



ARMENIAN TERRITORIAL DEVELOPMENT FUND

**ARMENIA TOURISM AND REGIONAL INFRASTRUCTURE  
PROJECT**

# **LABOR MANAGEMENT PROCEDURES**

DECEMBER, 2025

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## ACRONYMS

<b>ATDF</b>	Armenian Territorial Development Fund
<b>CDP</b>	Cluster Development Plan
<b>CERC</b>	Contingent Emergency Response Component
<b>DMO</b>	Destination Management Office
<b>E&amp;S</b>	Environmental and Social
<b>ESIA</b>	Environmental and Social Impact Assessment
<b>ESCP</b>	Environmental and Social Commitment Plan
<b>ESHS</b>	Environmental, Social, Health and Safety
<b>ESMF</b>	Environmental and Social Management Framework
<b>ESMP</b>	Environmental and Social Management Plan
<b>ESS</b>	Environmental and Social Standards
<b>FGRM</b>	Feedback and Grievance Redress Mechanism
<b>GBV</b>	Gender-Based Violence
<b>GFI</b>	Ground-Fault Interrupter
<b>GFP</b>	Grievance Focal Point
<b>GIIP</b>	Good International Industry Practices
<b>GM</b>	Grievance Mechanism
<b>GoA</b>	Government of Armenia
<b>HLIB</b>	Health and Labor Inspection Body
<b>HR</b>	Human Resources
<b>ILO</b>	International Labor Organization
<b>LED</b>	Light-Emitting Diode
<b>LEIDP</b>	Local Economy and Infrastructure Development Project
<b>LMP</b>	Labor Management Procedures
<b>LOTO</b>	Lockout/Tag out
<b>LWG</b>	Local Working Group
<b>MSIP</b>	Management Strategies and Implementation Plans
<b>MSME</b>	Micro, Small and Medium-Sized Enterprise
<b>NGO</b>	Non-Governmental Organization
<b>OHS</b>	Occupational Health and Safety
<b>O&amp;M</b>	Operations and Maintenance
<b>POM</b>	Project Operation Manual
<b>PPE</b>	Personal Protective Equipment
<b>PPP</b>	Public-Private Partnership
<b>PT</b>	Project Team
<b>RA</b>	Republic of Armenia
<b>RP</b>	Resettlement Plan
<b>SEA</b>	Sexual Exploitation and Abuse
<b>SEP</b>	Stakeholder Engagement Plan
<b>SH</b>	Sexual Harassment
<b>TRIP</b>	Tourism and Regional Infrastructure Improvement Project
<b>WB</b>	World Bank

## 1. PROJECT DESCRIPTION

Armenia Tourism and Regional Infrastructure Project (TRIP) would support activities and interventions for sustainable, inclusive, and climate and natural-disaster resilient tourism in six prioritized clusters of **Areni, Dilijan, Dvin, Goris, Gyumri, Jermuk** and **Yeghegis**. The development objective of the Project is to improve access to sustainable, resilient and climate smart infrastructure services for increased tourism contribution to the local economy of project-supported clusters in Armenia. The main Project interventions would seek to address the key constraints to tourism development in each of the clusters, including a lack of basic and quality infrastructure and services, and a need to diversify the offerings and develop the respective main niches identified under the Government of Armenia (GoA) cluster approach. The proposed Project will also follow-on and build on the investments, experience, and lessons learned under the ongoing Local Economy and Infrastructure Development Project (LEIDP).

It will include the following components:

**Component 1: Fostering Integrated and Sustainable Regional Development.** This component will finance technical assistance and consultancy services for, inter alia, the preparation of Cluster Development Plans (CDPs), and the associated analytical and technical studies to develop and implement the CDPs. The component will also support institutional strengthening and capacity enhancement to promote, operate and market the selected offerings in the priority clusters.

**Subcomponent 1.1: Development of CDPs.** This subcomponent will finance consultancies for the preparation of regional and tourism cluster development concepts, pre-feasibility studies, and CDPs. The component will also support participatory approaches to consult and engage with local communities. Public awareness campaigns and associated citizen engagement activities during and after the development of CDPs will be conducted to foster local ownership and informed decision-making. The CDPs would also take into consideration green, resilient, and inclusive development approaches, urban and spatial planning, and coherence with existing regional and municipal development plans. Prioritized interventions from the CDPs will be undertaken under Component 2.

**Subcomponent 1.2: Institutional strengthening and capacity enhancement.** This subcomponent will support the sustainable operation and management of the touristic assets and support local economic development through financing technical assistance, capacity building and advisory for: (i) the provision of trainings, tools and technical support for branding, marketing, and promotion activities within the tourism value chain, (ii) development and implementation of site management plans to enable sustainable operations and maintenance (O&M) of touristic offerings, and (iii) information, data collection and reporting of local tourism statistics. The subcomponent will also finance the establishment and institutional strengthening, of Destination Management Offices (DMOs) that will aim to support better local tourism management.

**Component 2: Supporting Green and Resilient Infrastructure and Enhancing Capacities for Regional Development.** This component aims at closing the identified gaps in the CDPs regarding basic service provision and service delivery from the regional and tourism development perspective across the seven priority clusters. This component will finance engineering, site surveys, and other technical assessments, feasibility studies, architectural and detailed engineering designs, and civil works.

**Subcomponent 2.1: Rehabilitating and upgrading basic infrastructure.** This subcomponent will finance consultancies and civil works to undertake interventions for improving basic infrastructure and urban upgrading, enhancing livability, and improving access to touristic sites and surrounding areas. The investments will include expanding pedestrian zones, rehabilitating streets, access roads and

parking areas; improving the attractiveness of public areas and green spaces; and rehabilitation/upgrading of municipal infrastructure (such as the expansion of local water supply systems and enhancing water efficiency, upgrading of sewerage systems, wastewater and storm water management). The subcomponent will also finance investments to reduce GHG emissions, such as installing light-emitting diode (LED) street lighting, expanding green public spaces and heat-reducing green infrastructure, improving pedestrian connectivity to encourage more non-motorized access to key attractions, and promoting green and eco-friendly alternative modes of transportation (e.g., ropeways, electric buses, cycling, etc.). The subcomponent will also support the use of renewable energy sources wherever feasible, such as solar installation for new and rehabilitated facilities, and considerations for reducing waste, using low-carbon materials, and improving energy efficiency in the construction/rehabilitation of tourism facilities, museums, and cultural heritage assets.

**Subcomponent 2.2: Fostering economic development.** This subcomponent will finance public private investments (civil works) and consultancies to enhance the enabling environment for economic development and private sector investments, including to increase local private sector participation and business development in project areas. Activities to be financed will include provision of complementary public infrastructure improvements (i.e., public private investments and enabling Public-private partnership (PPPs) ), incremental financial support for business development (e.g., matching grants), and provision of professional skills development for Micro, small and medium-sized enterprises (MSMEs), local communities, and other workers involved in tourism and tourism-related businesses. Priority will be given to vulnerable and disadvantaged communities and groups (e.g., women, youth and vulnerable groups who may lack the necessary skills and especially, access to finance).

**Component 3: Program Management and Operational Support.** This component will finance overall project management costs. This includes operational costs, consulting services, non-consulting services, vehicles, goods, communications, outreach, and trainings. It will finance the costs of the project implementing agency to carry out project management functions and ensure all project activities meet the Bank requirements related to environmental, social, fiduciary, and technical standards. The component will also seek to enhance capacities of the project implementing agency through training and knowledge sharing activities. As part of operating costs, the component will also allow for incremental spending to support the preparation of future investment projects that can be financed by the Bank, as may be required. Component 1 - Promoting Integrated, Sustainable, and Inclusive Local Tourism Development will finance technical assistance (TA) and consultancy services to support the preparation of CDPs and associated analytical studies under the GoA's Cluster Approach. The CDPs are expected to inform and guide national and regional development planning practices in tourism, including through fostering community engagement, coordination, governance, and ownership, and supporting private sector participation. Activities under this component may include inter alia: (i) participatory preparation of cluster concepts outlining the tourism vision, (ii) technical assessments and pre-feasibility studies for potential interventions that could be then implemented under follow-on GoA and/or World Bank (WB) projects as part of future series of phased operations, (iii) formulation of CDPs, (iv) public awareness campaigns and associated citizen engagement activities during and after the development of CDPs to ensure local ownership and informed decision-making, (v) support to refining/enhancing branding and promotion for target clusters, and (vi) supporting public-private engagement with stakeholders (such as public, private, community, and donor institutions) involved in the tourism sector. The CDPs will promote green, resilient, and climate-smart technologies and inclusive development approaches (e.g. gender analysis and considerations, disability, vulnerable groups, etc.), and will be aligned with the forthcoming National Tourism Strategy and existing (and planned) regional and municipal master-plans.

**Component 4: Contingent Emergency Response Component** This zero-dollar, ex-ante mechanism will allow for the rapid reallocation of uncommitted project funds towards urgent needs in the event of a disaster (geophysical, climate-related, or man-made), or public health emergency. Such events may include floods, earthquakes, droughts, and disease outbreaks. An agreed trigger for the CERC would enable reallocation of the uncommitted project funds to support immediate response and recovery needs from other project components. The positive list of eligible activities will be specified in the CERC Manual to be prepared before Effectiveness and disbursements would be made against a positive list of critical goods, civil works, and consulting services required to support the immediate response and recovery needs.

## 2. OBJECTIVE AND SCOPE

Labor Management Procedure (LMP) have been prepared to establish an approach and set out requirements in which project workers will be managed in accordance with the national law and the WB Environmental and Social Standards (ESSs), in particular ESS2 on Labor and Working Conditions. These include procedures relating to working conditions and terms of employment, nondiscrimination and equal opportunity, grievance mechanism (GM) and occupational health and safety (OHS). The LMP will set out roles and responsibilities on labor management, including monitoring, to promote consistent application of the national law and ESS2.

The LMP will be implemented throughout the project cycle as soon as the project is declared effective as further detailed in the project's Environmental and Social Commitment Plan (ESCP).

## 3. OVERVIEW OF LABOR USE ON THE PROJECT

**Types of project workers:** the project will involve two broad groups of activities, covering technical assistance and infrastructure investments. The project anticipates involvement of the following category of workers to deliver the proposed activities:

- a. **Direct workers.** People employed or engaged directly by the Armenian Territorial Development Fund (ATDF) to works specifically in relation to the Project. The ATDF will have a dedicated team - the Project Team (PT) to run the Project day-to-day activities.
- b. **Contracted workers.** People employed or engaged through third parties<sup>1</sup> to perform work related to core functions of the project. The ATDF will select through bidding procedures of the WB and will sign contracts with:
  - individual consultants to develop CDPs and to provide technical assistance for institutional strengthening and capacity enhancement under Component 1;
  - design companies to elaborate designs for different sub-projects under the Component 2, to conduct environmental and social (E&S) studies including preparation of Environmental and Social Impact Assessment (ESIA) reports, Resettlement Plans (RPs) as needed, Site-Specific Environmental and Social Management Plan (ESMPs), etc.;
  - construction companies to implement civil works in compliance with the requirements of ESMPs and the LMP;
  - technical supervision companies to oversee the Contractors' operations, the compliance of the works with technical, environmental, social, health and safety (ESHS) requirements.

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<sup>1</sup> Third parties may include contractors, subcontractors, brokers, agents, or intermediaries.

There may be sub-contractors whose workers will fall into the same category and fall under the responsibility of the hiring contractors.

- c. **Primary Supply workers:** Primary suppliers are suppliers who, on an ongoing basis, directly provide goods or materials essential for the core functions of the Project. A primary supply worker is a worker employed or engaged by a primary supplier.

**Community workers:** These include local community members providing community labor as a voluntary contribution to the project. Local working groups (LWG) will also be established at the community level by the community heads and will comprise local representatives, including heads of communities, representatives from the municipality, representatives of local Non-Governmental Organizations (NGOs), nominated active residents and the private sector. **Number of workers:** During project preparation, an estimate of project workers was conducted based on the required direct workers, including part-time staff for project implementation and supervision engineers. This estimate considered the potential scale of civil works, their geographical distribution, and engineering solutions. Human resource requirements for technical assistance activities will be confirmed once the exact interventions are determined. The following table (Table 1) outlines the projected number of project workers for each group of activities. At this stage, it is not feasible to estimate the number of contracted workers, even tentatively. Therefore, the table will be updated in later stages as new contractors and subcontractors are engaged in the implementation of various sub-components.

**Table 1: Project Workers**

Activity	Direct Workers	Contracted Workers	Community Workers
<b>Project Management</b>			
• <b>Project day-to-day management and supervision</b>	PT of the ATDF	-	-
<b>Technical Assistance</b>			
• <b>Design studies, including feasibility and detailed designs</b>	ATDF	Companies contracted for elaboration of feasibility and detailed designs	LWGs
• <b>Policy and regulatory development</b>	ATDF	An individual consultant	LWGs
• <b>Capacity building, including O&amp;M support</b>	ATDF	An individual consultant	LWGs
• <b>Stakeholder engagement activities</b>	ATDF	Companies contracted for elaboration of feasibility and detailed designs, supervision and civil works implementation	LWGs
• <b>Technical supervision of the civil works</b>	ATDF	Companies contracted for technical supervision of the civil works	LWGs

Activities with Works			
Rehabilitation of basic infrastructure and services			
• improving access to tourism sites (access roads, parking, street lighting, etc.)	ATDF	Contracts for civil works	-
• better tourism services and improved municipal infrastructure such as the provision of portable/clean water	ATDF	Contracts for civil works	-
• upgrading of sewage systems, storm water management	ATDF	Contracts for civil works	-
• improving street lighting and safety	ATDF	Contracts for civil works	-
Improvement and delivery of tourism attractions			
• support the green facilities	ATDF	Contracts for civil works	-
• rehabilitation of museums and the assets of cultural heritage nature	ATDF	Contracts for civil works	-

**Characteristics of Project Workers:** All workers must be at least 18 years old, and an age verification mechanism will be established as part of the hiring process.

The RA Labor Code allows for hiring individuals under the age of 18 (between 14 and 18) under specific conditions. Key provisions include:

- No probation period for those under 18 (Article 91);
- Reduced working hours: a maximum of 24 hours per week for 14- and 15-year-olds, and 36 hours for 16- and 17-year-olds (Article 140);
- No overtime work (Article 144);
- No night shifts (Article 148);
- An additional 30-minute break after 4 hours of work (Article 153);
- Written consent from parents required for workers under 16 (Article 89).

Some migrant workers, both domestic and international, may be employed in skilled and unskilled positions. The nature and number of these workers will be confirmed during project implementation.



The project will actively promote the employment of women, people with disabilities, representatives of national minorities, and individuals from low-income households.

**Timing of Labor Requirements:** Key personnel assigned to the implementation of TRIP by the ATDF are expected to be engaged for the duration of the project. Other categories of workers, including contracted workers, will be hired for specific activities at the sub-project level.

There may be interruptions in civil works during the colder months, particularly in areas like Gyumri and Goris, where harsh winter conditions from November 10 to March 20 (or even longer) make certain tasks difficult. Some civil works, such as laying asphalt, require temperatures above +5°C. These limitations primarily affect the civil works under Component 2. Meanwhile, activities under Component 1, as well as institutional strengthening and capacity-building efforts under Component 2, will continue throughout the year.

During the winter season, the number of seasonal or casual workers will be minimal due to the limited interventions possible in cold weather. According to Article 152 of the RA Labor Code, workers engaged in outdoor civil works are entitled to extra breaks when temperatures fall below -10°C or rise above +40°C.

Article 100 of the RA Labor Code allows for the signing of seasonal contracts for work that cannot be carried out year-round due to climate conditions. These contracts are limited to a maximum of 8 months. The list of seasonal works, as defined by RA Government Decree #1480-N (25/08/2005), includes tasks such as road construction, asphalt laying, infrastructure improvements like underground cable installation, and engineering explorations such as drilling and topography, which cannot be performed in freezing temperatures.

The Labor Code does not provide for the signing of day-pay casual contracts. Instead, temporary contracts can be signed for a period of up to 2 months, with payment conducted on a daily basis by mutual agreement. However, in practice, construction contractors often hire so-called 'daily paid' casual workers for non-skilled tasks without officially registering them, which frequently leads to the violation of these workers' rights.

There may also be other workers engaged on an intermittent basis to provide expert advice and supervision as needed.

## 4. ASSESSMENT OF KEY POTENTIAL LABOR RISKS

### ***Project activities:***

Under the Project, a wide range of civil works and infrastructure development activities will be implemented across the seven priority clusters to enhance climate-resilient infrastructure, improve basic services, and promote tourism-led local economic development. These activities will include the rehabilitation and upgrading of transport infrastructure, such as roads, bridges, pedestrian pathways; the improvement of street lighting, storm water management systems, and other infrastructure; and the upgrading of water supply, sewerage, wastewater, and telecommunications systems. Investments will also focus on enhancing public spaces, parks, and green areas, developing tourism-related facilities—including DMOs, museums, and cultural heritage infrastructure. All activities will be informed by feasibility studies, site surveys, engineering designs, and other technical assessments, as well as the CDPs developed under Component 1 of the Project.

Construction activities under the Project will follow a typical sequence, beginning with site preparation, including clearing, fencing, and organizing temporary facilities, followed by earthworks such as excavation, grading, and backfilling. The next stage involves foundation and structural works, including concrete placement, reinforcement, and formwork. Utility network installation will be carried out for water, sewerage, electricity, and telecommunications systems, after which roadworks and urban infrastructure activities will proceed, including sub-base preparation, asphalt works, and curb installation. Storm water and drainage

systems will be constructed or upgraded, including manholes, culverts, and drainage lines. Building and cultural heritage renovation works will cover structural reinforcement, roofing, interior finishing, and installation of mechanical, electrical, and plumbing systems. Street lighting and electrical infrastructure will be installed through pole setting, wiring, and equipment mounting. Landscaping and public space improvements will follow, including irrigation systems, planting, paving, and installation of recreational elements. Finally, the sub projects will conclude with site restoration, waste removal, and final inspections.

The anticipated general risks and corresponding mitigation measures are presented in the sections below.

**Inherent risks:** The implementation of civil works under Component 2 may involve common labor risks, including OHS hazards, which may be exacerbated by several factors. These risks include exposure to hazardous materials and physical hazards that pose potential threats of accidents, injuries, or illnesses due to repetitive mechanical actions or work activities. A single exposure to such hazards can result in a wide range of injuries, from minor incidents requiring only medical aid to disabling, catastrophic, or even fatal outcomes. Prolonged exposure to multiple hazards can lead to severe, long-term injuries with significant consequences.

Additional risks are linked to working conditions, such as extreme heat or cold, and potential encounters with snakes in hot weather or wild animals near construction sites located close to forests.

These risks will be thoroughly assessed as part of the detailed designs. Mitigation measures will be incorporated into the design, including work specifications, scheduling, site selection, and personnel qualifications.

**Project-specific risks:** Labor risks associated with the project activities can be mitigated through Good International Industry Practices (GIIPs) as established in the project's Environmental and Social Management Framework (ESMF).

**Risks for Direct workers:** The labor risks associated with direct workers are expected to be low, as the project implementing entities, particularly ATDF, have a strong awareness of national labor legislation and the provisions of the Labor Code. Additionally, the type of work assigned to direct workers do not involve significant vulnerability to labor rights abuses or OHS risks.

**Risks for Contracted Workers:** The risks are associated and/or heightened by the following factors: the temporary or short-term nature of employment, limited familiarity with site-specific hazards, potentially inadequate training or orientation on OHS procedures, reduced access to PPE, and limited integration into the main workforce communication and supervision channels. Additional risk factors include poor housekeeping, use of heavy equipment, working at height, exposure to noise and dust, exposure to physical hazards such as falling objects, exposure to hazardous materials including cement, fuels, paints, solvents, and particularly asbestos, and exposure to electrical hazards from tools, machinery, and electrical works.

These factors increase the likelihood of accidents, injuries, and work-related health and safety incidents. Effective mitigation requires tailored induction and training, continuous supervision, strict housekeeping, safe work procedures for demolition, electrical works, and working at height, provision and enforcement of appropriate PPE use, dust and noise control measures, safe handling and storage of hazardous materials, and alignment with the WB ESS2.

Common OHS risks associated with the project activities under Component 2 are presented in detail in Table 2.

**Table 2. Labor OHS Risks and Recommended Measures for Avoidance or Mitigation**

Labor Risk	Project Activity	Recommendation for avoidance
Rotating, Moving Equipment and Industrial Vehicle Driving	Civil works under Components 2	<ul style="list-style-type: none"> <li>Implement Lock-Out/Tag-Out procedures;</li> </ul>

		<ul style="list-style-type: none"> <li>• Install guards on moving parts;</li> <li>• Train workers and conduct daily checks;</li> <li>• Appoint a responsible person for regulating moving equipment and ensure the regulation and control of its movement;</li> <li>• Install speed limits, signs, cones, and barriers;</li> <li>• Ensure working Alarms;</li> <li>• Workers must wear high-visibility PPE;</li> <li>• Equipment should carry a fire extinguisher, first aid kit, and communication device.</li> </ul>
<b>Noise</b>	Demolition of infrastructures, prolonged use of noisy equipment, excavation	<ul style="list-style-type: none"> <li>• Provide hearing protection.</li> <li>• Monitor noise levels.</li> <li>• Rotate workers and install noise barriers.</li> </ul>
<b>Vibration</b>	Civil works requiring use of hand and power tools.	<ul style="list-style-type: none"> <li>• Use low-vibration tools and machinery whenever possible.</li> <li>• Maintain and service equipment regularly to minimize vibration emissions.</li> <li>• Provide anti-vibration gloves for hand-arm vibration protection.</li> <li>• Limit exposure and schedule breaks.</li> </ul>
<b>Electrical</b>	During all civil works requiring use of electrical devices; work with wires, cables	<ul style="list-style-type: none"> <li>• Label live lines.</li> <li>• Enforce LOTO (Lockout/Tag out).</li> <li>• Use grounded tools and Ground-Fault Interrupter (GFI) circuits.</li> <li>• Inspect cords daily.</li> <li>• Protect equipment from moisture.</li> </ul>
<b>Eye Hazards</b>	Civil works under Components 2	<ul style="list-style-type: none"> <li>• Provide safety glasses, goggles, and shields.</li> <li>• Install machine guards.</li> </ul>
<b>Welding/Hot work</b>	Works requiring welding	<ul style="list-style-type: none"> <li>• Provide welding masks.</li> <li>• Designate hot-work area. <ul style="list-style-type: none"> <li>• Choosing a safe location away from flammable materials.</li> <li>• Marking the area clearly with signs ("Hot-Work Area").</li> </ul> </li> </ul>

			<ul style="list-style-type: none"> <li>• Ensuring proper ventilation to remove fumes and smoke.</li> <li>• Removing or protecting combustibles within a specific radius (often 10–15 meters).</li> <li>• Installing fire-resistant barriers or welding curtains when needed.</li> <li>• Keep fire extinguishers.</li> </ul>
<b>Working Environment Temperature</b>	Civil works under Components 2, indoors and outdoors activities	<ul style="list-style-type: none"> <li>• Provide shade and hydration.</li> <li>• Adjust work-rest cycles.</li> <li>• Ensure ventilation.</li> <li>• Train on heat/cold stress.</li> </ul>	
<b>Ergonomics, Repetitive Motion, Manual Handling</b>	Civil works under Components 2	<ul style="list-style-type: none"> <li>• Use mechanical aids, where feasible.</li> <li>• Train lifting techniques.</li> <li>• Rotate tasks.</li> <li>• Improve workstation design.</li> </ul>	
<b>Working at Heights</b>	Rehabilitation of buildings/museums	<ul style="list-style-type: none"> <li>• Install guardrails/scaffolding.</li> <li>• Require harnesses.</li> <li>• Inspect scaffolding.</li> <li>• Provide adequate training.</li> </ul>	
<b>Illumination</b>	Indoors rehabilitation activities	<ul style="list-style-type: none"> <li>• Ensure adequate lighting.</li> <li>• Provide task lighting.</li> <li>• Maintain lighting fixtures.</li> </ul>	
<b>Air Quality</b>	Indoors rehabilitation activities	<ul style="list-style-type: none"> <li>• Ventilate with fans/extractors, if needed.</li> <li>• Provide respiratory PPE.</li> <li>• Monitor air quality, if required.</li> </ul>	
<b>Fire and Explosions</b>	Civil works under Components 2, indoors and outdoors activities	<ul style="list-style-type: none"> <li>• Store flammables safely.</li> <li>• Install extinguishers and train workers.</li> <li>• Prohibit smoking in proximity of the flammable materials.</li> </ul>	
<b>Asbestos Containing Materials (ACM)</b>	Dismantling and demolition activities under Components 2	<ul style="list-style-type: none"> <li>• Provision of training on safe handling of ACM related waste by the Supervision company;</li> <li>• Wearing full protective gear – special clothing, boots, gloves and hoods;</li> <li>• Wearing respirators and protective goggles;</li> <li>• Watering the surfaces to be operated during handling of ACM;</li> </ul>	

- Minimizing fragmentation of ACM structures to avoid unnecessary generation of dust;
- Packaging and marking ACM;
- Providing safe on-site storage for ACM waste;
- Using covered or closed trucks for transportation to the sites of final disposal.

Persons under the age of 18 will not be employed under the Project.

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.

In addition, based on the experience with construction projects in Armenia, the majority of workers' complaints and violations of the Labor Code were associated with extended working hours, non-payments of wages, unsafe practices. Where activities involve employment of workers between the ages of 15 and 18, a risk assessment of working conditions and provisions of OHS measures and their enforcement may also be limited.

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

**Community workers:** For the community workers engaged in the Project (for example, LWG members or other community volunteers), there are potential labor risks associated with their participation, including accidents during site visits, exposure to occupational hazards, and unclear terms of engagement. To mitigate these risks, the ATDF will inform community workers of their roles, responsibilities, and rights, including working hours, and health and safety measures. Provide induction and OHS training prior to participation, covering safe use of equipment, PPE, and emergency procedures. Establish accessible GM so community workers can report any concerns, complaints, or incidents. Prevent child labor and forced labor by verifying that all community participants meet age (18) and consent requirements. Ensure health and safety measures are in place, including provision of PPE, first aid kits, and safe transport when site visits are required.

## 5. BRIEF OVERVIEW OF LABOR LEGISLATIONS

Armenia's Labor Code (2001) is generally aligned with international good practices and comprehensive with some gaps summarized in Table . Specific provisions where strengthening are warranted include protection of disadvantaged and vulnerable groups. These include foreign workers, women workers, workers at risk of SH, workers of differing sexual orientation.

At the institutional level, the main institutions with responsibility to enforce and supervise the Labor Code and other relevant regulations pertaining to labor include the Ministry of Labor and Social Affairs and the Health

and Labor Inspection Body (HLIB) of the Republic of Armenia. However, recent reforms in the labor inspection services led to changes in their respective mandates and organizational capacity. Following merging of the labor and health inspection functions in 2013, labor inspectors do not have the mandate to conduct unannounced inspections. Since 2015, labor inspections have been restricted to cases where there are complaints on OHS violations. HLIB must inform employers of an upcoming inspection three business days in advance, thus limiting their capacity to detect all labor-related violations. Areas subject to inspections are also limited to a legally pre-determined checklist of issues which do not comprehensively cover issues related to non-discrimination, child and forced labor. As of 2022, HLIB employed 95 inspectors.

An assessment of specific areas relevant to the project is outlined as follows:

**Table 3: Regulatory Analysis on Labor and Working Conditions**

Areas of Concern	Provisions	Analysis	Additional Measures
<b>Working conditions and management of workers relationships</b>			
<b>Terms and conditions of employment</b>	Parties to the labor relationships shall enter a labor agreement, covering applicable terms and conditions of employment as specified below. The employer is obliged to properly inform the hired individuals about the working conditions, internal rules and regulations, and other conduct prior to employment.	Armenia's Labor Code is aligned with international good practices.	
<b>Non-discrimination and equal opportunity</b>	The Law on Equal Rights and Opportunities for Men and Women (2013) prohibit discrimination in employment and occupation based on gender.	The Labor Code does not explicitly require equal pay for equal work and does not include definitions of direct and indirect discrimination which are further governed in other laws.	Enforcement mechanisms to ensure compliance with equal pay and anti-discrimination for Project workers
<b>Working hours</b>	40 hours per week. The Labor Code prohibits compulsory overtime from more than four hours on two consecutive days and limits overtime to a total of 180 hours in a year.	Armenia's Labor Code is aligned with international good practices.	
<b>Wage</b>	Minimum salary requirements are regulated under the Law on Minimal Monthly Salary (updated in 2022), covering basic salary and additional remuneration for the works performed. The salary shall also include hardship allowances for hazardous works (between 30 – 50 percent of the basic salary). Salary deductions or charges from the salary include the advance payment, overpayments due to calculation errors, unspent and untimely refunds of advance payments for business trips or transfers, and compensation for employer-related damages caused by the employee (salary deduction should not exceed fifty percent of the employee's monthly salary).	Armenia's Labor Code is aligned with international good practices.	

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<b>Overtime pay</b>	<p>For each hour of overtime, an additional payment off the top of the salary shall be provided, not less than 50 percent of the hourly rate and for each hour of night work, not less than 30 percent of the hourly rate.</p> <p>Works performed on holidays shall be remunerated at least double the amount of hourly (daily) rate.</p>	Armenia's Labor Code is aligned with international good practices.
<b>Rest periods</b>	The Labor Code includes provisions of two rest days for those who work five days a week and at least one day in a six-day week. Un-interrupted daily rest should not be less than 11 hours. Weekly rest should not be less than 35 hours. Extended rest periods may be provided under specific circumstances, such as extreme weathers and/or workplace hazards.	Armenia's Labor Code is aligned with international good practices.
<b>Leave</b>	Paid annual days are stipulated to be at least 20 days for those working for five days a week and 24 days for those working six days a week. Maternity leave is at least 140 days and additional days are provided under specific circumstances (i.e., hard delivery, delivery of more than one child). At the request of the mother (stepmother), father (stepfather), grandmother, grandfather, or other family relative (including the person appointed as the child's guardian), childcare leave is provided for the person who is actually taking care of the child until the child reaches three years of age.	Armenia's Labor Code is aligned with international good practices.
<b>Insurance</b>	Although Armenia has ratified the core labor conventions of the International Labor Organization (ILO), the Labor Code does not contain provisions for compulsory health insurance as the country has not adopted compulsory health insurance system yet.	Armenia's Labor Code has a gap with international good practices in regard with health insurance.



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<b>Collective bargaining</b>	Workers have the right to form and join independent unions and permit collective bargaining.	Armenia's Labor Code is aligned with international good practices.	
<b>Termination of employment</b>	Specific conditions for termination are governed by the Labor Code. Arbitrary termination by employers is prohibited.	While the Labor Code requires a notice on the employment termination and statutory payments to be paid to the employee on or before the date of termination, specific timelines are not fully stipulated for all grounds of termination.	Provide detailed guidelines for employers on how to handle termination procedures for different circumstances, reducing ambiguity
<b>Protecting the Workforce</b>			
<b>Minimum age</b>	The minimum working age for fulltime employment is 16 years and the law prohibits all of the worst forms of child labor.	Armenia's Labor Code is aligned with international good practices.	
<b>Child Labor</b>	Armenia has ratified international conventions concerning child labor. Children ages between 14 and 16 years can work with the written consent of a parent or legal guardian. The maximum duration of the workweek is 24 hours for children between 14 and 16 and 36 hours for children between 16 and 18. Children under 18 years shall not work overtime, in harmful, strenuous, or dangerous conditions, at night or on holidays. When signing an employment contract with underage citizens, the employer is required to request a certificate of health status.	The Labor Code does not explicitly require employers to conduct an appropriate risk assessment when employing a child between the ages of 14 and 18 on aspects such as OHS and nature of work and supervision by employers.	A risk assessment will be required if the project activities anticipate involvement of children between 14 and 18 years, supplemented by close supervision by the ATDF and/or third-party consultants hired by the ATDF. An age verification mechanism will be applied prior to hiring of all categories of workers.
<b>Forced Labor</b>	Armenia has ratified the ILO Convention No. 291 on Forced or Compulsory Labor and ILO Convention No. 1052 on Abolition of Forced Labor. The Labor Code prohibits forced labor and compulsory labor and provides definitions of forced labor that are aligned with the ILO Convention on Forced Labor.	Armenia's Labor Code is aligned with international good practices.	

<b>Protection to vulnerable groups</b>	<p>While the Labor Code is applicable to all citizens of Armenia and other individuals working in the country, including foreigners and stateless persons, the Code is not applicable to foreign workers entering an employment relationship with a foreign entity abroad but operating in Armenia. This gap is relevant if the project will involve foreign contractors employing workers from abroad.</p>	<p>Worker GM should be introduced to give a chance to the workers to raise their concerns and complaints related to their employment and receive support in solving them. The GM for direct, contracted and community workers will be used to address complaints from workplace concerns. Worker GM will be sensitized for receiving and addressing grievances related to SEA/SH.</p>
<b>SEA/SH</b>	<p>Prohibition of conducts that constitute SEA/SH at the workplace is stipulated in the Law on Equal Rights and Opportunities for Men and Women and the revised Labor Code (introduced in May 2023). The Labor Code recognizes SEA/SH as a gross violation of labor disciplines which warrants disciplinary sanctions. Survivors of SEA/SH at the workplace are granted annual leave at their request, regardless of the period of employment.</p>	<p>The existing legal framework does not incorporate quid pro quo<sup>2</sup> elements at the workplace. Further, the Criminal Code (2021) does not criminalize SH as a punishable act.</p> <p>The Labor Code does not offer additional mechanisms for the protection of survivors.</p> <p>The GM for direct, contracted and community workers will be SEA/SH sensitive. The objective of deployment of these measures is SEA/SH prevention and response to complaints.</p> <p>The measures apply to procurement of Works in Projects assessed as high-risk for SEA/SH.</p> <p>The new measures hold Contractors and Sub-contractors accountable for implementing the SEA/SH prevention and response obligations in their contracts.</p>
<b>Occupational Health and Safety</b>		

<sup>2</sup> A Latin phrase meaning “something for something”

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<b>Safe work practices</b>	<p>The Labor Code in general includes OHS provisions in line with the ESS2, including among others: safe and healthy work environments, OHS risk assessments and plans, provisions of safety training and PPEs, sanitary and rest facilities. The Criminal Codes stipulates penalties for violations of OHS laws and regulations. Employers are responsible to establish procedures for monitoring compliance with OHS requirements, including internal approvals, recruitment of safety experts, appoint OHS committees, and provisions of information to workers on OHS risks.</p>	<p>While in general OHS aspects are covered, in practice, only workers with legal employment contracts are protected. Further, the Labor Code does not explicitly prohibit retaliation against workers reporting unsafe work practices nor provide provisions to enable workers to leave unsafe work situations. The Labor Code does not include explicit requirements on provisions of first aid kits in workplaces, separate washrooms for men and women, and maintenance of training records.</p>	<p>The identified gaps are addressed as part of policy and procedures of the LMP. This includes provisions of i) confidential workers' grievance redress mechanism; ii) suspension of works where unsafe practices are reported and/or observed; iii) provisions of PPE including first aid kits at all times; iv) separate facilities for men and women where applicable, such as washrooms, sleeping areas, etc.</p>
<b>Accidents and Incidents</b>	<p>The Labor Code includes provisions for reporting accidents and incidents to the employer and the police.</p>	<p>An official investigation is conducted to find out the causes of occupational diseases and accidents at the work place. Occupational diseases and accidents are subject to mandatory registration by the employer. This refers to officially registered personnel.</p>	<p>The Bank should be promptly notified of 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 including without limitation any allegations of GBV/SEA/SH, project-related occupational accidents or fatalities, or labor strikes and social unrest; indicating immediate measures taken or that are planned to be taken to address it.</p> <p>The Bank should be notified within 48 hours after learning of the incident or accident in</p>

			line with the WB Environment and Social Incidence Response Toolkit (ESIRT). An incident report would be provided within a timeframe acceptable to the Bank, as requested.
<b>Grievance Mechanism</b>			
<b>Complaint Handling and Labor Disputes</b>	Workers can pursue remedy through various judicial mechanisms if they believe that their rights are violated. Labor disputes are subject to court resolution according to the Code of Civil Procedure. Labor disputes may also be resolved through a collective agreement and/or arbitration. Civil servants may pursue resolution through the Ethics Committee under the Administrative Court as specified in the Law of Civil Servants.	The Labor Codes does not provide grievance resolution at the employer level nor provisions to maintain confidentiality and protection to complainants against retaliation.	The workers will be informed of the GM at the time of recruitment and the measures put in place to protect them against any reprisal for its use. The project will establish a step-by-step GM procedure for the Project workers consistent with the ESS2 before the Project Effectiveness and describe them in the Project Operations Manual (POM). Grievance procedures should be tailored to meet the needs of the project, culture and workforce composition. The Grievance procedures may be included in collective agreements. The GM will be accessible to all employees through various means (written, telephone, fax, social media etc.).

## 6. RESPONSIBLE STAFF

The LMP serves as guidance for the management of labor risks across the project's components. Sub-project instruments under Components 2, such as site-specific ESMPs, codes of conduct, Human Resource (HR) guideline, etc. shall refer to the provisions of the LMP.

At the project level, the ATDF will assume overall responsibility for ensuring the integration of LMP provisions into the appropriate tools and instruments and for their proper implementation. This includes ensuring that the project's hiring practices align with the policies and procedures outlined in the LMP, and that third-party providers, including civil works contractors, fully comply with LMP requirements throughout the execution of the works. The Project Coordinator is accountable for the overall implementation of the LMP.

As the implementation of TRIP is led by the ATDF, it will hold primary responsibility for institutional arrangements, as well as for the implementation and monitoring of the LMP. The ATDF will identify sub-project interventions under each component, procure consultants and contractors, prepare subproject designs and bidding documents, and procure contractors for civil works and technical supervision. It will also be responsible for contractor and site supervision, technical quality assurance, certification, and payment for works.

The ATDF will ensure that labor management procedures (LMP) are integrated into the procurement and bidding processes. It will conduct or assist consultants with the E&S screening process where necessary, approve screening results, and develop subsequent ESMPs. The ATDF will monitor and supervise the implementation of all E&S risk mitigation measures, including those outlined in the LMP. The responsibility for monitoring and supervising the implementation of the LMP will rest with the Social Specialist within the E&S team of the ATDF.

The Social Specialist and Environmental Specialist will analyze labor-related risks related to the project and will oversee the implementation of the LMP.

On procurement for contractors, the ATDF will avail the E&S instruments including LMP to the aspiring contractors so that contractors include the budgetary requirements for OHS and community health and safety measures in their respective bids. The contractor will develop and maintain an OHS management system that is consistent with the scope of work, duration of contract and IFC/WB General Environmental Health and Safety Guidelines (EHSGs) on OHS. Contractor will adopt all E&S risk mitigation measures proposed for the subproject. Before submitting a bid for any contract, the contractor shall incorporate the requirements of the ESMF, including the LMP, and ensure all workers sign a Code and Conduct. Where appropriate, the ATDF may withhold contractor's payment until corrective action(s) is/are implemented on significant noncompliance of the LMP.

In case of having primary suppliers the contractors should ensure that labor-related risks, especially child and forced labor as well as serious safety issues to the project from primary supply workers are managed in line with the requirements of ESS2. The ATDF and all contractors/implementers will procure supplies from legally constituted suppliers. The legal registration ensures that the company is legally obliged to comply with all applicable labor laws in Armenia, which makes it possible to assume mainstreaming of the labor laws within the supplier's company.

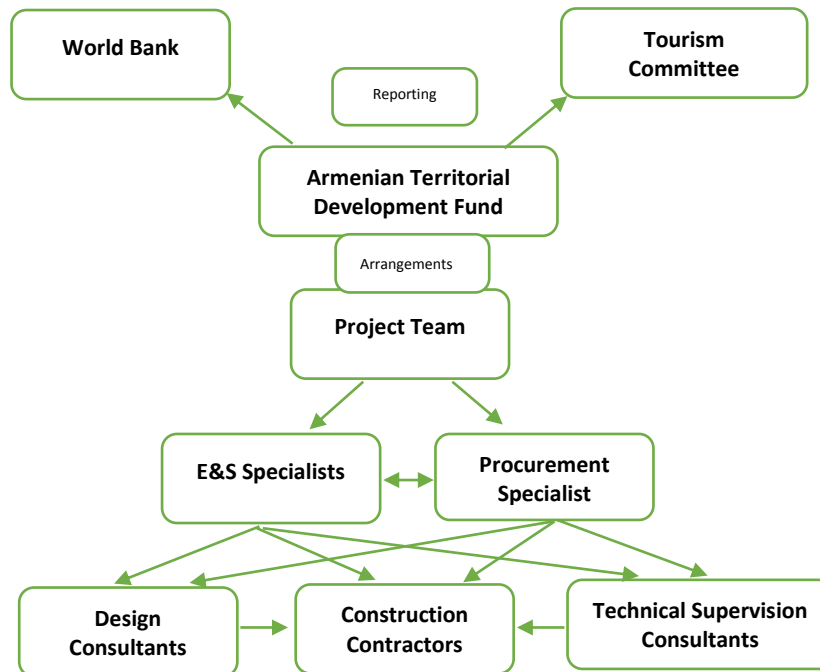
The ATDF and contractors will adhere to the following guidelines when managing workers:

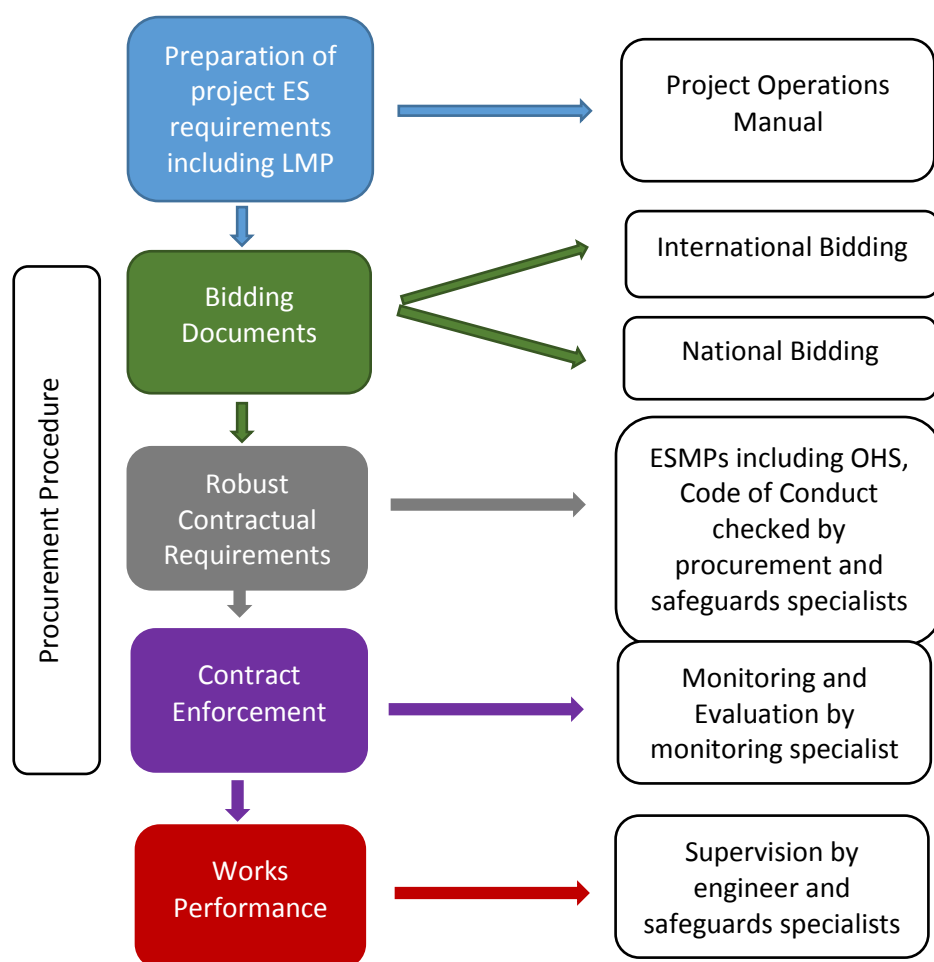
1. **Non-Discrimination:** There will be no discrimination in any aspect of the employment relationship, including recruitment and hiring, compensation (wages and benefits), working conditions, terms of employment, or disciplinary practices.

2. **Prevention of Harassment, Intimidation, and Exploitation:** Harassment, intimidation and/or exploitation will be prevented or addressed appropriately. a. Special protection and assistance measures to address discrimination or job selection will not be considered discriminatory. b. Vulnerable project workers will receive special protection.
3. **Grievance Mechanism for all Workers:** All workers will have access to the Project's Grievance Mechanism (GM) to register any work-related grievances. Workers are encouraged to resolve issues with their employer where possible. However, all workers, regardless of their type, can use the Project GM at any time, especially when grievances involve the contractor, and these can be submitted directly to the ATDF.

The following diagram illustrates the institutional arrangement of the LMP across implementation levels and implementation arrangements of LMP:

**Figure 1: Institutional Arrangement of LMP**



**Figure 2. LMP Implementation Arrangement**

Based on the institutional arrangement above, specific roles and responsibilities are summarized as follows:

**Table 2: Roles and Responsibilities under the LMP**

PICs	Roles and Responsibilities	Project Phases
<b>Project level</b>		
<b>Project Coordinator</b>	<ul style="list-style-type: none"> <li>Ensure adoption of the LMP across components and their consistent implementation throughout the project.</li> <li>Enforce disciplinary actions in the event of violations and/or lead investigations with relevant agencies for any allegations related to labor.</li> <li>Coordinate with relevant agencies and/or ministries responsible for the implementation of the Labor Code, Labor</li> </ul>	Throughout project implementation, as soon as project is declared effective

Inspection, Ombudsman, etc.	
<b>Social Specialist and Environmental Specialist</b>	<ul style="list-style-type: none"> <li>• Establish project-specific procedures, including toolkits, guidelines for the operationalization of the LMP.</li> <li>• Establish a coordination mechanism and monitoring process of the LMP implementation.</li> <li>• Ensure consistent application of workers' codes of conduct.</li> </ul>
<b>Evaluation and Monitoring Specialist</b>	<ul style="list-style-type: none"> <li>• Monitoring of contracts enforcement by the contractors.</li> <li>• Regular monitoring of indicators on employment rates (by gender), generated new jobs and inclusion of implementation data in progress reports.</li> </ul>
<b>Procurement Officers</b>	<ul style="list-style-type: none"> <li>• Include LMP in bidding documents along with other safeguard documents</li> </ul>
<b>Technical Engineers</b>	<ul style="list-style-type: none"> <li>• Will be enrolled in the training on LMP to oversee its implementation during civil works.</li> </ul>
<b>Sub-project level</b>	
<b>Contractor manager</b>	<ul style="list-style-type: none"> <li>• Ensure LMP implementation in his/her company</li> </ul>
<b>Contractor's ESHS officer</b>	<ul style="list-style-type: none"> <li>• Introduce the LMP and GM to the contractor personnel.</li> <li>• Oversee the LMP implementation in the company.</li> </ul>
<b>Supervision engineers</b>	<ul style="list-style-type: none"> <li>• Will be enrolled in the training on LMP to oversee its implementation during civil works.</li> </ul>

## 7. POLICIES AND PROCEDURES

The project requires the full implementation of the Labor Code and other relevant labor management regulations. Where gaps exist in the national system in relation to ESS2, or where specific areas are not regulated, the LMP establishes policies and procedures to ensure full compliance with ESS2 provisions. Key project-specific provisions include:

- a. Minimum age requirements
- b. Terms and conditions of employment
- c. OHS
- d. Addressing vulnerability
- e. Non-discrimination



The LMP prepared for the TRIP will be attached to all contracts signed with contractors, including those for design preparation, civil works, and technical supervision. Additionally, bidders will be required to submit their company's Environmental, Social, Health, and Safety (ESHS) policy, implementation plan, and Code of Conduct. E&S specialists will conduct regular monitoring visits to construction sites to ensure compliance with ESHS requirements, terms and conditions, and the general worksite environment.

The TRIP will also organize a labor management workshop to address key issues such as minimum age, terms and conditions, OHS, equal opportunity employment, GM (including SEA/SH-sensitive measures), prioritizing the recruitment of women and vulnerable groups, and managing nonconformities related to ES and OHS requirements. Remedies for noncompliance may include withholding payments to contractors or requesting changes in ESHS personnel.

## 8. WORKER GRIEVANCE MECHANISM

A GM is a procedure that provides a clear and transparent framework for addressing grievances related to the recruitment process and in the workplace. This typically takes the form of an internal procedure for complaints, followed by consideration and management response and feedback.

A GM will be provided for all direct, contracted and community workers to raise workplace concerns. Such workers will be informed of the GM at the time of recruitment and measures will be put in place to protect them against any reprisal for its use.

### Guiding principles of effective GMs

Key principles include the following:

#### A. Confidentiality and Anonymity:

- Have multiple channels through which complaints can be registered. Allow safe and confidential reporting: survivors should be able to report SEA/SH without being identified publicly.
- Protect information about the complainants.
- Log cases information in a complainant logbook and stored in a locked cabinet, documenting only limited anonymous information about the incident.

#### B. Survivor-Centricity and Safety

- Support the creation of a supportive, dignified, and protective environment for the SEA/SH survivor, and full respect of his/her rights, wishes and choices.
- Be based on the survivor's informed consent, which needs to be guaranteed throughout the GM.
- Maintain confidentiality and anonymity as a fundamental way to guarantee survivors' safety: survivor files should not be discussed with anyone.
- Prioritize the safety of the survivor at all times
- Provide feedback on the case to the survivor only and exercise strong caution before communicating any results beyond the survivor.

The project will establish a step-by-step GM procedure for the Project workers consistent with the ESS2 prior to engaging Project workers.

Essentially, this GM is not the same as the FGRM to be established for project affected stakeholders. The GM will not prevent workers to use judicial procedure. Grievance procedures should be tailored to meet the needs of the project, culture and workforce composition. The Grievance procedures may be included in collective agreements. A clause in a contractor-level collective agreement that establishes a mechanism for individual employees to bring an employment-related grievance, potentially through their trade union and/ or with trade union assistance, will be sufficient to meet ESS2.

The GM will be accessible to all employees through various means (written, telephone, fax, social media etc.). Grievance logbook will be maintained in ATDF office. To mitigate the risks related to direct workers a GM for Direct Workers will be established.

#### **GM structure for TRIP**

**First level.** Project coordinator/HR Unit of the ATDF depending on nature of the issue raised will be responsible to receive, consider and address in a timely manner the grievances, including the concerns on unaccounted working hours and lack of compensation for overtime, delay in/non-payment of salaries. If the issue cannot be resolved at first level within 7 working days, then it will be escalated to the next level.

**Second level.** The ATDF Director is a second level GM for direct workers if there is a situation in which there is no response from HR or if the response is not satisfactory then complainants and feedback providers have the option to appeal directly to the ATDF Director to follow up on the issue. The complaints should be considered and feedback provided within next 7 working days.

**Third level.** If the issue remains unresolved, complainants may seek redress through external bodies, including the Health and Labor Inspectorate Body, labor associations, or, as a final instance, the court. These avenues provide an independent mechanism for further review and resolution of labor-related grievances.

#### **GM structure for contracted workers**

Contractors should develop their own GM and resolve the grievances of contracted workers. Grievance Focal Point (GFP) assigned by the Contractor will file the grievances and appeals of contracted workers and will be responsible to facilitate addressing the grievances.

**First level:** Social specialist of the Contractor will serve as GFP to file the grievances and appeals of the project workers. The specialist will be responsible for coordinating with relevant departments/organization and persons to facilitate addressing these grievances. If the issue cannot be resolved at the Contractor's level within 7 working days, then it will be escalated to the ATDF level.

**Second level:** If there is a situation in which the Contractor is unable to support the complainant the grievance will be sent to the HR Unit at the ATDF.

**Third level.** If the issue remains unresolved, complainants may seek redress through external bodies, including the Health and Labor Inspectorate Body, labor associations, or, as a final instance, the court. These avenues provide an independent mechanism for further review and resolution of labor-related grievances.

The GM for direct, contracted and community workers will be used to address complaints from workplace concerns and will be SEA/SH sensitive. The objective of deploying these measures is SEA/SH prevention and response to complaints.

These new measures create an incentive for Contractors and their Sub-contractors to strengthen their performance in preventing SEA/SH and improving how they respond to SEA/SH incidents in the event

that they occur. The measures apply to procurement of Works in Projects assessed as high-risk for SEA/SH.

### **GM structure for Community workers**

Community workers, including LWG members and other volunteers engaged in the Project, will have access to a GM to raise workplace concerns, complaints, or disputes related to the Project. The mechanism is designed to ensure that grievances are addressed promptly, fairly, and confidentially.

First level: A designated Community Officer will serve as the GFP for community workers. The GFP will be responsible for:

- Receiving and filing grievances and appeals from community workers.
- Coordinating with relevant departments, organizations, or persons to facilitate resolution.
- Ensuring that complaints are addressed within 7 working days where possible.

Second level: If the grievance cannot be resolved at the community level within 7 working days, it will be escalated to the ATDF for further review and action, with a maximum resolution timeline of 30 days.

The GM will have special procedures for responding to allegations of SEA/SH that are made against a project actor. However, for any complaint that is reported to the GM (including complaints involving other forms of GBV that are not related to the project), the GM will also have procedures in place to refer the individual to GBV service providers.

## **9. CONTRACTOR MANAGEMENT**

Environmental and social specialists within the E&S team of the ATDF shall collaborate closely with the project's technical specialists and procurement officers and/or relevant department managing procurement processes to ensure that labor-related risks are assessed as part of the development of detailed designs, which will need to be reflected in the Terms of Reference (ToR) and contract clauses for works. Prior to bidding, relevant provisions in the LMP shall be integrated into the procurement documents, specifying work requirements and schedules, personnel qualifications ESHS risk management, hiring practices, etc.

Bidders shall demonstrate that their Management Strategies and Implementation Plans (MSIPs) or their equivalents are consistent with the LMP work requirements as specified in the bidding document. The MSIPs may include an organogram of project management, including ESHS key personnel, corporate codes of conduct, system, and procedures for maintaining and overseeing OHS on sites, etc.

Selection process for civil work contractors may also consider the following:

- 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. This may include accident and fatality records and notifications to authorities.
- Business licenses, registrations, permits, and approvals.
- ESHS management plans from similar projects to demonstrate past performance.
- Worker payroll records, including hours worked and pay received,
- Copies of previous contracts with sub-contractors and suppliers, showing inclusion of provisions and terms reflecting ESS2.

All contracted workers involved in civil works must be insured against workplace injuries and fatal accidents. No worker without valid insurance is permitted to enter or work on the construction site. This requirement will be explicitly included in procurement documents. Contractors must provide proof of insurance for all workers prior to mobilization and compliance will be regularly verified by the Supervision Company as part of OHS oversight.

Supervision engineers will monitor the performance of contractors and their sub-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.

According to Article 260 of the RA Labor Code, an employee suffering from an accident at the workplace or while performing work duties, suffering from an acute occupational disease (if he/she is able), as well as the person who witnessed the accident or its consequences, are obliged to immediately report it to the head of the department, the employer, to the employer's health and safety service.

In case of death of an employee at the workplace, the employer is obliged to immediately inform the insurance company, the RA Police and the inspection body.

According to Article 261 of the RA Labor Code, an official investigation is conducted to find out the causes of occupational diseases and accidents at the work place. Occupational diseases and accidents are subject to mandatory registration by the employer. The procedure for registration and official examination of occupational diseases and accidents is defined by the Government of the Republic of Armenia (RA Government Decree #458, March 23, 2006).

The Bank should be promptly notified of 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 including without limitation any allegations of gender-based violence and/or sexual exploitation, abuse and harassment (GBV/ SEA/SH). Project-related occupational accidents or fatalities, or labor strikes and social unrest. Enough detail regarding the incident or accident should be provided indicating immediate measures taken or that are planned to be taken to address it, and any information provided by any contractor and supervising entity, as appropriate while ensuring confidentiality especially for GBV/SEA/SH related incidents. Subsequently, a report on the incident or accident will be prepared as per the Bank's request.

The Bank should be notified within 48 hours after learning of the incident or accident in line with the WB ESIRT. An incident report would be provided within a timeframe acceptable to the Bank, as requested.

## 10. CONSULTATION AND DISCLOSURE ARRANGEMENTS

The draft LMP was disclosed on the ATDF's web site in Armenian and English languages on March 5, 2025. The first round of Public Consultation was held in February 2025 at the ATDF office in Yerevan, with participation from representatives of the Tourism Committee, government agencies, regional administrations, NGOs, academia, and ATDF staff. ES specialists introduced the TRIP and its ES instruments — including the ESMF, Stakeholder engagement plan (SEP), RF, LMP and ESCP. A total of 17 participants attended, including 8 women. Participants discussed project objectives, cluster selection criteria, and integration of environmental and social requirements into subproject design and implementation. Key topics raised included beneficiary involvement, coordination with community programs, operation and maintenance of facilities, community capacity building, the duration of the operational Project FGRM, and procedures for risk categorization.

The second round of Public Consultations was organized between August and September 2025 in all target clusters — Dilijan, Dvin (Ararat), Jermuk/Areni/Yeghegis (Vayots Dzor), Goris, and Gyumri. A total of 139 participants (65 women) attended, representing community and regional administrations, civil society organizations, tourism sector representatives, and local residents. During the consultations the Project's ES instruments and the integration of ES requirements into subproject design and implementation were discussed. The discussions also focused on cluster-specific issues, the establishment of community working groups, and other related topics. No questions or concerns were raised regarding the LMP during the public consultation period; consequently, no changes were made to the document as a result of the consultation process.

## ANNEX 1: SAMPLE CODE OF CONDUCT

### CODE OF CONDUCT FOR CONTRACTOR'S PERSONNEL

We are the Contractor, [enter name of Contractor]. We have signed a contract with [enter name of Employer] for [enter description of the Works]. These Works will be carried out at [enter the Site and other locations where the Works will be carried out]. Our contract requires us to implement measures to address environmental and social risks related to the Works, including the risks of SEA and GBV.

This Code of Conduct is part of our measures to deal with environmental and social risks related to the Works. It applies to all our staff, laborers and other employees at the Works Site or other places where the Works are being carried out. It also applies to the personnel of each subcontractor and any other personnel assisting us in the execution of the Works. All such persons are referred to as “**Contractor's Personnel**” and are subject to this Code of Conduct.

This Code of Conduct identifies the behavior that we require from all Contractor's Personnel.

Our workplace is an environment where unsafe, offensive, abusive or violent behavior will not be tolerated and where all persons should feel comfortable raising issues or concerns without fear of retaliation.

### REQUIRED CONDUCT

Contractor's Personnel shall:

1. carry out his/her duties competently and diligently.
2. comply with this Code of Conduct and all applicable laws, regulations and other requirements, including requirements to protect the health, safety and well-being of other Contractor's Personnel and any other person.
3. maintain a safe working environment including by:
  - a. ensuring that workplaces, machinery, equipment, and processes under each person's control are safe and without risk to health.
  - b. wearing required PPE.
  - c. using appropriate measures relating to chemical, physical and biological substances, and agents; and
  - d. following applicable emergency operating procedures.
4. report work situations that he/she believes are not safe or healthy and remove himself/herself from a work situation which he/she reasonably believes presents an imminent and serious danger to his/her life or health.
5. treat other people with respect, and not discriminate against specific groups such as women, people with disabilities, migrant workers, or children.
6. not engage in any form of harassment, including SH, abuse, and sexual exploitation, with other Contractor's or Employer's Personnel or any member of surrounding communities.
7. in WB financed projects/operations, sexual exploitation occurs when access to or benefit from Bank financed Goods, Works, Consulting or Non-consulting services is used to extract sexual gain.
8. complete relevant training courses that will be provided related to the environmental and social aspects of the Contract, including on health and safety matters, and sexual exploitation, abuse and harassment.
9. report violations of this Code of Conduct; and

10. not retaliate against any person who reports violations of this Code of Conduct, whether to us or the Employer, or who makes use of the [Project Grievance [Redress] Mechanism].

### **RAISING CONCERNS**

If any person observes behavior that he/she believes may represent a violation of this Code of Conduct, or that otherwise concerns him/her, he/she should raise the issue promptly. This can be done in either of the following ways:

1. Contact [enter name of the Contractor's Social Expert with relevant experience in handling SEA/SH, or if such person is not required under the Contract, another individual designated by the Contractor to handle these matters] in writing at this address [ ] or by telephone at [ ] or in person at [ ]; or
2. Call [TBD] to reach the Contractor's hotline (*if any*) and leave a message.

The person's identity will be kept confidential, unless reporting of allegations is mandated by the country law. Anonymous complaints or allegations may also be submitted and will be given all due and appropriate consideration. We take seriously all reports of possible misconduct and will investigate and take appropriate action. We will provide warm referrals to service providers that may help support the person who experienced the alleged incident, as appropriate.

There will be no retaliation against any person who raises a concern in good faith about any behavior prohibited by this Code of Conduct. Such retaliation would be a violation of this Code of Conduct.

### **CONSEQUENCES OF VIOLATING THE CODE OF CONDUCT**

Any violation of this Code of Conduct by Contractor's Personnel may result in serious consequences, up to and including termination and possible referral to legal authorities.

### **FOR CONTRACTOR'S PERSONNEL:**

I have received a copy of this Code of Conduct written in a language that I comprehend. I understand that if I have any questions about this Code of Conduct, I can contact [*enter name of Contractor's contact person with relevant experience in handling gender-based violence*] requesting an explanation.

Name of Contractor's Personnel: [insert name]

Signature: \_\_\_\_\_

Date: (day month year): \_\_\_\_\_

Countersignature of authorized representative of the Contractor:

Signature: \_\_\_\_\_

Date: (day month year): \_\_\_\_\_