



September 2020

***LABOR MANAGEMENT
PROCEDURES (LMP) for North
Macedonia COVID-19
Emergency Response and
Health Systems Preparedness
Project***

ABBREVIATIONS

WHO	World Health Organization
COVID-19	Coronavirus disease 2019
ESMF	Environmental and Social Management Framework
ESS	Environmental and Social Standards
EU	European Union
WB	World Bank
GMI	Guaranteed minimum income
GRM	Grievance Redress Mechanisms
HCF	Health Care facility
LMP	labor management procedures
MoH	Ministry of Health
MLSP	Ministry of Labor and Social Policy
OG	Official Gazette
OHS	Occupational Health and Safety
PDO	Project Development Objectives
PMU	Project Management Unit
POM	Project Operations Manual
PPE	Personal Protective Equipment
RNM	Republic of North Macedonia
IPC	infection prevention and control
ICUs	Intensive care units
FM	Financial management
M&E	Monitoring and evaluation
PAD	Project Appraisal Document
PIOM	Pension and Disability Insurance Fund
PPSD	Project Procurement Strategy for Development
SEP	Stakeholder Engagement Plan
SIAP	Social Insurance Administration Project
SPRP	COVID-19 Strategic Preparedness and Response Program
SSIP	Social Services Improvement Project
CBMIS	Cash Benefits Management Information System

1. INTRODUCTION

1.1 Background Information

The main objectives of the “North Macedonia COVID-19 Emergency Response and Health Systems Preparedness Project” are to prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness. The achievement of the project outcomes will be measured through the following PDO-level outcome indicators: Number of people tested for COVID-19 identification per MoH approved protocol, Recovery rate from COVID-19, number of beneficiaries receiving financial support to enable social distancing.

1.2 About the project

Project implementation will provide support to increase capacity for case detection, contact tracing, reporting, and monitoring; strengthen the capacity of the health system to handle a surge in severe cases by bolstering the human and technical capacity of hospitals and intensive care units (ICUs); improve the critical care capacity and infrastructure of the Clinic for Infectious Diseases; support the costs of health services; and support social assistance efforts to mitigate the effect of containment measures on the poor.

The project comprises of three components summarized below.

Component 1: Emergency COVID-19 Response. This component will provide immediate support to help the Republic of North Macedonia limit the local transmission of COVID-19 through containment strategies. It will support enhancing case detection capacities through the provision of technical expertise, laboratory equipment, and systems to ensure prompt case finding and contact tracing, consistent with WHO guidelines in the Strategic Response Plan. It will enable North Macedonia to mobilize surge response capacity by financing the salaries of trained and well-equipped front-line health workers who were not envisioned in the state budget. Support will also be provided for limited renovations, if needed to operationalize additional ICU beds, and for medical waste management and disposal systems. This Component will include procurement and montage of modular prefabricated containers and medical and non medical equipment for establishing of Regional Covid Triage, Laboratory and Stationary Centers in 17 cities across the country. The construction, transport and montage of modular prefabricated containers will be located within the borders of existing Health Care Centers in the cities.

- ***Subcomponent 1.1: Case detection, confirmation, contact tracing, reporting and monitoring.*** This subcomponent will help to strengthen disease surveillance systems and public health laboratories through the procurement of diagnostic kits, reagents, consumables, PPE, and training on relevant protocols. It will facilitate combining the detection of new cases with active contact tracing, by enhancing the surveillance and contact tracing modules of the health system’s current information system (MojTermin) and linking primary care providers to it. It will also support epidemiological investigation and monitoring by training public health workers to undertake contact tracing and monitoring of home-isolated and home-treated cases. It will help

provide on-time and real-time data and information to guide decision-making and response and mitigation activities, by enhancing systems and protocols and building capacity for data reporting, data analysis, and information dissemination. The focus on training and systems and on immediate needs for equipment and supplies should help build long-term surveillance and response capacity, while effectively dealing with the current situation.

- **Subcomponent 1.2: Health system strengthening.** This subcomponent will focus on a number of areas critical for strengthening the health system so that it can effectively respond to the health needs of COVID-19 patients and health workers can provide high-quality and safe care. It will include the procurement of medical supplies, devices, and equipment necessary for evaluation, treatment, and monitoring, including ventilators and other equipment necessary for oxygen therapy (oxygen concentrators, pulse oximeters, etc.), infusion pumps, defibrillators, monitors, suction equipment, etc.; and the procurement and distribution of PPE according to WHO guidelines. This subcomponent will also support efforts to repurpose existing health care facilities to meet the expected surge in demand for hospital beds, especially isolation and intensive care beds; to establish specialized units in a limited number of selected hospitals (focusing primarily on Infectious Diseases Clinic, the Clinic for Children's Diseases, the Clinic for Neurosurgery, and the Center for Anesthesiology, Resuscitation and Intensive Care), bearing in mind the longer-term needs of the country. It will also facilitate the development of health care, and potentially isolation, facilities in nontraditional sites to help address temporary surge needs. Since the Infectious Diseases Clinic is the premier facility for the treatment of infectious diseases in North Macedonia, special attention will be focused on developing its clinical care and infrastructure capacity, including by reconditioning space and providing the installations and utilities needed to accommodate new ICU beds. Based on evaluated needs, it will also provide equipment and supplies to set up new ICU beds, including mechanical ventilators, cardiac defibrillators, mobile x-rays, and other equipment. At the same time, it will build long-term capacity in the Infectious Diseases Clinic for providing critical care by introducing protocols, criteria, and information systems, and will support clinical care capacity building by providing technical assistance, guidelines development, and training of health care workers on identifying and treating COVID-19, on the appropriate use of PPE, and on preventing the spread of respiratory infections within healthcare facilities. It will also strengthen medical waste management and disposal systems in healthcare facilities where COVID-19 patients are treated. To ensure that adequate human resources are available to treat COVID-19 patients, this subcomponent will also finance surge staffing (additional staff who will be hired on a short-term basis to deal with expected high numbers of COVID-19 patients).
- **Subcomponent 1.3: Financing of Health Insurance Premia for Vulnerable Beneficiaries.** Under the Law on Health Insurance, various government agencies are required to pay premiums on behalf of those in vulnerable groups (for example the Employment Service Agency must pay for those covered by unemployment insurance, while the MoH must pay for those in other vulnerable groups, including those on social assistance (Guaranteed Minimum Income or GMI) who do not otherwise qualify for health insurance coverage). The expansion of support to these

groups to facilitate social distancing planned under Component 2 would represent an increased cost which has not been previously budgeted. This subcomponent would help to cover these costs. This could potentially affect the access to health services for some 85,000 households, comprising up to 300,000 individuals. In order to ensure continuity of coverage, this subcomponent will finance the health insurance contributions for the unemployed and vulnerable groups normally covered by the MoH for a period of nine months.

Component 2 – Household Support to Enable Social Distancing. This component will finance temporary income support to eligible individuals and households to enable them to comply with the social distancing measures the Government has introduced to contain the COVID-19 pandemic.

It will finance the provision of temporary social assistance support through: (a) the financing of cash transfers to vulnerable households adversely affected by the economic consequences of COVID-19; and (b) the provision of food and basic supplies to quarantined populations and COVID-19-affected households.

Additionally, it will finance temporary unemployment insurance support through the provision of a cash benefit for the individuals who lost their jobs as a consequence of COVID-19.

- ***Subcomponent 2.1: Temporary social assistance support.*** This subcomponent will provide financing to the GMI program to reduce the financial burden on the less well-off caused by the COVID-19 pandemic and enable them to observe social distancing and support the overall health response. The financing will ensure the maintenance and expansion of GMI benefits for existing and new beneficiaries for 6-9 months. The coverage will be expanded to those who did not receive social transfers before the pandemic, but who have become eligible for GMI support since the crisis hit primarily persons whose employment was terminated but who are not eligible for unemployment benefits; individuals and households who previously engaged in the informal economy; and other vulnerable groups at risk of falling into poverty. The GMI program expansion will include the elimination or adjustment of the eligibility criteria that apply in normal circumstances but are not relevant in an emergency for all new applicants (e.g., a 12-month ban for applying and awarding of GMI, vehicle possession, and real estate property; relaxation of the 3-month rule for income assessment). In-kind support (e.g., packages of basic food and hygienic products) will be provided to beneficiaries of means-tested programs. Delivery of basic packages is expected to further reinforce social distancing measures so that beneficiaries will not need to leave the house to seek necessities. Using the beneficiary information from the Cash Benefits Management Information System (CBMIS), the project will conduct several rounds of phone surveys of social assistance beneficiaries to assess the impact of the COVID-19 pandemic on vulnerable households and on their needs. This will help to tailor future policy interventions on building household resilience and to monitor the project’s overall impact. The GMI cash transfers will be implemented using the Treasury system and existing CBMIS platform under the MLSP to ensure efficient response and fast disbursements.

Registration requirements for new beneficiaries of the temporary cash assistance will be online applications.

- **Subcomponent 2.2: Temporary unemployment insurance support.** This subcomponent will finance additional income support to workers who have been deregistered by their employers in the records held by the Employment Agency and who access unemployment insurance benefits. The Government measure is to provide a cash benefit to those who have lost their jobs because of the crisis, in an amount equal to 50 percent of their average salary in the last 12 months for a period of up to 6 months, proportional to the number of years in employment. The project will cover these costs for 4 of the 6 months. The number of applications or changes in the unemployment insurance financing needs may change the timeline of support. The capacity of the Employment Agency of the Republic of North Macedonia to manage the unemployment insurance scheme will be strengthened to enable it to respond to surge demand for its services, including the notification of unemployment status and processing of payments. Any waiting periods will be lifted, the deregistration process will be facilitated by remote channels to enable social distancing, and procedures will be streamlined to reduce waiting times.

Component 3. Project Implementation, Communications, Community Engagement, and Monitoring.

This component will support the administrative and human resources needed to implement the project and monitor and evaluate progress. It will finance staff, consultant costs, and operating costs associated with project implementation, coordination, and management, including support for procurement, financial management (FM), environmental and social safeguards, outreach activities, communication campaigns, monitoring and evaluation (M&E), reporting, and stakeholder engagement; information system maintenance; operating and administrative costs; technical assistance to strengthen the project’s emergency response (e.g., development of testing, treatment, referral and discharge protocols, streamlining of Employment Agency procedures); and longer-term capacity building for pandemic response and preparedness.

This component will support the development of communication, outreach, and awareness-building campaigns to ensure that culturally relevant information is disseminated to properly sensitize citizens to the risks related to COVID-19 and to inform them about the cash and in-kind benefits financed under the project.

1.3 Environmental and Social Aspects

The “North Macedonia COVID-19 Emergency Response and Health Systems Preparedness” Project addresses the environmental and social aspects through the World Bank’s Environmental and Social Standards (ESS) approach/ framework. One of the Standard- ESS 2- relates to Labor and Working Conditions and expects the Borrowers to develop labor management procedures (LMP). Purpose of LMP is to facilitate planning and implementation of the project taking into account occupational health and safety requirements. The LMP enables identify main labor requirements and risks associated with it, and help the Borrower to determine the resources necessary to address labor issues. The LMP is a living document, which is initiated early in project preparation, and is reviewed and updated throughout

development and implementation of the project. Accordingly, this document details out the type of workers likely to be deployed by the project and the management thereof. Key aspects of the LMP should be incorporated into contractual obligations of contractors and subcontractors.

2. OVERVIEW OF LABOR USE ON THE PROJECT

This Labor Management Procedure (LMP) has been prepared for the “North Macedonia COVID-19 Emergency Response and Health Systems Preparedness Project” to ensure compliance with Environmental and Social Standard 2 on Labor and Working Conditions (ESS2) of the World Bank’s Environmental and Social Framework (ESF) and the national legislation and regulations of the Government of RNM. It is a part of the Environmental and Social Management Framework (ESMF) developed for this project as a guiding document.

Accordingly, the purpose of this LMP is to facilitate the planning and implementation of the project by identifying the main labor requirements, the associated risks, and the procedures and resources necessary to address the project-related labor issues. The LMP sets out general guidance relevant to different forms of labor but also issues and concerns that relate to COVID-19 considerations.

The project will include different categories of workers, some of whom will be engaged in activities that raise COVID-19 exposure concerns. As per ESS2, project workers can be classified into the following four groups: a) direct workers (small renovations of health care centers/building the mobile prefabricated containers - hospitals) , contracted workers, primary supply workers, health care workers and community laborers. Due to the nature of the work that will be done in this project, direct and contract workers and primary supply workers will be mostly used for the implementation. However, there may be potential use of community workers during the different phases of the project.

The following are the key categories of workers that would be engaged under the project, including groups

of workers that are specifically at risk in the COVID-19 context and thus require special attention:

Type of project workers	Characteristics & role of project workers	Timing of labor requirements
Direct workers (people employed or engaged directly by the Borrower (including the project proponent and the project implementing agencies) to work specifically in relation to the project)		
PMU staff	<p><i>Permanent staff of PMU:</i> Project Manager, Coordinator for Component 1, Coordinator for Component 2, Environmental and Social safeguards experts, Procurement Specialist & Assistant, FM specialist & assistant, two IT officers, Monitoring and Evaluation Specialist and additional Health Specialist. Some of the existing SSIP PMU staff will assume these functions.</p> <p><i>Job roles:</i> Day-to-day project implementation, overall project coordination, monitoring activities, safeguards and</p>	From project preparation until Project completion

Type of project workers	Characteristics & role of project workers	Timing of labor requirements
	fiduciary functions, and reporting	
Health Care Workers	<p>Health administration, Infectious Diseases Commission staff, Doctors & Nurses in HCFs, workers in quarantine/isolation facilities, Midwives, Family Doctors and nurses, Public Health Inspectors, other (technicians, janitorial etc.) at MOH, on national and local levels.</p> <p><i>Job roles:</i> administration, operations, contact tracing, case finding, confirmation, communicating, reporting & treating patients.</p>	Project commencement until project completion.
Staff of specialized institutions	<p>MoH, MLSP, Institute and Centers of Public Health, Centers for Social Work, Laboratory Services, Employment Agency and local offices staff, Pension and Disability Insurance Fund (PIOM) staff, Crisis Management Center and its regional offices staff.</p> <p><i>Job roles:</i> Administration, research, laboratory testing, communication and operations</p>	Project commencement until project completion.
Contracted workers (people employed or engaged through third parties to perform work related to core functions of the project)		
Laboratory service providers	<p>Scientist, Doctors & lab technicians contracted from Private Companies.</p> <p><i>Job role:</i> carrying out laboratory testing and investigations</p>	Project start to end
Workers in Eldercare homes, homes for the disabled people	<p>Administrators and Social workers</p> <p><i>Job roles</i> – managing the homes and taking care for elders, disabled people.</p>	Project start to end
Workers contracted to carry out limited reconstruction/rehabilitation works and building the prefabricated containers-hospitals	<p>Architects, Engineers, workers with construction skills in masonry, carpentry, plumbing, wiring, painting etc.</p> <p><i>Job roles</i> – reconstruction activities during limited renovations, if needed to operationalize additional ICU beds, and for medical waste management and disposal systems. Set up the platforms where the prefabricated containers – hospitals will be posted.</p>	Project start to end
Janitorial & Waste	Janitors, workers dealing with medical waste collection from HCFs and transportation, Waste	Project start to end

Type of project workers	Characteristics & role of project workers	Timing of labor requirements
Management Services	Collection and their administrators contracted from Private Companies. <i>Job roles:</i> Protecting/guarding the buildings, cleaning, disinfecting, waste collection, disposal & administration.	
Public campaign company	PR staff, social workers; etc. <i>Job roles:</i> conducting phone surveys with social assistance beneficiaries to assess the impact of the COVID-19 pandemic on vulnerable households and their needs.	Project start to end
Primary supply workers (people employed or engaged by the Borrower’s primary suppliers (primary supply workers))		
Service & goods Providers for HCFs	Suppliers providing: medical supplies, devices, diagnostic kits, reagents, consumables, PPE, equipment (ventilators and other equipment necessary for oxygen therapy (oxygen concentrators, pulse oximeters, etc.), infusion pumps, defibrilators, monitors, suction equipment), etc. and training on relevant protocols. <i>Job roles</i> – administrative and technical duties, supplying of the goods and services according the signed contracts, etc.	Project start to end
Service providers for the most vulnerable citizens	Drivers of buses transporting potential infected/ isolated persons, companies delivering food in hospitals, isolation facilities, Red Cross volunteers. <i>Job roles</i> – purchase and delivery of basic packages of food and hygienic products; transporting potential infected/ isolated persons.	Project start to end

The expected project beneficiaries will be a subset of the population at large who will be affected by the COVID-19 response supported by the project. Given the nature of the disease, they would include infected people; at-risk populations, particularly the elderly and people with chronic conditions; medical and emergency personnel; medical and testing facilities; and public health agencies engaged in the response in the Republic of North Macedonia. Also, the new beneficiaries will be workers who have been deregistered by their employers in the records held by the Employment Agency and who access unemployment insurance benefits (45,000 individuals). Food and or hygienic packages will be purchased for app. 40.000 vulnerable households.

Direct beneficiaries will also include those reached by the social mitigation and HIF premium coverage measures, estimated to be around 85,000 households representing some 300,000 individuals.

Depending on the spread of the pandemic, the number of indirect beneficiaries would potentially be 2.1million people, 20.6 percent of whom are older than 60 years (age bracket in which case fatalities are concentrated).

Institutional direct beneficiaries which will benefit from capacity building & training are comprised of: public health workers in infection prevention and control and Protocols for medical waste; improving the overall administrative capacity of Employing Agency.

Timing of Labor Requirements:

The project will be implemented on national level. The project will be implemented over a period of up to two years, with the MoH and MLSP as the key implementing agencies.

The precise number of all project workers who will be employed are not known as of now.

3. ASSESSMENT OF KEY POTENTIAL LABOR RISKS

The labor risks for the project can be defined based on the nature and location where project activities will be carried out. Labor risks, including COVID-19 specific risks, in relation to the activities being carried out by the workers, are described below:

Project Activity	Key Labor Risks
Procurement of essential protective equipment and other essential items to protect healthcare workers and patients	<ul style="list-style-type: none"> - Health and safety risks for frontline service providers, especially against COVID contamination - Suppliers as vectors of COVID-19 & hence risks HCWs and patients - Inability of benefit from procedures and mitigation measures to address risks relating to COVID-19 spread
Support to Enable Social Distancing	<ul style="list-style-type: none"> - Inadequate terms and conditions of employment for employees/consultants, including those relating to hours of work, wages, overtime, etc. - Discrimination in relation to recruitment, hiring, compensation, working conditions, terms of employment, etc. - Absence of a mechanism to express grievances and protect rights regarding working conditions and terms of employment - Risks of contamination during community visits - Workers as vectors of COVID-19 and hence risks to community health and safety - Risks of child labor and forced labor, though expected to be minimal
Strengthening the capacity of HCFs for Emergency COVID – 19 Response: <ul style="list-style-type: none"> - Constituting emergency response teams in HCFs to cater to both regular and infectious disease patient - Increasing ICU beds and relevant 	<ul style="list-style-type: none"> - Workers brought in to carry out the limited civil works may become vectors for transmission of COVID-19 to other workers and nearby communities. - Untenable overtime, psychological distress, fatigue, occupational burnout, among health care workers - Risks of exposure while handling of medical specimens or

Project Activity	Key Labor Risks
<p>equipment such as oxygen delivery units, etc.</p>	<p>treatment of COVID-19 patients</p> <ul style="list-style-type: none"> - Stigma and passing on infections to family and community - Inadequate terms and conditions of employment for employees/consultants, including those relating to hours of work, wages, overtime, etc. - Discrimination in relation to recruitment, hiring, compensation, working conditions, terms of employment, etc. - Absence of a mechanism to express grievances and protect rights regarding working conditions and terms of employment - Risks of child labor and forced labor among frontline stakeholders, though expected to be minimal - Social tensions due to concerns about infection spread to the communities in the vicinity of the HCFs, quarantine centers, etc. - Risks associated with use of security personnel, including on community health and safety as well as labor management.
<p>Strengthen disease surveillance systems and public health laboratories capacity</p> <ul style="list-style-type: none"> - Training to health workers and other frontline stakeholders - Increasing number of testing kits, expansion of special panel kits, expansion of testing capacity - Equipment for safe transport of biological samples - Orientation of lab technicians on standardized sample collection, channeling and transportation for infectious diseases, and decontamination practices 	<ul style="list-style-type: none"> - Risks of pathogen exposure, infection and associated illness, death, for workers engaged in carrying out the testing, transporting samples, delivering training, etc. - Stigma and passing on infections to family and community - Inadequate terms and conditions of employment for employees/consultants, including those relating to hours of work, wages, overtime, etc. - Discrimination in relation to recruitment, hiring, compensation, working conditions, terms of employment, etc. - Absence of a mechanism to express grievances and protect rights regarding working conditions and terms of employment - Social tensions due to concerns about community health and safety
<p>Containment and treatment efforts</p> <ul style="list-style-type: none"> - Establishment of specialized units in a limited number of selected hospitals (focusing primarily on Infectious Diseases Clinic, the Clinic for Children's Diseases, the Clinic for Neurosurgery, and the Center for Anesthesiology, Resuscitation and Intensive Care) - Expansion of intensive care unit (ICU) capacity, including the establishment of additional ICU beds and the necessary equipment and supplies to make them functional. - Training all hospital staff to prevent intra-hospital infections, particularly 	<ul style="list-style-type: none"> - Untenable overtime, psychological distress, fatigue, occupational burnout, among health care workers - Risks of exposure while handling of medical specimens or treatment of COVID-19 patients - Stigma and passing on infections to family and community - Inadequate terms and conditions of employment for employees/consultants, including those relating to hours of work, wages, overtime, etc. - Discrimination in relation to recruitment, hiring, compensation, working conditions, terms of employment, etc. - Social tensions due to concerns about infection spread to the communities in the vicinity of the HCFs, quarantine centers, etc.

Project Activity	Key Labor Risks
<p>medical waste management and disposal systems, management of patients with infectious diseases, including dead bodies, and instituting a system to monitor the same; putting in place safe and separate transportation facilities for infectious disease patients starting with testing to hospital admission.</p>	
<p>Project Implementation, Communications, Community Engagement, and Monitoring:</p> <ul style="list-style-type: none"> - support for procurement, financial management (FM), environmental and social safeguards, outreach activities, communication campaigns, monitoring and evaluation (M&E), reporting, and stakeholder engagement; information system maintenance; technical assistance to strengthen the project's emergency response and longer-term capacity building for pandemic response and preparedness 	<ul style="list-style-type: none"> - Inadequate terms and conditions of employment for employees/ consultants, including those relating to hours of work, wages, overtime, etc. - Discrimination in relation to recruitment, hiring, compensation, working conditions, terms of employment, etc. - Absence of a mechanism to express grievances and protect rights regarding working conditions; terms of employment or implementation of the COVID – 19 protection measures; - poorly implemented waste management procedures at participating HCFs - risk of exclusion, particularly of disadvantaged or vulnerable groups, from project benefits (i.e. medical care) - stigma and discrimination towards health workers or people with Covid-19 - not enough involvement inclusion of women and vulnerable and disadvantaged groups

4. BRIEF OVERVIEW OF LABOR LEGISLATION: TERMS AND CONDITIONS

Labor and working conditions issues are covered with the following legislation:

- **Labor Law of Republic of North Macedonia** (OG of RNM no. 62/05; 106/08; 161/08; 114/09; 130/09; 149/09; 50/10; 52/10; 124/10; 47/2011; 11/12; 39/12; 13/13; 25/2013; 170/2013; 187/13; 113/14; 20/15; 33/15; 72/15; 129/15, 27/16, 134/16), manages relationship between parties involved in the process of employment. It protects and applies to any natural person that has concluded an employment contract with an employer.
- **Law on Social Protection** (OG of RNM no. 79/09, 148/13, 164/13, 187/13, 38/14, 44/14, 116/14, 180/14, 33/15, 72/15, 104/15, 150/15, 173/15, 192/18, 30/16, 163/17, 51/18). Social welfare and protection in Macedonia comprises of services and benefits from the tax-financed social welfare system (social prevention – which according to the Law on Social Protection includes – educational and advisory work, development of self-assistance forms, volunteering work etc., institutional care, non-institutional care and monetary assistance) and contributory- based social insurance system (pensions and disability, health and unemployment insurance).

- **Law on Pensions and Disability Insurance** (OG of RNM no. 53/13, 170/13, 43/14, 44/14, 97/14, 113/14, 160/14, 188/14, 20/15, 61/15, 97/15, 129/15, 147/15, 154/15, 173/15, 217/15, 27/16, 120/16, 132/16) defines the obligatory pension insurance of workers under working contract and the natural persons performing activity, the bases of the capital funded pension insurance, as well as the special conditions how certain categories of insured persons receive the right to pension and enjoy disability insurance. The rights deriving from the pension and disability insurance are the following: right to age-related pension, right to disability pension, right to re-allocation to other adequate, working post, right to adequate employment, right to re-qualification or higher qualification and right to adequate financial compensations, right to family pension, right to monthly compensation for physical damage, and right to minimal pension.

Other labor and workforce related laws are:

- Law on employment and insurance against unemployment
- Law on labor inspection;
- Law on records in the field of labor;
- Law on employment of disabled persons;
- Law on temporary employment agencies;
- Law on volunteering;
- Law on peaceful settlement of labor disputes
- Law on employment and work of foreigners;
- Law on minimum wage;
- Law on protection from harassment in the workplace
- and other by-laws.

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

Health and safety laws that are relevant for this project are:

- Law on Occupational Health and Safety (Official Gazette No. 92/07, 98/10, 93/11, 136/11, 60/12, 23/13, 25/13, 137/13, 164/13, 158/14, 154/15, 129/15, 192/15, 37/16). This law determines the safety and health measures at work, the obligations of the employer and the rights and obligations of employees in the field of safety and health at work, as well as preventive measures against occupational risks, eliminating risk factors for accident, informing, consulting, training workers and their representatives, and participating in the planning and taking of occupational safety and health measures.

Other relevant by-laws are:

- **Rulebook on Preparation of the Health and Safety Statement** (Official Gazette No.07/08) defines mandatory health and safety statements for each workplace; engagement of an authorised H&S officer and official medical institution; adopting fire protection, first aid and evacuation measures; providing trainings on first aid, fire protection, rescue and evacuation; providing periodical medical examinations for staff.
- **Regulation on PPE** (Official Gazette No.116/05) defines mandatory provision of PPE for workers.
- **Regulation on Use of Work Equipment** (Official Gazette No.116/07) defines mandatory periodical testing of work equipment.
- **Regulation on OHS in Use of Work Equipment** (Official Gazette No.116/07) defines that adequate and safe work equipment must be available to workers; employers must take measures to minimise risks, including providing appropriate notices and written guidelines for workers, as well as providing training on risks.
- **Regulation on Minimum OHS Requirements in Temporary Mobile Sites** (Official Gazette No.105/08) defines the obligation of contractors to develop an OHS Plan.
- **Regulation on Minimum OHS Requirements at Workplaces** (Official Gazette No.154/08) defines the following obligations of employers: providing clear routes to emergency exits; carrying out technical maintenance of the workplace, equipment and devices; keeping the workplace, equipment and devices at an adequate level of hygiene; providing first aid rooms fitted with essential first aid installations and equipment; taking into consideration the needs of disabled workers.
- **Regulation on Health and Safety of Workers Exposed to Noise Pollution** (Official Gazette No.21/08) defines mandatory measurement of noise levels at workplaces, prohibits work on locally recognised days of rest, outside of the normal working hours or in extreme weather conditions.
- **Regulation on OHS Signs** (Official Gazette No.127/07) defines mandatory health and safety signs for any hazardous work activities and providing suitable instructions to workers.
- **Law for Health Protection** (OG of RNM no. 43/12, 145/12, 87/13, 164/13, 39/14, 43/14, 132/14, 188/14, 10/15, 61/15, 154/15, 132/15, 154/15, 192/15, 37/16) regulates the matters related to the system and organization of health protection and the performance of healthcare activity, the guaranteed rights and the established needs and interests of the country in the provision of health protection, the healthcare institutions, the employment, rights and duties, responsibility, assessment, termination of employment, protection and decision-making upon the rights and obligations of healthcare workers and healthcare co-workers, the quality and safety of healthcare activity, the chambers and professional associations, the marketing and advertising of healthcare activity, the performance of healthcare activity in case of emergencies, and the supervision of the performance of healthcare activity.
- **Law on Public Health** (OG of RNM no. 22/10, 136/11, 144/14, 149/15, 37/16) regulates protection and improvement of public health; measures and activities undertaken by the state bodies, institutions, local self-government units and other legal and natural persons in cooperation with health care institutions; providing an appropriate response in case of public

health need and urgency and occurrence of a public health emergency and implementation of the international health rules.

- **Law on Protection of Population from Infectious Diseases** (OG of RNM no. 66/04, 139/08, 99/09, 149/14, 150/15 and 37/16) determines the measures for prevention of the occurrence, early detection, prevention of the spread and suppression of infectious diseases and infections, the rights and obligations of the health institutions, legal and natural persons, as well as the supervision over the implementation of the measures, in order to protect the population from infectious diseases.
- **Law on Medicines and Medical Devices** (OG of RNM no. 106/07, 88/10, 36/11, 53/11, 136/11, 11/12, 147/13, 164/13, 27/14, 43/14, 88/15, 154/15, 228/15, 7/16 and 53/16) regulates drugs and medical devices for use in human medicine, conditions and manner of ensuring their quality, safety and efficacy, the manner and procedures for their production, testing, placing on the market, marketing, pricing, quality control, advertising and inspection. This law also regulates narcotic drugs, psychotropic substances and precursors necessary for the production of drugs or medical devices if they are not regulated by another law.

Other laws that cover Health and Safety issues are:

- o Law on Safety and Rescue (OG of RNM no. 93/12, 41/14, 71/16, 106/16)
- o Law on Health Insurance (OG of RNM no. 25/00, 34/00, 96/00, 50/2001, 11/2002, 31/2003, 84/2005, 37/2006, 18/2007, 36/2007, 82/2008, 98/2008, 6/2009, 67/2009, 50/10, 156/10, 53/11, 26/12, 16/13, 91/13, 187/13, 43/14, 44/14, 97/14, 112/14, 113/14, 188/14, 20/15, 61/15, 98/15, 129/15, 150/15, 154/15, 192/15, 217/15, 27/16, 37/16 and 120/16)
- o Law on Sanitary and Health Inspection (OG of RNM no. 71/06, 139/08, 88/10, 18/11, 53/11, 164/13, 43/14, 144/14, 51/15, 150/15, 37/16)
- o and other by laws

Taking into consideration that the project is implementing in Covid-19 pandemia period, it is very important PIU to follow all safety and protection at work it is necessary to implement measures for protection from COVID 19 adopted by the Government of the Republic of Northern Macedonia at the proposal of the Commission for Infectious Diseases and the Ministry of Health. These measures should be constantly updated in accordance with the latest provisions introduced by the Government.

Links of the national institutions responsible for COVID 19 where the Contractor could find updated information and recommendations:

- **Government of the Republic of North Macedonia** - <https://vlada.mk/node/20488?ln=en-gb>
- **Ministry of Health** - <http://zdravstvo.gov.mk/korona-virus/>
- **Ministry of Labour and Social Policy** - <http://mtsp.gov.mk/covid-19.nspx>
- **Ministry of transport and communications** - <http://mtc.gov.mk/Preporaki%20od%20Vlada>
- **Official site for COVID – 19** - <https://koronavirus.gov.mk/en>

6. RESPONSIBLE STAFF

MoH and MLSP are the key implementing agencies. The MoH and MLSP will be accountable for the execution of project activities, and implementation will rely on their existing structures, with the additional support of an existing Project Management Unit (PMU) established under the MLSP. The PMU successfully implemented the World Bank-financed Conditional Cash Transfer Project, which closed in 2018, and is currently managing the SSIP and the Social Insurance Administration Project (SIAP).

For Component 1 activities, decisions will be made by the MoH in coordination with the Institute and Centers of Public Health and other institutions involved in COVID-related activities. For Component 2 activities, decisions will be made by the MLSP and the Employment Agency in coordination with their local offices (Centers for Social Work and Employment Agency offices).

The PMU will be housed in the MLSP and headed by a project manager. Additional key PMU staff include two coordinators (one each for Component 1 and Component 2 of the project), safeguards experts (environmental and social safeguards issues), fiduciary staff (procurement specialist, procurement assistant, FM specialist, and FM assistant), two IT officers, and an M&E specialist. Some of the existing SSIP PMU staff will assume these functions. An additional health specialist will be hired.

Emergency COVID-19 Response Project PMU will be responsible for the following:

- Implement this labor management procedure.
- Ensure that contractors all works that implements are in comply with these labor management procedures.
- Ensure the contracts with the contractors are developed in line with the provisions of this LMP.
- Monitor to verify that contractors are meeting labor and OHS obligations toward contracted and subcontracted workers.
- Monitor contractors and subcontractors’ implementation of labor management procedures.
- Ensure that the grievance redress mechanism for project workers is established and implemented and that workers are informed of its purpose and how to use it.
- Have a system for regular monitoring and reporting on labor and occupational safety and health performance.
- Monitor implementation of the Worker Code of Conduct.

Project Operational Manual will include standard templates of contracts which include LMP, OHS aspects, and the contractors commit to them. LMP and OHS responsibilities of the Contractors are the following:

- Follow the labor management procedures and occupational health and safety requirements as stated in the contracts signed with MLSP and MoH.
- Contractors will keep records in accordance with specifications of the job description.
- Supervise the subcontractors’ implementation of labor management procedures and occupational health and safety requirements.

- Maintain records of recruitment and employment of contracted workers as provided in their contracts.
- Communicate clearly job descriptions and employment conditions to all workers.
- Make sure every project worker hired by contractor/subcontractor is aware of the PMU dedicated phone number, email address, and web portal through which anyone can submit grievances.
- Provide induction (including social induction) and regular training to employees in labor protection requirements, including training on their rights on safe labor under North Macedonian law, on the risks of their jobs, and on measures to reduce risks to acceptable levels.

7. POLICIES AND PROCEDURES

Employment of project workers within the North Macedonia Emergency COVID-19 Response Project will be based on the principles of non-discrimination and equal opportunity. There will be no discrimination with respect to any aspects of the employment relationship, including recruitment, compensation, working conditions and terms of employment, access to training, promotion or termination of employment. The following measures, will be followed by contractors and monitored by the North Macedonia Emergency COVID-19 Response Project (PMU), to ensure fair treatment of all employees:

- Recruitment procedures will be transparent, public and non-discriminatory, and open with respect to ethnicity, religion, sexuality, disability or gender.
- Applications for employment will only be considered if submitted via the official application procedures established by the contractors.
- Clear job descriptions will be provided in advance of recruitment and will explain the skills required for each post.
- All workers will have written contracts describing terms and conditions of work and will have the contents explained to them. Workers will sign the employment contract.
- The contracted workers will not be required to pay any hiring fees. If any hiring fees are to be incurred, these will be paid by the Employer.
- Depending on the origin of the employer and employee, employment terms and conditions will be communicated in two languages, in the state language and the language that is understandable to both parties.
- All workers will be 18 years old or above for civil works. This will be a requirement in COVID-19 Response Project contracts with contractors.
- Normal working time should not exceed 40 hours per week. With a five-day working week, the duration of daily work is determined by the internal work regulations approved by the employer after prior consultation with the representatives of the workers, in compliance with the established working week duration.

8. AGE OF EMPLOYMENT

North Macedonia law prohibits anyone under 18 from performing “unhealthy or heavy” jobs and there are special requirements for leave, work hours, and other conditions of employment.

Contractors will be required to verify and identify the age of all workers. This will require workers to provide official documentation, which could include a birth certificate, national identification card, or medical or school record. If a minor under the minimum labor eligible age is discovered working on the project, measures will be taken to immediately terminate the employment or engagement of the minor in a responsible manner, taking into account the best interest of the minor.

9. TERMS AND CONDITIONS

The employment terms and conditions applying to Emergency COVID-19 Response Project (PMU) employees are set out in this document. These internal labor rules will apply to all North Macedonia Emergency COVID-19 Response Project employees who are assigned to work on the project (direct workers). Terms and conditions of contracted workers are determined by their individual contracts.

The work hours for Emergency COVID-19 Response Project workers will be 40 hours per week, eight hours per workday. Terms and conditions of contracted direct workers will be determined by their individual contracts. The contractors’ labor management procedure will set out terms and conditions for the contracted and subcontracted workers. These terms and conditions will be in line, at a minimum, with this labor management procedure and specified in the standard contracts to be used by the MoH and MLSP under the project, which will be provided in Project Operations Manual and follow this LMP.

10. GRIEVANCE MECHANISM

The project has developed the ESMF as a main environmental and social guiding document together with the Stakeholder Engagement Plan (SEP) and Labor management procedures (this document). During the development of the SEP, the special chapter was dedicated to the Grievance Redress Mechanism for the Project Workers consistent with the ESS2. The grievance procedure has been developed where in Annex I in the SEP there is a form for grievances raised by the health care workers and other workers within the project.

All identified stakeholders within the Emergency COVID-19 Response Project can submit a complaint/suggestion regarding the project implementation. The complainant will be informed about the proposed corrective action and follow-up of corrective action within 15 calendar days upon the acknowledgement of grievance. In situation when the PMU is not able to address the particular issue verified through the grievance mechanism or if action is not required, it will provide a detailed explanation/justification on why the issue was not addressed. The response will also contain an explanation on how the person/ organization that raised the complaint can proceed with the grievance in case the outcome is not satisfactory. At all times, complainants may seek other legal remedies in accordance with the legal framework of RNM, including formal judicial appeal. Grievance mechanism will be publicly available on the MoH and MLSP web site (special link for the Emergency COVID-19

Response Project) in order to be easily accessible for the stakeholders and to be able to submit a complaint for the project activities and documents that will be developed within the Project.

11. CONTRACTOR MANAGEMENT

All contracts under Emergency COVID-19 Response Project the will include provisions related to labor and occupational health and safety as provided in the World Bank Standard Procurement Documents and North Macedonia law.

North Macedonia Emergency COVID-19 Response Project PMU within MLSP will manage and monitor the performance of contractors in relation to contracted workers, focusing on compliance by contractors with their contractual agreements (obligations, representations, and warranties) and labor management procedures. Also the PMU staff will look how the following obligations are fulfilled by the Contractors:

- **Labor conditions:** records of workers engaged under the Project, including contracts, registry of induction of workers, hours worked; If workers, particularly health care workers, are allowed (or required) to work longer hours than normal because of the COVID-19 emergency, this should be documented alongside measures taken to protect such workers (e.g. mandatory rest breaks).
- **Workers:** number of workers, indication of origin (local, non-local, nationals), gender, age with evidence that no child labor is involved, and skill level (unskilled, skilled, supervisory, professional, management);
- **Training/induction:** dates, number of trainees and topics, records on training provided for contracted workers to explain occupational health and safety risks and preventive measures; specific requirements for certain types of contractors, and specific selection criteria (e.g. for medical waste management, certifications, previous experience)
- **Safety:** recordable incidents (lost time incidents, medical treatment cases), first aid cases, high potential near misses, and remedial and preventive activities required, reports relating to safety inspections, including fatalities and incidents and implementation of corrective actions, records relating to incidents of non-compliance with national law; Provision of medical insurance covering treatment for COVID-19, sick pay for workers who either contract the virus or are required to self-isolate due to close contact with infected workers and payment in the event of death.
- **Details of any security risks:** details of risks the Contractor may be exposed to while performing its work—the threats may come from third parties external to the project; Specific procedures and measures dealing with specific risks. For example, for health care contractors: infection prevention and control (IPC) strategies, health workers exposure risk assessment and management, developing an emergency response plan, per WHO Guidelines.
- **Worker grievances:** details including occurrence date, grievance, and date submitted; actions taken and dates; resolution (if any) and date; and follow-up yet to be taken—grievances listed

should include those received since the preceding report and those that were unresolved at the time of that report.

- Appointing a COVID-19 focal point with responsibility for monitoring and reporting on COVID-19 issues, and liaising with other relevant parties.
- Including contractual provisions and procedures for managing and monitoring the performance of Contractors, in light of changes in circumstances prompted by COVID-19.

Fulfillment of these obligations will apply to the companies that will be engaged by MoH and MLSP for limited renovation if needed to operationalize additional ICU beds, workers that will work on the building the prefabricated containers-hospitals, for medical waste management and disposal systems, as well as for all suppliers/consultants and contractors on the Emergency COVID-19 Response Project.

COVID-19 specific Measures for HCFs workers

Plans/procedures that will apply to all workers associated with the project, including security personnel, will be in place to address the following issues:

- The characteristics of the workers will be assessed prior to engaging them in healthcare works, including those with underlying health issues or who may be otherwise at risk. This will be done by conducting pre-employment health checks;
- Adequate supplies of medical PPE, including gowns, aprons, curtains; medical masks (N95 or FFP2); gloves (medical, and heavy duty for cleaners); eye protection (goggles or face screens); hand washing soap and sanitizer; and effective cleaning equipment, will be put in place. If relevant PPE cannot be obtained, viable alternatives, such as cloth masks, alcohol-based cleansers, hot water for cleaning and extra handwashing facilities, until such time as the supplies are available, will be considered;
- Work tasks will be rearranged or numbers of workers on the worksite will be reduced to allow social/physical distancing, or rotating workers through a 24-hour schedule;
- Training will be provided to medical staff on the latest WHO advice and recommendations on the specifics of COVID-19;
- Enhanced cleaning arrangements, including thorough cleaning (using adequate disinfectant) of catering facilities/canteens/food/drink facilities/toilets/showers, common areas, including door handles, floors and all surfaces that are touched regularly, will be put in place;
- Cleaning staff will be trained and provided with adequate PPE when cleaning consultation rooms and facilities used to treat infected patients;
- Access to psychosocial support based on the needs and availability of such services;
- Communication strategy/plan to support regular communication, accessible updates and clear messaging to health workers, regarding the spread of COVID-19 in nearby locations, the latest facts and statistics, and applicable procedures, will be implemented.