

INTRODUCTION AND PR2 OVERVIEW

MODULE 1.1

Labour and Working Conditions

EBRD E-learning Course
Performance Requirement 2 –
Labour & Working Conditions

Objectives

Objectives

Explain why labour issues are a priority for EBRD

Objectives

Explain why labour issues are a priority for EBRD

Define who PR2 applies to

Objectives

Explain why labour issues are a priority for EBRD

Define who PR2 applies to

Outline how PR2 relates to national law and international standards.



**“Nearly every
EBRD project
involves jobs.”**

Why are labour issues a priority?

Commitment to international standards



International
Labour
Organization

Why are labour issues a priority?

INCLUSIVE DEVELOPMENT

JOBS ARE THE KEY LINK BETWEEN
PROJECTS AND COMMUNITIES.

AND THE PRINCIPAL WAY FOR MEN
AND WOMEN TO BENEFIT FROM
ECONOMIC DEVELOPMENT



Why are labour issues a priority?

VALUABLE ASSET

Under EBRD's PR2, companies should treat their workers:

- Fairly
- Develop a sound-worker management relationship
- Provide healthy working conditions



Why are labour issues a priority?

OPERATIONAL RISKS

WORKFORCE MORALE
AND TURNOVER



Introduction to PR2

April 2019

Environmental and Social Policy

EBRD Performance Requirement 2: Labour and Working Conditions

Introduction

1. This Performance Requirement (PR) recognises that for clients and their business activities, the workforce is a valuable asset, and that good human resources management and a sound worker management relationship based on respect for workers' rights, including freedom of association and right to collective bargaining, are key ingredients to the sustainability of business activities.

- prevent the use of forced labour and child labour (as defined by the International Labour Organisation (ILO)) and
- ensure that accessible and effective means to raise and address workplace concerns are available to workers.

Scope of Application

Objectives

2. The objectives of this PR are to:

- respect and protect the fundamental principles and rights¹ of workers;
- ensure fair treatment, non-discrimination, and equal opportunities of workers in accordance with the decent work agenda²;
- establish, maintain and improve a sound worker management relationship;
- ensure compliance with national labour and employment laws and any collective agreements to which the client is a party;
- protect women and men at work, including vulnerable workers such as young workers, persons with disabilities, migrant workers and refugees, workers engaged by third parties, and workers in the client's supply chain;

3. This PR applies to all projects financed by the EBRD as established in the Environmental and Social Policy. The scope of application of this PR will be established during the environmental and social assessment process and depends on the type of contractual relationship between the client and the project workers.

4. This PR establishes requirements for clients with respect to all project workers, including full-time, part-time, temporary, fixed-term, seasonal and migrant workers, whether engaged directly by the client or by a third party, and sets out specific requirements for primary suppliers. Project workers are those workers who work on a project site or perform work directly related to the core functions of a project.

5. The requirements of the PR applying to non-employee workers³ are set out in paragraphs 22-24 of this PR. Supply chain related labour requirements are addressed in paragraphs 25-27 of this PR.

6. Occupational safety and health requirements are foreseen under PR 4.



European Bank
for Reconstruction and Development

¹ As guided by the ILO core Conventions:
C087 on Freedom of Association and Protection of the Right to Organise (1948);
C098 on the Right to Organise and Collective Bargaining (1949);
C102 on Paid Labour (1976) and its implementing protocol P102/2016;
C105 on the Abolition of Forced Labour (1957);
C130 on Equal Remuneration (1951);
C111 on Discrimination (Employment and Occupation) (1958);
C138 on Minimum Age (1973);
C182 on the Worst Forms of Child Labour (1999).

² Decent work builds up the capabilities of people in their working lives. It involves opportunities for work that is productive and delivers a sustainable security of the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to progress their economic, organize and participate in the decisions that affect their lives and security of opportunity and resources for all women and men.

³ Non-employee workers are project workers who are not directly employed by the client, but rather engaged through third parties such as contractors, agents, brokers or other intermediaries.



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'Project workers'



**DIRECTLY
EMPLOYED
WORKERS**

'Project workers'



**NON-EMPLOYEE
WORKERS**

**DIRECTLY
EMPLOYED
WORKERS**

'Project workers'



**NON-EMPLOYEE
WORKERS**

**DIRECTLY
EMPLOYED
WORKERS**

**PRIMARY
SUPPLY CHAIN
WORKERS**



What is the applicable standard?



Covered by
ILO Core
Conventions

CHILD LABOUR



What is the applicable standard?



Covered by
ILO Core
Conventions

CHILD LABOUR



What is the applicable standard?



Covered by
ILO Core
Conventions

CHILD LABOUR

FORCED LABOUR

What is the applicable standard?



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CHILD LABOUR

FORCED LABOUR

**FREEDOM OF ASSOCIATION
(WORKERS' ORGANIZATION)**

What is the applicable standard?



Covered by
ILO Core
Conventions

CHILD LABOUR

FORCED LABOUR

**FREEDOM OF ASSOCIATION
(WORKERS' ORGANIZATION)**

NON-DISCRIMINATION

What is the applicable standard?

“These standards are not new or and do not set higher obligations than existing national commitments.”



Covered by
ILO Core
Conventions

CHILD LABOUR

FORCED LABOUR

**FREEDOM OF ASSOCIATION
(WORKERS' ORGANIZATION)**

NON-DISCRIMINATION



What is the applicable standard?

Usually covered by national law



COVERED BY ILO CORE CONVENTIONS

- CHILD LABOUR
- FORCED LABOUR
- FREEDOM OF ASSOCIATION (WORKERS' ORGANIZATION)
- NON-DISCRIMINATION

WORKING CONDITIONS AND TERMS OF EMPLOYMENT (EG. HOURS, WAGES)

COLLECTIVE DISMISSALS

HR POLICIES AND PROCEDURES

GRIEVANCE MECHANISM

NON-EMPLOYEE WORKERS AND SUPPLY CHAIN WORKERS

What is the applicable standard?



COVERED BY
ILO CORE
CONVENTIONS

CHILD LABOUR

FORCED LABOUR

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GRIEVANCE MECHANISM

NON-EMPLOYEE WORKERS AND SUPPLY
CHAIN WORKERS

EBRD
requirements
may be
different to
national law

Vulnerable workers groups



INFORMAL
WORKERS

MIGRANT
WORKERS

NATIONAL
LEGAL
PROTECTIONS

SME
EMPLOYEES

AGRICULTURAL
WORKERS

CASUAL
WORKERS

Vulnerable workers groups

“Vulnerable workers may be excluded from national legal protections.”

AGRICULTURAL WORKERS

INFORMAL WORKERS

MIGRANT WORKERS

NATIONAL LEGAL PROTECTIONS

SME EMPLOYEES

CASUAL WORKERS

Meeting PR2 requirements

Categories
of worker

Direct Workers

Application

PR2 paras 7-21

How to
apply PR2

HR policies and
procedures



Meeting PR2 requirements

Categories
of worker

Direct Workers

Non-employee
workers

Application

PR2 paras 7-21

PR2 paras 7 – 19
and 21

How to
apply PR2

HR policies and
procedures

Contractor
management /
procurement
policies



Meeting PR2 requirements

Categories of worker

Direct Workers

Non-employee workers

Supply chain workers

Application

PR2 paras 7-21

PR2 paras 7 – 19 and 21

Child labour, forced labour, harm

How to apply PR2

HR policies and procedures

Contractor management / procurement policies

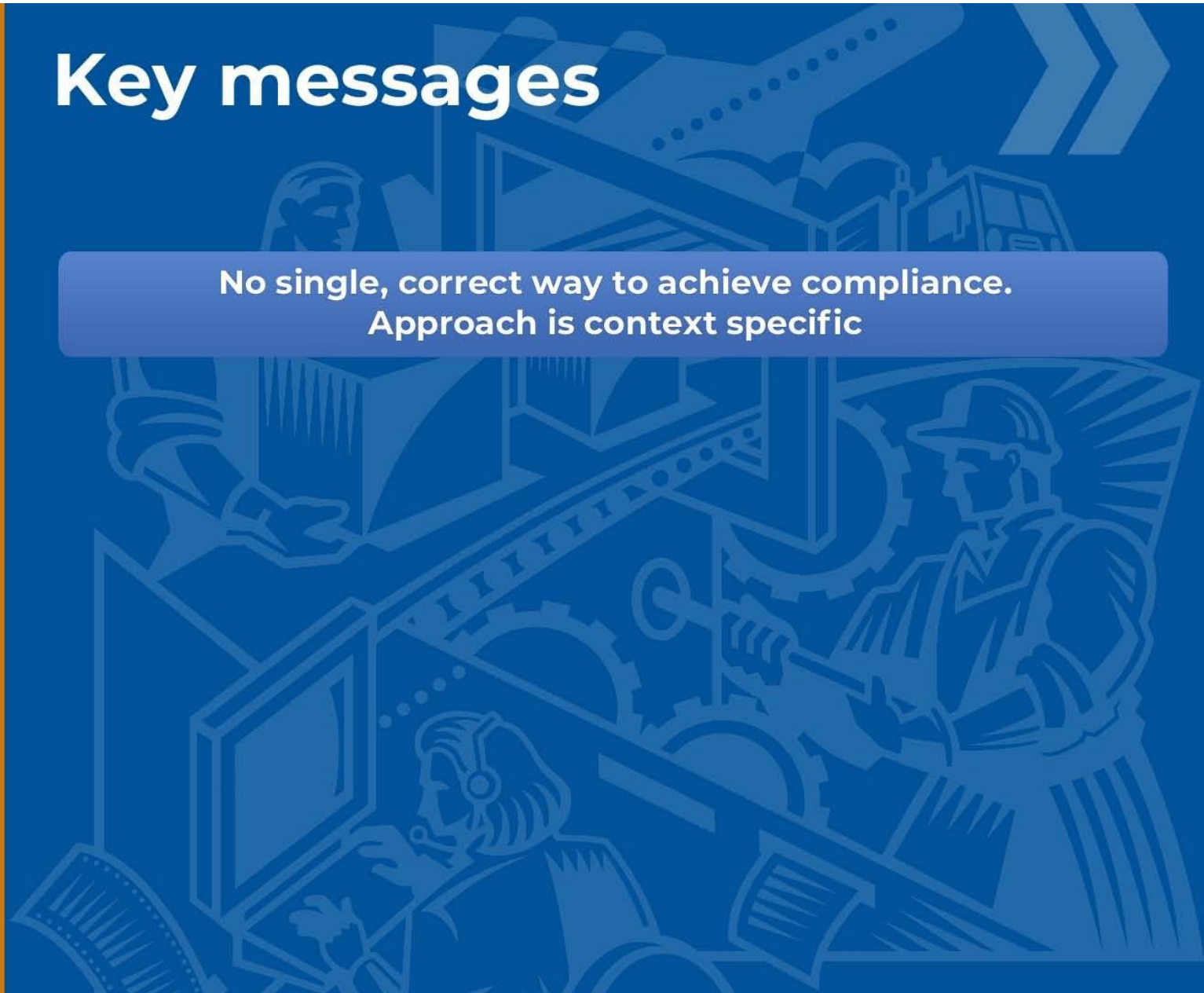
Procurement, supplier policies and procedures





Key messages

No single, correct way to achieve compliance.
Approach is context specific





Key messages

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Approach is context specific**

**Core principles of PR2 are applicable to all clients
on every EBRD project**



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**Inadequate implementation of PR2 may result
in operational and reputational risks**

Key messages

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Approach is context specific**

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on every EBRD project**

**Inadequate implementation of PR2 may result
in operational and reputational risks**

**PR2 standards apply to direct project workers, non-employee
workers, and workers in the primary supply chain**

Key messages

No single, correct way to achieve compliance.
Approach is context specific

Core principles of PR2 are applicable to all clients
on every EBRD project

Inadequate implementation of PR2 may result
in operational and reputational risks

PR2 standards apply to direct project workers, non-employee
workers, and **workers in the primary supply chain**

Standards will help protect vulnerable worker groups

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