

LABOR MANAGEMENT PROCEDURES

SOLOMON ISLANDS SUSTAINABLE MINING DEVELOPMENT TECHNICAL ASSISTANCE PROJECT
(P173018)

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1. INTRODUCTION

1. The Solomon Islands Sustainable Mining Development Technical Assistance Project hereafter referred to as “the project” has applied for IDA fund. The project addresses the environmental and social aspects through the World Bank's Environmental and Social Framework (ESF) and Environmental and Social Stands (ESSs).
2. The Ministry of Mines Energy and Rural Electrification (MMERE) has prepared this labor management procedure (LMP) to meet the Environmental and Social Standard 2: labor and Working Conditions (ESS2) requirements. 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 Implementation unit (PIU), contractors and sub-contractors and project workers, to have a clear understanding of what is required on a specific labor issue.
3. The LMP will comply with relevant national laws, regulations and standards for labor and working conditions and the World Bank's ESS2, and where there are differences the more stringent provisions will be applied. The LMP is a living document initiated early in the project preparation and is reviewed and updated throughout the development and implementation of the project.
4. The LMP has 11 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 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 9 and 10 respectively, while Chapter 11 relates to primary supply workers
5. MSCD/MMERE is responsible for the management and supervision of LMP and the overall project implementation. The following sections provide a detailed description of the type and number of workers to be engaged throughout the project life.

2. OVERVIEW OF LABOR USE ON THE PROJECT

6. Project workers as related to the applicability of ESS2 refers to workers that will be engaged or employed under the project, whether full time, part time, temporary, seasonal and migrant worker. It is anticipated that the Project will engage the following categories of project workers as defined by ESS2:
7. **Direct workers:** Direct workers would likely include project manager, coordinators, supervisors, Procurement officers and support staff (a secretary and a driver) who are MMERE current employee who will be assigned to work on this project

8. **Contracted workers:** Consultant service providers who will provide implementation support services to the implementing agency. These includes personnel with expertise on management of externally funded technical assistance, the Bank's safeguards policies, IT and equipment specification, management of consultant delivered workflows, and reporting requirements. This will include;

Component 1: Complete the regulatory framework

9. Sub-component 1.1 Policy, plans and legislations:

Number of Consultants	Responsibilities
1	conduct a Strategic Environmental and Social Assessment (SESA) of mineral development in Solomon Islands
1	complete drafting of the Mining Bill, Mining Regulations and model form agreements to reflect the NMP- the SESA and appropriate internationally recognized technical, environmental (including on avoiding deforestation and river pollution and other impacts that affect communities' adaptive capacity to climate change) and social (including gender) management standards which license holders must comply with
1	update the mines occupational health and safety legislation in line with internationally recognized standards;
1	harmonize the regulations, guidelines and protocols to properly implement environmental management;
1	prepare regulations, guidelines and protocols on matters beyond the scope of mining legislation to better harmonize mining-relevant regulation of (A) land administration; (B) environmental and social management, including impacts of mining on climate adaptation and mitigation (especially avoiding damage to forests and soil) in line with relevant international commitments ¹ ; and (C) employment and community level development, to include gender considerations (especially minimum requirements for local employment incorporating gender and equity considerations);

10. Sub-component 1.2: Institutional Structures and Functions:

Number of Consultants	Responsibilities
1	To develop written mandates of MMERE and other regulators to implement the

¹ Including the Solomons Climate Change Policy 2012–2017 (to be updated) and the National Action Plan for Adaptation.

	NMP and mining and related legislation, and design appropriate key performance indicators and coordination mechanisms;
1	To design specific administrative measures to address the effective delivery of key functions including those relating to: (A) core mining management functions (the Minerals Board, cadaster, mines inspection and geological survey); (B) landowner identification and access to land; (C) environmental and social impact assessment and related permitting; and (D) royalty, tax and customs collection and audit;
1	To prepare staff development plans for MMERE and budgets consistent with its mandate and key performance indicators; and
1	To develop a MMERE Gender and Social Inclusion Strategy and draft a minimum standards prepared by MMERE for local employment and gender equality in mining company operations. ; conducting mapping of existing GBV-related services in mining affected areas, delivering regular awareness raising sessions on GBV

Component 2: Strengthen capacity of regulatory institutions

11. Sub-component 2.1: Mineral Rights Management Licensing:

Number of Consultants	Responsibilities
1	build capacity of MMERE in the licensing of mineral exploration and mining operations (this will include, knowledge sharing, specialized training and the acquisition of software and other tools).
1	build capacity of MMERE to monitor and improve compliance with legislation and the conditions of licenses by license holders based on appropriate internationally recognized technical standards and approaches (including knowledge sharing, specialized training and the acquisition of software and other tools)
1	Strengthening community liaison and outreach including defining a community liaison function in MMERE, engagement plan and building staff skills. This will comprise: establishment of a community liaison function in MMERE, preparing a MMERE Communications Strategy that embodies Citizen Engagement principles suited to the Solomon Islands context; conducting awareness raising (in collaboration with other relevant government agencies at central and provincial levels) of stakeholders.

12. Sub-component 2.2: Mineral Revenue Management

Number of Consultants	Responsibilities
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1	Revenue Administration through capacity building in administering royalty, tax, value-added tax and customs, including physical and financial audit and effectively administer negotiations-based tax concessions.
2	Sub-national Revenue Management – (administration of revenue allocation from) through an assessment of needs and identification of suitable capacity building activities and funding sources.
3	Extractive Industry Transparency Initiative (EITI) through capacity building in re-launching and implementing EITI and related outreach publications and events.

13. Sub-component 2.3: Geo-data Management.

The Project will support strengthening MMERE's capacity to carry out its geo-data management duties consistently, transparently and effectively, with a focus on the following areas:

- a. **Data Management System** including: (A) capacity building in managing geodata; (B) study into the design, installation and management of a modern geodata repository; and (C) support for the design, installation and management of a core shed to improve core storage and management.
- b. **GeoData Acquisition** through a study to develop a strategy for acquiring and adding value to geophysical and geochemical data, identifying mapping hardware and software and geochemical laboratory and other equipment needs and assessing the financing needed for this. The study will include an assessment of opportunities to leverage geophysical and geochemical data to address identification of areas vulnerable to climate-risks such as erosion, flooding and coastal inundation and thus contribute to enhancing climate resilience.

14. Sub-component 2.4: Operational support.

The Project will support MMERE to overcome near term operational challenges by engaging a resident adviser in the first two Project years to provide: (i) immediate operational support to MMERE to evaluate and approve mining related investments, compliance monitoring, including mine site inspections; (ii) help coordinate project financed advisory work flows; (iii) support coordination between MMERE and other government agencies and (iv) offer staff development through training & mentoring.

15. Sub-component 2.5: Independent Advisory Institution.

Strengthen community empowerment by establishing an independent advisory institution drawing on a pre-feasibility study conducted under the SIMGov Project (Grice). This institution would be mandated to offer landowners, communities, women, youths and groups exposed to increased climate impacts, access to information and advice on the exercise of their rights under relevant legislation, as well as any obligations connected therewith, and raise awareness of mining sector impacts and benefits generally and the roles of mining companies and regulatory bodies in particular. The financial and governance arrangements for setting up the advisory institution will need to be developed to supplement the work by Grice and then approved. The project will finance: (A) consultation to this end; (B) a gender and social inclusion analysis; (C) a strategy setting out how the institution can best operate in a way that includes women in its management and delivery of services and provide tailored services to women, youth and other groups; (D) collecting

data to track the representation of women on relevant boards and committees (those arising from the exercise of rights conferred by mining and other legislation, such as in negotiating surface access and community development); and (E) promotion of a better understanding of environmental and climate risks and adaptation measures through regular community training programs conducted to help build capacity of mining affected communities in adapting and coping with climate issues.

16. Component 3: Project Management

A PMU will be established to exercise project management responsibilities on MMERE's behalf. Its scope would include the conduct of financial management, procurement and contract management, monitoring and evaluation of project performance, coordination among government entities and guidance necessary to adhere to the ESCP. The PMU will need to have expertise to assume all fiduciary responsibilities, fulfill ESCP requirements and provide input to TORs, IT and equipment specifications, management of consultant delivered workflows, and reporting requirements. PMU arrangements are detailed below:

Number of Consultants	Responsibilities
1	Project Manager – full time
1	Finance Officer – full time
1	Procurement Officer – full time
1	ESF & Stakeholder Engagement Officer – full time
1	Gender and Social Inclusion Officer – full time
1	M&E Officer – full time

The PMU members will, as part of their terms of reference, work closely with MMERE counterparts to ensure transfer of skills over the project life and provide opportunities for learning. To support implementation, MMERE will prepare and adopt a Project Operations Manual (POM). The PMU will hold primary responsibility for preparing annual work plans and budget for the Project as well as manage standard Project reporting, the procurement plan and diligent application of the POM.

17. **Community workers:** Community Workers will not be involved in the project. Communities will have no role in procurement and management of any contracts.
18. **Supply Workers:** The small construction work under the project will require primary supplies essential for the functions of the priority infrastructure. 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 the project implementation stage. The timing of labor use of primary supply workers will cover the construction stage of the Project (see Section 13 for more details on primary supply workers).

Number of Project Workers

19. The estimated number of direct workers expected approximately 5 personnel for the Project Management units. It is anticipated that the total number of contract workers for the legislative review of mining Act, acquisition of vehicles for Honiara and Provincial offices, refurbishment of the HQ building in Honiara, supply and installation of IT hardware and software would be 25.

Characteristics of project workers:

20. It is envisaged that the worker will be a blend of national, regional and international contractors and subcontractors. At this stage, it is difficult to predetermine the gender of the persons that will be employed under the project. This will be determined upon engagement of the required contracted workers. It is the intention of the project to be guided by the rules and regulations that govern the project in this regard. The workers are expected to be over the age of 18.

2.3 Timing of labor Requirements:

21. It is important to note that the timing of labor requirement will be based on the project implementation schedule that will be developed for the project.

3. ASSESSMENT OF KEY POTENTIAL LABOR RISKS

3.1 Lesson Learnt from past mining operations in Solomon Islands

22. Previous experiences with mining operations has demonstrated that local people are only employed in areas like field service, security, environment, and manual work. For instance, with Gold Ridge Mining, only catering was given to the community as it is included in a memorandum of understanding with the company. Due to gendered demarcated roles women are not able to do heavy work. For instance, providing security or driving heavy mining machines are regarded a man's job, although this is slowly changing. Women are only given the opportunity to cook for workers working on the mine site, but these are short term employment opportunities, where women organize themselves in groups for a period of several weeks before another group takes over. Locals, particularly women and youths were not accessing mining jobs as they lacked formal education, thus, distant mineral poor villages and provinces took advantage of office and other technical jobs.
23. Those involved in labor law reform therefore have to be sensitive to the needs of such excluded categories of workers, whose situation can normally be improved at least in part by legislative means. With regard to the representation gap, it is important to identify any legal barriers in national legislation to trade union membership and the recognition of trade unions by employers for collective bargaining purposes. Consideration should also be given to legislative approaches that help to foster a climate amenable to increased representation and collective bargaining, with particular reference to provisions that guarantee the right to organize to all categories of workers, afford protection against discrimination of all kinds and set forth the conditions for the recognition of trade unions for collective bargaining purposes.

24. Particular attention needs to be given throughout the reform process to the promotion of equality for disadvantaged groups, particularly in relation to gender and the representation gap. The proportion of women working in the informal sector, or in various forms of contract labour, atypical or precarious employment, such as homework, is often high, just as the participation rates of women in the formal sector are often lower and they tend to suffer from occupational segregation (in traditionally female jobs) and disadvantage in terms of their conditions of employment (examples include part-time women workers who would prefer full-time employment and those who receive unequal pay for work of equal or similar value). Overcoming gender inequality clearly requires broad policy initiatives that go well beyond the legislative framework, although the legislative dimension is also important. Chapter VII on the elimination of discrimination explores these points more fully, but a gender dimension exists in relation to each of the four categories of rights set out in the ILO Declaration on Fundamental Principles and Rights at Work of 1998.
25. Delay or slowness of Ministry to adopt the recommendations for instance the Community Development Agreement and other small amendments to the Act and thus issues remain as they are. However, MMERE is anticipated that this project will be successful as it is ongoing (Bill and regulations) and want the new Bill and regulations to start immediately.

3.2 *Project activities:*

26. The project activities are organized in three components.

Component 1: Complete the Regulatory Framework.

This component will support MMERE to complete the design of the regulatory framework in line with the NMP. The activities in this Component are organized in two sub-components:

1. **Sub-component 1.1: Policy, Plans and Legislation.** The Project will finance the following activities to support the preparation of policy, plans and legislation needed to implement the NMP with legal, policy and technical expertise and stakeholder consultations connected therewith:
 - a. conduct a Strategic Environmental and Social Assessment (SESA) of mineral development in Solomon Islands;
 - b. complete drafting of the Mining Bill, Mining Regulations and model form agreements to reflect the NMP (see summary of NMP in Annex 2), the SESA and appropriate internationally recognized technical, environmental (including on avoiding deforestation and river pollution and other impacts that affect communities' adaptive capacity to climate change) and social (including gender) management standards which license holders must comply with;
 - c. update the mines occupational health and safety legislation in line with internationally recognized standards;
 - d. prepare regulations, guidelines and protocols on matters beyond the scope of mining legislation to better harmonize mining-relevant regulation of (A) land administration; (B) environmental and social management, including impacts of mining on climate adaptation and mitigation (especially

- avoiding damage to forests and soil) in line with relevant international commitments²; and (C) employment and community level development, to include gender considerations (especially minimum requirements for local employment incorporating gender and equity considerations); and
- e. prepare regulations, guidelines and protocols on matters beyond the scope of mining legislation to better harmonize mining-relevant regulation of taxation and trade, to include (A) mineral royalties, taxes and fees; (B) mineral revenue collection; and (C) mineral revenue allocation among provinces and districts.
2. **Sub-component 1.2: Institutional Structures and Functions.** The Project will finance the following activities to support the design of institutional structures and functions necessary to implement the NMP with legal, policy and technical expertise and stakeholder consultations connected therewith:
- a. develop written mandates of MMERE and other regulators to implement the NMP and mining and related legislation, and design appropriate key performance indicators and coordination mechanisms;
 - b. design specific administrative measures to address the effective delivery of key functions including those relating to: (A) core mining management functions (the Minerals Board, cadaster, mines inspection and geological survey); (B) landowner identification and access to land; (C) environmental and social impact assessment and related permitting; and (D) royalty, tax and customs collection and audit;
 - c. prepare staff development plans for MMERE and budgets consistent with its mandate and key performance indicators; and
 - d. develop a strategy to: (A) increase the share of female staff and technical experts within MMERE; (B) encourage female university enrolments in engineering and technology; (C) encourage mining companies to participate in the Waka Mere Commitment to Action³; and (D) draft minimum standards prepared by MMERE for local employment and gender equality in mining company operations.

Component 2: Strengthen Capacity of Regulatory Institutions. This component will support building capacity of government regulatory institutions to fulfill their functions consistently, transparently and effectively and support MMERE to overcome near term operational challenges. The activities in this Component are organized in five sub-components:

1. **Sub-component 2.1: Mineral Rights Management.** The Project will finance the following activities to support strengthening MMERE's capacity to carry out its mineral rights management duties:
 - a. **Licensing:** The project will finance knowledge sharing, specialized training and the acquisition of software and other tools to build capacity of MMERE in the licensing of mineral exploration and mining operations. This will include, *inter alia*: (A) the design and installation of a

² Including the Solomons Climate Change Policy 2012–2017 (to be updated) and the National Action Plan for Adaptation.

³ Led by the International Finance Corporation and the Solomon Islands Chamber of Commerce and Industry, to date Waka Mere has involved 15 of the largest companies in Solomon Islands committing to one or more of the following three focus areas: (i) promote women in leadership; (ii) build respectful and supportive workplaces; and (iii) increase opportunities for women in jobs traditionally held by men (IFC 2019). This include establishing policies and procedures on gender-based violence, establishing targets for women's employment in male-dominated roles (such as transport) and other pro-active measures.

computerized geo-referenced cadastral system for managing the application, award and registration of mineral rights, based on the pre-feasibility assessment conducted under the SIMGov Project (DeVries), and with links to the geodata repository addressed in sub-Component 2.3; (B) the design of procedures and documentation to competitively tender mineral rights; (C) the design of criteria, procedures and documentation for conducting reviews of exploration, mining and mine closure plans submitted for approval by applicants; and (D) the design of criteria, procedures and documentation for conducting reviews of environmental and social impact assessments and management plans consistent with internationally recognized standards for environmental and social management including managing climate impacts such as deforestation.

- b. **Compliance:** The project will finance knowledge sharing, specialized training and the acquisition of software and other tools to build capacity of MMERE to monitor and improve compliance with legislation and the conditions of licenses by license holders based on appropriate internationally recognized technical standards and approaches. This will include, *inter alia*: (A) the design of monitoring and reporting requirements to cover mineral resources and reserves, according to an internationally recognized classification system, exploration results, mining and mineral processing operations, including waste handling and the production, storage and disposal of minerals, closure and reclamation of mined areas and other aspect of mining operations; (B) the design of procedures and documentation for conducting site inspection based on a diagnostic conducted under the SIMGov Project (Walker); and (C) the design of procedures and documentation for undertaking any other monitoring and compliance measures provided for in legislation, including reducing illegal mining and associated deforestation.
- c. **Community Engagement:** The project will finance knowledge sharing and specialized training to build the capacity of MMERE to engage responsibly with mining affected communities, especially women, youths and other groups, whose access and voice can be enhanced. This will comprise: (A) establishing a community liaison function in MMERE staffed by at least equal numbers of male and female officers⁴; (B) preparing a MMERE Communications Strategy that embodies Citizen Engagement principles suited to the Solomon Islands context; (C) preparing a MMERE Gender and Social Inclusion Strategy which identifies barriers to women working in technical and other staff roles in the mining industry and lists actions the MMERE can take to promote greater participation of women in its own human resources, and through facilitation and outreach regarding community agreements for mining to ensure women participate in deliberations and are able to give informed consent, and to monitor women's participation in decision-making bodies (through encouraging representation and sharing data on progress to government and communities); (D) conducting awareness raising (in collaboration with other relevant government agencies at central and provincial levels) of stakeholders, through workshops, specialized training, and outreach publications and events, of local community planning needs at national and sub-national government levels and opportunities to benefit from fiscal revenue and mining company procurement of jobs, goods and services; (E) conducting mapping of existing GBV-related services in mining affected areas, delivering regular awareness raising sessions on GBV, consequences, and available services in mining-affected areas, and training staff on GBV and responding to any disclosures of violence; and (F) developing an MMERE annual work plan and budget based on the aforementioned activities.

⁴ This requirement will be specified in the Project Operations Manual.

2. **Sub-component 2.2: Mineral Revenue Management.** The Project will support strengthening SIG's capacity, across several relevant government agencies, to carry out its mineral revenue management duties with a focus on the following areas:
 - i. **Revenue Administration** through capacity building in administering royalty, tax, value-added tax and customs, including physical and financial audit and effectively administer negotiations-based tax concessions.
 - ii. **Sub-national Revenue Management** (administration of revenue allocations from mining revenues) through an assessment of needs and identification of suitable capacity building activities and funding sources.
 - iii. **Extractives Industry Transparency Initiative (EITI)** through capacity building in re-launching and implementing EITI and related outreach publications and events.
3. **Sub-component 2.3: Geo-data Management.** The Project will support strengthening MMERE's capacity to carry out its geo-data management duties consistently, transparently and effectively, with a focus on the following areas:
 - i. **Data Management System** including: (A) capacity building in managing geodata; (B) study into the design, installation and management of a modern geodata repository; and (C) support for the design, installation and management of a core shed to improve core storage and management.
 - ii. **GeoData Acquisition** through a study to develop a strategy for acquiring and adding value to geophysical and geochemical data, identifying mapping hardware and software and geochemical laboratory and other equipment needs and assessing the financing needed for this. The study will include an assessment of opportunities to leverage geophysical and geochemical data to address identification of areas vulnerable to climate-risks such as erosion, flooding and coastal inundation and thus contribute to enhancing climate resilience.
4. **Sub-component 2.4: Operational Support (budgeted under Sub-component 1.1.** The Project will support MMERE to overcome near term operational challenges by engaging a resident adviser in the first two Project years to provide: (i) immediate operational support to MMERE to evaluate and approve mining related investments, compliance monitoring, including mine site inspections; (ii) help coordinate project financed advisory work flows; (iii) support coordination between MMERE and other government agencies and (iv) offer staff development through training & mentoring.
5. **Sub-component 2.5: Independent Advisory Institution.** Strengthen community empowerment by establishing an independent advisory institution drawing on a pre-feasibility study conducted under the SIMGov Project (Grice). This institution would be mandated to offer landowners, communities, women, youths and groups exposed to increased climate impacts, access to information and advice on the exercise of their rights under relevant legislation, as well as any obligations connected therewith, and raise awareness of mining sector impacts and benefits generally and the roles of mining companies and regulatory bodies in particular. The financial and governance arrangements for setting up the advisory institution will need to be developed to supplement the work by Grice and then approved. The project will finance: (A) consultation to this end; (B) a gender and social inclusion analysis; (C) a strategy setting out how the institution can best operate in a way that includes women in its management and delivery of services and provide tailored services to women, youth and other groups; (D) collecting data to track the representation of women on relevant boards and committees

(those arising from the exercise of rights conferred by mining and other legislation, such as in negotiating surface access and community development); and (E) promotion of a better understanding of environmental and climate risks and adaptation measures through regular community training programs conducted to help build capacity of mining affected communities in adapting and coping with climate issues.

Component 3: Project Management.

This Component will fund:

1. The operational and technical assistance needed by MMERE as the Implementing Agency to manage the project during implementation for which a PMU will be established to exercise project management responsibilities on MMERE's behalf. Its scope would include the conduct of financial management, procurement and contract management, monitoring and evaluation of project performance, coordination among government entities and guidance necessary to adhere to the ESCP. The PMU will need to have expertise to assume all fiduciary responsibilities, fulfill ESCP requirements and provide input to TORs, IT and equipment specifications, management of consultant delivered workflows, and reporting requirements.
2. Selected equipment costs and office refurbishment at MMERE: (A) acquisition and installation of critical equipment including servers to support the IT functions of the MMERE office in Honiara and network equipment and software to connect the Honiara office to provincial offices and other government offices; (B) up to two vehicles at Honiara; and (C) equipping and fitting out a project management office at the MMERE Honiara office; and
3. Workshop expenses to be incurred across all components of the Project.

3.3 Key Labor Risks:

Occupational health and safety (OHS) risks:

- a) The labor risk involved in the project are viewed to be minimal. Most of the labor risk will relate to;
- b) Extended long hours of work mainly on data input,
- c) Possibility of staff not working in properly ventilated building not equipped with proper cooling facilities.
- d) Occupational health and safety (OHS) risks, the refurbishment of the MMERE headquarters involving machinery will be quite noisy, loud and repetitive and excess noise causes long term hearing problems, such as deafness. Noise can also dangerous distractions and may distract the worker from the task at hand which can cause accident.
- e) Heavy materials and equipment are expected to be constantly lifted and moved around by workers at site, which poses health and safety risks.
- f) Collapsing of material is also a risk with the type of prevailing materials in the area.
- g) Working at height for the building construction will also pose the risk of falling.
- h) With the hot and dry climate being experienced in Solomon Islands, heat related injuries such as heat stroke and heat exhaustion also pose a risk to the construction workers.

- i) The Islands are sparsely scattered, and the following risks will occur in relation to the consultations and workshops:
 - Solomon Islands Government restriction measures on inter island travel related to the COVID 19 Pandemic.
 - Access of transportation to remote Islands such as Renbel.

Child Labour: The Labour Act Chapter 73 (section 46) states that children under the age of twelve years shall not be employed in any capacity whatsoever, provided that the provisions of this section shall not apply to any such child employed by and in company with his parents (or one of them) or his guardian on light work of an agricultural, domestic or other character which has been approved by the Commissioner. Specifically to mine, Section 48 and 49 states that a person under the age of sixteen and eighteen shall not be employed or work (a) underground in any mine unless, being a male person, he has attained the age of sixteen and produces a medical certificate of a medical practitioner or a person approved for that purpose by the Health Officer attesting his fitness for such work. Solomon Islands has failed to comply with most of its reporting requirements under the core human rights treaties, it has ratified including the Convention of the Right of the Child. Children in Solomon Islands are involved in a range of different forms of work. Mining is one of the sectors which identified as high risk of exploitation of children. The 2015 Solomon Islands Demographic Health Survey found that more than 3 out of 5 children aged 5-11 (62%) are engaged in child labor activities. Hence, the risk of engaging under-aged children in the project activities especially the refurbishment of the MMERE office will require attention. Contractors and suppliers may tend to use children for economic reasons and convenience. In the case of involving children in the project, MMERE and PIU requires to seek approval from the Commissioner of labor. However, child Labor in mine is prohibited.

Labour influx: With the limited scale of work under the project and the availability of labor supply in Honiara, a large scale of labor influx is not expected. However, the construction activities may bring some workers from other provinces who may have diverse backgrounds, different cultures and dissimilar behaviors to the surrounding residential areas and neighboring Ministry, the Ministry of Forestry and Research. They may not integrate well with the diverse cultures and values and could risk the social values and harmony. All these could lead into conflict between labors, and residents. While many of these potential impacts may be identified in a project's Environmental and Social Impact Assessment (ESIA), they may only become fully known once a contractor is appointed and decides on sourcing the required labor force. This means that not all specific risks and impacts can be fully assessed prior to project implementation, and others may emerge as the project progresses. Thus, measures defined in the project Environmental and Social Management Plan (ESMP) to address such problems sometimes may be insufficient. It is therefore important to develop site specific measures before the contractor starts work and update them as necessary to reflect project.

Labour disputes over terms and conditions of employment. Labour disputes and labor wages rates and delay in payments, disagreement over working conditions and health and safety concerns. These are common in Solomon Islands especially with the construction companies. Non-payment of superannuation and overtime. Section 19 of the Solomon Islands Labor Act entails that every worker shall be entitled to sue for and recover by legal process so much of his wages exclusive of sums lawfully deducted. In any circumstance of failing payment by the contractor, arrange for the payment of such claim out of the moneys at any time payable under the said contract, and an

amount so paid shall be deemed a payment to the contractor of if proof by the labor Commissioner. Mostly these rules are failed to comply with due to lack of knowledge of the labor Act by most employees.

Restriction on employment of women in mines: The Solomon Islands labour Act (Chapter 73 section 40) states that women are not to be employed in underground work in any mine. This subsection shall not apply (a) to women holding positions of management who do not perform manual work; or (b) to women employed in health or welfare services. *In this section the expression "mine" shall include any undertaking, whether public or private, for the extraction of any substance from under the surface of the earth.*

4. BRIEF OVERVIEW OF LABOR LEGISLATION: TERMS AND CONDITIONS

Solomon Islands has ratified the following fundamental conventions of ILO:

- Forced Labor Convention (No.29) (ratified in 1960)
- Freedom of Association and Protection of the Right of Organize Convention (No. 87) (ratified in 2014)
- Right to Organize and Collective Bargaining Convention (No.98) (ratified in 2014)
- Abolition of Forced Labor Conventions (No. 105) (ratified in 2014)
- Discrimination (Employment and Occupation) Convention (No. 111) (ratified in 1961)
- Worst Forms of Child Labor Convention (No. 182) (ratified in 2014)

The workers in the Solomon Islands are also managed and protected under the below national labor and work safety acts.

4.1 Labour Act Chap 73 1978

The Labor Act 1978 deals with protections for workers. Part IX Care of Workers requires the employer to: provide workers with rations (Article 65); protect workers and dependents from malaria (Article 66); provide workers with an accessible supply of clean, non-polluted water for drinking, washing and other domestic purposes (Article 67); make sufficient and proper sanitary arrangements for workers (Article 68); provide accommodation for the worker and family if they are not conveniently located to the workplace (Article 69).

Article 70 requires the employer to provide medical care at the workplace including (i) treatment facilities, medicines, first aid equipment and transportation facilities; (ii) responsibility to move workers as quickly as possible either to the employer's treatment facilities or to the nearest medical facilities; (iii) treatment for workers or hospitalization; and (iv) should a worker die the employer is obliged to pay for funeral costs. Article 71 states that the employer may be required to provide medical facilities and services of a medical practitioner, and the employer is to maintain a register of workers treated.

The LABOR ACT (1996) CHAPTER 73 governs rules relating to employment. The Act defines the allowable hours of work and minimum wages. It outlines workers rights and employers penalties

for not complying with the requirements. It includes a prohibition for women working at night and for child labor.

This Act states that every employer must provide a safe workplace and to ensure the health and safety of employees under his control. This Act is linked to the Labor Act (1978) and the Safety at Work (pesticide Regulations (1983). This Act consists of 4 parts.

- Part II: Article 4 states that every employer must ensure the health and safety at work of his employees.
- Article 6: states that the employer must provide a safe workplace for persons other than his employees.
- Articles 7 and 8: requires manufacturers, suppliers of tools and equipment and suppliers of chemicals and other hazardous substances to ensure that these are safe and without health risks.
- Article 12: states that any employer who operates unsafe machinery or substances and is injured will be responsible for the damages.
- Part III: Article 15 requires the employer to protect people from dust, fumes, etc. Article 16 provides for limits of exposure to dust and fumes.
- Articles 17, 18, 19 and 20 require employers to comply with the operating requirements for (i) pressure and vacuum systems; (ii) machinery; (iii) dangerous machinery; and (iv) electrical installations.
- Articles 21 and 22 require workplaces to have fire protection and to take precautions against explosions.

4.2 Requirements of ESS 2

The requirements of ESS2 cover the following areas: (a) working conditions and management of worker relationships; (b) protecting the workforce; (c) workers' access to a grievance mechanism; and (d) Occupational Health and Safety (OHS).

Working conditions and management of worker relationships include requirements that:

- Project workers are provided with clear terms and conditions of employment, consistent with national legal requirements;
- The principles of non-discrimination and equal opportunity are applied to project workers, and vulnerable project workers are protected;
- The rights of workers to form workers organisations, consistent with national law, are respected.

Protecting the workforce requirements include:

- Provisions to prevent the employment of children below the age of 14 or the national legal minimum, whichever is higher, and restrictions on the employment of children under 18;
- Prevention of forced labor.

- Direct and contracted workers must have access to a grievance mechanism. The grievance mechanism for contracted workers must be provided by the direct employer and is separate from the project grievance mechanism.

4.3 Gap analysis

It should be noted that common employment practice in the country frequently varies from the provisions of the Labor Law, which are not widely known or understood outside certain sectors such as the extraction/mining industry. For example, OHS measures are not linked to bidding documents to make it a contractual obligation for contractors. Other gaps between the common practice of the national labor legislation and the World Bank ESS2 requirements can include:

- No clear enforcement mechanism for the existing rules on non-discrimination and equal opportunity. It is not clear that quotas for the employment of people with disabilities are set as required by the law and / or enforced in practice;
- Although the law guarantees workers' rights to unionize, labor unions are prominent in the public sector but not common in other sectors;
- Employment of children working alongside parents in agricultural labor is known to occur. There are persistent allegations that this is also a common practice in prohibiting child labor and forced labor, heightened focus on OHS, grievance mechanisms.
- Enforcement of safety standards is weak, especially in informal sectors and in the construction industry;
- Despite employers' legal liability for workplace accidents, no construction workers' insured.

Therefore, project measures will need to make good the gaps between Labor Law and ESS2, but also include measures to enforce compliance with Labor Law requirements where these are consistent with ESS2. Furthermore, when there are differences between national Labor Law and ESS2, the more stringent provisions will be applied. Annex 3 provides more information about gaps between common practice and ESS2 requirements, including terms and conditions of employment.

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

5.1 Safety at Work Act 1996

This Act states that every employer must provide a safe workplace and to ensure the health and safety of employees under his control. This Act is linked to the Labor Act (1978) and the Safety at Work (pesticide Regulations (1983). This Act consists of 4 parts.

- Part II: Article 4 states that every employer must ensure the health and safety at work of his employees.

- Article 6: states that the employer must provide a safe workplace for persons other than his employees.
- Articles 7 and 8: requires manufacturers, suppliers of tools and equipment and suppliers of chemicals and other hazardous substances to ensure that these are safe and without health risks.
- Article 12: states that any employer who operates unsafe machinery or substances and is injured will be responsible for the damages.
- Part III: Article 15 requires the employer to protect people from dust, fumes, etc. Article 16 provides for limits of exposure to dust and fumes.
- Articles 17, 18, 19 and 20 require employers to comply with the operating requirements for (i) pressure and vacuum systems; (ii) machinery; (iii) dangerous machinery; and (iv) electrical installations.
- Articles 21 and 22 require workplaces to have fire protection and to take precautions against explosions.

27. OHS requirements must address:

- Identification of potential hazards to project workers, particularly those that may be life-threatening;
- Provision of preventative and protective measures, including modification, substitution or elimination of hazardous conditions or substances;
- Training of project workers and maintenance of training records;
- Documentation and reporting of occupational accidents, diseases and incidents;
- Emergency prevention preparedness and response arrangements to emergencies; and
- Remedies for adverse impacts, including occupational injuries, deaths, disabilities and disease.

6. RESPONSIBLE STAFF

28. The MMERE will be responsible for overall project management and coordination, including compliance with labor and working conditions in the LMP. A project Office will be setup for the proposed Project to manage the project on behalf of MMERE and 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 for approval before the contractor is allowed to mobilise to the field.

- Monitor that the contractor is meeting obligations towards contracted and sub-contracted workers as included in the General Conditions of Contract the World Bank Standard Bidding Documents, and align with ESS2 and national labor code
- Monitor that contractors/subcontractors are meeting obligations towards contracted workers as included in the Contractor's LMP and the applicable Procurement Documents.
- Monitor the potential risks of child labor, forced labor and severe safety issues concerning 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.
- Monitor the implementation of the Worker Code of Conduct and any other measures to address risks of sexual exploitation and abuse (SEA)/sexual harassment (SH).
- Report to the World Bank on labor and occupational health and safety performance.
-

Table 1: 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"> - MMERE to engage/manage consultants - MMERE to engage/manage Construction and consultant. 	<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)
OHS	<ul style="list-style-type: none"> - direct workers will follow OHS measures when visiting construction sites 		<ul style="list-style-type: none"> - Contractor to require the primary supplier to identify/address child labor/forced labor and serious safety risks.
Child labor and forced labor	<ul style="list-style-type: none"> - the contract for direct workers does not allow child labor and forced labor 		
Training	MMERE,		<ul style="list-style-type: none"> - n/a (outside the scope of ESS2)
Code of conduct	<ul style="list-style-type: none"> - the contract for direct workers will address relevant risks. 		
Grievance mechanism	<ul style="list-style-type: none"> - MMERE 	<ul style="list-style-type: none"> - Contractor and consultants 	
Monitoring and reporting	<ul style="list-style-type: none"> - MMERE and consultants to monitor and report to World Bank 	<ul style="list-style-type: none"> - Contractor to monitor and report to MMERE 	<ul style="list-style-type: none"> - Contractor to monitor and report to MMERE.

Key issues	Direct workers	Contracted workers	Primary supply workers
		- MMERE and consultant to monitor and report to World Bank	- MMERE and consultant to monitor and report to the World Bank.

7. POLICIES AND PROCEDURES

29. MMERE will apply the Solomon Islands Labor Act Chap 73 and the Safety at Work Act 1996 which provides the rights of employee. These Laws will apply to the project direct and contracted workers. The direct project workers will sign the project specific Code of Conduct.
30. The employment of project workers will be based on the principles of non- discrimination and equal opportunity. There will be no discrimination with respect to any aspects of the employment relationship such as recruitment, compensation, working conditions and terms of employment, access to training, promotion or termination of employment.
31. The project will ensure efficient and effective management especially on budget provisions for all OHS provisions as well as other costs associated with labor management (e.g. the operation of a grievance redress mechanism).
32. The project will regularly monitor the contractor's performance in implementing OHS measures. Project's regular reporting system should include the project's performance on the OHS implementation.
33. Following ESS2 and national law, due to the hazardous work situation especially in component 3 (use of machinery), children under the age of 18 will not be allowed to work on the project. The use of forced labor or conscripted labor on the project is also prohibited. The LMP will include a grievance mechanism (GM) which will be provided to all workers, especially throughout the value-chain, and measures will be in place for all workers (including contractors) to access the GM to raise any concerns related to the project.
34. The project 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 policies is presented in the following table 1 and annex 1

7.1 Occupational health and safety (OHS):

- The OHS measures will be designed and implemented to address: (a) identification of potential hazards to project workers; (b) provision of preventive and protective measures, including modification, substitution, or elimination of hazardous conditions or substances; (c) training of project workers and maintenance of training

records; (d) documentation and reporting of occupational accidents, diseases and incidents; (e) emergency prevention and preparedness and response arrangements to emergencies; and (f) remedies for adverse impacts such as occupational injuries, disability and disease.

- According to the ESS2, the WB General Environmental, Health and Safety Guidelines (EHSGs), and the WB standard procurement documents, the contractor shall manage all construction sites in such a way that the workers and the community are protected adequately 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.

7.2 Child labor. The minimum age of project workers eligible for any type of work under the project (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 any 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.

7.3 Labor influx. All contracted workers will be required to sign the code of conduct (see Annex 1 on the Guideline on Code of Conduct) before 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 behaviors (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.

7.4 Labor disputes over terms and conditions of employment. To avoid labor disputes, fair terms and conditions will be applied for project workers in the project. More details provided in chapter xxx. 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 in chapter xxx). Further, the project will respect the workers' right of labor unions and freedom of association, as set out in the national Labor Code (x).

7.5 Monitoring and reporting. The contractor shall report to the MMERE, and consultants on the status of implementation of the above policies and procedures on a monthly or quarterly basis. The MMERE and the Policy Adviser and consultants will closely monitor the contractor/subcontractor on labor and occupational health and safety performance and report to the World Bank quarterly (see Chapter xxx for more details).

7.6 Fatality, serious incidents and death. In the event of an occupational fatality or severe injury, the MMERE shall report to the Bank as soon as becoming aware of such incidents and inform the relevant government authorities (where available) in accordance with national reporting requirements (which *labor act part IX 73*). Corrective actions shall be implemented in response to project-related incidents or accidents. The MMERE or, where relevant the contractor, will be required to conduct a root cause analysis for designing

and implementing further corrective actions. The notification timeframe is immediate or within 24 hours.

Table 1: 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
1. OHS risks	<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 ESMF, and WB standard procurement documents. 	<ul style="list-style-type: none"> - Select a legitimate and reliable contractor through screening OHS records. - Address OHS risks adequately with non-compliance remedies in procurement documents. - Require the contractor to engage qualified OHS staffing - Enhance workplace OHS awareness and training. - Provide materials for handwashing and hygiene at work sites. - Provide masks in case of infectious disease outbreaks; - Practice social distancing on the worksite, following national and international guidelines. - Conduct routine monitoring and reporting.
2. Child labor	<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 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. 	<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 with child labor incidents.
3. Labor influx	<ul style="list-style-type: none"> - Minimize the labor influx by prioritizing local workforce. - Minimize labor-related risks on the community through 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 the prevention of GBV. - Make all contracted workers 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.

Key labor risks	Policies to address risks	Procedures to back up the policy
4. Labor disputes	<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.
5. Discrimination and exclusion of vulnerable or disadvantaged groups	<ul style="list-style-type: none"> - Promote no discrimination and equal opportunity concerning any aspects of the employment relationship. 	<ul style="list-style-type: none"> - Require the contractor to employ vulnerable groups as part of the 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 socialized/basis for training, and covers potential ethnic discrimination.
6. Security risks	<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 a 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.).

8. AGE OF EMPLOYMENT

35. **Age limitation for hazardous work.** A child under the age of 18 will not be employed in connection with the project (This is according to the Solomon Islands' Labor Act Chap 73 (Part VII) states that it is forbidden to employ children below 15 years of age, except for those professions and jobs to be defined by Ministry of Commerce, labor, Immigration and Industry. Similarly, ESS2 (para 19) sets out additional 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 hazardous 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 project (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).

36. **Minimum age for project workers.** The project will not employ persons under the age of 18. The national Labor Act Chap 73, as well as ESS2, allow persons under 18 and over 15 to be engaged 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). The minimum age of project workers for such (non-hazardous) work under the project is set at 15, and the minimum age of project workers eligible for construction works is set at 18.
37. **The process of age verification.** To prevent engagement of under-aged labor, all contracts with work contractors 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 the unskilled workforce will be sourced. The contractor is required to maintain labor registry of all contracted workers with age information. Verification of the age shall be undertaken before the engagement of labor and be documented based on the workers' ID or any available legal documents.

9. TERMS AND CONDITIONS

38. **Direct workers.** The terms and conditions for direct workers in MMERE and Consultant service providers including the E&S consultants, Policy Advisor will be governed by the Standard World Bank Consultancy which set higher standards than the national Labour Act Chap 73.
39. **Contracted workers.** The terms and conditions for direct workers including contracted Consultant service providers including the E&S consultants, Policy Advisor will be governed by the Standard World Bank Consultancy which set higher standards than the national Labour Act Chapter 73.
40. **Provision of the 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 the contract; (e) hours and place of work; (f) remuneration payable to the worker; (g) procedure for suspension or termination of a 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.
41. **Notice for termination of the contract.** Either of the contracting parties may terminate a contract of employment by giving written notice as under (a) not less than ten days in the case of manual workers, or (b) not less than 30 days in the case of non-manual workers. No notice needs to be given in case the duration of the contract does not exceed one month.

42. **Minimum Wages.** While the mechanism to set the official minimum wage as prescribed by *the Labor Act (Part IV, Article 30)* is not currently functioning, the market rate is available for each job type in a different locality. The fair market rate will be identified and applied for the Project workers.
43. **Hours of Work.** The regular hour of work of a project worker shall not exceed 8 hours a day or 48 a week (Labor Act, Part III Article 13). Hours worked more than the regular hours of work shall not exceed 12 hours a week and shall entitle a worker to a proportionate increase in remuneration.
44. **Rest per week.** Every worker shall be entitled to one day's rest each week, which should typically fall on Sunday (Part III, Article 13 e). It shall consist of at least 24 consecutive hours each week. Workers shall also be entitled to a rest day on public holidays recognised as such by the State.
45. **Annual leave.** Workers shall be entitled to not less than 1.5 working days leave with pay for each complete calendar month of employment. An entitlement to leave with pay shall usually be acquired after a full year of continuous service. (Holiday, Sick Leave and Passage Rules LN19/1982).
46. **Maternity leave.** A female worker shall be entitled, on presentation of a medical certificate indicating the expected date of her confinement, to 6 months of maternity leave (Labor Act Article 42). During maternity leave, the female employee is entitled to maternity benefits as regulated in the Law on Social Insurance.
47. **Deductions from remuneration.** No deductions other than those prescribed by the Act (Part III Art 12) or regulations made thereunder, 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.
48. **Death benefit.** In case of death of a worker during his contract of employment, the employer shall pay to his /her an amount equivalent to 30 months' wages (Art. 145).
49. **Medical treatment of injured and sick workers.** It shall be the duty of the employer to arrange at his own expense for the conveyance to the nearest hospital of any injured or sick worker who can be so conveyed and who cannot be treated on the spot with the means available (article 144).
50. **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.

10. GRIEVANCE MECHANISM

51. **General principles.** While the project 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 the work environment. Therefore, a separate grievance mechanism will be established for project workers (direct workers and contracted workers) as required in ESS2. The general principles of the grievance mechanism are to:

- Covers all direct and contracted workers
 - facilitate easy access and resolution of workplace grievances
 - have a procedure in place so that workers know GM exists and how to access it
 - have measures in place to protect workers against reprisal for the use of GM
 - have GM required for community worker, adapted to reflect needs
 - Labor GM separate from general Project GM
 - utilise existing GMs, providing these are accessible and effective
52. 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 the 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.
53. **Direct workers.** MMERE, currently, does not have a grievance mechanism in place which allows all of its employees to raise workplace concerns. However the steps that are currently in place are:
- report to immediate supervisor
 - report to Human Resource Manager who will attempt to resolve complaint based on officers code of conduct. The Deputy Secretary can also assist in this instance. If no resolution is reached then advice is sought from the Ministry of Public Service (the organization having the right to hire and fire) and they will address the issue. All simple complaints and grievances must aim to be closed out within 1 month. Complex complaints should aim to be closed out within 3 months or deferred to the Grievance Committee.
 - All complainants have the right to use the courts of Solomon Islands at any time to seek resolution.
 - The Project Coordinator will make adjustments to consultations, the GRM, community engagement, project implementation and other aspects as necessary to avoid future complaints and grievances.
54. Ministry of Mines, Energy and Rural Energy (MMERE) Level Resolution: In addition to the above Mines Division level GRM, communities and individuals who believe that they are adversely affected by any Mines Division supported mining projects may submit complaints to the Mines Division Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns.

55. Mining Project affected communities and individuals may submit their complaint to the Mines Division independent Inspection Panel which determines whether harm occurred, or could occur, as a result of Mines Division non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the Director of Mines attention, and MMERE Management has been given an opportunity to respond.
56. **Contracted workers.** The construction contractors will prepare their labor management procedure before the start of civil works, which will also include a detailed description of the workers' grievance mechanism.
57. The workers' grievance mechanism will include:
- a procedure to receive grievances such as comment/complaint form, suggestion boxes, email, a telephone hotline;
 - stipulated timeframes to respond to grievances;
 - a register to record and track the timely resolution of grievances;
 - a responsible department to receive, record and track resolution of grievances.
58. The assigned site manager and OHS officer or any other appropriate officer of the contractor will hold a daily team meeting with all present contracted workers at the 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 the MMERE and the Policy Advisor and consultants as part of the contractor's periodic report. Where appropriate and available, the contracted workers should be allowed to utilise 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 may raise their issue with the MMERE and/or the construction consultant. The contracted workers will be informed of the grievance mechanism before the commencement of work. The contact information of the MMERE and/or the construction consultants will be shared with contracted workers.
59. **State Inspection on Labor, Sanctions Against Violations of Labor Legislation.** As per the Labor Code (Articles 237-239), 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.
60. **Grievance Handling Procedure.** The table provides steps with responsibilities of grievances relating to the complaint handling linked to labor issue. The fundamental purpose of this exercise is to present a GRM process in an effective and user-friendly manner.

Table 2: GRM procedures for complaint handling process

Steps	Complainants	GRM Functions	Timeframe
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 raise his/her voice in a public or individual meeting with project staff.			
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. 	Up to a month days
Project or Site level GRM:			
(a) Project Level GRM: If resolution at the local/community level is unsuccessful, or the Affected Person (AP) can take his or her complaint to project level GRM.			
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 	3 months
(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 efficiently and effectively to meet national regulations on labors and World Bank ESS2.			
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 analyse and resolve the complaint. • Provide a written response to the complainant/contractor. • Guide with recommendations to the contractor to improve working condition/labor-management issues. 	
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.			
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. 	3 months
Referee Level: If all above fails, the last recourse is the stipulations in the Labor Code.			

61. **Grievances related to Gender-Based Violence (GBV).** To avoid the risk of stigmatisation, exacerbation of the mental or 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, SAFENET, Seif ples , and any other necessary services. It should also be reported to the safeguards staff of the MMERE 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.
62. **Publicising the GRM.** The MMERE will be in charge of publicising the GRM. MMERE/PIU should ensure that GRM is explained during public meetings. MMERE 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.
63. 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 MMERE office probably the UST in HQ and the Chief field officer in the Provinces. 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 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:** Complaints records (letter, email, record of conversation) are stored together, electronically or in hard copy. Each record has a unique number of reflecting year and sequence of received complaint.
 - **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 publicly 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 captures GBV/SEA and HIV/AIDS-related issues will be developed;
 - **PAPs:** All PAPs who have issues with their compensation and assistance 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.**

11. CONTRACTOR MANAGEMENT

64. **Selection of Contractors.** MMERE will use the Bank's 2017 Standard Procurement Documentsⁱⁱ for solicitations and contracts, and these include labor and occupational, health and safety requirements.
65. These include labor and occupational, health and safety requirements. The MMERE 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, the MMERE may review the following information:
- Business licenses, registrations, permits, and approvals
 - 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 the inclusion of provisions and terms reflecting requirements on labor and working conditions).
66. **Contractual Provisions and Non-Compliance Remedies.** The MMERE 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 the 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, the MMERE will require the contractor to include equivalent requirements and non-compliance remedies in their contractual agreements with subcontractors.
67. **Performance Monitoring.** The MMERE shall establish resources and procedures for managing and monitoring the performance of the contractor in relation to the LMP. The MMERE will ensure that the contract with the construction and consultants explicitly set out their monitoring responsibility for the contractor's performance on labor and working conditions daily. The monitoring may include, inspections, and/or spot checks of project locations or worksites 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 the training provided for contracted workers to explain occupational health and safety risks and preventive measures.
68. 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 the size of the contract, in a manner acceptable to the MMERE 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, an 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.

12. PRIMARY SUPPLY WORKERS

Potential risks in primary supply workers for small Infrastructure. The construction work under the project will require primary supplies, including construction materials essential for the functions of the proposed Infrastructure, such as timber aggregates, hardware materials. 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 -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 severe safety risks in producing construction materials. The MMERE and the construction and consultants 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.** Suppose child labor/forced labor and/or serious safety incidents are identified concerning primary supply workers under the project. In that case, the MMERE and the construction and consultants 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, the MMERE and the construction and consultants will, within a reasonable period, shift the project's primary suppliers to suppliers that can demonstrate that they are meeting the relevant requirements.

69. Where a significant risk of child or forced labor or serious safety issues in relation to primary suppliers has been identified, this section sets out the procedure for monitoring and reporting on primary supply workers.

13. ANNEXES

Annex 1 Guidelines on Code of Conduct

1. A satisfactory code of conduct will contain obligations on all project workers (including sub-contractors) that are suitable to address the following issues, as a minimum. Additional obligations may be added to respond to particular concerns of the municipality, the location and the project sector or specific project requirements.
2. The Code of Conduct should be written in a local language and signed by each worker to indicate that they have:
 - 8 received a copy of the code;
 - 9 had the code explained to them;
 - 10 acknowledged that adherence to this Code of Conduct is a condition of employment; and
 - 11 understood that violations of the code could result in severe consequences, up to and including dismissal, or referral to legal authorities.
3. The contractor should conduct continuous awareness-raising and training activities to ensure that workers abide by the Code of Conduct (such as through toolbox talks). The contractor should also ensure that local communities are aware of the Code of Conduct and enable them to report any concerns.
4. The issues to be addressed include:
 - 1) Compliance with applicable **laws, rules, and regulations** of the jurisdiction
 - 2) Compliance with applicable **health and safety requirements** (including wearing prescribed personal protective equipment (PPE), preventing avoidable accidents and a duty to report conditions or practices that pose a safety hazard or threaten the environment)
 - 3) The use of **illegal substances**
 - 4) **Non-Discrimination** (for example based on family status, ethnicity, race, gender, religion, language, marital status, birth, age, disability, or political conviction)
 - 5) **Interactions with community members** (for example to convey an attitude of respect and non-discrimination)
 - 6) **Sexual harassment** (for example to prohibit the use of language or behaviour, in particular towards women or children, that is inappropriate, harassing, abusive, sexually provocative, demeaning or culturally inappropriate)
 - 7) **Violence or exploitation** (for example the prohibition of the exchange of money, employment, goods, or services for sex, including sexual favours or other forms of humiliating, degrading or exploitative behaviour)
 - 8) **Protection of children** (including prohibitions against abuse, defilement, or otherwise unacceptable behaviour with children, limiting interactions with children, and ensuring their safety in project areas)
 - 9) **Sanitation** requirements (for example, to ensure workers use specified sanitary facilities provided by their employer and not open areas)
 - 10) Avoidance of **conflicts of interest** (such that benefits, contracts, or employment, or any sort of preferential treatment or favours, are not provided to any person with whom there is a financial, family, or personal connection)
 - 11) **Respecting reasonable work instructions** (including regarding environmental and social norms)
 - 12) **Protection and proper use of a property** (for example, to prohibit theft, carelessness or waste)
 - 13) **Duty to report violations of this code**

5. **No retaliation against workers** who report violations of the code, if that report is made in good faith. A satisfactory code of conduct will contain obligations on all project workers (including sub-contractors) that are suitable to address the following issues, as a minimum. Additional obligations may be added to respond to particular concerns of the municipality, the location and the project sector or specific project requirements.
6. The Code of Conduct should be written in a local language and signed by each worker to indicate that they have:
 - 12 received a copy of the code;
 - 13 had the code explained to them;
 - 14 acknowledged that adherence to this Code of Conduct is a condition of employment; and
 - 15 understood that violations of the code could result in severe consequences, up to and including dismissal, or referral to legal authorities.
7. The contractor should conduct continuous awareness-raising and training activities to ensure that workers abide by the Code of Conduct (such as through toolbox talks). The contractor should also ensure that local communities are aware of the Code of Conduct and enable them to report any concerns.
8. The issues to be addressed include:
 - 14) Compliance with applicable **laws, rules, and regulations** of the jurisdiction
 - 15) Compliance with applicable **health and safety requirements** (including wearing prescribed personal protective equipment (PPE), preventing avoidable accidents and a duty to report conditions or practices that pose a safety hazard or threaten the environment)
 - 16) The use of **illegal substances**
 - 17) **Non-Discrimination** (for example based on family status, ethnicity, race, gender, religion, language, marital status, birth, age, disability, or political conviction)
 - 18) **Interactions with community members** (for example to convey an attitude of respect and non-discrimination)
 - 19) **Sexual harassment** (for example to prohibit the use of language or behaviour, in particular towards women or children, that is inappropriate, harassing, abusive, sexually provocative, demeaning or culturally inappropriate)
 - 20) **Violence or exploitation** (for example the prohibition of the exchange of money, employment, goods, or services for sex, including sexual favours or other forms of humiliating, degrading or exploitative behaviour)
 - 21) **Protection of children** (including prohibitions against abuse, defilement, or otherwise unacceptable behaviour with children, limiting interactions with children, and ensuring their safety in project areas)
 - 22) **Sanitation** requirements (for example, to ensure workers use specified sanitary facilities provided by their employer and not open areas)
 - 23) Avoidance of **conflicts of interest** (such that benefits, contracts, or employment, or any sort of preferential treatment or favours, are not provided to any person with whom there is a financial, family, or personal connection)
 - 24) **Respecting reasonable work instructions** (including regarding environmental and social norms)
 - 25) **Protection and proper use of a property** (for example, to prohibit theft, carelessness or waste)
 - 26) Duty to **report violations of this code**
 - 27) **No retaliation against workers** who report violations of the code, if that report is made in good faith.

Annex 2 : Gap Analysis

ESS2 REQUIREMENT	NATIONAL LABOR REQUIREMENTS	COMMENT ON GAP and PRACTICE	PROJECT MEASURES
Terms and Conditions of Employment		<p>Less formal enterprises may not be aware of these rules.</p> <p>Unlikely that employment cards could be obtained for any type of temporary worker</p>	<p>Project direct workers will have clear terms and conditions of employment.</p> <p>Contractors to be required to comply with Labor Law provisions.</p>
Non-Discrimination and Equal Opportunity		<p>No clear enforcement mechanism</p> <p>Not clear that quotas for employment of people with disabilities are set by Sub-Decree (as required by the law) and / or enforced in practice.</p>	<p>Non-discrimination and equal opportunity to be applied to the employment of direct project workers.</p> <p>Fair and non-discriminatory employment practices to be required for contracted workers. Where contractors hire workers from the beneficiary community, disadvantaged and vulnerable community members are to have equal access to opportunities. Where large numbers of community members are employed, childcare facilities to be provided.</p>
Rights to Organise		Labor unions are prominent in not common	GRM will be available to workers who are denied their right to organise
Prevention/restriction of child labor		Employment of children working alongside parents in agricultural labor is known to occur.	<p>No children aged under 15 to be employed under any circumstances (including community work).</p> <p>Children aged 15-17 will not be employed as direct project workers under any circumstances.</p> <p>Children aged 15-17 will not be employed as contracted workers in a manner that is likely to be hazardous or interfere with the child's education or be harmful to the child's health or physical, mental,</p>

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			<p>spiritual, moral or social development.</p> <p>Children aged 15-17 will only be employed as contracted workers with advance notification and under restricted conditions (<i>see Child Labor and Forced Labor Procedure (CLFLP)</i>).</p> <p><i>Age of employees to be verified and monitored as part of contract supervision.</i></p> <p><i>Suppliers to certify non-use of child labor, with verification measures in high-risk sectors (CLFLP)</i></p>
Prevention of forced labor		Debt bondage is known to occur	<p>Any kind of forced labor, including debt bondage, prohibited.</p> <p>Suppliers to certify non-use of forced labor, with verification measures in high-risk sectors (CLFLP)</p> <p>Project to monitor and report including notification on any incident within 48 hours.</p>
Grievance Mechanism		The legislation does not guarantee workers' access to a grievance mechanism	Project to establish and operationalise a project worker grievance mechanism. The project will monitor and report on the implementation of the mechanism,
Identification of potential hazards		Enforcement of safety standards is weak, especially in informal sectors and in the construction industry	Health and safety risk assessment procedure to be established
Provision of preventive and protective measures			<p>Occupational Health and Safety (OHS) strategy established for direct project workers</p> <p>Workplace safety measures for contracted workers under Environment, Social, Health and Safety Specification (ESHS)</p>

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Training of workers and maintenance of training records	Safety training not specifically mentioned		ESHS to require appropriate safety training for workers
Documentation and reporting of occupational accidents, disease and incidents	Not clear	ESS2 requires reporting procedures	All workplace health and safety incidents to be recorded in a register, required by ESHS
Emergency Preparedness	Not specifically mentioned		All worksites to have health and safety plan including emergency plans (ESHS)
Remedies for adverse impacts		No or minimal number of construction workers insured	All workers to be insured for occupational hazards (ESHS)

ⁱ To be refined by MMERE E&S.

ⁱⁱ To confirm with Procurement specialist