

**Roads Department
of the Ministry of Infrastructure of Georgia**

**Georgia Regional Accessibility and
Transport Enhancement Project
LABOR MANAGEMENT PROCEDURES**

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LIST OF ACRONYMS

CAP – Corrective Action Plan
CoC – Code of Conduct
CW – Contracted Workers
DW – Direct Workers
EHS – Environmental, Health and Safety
EHS Guidelines – World Bank Group Environmental, Health and Safety Guidelines
ESF – Environmental and Social Framework
ESMP – Environmental and Social Management Plan
ESIA – Environmental and Social Impact Assessment
ESS2 – Environmental and Social Standard 2: Labor and Working Conditions
GBV – Gender-Based Violence
GRM – Grievance Redress Mechanism
HR – Human Resources
ILO – International Labour Organization
ILO C138 – Minimum Age Convention
ILO C182 – Worst Forms of Child Labour Convention
KCIP_Kakheti Connectivity Improvement Project
LMP – Labor Management Procedures
LC – Labor Code
M&E – Monitoring and Evaluation
MW – Migrant workers
NTP – Notice to Proceed
OHS – Occupational Health and Safety
PCW – Primary Supply Workers
PPE – personal protective equipment
PW – Project Workers
RAP – Resettlement Action Plan
SEA/SH – Sexual Exploitation and Abuse / Sexual Harassment
VAC – Violence Against Children
WB – World Bank
WGRM – Worker's Grievance Redress Mechanism

1. OVERVIEW OF LABOR USE FOR THE PROJECT

Georgia's geographic location gives it a unique and strategic role as a major transit country linking Europe and Asia. Over the past 10–15 years, the transport of goods into and through Georgia has increased considerably, reflecting the country's growing importance as a regional logistics hub. Almost two-thirds of goods in Georgia are transported by road, and domestic and international truck traffic is highly visible along the country's main highways.

However, the existing road network in many regions is still not fully equipped to handle the high and increasing volumes of heavy traffic. Constraints such as insufficient dual carriageways, routing through populated areas, continue to limit throughput efficiency and increase transit times. These challenges affect not only haulage companies and their clients but also local communities and general road users.

Recognizing the need to strengthen Georgia's transport infrastructure and enhance its role as a regional transit corridor, the Government of Georgia (GoG) has launched a series of major infrastructure development projects across the country with the support of international development partners, including the World Bank (WB), the Asian Development Bank (ADB), the European Investment Bank (EIB), and the Japan International Cooperation Agency (JICA).

To achieve the goals outlined under the national transport development agenda, Georgia has received financing from the World Bank for the Kakheti Connectivity Improvement Project (KCIP) (Loan No. 9361-GE) and intends to receive additional financing for the Georgia Regional Accessibility and Transport Enhancement Project (Project ID: P513957).

The Georgia Regional Accessibility and Transport Enhancement Project ("the Project") will support the modernization and construction of (Tbilisi-Bakurtsikhe (Sagarejo-Bakurtsikhe Eastern) Part of the International Tbilisi-Bakurtsikhe-Lagodekhi-Azerbaijan Border (S5) Road (Construction Lot 4 and Lot 5) and Gurjaani (Chumlaki) - Telavi) roads.

The overall layout of the project road includes three main sections is: Badiauri– Bakurtsikhe (Approx. Length for Lot 4 is 22,56 km and for Lot 5 is 9,12 km) and Gurjaani (Chumlaki)-Telavi (Approx. length is 36 km). The overall length is approximately 68 km.

The Tbilisi – Bakurtsikhe road is being divided into six constructional lots, and for each constructional lot, an independent design is being carried out.

The present Labor Management Procedures are developed for the World Bank-financed sections of the highway, namely: (Tbilisi-Bakurtsikhe (Sagarejo-Bakurtsikhe Eastern) Part of the International Tbilisi-Bakurtsikhe-Lagodekhi-Azerbaijan Border (S5) Road (the Constructional Lot 4, from Badiauri to Chalaubani and Constructional Lot 5, from Chalaubani to Bakurtsikhe)

It is under consideration that the construction works will be financed with the WB loan to the GoG. The Project will be implemented under the overall leadership of Roads Department (RD) of the Ministry of Infrastructure, with the support of other government agencies such as the Ministry of Finance of Georgia, the Ministry of Environmental Protection and Agriculture of Georgia, and the Ministry of Economy and Sustainable Development.

RD is the project implementing entity responsible for the management of all civil works under the project including all detailed design, construction, and supervision activities. RD selected/will select contractor(s) for detailed design, construction, preparation and/or supervision of environment and social instruments, communications, and citizen and stakeholder engagement to enable Project implementation.

RD staff who will be involved in the project have the status of civil servants and also Social and Environmental Consultants, who have individual contracts will be involved in project activities and monitoring. Civil servants involved in the project will not be bound by the provisions of these Labor Management Procedures (LMP), but only by the national legislation of Georgia. The WB's Environmental and Social Framework (ESF) provisions on the prohibition of forced and child labor will apply to all project workers including civil servants. The Georgian Labor Code, described in more detailed below, provides for prohibition of forced and child labor among other aspects materially consistent with the World Bank's Environmental and Social Standard (ESS) 2 on Labor and Working Conditions.

Number of Project Workers

The exact number of project workers to be engaged in relation to the Project is currently unknown. Based on experience gained from the highway projects (East West Highway Corridor Improvement Project and additional financing to it) and particularly from KCIP (Lot 3 of Tbilisi-Bakurtsikhe-Lagodekhi Highway), undertaken in Georgia and worldwide, approximately 350-520 are expected to be engaged in the project (around 400 would be construction workers; around 100 will be engaged in overall project management and around 20 for Engineer's staff for project monitoring, reporting, and supervision). The Project will use mostly local workers recruited by an international contractor as well as by sub-contractor firms.

Vast majority of construction workers are likely to be from Georgia and, in case of unskilled workers, from the regions and communities in which civil works will be undertaken. Foreign workers may be contracted for consultancy and supervision works, while direct staff can be recruited through local and internationally announced tenders and HR firms/platforms (Jobs.ge; HR.gov.ge; etc.).

Characteristics of Project Workers

About 60-75 percent of workers will be unskilled laborers. The rest of the workforce will include semiskilled and skilled positions such as managers, engineers, forepersons, drivers, equipment operators, and line installation workers. Contractors on construction of other similar projects in Georgia have normally been foreign firms using Georgian subcontractors. Most of unskilled labor is likely to come from local communities living along the existing route, while other workers, as well as managerial and technical staff are expected to come from other parts of Georgia or, in case of a foreign company performing such works, from the contractor's home country. Similarly, most workers involved in substation construction will be unskilled, at least at the early stages. Once the land is cleared and foundations are installed, labor that is more skilled will install the project equipment. Based on experience regarding the women employment in Georgia, it is estimated that women are to represent about 5-10 percent of the workforce, and those would likely be technical

(engineering), administrative staff, and/or staff working in the operation offices and work camps (maids, cooks, cleaners etc.). All workers will be over 18 and are expected to be 30-60 years.

According to the data submitted by the Engineer (IRD) of KCIP Project in the Monthly Report dated October 2025, the workforce statistics for construction activities are as follows: A total of 500 individuals are employed in ongoing construction activities, of whom:

- Local residents – 360 individuals (72%)
- Non-local workers – 140 individuals (28%)

All 140 non-local workers are accommodated within the project campsite. Ethnic composition is as follows:

- Georgian – 207 (41%)
- Azerbaijani – 195 (39%)
- Turk – 60 (12%)
- Turkmen – 36 (7%)
- Russian – 2 (<1%)

Female participation in the construction project is 2.4% (12 women in total).

It is expected that the Project will engage the following categories of project workers as defined by ESS2:

Direct Workers

Direct workers will involve staff employed directly by the project implementing agencies, i.e., by Georgia Roads Department, who will be directly involved in project implementation. The estimated number of direct workers would include approximately 20 staff: project manager, financial management specialist, technical and engineering staff from quality control, planning and assessment departments, as well as procurement, human resource, legal, environmental and social specialist. Project-based consultants will be hired under individual contracts, on full-time basis, with specific definition of the assigned tasks and responsibilities.

Contracted Workers

Contracted workers – people employed through third parties such as consultant teams and civil works contractors – will be involved in the preparation of project designs, construction supervision, and for implementing construction works. The construction company team will include permanent staff as well as international and local experts/consultants recruited specifically for Project (e.g., designated environmental, social, and community liaison specialists). Sub-contractors may be engaged by the civil works contractor. Each of these teams is likely to involve 20-30 core staff members, and up to 400 unskilled workers. Contracted workers and other specialists hired by the Engineer and RD may also include the employees of consultants or NGOs providing services such as community mobilization (tailored training), establishment and operation of citizen engagement platforms, needs assessment, census for vendors and street seller's identification and RUSS surveys, among others. The employees of such consultants may range between 10 – 20 employees including survey staff. Overall, the Project may engage approximately 400 contracted workers.

Migrant Workers

It is expected that the project's contracted work force will require a combination of local workers from nearby villages and workers from other parts of Georgia and possibly from another country in the event that an international construction contractor and/or supervision consultant is recruited. The previous experience with the civil works projects shows that the contractor and subcontractors will probably hire employees from different regions of Georgia; these "internal migrants" are to be workers who already have experience of similar infrastructure projects. Foreign "migrant" workers are likely to be management and technical staff. The number of migrant workers would depend on decisions made by contractors. Based on similar estimations, the distribution would be approximately 10 percent international, 40 percent from other parts of Georgia, and 50 percent from the local area.

To manage labor influx, RD and contractors will proactively engage with host communities before and during peak workforce mobilization. This includes consultations (with local government, CSOs, community leaders) to explain the presence of non-local workers, solicit community concerns or suggestions (e.g. on camp conduct, safety, local hiring opportunities), and identify mitigation measures together. Information on job opportunities will be transparently shared with project communities to maximize local employment. All workers will receive induction training emphasizing respectful community interactions and zero tolerance for harassment or GBV. Community members will have access to the project GRM to raise any concerns related to labor influx, which will be addressed in a timely manner.

Community Workers

Community workers, as per definition provided in the WB's ESS2, will not be involved in the Project.

Primary Suppliers:

Primary suppliers are suppliers who, on an ongoing basis, provide directly goods or materials essential for the core functions of the Project. Based on previous experience from highway construction in Georgia, materials will be sourced from available local suppliers to be selected by the primary contractor. These goods can be some locally produced fruits and vegetables, materials can be posters and wooden stuff for temporary road safety signs. These suppliers are not expected to fall under the definition of 'primary suppliers as listed above.

If during the Project implementation, significant risks related to project suppliers are identified, the supervision company will be responsible for conducting due diligence on the primary supply workers (those providing key materials for road construction, in particular raw materials), to ensure there is no forced and/or child labor (as per the Labor Code of Georgia: chapter III, clause 10). In conducting due diligence, the supervision company will:

- Inform the provider that they will not engage a provider who has forced and/or child laborers;
- When possible, visit the company/factory, and conduct interviews with key personnel about their working conditions, as well as informal random interviews with workers;

- Conduct secondary due diligence, by asking information from others who may be familiar with the provider, to make sure there are no reported instances of forced labor or child labor;
- If necessary, and when possible, engage the Labor Inspection Service to conduct checks on supplier to ensure no child labor or forced labor;
- Keep records of the information and include in reporting to RD.

The same responsibilities are mentioned under ESS 2 paragraph 41: where there is a significant risk of serious safety issues related to primary supply workers, the Borrower will require the relevant primary supplier to introduce procedures and mitigation measures to address such safety issues. Such procedures and mitigation measures will be reviewed periodically to ascertain their effectiveness.

Timing of Labor Requirements: The timing and sequence of labor requirements in terms of numbers, locations, types of jobs and skills required will be prepared during the project implementation phase after finalization of detailed design. It is expected that the construction phase of the project will last approximately 24 months.

2. ASSESSMENT OF KEY POTENTIAL LABOR RISKS

Key Labor Risks

Labor risks under the project are primarily related to civil work associated with the construction of the road section of the Project: earth works, excavation, installation of poles, blasting (if necessary); etc. Given that many of the civil works will be held in rural agriculturally active locations, some works related to clearance of vegetation, demolition of buildings within right of way will also be performed. Other Project activities are likely to involve office work and field travel, for example in relation to site supervision, stakeholder engagement activities, and land, geological and other surveys. General list of risks can be found in the table below, while a more detailed description of risks follows the table.

Project activity	Key types of labor risks	Proposed measures
Construction and upgrading of highway road	• Occupational health and safety (OHS) hazards related to highway construction works including related accidents • Traffic safety • Spread of transmittable diseases • Unequal or unfair treatment of employees,	• Implement OHS and traffic safety measures described in the ESIA/ESMP • Conduct training • Implement the code of conduct • Ensure availability of emergency preparedness and

Project activity	Key types of labor risks	Proposed measures
	especially vulnerable workers • Discrimination and harassment in the workplace	incident reporting systems • Maintain functioning workers' grievance mechanisms • Maintain valid insurance for all project employees

The main risks associated with the Project involve general occupational health and safety hazards typical for highway construction works such as: use of heavy equipment/machinery, trip and fall hazards, working at heights, exposure to noise and dust, falling objects, storage and exposure to hazardous materials and exposure to electrical hazards from the use of tools and machinery. Persons under the age of 18 will not be employed under the Project. Many workers will be exposed to occupational health and safety hazards, primarily including but not limited to:

- Working at height in case when air installation may be needed
- Excavations, earth works hazards vibration, blasting.
- Electrocutions and Electrical works
- Exposure to gases and possible fire if using any devices that produce spark or flame near the manholes.
- Falling into the manholes
- Travel and working on steep and treacherous terrain.
- Traffic accidents
- Lifting of heavy structures
- Accidents with exposed rebars
- Exposure to construction airborne agents (dust, etc.)
- Ergonomic hazards during construction
- Environmental hazards (snakes, wasps, bees, etc.)
- Weather hazards (heavy snow, rain, hail, etc.)
- Welding hazards (fumes, burns and radiation)
- Vibration of heavy construction equipment
- Use of rotating and moving equipment;
- Lack of workers' awareness on occupational health and safety requirements such as the use of personal protective equipment (PPE) and safe workplace practices;
- Long overtime hours may be a potential labor risk, and lack of adequate rest period during the week.

- Working with special machinery such as compactor, drill rig, etc.

The Project risk of sexual exploitation and abuse and sexual harassment (SEA/SH) risk is assessed as low. The assessment is based on a review of national legislation and available information on SEA/SH aspects in the country as well as information provided by the IRD regarding to the KCIP. The project works will be implemented away from residential areas. The majority of labor force is expected to be recruited from local communities or other parts of Georgia. Over the last fifteen years, Georgia has progressively strengthened its legislation, institutional capacity and services in support of gender-based violence survivors, and enforcement mechanisms, introducing clearer definitions and penalties for sexual violence and harassment. Prohibition of SEA/SH will be introduced in the Code of Conduct (as it was done for all WB-financed projects, including KCIP) to be acknowledged and signed by all workers. Training on SEAH issues and the available protocols for handling SEA/SH complaints in a sensitive and confidential manner will be provided to all workers and communities in the project corridor. The protocol for handling SEA/SH grievances will involve a referral mechanism to the appropriate specialized service providers identified with SEA/SH service provider mapping.

No other significant labor risks are expected under the Project. If additional labor risks arise during project implementation, Civil Works Contractor will develop procedures to prevent further impacts.

Vulnerabilities of project workers

RD will undertake appropriate measures of protection and assistance to address the vulnerabilities of project workers, including specific groups of workers, such as women, people with disabilities, migrant workers and children (of working age in accordance with this ESS). Such measures may be necessary only for specific periods of time, depending on the circumstances of the project worker and the nature of vulnerability.

Vulnerable workers under the project may include women, unskilled labor force, migrant workers, locally recruited workers from an ethnic minority, workers with disability or with health conditions that require accommodation or specific preventive measures, among others. In line with the national legislation of Georgia all project workers will be recruited and treated without any bias or discrimination. Additionally, the project – RD and the respective employers of contracted workers - will take all measures to ensure that the provisions of national law and this LMP are met for all workers taking special consideration of the requirements of vulnerable workers. This may include, for example, ensuring that training, grievance mechanism, and other necessary information are provided in an accessible manner and in a language understood by the workers; that foreign workers are provided with adequate work permits and information on their rights and obligations associated with their employment and temporary residence in Georgia, among other measures.

3. BRIEF OVERVIEW OF LABOR LEGISLATION: TERMS AND CONDITIONS

All employment under the project is required to follow the provisions of the national legislation of Georgia and the present LMP. RD, as project implementing entity, is responsible for monitoring and ensuring compliance with national labor laws and LMP. This includes monitoring, and where necessary applying remedial actions, in order to cause all contractors and subcontractors to ensure compliance with national labor legislation and requirements of the project LMP.

Below is the overview of the key aspects of national Labor Code (2010, 2013, 2018, 2020, 2021, 2023, 2024 and last update 16.04.2025) with regards to terms and conditions of work which address requirements of the WB's ESS 2 on Labor and Working Conditions (para 11). Where gaps between national legislation and ESS2 have been identified, the procedures, terms and conditions described in this LMP will be followed.

Wages and Deductions

According to Article 5 of the Organic Law of Georgia on the Labour Code of Georgia (2010, last updated 21 September 2023), as part of the pre-contractual relationship, the employer is required to provide the candidate employee with the information about the work to be performed, the type of employment contract (written or oral) and terms (fixed or open-ended, the working conditions, legal rights of the employee as part of the employment relationship and remuneration. The Labor Code ("LC") regulates part-time work. Labor code of Georgia as amended by Organic Law of 29 September 2020, published on 5 October 2020. Also, ESS2 requirements apply to part-time workers, as well, including the requirement for the provision of information and contracts. Employment contracts can be performed in writing or orally, however contracts exceeding 3 months must be concluded in writing form. The core terms of the employment contract are: the date on which the employment commences and duration of the contract, working time and rest time, place of employment, position and job description, remuneration and terms of payment; overtime and relevant remuneration /rates, paid and not paid holidays (LC article 6).

A labor agreement will determine the form and amount of remuneration. Remuneration will be paid at least once a month. The employer will pay the employee 0.07% of the delayed sum for each day of delay in any compensation or payment (LC Article 41). The minimum wage limit is not regulated by the Georgian legislation. The employer may deduct from the employee's remuneration overpayments or any other sum payable by the employee under labor relations. The total amount of a lump-sum deduction from remuneration will not exceed 50% of remuneration (article 43, section 2 of Labor Code). The employer will pay full compensation to the employee for work-related damage that caused any deterioration of the employee's health and will cover the subsequent, necessary treatment costs (LC Article 45, section 6).

Working Hours

According to the Labor Code of Georgia, duration of work will not exceed 40 hours per weeks (8 hours per day). In case of specific types of employment (defined by the government of Georgia) duration of work will not exceed 48 hours per week. In an enterprise with a specific work regime, where the production/work process operates in a continuous mode exceeding 8 hours, the duration of normalized working time must not exceed 48 hours per week. After consultations with social partners, the Government of Georgia determines the list of sectors that fall under a specific work regime. The uninterrupted rest period between working days/shifts must not be less than 12 hours.

If the duration of shift during a working day exceeds 6 hours, the employee is entitled to a break. The duration of the break is determined by agreement between the parties.

If the duration of working time during the working day is at least 6 hours, the break must be at least 60 minutes. In addition to the 12-hour daily rest period stipulated under paragraph 4 of this Article, the employer shall ensure that the employee is provided with an uninterrupted rest period of no less than 24 hours within each 7-day period.

The duration of the working time of a minor between the ages of 16 and 18 shall not exceed 36 hours a week. There is no strict limitation for shift workers, apart from the fact that the duration shall be determined by a shift schedule made up by an employer and which is based on work specificities. (LC Article 24 sections 3, 4, 5, 7).

Working at night (night is considered to be between 22:00 and 6:00) is prohibited for minors, pregnant women, women who recently gave birth, nursing mothers as well as official caregivers of children under the age of 3, as well as persons with disabilities (LC Article 28).

The employer is obliged to record employees' working time in writing and/or electronically on a daily basis and to make the monthly document reflecting the accounting of working time (hours worked) available to the employee, except in cases where, due to the specific nature of work organization, such recording is impossible.

The employer is required to retain the working time (hours worked) accounting records for one year.

The form of working time accounting shall be determined by the Minister of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Protection of after consultations with social partners.

Overtime

Overtime work is defined as work performed by an employee, by agreement between the parties, during a period that exceeds the duration of normal working hours.

For minors, the duration of overtime work shall not exceed 2 hours per working day and 4 hours per working week in total. Overtime work shall be remunerated at an increased hourly rate of pay, the amount of which shall be determined by agreement between the parties.

Payment for overtime work shall be made together with the monthly remuneration payable following the performance of the overtime work.

The parties may agree that, instead of monetary compensation for overtime work, the employee will be granted proportionate additional rest time.

Such additional rest time must be provided no later than 4 weeks after the overtime work has been performed, unless otherwise agreed by the parties (LC Article 27, section 3).

The employer is obliged to notify the employee in writing at least 1 week in advance of the planned overtime work, except in cases where, due to the employer's objective operational needs, prior notification is not possible. Overtime is obligatory without payment only when it is required for prevention of natural disasters and/or elimination of underlying consequences; with adequate remuneration when it is required for prevention of industrial accidents and/or elimination of their consequences. It is prohibited to request overtime for the following categories of employees without their consent: pregnant women, women who recently gave birth, persons with disabilities.

Rest Breaks

If the duration of working time during the working day exceeds 6 hours, the employee is entitled to a rest break. The duration of the break shall be determined by agreement between the parties.

If the duration of working time during the working day is at least 6 hours, the break must be no less than 60 minutes. An employee who is a breastfeeding mother and is feeding a child under the age of one shall, upon her request, be granted an additional break of no less than 1 hour per working day for the purpose of feeding the child. This break shall be considered working time and shall be paid. In addition to the 12-hour daily rest period provided under paragraph 4 of this Article, the employer shall ensure that the employee receives an uninterrupted rest period of no less than 24 hours within each 7-day period (LC Article 24, sections 4, 5, 6, 7).

Non-Discrimination

Georgia's labour legislation provides a comprehensive framework prohibiting discrimination in all stages of employment, including recruitment, working conditions, remuneration, termination, and access to professional development. Discrimination is defined broadly and includes any form of unequal or unfair treatment—direct or indirect—based on personal or social characteristics such as race, ethnicity, gender, age, disability, health status, religion, political or social affiliation, sexual orientation, or any other status that undermines equal opportunity.

The law also recognizes harassment, including sexual harassment, as a form of discrimination and requires employers to ensure equal pay for equal work. Employees are protected from any adverse action or retaliation for submitting complaints or participating in discrimination-related proceedings.

These provisions apply across all levels of the professional hierarchy and ensure equal access to employment, career advancement, training, and membership in labour or employer organizations. The framework also extends to occupational social protection measures, including healthcare and social security.

Overall, the legislation establishes strong safeguards to promote fairness, protect workers' rights, and ensure an inclusive, non-discriminatory working environment in line with international labour standards (LC Articles 4, 5).

Annual Leaves

Under the Labour Code of Georgia, employees are entitled to a minimum of 24 working days of paid leave and 15 calendar days of unpaid leave per year. Additional paid leave is granted in specific circumstances, including work under hazardous conditions, participation in emergency response or military operations, and peacekeeping missions. Any contractual arrangement that restricts or diminishes the employee's right to annual paid leave is legally void.

Employees acquire the right to request paid leave after 11 months of employment, although it may be granted earlier by mutual agreement. From the second year onward, leave may be taken at any point during the working year and may also be used in parts. Certain periods—such as temporary disability, maternity and childcare leave, and adoption-related leave—are not counted as paid leave.

Employers may establish internal leave schedules unless otherwise specified in the employment contract. Unpaid leave requires a two-week prior notification, except in cases of urgent medical or family circumstances. The calculation of eligibility for paid leave includes actual working time and forced downtime caused by the employer but excludes unjustified absences and unpaid leave exceeding seven days.

Carrying over the paid leave to the following year is permitted only when necessary for operational continuity and only with the employee's consent. This exception does not apply to minors, and annual leave cannot be carried over for more than two consecutive years.

Additionally, Georgia recognizes approximately 18 public holidays. Any work performed on a public holiday must be treated and compensated as **overtime**, in accordance with Article 30 of the Labour Code.

These provisions establish a comprehensive framework that safeguards employee rights, ensures predictable leave management, and aligns national labour practices with international standards on fair working conditions and worker protection.

Parental Leave

As per the Labor Code of Georgia paid maternity and childcare leave should be granted by the Employer for 126 calendar days to women or 143 days in the event of complications or multiple births. Any unused days from this category of leave can be utilized by the father. Additional 604 calendar days, in case of any difficulties related to health condition - 587 days, may be requested by the employee out of which 57 should be paid (article 37 of Labor Code).

Labor Disputes

1. A labour dispute is a disagreement arising during an employment relationship, the resolution of which is within the lawful interests of the parties to the employment contract.

2. A dispute arises when one party sends a written notice to the other party informing them of the disagreement.

3. Grounds for a labour dispute may include:

a) violation of human rights and freedoms provided for by the legislation of Georgia;

b) violation of the terms of an individual employment contract, a collective agreement, or labour conditions;

c) disagreement related to the essential terms of an individual employment contract and/or the terms of a collective agreement between the employee and the employer.

Such disagreement must be resolved through the conciliation procedures prescribed under Articles 62 or 63 of Labour Code.

4. Consideration of a dispute does not result in the suspension of the employment relationship.

5. A dispute arising during an individual employment relationship shall be resolved through the conciliation procedures established by Article 62, and/or by applying to a court or arbitration.

6. A dispute arising during a collective employment relationship shall be resolved through the conciliation procedures established by Article 63, and/or by applying to a court or arbitration.

7. An employee who is a party to a collective agreement retains the unrestricted right to protect their rights individually regarding any specific matter arising from the dispute.

The Labor code of Georgia includes provisions that allow workers to resolve disputes in cases where there is a disagreement between the employer and the employee over the essential terms and conditions of a labor agreement or other aspects of work. Such disagreement will be resolved in compliance with the conciliation procedures.

These procedures imply direct negotiations between the employee and the employer. A party shall notify the other party in writing about initiating the conciliation procedures. The notification must specify the grounds for the arisen dispute and claims of the party. The other party shall be obliged to review the written notification and inform the party of its decision in writing within 10 calendar days after receiving the notification. Representatives or parties shall make a decision in writing that shall become a part of the existing labor agreement. If the parties fail to reach an agreement over the dispute within 14 calendar days after receiving the written notification about initiating conciliation, a party may refer the dispute to the court. If a party avoided participating in the conciliation procedures within 14 calendar days after receiving the written notification, the burden of proof for determining the facts of the dispute shall lie on that party (LC Article 62).

Minimum Age of Employment

The minimum employment age in Georgia is 16 years. Children under the age of 16 can enter into an employment agreement with the consent of their legal representative or custodian, given it does not harm them in any way and does not hold minors from acquisition of education. (LC Article 10).

However, the law does not require employers to carry out additional risk assessment of working conditions for persons from 16 to 18 years and to implement additional protection measures, as is required under World Bank ESS2.

Persons below the age of 18 are prohibited to engage in hazardous, harsh and harmful work and night work.

An employment contract with a minor under the age of 14 may be concluded only for activities in the fields of sports, arts, or culture, or for the performance of advertising work.

It is prohibited to conclude an employment contract with a minor for work related to:

- gambling industry,
- night entertainment establishments,
- the production, transportation, or sale of erotic or pornographic materials,
- the production, transportation, or sale of pharmaceutical or toxic substances.

It is prohibited to conclude an employment contract with a minor, as well as with a pregnant woman, a woman who has recently given birth, or a breastfeeding woman, for work performed under heavy, harmful, or hazardous conditions.

The Project will not hire employees under 18 years of age.

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

Forced Labour

No forced labor will be used during the works, which is prohibited under the Labor Code (article 79 of the Labour Code): forced labour—meaning any work that a person would not perform voluntarily and which is demanded from them under the threat of any sanction, provided that such act does not constitute a criminal offense, shall result in a fine imposed in accordance with paragraph 1 of Article 77 of this Law, in the amount of three times the applicable fine.

The violation described in paragraph 1 of the Article 79, when committed against a minor, a pregnant woman, or a person with a disability, shall result in a fine equal to twice the amount specified in paragraph 1.

Repetition of the violation provided under paragraph 1 or paragraph 2 of this Article within one calendar year following the imposition of an administrative penalty for the same act shall result in a fine equal to double the amount of the fine imposed for the respective violation.

In addition, Georgia ratified the ILO Forced Labor Convention and the convention is currently in force. Law of Georgia on Combating Human Trafficking explicitly sets out prohibition of human trafficking and provides preventive measures as well as actions to be taken against trafficking across the country. The Criminal Code of Georgia lists different categories of trafficking as criminal offences and sets punishment ranging from 3 to 20 years imprisonment depending on specifics and circumstances of the offence.

In summary, there are several areas where national legislation is either partially aligned with ESS2, or the implementation modality is not well defined:

- 1) The Labor Code does not prescribe the rate of payment increase for overtime work. There is no requirement for employers to carry out an appropriate risk assessment when employing a child between ages of 16 and 18 years, as required by the ESS2, nor to monitor how the protective measures for young workers are implemented. No workers under 18 will be employed in this project.
- 2) While the Labor Code provides for an optional conciliation procedure, there is no specific requirement for employers to establish a workers' grievance mechanism. RD and all employers (management of contractors, sub-contractors, and consultant teams) under this project will be required to develop and maintain a grievance mechanism which will be officially adopted and communicated to all employees. The grievance mechanism for employees will include a protocol for confidential and survivor-centered handling of sensitive complaints such as complaints related to sexual exploitation and abuse and sexual harassment. All employees will be clearly communicated details on accessing and the functioning of the workers' grievance mechanism/s available to them.
- 3) The Labor Code does not provide for a minimum wage. The limit on maximum overtime hours is not included in the law. Under the project, the wage and overtime payment conditions will be clearly communicated with workers prior to beginning works in their written contracts/work agreements.

The formula for calculating the severance payment in instances of collective redundancies is not provided in the Labor Code, which may create a risk of social insecurity for workers who are dismissed. The law allows that termination payments and other statutory benefits are paid to the workers within 30 days for termination, while the ESS2 requires these payments to be made before the termination of employment. The terms of severance and termination under the project will be clearly communicated with workers prior to beginning works in their written contracts/work agreements.

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

This section sets out the **key aspects** of the national labor legislation with regards to occupational health and safety, and how national legislation applies to the different categories of workers identified in Section 1. The overview focuses on legislation which relates to the items set out in ESS2, paragraphs 24 to 30.

The OHS measures will be designed and implemented to address: (a) identification of potential hazards to project workers, particularly those that may be life threatening; (b) provision of preventive and protective measures, including modification, substitution, or elimination of hazardous conditions or substances; (c) training of project workers and maintenance of training records; (d) documentation and reporting of occupational accidents, diseases and incidents; (e) emergency

prevention and preparedness and response arrangements to emergency situations; and (f) remedies for adverse impacts such as occupational injuries, deaths, disability and disease.

ESS 2:” Project workers will be provided with facilities appropriate to the circumstances of their work, including access to canteens, hygiene facilities, and appropriate areas for rest. Where accommodation services²¹ are provided to project workers, policies will be put in place and implemented on the management and quality of accommodation to protect and promote the health, safety, and well-being of the project workers, and to provide access to or provision of services that accommodate their physical, social and cultural needs.”

The Constitution of Georgia establishes a fundamental right to safe working conditions (Article 26). Law of Georgia on Labor Safety (2019, last updated on June 26, 2025) defines general principles of basic requirements and preventive measures that are related to OHS at the workplace, the existing and anticipated risks, prevention of accidents and occupational diseases, training, informing, and consulting of the employees, and their equal engagement in the occupational health and safety protection issues.

The law applies to all areas of economic activity, including the labor relations as determined by the Labor Code and the Law of Georgia on Civil Service. The law applies also to category of workers who are employed for a period shorter than three months and do not have written contracts. The law does not apply to defense, intelligence, and security agencies nor to labor activities during emergency and martial law.

The Law of Georgia on Labor Safety (“LS”) includes provisions on occupational health and safety, and applies to direct and contracted workers, including foreign workers. The overview below provides key aspects of legislation, which relates to the items set out in ESS2, paragraphs 24 to 30.

Responsibilities of the Employer

To ensure due compliance with OHS, the employer is required to carry out risk assessment, which aims to identify hazards at the workplace and the associated preventive measures. The employer is required to carry out risk assessment at all stages of work process, in order to eliminate or reduce possible risks, and should update the risk assessment document on regular basis. Risk assessment documents should be kept duly by the employer. The employer is required to develop and implement procedures to establish and maintain a safe working environment, including that workplaces, machinery, equipment and processes under their control are safe and not carrying risk to health. This also includes use of appropriate measures related to chemical, physical and biological substances and agents, and obligation to carry out periodic control of safety conditions and checking the status of technical equipment.

Whenever avoidance of health and safety hazards is not possible, the employer shall provide appropriate protective measures. These measures include controlling the hazard at source using protective solutions and providing adequate PPE at no cost to the employee.

Employers are obliged to assign safety officers at the workplace. A workplace with fewer than 20 employees may have one of the existing employees to additionally cover the health and safety compliance functions, provided that they have undertaken certified training. Workplaces with 20 to 100 employees are required to employ at least one safety officer. As for the workplaces with over 100 employees, the law requires at least two safety officers.

The employer is responsible to provide OHS training to employees in language understandable to them on: a) general principles of health and safety as set out by the law; b) working procedures, equipment, machinery and manual and instructions for the use and repair of work equipment; c) emergency situations and evacuation plans and their implementation activities; d) existing threats and risks and also on measures to be taken with regards to overcoming such situations.

The training must be provided to employees a) at the start of their employment, but before they actually commence work; b) in the event when employee is placed on another job; c) prior to the launch of new technological process and work methodology, as well as the use of new machinery and/or before the change in the production process; d) as part of the continuous training process, which requires conduct of training repeatedly.

As required, all workers involved in the Project are receiving the induction training at the contract signature. The basic health and safety training is provided to all workers, which includes following modules:

- General Health and Safety training on principals of safety during the road construction works;
- Personal Protective Equipment (PPE) requirements and PPE's applicable to the workers;
- Training on General machinery and operations

Additional modules are delivered for specific workers

- Working at height and in the excavation for workers involved in civil construction sites;
- Machinery operators,
- Operators of handheld tools,
- Heavy machinery operations.

All workers involved in the high-risk operations like lifting equipment, high pressure equipment etc. are provided only the general training and the documentation on periodic training in accordance with specificities of the job is checked for validity.

The law does not explicitly require the employer to maintain training records. Training on occupational health and safety is delivered at employer's expense, and the time spent in training counts as working hours.

Subject to the size of the workplace, the employer is also responsible to provide the following information to its employees and employee representatives on: a) occupational risks and hazardous industrial factors which are specific to the workplace and which may potentially cause impact on health of employees and measures taken by the employee for prevention purposes; b) emergency situations, evacuation plans and activities to be carried out in the event of increased danger, as well

as procedures and measures to be followed during accidents and fire; c) prohibitions on entering the premises, remaining in the premises or carrying out work, which may pose risk for life and/or health of employees.

Employers can restrict access to workplace to the employee who is under the influence of alcohol, drug or psychotropic substances.

Reporting on Accidents, Fatalities, Injuries

The employer is responsible for recording accidents, instances of professional diseases and dangerous accidents and provide such information to employees or their representatives upon request (LS Article 5.1). Initially the reporting obligation of accidents rests with employees, who are responsible for notifying the employer of the accident immediately along with any relevant material information about the accident. The employer is then obliged to take immediate necessary measures in order to prevent further threats to health and life; preserve the workplace where the accident took place for formal investigation purposes, unless it is necessary to take measures to further protect life and health of workers or to prevent serious economic loss. During the first 24 hours after the accident, the employer should notify the relevant authorities including respective trade unions and employee representatives; law enforcement bodies (police) and Labor Inspectorate in cases of medium, severe, fatal and mass accidents.

The employer also has the responsibility to keep a log of accidents and occupational diseases at workplaces.

In addition, the employer should keep evidence about medium gravity accidents, severe, fatal and massive accidents, which should contain data required for accurate description of accident if consequences of accident show up at a later stage.

Provision of Workers' Insurance in Instances of Injuries, Fatalities, Disability and Disease

Article 5.9 of the Law of Labour Safety obligates employer to provide workers with insurance against accidents at the employer's expense. This obligation applies only to workers engaged in heavy, hazardous, and dangerous work, as defined by a bylaw issued by the Minister [Health](#), Labour and Social Affairs. The provision does not specify separate categories such as injuries, fatalities, disability, or occupational diseases; rather, it is limited to accidents.

An accident is defined as an incident that occurs during the work process or in connection with work activities, and results in:

- injury to the worker or a third person,
- limitation or loss of work ability,
- a fatality, or
- a declaration that the worker or other persons are missing.

Under LS Article 10.1(e), the employee is entitled to compensation for damage resulting from an accident at the workplace, including cases of occupational injury.

However, the employer is exempted from liability, if the accident at the workplace was caused by circumstances which could not have been considered in advance or if it was beyond the control of the employer, or because of the predictable circumstances, which could not be prevented despite employer's attempts (LS Article 5.13). The law is not explicit if in this case the insurance would still pay damages.

Preventive and Protective Measures

At all stages of work, the employer is obliged to assess risks of harm to health, update the risk assessment document, and take appropriate preventive measures in accordance with the administrative-legal act issued by the Minister, considering the size and specific nature of the enterprise.

The employer must take measures based on the following general principles:

- a) avoid existing risks where possible;
- b) assess risks and hazards that cannot be avoided;
- c) reduce risks, including by eliminating their sources;
- d) within the employer's capacity, and considering the specific nature of work, replace hazardous factors with safe or less hazardous ones;
- e) develop a coherent policy of preventive measures that considers the characteristics of the working environment and production processes;
- f) on the basis of subparagraph (e) and hazard analysis, prepare a written document that outlines measures for reducing or eliminating risks to the health of employees or other persons in the workplace; the document must describe:
preventive measures applicable to all types of activities and management levels, implementation deadlines, responsible persons, and required resources;
- g) give priority to collective protective measures over individual protective measures, unless otherwise provided by Georgian legislation;
- h) provide employees with appropriate training and instruction;
- i) ensure the adaptation of work to the employee, particularly with respect to workplace layout, selection of equipment, and work and production methods, to reduce monotony and limit negative health impacts.

2. The employer is obliged to keep the risk assessment document in accordance with the administrative-legal act issued under paragraph 1 of this Article.

3. Additional Obligations of the Employer Based on the Enterprise's Specifics and the Risk Assessment Document.

To ensure safe and healthy working conditions and to prevent workplace accidents and occupational diseases, the employer shall:

- a) based on distribution of functions, define in writing the obligations and responsibilities of relevant employees and other persons present in the workplace in the field of labour safety;
- b) allow access to workstations with occupational risks only to employees or other persons who have undergone specific training or instruction;

- c) identify and register workplaces with hazardous conditions;
- d) ensure uninterrupted and proper functioning of: protective and control systems, equipment used for collecting and neutralizing hazardous substances;
- e) provide any necessary information and documentation to the supervisory authority upon request, and comply with its instructions;
- f) equip the enterprise with appropriate collective protective equipment;
- g) provide employees and other persons in the workplace with necessary, effective personal protective equipment (PPE) free of charge where required for the protection of life or health, and ensure its cleanliness and proper technical condition;
- h) ensure that employees undergo pre-employment and periodic medical examinations in cases defined by Georgian legislation;
- i) prohibit permitting any employee or person to work under the influence of alcohol, narcotic, or psychotropic substances, and establish through internal regulations the group of employees and/or other persons authorized to supervise this process (LS Article 6).

First Aid Facilities and Fire Safety

The employer is obliged to implement necessary measures in order to provide first aid, fire safety and evacuation, as well as establish immediate communication with emergency, ambulance services and respective authorities. The employer does not have the right to request an employee and other persons present in the work area to continue working as long as the increased or imminent threat is present. Employees shall not be put in the disadvantaged position for leaving work area and/or territory under risk during the increased threat and should be protected from the negative consequences (LS Article 8).

OHS Risks which may be Specific to Female Workers

LS Article 5.7 prohibits the employer from employing pregnant women or women, who are breastfeeding, in positions, which may bear high risk or/and be harmful for the mother or child. The list of such jobs is determined by a separate bylaw passed by the Minister of Labor in consultations with Tripartite Commission.

Right and Responsibility to Report Unsafe Situation, Right to Leave the Workplace and Prohibition of Retaliation for Reporting

Employees are responsible for reporting the unsafe situations to employers, including accidents, and they are granted a right to report to an occupational safety officer, a labor inspector, or employee representative if occupational health and safety regulations are not duly complied with (LS Article 10.1).

Employees have a right to refuse to perform tasks or instructions assigned by the employer, which is in contradiction with law, or which due to breach of occupational safety and health regulations may trigger risk for employees. Employees are entitled to leave the workplace in the event of danger (LS Article 10.1).

It is forbidden to dismiss an employee from their job, or to place them in a less advantageous position compared to other employees if such employees exercise rights of reporting or leaving the workplace during the threat of danger (LS Article 10.2).

Collaboration and Consultations with Project Workers on Occupational Health and Safety

LS Article 9 is entirely dedicated to consultations and participation of employees in the issues of occupational health and safety. The employer shall make sure that employees and/or their representative are involved in the resolution of the issues by holding consultations with them and allowing employees to gather for bringing up an issue of concern. The law recognizes the right of employees to elect a representative in order to participate in consultations on occupational safety and health.

In the event that employees of several workplaces work together, each employer involved in this work process is to cooperate with other employers with regards to compliance with occupational health and safety regulations as well as hygiene norms. The employers should also ensure the coordination of their activities according to the specifics of the work, with regards to OHS risk prevention. Employers should also exchange and share relevant information regarding health and safety and professional risks. And finally, it should be ensured that employees and representatives of employees are duly informed of relevant issues (LS Article 5.8).

Facilities for Workers

The law does not elaborate much on facilities and accommodation for workers. It is limited to general obligation of the employer to cover all the costs associated with the occupational health and safety and hygiene at workplace (LS Article 7). The law does not require separate facilities for men and women, and it does not address the requirements for workers' accommodation.

System for Regular OHS Review

Under a general requirement set out by Labor Safety Law, the employer has an obligation to ensure health and safety at workplace. As part of this obligation, an employer shall abide by the requirements set out by the law, make sure that employees' health and safety is not exposed to risks of negative impact. The law requires the employer to regularly carry out control of safety condition of technical equipment as well as maintenance and cleaning of the individual protection gear, proper use and if needed timely replacement of it. In addition the employer should be carrying out measurement and evaluation of such factors in the work environment as: a) physical factors (including temperature, humidity, speed of the air movement, heat emission; non-ionizing emissions; ionizing emission; industrial noise, ultrasound, infrasound, vibration, mostly phyrogenous aerosols (dust), inadequate lighting, air (gas) ions; b) chemical factors (including certain substances received as a result of chemical synthesis (antibiotics, vitamins, hormones, ferments, protein specimen) and/or those substances, which need the methods of chemical analysis for controlling them). The law requires employers to document occupational hazards and report on accidents. However, the law is not explicit about the requirements to document **specific** incidents such as project-related occupational injuries, illnesses, and lost time injuries.

While the Labor Safety Law addresses the main ESS2 requirements related to occupational health and safety, the coverage of certain requirements is partial. The law is applicable to all economic sectors, it does not require employers to keep the workers' detailed OHS training records, provide facilities including access to canteens, hygiene facilities, areas for rest separate facilities for men and women.

5. RESPONSIBLE STAFF

For direct workers, the Human Resource Manager of RD is responsible for implementing the requirements laid out in these Labor Management Procedures for their respective direct employees (staff and project-based consultants) employed directly by the Roads Department.

For contracted workers, the Project Manager of the contractor or consultant company (e.g., construction contractor, supervision consultant company) will ensure adherence to this LMP via bidding documents, contractor's management plans, training and awareness raising activities, monitoring and reporting process throughout project implementation. Management of contractor companies will ensure that the same requirements are transferred to the management of sub-contractor companies and will monitor adherence to them.

Specifically, RD will be responsible for the following:

- Implement this labor management procedure to project workers.
- Ensuring that contractors prepare the Contractor's labor management procedure, in compliance with this labor management procedure, and occupational health and safety plan before initiating civil works.
- Monitor and report on implementation of project contractors' labor management procedures.
- Monitor that the contractors are meeting obligations towards contracted and sub-contracted workers as included in the General Conditions of Contract the World Bank Standard Bidding Documents, and in line with ESS2 and national Labor Code.
- Maintain records of recruitment and employment process of direct workers.
- Monitor employment process of contracted workers to ensure it is carried out in accordance with this labor management procedure and national labor law.
- Monitor that occupational health and safety standards are met at workplaces in line with national occupational health and safety legislation, ESS2 and Occupational Health and Safety Plan.
- Monitor training of the project workers on OHS, SEA/SH prevention, and any other required training.
- Ensure that the grievance mechanism for project workers is established, monitor and report on its implementation.
- Monitor implementation of the workers' Code of Conduct.

- Establish and implement a procedure for documenting specific incidents such as project-related occupational injuries, illnesses, and lost time accidents. Maintains such records and requires all third parties and primary suppliers to maintain them. Such records will form an input into the regular review of OHS performance and working conditions.
- In instances of medium, severe, fatal and mass accidents, inform the law enforcement bodies and Labor Inspectorate.

The civil works contractor is responsible for:

- Prepare Contractor's LMP in accordance with present LMP and national legislation,
- Implementing this labor management procedure to direct workers via its HR department.
- Monitor and enforce their obligations towards contracted and sub-contracted workers as included in the General Conditions of Contract the World Bank Standard Bidding Documents, and in line with ESS2 and national labor code.
- Ensure that sub-contractors are meeting their obligations towards their employees in compliance with this labor management procedure, and occupational health and safety plan before the design stage; Employ or appoint qualified social, environmental, labor and occupational safety experts to prepare and implement project specific labor management procedure, occupational health and safety plans, and to manage subcontractor performance
- Develop their own labor management procedure and occupational health and safety plan, consistent with this LMP and ESS2, which will apply to contracted and sub-contracted workers. These procedures and plans will be submitted to the Supervision Consultant for review and approval before the contractors mobilize for the design stage.
- Contractors will supervise their subcontractors' implementation labor managements procedures and occupational health and safety plans.
- Maintain records of recruitment and employment process of contracted workers.
- Communicate clearly job description and employment conditions to contracted workers and provide them with one copy of the employment contract.
- Develop, implement and maintain workers' grievance mechanism and address the grievance received from the contracted and sub-contracted workers.
- Have a system for regular review and reporting on labor, and occupational safety and health performance.
- Deliver regular work induction training, including but not limited to OHS, HSE, social induction, SEA/SH prevention training to employees.
- Ensure that all contractors and sub-contractor workers understand and sign the Code of Conduct prior to the commencement of works.
- Establish and implement a procedure for documenting specific incidents such as project-related occupational injuries, illnesses, and lost time accidents. Maintain such records and require all third parties and primary suppliers to maintain them. Such records will form an input into the regular review of OHS performance and working conditions.
- In instances of medium, severe, fatal and mass accidents, inform the law enforcement bodies and Labor Inspectorate.

A system for regular review of occupational safety and health performance and the working environment will be put in place and include identification of safety and health hazards and risks, implementation of effective methods for responding to identified hazards and risks, setting priorities for taking action, and evaluation of results.

The Supervision Consultant will oversee labor and safety performance on a daily basis, on the behalf of the Employer. The Environmental and Social Management Plan (ESMP) requires the Supervision Consultant to employ qualified experts for such oversight and to report on performance to RD on a monthly basis.

After the bidding process is completed and the Contractors are known, this labor management procedure can be updated to include additional details about companies, as necessary.

6. POLICIES AND PROCEDURES

This section outlines main policies and procedures to be followed during project implementation. This section will be updated and amended as needed, after construction contracts have been awarded. The direct project workers will sign the project-specific Code of Conduct.

With regard to contracted workers, the Contractors (civil works contractors, sub-contractors, as well as consultant teams and all other Employers of contracted workers in the Project) will prepare labor management plans based on this labor management procedure, and compliant with ESS2 and national Labor Code. The principles and procedures presented below represent minimum requirements but are not an exhaustive list of requirements.

As specified in Labor Code of Georgia, the employment of project workers will be based on the principles of non-discrimination and equal opportunity. There will be no discrimination with respect to any aspects of the employment relationship, such as recruitment, compensation, working conditions and terms of employment, access to training, promotion or termination of employment. The following measures will be developed by the contractors and monitored by RD and the supervision consultant to ensure fair treatment of all employees:

As per Labor Code requirements, recruitment procedures will be transparent, public and non-discriminatory with respect to ethnicity, religion, sexual orientation, disability, gender, and other grounds included in the Labor Code.

Applications for employment will be considered in accordance with the application procedures established by the contractors. Clear written job descriptions will be provided in advance of recruitment and will explain the skills required for each post.

All workers will have written contracts describing terms and conditions of work and will have the contents explained to them. Workers will sign the employment contract. Terms and conditions of employment will also be available at work sites.

Unskilled labor will be preferentially recruited from the affected communities, settlements and municipalities.

Employees will be informed of planned contract termination at least one month before their expected release date. If more than 50 workers will be terminated within any three-month period, the Employer will prepare a retrenchment plan for review and approval by the Supervision Consultant.

The contracted workers will not pay any hiring fees. If any hiring fees are to be incurred, these will be paid by the Employer ('Contractor').

Depending on origin of the employer and employee, the contracts will be developed in corresponding language understandable for both parties.

In addition to written documentation, an oral explanation of conditions and terms of employment will be provided to workers who may have difficulties with understanding the documentation. While problems related to the language of communication are not expected, attention should be given to ensuring coordination between different contractors and means to address any language differences.

Foreign workers will require residence permit, which will allow them to work in Georgia.

RD will include in contracts that all contractor (and subcontractor) personnel must be of the age of 18 years or more.

All health and safety procedures in accordance the Georgian Labor Safety Law and the present Labor Management Procedures and the project's Environmental and Social Management Framework (ESMF) (and site-specific ESMPs) will apply to the Project. This applies to both direct and contracted workers, including the management of the field teams of engineers, technicians and other personnel.

The construction contractors' workforce will encounter the main health and safety risks. Companies that submit proposals for the work will have to demonstrate capability to manage health and safety risk and provide corresponding documentation. After the contract award, the contractors are required to develop the contractor's labor management procedures and occupational health and safety requirements in accordance with the project ESMP and present LMP. The contractors will ensure that sub-contractors implement occupational health and safety requirements.

RD will include the Project ESMP and LMP requirements into the bidding documents specific OHS standard requirements that all contractors and sub-contractors will meet under this project. The standards will be consistent with local regulations, WB guidelines and GIIP (Good International and Industry Practices). The following OHS standard requirements should, as a minimum be included in the OHS requirements to be prepared by the contractors:

Risk Assessment Procedure

The risk assessment procedure will include among others consideration of:

- Work permitting for hazardous work (working at heights, hot work, work on energized lines, work within confined spaces);
- Golden rules for life threatening works;
- Emergency response procedure;
- Fall prevention and working at heights;

- Excavations safety, Ladders and scaffolders safety; welding and cutting safety; Cranes, Derricks, and forklifts safety; power and hand tools safety;
- Respiratory prevention to chemical and airborne hazards (including dust, silica and asbestos); Electrical safety (hazardous energies control, lock out tag out, energy verification, safe distance work, wiring and design protection, grounding, circuit protection, arc fault protection, Electrical safety, PPE and dielectric tools); hazards communication; Noise and vibration safety; Steel erection safety; fire safety; material handling safety; concrete and masonry safety;
- OHS training;
- Refuse to work policy.

All Contractors must have their own OHS staff who will be responsible for the implementation and supervision of the OHS program. Contractors will provide a safe workplace; therefore, a risk assessment will be completed before the commencement of any construction activities, and safety measures will be implemented in accordance with applicable safety standards. There must be on site resources for first aid and for injuries that are more serious, there must be a pre-approved health facility for medical treatment, as well as appropriate transportation of injured workers. Contractors will control the access to the construction site only to authorized people and verify if workers are meeting training and accreditation requirements. Workers must be trained to perform hazardous works such as working at heights, confined spaces, welding etc.). All workers must complete at minimum an OHS induction to have access to the construction site. Contractors will document and report to RD all accidents and illness with a day lost or more, fatalities or serious injuries that may happen at work site.

When accommodation is provided, there will be clear contractual management responsibilities and monitoring and reporting requirements. Provision will need to be in line with national legislation and international good practice and include:

- Separate facilities will be provided for males and females.
- If there are family members accompanying employees, separate accommodation should be provided for them.
- The movement of workers within the living and area will be conducted according to the internal guideline developed by the Company's management. During the holidays and after the working time the movement of workers will be restricted to authorized areas only, and any deviations will be subject to prior approval by site management.
- Charging fees for the accommodation or the services provided to workers such as food or transport should be avoided where workers do not have the choice to live or eat anywhere else.
- Provision of minimum amounts of space (9 sq.m. for each worker), heating, ventilation for each worker; provision of sanitary laundry, drinking bottled water, cooking and dining facilities and access to potable water.
- Ensuring facilities are kept in good condition (ensuring that sanitary standards or fire regulations are respected for instance) and that adequate health and safety measures are operationalized, including training, periodic testing and monitoring of fire safety equipment and periodic drills.

- An adequate number of on-site personnel are trained to provide first aid. Workers have easy access to medical facilities and medical staff. Where possible, female doctors/nurses should be available for female workers.
- Guidance will be provided to workers on the detrimental effects of the abuse of alcohol and drugs and other potentially harmful substances and the risk and concerns relating to communicable diseases and other health risk-related activities. Workers should also have access to training and adequate preventive measures to enable guidance to be followed.

Supervision Consultant (on behalf of RD) will conduct periodic supervision of contractor's OHS performance, including site visits, at least monthly. These supervisions will cover compliance with above-mentioned standards, accidents, recommendations, and progress of ongoing corrective actions. RD will include in the contract(s) as requirement for contractors to report on issues such as number of accidents rates, severity rates, number of recurring non-compliances, fatalities and serious injuries; and penalties for non-completion.

The supervision consultant will review and approve contractors' health and safety requirements and procedures.

RD will inform the Bank promptly and in no longer than 24 hours about any incident or accident related to the project, which has, or is likely to have a significant adverse effect on the environment, the affected communities, the public or workers (labor, health and safety, or security incident, accident or circumstance). Such events can include strikes or other labor protests, serious worker injuries or fatalities, project-caused injuries to community members or property damage. RD will prepare a report on the event and submit it to the WB.

The civil works contractor will develop and implement Code of Conduct. The construction contractor should also submit the Code of Conduct to supervision consultant for review and approval. The Code of Conduct will reflect the company's core values and overall working culture and include prohibition of sexual exploitation and abuse and sexual harassment. The content of the Code of Conduct is included in the World Bank Standard Bidding Documents and will include provisions relating to RD.

The contractors will be required to provide periodic information on the performance in terms of labor, occupational health and safety issues. The information will be included in the construction contractor's monthly report and will be reviewed by the supervision consultant's team.

In addition, the contractor shall report to RD about any inspections and audits carried out by the respective ministries. The findings of the labor audits will be presented to RD and the Bank, if requested.

7. AGE OF EMPLOYMENT

Georgia law prohibits anyone under 18 from performing hazardous work, and construction is considered hazardous. Thus, no construction workers under 18 years will be employed unless they are hired for office work.

The contractors will be required to verify and identify and age of all workers. This will require workers to provide official documentation, which could include a birth certificate, passport, or medical or school record.

If a child under the minimum age is discovered working on the project, measures will be taken to immediately terminate the employment or engagement of the child in a responsible manner, taking into account the best interest of the child. Project activities will be halted until thorough assessment of the workforce is conducted to ensure that cases of employment minors are present in the Project.

8. TERMS AND CONDITIONS

The terms and conditions applying to all direct Project employees (employees of RD) are set out in the Internal Labor Rules and Regulations of the RD. It provides the rights of all employees in line with the national Labor Code, which is described in the section 3. These internal labor rules and regulations will apply to employees who will work specifically in relation to the project (direct workers). Terms and conditions of direct workers are determined by their individual contracts. Permanent project staff will have individual agreements (labor contract or service contract) with fixed monthly wage rates. All the recruiting procedures should be documented and filed in the folders in accordance with the requirements of labor legislation of Georgia. Forty hour per week employment should be practiced. Requirements and conditions of overtime and leave durations are agreed as part of individual contracts.

9. GRIEVANCE MECHANISM

A grievance mechanism (GM) will be provided for all direct workers and contracted workers to raise workplace concerns. All employees will be informed of the grievance mechanism at the time of recruitment and the measures put in place to protect them against any reprisal for its use. Measures will be put in place to make the grievance mechanism easily accessible to all such project workers.

The workers' grievance mechanism will include:

- A procedure to receive grievances such as contact person, comment/complaint form, suggestion boxes, email, a telephone hotline;
- A register or central database to record and track the timely resolution of grievances;
- A responsible department to receive, record, address and track resolution of grievances.

With regard to direct workers, grievance redress mechanism will be put in place and managed by the Human Resource departments of the Roads Department.

With regard to contracted workers, grievance redress mechanism will be set up by their respective employers. For civil works contractors, the Supervision Consultant will monitor the contractors' recording and resolution of grievances, and report these to RD in their monthly progress reports. The process will be monitored by GRM Focal Point, a supervision company representative who will be responsible for the project GRM. In the absence of supervision consultant, RD's Environmental and Social issues division will ensure monitoring and reporting on the availability and functioning of worker's GRMs within contractor/sub-contractor companies.

The workers' grievance mechanism will be described in staff induction training, which will be provided to all project workers. The mechanism will be based on the following principles:

- The process will be transparent and allow workers to express their concerns and file grievances.
- There will be no discrimination against those who express grievances and any grievances will be treated confidentially.
- Anonymous grievances will be treated equally as other grievances, whose origin is known.
- Management will treat grievances seriously and take timely and appropriate action in response.
- Information about the existence of the grievance mechanism will be readily available to all project workers (direct and contracted) through notice boards, the presence of "suggestion/complaint boxes", and other means as needed.
- The Project workers' grievance mechanism will not prevent workers from using conciliation procedure provided in the Labor Code or any other judicial mechanisms.

Contracted Worker GRM Structure

- Construction Company level: Project manager or human resource manager will be assigned as a grievance focal point. If there is a situation in which the complaint cannot be resolved by the contractor management, workers may also file a complaint with the supervision consultant or RD. The respective contact information will be provided to all workers prior to beginning activities on the project.
- Supervision company level: Human resource management, environmental, or social specialist will serve as Grievance Focal Point to file the grievances and appeals. He/She will be responsible for coordinating with relevant departments/organizations and persons to facilitate addressing these grievances. If the issue cannot be resolved at the Supervision company level within 14 working days, then it will be escalated to RD.
- GM will be accessible to all employees through various means (in-person, written, telephone, fax, social media etc.). Grievance logbook will be maintained in the supervision company office.
- Workplace complaints will be treated confidentially, and only necessary information will be reported to other responsible staff as needed for resolving the case.
- RD and every employer (contractor, supervision consultant, etc.) will adopt a protocol for safe, confidential, and survivor-centered approach to handling of sensitive complaints such as those related to SEA/SH. Such protocols will be based on SEA/SH service provider mapping for the country and project area to ensure safe and confidential referral of SEA/SH survivors to adequate services upon their choice.
- The Project workers' GM will not prevent workers from using judicial procedure.
- Moreover, monitoring of work-related grievances will be carried out by the SSC (Social Safeguards Consultant) of RD on quarterly basis. Same person will review received grievances and their resolution and prepare a short summary to be included in the annual report to WB.

The Supervision Consultant will monitor the contractors' recording and resolution of grievances, and report these to RD in their monthly progress reports. The process will be monitored by GM Focal Point, a RD representative who will be responsible for the project GM.

The workers' GM will be described in staff induction trainings, which will be provided to all project workers. The mechanism will be based on the following principles:

- The process will be transparent and allow workers to express their concerns and file grievances.
- There will be no discrimination against those who express grievances and any grievances will be treated confidentially.
- Anonymous grievances will be treated equally as other grievances, whose origin is known.
- Management will treat grievances seriously and take timely and appropriate action in response.

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

The project manager of the civil works company will ensure that the sub-contractors have information about GRM and relevant procedure in place for their employees prior to engaging in any project activities.

The structure of acting GRM established under the KCIP project by the Contractor:

GM is established at the contractor's level, which creates opportunity to all interested parties including the employees of contractor's including the direct employee, employees of subcontractor and direct suppliers. All involved parties have opportunity to submit the grievance through different ways, Through the formal letter to the company, through written grievances placed in grievance boxes available at the camp site and in the municipality, also through verbal grievance, which has to be recorded by the contractor's Staff trained to deal with verbal grievances.

The grievance redress mechanism established by contractors is based on the grievance redress system of the company which integrates all grievances together including the employee grievances, stakeholder grievances, public grievances etc. The detailed information is provided in the Grievance redress Mechanism document available as a separate operational document approved by the Project manager with members of the company dedicated staff.

The workers' grievance mechanism description is provided to all workers at start of the work in the company in staff induction training. The Grievance redress mechanism in place is placed considering following principles:

- The process is transparent and allows workers to express their concerns and file grievances.
- There is no discrimination against those who express grievances and any grievances will be treated confidentially.
- Anonymous grievances are treated equally as other grievances, whose origin is known.

- Management treats grievances seriously and take timely and appropriate action in response.
- Information about the existence of the grievance mechanism is readily available to all project workers (direct and contracted) through notice boards, the presence of “suggestion/complaint boxes”.
- The system for collection boxes can be extended based on needs assessment.
- The Project workers’ grievance mechanism does not prevent workers from using conciliation procedure provided in the Labour Code or any other judicial mechanisms.

The construction company produced complaint boxes and information banners, which were installed in relevant places located at camp site and in the Municipality. Complaints box was placed in Sagarejo municipality town hall building, and information booklets were distributed to Manavi, Kakabeti, Tokhliauri and Badiauri administrations. In addition, the company filed an application with the relevant services for permission to place informational banners, which will also be placed on the said boards after approval.

The short information regarding the grievance resolution process being implemented by acting contractor for KCIP is summarized in the figure below:

##	Activity	Time frame	Responsible party
1.	Scheduled checking of the grievance boxes, collection of the letters from chancellery and grievance boxes including all boxes from camp and municipalities, and recorded verbal	Every 3 days	Social Specialist
2.	Registration of collected grievances	Every 3 days	Social Specialist
3.	Review of received grievances	Every 7 days or in case of necessity.	Grievance redress team including the project manager, site managers, social specialist - environmental manager and invited responsible managers (Depending on type of grievance).
4.	Discussion of Grievances and decision making on resolution or alternatively ordering collection of additional information for next sessions of grievance resolution.	During the Grievance redress meeting,	Social specialist, site managers (depending on location and subject of grievance)
5.	Resolution and decision delivery to claimant.	2 days after the GRM meeting	Social specialist
6.	Update of the grievance log after the grievance resolution	Immediately after the	Social specialist

		resolution	
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The established GM also covers the Gender Based Violence (GBV). The Social Specialist is dedicated to be contacted in case of GBV. The claimants have possibility to contact the Social Specialist directly in case of GBV, he/she will make sure to follow all procedures for GBV grievance resolution. The confidentiality of claimant is respected unless otherwise requested by the claimant.

The GBV cases will be also included in the grievance log.

The Grievance Submission Form template is presented in annex 1

Reporting Requirements

The contractor is required to provide the information in accordance to the contract on monthly bases to the supervision consultant and employer.

The special chapter in the monthly report is dedicated to the labour management issues including the labour health and safety. The report includes information regarding the number of workers involved in the Project, breakdown by the professions, nationality (local/foreign), and workers accommodation. Separately the report should include the information regarding grievances (grievance log) with information regarding the progress in during the reporting period.

Updates of the Labour Management Plan

The periodic updates of the labour management plan is not required due to the short period of project implementation unless the circumstances at work are not changed to the extent which requires the incorporation of changes to reflect the lessons learned during the implementation of the project.

The Labour Management Plan will be updated in response to the comments and recommendations received from the Supervision contractor or Employer as it is considered by the contract requirements on documentation management and quality assurance.

10. CONTRACTOR MANAGEMENT

RD will use the WB's Standard Procurement Documents for contracts, and these include labor and occupational, health and safety requirements.

As part of the process to select design and construction contractors who will engage contracted workers, civil works contractor and/or the supervision consultant may review the following information:

- Information in public records, for example, corporate registers and public documents relating to violations of applicable labor law, including reports from labor inspectorates and other enforcement bodies;
- Business licenses, registrations, permits, and approvals;

- Documents relating to a labor management system, including OHS issues, for example, labor management procedures;
- Identification of labor management, safety, and health personnel, their qualifications, and certifications;
- Workers' certifications/permits/training to perform required work;
- Records of safety and health violations, and responses;
- Accident and fatality records and notifications to authorities;
- Records of legally required worker benefits and proof of workers' enrollment in the related programs;
- Worker payroll records, including hours worked and pay received;
- Identification of safety committee members and records of meetings; and
- Copies of previous contracts with contractors and suppliers, showing inclusion of provisions and terms reflecting ESS2.

The contracts with selected contractors will include provisions related to labor and occupational health and safety, as provided in the World Bank ESF and Georgian law.

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

Annex 1 – Grievance Submission Form

ფორმა №/ Form №			
სახელი, გვარი: <i>შენიშვნა:</i> ანონიმურობა დაცული იქნება თქვენი სურვილიდან გამომდინარე (გთხოვთ მიუთითოთ)/ Full name: Note: Your anonymity will be protected according to your will (please specify)			
საკონტაქტო ინფორმაცია: მისამართი: ტელეფონი: ელ. ფოსტა: Contact info: Address: Phone: E-mail:			
თქვენთვის სასურველი კომუნიკაცია (გთხოვთ აღნიშნოთ)/ Favourable type of communication (please specify)	ფოსტა/Post	ტელეფონი/Phone	ელ. ფოსტა/Email

პრობლემის არსი/ Essence of the problem: -

**ჩვენთვის საინტერესოა თქვენი აზრი ამ პრობლემის აღმოსაფხვრელად (გთხოვთ
მიუთითოთ)/ Your opinions are very important for us to eradicate the given problem (please specify):**

Contractor/კონტრაქტორი:

Annex 2. Training Log Template

No	Training Title / Topic	Date	Location	Trainer / Institution	Target Group	Participants (M/F)	Key Issues Covered	Materials Distributed	Attendance Sheet (Y/N)	Remarks / Follow-up