

HOW-TO GUIDE

Hydropower Labour and Working Conditions

A guide for hydropower project developers and operators on delivering good international industry practice



International Hydropower Association

One Canada Square
Canary Wharf
London E14 5AA
United Kingdom

T: +44 20 8652 5290
F: +44 20 8643 5600
E: iha@hydropower.org

IHA Regional and National Offices

IHA China Office
c/o China Institute of Water
Resources and Hydropower
Research
A1 Fuxing Road
Beijing, 100038
China
E: china@hydropower.org

IHA South America Office
c/o Itaipu Binacional
Av. Tancredo Neves, 6.731
CEP 85856-970 Foz do Iguaçu
Paraná, Brasil
E: southamerica@hydropower.org

Disclaimer

This publication contains general guidance only and should not be relied upon as a substitute for appropriate technical expertise. While reasonable precautions have been taken to verify the information contained in this publication as at the date of publication, it is being distributed without warranty of any kind, either express or implied.

With respect to any information available from this publication, neither IHA nor its employees or members make any warranty, express or implied, including warranties of merchantability and fitness for a particular purpose, nor does IHA assume any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, product, or process disclosed, nor does IHA represent that its use would not infringe upon privately owned rights

Publication details

Published by the International Hydropower Association Limited,
London, UK.

© 2021 International Hydropower Association Limited

Reproduction of this publication for educational or other non-commercial purposes is authorised without prior written permission from the copyright holders provided the source is fully acknowledged or cited.

Reproduction of this publication for resale or other commercial purposes is prohibited without prior written permission of the copyright holders.

The publication should be cited as:
International Hydropower Association. (2021). *How-to Guide: Hydropower Labour and Working Conditions*. London: IHA.

Available from: www.hydropower.org

Acknowledgements

This publication contributes to increasing knowledge and understanding of the practical measures that can be undertaken to meet good international industry practice, in conformance with the internationally recognised Hydropower Sustainability Tools.

This guide was authored by Tom Streather, Principal Social Specialist and Technical Director at Mott Macdonald, with contributions from Marina Maxwell, Principal Environment, Health and Safety Specialist at Mott Macdonald. An IHA team led by Amina Kadyrzhanova, with research support by Alain Kilajian and Bénédicte Nsalambi, provided overall guidance, support and additional content.

This guide was prepared with the help and input of many organisations and experts. In particular our sincere thanks go to Marielle Rowan, who made significant contribution to the drafting process; and to Boleslawa M. (Lesh) Witmer, Daniel Owen, Dominik Godde and Scott Hanna for their helpful comments, additions and suggestions.

Finally, the development of this How-to Guide would not have been possible without the financial support and guidance from the Swiss State Secretariat for Economic Affairs (SECO).

Drafting:

Tom Streather, Lead Author

Reviewed by:

Boleslawa M. (Lesh) Witmer, Women for Water Partnership

Daniel Owen, World Bank

Dominik Godde, H2GO Consult GmbH

Scott Hanna, Roberschan Environmental

Marielle Rowan, Mott Macdonald



Contents

Acronyms	4
Glossary	6
1 Introduction	11
1.1 This How-to Guide	13
1.2 Labour and working conditions in the Hydropower Sustainability Tools	16
2 Understanding labour and working conditions in hydropower	19
2.1 Why care about labour issues?	21
2.2 Types of workers	23
2.3 Human resource policies, working conditions and terms of employment	24
2.4 Workers' representation and grievance redressal	25
2.5 A safe and healthy working environment	26
2.6 Workers' accommodation	27
3 Achieving good international industry practice	31
3.1 Labour and working conditions in the project life cycle	33
3.2 International good practice requirements for labour and working conditions	35



4 Strategies and approaches	41
4.1 Labour assessments	43
4.2 Labour management system components	45
4.3 Workforce engagement	59
4.4 Labour monitoring	63
4.5 Training and capacity-building	66
5 Conclusions	69
Annex 1 – Bibliography	72
Annex 2 – Project examples	75

Acronyms

CAPA	Corrective and Preventative Action Plan
CBA	Collective Bargaining Agreement
CLO	Community liaison officer
CoC	Code of Conduct
CSR	Corporate social responsibility
EBRD PR2	European Bank for Reconstruction and Development Performance requirements 2: Labour and Working Conditions
EDI	Equality, diversity and inclusion
EHS	Environment, health and safety
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
FIDIC	Fédération Internationale Des Ingénieurs-Conseils (international federation of consulting engineers in English).
GBVH	Gender-based violence and harassment
GIIP	Good International Industry Practice
GRM	Grievance redressal mechanism
HESG	Hydropower Sustainability Environmental, Social and Governance Gap Analyses Tool
HGIIP	Hydropower Sustainability Guidelines on Good International Industry Practice
HIV-AIDS	Human immunodeficiency virus – acquired immune deficiency syndrome
HR	Human resources
HSAP	Hydropower Sustainability Assessment Protocol
IFC	International Finance Corporation
IFC PS2	International Finance Corporation Performance Standard 2: Labour and Working Condition
IHA	International Hydropower Association
ILO	International Labor Organization
ISO	International Standards Organisation
JSA	Job safety analysis
MDB	Multilateral development bank
OHS	Occupational health and safety
NGO	Non-governmental organisation
PPE	Personal protective equipment

SEP	Stakeholder Engagement Plan
SLO	Social licence to operate
SCIP	Strategic community investment plan
STI	Sexually transmitted infection
TNA	Training needs analysis
UNDHR	Universal Declaration of Human Rights
WB ESS2	World Bank Environmental and Social Standard 2: Labour and Working Conditions

Glossary

Camp followers	When people move to an area with the expectation of being a supplier or service provider to the project or the workforce.
Casual workers	A type of contracted worker sometimes referred to as 'day labourers', hired and paid on a daily basis for unskilled positions, typically in the construction phase. Often sourced from labour brokers. Typically considered the most vulnerable category of worker, where there is the greatest potential risk of child or forced labour.
Child labour	Employment of children in any manner that is economically exploitative or is likely to be hazardous or interfere with their education, or be harmful to their health or physical, mental, spiritual, moral or social development.
Collective bargaining	ILO Convention No. 154 defines collective bargaining as referring to: "all negotiations which take place between an employer, a group of employers or one or more employers' organisations, on the one hand, and one or more workers' organisations, on the other, for: (a) determining working conditions and terms of employment; and/or (b) regulating relations between employers and workers; and/or (c) regulating relations between employers or their organisations and a workers' organisation or workers' organisations."
Collective Bargaining Agreement (CBA)	Also known as a collective agreement, this is the labour contract between a union or workers' organisation representing employees, and the employer. A CBA sets the terms and conditions of employment, such as: wages, working hours and conditions, employee benefits, grievance and arbitration procedures, limitations on strikes, the union's rights and responsibilities, employer's rights and responsibilities. CBAs are effective for a specified duration stated in the agreement: for example, three years.
Collective dismissal	Dismissals carried out by an employer for one or more reasons that are not related to the individual workers concerned. The term is used interchangeably with downsizing, retrenchment and redundancy.
Contracted workers	Engaged through the contractor in the construction phase, or sub-contractors to perform work for the project for a specified time period.
Day labourers	See casual workers.
Demobilisation	Removal of the contractor's workforce and equipment necessary for performing the work required under the construction contract. Where local people are hired this typically results in employment contract termination.
Direct workers	Engaged or directly employed by the project company developing or operating the hydropower project. Typically, they are permanent employees.
Environment, health and safety (EHS)	A general term used to refer to laws, rules, regulations, professions, programmes, and workplace efforts to protect the health and safety of employees and the public, as well as the environment, from hazards associated with the workplace.
Equality, diversity and inclusion (EDI)	Equality is about equal opportunities and protecting people from being discriminated against, while diversity involves recognising, respecting and valuing differences in people. Inclusion refers to an individual's experience within the workplace and in the wider society, and the extent to which they feel valued and included.
Equal pay for equal work	The concept that individuals doing the same work should receive the same remuneration, regardless of personal characteristics such as gender, ethnicity or disability, etc. Equal pay relates to the full range of payments and benefits, including basic pay, non-salary payments, bonuses and allowances.

FIDIC contract	FIDIC is a French language acronym for Fédération Internationale Des Ingénieurs-Conseils, which means the International Federation of Consulting Engineers. FIDIC is well known for its work drafting standard form Conditions of Contract for the worldwide construction industry, particularly in the context of higher value international construction projects, and such contracts are endorsed by many multilateral development banks (MDBs).
FIDIC Red Book	The Red Book is the FIDIC Conditions of Contract for Construction, a practical guide for anyone involved in preparing, administering or contributing to the FIDIC suite of contracts. It is primarily intended for building and engineering works where the project company (described as the Employer by FIDIC) bears the design responsibility, and it is not suitable for use where the Contractor is carrying out the design – in those cases case, the FIDIC Yellow or Silver Book should be used instead.
FIDIC Pink Book	The Pink Book is the Multilateral Development Bank Harmonised Edition of the Red Book (see above), which means it is the form of contract to be used for construction projects (building and engineering works designed by the employer) for which MDBs are providing finance. It contains specific MDB requirements, including those relating to labour and working conditions.
Forced labour	Work or service which is exacted from a person under the threat of force or penalty, and which the person has not entered into of his or her own free will.
Furlough scheme	When an employee is furloughed by an employer, it means they are put on temporary leave but kept on their employer's payroll to avoid mass redundancies.
Freedom of association (FoA)	Encompasses an individual's right to join or leave groups voluntarily, the right of the group to take collective action to pursue the interests of its members (see also 'collective bargaining'), and the right of an association to accept or decline membership based on certain criteria.
Gender-based violence and harassment (GBVH)	Umbrella term that covers a range of behaviours, including sexual, physical, psychological and economic abuse. What sets it apart from other types of violence and harassment is that it is directed at people because of their sex or gender, or disproportionately affects people of a particular sex or gender.
Grievance	A complaint against management by one or more employees or a union, concerning an alleged breach of the collective agreement or an alleged injustice. This often extends to comments, suggestions and requests. Grievances can be verbally lodged or in writing. They can also be proactively uncovered through monitoring activities such as staff interviews, or meetings with worker councils or workers' management committees. See also: workers' grievance redressal mechanism (GRM).
Workers' grievance redressal mechanism (GRM)	Processes to enable project employees to express complaints and concerns to management, and to receive responses about the investigations and redressal actions. The overarching principles are that GRMs should be easily accessible, allow for anonymous complaints, and facilitate timely feedback on decisions reached and action taken, without retribution.
Human resources (HR)	Human resource policies are the cornerstone of an effective labour management system. They can be broadly defined as documented information that is clear and understandable regarding rights under national labour and employment law and any applicable collective agreements, including rights related to hours of work, wages, overtime, compensation, and benefits upon beginning the working relationship.

ILO core labour standards (CLS)	A collective term for the ILO core Conventions related to: preventing child labour (Convention 138 and 132), forced labour (Conventions 29 and 105), promoting non-discrimination and equal opportunities (Conventions 111 and 100), freedom of association (Convention 87), and the right of collective bargaining (Convention 98).
Journeyman	A journeyman is a worker, skilled in a given building trade or craft, who has successfully completed an official apprenticeship qualification. This term is used interchangeably with 'tradesman'.
Job safety analysis (JSA)	A procedure which helps integrate accepted safety and health principles and practices into a particular task or job operation. In a JSA, each basic step of the job is to identify potential hazards and to recommend the safest way to do the job. Other terms used to describe this procedure are 'job hazard analysis' and 'job hazard breakdown'.
Labour brokers	Agents who provide (typically, unskilled day-labourer or casual) workers to construction projects for a commission fee.
Local content	Local employment and procurement processes for sharing economic development benefits with project affected communities.
Localised 'boom-bust' scenario	During the 'boom', the local economy grows as a result of the direct and indirect employment opportunities and the injection of external capital into the community from wages, equipment, materials and services procurement. Subsequently, a 'bust' scenario can occur when people lose their jobs, the local economy shrinks, and community investors may lose money.
Migrant worker	Any person who is moving or has moved across an international border (international migrant workers) or within a country (internal migrant workers), away from their habitual place of residence to work or seek work.
Non-discrimination and equal opportunities	Employment decisions such as recruitment, dismissal and promotion are not made (directly or indirectly) on the basis of personal characteristics such as gender, race, nationality or other characteristics that are unrelated to inherent job requirements.
Plan-Do-Check-Act	An iterative four-step health and safety management method used in pursuit of continuous improvement of systems. The four steps are described in the ISO 45001 standard.
Project labour standard	Whereas individual contractor employers may have their own HR policies, a project-wide labour standard is a common set of minimum standards applicable across the entirety of a hydropower project. This is most commonly used in the construction phase of projects, with the standard cascaded down to all contracting tiers.
Safety culture	The collection of the beliefs, perceptions, values and behaviours that employees share in relation to risks within the organisation and workplace.
Scafftag	Scaffold status tagging system, to help prevent hazards of working at height and to efficiently manage inspection procedures.
Sexual harassment	Any form of unwanted verbal, non-verbal or physical conduct of a sexual nature with the purpose or effect of violating the dignity of a person, in particular when creating an intimidating, hostile, degrading, humiliating or offensive environment.
Sexually transmitted infection (STI)	Infections that can be transferred from one person to another through any type of sexual contact. They are sometimes referred to as sexually transmitted diseases (STDs). See also HIV-AIDS, known as the deadliest STI.
Social licence to operate (SLO)	The perceptions of local stakeholders that a project, a company, or an industry that operates in a given area or region is socially acceptable or legitimate. SLOs are typically hard to obtain, but are easy to lose as a result of community impacts and poor labour relations (where the workforce is local, as is typically the case on hydropower projects).

Strike	Strike is a temporary work stoppage carried out by one or more groups of workers with a view to enforcing or resisting demands, or expressing grievances or supporting other workers in their demands or grievances.
Strategic community investment (SCI)	Voluntary contributions or actions by companies, to help communities in their areas of operation, address their development priorities and take advantage of opportunities created by private investment, in ways that are sustainable and support business objectives.
Terms of employment	Benefits and responsibilities agreed upon between an employer and employee during the hiring process and defined in employment contracts. Terms may include details such as salary, benefits, retirement, company policies, termination, and non-competed agreements.
Worker representation	An employee's right to seek a union or individual to represent them for the purpose of negotiating with management on issues such as wages, hours, benefits and working conditions.
Working conditions	Conditions pertaining to the workers' job environment, such as hours of work, safety, paid holidays and vacations, rest periods, free clothing or uniforms, possibilities of advancement, etc. Many of these are included in the collective agreement and are subject to collective bargaining.
Zero-harm	A specific and highly tailored approach to workplace health and safety that ensures that no individual (employee or not) is exposed to potential harm.



Voith's engineer working on the Frades II
pumped storage power plant in Portugal
Photo Credit: Voith Group

1

Introduction





Introduction

Compliance with national labour laws and **good international industry practice (GIIP)** is necessary for hydropower projects to keep workers motivated and to meet production and sustainability objectives. Moreover, project companies have a legal and moral duty to keep workers safe and treat them fairly.

Critical to achieving this is strong leadership that embodies the culture and values of good labour practice. Appropriately qualified and experienced project and labour management staff that lead by example are essential for labour management and monitoring systems to be effective.

This guide discusses the main elements of GIIP that can be used to ensure safe and healthy **working conditions**, to protect workers from labour rights breaches, and to achieve and maintain positive workforce–management relationships.



NTPC engineers and staff monitor the operation of the 1070 MW Nam Theun 2 hydropower plant in Laos PDR
Photo Credit: Asian Development Bank

1.1 This How-to Guide

1.1.1 Aim

This How-to Guide aims to increase knowledge and understanding of the practical measures that can be undertaken to meet good international industry practice, in **conformance** with the internationally recognised Hydropower Sustainability Tools (Figure 1).

This guide expands upon the Hydropower Sustainability Guidelines on Good International Industry Practice (HGIIP) and is designed to support practitioners and stakeholders in adhering to labour laws and international labour rights for a hydropower project. The key role-players in achieving effective labour management are the senior management, from whom a culture of emphasising the importance of good labour rights practice cascades down to human resource managers, **occupational health and safety (OHS)** managers, procurement managers, site supervisors, social management officers, and the **community liaison officers (CLOs)** of the **project company**, the **contractor** and main **sub-contractors**.

This guide can help developers, operators, contractors and subcontractors to effectively manage labour and working conditions, thereby reducing occupational health and safety and

labour rights-related risks and impacts, which otherwise can result in **strikes**, potentially costly construction delays and reputational damage. Over and above mitigation, well-managed labour and working conditions improve workforce productivity, community relations (workers are part of local communities temporarily or permanently), and help projects achieve and maintain a **social licence to operate (SLO)**.

1.1.2 Approach and layout

The approach of this guide is to map out the necessary steps or deliverables that the hydropower developer or operator must take or prepare in order to meet good international industry practice during the project lifecycle, from early concept through to detailed design, construction, and operation.

The guide is presented in five chapters and two annexes:

- **Chapter 1** – Introduction
- **Chapter 2** – Understanding labour and working conditions in hydropower
- **Chapter 3** – Achieving good international industry practice
- **Chapter 4** – Strategies and approaches
- **Chapter 5** – Conclusions
- **Annex 1** – Bibliography
- **Annex 2** – Project examples



The Hydropower Sustainability Tools are governed by the Hydropower Sustainability Assessment Council, a multi-stakeholder group of industry, government, financial institutions, and social and environmental NGOs. The tools are supported by the International Hydropower Association (IHA), the council's management body.

Sustainability guidelines

The Hydropower Sustainability Guidelines on Good International Industry Practice define expected sustainability performance for the sector across a range of environmental, social, technical and governance topics. Released in 2018, the 26 guidelines present definitions of the processes and outcomes related to good practice in project planning, operation and implementation. As a compendium, the guidelines are a reference document for meeting the expectations of lenders, regulators and consumers. Compliance with each guideline can be specified in commercial contracts between financiers and developers, and between developers and contractors. The guidelines are based on the performance framework of the Hydropower Sustainability Assessment Protocol.



Labour and Working Conditions

The Labour and Working Conditions good practice guideline seeks to ensure employee and contractor opportunity, equity, diversity, health and safety. Adherence to this guideline is measured using the HSAP and the HESG.

Further information

Visit [Hydrosustainability.org](https://hydrosustainability.org)

Assessment protocol

The Hydropower Sustainability Assessment Protocol offers a framework for objective assessments of hydropower project performance. It was developed between 2007 and 2010 following a review of the World Commission on Dams' recommendations, the Equator Principles, the World Bank Safeguard Policies and IFC Performance Standards, and IHA's own previous sustainability tools. Assessments are delivered by independent accredited assessors and can examine different stages of a project's life cycle. Evidence collected during an assessment is used to create a sustainability profile and benchmark performance against both good and best proven practice. The assessment protocol was updated in 2018 with a new topic covering hydropower's carbon footprint and resilience to climate change.

Gap analysis tool

The Hydropower Sustainability ESG Gap Analysis Tool enables hydropower project proponents and investors to identify and address gaps against international good practice. Launched in 2018, the tool is based on the assessment framework of the HSAP's environmental, social and governance topics.

It provides a gap management action plan to help a project team address any gaps and is divided into 12 sections that are compatible with both the IFC Environmental and Social Performance Standards and the World Bank's Environmental and Social Framework.

1.2 Labour and working conditions in the Hydropower Sustainability Tools

The hydropower sector has a suite of tools to deliver sustainable outcomes. These include the Hydropower Sustainability Assessment Protocol (HSAP), the Hydropower Sustainability Environmental, Social and Governance Gap Analyses Tool (HESG), and the Hydropower Sustainability Guidelines on Good International Industry Practice (HGIIIP).

The topic of Labour and Working Conditions is included in all three of the main HSAP tools that correspond to the project lifecycle stages: Preparation, Implementation, and Operation. In the HSAP, the topic is addressed in P-16 for the Preparation stage, I-12 for the Implementation stage, and O-12 for the Operation stage. In the HESG, this topic is addressed in Section 2. These provide a definition of good international industry practice in the management of labour and working conditions, in relation to criteria on Assessment, Management, **Stakeholder Engagement**, Conformance and Compliance, and Outcomes.

The intent of the Labour and Working Conditions topic is that workers are treated fairly and protected.

1.2.1 Objectives of this How-to Guide

This How-to Guide is designed to help the practitioner to:

- Establish, maintain and improve the worker–management relationship through documenting and clearly communicating to all workers a **human resources (HR)** policy, working conditions, and **terms of employment**.
- Promote the fair treatment, **non-discrimination and equal opportunity** of workers, so that employment decisions and relationships are based on inherent job requirements and not on unrelated personal characteristics.

This relates to recruitment and hiring, compensation (including wages and benefits), working conditions and terms of employment, access to training, job assignment, promotion, completion or termination of employment or retirement, and disciplinary practices, including disciplining workers who transgress the worker Code of Conduct (CoC).

Developers and operators are to take measures to prevent and address harassment, intimidation and/or exploitation, especially of women, **migrant workers**, and workers who are considered **Indigenous Peoples (IPs)**.

- Provide safe and healthy working and living conditions by taking steps to prevent accidents, injury and disease. The use of hazard and risk assessment processes, and the provision of preventive and protective measures with appropriate training and documentation, help to meet this objective.

The objective is to inform the reader how to approach the assessment and management of environmental and social impacts and issues using a range of strategies, approaches and methodologies. This How-to Guide also directs readers to further guidance and examples. It is intended for those engaged in the development and operation of hydropower projects, as well as stakeholders with interests in these projects and the wider hydropower industry.

1.2.2 Scope and limitations

The scope of this guide covers:

- basic good practice requirements for the management of labour and working conditions, as set out in the HSAP and associated tools; and
- all stages of a project's life, from the Early stage, through Preparation, Implementation and Operation.

This guide discusses two-way communication channels that should be used to disclose information to workers and inform them of their labour rights and entitlements, as well as to receive feedback from them, so that **grievances** can be

addressed, perceptions can be managed, and working relationships of trust can be built and maintained.

Key to achieving the above aims is effective disaggregated monitoring, so that all workers are protected – including those engaged by third-party subcontractors, and workers in the project **supply chain**. This includes prevention of **child labour**, **forced labour**, ensuring appropriate working conditions and pay for women, and addressing conditions for non-local workers and workers who are considered to be IPs. This guide discusses monitoring tools that can be used for this purpose.

The challenges to achieving good practice in the hydropower sector are similar to other infrastructure sectors, except that they can be magnified and more complex, because construction workforces can be large (in the thousands), construction schedules can be longer, and the work environment (for example, in underground work/structures) can be more dangerous. Most of the challenges are faced in the construction phase, when the workforce is the biggest and there are a range of subcontractors to be managed and monitored – each with their own labour management systems, approaches and corporate cultures. The guide stresses the importance of the integration of assessment, training and knowledge transfer among different teams and parties throughout all stages of the project.

This guide does not include discussion of **influx** assessment and management. Influx can be a secondary impact on hydropower projects, which occurs when people move to an area with the expectation of either securing employment directly at the project, or as a supplier or service provider to the project or the workforce. This latter group are sometimes known as **camp followers**. The scope of this guide is not large enough to include tools to manage this community impact. The sections on workers' accommodation and worker codes of conduct do, however, discuss tools for mitigating potential impacts from non-local construction labourers working on the project.

This guide does not differentiate management approaches for different types of workers disaggregated by function or skill set – for example, welders, electricians, security guards, drivers, etc.

It does, however, refer to differentiated skill levels (unskilled, semi-skilled and skilled), noting that the lower-skilled workers are typically more vulnerable, and are more exposed to health and safety risks and labour rights abuses. This is particularly the case for **day labourers**, who are often not equipped with the appropriate level of personal protective equipment (PPE) for the job they are tasked with undertaking.



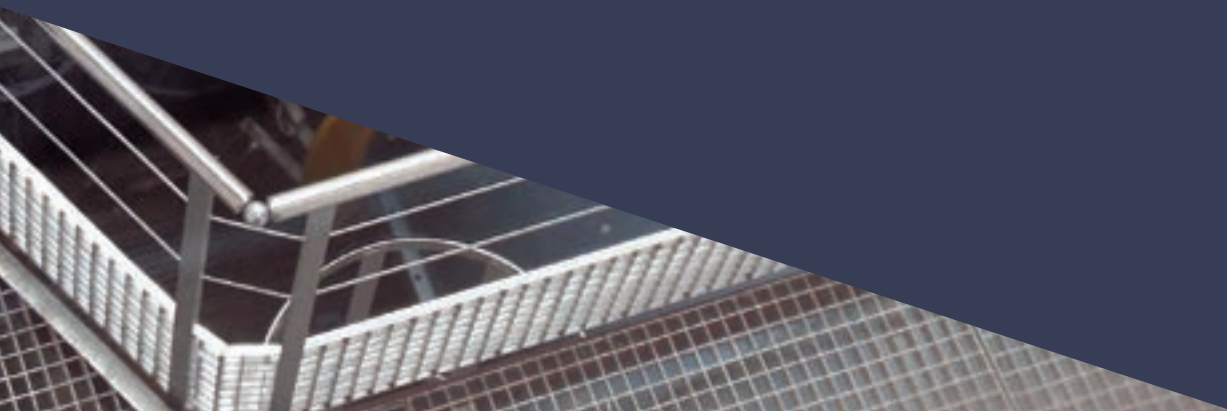
Aerial view of workers' accommodation at the
Santo Antonio project in Brazil
Photo Credit: Bernt Rydgren

2 Understanding labour and working conditions in hydropower



Understanding labour and working conditions in hydropower

The consideration of labour and working conditions in hydropower projects was for a long time limited to occupational health and safety (OHS) risk management. This began to change at the turn of the century, when **lenders'** requirements on the topic expanded the remit to also include labour rights issues. This chapter introduces the full range of topics, to provide the background for the more specific requirements and approaches described in Chapters 3 and 4.



2.1 Why care about labour issues?

So why should hydropower project companies care about managing labour and working conditions? The ultimate outcome of good labour management is a

workforce that feels respected and is motivated. This has a number of secondary interrelated benefits for project companies, workers, local communities, the wider society, and the hydropower sector. These benefits are summarised in Figure 2 and discussed in more detail below.

Figure 2 Benefits of well-managed labour and working conditions

Source: Mott MacDonald



In addition to the moral imperative for providing a safe and healthy **workplace/worksite** where workers' rights are upheld, there is also a strong business case. The level of investment needed to implement an effective labour management system is relatively small when compared to the commercial returns from improved project performance.

A fairly treated workforce is more motivated, and it is therefore more productive and likely to meet individual and collective project schedules and production targets. When workers feel respected, they are more likely to continue working at projects, thereby reducing recruitment and training costs.

In turn, having long-standing well-trained and experienced staff contributes to avoiding health and safety lost-time incidents, which can also be costly.

Project companies have much better relationships with workers who are fairly treated. Workers who understand their labour rights, and who see their contract entitlements upheld, are more likely to be proud of their place of work and to trust their employer. An effective **workers' grievance redressal mechanism (GRM)** helps projects to understand and manage perceptions, and facilitates positive workforce relations.

Box 1 Lenders' Labour and working conditions standards

Lenders include **multilateral development banks (MDBs)**, such as those of the **World Bank Group (WBG)**, national financing institutions, private-sector investors, and commercial banks who are signatories to voluntary standards such as the **Equator Principles (EP)**.

The EP require projects to conform with the main international labour standard, typically considered to be GILP: namely, the **International Finance Corporation's (IFC's) Performance Standard 2 on Labour and Working Conditions (IFC PS2)**. This is applied to private sector projects financed by the WBG, and was last updated in 2012.

In 2018, the WB Environmental and Social Framework came into effect (to replace the previous WB Safeguard Policies), containing **Environmental and Social Standard 2 on Labor and Working Conditions (WB ESS2)**. This is one of ten standards that sets out responsibilities for (primarily public-sector) Borrowers.

ESS2 is substantively similar to IFC PS2, but it includes more specific requirements on occupational health and safety, expanding upon the **World Bank Environmental, Health and Safety Guidelines**, known as the EHS Guidelines (last updated 2012), which are cross-referenced in IFC PS2.

Another prominent MDB private-sector lender with a dedicated labour and working conditions standard is the European Bank for Reconstruction and Development (EBRD). Recently in 2019, EBRD updated its Environmental and Social Policy and Performance Requirements (PRs), including **Performance Requirement 2: Labour and Working Conditions (EBRD PR2)**.

EBRD PR2 is also substantively similar to the WBG standards, with the main difference being that occupational safety and health requirements are detailed separately under EBRD PR4: Health, Safety and Security.

All of the above standards are guided by and refer to International Labor Organization (ILO) core conventions related to preventing **child labour** and **forced labour** (see Box 2), and promoting non-discrimination and equal opportunities, **freedom of association (FoA)** and the right of **collective bargaining**. Collectively these are known as the **ILO core labour standards (CLS)**. Recently in 2019, the ILO also introduced Resolution 190 on the Prevention of Violence and Harassment in the Workplace.

These relationships often extend to the local communities that workers come from, and contribute to a project's ability to obtain and protect its social licence to operate in that locality. This in turn makes potentially costly worker strikes and related community protests less likely. Where projects provide **local content** and skills development programmes or outcomes, they are sharing project benefits with local affected communities. This can foster symbiotic and mutually supportive community relations and facilitate the long-term sustainability of projects. Projects with positive community relations are more likely to be protected from security, intrusion and theft risks.

Appropriate management of labour and working conditions is – to varying degrees, depending on the country in question – a legal and regulatory requirement. Countries ratifying International Labour Organization (ILO) conventions (see Box 1) must integrate them into their national labour laws. In countries where national regulations may be either lacking or poorly enforced, lenders to large internationally financed projects require projects to conform with more stringent international good practice commitments to effective labour management. This in turn facilitates ongoing access to valuable international project finance, and the building of a good corporate reputation with regulatory bodies, lenders and civil society.

Finally, by caring about labour and working conditions, project companies can and do contribute to improving their corporate culture. Projects that exhibit a safe working culture where labour rights (a key pillar of human rights) are upheld, serve as examples to others in the sector. By training staff in good labour management practice and embedding this in their professional culture, benefits are extended beyond the project to the wider sector, when these workers move on to other projects.

2.2 Types of workers

Hydropower projects require many kinds of workers, who can be hired by the project company, its contractor, subcontractors, service providers and supply chain companies. Workers may be skilled, semi-skilled or unskilled, and include **direct workers** employed permanently, or **contracted workers** employed for a specific duration or casually, including as day labourers. These types of workers are defined in Figure 3, and hydropower project companies have a moral obligation to protect the labour rights of all of these groups of workers.

Casual or temporary unskilled workers, sometimes referred to as day labourers, are among the most vulnerable and at-risk workers. This type of worker

Figure 3 Different types of labourers

Source: Mott MacDonald



Box 2 Definitions of child and forced labour

Child labour means the employment of children in any manner that is economically exploitative or is likely to be hazardous or interfere with their education, or be harmful to their health or physical, mental, spiritual, moral or social development. Where the relevant labour laws of the country have provisions for employment of minors, the project companies shall follow those laws that are applicable. Children below the age of 18 years shall not be employed in dangerous work.

Forced labour is work or service which is exacted from a person under the threat of force or penalty, and which the person has not entered into of his or her own free will. It includes any kind of involuntary or compulsory labour, such as indentured labour, bonded labour or similar labour-contracting arrangements.

Source: International Finance Corporation Performance Standard 2 on Labour and Working Conditions

is most often used in the construction phase. They are unlikely to have the requisite industrial safety training qualifications, and they may not be provided with appropriate PPE by subcontractors. Also, they are less likely to know their labour rights and employment contracts. **Casual workers** also pose the greatest risk of including child or forced labour (see Box 2), and this must be mitigated through appropriate management, monitoring, and where possible, capacity-building for subcontractors and **labour brokers**, so that they can improve their standards. For these reasons, projects should consider banning the use of casual workers, and where they are used, special measures should be in place, as discussed in more detail in Chapter 4.

Another category of vulnerable workers is security personnel (state and private). Security providers are increasingly being used for workforce and asset protection, and although the security industry has continued to expand over the last 30 years, this growth has not been matched with congruent quality working conditions. Deficiencies include long and illegal working hours, underpayment, non-payment, illegal **retrenchment**, unhealthy working conditions, exploitation and **sexual harassment**. The use of such security personnel also presents associated community health and safety and human rights issues, as well as risk related to interaction between security staff (especially public security) and local members of the community.

While some of the workforce and the labour management personnel may remain consistent from the project preparation phase through to construction and into operation, often there are significant changes in the types of workers used. This means there is a need for ongoing tracking of the workforce as new workers and subcontractors join the project.

Technical and health and safety training is needed for all types of workers at the initial **onboarding** stage of employment, and refresher training is required on an ongoing basis as the personnel changes, especially in the construction phase of projects. A robust and adaptive overarching labour management and monitoring system is required for this purpose, with appropriately trained labour management personnel, and leadership from senior management.

2.3 Human resource policies, working conditions and terms of employment

Hydropower projects, especially large ones, typically involve many different companies and employers, all with their own policies and employment terms and conditions. Examples of issues typically covered include wages and benefits, wage deductions and bonuses, hours of work, overtime arrangements and overtime compensation, breaks, rest days, and leave for illness, maternity or vacation.

Project management has a responsibility to steer these different parties in the same direction and maintain common standards for labour and working conditions across the worksite locations. The starting point for doing this is policy documentation, and the umbrella labour policies are human resource (HR) policies. Almost every medium to large company in the world has HR policies, the objective of which is to provide workers with information regarding their rights under national labour and employment laws, including in relation to wages and benefits. These have been described as 'the rules', whereas the procedures that follow these are the steps required to consistently follow the rules.

HR policies must be understandable to workers, and should be explained or made available to each worker upon beginning their role and throughout their contract time. Among the key requirements of HR policies are the need to promote non-discrimination and equal opportunity, and to protect the workforce by prohibiting the use of child labour, among other items detailed more fully in Chapter 4.

All workers must be clear about their terms of employment, through a contract in their own language, and regarding their rights in terms of safety measures and the provision of PPE. The contract should inform them about remuneration, how their pay is calculated, what benefits they will earn, and the company's rules about working hours and overtime.

Working hours must be monitored and controlled. In some cases, especially in remote hydropower locations, when workers are away from their families, they may request to work more hours. However, excessive overtime can lead to exhaustion, accidents and injuries, and should therefore be prevented. In many cases there are also legal limits to be complied with.

Project payroll calculations must be transparent, and everyone has to understand any pay deductions. Bonuses and performance-related pay should also be understood and not reflected as working hours.

Some companies and projects negotiate a **collective bargaining agreement (CBA)** that covers working conditions and terms of

employment. In such cases, this must be reflected in HR policies, so that it covers all workers. Where these are not in place, the minimum requirement is to comply with national law, even in contexts where that law is not enforced by regulatory bodies.

2.4 Workers' representation and grievance redressal

As one of the ILO core labour standards (CLS), **freedom of association** and the right to collective bargaining are among the most important labour rights that workers have. Providing workers with a collective voice empowers them and helps to build a relationship of mutual trust and respect between workers and management.

In many countries these issues are legally recognised, and all projects should comply with the laws in the country of operations. Where national law is silent on **worker representation** and trade unions, the good practice approach is that companies should not discourage workers from forming or joining workers' organisations or discriminate against those who bargain collectively. Where national law substantially restricts workers' organisations, companies should enable alternative means for workers to communicate about common work issues, and to express their grievances regarding working conditions and terms of employment.

If such agreements are negotiated at the site level, workers and trade unions must be given notice of the process, so that they can participate. Then, terms and conditions in negotiated collective bargaining agreements must be reflected in employment contracts.

National laws and CBAs typically specify the process for work stoppages and strikes, and specify that they need to be addressed through meetings with workers' representatives, to discuss and reach agreements. Workers' representatives are to have access to management, and workers' organisations are expected to fairly represent the workforce and **gender** balance through processes such as designation or election by workers.

In addition to collective bargaining on working conditions and contractual rights, workers' organisations can play an important role in grievance articulation and resolution. Project worker GRMs are the typical and formal means for workforce grievances to be lodged, investigated and remediated, and to which responses are made. Projects are required to inform workers of the GRM processes at the time of hire and make them easily accessible to workers. While in some cases, the grievances of multiple workers are lodged through the GRM, most grievances recorded represent the concerns of individuals.

Worker organisations can be used to aggregate common grievances and concerns which may suggest cases of systemic management failure, and also to suggest alternative solutions and ideas. The organisations can then articulate and discuss these issues through ongoing dialogue with management and via a system of regular meetings. This is often more effective for resolving grievances promptly and effectively, because management can better understand the concerns, and at the same time will be under greater collective scrutiny to act.

Workers' representative bodies can act as a communication and trust bridge between the workforce and management. They can help to manage workforce perceptions, and to facilitate the acceptance of project communication processes as

meaningful avenues to resolve grievances and other issues.

2.5 A safe and healthy working environment

Projects must provide a safe and healthy working and living environment that is free from intimidation and harassment. The most severe labour impact a project can experience is a fatality, closely followed by a serious occupational injury. These impacts must be mitigated through robust OHS management systems that incorporate plans, policies and procedures designed to provide a safe and healthy work environment.

The overarching aim of a live OHS management and monitoring system is to develop an OHS culture. To achieve this, senior management need to emphasise the importance of such a culture, and they must lead by example.

The considerations of inherent safety hazards, including those that are physical, chemical, biological, environmental or radiological (in other words, anything that may cause harm), require approaches and tools to mitigate risks and establish a **safety culture**. Risks in the hydropower sector are assessed and mitigated to avoid incidents, accidents and injury, and at worst, fatalities. These concepts are described in more detail in Figure 4.

Figure 4 Overview of the main OHS concepts

Source: Mott MacDonald



The most significant OHS risks in hydropower are encountered during construction, and are associated with tunnelling, blasting, working on, near or over water, high volumes of vehicular and machinery movement, working at height, extensive excavations, and working in confined spaces or with high-voltage electrical systems. In addition, there are environmental hazards such as landslides, avalanches and floods that can occur and cause harm. These risks, among others, require identification, assessment, and the associated identification of control measures, as discussed further in this Guide.

Projects have a duty of care to safeguard the health of the workforce and local **host communities**. Health screenings should be undertaken as part of the workforce onboarding process and be provided periodically thereafter. Projects must provide appropriate medical facilities and personnel (doctors and nurses) on site and in accommodation areas at all times. Facilities and personnel must be commensurate with the size of the project and the accessibility of the nearest emergency medical facilities. Where there are large construction workforces on site, **sexually transmitted infection (STI)** and **HIV-AIDS awareness and prevention programmes** should be provided, including monthly awareness-raising campaigns, provision of condoms, and HIV/AIDS screening, diagnosis, counselling and referral. Qualified accident prevention officers must be on site, and OHS records must be kept and reported to the project engineer and project company.

Sexual assault and **gender-based violence harassment (GBVH)** incidents are also high on the list of the most severe OHS impacts. These include incidents of a sexual nature (including exploitation, abuse and harassment), physical incidents (including the use or threat of force), economic components (including restricting access to financial or other resources), and psychological harassment (including verbal and non-verbal abuse and bullying). Often, workplace GBVH incidents can combine these elements or involve all of them. For example, a manager could threaten to deny a worker's advancement or withhold a bonus unless they engage in sexual activities. Threats of force could be used also, as well as threats of spreading falsehoods and rumours about a worker's sexual activities or preferences. These risks must be mitigated through

GBVH policies emanating from senior management, including zero-tolerance for perpetrators, a GBVH-specific GRM, and awareness training for all staff.

2.6 Workers' accommodation

Many hydropower projects require some form of on-site workers' accommodation. Due to site topography and access restrictions, it is often challenging for workers to travel to and from the site every day, even when they are from nearby communities. The requirement to provide a safe and healthy working environment also extends to the workers' living accommodation.

Safeguarding workers' health and wellbeing often means providing a liveable environment with recreational, worship and exercise facilities and services. Accommodation, food and medical facilities should be free of charge to workers. Entertainment (e.g. television) and internet access are increasingly expected by workers as part of their accommodation, particularly in more remote locations. Workers typically do not want to be away from their families and home communities for extended periods, but do so for economic reasons. These facilities make their lives easier in such circumstances.

Projects have a responsibility and a duty of care to apply appropriate standards to the construction and operation of workers' housing, including rented private accommodation within the communities. Careful consideration needs to be given to mixing workers from different locations, as small groups of workers or individuals can suffer cultural disarticulation and isolation, and conflict can result if workers from historically hostile groups are accommodated together.

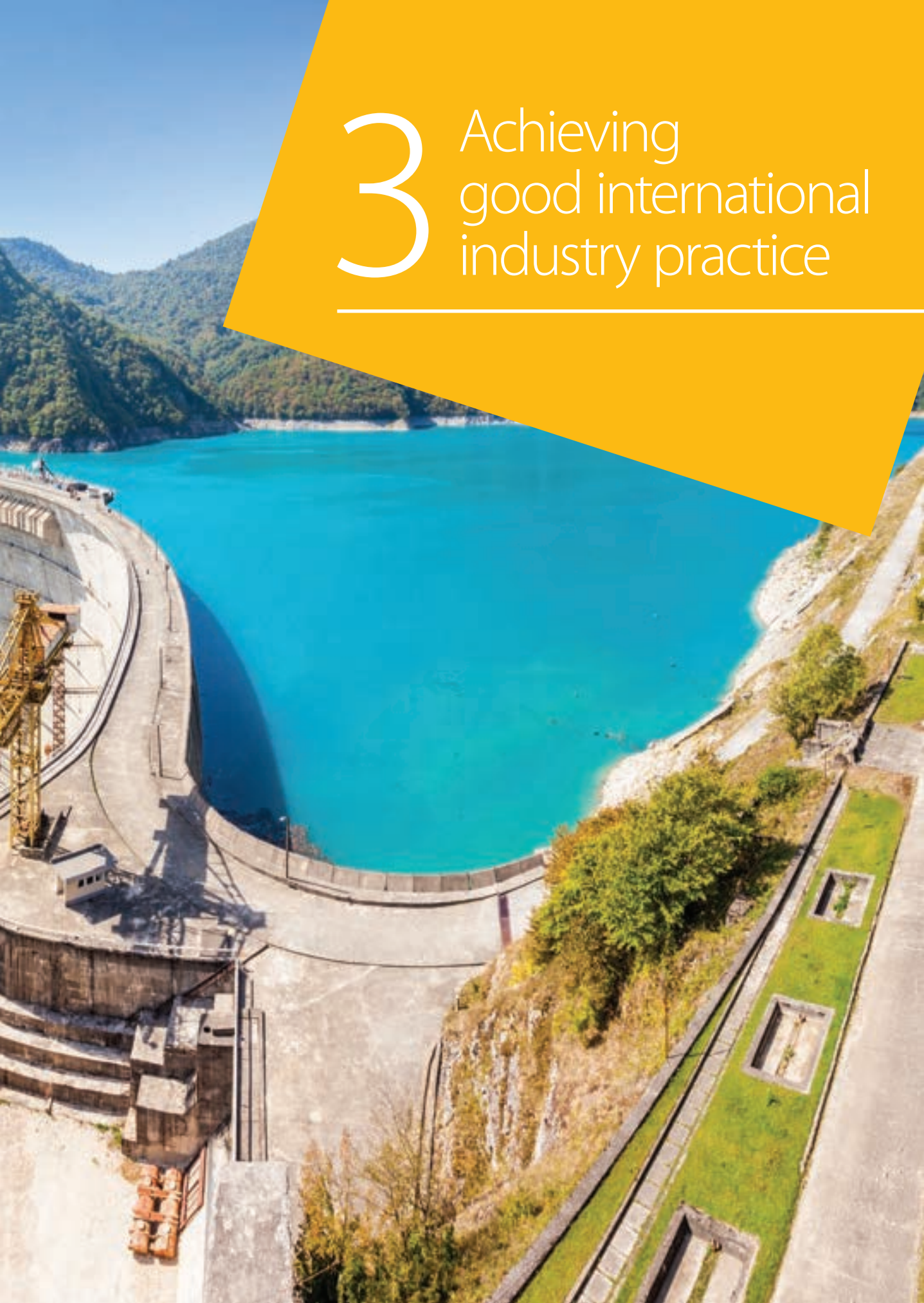
Accommodation management needs to consider arrangements for the operation of facilities, including the management policies and the staff who will be responsible for applying them. This includes managing workforce behaviour – for example, through a workers' CoC, implementing appropriate security and workers' GRMs, and stakeholder engagement with local communities when accommodation is nearby or located within settlements.

Only a few countries have national legislation relating to workers' accommodation standards. However, there are some international standards and guidance, one of the most well-known being Workers' Accommodation: Processes and Standards (International Finance Corporation and European Bank for Reconstruction and Development, September 2009).



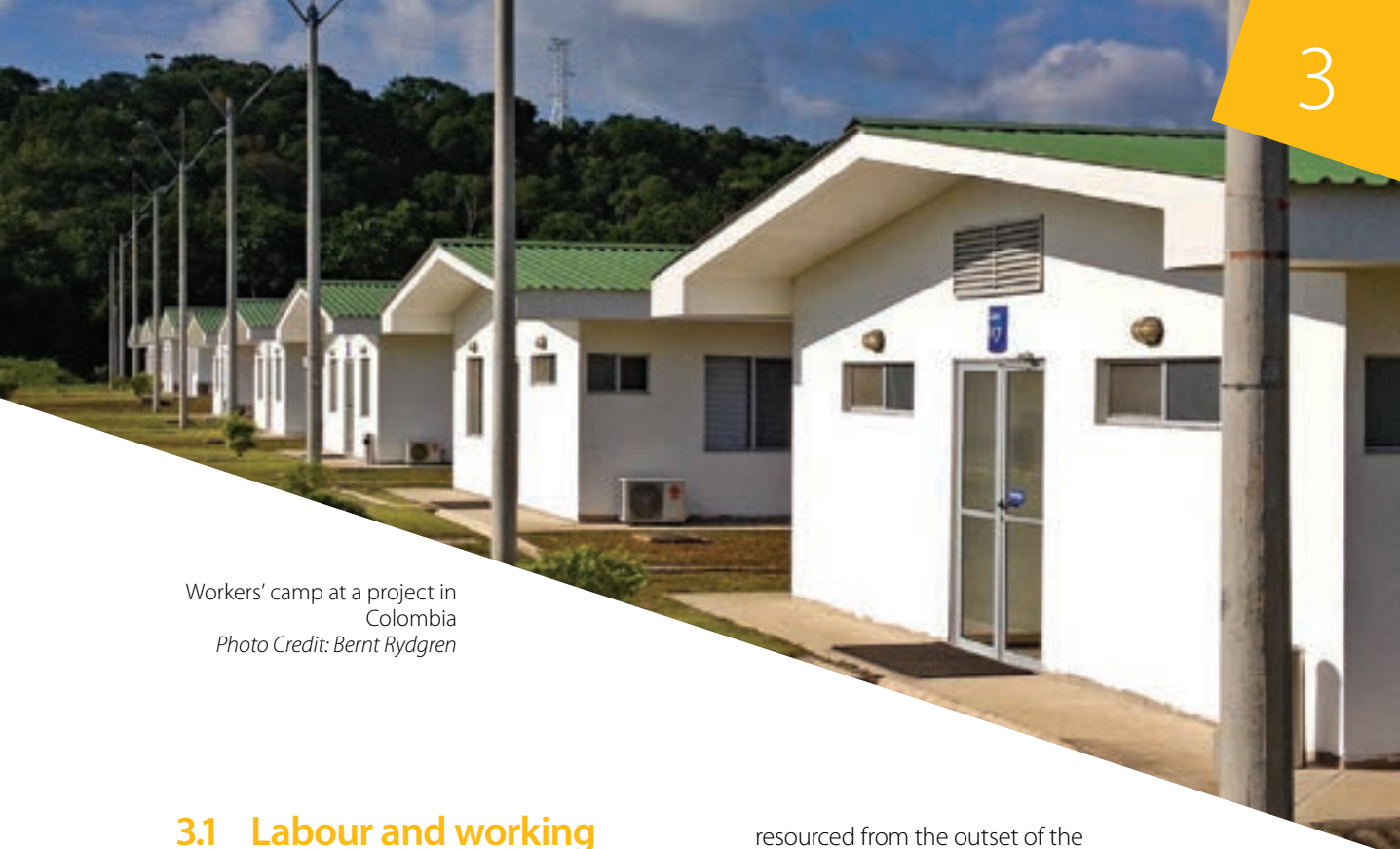


3 Achieving good international industry practice



Achieving good international industry practice

This chapter explores the commonalities, i.e. aspects that all good practice labour and working conditions management approaches have in common, and the main challenges faced in achieving good practice. Following the logic of the HSAP, these are first discussed by stage in the project life cycle (preparation, implementation, operation) and then by the assessment criteria (assessment, management, stakeholder engagement, conformance/compliance).



Workers' camp at a project in Colombia
Photo Credit: Bernt Rydgren

3.1 Labour and working conditions in the project life cycle

In many cases, projects first pay attention to addressing labour issues in the construction phase, when problems such as workforce strikes can surface, which can cause costly construction delays. By the time construction has started, relations have been established with the workforce, and sometimes with the local communities from which they have come. If early impressions of the project companies are bad, the relations can be damaged and difficult to repair. To avoid this, it is important that labour management is well planned and

resourced from the outset of the project life cycle. This means beginning at the preparation stage, as part of the site selection process and the environmental and social impact assessment (ESIA). Key labour considerations during the preparation stage are presented in Table 1.

It is important that labour management and local employment benefit enhancement measures are then identified in the ESIA documentation, for translation into firm commitments in the implementation stage. This is typically done through conditional finance agreements, which require labour management and monitoring to be included in the site-specific labour management plans or environmental and social management

Table 1 Key labour considerations during the preparation stage

Tasks	Activities
Identification of workforce needs and the availability of a local labour pool	If workers' accommodation will be required, an assessment should be made of special requirements and the availability of existing accommodation or appropriate land for construction, noting that most hydropower construction sites are in mountainous terrain with geographic and accessibility constraints.
Assessment of labour and working conditions in the environmental and social impact studies	Including a labour law review, a baseline review of labour rights abuses and health and safety practices in the country. Also, assessing workforce and accommodation availability, access to vocational training facilities, and opportunities for beneficial impacts such as local employment creation and upskilling.

Table 2 Key labour considerations prior to the implementation stage

Tasks	Activities
Planning labour management resources, roles and responsibilities	Personnel for labour management plan implementation must be hired, responsibilities assigned, and trained prior to workforce mobilisation. Senior management's support, resources and oversight of labour management performance are critical to ensure human resources are effective in performing their roles and responsibilities.
Translating labour commitments into policies, plans and procedures	Incorporating labour commitments into site-specific labour management and monitoring plans and procedures: for example, producing project-specific human resource policies and a workers' GRM. Labour management staff must be trained in translating labour commitments into operations.
Engagement with workers' representatives or trade unions	This is needed to establish collective bargaining agreements and/or agreed workforce arrangements. It should be early and ongoing, with management's support for the establishment of representative workers' councils or labour management committees on site, for large-scale projects where trade unions or representative bodies are not already established.

plan. The pre-construction period is key, as this is when commitments must be contractually passed down to the contractor and subcontractors. Key labour management improvements that can be made prior to the implementation stage and construction mobilisation are presented in Table 2.

During construction and operations, the project developer or operator needs to know that the contractor understands and can implement the labour management system. Training in implementing project-specific labour management

plans and tools must be provided prior to and during implementation. Senior management must regularly and actively review capacity, and where capacity is found to be lacking, additional resources should be provided in the form of external training, and/or hiring of more appropriately qualified and experienced HR and labour management professionals.

In the operations phase, workforce numbers are dramatically reduced as contractors demobilise, and construction phase staff are reassigned

Table 3 Key labour considerations prior to the operation stage

Tasks	Activities
End of construction contract demobilisation planning	Use of appropriately timed contract termination notice periods is needed to ensure that the transition into operations is smooth, that construction workers who will no longer have employment on the project are supported, and that localised 'boom-bust' scenarios are avoided.
Developing operations labour management plans	A skills assessment should be undertaken for the new team, and tailored training and capacity-building should be provided.
Team overlap and knowledge transfer	Ensuring there is an overlap on site between the construction and operations labour management and monitoring teams, for the purposes of job shadowing and training.
Staff retention and skills development	The labour management strategy's emphasis needs to change from short-term contracting to long-term retention of workers and growing the skills of a local workforce, with less dependency on international or national skills.

to other construction projects and locations. The introduction of an almost completely new operational team can result in an overnight reduction in capacity. To avoid this, lessons learned in the construction phase should be communicated to the operations teams. The key labour considerations during the transition to the operations phase are summarised in Table 3.

3.2 International good practice requirements for labour and working conditions

Good practice labour management requires a systematic approach that is well-planned but adaptive. This is particularly important in large hydropower projects, due to the challenges associated with monitoring multiple subcontractors to maintain a consistent labour standard across the entire workforce. Project companies can benefit from supporting subcontractors in addressing capacity constraints, so that the HR and labour management staff of different companies act as one coordinated project team. Regular and effective communication is needed, and support should be provided to smaller subcontractors in devising and implementing preventive or corrective

actions. Delivery should comply with regulatory requirements and conform with corporate and project policies, plans and commitments – for example, to meet obligations to lenders.

The remainder of Chapter 3 will discuss common elements of good practice, as defined by the HSAP criteria related to assessment, management, stakeholder engagement and conformance/compliance.

3.2.1 Assessment

Table 4 describes how the assessment criteria in the HSAP and HESG topic for Labour and Working Conditions relate to the different stages of the project life cycle.

An assessment of potential labour and working conditions can be undertaken as part of an ESIA and through separate studies over time through the lifecycle of the project, but especially prior to major mobilisation or changes in the required skill set of the workforce. The assessments should cover:

- Review of national labour laws and regulatory requirements, and international good practice standards and lenders' requirements, and a gap analysis between the two.

Table 4 HSAP and HESG assessment criteria on the topic of Labour and Working Conditions

Project life cycle stage	Labour and Working Conditions topic requirements
Preparation	An assessment has been undertaken of human resource and labour management requirements for the project, including project OHS issues, risks, and management measures, with no significant gaps.
Implementation	Human resources and labour management requirements have been identified through an assessment process, including OHS issues and risks. Also, processes are in place to identify any emerging or ongoing issues, and to monitor if management measures are effective.
Operation	A periodically updated assessment has been undertaken of human resource and labour management requirements for the operating facility, including OHS issues, risks, and management measures, with no significant gaps. Monitoring is being undertaken to assess if management measures are effective, and ongoing or emerging labour management issues have been identified.

- Occupational and health and safety and labour rights risks assessment, including consideration of any allegations of labour rights discrimination or abuses of power by project participants.
- The review should include identifying whether legal actions have been taken against project participants, related to OHS or labour rights issues.
- Workforce and skills needs assessments, considering the availability of sufficiently skilled workers both locally and nationally, the need for the use of non-local labour, the types and levels of training that will be required for local people, and construction accommodation and workforce transport needs assessments.
- Supply-chain risk analysis to understand and mitigate labour risks related to the source or manufacturing locations of primary construction components or materials.
- Locally available vocational training or measures that need to be updated.

The outcomes of these assessment activities should be used to develop bespoke labour management tools.

3.2.2 Management

Table 5 describes how the management criteria in the HSAP and HESG topic regarding Labour and Working Conditions relates to the different stages of the project life cycle.

There are typical labour and working conditions management plans, policies and procedures that all hydropower projects should have, and some that are determined by the outcomes of assessments or the specific circumstances of the project. The typical labour documentation that all projects should have are:

- **A project labour standard**, and human resource policies and procedures that reflect project commitments.
- A project-specific labour management system and monitoring plan that includes an organogram with named roles and staff, linked to a description of their clearly designated roles and responsibilities and reporting lines. This should detail training and capacity-building activities, and specifications for monitoring of contractors and subcontractors.
- OHS policy, plan and procedures, including emergency response procedures.
- Workers' code of conduct to manage workforce behaviours.
- A demobilisation plan or procedures to manage the process and impacts related to the ending of short construction-phase contracts, and retrenchment planning for situations where **collective dismissal** of permanent staff results from economic, technical or organisational reasons that are not related to performance or other personal factors.

Table 5 HSAP and HESG management criteria on the topic of Labour and Working Conditions

Project life cycle stage	Labour and Working Conditions topic requirements
Preparation	Human resource and labour management policies, plans and processes have been developed for project implementation and operation that cover all labour management planning components, including those of contractors, subcontractors and intermediaries, with no significant gaps.
Implementation/Operation	Human resource and labour management policies, plans and processes are in place that address all labour management planning components, including those of the contractor, subcontractors and intermediaries, with no significant gaps.

- A subcontractor management and monitoring plan, including key performance indicators, and activities such as periodic monitoring, as well as HR record and payroll inspections, and worker interviews to ensure that diversity issues are considered.

Project-specific plans that may need to be developed according to labour assessment results include:

- Worker accommodation plan(s).
- Local employment and skills development plans. This is a labour-related community benefit-sharing measure that is summarised in this report, and discussed in more detail in the How-to Guide on Hydropower Benefit Sharing.

Labour management plans, policies and procedures may be collated, or cross-referenced with a detailed Environmental and Social Management Plan (ESMP) or an overarching labour management and monitoring plan. Roles, tasks and responsibilities of management on various levels (as linked to the above-mentioned organogram) should be detailed, so that there are clear lines of accountability for labour management success or poor performance.

3.2.3 Stakeholder engagement

Table 6 describes how the stakeholder engagement criteria in the HSAP and HESG topic for Labour and Working Conditions relate to the different stages of the project life cycle.

As with other directly affected stakeholders such as local communities, effective and meaningful stakeholder engagement with workers is critical to project success. In the first instance, during assessment it is crucial to manage the perceptions of local communities, who generally have high

expectations regarding labour generation. While hydropower projects may have large construction workforces for temporary timeframes, often the operational workforce requirements are much smaller than most community stakeholders realise.

It is important to manage workers’ perceptions and resolve or reduce their grievances, thereby avoiding strikes and maximising workforce productivity. The main considerations for good practice engagement with workers are:

- Full disclosure of HR policies, entitlements and labour procedures, through clear and accessible communication materials and training (including toolbox talks) that consider language and literacy parameters.
- This is also the time to ensure that the local community is made aware of the workers’ CoC, including the GRM process. Workers also need to be provided with and understand what is expected of them through the CoC, including what actions or activities may result in censure or dismissal.
- An effective workers’ GRM, so that workers throughout the contracting tiers have their concerns identified and addressed in a timely manner, and trust is built between the workforce and the project management.
- Constructive and meaningful engagement with workers’ representative bodies or trade unions, regarding workforce communal issues or collective bargaining agreements.
- Workforce surveys, to better understand the workers’ opinions before negative perceptions fester or escalate, and to invite suggestions for changes or improvements to working and living conditions.

Table 6 HSAP and HESG stakeholder engagement criteria on the topic of Labour and Working Conditions

Project life cycle stage	Labour and Working Conditions topic requirements
Preparation/ Implementation/ Operation	Ongoing processes are in place for employees and contractors to raise human resources and labour management issues and get feedback.

Table 7 HSAP and HESG conformance/compliance criteria on the topic of Labour and Working Conditions

Project life cycle stage	Labour and Working Conditions topic requirements
Implementation/ Operation	Processes and objectives relating to human resource and labour management have been and are on track to be met, with no major non-compliances or non-conformances, and any labour-related commitments have been or are on track to be met.

Understanding and managing workers’ perceptions, and responding to rumours and myths, is very important. A project can have good practice labour policies and procedures, but if implementation or communication is poor, workers may perceive the project and the management in a negative light. Proactive and regular information disclosure and messaging, consistency of information, access to grievance redress, and responsiveness from management are key to achieving good practice workforce engagement.

3.2.4 Conformance/Compliance

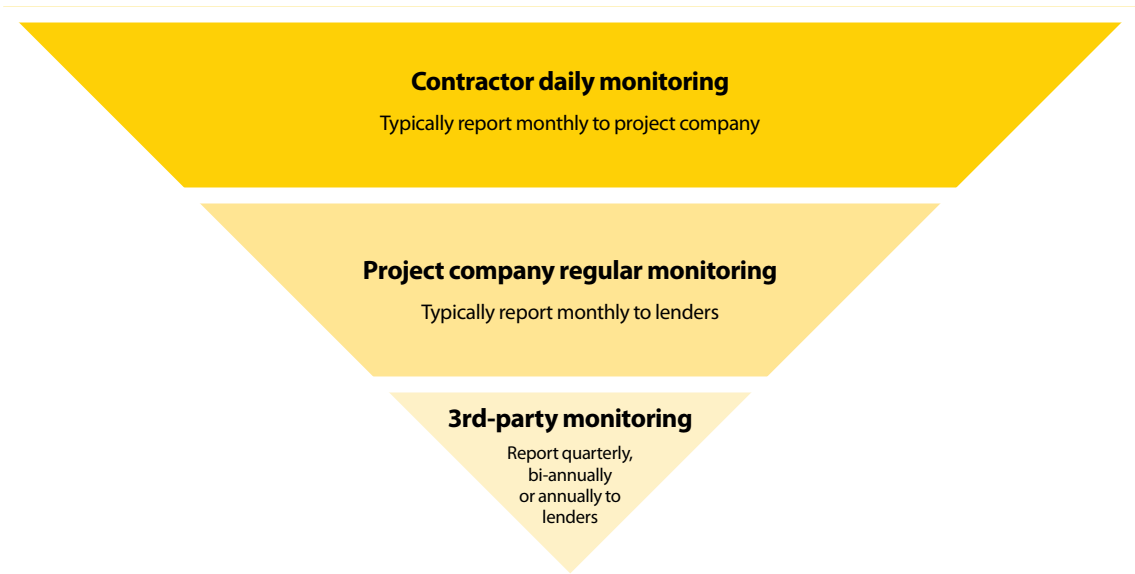
Table 7 describes how the **conformance/compliance** criteria in the HSAP and HESG topic for Labour and Working Conditions relate to the different stages of the project life cycle.

HR policies, procedures, labour management plans and their implementation need to be compliant with national labour laws and regulation. Projects must also conform with requirements of and commitments to parent companies, lenders and trade unions or worker organisations – for example, through collective bargaining agreements.

To achieve this, requirements must be contractually passed down from the project company to the contractor and subcontractors in each tier of the construction contracting hierarchy, as shown in Figure 5.

Regular and ongoing effective monitoring is needed to identify and help address systemic or specific labour management challenges.

Figure 5 Depiction of labour monitoring in the construction contracting hierarchy
NB Size of the pyramid segments is proportional to the number of monitoring activities and frequency
Source: Mott MacDonald



Monitoring access must be granted to any third-party labour monitors working on behalf of lenders or labour departments. Internal project labour monitoring activities should include:

- Visual observations of the site's working and living conditions.
- Documentation checks to ensure that accurate HR, payroll and employment contract records are maintained for all people employed on a project. Where foreign workers are employed, documentation checks should extend to whether they have an appropriate and current working visa, and whether taxes are being collected by the employer in accordance with national taxation laws and regulations.
- Stakeholder engagement activities and reviews, including analysis of grievance logs and the effectiveness of GRMs, worker interviews and surveys, and meetings with worker representatives.

Where standalone and systemic issues and challenges are identified, timebound corrective and preventive action plans should be designed and implemented. Corrective action implementation approaches can use a combination of incentives and discipline. For example, underperforming contractors or staff members may respond to recognition through employer, team or employee-of-the-month award programmes. Punitive measures for poor performance should be enforceable by contractual mechanisms such as contractor payment deductions. In the case of individuals, this can result in dismissal in the most severe cases, as indicated by the workers' code of conduct, which should form part of any employment contract. Regular and repeated problems often suggest systematic management failure and/or capacity constraints. In both cases, the corrective and preventive action planning process may be escalated above HR officers to senior project management staff for enforcement. When this is done, it is critical that senior management who are unlikely to have sufficient experience in HR issues engage with the decision-making process in an informed way, by consulting with the HR specialists in their company.

In some cases, it is appropriate for HR specialists to be empowered to provide capacity-building support to contractors and subcontractors, to help them improve their knowledge and understanding of requirements and good practice processes. In other situations, for example where HR capacity is limited or lacking in smaller developer or operating companies, external specialist labour training can be procured to troubleshoot specific challenges and improve the capacity of the existing labour management team. Alternatively, additional and/or better-qualified labour management and monitoring staff may need to be hired.

It is important to document what is required by external stakeholders and committed to in project management plans, and also their actual delivery and effectiveness, as demonstrated through monitoring. This information should be transparently communicated internally to the workforce. Commitments not being met, or the perception that they are not, can cause relationship deterioration and conflict with the workforce and their representatives. Evidence of commitments being met can be provided through internal monitoring reports, external government inspections, or independent review by lenders or other external stakeholders. Variations to commitments should be well justified, documented, and approved through the same process as the original commitments.



4 Strategies and approaches



Strategies and approaches

There are many examples of workers being well-managed in hydropower projects. This chapter identifies the most important considerations and lessons learned in the sector. It catalogues the strategies and approaches to achieve good practice for worker relations and the provision of safe, healthy and fair working conditions.

This chapter begins with a discussion of the main assessment approaches, followed by good practice management, stakeholder engagement, and compliance/conformance monitoring tools that are available.





4.1 Labour assessments

The main good practice assessment approaches are discussed in the following subsections. A mistake that hydropower developers and operators often make is to see labour assessments as one-off static activities, which are typically confined to the project preparation stage and undertaken by external consultants, for the purpose of meeting regulatory and or lenders' environmental and social requirements. Instead, this guide proposes that they should be considered and implemented as dynamic processes, undertaken throughout the project life cycle to adapt to the rapidly changing circumstances often seen in hydropower projects – such as changes to design, project activities, participants and workforce configurations. Assessments should be undertaken by or at least with participation of the site-based teams on the ground, who will have the responsibility for implementing the resultant management plans.

4.1.1 Legal and regulatory review and gap analysis

A thorough understanding of the relevant labour laws of the country is the foundation of any labour management assessment and system. The legal and regulatory review should be undertaken in the preparation stage, ideally as part of the ESIA, and

with contributions from a national HR specialist or lawyer. Online resources are available to support this, such as the 'Decent Work Check' website, which produces labour law summaries for many countries.

As with other environmental and social topics, there can be discrepancies between national labour requirements and international good practice. A regulatory analysis should be undertaken to consider this and identify gaps. In the case of labour laws, typical gaps include differences in maximum monthly working hours and minimum leave entitlements, legality of trade unions, gender equality provisions (for example, in some countries women are not allowed to perform certain industrial roles), occupational insurance provisions, termination gratuities, notice periods, and minimum working ages.

Projects and workers face higher OHS and labour rights abuse risks in countries where labour laws are absent, of poor quality, or are badly monitored and not effectively enforced by regulatory bodies. Analysis should consider the level of enforcement of laws by regulatory bodies, because experience shows that government labour departments do not visit project sites regularly.

Where gaps between national laws and good practice are identified, the project labour policies and worker entitlements should be designed to

reflect the more stringent requirements to the extent that they do not contravene national laws, which take precedence.

4.1.2 Labour rights risk assessment

Project labour, particularly construction workers, are among the main directly affected stakeholders at a hydropower project. They are beneficiaries who experience positive impacts of employment generation, which can lead to secondary benefits such as household income security and poverty reduction. They can also be adversely affected, through exposure to OHS risks and labour rights abuses. These risks should be considered in the social impact assessment undertaken in the project preparation stage, thereby resulting in the development of policies, plans and procedures in the environmental and social management system for the project construction and operation phases.

4.1.3 Workforce needs and local content assessment

In the project preparation phase and prior to the transition from construction to operations, assessments need to be undertaken of the project's labour requirements, its opportunities to enhance employment and skills development outcomes, and to share the benefits with locally affected communities. This includes determining the numbers of workers and skill sets required, which should then be considered against the availability of sufficiently skilled workers locally, nationally and internationally. It is then possible to determine the need for labour, how many workers, which roles they are to fulfil, where they will come from, their accommodation and transport requirements – as well as opportunities to train and upskill local communities, and to provide them with long-term employment.

Efforts should be made to provide as many jobs locally as possible, because as noted in the How-to Guide on Hydropower Benefit Sharing, one of the benefit-sharing outcomes that is in highest demand is employment generation, with skills and livelihood development opportunities for locally affected communities. Having a local workforce, which along with local procurement is known as 'local

content', increases the sustainability credentials of hydropower projects and helps to maintain a social licence to operate. Use of a local workforce can create savings related to accommodation and safe transport provision, in cases where local workers are able to travel to and from the site each day and do not have to live on site.

Livelihood and skills development programmes can be introduced to maximise local content benefits. The main steps are:

1. Identify the labour needs and skills required, through consultation with the contractor to create a list of employment opportunities.
2. Undertake analysis of the existing local skills base through consultation with local communities, labour offices, and possibly the use of registries for people to self-identify their skills for employment requests.
3. Match the labour list with the local skills available, to maximise local employment.
4. Undertake a training needs assessment and provide on-the-job training for local people, and support them in obtaining professional qualifications.
5. Provide employment certificates at the end of the construction, and give opportunities for operational jobs to local people. This includes certificates equivalent to **tradesman** or **journeyman** status at the outcome of an apprenticeship programme, where such programmes exist. Alternatively, where people have been trained with specific skills during construction, they can be provided with an end-of-service package, including a set of tools which would enable them to continue to work in their area of training: for example, carpentry or bricklaying tools.

Some projects make local content commitments, including employment percentage quotas that target benefit-sharing with locally affected, marginalised or vulnerable groups, such as resettlement-affected peoples, women, people with disabilities, and IPs. Related local content programmes should be developed in consultation with local government, and be aligned with their

economic and vocational development plans – and, where relevant, with non-governmental organisations and vocational, education and training organisations who can serve as implementing partners.

4.1.4 OHS risk assessment

OHS risks should first be considered at the preparation stage, as part of the ESIA. The level of risk will vary depending on the strength of the national and local safety culture, where good international industry practice may not previously have been common practice.

Risk assessment is the fundamental approach to managing hazards in the work environment, and requires the identification of potential hazards. An evaluation of the risk is undertaken to assess the severity and likelihood, which results in identification of the risk level (usually low, medium or high). Thereafter, control measures are identified to reduce the residual risk to an acceptable level. There is a hierarchy of control that should be applied during risk assessment:

- Eliminate the risk completely through design.
- Reduce the risk by replacing (hazardous) materials, changing process, using trained and competent individuals.
- Isolate the risk from workers, by screening, limiting access, or using remote control systems.
- Control by implementing robust management systems, training and supervision.
- Personal protective equipment (PPE) will be required for almost every employee involved in construction (and some in the operation) of the project, with the exception of those who work only in an office setting.
- Implement corrective and preventive actions to address non-compliances identified through regular monitoring.
- Discipline, as a measure of last resort, which is an admission of failure if this stage is reached.

Risk assessment must consider who will be exposed to the hazard, including visitors, and appropriate training and awareness must be provided regarding the measures to be taken.

Underpinning the risk assessment process is a **job safety analysis (JSA)**. This focuses on the specific tasks being undertaken, and provides step-by-step hazard identification and control, to reduce the risk of injury to workers.

The OHS risk assessment approach must include ongoing review, especially when there is a change in work activity, process or design, following an accident or incident, or a change in personnel. Risk assessment is not only a written task, but also a regular and iterative verbal activity. For example, this should typically be undertaken twice a day for each work team, before they start the next stage of work.

4.2 Labour management system components

It is often challenging to translate good labour assessments into project-specific, and effectively implemented and adaptive, management and monitoring systems. This is especially the case when those in charge of implementation did not undertake the assessment or produce the plans. Typically, hydropower projects have multiple parties, and while the project company will identify the commitments, the other parties are expected to implement them. These parties may not understand the reasons for the procedures and may not feel a sense of ownership towards them.

Challenges in implementing integrated management systems are commonly compounded by capacity constraints in site-based teams who do not have relevant experience, as labour management is not their main role. Rather, it is often an additional duty delegated to already overstretched site-administrators, or environment, health and safety (EHS) staff, who have not been appropriately trained and are not supported with appropriate staff resources and time.

This situation usually stems from senior management's lack of knowledge and understanding of the importance of managing

labour risks, or the opportunities for improved productivity due to effective labour management. This leads to a lack of investment in developing resource capacity, and limited management coordination and oversight. Sometimes, by the time construction starts, good practice labour management plans that were produced in the project preparation stage and refined and approved by lenders and consultant labour specialists have been forgotten by EHS or HR staff.

The following subsections aim to address these challenges by providing practical good practice approaches and tools, which can be used to implement effective and adaptive labour management, monitoring and workforce engagement systems.

4.2.1 Construction contract labour requirements

Meeting labour commitments requires that contractual arrangements in the construction phase clearly identify the responsibilities for implementing an effective labour management system.

Construction contract specifications need to define the labour requirements that must be complied with, to avoid ambiguity, so that the contractor can be held to account for not conforming to labour requirements in the event that this occurs. To do this, many large projects, especially those financed by MDBs, use the FIDIC (Fédération Internationale Des Ingénieurs-Conseils) standard form Conditions of Contract (**FIDIC contracts**). Other standard forms of contract may be also used, such as the NEC Engineering and Construction Contract, published by the UK Institution of Civil Engineers.

In 2010, FIDIC published the MDB Harmonised Edition General Conditions, otherwise known as the **Pink Book**, which includes the additional labour requirements of the MDBs, as summarised in Box 3. Even where FIDIC contracts are not used, these or similar labour requirements should be included in construction contracts. It is important that the requirements are defined in the language of the contract and are non-negotiable, rather than non-specific guidelines, against which it would be challenging to monitor and hold the contractor to account in the event of non-conformance.

Box 3 Summary of FIDIC Pink Book labour requirements for construction contracts

Source: Mott MacDonald, summarised from Section 6 of the FIDIC Conditions of Contract for Construction MDB Harmonised Edition, General Conditions, June 2010, otherwise known as the FIDIC 'Pink Book'. The Pink Book is based on the 1999 version of the **FIDIC Red Book**. The Red Book was updated in 2017, and a corresponding updated version of the Pink Book was yet to be published at the time of writing this guide.

Topic	Construction contractor requirements
Labour laws	Comply with all with all relevant labour laws
Working hours	State in employment contracts as per national law, or unless additional work is necessary for the protection of life or property, or for safety
Facilities for staff and labour	Provide and maintain all necessary accommodation and welfare facilities for the Contractor's Personnel
Health and safety	Make medical staff, first aid facilities, sick bay and ambulance services available at all times Provide a qualified accident prevention officer at the site Maintain OHS records and make reports to the Engineer Conduct sexually transmitted infections (STI) and HIV-AIDS awareness and prevention programmes
Records of personnel and equipment	Submit to the Engineer details of the Contractor's Personnel and equipment

Disorderly conduct	Prevent any unlawful, riotous or disorderly conduct by Contractor's Personnel
Foreign personnel	Return personnel to the place where they were recruited or to their domicile at the end of service Make appropriate arrangements for their return, or burial in the event of their death
Supply of foodstuffs and water	Arrange for the provision of a sufficient supply of suitable food and potable water
Measures against insect and pest nuisance	Comply with all the regulations of the local health authorities, including use of appropriate insecticide
Alcoholic liquor, drugs and arms/ munition	Prohibit the import, sale, provision and barter of any alcoholic liquor, drugs, arms or munition by personnel
Festivals and religious customs	Respect the Country's recognised festivals, days of rest, and religious or other customs
Funeral arrangements	Make funeral arrangements for any local employees who have died while engaged on the project
Forced and child labour	Not employ forced or child labour (see Box 2)
Employment records of workers	Keep complete and accurate records of the employment of workers at the site, including name, age, gender, hours worked and wages paid Summarise records on a monthly basis and submit to the Engineer
Workers' organisations	Not discourage or discriminate against workers who choose to form or join workers' organisations of their choice, or who bargain collectively Engage with such workers' organisations that fairly represent the profile of the workers in the workforce
Non-discrimination and equal opportunity	Not make employment decisions on the basis of personal characteristics unrelated to inherent job requirements Base the employment relationship on the principles of equal opportunity and fair treatment

4.2.2 Human resource policies

Labour management systems are designed to implement the project company's human resources (HR) policy, which is among the first tools that should be developed. HR policies must at a minimum be compliant with national law. The good practice topics that should be included in HR policies are summarised in Box 4.

Once the HR policy has been produced, companies need to develop specific procedures to govern its implementation, and these can be aggregated in a labour management plan. HR documentation should ideally be stored at the project site, and

be annually reviewed and adjusted as necessary, considering any changing circumstances. Changes to policies then also need to be communicated to the workforce.

An important commitment within HR policies should be that all workers are required to have signed contracts in their native language that explain job titles or duties, roles and responsibilities, their working conditions and terms of employment, in a clear, easily understandable and accurate way. Contracts should detail contract duration, wages, benefits, hours of work, overtime, rest, leave entitlements, termination procedures, insurance and pension benefits.

Box 4 HR policy content example checklist*Source: Mott MacDonald*

- Wages and permissible wage deductions?
- Overtime payments, hours of work?
- Leave, vacation, illness, injury, maternity?
- Employee benefits?
- Non-discrimination and equal opportunities?
- Right to form/join workers' organisations and/or bargain collectively?
- Disciplinary and termination procedures and rights?
- Conditions of work, OHS, hygiene and emergency preparedness?
- Promotion requirements and procedures?
- Vocational training opportunities?

HR policies must be provided to workers upon signing their contract. Where there are literacy challenges, this information must be verbally described to workers before signing. Throughout the duration of employment, HR policies must be made available to workers through the project communications channels.

HR policies and the requirement to have contracts applies to all types of workers (direct, contracted, supply chain). They should commit to equal pay for equal work, with differences in packages reflected in other aspects – for example, those related to expatriate workers, for their accommodation and flight allowances, transition and hardship payments, etc.

HR policies and procedures are company-specific. Ensuring that workers hired by various companies involved in the project are treated in a standard manner regarding labour rights is best achieved by collating policies and commitments within a project labour standard. The project labour standard needs to be cascaded down to all contracting tiers and labour brokers (where used). This can be done through tendering and contracting processes, requiring adherence by all contracting parties. As well as conformance with HR policies, the labour standard can also include other labour commitments, such as adherence to a workers' CoC and providing access to labour monitoring, as discussed further in the remainder of this chapter.

The labour standard should be produced in the pre-construction phase and included in construction tendering processes, so that tenders know the expectations and can price appropriately for any additional costs.

4.2.3 Recruitment and local content

Hydropower projects benefit from well thought-out recruitment strategies. In the construction phase, it is the contractor who ultimately decides on the strategy for hiring workers, as it will be responsible for work performance. The skills required and the availability of local workers will determine where these local workers are sourced from.

When workers are recruited directly from local communities, it is important to be transparent about the process followed. A recruitment policy should be disclosed to the local communities, and must clearly define which locations are considered to be local. This is particularly important in historically tribal communities, or those characterised by a history of intercommunity competition or conflict, in order to avoid perceptions of nepotism or favouritism of one community over another. The project CLOs should be used to inform local people about recruitment opportunities and support them in making applications.

Projects should aim to share employment and skills development benefits with locally affected communities: this is known as 'local content'. If a local content assessment was undertaken in the project preparation stage and commitments have been made (for example, to lenders) by project companies to hire local people, it is critical that these requirements are contractually passed down through the contractor tender process. This is especially important where the commitments are measurable against quantitative key performance indicators: for example, percentage quotas for local hiring. This also applies where local content and skills development commitments are included in resettlement or livelihood restoration plans that the project is committed to implementing.

Existing local government or employment agency mechanisms can be used to identify potential local candidates and disclose opportunities to them. Sometimes job fairs can be used, or identification of workers from previous activities that have been completed. Local content plans can include the use of local skills registers, whereby local people can express their interest in employment and training via the project, and this is logged by the contractor. Candidates with existing skill sets are then matched with specific roles identified by the contractor.

Skills development plans aiming to provide local people with technical training, experience, and ultimately, professional qualifications, can be implemented in partnership with vocational education and training colleges, which can also help to identify young local workers. The programmes can include a classroom-based component and on-the-job learning at the project site, before professional qualifications are granted during or at the end of the construction phase.

Those who have been upskilled during construction should also, where their skill sets are appropriate, be given opportunities to continue their employment on the project in the operational phase. This is especially the case for local people, so that long-term employment benefits are shared with locally affected communities, which in turn maintains a project's social licence to operate, from construction through to operations. Through their stakeholder engagement plans (SEP), **strategic community investment plans** (SCIP), or **corporate social responsibility** (CSR) programme,

project companies can establish links with local technical colleges and universities to sponsor the brightest local engineering students, with the offer of employment positions in the project upon graduation.

Because of the projects' location – generally along rivers in remote areas, where they are likely to adjoin small and rural settlements – it is important to consider where to direct people who are speculatively seeking work, whether they are local people or internal economic migrants from elsewhere in the country. Explicitly communicating to job seekers that there is no at-the-gate hiring is often a prudent strategy. Establishing employment offices in urban settlements (for example, nearby towns) will prevent job seekers from unintentionally and cumulatively putting pressure on local resources (natural as well as socially oriented services).

Contractors' tenders should request that they indicate their strategy for aligning with GLIP/ international requirements, and their strategy for recruitment. Contractors and subcontractors sometimes use third-party labour brokers or recruitment agencies. Appropriate due diligence of these organisations' hiring activities needs to be undertaken prior to contracting, to confirm that they are reputable and legitimate, and that they have the capacity to work to the project's labour standard or requirements. Project companies and contractors should use a labour due-diligence checklist, an example of which is provided in Table 8.

Upon contracting, labour broker policies and procedures should be used by contractors to manage and monitor brokers' performance. All workers must have access to the project workers' GRM and should be issued with identification (ID) cards with dedicated staff numbers upon joining a project, so that there is a central database of all workers on site on any given day. This approach enables the screening of child or forced labour risks, and to check that workers on site are eligible to work and are appropriately qualified for specific (and especially hazardous) roles and activities.

As mentioned earlier (in Chapter 2), projects should consider banning the use of day labourers, as they are at greatest risk of health and safety incidents and other labour rights breaches. In cases where

Table 8 Example of a completed labour broker due-diligence checklist

Labour broker legitimacy consideration		Further details / actions needed
Does the broker have appropriate labour management systems in place?	✓	None
Does it provide each worker with an individual contract?	✓	None
Has a sample contract been provided for review, demonstrating that all of the required information* is included?	✗	Contract provided, but gaps identified. Seek confirmation that the contract will be updated before using this broker.
Has it been also confirmed that the contractor will cover recruitment costs/broker fees?	✓	None
Has due diligence been undertaken to confirm brokers are not seeking kickbacks (i.e. illicit payments) from those they employ on behalf of contractors?	✗	Consult with references provided regarding previous companies worked with. Where possible, consult with workers to check kickbacks were not requested from them.
Has evidence been provided of how their remuneration packages are providing 'reasonable working conditions and terms of employment'?**	✓	None
Has the use of labour from outside the project area instead of local people been justified by the broker/contractor?***	✓	None

Notes:

* Annex C of International Finance Corporation Performance IFC PS2 list Standard 2 on Labour and Working Conditions lists the key elements to be included in an employment contract.

** Defined in IFC Performance IFC PS2 list Standard 2 on labour and working conditions as: "Reasonable working conditions and terms of employment could be assessed by reference to (i) conditions established for work of the same character in the trade or industry concerned in the area/region where the work is carried out; (ii) collective agreement or other recognized negotiation between other organization of employers and workers' representatives in the trade or industry concerned; (iii) arbitration award; or (iv) conditions established by national law."

*** This should be requested in efforts to maximise local content and benefit-sharing with local communities, to show that all avenues for local hiring have been exhausted.

they are used, they must be appropriately trained before starting any activities they are eligible to perform, and provided with appropriate PPE. In cases where this is not possible, day labourers should be restricted from certain types of work that would otherwise require a full-time worker provided

with this equipment. They must also have a form of signed contract that details their terms, conditions and rights with their employer, whether the employer is the project company, the contractor, subcontractors, or external labour brokers.

When workers face literacy challenges, the terms and conditions of the contract must be explained to them before signing. All day labourers should also have access to the project-wide workers' GRM, and this should be explained to them as part of the induction process, including the ability to raise

anonymous grievances. Box 5 below provides a summary checklist that project companies can use when monitoring the appropriateness of their contractors' recruitment strategy during construction.

Box 5 Project company's recruitment monitoring checklist

Source: Mott MacDonald

Contractor's recruitment strategy general checklist:

- No at-the-gate hiring policy, and employment offices are established/used away from site?
- Recruitment policy and job adverts are disclosed locally?
- Recruitment of women, marginalised groups and locally affected people is targeted?

Specific local content measures:

- Measures that are employed to hire people are consistent with any project commitments?
- 'Local' has been clearly and transparently defined?
- Skills development and vocational qualification components are included in the strategy?

Managing labour brokers:

- Satisfactory due diligence is undertaken of third-party labour brokers?
- Labour broker management and monitoring procedures are in place?
- Capacity-building is provided to labour brokers to improve labour standards, and ensure all workers have contracts?

Use of day labourers:

- Day labourers are appropriately trained and provided with PPE, or restricted from performing certain activities?
- All day labourers have signed contracts detailing their terms, conditions and rights?
- Terms and conditions are clearly explained to workers before signing, as is the project grievance mechanism?

4.2.4 Non-discrimination and gender

Gender, non-discrimination and equal opportunities commitments in project HR policies and/or the Project Labour Standard need to be implemented during recruitment, and in the workplace operations and facilities. Job adverts should highlight that hiring decisions will be made based on inherent job requirements, and not on personal characteristics (for example, related to gender, race, ethnicity or disability).

This does not preclude the targeted recruitment of women and other significantly affected or traditionally marginalised groups, such as local resettlement-affected people, and those with disabilities or IPs, respectively. This should be done through mechanisms or adaptation measures to encourage such groups to apply, including specifically referencing the project's commitment to equal opportunities, and that women, local people and other targeted groups are encouraged to apply.

To attract women, job adverts and the interview process should emphasise that the project provides maternity leave, and that there is a zero-tolerance policy towards any gender-based violence and harassment (GBVH). Also, that the project has systems in place to ensure **equal pay for equal work**, including periodic salary reviews to identify and address any pay discrepancies between men and women, different nationalities, and ethnic or cultural groups performing the same roles.

Appropriate workplace facilities should be provided and promoted during recruitment, including separate female toilets, changing and rest areas. PPE should be available in women's body shapes and sizes. Women's accommodation must be separate, with unauthorised male access prohibited.

Employers should ensure that interview panels are staffed by at least two people, to better facilitate non-discriminatory hiring, and as an extra check on potential **unconscious bias** of the interviewers. A female interviewer should be present to interview female candidates. All hiring managers and interviewers should be thoroughly trained on the project's non-discrimination and gender policies. Large projects with available resources, and where there is sufficient in-country expertise, may also wish to engage a qualified **equality, diversity**

and inclusion (EDI) specialist trainer, to provide unconscious bias training to interviewers.

For all workers, the contract language must clearly state GBVH disciplinary actions, with links to company policies, procedures and codes of conduct. Induction training for new recruits must include relevant GBVH policies, worker codes of conduct and GBVH GRMs.

Worker performance assessment processes should be used to mitigate GBVH risks. For example, positive behaviour can be praised with regard to workers addressing GBVH incidents, and the company award or reward system can be used to recognise this. Opportunities for sexual exploitation in bonus or other employee reward schemes should be reduced: for example, at least two people should make criteria-based bonus allocation decisions. Exit interviews should be held to glean any information about GBVH incidents or cultures that workers are afraid to report during their employment, but may be more willing to share at the point of departure.

A dedicated GBVH GRM should be established, with a whistle-blowing hotline to report incidents directly to senior management or GBVH discrimination panels established by the project. It is important that these are accessible to all workers, irrespective of contractual status. At the very least, companies will need to ensure that all facilities-management workers – such as cleaners and cafeteria staff, and any casual workers – know how to raise grievances about GBVH at work. Support should be offered to GBVH **survivors** through confidential counselling by qualified external professionals.

Staff awareness-raising and training should include GBVH policies and procedures, with refresher courses routinely provided. These activities give company leadership an opportunity to send a clear message to workers and external stakeholders that the company is committed to preventing and responding to all forms of GBVH. Workers and stakeholders can learn more about what constitutes GBVH, how to report it, the process that follows, what support services are available, and how to access them. Such sessions can facilitate discussions that lead to a better workplace culture. Box 6 summarises the good practice workplace gender and non-discrimination provisions.

Box 6 Workplace gender and non-discrimination provisions

Source: Mott MacDonald; and, EBRD, CDC, IFC: *Addressing Gender-Based Violence and Harassment, Emerging Good Practice for the Private Sector*

Workplace facilities:

- Separate female toilets, changing and rest areas
- Separate women's accommodation with unauthorised male access prohibited
- PPE in women's shapes/sizes

Gender and non-discrimination HR policies:

- Equal pay for equal work
- Maternity leave
- Zero-tolerance policy towards gender-based violence and harassment (GBVH).

Recruitment and workforce onboarding:

- Commitments and policies stated in job adverts
- Interview panels with at least two people, including a female for female interviewees
- Gender policies and tools covered in new employee induction training

Gender-based violence and harassment (GBVH) mitigation:

- Include contract language that clearly states GBVH disciplinary actions
- Dedicated GBVH grievance mechanism and whistle-blowing hotline
- Staff awareness-raising and training on GBVH policies and procedures
- Hold exit interviews to glean any information that workers are afraid to report

4.2.5 Occupational health and safety

OHS risks must be reduced through the implementation of a robust OHS management system which builds on the risk assessment activities discussed in Section 4.1.4. This must be led and championed by a senior management team which embodies the OHS values, in order to embed a safety culture in the entire workforce.

A best practice safety management system would ideally be aligned with the international standard ISO 45001, which follows the ethos of **Plan–Do–Check–Act**, supporting continuous improvement (Figure 6).

Achieving OHS good practice and targeting zero harm (i.e. avoiding injuries) is challenging in the hydropower sector, which inherently involves dangerous construction activities, as mentioned

in Section 2.5. Construction sites are often large, with constantly moving workforces – and they may include workers from different backgrounds, with varying levels of education, and different languages and health and safety cultures.

Management and mitigation measures must include project- and activity-specific hazard prevention and risk control. Particularly hazardous activities, such as tunnelling and blasting, must only be undertaken after method statements and risk assessments have been submitted, reviewed and approved by the engineer, and they must only be carried out by appropriately qualified, certified and trained staff.

OHS management documentation should also include emergency prevention, preparedness and response arrangements. Regular drills must be

Figure 6 ISO 45001 Plan–Do–Check–Act processes

Source: Mott MacDonald



undertaken to test these plans and procedures, and lessons learned must be disseminated.

Throughout the life cycle of the project, a team of responsible OHS personnel should be appointed, with clearly defined roles and responsibilities. The size of the team will depend on the number of workers: a good practice ratio is considered 1:50, e.g. one full-time OHS designated officer per 50 workers. The qualifications, experience and competence of these personnel must be evaluated before they are appointed to the position.

An OHS training plan must be developed for each project stage and implemented, to ensure all workers have the requisite competence to undertake their role safely. The training requirements will vary according to the role – a useful tool is to undertake a training needs analysis (TNA) for each position, then evaluate the competence of the workers against this TNA, and develop a training matrix to fill any competence gaps identified. Induction training should address safety requirements at a general level, and be delivered to all staff and visitors. Regular

(daily) toolbox talks are also an effective way of maintaining awareness and communicating issues and safety concerns that arise.

Once the management systems are in place for each stage of the project's life cycle, it is important to monitor implementation and compliance. This can be achieved through regular inspection and auditing.

OHS performance can also be monitored by the implementation of leading and lagging indicators. Leading indicators can include (but are not limited to) undertaking training, audit and inspection, emergency drills, risk assessment and JSA, and reporting unsafe acts and conditions. Lagging indicators include accidents and incidents, such as lost-time injuries and fatalities, occupational diseases, property damage, near misses, corrective actions, non-conformance reports, detailed investigations of every accident, open communication of lessons learned, and training if required. It is important to record all categories of accident and incident, as this supports the investigation and identification of controls to prevent further injury or harm.

4.2.6 Workers' accommodation

The workforce assessment undertaken in the preparation stage should inform workforce accommodation and transport requirements and planning processes. Contractors need to know that they are required to provide good practice accommodation as part of the contracting processes.

Prior to construction and habitation of on-site construction accommodation, or within rented accommodation within nearby communities, contractors should produce workforce accommodation management plans that demonstrate how good practice requirements will be met, according to a range of parameters, as summarised in Box 7.

Accommodation plans need to be informed by a social and community impact assessment, especially where the considered accommodation site is within or adjacent to host communities. The availability of existing community infrastructure, social and transport services and facilities needs to be reviewed, to assess whether they can support

Box 7 Workers' accommodation plan contents example

Source: Mott MacDonald and 'Workers' accommodation: processes and standards', a guidance note by IFC and the EBRD, and Mott MacDonald

- General living facilities
- Bedroom facilities (demonstrating that sleeping space requirements are met)
- Toilets, showers, and hygiene and sanitation arrangements
- Cooking, mess-hall and laundry
- Medical facilities, services and personnel
- Leisure, social (including religious) and telecoms facilities
- Use of community facilities (demonstrating minimisation of pressure)
- Accommodation access and security
- Transport arrangements for offsite accommodation
- Emergency preparedness and response, and fire safety
- Accommodation management and maintenance
- Accommodation users' conduct
- Accommodation grievance management
- Measures to reduce the spread of diseases and illness
- Pest control

the needs of the project, or if additional facilities will be required. Community health and safety issues, security risks, and potential social cohesion impacts should be assessed also – especially when workers' ethnic and/or cultural context is different from that of the local communities. The accommodation plan should address site dismantling and land reinstatement for temporary facilities.

The accommodation plan should detail construction specifications, and ideally include floor plans showing space available, room sizes, and maximum occupancy. It is important to demonstrate that there is enough space available to house the number of workers that are envisaged at peak construction, while still meeting good practice standards for minimum bedroom sleeping space per worker (i.e. 4 m² of floor space per worker) and shower and toilet ratios (1 unit per 15 workers). Included in layouts should be mess-halls, kitchen and food storage facilities, recreation areas (for example, sports courts, gyms, television and computer rooms), religious and prayer facilities (depending on the country and cultural context of the workforce), and small convenience shops.

To ensure that the accommodation camp standards are clear and transparent for camp management, subcontractors and workers alike, the plan should include a project-specific point-by-point accommodation standard. This should specify the minimum requirements for all the key parameters in accepted good practice – for example, related to minimum sleeping space requirements per worker, worker to shower/toilet ratios, hygiene (pest extermination, vector control, disinfection, etc.), heating, ventilation and air conditioning in hot climates, food and drinking water provision, mess-hall arrangements, cleaning schedules, health and safety specifications, recreational facility provision, etc. It should be posted on signage around the camp, showing workers that there is a commitment to uphold this standard.

The accommodation management and monitoring systems should be described in the plan detailing the appropriate number of staff and skills, including cleaning and medical staff. Training must be provided to all staff in advance of sites being occupied. GRMs and conflict resolution mechanisms must be established for both workers and

communities. The facilities need to have procedures in place for resolving maintenance issues.

Once camps are operational, accommodation and meals should be provided free of charge to workers living on site. Free meals provide the benefit that workers will not skip meals for the sake of saving money, as this has negative effects on work performance and safety. In some locations, such as Nepal, standard practice is to provide a meal allowance as part of the wage package. In such situations, it is important that this is clearly indicated as separate from the basic salary on payslips.

Accommodation management plans should also detail transport needs, and the provision for when accommodation is offsite – and, when safely transporting workers between accommodation and work fronts, to avoid overcrowding of vehicles and to ensure that they have seatbelts.

Workers should be regularly consulted to review and seek feedback on the living conditions at the accommodation and the appropriateness of the accommodation standard, in the spirit of continuous improvement. The documented accommodation standard for the project should be posted on signage within the accommodation, so that workers can hold management to account where commitments are not upheld, and identify faults and raise grievances where necessary.

4.2.7 Workers' behaviour

Inappropriate workers' behaviour on sites, in accommodation and in surrounding communities, can result in community disturbances from noise, pollution from waste and litter, and health and safety risks to host communities. Inappropriate behaviour can include unsafe driving practices, or workers and local people engaging in antisocial activities such as alcohol consumption, illicit drug use or prostitution. These community impacts can be exacerbated when workers have different cultural norms and practices from the host communities, and their behaviour is not culturally acceptable or causes offence.

A workers' CoC should be used to regulate their behaviours and mitigate the risk of these community impacts. The CoC can also be used to

Box 8 Workers' Code of Conduct contents example*Source: Mott MacDonald*

All workers must:

- Maintain good relations with each other and with local communities
- Respect the cultural norms of the local community
- Not possess or consume alcohol during working hours or on site or in accommodation
- Use the designated access routes between the site and accommodation
- Not smoke in undesignated areas
- Comply with the occupational health and safety plan
- Wear appropriate personal protective equipment
- Report accidents, incidents and unsafe situations
- Report unethical or fraudulent behaviour
- Not behave in a way considered to be bullying or harassment, in accordance with the project Gender Based Violence and Harassment (GBVH) policies

protect the health and safety of the construction workforce – for example, by specifying that all workers must wear appropriate personal protective equipment, and other work equipment that has been provided. The typical contents of a CoC are summarised in Box 8.

Community GRMs, detailed in project stakeholder engagement plans, can be used to identify community grievances related to worker behaviour in offsite accommodation and within host communities. The grievance contact details and a summary of the workers' CoC should be posted in the communities and on the perimeter of accommodation facilities, so that workers and their companies can be held accountable by community stakeholders.

Where project companies and contractors are from outside the host country, this can result in contrasting labour management and communication norms and cultures. Language differences can exacerbate misunderstandings and negative perceptions, which can manifest as workplace conflicts among workers of different nationalities, and between supervisors and labourers. The CoC can also be used to specify unacceptable behaviour and zero-tolerance policies for harassment, including sexual harassment and bullying, for all workers and management. Other

measures, such as language or cultural training, and having sufficient translators, can also help.

4.2.8 Demobilisation and retrenchment

During hydropower construction, there is a natural process whereby construction-phase contracts are completed and workers are demobilised. Poorly managed construction demobilisation processes can result in conflict with the workforce, an escalation of worker grievances, productivity losses towards the end of construction, strikes, and even vandalism and community protests. This occurs when workers are not aware their contracts are coming to an end until shortly beforehand, and they face sudden unemployment after a period of regular income.

Workers – and in some cases, by extension, local communities – who cannot secure ongoing employment in the operational phase, are often dissatisfied and have anxiety about the future, and the impact on their families who may be dependent on this income. This problem can be exacerbated in situations of local workers from remote rural communities, where the project may be a key source of gainful employment. When there are perceptions that operational employment

opportunities are being provided to outsiders over locals, tensions can escalate further.

Worker demobilisation plans should be used to manage this process by reminding workers that the construction phase of the project is coming to an end, and through offering support. A minimum notice period of one month should be given, but ideally a longer-term phased communication plan is implemented several months beforehand. This should be coupled with assistance to workers in applying for follow-up employment, either in the operations phase of the project or on other construction projects.

The timeframe for the notice period and messaging needs to be considered alongside the contractor's interest in keeping the required workforce until works completion. A long notice period can increase the risk of workers leaving the site too early, and the best will be the first to leave. Thus, it is prudent for contractors to install mechanisms and incentives to retain the workforce and staff as long as required, such as completion bonuses.

Employment transition support can be provided: for example, training in CV writing, interviewing, job searching, career and financial counselling, promotion of local economic development opportunities, and installing access to computers within worker accommodation or site offices, to support workers in applying for opportunities.

If the project has a skills development programme, then this support can begin at the outset of construction through on-the-job qualification schemes, to provide upskilling of the workforce and improvement of livelihood opportunities. An example of this is the Tina River hydropower project in the Solomon Islands, where the IFC recently highlighted the Community Benefit Sharing Programme as a case study in its 'Capturing Hydropower's Promise' report series (WaterPower online magazine article, 3 March 2021).

On the final day of workers' employment, all workers should be issued with a certificate stating their role and approximate duration of employment, to support future applications. Any qualifications gained or new skills learned should be noted. A checklist should also be used by the human resource team to ensure that final salary and any

other gratuities owed are paid, and that communal project equipment is returned – as distinct from consumable equipment such as safety-toed boots, coveralls, etc., that workers should be able to keep upon completion of their contract.

As mentioned earlier, there must be an overlap on site between the construction and operations teams. The Plant Management and Production Team should at the very least be partly based on site during the construction of civil works to house electrical and mechanical and control and instrumentation equipment, and be present for equipment installation. This is important for enabling the staff to fully understand the systems, which will improve the quality of operation and maintenance of the power plant over time. The same issue is valid for the installation of hydromechanical equipment and dam monitoring systems.

Efforts should be made to maximise the opportunities for construction labour to continue to work on the project in the operation phases, where possible retention of staff is particularly important for local labour, in order to promote the long-term sustainability of projects, local content benefit-sharing, and mutually supportive community relations. Also, in some cases apprenticeship programmes have fixed qualifying periods to obtain journeyman status, and it may be that the construction-phase employment of the apprentice ends before they acquire enough qualifying time. However, it must be recognised that such opportunities for continued employment on the project beyond construction will be limited, because only a small number of workers and staff will be required during the operations phase, and with other skills than those needed on a construction site.

Retrenchment, otherwise known as **redundancy** or **downsizing**, usually relates to laying off permanent staff hired by the project company, rather than the contractor's or subcontractors' workers. Retrenchment plans must be developed in situations where job losses are anticipated due to reasons other than the conduct or capability of the worker. Retrenchment is typically a result of hydropower site closure, or of downsizing for efficiency gains though reducing the wage bill. However, retrenchment plans may also be needed

in the construction phase for contractor staff, in cases where the termination of contracts is large-scale, sudden and unexpected.

Well-managed retrenchment involves efforts to reduce the number of jobs lost, and to mitigate the effects on individuals, groups and communities. Retrenchment plans should be founded on widespread consultation (particularly with workers and their representatives), and should seek to ensure that the selection of workers for dismissal is based on principles that are fair and transparent and do not discriminate against specific groups.

Where the economic reasons for requiring retrenchment are expected to be short term, for example as a result of the Covid-19 pandemic, retrenchment plans should include job protection measures. Such measures may include retaining workers on the books with partial wage payment, and using **furlough schemes** or unpaid leave.

4.3 Workforce engagement

This section discusses approaches to engage with workers effectively and meaningfully. Tools are highlighted to support clear communication, to facilitate workers raising grievances, and to enable project management to receive feedback throughout the project life cycle, in pursuit of a continuous improvement in labour management performance.

4.3.1 Communications material

Effective communication is the glue that holds social management systems together. This is particularly the case when addressing labour management issues on hydropower projects, where there are often large numbers of workers employed by different organisations. Managing workforce perceptions is almost as important as managing the reality, and appropriate communications and messaging are essential when trying to achieve this.

Visual and written communication materials should be displayed in the workplace on a variety of important topics, some of which are summarised in Table 9. Frequently asked questions regarding employment and labour management can also be shared with other stakeholders, especially neighbouring communities, through posters, the project website and social media, newsletters, and written or oral responses to requests or grievances submitted.

Labour information should also be disclosed verbally through contract signing, toolbox talks by site supervisors and labour monitors and workers' GRM implementation staff undertaking worker interviews or at HR offices, and via discussion with workers representatives' bodies. It is important that communications are provided in relevant languages of the workforce, and that the information is non-technical, clear and understandable by workers.

Table 9 Labour communications information to be displayed

Source: Mott MacDonald

Community communications content	Workers communications content
Skills development programme registration details	Human resource policies/procedures
Recruitment opportunities with procedures and timeframes	OHS procedures, safety and emergency information
Workers' accommodation maintenance support procedure	Workers' code of conduct and zero tolerance for harassment policy
Community liaison team's contact details (to enquire about employment opportunities)	Workers' GRM and contact details Workers' organisation representative's contact details

Engagement activities need to raise the awareness of workers and management alike, regarding the possibility of raising a grievance, and the workers' GRM processes, as discussed below.

4.3.2 Workers' grievance redressal mechanisms

All hydropower projects should implement a workers' grievance redressal mechanism (GRM), to enable project employees to express complaints and concerns to management and to receive responses about the investigations and redressal actions. A grievance is defined as any concern or problem that employees raise with their employers. This often extends to comments, suggestions and

Box 9 Workers' grievance mechanism key information

Source: Mott MacDonald

Grievance mechanism key principles:

- Legitimacy
- Accessibility
- Predictability
- Equitability
- Transparency
- Rights-compatibility
- Allows anonymity
- Timeliness of decisions
- No retribution
- Source of continuous learning

Steps to establish the mechanism:

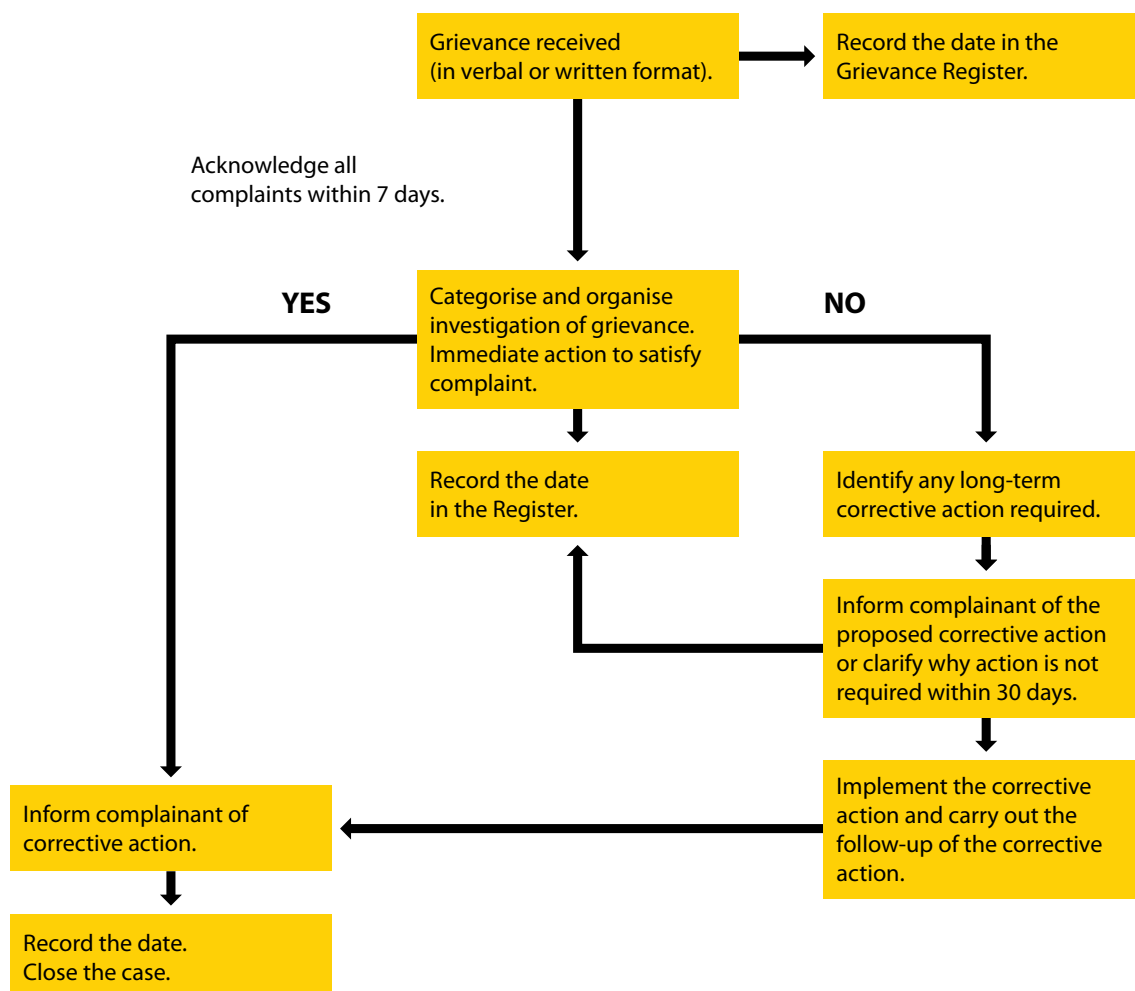
1. Design and document the mechanism, explaining principles, processes, actions and response timeframes.
2. Establish the channels for grievances to be lodged (verbal, email, grievance boxes).
3. Establish grievance logging and reporting functions.
4. Rank severity and risk, and establish an appropriate investigation process and team.
5. Periodically conduct grievance analysis, and corrective actions to be taken by HR management.

Information to record in log:

- Name of worker (if not anonymous), or if collective, how many workers
- How the grievance is lodged (verbal or written)
- Date/time recorded, sent to and acknowledged by whom
- Risk classification
- Investigation details
- Action taken and response provided, with date
- Resolution status (open, closed)
- Follow-up action

Figure 7 Example workers' grievance redressal mechanism (GRM) flowchart

Source: Mott MacDonald



requests. The overarching principles are that GRMs should be easily accessible, allow for anonymous complaints, and facilitate timely feedback on decisions reached and action taken, without retribution (see Box 9).

The workers' GRM should be established separately from the community GRM. Once the system is established, a simple process diagram similar to Figure 7 should be displayed on signage around the site and used to explain the process to workers. It should specify the target maximum acknowledgment timeframes (e.g. seven days, although verbal grievances can be immediately acknowledged), and maximum investigation and response timeframes (e.g. 30 days).

A predominant organisational culture is that grievances are a problem to be avoided, and workers are often afraid of the consequences. However, it is much better to have grievances addressed in an empathetic and reconciliatory process, rather than dealing with protests and strikes, where emotions run high. Therefore, it is important to raise the awareness of managers and workers alike, regarding the GRM. When grievances are investigated and the complainant is consulted, allowance should be made for accompaniment and support from a workers' representative, especially if the complainant is afraid of making the grievance, or is not particularly literate or articulate.

A common mistake on hydropower projects is that written submissions are registered in the grievance log, but verbal grievances are not. It is important for

labour management staff to value verbal grievances in the same way as written ones as part of a continual improvement approach, and that workers should be encouraged to speak openly to their managers as a first course of action. The objective is to foster a relationship of trust between workers and management.

The master grievance log – where grievances from all parties, including subcontractors, are aggregated – should be regularly reviewed, to check:

- that it is being completed correctly and if not, identify any training requirements;
- that the specified process is being followed and the response time met, and if not, there is an acceptable reason noted; and
- for analysis of repeat or clustered grievances, and to identify any systemic management issues, or ‘red flags’ suggesting that there is an increased risk of strikes or protests.

Corrective actions need to be implemented and followed-up promptly if any such situations are identified. Finally, it is important that the outcomes of grievance investigations are communicated back to workers in a timely fashion. This is needed to address the commonly held perception on most hydropower projects that GRM processes are a box-ticking exercise and are not effective in addressing complaints. This in turn means that issues are often not raised early enough, and senior management are unaware of them until they spill over into workforce strikes and protests.

4.3.3 Workers’ representative bodies

The right to join or form workers’ representative bodies and to bargain collectively is one of the ILO CLS, and should be a commitment within projects’ labour standards. Therefore, even in small projects and/or in contexts where trade union membership is not common, some form of workers’ representative body should be on site, whose formality and number of members will vary depending on the scale and context of the project. When workers are not affiliated with a formally established trade union, representative bodies – sometimes known as Workers’ Councils or Labour

Management Committees – should be created, to include representatives of the workforce and the management.

Management may need to support the workforce in forming representative bodies through workers’ rights awareness-raising sessions, and the facilitation of elections to establish the membership. Some countries, such as Pakistan, have legal requirements for projects to form such bodies, whose membership must proportionally represent the ratio of project management, supervisory and workforce staff on site. Membership should also include representatives from the project company and the contractor. Furthermore, in Pakistan, employer organisations are required to provide a small budget to cover the operating costs and office space for such bodies, should workers desire this.

Trade unions and/or workers’ bodies should periodically and regularly be engaged by the project management, such as through monthly meetings, to discuss workforce issues and grievances. During the meetings, grievance logs should be reviewed to identify and troubleshoot repeat grievances and indications of systemic management failure. Minutes of meetings, commitments made, and actions taken by management should be disclosed to the workforce via the project communication channels, to increase transparency and build trust and positive employee engagement.

4.3.4 Workforce surveys

In addition to workers’ GRM and meetings with representative bodies, workforce surveys can be a useful means of understanding workers’ perceptions, expectations, grievances, priorities and ideas. Anonymous surveys can reveal issues that are under-reported through other channels, through workers’ fear of retribution or distrust. Asking for workers’ suggestions can identify innovative ideas and quick and easy ways to improve conditions and/or perceptions, and also make workers feel more respected. However, if this outcome is to be achieved, it is important, as with all stakeholder engagement tools, that the survey results are transparently and accurately reported back to the workforce, and that appropriate action is taken to address concerns.

4.4 Labour monitoring

To implement an effective and continuously improving labour management system, projects require robust monitoring systems in order to answer questions such as the following: Which approaches work best and which are not so effective? What overarching policy or systemic changes are needed? Which specific teams, subcontractors or locations on the site require specific attention and/or labour management capacity-building? Answers to these questions and other important information can be collected through document reviews, site inspections and discussions with the labour management teams. Findings should then be verified and triangulated through worker interviews and the other workforce feedback activities described in Section 4.3.

A process and schedule should be implemented by project companies to regularly monitor performance and workforce grievances. Attention should be given to monitoring contractor and subcontractor compliance with national laws, and conformance with the project's labour management standard, plans and procedures. Monitoring activities should include short-notice, random ad-hoc audits, as well as the review of documentation such as workforce HR records, timesheets, payroll and payslips, toolbox talk records, training evidence, grievance logs, inspection of worksites and accommodation areas, and random worker interviews. Monthly dashboard reports should be prepared by project management based on input received from the contractor, subcontractors, worker representative bodies, grievance logs and internal monitoring audits. The subsections below discuss some of the key monitoring activities, which are summarised in Table 10.

4.4.1 Documentation checks

Employers should have an organised store of contracts and records that includes every worker who is on site on any given day. Contractor employees' records should be accessible to project companies at any time, and contractors should regularly summarise aggregate workforce statistics when reporting on performance. Ideally, this will be digitised and should correspond with workers' ID

numbers on photo, site-access or ID cards that must be carried with them, which are also ideally digitised and can be read by a scanner. Such systems contribute to site safety by ensuring that only appropriately trained staff are allowed on site, and they can also be used to check potential incidences of child- or forced labour and excessive overtime.

Spot-check interviews can verify that each worker has a signed contract in their own language, and that terms and conditions are consistent with contracts. Contracts must, among other details, include the worker's name, job title, duties, duration of the contract, basic salary, allowances, overtime and leave arrangements. They must be signed, and workers must be provided with a copy. Where literacy is an issue, employers must explain the terms and conditions to workers, and check that they are understood before they sign the contract. Workers should also have access to all relevant HR policies and procedures through signage or other means, and fully understand them. It should be checked that workers have signed copies of the company's GBVH policies and codes of conduct, to show that they understand and will adhere to them.

The HR records must demonstrate that workers are legally eligible to work on the site according to their age and employment status, that they have the required OHS qualifications and skill accreditations needed to perform specific tasks, and that appropriate insurances are in place. In the case of foreign workers, proof of a valid passport and working visa should also be on file. Records of personal information should be maintained, such as a copy of the worker's passport or national identity numbers, next of kin, and emergency contacts. Original passports or ID cards must not be retained by employers. In situations where workers live on site, individual lockable storage must be provided for each worker, in which they can store their personal documentation. In cases where workers request that employers retain original documentation for safekeeping on their behalf, the employer must retain a signed consent form stating that the worker can retrieve the document at any time.

Payroll inspections should be undertaken to check that working hours and overtime are not excessive, and are in line with legal limits and the general good practice goal of establishing an eight-hour

Table 10 Overview of labour monitoring tools*Source: Mott MacDonald*

Labour monitoring tool	Key issues to check
Documentation checks	Are HR documents complete, meet national law, up-to-date, centrally maintained, and implemented at all sites? Do all workers have written contracts stating their job title and category, duties, basic salary, allowances, leave, duration? Do payroll records show that salaries are paid on time and overtime is correct? Are working hours in compliance, and is excessive overtime controlled?
Health and safety inspections	Are adequate and appropriate PPE and OHS equipment, training and supervision provided? Are fire extinguishers and other equipment maintenance regularly checked? Are emergency preparedness drills undertaken, including those related to potential dam break, site/camp evacuation, blasting or excavation-related landslides, and collapse of underground works? Are there first aid and medical personnel on site who are adequately trained and equipped, with a first aid room, and can they safely transport seriously injured workers to hospital?
Accommodation inspections	Do accommodation facilities meet good practice guidance minimum requirements? Are there any obvious issues with overcrowding, hygiene, cleanliness, food/drinking water provision, heating, ventilation, air conditioning, or health and safety risks? Are appropriate facilities in place for meeting basic needs related to food preparation, first aid, utility provisions, recreation, telecommunications/internet access, and mobility?
Worker interviews or surveys	Do workers have contracts? Do they understand pay and overtime entitlements, and receive accurate payslips correctly explaining calculations? Do they use the GRM, and do workers consider it to be effective? Are they prohibited from joining workers' associations or trade unions?
Workers' grievance redressal mechanism reviews	How much is it used? (under-use can suggest fear, or knowledge gaps) Are details logged correctly and are the response timeframes met? Are investigations/responses appropriate and fair?

Box 10 Typical payroll issues encountered through monitoring*Source: Mott MacDonald*

1. Reporting: overtime not shown on payslips
2. Not paying: using incorrect rates, e.g. not using holiday or night rates
3. Excessive hours: exceeding national regulations and/or ILO guidance

day and 48-hour week (see Box 10), or whatever the national regulation prescribes.

Working-hours exceedances pose health and safety risks for the workforce. Although workers may want to work over and above legal limits to maximise income, this should not be allowed. Overtime calculations should be checked and verified. Confirmation that wages are paid on a regular basis at agreed set intervals should be obtained through worker interviews and payslip review.

4.4.2 Health and safety inspections

Regular monitoring for OHS compliance needs to be performed, including routine walkabouts, regular inspection and formal auditing. Participants can include the project company, the **engineer**, the contractor and subcontractors, and should cover all worksites and activities. The frequency of these should be set out in an audit and inspection plan that is tracked by a responsible person, such as an OHS manager/officer and/or an audit/compliance manager. Predetermined checklists can be developed for inspections, and formal audits should include reporting. Corrective and preventive actions must be identified, and ideally these should be contained within a Corrective and Preventative Action Plan (CAPA) that assigns responsibility and a deadline for completion. The CAPA can be tracked through regular OHS meetings.

In addition to the planned inspections and audit, there are several routine checks that need to be undertaken during the various stages of the project lifecycle. These include (but are not limited to) the following: inspecting fire extinguishers to check service histories, first aid kits, lifting tackle, safety equipment, a **scafftag** system for ladders and scaffolding, lockout/tagout systems for mechanical and electrical systems, and tunnel entry and exit tag

systems, to ensure that those who enter a tunnel are shown to have exited when they have completed their task(s). Each of these checks will have a predetermined frequency, and may also be covered in the previously discussed inspections and audits.

4.4.3 Accommodation inspections

Workers' accommodation needs to be regularly inspected to check that it meets the project's minimum standards, which, as described earlier, should ideally have been identified in the ESIA and be displayed on signage in the camps. An inspection checklist should be completed during a walk-through of the camp, to identify non-conformances and corrective and preventive actions. Photographic evidence should be collected and cross-referenced to findings in reporting. As part of this process, inhabitants can also be interviewed about their experiences of living there.

Where accommodation is rented in nearby communities, or hotels are used at the employer's choice rather than the employee's choice, an audit should be undertaken beforehand to check that the accommodation complies with project requirements. After beginning habitation, monitoring should seek feedback from local community members to verify that there are no disturbances, and that workers are adhering to the workers' code of conduct. Community members should be reminded of the community GRMs, which should be posted on signage at the accommodation.

4.4.4 Worker interviews

Random ad-hoc worker interviews should be used to check issues identified through document reviews, to verify the contractor's reporting and to

Box 11 Tips for undertaking worker interviews*Source: Mott MacDonald*

- Talk to workers on breaks, out of sight/earshot of their supervisors.
- Select a range of skill levels/seniority, including unskilled labourers, day labourers (if used) and contracted shift workers (e.g. security staff), who are typically the most vulnerable.
- Conduct interviews in the local language.
- Find a comfortable place.
- Stress confidentiality if the workers prefer, and in such cases do not take names or photographs.
- Explain that the objective is to obtain general information about working conditions, not to collect data about a specific employee, so that names are not important.
- Ask workers about their co-workers' opinions rather than their own regarding key concerns, so as to not personalise the responses.
- Only take written notes if appropriate, or if an effort is being made to collate the same information for all labour monitoring.

uncover any unreported worker grievances before they escalate. As in the case of the worker surveys discussed earlier, the process can make workers feel more respected, as long as it is followed by meaningful action (see Box 11).

4.4.5 Third-party verification

Third-party verification of internal monitoring is important to demonstrate the legitimacy of monitoring findings and to confirm the appropriateness of corrective and preventive action plans that are developed. This is often required by MDBs and private bank lenders who are committed to meeting international standards, and they typically use environmental and social or specialist labour consultants to periodically undertake external monitoring. External monitoring can also be procured directly by project companies themselves, and non-governmental organisations (NGOs) can be used for this purpose, which is usually considered by external stakeholders to be the most independent and legitimate source of verification. Some NGOs, such as the Fair Labor Association, have published useful lists of independent external labour assessors working in other sectors, who can be approached.

4.5 Training and capacity-building

Having enough capacity, in terms of the number of management staff and their expertise and experience, is crucial for worker's performance in hydropower projects, and for preventing strikes, cost escalations and construction delays. Ideally, appropriately qualified staff can be hired from the outset of site mobilisation, but often this is not the case, and capacity-building and training will be required.

A good-practice environmental and social management plan produced at the ESIA stage should include the requirements for capacity-building for the site teams in the pre-construction phase. Increasingly, external specialist labour rights management training is available. This can be delivered in person, but is also available through live online webinars by international labour specialists.

Introductory training should include an overview of basic concepts, national labour laws and international standards, or project finance or other commitments. It should also provide more detailed sessions on specific labour topics such as health and safety, timekeeping, excessive overtime, promoting local content, accommodation requirements, gender-inclusive work environments, and GBV, harassment and grievance redressal management,

so that site teams gain experience in addressing the types of problems typically encountered on site.

Ideally, these sessions should include a mixture of the project company, the contractor and main subcontractor's staff, and shop stewards and worker representatives if the workforce is organised or unionised. This will support embedding the concept of working as one coordinated labour management team. Participants are to be reminded that the ultimate objective is to implement the project labour standard across all work areas and for all workers. Providing training in languages that can be understood across the team, and implementing training for trainers, can be effective approaches in large hydropower projects.

Internal or external monitoring throughout the project life cycle is likely to identify capacity gaps related to specific challenges or issues. When needed, specialist one-off external training can be used to troubleshoot issues and build the capacity to address specific issues. If key messages are to be shared internally by the project company to staff who could not attend the external training, then training materials provided by the trainers should be used. The best external training will use a 'train the trainer' approach to support this aim.



CTG Brasil engineer working on Ilha Solteira
hydropower plant located on the Paraná
River and undergoing the largest hydropower
modernization in Brazil
Photo Credit: Ferdinando Ramos

5 Conclusions



Conclusions

It is the duty of project management to ensure that workers are kept safe and healthy, treated fairly and with respect, and that workers adhere to a code of conduct. Experience shows that projects that take this approach perform better at meeting schedules and budgets.

The guide has detailed specific approaches to assess workforce requirements early in the project life cycle, through promoting use of local staff and skills development. It has discussed the importance of establishing effective and adaptive labour management and monitoring systems, in order to provide safe and healthy working environments and liveable accommodation. Recognising that everyone appreciates being valued for their efforts and work contributions, the guide has identified strategies and approaches to meaningfully engage with workers and their representatives. It is hoped this information can be used to improve worker-management relationships, and consequently, staff retention and productivity.



Tools have been provided to implement effective monitoring in pursuit of continuous performance improvements, and the importance of having appropriately qualified and experienced leadership, which embodies the culture of good labour practice, has been stressed.

Finally, it is worth reflecting that projects should be encouraged to contribute to national dialogues on labour rights. While it is difficult for projects to have a direct role in strengthening the capacity of national mechanisms and institutions for labour inspection, nevertheless, by implementing GIIP regarding labour rights, hydropower projects can support cultural norms that recognise and promote safe, reasonable and fair working conditions and terms of employment.

Annex 1

Bibliography

Business and Human Rights Resource Centre. *Renewable Energy and Human rights Benchmark Methodology*. https://www.business-humanrights.org/sites/default/files/Benchmark%20Methodology%20Designed%20FINAL_0.pdf

CDC Group (2014). *CDC Good Practice: Preventing Fatalities and Serious Accidents*. <https://www.cdcgroup.com/en/labour-standards/guidance-on-preventing-fatalities-and-serious-accidents/>.

The Equator Principles. *The Equator Principles – Environmental and social risk management for projects*. <https://equator-principles.com/>

European Bank of Reconstruction and Development (2010). *EBRD Good Practice Notes - Family friendly working and the work-life balance*. <https://www.ebrd.com/news/publications/guides/ebrd-good-practice-notes--family-friendly-working-and-the-work-life-balance.html>

European Bank of Reconstruction and Development (2017). *Guidance note: Children, young people and work*. <https://www.ebrd.com/cs/Satellite?c=Content&cid=1395268982823&d=&pagename=EBRD%2FContent%2FDownloadDocument>

European Bank of Reconstruction and Development (2017). *Guidance note: Forced labor*. <https://www.ebrd.com/cs/Satellite?c=Content&cid=1395268982876&d=&pagename=EBRD%2FContent%2FDownloadDocument>

European Bank of Reconstruction and Development (2017). *Guidance note: Human resources policies and employee documentation*. <https://www.ebrd.com/cs/Satellite?c=Content&cid=1395268982703&d=&pagename=EBRD%2FContent%2FDownloadDocument>

European Bank of Reconstruction and Development (2017). *Guidance note: Non-discrimination and equal opportunity*. <https://www.ebrd.com/>

[cs/ Satellite?c= Content&cid=1395256997429&d=&pagename=EBRD%2FContent%2FDownload Document](https://www.ebrd.com/cs/Satellite?c=Content&cid=1395256997429&d=&pagename=EBRD%2FContent%2FDownloadDocument)

European Bank of Reconstruction and Development (2017). *Employee grievance mechanism*. <https://www.ebrd.com/cs/Satellite?c=Content&cid=1395268983074&d=&pagename=EBRD%2FContent%2FDownloadDocument>

European Bank of Reconstruction and Development (2017). *Wages and working hours*. <https://www.ebrd.com/cs/Satellite?c=Content&cid=1395256997513&d=&pagename=EBRD%2FContent%2FDownloadDocument>

European Bank of Reconstruction and Development (2017). *Workforce retrenchment*. <https://www.ebrd.com/cs/Satellite?c=Content&cid=1395256997290&d=&pagename=EBRD%2FContent%2FDownloadDocument>

European Bank of Reconstruction and Development (2018). *Managing Risks Associated with Modern Slavery*. <https://www.ebrd.com/news/publications/guides/managing-risks-associated-with-modern-slavery.html>

European Bank of Reconstruction and Development (2019). *Environmental and Social Policy (ESP)*. <https://www.ebrd.com/news/publications/policies/environmental-and-social-policy-esp.html>

European Bank of Reconstruction and Development, International Finance Corporation and Commonwealth Development Corporation (2020). *Good practice note - Addressing Gender-Based Violence and Harassment - Emerging Good Practice for the Private Sector*. <https://www.cdcgroup.com/wp-content/uploads/2020/07/Addressing-gender-based-violence-and-harrassment.pdf>

Fair Labor Association. *List of accredited monitoring organizations and assessors*. <https://www.fairlabor.org/transparency/fla-accredited-monitoring-organizations>

FIDIC (Fédération Internationale Des Ingénieurs-Conseils, or International Federation of Consulting Engineers). www.fidic.org

International Finance Corporation (2002). Good Practice Note HIV/AIDS in the Workplace. https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/publications/publications_gpn_hiv_aids_wci_1319576749797

International Finance Corporation (2002). *Good Practice Note Addressing Child Labour in the Workplace and Supply Chain*. https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/publications/publications_gpn_childlabor

International Finance Corporation (2005). *Good Practice Note Managing Retrenchment*. https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/publications/publications_gpn_retrenchment

International Finance Corporation (2006). *Good Practice Note Non-Discrimination and Equal Opportunity*. https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/publications/publications_gpn_nondiscrimination

International Finance Corporation (2010). *Measure and Improve Your Labor Standards Performance: Performance Standard 2 Handbook for Labor and Working Conditions*. https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/publications/publications_handbook_laborstandardsperformance

International Finance Corporation (2012). *Labour and Working Conditions*, https://www.ifc.org/wps/wcm/connect/88f1f09e-5fe4-4fad-9286-33ecb221ab23/PS2_English_2012.pdf?MOD=AJPERES&CVID=jiVQIns

International Finance Corporation (2013). *Investing in Women's Employment*. https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/publications/publication_report_investinginwomensemployment

International Finance Corporation (2018). *Good Practice Note: Managing Risks Associated with Modern Slavery*. https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/publications/publications_gpn_modernslavery

International Finance Corporation (2019). *Respectful Workplaces: Exploring the Costs of Bullying and Sexual Harassment to Businesses in Myanmar* https://www.ifc.org/wps/wcm/connect/region_ext_content/ifc_external_corporate_site/east+asia+and+the+pacific/resources/respectful+workplaces-myanmar

International Finance Corporation. *Performance Standard 2 on Labour and Working Conditions, and related guidance note* https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/performance-standards/ps2

International Finance Corporation and European Bank for Reconstruction and Development (2009). *Workers' Accommodation: Processes and Standards*. <http://www.ifc.org/GPN-WorkersAccommodation>.

International Labour Organization (2017). *Frequently Asked Questions 2016 Global Estimates of Modern Slavery*. https://www.ilo.org/global/topics/forced-labour/publications/WCMS_575605/lang--en/index.htm

International Labour Organization (2018). *General Survey concerning working-time instruments - Ensuring decent working time for the future*. https://www.ilo.org/global/standards/WCMS_618560/lang--en/index.htm Available in: English, Français, Español

Local Government Association (2017). *A Guide to the Law on Casual Workers*. <https://local.gov.uk/sites/default/files/documents/employers-e-guide-no9-gui-f5b.pdf>

Mariwo, Tsitsi (2008). *Working Conditions and Labour Relations in the Private Security Industry in Zimbabwe: A Research Paper*. ILO Sub-Regional Office for Southern Africa, Harare, Zimbabwe. Issues Paper No 27.

Wageindicator.org. *Decent work check website country reports*. <https://wageindicator.org/labour-laws/labour-law-around-the-world/decent-work-check>

WaterPower online magazine article (2021). *Community Benefit Sharing Program being rolled out at Tina River hydro project*. <https://www.waterpowermagazine.com/news/newscommunity-benefit-sharing-program-being-rolled-out-at-tina-river-hydro-project-8564114>

World Bank (2018). *Environmental and Social Framework (ESF) – ESS2: Labor and Working Conditions*. <http://pubdocs.worldbank.org/en/837721522762050108/Environmental-and-Social-Framework.pdf#page=45&zoom=80>

World Bank (2018). *Environmental and Social Framework (ESF) – ESS2: Labor and Working Conditions – Guidance Note*. <http://documents1.worldbank.org/curated/en/149761530216793411/ESF-Guidance-Note-2-Labor-and-Working-Conditions-English.pdf>

World Bank (2018). *Good Practice Note Non-Discrimination and Disability*. <https://www.worldbank.org/en/projects-operations/environmental-and-social-framework/brief/environmental-and-social-framework-resources>

World Bank (2019). *Good Practice Note Non-Discrimination: Sexual Orientation and Gender Identity (SOGI)*. <http://pubdocs.worldbank.org/en/590671570796800429/Good-Practice-Note-SOGI.pdf>

Annex 2

Project examples

From assessments using the Hydropower Sustainability Assessment Protocol

	Assessment	Management	Stakeholder Engagement	Compliance
Blanda 150 MW Operation stage Iceland	Thorough review of the portfolio of human resources-related processes and procedures, to identify opportunities for improvement through staff workshops. Annual employee attitude survey, to identify opportunities for improvement. Regular liaison with unions, and a collective bargaining process to monitor and identify issues. Regular annual inspections on Occupational Health & Safety done by an external party.	The quality system includes policies on human resources, equality, education, safety, health and work environment issues, as well as trade union agreements. Existence of an Equality Committee on which the plant manager sits. Staff support services (qualified psychiatrists, staff education and assistance) provided as needed by an external company. Successive surveys to check follow-up measures are implemented after identifying opportunities for improvement. Annual health check is available to and encouraged for all staff. Training and professional development is encouraged. Internal advertising of job vacancies. Development of safety checklists for each work area.	Monday staff meetings to share weekly information. Monthly power station manager's meetings with the head office divisions. Existence of a power plant intranet. Mechanisms in place for staff to raise issues such as discussions with line managers and Employee Association.	A dynamic maintenance management system includes schedules for staff meetings and review processes.

	Assessment	Management	Stakeholder Engagement	Compliance
Chaglla 456 MW Implementation stage Peru	Existence of an environmental, social, health and safety management plan (ESHSMP) that includes HR and labour management requirements for contractors to follow. Internal processes, reporting processes and external audits to monitor the implementation and effectiveness of ESHSMP plans. Examples are internal audits of safety, reporting on noise levels, ergonomics and lighting, and audit reports on adherence with national labour law.	Establishment of corporate and project administrative policies, performance indicators for managers, hiring induction and training processes, accommodation, leisure and medical facilities, as well as requirements for subcontractors. Environmental and operational management systems include procedures on occupational health and safety issues, such as management of personal protective equipment, safety during excavation, transportation services and lifting loads, occupational disease monitoring, emergency first aid, prevention of damage to hearing, induction for people with disabilities, among others.	A Work Committee was established with representatives elected by employees. Committee members visit all work sites on a weekly basis to inform civil construction workers of their rights. An Ethics Line telephone number is available for employees to raise issues confidentially.	Failure of subcontractors to pay salaries to their employees was corrected by the construction consortium withholding the payment of their invoices. Accident reports, including witness statements from employees, were compiled following incidents that caused fatalities. As a corrective measure, additional training took place and sensors and collision guards on vehicles were installed.
Devoll 256 MW Implementation stage Albania	Workforce requirements are first estimated in the feasibility studies, and in more detail during the preparation of tender design. Contractor's HR and labour management practices are assessed during the procurement process. Foreign companies involved with the hydropower plant reviewed the national labour legislation to understand requirements that apply to expatriate employees, such as work permits. A generic hazard identification register was developed to identify hazardous work tasks, persons at risk, specific risks and associated precautions.	Implementation of comprehensive human resource and labour management policies, such as a Corporate responsibility and HSE Policy, a Code of Conduct, a Supplier Code of Conduct and a Human Resources Policy, as well as instructions for recruitment, termination, risk assessments, substance misuse at work processes, among others. A transparent bonus system for up to 20% of regular annual salary is in place. The hydropower plant and its subcontractors have put in place a broad array of occupational health and safety provisions, such as the clinic doctor's reports being analysed for trends in order to detect any increase in first aid cases, or inductions for new companies coming on site.	Dialogue is carried on with line managers regarding targets, performance and bonuses in order to maintain an open management culture. Complaints received from workers are categorised into low or high risk levels, and an audit involving HR and legal team members is conducted.	Compliance with national labour law on topics such as overtime pay and reporting all workers. Inspection conducted after complaints were received from one of the contractor's workers regarding working hours, conditions, safety and food. Changes were implemented in project and contract management when the Owner's Engineer found out that injuries of some contractor's workers were being treated without reporting incident cases. Incidents were registered retroactively.

	Assessment	Management	Stakeholder Engagement	Compliance
Hvammur 82 MW Preparation stage Iceland	Specific risk assessment such as extreme weather, as well as internal and biannual external audits, will be undertaken.	Human resource and labour management policies are part of a corporate Lotus Notes system that combines quality, environmental and OHS management, and is accessible to all employees. A Gender Equality Committee works within the hydropower plant. All contractors prepared a safety handbook before commencing work. It includes environmental and health and safety policy, site rules, and official government guidelines on topics such as induction training.	The union representative has his own office with a separate entrance, to ensure that employees and contractors feel comfortable raising human resources and labour management issues. Anyone can enter incidents or matters they are unhappy about, in the corporate Lotus Notes system.	N/A
Jirau 3,750 MW Implementation stage Brazil	Workforce requirements have been assessed and planned-for early on, with labour needs linked to the work programme and strategies for capacity-building, recruitment and retention. Processes and resources in place to identify emerging or ongoing human resources and labour issues, such as on-site human resources managers, daily on-site meetings and an Employee Committee. Each work activity was evaluated for safety risks and is regularly reviewed and updated accordingly.	Collective bargaining agreements made with the unions are reflected in human resource and labour management policies. A grievance mechanism was established. Annexes that detail requirements for health, safety and the environment, and penalties to be applied for non-conformance, are included in contracts made with contractors. Non-conformances are addressed during daily, weekly and monthly work site meetings, and action plans are designed. Safety requirements are strongly reinforced, with stop works implemented to address immediate issues, and financial penalties and staff terminations for repeated non-adherence. Incentives and reward systems were implemented to build and foster a safety culture.	Employees and contractors can raise human resources and labour management issues, as well as get feedback from the ombudsman office, which has staff trained in social services and psychology. An electronic register of all issues raised is kept.	Electronic time card system to ensure that fair pay is respected, and which issues receipts that allow workers to verify times, leave allowance and overtime. Safety performance measures such as cumulative accidents without leave per 1,000,000 work hours and cumulative lost-time accidents per 1,000,000 work hours are in place.

	Assessment	Management	Stakeholder Engagement	Compliance
Jostedal 288 MW Operation stage Norway	Human resource and labour management requirements are assessed and monitored at project level, according to management structure and performance reviews. An enterprise resource-planning software system enables assessments of occupational health and safety risks throughout the group.	All labour management planning components, such as union collective bargaining, are addressed in internal policies. An intranet is available, containing processes and procedures such as induction processes, employee guidelines and salaries, and HR resources. An annual employee survey is conducted to identify employee–manager issues. Management processes are in place to ensure contractors comply with national legislation.	Unions are represented regionally and at the powerplant group level. Contractor relationships are managed continuously through dialogues on specific individual job issues.	N/A
Kabeli-A 37.6 MW Preparation stage Nepal	Human resource and labour requirements were assessed in the Environmental and Social Impact Assessment studies. These studies also assessed occupational health and safety impacts linked to construction and proposed management measures. Some risks identified were accidents and injuries resulting from blasting, tunnelling, traffic, inappropriate application of personal protective equipment, and exposure to chemicals.	OHSAS 18001:2007 certification. Tender documents to contractors, subcontractors and intermediaries include the Environmental Management Plan, as well as occupational health and safety requirements.	Employees can raise complaints with the project's management, starting from the immediate supervisor.	N/A

	Assessment	Management	Stakeholder Engagement	Compliance
Kárahnjúkar 690 MW Operation stage Iceland	Evaluation mechanisms in place to assess the internal human resources situation, and health and safety statistics, workplace satisfaction surveys and gender equality reviews, and results are publicly available. Regular weekly and monthly meetings are held at the station.	Policies such as the Code of Conduct, the Human Resources Policy, the Health, Safety and Environmental Policy and the Gender Equality Policy were implemented.	An intranet and a Facebook Workplace group keep employees at the power station informed. Issues can be raised confidentially in individual meetings with managers, staff meetings and annual workplace audits, to trade union representatives and through work satisfaction surveys.	The hydropower plant voluntarily submits to additional inspections by external bodies.
Kaunertal 1,015 MW Preparation stage Austria	Labour needs were assessed in the Environmental Impact Statement. Management of natural hazard risks specific to mountainous terrain includes mud flows, avalanches, floods and rock falls. Occupational health and safety plans are updated regularly, based on internal and external inspections findings.	Grievances are processed by the Works Council, which comprises 45 members. The Environmental Management System in place is ISO 14001 certified.	Employee survey results are presented to management, the Works Council and staff.	N/A
Keeyask 695 MW Preparation stage Canada	The extent of the workforce required for the project was evaluated through a labour supply/demand model that used national statistics. Occupational health and safety requirements will be included in tender and contract packages.	90 policies and procedures, covering topics from discipline and travel to employee benefits, salaries, training and development, are included in the hydropower plant's corporate system. Occupational health and safety procedures include safe-work practices and healthy-living programmes.	An employee of the hydropower plant or its contractors can raise a concern by contacting either their supervisor, a person in management or a bargaining-unit representative, to initiate the grievance procedure. An aboriginal community employment committee will be established to discuss relevant issues.	N/A

	Assessment	Management	Stakeholder Engagement	Compliance
Reventazón 305.5 MW Implementation stage Costa Rica	A Construction Management Plan was developed to provide details of occupational health and safety measures to be undertaken. Direct and indirect costs, such as administrative staff for project management, planning and control, as well as associated costs such as travel, transportation and accommodation, were estimated in the feasibility study. Lead indicators such as plant inspection, training programmes and programme evaluations, as well as lag indicators, including tracking of an Accident Frequency Indicator, were used for occupational health and safety.	Procedures and policies are in place for human resources management, such as staffing and manpower, recruitment and termination, and wages and working conditions. The Occupational Health and Safety team is split into Occupational Safety and Occupational Medicine, with a combined staff of 70 people at peak. Procedures, methods and instructions on topics such as leadership and management, explosive materials, and incidents and diseases were developed. Processes that address workers' health issues include training on infectious risks such as dengue fever and Zika.	A workers' grievance mechanism is set out in a specific procedure document. Grievances can be raised through a free internal telephone line, a dedicated email address, boxes around the site, worksite health clinics and health posts, the Human Resources department and the Union, and can be anonymised.	Commitments in relation to labour include the recruitment of local workers, who constitute 60% of the workforce, the grievance mechanism's compliance with the IFC Performance Standard 2, and the safety management system's compliance with the OSHAS 18001. Statistics on the number of and reasons for terminations are kept and reported internally. Some minor non-compliances are related to delays in payment of monetary compensation following workers' contract termination.

	Assessment	Management	Stakeholder Engagement	Compliance
Romanche-Gavet 94 MW Implementation stage France	An estimation of the number of full-time-equivalent staff was shared with contractors, to determine the number of employees they would use for construction work. A Safety Management Plan was prepared by the hydropower company, which requires contractors to follow national labour legislation. In case of an incident with fatalities, the police are involved and an Occupational Health Committee investigates.	The health and safety management system's main processes are regulated by national law. A Safety Monitoring Plan for occupational health and safety was prepared by the company. Each contractor has its own occupational health and safety plans, as well as its associated responsible person. The company has its own Quality, Health, Safety and Environment manager to manage associated issues. A tag system monitors the number of people entering high-risk areas. Long-term staff of contractors are used. Emergency evacuation plans are developed, with exercises being carried out. A Charter for Sustainable Development is attached to suppliers' contracts.	RGrievances management focuses on internal resolution. Workers raise issues to their immediate manager and, if needed, to their next-level manager, which are usually resolved within a week. Safety issues are recorded and addressed in weekly staff meetings. Unions are well represented on site.	A corporate-level commitment to comply with major ILO conventions and the UN Global Compact has been made by the company. The company commits to being a responsible employer in relation to topics such as the reduction of workplace accidents, and a zero-tolerance policy for human-rights violation, fraud or corruption.

	Assessment	Management	Stakeholder Engagement	Compliance
Santo Antônio 3,568 MW Implementation stage Brazil	A specific training programme was created following the assessment of labour requirements that highlighted an insufficient number of workers that could be supplied locally. A risk-mapping process is used to assess risk on the construction site. It is followed by an operational analysis carried out by a Health, Safety and Environment team.	The Health, Safety and Environment department has a policy document which includes legal documentation, risk assessment and management, preventive health care and accident prevention, among others, and also applies to contractors and subcontractors. Access to work sites is strictly regulated and restricted for unapproved staff. The specific training programme trained over 42,000 people, out of which 29,000 have been directly employed on the project. Financial incentives in the form of salary increments, related to time of employment and punctuality, are in place to encourage labour retention. Health facilities exist and are staffed by a doctor, a nurse, and include a laboratory and X-ray facilities. A professional nutritionist runs the kitchen. Trainings on work safety, personal health and technical skills are provided to workers.	Grievances can be made to the immediate supervisor, the ombudsman system, which is anonymous, or the Workers' Commission. Union membership carries a 1% salary fee but provides the employee with family-health benefits.	Regular audits are performed to verify compliance with national laws and regulations, the Equator Principles and the IFC Performance Standards. Accident rates are measured using the company's own metrics.
Semla IV 3.5 MW Preparation stage Sweden	Work Environment plans will be prepared and safety auditing for OHSAS 18001 certification will be undertaken.	The company requires contractors to appoint a safety coordinator at the start of the contract, and all should produce a Work Environment Plan.	Employees can raise issues to their direct line managers, and have an annual appraisal as well as monthly catch-ups. Other formal processes for raising issues, such as a group-wide whistle-blower system and an intranet-based system, are in place. Serious complaints are addressed by the Works Council for resolution.	N/A

	Assessment	Management	Stakeholder Engagement	Compliance
Teesta-V 510 MW Operation stage India	Labour requirements are assessed annually by the Corporate Office, based on project requirements, specifications and legal requirements. The power station and dam health centres help monitor staff and contract workers' health and wellbeing. Employees undergo annual health checks, and occupational health issues are tested for the relevant roles. Safety risks monitored include working at height, near water, and electrical and road safety.	Human resource and labour management policies align with national legislation. Unions and staff associations are in place. The HR division is responsible for the design and implementation of policies and procedures. Employees have access to benefits such as a nursery and primary school, a temple, ATM, and shops, gardens and playing fields.	The company promotes a culture where any employee up to the Chairman and Managing Director can be approached regarding issues. A clear Grievance Policy and Procedure is in place. Complaints related to child labour, forced labour, involuntary labour, sexual harassment and discriminatory employment are published in the Annual Report. A Safety Committee with 50% representation from management and 50% from workers is in place to address occupational health and safety issues.	Labour inspectors conduct inspections and audits regularly. Efforts to employ local workers in semi-skilled and skilled job categories have been made.
Trevallyn 96 MW Operation stage Australia	Human resource and labour management requirements are assessed and monitored according to team meetings, management structure, and a system of performance review. An annual employee survey to raise issues. An occupational health and safety policy is in place to continuously assess and manage risks.	Human resource and labour management policies include a Code of Ethics, an Enterprise Partnership Agreement, Personal Development Reviews, and a Safe Work Practices Manual, among others. Employees sit a Safetrack course on equal opportunities every two years. Induction of operations staff lasts 15 days.	Negotiations on the Enterprise Partnership Agreement involve employees through unions. Designated workplace Support Officers provide opportunities for all employees to raise concerns.	Occupational health and safety, as well as labour requirements, are legally compliant.

	Assessment	Management	Stakeholder Engagement	Compliance
Walchensee 124 MW Operation stage Germany	Occupational health and safety issues and management are addressed through the Annual Health, Safety and Environment Management Review and an annually updated Safety Management Policy. There is regular monitoring of Total Reported Incidents and Lost Time Incidents, with monthly and annual reporting to the board.	IPolicies, plans and processes include a Safety Management Policy, and Annual Health, Safety and Environment management review, handbook and procedures. A Process and Plant Safety Management Policy will be implemented. Contractor management has been reinforced and improved, which resulted in a reduction of the number of incidents.	Employees can raise issues through their managers, HR departments or the Workers Council.	The Safety Improvement Plans are set out occupational health and safety objectives. Legal requirements are presented in the company's Operational Manual.



www.hydropower.org

The International Hydropower Association (IHA) is a non-profit organisation that works with a vibrant network of members and partners active in more than 100 countries.

Our mission is to **advance sustainable hydropower by building and sharing knowledge** on its role in renewable energy systems, responsible freshwater management and climate change solutions.

Photo Caption: CTG Brasil engineer working on Ilha Solteira hydropower plant located on the Paraná River and undergoing the largest hydropower modernization in Brazil. *Photo Credit: Ferdinando Ramos.*