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Labor Management Procedures

Strengthening Reform Management in Jordan (P171965)

September 17, 2019

1. INTRODUCTION AND OVERVIEW OF LABOR USE ON THE PROJECT

These Labor Management Procedures (LMP) are applicable to the Strengthening Reform Management Project in Jordan. The project will be financed by the Recipient Executed Window of the Jordan MDTF and will: i) Support the reform secretariat and reform design and coordination; ii) Strengthen the PIM-PPP framework and function and iii) Strenghten the procurement framework and function. The LMP has been prepared by following national labor laws of Jordan and the relevant requirements of the World Bank's Environmental and Social Standard 2 on Labor and Working Conditions (ESS2). The LMP will be reviewed and updated during project implementation.

The Reform Secretariat will oversee and coordinate the implementation of the Five-Year Reform Matrix (Reform Matrix), monitor and report on the progress of each reform action, coordinate with relevant GoJ entities and the donor community, and provide technical assistance that is mainly targeted to address capacity issues within GoJ.

The Reform Secretariat will be part of the International Cooperation Directorate within MoPIC and will be reporting to Secretary General of MoPIC.

a. Number of Project Workers:

While the organizational structure of the Reform Secretariat is still not finalized, it is envisaged that it will comprise of 10 full-time staff with expertise in project management, M&E and communications.. Their labor terms and conditions, including their rights related to hours of work, wages, overtime, compensation and benefits, will be governed by the Jordanian Labor Law and the relevant provisions of ESS2. It is also envisaged that around 5-10 short and long-term consultants will be used as and when needed, in fields that correspond to the nine pillars of the Reform Matrix.

b. Characteristics of Project Workers:

All full-time staff of the Reform Secretariat will be nationals. International consultants would be hired as equality is a priority and the Reform Secretariat will strive to reach 50% female participation.

c. Timing of Labor Requirements:

Building the capacity of the Reform Secretariat will happen gradually, starting with the core team of technical leads in trade, investment and business environment and labor market, in addition to communications and M&E specialists. The next stage, after September 2019, will focus on expanding project management, M&E and communications capacity of the Secretariat. The Reform Secretariat will adopt a Coordinate, Learn and Adapt (CLA) approach, in which it will expand and develop its organizational structure based on experience to reach to the optimal organizational structure.

d. Contracted Workers:

There are no Contracted Workers envisioned. The individual consultants will be hired directly by the Reform Secretariat and are therefore considered Project Workers

e. Migrant Workers:

There are no migrant workers expected on this project. During the implementation of the activities, the team may require short term technical assistance; this may include international specialized consultants for short term assignment. For the purposes of this project, international professional consultants, are not considered migrant workers. The details including nationality, scopes of work and level of efforts will be shared upon need.

2. ASSESSMENT OF KEY POTENTIAL LABOR RISKS

a. Project activities:

Component 1 of the project will be targeted at fully resourcing a Reform Secretariat, housed within MOPIC, with qualified fulltime staff, both technical (project management and technical staff, including Environmental and Social) and support (M&E and Communications); to coordinate, and provide capacity, to other line ministries, as they advance the implementation of reforms in their respective areas. The Reform Secretariat full-time staff, will be supported by local or international consultants.
Under Component 2, the Reform Secretariat will procure specific expertise to support the strengthening of a PIM/PPP legal framework and function, including drafting laws, guidelines and procedures.

The project will be based in Amman/Jordan under the Ministry of Planning and International Cooperation (MoPIC). The type of work will mainly be desk-based in office settings. Minimal field/site visits will be conducted by some staff as needed. The activities will evolve around supporting regulatory reforms under the pillars of the Reform Matrix.

b. Key Labor Risks:

Given the small work force and nature of employment, the key labor risks are limited and are considered to be as follows:

- Risk of non application of Terms and conditions of employment (e.g. hours of work, overtime, benefits remuneration, termination of employment; disciplinary measures and grievance procedures)
- Risk of Non-discrimination and Equal Opportunity in the workplace
- Occupational Health and Safety risks in an office setting.

3. BRIEF OVERVIEW OF LABOR LEGISLATION: TERMS AND CONDITIONS

Jordan has ratified seven of eight core conventions of the International Labor Organization (ILO) with the exception of the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)

Labor terms and conditions are governed by the Jordanian Labor Law. All terms and conditions can be found in Jordan Labor law No. 8 of 1996 and amendments thereafter.

Below is the overview of key aspects of the terms and conditions of the Jordanian Labor Law No.8 (1996) and its amendments. All references are with respect to the 1996 law, unless otherwise stated. The Labor Law in Jordan is comprehensive, and addresses most of the key labor risks and relevant requirements of ESS2 for this project. Where additional implementation measures are required, these are indicated.

a. Documentation of Terms and Conditions of Employment:

Article 15 requires a contract of work to be prepared in Arabic and both the Employer (MoPIC in this case) and Employee shall retain copies. Note that as per Article 4 of the labor Law, a work contract or other agreement may establish better rights than those in the labor law. All MoPIC full-time staff and consultants will receive a contract that complies with the Labor Law.

b. Wages and deductions:

As per Chapter 7 (Article 45) wages shall be fixed in the contract. The wage shall be paid within a maximum period of seven days from the date of its entitlement. Only those wage deductions permitted by law are allowed (Article 46, 47). Minimum wage is set by a Committee appointed by the Council of Ministers (Article 52). This applies to all MoPIC full time staff and consultants.

c. Working Hours:

The ordinary working hours shall be eight hours per day provided that the total working hours do not exceed forty-eight hours per week over a maximum of six days (Article 56). This applies to MoPIC full-time staff.

d. Overtime:

Full -Time MoPIC staff under this project may be required to work more than the ordinary working hours only in specific cases as outlined under Article 57 . Full-Time MoPIC staff receives a wage against every hour overtime a minimum of 125% of his ordinary wage (Article 59a).

e. Leave and Rest Days:

Leave and rest days as per Article 19-61.

f. Termination and Disciplinary Action:

Article 48 restricts disciplinary actions that can be taken by the Employer. The Employer may terminate employment of employee without notice in certain cases outlined in Article 28 (e.g. if the employee violated organization's internal rules including in work safety or safety of workers despite being twice warned). Article x details the severance payments owing. The law does not appear to be explicit regarding the requirement to provide written notice of termination and details of severance payments in a timely manner.

g. Social Security Benefits and pension contributions:

Article (62 -64) of the Social Security Law define the social security benefits and contributions required by the Employer.

h. Non-discrimination and Equal Opportunity:

The labor law is not explicit regarding non-discrimination and equal opportunity. However, the Constitution of the Hashemite Kingdom of Jordan, Article 6 states that: Jordanians shall be equal before the law. There shall be no discrimination between them as regards to their rights and duties on grounds of race, language or religion. (ii) The Government shall ensure work and education within the limits of its possibilities, and it shall ensure a state of tranquility and equal opportunities to all Jordanians.

As stated above, the reform Secretariat has set an informal target of 50% women.
In addition, Article 13 specifies a minimum requirement of 2% of employees are handicapped, for employers with over 50 employees.

In addition, , the Ministry of Labor 2019 Code of Conduct for Employers and Employees in the Workplace to be adopted by companies as part of their annual registration process will be applied during the project implementation period .

The Codes make explicit references to sexual harassment and gender-based discrimination and specify Grievance Redress Mechanisms in the instructions. The Code will be part of the workers contracts package.

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

This will be according to Jordan Labor Law, Article no. 78 to Article no. 84, as well as MoPIC's internal guidelines and instructions.

As outlined in Article 78,

The Employer must:

1. Provide the necessary precautions and measures to protect the Employees from the hazards and diseases that may result from the work as well as from machines used therein.
2. Provide Employees with personal protection and prevention means from the hazards of work and occupational diseases such as clothes, eye glasses, gloves, shoes and the likes as well as instructing them on the method of its use, maintenance and cleaning.

3. Inform the Employee prior to engagement of the risks of his occupation and methods of methods of protection to be taken by him. Instructions and
directives showing the occupational risks and methods of protection there from according to the regulations and decisions issued in this respect should be placed in a conspicuous place.

4. Provide medical emergency facilities and equipment to Employees in the Establishment according to the levels determined by a decision of the Minister subsequent to seeking the opinions of the competent official authorities.
b) The Employees may not absorb any expenses resulting from the implementation of or providing what is stated under paragraph (a) of this article.

As per Article (80):
The Employer should take the precautions necessary for the protection of the establishment and its Employees from the hazards of fire and explosions or storage, transporting or handling the inflammable dangerous materials and provide sufficient technical facilities and equipment according to the instructions of the competent official authorities.

As per Article (81):
It is not permissible for the Employer or Employee to permit the entry of any type of liquor narcotics, mental influencing articles or dangerous drugs to the places of work or exhibit same therein nor is it permissible for anyone to enter into such places or stay there for any reason whilst under the influence of such drinks or drugs.

As per Article (82):
Employees in any establishment should comply with the provisions, instructions and decisions pertaining to prevention precautions, safety, occupational health, use and
maintenance of equipment relating thereof, refraining c. from any act, which would obstruct the execution of such provisions, decisions and instructions as well as refrain from tampering or causing damage or destruction thereto under being subjected to the disciplinary penalties provided for in the establishment's internal regulations.

5. RESPONSIBLE STAFF

The Director of the Reform Secretariat and the HR and Procurement Departments will be responsible for the following tasks according to applicable Jordanian laws and regulations and MoPIC's internal policies and guidelines:

- Engagement and management of project workers – Director of Secretariat with HR dep.
- Engagement and management of consultants. Technical leads with Director of Secretariat
- Occupational health and safety (OHS). HR department at MoPIC
- Training of workers - HR department at MoPIC
- Addressing worker grievances - HR department at MoPIC

6. POLICIES AND PROCEDURES

MoPIC Reform Secretariat will operate in compliance with the Jordanian Labor Law and this LMP. In addition, MoPIC's internal policies and procedures regarding OHS, risks and monitoring and reporting will be applied. Article (55): Every Employer who engages ten Employees and more should draft an internal regulation for organizing the work in his Establishment wherein he should outline the working hours, daily and weekly rest period, work violations, penalties and measures taken in respect thereof including the discharge from work, method of its implementation and other details required by the nature of work. The Establishments internal regulation shall be subject to the Ministers ratification and be put into operation as of the date of its ratification.

7. AGE OF EMPLOYMENT.

Ages of employment will be according to Jordan Labor law; no staff to be hired will be less than 18 years old. A copy of the prospective employee ID or passport is required during the recruitment process and prior signing the contract.

8. TERMS AND CONDITIONS

a. Recruitment:

- The Reform Secretariat will carry out procurement as per Jordanian laws and regulations, and under the Public Procurement Bylaw No. 28 of 2019.
- A Special Tendering Committee will be established to oversee the procurement process that utilizes external funding, i.e. MDTF.
- The selection process for consultants will follow international best practices, and will comply with applicable Jordanian laws and regulations as well as the World Bank's Environmental and Social Framework, specifically on labor and working conditions. World Bank Procurement Regulations also apply.
- All contracts will reflect the terms, conditions and clauses under the aforementioned laws, regulations, guidelines and policies.
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The reform Secretariat has set an informal target of 50% women. Progress towards meeting this goal will be reported to the World Bank through regular ESHS progress reporting.

b. Performance Management:

The performance of Employees and Consultants will be actively managed and monitored for compliance as per the aforementioned laws, regulations, guidelines and policies, which will also be applied to enforce compliance and remedies.

c. Wages:

An organizational structure and salary scale for full-time staff will be established and approved officially by MoPIC by the end of September 2019.

Compensation and terms and conditions for consultants shall be set according to World Bank and national procurement regulations.

d. Working Hours:

According to the Jordan Labor Law, Full-Time staff to be working for eight hours per day, five days per week. Staff should not be asked to work more than 48 hours, whereas overtime to be paid according to Jordan Labor Law, Art. No. 59.

9. GRIEVANCE MECHANISM

According to good practices, individuals are encouraged to report grievances and compliance issues with their direct supervisor. The option is also available to report or escalate grievances to the MoPIC HR Department.

All staff will be made aware of the grievance mechanism at the time that they are hired.

MoPIC will further develop a procedure for how the grievance system operates. The procedure will outline areas of responsibility and establish time limits for each stage of the process. For example, a maximum time between a grievance being raised and the setting up of a meeting to investigate it.

Once a grievance has been raised formally, MoPIC will keep proper written records. If possible, the original complaint should be in writing. MoPIC's response to the grievance should also be recorded. Minutes of all meetings should be taken and signed by both parties. Documentation should respect workers' rights to privacy and data protection.

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10.CONTRACTOR MANAGEMENT

As indicated above, there are no Contracted Workers (as defined under ESS2) that are expected as part of this project.

11.COMMUNITY WORKERS

N/A

12.PRIMARY SUPPLY WORKERS

N/A