Labor Management Procedures (LMP)



<u>Early Childhood Development</u> <u>for Kosovo's Human Capital Project</u> <u>(P179656)</u>

Republic of Kosovo

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ACRONYMS AND ABBREVIATIONS

AI	Administrative Instructions	
CMU	Country Management Unit	
CPF	WB Country Partnership Framework	
CSO	Civil Society Organizations	
ECD	Early Childhood Development	
ECDI	Early Childhood Development Index	
ECE	Early Childhood Education	
EMIS	Education Management Information System	
ESF	Environment and Social Framework	
ESRS	Environment and Social Review Summary	
ESS	Environmental and Social Standards	
ESS2	Environmental and Social Standard 2 on Labor and Working	
	Conditions	
ESS4	Environmental and Social Standard 4 on Community Health and	
	Safety	
GoK	Government of Kosovo	
GM	Grievance Mechanism	
GRM	Grievance Redress Mechanism	
IE	Impact Evaluation	
IFC	International Finance Corporation	
GBV	Gender-Based Violence	
KESP	The Kosovo Strategic Plan	
LMP	Labor Management Procedures	
MESTI	Ministry of Education, Science, Technology, and Innovation	
OHS	Occupational Health and Safety	
РНС	Primary Healthcare Centers	
PDO	Project Development Objective	
PIU	Project Implementation Unit	
РОМ	Project Operation Manual	
PPE	Personal Protective Equipment	
SEA	Sexual Exploitation and Abuse	
SH	Sexual Harassment	
WBG	World Bank Group	

1. INTRODUCTION

1.1. Background Information

- **1.1.1** The World Bank Group (WBG) and the Government of Kosovo (GoK) are currently engaged in preparing an Early Childhood Development (ECD) Project aimed at improving equitable access to and quality of early childhood development services in Kosovo. It is designed to address the primary challenges concerning early childhood development services in Kosovo. The initiative aims to enhance Kosovo's capacity to provide better access, improved quality, and greater equity in ECD services. Additionally, it will support healthcare interventions aimed at tackling the health-related issues faced by the youngest children in the nation. The project will also focus on promoting ECD activities to increase public awareness about the significance of early childhood development services for child health and overall development. This, in turn, is expected to result in improved parenting practices, early detection of developmental issues, and ultimately, reduced child mortality rates.
- 1.1.2 The current state of ECD services in Kosovo is characterized by significant challenges and deficiencies. Access to preschool and care centers is restricted, with less than 5% of children having access, leading to a concerning 77% of children entering pre-primary education with inadequate literacy and numeracy skills. Vulnerable communities, especially children, lack crucial early educational support, setting the stage for longterm educational and career difficulties. A lack of adequate infrastructure, teaching materials, financial resources, and quality assurance compounds these issues. Despite a migration trend and decreasing school-age populations, the ECD sector still faces shortages in trained professionals and training opportunities. International assessments validate the weak foundational skills of Kosovo's children, indicating a substantial gap in potential human capital. Acknowledging these challenges, the government is working to bolster the legal framework for ECD and enhance outcomes. Although the Early Childhood Development Index (ECDI) has shown some progress, literacy and numeracy outcomes remain low, particularly among ethnic minority communities. Efforts are underway to revise the curriculum framework for playful learning and improve learning environments. The approval of the Law on Early Childhood Education is anticipated to drive multi-sectoral reforms. Additionally, the COVID-19 pandemic prompted a surge in the digitalization of the Early Childhood Education (ECE) sector in Kosovo. The launch of the "Distance Education - Care, Development and Early Childhood Education for 0-6-year-olds" platform aimed to support parents and caregivers in educating young children. The Kosovo Strategic Plan (KESP) 2022-2026 envisions a comprehensive digital transformation strategy with a focus on a centralized platform, quality teaching materials, internet infrastructure, digital skills, and coordination mechanisms. Nevertheless, inadequate preschool distribution contributes to the lowest ECE enrollment in the Western Balkans, disproportionately affecting vulnerable groups and rural areas. The existence of unlicensed private ECE providers highlights potential growth areas, yet data gaps persist. Insufficient multisectoral strategies and sustainable financing further fragment budgets and limit data on

early childhood development. Health indicators, low female employment, and genderbased disparities further compound ECE challenges.

1.1.3 The project acknowledges the importance of adhering to the World Bank's Environmental and Social Standards. These standards serve as a framework for recognizing, evaluating, and effectively handling the environmental and social (E&S) risks and consequences linked to this investment initiative. The assessments carried out by the Bank have categorized the environmental and social risks for the project as moderate. Therefore, in response to this assessment, the Bank in cooperation with the Government of Kosovo, specifically through the Ministry of Education, Science, Technology, and Innovation (MESTI) – the overseeing body of the Project – has formulated a range of essential strategies to tackle these challenges. One of these strategies is the implementation of a Labor Management Plan (LMP).

1.2 About the Project

1.2.1 The Project's development objective is to improve equitable access to and quality of early childhood development services in Kosovo. The Project consists of four interrelated components:

Component 1: Strengthening the quality and equity of ECD services in Kosovo:

The aim of this component is to enhance Kosovo's regulatory, operational, and implementation capabilities, thereby ensuring the quality of ECD services throughout the education system. This objective will be achieved through three distinct sub-components: (i) regulatory updates related to ECD delivery and implementation of quality assurance, (ii) building teachers' and caregivers' capacity, and (iii) digitalization of the administrative data and teaching and learning experiences.

<u>Sub-component 1.1:</u> ECD quality and equity reforms in Kosovo:

This subcomponent will finance technical assistance to review and improve ECD related regulations, procedures, and mechanisms that define the ECD package for the country, including regulatory environment for childcare functions.

<u>Sub-component 1.2:</u> Capacity building of ECD professionals:

This subcomponent will finance the technical assistance on development of new or improvement of existing in-service and pre-service teacher training programs, training of ECD professionals, and alignment of existing teacher training system with the reforms of the sub-component 1.1.

<u>Sub-component 1.3:</u> Implementation of ECE module for the Education Management Information System (EMIS) in Kosovo and general overhaul of core EMIS system:

This sub-component will finance the advancement of digital instruments in ECD sector in Kosovo. Specifically, the project will help the MESTI to (i) develop the cross-sectorial EMIS with interlinkages between health, education, and social protection data (including the infrastructure information).

Component 2: Fostering multi-sectorial integration in ECD service delivery:

The objective of this Component is to support the Government in addressing child outcomes, particularly lowering infant mortality, stimulating development, and reducing stunting rates through prenatal to childcare range of services, by promoting healthy nutrition, enhancing child monitoring and cross-sectoral integration of services.

<u>Sub-component 2.1</u>: Promoting healthy nutrition:

This sub-component will support nutrition interventions through the scale-up of the nutrition menu and behavioral change activities to promote breastfeeding and healthy nutrition practices. The subcomponent will initially identify obstacles of preschool institutions adopting the nutrition menu already developed and support implementation of it at the national level, including, among others, (i) necessary refurbishments (such as renovations of kitchens and storage spaces) and kitchen supplies to enable adoption of the school menu in Component 3 activities, (ii) technical assistance on supply chain between municipalities and pre-school institutions with raw food materials, (iii) training of relevant staff of pre-school institutions, as well as (iv) technical assistance to the interministerial group on monitoring and progress of adaptation of the new menu.

<u>Sub-component 2.2</u>: Child monitoring and cross-sectoral integration of services:

The objective of this sub-component is to support design of a basic institutional services package for integrated service between ECE centers and primary healthcare centers (PHCs), particularly for children 3-6, while building the foundations for cross-sectoral service delivery for improved child development outcomes. Such services package is aimed to support establishing the mechanisms and tools for regular screening programs for children, standard operating procedures, and early diagnosis and timely referral for child developmental challenges. The sub-component may also support initiation of selected neonatal screening programs in healthcare.

Component 3: Increasing access to ECD services:

The objective of Component 3 is to support the Government's priorities to increase access to preschool services for families and increase enrollment rates. The interventions of this component will include (i) constructing, refurbishing, and repurposing facilities for the provision of ECD services, (ii) innovative equipment of the kindergartens and provision of teaching and learning materials, (iii) supporting the alternative forms of ECD provision, and (iv) providing the instruments for community engagement and stimulate families to join ECD services.

<u>Sub-component 3.1:</u> Repurposing, building, and renovating the preschool and ECD facilities in Kosovo:

The objective of this sub-component is to maximize the impact of the investment into the expansion of the center based ECD services in Kosovo, including interventions that could expand access to affordable childcare services. Project interventions will be directed at municipalities with the greatest needs (those without existing ECD services, with long waiting lists or low levels of enrollment, and high demographic projections), and rural areas with most vulnerable groups, primarily through MESTI and/or through competitive grant scheme. This sub-component will finance the creation of new preschool spaces through a combination of new construction, rehabilitation of existing spaces, and repurposing/upgrading other existing public spaces for ECD use and childcare services.

<u>Sub-component 3.2:</u> Equipment of ECD centers with new furniture and learning materials:

This sub-component will finance equipment, supplies, and learning materials to accommodate different teaching methodologies and play-based curricula in kindergartens of Kosovo. Under this sub-component, the project will aim to provide a universal package of innovative equipment (both indoor and outdoor) for Kosovo kindergartens. This package will be defined by the regulatory interventions under component 1 and will consider the previous interventions in Kosovo.

<u>Sub-component 3.3:</u> Support for community participation and demand-side interventions:

This sub-component will support the variety of alternative forms of provision of ECD services in Kosovo, including forms that enable centers to fulfill childcare functions. The new ECE law will regulate diverse forms of ECE provision, including community-based, public-private partnerships, corporate provision, NGO, and donor-supported provision. These forms will be analyzed and piloted under the project and potentially supported through different mechanisms.

Component 4: Project management and monitoring & evaluation:

This component is dedicated to facilitating the day-to-day oversight of project execution, diligent monitoring, and evaluation of its progress, and providing essential technical assistance and operational backing to MESTI. Furthermore, it will play a pivotal role in executing the array of evaluation and assessment tools (TEACH ECE, ECD assessments), crafting the blueprint for the impact evaluation (IE) study, and effectively implementing it throughout the project's duration. The IE study will ingeniously integrate TEACH ECE and the identified assessment tool in both project-affiliated preschools and a control group of preschools. This holistic approach will unveil the project's influence and gauge the effects of ECD expansion, designed to fulfill childcare roles, on child development and labor market outcomes.

1.2.2 Project Areas: The project encompasses the entire country, spanning across Kosovo's seven administrative regions, where the renovation and construction of preschools will take place. As the project advances into subsequent phases of preparation, meticulous implementation plans will be devised and elucidated for the specific areas within Kosovo that this project aims to encompass, considering that the exact locations of the new constructions are yet not known.

1.2.3 Project Finance: The project's funding will be allocated for civil works associated with both rehabilitating and repurposing existing spaces, as well as constructing new kindergartens. Furthermore, various funding sources, such as the programmatic DPO, recipient-executed grant funds from the Early Learning Partnership, and potential IFC contributions, will be utilized. The programmatic DPO in Kosovo hinges on enacting a new ECE law, with subsequent allocations contingent on enacting sub-legal acts that permit private and community-based providers access to public financing for ECE. The team is actively determining areas of support and the scale of the ELP childcare grant, which is provisionally confirmed for this initiative. Furthermore, IFC's involvement is being pursued, focusing on supporting established providers to expand services and facilitating public-private partnerships for ECD services. Discussions at the CMU level explored utilizing the private finance window. The Bank team is concurrently engaged in the EU-funded Western Balkans Care Economy activity, including an in-depth examination of childcare in Kosovo. This analysis aims to

identify barriers to private childcare provision and will guide the forthcoming project's strategies.

1.2.4 Project Beneficiaries: The project will directly benefit various groups, including all children attending childcare services, the staff, early childhood development, and health professionals working in supported childcare centers, preschool institutions, and ECD facilities. Specifically, the project's impact would reach 2,500 boys and girls, as well as 700 teachers who stand to gain from kindergarten renovations and new constructions. In addition to these direct beneficiaries, families and community members would also experience positive effects. Moreover, the project would enhance the capacity of MESTI and the Ministry of Health, which are essential education and health institutions. On an indirect level, employers would benefit as well, as increased participation of women in the labor market would be promoted.

Additionally, the project holds a compelling rationale for enhancing public sector provision and financing to bolster early childhood education's access and quality, offering substantial benefits to children and society at large. By investing in early education, the project adopts an efficient approach, recognizing that delaying investment until adulthood is costlier. Moreover, the link between Early Childhood Education and Care (ECEC) investments and heightened productivity is well-established. Children engaged in quality ECD programs experience fewer grade repetitions and display better academic progress compared to their peers. This translates into improved learning outcomes, setting the stage for elevated wages and increased returns on subsequent public and private investments. ECD initiatives extend benefits to society by alleviating financial burdens both for the government and families. Enhanced school performance, including reduced grade repetitions, diminishes education costs for households and the government alike. Additionally, ECD program participants and their parents enjoy augmented incomes, contributing more through taxes, partly due to the expanded labor market participation of women. Lastly, ECD investments yield reductions in public welfare expenditures, as participants and their families demonstrate lower rates of welfare reliance. In summary, this project's focus on early childhood education promises a range of advantages for children and society, spanning from educational efficiency and future earning potential to decreased financial burdens and welfare usage.

1.2.5. The Bank's support for the project will draw from robust analytical groundwork and insights gleaned from prior World Bank initiatives in ECD within the Europe and Central Asia (ECA) region. The Bank has notably assumed a leadership role among development partners by spearheading policy discussions centered on education quality, accessibility, and effective governance. Leveraging its extensive experience in executing education-related projects, including those focused ECEC, the Bank brings invaluable knowledge about implementation dynamics and associated hurdles, a testament to its ongoing commitment in this sector.

1.3 Environmental and Social Aspects

This project addresses the environmental and social aspects through the World Bank's Environmental and Social Stands (ESS) approach/ framework. One of the Standard- ESS 2- relates to Labor and Working Conditions and expects the Borrowers to develop labor management procedures (LMP). The LMP enables identify main labor requirements and risks associated with it, and help the Borrower to determine the resources necessary to address labor issues. The LMP

is a living document, which is initiated early in project preparation, and is reviewed and updated throughout development and implementation of the project. Accordingly, this document details out the type of workers likely to be deployed by the project and the management thereof.

1.4 Scope and Structure of the LMP

The scope of the LMP shall be as outlined in the World Bank's ESS 2. The engagement will be planned as an integral part of the project's environmental and social assessment as well as project design and implementation. This document includes ten chapters. This chapter viz., Chapter 1 serves as Introduction. An overview of labor use in the project is presented in Chapter 2. Key potential labor risks are listed in Chapter 3. Legislative Framework governing labor employment in Kosovo is discussed in Chapter 4. Implementation Arrangements, Age Requirement, Policies and Procedures and Timing of labor requirements follows in the subsequent chapters. Grievance Redress Mechanism and Contractor Management are presented in the last two chapters 9 and 10 respectively.

2. OVERVIEW OF LABOR USE IN THE PROJECT

2.1 Type of Workers

2.1.1 ESS 2 classifies labor into four categories: direct workers, contracted workers, community workers, and primary supply workers. The initial Concept Stage of Environment and Social Review Summary (ESRS) envisioned the project encompassing two main worker categories: direct workers and contracted workers. Direct workers encompass MESTI Project Implementing Unit (PIU) staff, government employees, including Ministry of Health officials, teachers, preschool educators, primary healthcare providers, decision-makers, and nannies. In addition, contracted workers consist of consultants, experts, and suppliers, involved in various aspects such as civil works, rehabilitation, repurposing of existing spaces, and potentially constructing new kindergartens. The precise count of direct and contracted workers to be engaged throughout the project's duration remains to be determined. Notably, the project will not involve community workers or primary suppliers.

As outlined in ESS2, when government civil servants are involved with the project, whether on a full-time or part-time basis, their existing terms and conditions of public sector employment agreement or arrangement will continue to apply, unless a lawful transfer of employment or engagement to the project has taken place. For these government civil servants, ESS2 will not be applicable, except for the provisions within paragraphs 17 to 20 (Protecting the Work Force) and paragraphs 24 to 30 (Occupational Health and Safety). If a civil servant's employment or engagement has been legally transferred to the Project, such transferred workers will be bound by all ESS2 requirements. Furthermore, all consultancy firms engaged for project activities will be contracted by the Government and will be required to furnish documented evidence that their working conditions align with ESS2 standards.

2.1.2 *Direct Workers*: Direct workers refer to independent consultants who are purposefully recruited to collaborate with the PIU within the MESTI for project-related tasks. Their integration involves adherence to the World Bank's standard Contracts for Consultancy services. The PIU assumes managerial, administrative, and coordination responsibilities. These consultants will be

individually contracted, accommodating varying time commitments (full-time or part-time). They will be entrusted with distinct assignments, holding well-defined responsibilities, and contributing to pivotal project functions. Moreover, the category of direct workers encompasses teachers, preschool educators, primary healthcare providers, decision-makers, as well as nannies. **2.1.3.** *Contracted Workers:* Two categories of contracted workers are expected: (i) service providers, and (ii) civil works contractors.

- <u>Service Providers</u>: MESTI will recruit firms and/or Civil Society Organizations (CSOs) to actively participate in facilitating the development and implementation ECD Plan at the district level. Moreover, individual consultants will be hired to provide essential technical assistance to the MESTI team throughout the project's implementation phase.
- <u>Civil Works Contractors</u>: The MESTI PIU will also procure services of local civil works contractors at the local and regional level. Contractors will recruit local staff and issue employment contracts and service contracts for the employed people.

2.1.4. *Primary Supply Workers*: If the project involves primary supply workers (it remains to be determined during the implementation phase), the E&S assessment will comprehensively evaluate the potential risks associated with child and/or forced labor, in addition to safety considerations. Both the client and primary supplier(s) will be obligated to adhere strictly to the pertinent requirements outlined in ESS2.

2.1.5. *Community Workers*: will not be engaged on the Project.

2.2 Number of Project Workers

During the appraisal phase, while we may not be able to provide precise employee figures, we can furnish a comprehensive list of divisions that encompass all facets of MESTI's ECD agenda. This list notably includes a range of departments, dedicated to quality enhancements, educational assessments, innovations, preschool programs, and improvements to school infrastructure, all of which have been mutually agreed upon. This initial list will undergo further refinement throughout the negotiation and implementation stages, resulting in a more precise delineation of job positions and associated responsibilities. The determination of the appropriate count of project workers to be involved in the endeavor draws upon insights from the client's prior experiences.

The following departments and their coordination will be critical for ECD operation and its proposed design:

- Division of Early and Preschool Education
- Division of General Education
- Curriculum and Teacher Support Division
- Quality assurance, standards, evaluation, and licensing division
- Division for school infrastructure planning and standards
- Division of Inclusive Education
- Division for school infrastructure and VET programs and for labor market analysis
- Public procurement division
- Public communication division
- Financial Management Department

2.2.1. *Direct Workers*: The PIU personnel count is estimated to range between 10 to 15 individuals, encompassing various roles and responsibilities including but not limited to Project Management, Environmental and Social Specialists, Sub-Project Coordinators, Financial Specialists, Procurement Specialists, Administrative Services, and others.

2.2.2 Service Providers: The exact count of project personnel to be employed remains uncertain at this time. This information will only be determined upon the commencement of the implementation phase. Approximately 5 to 10 individual consultants are anticipated to be engaged directly by the PIU, offering technical expertise across various project components. Moreover, the potential inclusion of a few NGOs in the project is also under consideration.

2.2.3 *Civil Works Contractors and Workers:* The project proposes medium scale infrastructure for the construction or rehabilitation, including the rehabilitation, the repurposing of existing spaces as well as the possible construction of new kindergartens. Therefore, contracted personnel for the above-mentioned purposes will be recruited for tasks encompassing design, supply, installation, construction, and supervision. It is likely that each contractor will involve the participation of several subcontractors. The workforce of these subcontractors will also be classified as contracted personnel. The precise count of contracted workers remains fluid at this stage. Drawing from recent experience, it is projected that the workforce on each construction site could span between 20 to 50 laborers engaged in civil engineering and construction tasks, contingent upon the nature of subproject activities. Additionally, there could be an extra 10 to 15 individuals overseeing the work. The exact tally of workers will be established as the project progresses through its implementation phase and this LMP will be updated accordingly.

2.2.4 *Primary Supply Workers*. The estimated number of primary supply workers to be engaged in the project could not be figured out at this stage.

2.3 Workforce Characteristics

2.3.1 Considering the composition of the project's workforce, which will mainly involve semiskilled and skilled construction labor, as well as taking into account the labor market dynamics in Kosovo, it is anticipated that the workforce will predominantly consist of males. Female workers are envisaged to be engaged as individual consultants, primary suppliers, and professionals within the PIU in MESTI. All hiring choices will be based on the principle of nondiscrimination and equal opportunity. The expectation is that a significant portion of the labor force will be locally hired, and provisions will be made will be undertaken to facilitate training and employment opportunities for individuals within the communities where the project activities will be carried out.

2.4 Timing of Labor Requirements

2.4.1. The direct workers will generally be required full time and around the year for the project duration. Consultants and civil works contract workers will be required as per the need. Construction season typically lasts from April to October but can be somewhat longer or shorter depending on the weather conditions in Kosovo. Therefore, it will be up to the contractor to mobilize labor force to coincide with the type of work and the season.

3. POTENTIAL LABOR RISKS

Given the medium-scale investments, the anticipated risks are expected to be moderate.

The project is centered around technical support, procurement, supply activities, and civil works. Consequently, there is an anticipation of associated labor and working condition risks. The potential labor risks primarily pertain to Occupational Health and Safety (OHS), notably due to the nature of civil works. This includes concerns about worker safety, particularly while operating on construction sites, and the potential for personal injuries. Additionally, the workforce might face risks related to exposure to COVID-19 and other communicable diseases. There's also an awareness of the risks of Gender-based violence (GBV), Sexual Harassment (SH), and Sexual Exploitation and Abuse (SEA). Another risk area involves workload concerns stemming from an increase in the number of beneficiaries without a corresponding rise in the Ministry' staff numbers. Furthermore, it is important to note that there are no indications of forced labor or child labor risks, neither among the direct project workers nor the contracted workers.

3.1 Key Labor Risks

The primary labor concerns involve health and safety risks linked to the construction tasks. These include potential exposure to physical dangers such as performing hazardous tasks at elevated heights or in confined spaces, operating heavy machinery, handling dangerous materials like paints and silicone, encountering trip and fall hazards, facing airborne agents generated during construction such as dust or silica, being exposed to loud noise, encountering electrical hazards while working on power installations or replacing existing systems, and handling tools and machinery like cable plugs, cords, and hand tools. Additionally, lifting heavy structures is another consideration regarding potential labor risks.

Many workers will encounter potential occupational health and safety risks, primarily encompassing but not limited to:

- Tasks performed at significant heights or within confined spaces;
- Engaging in electrical activities with associated risks of contacts and accidents;
- Exposure to various chemicals such as paints, silicone, etc.;
- The potential for accidents or emergencies specific to the sector or local conditions;
- Mishaps resulting from improper usage of heavy machinery;
- The act of lifting hefty structures, including the risks of contacting or becoming entangled with moving parts;
- Exposure to construction-related airborne agents like dust, silica, etc.

In addition to the previously mentioned risks, there are further potential labor risks and impacts associated with the project:

- Unfair Recruitment and Discrimination: Concerns arise regarding unfair recruitment practices that could discriminate against women and vulnerable groups. Additionally, there's the risk of exploitative wage practices.
- *Occupational Health and Safety (OHS) Concerns*: Poor work safety culture could lead to various OHS risks such as accidents, incidents, and inadequate provision and enforcement

of Personal Protective Equipment (PPE). Moreover, the risk of GBV and workplace sexual harassment, especially for newly recruited workers, may also be a point of concern.

- Age Limit and Local Workforce: Due to the potentially hazardous nature of construction work, individuals under the age of 18 will not be employed by the Project. Notably, labor influx issues are unlikely, as the project is focused on engaging local workers.
- *OHS Legislation and Compliance*: Kosovo's OHS legislation is striving to align with relevant EU requirements and standards. However, considering moderate to substantial OHS risks (including tasks like working at heights, with heavy machinery, etc.), adherence to national regulations will be reinforced.

The project acknowledges these risks and is committed to addressing them through appropriate measures, ensuring fair practices, promoting a safe work environment, preventing GBV and harassment, and complying with relevant labor and safety regulations.

4. BRIEF OVERVIEW OF LABOR LEGISLATION

4.1 National Legislation

The Law on Labor (03/L-212) governs the rights and obligations within formal employment relationships. It is based on the Constitution of the Republic of Kosovo, international labor conventions, European Union legislation, and principles of a free labor market and economy. This legal framework applies across both the private and public sectors. It unequivocally prohibits any form of discrimination and forced labor. The law outlines the conditions and criteria for initiating employment relationships, encompassing aspects like working conditions, including working hours, payment structures, and employment benefits. Furthermore, this law regulates contract terminations and mechanisms for addressing grievances. It also lays the foundation for social dialogue, which is further detailed in the Collective Contract.

Occupational protection and safety receive general guidance through the Law on Labor, with more detailed provisions found in the Law on Safety and Health at Work (04/L-161). Additionally, a set of administrative instructions (AI) further regulate working conditions. These instructions both prohibit and establish minimum requirements for working arrangements concerning minors (such as AI no. 05/2013 and AI no. 17/2008). They also define grievance mechanisms and disciplinary procedures (as outlined in regulation no. 01/2018), maternity leave policies, remuneration during maternity leave (AI no. 01/2018, AI no. 07/2014, AI no. 05/2011), and set the minimum wage (AI no. 09/2017), among other provisions.

For employed individuals, the Law on Labor provides certain benefits, including paid leave during pregnancy and while caring for a child. Moreover, the law ensures paid sick leave and compensation for workplace injuries.

The Collective Contract, deriving from the Law on Labor, serves as a sub-legal act offering more detailed guidelines and instructions regarding parties engaged in an employment contract. This

document outlines additional details about employee benefits based on years of service and retirement financial packages.

Among other provisions, the Law on Labor (nr. 03/L-212):

- *Prohibits Discrimination*: It bars all forms of discrimination in recruitment, training, employment terms, disciplinary measures, and other aspects of the employment relationship as regulated by this Law and other relevant laws.
- Prohibits Forced or Compulsory Labor.
- *Prohibits Child Labor*: The employment relationship can be established only with individuals aged 18 or above. Persons aged 15 to 18 may be employed for non-risky, light labor permitted by law or sub-legal acts. Employment contracts cannot be formed with persons below 15.
- Protects Youth, Women, and Persons with Disabilities.
- Protects Employees' Rights.
- *Gives the Right to Rest:* The right to rest is ensured by fixing the working hours and providing annual leave, weekly rest, and other similar conditions.

Kosovo's Law on Labor also specifies key points, such as written work contracts, a maximum 6month trial job period, a 40-hour workweek, a 30-minute break entitlement, 4-week annual leave, and 12-month maternity leave for women, 9 months of which are paid.

4.2 Occupational Health and Safety Legal Provisions

The purpose of the Kosovo Law on Safety and Health at Work (04/l-161), enacted on May 16, 2013, is to establish measures aimed at enhancing the safety and health standards of employees in their workplaces. The law encompasses a comprehensive framework that governs various aspects of working conditions, rights of employees, and obligations of employers, all directed towards fostering a safer work environment. This law centers on fundamental principles designed to prevent occupational hazards, mitigate risks, and address accidents. It emphasizes the importance of information dissemination, consultation, and collaborative efforts to elevate safety and health conditions. The law also outlines protocols for the treatment of employees and their representatives, providing overarching guidelines for the implementation of these principles.

The law requires employers to:

- Be responsible for ensuring safe working conditions and safety of work at every workplace;
- Implement health and safety measures, including prevention of hazards, training, and proper instructions for machinery and tools;
- Continuous improvement of work conditions for heightened safety is required;
- Employers are liable for damages resulting from work-related injuries or illnesses;
- Preventive measures, following general prevention principles, must be applied;

- Implement health and safety measures, including prevention of accidents at work and professional illnesses;
- Maintaining work equipment properly;
- Training workers in their jobs and safe methods of work, as well as provide instructions on labor protection.

Employees, on the other hand, are required to prioritize their safety and that of their co-workers, following provided training and instructions. They must conscientiously utilize equipment and protective gear, report potential risks promptly, fulfill safety-related tasks assigned by the employer, and escalate concerns to the labor inspector if necessary. Additionally, employees have the right to refuse unsafe tasks after informing relevant parties until hazards are resolved.

Furthermore, employers with up to fifty (50) employees can personally take on safety implementation if competent and meeting specified conditions; those with over fifty and under two hundred and fifty (250) employees must appoint an expert; employers with over two hundred and fifty (250) employees should engage one or more experts for safety and health at work tasks, as stipulated in the corresponding articles.

This Law's provisions apply to various sectors, including public, private, and public-private. They also extend to the state administration at central and local levels. The Law's reach covers interns, pupils, and students conducting practical work as part of their education, individuals serving sentences while working, visitors, business partners, service users, and those undergoing vocational training or re-training with an employer. Notably, these provisions do not pertain to sectors regulated by special laws, such as the Kosovo Security Force, police, firefighting, and protection and rescue services.

4.3 The World Bank Environmental and Social Standards: ESS 2

4.3.1 The World Bank's stipulations related to labor are outlined in its ESS Standard-ESS2. This helps the Borrowers in promoting sound worker-management relationships and enhance the development benefits of a project by treating workers in the project fairly and providing safe and healthy working conditions. Key objectives of the ESS 2 are to:

- Promote safety and health at work;
- Promote the fair treatment, nondiscrimination and equal opportunity of project workers;
- Protect project workers, including vulnerable workers such as women, persons with disabilities, children (of working age, in accordance with the ESS) and migrant workers, contracted workers, community workers and primary supply workers, as appropriate;
- Prevent the use of all forms of forced labor and child labor;
- Support the principles of freedom of association and collective bargaining of project workers in a manner consistent with national law;
- Provide project workers with accessible means to raise workplace concerns.

4.3.2 ESS2 applies to project workers including fulltime, part-time, temporary, seasonal, and migrant workers. Where government civil servants are working in connection with the project, whether full-time or part-time, they will remain subject to the terms and conditions of their existing public sector employment agreement or arrangement, unless there has been an effective legal transfer of their employment or engagement to the project. ESS2 will not apply to government civil servants.

4.3.3 The Borrower will develop and implement written labor management procedures applicable to the project. These procedures will set out the way in which project workers will be managed, in accordance with the requirements of national law and this ESS. The procedures will address the way in which this ESS will apply to different categories of project workers including direct workers, and the way in which the Borrower will require third parties to manage their workers.

4.3.4 Project workers will be provided with information and documentation that is clear and understandable regarding their terms and conditions of employment. The information and documentation will set out their rights under national labor and employment law (which will include any applicable collective agreements), including their rights related to hours of work, wages, overtime, compensation, and benefits, as well as those arising from the requirements of this ESS. This information and documentation will be provided at the beginning of the working relationship and when any material changes to the terms or conditions of employment occur.

For more details on the WB Environmental and Social Standards, please follow the below links: <u>www.worldbank.org/en/projects-operations/environmental-and-</u> <u>socialramework/brief/environmental-and-social-standards</u> and <u>http://projects-beta.vsemirnyjbank.org/ru/projects-operations/environmental-and-</u> <u>socialframework/brief/environmental-and-social-standards</u>.

5. RESPONSIBLE STAFF

MESTI, facilitated by the PIU, oversees the execution of the Project. The Project's undertakings will occur under the direct supervision and management of the PIU, while MESTI retains a comprehensive role in overall management and supervision. The directors within MESTI collaborate closely with the PIU, contributing to the Project's monitoring and management efforts.

Additionally, MESTI assumes accountability for the management of labor concerning the direct workers (PIU). A qualified expert from the PIU personnel will be designated with the specific responsibility to:

- Implement this labor management procedure.
- Ensure that contractors engaged in civil works comply with these labor management procedures, and also prepare occupational health and safety plans before mobilizing to the field.
- Ensure the contracts with the contractors are developed in line with the provisions of this LMP and the project's ESMF.

- Monitor to verify that contractors are meeting labor and OHS obligations toward contracted and subcontracted workers as required by the Kosovo law and respective contracts between MESTI and the contractors.
- Monitor contractors and subcontractors' implementation of labor management procedures.
- Monitor compliance with occupational health and safety standards at all workplaces in line with Kosovo's occupational health and safety legislation.
- Monitor and implement training on LMP and OHS for project workers.
- Ensure that the grievance redress mechanism for project workers is established and implemented and that workers are informed of its purpose and how to use it.
- Have a system for regular monitoring and reporting on labor and occupational safety and health performance.
- Monitor implementation of the Worker Code of Conduct.

Furthermore, the Supervision Consultancy will oversee monitoring daily labor and safety activities on behalf of the Employer (MESTI, PIU). The contractor is responsible for arranging the necessary human resources for the workforce, following the regulations set forth in Kosovo's laws. These policies must be clear, easy to understand, and accessible for employees to review. The main areas of focus should include:

- Adhere diligently to the labor management procedures and occupational health and safety mandates outlined in the contracts formalized with PIU. If the collective workforce (including both direct and contracted personnel) surpasses 50 individuals, Contractors will be tasked with devising their individual LMPs and OHS plans in line with ESS2 requisites. These tailor-made protocols and plans will be subject to assessment and endorsement by the head of MESTI PIU before contractors receive the go-ahead to initiate field operations.
- Monitor the conscientious execution of labor management procedures and occupational health and safety prerequisites by subcontractors.
- Maintain records detailing the recruitment and employment particulars of contracted workers, in accordance with the specifications stipulated in their respective contracts.
- Clearly convey job responsibilities and employment terms to all employees.
- Ensure that each project worker engaged by the contractor or subcontractor is wellinformed about the dedicated PIU contact phone number, email address, and web portal designated for grievance submissions.
- Conduct comprehensive orientation sessions (including social integration) and regular training for employees, encompassing the fundamentals of labor protection. This encompasses educating them about their entitlements under Kosovo law, potential occupational hazards, and strategies to mitigate risks to an acceptable degree.
- Collaborate with PIU Social Specialist or another relevant staff to deliver training sessions on labor management procedures and occupational safety, aimed at effectively overseeing subcontractor performance.

• Confirm that all contractor and subcontractor personnel grasp the content and significance of the Code of Conduct before commencing their duties, and actively supervise adherence to the stipulated Code.

Once the bidding process concludes and the Contractors are known, this labor management procedure can be revised to incorporate any supplementary information about the companies, if needed.

6. POLICIES AND PROCEDURES

This section delineates the key policies and procedures to be adhered to during the project's construction phase. It will be subject to updates and modifications as deemed necessary following the awarding of construction contracts.

The policies established for the project align with ESS2 objectives and are in harmony with Government of Kosovo policies. The project places strong emphasis on fair treatment, prevention of discrimination, and the assurance of equal opportunities for its workforce. Employers, whether for direct or contracted workers, are responsible for ensuring an unbiased selection process for project personnel and that the stipulated requirements do not exhibit any direct or indirect discriminatory elements.

The recruitment and evaluation of project workers will be based on their competence and professional accomplishments. Characteristics such as gender, birth, language, race, skin color, age, pregnancy, health status, disability, ethnic origin, religion, marital status, family obligations, sexual orientation, political beliefs, social background, financial standing, membership in political organizations, or any other personal traits unrelated to essential job prerequisites cannot be considered when making employment decisions or forming employment relationships. However, it is encouraged that third parties adopt a gender-sensitive approach and provide reasonable accommodations to enable individuals with disabilities to participate in the project. As the project anticipates recruiting established experts, individuals below 18 years of age will not be engaged for work on the project.

All project workers will perform tasks or deliver services as defined in their engagement or employment contracts, in exchange for remuneration. Their professional status must be explicitly outlined in accordance with national laws. Any form of concealed employment arrangements will not be tolerated. For short-term and part-time workers, their work agreements should incorporate provisions for certain rights characteristic of employment relationships (e.g., travel expense reimbursement, leaves, etc.).

The following measures will be followed by contractors and monitored by a PIU Specialist or other relevant consultancy, to ensure fair treatment of all employees:

- Recruitment procedures will be transparent, public and non-discriminatory, and open with respect to ethnicity, religion, sexuality, disability, gender, other grounds included in the Labor Code.
- Applications for employment will only be considered if submitted via the official application procedures established by the contractors.
- Prior to recruitment, detailed and transparent job descriptions will be furnished, outlining the necessary skills and qualifications.
- All 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.
- Unskilled labor will be preferentially recruited from the affected communities, settlements and municipalities.
- Employees will be informed at least two months before their expected release date of the coming termination.
- The contracted workers will not be required to pay any hiring fees. If any hiring fees are to be incurred, these will be paid by the Employer (in this case, the "Employer" would be the contractor).
- Employment terms and conditions will be effectively communicated to both the employer and employee in a language that both parties can easily understand, taking into account their respective backgrounds.
- 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.
- It is noted that language-related problems are not expected, but if they are, interpretation will be provided for workers as necessary.
- Foreign workers will require residence permits, which will allow them to work in Kosovo.
- Contracts will stipulate a requirement that all personnel engaged by contractors (including subcontractors) must be at least 18 years of age or older.
- Normal working time should not exceed 40 hours per week.

The Supervision Consultancy, acting on behalf of the PIU, will conduct regular oversight of the contractor's OHS performance. This will involve on-site visits occurring at least once a month. These supervisory activities encompass ensuring adherence to the aforementioned standards, assessing incidents, identifying breaches of the "golden rules", offering recommendations, and tracking the progress of corrective measures currently in motion.

Moreover, the PIU will incorporate a contractual stipulation mandating contractors to furnish reports on various matters, such as the frequency of accidents, instances of near misses, severity rates, recurrent non-compliance issues, violations of the "golden rules", cases of fatalities, and severe injuries. Penalties for non-compliance will also be outlined.

Additionally, the supervision consultancy will thoroughly review and give approval to contractors' safety plans and procedures.

The PIU is committed to promptly notifying the Bank about any project-related incidents or accidents that may result in significant adverse impacts on the environment, affected communities, the general public, or workers. These incidents encompass labor-related events like strikes or protests, severe injuries or fatalities among workers, and injuries or property damage affecting community members due to project activities. The PIU will furnish a comprehensive report on the event, along with the corrective actions being taken, to the Bank within 30 calendar days of the incident, ensuring transparency and accountability in the project's operations.

7. AGE OF EMPLOYMENT

The minimum age for employment is 18, yet employment of individuals under 18 (15 to 18) can occur with written parental consent, provided the work involved does not jeopardize their wellbeing, integrity, or education. A person under 18 must present a medical certificate confirming their capability to perform job-related tasks without endangering their health.

Given that contractors are anticipated to hire highly skilled and experienced project workers, it is highly unlikely that individuals under 18 will be hired or engaged. If any contractor does employ or engage an individual below 18 years of age, not only will their contract be terminated and their involvement in the project ceased, but the incident will also be reported to relevant authorities (Labor Inspectorate).

Contractors will be required to verify and identify the age of all workers. This will require workers to provide official documentation, which could include a birth certificate, national identification card, passport, or medical or school record. If a child under the minimum age is discovered working on the project illegally, measures will be taken to immediately terminate the employment or engagement of the child in a responsible manner, taking into account the best interest of the child.

8. TERMS AND CONDITIONS OF EMPLOYMENT

The terms and conditions of employment that apply to MESTI PIU employees are outlined in the "HR Regulations". These internal labor regulations are relevant to all PIU employees assigned to the project (referred to as direct workers). The terms and conditions for part-time direct workers are determined by their individual contracts.

The PIU will apply two types of employment contract: a one-year employment agreements and short-term service contracts. Majority of staff are permanent staff with one-year employment agreements with fixed monthly wage rates. All the recruiting procedures are documented and filed in the folders in accordance with the requirements of labor legislation of the Republic of Kosovo. Monthly timesheets should also be filed and kept accurately. Forty hour per week employment is practiced and recorded on paper. Under the project, direct workers will be properly paid for any overtime work to be conducted as per their terms of contract in line with the national law.

Part-time direct workers' terms and conditions will be established through their individual contracts. The labor management procedure of the contractors will define the terms and conditions for both contracted and subcontracted workers. These terms and conditions will be aligned, at the very least, with this labor management procedure. They will also be specified in the standard contracts provided by MESTI in the Project Operations Manual (POM), following this LMP and the project ESMF.

A third party will have to assess the risks associated with specific jobs, in compliance with national legislation. This third party will hold the responsibility for implementing preventive and protective measures to ensure a safe and healthy work environment. They will also inform project workers about all pertinent matters and conditions that may impact their health and safety at work. Project workers are expected to adhere to safety regulations to avoid endangering their own well-being and that of others. Additionally, the third party is required to establish mechanisms to prevent discrimination, harassment, sexual harassment, and workplace abuse. They must guarantee equal treatment and opportunities for all. Service providers operating in Kosovo are obligated to follow the procedures outlined in the national legislation that oversee discrimination, harassment, and equal opportunity.

Project workers have the right to join or form unions and other organizations of their choice, as well as engage in collective bargaining, in accordance with national legislation. The employer (third party) is prohibited from interfering with a worker's right to choose an organization or an alternative approach to safeguard their rights regarding working conditions and employment terms.

If a project worker needs to address grievances, they can utilize the grievance mechanism detailed in section 9 of this LMP.

9. GRIEVANCE REDRESS MECHANISM

9.1 Overview and Usage of GRM

To enhance the support system for both direct and contracted workers under the Project PIU's umbrella, a dedicated grievance mechanism (GM) must be designed and implemented within the PIU structure. This GM will serve as a unified platform for addressing workplace concerns and resolving disputes, and it will be consistent and applicable to both direct and contracted workers, ensuring fairness and equity in addressing workplace matters. The grievance mechanisms should provide clear guidance on how project workers can voice their grievances, specify the expected response timeframes, and outline the process for escalating issues to higher authorities. Throughout this process, it is imperative to maintain transparency, confidentiality, and safeguards against any form of retaliation.

To ensure the functionality and effectiveness of this GM, a specialized committee within MESTI PIU will be established. This committee will be responsible for monitoring and addressing workplace issues, proposing appropriate measures for resolution, and submitting quarterly reports on the status and efficacy of the grievance resolution mechanisms.

This mechanism should include, at a minimum:

- Clearly defining whom the employee should contact to lodge a grievance.
- Specifying the timeframe within which the grievance will be addressed.
- Allowing the employee to escalate the grievance to a higher organizational level if not resolved initially.
- Granting the right to have representation during the grievance process.
- Ensuring protection against any form of retaliation.
- Not obstructing access to legal remedies or existing arbitration/dispute resolution processes if internal resolution is unsuccessful.
- Enabling the submission and addressing of anonymous complaints.

Project workers have the right to provide input, comments, and information related to health and safety at work. They can also decline to work if their safety or well-being is jeopardized, or if proper health and safety measures are lacking. Project workers are encouraged to communicate concerns or raise grievances with the designated OHS officer or through a workers' representative within the Health and Safety Council, if such a council exists in the organization.

Contracting parties should demonstrate their commitment to implementing these mechanisms, even if not mandated by the laws of their home country. Furthermore, the MESTI PIU committee in charge of Project workers' grievances will specifically be responsible for:

- Collecting and analyzing the qualitative data on the number, substance and status of complaints and uploading them into the single project database.
- Monitoring outstanding issues and proposing measures to resolve them.
- Submitting quarterly reports on GRM mechanisms to PIU in their monthly progress reports.

The workers' grievance mechanism will be detailed in staff induction training provided to all project workers. The mechanism will be built upon the following principles:

- The process will be transparent, allowing workers to openly express concerns and file grievances.
- No discrimination will be directed towards those who voice grievances, and confidentiality will be maintained for all grievance cases.
- Anonymous grievances will receive equal treatment as those with known origins.
- Management will approach grievances seriously, responding promptly and appropriately.

Information about the existence of the grievance mechanism will be readily accessible to all project workers (both direct and contracted) through notice boards, such as the presence of suggestion/complaint boxes, and other necessary means.

9.2 World Bank Grievance Redress System

Project workers who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond.

For information on how to submit complaints to the WB's corporate GRS, please visit <u>https://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-</u><u>service</u>. For information on how to submit complaints to the World Bank Inspection Panel, please visit <u>www.inspectionpanel.org</u>.

10. CONTRACTOR MANAGEMENT

Construction and other contracts will include provisions related to labor and occupational health and safety as provided in the World Bank Standard Procurement Documents and Kosovo law.

The PIU will utilize the Bank's Standard Procurement Documents for both solicitations and contracts. These documents encompass labor and occupational health and safety requisites.

Furthermore, in the process of selecting design and build contractors for engaging contracted workers, the PIU and/or the supervision consultancy may assess the following information:

- Details available in public records, such as corporate registers and public documents indicating breaches of relevant labor laws. This includes reports from labor inspectorates and other enforcement entities.
- Business licenses, registrations, permits, and endorsements.
- Documents pertaining to a labor management system, including occupational health and safety aspects, such as labor management procedures.
- Identification of personnel responsible for labor management, safety, and health, along with their qualifications and certifications.
- Certifications, permits, and training of workers to undertake necessary tasks.
- Records of safety and health violations and corresponding actions taken.
- Incidents and fatalities recorded, along with notifications provided to authorities.

- Documentation of legally mandated worker benefits and evidence of workers' participation in related programs.
- Worker payroll records, encompassing hours worked and compensation received.
- Copies of prior contracts with contractors and suppliers, showcasing provisions and terms aligned with ESS2 requirements.

Additionally, the PIU will manage and monitor the performance of contractors in relation to contracted workers, focusing on compliance by contractors with their contractual agreements (obligations, representations, warranties) and labor management procedures. This may include periodic audits, inspections, and/or spot checks of project locations or work sites and/or of labor management records and reports compiled by contractors. Contractors' labor management records and reports may include: (a) representative sample of employment contracts or arrangements between third parties and contracted workers; (b) records relating to grievances received and their resolution; (c) reports relating to safety inspections, including fatalities and incidents and implementation of corrective actions; (d) records relating to incidents of non-compliance with Kosovo law; and (e) records of training provided for contracted workers to explain occupational health and safety risks and preventive measures.

Annex 1:

Grievance Submission Form

Reference Number	
Full name (optional)	
 I wish to raise my grievance anonymously. 	
 I request not to disclose my identity without my consent. 	
Contact information.	□ By Post: Please provide mailing address:
Please mark how you wish to be contacted	
(mail, telephone, e-	
mail).	By telephone:
	□ By e-mail:
Preferred language of	□ Albanian
communication	□ Other:
Description of Incident Grievance	for What happened? Where did it happen? Who did it happen to? What is the result of the problem?
Date of Incident /	
Grievance	
	One-time incident/grievance (date)
	□ Happened more than once (how many times?)
	On-going (currently experiencing problem)

What would you like to see happen?			
Please return this form to:			
Attention:	Signature:		
<i>E-mail:</i>			
The Committee for Project Workers' Grievances	Date:		
Early Childhood Development for Kosovo's Human Capital Project			
Ministry of Education, Science and Technology of the Republic of Kosovo			
Str. Agim Ramadani, 10000 Prishtina, Republic of Kosovo			