# BINH DINH PROVINCIAL PEOPLE'S COMMITTEE

AGRICULTURE AND RURAL DEVELOPMENT PROJECT MANAGEMENT BOARD

# Resilient Infrastructure Development Project (P174156) Binh Dinh Province

# LABOR MANAGEMENT PROCEDURES



# TABLE OF CONTENTS

1.	INTRODUCTION	4
1.1	Project Background	4
1.2	Project Objective	4
1.3	Project Components.	4
1.4	Environmental and Social Aspects	6
2.	OVERVIEW OF LABOR USE ON THE PROJECT	6
2.1	Estimated number of project workers	6
2.2	Type of workers	7
2.3	Direct workers	7
2.4	Contracted workers	8
2.5	Primary supply workers	8
2.6	Community workers	8
2.7	Other stakeholders working in connection with the project	9
2.8	Migrant workers	9
3.	ASSESSMENT OF KEY POTENTIAL LABOR RISKS	9
3.1	Project activities	9
3.2	Key labor risks	9
4.	BRIEF OVERVIEW OF LABOR LEGISLATION: TERMS AND CONDITIONS	12
5.	BRIEF OVERVIEW OF OCCUPATION HEALTH & SAFETY LEGISLATION	19
6.	RESPONSIBLE STAFF	20
7.	POLICIES AND PROCEDURES	21
8.	AGE OF EMPLOYMENT	22
9.	TERMS AND CONDITIONS	23
10.	GRIEVANCE MECHANISM	24
10.1	PRINCIPLES	25
10.2	PROCEDURES FOR RESOLVING COMPLAINTS OF CONTRACTED WORKERS	26
10.3	PROCEDURES FOR COMPLAINT RESOLUTION FOR DIRECT WORKERS	26
10.4	Grievance mechanism for SEA/SH allegations.	27
11.	CONTRACTOR MANAGEMENT	28
12.	PRIMARY SUPPLY WORKERS	29
ANNE	X	30
Anne	ex 1: Guidelines on Code of Conduct	30
Anne	ex 2: Workers and Workforce Management	31

Annex 3: Worker camp requirement	33
LIST OF TABLES	
Table 1: Estimated number of workers engaged for the entire project life	

# ACRONYMS AND ABBREVIATIONS

CSC Construction Supervision Consultant

DARD Provincial Department of Agriculture and Rural Development

DOC Provincial Department of Construction
ESF Environemental and Social Framework

ESIA Environmental and Social Impact Assessment ESMP Environmental and Social Management Plan

ESS Environmental and Social Standards

GBV Gender-Based Violence GOV Government of Vietnam

GRM Grievance Redress Mechanism
LMP Labor Management Procedures

MOLISA Ministry of Labor- Invalids and Social Affairs

M&E Monitoring and Evaluation
OHS Occupational Health and Safety

PAPs Project Affected Persons
PC Peoples' Committee
PMU Project Management Unit
PPE Personal Protective Equipment
SEA Sexual Exploitation and Abuse

SH Sexual Harassment

SEP Stakeholder Engagement Plan

ESRS Environmental and Social Review Summary

WB World Bank

UXO Unexploded Ordnance

#### 1. INTRODUCTION

# 1.1 Project Background

- 1. The Government of Vietnam has requested a loan from the World Bank (WB) for the implementation of the Resilient Infrastructure Development Project (RIDP). The project's development objective is to increase access to resilient infrastructure services in selected provinces of the South-Central Coast Region in Vietnam, including Binh Dinh and Quang Nam provinces, and is scheduled to be carried out from 2022 to 2031.
- 2. This Labor Management Plan (LMP) is prepared as part of the environmental and social documents for Resilient Infrastructure Development Project Binh Dinh Province (hereafter in this LMP referred to as "the Project"/ "Binh Dinh RIDP"), therefore it is closely linked to and cross-referenced in other documents such as ESIA/ESMP, SEP and RP. The purpose of the LMP is to facilitate planning and implementation of the project. The LMP 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 in a consistent way with the Vietnam's national Labor Law and World Bank's ESS2. 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.
- 3. The Resilience Infrastructure Development Project Binh Dinh Province (Binh Dinh RIDP) is part of the development effort of the Peoples' Committee of Binh Dinh province to increase access to resilient infrastructure services and to strengthen institutional capacity on disaster-resilient development planning and management in Binh Dinh province. This project development objective is in line with one of the three work areas (ensure environmental sustainability and resilience) that the World Bank aims to focus as its development support program for Vietnam as outlined in the World Bank Country Partnership Framework (FY18–22). This is also consistent with the long-term vision set forth in the joint government WBG report (Vietnam 2035: Toward Prosperity, Creativity, Equity, and Democracy Vietnam).

# 1.2 Project Objective

- 4. The RIDP Binh Dinh aims to increase access to resilient infrastructure services and to strengthen institutional capacity on disaster-resilient development planning and management. Its development objective is:
  - To complete a coastal route from the North to the South of the province to connect with the national coastal road system; strengthen traffic connection, eliminating traffic monopoly on the National Highway No.1A; ensure constant traffic movement in the face of natural disaster situations such as floods, erosions to facilitate rescue operations; promote coastal economic development, linking infrastructure of key coastal economic zones, industrial zones, residential areas, urban areas and coastal eco-tourism zones.
  - To promote the development of the industrial and tourism economy, improve the quality towards sustainability and climate change adaptation.
  - To improve efficiency of public investment activities, promote socio-economic development.

# 1.3 Project Components.

5. The project has two components:

**Component 1: Resilient Infrastructure.** Support investments to improve connectivity and resilience of coastal economic zones of the proposed project province by building the following transport routes:

- Sub-component 1 (SC1): Upgrading and building part of the provincial road PR639, section from My Thanh Lai Giang section. Design standard is based on categorization III according to TCVN plain road 4054: 2005; length of route L = 38.1km, including the following subsections:
  - + Section Km45+0.00 ÷ Km 55+365.60: Section Km45 + 0.00 ÷ Km 55 + 365.60: From the beginning of the route to the intersection of Xuan Thanh village, My An commune, Phu My district, 10.4km long, built with 4 lanes, roadbed width = 20.5m;
  - + Section Km 55+365.60 ÷ Km83+139.47: From the intersection of Xuan Thanh village, My An

commune, Phu My district to the end of the route, 27.4km long, built with 4 lanes, roadbed width Bn = 12m.

- + Bridge Ha Ra and 08 large culverts.
- Sub-component 2 (SC2): Upgrading and building part of Highway 19C connecting Quy Nhon Port. Design standard categorization for urban main road according to TCXDVN 104-2007; length of new construction route L = 6.41km, including the following subsections:
  - + Section 1 from Km0+0.00  $\div$  Km1+132.23: L = 1.13 k m, 04 lanes, roadbed width Bn = 24m.
  - + Section 2 from Km1+132.23  $\div$  Km3+ 91.30: L = 2.06 km, 06 lanes, roadbed width Bn = 40m.
  - + Section 3 from Km3+191.30 ÷ Km 6+349.13: L = 3.16Km, 4 lanes, roadbed width Bn = 32m.

Construction of 03 I-shaped girder bridges with length of 33 m, design load HL93, flood frequency P=1%, prestressed concrete structure:

- Duc River Bridge at Km0+525.57. Length L=4x33m, Bridge width Bc=2m+14m+2m=18m
- Dinh River Bridge at Km6+33.95. Bridge Girder I33m, L=3x33m, Width Bc=2m+9m+4m+9m+2m=26m (including 02 blocks);

Underpass: 01 underpass at Km5+321,42, design load HL93, reinforced concrete structure 6.5m wide, 3.5m high.

**Component 2: Technical Assistance and Implementation Support.** This involves provision of financial technical assistance (TA) to support overall project implementation.

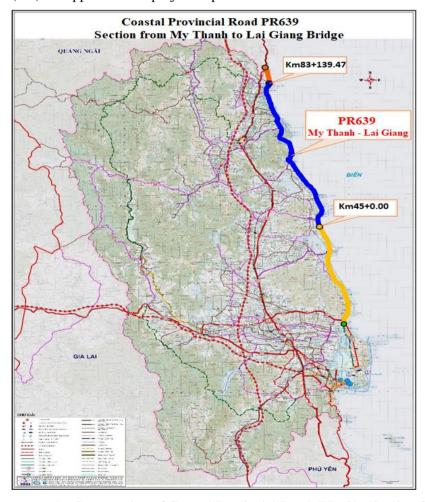


Figure 1: Sub-component 1 - Construction of Coastal Provincial Road (PR639), Section from My Thanh to Lai Giang

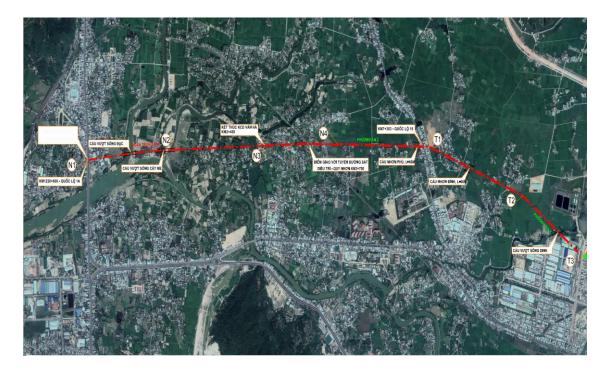


Figure 2: Sub-component 2 - Section from the Highway 19C to Quy Nhon Port

#### 1.4 Environmental and Social Aspects

- 6. This LMP is prepared based on the World Bank's Environmental and Social Standards No 2 (ESS2) on Labor and Working Conditions under the Environmental and Social Framework (ESF) of the World Bank and laws of Viet Nam on labor and civil servant. The LMP is prepared to identify main labor requirements and enable project-related parties, such as staff of the Project Management Unit, consultants, contractors, sub-contractors, and the primary suppliers, to understand relevant requirements as to labor related issues and exercise necessary measures for effective management of project labor force and associated social and health risks. The LMP is a living document and may be updated over the course of project implementation, as needed, to reflect the changing labor force mobilization and related environmental and social risks and management, if any.
- 7. The LMP has 12 chapters. Chapter 1 provides Introduction of the project. An overview of labor to be required under the project is presented in Chapter 2. Key potential labor risks are listed in Chapter 3. Legislative framework governing labor employment in Vietnam is discussed in Chapters 4 and 5. Implementation arrangements, age requirement, policies and procedures and timing of labor requirements are described in the subsequent chapters 6 to 9. Grievance Redressed Mechanism and Contractor Management are presented in chapter 10 and 11, respectively. Chapter 12 covers issues related to primary supply workers.

# 2. OVERVIEW OF LABOR USE ON THE PROJECT

# 2.1 Estimated number of project workers

8. The total number of direct and contracted workers to be mobilized for project implementation is estimated to be around 530 persons. The number of workers by categories are identified in Table 1.

Table 1: Estimated number of workers engaged for the entire project life

Type of project workers	Characteristics of project workers	Duration of labor mobilization	Estimated number of workers
1. Direct workers (Total: 20)			
PMU staff	National staff	From project preparation until project completion	20
2. Contracted workers	(Total: 510)		
Project implementation consultants (technical design, M&E, CSC, IESMC)	National specialists	From project implementation until project completion	50
UXO contractor	National workers	Before project implementation	10
Skilled workers engaged by the contractors	Mostly national technical permanent staff	Duration of labor mobilization vary, depending on construction stages and needs.  • Construction of Coastal Provincial Road (PR639), Section from My Thanh to Lai Giang (80 workers)  • Section from the Highway 19C to Quy Nhon Port (70 workers)	150
Unskilled workers	local workers	Duration of labor mobilization vary, depending on construction stages and needs  SC1: about 200 workers  SC2: about 100 workers.	300
3. Primary supply workers (Total: TBD)			
Workers engaged by primary suppliers at quarry sites (construction materials)	They are most likely local workers.	The construction stage of the project. The primary supply workers will be identified during the project implementation stage	TBD
Total			530

# 2.2 Type of workers

9. The World Bank's ESS2 categorizes the workers into four types: direct workers, contracted workers, community workers and primary supply workers. The environmental and social impact assessment (ESIA) indicates that the project's workforce will include a) direct workers (people directly employed or engaged by the PMU), b) contracted workers (recruited by third parties, such as contractors/subcontractors), and c) primary supply workers (contractor who provide main materials and equipment for the project). The project will not engage community workers in civil works. However, in addition to the PMU and World Bank's project supervision, local people can establish community investment supervision board to conduct supervision of the implementation of environmental, social risk and impact mitigation measures and construction safety on their voluntary basis as per Decree 29/2021/NĐ-CP (dated 26 March 2021) regarding investment supervision and assessment). In the sections below, the type and estimated number of workers to be engaged throughout the project life will be described.

# 2.3 Direct workers

10. Direct workers are those who are to be employed directly by the PMU. They are staff of the PMU and consultants that PMU hired to support project implementation.

11. **Project Management Unit (PMU):** The PMU is the project owner and is responsible for assessment and management of E&S risk and impact, overall project implementation, including detail project design, procurement, disbursement, and management of construction and consulting contracts, including internal monitoring of environmental and social safeguards implementation. PMU will engage approximately 20 staff and individual consultants to carry out the project.

#### 2.4 Contracted workers

- 12. Experience from previous similar projects in Binh Dinh province, during the project implementation, the PMU will engage various contractors to implement various type of project works, including technical design, construction supervision, civil works construction, etc. The labor requirements for these works depend on the scale of each individual civil works. The timing of labor requirements will fluctuate depending on the construction stages. The different categories of contracted workers are anticipated below.
  - Regarding civil works construction, a total of 450 including both skilled and unskilled workers
    are estimated to be engaged by construction contractors for the construction activities of the
    Project (See table 1 below for breakdown by subcomponent).
    - ✓ Skilled workers of the contractors/sub-contractors (Construction Companies) are permanent technical staff of the contractors who will be engaged in the project, including project managers, construction engineers, construction foreman, drivers, environmental and social officers, administrative and financial officers, etc. Depending on the Contractor's existing expertise and other factors, the Contractor may engage local subcontractors to undertake some technical works which may include heavy machine operators for hauling, road roller/soil compaction, sand/quarry loading and grader/excavation. It is estimated about 150 workers in total.
    - ✓ Unskilled workers engaged by the contractor/subcontractors: To reduce a large number of migrant workers to construction sites, the project encourage the contractors and subcontractors to engage local unskilled workers for simple works such as construction of ancillary works, walls, excavation/leveling, loading/unloading materials, supporting for builders, site cleaners, watering construction sites, etc. To ensure equality in employment opportunities, contractors will be required, as part of their contract with PMU, to coordinate with the PMU to provide job opportunities to local residents who are poor or affected by the project and need jobs for extra income. Local female workers are encouraged to perform works that are suitable to them as per Labor Code 2019. Where needed, contractor may contact local mass organizations such as Women's Union to seek their support in recruitment of unskilled female workers. For this project, local unskilled workers to be mobilized for road construction are estimated to be around 300 people in total.
  - Project consultants: A number of consulting companies will be mobilized by the PMU to provide
    consultancy services or support various works during project implementation. The consulting
    companies will consist of about 10-15 specialists depending on scope of assignments. These could
    include design consultants, environmental and social consultants, procurement consultants,
    construction supervision consultants, unexploded ordnance (UXO) consultants, etc. It is estimated
    about 60 persons.

# 2.5 Primary supply workers

13. The construction under the Project will require supply of construction materials such as aggregates, bitumen, steels, and precast concrete interlocking blocks, etc. Where the contractor will procure such construction materials necessary for the project directly from primary suppliers on an ongoing basis, the workers engaged by such primary suppliers are considered "primary supply workers" as defined in ESS2. The number and type of primary suppliers will be determined during project implementation. The timing of labor use of primary supply workers will cover the construction stage of the project (see Chapter 12 for details on primary supply workers). There are many primary suppliers in the province that project contractors are encouraged to have contract with them.

#### 2.6 Community workers

14. The PMU will not engage community workers as contribution of community labor to the project. The community members may be engaged by the contractors, if they need, and will be categorized and

managed as contracted unskilled workers. It is also noted that some local people at commune level may voluntarily form themselves into a community supervision board to oversee the overall construction process within their commune. Their supervision is not required by the project and thus they are not exposed to risks relating to labor and working conditions. However, if these members wish to enter the construction site for closer oversight, they will need to obtain permission and follow safety guidance of contractor's site manager before entering the construction site.

# 2.7 Other stakeholders working in connection with the project

15. Stakeholders working in connection with the Project other than the above project workers will include the Government civil servants. Some provincial government civil servants will be working in connection to the Project, which will include DPI, DOF, DOLISA, DOC, DOT, DARD, DONRE (starting from March 1, 2025, the DARD and DONRE have been merged into the Department of Agriculture and Environment), district Land Fund Development Centers (district LFDC), and provincial, township, district, commune People's Committees. They will remain subject to the terms and conditions of their existing public sector employment, which are governed by the Vietnam Labor Code, the Law on Public Employees, and the Law on Civil Servants. There will be no legal transfer of their employment to the project. The ESS2 will not apply to government civil servants.

# 2.8 Migrant workers

16. The project workers may come from other provinces to work in the project sites. The project is not expected to mobilize international experts/workers because the scope of civil works and technical issues do not require.

#### 3. ASSESSMENT OF KEY POTENTIAL LABOR RISKS

# 3.1 Project activities

- 17. Binh Dinh project includes two sub-components of road construction, including:
  - Subcomponent 1: Upgrading of the existing Coastal Provincial Road (PR639), section from My Thanh to Lai Giang Bridge. Design standard: Plain Road Category III according to TCVN 4054: 2005 (Highway Specifications for Design); total length of 38.1km.
  - Subcomponent 2: New Construction of the route connecting Highway 19C with Quy Nhon Port.
     Design standard: Main urban road according to TCXDVN 104-2007 (Urban Roads Specifications for Design); total length of 6.41 km.

#### 3.2 Kev labor risks

18. Based on the scope, nature, and geographical locations of the above civil works, the following key labor risks are anticipated. These risks will be further assessed during project implementation.

#### a) Occupational health and safety (OHS) risks

- 19. Key OHS risks are which are anticipated, fall upon four categories, including 1) physical hazards, 2) chemical hazards, 3) personal protective equipment, and 4) special hazard environments.
  - (1) Physical Hazards. Physical hazards represent potential for accident or injury or illness due to repetitive exposure to mechanical action or work activity. Physical hazards may result in a wide range of injuries, from minor and medical aid only, to disabling, catastrophic, and/or fatal, including: structure collapse; fall into river; fall from working at heights or scaffolding; falling object; ditches and trenches; physical injury due hard work; risks of traffic accidents; fire and electricity risk; heavy equipment.
  - (2) Chemical hazards. Chemical hazards represent potential for illness or injury due to single acute exposure or chronic repetitive exposure to toxic, corrosive, sensitizing or oxidative substances. Common chemicals used in construction include portland cement clinker (mineral binders), formaldehyde (wood-based materials), polyurethane, vinyl, cadmium or lead (paints and resins), and solvents. They also represent a risk of uncontrolled reaction, including the risk of fire and explosion, if incompatible chemicals are inadvertently mixed. Chemical hazards include: fire and explosions; corrosive, oxidizing, and reactive chemicals.
  - (3) **Personal Protective Equipment (PPE).** Personal Protective Equipment (PPE) provides additional protection to workers exposed to workplace hazards in conjunction with other facility

controls and safety systems. Lack of appropriate PPE may, in circumstance, result in injuries workers' eyes, heads, necks, ears, hands, arms, feet, legs, ears, lungs, and even the whole body.

- **Health risks**. Health risks due to working in a polluted environment with high level of dust concentration caused by construction activities such as demolishing of old structures, soil excavations, leveling, machine operation and transportation.
- Contamination during infectious disease outbreaks. If frequent and proper hygiene practices are not consistently applied (in particular frequent and proper hand hygiene and wearing masks to serve as barriers to human-to-human transmission of virus).

#### (4) Special hazard environments.

- Confined Space. A confined space is a place that is substantially enclosed (though not always entirely), and where serious injury can occur from hazardous substances or conditions within the space or nearby. Serious injury or fatality can result from inadequate preparation to enter a confined space or in attempting a rescue from a confined space. Typical risk may include lack of oxygen, fire and explosions, access restrictions, which not only makes escape difficult but also any emergency rescue.
- 20. The above mentioned OHS risks have been rated low to moderate because (i) the impacts are localized within the construction sites; (ii) the construction activities that may cause these risks would take place in relative short time; (iii) workers will be provided with personal protective equipment (PPE); (iv) mitigation measures for these risks will be in place, as set out in the ESMP. In addition, workers will be trained on labor safety, traffic safety, and sanitation practices before starting any civil works.
- 21. All contractors and subcontractors shall be required to develop and implement written labor management procedures, including procedures to establish and maintain a safe working environment as per ESS2. All contractors shall be required to prepare and comply with Contractor's Environmental and Social Management Plan (C-ESMP) (as part of the contract between the PMU and the Contractor) and provide detailed explanation of how the contractor will comply with the safeguard documents such as the ESMP, and demonstrates that sufficient funds are budgeted and timely available for such purpose. The C-ESMP must include specific mitigation measures based on the ESMP, the final design, the proposed work method statements, the nature of the project site, etc., to ensure that workers use appropriate safety gears and receive basic safety training and other preventive actions as provided in the Environmental and Social Management Plan (ESMP).

#### b) Child labor

22. The existing Vietnamese Labor Law specifies minimum working age being 15 years while ESS2 refers to 14 years of age or higher as national law specifies. Under this project, people under 18 years old could not be engaged for project works. This regulation will be included in bidding documents and contractor's contract.

#### c) Labor influx

- 23. The project construction activities will mobilize a number of workers, in which some workers come from other cities/provinces (migrant workers) who may have social experience different from the cultures of local people in the civil works area. Social risks and impacts related to labor influx are typically as follows:
  - Conflicts with local people due to Contractors' inappropriate management of their workers and
    worker camp which lead to environmental pollution to local area (e.g. discharging wastewater,
    dumping solid waste into rivers/streams/canals or agricultural land). Common health problems as
    a result of transmission of communicable diseases (e.g. eye disease, skin disease, and respiratory
    infections, including STD.
  - Potential risk of contracting sexually transmitted diseases such as HIV/ADIS.
  - Increased impacts on the ability to respond effectively by local health care system, which exacerbate the health problem and disease prevalence
  - Potential conflict between workers and local communities because of differences in cultures, custom and habits, and living activities.
  - Gender Based Violence risks/Sexual exploitation and abuse/Sexual Harassment risks related to the concentration of relative large number of male workers to the project area.

#### d) Labor disputes over terms and conditions of employment

24. Labor disputes in a new construction environment are common in Vietnam. Possible causes for labor disputes include demand for limited employment opportunities; labor wages rates and delays of

payment; disagreement over working conditions; and health and safety concerns in work environment. In addition, employers such as contractors/subcontractors may retaliate workers who demand for improved working conditions, or raising concerns regarding unsafe or unhealthy work situations, or any grievances raised, and such situations could lead to labor unrest.

# e) Discrimination and exclusion of vulnerable/disadvantaged groups

25. Vulnerable/ disadvantaged groups, including women may be subject to increased risk of exclusion from employment opportunities under the Project. Lack of equal payment for similar work for men and women may happen in the project.

#### f) Sexual Exploitation and Abuse /Sexual Harassment (SEA/SH)

26. There might be a risk of sexual abuse and sexual harassment in connection with the recruitment or detention of unskilled female workers or technical female workers under the project as well as women and girls of surrounding communities. Sexual harassment is forbidden under the Code of Labor (2019) which requires employers to develop and implement the solutions to prevent sexual harassment at workplace – as their rights and obligations and include provisions in employer's labor regulations to prevent and fight against sexual harassment at workplace, including steps and procedure for addressing sexual harassment at workplace.

# g) Seasonal/Temporary Workers

- 27. From January 1, 2021, the term "seasonal contract" is no longer use under the new Code of Labor 2019. The term of "definite term contract" is used instead for contract that lasts 36 months or less. According to the Law of Social Insurance 2014, contract that is at least one month is subject to registration for social insurance. Also, under new Code of Labor 2019, written contract is required for all contracts except for seasonal work that is less than one month where verbal agreement is allowed.
- 28. The above social risks are assessed to be moderate, and manageable. To further reduce these risks, the following actions will be implemented:
  - (i) Workers will sign the code of conduct when recruited for the project;
  - (ii) Workers will be trained in occupational health and safety, traffic safety, and environmental sanitation before commencing the construction of any civil works;
  - (iii) Local labor will be engaged as a priority in contractor's workforce, for construction activities;
  - (iv) Measures will be taken to ensure workers under 18 years of age will not be recruited to work in construction site. PMU will coordinate with local authorities and relevant agencies to strictly control the contractor's labor management procedure;
  - (v) Mitigation measures of prevention of sexually transmitted diseases, such as HIV/AIDS, and prevention of infected disease will be made available to workers through trainings provided by the contractors:
  - (vi) Regulations, including penalties, shall be developed by the contractors and apply to all project workers, particularly for the matter of sexual exploitation and abuse and sexual harassment (SEA/SH).

#### 4. BRIEF OVERVIEW OF LABOR LEGISLATION: TERMS AND CONDITIONS

- 29. Labor Code 2019 No. 45/2019/QH14 (dated November 20, 2019 and effective since 1 January 2021) is the current legal document that sets forth labor standards; rights, obligations and responsibilities of employees, employers, internal representative organizations of employees, representative organizations of employers in labor relations and other relations directly related to labor relations; and state management of labor related issues.
- 30. In Vietnam, the following laws, decrees and circulars provide regulations related to terms and work conditions, and are applicable to direct workers, contracted workers and primary supplier's workers.

#### Laws

- o Labor Law 2019 (No. 45/2019/QH14, 20 November 2019);
- o Law on Occupational Safety and Hygiene (No. 84/2015/QH13, 25 June 2015);
- o Employment Law (No. 38/2013/QH13, 16 November 2013);
- o Trade Union Law (No. 12/2012/QH13, 20 June 2012);
- o Law on Persons with Disabilities (No. 51/2010/QH12, 17 June 2010);
- Social Insurance Law No. 58/2014/QH13, dated 20 November 2014 (effective until 30 June 2025);
- Social Insurance Law No. 41/2024/QH15, dated 29 June 2024 (effective from 1 July 2025);
- o Amended Health Insurance Law 2014 (No. 46/2014/QH13, 13 June 2014);
- o Health Insurance Law 2008 (No. 25/2008/QH12, 14 November 2008).

#### **Decrees under Labor Code 2019**

- Decree No. 145/2020/ND-CP, dated 14 December 2020, detailing and guiding the implementation of several provisions of the Labor Code regarding working conditions and labor relations;
- Decree No. 152/2020/ND-CP, dated 20 December 2020, of the Government regulating foreign workers working in Vietnam and the recruitment and management of Vietnamese workers working for foreign organizations and individuals in Vietnam;
- Decree No. 70/2023/ND-CP, dated 18 September 2023, of the Government amending and supplementing several provisions of Decree No. 152/2020/ND-CP, dated 30 December 2020, of the Government on foreign workers working in Vietnam and the recruitment and management of Vietnamese workers working for foreign organizations and individuals in Vietnam;
- Decree No. 39/2016/ND-CP, dated 15 May 2016, detailing the implementation of several provisions of the Law on Occupational Safety and Hygiene;
- Decree No. 44/2016/ND-CP, dated 15 May 2016, of the Government detailing several provisions of the Law on Occupational Safety and Hygiene on technical safety inspection, safety and hygiene training, and labor environment monitoring activities;
- Decree No. 24/2018/ND-CP, dated 27 February 2018, of the Government regulating the settlement of complaints and denunciations in the field of labor, vocational education, sending Vietnamese workers to work abroad under contracts, employment, safety, and labor hygiene;
- O Decree No. 38/2022/ND-CP, dated 12 June 2022, of the Government regulating the minimum wage for employees working under labor contracts;
- Decree No. 73/2024/ND-CP, dated 30 June 2024, of the Government regulating the base salary and bonus regime for cadres, civil servants, public employees, and armed forces;

- O Decree No. 74/2024/ND-CP, dated 30 June 2024, of the Government regulating the minimum wage for employees working under labor contracts;
- O Decree No. 75/2024/ND-CP, dated 30 June 2024, of the Government adjusting pensions, social insurance allowances, and monthly benefits;
- Decree No. 146/2018/ND-CP, dated 17 October 2018, of the Government detailing and guiding measures for implementing several provisions of the Law on Health Insurance;
- Decree No. 58/2020/ND-CP, dated 27 May 2020, of the Government regulating the compulsory social insurance premium rates for the occupational accident and occupational disease insurance fund;
- Decree No. 143/2018/ND-CP, dated 15 October 2018, of the Government detailing the Law on Social Insurance and the Law on Occupational Safety and Hygiene on compulsory social insurance for foreign employees working in Vietnam;
- Decree No. 88/2020/ND-CP, dated 27 July 2020, of the Government detailing and guiding the implementation of several provisions of the Law on Occupational Safety and Hygiene regarding compulsory insurance for occupational accidents and occupational diseases.

#### Circular under Labor Code 2019

- Circular No. 10/2020/TT-BLDTBXH, guiding the implementation of several provisions of the Labor Code on the content of labor contracts, collective bargaining councils, and occupations harmful to reproductive functions and child-rearing;
- O Circular No. 09/2020/TT-BLDTBXH, dated 12 November 2020, detailing and guiding the implementation of several provisions of the Labor Code regarding underage workers;
- O Circular No. 24/2022/TT-BLDTBXH, dated 30 November 2022, regulating the provision of benefits in kind for workers engaged in hazardous or harmful working conditions;
- O Circular No. 06/2020/TT-BLDTBXH, dated 20 August 2020, issuing a list of jobs with strict safety and hygiene requirements;
- Circular No. 36/2019/TT-BLDTBXH, dated 30 December 2019, of the Ministry of Labor, Invalids, and Social Affairs, issuing the list of machinery, equipment, materials, and substances with strict safety and hygiene requirements;
- Circular No. 07/2024/TT-BNV, dated 5 July 2024, of the Ministry of Home Affairs, guiding the implementation of the base salary for those receiving salaries and allowances in public agencies, organizations, and public non-business units of the Party, the State, the Vietnam Fatherland Front, political-social organizations, and associations;
- Circular No. 28/2015/TT-BLDTBXH, dated 31 July 2015, of the Ministry of Labor, Invalids, and Social Affairs, guiding the implementation of Article 52 of the Employment Law and several provisions of Decree No. 28/2015/ND-CP, dated 12 March 2015, of the Government, detailing the implementation of several provisions of the Employment Law on unemployment insurance;
- Circular No. 59/2015/TT-BLDTBXH, dated 15 February 2016, of the Ministry of Labor, Invalids, and Social Affairs, detailing and guiding the implementation of several provisions of the Law on Social Insurance on compulsory social insurance;
- O Circular No. 06/2021/TT-BLDTBXH, dated 7 July 2021, of the Ministry of Labor, Invalids, and Social Affairs, amending and supplementing several provisions of Circular No. 59/2015/TT-BLDTBXH, dated 29 December 2015, of the Minister of Labor, Invalids, and Social Affairs, detailing and guiding the implementation of several provisions of the Law on Social Insurance on compulsory social insurance.
- 31. The table below summarizes key issues of Vietnam Labor Code, focusing on basic wage, payment arrangement and deductions, working hours, overtime work, rest per week, shifts, and leaves, including

annual leave, sick leave, maternity, and other personal/family leave. Although these provisions are generally applicable to all types of employees in Vietnam, some are more likely applied to certain type of works. For example, work in shift is applied in reality to construction workers (contracted workers and primary supplier's workers) rather than office/ PMU workers (direct workers).

Table 2: Summarizes key issues of Vietnam Labor Code

Key provisions of labor legislation (Code of Labor 2019)	Laws/ Decrees/ Circular	Categories of workers
Basic wage		
<ul> <li>Basic wage is defined as the lowest payment for an employee who performs the simplest work in normal working conditions. The basic wage is determined based on monthly and hourly basis, and by regions and shall be decided by the Prime Minister of Government on the basis of the recommendation of the Ministry of Labour-Invalids and Social Affairs and recommendation of National Wage Council.</li> <li>Application of basic wage is based the region where employee live and can be adjusted upwards based on employee's qualification.</li> </ul>	Labor Code 2019  Decree No. 145/2020/NĐ-CP (dated 14 December 2020)	Direct workers, Contracted workers, Primary suppliers' worker
Payment & Deductions	Labor Code 2019	Direct workers,
<ul> <li>Wage should be paid timely, sufficiently, and directly to the employee.</li> <li>Employers are not allowed to intervene how their employee's wage is used.</li> <li>Payment can be made monthly, or fortnightly</li> <li>Employers must issue monthly pay statement with details on wage, including pay for overtime, night shift, and deduction, if any.</li> <li>Payment can be made in cash, or bank transfer. In case of bank transfer, costs related to opening bank account for employee and transfer fee must be borne by employers</li> <li>Overtime wage should be minimum 150% for normal day, 200% for weekends, and 300% for national, lunar New Year holidays and for rest day</li> </ul>	Decree No. 145/2020/NĐ-CP	Contracted workers, Primary suppliers' worker
Deductions.		
<ul> <li>No deductions other than those prescribed by the Labor Code, or regulations made hereunder, or any other law or collective Labour agreement shall be made from a worker's remuneration, except for repayment of advances received from the employer and evidenced in writing.</li> <li>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.</li> </ul>		

Key provisions of labor legislation (Code of Labor 2019)	Laws/ Decrees/ Circular	Categories of workers
<ul> <li>Working hours</li> <li>Normal working hours shall not exceed 8 hours a day and 48 hours a week</li> <li>40 hour per week is recommended by law but employers can agree with workers on working schedule (by day, by hour, or by week) provided that maximum work time does not exceed 10 hours per day and 48 hours per week</li> <li>Overtime work hour should not exceed 50% of the time required for normal work hour per day, and total normal working hours and overtime-working hours should not exceed 12 hours per day and 40 hours per month</li> <li>The number of hours per day, and days per week, are established in the contract agreed between the employer and employee.</li> </ul>	Labor Code 2019  Decree No. 145/2020/NĐ-CP	Direct workers, Contracted workers, Primary suppliers' worker
<ul> <li>Overtime work</li> <li>Overtime work must be agreed with employee</li> <li>Not exceed 50% normal working hour per day, and not exceed 200 hours per year</li> <li>Female worker who are pregnant or breastfeeding child under 12 months of age are not allowed to work at night-time, overtime, or travel.</li> </ul>	Labor Code 2019	Contracted workers, Primary suppliers' worker
<ul> <li>Rest per week</li> <li>Employee shall be entitled to rest for at least 24 consecutive hours each week.</li> <li>In cases where employee cannot take weekly rest because of work nature, employer is responsible for ensuring that employees are entitled to at least 04 days off per month, on average</li> </ul>	Labor Code 2019	Direct workers, Contracted workers, Primary suppliers' worker
<ul> <li>Shifts</li> <li>Night shift is defined to last from 22:00 PM to 6:00 AM the following day).</li> <li>If night shift is expected, it should be mentioned in the contract for agreement by contracted workers.</li> <li>When night shift is required, work time and relevant rest arrangement, including related payment</li> </ul>	Labor Code 2019	Contracted workers, Primary suppliers' worker

	Key provisions of labor legislation (Code of Labor 2019)	Laws/ Decrees/ Circular	Categories of workers
•	Working time may be varied by season		
Aı	nnual leave	Labor Code 2019	Direct workers,
• • • Si	Workers completing a full 12-month work are entitled to 12 days of leave with full pay for every year.  Workers who perform heavy or hazardous duties are entitled to 14 days of leave with full pay for every year.  The employer is required to take initiative in agreeing with the employees how their annual leave is used and inform the employees such agreement in advance.  ck leave	Decree No. 145/2020/NĐ-CP	Contracted workers, Primary suppliers' worker
•	Employee working under normal work condition can take sick leave with pay for 30 days/year for those with insurance paid under 15 years, 40 days for 15-30 years, and 60 days for 30 years		Direct workers,
•	Employee working in hazardous conditions, or perform heavy works, are entitled additional 10 days as per above scheme.	Law on Social Insurance 2014	Contracted workers, Primary suppliers'
•	For long sickness, 180 days are allowed as a maximum (including holiday, national holiday, weekend)	Circular 59/2015/TT- BLĐTBXH	worker (with contract of at least 1 month)
C	nild care leave		
•	Maximum 20 working days/year if child is below 3 years of age Maximum 15 working days/year if child is from 3 to 7 years of age		
M	aternity leave	Labor Code	Direct workers,
•	Pregnant workers can take maternal leave (6 months) as stipulated by the law, and can request for extra leave without pay, if they need	Decree No. 145/2020/NĐ-CP (dated 14 December	Contracted workers, Primary suppliers' worker
•	The leave before the confinement shall not be over 2 months. In case a female employee gives birth to twins or more, from the second child onwards, for each child, the mother is entitled to 01 additional month for maternity leave	2020)	
•	During maternity leave, the female employee is entitled to maternity benefits as regulated in the Law on Social Insurance.		

Key provisions of labor legislation (Code of Labor 2019)	Laws/ Decrees/ Circular	Categories of workers
Female workers are supported to have equal job and wage opportunities, including health care		
<ul> <li>Personal/family leave</li> <li>Personal leaves are allowed with full pay but with prior notice to employers, as follows: 3 days for employee's marriage, 1 day for their children' marriage, 3 days in case of death of their parent(s) and parent(s)-in-law.</li> </ul>		Direct workers, Contracted workers, Primary suppliers' worker

#### 5. BRIEF OVERVIEW OF OCCUPATION HEALTH & SAFETY LEGISLATION

- 32. The Law on Occupational Health and Safety (No. 84/2015/QH13, dated June 25, 2015) aims to ensure that employees work in a safe and healthful environment by setting and enforcing standards and regulations, as well as specifying the rights and responsibilities of employers, employees and other relevant parties as to exercising the OSH principles and measures to prevent occupational accidents and diseases.
- 33. It also specifies deeds that are prohibited and provide preventative measures that shall be taken to protect employees from exposure to hazards and risks that are harmful to them. Preventative measure includes a) use of information, education, communication (IEC), b) provision of training, c) promulgation of work regulation, d) control of work place hazards, e) technical solutions for problem solving, f) health care, g) use of Personal Protective Equipment and h) regular check of machinery, i) health insurance and entitlements, j) some special regulations to ensure safety for female employees, minors, and people with disability, etc.
- 34. More specifically, Employers are required to implement measures to ensure OSH at the workplace, and the employees must comply with them. The main measures are as follow:
  - All types of machinery, equipment and materials with strict requirements for Labor safety as detailed
    by the Vietnamese Government from time to time must be tested and verified prior to being
    commissioned for use, and must be periodically tested and verified by an organization conducting
    technical Labor safety testing and verification.
  - The employers must provide the employees engaged in hazardous work activities with sufficient personal protective equipment and facilities which meet quality standards as provided by the relevant laws, and the employees must use such equipment and facilities during work in accordance with the regulations of the Ministry of Labor, War Invalids and Social Affairs of Vietnam (MOLISA). The employers must hold training classes on OSH for employees, apprentices and trainees when they are recruited and when work is assigned to them.
  - The employers must arrange periodic health checks for the employees once per year or once per each six months.
  - The employers are also required to: (i) ensure that the workplaces meet the requirements on spaces, airiness, dust, steam, toxic gas and other harmful factors as prescribed in relevant technical regulations; (ii) ensure safe and hygienic working conditions for machines, equipment and workshops as required by the promulgated or applied national technical regulations or standards on OSH at the workplaces; (iii) check and evaluate dangerous and harmful factors at the workplaces in order to put forward measures to avert and minimize dangers and harm and improve working conditions and healthcare for the employees; (iv) examine and maintain machines, equipment, workshops and warehouses on a periodic basis; (v) display signboards of instructions regarding OHS covering the operation of machines, equipment and the workplaces at easy-to-read and visible locations at the workplaces; and (vi) obtain opinion from the organization representing the Labor collective at the grassroots level (trade union or Labor union) when formulating and implementing plans on activities ensuring OHS.
  - The employers' obligation to contribute to insurance covering labor accident and occupational disease
    insurance for the employees covered by the social insurance under the Law on Social Insurance.
    Vietnamese employees who work under the labor contracts with a total term of 03 months or more
    are entitled to social insurance.
- 35. Thus, when a Vietnamese employee working in Vietnam, who contributed to social insurance, is injured or becomes ill or even dies during the course of his or her employment, all related costs such as payment for being unable to work, retraining and even lump sum amounts for permanent impairments or death, are covered by the Social Insurance Fund of Vietnam.
- 36. Under the Law on Occupational Health and Safety 2015, decree and circulars have been issued to provide guidelines for implementation of the law. Some of the key documents include:
  - Decree No. 39/2016/ND-CP dated may 15th, 2016, detailing the implementation of some articles of the law on occupational safety and health

- Circular No. 19/2016/TT-BYT dated June 30, 2016, providing guidelines for occupational health and safety management.
- Circular No. 13/2020/TT-BLDTBXH dated November 27, 2020 providing guidance on collection, storage, consolidation, provision, publicizing and assessment of occupational accidents and technical difficulties causing serious loss of occupational safety and hygiene
- Decree No. 44/2016/ND-CP dated May 15, 2016 detailing some articles of the law on occupational safety and sanitation, technical inspection of occupational safety, training of occupational safety and sanitation and monitoring of occupational environment.
- Decree No. 88/2020/ND-CP dated July 28, 2020 detailing and guiding a number of articles of the law on occupational safety and health regarding compulsory occupational accident and disease insurance
- Decree No. 58/2020/ND-CP dated May 27, 2020 regulating rates of compulsory insurance contributions to the occupational accident and disease benefit fund.

# 6. RESPONSIBLE STAFF

- 37. **The Project Management Unit (PMU).** PMU will be responsible for the overall management of all project workers, contractors and subcontractors. PMU, through their contract agreement with relevant parties, will ensure project activities that involve required labor engagement, and labor management thereof are in compliance with the requirements set for in this LMP. During project implementation, PMU will
  - Be responsible for the overall implementation of this LMP.
  - Engage and manage direct workers, contractors/subcontractors and ensure these project workers are managed and follow the all the requirements mentioned in this LMP.
  - Ensure that contractors prepare their own labor management procedures (Contractor's LMP) in compliance with this LMP for PMU's review and approval before allowing the contractor to proceed staff mobilization to the project site.
  - Conduct regular monitoring<sup>1</sup> and evaluation of contractors/subcontractors' performance as to this LMP, and relevant provision required in the project's ESMP and procurement documents.
  - Maintain an oversight of potential risks related to child labor, forced labor, SEA/SH, contract management of the contractors and subcontractors as to their staff, including primary supply workers.
  - Conduct training of relevant project workers on key issues mentioned in this LMP for their respective management responsibility.
  - Ensure that the grievance mechanism for project workers is established and implemented and that workers are informed of it.
  - Monitor the implementation of the Workers' Code of Conduct and Code of Conduct related to sexual exploitation and abuse (SEA)/sexual harassment (SH).
  - Report regularly to the World Bank performance of labor and occupational safety and health.
- 38. **The Construction Supervision Consultant.** The PMU will recruit the construction and supervision consultant who will be responsible for monitoring the implementation of the civil works of contractors/subcontractors as well as monitoring adherence to the environmental and social instruments. They will oversee the performance of contractors/subcontractors on labor and working conditions on a daily basis on behalf of the PMU, which will be explicitly set out in their contract. The Construction and Supervision Consultant will employ qualified expert(s) for such oversight and report on performance to the PMU.
- 39. **The Contractor/subcontractors.** The Contractor will be responsible for the following:
  - Employ or appoint qualified staff to undertake necessary actions and measures to ensure labor related issues, such as occupational safety and health expert(s) to manage OSH issues.
  - Prepare a labor management procedure (Contractor's LMP) and an ESMP (Contractor's ESMP) including OSH regulations)<sup>2</sup> which will apply to their contracted workers who work on the projects.

<sup>2</sup> The Contractor's LMP and the Contractor's ESMP may be prepared as separate documents or integrated into a single document.

<sup>&</sup>lt;sup>1</sup> The PMU shall establish resources and procedures for managing and monitoring the performance of the contractor in relation to the LMP. The PMU will ensure that the contract with the construction and supervision consultants explicitly set out their monitoring responsibility for the contractor's performance on labor and working conditions on a daily basis. The monitoring may include, inspections, and/or spot checks of project locations or work sites and/or of labor management records and reports compiled by the contractor. For more details, see Chapter 11 "Contractor Management".

- Submit Contractors' LMP and ESMP to PMU for review and approval prior to commencing staff mobilization to the project site for the awarded assignments.
- Supervise subcontractors' construction works, including their implementation of the Contractor's LMP and ESMP.
- Maintain recruitment and employment records for contracted workers (including subcontractors), including documentation that verify minimum labor age as set forth in this LMP.
- Provide regular training to contracted workers on issues, but not limited to, such as occupational safety
  and health, and other social risks such as SEA/SH, code of conduct to maintain good relationship with
  local community, etc.
- Require primary supplier to identify and address risks of child labor, forced labor, SEA/SH, and occupational safety and health for primary supply workers.
- Develop and implement the grievance mechanism based on the GRM set forth in this LMP for contracted workers, including ensuring that grievances received from their contracted workers resolved promptly, and reporting the status of grievances and resolutions to CSC and PMU. This grievance mechanism will be part of the Contractor's LMP.
- Ensure that all contractor and subcontractor workers understand and sign the Code of Conduct prior to the commencement of works,
- Implement all necessary measures to address the risks of sexual exploitation and abuse (SEA)/sexual
  harassment (SH) as specified in the contractor's LMP/C-ESMP and ensure full implementation of
  these measures.
- Report timely to PMU any accidence happened in their construction work place and on the performance of labor and occupational safety and health.

#### 7. POLICIES AND PROCEDURES

40. The Resilience Infrastructure Development Project (RIDP) - Binh Dinh 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 (Table 3).

- Occupational health and safety (OHS). Pursuant to the relevant provisions of the Labor Code (Chapter IX on Labor Safety, Labor Sanitation Articles 132-134), Law on Occupational Health and Safety, ESS2 (including WBG General Environmental, Health and Safety Guidelines (EHSG³)), the Project's ESMP and WB standard procurement documents 4, the contractor shall manage all construction sites in such a way that the workers and the community are properly protected against possible OHS risks. Key elements of OHS measures should include (a) identification of potential hazards to workers; (b) provision of preventive and protective measures; (c) training of workers and maintenance of training records; (d) documentation and reporting of occupational accidents and incidents; (e) emergency preparedness; and (f) remedies for occupational injuries and fatalities.
- 2) **Child labor.** The minimum age of project workers eligible for any type of work under this project, including construction work, is set at 18. People of more than 15 to under 18 years of age are not allowed to undertake project works. In all contracts between PMU and contractors, there shall be provisions that require compliance with the minimum age requirements, and penalties for non-compliance. The contractor is required to maintain labor registry of all contracted workers with supporting documents confirming their verification of workers' age.
- 3) **Labor influx.** To minimize the labor influx and their dependents to the project area, all contractors will be required to recruit unskilled workers from local communities as a priority. All contracted workers will be required to sign individual contract with employer and sign in the code of conduct for workers prior to commencement of work. This includes provisions to address the risk of Gender Based Violence (GBV) (see Annex 2 on the Guideline on Code of Conduct). Relevant trainings will be provided to workers with regards to their expected conducts in relation to local community culture, customs and habits.

<sup>&</sup>lt;sup>3</sup> The WBG General EHSGs are technical reference documents with general statements of Good International Industry Practice, which provide guidance to users on general EHS issues. The applicability of the ESHGs should be tailored to the hazards and risks established for each project.

<sup>&</sup>lt;sup>4</sup> The WB Standard Procurement Document for Work is likely to be used for the Binh Dinh Subproject construction works, which will include relevant OHS provisions, such as the appointment of ESHS officer, development of Contractor-ESMP, compliance with OHS measures and reporting, and the use of Code of Conduct.

- 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 Binh Dinh project (see details in Chapter 9). The Project will have a grievance redress mechanism in place for project workers (direct workers and contracted workers) to promptly address their grievances at the workplace (more details are provided in Chapter 10). Further, workers' right of labor unions and freedom of association, as set out in the national Labor Code (Chapter XIII, Trade Union), is observed.
- Discrimination and exclusion of vulnerable/disadvantaged groups. The employment of project workers under the Binh Dinh Project will be based on the principle of equal opportunity and fair treatment, and discrimination based on employment relationship, such as recruitment, terms of employment (including wages and benefits), termination and access to training, etc., are prohibited. To address the risk of exclusion of vulnerable groups (such as women) from employment opportunities, contractors are required to employ such groups as part of their unskilled workforce. The contractor will be also required to comply with the Labor Code (Chapter X) on gender equality in the work place, which will include provision of maternity leave and nursing breaks and sufficient and suitable toilet and washing facilities for women workers. The contractor will be also required to have regulations and measures in place to ensure female works are from the risk of sexual exploitation or harassment in connection with the recruitment or retention of skilled or unskilled female workers under the project.
- 41. **Monitoring and reporting**. The contractor shall report to the PMU and to the construction and supervision consultants on the status of implementation of the above policies and procedures on a monthly basis. The PMU and the construction and supervision consultants will closely monitor the contractor/subcontractor on labor and occupational health and safety performance and report to the World Bank on a quarterly basis (see Chapter 11 for more details).
- 42. **Fatality and serious incidents.** In the event of an occupational fatality or serious injury, the PMU shall report to the Bank as soon as becoming aware of such incidents, and inform the government authorities (where available) in accordance with national reporting requirements (Labor Code Chapter III, section 1). Corrective actions shall be implemented in response to project-related incidents or accidents. The PMU or, where relevant the contractor, will be required to conduct a root cause analysis for designing and implementing further corrective actions.

#### 8. AGE OF EMPLOYMENT

- 43. **Age limitation for hazardous work.** As mentioned, the Labor Code 2019 (Articles 143- 147) states that it is not allowed to use under 15-year-old employees, except for professions and jobs to be defined by Ministry of Labor Invalids and Social Affairs. Similarly, ESS2 (para 19) sets out further conditions on the minimum age, stating that a child over the minimum age and under the age of 18 will not be employed or engaged in connection with the Bank-financed project in a manner that is likely hazardous<sup>6</sup> to or interfere with the child's education or 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 works) 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).
- 44. **Minimum age for project workers**. The national Labor Code 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). However, no job is relevant with such labor force under the project so that the minimum age of project workers for Binh Dinh project is set at least 18 years old.
- 45. **The process of age verification**. All work contracts shall have contractual provisions to comply with the minimum age requirements including penalties for non-compliance, and it will be well communicated to all potential stakeholders including the local community where the unskilled workforce will be sourced. Contractors will be required to verify and identify the age of all workers. Prior to the engagement of labor, all project employees will be asked to present a proof of their age as part of the contract signing process. The contractors are required to maintain labor registry of all contracted workers with age information. Verification of the age shall be undertaken prior to the engagement of labor and be documented based on the workers' ID or other relevant legal documents. This will require workers to provide official documentation, which could

include a birth certificate, national identification card, or relevant legal documents. A copy of the age verification supporting documents will be kept in files by the human resources personnel of the contractors.

#### 9. TERMS AND CONDITIONS

- 46. **Direct workers**. The terms and conditions for direct workers in PMU and the individual consultants will be governed by the World Bank Consultancy Standard which sets higher standards than that of the national Labor Code and this LMP.
- 47. **Contracted workers**. The Labor Code 2019 regulates employment terms and conditions for contracted workers. Relevant decrees and circulars issued under the Labor Code 2019, and this LMP, are applicable to contracted workers of the project.
- 48. **Provision of written individual contract of employment**. A written individual contract of employment shall be provided to workers that specify the following: (a) name of workers; (b) address, occupation, age and sex of workers; (c) nature and duration of contract; (d) working hours, overtime work and place of work; (e) annual leave and sick leave; (f) remuneration payable (basic wage, bonus...) to the worker; (g) procedures for suspension or termination of contract. Depending on the origin of the employer and the employee, employment terms and conditions will be communicated in a language that is understandable to both parties. In addition to written documentation, an oral explanation of conditions and terms of employment will be provided to workers who may have difficulty understanding the documentation.
- 49. **Notice for termination of contract.** According to the Labor Code 2019, employee may terminate a contract of employment by giving written notice: (a) at least 45 days if employed under an **indefinite** term employment contract; (b) at least 30 days if employed under a definite employment contract with a term of between 12 months and 36 months; (c) at least 03 working days if working under a definite term employment contract with a term of less than 12 months (Labor Code 2019, Article 35).
- 50. **Minimum Wage.** The minimum wage shall be determined on monthly and hourly basis, and by regions. The minimum wages shall be decided and announced by the Prime Minister of Government on the basis of the recommendation of the Ministry of Labour-Invalids and Social Affairs and recommendation of National Wage Council.
- 51. Minimum wage of employee in Binh Dinh province shall apply to employee of the project and will be adjusted upwards based on employee's qualification. Prevailing market rates will be identified for each type of work and work requirements.
- 52. **Working Hours**. The normal number of working hours for project worker shall not exceed 8 hours a day, and 48 hour a week.
- 53. **Government encourages employers to adopt 40 hours per week schedule,** but employers can agree with workers on working schedule (by day, by hour, or by week) provided that maximum work time does not exceed 10 hours per day and 48 hours per week. Overtime working hour should not exceed 50% of the time required for normal work hour per day, and total normal working hours and overtime working hours should not exceed 12 hours per day and 40 hours per month. The number of hours per day, and days per week, are established in the contract agreed between the employer and employee.
- 54. **Night shifts.** For contracted worker, depending on the nature of project and construction progress, contracted workers may be working extra time, including night shifts. Night shift (from 22:00 PM to 6:00 AM the **following** day) is allowed as per Labor Code 2019 but is not encouraged under the Project. For contracted worker, in case night shift is required, to meet project timelines for instance, discussion and agreement with project workers must be made beforehand. If night shift is foreseen as a possibility, it should be mentioned in the contract for agreement by contracted workers.
- 55. **Arrangement for night shifts.** When night shift is required, work time and relevant rest arrangement, including related payment, have to be in accordance with the Code of Labor 2019, and relevant applicable Decrees and Circulars. Their work time arrangement may be varied by season (wet season versus dry season) to meet quality and progress of the civil works.
- 56. **Rest per week**: Every worker shall be entitled to at least 24 consecutive hours each week. In special cases, due to the fact that the labor cycle cannot take weekly rest, the employer is responsible for ensuring that employees are entitled to at least 04 days off on average per month.

- 57. **National holidays and New Year holidays**: Workers shall be entitled to a total of 11 public days a year.
- 58. **Annual leave**. Workers who have completed a full 12-month work shall be entitled to 12 days of leave with full pay for every year of. Workers who perform heavy or hazardous duties are entitled to 14 days. The employer is required to take initiative in agreeing with the employees how their annual leave is used and inform the employees such agreement in advance.
- 59. **Maternity leave**. A female worker shall be entitled to 6 months maternity leave before and after her confinement. The leave before the confinement shall not be over 2 months. In case a female employee gives birth to twins or more, from the second child onwards, for each child, the mother is entitled to 01 additional month for maternity leave. During maternity leave, the female employee is entitled to maternity benefits as regulated in the Law on Social Insurance.
- 60. **Personal leave.** Personal leaves are allowed with full pay but with prior notice to employers, including 3 days for their marriage, 1 day for their children' marriage, 3 days in case of death of their parent(s) and parent(s)-in-law.
- 61. **Women workers.** Code of Labor (2019) establishes provision to encourage the participation of women workers as well as protecting them in their work. Employer is required to consult with women workers on issues related to their rights and benefits as women workers, including appropriate bathroom and toilet at workplace. Women worker who are pregnant and breastfeeding their child (under 12 months of age) are not allowed to work at night-time, overtime or travel. Pregnant workers can take maternal leave (6 months) as stipulated by the law, and can request for extra leave without pay, if they need. Decree 85/2015/NĐ-CP (dated 01 October 2015) provides provisions to support women workers such as equality for women workers with regards to job opportunities, payments, health care for women workers. Female worker will be paid the same rate of male worker for the same work without any discrimination.
- 62. **Payment arrangement.** Wage should be paid timely, sufficiently, and directly to the labor. Employers are not allowed to intervene how the wage is spent. Payment can be made monthly or fortnightly. Wage for overtime should be minimum 150% the rate for normal day, and minimum 200% the rate for weekends, and 300% for national, lunar New Year holidays, for rest day. Employers must issue monthly pay statement with details on salary, including pay for overtime, night shift, and deduction. Payment can be made in cash, or bank transfer. In case of bank transfer, costs related to opening bank account for employee and transfer fee must be borne by employers.
- 63. **Deductions from remuneration.** No deductions other than those prescribed by the Labor Code or regulations made hereunder, or any other law or collective Labour 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.
- 64. **Death benefit**. In case of death during his contract of employment, the employer shall pay to his heirs an amount equivalent to 30 months' wages Law on OSH).
- 65. **Medical treatment of injured and sick workers**. The employer shall be responsible for accomplish co-payment responsibility and pay the full costs of services which are not covered by health insurance for workers who participate in the health insurance scheme and pay all medical expenses incurred for workers who is not covered by the health insurance scheme.
- 66. **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

67. **General principles.** While the Resilient Infrastructure Development Project - Binh Dinh 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 work place grievances include demand for employment opportunities; labor wages rates and delays of payment; disagreement over working conditions; and health and

safety concerns in work environment. Therefore, a separate grievance mechanism will be established for types of project workers (direct workers and contracted workers) as required in ESS2.

- 68. Handling of grievances should be objective, prompt and responsive to the needs and concerns of the aggrieved workers. Different ways in which workers can submit their grievances should be allowed, such as submissions in person, by phone, text message, mail and email. The grievance raised should be recorded and acknowledged within one day. While the timeframe for redress will depend on the nature of the grievance, health and safety concerns in work environment or any other urgent issues should be addressed immediately. Where the grievance cannot be addressed within a reasonable timeframe, the aggrieved worker should be informed in writing, so that the worker can consider proceeding to the State inspection on labor (see below for more details). The mechanism will also allow for anonymous complaints to be raised and addressed. Individuals who submit their comments or grievances may request that their name be kept confidential.
- 69. **Direct workers**. PMU will hold periodic (weekly and monthly) team meetings to discuss any workplace concerns. The grievance raised by direct workers will be recorded and actions will be taken by PMU management team to resolve the grievance. In case, the complainant wishes to follow the standardized procedure for GRM, the complainant can follow the procedures set forth in Section 10.3 (below) for complaints related to working conditions, occupational safety and health, and complaints related to administrative decision and administrative acts. The summary of grievance cases will be reported to the World Bank as part of the regular report. Where the aggrieved direct worker wishes to escalate their issue or raise their concerns anonymously and/or to a person other than their immediate supervisor/hiring unit, the worker may raise the issue with responsible municipal authorities, where relevant.
- 70. **Contracted workers**. The site manager and the OHS officer (or any other appropriate officers) of the contractor will hold a daily team meeting with all present contracted workers at site at the end of the daily work to discuss any workplace issues or grievances. The grievance raised will be recorded with the actions taken by the contractor. The summary of grievance cases will be reported to the PMU and the construction and supervision consultant as part of contractor's periodic report. Where appropriate and available, the contracted workers should be allowed to utilize an existing grievance mechanism within the contractor. Where the aggrieved workers wish to escalate their issue or raise their concerns anonymously and/or to a person other than their immediate supervisor, the workers may raise their issue with the dedicated grievance focal person of the PMU and/or the construction supervision consultant (CSC) who will be responsible for registering and following up on worker's grievance resolution process. The contracted workers will be informed of the grievance mechanism prior to the commencement of work. The contact information of PMU's and CSC's GRM focal points will be provided to all contracted workers as part of Contractors's initial orientation training for workers prior to mobilization of workers to construction site.
- 71. **State Inspection on Labor, Sanctions against Violations of Labor Legislation.** As per the Labor Code (Articles 212-213), 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.
- 72. **Grievance Handling Procedure.** Procedures for grievance redress are set up in step by step for direct and contracted workers and responsibilities related to handling complaints about labor issues. The main purpose of this literature is to present the GRM process in an efficient and user-friendly manner.

#### 10.1 PRINCIPLES

- Complaint will be solved in a timely, fair, transparent manner
- Complaint can be lodged in writing, verbally, directly by the complainant, or their delegate
- Complaint will be documented, acknowledged in writing upon receipt
- Resolution process specifies parties in charge of complaint resolution, timeframe for each tier, and complainant' right to initiate a lawsuit at any tier
- In addition to agencies in charge of complaint handling as per law, PMU is an alternative channel through which complaint can be lodged.
- Collective complaint is possible through representative of the complainant group.

#### 10.2 PROCEDURES FOR RESOLVING COMPLAINTS OF CONTRACTED WORKERS

For complaints related to labor issues, such as working conditions, occupational safety and health, etc.

# • First-Stage of complaint resolution process

Complaint can be submitted in writing or verbally to complainant's employer (including site representative such as Contractor's Chief Site Engineer). Personnel in charge of complaint resolution shall accept the complaint and notify the complainant in writing within 7 working days from receipt of the complaint. Where necessary, dialogue with complainant will be hold by personnel in charge of complaint resolution, to resolve the complaint. Resolution period of first-time complaint shall be no more than 30 days (45 days for complicated case) from complaint acceptance date. Complaint resolution decision will be sent to the complainant within 3 working days from the date of decision issuance. If the complaint cannot be resolved at the level of the contractor, the complainant can also contact the GRM focal points in the CSC or PMU, prior to escalating to DOLISA. If complainant disagrees with first-time complaint resolution decision, he/she can make a second-time complaint to DOLISA, or initiate a lawsuit to the Court within 30 days (45 days for complicated case) from the date the first-time complaint resolution decision is issued. If complaint remains unsolved upon expiry of resolution time-limit, complainant can initiate a lawsuit.

# • Second -stage of complaint resolution process

Complaint can be submitted in writing to either Chief Labor Inspector of provincial DOLISA, or to the court of law. Personnel in charge of complaint resolution shall accept complaint and notify the complainant in writing within 7 days from complaint receipt. Duration for resolution of second-time complaint shall be no more than 45 days (60 days for complicated case) from the date of acceptance. Second-time complaint resolution decision shall be sent to complainant within 3 days following the date of decision issuance. If complainant disagrees with second-time complaint resolution decision, they can initiate a lawsuit to the court within 30 days from the date of issuing complaint resolution decision. Decision of the court is final decision that both complainant and defendant have to follow.

#### 10.3 PROCEDURES FOR COMPLAINT RESOLUTION FOR DIRECT WORKERS

For complaints related to labor issues, such as working conditions, occupational safety and health, etc.

# First-Stage of complaint resolution process

Complaint can be submitted in writing or verbally to PMU management or PMU's GRM focal point. The personnel in charge of complaint resolution shall accept the complaint and notify the complainant in writing within 7 working days from receipt of the complaint. Where necessary, dialogue with complainant will be hold by personnel in charge of complaint resolution, to resolve the complaint. Resolution period of first-time complaint shall be no more than 30 days (45 days for complicated case) from date of complaint acceptance. Complaint resolution decision will be sent to the complainant within 3 working days from the date of decision issuance. If complainant disagrees with first-time complaint resolution decision, he/she can make a second-time complaint, or initiate a lawsuit to the Court within 30 days (45 days for complicated case) from the date the first-time complaint resolution decision is issued. If complaint remains unsolved upon expiry of resolution time-limit, complainant can initiate a lawsuit.

#### Second -stage of complaint resolution process

Complaint can be submitted in writing to either Chief Labor Inspector of provincial DOLISA, or to the court of law. The personnel in charge of complaint resolution shall accept complaint and notify the complainant in writing within 7 days from complaint receipt. Duration for resolution of second-time complaint shall be no more than 45 days (60 days for complicated case) from the date of complaint acceptance. Second-time complaint resolution decision shall be sent to complainant within 3 days following the date of decision issuance. If complainant disagrees with second-time complaint resolution decision, they can initiate a lawsuit to the court within 30 days from the date of issuing complaint resolution decision. Decision of the court is final decision that both complainant and defendant have to follow.

For complaints related to administrative decision and administrative act. (Applicable to civil servant, public employee, and staff contracted directly by PMU).

#### First-Stage of complaint resolution Process

Complaint can be lodged in writing or verbally to PMU. Personnel in charge of complaint resolution shall accept the case and notify the complainant in writing within 10 days from complaint receipt. In case of rejection, explanation will be provided in the letter of notification. The personnel in charge of complaint resolution shall hold dialogue with complainant to resolve complaint if request of complainant and complaint verification result are different. Resolution time for first-time complaint shall be no more than 30 days (45 days for complicated case) from the date of complaint acceptance. First-time complaint resolution decision will be sent to the complainant within 3 days from the date of decision issuance. If disagreeing with first-time complaint resolution decision, complainant can make a second-time complaint, or initiate a lawsuit to the Court within 30 days from the date of issuing the complaint resolution decision.

#### Second-stage of complaint resolution Process

Complaint can be submitted to provincial People's Committee. Personnel in charge of complaint resolution shall accept the case and notify complainant in writing of complaint receipt within 10 days from complaint receipt. Personnel in charge of complaint resolution shall hold dialogue with complainant to resolve the complaint. Resolution time for second-time complaint shall be no more than 45 days (60 days for complicated case) from the date of complaint acceptance, and shall not be more than 60 days for complicated case. Second-time complaint resolution decision will be sent to the complainant within 7 days from the date of decision issuance. If disagreeing with second-time complaint resolution decision, complainant can initiate a lawsuit to the Court within 30 days from the date of issuing the complaint resolution decision.

For complaint related to disciplinary decision of PMU Director (applicable only to civil servant and public employee according to the complaint law No 02/2011/QH13).

# First-stage of complaint resolution Process

Complaint can be submitted to the PMU's personnel in writing. Statute of limitation is 15 days from the date of receipt of disciple decision. Within 10 days from the receipt of complaint, the personnel in charge of complaint resolution shall accept the case and notify the complainant in writing. The personnel must hold dialogue(s) with complainant to resolve the complaint prior to issuing the complaint resolution decision. Resolution time for first-time complaint shall be no more than 30 days (45 days for complicated case) from the date of complaint acceptance. First-time complaint resolution decision will be sent to the complainant within 3 days from the date of decision issuance. If complainant disagrees with the complaint resolution decision, they must make second-time complaint to the next level within 10 days from the date of receiving the first-time complaint resolution decision. For forced resignation decision, complainant can initiate a lawsuit to the Court within 30 days from the date of issuance of the discipline resolution decision.

#### Second-stage of complaint resolution Process

Complaint can be submitted to provincial People's Committee with similar procedures and timeframe of the first-time complaint. If disagreeing with second-time discipline resolution decision, complainant can make third-time complaint within 30 days from the date of receiving the discipline decision. For a forced resignation decision, complainant can initiate a lawsuit to the Court within 30 days from the date of issuance of the discipline resolution decision.

# 10.4 Grievance mechanism for SEA/SH allegations.

- 73. Risk rating of SEA/SH for this project is "low". So the most effective grievance mechanism with a six-step value chain is recommended, including: (1) uptake; (2) sort and process; (3) acknowledge and follow up; (4) verify, investigate, and act; (5) monitor and evaluate; and (6) provide feedback to the complainant.
- 74. Following this mechanism, SEA/SH allegations can be reported, just like any other project-related grievance, using a regular project-level GRM channel, such as mail, text message, email, website, telephone, suggestion/grievance box, or grievance form. Survivors can also use the channels set-up by contractors. Any parallel grievance mechanism operated by contractor should include processes to refer complaints to the project-level grievance mechanism, in order to ensure an accurate understanding of the project's complaints

throughout project implementation. The GRM operator—the person in charge of sorting, processing, and monitoring grievances - logs the SEA/SH allegations, acknowledges their receipt, and takes two key actions:

- ACTION 1: The GRM operator refers the survivor to relevant GBV service providers (including health and medical services, psychosocial support, and shelter), identified in advance and according to pre-established and confidential referral procedures. The GBV service providers accompany survivors throughout the process and play a critical role by updating them on the grievance management progress and on safety planning, especially when sanctions are envisaged or will soon be implemented. The service providers should enter into an information-sharing protocol with the GRM operator to close the case.
- ACTION 2: If the survivor gives consent, the second action for the GRM operator is to communicate the allegation to PMU staff responsible for grievance matters. The allegation is reviewed and a determination made regarding the likelihood of the allegation being linked to a project. If the allegation is likely to be linked to the project, the PMU asks the contractor to take disciplinary action against the alleged perpetrator and that this is communicated back to the survivor.
- 75. **Disclosure of GRM.** PMU and contractor will be responsible for disclosing the GRMs to direct workers and contracted workers and ensure that GRM is explained to them at recruitment time and available at the PMU's office and contractor's office. Contact number of the contact persons for the GRM is also provided to the workers.

#### 11. CONTRACTOR MANAGEMENT

- 76. **Selection of Contractors.** The Resilient Infrastructure Development Project Binh Dinh Project will use the World Bank Standard Procurement Documents for Works for solicitations and contracts. These include labor and occupational, health and safety requirements. The PMU 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 PMU 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); Environmental, Social, Health and Safety (ESHS) personnel and their qualification;
  - Previous contracts with contractors and suppliers, showing inclusion of provisions and terms reflecting ESS2.
- 77. **Contractual Provisions and Non-Compliance Remedies.** The PMU 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 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 PMU will require the contractor to include equivalent requirements and non-compliance remedies in their contractual agreements with subcontractors.
- 78. **Managing and Monitoring the Performance of Contractors.** The PMU shall establish resources and procedures for managing and monitoring the performance of the contractor in relation to the LMP. The PMU will ensure that the contract with the construction and supervision consultants explicitly set out their monitoring responsibility for the contractor's performance on labor and working conditions on a daily basis. The monitoring may include, inspections, and/or spot checks of project locations or work sites and/or of labor management records and reports compiled by the contractor. Contractors' labor management records and reports that should be reviewed would typically include the following:
  - Representative samples of employment contracts and signed code of conduct;
  - Grievances received from the community and workers and their resolution;
  - Reports relating to fatalities and incidents and implementation of corrective actions;

- Records relating to incidents of non-compliance with national Labor Code and the provisions of the LMP; and
- Records of training provided for contracted workers to explain occupational health and safety risks and preventive measures.
- 79. The Project requires that contractors monitor, keep records and report on terms and conditions related to Labor management. The contractor must provide workers with evidence of all payments made, including social security benefits, pension contributions or other entitlements regardless of the worker being engaged on a fixed term contract, full-time, part-time or temporarily. The application of this requirement will be proportionate to the activities and to the size of the contract, in a manner acceptable to the PMU 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, working hours, working overtime, remuneration and deductions, collective bargaining agreements.
  - **Safety**: recordable incidents and corresponding Root Cause Analysis (lost time incidents, medical treatment cases), first aid cases, high potential near misses, and remedial and preventive activities required (for example, revised job safety analysis, new or different equipment, skills training, and so forth).
  - Workers: number of workers, indication of origin (expatriate, local, nonlocal nationals), gender, age with evidence that no child Labor is involved, and skill level (unskilled, skilled, supervisory, professional, management).
  - Training/induction: dates, number of trainees (males and females), 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

- 80. **Potential risks in relation to primary supply workers**. The construction work under the Binh Dinh project will require primary supplies including construction materials essential for the functions of the proposed infrastructure, such as aggregates, bitumen and precast concrete interlocking blocks. Some contractors may be able to produce such construction materials by their workforce. However, where the contractor will source (a) essential materials (b) directly from primary suppliers (c) on an ongoing basis, the workers engaged by such primary suppliers (that meet all three criteria (a) to (c)) are deemed "primary supply workers", as defined in ESS2. As discussed in Chapter 3 (Key Labor Risks), The OHS risks are also deemed to be generally significant in the construction sector including quarry sites where there is no functioning Labor inspection mechanism. To address these potential risks, the following measures will be taken:
  - Selection of primary suppliers. When sourcing construction materials from primary suppliers, the contractor will require such suppliers to identify the risk of child labor/force labor and serious safety risks in producing the construction materials. The PMU and the construction and supervision 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. If child labor/forced labor and/or serious safety incidents are identified in relation to primary supply workers under the Project, the PMU and the construction supervision consultants will require the contractor to request their 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 PMU will, within reasonable period, shift the project's primary suppliers to suppliers that can demonstrate that they are meeting the relevant requirements.

#### **ANNEX**

#### **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 to specific project requirements.
- 2. The Code of Conduct should be written in Vietnamese and signed by each worker to indicate that they have:
  - received a copy of the code;
  - had the code explained to them;
  - acknowledged that adherence to this Code of Conduct is a condition of employment; and
  - Understood that violations of the Code can result in serious 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 or noncompliance.
- 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 on the basis of family status, ethnicity, race, gender, religion, language, marital status, birth, age, 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 use of language or behavior, 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 favors or other forms of humiliating, degrading or exploitative behavior)
  - 8) **Protection of children** (including prohibitions against abuse, defilement, or otherwise unacceptable behavior 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 favors, 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 property** (for example, to prohibit theft, carelessness or waste)
  - 13) Duty to report violations of this Code
  - 14) **No retaliation against workers** who report violations of the Code, if that report is made in good faith.

# **Annex 2: Workers and Workforce Management**

A concern during construction phase of the project is the potentially negative impacts of the workforce interactions with the local communities. For that reason, a Code of Conduct shall be established to outline the importance of appropriate behavior, alcohol abuse, and compliance with relevant laws and regulations. Each employee shall be informed of the Code of Conduct and bound by it while in the employment of the Client or its Contractors. The Code of Conduct shall be available to local communities at the project information centers or other place easily accessible to the communities.

The Contractor is responsible for providing appropriate training to all staff according to their level of responsibility for environmental, health and safety matters.

The Code of Conduct shall address the following measures (but not limited to them):

- All of the workforce shall sign in the CoCs and abide the laws and regulations of the Socialist Republic of Vietnam;
- Illegal substances, weapons and firearms shall be prohibited;
- Pornographic material and gambling shall be prohibited;
- Fighting (physical or verbal) shall be prohibited;
- Creating nuisances and disturbances in or near communities shall be prohibited;
- Disrespecting local customs and traditions shall be prohibited;
- Smoking shall only be allowed in designated areas;
- Maintenance of appropriate standards of dress and personal hygiene;
- Maintenance of appropriate standards hygiene in their accommodation quarters;
- Residing camp workforce visiting the local communities shall behave in a manner consistent with the Code of Conduct; and
- Failure to comply with the Code of Conduct, or the rules, regulations, and procedures implemented at the construction camp will result in disciplinary actions.
- Develop a Code of Conduct for sexual harassment in the workplace and check their compliance. The PMU should supervise the implementation of this code strictly; regularly organize activities for raising legal awareness for male and female workers such as provision of leaflets, regular activities.

*Prohibitions.* The following activities are prohibited on or near the project site:

- Cutting of trees for any reason outside the approved construction area;
- Hunting, fishing, wildlife capture, or plant collection;
- Buying of wild animals for food;
- Use of unapproved toxic materials, including lead-based paints, asbestos, etc.;
- Disturbance to anything with architectural or historical value;
- Building of fires;
- Use of firearms (except authorized security guards);
- Use of alcohol by workers during working hours;
- Gambling should be strictly forbidden.
- Washing cars or machinery in streams or creeks;
- Doing maintenance (change of oils and filters) of cars and equipment outside authorized areas:
- Disposing trash in unauthorized places;
- Driving in an unsafe manner in local roads;
- Having caged wild animals (especially birds) in camps;

- Working without safety equipment (including boots and helmets);
- Creating nuisances and disturbances in or near communities;
- The use of rivers and streams for washing clothes;
- Indiscriminate disposal of rubbish or construction wastes or rubble;
- Littering the site;
- Spillage of potential pollutants, such as petroleum products;
- Collection of firewood;
- Poaching of any description;
- Explosive and chemical fishing;
- Latrine outside the designated facilities; and
- Burning of wastes and/or cleared vegetation.

*Security*. Some security measures shall be put into place to ensure the safe and secure running of the camp and its residents. Some of these security measures include:

- The list of workers must be registered to local authorities in accordance with existing Vietnamese regulations;
- Children under 18 years of age will not be hired under the Project;
- Adequate, day-time night-time lighting shall be provided;
- Control of camp access. Access to the camp shall be limited to the residing workforce, construction camp employees, and those visiting personnel on business purposes;
- Prior approval from the construction camp manager for visitor's access to the construction camp;
- A perimeter security fence at least 2m in height constructed from appropriate materials;
- Provision and installation in all buildings of firefighting equipment and portable fires extinguishers.

Any construction worker, office staff, Contractor's employees or any other person related to the project found violating theses prohibitions will be subject to disciplinary actions that can range from a simple reprimand to termination of his/her employment depending on the seriousness of the violation.

# Annex 3: Worker camp requirement

#### **Workers Camps**

Workers' Camp and location Installation Requirement. Potential locations of workers' camps were discussed with and proposed by local communities and authorities during consultations. Construction camp locations will have to be approved by local authorities and agreed with local communities prior to their establishment. If workers' camps are constructed, following criteria must be followed:

- Area of each camp for about 20-30 workers should be about 200-300m2, including ancillary structures (bathroom, toilet, kitchen) to minimize land occupation.
- Camp shall be located at least 200 meters from any existing residential settlements and 200-300m from construction site so that workers can walk back and forth. Camp should not be located in steep slopes to avoid land slide in rain season:
- Camps be located at least 100 meters from any watercourses, and be operated so that no pollutants enter watercourses. Camp location shall be located in area where allows effective natural drainage;
- All camps shall be zoned according to their use purpose. For example, workers' camp zone, sanitary facilities, offices, etc.
- The workforce shall be provided with safe, suitable and comfortable accommodations. They have to be maintained in clean and sanitary conditions;
- In every site, adequate and suitable facilities for washing clothes and utensils shall be provided and maintained for the use of contract labor employed therein;
- Clean water for human consumption shall be provided at camps and other areas. Clean water shall follow
  the QCVN 01-1:2018/BYT National Technical Regulation on the Quality of Clean Water Used for
  Domestic Purposes.
- Drainage, wastewater treatment and solid waste disposal of workers' camps shall follow national regulations and the mitigation measures presented in the Contractor's Waste Management Plan. The surface water quality in the area shall follow the QCVN 08- 2023/BTNMT - National technical regulation on surface water quality
- Firefighting equipment, fire extinguishers shall be available at every camp.

Sanitary Facilities. In every camp site separate and adequate lavatory facilities (toilets and washing areas) shall be provided for the use of male and female workers. Toilet facilities should also be provided with adequate supplies running water, soap, and toilet paper. Such facilities shall be conveniently accessible and shall be kept in clean and hygienic conditions;

- Where workers of both sexes are employed, there shall be displayed outside each block of latrine and urinal, a notice in the language understood by the majority of the workers "For Men Only" or "For Women Only" as the case may be;
- Sanitary arrangements, latrines and urinals shall be provided in every work place on the following scale: Where female workers are employed, there shall be at least one latrine for every 25 females or part thereof; Where males are employed, there shall be at least one latrine for every 25 males or part thereof;
- At every construction camp, there must be at least one mobile septic tank. The wastewater from the tank shall not be discharged into any watercourses. The wastewater shall be periodically transported away by a water tank to the nearest treatment plant;
- Sewage tanks shall be designed and installed by the Contractor(s) in accordance with the National Design Code for construction of camps.

*Medical Facilities*. A medical and first aid kit, medicine cabinets, condoms, etc., emergency phone number, phone number of the person in charge of safety, chief construction supervision engineer, and hotline shall be provided at each camp area. All consumables in the first aid kit should be checked and recharged regularly.

*Firefighting equipment.* Fire-extinguishers must be provided and setup the safety instructions on fire prevention and emergency phone number at the site office, camp.