project activities will support participating MFIs and eligible MSEs affected by the Port of Beirut (POB) explosion. The POB explosion had a severe impact on the productive sector, which is already suffering the ramifications of the multiple crises. Most of the privately-owned establishments across all sectors, within a 5 km radius of the explosion site, have been affected, at least 5,000 formal business facilities have been damaged and need urgent financial assistance across all sectors: tourism, commerce & industry, creative industries, utilities, health, and education. MFIs reported that over 5,200 micro borrowers located in the blast area have experienced material damage to their homes and/ or businesses, with some having lost their primary breadwinner¹.

Among other administrative works, the type of physical activities that the Project workers will carry out are small and/or medium rehabilitation works of damaged physical structures.

Given the nature of the Project intervention, the key labor risks which may be associated with the project include:

- Risks on Project workers related to labor and working conditions that are not compliant with either the Lebanese Labor Law or ESS2. For example, wages that are not proportionate with tasks performed or industry standards, discrimination towards women and workers with disabilities or other vulnerabilities, unlawful termination, withholding of benefit etc.,
- The conduction of hazardous work, such as working at heights or in confined spaces, use of hazardous

¹ Beirut Rapid Damage and Needs Assessment (RDNA) — August 2020 (worldbank.org)

materials or faulty electrical devices such as cable plugs, cords, hand tools,

- Lack of understanding and implementation of Occupational Health and Safety (OHS) requirements for the contracted workers including the special requirements in the context of COVID-19 outbreak,
- Inadequate Grievance Mechanism (GM) to handle complaints and concerns for all the Project Workers, and
- Potential Sexual Exploitation and Abuse/Harassment (SEA/SH) risks and Gender-Based Violence (GBV) among the Project workers.

4. Brief overview of labor legislation: Terms and conditions

The national labor legislation is governed by **the Labor Law No.23 dated September 1946** and its modifications that will apply to all the Project workers. A brief overview of the legislation is summarized below:

On employment of children:

- It is absolutely forbidden to set to work adolescents who have not yet completed their thirteenth year of age. An adolescent may only begin to work after a medical examination to ascertain that he can carry out the work for which he was hired.
- It is forbidden to set adolescent to work in industrial enterprises or in jobs too strenuous or detrimental to health before they have completed their fifteenth year of age. It is also forbidden to set work adolescents before they have completed their sixteenth year of age in jobs of a dangerous nature or which represent a threat to life, health or public morals of the circumstances in which they are carried out.
- Every adolescent employed in an establishment at least one year shall be entitled to an annual holiday of 21 days with full pay.

A child over 14 and under 18 may be employed provided the following conditions apply:

- The work does not jeopardize the health, safety, or morals of the children.
- An appropriate risk assessment is conducted prior to the work commencing.
- The employer conducts regular monitoring of health, working conditions, and hours of work and other requirements of the ESS2.

As per ESS2, the minimum age of employment or engagement in connection with the project shall be 14 therefore for these particular requirements of the ESF, ESS2 will apply because it is more stringent.

On employment of women:

- The employer may not discriminate between working men and women with regards to: type of work, amount of wage or salary, employment, promotion, professional qualification, and apparel.
- Pregnant women working in all categories are entitled to a delivery holiday of seven weeks, comprising the periods before and after delivery, on presentation of a medical certificate stating the presumed date of delivery. The wage or salary shall be paid in full during the delivery holiday.
- It is forbidden to dismiss or to serve notice of dismissal on an expectant woman and woman on maternity leave, unless she is convicted of having been employed elsewhere in the course of the maternity leave.

On hours of works and overtime

- The maximum duration of work per week is 48 hours (or equivalent to 8 hours per day based on 6 working days per week) except for agricultural corporations.
- In case of emergency, it is permissible to raise the duration of work to 12 hours per day on the condition that the wage or salary for the overtime provided by the wage-earner or salary-earner is 50% higher than the rate of normal hours.

On Wages and benefits

- The minimum pay must be sufficient to meet the essential needs of the wage-earner or salary-earner and his family. Pay is not to be less than the official minimum pay.

On leaves and rest per week

- Every wage-earner or salary-earner employed in an establishment for at least one year is entitled to an annual leave of 15 days with full pay.
- Every wage-earner or salary-earner is entitled to a sick leave in accordance with his period of service. The wage-earner or salary-earner may not be dismissed during sick leave.
- Whenever the duration of work exceeds six non-stop hours for men and five non-stop hours for women, the employer is required to allow these wage-earners and salary-earners in the middle of the day, a rest-time which is not to be under one hour. A rest-time of unbroken nine hours is to be allowed wage-earners and salary-earners every twenty-four hours, except in cases where the circumstances of work compel otherwise.
- All wage-earners and salary earners are to be granted a weekly rest which must not be under thirty-six unbroken hours. The employer is to select the day of this rest or distribute it among wage-earners and salary-earners in sympathy with the requirements of the work.

On termination of employment

- The employer and the worker shall each have a right to terminate at any time the work of unspecified duration concluded between them. The aggrieved party shall be entitled to claim indemnity.
- The dismissal notice may not be served on the expectant mother, the woman on delivery leave and any wage-earner or salary-earner on ordinary holiday or on sick leave.

On workers' organizations

- In every category of professions, employers on one hand, and wage-earners or salary-earners may set up a special trade union. This trade union is of juridical entity and is qualified to initiate legal proceedings.
- Any employer or wage-earner is free to adhere to a trade union or not.
- The trade union management can be set up as indicated in the national Law

On prevention of sexual harassment

- A standalone Law no. 205 criminalizing sexual harassment was passed in December 2020. This law targets all types of sexual harassment, in any setting, and especially in the workplace.
- Per the law, perpetrators can be sentenced to up to two years in prison and fined up to 20 times the value of the minimum wage, which stands at 675,000 Lebanese pounds, according to Lebanese rights group Legal Agenda.

- The punishment increases between six months and two years in prison and a fine of between 10 and 20 times the minimum wage if there is a “relationship of dependency” or work between the perpetrator and the victim; if the perpetrator uses their position of power over a colleague; or if the harassment occurs at a range of state institutions, universities, schools or on transport services.
- Maximum penalties are reserved for harassment in the workplace, public institutions or educational facilities.
- In addition, relevant measures as per the World Bank’s Good Practice Note on addressing sexual exploitation and abuse and sexual harassment (SEA/SH) will be referred to².

5. Brief overview of labor legislation: Occupational Health and Safety

Decree No. 11802 is pursuant to the International Labour Organization (ILO) Conventions has been signed by the Government of Lebanon. It sets out the key aspects regulating occupational prevention, safety and Health in all enterprises subject to the Code of Labour. The Decree comprises the following chapters:

- Chapter 1: Prevention and safety
- Chapter 2: Health
- Chapter 3: Safe use of chemicals at work
- Chapter 4: Prevention from the dangers of working with benzene
- Chapter 5: General provisions

The said decree sets that the employer should:

- Install safety provisions and measures to prevent any risks to the health and safety of the workers and limits the maximum time allowed to workers’ exposure to din, noise and vibrations and limit the period of exposure as per the limits set in the said Decree. The employer shall also resort to possible scientific means for eliminating or reducing noise.
- The employer shall provide the workers with the appropriate personal prevention and protection uniforms and gears, ensure their maintenance and preserve them in good conditions for later use, without the workers being liable to pay any costs.
- The employer shall take the general measures of health protection in the workplace, especially in relation to safety, lighting, ventilation, aeration, drinking water, lavatories, evacuation of dust and smoke, and hygiene measures to protect workers from pollution by pathological biological factors.
- Workers shall be given sufficient and appropriate information on the risks related to their work.

COVID-19 Specific OHS Measures

These provisions will apply for all categories of project workers:

- The health conditions of the workers will be assessed prior to engaging them in the Project, and sick workers will be refused entry to the work places.
- Adherence to the Government and WHO protocols guidelines related to COVID-19.

²World Bank Good Practice Note on Sexual Exploitation and Abuse and Sexual Harassment available at this [link](#)

- Trainings for workers on hygiene and other preventative measures will be carried out, and a communication strategy for regular updates on COVID-19.
- Adjustments will be made to work practices to reduce the number of workers and increase social distancing following the government and WHO guidelines procedure if a worker becomes sick.
- Adequate supplies of Personal Protective Equipment (such as masks); hand washing facility, soap and/or alcohol-based sanitizer, will be made available at the worksites.

While preparing the OHS plans involving labor, the following guidance materials will be used:

- WHO IPC interim guidance: For guidance on Infection Prevention and Control (IPC) strategies for use when COVID-19 is suspected. <https://www.who.int/publications/i/item/10665-331495>.
- WHO interim guidance on use of PPE for COVID-19: For rational use of PPE. [https://www.who.int/publications/i/item/rational-use-of-personal-protective-equipment-for-coronavirus-disease-\(covid-19\)-and-considerations-during-severe-shortages](https://www.who.int/publications/i/item/rational-use-of-personal-protective-equipment-for-coronavirus-disease-(covid-19)-and-considerations-during-severe-shortages).
- WHO guidance getting your workplace ready for COVID-19: <https://www.who.int/docs/default-source/coronaviruse/getting-workplace-ready-for-covid-19.pdf>.
- WHO interim guidance: For guidance on water, sanitation and health care waste relevant to viruses, including COVID-19. https://apps.who.int/iris/bitstream/handle/10665/331846/WHO-2019-nCoV-IPC_WASH-2020.3-eng.pdf.

Kafalat SAL will ensure the day-to-day compliance with National OHS legislations, WB OHS requirements³ and COVID-19 specific OHS measures (as per above) and report any incident or accident to the Bank within 48 hours after becoming aware of the occurrence of the incident or accident as detailed in the ESCP.

6. Responsibility Staff

This section identifies the functions and/or individuals within the project responsible for:

- Engagement and management of project workers,
- Engagement and management of contractors/subcontractors,
- OHS,
- Training of workers, and
- Addressing worker grievances.
- Kafalat SAL (PIA) will be responsible for the engagement of the Project Management Unit (PMU) staffing, Kafalat SAL's Consultants and participating MFIs.
- The Human Resources Manager at Kafalat (PIA) is responsible for all labor relations of the Kafalat PMU staff and Consultants.
- The Project Coordinator of the PMU will be responsible for the overall management of the PMU staff, their Consultant's staff and coordination with the participating MFIs.

³ <https://www.ifc.org/wps/wcm/connect/1d19c1ab-3ef8-42d4-bd6b-cb79648af3fe/2%2BOccupational%2BHealth%2Band%2BSafety.pdf?MOD=AJPERES&CVID=ls62x8l>

- Environmental and Social Specialist (ESS) of the PMU will oversee implementation of the OHS aspects of the Project including the relevant trainings and awareness sessions.
- Environmental and Social Specialist (ESS) will prepare, adopt, and implement a stand-alone Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) Prevention and Response Plan, to assess and manage the risks of sexual exploitation and abuse/sexual harassment
- The Environmental, Social, Health and Safety Specialist of the participating MFIs will be responsible for the OHS of the workers.
- Kafalat SAL (PIA) ESS will be responsible for addressing Project Workers' grievances.

7. Policies and Procedures

This section sets out information on OHS, reporting and monitoring and other general project policies. Where relevant, it identifies applicable national legislation.

Kafalat SAL's (PIA) Environmental and Social Policy (ESP) Statement is given in section 3 of the Environmental and Social Management System (ESMS) document prepared for the same Project. The intent of the ESP policy statement is to reinforce the commitment by Kafalat SAL to the ESP principles. The requirements of this policy apply to Kafalat SAL employees and all Project's workers.

Kafalat SAL's PMU has the overall responsibility to oversee all aspects of the implementation of the LMP.

Kafalat SAL's commitments include the following:

- Every employee and contractor working on behalf of Kafalat or working under a contract signed with Kafalat SAL is expected to share Kafalat SAL's commitment to pursue the goal of not harming people. The following elements will be integrated into the planning process of the parties involved in the execution of the Project:
 - i. Environmental protection, occupational and community health and safety, gender equality, child protection and considerations for vulnerable people (including those with disabilities);
 - ii. Provision against SEA/SH, GBV;
 - iii. Provision for COVID-19 awareness and prevention, and;
 - iv. Broad based, culturally appropriate stakeholder engagement on project activities (as detailed in the SEP), thereby earning the confidence of beneficiaries of Kafalat SAL's activities and society at large, being a good neighbor and contributing to sustainable development of Lebanon.
- **SEA/SH related procedures:** Some of the direct workers and contracted workers are anticipated to be women. Workers shall ensure adherence to Codes of conduct (CoC). The CoC commits all direct and contracted workers to acceptable standards of behavior. The CoC will include sanctions for non-compliance, including non-compliance with specific policies related to sexual exploitation and sexual harassment (e.g., termination). The CoC will be written in plain and culturally appropriate language and signed by each worker to indicate that they have:
 - Received a copy of the CoC as part of their contract;
 - CoC has been explained to them as part of the induction process;
 - Acknowledged that adherence to CoC is a mandatory condition of employment;

- Understood that violations of the CoC can result in serious consequences, up to and including dismissal, or referral to legal authorities.
- Kafalat SAL's policy is to comply with all health, safety, security and environmental laws, rules and regulations, not just because it is legally required, but also because Kafalat SAL believes it is the responsible way to conduct its business and to promote greater environmental and social awareness and responsibility, at a minimum:
 - i. Apply good international industry practice to protect and conserve the natural environment and to minimize unavoidable impacts;
 - ii. Provide and maintain a healthy and safe work environment and safe systems of work;
 - iii. Protect the health and safety of local communities and users, with particular concern for those who are disabled, elderly, or otherwise vulnerable;
 - iv. Ensure that the terms of employment and working conditions of all the Project workers meet the requirements of the labour legislation of Lebanon and the ILO conventions to which Lebanon is a signatory;
 - v. Be intolerant of, and enforce disciplinary measures for illegal activities.
 - vi. To be intolerant of, and enforce disciplinary measures for GBV, inhumane treatment, sexual activity with children, and sexual harassment;
 - vii. Incorporate a gender perspective and provide an enabling environment where women and men have equal opportunity to participate in, and benefit from, planning and development of the Works;
 - viii. Work co-operatively with participating MFIs and eligible MSEs, relevant authorities, and local communities;
 - ix. Engage with and listen to affected persons and organizations and be responsive to their concerns, with special regard for vulnerable, disabled, and elderly people;
 - x. Provide an environment that fosters the exchange of information, views, and ideas that are free of any fear of retaliation, and protects whistleblowers;
 - xi. Minimize the risk of pandemic notably COVID-19 transmission and to mitigate the effects of COVID-19 associated with the execution of the Works;
- Kafalat SAL has a systematic approach to health, safety, security and social and environmental management designed to ensure compliance with the law through the implementation and use of the ESMS;
- Kafalat SAL trains their employees and requires the participating MFIs and eligible MSEs to be aware of and meet their responsibility for the protection of health, safety and the environment, and to achieve continuous performance improvement;
- Kafalat SAL actively identifies and manages risks to prevent or reduce possible adverse consequences from its activities;
- Kafalat SAL assesses and manages exposure of employees and participating MFIs and eligible MSEs to EHS hazards in its operations;

- Kafalat SAL monitors participating MFIs and eligible MSEs' environmental performance and undertakes a precautionary approach to environmental challenges;
- Employees, supervisors, operational managers or participating MFIs and eligible MSEs who knowingly engage in or disregard environmental health or safety violations are subject to disciplinary action including suspension or termination;
- Kafalat SAL will continue to engage its leadership and resources to effectively and efficiently implement and execute the commitments above.

8. Age of Employment

The minimum age for employment on the project shall be 14 as set in ESS2 of the World Bank's ESF and as per the nature of works for the project which involves minor rehabilitation (light civil works). The Project workers will abide by the Lebanese Labour law concerning the employment of workers of an age between 14 and 18. (refer to section 4), as well as the ESS2 requirements.

9. Terms and Conditions

The employments of workers shall follow the terms and conditions set by the Lebanese Labour Law No. 23 dated September 1946 described in section 4 above and the following conditions. In case of discrepancy, the following conditions will prevail, being more stringent. Where the national legislation diverges from EES2, the Project shall abide by the requirement of ESS2 and by the terms and conditions provided below.

- All the Project workers should be informed on the hours of work per days and their wages before the start of their works. Provisions in any contract must be added that project workers should not be asked to work more than 48 hours per week, in line with Lebanese labour law.
- All the Project workers will be paid at the minimum wages under national law, including migrants and refugees.
- Any discrimination on the basis of personal characteristics unrelated to inherent job requirements, in particularly with regards to compensation, recruitment, working conditions and terms of employment, access to training, job assignment, promotion, termination of employment or retirement, and disciplinary practices is prohibited.
- Recruitment procedures will transparent, public and non-discriminatory with respect to ethnicity, religion, sexual orientation, disability, and gender.
- Any discrimination on the basis of gender is prohibited and adopted measures on harassment include:
 - The adoption of a zero-harassment policy for all the Project workers. The zero-harassment policy can be part of the workers Code of Conduct developed by the project. This policy should be communicated to all workers through various mediums and formats.
 - A requirement that the project will provide extra induction for female workers to ensure they are aware of the project's policies on harassment and intimidation.
 - A requirement for the establishment of a GRM and / or confidential advisor to be used specifically for allegations of sexual harassment.
- The Project will not restrict project workers who are not entitled to form unions under national law

to form other committees to represent their interests.

- All project contracts with contractors and subcontractors will contain the requirement that all workers must be of the age of 14 or more, and that they must be of the age of 18 or more for performing hazardous tasks.
- The Project will make sure a workers' GM is in place and it will include:
 - Procedure to receive grievances such as comment/complaint form, suggestion boxes, email, and telephone line,
 - Stipulated timeframes to respond to grievances,
 - A register to record and track the timely resolution of grievances, and
 - Responsible office/department to receive, record and track resolution of grievances.

All Project workers will be made aware of the grievance mechanism at the time that they are hired. All the above-mentioned requirements should be cascaded to participating MFIs and eligible MSEs.

The PIA E&S Specialist will check on the proper implementation of the terms and conditions.

10. Grievance Mechanism

Kafalat SAL has an existing GM in place to receive concerns and grievances from key stakeholders and the public affected by its activities. This existing GM will also be used to receive Grievance from Kafalat SAL Direct Workers (PMU and seconded staff), Contracted Workers (employees of participating MFIs and eligible MSEs) and Primary Supply Workers. A PIA representative will monitor the recording and resolution of grievances, and report these to PIA.

Kafalat SAL shall maintain, throughout the Project implementation, and publicize the availability of a GM, in form and substance satisfactory to the WB, to hear and determine fairly and in good faith all complaints raised by the Project's workers in relation to the Project, and take all measures necessary to implement the determinations made by such mechanism in a manner satisfactory to the Bank. The complainants should be given the possibility to remain anonymous if they do not wish to reveal their identity.

Below is the summary of the current GM at Kafalat SAL:

Enquiries or complaints can be raised through different channels:

1. By telephone on the following number Tel: 01-340 992
2. By email on clientsupport@kafalat.com.lb
3. By using an online form provided on the Website: <http://www.kafalat.com.lb> under "Submit a Complaint"

The aim is to resolve or respond to the enquiries within the same call where no follow up is required. Where follow up is required and for written enquiries, the endeavor is to reply within 5 business days from the 1st call. Where more time is required or for complex enquiries, the enquirer will be kept updated on the progress.

The GM will address all these complaints within a reasonable time, protect against retaliation and allow for escalation of complaints. If complaints are not resolved in time by the GM, this should be reported to Kafalat

SAL management board. During implementation of the Project, a summary of the grievances received will be included in the bi-annual report to the WB. The GM should be broadly communicated to all Kafalat SAL Direct workers, Contractors (Participating MFI and eligible MSEs) and Stakeholders.

Kafalat SAL will ensure that Project workers shall be informed of the GM at the time of recruitment. The mechanism will be based on the following principles:

- The GM should have a channel accessible to all the categories of workers.
- The process will be transparent and allow workers to express their concerns and file grievances.
- There will be no discrimination against those who express grievances and any grievances will be treated confidentially.
- Anonymous grievances will be treated equally as other grievances, whose origin is known.
- Management will treat grievances seriously and take timely and appropriate action in response.
- In the event when a complainant is not satisfied with the resolutions, he can escalate it to the PIA General Manager.
- The GM will have separate referral pathways in the event of SEA/SH related complaints following a survivor-centric approach and ensuring implementation of the principles of confidentiality and anonymity as necessary

11. Contractor Management

Kafalat SAL will make sure that contractual provisions related to the management of labor issues, including OHS are put in place for the participating MFIs and the eligible MSEs and that all Project workers are informed about Kafalat SAL GM.

Kafalat's E&S Specialist will manage and monitor the implementation of E&S mitigation measures and the performance of the participating MFIs and the eligible MSEs in this regard.

12. Community Workers

As community workers will not be involved in the project, this section is not relevant to the Project.

13. Primary Supply Workers

Kafalat SAL will not directly procure any primary supply contract. The eligible MSEs who may contract the supply of materials and equipment during the implementation of the Project will be responsible to include the same conditions on ESHS aspects to its subcontracting agreements. The participating MFIs shall add these conditions to their agreements with the MSEs.

Annex 1: Legal Documents relevant to E&S Safeguard

Relevant Environment

- Decree 5605 of 2019 – Domestic Waste Sorting at Source;
- Decree 5606 of 2019 - Determination of the Fundamentals of Hazardous Waste Management;
- Law 80 of 2018 – Integrated Solid Waste Management;
- Law 444 of 2002 – Environment Protection Law;
- Decision 52/1 of 1996 - National Standards for Environmental Quality and the Environmental Limit Values (ELVs) for air, water, and noise; and
- MOE Decision 8/1 of 2001 - Revised standards for air emissions, liquid effluents and wastewater treatment plants. The decision sets limit for discharge of wastewater into water bodies
- Law 64 of 1988 – Protection of the Environment against Pollution from Solid Waste and Hazardous Material.

Relevant to the Social

- Law 293 of 2014 - Law on the Protection of Women and Family Members from Domestic Violence;
- Law No 400 of 2002 pursuant to the ILO Convention No. 138 and addresses the child labor
- Law No. 335 of 2001 pursuant to International Labor Organization Convention No. 138 and addresses the minimum age of employment
- Law 207 of 2000 – Prohibition of all forms of discrimination between men and women in the workplace
- Labor Law of 1946 which covers the industrial accident prevention and compensation. It regulates the minimum wage, the minimum age of employment based on their ages and the workplaces, resting periods and vacations for adolescent workers. It also sets the working hours, and the penal code regulation of strikes and lock out in essential employments
- Decree 3791 of 2016 – Official minimum wage for employees and workers subject to the Labor Law;
- Decree 8987 of 2012 – Prohibition of the employment of adolescents and children under 18 years of age in jobs that pose a risk to their health, safety and behavior;
- Decree 8987 of 2012 that restricts the employment of minors under the age of 18 in activities and works that can be harmful to their health, morals and that can limit their education
- Decree 11802 of 2004 – Occupational Health and Safety
- Law 205 of January 2021 – Law criminalizing sexual harassment in the workplace

Relevant to Health and Safety

- Decree 11802 of 2008, Occupational prevention, safety, and health in all enterprises subject to the Code of Labor

- Law 207/2000 that stipulates that all establishments, subject to this Law, should ensure that health and safety standards and working environment comply with the standards recommended by the Ministry of Labor.