

**WORLD BANK FINANCED
LOG IN GEORGIA PROJECT
(P169698)**

DRAFT LABOR MANAGEMENT PROCEDURES

Tbilisi

May, 2025

Contents

1. OVERVIEW OF LABOR USE ON THE PROJECT	3
Number of Project Workers	4
Characteristics of Project Workers	4
2. ASSESSMENT OF KEY POTENTIAL LABOR RISKS	5
Key Labor Risks.....	5
3. BRIEF OVERVIEW OF LABOR LEGISLATION: TERMS AND CONDITIONS	7
Wages and deductions.....	8
Working hours.....	8
Overtime	9
Rest breaks.....	9
Annual Leaves	9
Maternity leave.....	9
Labor disputes.....	9
Minimum age of employment	10
4. BRIEF OVERVIEW OF LABOR LEGISLATION: OCCUPATIONAL HEALTH AND SAFETY (OHS).....	10
Responsibilities of the Employer.....	10
Reporting on accidents, fatalities, injuries.....	12
5. RESPONSIBLE STAFF	12
6. POLICIES AND PROCEDURES	13
Risk Assessment Procedure.....	14
7. AGE OF EMPLOYMENT	16
8. TERMS AND CONDITIONS	16
9. GRIEVANCE MECHANISM.....	17
Contracted Worker GRM structure:	17
10. CONTRACTOR MANAGEMENT	18
11. PRIMARY SUPPLY WORKERS	19

1. OVERVIEW OF LABOR USE ON THE PROJECT

The proposed Log In Georgia project, financed by the World Bank and implemented by the Government of Georgia, will support activities in rural areas across Georgia that: (1) extend access to affordable broadband internet services in targeted settlements; and (2) promote its use by individuals and enterprises. The Project has three components: Component 1. Increasing access to affordable broadband internet; Component 2. Promoting the use of broadband-enabled digital services; and Component 3. Project implementation support.

The Project will finance construction of the national backbone network to connect eligible settlements and open access Points of Presence (PoPs) at those settlements. It will focus on rural areas and activation of infrastructure in up to 800 settlements identified by the Georgian National Communications Commission (ComCom) as eligible (of a total of ~2,800 settlements across Georgia). Eligible rural settlements are those where no private service provider (SP) will invest in equivalent connectivity in the next three years, and that have a population of not less than 200 inhabitants. The capacity of the network and PoP will be provisioned to be sufficient—for the SPs to serve through commercial arrangements—the settlement's individuals, households, enterprises, and public institutions, e.g., schools, health centers, post offices, or public service facilities.

The Project will be implemented under the overall leadership of the Ministry of Economy and Sustainable Development (MOESD) with the support of other government agencies which will serve as project implementing entities for specific activities (components / sub-components).

Open Net N(N)LE is the project implementing entity responsible for the management of all civil works under the project including all detailed design, construction, and supervision activities. NNLE Open Net is a legal entity that performs its activities in accordance with Resolution 375, which was approved by the Georgian government on July 28, 2016, and will be the Project Implementing Unit of the Log In Georgia program. . Through bidding procedures, Open Net will select contractor(s) for design, construction, preparation and/or supervision of environment and social instruments, communications, and citizen and stakeholder engagement to enable Project implementation.

Other government agencies involved in project implementation include the Georgian National Communications Commission ComCom. MOESD and ON will jointly implement activities pertaining to legislative and policy reforms (subcomponents 1.2 (a), 1.2 (c) and 2.1), while ComCom and ON will jointly implement regulatory reform related activities as well as promotion of use-cases and digital inclusion (subcomponents 1.2 (b), 2.2 and 2.3)

MOESD staff who will be involved in the project have the status of civil servants. As such, these Ministry staff will not be bound by the provisions of this LMP, but only by Georgian national law. The Georgian Labor Code, described in more detailed below, provides for prohibition of forced and child labor among other aspects materially consistent with the World Bank's environmental and social standard on Labor and Working Conditions.

Open Net and ComCom are independent state agencies. Labor and working conditions for their staff involved in the Log In Georgia Project will be guided by national legislation, the internal HR regulations of these agencies, as well as the provisions of this LMP. The latter applies to all staff regardless of their contract modality.

Number of Project Workers

The exact number of project workers to be engaged in relation to the Project is currently unknown. Based on experience gained from the similar projects undertaken in Georgia and worldwide, approximately 200-250 are expected to be engaged in the project (around 150 would be construction workers; around 50 Consultant or NGO staff will be engaged in surveys and community mobilization activities, demand assessment, and training; and 50 - including contracted and direct staff from Open Net – will be engaged in overall project management, monitoring, reporting, and supervision). The project will use direct workers (employees of Open Net,), and contracted workers. Community workers will not be involved in the project.

The vast majority of construction workers are from Georgia and, in case of unskilled workers from the regions and communities in which civil works will be undertaken. Foreign workers are also contracted for consultancy and supervision works, while direct staff will be provided by Open Net. Key tasks involved in the construction of the ON network include technical design and route planning, arrangement of fiber optic cables, arrangement of ICT equipment, construction works and in-building refurbishment. Additionally, the project will also includes technical assistance activities provided by individual experts and firms, as appropriate. Component 2 activities regarding digital literacy, community mobilization and prioritization, delivery of trainings, etc. will be provided by NGOs or Consultancy firms contracted by Open Net under the supervision of Open Net, and where appropriate, of ComCom staff.

Characteristics of Project Workers:

About 60-75 percent of workers are unskilled laborers, with semiskilled and skilled positions such as managers, engineers, forepersons, drivers, equipment operators, and line installation workers. Contractors on construction of other similar projects in Georgia have normally been foreign firms using Georgian subcontractors. Majority of unskilled labor comes and is likely to come from local communities, while other workers, as well as managerial and technical staff are expected to come from other parts of Georgia or, in case of a foreign company performing such works, from the contractor's home country. Similarly, most workers involved in substation construction will be unskilled, at least at the early stages. Once the land is cleared and foundations are installed, labor that is more skilled will install the project equipment. All workers will be over 18 and are expected to be 30-60 years. It is expected that Project will engage the following categories of project workers as defined by ESS2:

Direct workers:

Direct workers will involve staff employed directly by the project implementing agencies – Open Net, ComCom – who are directly involved in the project implementation activities. The estimated number of direct workers from Open Net would include approximately 20-25 staff: project manager, financial management specialist, technical and engineering staff from quality control, planning and assessment departments, as well as procurement, human resource, legal, environmental and social specialist. The Open Net team includes permanent staff as well as consultants recruited specifically for the Log In Georgia project (e.g., designated environmental, social, and community liaison

specialists). Project-based consultants are hired under individual contracts, on full-time basis, with specific definition of the assigned tasks and responsibilities.

Contracted workers

Contracted workers – people employed through third parties such as consultant teams and civil works contractors – will be involved in the preparation of project designs, construction supervision, and for implementing construction works. Sub-contractors may be engaged by the civil works contractor. Each of these teams is likely to involve 10-20 core staff members, and up to 100 unskilled workers. Contracted workers may also include the employees of consultants or NGOs providing services such as community mobilization, establishment and operation of citizen engagement platforms, needs assessment and beneficiary surveys, among others. The employees of such consultants may range between 20 – 50 employees including survey staff. Overall, the Project may engage between 150-200 contracted workers.

Migrant workers:

It is expected, that the project's contracted work force will require a combination of local workers from nearby villages and workers from other parts of Georgia and possibly from another country. The previous experience with the similar projects shows that the contractor and subcontractors will probably hire employees from different regions of Georgia; these "internal migrants" are to be workers who already have experience of similar projects. Foreign "migrant" workers are likely to be management and technical staff. The number of migrant workers would depend on decisions made by contractors. Based on similar estimations, the distribution would be approximately 10 percent international, 40 percent from other parts of Georgia, and 50 percent from the local area.

Timing of Labor Requirements: The timing and sequence of labor requirements in terms of numbers, locations, types of jobs and skills required will be prepared during the project implementation phase after receiving design documentation. It is expected that the construction phase of the project will last approximately 48-60 months.

2. ASSESSMENT OF KEY POTENTIAL LABOR RISKS

Key Labor Risks

Labor risks under the project are primarily related to civil work associated with the construction of the broadband infrastructure under Component 1 of the project. These works entail excavations, construction of transmitting poles, and laying of fiber-optic cable. Given the remote and high mountain locations where many of the civil works will be held, some works related to clearance of vegetation and right of way are to be performed. Other project activities also involve office work and field travel, for example in relation to site supervision, stakeholder engagement activities, and surveys. Use case pilots for digital inclusion under Component 2 would also entail travel to project

locations and a combination of research and advisory works and provision of skills training to local communities. General list of risks can be found in the table below, while a more detailed version will follow the table.

Project component	Key types of labor risks by sub-component.	Proposed measures
<p>Component 1: <u>Increasing access to broadband</u>: This Component will help expand access to broadband internet in rural settlements across Georgia and improve the enabling environment for digital development.</p> <ul style="list-style-type: none"> • 	<p>Subcomponent 1.1 Network Deployment</p> <ul style="list-style-type: none"> • Discrimination and harassment in the workplace • General understanding and implementation of occupational health and safety requirements • Dealing with various OHS hazards <p>Subcomponent 1.2 Technical assistance</p> <ul style="list-style-type: none"> • Possible accidents or emergencies • Discrimination and harassment in the workplace 	<ul style="list-style-type: none"> • Implement OHS measures described in the ESMF/ESMP • Training sessions • Implement the code of conduct
<p>Component 2: <u>Promoting the use of broadband-enabled digital services</u>: This Component will support the development of Georgia’s digital economy through a strengthened enabling environment, promoting digital use-cases of broadband, and addressing barriers to the participation of individuals in the digital economy</p>	<ul style="list-style-type: none"> • Possible accidents or emergencies, with reference to the sector or locality • General understanding and implementation of occupational health and safety requirements • Discrimination and harassment in the workplace 	<ul style="list-style-type: none"> • Implement OHS measures described in the ESMF/ESMP • Training sessions. • Implement the code of conduct

Risks involve general occupational health and safety hazards such as: use of heavy equipment, trip and fall hazards, exposure to noise and dust, falling objects, exposure to hazardous materials and exposure to electrical hazards from the use of tools and machinery, traffic accidents. While the construction activities involve hazardous work, persons under the age of 18 will not be employed

under the Project. Many workers are exposed to occupational health and safety hazards, primarily including but not limited to:

- Working at height in case when air installation may be needed
- Electrocutions and Electrical works
- Exposure to gases and possible fire if using any devices that produce spark or flame near the manholes.
- Falling into the manholes
- Travel and working on steep and treacherous terrain.
- Traffic accidents.
- Lifting of heavy structures
- Accidents with exposed rebars
- Exposure to construction airborne agents (dust, etc.)
- Ergonomic hazards during construction
- Environmental hazards (snakes, wasps, bees, etc.)
- Welding hazards (fumes, burns and radiation)
- Excavations, earth works hazards vibration
- Vibration of heavy construction equipment
- Use of rotating and moving equipment;
- Lack of workers' awareness on occupational health and safety requirements such as the use of personal protective equipment (PPE) and safe workplace practices;
- Long overtime hours may be a potential labor risk, and lack of adequate rest period during the week.
- If a project engages workers between the ages of 16 and 18, potential risk can be lack of adequate risk assessment of working conditions for young workers and provision and monitoring of protection measures for this category of workers.
- Gender-based violence (SEA/SH) risk

No other significant labor risks are expected under the project. The Project is assessed as Low on sexual exploitation and violence and sexual harassment (SEA/SH) risk. However, if other labor risks arise during project implementation, Open Net will develop procedures to prevent further impacts.

3. BRIEF OVERVIEW OF LABOR LEGISLATION: TERMS AND CONDITIONS

Below is the overview of the key aspects of national Labor Code (2010, 2013, 2018) with regards to terms and conditions of work which address requirements of the World Bank's Environmental and Social Standard 2 on Labor and Working Conditions (para 11). Where gaps between national

legislation and ESS2 have been identified, the procedures, terms and conditions described in this LMP will be followed.

Wages and deductions

As part of the pre-contractual relationship, the employer is required to provide the candidate employee with the information about the work to be performed, the type of employment contract (written or oral) and terms (fixed or open-ended, the working conditions, legal rights of the employee as part of the employment relationship and remuneration (Labor Code of Georgia 2013 ("LC") - Article 5) The Labor Code does not regulate part-time work. Even the presidential decree sets out 20 GEL as a minimum monthly wage (President Order No 351, dated 4 June 1999). However, ESS2 requirements apply to part-time workers, as well, including the requirement for the provision of information and contracts. Employment contracts can be performed in writing or orally, however contracts exceeding 3 months must be concluded in writing form. The core terms of the employment contract are: the date on which the employment commences and duration of the contract, working time and rest time, place of employment, position and job description, remuneration and terms of payment; overtime and relevant remuneration /rates, paid and not paid holidays (LC article 6).

A labor agreement will determine the form and amount of remuneration. Remuneration will be paid at least once a month. The employer will pay to the employee 0.07% of the delayed sum for each day of delay in any compensation or payment (article 31 of Labor Code). The minimum wage limit is not regulated by the Georgian legislation. The employer may deduct from the employee's remuneration overpayments or any other sum payable by the employee under labor relations. The total amount of a lump-sum deduction from remuneration will not exceed 50% of remuneration (article 33 of Labor Code). The employer will pay full compensation to the employee for work-related damage that caused any deterioration to the employee's health and will cover the subsequent, necessary treatment costs (article 32 of Labor Code).

Working hours

According to the Labor Code of Georgia, duration of work will not exceed 40 hours per weeks (8 hours per day). In case of specific types of employment (defined by the government of Georgia) duration of work will not exceed 48 hours per week. This does not include time for meal breaks. The duration of the working time of a minor between the ages of 16 and 18 shall not exceed 36 hours a week. There is no strict limitation for shift workers, apart from the fact that the duration shall be determined by a shift schedule made up by an employer and which is based on work specificities. The requirement for 12-hour minimum rest between shifts (as per LC, Art 14 above) apply. The employer should notify the employee about the shift schedule at least 10 days in advance, unless that is impossible during an emergency (LC article 15).

Working at night (night is considered to be between 22:00 and 6:00) is prohibited for minors, pregnant women, women who recently gave birth, nursing mothers as well as official caregivers of children under the age of 3, as well as persons with disabilities (LC article 18).

Overtime

Overtime work will be considered the work, duration of which exceeds 40 hours a week for workers over 18, 48 hours in sectors regulated by the secondary regulation, as well as 36 and 24 - respectively for minors (article 17, section 3). Overtime work shall be paid in an increased amount of the hourly rate of pay or by providing additional leave days. Conditions for overtime work will be determined by agreement of the parties. Overtime is obligatory without payment only when it is required for prevention of natural disasters and/or elimination of underlying consequences; with adequate remuneration when it is required for prevention of industrial accidents and/or elimination of their consequences. It is prohibited to request overtime for the following categories of employees without their consent: pregnant women, women who recently gave birth, persons with disabilities.

Rest breaks

The employees will have a meal break each workday. The duration of rest between working days shall not be less than 12 hours (article 14, section 2).

Annual Leaves

An employee will have the right to enjoy paid leave for at least 24 working and unpaid leave for at least 15 calendar days per annum (article 21, sections 1,2 of Labor code). Leave does not include a period of temporary disability, and maternity leave (article 22, section 4). There are around 13 public holidays determined by Labor Code and if work falls under these days, they must be deemed as overtime work for employees (LC Article 20). Additional paid leave of 10 calendar days are provided for employees working under the harsh, harmful, or hazardous¹ labor conditions (LC article 26).

Maternity leave

An employee, at his/her own request, will be given maternity leave in the amount of 730 calendar days. Out of the maternity leave, an employee shall be paid for 183 calendar days (article 27 of Labor Code).

Labor disputes

The Labor code of Georgia includes provisions that allow workers to resolve disputes in cases where there is a disagreement between the employer and the employee over the essential terms and conditions of a labor agreement or other aspects of work. Such disagreement will be resolved in compliance with the conciliation procedures. These procedures imply direct negotiations between the employee and the employer. A party shall notify the other party in writing about initiating the conciliation procedures. The notification must specify the grounds for the arisen dispute and claims of the party. The other party shall be obliged to review the written notification and inform the party of its decision in writing within 10 calendar days after receiving the notification. Representatives or parties shall make a decision in writing that shall become a part of the existing labor agreement. If the parties fail to reach an agreement over the dispute within 14 calendar days after receiving the

written notification about initiating conciliation a party may refer the dispute to the court. If a party avoided participating in the conciliation procedures within 14 calendar days after receiving the written notification, the burden of proof for determining the facts of the dispute shall lie on that party (article 48 of Labor Code).

Minimum age of employment

The minimum employment age is 16 years. Children under the age of 16 can enter into an employment agreement with the consent of their legal representative or custodian, given it does not harm them in any way and does not hold minors from acquisition of education. (LC Article 4). However, the law does not require employers to carry out additional risk assessment of working conditions for persons from 16 to 18 years and to implement additional protection measures. Persons below the age of 18 are prohibited to be engaged in hazardous, harsh and harmful work and night work. Minors are prohibited from being employed in work relating to gambling, nightclubs, erotic or pornographic products, pharmaceutical and toxic substances.

The Georgian Labor Code (2010, 2013, 2018) applies to direct workers and contracted workers, including foreign workers who are employed on full-time basis. Terms and conditions of direct workers hired on part-time basis are determined in their individual employment contracts.

Forced labor

No forced labor will be used during the works, which is prohibited under the Labor Code (LC Article 2) In addition, Georgia ratified the ILO Forced Labor Convention² and the convention is currently in force.

4. BRIEF OVERVIEW OF LABOR LEGISLATION: OCCUPATIONAL HEALTH AND SAFETY (OHS)

The Law of Georgia on Labor Safety (2018) provides for provisions on occupational health and safety, and applies to direct and contracted workers, including foreign workers. The overview below provides key aspects of legislation, which relates to the items set out in ESS2, paragraphs 24 to 30.

Responsibilities of the Employer

- Employ or appoint qualified social, labor and occupational safety experts to prepare and implement project specific labor management procedure and to manage subcontractor performance
- Develop labor management procedure and occupational health and safety requirements, which will apply to contracted and sub-contracted workers. Supervision Consultants, where such will be recruited, will review and approve contractor's labor management and OHS plans.

² Georgia has ratified 18 ILO Conventions:

https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11200:0::NO::P11200_COUNTRY_ID:102639

- Contractors will supervise their subcontractors' implementation of labor management procedures and occupational health and safety requirements.
- Maintain records of recruitment and employment process of contracted workers
- Communicate clearly job description and employment conditions to contracted workers
- Develop, and implement workers' grievance mechanism and address the grievance received from the contracted and sub-contracted workers
- Have a system for regular review and reporting on labor, and occupational safety and health performance
- Deliver regular induction (including social induction) and HSE training to employees.
- Ensure that all contractor and sub-contractor workers understand and sign the Code of Conduct prior to the commencement of works.

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

1. All potential hazards to project workers' health and life will be identified at the design stage of the project. Any party who employs workers will develop and implement procedures to establish and maintain a safe working environment, including that workplaces, machinery, equipment and processes under their control are safe and without risk to health. This will include use of appropriate measures related to chemical, physical and biological substances and agents.
2. Whenever avoidance of health and safety hazards is not possible, appropriate protective measures will be provided. These measures include controlling the hazard at source using protective solutions and providing adequate personal protective equipment (PPE) at no cost to the project worker.
3. Any party who employs workers will assign health and safety officer(s) at construction sites. The employer is obliged to assign at least two health and safety officers when the number of workers amounts to 100.
4. Project workers will receive OHS training at the beginning of their employment and on a regular basis thereafter. Training will cover the relevant aspects of OHS associated with daily work, including the ability to stop work without imminent danger and respond to emergency situations. Training records will be kept on file. These records will include a description of the training, the number of hours of training provided, training attendance records, and results of evaluations. Trainings on occupational health and safety are delivered at employer's expense, and the time spend in training counts as working hours.

Reporting on accidents, fatalities, injuries

The employer will develop and implement reporting system for any accidents, diseases and incidents. Every accident will be reported to the employer immediately and in no longer than 48 hours. All incidents and accidents will be investigated and relevant measures will be designed to avoid the accident in the future. Also remedies for adverse impacts such as occupational injuries, disabilities and diseases will be provided.

The Law on Labor Safety defines basic requirements and general principles of occupational safety for jobs that are dangerous, hard, harmful, and/or hazardous (article 2). The list of such jobs is provided in the ordinance of Government of Georgia. According to the mentioned list, the construction works and electrical works are generally considered inherently dangerous, so this law shall apply to contractors and supervision consultants, and to all direct Project workers who visit project locations during construction and/or operation.

The law imposes a general obligation on employers to provide employees with a safe and healthy working environment and to inform workers of the potential risks their jobs may present to their health and safety. Measures that must be taken include, but are not limited to, training and information campaigns as well as adoption of relevant preventive measures. The law includes requirements for organizing and managing health and safety programs, providing emergency care and services, and responding to accidents. Other requirements include controlling access to hazardous workplaces, providing personal protective equipment at no charge to workers, and medical examinations (article 5).

Georgian legislation does not provide that project workers will be provided with facilities appropriate to the circumstances of their work, including access to canteens, hygiene facilities, and appropriate areas for rest.

Also, the Law on Labor Safety includes provisions that allow employee to take part in consultation process regarding health and safety issues, provide recommendations and raise concerns related to risks and hazards (article 9). However, there is no specific requirement related to grievance mechanism, which may allow workers to communicate their complaints to the employer. This can be considered as a gap between Georgian legislation and ESS2. The grievance mechanism is further discussed in this document (see section 9).

5. RESPONSIBLE STAFF

For direct workers, the Human Resource Manager of Open Net, will be responsible for implementing the requirements laid out in these Labor Management Procedures for their respective direct employees.

For contracted workers, Open Net Project Manager and construction supervision consultant will ensure adherence to this LMP via bidding documents, contractor's management plans, training and awareness raising activities, monitoring and reporting process throughout project implementation.

Specifically, Open Net will be responsible for the following:

- Implementing this labor management procedure to direct workers via its HR department;
- Ensure that contractor(s) responsible for the construction of the Affordable broadband infrastructure prepare their labor management procedure, in compliance with this labor management procedure, and occupational health and safety plan before the design stage;
- Monitor and enforce that the Contractor(s) are meeting obligations towards contracted and sub-contracted workers as included in the General Conditions of Contract the World Bank Standard Bidding Documents, and in line with ESS2 and national labor code;
- Monitor implementation of contractors' labor management procedures;
- Monitor that occupational health and safety standards are met at work places in line with national occupational health and safety legislation and Occupational Health and Safety Plan
- Promote and increase security awareness and training among project workers;
- Ensure that the grievance mechanism for project workers is established and monitor its implementation;
- Monitor implementation of the workers Code of Conduct.
- Manage responses to the security incidents

The Supervision Consultant will oversee labor and safety performance on a daily basis, on the behalf of the Employer (Open Net). The ESMP requires the Supervision Consultant to employ qualified experts for such oversight and to report on performance to Open Net on a monthly basis.

6. POLICIES AND PROCEDURES

This section outlines main policies and procedures to be followed during project implementation. This section will be updated and amended as needed, after construction contracts have been awarded. The direct project workers will sign the project-specific Code of Conduct.

With regard to contracted workers, the Contractors (civil works contractors, sub-contractors, as well as consultant teams and all other Employers of contracted workers in the Project) will prepare labor management plans based on this labor management procedure, and compliant with ESS2 and national labor code. The principles and procedures presented below represent minimum requirements, but are not an exhaustive list of requirements. As specified in Labor Code of Georgia, the employment of project workers will be based on the principles of non-discrimination and equal opportunity. There will be no discrimination with respect to any aspects of the employment relationship, such as recruitment, compensation, working conditions and terms of employment, access to training, promotion or termination of employment. The following measures will be developed by the contractors and monitored by Open Net and supervision consultant to ensure fair treatment of all employees: as per Labor Code requirements, recruitment procedures will be transparent, public and non-discriminatory with respect to ethnicity, religion, sexual orientation, disability, gender, and other grounds included in the Labor Code.

Applications for employment will be considered in accordance with the application procedures established by the contractors. Clear written job descriptions will be provided in advance of recruitment and will explain the skills required for each post.

All workers will have written contracts describing terms and conditions of work and will have the contents explained to them. Workers will sign the employment contract. Terms and conditions of employment will also be available at work sites.

Unskilled labor will be preferentially recruited from the affected communities, settlements and municipalities.

Employees will be informed of planned contract termination at least one month before their expected release date. If more than 50 workers will be terminated within any three-month period, the Employer will prepare a retrenchment plan for review and approval by the Supervision Consultant.

The contracted workers will not pay any hiring fees. If any hiring fees are to be incurred, these will be paid by the Employer ('Contractor'). Depending on origin of the employer and employee, the contracts will be developed in corresponding language understandable for both parties.

In addition to written documentation, an oral explanation of conditions and terms of employment will be provided to workers who may have difficulties with understanding the documentation. While problems related to communication language are not expected, attention should be given to ensuring coordination between different contractors and means to address any language differences. Foreign workers will require residence permit, which will allow them to work in Georgia.

Open Net will include in contracts that all contractor (and subcontractor) personnel must be of the age of 18 years or more.

All health and safety procedures in accordance the Georgian Labor Safety Law and the present Labor Management Procedures and the project's Environmental and Social Management Framework (and site-specific Environmental and Social Management Plans) will apply to the Project., This applies to both direct and contracted workers including the management the field teams of engineers, technicians and other personnel.

The construction contractors' workforce will encounter the main health and safety risks. Companies that submit proposals for the work will have to demonstrate capability to manage health and safety risk and provide corresponding documentation. After the contract awarded, the contractors are required to develop the contractor's labor management procedures and occupational health and safety plan in accordance with the project ESMP and present LMP. The contractors will ensure that sub-contractors implement occupational health and safety requirements.

Open Net will include project ESMP and LMP requirements into the bidding documents specific OHS standard requirements that all contractors and sub-contractors will meet under this project. The standards will be consistent with local regulations, WB guidelines and GIIP (Good International and Industry Practices). The following OHS standard requirements should, as a minimum be included in the OHS requirements to be prepared by the contractors:

[Risk Assessment Procedure](#)

The risk assessment procedure will include among others consideration of:

- Work permitting for hazardous work (working at heights, hot work, work on energized lines, work within confined spaces);
- Golden rules for life threatening works;
- Emergency response procedure;
- Fall prevention and working at heights;
- Excavations safety, Ladders and scaffolders safety; welding and cutting safety; Cranes, Derricks, and forklifts safety; power and hand tools safety;
- Respiratory prevention to chemical and airborne hazards (including dust, silica and asbestos); Electrical safety (hazardous energies control, lock out tag out, energy verification, safe distance work, wiring and design protection, grounding, circuit protection, arc fault protection, Electrical safety, PPE and dielectric tools); hazards communication; Noise and vibration safety; Steel erection safety; fire safety; material handling safety; concrete and masonry safety;
- OHS training;
- Refuse to work policy.

All Contractors must have their own OHS staff who will be responsible for the implementation and supervision of the OHS program. Contractors will provide a safe workplace, therefore a risk assessment will be completed before the commencement of any construction activities, and safety measures will be implemented in accordance with applicable safety standards. There must be on site resources for first aid and for injuries that are more serious, there must be a pre-approved health facility for medical treatment, as well as appropriate transportation of injured workers. Contractors will control the access to the construction site only to authorized people and verify if workers are meeting training and accreditation requirements. Workers must be trained to perform hazardous works such as working at heights, confined spaces, welding etc.). All workers must complete at minimum an OHS induction to have access to the construction site. Contractors will document and report to Open Net all accidents and illness with a day lost or more, fatalities or serious injuries that may happen at work site.

If accommodation is provided for workers, the Employer will ensure that they are provided in good hygiene standards, with fresh drinking water, clean beds, restrooms and showers, clean bedrooms, good illumination, lockers, proper ventilation, safe electrical installation, fire and lightening protection, separate cooking and eating areas. There will be separate facilities provided for men and women.

Supervision Consultant (on behalf of Open Net) will conduct periodic supervision of contractor's OHS performance, including site visits, at least monthly. These supervisions will cover compliance with above-mentioned standards, accidents, recommendations, and progress of ongoing corrective actions. Open Net will include in the contract(s) as requirement for contractors to report on issues such as number of accidents rates, severity rates, number of recurring non-compliances, fatalities and serious injuries; and penalties for non-completion.

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

Open Net will inform the Bank promptly and in no longer than 48 hours about any incident or accident related to the project, which has, or is likely to have a significant adverse effect on the environment, the affected communities, the public or workers (labor, health and safety, or security incident, accident or circumstance). Such events can include strikes or other labor protests, serious worker injuries or fatalities, project-caused injuries to community members or property damage. Open Net will prepare a report on the event and submit to the Bank.

The construction contractor will develop and implement Code of Conduct. The construction contractor should also submit the Code of Conduct to supervision consultant for review and approval. The Code of Conduct will reflect the company's core values and overall working culture. The content of the Code of Conduct is included in the World Bank Standard Bidding Documents and will include provisions relating to Open Net.

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

In addition, the contractor shall report to Open Net about any inspections and audits carried out by the respective ministries. The findings of the labor audits will be presented to Open Net and the Bank, if requested.

7. AGE OF EMPLOYMENT

Georgia law prohibits anyone under 18 from performing hazardous work, and construction is considered hazardous. Thus, no construction workers under 18 years will be employed unless they are hired for office work.

The contractors will be required to verify and identify age of all workers. This will require workers to provide official documentation, which could include a birth certificate, passport, or medical or school record.

If a child under the minimum age is discovered working on the project, measures will be taken to immediately terminate the employment or engagement of the child in a responsible manner, taking into account the best interest of the child. Project activities will be halted until thorough assessment of the work force is conducted to ensure that cases of employment minors are present in the project.

8. TERMS AND CONDITIONS

The terms and conditions applying to all direct Project employees (Open Net) are set out in the Internal Labor Rules and Regulations. It provides the rights of Open Net employees in line with the national Labor Code, which is described in the section 3. These internal labor rules and regulations will apply to employees who will work specifically in relation to the project (direct workers). Terms and conditions of direct workers are determined by their individual contracts. Permanent project staff will have individual agreements (labor contract or service contract) with fixed monthly wage rates. All the recruiting procedures should be documented and filed in the folders in accordance to the requirements of labor legislation of Georgia. Forty hour per week employment should be

practiced. Requirements and conditions of overtimes and leave durations are agreed as part of individual contracts.

9. GRIEVANCE MECHANISM

A grievance mechanism (GM) will be provided for all direct workers and contracted workers to raise workplace concerns. All employees will be informed of the grievance mechanism at the time of recruitment and the measures put in place to protect them against any reprisal for its use. Measures will be put in place to make the grievance mechanism easily accessible to all such project workers.

The workers grievance mechanism will include:

- A procedure to receive grievances such as comment/complaint form, suggestion boxes, email, a telephone hotline;
- A register or central database to record and track the timely resolution of grievances;
- A responsible department to receive, record, address and track resolution of grievances.

With regard to direct workers, grievance redress mechanism will be put in place and managed by the Human Resource departments of the Open Net and ComCom, respectively.

With regard to contracted workers, grievance redress mechanism will be set up by their respective employers. For civil works contractors, the Supervision Consultant will monitor the contractors' recording and resolution of grievances, and report these to Open Net in their monthly progress reports. The process will be monitored by the GRM Focal Point, a supervision company representative who will be responsible for the project GRM. In the absence of supervision consultant, Open Net's construction supervision department will ensure monitoring and reporting on the availability and functioning of worker's GRMs within contractor/sub-contractor companies.

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

- The process will be transparent and allow workers to express their concerns and file grievances.
- There will be no discrimination against those who express grievances and any grievances will be treated confidentially.
- Anonymous grievances will be treated equally as other grievances, whose origin is known.
- Management will treat grievances seriously and take timely and appropriate action in response.
- Information about the existence of the grievance mechanism will be readily available to all project workers (direct and contracted) through notice boards, the presence of "suggestion/complaint boxes", and other means as needed.
- The Project workers' grievance mechanism will not prevent workers to use conciliation procedure provided in the Labor Code or any other judicial mechanisms.

Contracted Worker GRM structure:

- **Supervision company level:** Social specialist will serve as Grievance Focal Point (GFP) to file the grievances and appeals. He/She will be responsible to coordinate with relevant

departments/organization and persons to facilitate addressing these grievances. If the issue cannot be resolved at the Supervision company level within 7-14 working days, then it will be escalated to the Open Net.

- **Open Net level:** If there is a situation in which there is no response from the supervision company level, or if the response is not satisfactory then complainants and feedback providers have the option to contact the Focal Person in Open Net.
- GM will be accessible to all employees through various means (written, telephone, fax, social media etc). Grievance logbook will be maintained in the supervision company office.
- The Project workers' grievance mechanism will not prevent workers to use judicial procedure.
- Moreover, monitoring of work related grievances will be carried out by the Labor Health and Safety specialist of Open Net on quarterly basis. Same person will review received grievances and their resolution, and prepare a short summary to be included in the annual report to WB.

In the event of Consultant companies contracted by other implementing agencies (e.g. ComCom), the respective project managers of these project implementing agencies will ensure that the contracted teams have GRMs in place for their employees prior to engaging in any project-financed activities.

10. CONTRACTOR MANAGEMENT

Open Net will use the Bank's Standard Procurement Documents for contracts, and these include labor and occupational, health and safety requirements.

As part of the process to select design and construction contractors who will engage contracted workers, Open Net and/or the supervision consultant may review the following information:

- Information in public records, for example, corporate registers and public documents relating to violations of applicable labor law, including reports from labor inspectorates and other enforcement bodies;
- Business licenses, registrations, permits, and approvals;
- Documents relating to a labor management system, including OHS issues, for example, labor management procedures;
- Identification of labor management, safety, and health personnel, their qualifications, and certifications;
- Workers' certifications/permits/training to perform required work;
- Records of safety and health violations, and responses;
- Accident and fatality records and notifications to authorities;
- Records of legally required worker benefits and proof of workers' enrollment in the related programs;
- Worker payroll records, including hours worked and pay received;

- Identification of safety committee members and records of meetings; and
- Copies of previous contracts with contractors and suppliers, showing inclusion of provisions and terms reflecting ESS2.

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

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

11. PRIMARY SUPPLY WORKERS

This section addresses labor management risk associated with people employed or engaged by primary suppliers. Primary suppliers are suppliers who, on an ongoing basis, provide goods or materials directly to the Project. The project will require procurement of a substantial amount of materials.

All primary suppliers must be formal businesses who are required to procure and produce materials subject to high standards. Primary supplier is vetted using a different form, which screens the supplier regarding compliance with taxes, licensing and workmen's compensation. A separate form requires that the primary supplier declare any current or prior arbitrations as well as any criminal convictions.

The Labor Management Procedures require that, under the project, any primary supplier maintains records related to occupational injuries, illness and lost time accidents. These records will be subject to review by Open Net and supervisory company. Open Net will also ensure that in case of any serious injury or fatalities of primary supplier during project implementation will inform relevant ministry of Georgia.

In instances where local suppliers would be engaged, contractors shall be required to carry out due diligence procedure to identify if there are significant risks that the suppliers are exploiting child or forced labor or exposing worker to serious safety issues. Foreign suppliers, if any, will be required to inform Open Net regarding existing legal violation such as child labor, forced labor, and safety.

During project implementation in case of identification of any risks related to child and forced labor, and safety, the supervision company will prepare the procedures to address these risks.