Operations Policy and Country Services (OPCS)

MANAGING THE RISKS OF ADVERSE IMPACTS ON COMMUNITIES FROM TEMPORARY PROJECT INDUCED LABOR INFLUX

Environmental and Social Safeguards Advisory Team (ESSAT)

(This note is for guidance only and is not a complete treatment of the subject)

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This Note provides guidance on identifying, assessing and managing the risks of adverse social and environmental impacts that are associated with the temporary influx of labor resulting from Bank-supported projects. The Note contains guiding principles and recommendations to be considered as part of the design and implementation of projects with civil works that require labor from outside the project's area of influence. This Note does not introduce new requirements, but rather seeks to provide concrete guidance on how to approach temporary labor influx within the environmental and social assessment process.

I. Background

1. ***Bank-financed investment projects often involve construction of civil works for which the required labor force and associated goods and services cannot be fully supplied locally for a number of reasons, among them worker unavailability and lack of technical skills and capacity.*** In such cases, the labor force (total or partial) needs to be brought in from outside the project area. In many cases, this influx is compounded by an influx of other people ("followers") who follow the incoming workforce with the aim of selling them goods and services, or in pursuit of job or business opportunities. The rapid migration to and settlement of workers and followers in the project area is called ***labor influx***, and under certain conditions, it can affect project areas negatively in terms of public infrastructure, utilities, housing, sustainable resource management and social dynamics. This note covers ***temporary***[1] labor influx in contrast to longer-term or permanent migration of workers.

2. ***The influx of workers and followers can lead to adverse social and environmental impacts on local communities, especially if the communities are rural, remote or small.*** Such adverse impacts may include increased demand and competition for local social and health services, as well as for goods and services, which can lead to price hikes and crowding out of local consumers, increased volume of traffic and higher risk of accidents, increased demands on the ecosystem and natural resources, social conflicts within and between communities, increased risk of spread of communicable diseases, and increased rates of illicit behavior and crime. Such adverse impacts are usually amplified by local-level low capacity to manage and absorb the incoming labor force, and specifically when civil works are carried out in, or near, vulnerable communities and in other high-risk situations. While many of these potential impacts may be identified in a project's Environmental and Social Impact Assessment (ESIA), they may only become fully known once a contractor is appointed and decides on sourcing the required labor force. This means that not all specific risks and impacts can be fully assessed prior to project implementation, and others may emerge as the project progresses. Thus, measures defined in the project Environmental and Social Management Plan (ESMP) to address such problems sometimes may be insufficient. It is therefore important to develop site-specific measures before the contractor starts work, and update them as necessary to reflect project

[1] "Temporary" should not be confused with "short-term" and can last several years.

developments. Overall, adequate monitoring and adaptive management of the potential impacts from labor influx are key to properly addressing them and mitigating risks.

3. ***Bank Management has developed this Guidance Note to assist Bank staff in establishing an approach to identifying risks to and impacts on local communities associated with the temporary influx of labor that typically results from construction works, and to advising Borrowers accordingly on how to best manage such risks.*** The guidance was developed based on a review of Bank experience and good international industry practices, including those of international financial institutions (IFIs) and development partners. The Guidance Note focuses on the assessment and management of social and environmental risks and impacts, both anticipated and unanticipated, from the influx of labor into a project area. It summarizes key types of potential adverse impacts, and describes some potential measures to manage (e.g., avoid, minimize, mitigate, monitor) these impacts. Links to further details, examples and supporting materials are provided. While World Bank staff are the primary audience of the Guidance Note, it also aims at contributing to a growing knowledge base on the subject.

4. Box 1 below lays out the principles that are key to properly assessing and managing the risks of adverse impacts on communities that may result from temporary project induced labor influx.

Box 1. Key Principles

- ***Reduce labor influx by tapping into the local workforce.*** The most effective mitigation measure against labor influx is to avoid or reduce it. Depending on the size and the skill level of the local workforce, a share of the workers required for the project may be recruited locally. This is generally easier for unskilled workers, while more specialized staff (typically required in smaller numbers) frequently will be hired from elsewhere. Depending on the requirements of the project and their skill level, it may be possible to train local workers within a reasonable timeframe to meet project requirements. This may be more likely if such trained staff are needed afterwards for the operation and maintenance of the new infrastructure.
- ***Assess and manage labor influx risk based on appropriate instruments.*** The assessment and management of labor influx should be based on risks identified in the ESIA (if available), other Bank-required assessments, and the Bank's sector-specific experience in the country. Depending on the risk factors and their level, appropriate mitigation instruments need to be developed. This may range from broad requirements set out in the ESMP in a low-risk environment, to the need to develop more specialized instruments, such as a site-specific Labor Influx Management Plan and/or a Workers' Camp Management Plan[2] (or other instruments with similar purpose) in a high-risk environment. Risk factors to consider include, but are not limited to, the following: (i) weak institutional capacity of the implementing agency; (ii) predominant presence of contractors without strong worker management and health and safety policies; (iii) anticipated high volumes of labor influx; (iv) pre-existing social conflicts or tensions; (v) weak local law enforcement, and (vi) prevalence of gender-based violence[3] and social norms towards it in the community; (vii) local prevalence of child and forced labor.
- ***Incorporate social and environmental mitigation measures into the civil works contract.*** Most adverse impacts from labor influx can only be mitigated by the contractor commissioned by the Borrower to carry out the works. It is therefore paramount that the responsibilities for managing these adverse impacts are clearly reflected as a contractual obligation, with appropriate mechanisms for addressing non-compliance.

[2] A Labor Influx Management Plan addresses specific activities that will be undertaken to minimize the impact on the local community, including elements such as worker codes of conduct, training programs on HIV/AIDS, etc. A Workers' Camp Management Plan addresses specific aspects of the establishment and operation of workers' camps.

[3] Gender-based violence is an umbrella term for any harmful act that is perpetrated against a person's will, and that is caused by differences in power between people of different genders, i.e., between males and females and people of other gender and sexual identities. Women and girls are more commonly affected by gender-based violence due to the subordinate status of women in many societies, discrimination against them and their higher vulnerabilities to violence. Gender-based violence takes many forms, including sexual, physical, and psychological abuse.

This allows the Borrower to enforce the implementation of such mitigation measures, which are required to ensure the Borrower's own compliance with Bank policy requirements. While the Bank reviews and clears project-level safeguard instruments (such as ESIA/ESMP) it is the Borrower's responsibility to: (i) ensure the safeguard instruments are reflected in the contractor's ESMP (CESMP), and (ii) ensure the project is implemented in accordance with the CESMP, safeguard instruments and other relevant contractual provisions.

5. ***The scope of this Guidance Note is limited to the management of the adverse impacts on the host community that can result from temporary labor influx.*** It does not cover all issues related to labor influx, such as working and living condition of the workers. Some sectors – such as transport and energy – may involve issues related to temporary labor influx to a greater extent than others. However, this Guidance Note is not sector specific. There are also labor influx issues that are difficult to separate from migration, as well as influx resulting from a project's operational phase or aftermath, neither of which are covered by this Note. The Guidance Note also does not specifically address issues that may arise from the presence of Indigenous People in a project area involving labor influx. This would warrant special attention such as an Indigenous People's Plan. The Annex provides some resources to assist in addressing labor influx.

6. ***While the Note focuses on the adverse impacts on the host community that can result from temporary labor influx, it is important to recognize that appropriately managed labor influx can provide potential benefits for the community.*** These benefits are typically related to economic opportunities through employment and/or training by the project, or through selling goods and services. Other benefits include the provision of local infrastructure (e.g., access roads, power or water connection) which is developed for the project and which serves the community beyond the project duration.

II. Potential Adverse Impacts

7. ***Labor influx for construction works can lead to a variety of adverse social and environmental risks and impacts.*** The list below provides a summary of typical adverse social and environmental impacts, but is not exhaustive. While many of these impacts could have been present already or might occur regardless of the labor influx, they are likely to be exacerbated by it. The actual type and degree of impact varies significantly depending on the characteristics of the project, community and incoming workforce. This includes the impacts from workers' camps (see Box 2). It may be difficult to separate some impacts from non-project related factors, specifically if the project area experiences broader social, economic and cultural change during the project period, which may be difficult to assess or predict as part of the ESIA.

Box 2. Accommodation in Workers' Camps

Accommodating workers in camps can have positive and negative effects, for the workers, the host community, and the environment. Depending on the local situation, as well as the project's size, duration and risk profile, accommodating incoming workers in dedicated camps may be more or less desirable.

As a general rule, camp accommodation is recommended in ***rural and remote*** settings, where the incoming workforce is significant in relation to the host community. In these settings, the local capacity for accommodation is typically small and individual accommodation of incoming workers would likely exhaust it, contributing to the risk of illegal lodging arrangements or the establishment of shanty towns and their attendant problems. Rural or remote settings are often also characterized by limited local government presence and law enforcement. In such situations, closed worker camps provide some level of supervision and security, so that public order is maintained and unlawful conduct minimized.

In ***urban and peri-urban*** settings, it is usually less difficult to find qualified local workers, which reduces the project's need for incoming workers from other areas. If the project still does require additional workers, the urban context as a rule allows them to mix with the local population more easily than would a rural one. Further,

the availability of affordable options for individual or small group accommodation in hostels or apartments is typically better in cities, and often more attractive to workers in any case, making separate workers' camps less necessary.

Adverse Social Impacts

8. ***Social impacts are critical to address, as even a modest labor influx already may lead to negative impacts on the host community.*** Pre-existing social issues in the host community can easily be exacerbated by the influx of labor. ***There is also the risk that Bank Task Teams fail to recognize the relationship of such pre-existing social issues to the project, specifically when problematic social behavior is culturally tolerated or even accepted, nationally or locally.*** The list below indicates common categories of social risk associated with labor influx:

- **Risk of social conflict:** Conflicts may arise between the local community and the construction workers, which may be related to religious, cultural or ethnic differences, or based on competition for local resources. Tensions may also arise between different groups within the labor force, and pre-existing conflicts in the local community may be exacerbated. Ethnic and regional conflicts may be aggravated if workers from one group are moving into the territory of the other.

- **Increased risk of illicit behavior and crime:** The influx of workers and service providers into communities may increase the rate of crimes and/or a perception of insecurity by the local community. Such illicit behavior or crimes can include theft, physical assaults, substance abuse, prostitution and human trafficking. Local law enforcement may not be sufficiently equipped to deal with the temporary increase in local population.

- **Influx of additional population ("followers"):** Especially in projects with large footprints and/or a longer timeframe, people can migrate to the project area in addition to the labor force, thereby exacerbating the problems of labor influx. These can be people who expect to get a job with the project, family members of workers, as well as traders, suppliers and other service providers (including sex workers), particularly in areas where the local capacity to provide goods and services is limited.

- **Impacts on community dynamics:** Depending on the number of incoming workers and their engagement with the host community, the composition of the local community, and with it the community dynamics, may change significantly. Pre-existing social conflict may intensify as a result of such changes.

- **Increased burden on and competition for public service provision:** The presence of construction workers and service providers (and in some cases family members of either or both) can generate additional demand for the provision of public services, such as water, electricity, medical services, transport, education and social services. This is particularly the case when the influx of workers is not accommodated by additional or separate supply systems.

- **Increased risk of communicable diseases and burden on local health services:** The influx of people may bring communicable diseases to the project area, including sexually transmitted diseases (STDs), or the incoming workers may be exposed to diseases to which they have low resistance. This can result in an additional burden on local health resources. Workers with health concerns relating to substance abuse, mental issues or STDs may not wish to visit the project's medical facility and instead go anonymously to local medical providers, thereby placing further stress on local resources. Local health and rescue facilities may also be overwhelmed and/or ill-equipped to address the industrial accidents that can occur in a large construction site.

- **Gender-based violence:** Construction workers are predominantly younger males. Those who are away from home on the construction job are typically separated from their family and act outside their normal sphere of social control. This can lead to inappropriate and criminal behavior, such as sexual harassment of women and girls, exploitative sexual relations, and illicit sexual relations with minors[4] from the local community. A large influx of male labor may also lead to an increase in exploitative sexual relationships and human trafficking whereby women and girls are forced into sex work (see also Box 3 below).

- **Child labor and school dropout.** Increased opportunities for the host community to sell goods and services to the incoming workers can lead to child labor to produce and deliver these goods and services, which in turn can lead to enhanced school dropout.

- **Local inflation of prices:** A significant increase in demand for goods and services due to labor influx may lead to local price hikes and/or crowding out of community consumers.

- **Increased pressure on accommodations and rents:** Depending on project worker income and form of accommodation provided, there may be increased demand for accommodations, which again may lead to price hikes and crowding out of local residents.

- **Increase in traffic and related accidents:** Delivery of supplies for construction workers and the transportation of workers can lead to an increase in traffic, rise in accidents, as well as additional burden on the transportation infrastructure.

Adverse Environmental Impacts

9. ***The environmental impacts listed below are more likely to be of relevance for projects that require a larger labor force, which results in a bigger project footprint:***

- **Inadequate waste disposal and illegal waste disposal sites:** Large populations of workers generate increased amounts of waste, for which no sufficient local waste management capacities may exist, which would likely lead to improper disposal practices.

- **Wastewater discharges:** Project-related activities, along with workers' camps, and a lack of appropriate wastewater discharges may pollute nearby water resources. Major health risks can occur if latrine pits spill over into local streams that are used for drinking water by the host community.

- **Increased demand on freshwater resources:** The provision of clean drinking water and water for hygiene purposes can result in increased pressure on freshwater resources in the project or camp site area.

- **Camp related land use, access roads, noise and lights:** In ecologically sensitive areas, workers' camps can have impacts on the local wildlife. This may include disturbance of species, as well as illegal hunting. In the same context, new access routes for workers' camps may have impacts on natural habitats.

- **Increased deforestation, ecosystem degradation, and species loss:** These can result from forest or land conversion for worker housing and workers' agricultural subsistence activities.

[4] The Bank defines a minor as an individual below the age of 18 years.

- **Increased use of / demand for natural resources**: This can include logging for construction, fuel-wood collection, use of water resources, farming and grazing, hunting and fishing, trade in endangered species, potential introduction of invasive or non-native species, and land degradation.

Box 3. Fraternization

Fraternization refers to conducting close social relations, which are considered inappropriate with people who are unrelated to one another. In the context of labor influx, this refers to incoming workers' pursuit of social contact, typically with female members of the local community. ***This can lead to a spectrum of unacceptable and/or illicit behavior, ranging from unwanted aggressive advances and sexual harassment to gender-based violence against women and children.*** Several factors can increase the risk of such gender-based violence against local women and children.

Workers on infrastructure projects are predominantly young and male. Those who are incoming are single or are separated from their family or spouse, and are outside their habitual sphere of social control. Further, in rural settings, where the presence of law enforcement is often low, the risk of sexual harassment for local women is likely higher, in particular for younger women and girls, but also boys.

It is paramount that the contractor in a Bank-supported project implements robust measures to address the risk of gender-based violence. This can include: (i) mandatory and repeated training and awareness raising for the workforce about refraining from unacceptable conduct toward local community members, specifically women; (ii) informing workers about national laws that make sexual harassment and gender-based violence a punishable offence which is prosecuted; (iii) introducing a Worker Code of Conduct as part of the employment contract, and including sanctions for non-compliance (e.g., termination), and (iv) contractors adopting a policy to cooperate with law enforcement agencies in investigating complaints about gender-based violence.

Additional measures can aim to reduce incentives to engage with the local community by providing workers with the opportunity to spend their time off away from the host community, where feasible with a small transport allowance, ideally allowing workers to regularly return for brief visits to their families, spouses and friends, or to visit nearby urban centers that provide a variety of legal social opportunities. For workers who need to travel further it may be attractive to forego weekends off in exchange for longer breaks that would allow for such home leave travel.

While clear and decisive measures by the contractor are critically important, the effectiveness of these measures often depends on complementary actions by the Borrower. Those are typically focused on public administration and law enforcement, such as: (i) reinforcing local police in a remote setting, where services may not be sufficiently staffed or equipped to maintain public order after the influx, (ii) ensuring that complaints about gender-based violence are taken seriously by local law enforcement, which may be supported by (iii) deploying female officers to the project area, and (iv) participating in preventive training with workers to demonstrate the presence of government authority in the project area.

III. Assessment and Management of Risks and Impacts

10. ***It is important to recognize the different roles and functions of the instruments to assess and mitigate project related risks:*** (i) the project ESIA and ESMP, which are prepared by the Borrower and reviewed and cleared by the Bank and which are part of the Bank's Financing Agreement with the Borrower, and (ii) the CESMP, which is part of the contract between the Borrower and the contractor. ***Contractually, the contractor must follow the CESMP, which is why it is important to ensure that the CESMP builds upon the findings and proposed measures identified in the project ESIA and ESMP.*** Contractor responsibilities are outlined in Box 4 below.

Box 4. Ensuring Contractors Know Their Responsibilities[5]

The ESMP is developed during project preparation, contains general mitigation measures and is part of the tender package and construction contract. During preparation, the project ESIA (if available) and the ESMP should identify the risks of labor influx and propose generic mitigation measures. The ESMP should be included in the bid documents.

Prior to starting construction, the contractor should prepare and submit the CESMP to the supervision engineer (who is the Borrower's representative) for acceptance. The CESMP should provide a detailed explanation of how the contractor will comply with the project's safeguard documents such as the ESMP, and demonstrate that sufficient funds are budgeted for that purpose. The CESMP must include specific mitigation measures based on the ESMP, the final design, the proposed work method statements, the nature of the project site, etc. It is recommended that it include specific management plans for: (i) work activities; (ii) traffic management; (iii) occupational health and safety; (iv) environmental management; (v) social management; and (vi) labor influx.

It is essential to ensure that the CESMP effectively addresses relevant risks identified in the project ESIA in addition to any risk identified by the ESMP or CESMP, or additional issues identified through Borrower monitoring, Bank supervision, and/or grievance mechanisms. ***To that end, the Borrower needs to verify and ensure consistency of the ESMP and CESMP while the Bank Task Team needs to confirm such verification. If issues emerge during implementation for which the CESMP does not contain appropriate mitigation measures, the Borrower needs to have the contractor update the CESMP to include such mitigation measures and, if necessary, the Borrower amends the civil works contract.***

The Borrower should never permit civil works to commence until the CESMP, which properly identifies and proposes risk mitigation measures, is approved. Should works begin nonetheless, the Borrower will not be able to demonstrate compliance with the Bank's policy requirements and Bank Task Teams will need to flag this to both the Borrower and Bank Management and may need to take remedial steps.

11. ***Effective assessment and management of the potential impacts of labor influx on communities include the following steps, which are best undertaken in parallel with the respective stages of the project cycle in a Bank-financed project:***[6]

- Screening and assessment of the type and significance of potential social and environmental impacts that may be generated by labor influx;
- Assessment of the location of the project, contextual factors in the country, and assessment of the policy and legal framework of the Borrower;
- Development of a management plan for social and environmental impacts in consultation with affected communities;
- Implementation of appropriate mitigation and monitoring programs, which includes development and implementation of a stakeholder engagement program;
- Establishment of a grievance redress mechanism (GRM) for workers and host community; and
- Monitoring and supervision, and, as needed, adaptive management actions.

[5] For more complex projects there may be several contractors and sub-contractors.

[6] For Bank projects that consist of multiple sub-projects that are not fully defined during the preparation stage, and for which an Environmental and Social Management Framework (ESMF) is developed, the steps listed would occur for a specific sub-project during the Bank project implementation phase.

12. ***For each of these stages, the different roles of the Bank, Borrower, contractor and supervision engineer can be broadly summarized in Table 1*** (these represent generic responsibilities related to social and environmental management, which in some projects may be modified to reflect project-specific characteristics and labor influx aspects and requirements):

Table 1. Borrower, Bank, Contractor and Supervision Engineer - Social and Environmental Responsibilities

Bank Investment Lending Project Cycle[7]	*Borrower's role*	*Bank's role*	*Contractor's role*	*Supervision Engineer's role*
Identification and Screening	- Conduct the screening and scoping.[8]	- Review and approve the screening. - Review and provide no objection to the terms of reference for the ESIA and various plans.	*NONE: CONTRACTOR NOT USUALLY APPOINTED AT THIS STAGE*	*NONE: SUPERVISION ENGINEER NOT USUALLY APPOINTED AT THIS STAGE*
Preparation and Appraisal	- Conduct the ESIA and prepare the ESMP, (including labor influx management measures) and other plans as needed. - Consult on ESIA, ESMP and other plans with stakeholders and document consultation process. - Prepare and disseminate GRM guidelines for the project. - Implement an effective GRM. - Ensure that applicable commitments made in the social and environmental documents, such as the ESMP, are reflected in the civil works bidding documents and subsequent contracts. - Ensure the ESMP is part of the bid document package. - Ensure that relevant responsibilities to monitor and report on implementation are reflected in the terms of reference for the supervision engineer.	- Provide guidance and technical advice on the preparation of the ESIA and associated ESMP or other plans, and the consultation process. - Ensure that commitments and responsibilities in the social and environmental documents are reflected in: (i) the Bank-Borrower Legal Agreement, and (ii) the contractor bidding documents (and subsequently in the Borrower-contractor contracts) as part of the no objection process. - Provide no objection to the terms of reference for the supervision engineer, ensuring that detailed and effective safeguards oversight is included.	*NONE: CONTRACTOR NOT USUALLY APPOINTED AT THIS STAGE*	*NONE: SUPERVISION ENGINEER NOT USUALLY APPOINTED AT THIS STAGE*

[7] For Bank projects that consist of multiple sub-projects that are not fully defined during the preparation stage, and for which an ESMF is developed, the project cycles listed would occur during the project implementation phase.
[8] See resources in Annex.

Bank Investment Lending Project Cycle[7]	*Borrower's role*	*Bank's role*	*Contractor's role*	*Supervision Engineer's role*
	- Coordinate with other government agencies as necessary and formalize cooperation arrangements for implementation.			
Implementation and Supervision	- Implement the GRM and act on grievances received. - Allocate necessary resources for social and environmental measures in bidding documents. - Ensure the contractual social and environmental commitments are established in project sub-contracts. - Ensure and monitor the implementation of the ESMP and other relevant plans. - Prepare periodic reports, and submit them to the Bank, on implementation and results of the ESMP and other relevant plans as well as GRM resolutions. - Proactively address any issues that arise. - Update and re-disclose the ESMP in the event of changes to the project which alter the area of influence or have impacts on local communities. - Ensure CESMP is updated to reflect changes to project, and publicly disclose.	- Support the Borrower's implementation of the project in accordance with the safeguard instruments. - Review monitoring reports and GRM resolutions, conduct field visits, and provide technical advice. - Check accessibility and functionality of GRM, - For issues that arise or mitigation measures that are not fulfilling their objectives, agree with Borrower on what additional measures are necessary and monitor resolution. - Review and provide no objection to revised ESMP in event of changes. - Review CESMP to ensure it is appropriate and addresses key issues.	- Provide a site-specific CESMP with management plans for: (i) work activities; (ii) traffic management; (iii) occupational health and safety; (iv) environmental management; (v) social management; and (vi) labor influx.[9] - Implement civil works in accordance with CESMP—including all works conducted by sub-contractors under the contractor's control. - Train workers on roles and responsibilities under these plans, policies and standards. - Submit regular reports to the Borrower on implementation - Proactively address any issues that arise.	- Supervise the contractor's implementation of the works in accordance with the contract requirements and the ESMP and CESMP. - Update the ESMP to reflect changes to the project, area of influence or activities, with Borrower to re-disclose. - Inspect and approve contractor's work. - Provide frequent reports on contractor compliance and performance to Borrower.

[9] See resources in Annex.

(1) Screening of Projects

13. ***During the project preparation stage, screening is conducted to assess whether the project may have impacts on local communities due to labor influx, as well as to help understand the significance and likelihood of such impacts***. This includes the relevant aspects of the project and the environment in which it is developed, and may include relevant technical, legal, procurement, social and environmental specialists. It also includes the broader country or regional context (see Box 5).

Box 5. Understanding the Country and Regional Context

To assess project-level risks that potentially result from related labor influx, it is of great importance to consider the country and regional context. This includes specific risks that are based on the country's socio-economic, legal, cultural and historical situation, and which are generally known to the Bank's Country Management Units. Such elevated risks are typically reflected in global or national statistics (e.g., high rates of gender-based violence, child labor, etc.) and indicate that project preparation and implementation will need to employ extra efforts to ensure that they do not trigger new social ills, or exacerbate pre-existing ones. The Bank has more than 60 years of global experience working in most sectors of Bank member states. This experience represents an invaluable wealth of information about the pertinent risks in specific sectors and regions.

14. ***The goal of screening is to identify the risk profile of the labor influx, which will govern the requirements for mitigation measures*** (see Figure 1). In a low risk environment (e.g., small number of workers, urban context with high absorption capacity and strong law-enforcement), labor influx related mitigation measures are likely able to be addressed solely through the ESMP. However, the same project in a high-risk environment (e.g., large number of workers, small remote community context with pre-existing social conflicts, high prevalence of gender-based violence and weak law-enforcement) would require additional and more specialized safeguards instruments, such as a Labor Influx Management Plan and/or Workers' Camp Management Plan. In projects where the investment activity footprint is not yet known, the Environmental and Social Management Framework (ESMF) for the project should always include the procedures and the institutional responsibilities for screening, assessing and managing issues related to project induced labor influx.

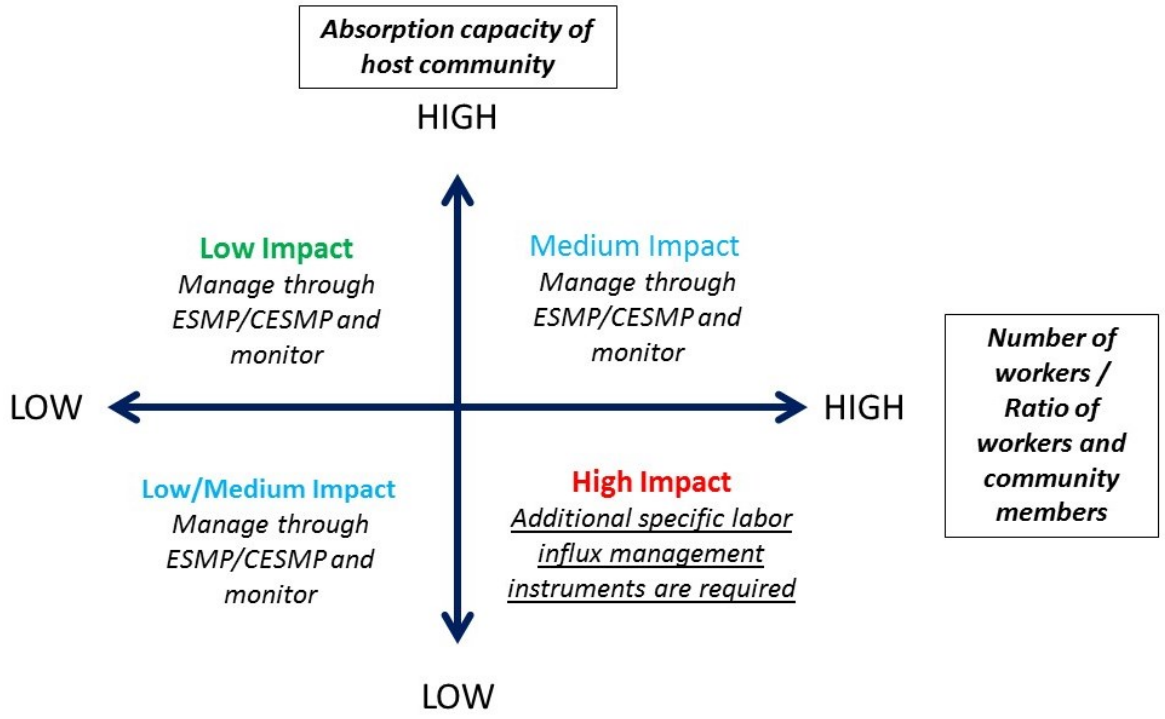

Figure 1: Labor influx related risk profile and resulting requirements

Initial Screening: Will the project require labor influx?

15. ***During initial screening, it is recommended that the Borrower consider the key screening questions set out in Table 2. If the answer to any of the screening questions is yes, it is recommended that the Borrower conduct detailed screening and assessment to understand the potential significance and likelihood of potential impacts.*** Depending on the stage of project preparation and the timing of selection of the contractor, answers to some of the screening questions may not be available.[10]

Table 2. Initial Screening Questions

Key Screening questions	Aspects to Consider
1. ***Will the project potentially involve an influx of workers to the project location, and will the influx be considered significant for the local community?***	• How many workers will be needed for the project, with what skill set, and for what period? • Can the project hire workers from the local workforce? • What is the size and skill level of the existing local workforce? • If the skill level of the local workforce does not match the needs of the project, can they be trained within a reasonable timeframe to meet project requirements? • How will the workers be accommodated? Will they commute or reside on site? If so, what size of camp will be required?
2. ***Is the project located in a rural or remote area?***	• What is the size of local population in the project area? • Is the project located / being carried out in an area that is not usually frequented by outsiders?

[10] For Bank-supported projects which consist of multiple sub-projects and for which an ESMF is developed, the initial screening will likely be more general as specific sub-project details are likely not known at the time of preparation.

Key Screening questions	Aspects to Consider
	• What is the frequency and extent of contact between the local community and outsiders? • Are there sensitive environmental conditions that need to be considered?
3. Based on the socio-economic, cultural, religious and demographic qualities of the local community and the incoming workers, is there a possibility that their presence or interaction with the local community could create adverse impacts?	• Is it likely that the incoming workers and the local community come from a shared socio-economic, cultural, religious or demographic background? • What is the level of existing resources, and will the incoming workers use or create competition for these resources? • What is the expected duration of the incoming workers' presence in the community? • Given the characteristics of the local community, are there any specific adverse impacts that may be anticipated?

Detailed Screening: If labor influx impacts are expected, what are the types of impacts and the degree of risk?

16. ***Where labor influx is expected for a project, it is recommended that the Borrower assess the significance and likelihood of impacts.***[11] To achieve this, the Borrower takes into account the results of the initial screening, lessons learned from similar projects, and the characteristics of the project area and of the project itself. This assessment can take place as part of the ESIA for the project and in most cases, this will be the most effective way to identify effective mitigation measures.[12] The results of the ESIA can then be reflected in subsequent social and environmental documents, such as the ESMP and the CESMP.

17. ***Screening and assessment of project induced labor influx requires understanding the factors specific to the national and local context, the project and the type of work force.*** Depending on project size, the significance and likelihood of particular impacts may differ. Table 3 sets out factors to be considered for the most common characteristics of both large-scale, single-site projects, such as hydropower or mining, and linear projects, such as roads or transmission lines. Some project footprints combine both types of impacts, with a single-site core infrastructure investment and associated linear investments such as access roads and evacuation lines. Depending on the project and the timing of selection of the contractor, answers to some of these questions may not be available at this time. The questions in Table 3 are indicative and can be considered as they become relevant or if changes during the project cycle occur. For Bank-supported projects that consist of multiple sub-projects and for which an ESMF is developed, the detailed screening will occur during the project implementation stage and the ESMF will outline these screening requirements.

Table 3. Detailed Screening for Labor Influx Impacts

Factors relating to	*Aspects or information to consider*
Project and civil works	• Size of the project, the duration of construction (and possible stages) • Type of project footprint (single site, linear, clustered) • Project size in relation to local community, taking into account project type and distance • Community experience with similar projects in the area, including possible legacy issues from other projects • Likely number of contractors and sub-contractors • Presence of other projects in the area with work force requirements

[11] Significance refers to the size, seriousness and irreversibility of impacts, as well as the size of the population that will be affected by such impacts. Likelihood refers to the estimated probability that those impacts will in fact take place.
[12] In specific circumstances, it may be appropriate to develop a standalone plan, such as a Labor Influx Management Plan.

Factors relating to	*Aspects or information to consider*
Incoming labor force and migrants	• Ability to provide local workers to reduce labor influx • Likely numbers of expected incoming workers and where they would come from (non-local, national, foreign, rural, urban) • Proposed accommodation options for workers • Proposed mode of transport from point of origin, and between labor camp(s) and site(s) • Likelihood that family members accompany workers (visiting, resident) • Service providers, including businesses and individuals aiming to provide goods and services to the project, contractors, sub-contractors, and workers
Labor issues and conditions	• National legislation on employment of workers relevant to project (migrant workers, minimum age, etc.) • Country- and sector-specific considerations, including coverage and enforcement of legislation • Borrower capacity to manage labor influx issues with support from supervision engineer • Capacity and track record of contractors and sub-contractors to manage labor influx issues
Local community	• Size of working-age population and capacity (education, skills, experience) • Capacity of local public infrastructure, services and utilities (including health, education, transportation, water and sanitation, electricity, etc.) and budget supporting their provision • Local government capacity and track record in the project area, including law enforcement • Socio-economic and cultural characteristics of local population • Availability of worker accommodation in the community and related cultural rules • Level of local food supply and possible shortages and cost issues • Existing health or environmental issues and potential for deterioration • Existing security or conflict risks, and potential for exacerbation • Presence of specific marginalized, vulnerable, ethnic, and/or indigenous groups and considerations relating to these
Borrower / Government	• Capacity of the responsible line ministry or agency for the preparation and implementation of the project • Capacity and track-record of entities responsible for managing labor issues, including project-specific labor influx • Capacity to assess and manage social and environmental risks

(2) Project Preparation

18. ***Project preparation typically involves the steps below:***

- Assessing the relevant policy and legal framework of the Borrower;
- Defining project institutional arrangements and resources required (including for implementation of relevant mitigation plans), and governmental inter-agency coordination for implementation.
- Assessing the institutional capacity of the implementing agency (in particular, capacity to manage and enforce contracts, capacity to manage social and environmental issues, etc.).
- Preparing the ESMF/ESMP, ESIA (if required), Labor Influx Management Plan and/or Workers' Camp Management Plan, commensurate with the risks of the project, including consultations with local communities and other relevant stakeholders. Depending on the significance of the labor influx, the management plans could form part of the ESMP, or be standalone documents.[13]

[13] See resources in Annex.

- Establishing terms and conditions for construction work bidding documents and contracts, and any third-party supervision, to complement the supervision engineer, for labor influx and workers' camp management.

19. ***All projects should address labor influx through the ESMP. For major projects, the ESMP should be guided by an ESIA which identifies and, to the extent possible, assesses the potential impacts resulting from labor influx.*** The specific arrangements for construction are usually not fully known at the preparation stage, and are confirmed only later once a contractor has been selected. The more specific assessments and mitigation measures will need to be developed as part of the ESMP, and later the CESMP. Those should reflect findings of the ESIA and measures proposed in the ESMP which may need to be updated. The CESMP should also be updated when there are changes to the anticipated project area of influence or impacts on local communities.

20. ***Labor influx related risks and proposed mitigation measures should be consulted on with local communities and stakeholders*** as part of the preparation of the ESIA, ESMP and CESMP. With a view to the variety of potential impacts stemming from labor influx on the community, it is recommended that enhanced efforts be made to reach out to men and women separately, as well as to different age groups and vulnerable groups.

21. ***In addition to laying out mitigation, management and monitoring measures, the ESMP should:***

- Establish the responsibilities for relevant agencies, line ministries, project implementation unit, contractor, and supervision engineer;
- Provide a specific budget for implementation of the mitigation and management measures;
- Provide guidance on the methodology and a specific budget for monitoring and reporting measures;
- Establish a public consultation process during preparation and implementation of the plans; and
- Ensure that there is an effective GRM established for the project that is sensitive to all issues raised by community members. When the project anticipates major labor influx levels, this GRM should ideally be operated or overseen by an independent third party such as a civil society organization, think tank, academic institution, or private firm.

Box 6. How to Minimize Labor Influx

If contractors are able to identify a suitable labor pool locally, they will not need to bring in large numbers of laborers, which will not only limit negative impacts, but also reduce the contractor's costs as they will not need to provide as large a labor camp. The recruitment criteria should be transparent and fair to local communities to avoid conflicts.

One approach successfully used in a Bank-supported project was for the Government to advertise upcoming opportunities through the local media and, in consultation with the Ministry of Labor, prepare a roster of interested workers and their skills. The lists were provided to contractors at the pre-bid meetings for recruitment consideration. At the same time, the Government advised contractors that work permits would only be provided for workers with skills unavailable locally. This served to minimize the imported labor on the project.

Prohibiting contractors from hiring "at the gate" of the workers' camp and instead setting up formal recruitment offices is another option to discourage project "followers" from loitering and/or settling around the project site in hope of job opportunities.

22. ***During project preparation, the Bank Task Team assesses the institutional capacity of the Borrower or other applicable governmental entities to ensure that adequate capacity, resources and measures are in place during implementation***. This includes an assessment of the track record, human resources and financial resources of the Borrower for contract management, social and environmental management and stakeholder engagement. The Task Team can then identify the measures to address any capacity gaps, such as the use of specialists or consultants, provision of training or technical assistance. Dialogue with the government on these measures needs to start as early as possible, and may include budget commitments and inter-agency budget transfers, as well as enhanced inter-agency cooperation, such as between a line ministry, local government, and police force. For inter-institutional cooperation, it may be useful for the Borrower to have agreements or Memoranda of Understanding defining such responsibilities and financial commitments.

Ensuring that mitigation measures are contractually binding

23. ***Effective implementation of mitigation measures depends on government cooperation and commitment. The contractor implements the required works on behalf of the Borrower and it remains the Borrower's responsibility to ensure that the project – including such civil works – is implemented in accordance with the Bank's policies. To ensure that the mitigation measures are contractually binding and actually implemented, they must be addressed in three key agreements:***

- **Financing Agreement between the Borrower and the Bank:** It is important that the Bank Task Team works in an integrated manner (technical, procurement, legal, social and environmental specialists) to ensure that the Loan Agreement between the Bank and the Borrower reflects the relevant obligations on labor influx management issues (where appropriate with specific covenants). The Legal Agreement should reference and incorporate Borrower commitments made in the ESIA, ESMP, Labor Influx Management Plan and/or Workers' Camp Management Plan, or other relevant instruments, thereby creating legal contractual leverage.

  Specifically related to projects with significant construction labor influx risks, the agreement could include covenants, for example, related to adaptive management requirements (e.g., Borrower to monitor labor influx issues and take action if/as needed), contingency cost provisions to cover additional costs needed for labor influx management actions that were not known at the time of project preparation, or inter-governmental agency agreements or measures required by governmental agencies not directly involved in implementing the project.

- **Contract between the Borrower and the contractor:** The Borrower, with advice from the Bank, needs to ensure that labor influx issues are adequately covered in the contract between the Borrower and the construction contractor during the bid submission, bid evaluation and contract awarding. Standard bidding documents and construction works contracts do not fully address all the details or project-specific aspects related to labor influx and associated social and environmental risks, impacts and mitigation measures. It is the responsibility of the Borrower, with advice from the Bank, to conduct due diligence and address these risks. This is done by: (i) including "particular conditions of contract" (PCCs) relating to labor influx, and (ii) ensuring that the key safeguard documents such as the ESMP, Labor Influx Management Plan and/or Workers' Camp Management Plan, or other relevant documents, are included in the bidding document. General guidance for addressing social and environmental aspects in the contract process/stage is summarized in Table 4.

- **Contract between the Borrower and the supervision engineer:** During construction, the supervision engineer acts on behalf of the Borrower and is assigned contractual authority on behalf of the Borrower implementing the project. The terms of reference for the supervision engineer need to be specific with regard to their responsibilities for managing safeguards, in particular labor influx, and they should have appropriate staff on their team to ensure this is done effectively. For major projects an independent supervision engineer solely for safeguards oversight should be considered.

24. ***To improve the consideration of environmental, social and health aspects in contract management, the Bank is currently piloting additional procurement measures.*** These measures aim at strengthening social and environmental provisions in contracts for contractors as well as supervision engineers, specifically when civil works are carried out in, or near, vulnerable communities and in other high-risk situations. The proposed measures would require: (i) enhanced disclosure by bidders about their past social and environmental performance, (ii) demonstration in the bid by the bidder of how social and environmental issues would be addressed, and (iii) contract provisions that would allow financial penalties and incentives for social and environmental non-performance. For more information on this pilot, please refer to the OPCS procurement website.

(3) Project Management: Examples of Mitigation Measures

25. ***Table 5 summarizes examples of mitigation measures that can be used to mitigate the impacts of labor influx***. This list is not fully inclusive, and project-specific measures are typically established as part of the labor influx assessment. The table is organized according to the type of impact and delineates the different mitigation measures and responsibilities of the contractor, the Borrower and the Bank. The assignment of responsibilities between the contractor and Borrower may vary in a specific project to improve effectiveness and efficiency in implementation.

(4) Community Engagement

26. ***Information disclosure, community involvement, and GRMs are fundamental for projects that have potentially significant social and environmental impacts.*** Extensive guidance has been written on community engagement in general, and specifically regarding labor influx issues. The section below highlights some key elements.

27. ***Transparent local community engagement and participation should begin during initial project decision-making and continue routinely throughout the life of the project.*** The key objectives for a project's community engagement are to: (i) provide accurate and timely information, (ii) help manage community expectations, (iii) help promote widespread awareness and understanding of potential issues and measures to address them, and (iv) harness local knowledge about potential risks and pre-existing problems. In this context, it is important to specifically target vulnerable groups, including women and children. Engaging community service organizations active in these areas may help to provide such outreach.

28. ***Collecting timely feedback from local communities on the project's social and environmental performance is an invaluable tool for risk management.*** To allow for such feedback, the project requires an effective communication system to disseminate relevant information and receive input in a timely manner. For small projects, this is done through regular community meetings. For larger projects this is often achieved through a Project Information Center (PIC) set up by a contractor or Borrower. Independent from the PIC, the contractor or Borrower also should appoint a community liaison as a focal point to manage community relations, inquiries, and complaints, and document any such engagements and their outcome. Ideally, this person would be involved in the GRM process.

29. ***A working project-level GRM that is known to and accessible by the host community is indispensable to manage labor influx related risks. This GRM needs to be part of the Borrower's and contractor's community engagement efforts. It is important that the GRM be sensitive to all reported concerns and not be limited to dealing with specific issues only (i.e., compensation or land acquisition).*** An effective GRM should be able to refer complainants to police and other service providers where appropriate (e.g., in case of gender-based violence complaints).

Table 4. Suggested Due Diligence for Social and Environmental Mitigation Measures in Contracts

Stage of Contractual Process	*Suggested Due Diligence (Bank Staff)*
Before bidding	• Ensure that the terms of reference clearly define the supervision engineer's responsibilities regarding oversight of, and reporting on, labor influx and workers' camps. For high risk projects, have independent safeguards supervision. • Ensure the team skills in the terms of reference clearly include key staff qualified and experienced in managing similar projects, and demonstrated capacity to manage social and environmental issues, including issues pertaining to community health and safety. • Ensure that the project GRM is established and its use is widely publicized.
Preparation of bidding documents	• Review contract conditions included in bidding documents to: o Ensure that the relevant mitigation measures in the ESMP are reflected and budgeted in the contract, o Ensure the ESMP forms part of, and is explicitly referred to in the bidding documents. o Identify relevant provisions (workers, camps, child and forced labor, safety, grievance redress, etc.) regulating the contractor's responsibility and identify any gaps, inconsistencies or areas of concern that could be addressed through additional provisions in the "particular conditions of contract" and/or technical specifications o Include a requirement that all workers sign 'Codes of Conduct' governing behavior, and identifying sanctions o Clearly identify that training programs on HIV/AIDS, implementing the Codes of Conduct, etc. will be undertaken by external providers • Ensure the contract conditions clearly specify what type of penalty the contractor will face if the provisions of the ESMP and CESMP are not adhered to—including by sub-contractors. This may include direct incentives to contractors in the form of penalties for poor performance on social and environmental matters or specific Performance Securities for ESMP and CESMP compliance. • Ensure bidding documents make clear the responsibilities of the contractor to prepare and adhere to a CESMP based on the ESMP and that no civil works will commence until the CESMP has been approved by the supervision engineer. • Ensure the bidding documents detail how the contractor and supervision engineer will be required to monitor and report on the impacts on the local community, issues related to labor influx and workers' camps. • Propose Key Performance Indicators (KPIs) for Contract Management, reflecting issues and risks specific to the contract and the monitoring plan.
Bidding evaluation	• Review the Borrower's bid evaluation report and request to review the bids where appropriate, to verify for the recommended bidder that documents related to the ESMP, safeguard implementation capacity, and other obligations of the contractor required to be submitted with the bid are sufficiently detailed and cover the contractual requirements. • Require the contractor's representative or dedicated community liaison staff to have the ability to communicate in the language of the Borrower and/or the local language. • Verify that the contract management framework identifies clearly lines of communication and that these are formalized and a consistent record is provided. • Ensure that the contractor meets the project's OHS requirements for capability and experience.
After contract signing	• Prior to commencing works, the contractor submits site-specific CESMP(s) based on the ESMP, which includes specific management plans for: (i) work activities; (ii) traffic management; (iii) occupational health and safety; (iv) environmental management; (v) social management; and (vi) labor influx. • Supervision engineer reviews and approves the CESMP—with inputs from appropriate Government agencies—before any works start. For high risk projects, the Bank should also review and clear the CESMP. Borrower should disclose the approved CESMP.

Stage of Contractual Process	*Suggested Due Diligence (Bank Staff)*
	• Ensure that the Borrower sets up a process for contract management that plans for regular meetings of the parties to monitor the contractor's performance in all areas. • Ensure the ESMP, CESMP and mitigation plans are updated promptly and re-disclosed as appropriate to address new issues • Ensure that the Borrower's reports to the Bank include: o Training activities for workers on OHS, activities related to the Code of Conduct, etc. o Performance for the six areas of recommended specific management plans. o GRM reports. o KPIs (including the local community/stakeholder engagement plan, if applicable).

Table 5. Representative Examples of Mitigation Measures by Impacts during Project Implementation

(Note: The designation of responsibilities between contractor and Borrower may vary on a project-specific basis, in order to improve effectiveness and efficiency in implementation and associated results)

Expected Adverse Impact	*Potential Mitigation Measures*			
	Contractor	*Borrower*		*World Bank*
		Project-specific – With Support of the Supervision Engineer	*Broader Enabling Environment*	
Social				
All		▪ Establishment and operation of an effective GRM accessible to community members—ideally with involvement of NGOs—to facilitate early identification of problems and targeted mitigating interventions by Borrower; ▪ Provision of information to communities on how to use the GRM to report issues; ▪ Monitoring and taking appropriate actions to ensure CESMP provisions are met; ▪ Inclusion of relevant provisions in the ESMP; ▪ Inclusion of relevant provisions in the contract.		▪ Inclusion of relevant provisions in the ESMP and Legal Agreement; ▪ Provision of advice on expected or likely issues based on Bank experience; ▪ Implementation support to verify compliance with the ESMP and CESMP; ▪ Monitoring of GRM resolution rates and identification of recurring issues to discuss with Borrower.
Risk of social conflict	▪ Provision of information regarding Worker Code of Conduct in local language(s); ▪ Provision of cultural sensitization training for workers regarding engagement with local community.	▪ Consultations with and involvement of local communities in project planning and implementation; ▪ Awareness-raising among local community and workers.		
Increased risk of illicit behavior and	▪ Paying adequate salaries for workers to reduce incentive for theft; ▪ Paying salaries into workers' bank accounts rather than in cash;	▪ Reinforcement of local law enforcement staff; ▪ Enforcement of laws on drug abuse and traffic;		

Expected Adverse Impact	*Potential Mitigation Measures*			
	Contractor	*Borrower*		*World Bank*
		Project-specific – With Support of the Supervision Engineer	*Broader Enabling Environment*	
crime (including prostitution, theft and substance abuse)	▪ Sourcing of local workforce; ▪ Creation of supervised leisure areas in workers' camp; ▪ Cooperation with local law enforcement; ▪ Introduction of sanctions (e.g., dismissal) for workers involved in criminal activities; ▪ Provision of substance abuse prevention and management programs.	▪ Police monitoring to prevent drugs trafficking; ▪ Sensitization campaigns both for workers and local communities.		
Adverse impacts on community dynamics	▪ Provision of services in the workers' camp to reduce the need for workers to use local community facilities (internet, sports); ▪ Provision of entertainment and events for workers within camp to reduce incentives for mixing with local community.	▪ Liaison with civil society organizations to create integrative action plans; provision of upfront information on potentially detrimental impacts on local communities.	▪ Investment in community participation and engagement programs.	
Influx of Additional Population ("Followers")	▪ Contractor to hire workers through recruitment offices and avoid hiring "at the gate" to discourage spontaneous influx of job seekers.	▪ Communications campaign to manage expectations and discourage spontaneous influx of job seekers; ▪ Local government to address this additional influx of the "followers" to ensure that no illegal and unsafe settlements develop; ▪ Explore options for orderly accommodation on open space that can be monitored by law enforcement.		
Increased burden on public service Provision	▪ Workers' camp to include wastewater disposal and septic systems; ▪ Identification of authorized water supply source and prohibition of use from other community sources; ▪ Separate service providers for community and workers' camp/construction site; ▪ Worker Code of Conduct on water and electricity consumption.	▪ Contingency plans for temporary rise in demand for utilities and public service provision.	▪ Investment in and capacity building of local public service providers.	
Increased risk of	▪ Vaccinating workers against common and locally prevalent diseases;	▪ Establishment or upgrade of health centers at camp and construction sites (unless	▪ Community sensitization campaigns;	

Expected Adverse Impact	*Potential Mitigation Measures*			
	Contractor	*Borrower*		*World Bank*
		Project-specific – With Support of the Supervision Engineer	*Broader Enabling Environment*	
communicable diseases (including STDs and HIV/AIDS)[14]	▪ Contracting of an HIV service provider to be available on-site; ▪ Implementation of HIV/AIDS education program; ▪ Information campaigns on STDs among the workers and local community; ▪ Education about the transmission of diseases; ▪ Provision of condoms.	designated as contractor responsibility); ▪ Free testing facilities; ▪ Provision of condoms; ▪ Monitoring of local population health data, in particular for transmissible diseases.	▪ Awareness raising about public health impacts from labor influx.	
Gender-based violence, including sexual harassment, child abuse and exploitation	▪ Mandatory and regular training for workers on required lawful conduct in host community and legal consequences for failure to comply with laws; ▪ Commitment / policy to cooperate with law enforcement agencies investigating perpetrators of gender-based violence; ▪ Creation of partnership with local NGO to report workers' misconduct and complaints/reports on gender-based violence or harassment through the GRM; ▪ Provision of opportunities for workers to regularly return to their families; ▪ Provision of opportunities for workers to take advantage of entertainment opportunities away from rural host communities.	▪ Instruction and equipping of local law enforcement to act on community complaints; ▪ Information and awareness-raising campaigns for community members, specifically women and girls; ▪ Provision of information to host community about the contractor's policies and Worker Code of Conduct (where applicable).	▪ Increased security presence in nearby communities; ▪ Reinforcement of police force where needed; ▪ Deployment of female police officers in project area; ▪ Application of long-term community-based approaches to address the issue; ▪ Enforcement of laws on sexual violence and human trafficking.	
Child labor and school drop out	▪ Ensuring that children and minors are not employed directly or indirectly on the project.	▪ Communication on hiring criteria, minimum age, and applicable laws.	▪ Enforcement of legislation on child labor.	
Local inflation of prices and crowding out of local consumers	▪ Appropriate mix of locally and non-locally procured goods to allow local project benefits while reducing risk of crowding out of and price hikes for local consumers.		▪ Monitoring of local prices and security of supply.	

[14] Toolkit available at www.theroadtogoodhealth.org

Expected Adverse Impact	*Potential Mitigation Measures*			
	Contractor	*Borrower*		*World Bank*
		Project-specific – With Support of the Supervision Engineer	*Broader Enabling Environment*	
Increased pressure on accommodation and rents	▪ When accommodation supply is limited establishment of workers' camp facilities with sufficient capacity for workers—including sub-contractors—and associated support staff.	▪ Inclusion in contract of funding for establishment of workers' camp.		
Increased traffic and rise in accidents	▪ Preparation and implementation of a traffic management plan to be approved by supervision engineer; ▪ Building additional/separate roads to project and workers' camp sites; ▪ Organization of commute from camp to project to reduce traffic; ▪ Road safety training and defensive driving training for staff; ▪ Sanctions for reckless driving.	▪ Local government engagement with contractor and communities to identify accident hotspots and formulation of solutions.	▪ Upgrading and maintaining roads affected by project (unless designated as contractor responsibility).	
Environmental				
Inadequate waste disposal and creation of illegal waste disposal sites	▪ Reduction of waste generation; ▪ Sound practices for waste disposal.	▪ Inspection of waste disposal arrangements.		
Wastewater Discharges	▪ Ensuring workers' camp and associated facilities are connected to septic tank or other wastewater systems which are appropriate and of sufficient capacity for the number of workers and local conditions.	▪ Regular inspection to ensure proper functioning.		
Increased demand on freshwater resources	▪ Water conservation and recycling of water; ▪ Consideration of use of rainwater where feasible; ▪ Avoiding contamination of fresh water sources.	▪ Inclusion in contract of requirement for rainwater capture, use of non-potable water for construction works, etc.		
Camp related land use, access roads, noise and lights	▪ Placement of workers' camp away from environmentally sensitive areas to avoid impacts on the local wildlife;	▪ Inclusion in contract of requirements for camp locations.		

Expected Adverse Impact	*Potential Mitigation Measures*			
	Contractor	*Borrower*		*World Bank*
		Project-specific – With Support of the Supervision Engineer	*Broader Enabling Environment*	
	▪ Routing of new access routes for workers' camp to avoid/minimize environmentally sensitive areas.			
Increased deforestation, ecosystem degradation, and species loss	▪ Only wood from commercial sources to be used on the project; ▪ Use of wood for fuel prohibited; ▪ Reduction in energy demand, reduced noise and light generation, reduced and safe use of dangerous chemical substances.	▪ Cooperation with environmental organizations in the area to seek their advice and allow for early feedback on adverse impacts.		
Increased use/demand on natural resources	▪ Minimized land use change and use of other natural resources; ▪ Avoidance of deforestation around camp area; ▪ Prompt and effective response to environmental and social issues raised by supervision engineer.	▪ Close monitoring of impact on natural resources with enforcement of contract or legislative options.		

(5) Monitoring, Reporting and Supervision during Implementation

Monitoring and Reporting

30. ***As part of the ESMP or related management plans, a monitoring and reporting system is required for the Borrower, the project implementing agency, the supervision engineer and the contractor to monitor implementation progress and report to the Bank***. The cost of monitoring is included in the cost of the ESMP, related management plans or Operation Manual (as applicable). The main objectives of the monitoring are to:

- Help identify the presence and significance of project-related impacts on local communities;
- Ensure that adequate mitigation measures are established (and modified as needed) and implemented in a timely manner;
- Ensure that the mitigation measures are achieving their objectives of addressing corresponding impacts, and
- Provide information to adjust the ESMP, related management plans or Operation Manual according to the results achieved and new circumstances or findings (including reporting on accident rates, traffic incidents, fatalities, grievance management, etc.).

31. ***Monitoring of and reporting on the project should be complemented by an effective GRM in order to address issues arising from project implementation. An effective GRM also helps to detect unanticipated or recurring problems, and to manage them***. The project implementing agency sets up and supports the GRM, in a manner satisfactory to the Bank, to receive, manage and facilitate resolution of stakeholders' concerns and grievances in a timely manner. Ideally, the GRM should be operated by a third party such as a civil society organization. ***It is important that the GRM is designed to accommodate all issues raised, including issues related to labor influx.*** The way to make complaints needs to be simple and well publicized. The GRM is usually scaled to the risks and potential adverse impacts of the project. The Bank's experience with project-level GRMs is mixed; their success depends on a number of factors, such as: (i) their publicity and accessibility, (ii) the transparency of their operation, (iii) the credibility of their decision-making process and structure, (iv) their confidentiality and hence protection from any potential retaliation, and (v) the effectiveness of the associated business processes to resolve grievances where appropriate.

32. ***The Borrower ensures contractor compliance with the applicable management plans (ESIA, CESMP, Labor Influx Management Plan and/or Workers' Camp Management Plan).*** This includes a regular review of progress and compliance reports issued by the supervision engineer and contractor, facilitating consultation meetings with the host community during site visits, and tracking and recording the number of project workers recruited by contractors within and from outside the communities.

33. ***In high-risk projects, it is recommended that Borrowers be encouraged to supplement project monitoring and reporting with external third-party monitors or independent experts, in addition to oversight by the supervision engineer and the implementing agency.*** Third-party monitoring is defined as monitoring by parties that are external to the project's direct beneficiary chain or management structure, who assess whether intended outputs and outcomes have been achieved by the project and impacts have been addressed. Such monitoring is mainly used to provide an independent perspective on project or implementing agency performance. It can be conducted by civil society organizations, think tanks, academic institutions, or private firms.

Implementation Support

34. ***The Bank Task Team's role is to provide implementation support based on the monitoring and reporting conducted by the project implementing agency or external parties, the reporting on the GRM, and its own direct monitoring site visits.*** The frequency and detail required in the reporting provided by the implementing agency and the Bank's implementation support visits will vary according to the risk level of the project. Bank Task Team site visits should include visits to workers' camps; review of the GRM's complaint receipt and resolution statistics; discussion with the contractor's and/or Borrower's community liaison focal point; and meetings with affected community members. Each implementation support site visit must be followed by clear communication to the Borrower, the contractor and the supervision engineer regarding any compliance concerns or emerging risks. The role of the supervision engineer is critical in overseeing the contractor, providing reports on progress and compliance, and assisting the implementing agency to enforce the contract and impose sanctions when needed.

35. ***Bank implementation support helps to ensure that the Borrower and its supervision engineer are familiar with the environmental, social, and health and safety requirements in the Bank-Borrower agreement and the construction and construction supervision contracts.*** For example, the Bank Task Team works to ensure that:

- The Borrower has a contract management framework with a risk management plan identifying all risks and mitigating measures and providing for regular meetings of the parties to monitor the contractor's performance in all areas.
- The contractor, the supervising/resident engineer and/or supervision engineer are familiar with the ESMP and CESMP approved by the Borrower.
- The supervising/resident engineer or supervision engineer retains at all times key staff qualified and experienced in managing social and environmental issues, including issues pertaining to labor influx and community health and safety.
- Communications between the Borrower, the contractor and the supervision engineer are well managed.
- The contractor and the Borrower follow up on feedback from community leaders, beneficiaries and other project-affected parties.
- Mitigation measures for issues that were previously not identified but have emerged during implementation are swiftly planned and implemented.
- Consultation and community engagement activities are carried out as planned.
- The GRM is in place and functioning effectively.

36. ***Even with the best programs and management measures in place, unexpected and unforeseen project impacts can occur, and this is the basis for requiring monitoring and adaptive management. It is recommended, therefore, that adaptive management measures, including contingency plans and associated resources, be put in place to address such situations***. For example, delays or cost overruns during construction can occur, resulting in significant changes to the construction strategy, such as a need to bring on additional workers. Some projects may overlap with the construction of other major projects in the area, which could increase the potential social impacts on local communities. Other threats include events such as sudden disease outbreaks.

37. ***Under exceptional circumstances, the Borrower may fail to comply with its legal obligations concerning the management of social and environmental risks due to labor influx***. In such cases, the

Bank will exhaust all available measures to support the Borrower in implementing corrective measures. If such efforts are unsuccessful in obtaining adequate corrective action, the Bank may consider its legal remedies, including suspension of disbursement and cancellation.

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Annex: Resources

More detailed guidance and specific tool kits and examples for the assessment and management of labor influx can be found on the following website: http://www.laborinfluxresources.info/

The documents below can be accessed directly through the web links.

Bibliography / Additional Resources	http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b084769127
Checklist for Analysis of Environmental and Social Impacts Due to Labor Influx and Workers' Camps	http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b084769146
Terms of Reference and Contract Clauses	
Contractual Requirements - Particular Condition of Contract (PCC) clauses	http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b084769147
Clauses for Supervision Engineers	http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b08476914c
Sample TORS for screening and scoping of Potential Labor Influx Risks	***Under development***
Labor Influx Management Plan Components	
Sample Codes of Conduct for Companies, Managers and Workers	http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b084769159
HIV/AIDS, Gender Based Violence and	World Bank HIV/AIDS in Transport Training Toolkit: www.theroadtogoodhealth.org

Child Abuse/ Exploitation	USAID GBV Toolkit: https://www.usaid.gov/documents/1865/building-safer-world-toolkit-integrating-gbv-prevention-and-response Violence Against Women and Girls Toolkit: http://www.vawgresourceguide.org/integrate Stepping Stones HIV/Gender: http://steppingstonesfeedback.org/index.php/page/Home/gb
Camp Management Plan	http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b08476914e
Labor and Working Conditions Plan	http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b084769149
Other Labor and Workers' Camp Management Plans	Australia http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b084769121 http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b084769126 Bangladesh http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b084769122 Canada http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b084769124 Fiji http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b084769120 India http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b084769125 US (Nevada) http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b08476915b Oman http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b08476914b http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b084769123
Traffic Management Plan	QL: http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b08476914d NZ: http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b08476914a AUS: http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b084769145

Worker's Accommodation	***International Finance Cooperation/EBRD:*** Worker's Accommodation: Processes and Standards, A Guidance Note by IFC and EBRD, August 2009: http://www.ebrd.com/downloads/about/sustainability/Workers_accomodation.pdf
Occupation Health and Safety Management Plan	***Under development***
Grievance Redress Mechanisms	
Best practice samples for project level GRMs (See "Resources" on the GRS intranet page).	*http://grs*
GRM Software and Business Processes	http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b084769148
Sample GRM brochures for public information on how to lodge complaints	http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b08476915c http://wbdocs.worldbank.org/wbdocs/drl/objectId/090224b08476915a