

**VIETNAM ELECTRICITY
NATIONAL POWER TRANSMISSION CORPORATION**
ĐIỆN LỰC VIỆT NAM

**RENEWABLE ENERGY ACCELERATING CHANGE PROJECT
(REACH)**

**LABOR MANAGEMENT PROCEDURES
(LMP)**

(DRAFT FOR CONSULTATION)



FEBRUARY 2021

ABBREVIATIONS

COVID- 19	Coronavirus Disease 2019
CPO	Central Project Office
CSC	Construction Supervision Consultant
DARD	Department of Agriculture and Rural Development
DOF	Department of Finance
DOLISA	Department of Labors, Invalids and Social Affairs
DONRE	Department of Natural Resource and Environment
DPI	Department of Planning and Investment
E&S	Environmental and Social
EIA	Environmental Impacts Assessment (required by GoV)
EM	Ethnic Minority
EMDP	Ethnic Minority Development Plan
EMPF	Ethnic Minority Policy Framework
ESA	Environmental and Social Assessment
ESF	Environment and Social Framework (of WB)
ESF	Environmental and Social Framework
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
ESS	Environmental and Social Standards (of WB)
NPT	National Power Transmission Company
FS	Feasibility study
GoV	Government of Vietnam
GRM	Grievance Redress Mechanism
IBRD	International Bank for Reconstruction and Development
IEMC	Independent Environmental Monitoring Consultant
IoT	Internet of Things
IUU	Illegal Unreported and Unregulated
LMP	Labor Management Procedures
MARD	Ministry of Agriculture and Rural Development
MOF	Ministry of Finance
MOH	Ministry of Health
MOLISA	Ministry of Labor Invalids and Social Affairs
MONRE	Ministry of Natural Resources and Environment
MPI	Ministry of Planning and Investment
MSC	Monitoring, Control and Surveillance
PPC	Provincial People's Committee
PPMU	Provincial Project Management Unit
RAP	Resettlement Action Plan
RPF	Resettlement Policy Framework
SEP	Stakeholder Engagement Plan
SPMB	Southern Vietnam Power Projects Management Board
TOR	Terms of Reference
WB	The World Bank

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I. INTRODUCTION

1. Over the past decades, energy sector has been a fundamental enabler of inclusive economic development. Energy sector's institutional and administrative arrangements were able to successfully manage growth. EVN has been able to transform into one of the best performing power utilities in the region. However, as Vietnam plans its next phase of growth, energy sector stands at an inflection point. Given the rapidly evolving nature of Vietnam's economy, the coming decades would require a strong focus by the energy sector on the 'quality', and not just the 'quantity' of growth. The key challenges confronting the sector include: (i) managing the transition to clean-energy based power system, (ii) ensuring energy security under the new growth factors, and (iii) bringing in modern efficiencies and new technologies which keep pace with the changing nature of the energy industry. Adapting to these new challenges would once again require bold vision of the authorities as well as a strong reform agenda capable of reshaping the sector and its institutional landscape. government's climate impact mitigation strategy

2. The Government of Vietnam has requested the World Bank (WB) to finance the Renewable Energy Accelerating Change Project (REACH). This project is in line with the Seventh Power Sector Development Plan (PSDP7). The proposed project will contribute to the improved capacity of the electricity grid for enhanced variable renewable energy (VRE) integration of private sector-led renewable energy generation and reduced greenhouse gas (GHG) emissions, reduced electricity costs, reduction in dependence on fossil fuels, and reduction in air and water pollution. The total cost of project is \$350 million USD. The proposed Project will be implemented from 2022 - 2026. The Project comprises of two components, (1) Grid Strengthening for VRE Integration and (2) Dispatch Management.

3. EVN will be the project owner and responsible for coordinating with all relevant Government agencies as well as its subsidiary companies responsible for following respective components. The National Power Transmission Corporation (NPT) will implement Component 1, while the National Load Dispatch Centre (NLDC) will implement Component 2. The project will be implemented in Dak Lak, Dak Nong, Binh Phuoc, Tay Ninh, Dong Nai, Ba Ria – Vung Tau province.

4. The Project will apply the World Bank Environmental and Social Framework (ESF) and comply with applicable Vietnamese law and legislations. The REACH's environmental and social risk has been rated at Substantial. Nine out of the ten Environmental and Social Standards (ESSs) in the ESF are relevant to the Project, including: i) ESS1 - Assessment and Management of Environmental and Social Risks and Impacts; ii) ESS2 - Labor and Working Conditions; iii) ESS3 - Resource Efficiency and Pollution Prevention and Management; iv) ESS4 - Community Health and Safety; v) ESS5 - Land Acquisition, Restrictions on Land Use and Involuntary Resettlement ; vi) ESS6 - Biodiversity Conservation and Sustainable Management of Living Natural Resources; vii) ESS7 - Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities; viii) ESS8 - Cultural Heritage; and ix) ESS10 - Stakeholder Engagement and Information Disclosure

5. One of the Standards, ESS2, relates to Labor and Working Conditions and expects the Borrowers to develop labor management procedures (LMP). The purpose of the LMP is to identify the main labor requirements and risks associated with the project and help the Borrower to determine the resources necessary to address project labor issues. The LMP will enable different project-related parties, for example, staff of the project management unit, contractors and sub-contractors and project workers, to have a clear understanding of what is required on a specific labor issue. 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.

6. Scope of the LMP is outlined in the World Bank's ESS2. The engagement will be planned as an integral part of the project's environmental and social assessment and project design and implementation. This document has 12 chapters. Chapter 1 served as Introduction. An overview of labor use in the project is presented in Chapter 2. Key potential labor risks are listed in Chapter 3. Legislative Framework governing labor employment in Vietnam 2 is discussed in Chapters 4 and 5. Implementation Arrangements, Age Requirement, Policies and Procedures and Timing of labor requirements follows in the subsequent chapters. Grievance Redressal Mechanism and Contractor Management are presented in the last two chapters 10 and 11 respectively, while primary supplier is mentioned in chapter 12.

II. OVERVIEW ON LABOR USE ON THE PROJECT

Component 1: Grid Strengthening for VRE Integration (US\$ 330 million of which US\$182 million from WB and US\$ 142 million from EVN)

7. Component 1 provides financing for construction of two new 500 kV transmission lines and substations which are critical for evacuating power from renewable energy producing centers to the demand centers. This investment in backbone transmission grid strengthening will enable a better integration of around 543 MW of existing/under construction solar and wind energy projects and unlock around 2.3 GW of new generation. It is anticipated that all these new VRE projects will directly replace new coal power plants as per the draft PSDP 8. In addition, it will enable a reduction in transmission losses in those regions. This component will be included the subprojects:

- i. **500 kV Bac Chau Duc Substation and Transmission Line.** This includes 10 km long quad-circuit 500 kV transmission line (TL), and a substation (SS) with capacity of 950 MVA will be added as part of this sub-project. The sub-project is located in Ba Ria - Vung Tau Province, in the Southern region of Vietnam. Total estimated cost of this sub-project is US\$ 75 million, of which US\$ 41 million would be mobilized by the World Bank and the remainder by EVN.
- ii. **500 kV Krong Buk - Tay Ninh 1 Transmission Line.** This includes nearly 300 km long 500 kV double circuit TL. The physical footprint of this TL will traverse several provinces from the central highland of Dak Lak to the South-Eastern province of Tay Ninh. The total estimated cost of this sub-project is US\$ 243 million, of which US\$ 133 million would be mobilized by the World Bank and the remainder by EVN.
- iii. **220 kV Phuoc Dong Substation.** This includes an upgrade of 250 MVA of substation capacity and associated equipment. The sub-project is located in the Tay Ninh province in the South East of Vietnam. Total estimated cost of this sub-project is US\$ 12 million, of which US\$ 8 million would be mobilized by the World Bank and the remainder by EVN.

Component 2: Dispatch Management (US\$ 20 million of which US\$ 12 million from WB and US\$ 8 million from EVN).

8. Component 2 finances system management infrastructure (sensors, hardware, and software) for the power grid operator to digitize and automate the tasks for VRE integration. As the volume of VRE increases in the generation mix, the number of power plants is expected to be dramatically increase (for instance, the number of solar power plants has increased from about a dozen a few years ago to over 150 today). This created difficulties for the National Load Dispatch Center (NLDC) to visualize, monitor, and control the network. In addition, the variability of the solar and wind energy also requires additional sensitivity in management of operations with regards to efficient forecasting of supply and demand as well as faster response to voltage and frequency changes. The investment supported under this component will be part

of the new state-of-the-art NLDC Control Center which is being setup by EVN with the anticipated enhancements required for grid management needs.

9. **Institutional arrangements and capacity for implementation and sustainability.** EVN will be the overall responsibility for implementing the project and will be responsible for: (i) coordinating with all relevant Government agencies as well as its subsidiary companies responsible for respective components. Component 1 will be implemented by NPT/SPMB and Component 2 will be implemented by EVN/NLDC. In turn, NPT and NLDC would assign specific project management boards (PMBs) to undertake day-to-day management of the project related tasks.

2.1. Type of Workers

10. ESS2 categorizes the workers into direct workers (directly engaged by borrowers), contracted workers (engaged by a third party), community workers (recruited or engaged for community works) and primary supply workers. Under REACH, the project is not likely to engage community workers, as civil works will be the responsibility of contractors. The types of project workers likely to be engaged in the project are described as follows:

- (1) **Direct workers:** are those who are engaged directly by borrower to work specifically for the Project. Under the REACH, direct workers include staff and consultants directly employed by NPT, NLDC, PMBs to work in REACH. The timing of labor requirements is from the project preparation to the completion of the project.
- (2) **Contracted workers:** are those who are employed or engaged by third parties to perform work in relation to core functions of the REACH, regardless of location. PMBs will involve different contractors for carrying out preparation of documents and implementation of different civil works under the subprojects. The different categories of anticipated contracted workers are presented in section 2.3.
- (3) **Primary supply workers:** are people employed or engaged by borrower's primary suppliers. The construction work under the Project will require primary supplies essential for the functions of the priority infrastructure, such as construction materials including aggregates, bitumen, pipelines, and precast concrete interlocking blocks. Where the contractor will source such materials directly from primary suppliers on an ongoing basis, the workers engaged by such primary suppliers are deemed "primary supply workers", as defined in ESS2. The number and type of primary suppliers will be determined at subproject implementation stage. The timing of labor use of primary supply workers will cover the construction stage of the subproject.
- (4) **Other stakeholders working in connections with the project.** Stakeholders working in connection with the Project other than the above project workers will include the Government civil servants. Some provincial government civil servants will be working in connection the Project, which will include DOC, DOT, DONRE, DPI, District Land Fund Development Centers (DLFDCs), District Compensation and Site Clearance Committee (DCSCCs). They will remain subject to the terms and conditions of their existing public sector employment, which are governed by the Vietnam Labor Code, the Law on Public Employees, and the Law on Civil Servants. There will be no legal transfer of their employment or engagement to the project. The Constitution and the Labor Code prohibit child labor and forced labor. The government civil servants involved in the Project are not expected to be exposed to OHS risks under the project as they will not engage in project-related civil works.
- (5) **Community workers:** The project will not have community workers as defined under ESS2. The community members to be engaged by the contractors will be categorized and managed as "contracted workers".

2.2. Total number of Project Workers

11. The total number of workers is estimated at 884 for the whole project. The number of workers by categories is identified in Table 2.

Table 1. Estimated number of workers

Type of labor	Labor Characteristics of the Project	Labor time requirement	Number of employees expected
1. Direct labor			
<ul style="list-style-type: none"> ○ Project management specialist 	<ul style="list-style-type: none"> ○ Staff of PMBs ○ Staff of NPT ○ Staff of NLDC 	<ul style="list-style-type: none"> ○ From the preparation to the end of the Project 	PMBs specialist: 20 NPT specialist: 10 NLDC specialist: 10
2. Contracted labor			
<ul style="list-style-type: none"> ○ Environmental and Social Consultant (ESMP, RAP, EMDP) ○ Consulting feasibility study (FS) ○ Construction supervision consultant (CSC) ○ Independent environmental & social monitoring consultant ○ Main contractor's skilled worker ○ Subcontractor skilled labor ○ Unskilled labor 	<ul style="list-style-type: none"> ○ National and international experts ○ Domestic specialist ○ Mainly domestic technical experts ○ Employees from central / local host communities, female workers and people with disabilities. 	<ul style="list-style-type: none"> ○ From the first stage of project preparation and implementation to the completion of the Project ○ The required time for labor will fluctuate, depending on the construction stages, to be determined by the contractors at the stage of contract award. 	<p>For each sub-project about 228</p> <ul style="list-style-type: none"> ○ Expert in Environment and Social Affairs: 15 ○ FS expert: 8 ○ CSC consulting: 15 ○ Independent environmental & social monitoring consultant: 10 ○ Skilled workers of main contractors: 110 ○ Skilled workers of subcontractors: 10 ○ Unskilled worker: 60 <p>Total for 3 sub-projects: 684 employees</p>
3. Main supplier			
<ul style="list-style-type: none"> ○ Labor of main suppliers working in sand and stone extraction sites (construction materials) 	<ul style="list-style-type: none"> ○ They can be local workers 	<ul style="list-style-type: none"> ○ Project construction phase. 	<ul style="list-style-type: none"> ○ Main supplier employees will be identified during the implementation of the proposed project: approximately 60 employees per subproject.

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Type of labor	Labor Characteristics of the Project	Labor time requirement	Number of employees expected
			Total for 3 sub-projects: 180 employees
4. Community labor	Not applicable	Not applicable	Not applicable

2.3. Contracted workers

12. PMBs will involve different contractors for carrying out preparation of documents and implementation of different civil works under subproject 1, 2, and 3. REACH’s contracted workers include the consultants preparing the project/sub-project’s feasibility study and detail design; consultant for preparation of ESIA/ESMP/RAP/EMDP, construction supervision consultant (CSC), independent environmental and social monitoring consultant (IEMC), construction contractors and subcontractors and their workers. The timing of labor requirements will fluctuate, dependent on the construction stages of each subproject. The different categories of anticipated contracted workers are presented below.

13. Civil work contractors and workers include skilled and non-skilled workers.

- **Skilled permanent staff of the contractors (construction company):** The permanent technical staff of the contractors will be engaged in the project, including project managers, site engineers, construction foreman, environmental social health and safety (ESHS) officer, administrative and finance officers for the project/subprojects.
- **Skilled workers engaged by sub-contractors/subcontractors:** Depending on the requirements of expertise for each type of investment and working items, contractors will mobilize their relevant workers or engage subcontractors to meet project owners’ requirements. The works requiring skilled workers may include drivers, operators of heavy machines for dredging, piling, hauling, road roller/soil compaction, sand/quarry loading, and grader/excavation, transmission line (TL), substations, and structural houses. The workers will be expected have expertise relevant to the required works (e.g. Contact with electricity will need workers trained or skilled in electric works). The skilled workers may include both local and migrant workers.
- **Unskilled community members engaged by the contractor/subcontractors:** It is expected to reduce large number of migrant workers at sites, the project is designed to maximize the employment generation through engaging local labors as unskilled workers especially in simple works such as construction of ancillary works, walls, excavation/leveling, loading/unloading materials, supporting for builders, site cleaners, watering working sites etc. To ensure equal opportunities in employment, the contractor will be contractually required to coordinate with PMBs to prioritize the host communities and vulnerable groups in the engagement of such workers, including female workers and labors with disabilities. Mass organizations such as commune Women Unions are expected to facilitate the selection of unskilled workers including female workers and labors with disability to access to working for the project.
- **Feasibility Studies (FS) and detailed design Consultant.** Consultants (firm or international organization) will be engaged by PMBs to provide services of preparation of FS and detailed design for the civil works under provincial subproject. The consultant firms will consist of 10 to 15 national or international experts, including project manager, sanitation, water supply and drainage, harbor and port expert, M&E, hydraulic, road design engineer, project support officer, geospatial technical officer,

quantity and cost estimator, community liaison officer and environmental, health and safety officer. The procurement process for the consultant team will start during sub-project preparation, but the consultant will be on board in the early stage of project implementation. The FS and detailed design consultant will support PMBs until the approval of the FS and detailed design for each subproject.

- **Construction Supervision Consultant:** A construction and supervising consultant (firm or international organization) will be engaged by PMBs to provide day-to-day construction oversight for the civil works. The construction and supervision consultant team will consist of 15 to 20 national experts, including project manager, sanitation, water supply and drainage, M&E, hydraulic and road design engineer, project support officer, geospatial technical officer, quantity and cost estimator, community liaison officer and environmental, health and safety officer. The procurement process for the consultant team will start during subproject preparation, but the consultant will be on board in the early stage of project implementation. The construction and supervision consultant will support PMBs until the completion of the civil works.
- **Independent Monitoring Consultants:** Independent Monitoring Consultants for environment and for social issues is planned to be engaged by PMBs. Independent monitoring consultants are responsible to ensure compliance with approved plans and programs related to environmental and social issues. The independent monitoring consultants will be engaged at the beginning of the implementation period and will complete their works from 6 months to 1 year after all resettlement/environmental activities have been satisfactorily completed.

2.4. Workforce Characteristics

14. **Direct workers.** Most of the direct workers are expected to have university or master degrees and relevant experience. They will be expected to work full time for supporting the project owners in sub-project preparation, project/subproject implementation, supervision and reports. Direct workers will mostly be local or but can include immigrant workers.

15. **Contracted workers** include the FSs and detailed design consultants, E&S consultants, CSCs, IEMCs and contractors/subcontractors and their workers hired to work in the REACH during implementation phase.

16. Most contracted workers in consultant teams (FSs, detailed design, E&S, CSCs, IEMCs) are expected to have university degrees and number of years with relevant work experience. Most of them are migrant workers. There could be some international consultants in the CSC team.

17. Contracted workers of the contractors/subcontractors included both skilled and unskilled members. The skilled members of contractors/subcontractors are mostly immigrant while the unskilled community engaged members are local.

2.5. Timing of Labor Requirements

18. The direct workers i.e. PMBs staffs will generally be required full time and around the year for the subproject preparation and implementation.

19. The contracted workers working as consultants for development of subproject FSs, E&S documents, detailed design will be engaged during the subproject preparation period.

20. The contracted workers i.e. CSCs and IEMCs will carried out the supervision and monitoring of technical and environmental and social performances during subproject and project implementation. CSC will be generally be required full time and daily working at sites for daily technical and E&S supervision and IEMC is expected to be mobilized to work quarterly or biannually depending the project requirement.

21. Contractors/subcontractors will be mobilized during the construction of the civil works under subprojects. In general, the construction of substation and T/L may last about 1 year, while the infrastructure improvement for road will be around 1 week for completion.

III. ASSESSMENT OF KEY POTENTIAL LABOR RISKS ACTIVITIES

3.1. Subproject activities

22. Key potential risks to laborers are expected to be caused during the project construction and risks to the project contracted workers (construction workers) at working sites and workers camps. Below is the summary of construction activities:

- Preparing for construction plan.
- Earthworks, soil excavation.
- Soil backfilling.
- Concrete production and construction.
- Steel structure fabrication and erection.
- Construction for brick and stone structures.
- Construction for brick masonry, plastering...
- Transportation and installation of extra-heavy equipment.
- Other auxiliary jobs....

3.2. Assessment of potential labor risks

23. Drawing upon experience and lesson learned from other similar infrastructure projects in Vietnam, the following are key labor risks anticipated during the implementation of the Project.

a) OSH risks

- **Health risks.** Health risks due to working in a pollution environment with high dust concentration caused by the construction activities of site clearance and demolishing of old structures, soil excavations, leveling, machine operation and transportation;
- **Accidents due to structure collapse.** Excavation and demolishing activities can cause a damage of nearby existing structure foundations leading to the structure collapses causing serious injuries to workers.
- **Accidents due to falling into water.** Workers may fall down in water cause serious injuries during dredging, pilling or constructing breakwater, embankments, wharves and bridges due to dizzying or/and strong wind, waves or/and careless working without compliance with working safety.
- **Accidents due to falling from high levels.** Workers may fall down from a high-level due to incorrectly installed scaffolding, uninsured ladders and unprotected steel bars during construction of operational houses, roofs of wharves, bridges, electric systems leading to labor accidents.
- **Falling objects:** Workers working below a house/power tower being constructed may be hit by hard objects falling from a high-level causing injury.
- **Electrical shock:** Workers may expose to live electricity during testing TLs, substations and using power for soldering. Electrical shock can cause serious injuries or fatalities;
- **Accidence due to iron cut/ soldering.** Workers cutting irons and soldering without using proper PPE (e.g. protective glasses) may be suffered with eye accidents with serious injuries even blinding.

- **Accident due to fire and explosion.** Workers welding can generate fire catching flammable materials nearby especially fuels and gases leading to a fire or explosion causing serious affects to workers and communities.
- **Accident due to heavy equipment.** Several working sites (e.g. install T/L) may gather many workers and heavy machines (e. g cranes) working in a narrow space for different works. Moving heavy equipment may hit workers working nearby causing injuries.
- **Occupational disease.** Workers working under a condition with noise generating from heavy machines (e.g. Power operators) can be suffered with occupational disease such as deaf.
- **Health risks on infection with COVID-19.** Contamination during infectious disease outbreaks if frequent and proper hygiene practices are not consistently applied (in particular frequent and proper hand hygiene and wearing masks to serve as barriers to human-to-human transmission of virus).

24. The OSH risks are considered varied from moderate to substantial based on the typology and scale of investment and based on the fact that a portion of contracted workers from contractors/subcontractors are unskilled and untrained local population. In addition, risk remains that some accidents may occur that lead to injuries even fatalities. The OSH risks can be controllable through providing workers with training on labor safety, sanitation, other preventive actions and adequacy of PPE prior to civil works. Proper working site management of contractors combined with a daily close supervision of CSCs on labor safety and strictly periodic E&S monitoring of IEMC during project implementation can be effective measures to address labor accidents. Information about social diseases such as HIV/AIDS, COVID-19 and prevention methods will be provided to workers through training programs and information disclosure; Regulations, penalties for the violated workers at the site must be developed; The contractor must be closely work with local authorities to manage the number of workers at the construction site.

b) Child labor

25. In Vietnam, in recent years, laborers under 15 years old have been rarely found as all of them are encouraged by the government to go to schools and the poor families are trying to afford their children for schooling as a way of escaping poverty sustainably. Under REACH, it is expected that no less than 18 years old labors will be recruited or engaged. To ensure it is carried by contractors, the regulation of project labor ages will be incorporated into contract bidding documents as a basis for E&S compliance monitoring during the project implementation.

c) Risks due to labor influx

26. Migrant workers will be included during the implementation of subproject, but a large scale of labor influx is not expected due to the availability of local labor supply in the provinces. The varies of cultural behaviors can lead to conflicts between local and migrant laborers at construction sites and workers camps. In addition, gender-based violence, sexual harassment may occur at sites due to male migrant workers causing adverse effects on mental health and liberality of female workers. However, according to the initial consultation with key staff of project provinces, except for a number of skilled workers will be mobilized for constructing fishing ports, majority of migrant workers may be sourced from nearby districts within the province, therefore the cultural differences will be expected to be minor. The labor risk due to migrant influx is considered small to moderate and can be mitigated through regulating in labor contracts signed between both sides in accordance with Code of Conducts (CoC) (annex 2), while providing training raising their awareness on CoC for workers and availability of worker GRM for them to ask for resolving once identification of any case of noncompliance with the CoC.

d) Labor disputes over terms and conditions of employment

27. Labor disputes in a new construction environment are common in Vietnam. Likely causes for labor disputes include demand for limited employment opportunities; labor wages rates and delays of payment; disagreement over working conditions; and health and safety concerns in work environment. In addition, employers such as contractors/subcontractors may retaliate against workers for demanding legitimate working conditions, or raising concerns regarding unsafe or unhealthy work situations, or any grievances raised, and such situations could lead to labor unrest. However, implementing the project policy on sound labor treatment in accordance with ESS2, project contractors/subcontractors will be required to provide their labors with information on the employment, while negotiating to reach a consensus on terms and conditions of employment with the laborers before signing labor contract for implementation. Monitoring the compliance with implementation of the terms of work conditions that have been signed labor contract of both sides and carrying out strictly the GRM for laborers will be the effective mitigation measures to address the labor disputes during the project implementation.

e) Discrimination and exclusion of vulnerable/disadvantaged groups

28. Vulnerable/ disadvantaged groups including women and persons with disabilities may be subject to increased risk of exclusion from employment opportunities under the Project/subprojects. Likely causes may be that both sides of employers and employees have not identified the employment relationships in this field. Currently, Vietnam has granted incentive policies to encourage employers to recruit or engaged female labors and labors with disabilities to enhance gender equality in the field of employment. For the project, employers especially contractors/subcontractors will be expected to apply such incentive policies of the nation to create employments suitable with women and people with disabilities, while coordinating with local authorities such as commune Women Unions to facilitate the vulnerable labor groups to find employments from the project.

29. The above social impact is assessed to be low as: (i) local labor will prioritized to use for construction activities, at the same time measures to control the age of hired workers must be taken; (ii) the contractor/subcontractors shall not hire child labor for the project-related jobs as commitment not to use child labor is one of the required conditions in the bidding documents; (iii) workers will be trained on labor safety, traffic safety, sanitation before starting any civil works; (iv) the workers concentrated scatter in different areas, the impacts are localized within the construction areas; (v) the project owner will coordinate with local authorities and related units to strictly control the Contractor's labor use.

IV. BRIEF OVERVIEW OF LABOR LEGISLATION: TERMS AND CONDITIONS

30. The workers in Vietnam are managed and protected under a relative comprehensive labor framework. The key Vietnamese labor legislations are presented below.

- **The Laws:**

- Law No.64/2006/QH11 dated 29 June, 2006 on prevention and control human immunodeficiency virus causing acquired immune deficiency symptom (HIV/AIDS);
- The Law on Civil Servants No. 22/2008/QH12, dated 13 November 2008;
- The Law on Public Employees No. 58/2010/QH12 dated 15 November 2010;
- The Labor Code No. 45/2019/QH14 passed by the National Assembly of Vietnam on 20 November 2019;

- The Social Security Law No. 58/2014/QH13 passed by the National Assembly of Vietnam dated 20 November 2014;
- The Law on Occupational Safety and Health No. 84/2015/QH13 passed by the National Assembly of Vietnam dated 25 June 2015;
- The Law amending and supplementing a number of articles of the Law on Civil Servants and Public Employees No. 52/2019/QH14 dated 25 November 2019.
- **Decrees:**
 - Decree No.41/2013/ND-CP dated 23 June 2013 of the Government detailing Article 220 of the Labor Code on the list of employees that are not allowed to go on strike and settle requests of the labor collective in these units;
 - Decree No.44/2013/ND-CP of the Government dated 10 May 2013, detailing the implementation of a number of articles of the labor code regarding labor contracts;
 - Decree No. 45/2013/ND-CP of the Government dated 10 May 2013 detailing a number of articles of the Labor Code on working time, rest time and occupational safety and health;
 - Decree No.46/2013/ND-CP dated 10 May 2013 of the Government detailing a number of articles of the Labor Code on labor mortgage;
 - Decree No.49/2013/ND-CP dated 14 May 2013 of the Government detailing the implementation of a number of articles of the Labor Code on wages;
 - Decree No.27/2014/ND-CP dated 25 May 2014 of the Government detailing a number of articles of the Labor Code on labor as domestic workers;
 - Decree No.05/2015/ND-CP dated 1 March 2015 of the Government detailing and guiding the implementation of some contents of the Labor Code;
 - Decree No.61/2015/ND-CP dated 1 September 2015 of the Government on regulations on employment support policies and National employment fund;
 - Decree No.85/2015/ND-CP of the Government dated 15 November 2015 of the Government detailing a number of articles of the Labor Code on policies for female workers;
 - Decree No.11/2016/ND-CP dated 1 April 2016 of the Government detailing the implementation of a number of articles of the Labor Code on foreign workers working in Vietnam;
 - Decree No.39/2016/ND-CP of the Government dated 15 May 2016, detailing the implementation of some articles of the Law on occupational safety and sanitation;
 - Decree No.44/2016/ND-CP dated 15 May 2016 of the Government detailing a number of articles of the Law on occupational safety and sanitation regarding technical inspection of occupational safety and training of occupational safety and hygiene and working environment observation;
 - Decree No.24/2018/ND-CP dated 27 February 2018 of the Government stipulating the settlement of complaints about denunciations in the labor force, vocational education and activities, Vietnamese guest workers, safety, environmental sanitation;
 - Decree No.148/2018/ND-CP dated 24 October 2018 of the Government amending and supplementing a number of articles No.05/2015/ND-CP dated 12 January 2015 of the Government detailing and guiding the implementation of some contents of the labor code;

- Decree No.149/2018/ND-CP dated 7 November 2018 of the Government: detailing Clause 3, Article 63 of the Labor Code on the implementation of democracy regulations at the workplace;
- Decree No.157/2018/ND-CP dated 16 November 2018 of the Government: Regulations on regional minimum wage for employees working under labor contracts;
- Decree No.121/2018/ND-CP dated 13 September 2018 of the Government: Amending and supplementing a number of articles of the Government's Decree No.49/2013/ND-CP dated 14 May 2013 detailing the implementation of a number of articles of the labor code on wages;
- Decree No.29/2019/ND-CP dated 5 May 2019 of the Government: detailing the implementation of Clause 3, Article 54 of the Labor Code on licensing of labor sublease and deposit and the list of jobs to be subleased;
- Decree No.38/2019/ND-CP dated 9 May 2019 of the Government: Providing basic salaries for cadres, civil servants, public employees and armed forces;
- Decree No.16/CT-TTg dated 31 March, 2020 on implementation of urgent measures to preventing and controlling the COVID-19 disease outbreak.
- Decision No. 1246/QĐ-TTg dated 14 August, 2020 of the Government on approval of national strategy of terminating the AIDS disease in 2030.
- **Circular**
 - Circular No. 22/2010/TT-BXD of MOC dated 3 February 2010 on regulation on labor safety in construction;
 - Circular No.10/2013/TT-BLĐTBXH of MOLISA dated 10 June 2013: Promulgating the lists of jobs and workplaces in which the employment of minor persons is prohibited;
 - Circular No.11/2013/TT-BLĐTBXH of MOLISA dated 1 August 2013: promulgating the list of light tasks permitted for persons under 15 years old;
 - Circular No.25/2013/TT-BLĐTBXH of MOLISA dated 05 December 2013: Guiding the regime of in-kind allowances for people working in hazardous and hazardous conditions;
 - Circular No.26/2013/TT-BLĐTBXH of MOLISA dated 15 December 2013: List of jobs that are not allowed to employ female workers;
 - Circular No.30/2013/TT-BLĐTBXH of MOLISA dated 1 July 2013: Guiding the implementation of Decree No. 44/2014 on labor contracts;
 - Circular No.23/2014/TT-BLĐTBXH of MOLISA dated 20 October 2013: Guiding the implementation of Decree No.03/2014 on employment;
 - Circular No. 14/2014/BXD of MOC dated 5 September 2014 on issuing National Technical regulation on safety in construction.
 - Circular No. 23/2015/TT-BLĐTBXH of MOLISA dated 23 June 2015: guiding the implementation of a number of articles on wages of Decree No.05/2015/ND-CP dated 12 January 2015 of the Government detailing and guiding the implementation of some contents of the labor code;
 - Circular No.29/2015/TT-BLĐTBXH of MOLISA dated 15 September 2015: Guidance on collective bargaining, agreement of collective labor and resettlement of labor disputes;

- Circular No.47/2015/TT-BLDTBXH of MOLISA dated 16 November 2015: Providing some articles on contracts, labor rules and material responsibilities of Decree No.05/2015 dated 12 January 2015 of The Government detailing and guiding the implementation of a number of contents of the Labor Law;
- Circular No.13/2016/TT-BLDTBXH of MOLISA dated 16 June 2016: Promulgating a list of jobs with strict occupational safety and sanitation requirements;
- Circular No. 40/2016/TT-BLDTBXH of MOLISA dated 25 October 2016, guidance on implementation of a number of articles of Decree No.11/2016/ND-CP dated 3 February 2016 detailing a number of articles of the Labor Code in respect of foreign workers in Vietnam;
- Circular No.53/2016/TT-BLDTBXH of MOLISA dated 28 December 2016: Promulgating the list of machines, equipment, supplies and substances with strict requirements on occupational safety and sanitation;

Law on Labor

31. **Labor Code.** The main law regulating employment relationships in Vietnam is the 2019 Labor Code. The Labor Code grants certain protections to particular groups of employees (women, child, etc.) as presented in the followings:

- **Gender Equity.** Chapter X of the Labor code identifies Specific Provisions on Women's Labor. Article 136 states that “Employers shall ensure the implementation of gender equality and measures to promote gender equality in recruitment, employment, training, working hours and rest periods, wages and other policies. “This Article also states that: “Employers shall consult with female employees or their representatives when taking decisions which affect the rights and interests of women”.
- **Prevent Child Labor.** Article 144 states that: “Employer shall only employ a minor employee (under 18 years old) in work suitable to the health of the minor employee in order to ensure his/her physical, mental and personality development, and shall have the responsibility to take care of the minor employee in regard to his/her work, wage, health and study in the course of his/her employment”. Article 147 lists the tasks prohibited for minor employees. Article 143 states that “An employer is only entitled to employ persons from 13 full years of age to fewer than 15 years of age to undertake light work in accordance with the list issued by the Ministry of Labor, Invalids and Social”. Article 145 stipulates “The employer is not allowed to recruit and employ people under the age of 13 to work; except for works of art, gymnastics and sports that do not harm the physical, mental and personality development of a person under 13 years old; and must have the consent of the specialized labor agency of the provincial People's Committee.”
- **Disabled Laborers.** Section 4 of Chapter XI of the Labor code covers disabled laborers. Under Article 176, it is indicated that: “The State shall protect the rights to work and to self-employment of workers with disabilities, adopt policies to encourage and provide incentives for employers to create work for and to employ workers with disabilities in accordance with the Law on People with Disabilities”.

32. **Law on Social Insurance.** Women are provided maternity leave for up to 06 months before and 06 months after delivery. In case of a multiple birth, the leave shall be extended by 01 month for each child, counting from the second child. Prenatal leave should not be longer than 02 months. During maternity leave, the female employee is entitled to maternity benefits as regulated in the Law on Social Insurance (Article 139).

33. **Social Security Law.** Under this law, the contribution of health insurance is an obligation of both the employers and all the Vietnamese and foreign employees working in

Vietnam under the Labor contracts with a term of a full 03 months or more. With health insurance contribution, the employees will be entitled to medical treatment expenses and the cost for rehabilitation (partly or wholly depending on certain situations), including cases of suffering Labor accidents and occupational diseases.

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

34. The key Vietnamese labor legislations regarding OHS are the Labor Code, the Law on Occupational Safety and Health, and Law on prevention and control of HIV/AIDS.

35. **The Labor Code** which governs all different sectors and industries in Vietnam enacts general regulations on the occupational health and safety at the workplaces and the regime on Labor accidents, occupational disease of employees. These general regulations are applicable to all Vietnam-based employers (including international companies based in Vietnam), Vietnamese and foreign employees who are working in Vietnam. Under the Labor Code, the employers are required to implement measures to ensure OHS at the workplace, and the employees must comply with them. The main measures are as follow:

- All types of machinery, equipment and materials with strict requirements for Labor safety as detailed by the Vietnamese Government from time to time must be tested and verified prior to being commissioned for use, and must be periodically tested and verified by an organization conducting technical Labor safety testing and verification.
- The employers must provide the employees engaged in hazardous work activities with sufficient personal protective equipment (PPE) and facilities which meet quality standards as provided by the relevant laws, and the employees must use such equipment and facilities during work in accordance with the regulations of the Ministry of Labor, War Invalids and Social Affairs of Vietnam (MOLISA). The employers must hold training classes on OSH for employees, apprentices and trainees when they are recruited and when work is assigned to them.
- The employers must arrange periodic health checks for the employees once per year or once per each 06 months.
- The employers are also required to: (i) ensure that the workplaces meet the requirements on spaces, airiness, dust, steam, toxic gas and other harmful factors as prescribed in relevant technical regulations; (ii) ensure safe and hygienic working conditions for machines, equipment and workshops as required by the promulgated or applied national technical regulations or standards on OSH at the workplaces; (iii) check and evaluate dangerous and harmful factors at the workplaces in order to put forward measures to avert and minimize dangers and harmfulness and improve working conditions and healthcare for the employees; (iv) examine and maintain machines, equipment, workshops and warehouses on a periodic basis; (v) display signboards of instructions regarding OHS covering the operation of machines, equipment and the workplaces at easy-to-read and visible locations at the workplaces; and (vi) obtain opinion from the organization representing the Labor collective at the grassroots level (trade union or Labor union) when formulating and implementing plans on activities ensuring OHS.
- In addition, the Labor Code also provides obligations for the employers in the event that an employee is victim of a Labor accident or of an occupational disease, as well as the rights and benefit regimes to which the concerned employees are entitled in these cases.

Law on Occupational Health and Safety (No.84/2015/QH13),

36. The Law seeks to assure occupational health and safety and introduces policies for victims of labor accidents and occupational diseases. It also provides state management and rights and obligations of organizations and individuals in occupational safety and hygiene.

- The provisions of this law are applicable to all Vietnamese employers and employees (including Vietnamese employees working aboard under contracts) and foreign employees who are working in Vietnam, and also to all different sectors and industries.
- More particularly, this law regulates the employers' obligation to contribute to insurance covering Labor accident and occupational disease insurance for the employees covered by the social insurance under the Social Security Law. Vietnamese employees who work under the Labor contracts with a total term of 03 months or more are entitled to social insurance.
- Thus, when a Vietnamese employee working in Vietnam, who contributed to social insurance, is injured or becomes ill or even dies during the course of his or her employment, all related costs such as payment for being unable to work, retraining and even lump sum amounts for permanent impairments or death, are paid by the Social Insurance Fund of Vietnam.

The World Bank Environmental and Social Standards (ESS): ESS2 on Labor and Working Conditions

37. The World Bank's stipulations related to labor are outlined in its ESS2. Implementing agency promotes sound worker-management relationships and provides safe and healthy working conditions. Key objectives of the ESS2 are to:

- Promote safety and health at work;
- Promote the fair treatment, non-discrimination and equal opportunity of project workers;
- 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;
- Prevent the use of all forms of forced labor and child labor;
- Support the principles of freedom of association and collective bargaining of project workers in a manner consistent with national law; and
- Provide project workers with accessible means to raise workplace concerns.
- ESS2 applies to project workers including full-time, part-time, temporary, seasonal and migrant workers. Where government civil servants are working in connection with the project, whether full-time or part-time, they 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. ESS2 will not apply to government civil servants.
- Working conditions and management of worker relationships. The Implementing Agency 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.

- Project workers will 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.

WBG's EHS guidelines

38. The World Bank Group (WBG) has guidelines for Environment, Health and Safety (EHS) that serve as useful references for general issues as well as sector-specific activities. Projects financed by the WBG are expected to comply with this guideline as required by the policies and the standards. The EHS guidelines are mainly on occupational health and safety, community health and safety as well as on construction and decommissioning. It contains guidelines cross cutting on environmental (waste management, ambient air quality, noise and water pollution), occupational health and safety issues among others, applicable to all the industry sectors.

VI. RESPONSIBLE STAFF

39. MOLISA/DOLISA. Enforcement of the Labor Code is the responsibility of the Ministry of Labor, War Invalids and Social Welfare (MOLISA) and of each Department of Labor, War Invalids and Social Welfare (DOLISA) in each province

40. NPT will be responsible for overall project management and coordination of the Project, including the compliance with safeguards requirements including on labor and working condition. NPT will assign staff with expertise in environmental, social, occupational health and safety issues of the overall project.

41. NPT, with support of PMBs, will be responsible for subproject management including the compliance with safeguards requirements including on labor and working condition, will assign at least one staff with expertise in environmental, social, occupational health and safety issues of the overall project. NPT and PMBs will be responsible for the following tasks relevant to labor and working conditions:

- Undertake the overall implementation of this LMP.
- Engage and manage contractors/subcontractors in accordance with these LMP and the applicable Procurement Documents.
- Ensure that contractors prepare their labor management procedures (Contractor's LMP) that comply with this LMP and Contractor's ESMP (including OHS provisions) for approval before the contractor is allowed to mobilize to the field.
- Monitor that contractors/subcontractors are meeting obligations towards contracted workers as included in the Contractor's LMP and ESMP and the applicable Procurement Documents.
- Monitor the potential risks of child labor, forced labor and serious safety issues in relation to primary supply workers.
- Monitor training of relevant project workers.
- Ensure that the grievance mechanism for project workers is established and implemented and that workers are informed of it.
- Monitoring the implementation of the Worker Code of Conduct and any other measures to address risks of sexual exploitation and abuse (SEA)/sexual harassment (SH).

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- Report to the World Bank on labor and occupational health and safety performance.
42. **The Construction Supervision Consultant (CSC).** PMBs will be supported by the CSC who will be responsible for monitoring the contractors of the civil works as well as monitoring adherence to this LMP and the Project’s ESF documents. They will oversee the performance on labor and working conditions on a daily basis on behalf of PMBs, which will be explicitly set out in their contract. The CSC will employ qualified expert(s) for such oversight and report on performance to the PMBs.
43. The Contractors will be responsible for the following:
- Employ or appoint qualified environmental, social, occupational health and safety expert(s) to manage OHS issues.
 - Prepare and implement their labor management procedure (Contractor’s LMP) and Contractor’s ESMP (including OHS provisions) which will apply to the contracted workers who work on the projects. These procedures and plans will be submitted to the EVN NPT for review and approval before the contractor is allowed to mobilize to the field.
 - Supervise their subcontractors’ adherence to the LMP and ESMP.
 - Maintain records of recruitment and employment of contracted workers (including subcontractors) with age verification to avoid child labor.
 - Provide induction and regular training to contracted workers on environmental, social and occupational health and safety issues including prevention of Gender-Based Violence (GBV).
 - Require the primary supplier to identify and address risks of child labor, forced labor and serious safety issues, and risks of equity and discrimination for primary supply workers.
 - Develop and implement the grievance mechanism for contracted workers, including ensuring that grievances received from their contracted workers resolved promptly, and reporting the status of grievances and resolutions.
 - Ensure that all contractor and subcontractor workers understand and sign and comply with the Code of Conduct prior to the commencement of works, and take all other measures to address risks of sexual exploitation and abuse (SEA)/sexual harassment (SH) as specified in the contractor’s LMP/ESMP and supervise compliance with such measures.
 - Report to PMBs on labor and occupational health and safety performance.

Table 2. Summary of the project staff/party responsible for various key issues

Key issues	Direct workers	Contracted workers	Primary supply workers
Hiring and managing individual project workers	<ul style="list-style-type: none"> - PMBs to engage/manage Construction and Supervision consultant - PMBs to supervise and ensure that contractors are 	<ul style="list-style-type: none"> - Contractor/Subcontractor (site manager and/or OHS officer) 	<ul style="list-style-type: none"> - n/a (outside the scope of ESS2)

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Key issues	Direct workers	Contracted workers	Primary supply workers
	complying and enforcing the application of the LMP to the project's contracted and primary supply workers		
OHS	- n/a (direct workers will follow OHS measures when visiting construction sites)		- Contractor to require the primary supplier to identify/address child labor/forced labor and serious safety risks.
Child labor and forced labor	- n/a (the contract for direct workers does not allow child labor and forced labor)		- PMBs/Construction and Supervision consultants to review
Training	- PMBs/CSCs/IEMCs		
Code of conduct	- n/a (the contract for direct workers will address relevant risks.)		- n/a (outside the scope of ESS2)
Grievance mechanism	- PMBs/Construction and Supervision consultants	- Contractor and EVN NPT/Construction and Supervision consultants	
Monitoring and reporting	- PMBs/Construction and Supervision consultants/IEMC to monitor and report to World Bank	- Contractor to monitor and report to PMBs - PMBs/CSCs/IEMC consultant to monitor and report to CPMU - PMBs will provide consolidated report of the whole project to the WB World Bank	- Contractor to monitor and report to PMBs - PMBs/Construction and Supervision consultant to monitor and report to World Bank.

VII. POLICIES AND PROCEDURES

44. The REACH will apply the following policies and procedures to address the key labor risks identified under Chapter 3. The summary of indicative procedures to implement the polices is presented in the Table 4.

- 1) **Occupational health and safety (OHS).** Pursuant to the relevant provisions of the Labor Code (Chapter IX on Labor Safety, Labor Sanitation Articles 132-134), Directives No. 16 of the Prime Minister on carrying out the urgent measures to prevent

and control the COVID-19 disease outbreak; ESS2 (including WBG General Environmental, Health and Safety Guidelines (EHSGs¹)), the Project's ESMP and WB standard procurement documents², the contractor shall manage all construction sites in such a way that the workers and the community are properly protected against possible OHS risks. Key elements of OHS measures should include (a) identification of potential hazards to workers; (b) provision of preventive and protective measures; (c) training of workers and maintenance of training records; (d) documentation and reporting of occupational accidents and incidents; (e) emergency preparedness; and (f) remedies for occupational injuries and fatalities and (g) prevention and control of transmissible disease including COVID -19.

- 2) **Child labor.** The minimum age of project workers eligible for any type of work under the REACH (including construction work) is set at 18. The engagement of project workers between the age of 15 and under 18 years may be allowed only for non-hazardous work that would not interfere with the child's education (subject to prior risk assessment and regular monitoring on health and safety conditions, hours of work and any other aspects) in accordance with ESS2. To prevent engagement of under-aged labor, all contracts shall have contractual provisions to comply with the minimum age requirements including penalties for non-compliance. The contractor is required to maintain labor registry of all contracted workers with age verification.
- 3) **Labor influx.** To minimize the labor influx, the REACH will contractually require the contractor to preferentially recruit **unskilled** labor from the local communities for simple works such as excavation, leveling, cleaning, load/uploading materials, watering sites.... All contracted workers will be required to sign and comply with the code of conduct (see Annex 1 on the Guideline on Code of Conduct) prior to the commencement of work, which includes a provision to address the risk of Gender Based Violence (GBV). The code of conduct governs both on-site behavior (with colleagues) and conduct in the community. Relevant training will be provided to workers, such as induction and daily toolbox talks outlining expected conduct and local community values; and training on GBV and GRM will be provided to communities located closed to the construction works
- 4) **Labor disputes over terms and conditions of employment.** To avoid labor disputes, fair terms and conditions will be applied for project workers in the REACH (more details are provided in Chapter 9). The Project will also have grievance mechanisms for project workers (direct workers and contracted workers) in place to promptly address their workplace grievances (more details are provided in Chapter 10). Further, the Project will respect the workers' right of labor unions and freedom of association, as set out in the national Labor Code (Chapter XIII, Trade Union).
- 5) **Discrimination and exclusion of vulnerable/disadvantaged groups.** The employment of project workers under the REACH will be based on the principle of equal opportunity and fair treatment, and there will be no discrimination with respect to any aspects of the employment relationship, such as recruitment and hiring, terms of employment (including wages and benefits), termination and access to training. To address the risk of exclusion of vulnerable groups (such as women and persons with disabilities) from employment opportunities, the Project will require the contractor to employ such groups as part of their unskilled workforce. The contractor will be also required to comply with the national Labor Code (Chapter X) on gender equality in the

1 The WBG General EHSGs are technical reference documents with general statements of Good International Industry Practice, which provide guidance to users on general EHS issues. The applicability of the ESHGs should be tailored to the hazards and risks established for each project.
2 The WB Standard Procurement Document for Work is likely to be used for the Vinh Long Project construction works, which will include relevant OHS provisions, such as the appointment of ESHS officer, development of Contractor-ESMP, compliance with OHS measures and reporting, and the use of Code of Conduct.

work place, which will include provision of maternity leave and nursing breaks and sufficient and suitable toilet and washing facilities, separate from men and women workers. The contractor will be also required to enable safety in the workplace to address potential sexual exploitation or harassment in recruitment or retention of skilled or unskilled female workers supported, and potential discrimination along ethnic lines under the project.

45. **Monitoring and reporting.** The contractor shall report to the PMBs and to the CSC on the status of implementation of the above policies and procedures on a monthly basis. The PPMU and the CSC will closely monitor the contractor/subcontractor on labor and occupational health and safety performance and report to PMBs monthly so that PMBs, with support from IEMC; will report it to the World Bank on a semiannual basis (see Chapter 11 for more details).

46. **Fatality and serious incidents.** In the event of an occupational fatality or serious injury, PMBs shall report to the Bank as soon as becoming aware of such incidents, and inform the government authorities (where available) in accordance with national reporting requirements (Labor Code Chapter IX, section 2). Corrective actions shall be implemented in response to project-related incidents or accidents. PMBs or, where relevant the contractor, will be required to conduct a root cause analysis for designing and implementing further corrective actions.

Table 3. Overview of Project policies and indicative procedures to address key labor risks

Key labor risks	Policies to address risks	Procedures to back up the policy
<p>1. OHS risks</p>	<ul style="list-style-type: none"> - In conformity with OHS requirements as set out in Labor Code (Chapter IX Articles 133-152), ESS2 (including WBG EHSs), the Project ESMP and WB standard procurement documents. 	<ul style="list-style-type: none"> - Select legitimate and reliable contractor through screening OHS records. - Address adequately OHS risks with non-compliance remedies in procurement documents. - Require the contractor to engage qualified OHS staffing - Enhance workplace OHS awareness and training. - Specific measures for COVID-19 prevention: (i) provide materials for handwashing and hygiene at work sites; (ii) provide masks in case of infectious disease outbreaks; (iii) practice social distancing on the worksite, following national and international guidelines. - Conduct routine monitoring and reporting.
<p>2. Child labor</p>	<ul style="list-style-type: none"> - Set the minimum age of project workers eligible for any type for work (including construction work) at 18 years. - Allow the engagement of project workers 	<ul style="list-style-type: none"> - Include minimum age in procurement documents. - Raise awareness on child protection with contractors and in the communities. - Maintain labor registry of all contracted workers with age verification. - Develop remedial procedures to deal

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Key labor risks	Policies to address risks	Procedures to back up the policy
	<p>between the age of 15 and under 18 years only for non-hazardous work that would not interfere with the child's education in accordance with ESS2.</p>	<p>with child labor incidents.</p>
<p>3. Labor influx</p>	<ul style="list-style-type: none"> - Minimize the labor influx by prioritizing local workforce. - Minimize labor-related risks on the community through the required compliant with the code of conduct, including GBV. 	<ul style="list-style-type: none"> - Require the contractor to preferentially engage unskilled local workforce from the local communities. - Make all contracted workers sign code of conduct, including prevention of GBV. - Make all contracted workers to follow the rules for on-site behavior (with colleagues) and conduct in the community. - Conduct induction and toolbox talks outlining expected conduct and local community values. - Introduce disciplinary measures for violations and misbehaviors.
<p>4. Labor disputes</p>	<ul style="list-style-type: none"> - Respect the national Labor Code and promptly address workplace grievances to minimize the risk of labor disputes. 	<ul style="list-style-type: none"> - Provide workers with contracts with fair terms and conditions. - Have grievance mechanisms in place to promptly address workplace concerns. - Respect the national Labor Code on workers' right of labor unions and freedom of association.
<p>5. Discrimination and exclusion of vulnerable or disadvantaged groups</p>	<ul style="list-style-type: none"> - Promote no discrimination and equal opportunity with respect to any aspects of the employment relationship. 	<ul style="list-style-type: none"> - Require the contractor to employ vulnerable groups as part of unskilled workforce. - Provide maternity leave and nursing breaks where relevant. - Arrange sufficient and suitable toilet and washing facilities, separate for men and women workers. - Require the contractor to address potential sexual exploitation or harassment in recruitment or retention of skilled or unskilled female workers. - Require the non-discrimination and harassment and should be

LABOR MANAGEMENT PROCEDURES (LMP)

Key labor risks	Policies to address risks	Procedures to back up the policy
		socialized/basis for training, and covers potential ethnic discrimination.
<p>6. Security risks</p>	<ul style="list-style-type: none"> - Take appropriate and proportionate security measures to minimize the potential risk to the workers. 	<ul style="list-style-type: none"> - Arrange security protection to be determined by security authorities to address external security risks (such as terrorism and armed insurgency). - Restrict work hours to minimize security threat. - Maintain low profile of the site and workers. - Address internal security risks associated with the deployment of security personnel on the community and project workers in line with the WB Good Practice Note “Assessing and Managing the Risks and Impacts of the Use of Security Personnel” (such as the training of security officers on the principles of proportionality in the use of force.).

VIII. AGE OF EMPLOYMENT

47. **Age limitation for hazardous work.** The national Labor Code (Articles 143-147) states that it is forbidden to employ children below 15 years of age, except for those professions and jobs to be defined by the Ministry of Labor, War Invalids and Social Welfare. Similarly, ESS2 (para 19) sets out further conditions on the minimum age, stating that a child over the minimum age and under the age of 18 will not be employed or engaged in connection with the Bank-financed project in a manner that is likely to hazardous³ or interfere with the child’s education or be harmful to the child’s health or physical, mental and any other relevant development. Considering these national and WB requirements, the minimum age for hazardous work under the REACH (including construction) is set at 18 (for example, work at quarries to obtain construction materials; work with dangerous machinery, equipment or tools; work involving handling or transport of heavy loads; or work at height).

48. **Minimum age for project workers.** The national Labor Code as well as ESS2 allow persons under 18 and over 15 years old to be engage if the work is non-hazardous and does not interfere with the child’s education and not harmful to the child’s development (for example, administrative work, site cleaning or rubbish removal). Considering this, the minimum age of project workers for such (non-hazardous) work under the REACH is set at 15 and the minimum age of project workers eligible for construction works is set at 18.

49. **The process of age verification.** All work contracts shall have contractual provisions to comply with the minimum age requirements including penalties for non-compliance, and it will be well communicated to all potential stakeholders including the local community where

³ Examples of hazardous work activities prohibited for persons between the minimum age and 18 under ESS2 include work: (a) with exposure to physical, psychological or sexual abuse; (b) underground, underwater, working at heights or in confined spaces; (c) with dangerous machinery, equipment or tools, or involving handling or transport of heavy loads; (d) in unhealthy environments exposing children to hazardous substances, agents, or processes, or to temperatures, noise or vibration damaging to health; or (e) under difficult conditions such as work for long hours, during the night or in confinement on the premises of the employer.

the unskilled workforce will be sourced. Contractors will be required to verify and identify the age of all workers. The contractors are required to maintain labor registry of all contracted workers with age information. Verification of the age shall be undertaken prior to the engagement of labor and be documented based on the workers ID or other relevant legal documents. This will require workers to provide official documentation, which could include a birth certificate, national identification card, passport or relevant legal documents. If a minor under the minimum labor eligible age is discovered working on the project, measures will be taken to immediately terminate the employment or engagement of the minor in a responsible manner, taking into account the best interest of the minor.

IX. TERMS AND CONDITIONS OF EMPLOYMENT

50. **Direct workers.** The terms and conditions for direct workers in NPT, NLDC, PMBs and the will be governed by the Standard World Bank Consultancy which set higher standards than the national Labor Code.

51. **Contracted workers.** Labor Code of Vietnam presented in Chapter 3 (Overview of Labor Legislation) above is the guiding legislation on employment terms and conditions for contracted workers.

52. **Provision of written individual contract of employment.** A written individual contract of employment shall be provided to workers that specify the following: (a) name of workers; (b) address, occupation, age and sex of workers; (c) employer's name and address; (d) nature and duration of contract; (e) hours and place of work; (f) remuneration payable to the worker; (g) procedure for suspension or termination of contract. Depending on the origin of the employer and the employee, employment terms and conditions will be communicated in a language that is understandable to both parties. In addition to written documentation, an oral explanation of conditions and terms of employment will be provided to workers who may have difficulty understanding the documentation.

53. **Notice for termination of contract.** Either of the contracting parties may terminate a contract of employment by giving written notice as under: (a) no less than 10 days in the case of manual workers; or (b) no less than 30 days in the case of non-manual workers. No notice needs to be given in case the duration of contract does not exceed one month.

54. **Minimum Wages.** While the mechanism to set the official minimum wage is prescribed by the State (Labor Code, Article 91) is not currently functioning, the market rate is available for each job type in different locality. The fair market rate will be identified and applied for the REACH's workers.

55. **Hours of Work.** The normal hour of work of a project worker shall not exceed 8 hours a day or 48 a week (Labor Code, Article 105). Hours worked in excess of the normal hours of work shall not exceed 12 hours a week and shall entitle a worker to a proportionate increase in remuneration.

56. **Rest per week.** Every worker shall be entitled to 01 day's rest each week, which should normally fall on Sunday (Article 111). the rest shall consist of at least 24 consecutive hours each week. Workers shall also be entitled to rest on public holidays recognized as such by the State.

57. **Annual leave.** Workers shall be entitled to 12 to 16 days' leave with pay for every year of continuous service (Article 113). An entitlement to leave with pay shall normally be acquired after a full year of continuous service.

58. **Maternity leave.** A female worker shall be entitled, on presentation of a medical certificate indicating the expected date of her confinement, to 6 months maternity leave (Article

139). During maternity leave, the female employee is entitled to maternity benefits as regulated in the Law on Social Insurance.

59. **Deductions from remuneration.** No deductions other than those prescribed by the Code (Article 101) or regulations made hereunder, or any other law or collective Labor agreement shall be made from a worker's remuneration, except for repayment of advances received from the employer and evidenced in writing. The contractor shall not demand or accept from workers any cash payments or presents of any kind in return for admitting them to employment or for any other reasons connected with the terms and conditions of employment.

60. **Collective Agreements.** A collective agreement is an agreement relating to terms and conditions of work concluded between the representatives of one or more trade unions, on the one hand, and the representatives of one or more employers, on the other hand. Where collective agreements exist between the employer and project workers, such agreements will be applied, where relevant.

X. GRIEVANCE REDRESS MECHANISM

61. While the REACH subprojects will have in place a grievance mechanism to address concerns of project-affected parties, the nature of workplace concerns of workers is usually different. For example, typical workplace grievances include demand for employment opportunities; labor wages rates and delays of payment; disagreement over working conditions; and health and safety concerns in work environment. To meet the ESS2 requirement, a separate grievance mechanism will be established for project workers (direct workers and contracted workers) as required in ESS2.

62. Handling of grievances should be objective, prompt and responsive to the needs and concerns of the aggrieved workers. Different ways in which workers can submit their grievances should be allowed, such as submissions in person, by phone, text message, mail and email. The grievance raised should be recorded and acknowledged within one day. While the timeframe for redress will depend on the nature of the grievance, health and safety concerns in work environment or any other urgent issues should be addressed immediately. Where the grievance cannot be addressed within a reasonable timeframe, the aggrieved worker should be informed in writing, so that the worker can consider proceeding to the State inspection on labor (see below for more details). The mechanism will also allow for anonymous complaints to be raised and addressed. Individuals who submit their comments or grievances may request that their name be kept confidential.

63. **Direct workers.** Each unit engaging direct workers (PMBs and the CSCs) will hold periodic team meetings to discuss any workplace concerns. The grievance raised by workers will be recorded with the actions taken by each unit. The summary of grievance cases will be reported to the World Bank as part of the regular report. Where the aggrieved direct worker wishes to escalate their issue or raise their concerns anonymously and/or to a person other than their immediate supervisor/hiring unit, the worker may raise the issue with responsible municipal authorities (e.g. DOLISA), where relevant. Where the construction and supervision consultants have an existing grievance system, their direct workers should use such mechanism.

64. **Contracted workers.** The site manager and the OHS officer (or any other appropriate officers) of the contractor will hold a daily team meeting with all present contracted workers at site at the end of the daily work to discuss any workplace grievances. The grievance raised will be recorded with the actions taken by the contractor. The summary of grievance cases will be reported to PMBs and the CSC as part of contractor's periodic report. Where appropriate and available, the contracted workers should be allowed to utilize an existing grievance mechanism within the contractor. Where the aggrieved workers wish to escalate their issue or raise their concerns anonymously and/or to a person other than their immediate supervisor, the workers

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may raise their issue with PMBs and/or the CSC. The contracted workers will be informed of the grievance mechanism prior to the commencement of work. The contact information of PMBs and/or the CSC will be shared with contracted workers.

65. State Inspection on Labor, Sanctions Against Violations of Labor Legislation. As per the Labor Code (Articles 214-217), the labor inspector is mandated to settle complaints and denunciations of employees of violations of the labor legislation and to receive and settle complaints and denunciations about violations of the labor legislation, as prescribed by law.

66. Grievance Handling Procedure. The table provides steps with responsibilities of grievances relating to the complaint handling linked to labor issue. The key purpose of this exercise is to present GRM process in an effective and user-friendly manner.

Table 4. GRM procedures for complaint handling process

Steps	Complainants	GRM Functions	Timeframe
<p>Community level GRM/mediation: The Affected Person (AP)/workers/complainant (or his/her representative) may submit his/her complaint in several ways e.g. by written letter, phone, SMS messages and email to the GRM or, alternatively, raise his/her voice in a public or individual meeting with project staff.</p>			
1	Submission of complaint to the local or community level GRM/mediation	<ul style="list-style-type: none"> • Conduct public consultations among the affected communities to use grievance service. • Register a grievance in the project logbook and grievance database. • Segregate/sort and process. • Acknowledge and follow up of grievance. • Verify investigate, and act • Provide written response to the complainants. 	07- 14 days
<p>Project or Site level GRM:</p> <p>(a) Project Level GRM: If resolution at local/community level is unsuccessful, or the Affected Person (AP) can take his or her complaint to project level GRM.</p>			
2	Submission of grievance to the project level GRM through one of the channels	<ul style="list-style-type: none"> • Conduct coordinating meetings among complainants/public and appropriate administration levels. • Provide written response to the complainant. • Provide written response to the complainant 	15 days
<p>(b) GRM for Workers: The project workers (all three categories, direct workers, contracted workers and primary supply workers) can directly register their complaints with the GRM for workers. The members of this GRM will be trained to be capable to address grievances by workers, including workplace complaints in an efficient and effective manner to meet national regulations on labors and World Bank ESS2.</p>			

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Steps	Complainants	GRM Functions	Timeframe
3	Workers or labor association will submit their grievance to the GRM for Workers through one of the channels	<ul style="list-style-type: none"> • Refer workers related complaints to the Workers GRM. • Registration, classification and analysis of grievances. • Convene the GRM for workers meeting to analyze and resolve the complaint. • Provide written response to the complainant/contractor. • Provide guidance with recommendations to the contractor to improve working condition/labor management issues. 	10 days
<p>Provincial Level GRM: In case the grievance is not resolved within 10 days of its receipt or it is unattended, the complainant can approach the provincial level GRM or to the court. The grievance will be examined and addressed within 30 days.</p>			
4	Workers, labor associations or the AP can refer the complaint to the provincial GRM	<ul style="list-style-type: none"> • Conduct coordinating meetings/ resolution sessions with complainants. • Investigate the complaints. • Provide written response to the complainants. 	30 days
<p>Referee Level: If all above fails, the last recourse is the stipulations in the Labor Code.</p>			

67. **Grievances related to Gender Based Violence (GBV).** To avoid the risk of stigmatization, exacerbation of the mental/psychological harm and potential reprisal, the GRM shall have a different and sensitive approach to GBV related cases. The GRM equally applies to workers who experience GBV. Where such a case is reported to the GRM, it should immediately be referred to the appropriate service providers, such as medical and psychological support, emergency accommodation, and any other necessary services. It should also be reported to the safeguard staff of PMBs who can advise on relevant service providers. Data on GBV cases should not be collected through the GRM unless operators have been trained on the empathetic, non-judgmental and confidential collection of these complaints. Only the nature of the complaint (what the complainant says in her/his own words) and additional demographic data, such as age and gender, can be collected as usual.

68. **Publicizing the GRM.** The NPT, NLDC, PMBs will be in charge of publicizing the GRM. PMBs should ensure that GRM is explained during public meetings. NPT, NLDC, PMBs should also ensure that leaflets on GRM are distributed during public meetings and made available at ward/commune levels with contact numbers of the focal person for the GRM. Posters will be also be posted at ward/commune levels.

69. The following procedures shall be followed while filing and processing complaints through the above described GRM structures:

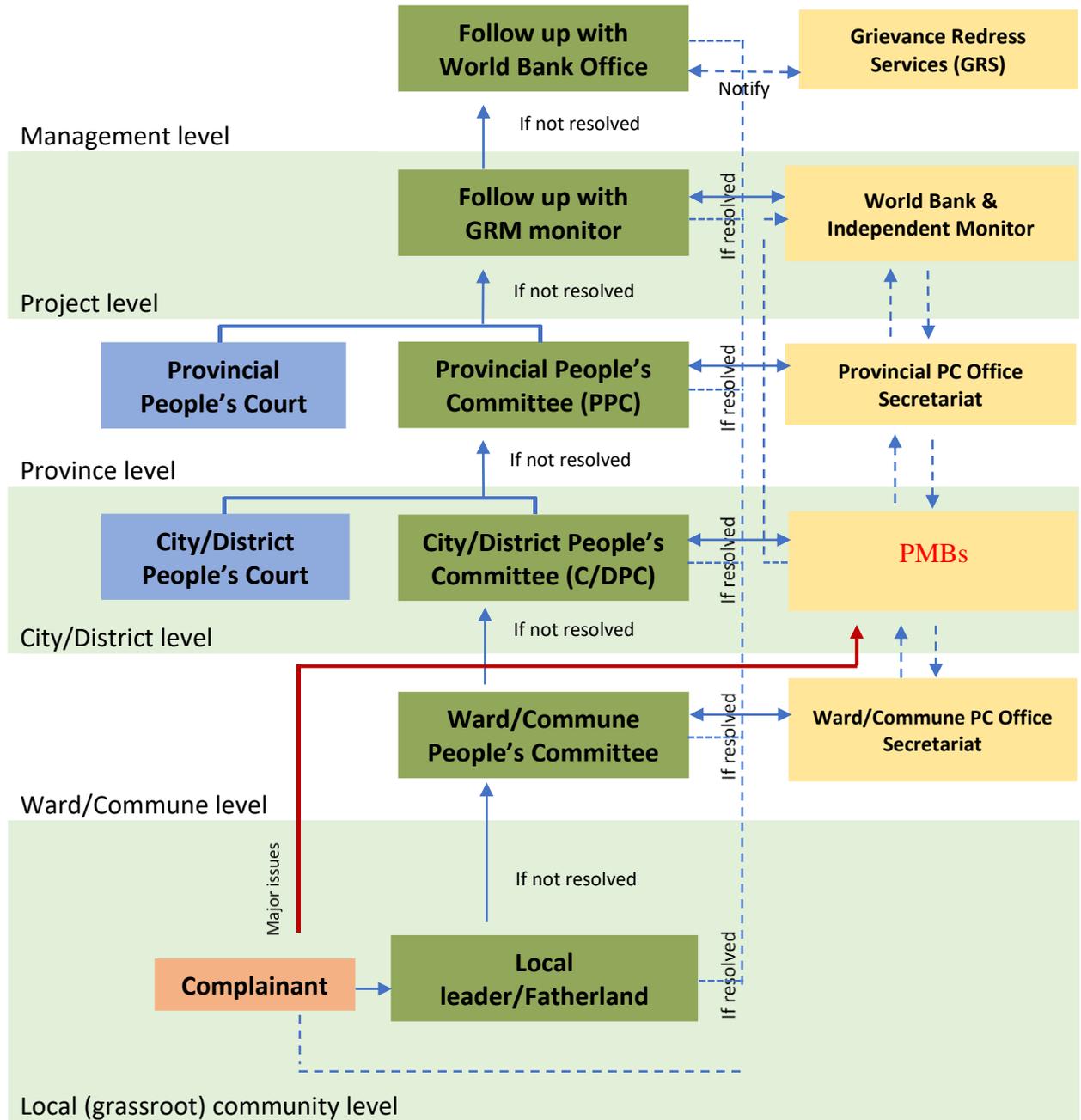
- **Grievance Register Book:** A grievance register book shall be opened and kept in the office of resident engineer. All grievances shall be registered when and upon the receipt of complaints from the aggrieved. The book shall have: i) case reference number, ii) the

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aggrieved name, iii) the date the case is received, iv) the date the case is resolved and, v) a remarks column;

- Responsibility for Registering Complaints: the resident focal point in the project area shall register in the Grievance Register Book all written complaints received;
- Case Receipt: Within 24 hours of receiving complaints, the monitoring consultant shall issue a letter to the aggrieved acknowledging receipt of the case and providing a date when the case will be reviewed as well as the venue;
- Public Access to the book: The book shall be accessible to the public;
- GBV grievances will not be documented in the public accessible book. However, a GBV action plan will be prepared to manage related risks. The all-level women's unions will be engaged for awareness raising and ensure a system that capture GBV/SEA and HIV/AIDS related issues will be developed;
- PAPs: All PAPs who have issues with their compensation and assistances are required to submit written complaints to the appropriate level of GRMs;
- Mediation meetings and outcomes will be recorded and kept by the GRM person-in-charge.

THE GRIEVANCE PROCESS CHART



XI. CONTRACTOR MANAGEMENT

70. **Selection of Contractors.** The REACH Project will use the World Bank Standard Procurement Documents for Works for solicitations and contracts. These include labor and occupational, health and safety requirements. PMBs shall make reasonable efforts to ascertain that the contractor who will engage contracted workers is legitimate and reliable entities and able to comply with the relevant requirements under the LMP. Such requirements shall be included in the bidding documents. As part of the process to select the contractors who will engage contracted workers, PMBs may review the following information:

- Business licenses, registrations, permits, and approvals;

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- Public records, for example, corporate registers and public documents relating to violations of applicable labor law; accident and fatality records and notifications to authorities; labor-related litigations;
- Documents relating to the contractor's labor management system and OHS system (e.g., HR manuals, safety program); ESHS personnel and their qualification;
- Previous contracts with contractors and suppliers (showing inclusion of provisions and terms reflecting requirements on labor and working conditions);

71. **Contractual Provisions and Non-Compliance Remedies.** PMBs shall incorporate the agreed labor management requirements as specified in the bidding documents into contractual agreements with the contractor, together with appropriate non-compliance remedies (such as the provision on withholding 10% of monthly payment to the contractor in case of non-compliance with relevant environmental, social, health and safety requirements; removal of personnel from the works; or lack in the OHS performance security). In the case of subcontracting, PMBs and/or CPMU will require the contractor to include equivalent requirements and non-compliance remedies in their contractual agreements with subcontractors.

72. **Performance Monitoring.** PMBs shall establish resources and procedures for managing and monitoring the performance of the contractor in relation to the LMP. PMBs will ensure that the contract with the construction and supervision consultants explicitly set out their monitoring responsibility for the contractor's performance on labor and working conditions on a daily basis. The monitoring may include, inspections, and/or spot checks of project locations or work sites and/or of labor management records and reports compiled by the contractor. Contractors' labor management records and reports that should be reviewed would typically include the following:

- Representative samples of employment contracts and signed code of conduct;
- Grievances received from the community and workers and their resolution;
- Reports relating to fatalities and incidents and implementation of corrective actions;
- Records relating to incidents of non-compliance with national Labor Code and the provisions of the LMP; and
- Records of training provided for contracted workers to explain occupational health and safety risks and preventive measures.

73. The Project requires that contractors monitor, keep records and report on terms and conditions related to Labor management. The contractor must provide workers with evidence of all payments made, including social security benefits, pension contributions or other entitlements regardless of the worker being engaged on a fixed term contract, full-time, part-time or temporarily. The application of this requirement will be proportionate to the activities and to the size of the contract, in a manner acceptable to PMBs and the World Bank:

- **Labor conditions:** records of workers engaged under the Project, including contracts registry of induction/training of workers including Code of Conduct, hours worked, remuneration and deductions (including overtime), collective bargaining agreements.
- **Safety:** recordable incidents and corresponding Root Cause Analysis (lost time incidents, medical treatment cases), first aid cases, high potential near misses, and remedial and preventive activities required (for example, revised job safety analysis, new or different equipment, skills training, and so forth).

- **Workers:** number of workers, indication of origin (expatriate, local, nonlocal nationals), gender, age with evidence that no child Labor is involved, and skill level (unskilled, skilled, supervisory, professional, management).
- **Training/induction:** dates, number of trainees, and topics.
- **Details of any security risks:** details of risks the contractor may be exposed to while performing its work- the threats may come from third parties external to the project.
- **Worker grievances:** details including occurrence date, grievance, and date submitted; actions taken and dates; resolution (if any) and date; and follow-up yet to be taken—grievances listed should include those received since the preceding report and those that were unresolved at the time of that report.

XII. PRIMARY SUPPLIER

74. Potential risks in primary supply workers. The construction work under the Project will require primary supplies including construction materials essential for the functions of the proposed infrastructure, such as aggregates, bitumen and precast concrete interlocking blocks. Some contractors may be able to produce such construction materials by their workforce. However, where the contractor will source (a) essential materials (b) directly from primary suppliers (c) on an ongoing basis, the workers engaged by such primary suppliers (that meet all three criteria (a) to (c)) are deemed “primary supply workers”, as defined in ESS2. As discussed in Chapter 3 (Key Labor Risks), the OHS risks are also deemed to be generally significant in the construction sector including quarry sites where there is no functioning Labor inspection mechanism. To address these potential risks, the following measures will be taken:

- **Selection of primary suppliers.** When sourcing construction materials from primary suppliers, the contractor will require such suppliers to identify the risk of child labor/force labor and serious safety risks in producing the construction materials. PMBs and the construction supervision consultants (CSCs) will review and approve the purchase of primary supplies from the suppliers following such risk identification/assessment and any other relevant due diligence (such as the review of license for quarries). Where appropriate, the contractor will be required to include specific requirements on child labor/forced labor and work safety issues in all purchase orders and contracts with primary suppliers.
- **Remedial process.** If child labor/forced labor and/or serious safety incidents are identified in relation to primary supply workers under the Project, PMBs and the CSCs will require the primary supplier to take appropriate steps to remedy them. Such mitigation measures will be monitored periodically to ascertain their effectiveness. Where the mitigation measures are found to be ineffective, PMBs and the CSCs will, within reasonable period, shift the project’s primary suppliers to suppliers that can demonstrate that they are meeting the relevant requirements.