MINISTRY OF TELECOMMUNICATIONS AND INFORMATION TECHNOLOGY

LABOR MANAGEMENT PROCEDURES (LMP)

For:

TECHNOLOGY FOR JOBS (Tech4Jobs)

Project ID no: P172571

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1. INTRODUCTION

The Labor Management Procedures (LMP) is developed by Ministry of Telecommunications and Information Technology (MTIT) to manage risks under the Technology for Jobs Project (Tech4Jobs) called hereafter (the Project). International Bank for Reconstruction and Development/International Development Association called hereinafter (the Association) has agreed to provide financing for the Project. The Palestinian Authority (PA) is considering selecting competitively private sector entity to act as Project Implementation Agency (PIA), who will be responsible for implementing the Tech4Jobs project on behalf of MTIT. PIA will be responsible for following up the implementation of the social considerations of the project. The LMP sets out the Project’s approach to meeting national requirements as well as the objectives of the Association’s Environmental and Social Framework (ESF), specifically objectives of Environmental and Socials Standard 2 (ESS2): Labor and Working Conditions and (ESS10): Stakeholder Engagement and Information Disclosure.

The rated social risk of the Project is moderate which indicate a moderate likelihood of adverse impacts related to labor and working conditions. The LMP addresses the labor related risks and provides mitigation measures to minimize those risks.

PIA is committed on a continuous basis throughout the Project implementation to evaluate risks and impact and to develop procedures to prevent further impacts. The focus of the LMP is on community health and safety and on workers engaged by MITIT and, PIA (who are hired for the project, depending on the resource arrangements (i.e. civil servants versus consultants), workers engaged with benefitting companies (who get jobs at tech-enabled companies as a result of investment grants that pay their salaries provided by the project). The workers engaged with IT suppliers to work on installation of equipment and supporting ICT infrastructure as part of Components 1.1 and 1.3 of the project (related to the supply side of hardware) will be exposed to limited health and safety risks of low significance.

Adhering to LMP, MTIT will prepare specific procedures to be inserted by PIA in the Request for Proposal (RFP) for subprojects as part of benefitting companies’ legal obligations. The approach will be assessed as part of the initial screening of social risk and impact to be carried out by PIA.

2. OVERVIEW OF LABOR USE ON THE PROJECT

The Project is developed by MTIT, in which private sector entity will act as Project Implementation Agency (PIA) who will select the benefitting companies. PIA and benefitting Palestinian IT Service Companies will hire new female and male employees to upskilling their workforce.
It is expected that the Project will engage the following categories of project workers as defined by ESS2:

**Direct Workers:** Direct workers would likely include project managers and supervisors who are MTIT employees who will be assigned to work on this Project.

**Contracted Workers:** Contracted workers would also be the PIA’s workforce assigned to work on the project as well as the workers/employees of the benefitting IT service companies and the new female and male employees to be hired to upskilling their workforce.

**Community workers:** Community workers will not be employed in relation to this Project.

**Primary supply workers:** Primary supply workers would be engaged by primary suppliers to the project equipment. Given the nature of the project, one supplier will be awarded.

**Number of workers:** The estimated number of direct workers is not likely exceed 4 staff from MTIT. It’s still not clear how many contractors and contracted workers will be engaged in the project. This shall be defined after determining the content of activities that will be in each contract based on type of works. It is expected that the maximum numbers of contracted workers from PIA and the benefitting companies who will be engaged in the Project activities is around 1000. The primary supply workers who will be engaged by primary suppliers for the design, supply and installation of equipment is 20 including the supervisor engineer.

**Characteristics of Project Workers:** The employees/workers, either male or female, will be engaged according to the work needs. Most of the workers will be skilled labors including managers, engineers, and equipment operators.

**Timing of Labor Requirements:** Based on prior experience, the duration of the work for supply and installation of equipment in each contract is not expected to exceed few days. The duration of work for the new female and male employees to be hired by benefitting Palestinian IT Service Companies will be throughout the project lifecycle.

### 3. ASSESSMENT OF KEY POTENTIAL LABOR RISKS

**Project activities:** The project is nationwide, covering both West Bank and Gaza. The project activities will take place mainly in urban populated areas where the project beneficiaries, individuals and firms, are practicing their ICT business. The project is not expected to include any civil works.

**Key Labor Risks:** It is assessed that key labor risks are:

- Child labor,
- Exposure of youth, including vulnerable youth and women to Gender-Based Violence (GBV) and Sexual Exploitation and Abuse (SEA) risks, and
• Working under pressure and poor working conditions through project financial support for on-the-job training programs and salaries for new employees.

However, these impacts have been assessed to be short-term impacts that can be minimized, if appropriate mitigation measures are applied, as required by and based on the recommendations in this report.

4. BRIEF OVERVIEW OF LABOR LEGISLATION: TERMS AND CONDITIONS

Below is the overview of the key aspects of Palestinian Labor Law (No. 07 of 2000) which is applicable in Palestine, and the terms and conditions of work in ESS2, para 11.

Wages

The minimum wage limit is regulated by the Palestinian Labor Law. The specific minimum wages for workers is 65 NIS/day and the minimum wages for employees is 1450 NIS/month). A labor agreement will determine the form and amount of remuneration. Remuneration will be paid at least once a month.

The insurance made by employers for workers will pay compensation to the workers for work-related damage that caused any deterioration to the employee’s health and will cover the subsequent, necessary treatment costs.

Deductions from payment of wages will only be made as allowed by the national law, and project workers will be informed of the conditions under which such deductions will be made.

Working hours

The maximum number of hours per day that workers must perform on the project is 8 hours; (Saturday through Thursday) and the allowed work week of 48 hours. Government employees work for 7 hours a day, (Sunday through Thursday), totaling 35 hours per week.

Rest breaks

The employees will have one hour meal break each workday. The duration of rest between working days is one day on Friday for contracted workers and two days for direct workers.

Leaves

An employee will have the right to enjoy paid leave for at least 21 working days, sick leave of 14 days, and unpaid leave for 14 calendar days per annum. Leave does not include maternity leave which is 70 days.

Labor disputes
Palestinian Labor Law includes provision for workers exemption from legal fees arising from work-related disputes and allows to unionize. A bipartite committee will settle any disputes that may arise from the implementation of agreement. The court has jurisdiction over labor related disputes.

The Palestinian Labor Law applies to direct workers and contracted workers, who are employed on full-time basis. Terms and conditions of direct/contracted workers hired on part-time basis are determined in their individual employment contracts.

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

The workers engaged with project activities will be exposed to limited health and safety risks of low significance. However, the Palestinian Labor Law No. 07 of 2000 is applicable to project workers and the following points among others set out in ESS2 will be ensured:

- All potential risks to project workers’ health and safety will be identified by all parties who employs workers and develop and implement procedures to establish and maintain a safe working environment, including workplaces and processes under their control;
- The contractor will report any accidents, diseases and incidents. Also remedies for adverse impacts such as occupational injuries, disabilities and diseases will be provided.

6. RESPONSIBLE STAFF

The Tech4Jobs project will be implemented under direct supervision and management of the PIA, with overall management and supervision of MTIT. The following table shows the individuals responsible within the project to engage and manage project workers:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Responsible Staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engagement and management of the Project direct workers</td>
<td>MTIT</td>
</tr>
<tr>
<td>Engagement and management of the Project contracted workers</td>
<td>PIA and benefitting companies</td>
</tr>
<tr>
<td>Engagement and management of suppliers’ workers</td>
<td>The suppliers and PIA</td>
</tr>
<tr>
<td>Addressing workers’ grievances</td>
<td>The suppliers and benefitting companies in coordination with the ESO</td>
</tr>
</tbody>
</table>
7. POLICIES AND PROCEDURES

MTIT apply the Palestinian Labor Law (No. 7 of 2000) which provides the rights of employees. This Law will apply to all project workers. The project workers will sign the project-specific Code of Conduct.

The PIA, benefiting companies and suppliers will implement this labor management procedures which is prepared in line with ESS2 and the Palestinian Labor Law. The principles and procedures presented below represent minimum requirements, but are not an exhaustive list of requirements. 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, promotion or termination of employment. The following measures will be developed and monitored by the ESO to ensure fair treatment of all employees/workers:

- Recruitment procedures will be transparent, public and non-discriminatory with respect to ethnicity, religion, sexual orientation, disability, and gender;
- Clear job descriptions will be provided in advance of recruitment and will explain the skills required for each post;
- The workers will have written contracts describing terms and conditions of work and will have the contents explained to them. Workers will sign the employment contract. Terms and conditions of employment will be available at work sites;
- The workers will be informed at least two months before their expected release date of the coming termination;
- The workers will not pay any hiring fees. If any hiring fees are to be incurred, these will be paid by employer;
- The contracts will be developed in Arabic language;
- Workers/employees must be of the age of 15 years or more.

PIA will include in the contract(s) as requirement for contractors to report on issues such as accidents, severity rates, non-compliances, fatalities and serious injuries; and penalties for non-completion.

PIA will inform the MTIT and the Association promptly about any incident or accident related to the project which has, or is likely to have a significant adverse effect on the environment, the affected communities, the public or workers (labor, health and safety, or security incident, accident or circumstance) as soon as reasonably practicable, but no later than five calendar days after the occurrence of the event. Such events can include strikes or other labor protests, serious worker injuries or fatalities, project-caused injuries to community members or property damage.
PIA will prepare a report on the event and the corrective action and submit to the Association within 30 calendar days of the event.

The suppliers/benefitting companies will develop and implement Code of Conduct. He should also submit the Code of Conduct to PIA for review and approval. The Code of Conduct will reflect the company’s core values and overall working culture. The content of the Code of Conduct is included in the Association Standard Bidding Documents and will include provisions relating to GBV, SEA, and CAE.

The suppliers/benefitting companies will be required to provide a report on the performance of labor conditions which will be reviewed by ESO at PIA. They should abide to the policies and procedures stated in section 7 above.

The suppliers/benefitting companies will develop and implement workers’ grievance mechanism and address the grievance received from their workers.

8. AGE OF EMPLOYMENT

A child under the age of 15 will not be employed or engaged in connection with the Project (This is according to the Palestinian Labor Law No. 7 of 2000, article No. 93; and ESS2 requirements).

The employer will be required to verify, identify and document the age of all workers. This will require workers to provide official documentation, which could include a birth certificate, ID’s for those above 16, or birth certificates or medical or school record or parents IDs for those of age 15 to 16.

If underage workers are found working on the Project, measures will be taken to immediately terminate the employment or engagement of the child in a responsible manner. A regular review and checkup will be conducted by ESO at PIA to make sure no underage workers are still working on the Project.

9. TERMS AND CONDITIONS

As stated in section 4, the terms and conditions applying to MTIT and benefiting companies’ employees (direct workers) are set out in the Palestinian Labor Law No. 07 of 2000 which provides for the rights of employees. The work hours are 45 hours per week. Project workers receive two rest days on Friday and Saturday each week.

This LMP will set out terms and conditions for the contracted workers which prepared in line with the Palestinian Labor Law and General Conditions of the World Bank Standard bidding documents.
10. GRIEVANCE MECHANISM

In Palestine, the right of the public to complain in Palestine is ensured by the grievance bylaw was approved by the Ministerial Cabinet on 9/3/2005 and updated on 8/3/2009. Citizens and beneficiaries of Tech4Jobs can raise their complaints anytime during the implementation and operation of the project and that their complaints must be settled.

The appropriate partner for the implementation of the Grievance Redressal Mechanism (GRM) is PIA, which is responsible for working with related institutions and assisting with the implementation of the GRM. PIA will inform the stakeholders about the system and the process during public meetings and local community activities, and will keep a log of the complaints at hand. Grievance feedback shall be communicated with complainant by telephone, fax, email, or in writing.

PIA will develop a manual for GRM system. Complaints shall be filed using one of the following methods:

- Electronically: the complainant files a complaint electronically using the electronic GRM forms on PIA website,
- By telephone: the complainant can call the following number- Telefax ???????? and ESO mobile and email once hired,
- In person: the complainant files a complaint by filling a form at the Complaints Unit at PIA office in Ramallah.

Where possible it is desirable that complaints are submitted in writing by the complainant. Should the complainant not wish to comply with this request and submit the complaint verbally, then the complainant information and the details of the complaint should be entered in the GRM Tracking Matrix.

The suppliers and potential benefiting companies shall provide within the bidding documents or RFP, clear grievance mechanisms for the workers who will be employed or engaged in connection with the Project. The workers grievance mechanism will include: (i) procedure to receive grievances such as comment/complaint form, suggestion boxes, email, and telephone line, (ii) stipulated timeframes to respond to grievances, (iii) a register to record and track the timely resolution of grievances, and (iv) responsible office/department to receive, record and track resolution of grievances.

The Project workers shall be informed by the employer, about the grievance mechanism, and how and to whom they can address their complaints, in case they didn’t get responses on their complaints from their employers.
11. CONTRACTOR MANAGEMENT

PIA after receiving bids/RFP from the suppliers and benefiting companies ensures that the suppliers and benefiting companies are legitimate and licensed according to the Palestinian Labor Law.

The Project SEP, and this LMP form and integral part of the bidding documents/RFP to be issued to suppliers and benefiting companies, and shall also be part of the awarded contracts to them. In addition, proper training and orientation to suppliers and benefiting companies will be made by the ESO at PIA to be assigned to the Project at different stages of project implementation, to ensure full understanding and compliance.

Performance of suppliers and benefiting companies will be managed and monitored by the ESO at PIA. Supervision checkups will be conducted to ensure social compliance with the SEP and LMP. Suppliers' and benefiting companies' labor management records and reports may include: (a) a representative sample of employment contracts; (b) records relating to grievances received and their resolution; (c) reports relating to safety inspections, including fatalities and incidents and implementation of corrective actions; and (d) records relating to incidents of noncompliance with national law.

12. PRIMARY SUPPLY WORKERS

The primary suppliers to the Project materials shall be local companies and formal businesses buying materials which subject to high standards from Israel and international companies. These sectors are not known to involve significant risks of child labor and forced labor. In all cases where primary suppliers will be engaged, suppliers will be required to inquire during their procurement process whether the supplier has been accused or sanctioned for any of these issues and also their corporate requirements related to child labor, forced labor, and safety.

If there are any risks related to child and forced labor, and safety identified, PIA will prepare the procedures to address these risks. Suppliers will be vetted using a different form which screens the supplier in regard to compliance with taxes, certification, licensing, public liability certificate and workmen’s compensation. A separate form requires that the primary supplier identify the company’s permanent staff, and declare any current or prior arbitrations as well as any criminal convictions. Suppliers will be subject to review.