

Labor Management Procedures

OCTOBER 2021

DRAFT

**Republic of the Philippines: Agus Hydroelectric Power Plants
Rehabilitation Project**

National Power Corporation

1. INTRODUCTION

1. This Labor Management Procedures (LMP) outlines the framework and strategy for engaging project workers under the proposed Agus-Pulangi Hydropower Complex (APHC) rehabilitation project to be implemented by the NPC. The objective of the LMP is to ensure that the implementing agency is able to safeguard the welfare and safety of both direct and contracted workers engaged under the project. This document describes the policies and approaches to ensure activities related to the engagement and management of workers undertaking project activities are consistent with accepted international standards, national laws, and the provisions of the World Bank Environmental and Social Framework (ESF), specifically on Environmental and Social Standards (ESS) 2 on Labor and Working Conditions.

2. This LMP is a live document and will be updated throughout the Environmental and Social Impact Assessment (ESIA) process, and continuing through to project implementation, to suit the existing implementation conditions at the time. Among other important principles, ESS 2 requires Implementing Agencies to promote safety and health at work, the fair treatment, nondiscrimination and equal opportunity of project workers, secure protection of project workers, including vulnerable workers, prevent all forms of forced labor and child labor, and support freedom of association and collective bargaining of project workers in a manner consistent with national law, including providing accessible means to raise workplace concerns.

2. PROJECT DESCRIPTION

2.1. Project Overview

3. The Agus-Pulangi Hydropower Complex (APHC) consists of seven hydropower plants with a total installed capacity of about 1,001.1 MW. Six (6) of the seven (7) hydropower plants (HPPs) of the APHC are located on the Agus River that flows for 36.5 km from Lake Lanao to Iligan Bay encompassing Lanao del Sur and Lanao del Norte. The seventh hydropower plant is the Pulangi IV, located on the Pulangi River in the province of Bukidnon. The APHC is owned by the Power Sector Assets and Liabilities Management Corporation (PSALM) and is operated by the National Power Corporation (NPC).

4. The total installed generation capacity of the Agus HPPs is 746.1 MW which is composed of Agus I (2 x 40MW); Agus II (3 x 60MW); Agus IV (3 x 52.7 MW); Agus V (2 x 27.5 MW); Agus VI (3 x 50 MW and 2 x 34.5 MW); and Agus VII (2 x 27 MW).

5. A rehabilitation project covering four (4) of the six (6) HPPs of the existing APHC on the island of Mindanao is being prepared by the Government of the Philippines (GOP) for World Bank support. These four HPPs are the Agus IV, Agus V, Agus VI (except units 1 and 2) and Agus VII assigned as the Series of Project 1 (SOP 1). The rehabilitation will support enhancement of the reliability of clean energy generation, provide more affordable power, and enhance system reliability in Mindanao, without increasing the APHC's current rated capacities. The NPC serves as the entity overseeing program preparation activities.

6. The rehabilitation work aims to: (i) restore the rated capacity of the plants; (ii) extend their operating life to a targeted 30 years; (iii) to ensure the safety of the power complex; (iv) address, mainly through repairs, equipment issues that currently constrain production and reliability (including obsolescence issues); and (v) upgrade their operational performance and conditions with installation of state-of-the-art monitoring, control, protection, and dispatch systems. The proposed rehabilitation will not result in an increase in the generation capacity of any of the HPPs.

2.2. Location

7. Rehabilitation works will be limited to the Agus IV, V, VI, and VII HPPs. Table 1 below presents each HPP and their host municipalities and barangays.

Table 1: Agus HPPs and host Local Government Units (LGUs)

Agus HPP	Province	Municipality	Barangays
Agus IV	Lanao del Norte	Balo-i	Matampay and Nangka
		Matungao	Matampay, Somiorang
Agus V	Lanao del Norte	Iligan City	Ditucalan (disputed)
		Balo-i	Maria Cristina (disputed)
Agus VI	Lanao del Norte	Iligan City	Buru-un, Ditucalan and Maria Cristina
Agus VII	Lanao del Norte	Iligan City	Buru-un, Ditucalan and Maria Cristina

2.3. Rehabilitation Works and Activities

8. The proposed rehabilitation for the four (4) Agus HPPs will involve the following main works:

- a. The repair or replacement of existing hydromechanical and electrical equipment to address equipment issues that currently constrain production and reliability, including obsolescence issues. Repair of existing equipment will be prioritized over replacement. In cases where new and more efficient generators will be used (instead of refurbishment) the new generators will retain the respective rated capacities of the old units.
- b. Civil works, limited to the repair of a portion of the diaphragm wall at the downstream embankment shell of the dam at the Agus VI HPP, which was damaged by an earthquake in late 2019 and which resulted in the lowering water level of the reservoir. Since the damage is in the direct vicinity of the contact of the embankment to the spillway concrete structure, the anticipated repair will be at basic level only to reinstate the dam's full functioning. There are no other civil structure repair works envisaged for the other Agus HPPs.

3. OVERVIEW OF LABOR USE IN THE PROJECT

9. The project will be jointly implemented by the Department of Energy (DOE) and PSALM through the NPC, which is currently under an Operation and Management Agreement with PSALM to operate and maintain the APHC. The NPC will be directly responsible for project implementation, including fulfilling the fiduciary and safeguards responsibilities.

10. The NPC will establish a dedicated project implementation unit (PIU) which shall include: (i) a task force that will support the PIU Director in all project management matters; (ii) a project engineering section (PES) that will be responsible for all technical project issues, such as mechanical and electrical specifications, civil works, safety and security, etc.; and (iii) a project planning, monitoring, control and documentation section (PPMCDS) to deal with compliance of environmental and social safeguards, fiduciary operations (including procurement and financial management), logistics and administrative processes. The task force, PES and PPMCDS will report to the PIU Director. The PIU will likewise recruit an owner's engineer to support project implementation, including the tendering and supervision of

contracts of contactors, suppliers and service providers who will perform necessary activities related to the project.

11. For a greenfield hydropower project involving large dams, Annex 1, ESS4 of the World Bank's Environmental and Social Framework (ESF) requires implementers of Bank-supported projects to recruit and maintain a Panel of Experts (POE) which shall include a dam expert, a geotechnical expert, a seismic engineering expert and hydrological/sedimentation expert amongst other specialists. As a cascade with existing dams and water impounding areas, ESS4-Annex 1 provides for the implementer to arrange for one or more independent dam specialists to: (a) inspect and evaluate the safety status of the existing dam or dam under construction (DUC), its appurtenances, and its performance history; (b) review and evaluate the owner's operation and maintenance procedures; and (c) provide a written report of findings and recommendations for any remedial work or safety related measures necessary to upgrade the existing dam or DUC to an acceptable standard of safety. This independent dam safety specialist will serve as an advisor to NPC.

12. A POE may be established based on recommendation of the dam safety specialist. NPC will assign a Support Group to assist providing the inputs required by the PIU and the POE. The Support Group will include NPC specialists on legal and fiduciary issues, logistics, plant design and management.

3.1. Characteristics of Project Workers:

13. Following ESS 2, workers to be engaged in Project implementation will be composed of the following types:

- a. **Direct Workers:** These include DOE, PSALM, and NPC personnel assigned to the Project Implementation Unit (PIU) to perform project management, monitoring and supervision tasks. Direct workers may include (i) government staff of the DOE, PSALM and NPC who will be assigned to work in the project and; (ii) project-based technical specialists and consultants to be engaged by the NPC to work on specific aspects of project implementation.
- b. **Contracted Workers:** The NPC will be engaging contractors in implementing rehabilitation works and activities outlined in section 2.3, above. Preference will be given to local workers, including those who may come from host communities. However, due to the technical nature of the rehabilitation works, highly skilled foreign workers may need to be engaged by contractors to work with local workers.
- c. **Primary Supply Workers:** The Project will prioritize repair over replacement of hydromechanical and electrical components, including generators, but will not discount the possibility of replacing instead of refurbishing electrical equipment and generators to ensure efficiency. NPC adopts the policy for ensuring suppliers of materials and equipment to adhere to national labor standards as provided in the Government Procurement Reform Act (RA 9184) / Government Procurement Policy Board (GPPB).
- d. **Community Workers:** No community workers will be engaged under the project.
- e. **Migrant Workers:** No migrant workers, domestic or international, are foreseen to be engaged by the project .

14. **Timing of Labor Requirements:** Staff of the PIU of the NPC are expected to work full time and throughout the project duration. Contracted workers will be working as needed within the duration of the rehabilitation works and activities, following the country’s Labor Code, which is at par with international standards for protecting workers’ rights and safety including with the provisions of ESS 2.

Table 1. Anticipated Labor Requirements

HPP	Direct Workers		Contracted Workers		
	Government Staff	Project-based Staff	Local (in-country)		Foreign
			From outside host communities	From host communities	
Agus 4	15	30	30	30	10 - 15
Agus 5	15		30	30	
Agus 6	15		30	30	
Agus 7	15		30	30	
Total	60	30	120	120	10 - 15

4. POTENTIAL LABOR RISKS

15. All rehabilitation works, including limited civil works in Agus VI HPP, will take place only within the existing hydropower complex footprint and will mainly consist of equipment replacement, repair and system improvements.

16. While not extensive, the influx of labor may pose risks outside the project footprint including: (i) incursions into adjacent communities’ cultural sites; (ii) potential competition among the local communities over water used for domestic purposes and waste management services due to anticipated increase in domestic water use and increase in generated domestic waste in worker camps and facilities; and (iii) competition over emergency medical services.

17. **Direct Workers:** The NPC PIU staff shall be responsible for overall project implementation management, supervision and monitoring, including over the activities of contractors engaged in rehabilitation works across all HPPs within the Agus HPC, and external liaison and coordination with key stakeholders such as the DOE, DENR, DOH, host municipalities and communities, as well as with the World Bank. Some of the key risks for PIU staff include:

- a. Exposure to infectious diseases, specifically COVID-19.
- b. Potential disputes around official work hours under work-from-home or blended work arrangements, compensation for overtime of project-based staff, potential discrimination in recruitment and employment, and other related concerns and;
- c. Sexual harassment, exploitation and abuse (SEA/SH) in the workplace.

18. **Contracted Workers:** The NPC shall engage contractors to undertake specific rehabilitation works and activities in all HPPs. Key labor risks related to contracted workers are as follows:

- a. Transmission/infection of COVID-19 and other infectious diseases among workers and with the community due to interaction with laborers for construction activities may occur.
- b. A mix of local and foreign workers are expected to be hired due to the technical nature of the rehabilitation works and activities, which may create risks of unfair labor practices related to wages and benefits, compensation for overtime work, occupational safety and health standards, and others.

- c. Occupational safety and health risks from hauling and use of heavy machinery and equipment, use of oil, fuel and other chemicals, noise, mud, silt and dust during civil works particularly in Agus 6, and other hazards.
- d. Discrimination in posting of job vacancies and hiring of applicants.
- e. Gender gap in hiring and employment.
- f. Cases of gender-based violence, particularly sexual harassment and/or violation of Republic Act 11313 (Safe Spaces Act).
- g. Conflict/disputes between workers of different cultural backgrounds and language.

5. OVERVIEW OF LABOR REGULATION:

5.1. Terms and Conditions

19. **The Labor Code of the Philippines.** The Labor Code is the primary law governing employment practices and labor relations in the Philippines. Enacted on 1 May 1974, the law prescribes the rules for hiring and termination of private employees, conditions of work including maximum work hours and overtime, holiday pay, minimum age of workers, and the guidelines in the organization and membership in labor unions as well as collective bargaining. (DOLE – BLR, 2021)

20. Key provisions of the Labor Code are aligned with the requirements of ESS 2 related to working conditions including occupational health and safety, workers’ rights to organize and labor/management relations, and equal opportunity. Among these include those described in the table below:

Table 1: Labor Code relevant provisions on Terms and Conditions of Employment or Workers

Employment Terms and Conditions	Labor Code Provisions
Age of employment	Provisions setting the minimum age of workers which is 15, a year older than that of ESS 2 at 14.
Employment of minors	Article 137 provides that no child below 15 years of age shall be employed, except when he/she works directly under the sole responsibility of his parents or guardian, and the employment does not in any way interfere with his/her schooling. The Code further provides that the foregoing conditions shall in no case allow the employment of a person below 18 years of age in an undertaking which is hazardous or deleterious in nature as determined by the Secretary of Labor and Employment.
Non discrimination on the basis of age.	Article 138 provides that no employer shall discriminate against any person in respect to terms and conditions of employment on account of age.
Contracted workers	Article 2 of the Labor Code states that whenever an employer enters into a contract with another person for the performance of the former’s work, the employees of the contractor and of the latter’s subcontractor, if any, shall be paid in accordance with the provisions of this Code. In the event that the contractor or subcontractor fails to pay the wages of his employees in accordance with this Code, the employer shall be jointly and severally liable with his contractor or subcontractor to such employees to the extent of the work performed under the contract, in the same manner and extent that he is liable to employees directly employed by him.
Employment of Women	Article 133 states that it shall be unlawful for any employer to discriminate against any woman employee with respect to terms and conditions of employment solely on account of her sex. The article further lists the following as acts of discrimination: (i) Payment of a lesser compensation, including wage, salary or other form of remuneration and fringe benefits, to a female employee as against a male employee, for work of equal value, and;

	<p>(ii) Favoring a male employee over a female employee with respect to promotion, training opportunities, study and scholarship grants solely on account of their sexes.</p> <p>Article 135 provides that it is unlawful for any employer: (i) to deny any woman employee the benefits provided for in this chapter or to discharge any woman employed by him for the purpose of preventing her from enjoying any of the benefits provided under the Labor Code; (ii) to discharge such woman on account of her pregnancy, or while on leave or in confinement due to her pregnancy and; (iii) to discharge or refuse the admission of such woman upon returning to her work for fear that she might again be pregnant.</p>
Unfair labor practices	<p>The Labor Code contains provisions on: (1) prohibition of termination of employment of private companies except for just or authorized cases as prescribed in Articles 282 to 284 of the Code; (2) recognition of the right to trade union and the right of the union to insist on a closed shop; (3) authorization of strikes as long as they comply with the requirements under the Code, and workers who organize or participate in illegal strikes may be subject to dismissal; and (4) any doubts in the interpretation of law, especially the Labor Code, will be resolved in favor of labor and against management. (DOLE – BLR, 2021). Unfair labor practices include: (i) interfering with, restraining or coercing employees in the exercise of their right to self-organization; (ii) requiring as a condition of employment that a person or an employee shall not join a labor organization or withdraw from one in which he/she belongs; (iii) contracting out services or functions being performed by union members when such shall interfere with, restrain, or coerce employees in the exercise of their right to self-organization; (iv) initiating, dominating, assisting, or otherwise interfering with the formation or administration of any labor organization, including the giving of financial or other support to it or its organizers or supporters; (v) discrimination in regard to wages, hours of work, and other terms and conditions of employment in order to encourage or discourage membership in any labor organization; (vi) dismissal, discharge, or otherwise prejudice or discrimination against an employee for having given or being about to give testimony under the Labor Code and; (vii) violating a collective bargaining agreement.</p>

5.2. Occupational Health and Safety

21. **Labor Code of the Philippines** Book 4 Articles 162 to 167 stipulates provisions regarding health, safety and social welfare benefits, including: (i) every employer shall keep in the establishment such first-aid medicines and equipment as the nature and conditions of work may require, in accordance with such regulations as the DOLE shall prescribe; (ii) The employer shall take steps for the training of a sufficient number of employees in first-aid treatment; (iii) It shall be the duty of every employer to furnish the employees in any locality with free medical and dental attendance and facilities.; (iv) The physician engaged by an employer shall have the necessary training in industrial medicine and occupational safety and health. He/she shall develop a comprehensive occupational health program for the benefit of the employees and; (v) It shall be the duty of any employer to provide all necessary assistance to ensure the adequate and immediate medical and dental attendance and treatment to an injured or sick employee in case of emergency.

22. **Republic Act 11058** or “An Act Strengthening Compliance with Occupational Safety and Health Standards and Providing Penalties for Violations Thereof” was signed in August 2017 to ensure a safe and healthy workplace for all. The following are the rights of workers under RA 11058:

- a. **Right to Know.** The right to safety and health at work shall be guaranteed. All workers shall be appropriately informed by the employer about all types of hazards in the workplace, provided access to training and education on chemical safety, electrical safety, mechanical safety, and ergonomical safety.

- b. **Right to Refuse Unsafe Work.** The worker has the right of refusal to work without threat or reprisal from the employer if, as determined by the DOLE, an imminent danger situation exists in the workplace that may result in illness, injury or death, and corrective actions to eliminate the danger have not been undertaken by the employer.
- c. **Workers' Right to Report Accidents.** Workers and their representatives shall have the right to report accidents, dangerous occurrences, and hazards to the employer, to the DOLE and other concerned government agencies exercising jurisdiction as the competent authority in the specific industry or economic activity.
- d. **Workers' Right to Personal Protective Equipment (PPE).** Every employer, contractor or subcontractor, if any, shall provide the workers, free of charge, protective equipment for their eyes, face, ears, hands and feet, and free, and lifeline, safety belt or harness, gas or dust respirators or masks, protective shields whenever necessary by reason of the hazardous work process or environment, chemical, radiological, mechanical and other irritants or hazards capable of causing injury or impairment in the function of any part of the body through absorption, inhalation or physical contact. The cost of the PPE shall be part of the safety and health program which is a separate pay item. All PPE shall be of the appropriate type as tested and approved by the DOLE based on its standards. The usage of PPE in all establishments, projects, sites and all other places where work is being undertaken shall be based on the evaluation and recommendation of the safety officer.

5.3. Preference for Local Contracted Workers

23. **Republic Act 6685** or "An Act Requiring Private Contractors to Whom National, Provincial, City and Municipal Public Works Project have been Awarded under Contract to Hire at least Fifty Percent of the Unskilled and at least Thirty Percent of the Skilled Labor Requirements to be taken from the available Bona Fide Residents in the Province, City or Municipality in which the Projects are to be Undertaken, and Penalizing those who Fail to Do So" provides that all contractors, including subcontractors whom awards are made for the undertaking of national and local public works projects funded by either the National Government or any local government unit including foreign-assisted projects must hire at least fifty percent (50%) of the unskilled and thirty percent (30%) of the skilled labor requirements from the unemployed bona fide and actual residents in the province, city and municipality who are ready, willing and able as determined by the governor, city mayor or municipal mayor concerned where the projects are to be undertaken. Public works projects as defined under the law include national, provincial, city, municipal, and barangay projects including but not limited to roads, schools, power and water systems, piers, airports and similar projects.

5.4. Consistency with the World Bank Environmental and Social Standards No. 2 on Labor and Working Conditions (ESS2)

24. The World Bank guidance under ESS 2: Labor and Working Conditions require agencies implementing WB projects to (i) Promote safety and health at work; (ii) Promote the fair treatment, nondiscrimination and equal opportunity of project workers; (iii) Secure protection of project workers, including vulnerable workers such as women, persons with disabilities, children (of working age, in accordance with this ESS) and migrant workers, contracted workers, community workers and primary supply workers, as appropriate; (iv) Prevent the use of all forms of forced labor and child labor; (v)

Support the principles of freedom of association and collective bargaining of project workers in a manner consistent with national law and; (vi) Provide project workers with accessible means to raise workplace concerns.

25. ESS 2 applies to project workers including full-time, part-time, temporary, seasonal and migrant workers. Government civil servants working in connection with the project, whether full-time or part-time, will remain subject to the terms and conditions of their existing public sector employment agreement or arrangement, unless there has been an effective legal transfer of their employment or engagement to the project. Under ESS 2, implementing agencies will develop and implement internal labor management procedures applicable to the project. These procedures will set out the way in which project workers will be managed, in accordance with the requirements of national law and this ESS. The procedures will address the way in which this ESS will apply to different categories of project workers including direct workers, and contract workers.

26. ESS 2 further requires that project workers be provided with information and documentation that is clear and understandable regarding their terms and conditions of employment. The information and documentation will set out their rights under national labor law and ESS requirements (which will include collective agreements), including their rights related to hours of work, wages, overtime, compensation and benefits. This information will be provided at the beginning of the working relationship and when material changes occur.

27. Key provisions of the Labor Code of the Philippines, RA 11058, and RA 6685 are aligned with the requirements of ESS 2 related to working conditions including occupational health and safety, workers' rights to organize and labor/management relations, and equal opportunity.

6. RESPONSIBLE STAFF

28. The NPC PIU, led by the Project Director, and involving the following groups: Plant Management, MinGen HR Administration, Logistics & Finance, Legal Services and MinGen Safety & Security will oversee and guide implementation of all policies and procedures on labor management outlined under this LMP. These include:

- a. Implementing this labor management procedure.
- b. Ensuring all contractors engaged under the project comply with these labor management procedures, including preparing occupational health and safety plans before mobilization.
- c. Ensure the contracts with the contractors are developed in line with the provisions of this LMP and the project's ESMF.
- d. Monitoring to verify that contractors are meeting labor and OHS obligations as required by law and by the respective contracts with the contractors, including monitoring of contractors and subcontractors' implementation of labor management procedures.
- e. Monitoring compliance with occupational health and safety standards at all workplaces in RA 11058, including reporting on labor and occupational safety and health performance.
- f. Ensuring that the grievance redress mechanism for project workers is established and operational and that workers are informed of its purpose and how to use it.
- g. Monitoring implementation of the Worker Code of Conduct.

7. POLICIES AND PROCEDURES

29. **Labor and Employment Terms and Conditions.** The policies and procedures outlined in the Philippine labor laws will be adopted by the project to manage the risks described under Section 4. The labor and employment terms and conditions shall be explicitly stated in the contractors' and workers' individual contracts, and shall likewise be compliant with Philippine labor laws and policies, and aligned with the provisions of this LMP.

30. Specifically, the project will ensure that:

- a. Clear job descriptions will be provided and posted in advance of recruitment and will explain the qualifications and skills required for each post.
- b. Recruitment procedures will be open and transparent and non-discriminatory with respect to ethnicity, religion, sexuality, disability or gender.
- c. Applications for employment will only be considered if submitted via the official application procedures established by the contractors and implementers.
- d. All workers will have written contracts describing terms and conditions of work and will have the contents explained to them, and if possible, be translated into the local dialect. The employment contract will be signed by the contractor and the employee and should be duly notarized and shall contain: (1) the tasks/responsibilities by the employer and employee; (2) compensation and leave benefits; (3) timeliness.
- e. The contracted workers will not be required to pay any hiring fees.
- f. All workers will be 18 years old or above. This will be required from all contractors and in the hiring of staff for the PIU.
- g. Normal working time will not exceed 40 hours per week.
- h. The contractors and workers will undergo an orientation on occupational safety and health, labor laws, human rights, and gender sensitivity.

31. **Contractor Management.** All contracts for rehabilitation work and activities under the project will be in compliance with the Philippine labor laws, the World Bank's ESS2, and this LMP. The NPC PIU will manage and monitor the performance of contractors and their labor management procedures. Periodic and random inspections, checks, and audits will likewise be conducted by the PIU.

32. **Occupational Safety and Health (OSH).** The relevant international laws, Republic Act 11058, and administrative issuances which serve as guidelines for government agencies to ensure good working conditions of the workers shall be followed. The Project shall ensure that the workers are well protected against possible OSH risks through the following measures:

- a. Identification of potential hazards to workers within their respective area;
- b. Provisions of preventive and protective measures;
- c. Training of workers on safety measures and conduct of drills in case of calamities;
- d. Documentation and reporting of occupational incidents;
- e. Emergency preparedness;
- f. Remedies for occupational injuries and fatalities.

- g. Abide by the National Government, NPC and Project Guidelines on conducting activities under the COVID-19 national health emergency.

33. **Age of employment.** Given the nature of the projected rehabilitation works and activities, the Project will ensure that no worker under the age of 18 will be hired.

34. **Prohibition against Child Labor.** To prevent engagement of underage workers, the age employment scheme provided under the Age of Employment Section shall be strictly observed. Proper procedure in the screening, with age verification, shall be undertaken in the selection of workers to ensure that no child shall be employed in the implementation of the project. Likewise, all contracts must have a provision as to the minimum age requirement and the hiring authority shall keep a labor registry of all hired workers.

35. **Labor disputes over terms and conditions of employment.** Fair, reasonable and lawful terms and conditions shall be applied in the contract provisions of all project workers to prevent labor disputes. Moreover, there will be an efficient grievance mechanism to address any issues that may arise during the existence of the contract. The guidelines provided under GRM Section hereof shall be strictly observed to resolve work-related disputes including terms and conditions of employment.

36. **Gender-Based Violence.** During procurement of the contractor, the PIU will ensure that all contractors have in place a code of conduct (see Annex for Sample Generic Code of Conduct for Contractors) for all its workers and subcontractors that respects women and girls and prohibits all forms of gender-based violence including verbal sexual harassment. During project implementation, the contractor will ensure that (i) all workers are aware of these codes of conduct through trainings, seminars, or orientations, and (ii) signage and posters in key areas in the construction site are put up. The Project will also implement the measures for preventing and addressing GBV as stipulated in the project's gender action plan.

8. GRIEVANCE MECHANISM

37. A grievance mechanism for labor concerns will be drawn for all direct and contracted workers for work-related concerns. At the time of recruitment, workers will be informed of the grievance mechanism and the measures put in place to protect them against any reprisal for its use. The grievance mechanism shall be made directly accessible to all project workers, regardless of status (direct, contracted or subcontracted). Regular meetings with the project workers will be conducted to discuss work-related issues and concerns.

38. The aggrieved worker may raise any issues anonymously through a letter which shall be submitted to the immediate supervisor. All non-anonymous grievances relative to adequate working conditions, standard occupational safety and other health concerns from the workers shall be addressed.

39. Worker grievances will be processed through two (2) levels:

- a. Contractor level, which should be established, if not already established, to resolve the grievances and concerns of contracted workers. The contractor shall appoint a GRM focal point who will also be tasked to keep a GRM log. This set-up will be specified in the C-ESMP. If grievances are not resolved within 7 days, the concern will be raised to the PIU level.
- b. PIU level, which should resolve grievances within 7 days. At the PIU, workers' grievances will be taken up, tracked and resolved through the Project GRM, involving case investigating officers and the GRM committee.

40. Every grievance raised by a worker will be documented, including the actions taken by the PIU to address such grievance and the feedback of the aggrieved worker on the actions taken. This grievance mechanism does not preclude any worker from filing a complaint to individuals or entities outside the Project, such as the barangay or municipal government officials, or judicial courts.

Sample Generic Code of Conduct for Contractors

This Code of Conduct identifies the behavior required from all personnel of (name of contractor's firm) working at the _____ subproject site .

Unsafe, offensive, abusive or violent behavior will not be tolerated and all persons should feel comfortable raising issues or concerns without fear of retaliation.

REQUIRED CONDUCT

All (name of contractor's firm) personnel shall:

1. carry out his/her duties competently and diligently;
2. comply with this Code of Conduct and all applicable laws, regulations and other requirements, including requirements to protect the health, safety and well-being of other contractor's personnel and any other person;
3. maintain a safe working environment by:
 - a. ensuring that workplaces, machinery, equipment and processes under each person's control are safe and without risk to health;
 - b. wearing required personal protective equipment;
 - c. using appropriate measures relating to chemical, physical and biological substances and agents; and
 - d. following applicable emergency operating procedures;
4. report work situations that he/she believes are not safe or healthy and remove himself/herself from a work situation which he/she reasonably believes presents an imminent and serious danger to his/her life or health;
5. treat other people with respect, and not discriminate against specific groups such as women, people with disabilities, workers from other places, indigenous people, or children;
6. not engage in sexual harassment, i.e. unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature;
7. not engage in sexual exploitation, or any actual or attempted abuse of position of vulnerability, differential power or trust, for sexual purposes, including, but not limited to: profiting monetarily, socially or politically from the sexual exploitation of another;

8. not engage in sexual abuse, which means the actual or threatened physical intrusion of a sexual nature, whether by force or under unequal or coercive conditions;
9. not engage in any form of sexual activity with individuals under the age of 18, except in case of pre-existing marriage;
10. not engage in any other form of harassment, mental or physical coercion, or verbal abuse of his/her co-workers or, in the case of the contractor, its employees;
11. undergo relevant training or orientation that will be provided related to the environmental and social aspects of the Contract, including on health and safety matters;
12. report violations of this Code of Conduct; and
13. not retaliate against any person who reports violations of this Code of Conduct.

RAISING OF CONCERNS

If any person observes a behavior that he/she believes may represent a violation of this Code of Conduct, or that otherwise concerns him/her, he/she should raise the issue promptly to:

Name, address and contact number of person designated

by contractor to handle social issues/concerns)

This can be done either in writing, by telephone, or in person.

The person's identity will be kept confidential, unless reporting of allegations is mandated by the country law. Anonymous complaints or allegations may also be submitted and will be given all due and appropriate consideration. We take seriously all reports of possible misconduct and will investigate and take appropriate action. We will provide warm referrals to service providers that may help support the person who experienced the alleged incident, as appropriate.

Sanctions

Any employee who has breached this Individual Code of Conduct will be subject to any of the following actions:

- Informal warning
- Formal warning
- Loss of up to one week's salary
- Suspension of employment (without payment of salary), for a minimum period of ____ up to a maximum of _____.
- Termination of employment
- Reporting to the police if warranted

Project-in-Charge

(Name of Contractor's Firm)