

REPUBLIC OF LEBANON
Ministry of Finance (MOF)

Lebanon Fiscal Management Project
(P181155)

LABOUR MANAGEMENT PROCEDURES
(LMP)

BEIRUT

September 2024

Table of Contents

Table of Contents	1
Abbreviations and Acronyms	2
1. INTRODUCTION	3
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	5
5. BRIEF OVERVIEW OF LABOR LEGISLATION: OCCUPATIONAL HEALTH AND SAFETY	9
6. RESPONSIBLE STAFF	10
7. POLICIES AND PROCEDURES	11
8. AGE OF EMPLOYMENT	13
9. TERMS AND CONDITIONS	14
Terms and Conditions for Direct Workers	15
Terms and Conditions for Contracted Workers	16
Terms and Conditions for Primary Supply Workers	16
10. GRIEVANCE MECHANISM	17
Procedures	18
11. CONTRACTOR MANAGEMENT	21
12. COMMUNITY WORKERS	21
13. PRIMARY SUPPLY WORKERS	21
Annex 1: Code of Conduct	22

Abbreviations and Acronyms

CoC	Code of Conduct
CERC	Contingent Emergency Response Component
COVID-19	Coronas Virus
E&S	Environmental and Social
ESCP	Environmental and Social Commitment Plan
ESF	Environmental and Social Framework
ESS	Environmental and Social Standard
GBV	Gender-Based Violence
GDP	Gross Domestic Product
GOL	Government of Lebanon
GM	Grievance Mechanism
ICT	Information and Communication Technologies
ILO	International Labour Organization
IMF	International Monetary Fund
LC	Labor Code
LFF	Lebanon Financing Facility
LMP	Labor Management Procedures
M&E	Monitoring and Evaluation
MOF	Ministry of Finance
NGO	Non-Governmental Organization
OHS	Occupational Health and Safety
PBC	Performance-Based Condition
PCU	Project Coordination Unit
PFM	Public Financial Management
PIA	Project Implementation Agency
SEA/SH	Sexual Exploitation and Abuse/Sexual Harassment
SSL	Social Security Law
WB	World Bank

1. INTRODUCTION

For more than three years, Lebanon has been impacted by a devastating multi-pronged crisis. The unfolding economic and financial crisis that started in October 2019 has been further exacerbated by the dual economic impact of the COVID-19 outbreak, and the Port of Beirut explosion in August 2020. Lebanon crisis ranks among the worst crises globally since the mid-nineteenth century¹. Real Gross Domestic Product (GDP) has contracted by close to 40 percent since 2018 while nominal GDP plummeted from close to US\$52 billion in 2019 to an estimated US\$21.5 billion in 2022, the crisis has wiped out more than 15 years of economic growth. The banking sector is largely insolvent, and financial losses are estimated at exceeding US\$72 billion, equivalent to more than three times GDP in 2021. The lack of an equitable banking resolution has compounded the economic costs of the crisis. Usable gross foreign exchange reserves are gradually being depleted, declining by more than US\$20 billion since the onset of the crisis.

The crisis has caused staff attrition and absenteeism in the public sector, severely impacting the government's ability to respond to the crisis, maintain core government operations and basic services for citizens, and to create the foundations for recovery. Currency devaluation has eroded public sector salaries, rendering them too low for civil service staff to afford fuel costs to commute and basic day-to-day necessities. As a result, a significant number of staff have left the public sector, either for the private sector where salaries have been partially adjusted or for opportunities abroad, leaving a critical skills gap in the public sector.

The utmost financial sector priority and a prerequisite for other financial sector development reforms is the rehabilitation of the banking sector. This includes a comprehensive restructuring of the banking sector, including resolution measures and development of a financial safety net, to build confidence, regain solvency and operationalize financial services.

The Lebanon Fiscal Management Project (P181155) aims to mobilize and allocate public resources in an accountable manner to support the crisis response and recovery in Lebanon

The Project comprises the following components:

The Project is being prepared under the World Bank's Environment and Social Framework (ESF). Per Environmental and Social Standard (ESS)² on Labour and Working Conditions, the present Labour Management Procedures (LMP) prepared by the implementing Agency, MOF, identifies the main labor requirements and risks associated with the project, and helps the Borrower determine the resources necessary to address project labor issues. MOF will adopt the LMP and will ensure close monitoring of its implementation and respective documentation throughout the project duration. The LMP is a living document, which is initiated early in project preparation, and is reviewed and updated throughout development and implementation of the project.

¹ World Bank Spring 2021 Lebanon Economic Monitor.

2. OVERVIEW OF LABOR USE ON THE PROJECT

This section describes the number of Project workers and their characteristics, based on available information.

Number of Project Workers:

The total number of workers is not defined yet. It is worth noting that the current LMP is a living document; thus, additional information will be reflected in an updated version of this instrument as it becomes available.

Characteristics of Project Workers:

The anticipated workers to be employed are likely to be international and national experts, skilled and unskilled workers, and technical assistants. Given that Component 1 activities comprise upgrading of the Information Technology (IT) systems including minor civil works, and installation of solar panels for electricity generation, it can be assumed that there will be unskilled and semiskilled construction labors. There should be no restriction on the portion of female workers and those would likely be technical (finance, procurement, planning, management, engineering). The project activities will be associated with Occupational Health and Safety (OHS) risks; hence the project must ensure through an age verification process that the minimum age of employment is 18 years.

a) Direct Workers:

The Project implementation will be managed by the Project Coordination Unit (PCU) under the Ministry of Finance. The direct workers will be comprised of the members of the PCU who are public servants, and consultants at MOF, or external consultants hired by the MoF.

b) Contracted Workers:

The anticipated or known contracting structures for the project are:

- (i) The contractors that will handle the technical assistance activities and the Information and Communication Technologies (ICT) upgrades at the MOF, and (ii) a third-party monitoring agent will be hired by the project to independently verify Performance Based Conditions (PBCS) and closely monitor the project expenditures, including spot checks as needed, over and above the regular M&E function

The precise number of direct workers and contracted workers is not determined at this time. It is unlikely that migrant workers would work on the Project.

c) Primary Supply Workers

The primary suppliers for the project will mainly be supply of services as recycling companies (for e-wastes), as well as supply of raw materials (for minor civil works) ICT equipment, and solar panels which will be installed for electricity generation, in the buildings of these agencies as required.

The project will include government civil servants at the MOF who will be members of the PCU. ESS2 will not apply to such government civil servants, except for the provisions of paragraphs 17 to 20 (Protecting the Work Force) and paragraphs 24 to 30 (Occupational Health and Safety).

Timing of Labor Requirements:

The proposed project is expected to be implemented at a national level by government staff in the respective beneficiary departments and supported by consultants and a PCU.

The timeline of each component separately is yet to be determined. However, the project is to be implemented over a period of three (3) years.

3. ASSESSMENT OF KEY POTENTIAL LABOR RISKS

The key labor risks which may be associated with the project include:

- OHS risks associated with minor civil works and installation and upgrading of IT for Component 1.
- Unfair and/or unclear contract terms and conditions including wages, overtime, compensation, benefits and working hours.
- Potential rising tensions due to (i) potential engagement with MoF staff not involved in the project leading to potential delays and tensions; (ii) the current circumstance of work in the public administration and the work conditions in the CMU (lighting, ventilation, aeration, drinking water, lavatories, evacuation of dust and smoke, and hygiene measures)
- Forced labor associated with the suppliers of solar panels (primary supply workers).
- Discrimination and non-equal opportunities: The project will involve direct, contracted and primary supplier workers with different scopes of work. The varying nature of work may increase the probability of discrimination and non-equal opportunities risks including abrupt termination of employment.
- Gender-based violence (GBV), Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH) as the project workers will include both men and women.
- The risk of a weak functioning Grievance Mechanism which has not been adequately and widely disseminated to reach all stakeholders and risk of unresolved complaints: This risk could be as a result of the lack or absence of a GM, or the presence of an inefficient and not properly designed GM for project workers.

4. BRIEF OVERVIEW OF LABOR LEGISLATION: TERMS AND CONDITIONS

This section sets out the **key aspects** of national labor legislation with regards to term and conditions of work, and how national legislation applies to different categories of workers identified in Section 2.

LABOR MANAGEMENT PROCEDURES

Work contracts are regulated by Title I of the Labor Code (LC) of Lebanon dated 1946. A worker is defined as a person who is at least 13 years old, and works with an employer according to an individual or collective agreement (art. 2).

- The Labor Code distinguishes between two classes of workers: employees and workmen. Employees are salary earners who perform a desk job or a non-manual job. Workmen are wage earners that are within the group of employees (art. 3).
- Work contracts are written (art. 12). Contracts have to be submitted to the Authority of Common Law (art. 12). Written contracts must be in Arabic, however, may be translated to a foreign language if the employer or wage-earner/salary-earner does not know Arabic (art. 12).

Wages:

- Minimum pay is fixed by a commission comprising representatives from the Ministry of National Economy, employers, and wage-earners/salary-earners (LC, art. 45).
- The statutory monthly minimum wage was set in 2012 and is equal to LBP 675,000 (this used to be equivalent to approximately USD 442.39 at the previous exchange rate of LBP 1,507.5), as determined by Decree 7426/2012. The minimum daily wage is LBP 30,000 (approximately, which used to be equivalent to USD 1.4 at the previous exchange rate of LBP 1,507.5). This applies to both the public and private sectors. These were updated in 2022 as a result of the currency's devaluation upon the financial crisis by raising the minimum monthly wage by LBP 600,000 (Decree 10598/2022) unless they are benefiting from social assistance. Decree 9129/2022 raised the wages as follows:
 - For salaries below LBP 4,000,000/month: an increase of LBP 1,325,000/month
 - For salaries exceeding LBP 4,000,000: the amount specified in agreements and collective negotiations in line with the ILO Convention number 131 as specified in Legislative Decree 70/1977.
 - For daily remunerations not exceeding LBP 182,000LBP: an increase of LBP 61,000/day
- On April 5, 2024, the Cabinet raised the minimum wage under Decree 13164 to LBP 18 million per month and the daily remuneration to LBP 820,000. These changes became effective on April 1, 2024.
- According to the Labor Code, payment can be in kind or in official currency (art. 47).

Payment must be made at least once a month to employees and twice a month to workers (LC, art. 47). For piece-work of which the execution lasts more than 15 days, the date of payment may be fixed by mutual agreement, but the worker must receive down payments every 15 days and have received the full pay within two weeks following delivery of the piece of work (LC, art. 47).

Rest, Leave and Overtime:

- In principle, the working week may not exceed 48 hours (LC, art. 31).
- It is possible to derogate from the 48-hours maximum work week in cases of emergency. A definition of such an emergency is not given. In such cases, employers can raise daily working hours to 12 hours, provided that additional hours are compensated at 150%, notification is

LABOR MANAGEMENT PROCEDURES

provided to the Social Affairs Service and provisions on adolescents' work are not contravened (LC, art. 33). There is no clear provision in the legislation for employees to refuse to work extended hours.

- Regulation No. 30 of 1956 states that working time can be increased to 54 hours per week in "commercial establishments" (ILO CEACR, 2015). The circumstances under which working time can be increased to 54 hours are not specified in the decree, an omission which has attracted ILO commentary (ILO CEACR, 2015).
- Employees/Workmen must be granted a weekly rest which is not under 36 hours (LC, art. 36). Employees are also entitled to an unbroken rest of 9 hours every 24 hours, except in cases where work circumstances require otherwise (LC, art. 34). Where work exceeds 6 non-stop hours for men, and 5 non-stop hours for women, employees are entitled to a rest-time of at least 1 hour (LC, art. 34).
- Under-18s cannot work more than 6 hours a day and must receive a break of at least 1 hour if the working period exceeds 4 consecutive hours (LC, art. 23).
- An employee is entitled to 15 days' annual leave on full pay after completing one year of employment. The employer may determine the timing of such annual leave based on work requirements (LC, art. 39).
- Regulations on sickness contracted by the employee as a result of his or her job or any occupational accident are detailed in the sections on OHS below. The Labor Code grants the employee the right to a yearly sick leave for sicknesses and accidents not related to the job, the duration of which is based on the employment duration, with a minimum of half a month on full pay and half a month on half pay (LC, art. 40).

Maternity and Family Leave:

- Women are entitled to 10 weeks of maternity leave at 100% pay (Laws Nos. 226 and 267 of 2014; LC, Arts 28 and 29).
- There is no statutory paternity leave. A draft law providing for three days' paternity leave was introduced and approved by the Council of Ministers in January 2018 but has not yet entered into force pending its enactment by the Lebanese Parliament (Mondaq Digital Platform, 2020; The Daily Star, 2019b).
- There are no laws that guarantee childcare leave in Lebanon or the right to breastfeed, nor does the law provide for nursery or childcare facilities.

Severance Pay:

- The employer is required to provide a written notice of termination at least one month in advance (LC, art. 50.c).
- For those groups covered by the Labor Code, severance pay is equal to one month per year of service, and half a month for those with less than one year of service. Severance is limited to a maximum of ten months for certain groups of wage-earners, such as those employed in the professions (e.g. medicine or law) or by master-craftsmen (LC, art. 54).

LABOR MANAGEMENT PROCEDURES

- A female employee is also granted severance pay in the event of marriage, provided that she has served the employer with due termination notice, she has been employed with the same employer for over a year, and she provides the employer with a marriage certificate (LC, art. 59; ILO CEACR, 2020a).

Gender and Disability:

- The Labor Code prohibits discrimination between “working men and women” with respect to type of work, amount of wage or salary, employment, promotion, professional qualification, and apparel (LC, art. 26). Recruitment is not expressly covered.
- The principle of equal pay for work of equal value is not expressly provided for in Lebanese law (ILO CEACR, 2020b).
- Women are prohibited from working in a number of industries and jobs, including mining, production and use of explosives and production of alcohol (LC, art. 27 and Annex 1).
- Labor law contains a general prohibition against the employment of women in the industrial sector during the night (ILO CEACR, 2013).
- It is expressly prohibited to dismiss a pregnant worker or a woman on maternity leave (LC, arts 29 and 52).
- Men are granted welfare benefits that do not apply to women (LC, art.3 and Social Security Law (SSL), art. 46). For example, article 14 of the SSL guarantees insurance cover for a non-employed wife of a husband who contributes. However, a wife contributing can provide insurance cover for her husband and children.
- Act No. 220 (2000) provides that a certain number of jobs in the public sector are allocated to persons with disabilities (Act No. 220 of 2000, art. 73). Quotas are also applicable to private sector employers, depending on their size (Act No. 220 of 2000, art. 74).

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 to 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.

Grievance Mechanism:

Law 28 of 2017 and its Implementation Decree No. 6940 of 2020 on the Right to Access to Information confirmed the right of any person, natural or legal, Lebanese or non-Lebanese, to access information and documents available within the public administration. Pursuant to Decree 6940 of 2020 all public institutions were instructed to activate administrative self-monitoring and to enhance transparency and positivity in the communication between the administration and the citizens, within one month from the date of the circular. Each public institution is required to receive complaints at the complaints office, register them and send a copy to the head of the institution, provided that the office of complaints studies the complaints and submits a report to the head of the institution for their action, including referral to the competent regulatory body or to the public prosecution when and if necessary, and in the absence of a complaints office, the institution shall establish one in accordance with the laws in force. Each institution is also required to create a database of the complaints received with the dates of their receipt and the dates of their referral to the above-mentioned references and the result associated with each of them².

5. BRIEF OVERVIEW OF LABOR LEGISLATION: OCCUPATIONAL HEALTH AND SAFETY

This section sets out the **key aspects** of the national labor legislation with regards to OHS, and how national legislation applies to the different categories of workers identified in Section 2.

OHS is regulated mainly by Decree No. 11802 of 2004 pursuant to the International Labor Organization (ILO) conventions. Decree No. 136 of 1983 also covers work-related injuries and emergencies and Decree 11958 of 2004 tackles safety and protection in construction.

Decree No. 11802 comprises the following chapters:

- i. Chapter 1: Prevention and safety
- ii. Chapter 2: Health
- iii. Chapter 3: Safe use of chemicals at work
- iv. Chapter 4: Prevention from the dangers of working with benzene
- v. 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 disturbance, noise and vibrations and limit

² "World Bank. 2022. Implementing the Environmental and Social Framework in Lebanon. Analysis of Environmental Risks, Capacities and Challenges. World Bank."

LABOR MANAGEMENT PROCEDURES

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.

6. RESPONSIBLE STAFF

This section identifies the functions and/or individuals within the project responsible for (as relevant):

- Engagement and management of project workers
- Engagement and management of contractors/subcontractors
- OHS
- Environmental and social risks and mitigation measures
- Training of workers
- Addressing worker grievances

The PCU will ensure that the project is implemented in accordance with the relevant project documents and commensurate with relevant component scope and activities. The PCU will organize consultations and workshops, conduct priority awareness and communication activities, and oversee the implementation of the Labor Management Procedures (LMP).

The PCU will be established before commencement of project activities and will be maintained throughout the project's duration. The PCU is committed as per the Environmental and Social Commitment Plan (ESCP) to hire an environmental and social (E&S) specialist. The E&S specialist shall be responsible for updating, disclosing, and implementing the Labor Management Procedures (LMP) to be consistent with ESS2 as stipulated in the ESCP.

Consultants and Contractors will have to comply with the requirements of ESS2 which will be incorporated into contractual agreements. Contractors must follow the stand-alone OHS plan that was prepared under the Project based on risk assessment. Contractors shall ensure the day-to-day compliance with specified safety measures and records of any incidents. Minor incidents are reported to PCU on a monthly basis, serious incidents are reported immediately. Minor incidents are reflected in the quarterly reports to the WB, major issues are flagged to the WB immediately.

LABOR MANAGEMENT PROCEDURES

Contractors must pass the requirements to all subcontractors as relevant. The following represents a non-exhaustive list of their responsibilities under these LMP:

- Ensure GM referral pathways in the event of any SEA/SH related complaints;
- Reporting on incidents/fatalities as per the ESCP within 48 hours;
- Execute any sanctions as a result of possible non-compliance with E&S provisions;
- Hiring / Management of contracted workers;
- Enforcement of code of conduct;
- Ensuring workers are familiar with GM;
- Facilitate periodic audits, inspections, and/or spot checks by Consultants, PCU and E&S specialist;
- Facilitate and accept sharing and disclosure of information;
- Implement the OHS measures;
- Report to PCU on labor OHS;
- Report to PCU on forced labour associated with primary supply workers.

Contractor will be fully responsible to ensure that their workers know and are trained on their obligations with respect to avoidance of any form of GBV, safe disposal of wastes and community Health and safety Continuous motivation, monitoring and reporting on the same is the responsibility of the Contractor. The PCU will ensure implementation of these requirements by monitoring and supervising contractors.

Contractors are required to ensure that the assigned workers are adequately trained and briefed with overall safety arrangement, use of equipment, GM procedure, working conditions of the project. Training on GBV and preparation and obtaining signed code of conduct are also the Contractor's responsibility.

7. POLICIES AND PROCEDURES

This section outlines how risks identified under section 3 will be addressed.

Occupational Health and Safety (OHS) Risks:

To mitigate OHS risks that may emerge from the implementation of the proposed project, the PCU will ensure that national legislation relevant to OHS (especially Decree No. 11802 of 2004) is implemented. Moreover, OHS requirements stipulated in the World Bank Group "General Environmental, Health and Safety Guidelines" (EHSG) shall be followed and correspondent mitigation measures shall be carried out for identified activities of OHS significance.

The monitoring and evaluation for the implementation of good practices for OHS shall be carried out at project level by the E&S specialists who will conduct inspection visits and report them to the World Bank.

Unfair and/or unclear contract terms and conditions including wages, overtime, compensation, benefits and working hours:

All direct workers will be provided with clear and understandable terms and conditions of employment in a culturally appropriate language. For the Contracted workers, clauses will be included in all project procurement documents to ensure that terms and conditions of employment are being provided according to the requirements of ESS2 and/or national law. This includes providing them with signed contracts stating clearly the duration of the contract, leave entitlements, conditions of contract termination including receiving written notices of termination, disciplinary procedures that are applicable, housing and accommodation provisions and allowance where applicable, payment, their rights related to hours of work, fair wages, overtime, compensation, benefits as stated in the national law as well as those arising from the requirements of ESS2. Workers will be presented with details of grievance procedures, including the different channels they can resort to and the processes for escalation where necessary (refer to [section 10](#) for details about the workers' GM which will be adopted). Where necessary, the project will ensure that working conditions and terms of employment are orally communicated and explained.

Primary Supply Workers will be involved in the supply of goods and services associated with the project activities e.g., minor civil works, installation of solar panels for electricity generation, and ICT upgrading. They will be provided with clear and understandable terms and conditions of supply in procurement contracts.

Potential rising tensions due to the potential engagement with MoF staff not involved in the project

Workers will be familiarized with GM and will have the possibility to ask for clarifications or raise a grievance through the GM if they want to. This risk is not applicable to component 2. There could be potential tensions between the MOF staff not involved in the project, and the MOF staff involved in the project, and additionally with workers engaged in the project. These would be addressed through consultations and GM.

GBV/Sexual Exploitation and Abuse (SEA):

Codes of conduct (CoC) will be developed by PCU which will include provisions on sexual and GBV and safety. The CoC commits all contracted workers to acceptable standards of behavior. The CoC will be developed before the workers are hired. The CoC will include sanctions for non-compliance, including non-compliance with specific policies related to GBV, SEA/SH (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.

LABOR MANAGEMENT PROCEDURES

Induction trainings and refresher training will be provided for all workers on the purpose of the CoC and the importance of adhering to it. CoC is to be signed by all categories of recruited workers to acknowledge that all the terms thereof have been understood. Workers will be presented with details of grievance procedures, including the referral pathways in the event of SEA/SH related complaints. Project workers will also be made aware of the serious consequences in the event that the CoCs are violated, up to and including dismissal, or referral to legal authorities.

The risk of a weak functioning grievance mechanism

The GM may not be adequately and widely disseminated to reach all stakeholders and grievances and complaints raised by GM channels may remain unresolved: This risk could be as a result of the lack or absence of a GM, or the presence of an inefficient and not properly designed GM for project workers.

The project will ensure that an efficient GM system is in place. The GM should be well-communicated and easily accessible for all project workers to raise any concerns. Further details on the GM system are described in section 10.

General: Training and Capacity Building:

Training will be provided to all workers before the commencement of work on general OHS and SEA/SH prevention and CoC during induction and on a regular basis to ensure all workers are well capacitated with the project's requirements. The Environment and Social (E&S) Specialist will provide training to Direct Workers, Contracted Workers and Primary Supply Workers. The risk of a weak functioning grievance mechanism which has not been adequately and widely disseminated to reach all stakeholders and risk of unresolved complaints: This risk could be as a result of the lack or absence of a GM, or the presence of an inefficient and not properly designed GM for project workers. Training shall be delivered by experienced trainers/specialists, based on the competency requirements. Records of the training will be kept including training evaluation.

Training will include but will not be limited to:

- Awareness of the requirements of this LMP and associated plans/procedures;
- CoC, GBV, SH and SEA;
- Forced labor associated with primary supply workers;
- Grievance mechanism, including roles, responsibilities and accountabilities, and contact persons/communication channels;
- Environmental & Social requirements including the Waste Management Plan (WMP) and OHS requirements and mitigation measures;

8. AGE OF EMPLOYMENT

This section sets out details regarding:

- The minimum age for employment on the project

LABOR MANAGEMENT PROCEDURES

- The process that will be followed to verify the age of project workers
- The procedure that will be followed if underage workers are found working on the project
- The procedure for conducting risk assessments for workers aged between the minimum age and 18

In Lebanon, the minimum age for employment is 13 years of age (LC, art. 22). Decree 8987 of 2012 forbids the employment of adolescents and children under 18 years of age in jobs that pose a risk to their health, safety and behavior. Those below the age of 13 are not allowed to work. Child labor is a significant issue in Lebanon and reported in construction and civil works (US DoL, 2019; AUB/MoL, 2019). After the age of 13, specific medical examinations that guarantee the medical fitness of the workers are required. Also, those below the age of 15 are prohibited from working in specific industrial and business projects that are burdensome or harmful to health. Those below sixteen are prohibited from work that is inherently dangerous or that poses a threat to life, health, or morals. Therefore, proper requirements and measures shall be implemented to ensure that the project will not employ any children under the age of 18. All workers will have written contracts compliant with the national labor law and receive pre-job briefing of their rights under the national law, including wages, pay, overtime, etc. The minimum age of employment in the project is 18 years of age.

Process of age verification:

In order to prevent engagement of under-aged labor, all contracts shall have contractual provisions to comply with the minimum age requirements. MOF is required to maintain a registry of all direct, contracted and primary supply workers with age information. Verification of the age shall be undertaken prior to the engagement of skilled workers and be documented. Additionally, contracts with contracted and primary supply workers shall include provisions about age verification. Those provisions are to be monitored and followed-up by the E&S Specialist with the PCU. As indicative age verification means, the birth date on official documents such as birth certificate, national ID or other credible records can be checked.

9. TERMS AND CONDITIONS

This section sets out the general terms and conditions of all workers hired under the Lebanese Labor law:

- Work can be carried out from the office or remotely;
- Schedule of work will be Monday to Friday from 9:00 a.m. till 5:00 p.m.;
- The employee will read the work contract prior to employment to get informed about the working conditions which will be as follows:
 - The remuneration for each post will be determined based on the candidate's experience and the Terms of Reference;
 - Full time employees will be working for 5 days per week and 8 hours per day with a maximum number of 40 hours per week;
 - Flexible working arrangements;

LABOR MANAGEMENT PROCEDURES

- Payment in USD or LBP will be made on monthly basis;
- 15 days of yearly paid vacation will be provided;
- Public Holidays will be as per the Lebanese Labor Law;

The project will have Direct Workers, Contracted Workers and Primary Supply Workers. The Terms and Conditions for each of them are described below.

9.1 Terms and Conditions for Direct Workers

Maximum number of hours that can be worked on the project:

The project will commit to the provisions of the Labor Law and accordingly allow a maximum of 8 working hours per day, with a maximum of 40 hours per week.

Provisions on termination:

Project workers will receive written notice of termination of employment and details of severance payments at least one month in advance. All wages that have been earned, social security benefits, pension contributions and any other entitlements will be paid on or before termination of the working relationship, either directly to the project workers or where appropriate, for the benefit of the project workers. For those groups covered by the Labor Code, severance pay is equal to one month per year of service, and half a month for those with less than one year of service.

Annual leave:

An employee is entitled to 15 days' annual leave on full pay after completing one year of employment. The employer may determine the timing of such annual leave based on work requirements.

Maternity leave:

Female employees covered by social insurance are entitled to 10 weeks of maternity leave at 100% pay.

Rest per week:

Employees must be granted a weekly rest which is not under 36 hours. Employees are also entitled to an unbroken rest of 9 hours every 24 hours, except in cases where work circumstances require otherwise. Where work exceeds 6 non-stop hours for men, and 5 non-stop hours for women, employees are entitled to a rest-time of at least 1 hour.

Sick leave, injuries, and death:

The employee is entitled to a sick leave based on a report from concerned medical authority. The Labor Code grants the employee the right to a yearly sick leave for sicknesses and accidents not related to the job, the duration of which is based on the employment duration, with a minimum of half a month on full pay and half a month on half pay.

LABOR MANAGEMENT PROCEDURES

9.2 Terms and Conditions for Contracted Workers

Contracted workers will mainly include consultants, individuals, and firms working under MOF, as well as contractors that will implement works, and their teams.

Specific wages:

Regarding wages, the provisions of the labor code as detailed in Section 4 will be implemented as a minimum reference.

Maximum number of hours that can be worked on the project:

The project will commit to the provisions of the Labor Code and accordingly allow a maximum of 8 working hours per day or 48 hours per week.

Provisions on termination:

Workers will receive written notice of termination of employment and details of severance payments in a timely manner. All wages that have been earned, social security benefits, pension contributions and any other entitlements will be paid on or before termination of the working relationship directly to the project workers.

Annual leave:

An employee is entitled to 15 days' annual leave on full pay after completing one year of employment. The employer may determine the timing of such annual leave based on work requirements.

Maternity leave:

Female employees covered by social insurance are entitled to 10 weeks of maternity leave at 100% pay.

Rest per week:

Employees must be granted a weekly rest which is not under 36 hours. Employees are also entitled to an unbroken rest of 9 hours every 24 hours, except in cases where work circumstances require otherwise. Where work exceeds 6 non-stop hours for men, and 5 non-stop hours for women, employees are entitled to a rest-time of at least 1 hour.

Sick leave, injuries, and death:

The employee is entitled to a sick leave based on a report from concerned medical authority. The Labor Code grants the employee the right to a yearly sick leave for sicknesses and accidents not related to the job, the duration of which is based on the employment duration, with a minimum of half a month on full pay and half a month on half pay.

9.3 Terms and Conditions for Primary Supply Workers

This category of workers is not defined in the Lebanese Labor Law and falls under the category of contracted workers. Thus it follows the same terms and conditions as contracted workers.

10. GRIEVANCE MECHANISM

A well-communicated and easily accessible grievance mechanism (GM) will be provided for all Direct, Contracted Project Workers and Primary Supply Workers to raise workplace concerns related to recruitment process and/or working environment and conditions. Such workers will be informed of the grievance mechanism at the time of recruitment and the measures put in place to protect them against reprisal for its use. The E&S specialist at PCU – MOF will be responsible for managing workers' grievances for the respective components. The specialist will coordinate with relevant organizations and stakeholders, compile and ensure follow up and monitoring of the grievances as well as other commitments as per the provision of the ESCP. The workplace grievance mechanism will be designed to be easily understandable, clear, and transparent and to provide timely feedback. The policy of confidentiality and non-retribution will be reinforced, along with ability to raise anonymous grievances. The workplace grievance mechanism will not impede access to other judicial or administrative remedies that are available under the law or through existing arbitration procedures, or substitute for grievance mechanisms provided through collective agreements.

The final design of the GM will be validated and adjusted as needed before commencement of the project activities and in line with the provisions of the ESCP to ensure its relevance and ease of use. Based on best practices, the final institutionalized GM should encompass a system that involves the following key steps:

- Uptake: Multiple uptake channels for complaints should exist to ensure widespread accessibility and inclusive accessibility.
- Sorting and Processing: There should be a system to categorize, assign priority, and route grievances to the appropriate entity for handling and resolution.
- Acknowledgement and Follow-Up: Complaints should be acknowledged (in writing). The acknowledgement should outline the GM process, provide contact details and indicate how long it is likely to take to resolve the grievance. Clear timetables should be publicly available.
- Verification, Investigation, and Action: The merit of each grievance should be judged against clearly defined standards. Investigators should be neutral and not have a stake in the outcome. Action should be taken on every grievance.
- Monitoring and Evaluation: There should be a process to track grievances and assess progress being made to resolve grievances. There should be indicators to measure grievance monitoring and resolution, best displayed via a simple graphical dashboard. If there is data being collected, this data should be used to make policy and/or process changes to minimize similar grievances in the future.
- Feedback: Complainants should be surveyed for their satisfaction and feedback on the credibility of the process. Feedback should be publicly made available. The GM should ideally recognize and enforce a right to appeal decisions.
- Analysis: A process should be in place to analyze the effectiveness of the GM periodically, within set timeframes.

LABOR MANAGEMENT PROCEDURES

Adequate resources should be allocated for the workers GM to function effectively. The mandate for the GM, institutional arrangements, procedure for receiving complaints, time limits for redress of complaints and escalation level for unresolved cases and resolution will be finalized with the start of project implementation. The workplace GM will also be responsible for tracking and resolving workers' grievances and maintaining records about grievances/complaints received, recommendations and resolutions made, and notice of resolution of grievance to the complainant. In addition, the GM will be sensitive to complaints related to SEA/SH grievances and ensure implementation of the necessary referral pathways. In the event of any SEA/SH related concerns, the requirements for incident reporting as per the Environmental and Social Commitment Plan (ESCP) will be adhered to.

The nature of complaints will be particularly time-sensitive and sensitive in terms of confidentiality. Hence, the GM should consider streamlined procedures to address specific worker grievances, which would allow workers to quickly report labor issues, lack of proper procedures or unreasonable overtime, and allow the workers to freely report, respond and take necessary actions. All grievances are clearly documented in a GM log.

Procedures

Workers will be encouraged to discuss their grievances and complaints informally with their direct managers. In cases where the direct manager is related to the subject of the complaint, the employee may choose to directly submit a formal grievance. All cases shall be resolved **within 30 working days** from the registration date of the complaint. For all cases where employees decide to submit a formal grievance, the following provide details about the step-by-step procedures they will be using:

1) Receipt, Acknowledgment and Registration

Once information that a grievance has been received is channeled into MOF from whatever source, the Grievance Log will be updated by the E&S Specialist and the person/entity raising the grievance will be contacted by MOF PCU, as relevant, to request additional information **within three working days** from receipt of the grievance if needed.

The Grievance Register shall immediately be populated by the PCU E&S Specialist with the following information using the Grievance Log:

- A unique reference number of the complaint;
- The date and time on which the complaint was lodged;
- How the grievance was first brought to the attention of MOF (uptake channel);
- Information about the complainant (name, gender, telephone number and preferred contact details, their place of residence and address); complainant also has the right to raise the grievance anonymously and confidentiality must be ensured in such cases;
- The use of the referral pathway, if any;
- A brief description of the complaint to include details of the location, people involved so that a timeline of events can be created;
- The category of the complaint;

LABOR MANAGEMENT PROCEDURES

- Whether it is a major incident and requires reporting to World Bank within 48-hours;
- Time and date on which the complaint was closed/resolved;
- Whether the complainant chose to appeal.

The person raising the grievance shall then be provided with an acknowledgement **within three working days** from the point the grievance was first raised, in an appropriate manner that reflects their preferred contact details (typically a letter or email), by PCU E&S Specialist, as relevant. The acknowledgement of receipt shall contain information about the next steps in the procedure, target timeframe and the contact details of the person who has been assigned to investigate and manage the grievance.

2) Investigation

The grievance shall be assessed, and an Investigation Report prepared and issued by the MOF/PCU or BCC **within 15 working days** from registration of the grievance. The PCU E&S Specialist, as relevant, is responsible to delegate the investigation to relevant personnel based on the type of grievance received. They will also review the investigation report and approve it prior to sharing with the person/entity raising the grievance.

If the grievance relates to a minor issue, then it is likely that the investigation can be completed **in advance of the 15 working days**. The investigation shall involve an examination of the circumstances of the case, interviews with the parties involved and consultations with stakeholders. The report shall include details of the proposed steps to be taken to resolve the grievance based upon the facts. If such steps require disbursement of financial resources, the case shall be raised to the PCU Leader for review and appropriate action.

3) Responding with a proposed resolution

The E&S Specialist will inform the person raising the grievance, **within 20 working days** from the date when the grievance was registered, of the outcome of the Investigation Report and the proposed steps to be taken to resolve the grievance. If a physical meeting is not possible, the meeting can be held remotely via means that are accessible to the person raising the grievance.

If the person accepts the resolution steps, then these will be implemented within the agreed timeframe and the person raising the grievance will be requested to sign their acceptance of the proposed solution so that it can be closed in the Grievance Register. As a target, all complaints should be closed **within 30 working days** from registration of the grievance. Feedback will be requested from the person to check how satisfied they are with the overall resolution of the grievance.

If the person does not accept the resolution steps, then they will be able to appeal (see below).

4) The opportunity to appeal

If the originator of the grievance is not satisfied with the resolution, he/she has the right to appeal. If a person wishes to appeal, then E&S Specialist shall invite the services of an independent party (such as a non-governmental organization, civil society group or independent consultant) and ask them to provide

one, or more, representatives to help mediate the case. At any time during the grievance resolution process, a complainant can seek independent legal advice or involve a court of law.

Vulnerable groups will be assisted to raise their grievances by the Beirut Bar Association, which can appoint voluntary lawyers to investigate such claims. Non-Governmental Organizations (NGOs) engaged in the project can also play a role in defending legal rights of vulnerable groups. Once these groups are identified, they will be documented and the LMP will be updated accordingly as needed.

The E&S Specialist will ensure adequate follow-up of the appeal process and follow up with the complainant as needed to ensure the case is closed as promptly as practicably possible.

5) *Follow-up and conclusion*

Once a resolution of the complaint has been agreed or a decision to close the file has been made, the final step will be the implementation of the settlement, the monitoring of the results and the conclusion of the complaint.

Where needed, the E&S Specialist will prepare a 'lessons learned' document that outlines the steps taken to avoid similar grievances from re-occurring in the future. These shall then be disseminated across the Project and activities through toolbox talks, notice signs, meetings and other activities to work towards improving the Project's environmental and social performance over time.

Reporting on Gender Based Violence (GBV)/SEA/SH and cases of abuse by staff will be highlighted and community members will be encouraged to report cases of violence they witness in or around the work sites and related public spaces³. This would help to ensure that women and girls especially have a voice when they experience any kind of violence during project implementation. Where applicable, this can be done by raising awareness of safe and anonymous mechanisms that anyone can use to report GBV and harassment, as well as awareness on the redress mechanisms offered through the program and other local institutions.

The GM does not exclude the formal legal process of the national law. If a grievance remains unresolved following application of the project GM process, the affected person can initiate legal proceedings in accordance with national law and may have recourse to the Appeals Court as warranted.

Handling grievances related to GBV:

To avoid the risk of stigmatization, exacerbation of the mental/psychological harm and potential reprisal, the grievance mechanism will have a different and sensitive approach to GBV related cases. Where such a case is reported, it will immediately be referred to the appropriate service providers upon the consent of the survivor/complainant, such as medical and psychological support, emergency accommodation, and any other necessary services for the survivor to get relevant attention. If the

³ It is important to consider having confidential / focused group discussions in these cases as some women might hold back sharing or voicing these kinds of concerns in public. More information can be found in the SEP document as this statement is more specific to communities' grievances.

LABOR MANAGEMENT PROCEDURES

survivor so desires, the case could be referred to law enforcement and even legal services. Data on GBV cases will be handled confidentially and follow the victim centered approach. The GBV related cases, when they happen, should be reported to the World Bank within 48 hours of their occurrence, in line with the ESCP.

11. CONTRACTOR MANAGEMENT

The contractors will be selected based on both minimum technical specifications and financial offers. The technical specifications will ensure that they shall have in place labor management procedures that will allow them to operate in accordance with the requirements of ESS2.

Requirements of ESS2 will be incorporated into contractual agreements with all contractors and sub-contractors and procedures will be put in place to manage and monitor the performance of contractors. The contractual agreements will include non-compliance remedies (i.e., sanction clause) for possible non-compliance with E&S provisions by the contractor. It is worth noting that the contractor bidding documents will follow the World Bank's standard bidding documents which disqualify contractors for failing to comply with GBV/SEAH related obligations.

12. COMMUNITY WORKERS

There will be no community workers involved in the project.

13. PRIMARY SUPPLY WORKERS

Primary Supply Workers will be involved under this project in the supply of goods associated with the core project activities e.g., minor civil works, installation of solar panels for electricity generation, and ICT upgrading. In the event of an occupational fatality or serious injury, the PCU reports to the Bank as soon as becoming aware of the fatality or serious injury and in line with ESS2 requirements and this LMP. Where there is a significant risk of child labor or forced labor related to primary supply workers, the PCU will require the primary supplier to identify those risks consistent with ESS2. The PCU will undertake its due diligence for the monitoring of primary suppliers in this regard and in line with the ESCP following the principle of proportionality.

Annex 1: Code of Conduct

Individual CoC in Arabic

مدونة سلوك - Code of Conduct

مشروع الطرق والعمالة - Roads & Employment Project
الممول من قبل البنك الدولي (القرض رقم ٨٧٠٥ - لبنان)، بإدارة وتنفيذ مجلس الائتماء والإعمار لصالح وزارة الأشغال العامة والنقل

تعتبر مدونة السلوك هذه وثيقة ضرورية لحماية جميع العاملين في مشروع الطرق والعمالة من جميع مظاهر العنف القائم على أسس اجتماعية، التمييز، سوء المعاملة، التحرش والاعتداء والاستغلال الجنسي وأي سلوك اجتماعي آخر يخل بحقوق الإنسان، المجتمع المحلي والآداب العامة، بما في ذلك المعايير التالية:

<ul style="list-style-type: none"> • الالتزام بمعاملة النساء والرجال والشباب باحترام بغض النظر عن انتمائهم الديني، العرقي، الطائفي، اللغوي، التوجه السياسي، الاعاقة، الجنسية، الجندرة، الخ. • احترام موقع العمل وادوات العمل المشتركة: نظافة المكان، عدم التعدي على الممتلكات العامة المجاورة للأعمال، الخ. 	١- التزام الاحترام والآداب العامة
<ul style="list-style-type: none"> • العنف القائم على النوع الاجتماعي: أي فعل مؤذ يُرتكب ضد إرادة الشخص. وهو مبني على الفروق بين الذكور والإناث التي يُعزى وجودها لأسباب اجتماعية. • العنف الجنسي: الاغتصاب، الاعتداء الجنسي، التحرش الجنسي، الخ. • العنف الجسدي: الضرب، الصفع، الضرب المتكرر أو باستعمال أداة، الخ. • العنف العاطفي: الاستغلال النفسي، والابتزاز، الخ. • العنف الاقتصادي: الحرمان من الموارد، الحصول على أدوات العمل، عدم الالتزام بالأجر المتفق عليه، الخ. 	٢- عدم استعمال العنف بشتى اشكاله
<ul style="list-style-type: none"> • الالتزام بالتصدي لأي شكل من أشكال التحرش أو التمييز أو التخويف أو الاستغلال أو الاعتداء الجنسي بما في ذلك التعليقات المهينة المتعلقة بالميل الجنسي، القذف باللقاب أو عبارات ذات دلالات جنسية، التحديق بطريقة ذات إيحاء جنسي، اللمس غير مرغوب فيه، القيام بحركات جنسية غير لائقة، تبادل الحكايات أو النكات الجنسية، توجيه رسائل ذات إيحاء جنسي بأي شكل من الأشكال، محاولة الاعتداء الجنسي أو ارتكابه، بما في ذلك الاغتصاب. 	٣- التحرش والاعتداء والاستغلال الجنسي

أنا الموقع أدناه، أقر بأنني قرأت وتلّيت وفهمت وتلقّيت الشرح والتدريب والمعلومات الكافية عن مدونة السلوك التابعة لمشروع الطرق والعمالة. وأوافق على الامتثال للمعايير الواردة فيها وأعترف أن أي إجراء يتعارض مع مدونة السلوك هذه قد يؤدي إلى اتخاذ إجراء تأديبي وقد يؤثر على استمرارية عملي ضمن مشروع الطرق والعمالة.

أسم وامضاء العامل (من قبل المتعهد)	أسم وامضاء مسؤول الموقع (من قبل الاستشاري)	أسم وامضاء المشرف على الاعمال (من قبل الاستشاري)
التاريخ:	التاريخ:	التاريخ:

العامل يجيد القراءة، وقد دون اسمه وامضاءه

العامل لا يجيد القراءة، وقد تُلّيت عليه مدونة السلوك وتم الامضاء نيابةً عنه من قبل الأخصائي الاجتماعي

Individual CoC in English

Code of Conduct

Roads & Employment Project

(Funded by the World Bank – Project ID No. 870 - Lebanon)

Implemented by the Council for Development and Reconstruction (CDR), in collaboration with the Ministry of Public Works and Transport.

This Code of Conduct is a necessary document to protect all workers involved in the Roads & Employment Project from all forms of violence based on social principles, including harassment, mistreatment, sexual abuse, and exploitation, or any other behavior that violates human rights, local community norms, and public morals. The following standards must be adhered to:

1-Commitment to Respect and Public Decency	<ul style="list-style-type: none">• Respect the dignity of both women and men, and youth, regardless of their religious, racial, or gender differences.• Respect the worksite, common work tools, cleanliness of the area, and not infringe on public property or interfere in the work of others.
2-No Use of Verbal or Physical Violence	<ul style="list-style-type: none">• Gender-based violence: Any harmful act committed against a person's will, based on differences between males and females that are attributed to social reasons....• Sexual violence: Rape, sexual assault, sexual harassment....• Physical violence: Beating, slapping, repeated beating or using a tool....• Emotional violence: Psychological exploitation and blackmail....• Economic violence: Deprivation of resources, denial of access to work tools, failure to comply with the agreed-upon wages....
3-Harassment, Abuse, and Sexual Exploitation	Commit to refraining from any form of harassment, discrimination, intimidation, or sexual assault, including offensive comments related to sexual orientation, name-calling or using phrases with sexual connotations, staring in a sexually suggestive manner, unwanted touching, making inappropriate sexual gestures, sharing sexual stories or jokes, sending sexually suggestive messages in any form, and attempting or committing sexual assault, including rape

I, the undersigned, acknowledge that I have read, had it read to me, understood, and received the necessary clarification and training regarding the content of the Code of Conduct for the Roads and Employment Project. I commit to adhering to the standards outlined above and acknowledge that any action violating this Code may result in disciplinary measures and could negatively affect the continuation of my work within the project.

Name & Signature Employee's	Name & Signature of Site Manager (Contractor)	Name & Signature of Supervisor (Consultant)
Date	Date	Date

() The worker is literate and will disclose their name and signature.

() The worker is illiterate, and their name and signature will be disclosed by the social specialists