

Annual Report on Benefit Payments of EIS Pilot

Period: 01 July 2023 to 30 June 2024

Transforming Despair to Hope

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Submitted by

Employment Injury Scheme (EIS) Pilot

196, 9th Floor, Shromo Bhaban, Sahid Syed -Nazarul Islam Soroni, Bijoy Nagar, Dhaka-1000.

Contact: 01886-921030,

E-Mail: specialunit@eis-pilot-bd.org

Web site: eis-pilot-bd.org

Abbreviations

AWCA	Asian Workers Compensation Association
BEF	Bangladesh Employment Federation
BLA	Bangladesh Labour Act
BLR	Bangladesh Labour Rules
BGMEA	Bangladesh Garment Manufacturers and Exporters Association
BKMEA	Bangladesh Knitwear Manufacturers and Exporters Association
CF	Central Fund
DG	Director General
DG_CF	Director General Central Fund
DIFE	Department of Inspection for Factories and Establishments
EIS	Employment Injury Scheme
EIIS	Employment Injury Insurance Scheme
EIS-PSU	Employment Injury Scheme Pilot Special Unit
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GoB	Government of Bangladesh
EIS_GB	Employment Injury Scheme Governance Board
IBC	Industrial Bangladesh Council
ILO	International Labor Organization
ITC-ILO	International Training Centre of the ILO
IEC	Information Education Communication
K-COMWEL	Korea Workers' Compensation & Welfare Service
MoLE	Ministry of Labour and Employment
MIS	Management Information System
NSSS	National Social Security Strategy
ODA	Overseas Development Assistance
PPD	Partial Permanent Disability
RMG	Readymade Garments
VDCO	Verification, Documentation Correspondence Officer

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Acknowledgment

The EIS-PSU extends its sincere gratitude and thanks to all stakeholders whose collaboration and guidance have been essential in carrying out the activities of EIS Pilot initiative since its launching. Special recognition is given to the MoLE for implementation and policy approval of the EIS Pilot. Appreciation is also due to the employers' associations (BGMEA, BKMEA, BEF) and workers organizations (NCCWE, IBC, UGWF) for their active participation in the Governance Board (GB) meetings and fostering strong relationships between factories and beneficiaries. Special recognition is given to the Central Fund (CF), DIFE and Department for Labor (DOL) as well as RMG factories, for providing their support in smooth transfer of benefits to the victims and their dependents. Thanks is given to Local Government authorities (Union Porishod, Municipality, City Corporation) for assisting in beneficiary identification and providing necessary succession certificates. Development partners, including the ILO and GIZ, are acknowledged for their significant contributions to the Pilot operations, fundraising, and policy formulation. Special gratitude to the international brands and retailers for financing the monthly pensions through their voluntary contributions.

The EIS Pilot exemplifies the multi-level cooperation among various stakeholders and the strength of collaboration for a common cause of supporting the victims of workplace injuries.

Executive Summary

The Employment Injury Scheme Pilot Special Unit (EIS-PSU) presents its 1st Annual Report for July 2023 to June 2024, outlining key financial and operational activities since the Pilot's launch in June 2022. Additionally, this report includes the background activities since 2015, the development of claim processes, the progress of compensation payments, analysis of various data, challenges and way forward in the scheme's operations.

The EIS Pilot is a joint and collaborative effort by the Government of Bangladesh (GoB) represented by the Ministry of Labour and Employment (MoLE), employers, workers/labour organizations, with technical support of international development partners particularly International Labor Organization (ILO) and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). This initiative is funded by the Governments of Germany, Canada and the Netherlands for technical assistance part, while the international brands of readymade garments (RMG) are contributing towards the benefits for workers.

Since 2015 ILO and GIZ worked with the GoB to operationalize a tripartite pilot scheme starting with the RMG sector of Bangladesh. The goal of the EIS Pilot is to gain experience by providing compensation for work-related injuries initially in this export-oriented sector and later, for transition to a permanent national scheme. The scheme offers monthly pensions to permanently disabled workers and dependents of deceased workers who face work-related accidents, with an oversight by the tripartite EIS Governance Board (EIS_GB).

As of 30th June 2024, the EIS_GB has approved benefits for 63 beneficiaries, and the report provides its financial overview, fund mobilization status, and its management structure.

Major achievements of the EIS Pilot during its first financial year include, but are not limited to, initiation of first ever long-term benefits / monthly-pension scheme for private sector workers in Bangladesh, establishment of a disability assessment mechanism in line with Bangladesh Labour Act (BLA), establishment of seamless financial transfer mechanism from Brands to each beneficiary in transparent and accountable manner, development of Accounting Policy and engaging reputable third-party Audit Firm for financial auditing, and analytical studies on cost of rehabilitation, and Governance of EIS scheme in similar countries starting with Cambodia.

Apart from providing compensation for death or disability, the EIS Pilot has also organized several capacity building activities through training, workshops, and international study tours, for the EIS_GB members, Central Fund (CF) officials, EIS-PSU team members and Doctors working in Department of Inspection for Industries and Establishments (DIFE).

Annual Report

1. Background

In 2015 the ILO conducted a study titled “*Developing a National EIIS (Employment Injury Insurance Scheme) for the Bangladesh RMG Sector.*” Subsequently, a technical committee on “*Implementation of the National Employment Injury Insurance Scheme of Bangladesh*” was formed by the MoLE in 2017. Later, ILO developed a Technical Note on the *Feasibility Assessment of an EIIS in Bangladesh* covering (a) *Technical Recommendation*, (b) *Cost Estimation*, (c) *Health Feasibility study*, and (d) *Proposed legal framework*.

On 26 September 2019 a Declaration was signed in Berlin (Germany) between the Government of Bangladesh, represented by the Ministry of Labour and Employment (MoLE), the German Government, represented by the Ministry for Economic Cooperation and Development (BMZ), the International Labour Organization (ILO) and the German Social Accident Insurance (DGUV) on collaborating to develop the basic components of an EIS. In December 2021 a 3-day tripartite workshop was held in Dhaka with tripartite plus stakeholders. Through this workshop a consensus on ‘*Framework for a Sustainable Employment Injury Insurance Scheme in Bangladesh*’ was developed. In February & March 2022, several bilateral meetings were held between the development partners, Government, Employers, and Workers. The MoLE endorsed the EIS Pilot framework on 10 March 2022.

Further high-level discussions continued on the implementation of the EIS Pilot and its governance mechanism during the ILO Governing Body meetings in Geneva in May 2022, where senior Government officials and representatives from Employers’ organizations from Bangladesh participated. During these meetings, on 31st May 2022 the employers’ organizations (BEF, BGMEA, BKMEA) also signed the ‘Geneva Declaration’ expressing their support for the EIS Pilot and its implementation.

With all these commitments and understandings, the EIS Pilot was formally launched by the GoB on 21 June 2022.

Subsequently, a Technical Mission from ILO Geneva visited Bangladesh from 3-7 July 2022 which undertook bilateral and combined meetings with all stakeholders and agreed on an eight (8) point action plan to proceed with EIS Pilot. These eight actions were: (a) Opening a separate account for the EIS Pilot under Director General CF; (b) Establishing a separate Governance Board for the EIS Pilot; (c) Engaging a ‘Special Advisor’ for the EIS Pilot; (d) Arranging office space for EIS Unit; (e) Improving accident reporting by DIFE; (f) Establishing hotline and website for EIS Pilot; (g) Developing a Management Information System (MIS); and (h) initiating communication with factories on EIS Pilot.

Subsequently, MoLE proceeded to amend BLR 2015 to create provisions for a separate governance board and a separate account within the CF for the EIS Pilot. The revised Rules were approved on 01 September 2022.

1.1 Initiation and Scope

In cases of work-related injuries, the EIS Pilot provides compensation payments for the permanently disabled and the dependents of deceased workers. These benefits take the form of monthly payments, paid as **top-ups** to the lump-sum payment already paid by the national institution (via the Central Fund), rendering the level of benefits compatible with international standards (ILO Convention No. 121). The EIS Pilot's monthly benefit payments and costs to administer are financed by voluntary contributions from international brands. The amount of the pension depends on various factors including the age, last earned wage, percentage of disability, etc. of the respective worker.

1.2 EIS Pilot Duration

Launched on 21 June 2022, the EIS Pilot has a duration of up to five years. During this period, in addition to paying benefits, accident injury data and associated costing information from 102 Statistically representative selective factories from BGMEA and BKMEA are being collected to fine-tune the system and transition to a national EIS scheme covering all workers in Bangladesh in a gradual manner.

2. Aim and Objectives of the EIS - PSU Annual Report

The primary objective of this report is to inform stakeholders about approved beneficiaries, business processes, and financial transactions of the EIS Pilot during the past financial year. The secondary objective is to improve the processes with necessary feedback from the stakeholders. The overall aim of this annual report is to ensure transparency and accountability of all activities of the EIS Pilot.

3. Introduction

The EIS-PSU is pleased to present the 1st Annual Report of EIS Pilot, covering the period from July 2023 to June 2024. Since 2015 ILO and GIZ have conducted several feasibility studies, consultative dialogues, and workshops with the GoB and relevant stakeholders. Through these processes, a consensus was developed to start employment injury scheme as a Pilot for five years in the export oriented RMG sector under the umbrella of CF. This initiative is funded by international brands and supervised and managed by the national tripartite constituents with the technical support from the ILO and GIZ. The scheme fully aligns with ILO Employment Injury Benefits Convention, 1964 (No.121).

The Pilot was formally launched by the GoB on 21st June 2022. In following one year, the Pilot established the governance structure comprising of EIS Governance Board (EIS_GB) and a Tripartite Sub-committee, opening separate bank account, developing of governance rules and compensation packages as per international standards, making institutional arrangements in CF and EIS-PSU, and necessary amendments in relevant national regulations. Capacity building of relevant stakeholders continued during this period.

The actual disbursement of benefits started on 1st June 2023, when the first meeting of the tripartite sub-committee took place and approved the first set of cases for compensation under the EIS Pilot.

This report provides an overview of EIS-PSU's operations from 1st July 2023 until 30th June 2024 which includes benefit payments, beneficiary profiles, financial management, capacity-building activities, awareness campaigns, important decisions made by the EIS_GB and its sub-Committee, challenges, and way forward.

4. Conceptual Framework of the Employment Injury Scheme (EIS) Pilot

Protection against workplace injury is a basic human right for every worker. Every enterprise and government should ensure a decent workplace and workers' safety against any type of accident and protection against occupational health hazards. Employment Injury Insurance Schemes (EIIS) are based on three pillars namely prevention, long-term periodic benefits, and medical care including rehabilitation in cases of work-related accidents and occupational diseases. The system is based on no-fault approach, where regardless of the cause of the accident, the injured worker and the family of the deceased worker will receive benefits. Employers are responsible for ensuring working conditions that prevent workplace accidents and protect the occupational safety and health of their workers. Additionally, they must ensure fair, equitable, and effective compensation for workers (and their beneficiaries, in the event of death) for the loss of income due to an accident or occupational disease and provide access to necessary health care, including rehabilitation. In 1964 ILO outlined the basic guidelines on this in its convention no 121. The EIS Pilot in Bangladesh is built on this conceptual framework.

5. EIS Governance Board (EIS_GB)

5.1 Formation of EIS_GB

The establishment of a tripartite EIS Committee to oversee the EIS Pilot is given in section 1.5.2 of the 'Framework for a Sustainable Employment Injury Insurance Scheme in Bangladesh (Feb 2022)'. The MoLE endorsed this Framework on 10 March 2022. The ILO developed an outline of the EIS Governance Board and shared it formally with the Secretary, MoLE on 16 June 2022. In pursuance of the BLR amendment, the MoLE issued a formal notification of the constitution of the EIS_GB on 12 October 2022.

Two EIS_GB meetings were held in 2022 and one in 2023 (October and December 2022 and February 2023), and the necessity was felt for the amendment of the GB. Accordingly, in March 2023, the EIS_GB (revised) notification was issued. In 2024, two meetings were organized with the revised EIS_GB members and important key decisions related to EIS Pilot operationalization were made.

5.2 Introduction of the members of EIS_GB

The EIS_GB is composed of 12 members with six representatives from the Government, three each from the employers and workers. Besides, there are observer representatives from the ILO and GIZ and a local brand representative only related to brand-related matters. Secretary, MoLE is the Chairperson of the Board and DG Central Fund is the member secretary of the board. EIS-PSU provides secretarial services to the board. The designation of the board members is appended below:



7th Governance Board Meeting held on 29th February 2024

S.L	Members of EIS_GB	Designation
01	Secretary MoLE	Chairman
02	Director General Central Fund	Member Secretary
03	Additional Secretary IO wing, MoLE	Member
04	Additional Secretary Development wing, MoLE	Member
05	Director General (Additional Secretary) Department of Labour	Member
06	Inspector General (Additional Secretary) DIFE	Member
07	Mr. Faruque Ahmed General Secretary & CEO, BEF	Member
08	Mr. A.N.M Saifuddin Chairman of Standing Committee on Labour ILO Affairs, BGMEA	Member
09	Mr. Fazle Shamim Ehsan Vice President, BKMEA	Member
10	Mr. Razequazzaman Ratan President, Socialist Labour Front & RMG Focal, NCCWE	Member
11	Mr. Touhidur Rahman Executive Member, IBC	Member

12	Mr. Nurul Islam, General Secretary, United Federation of Garments Workers (UFGW)	Member
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5.3 Operational Information

The EIS_GB is responsible for determining the working procedures of the EIS Pilot and reviewing decisions made by its Sub-Committee to ensure compliance with EIS Pilot governance rules and compensation provisions. The EIS_GB convenes every three months to ensure proper governance, including approving policies, budget, IEC materials, and other administrative and financial reports. The EIS_GB promotes a fair and orderly decision-making process, ensuring that all members have an equal opportunity to be heard, maintaining order during discussions, and putting matters to a vote when necessary.

To date, the EIS_GB has convened eight quarterly meetings, making key decisions to ensure smooth operations. The EIS_GB took decision to open a bank account for the EIS Initiative 3rd meeting. Notably, the EIS_GB approved the Governance Rule and Benefit Calculation Rule in its 4th meeting and approved IEC materials in the 5th Meeting.

In the 6th meeting, the EIS_GB endorsed the selection process for an External Auditor and finalized data collection tools and methods for statistical purposes. The 7th meeting's key decisions included the approval of the Account Policy, revised budget for FY 2023-2024, and Annual Budget for FY 2024-2025, as well as the appointment of Hoda Vasi Chowdhury & Co. Chartered Accountants as external auditors. The EIS_GB also agreed on the Korea's Workers Compensation and Welfare Service (K-COMWEL) study visit scheduled for April 2024.

In the 8th meeting, the EIS_GB approved coverage of commuting accidents in the EIS Pilot, effective from July 1, 2024. In the same meeting approval was also given for conducting an actuarial valuation study to ascertain the long-term financial sustainability of the EIS Pilot.

6. EIS_GB Sub-Committee

The EIS_GB Sub-Committee, comprised of 7 members from the EIS_GB members, was established to expedite the approval of the claim process. This Sub-Committee is chaired by the Additional Secretary (IO Wing) of MoLE, with the Director General of the Central Fund (DG CF) as the member secretary. The EIS-PSU provides essential support to the Sub-Committee, including secretarial duties, claim processing, beneficiary verification, monthly benefit payments, and documentation for the Board.



3rd EIS_GB Sub-Committee meeting

The Sub-Committee is responsible for reviewing and making decisions on claim cases, ensuring alignment with EIS_GB Rules. A quorum for the Sub-Committee requires at least 4 members, including at least one representative from each of the tripartite groups. The Sub-Committee meets monthly depending on the availability of the claim cases to carry out its tasks, and all its decisions are subsequently endorsed by the EIS_GB. As of June 30, 2024, 6 EIS-GB Sub-Committee meetings have been held. During these meetings, the Sub-Committee reviewed a total of 23 death cases and 12 PPD cases. Out of the 23 death cases, 17 were approved, along with all 12 PPD cases. 2 death cases were rejected, while the remaining 4 were referred to the EIS-GB meetings, where they were subsequently approved by the EIS_GB. The members of the Sub-Committee are as follows:

S.L	Members of Sub-Committee	Designation
01	Additional Secretary IO wing, MoLE	Chairman
02	Director General Central Fund	Member Secretary
03	Director General Department of Labour	Member
04	Mr. A.N.M Saifuddin Chairman of Standing Committee on Labour ILO Affairs, BGMEA	Member
05	Mr. Fazle Shamim Ehsan Vice President, BKMEA	Member
06	Mr. Razequazzaman Ratan President, Socialist Labour Front & RMG Focal, NCCWE	Member
07	Mr. Nurul Islam, General Secretary, United Federation of Garments Workers (UFGW)	Member

7. Guiding Rules and Documents

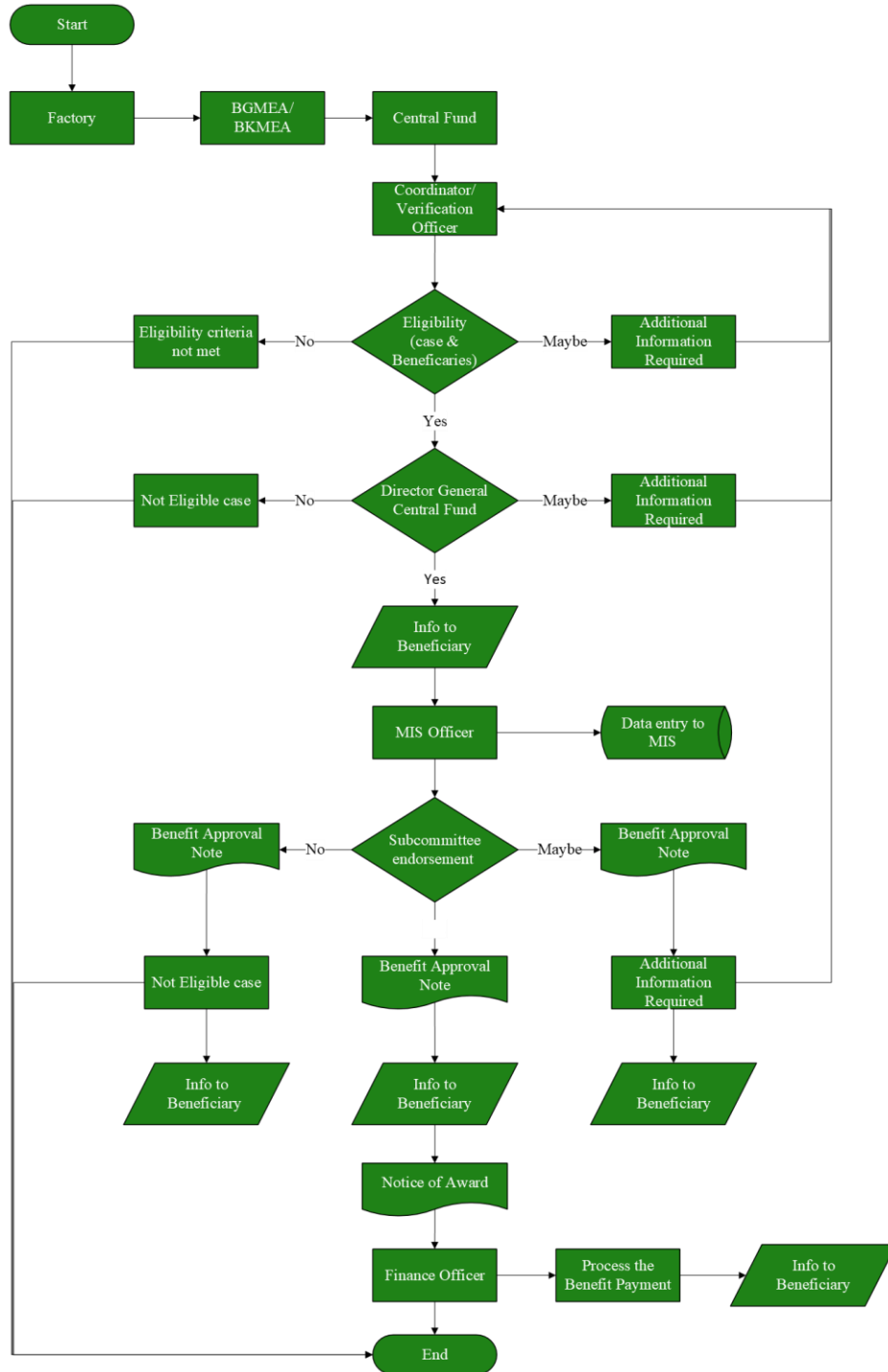
The EIS Pilot operates within the overall ambit of the BLA 2006 and BLR 2015 which are amended from time to time. For detail guidance to EIS-PSU the GB approved the following policy documents:

- EIS Pilot Governance Board Rules for the Management and Operation of the Employment Injury Insurance Scheme in Bangladesh (RMG)
- Detailed calculation of the Employment Injury Scheme (EIS) Pilot top-up benefits
- Accounting Policy for EIS-PSU

In addition, the GB makes decisions on all other matters that are raised in the board meetings.

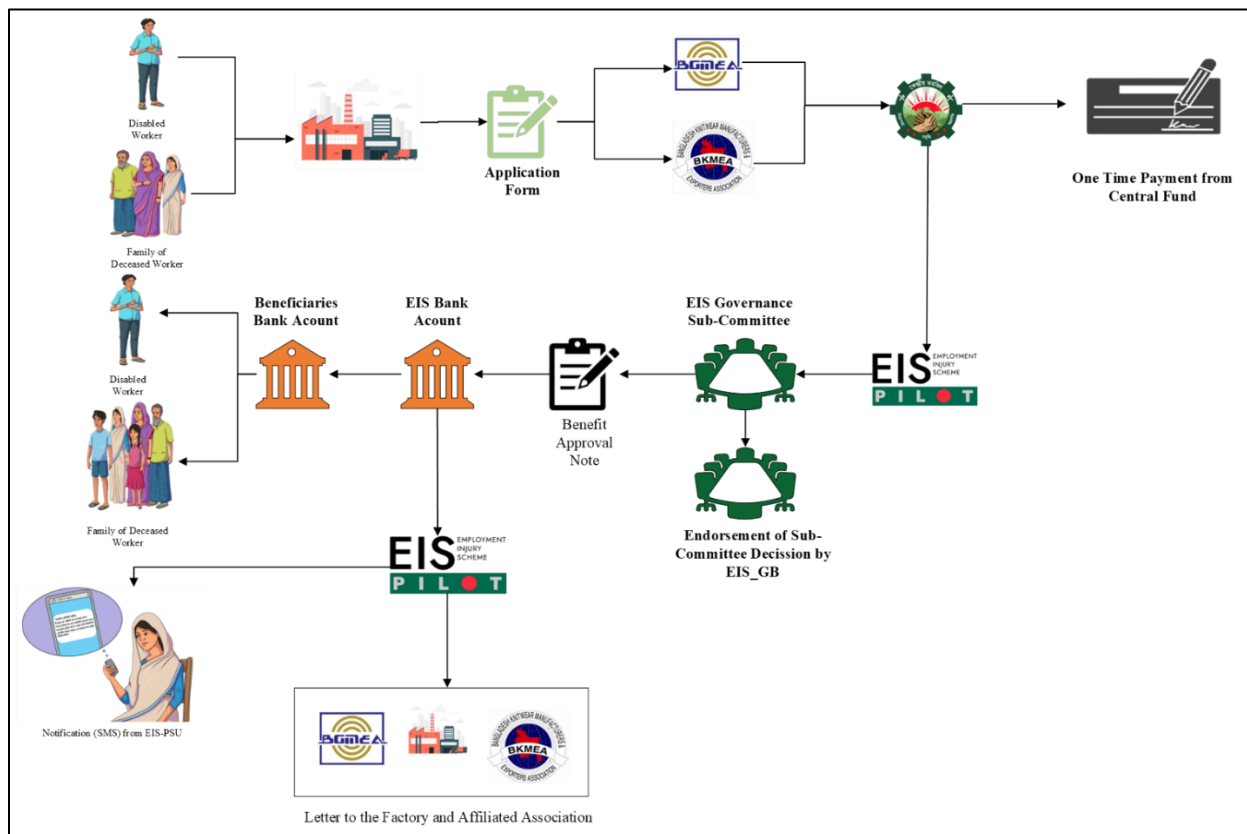
8. Claim Process Workflow Flow Chart

The EIS-PSU follows a structured workflow to efficiently process EIS Pilot eligible claim cases. This systematic approach ensures that each claim is handled with care and consistency, adhering to predefined steps for optimal outcomes. The following workflow chart outlines the detailed process, highlighting key stages and actions taken to manage and resolve claims effectively.



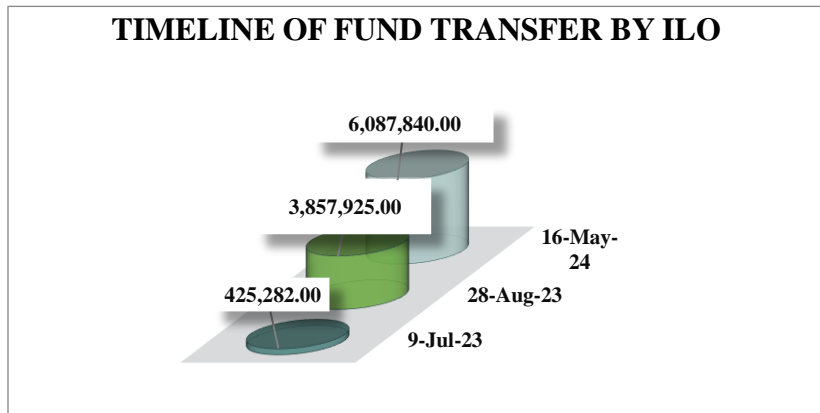
9. Application Process of EIS Pilot

The info graph below outlines the application process for receiving EIS Pilot benefit in Bangladesh. It may be mentioned here that there is no need for separate application for receiving EIS Pilot benefit. Disabled workers or the families of deceased workers submit application on a prescribed template through factories to BGMEA or BKMEA, which is then forwarded to the CF for a one-time payment. The CF is responsible for scrutinizing these cases to determine eligibility for a one-time payment to the beneficiaries of deceased workers and injured workers. From CF, EIS-PSU receives the copy of all the accidental death and injury cases. Upon receiving the case files from the CF, the EIS-PSU assigns a digital diary number to each case and records the details in its system. During this process, the EIS-PSU shortlists potential cases eligible for the EIS by reviewing key documents such as the factory's accident report, the Police report in the form of General Diary (GD) copy (if available), the succession certificate, or other relevant documents that provide insights into the cause of death and disability. If there is any information gap or ambiguity regarding the case, the EIS-PSU contacts the business association and respective factory to clarify the details. Based on this initial assessment, the EIS-PSU identifies probable EIS cases for further approval by the EIS_GB Sub-Committee and processing of EIS benefits. Upon approval by the EIS_GB Sub-Committee, funds are transferred from the EIS Bank Account to the beneficiaries' bank accounts and the concerned association, and the factory is informed through letter about the approval of the case. The EIS-PSU then notifies the beneficiaries via SMS about the benefit disbursement, ensuring financial support is provided transparently and efficiently.



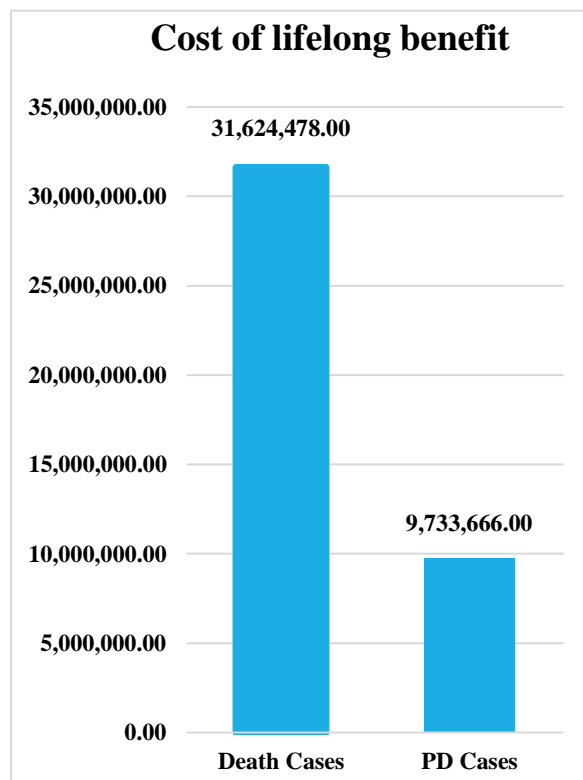
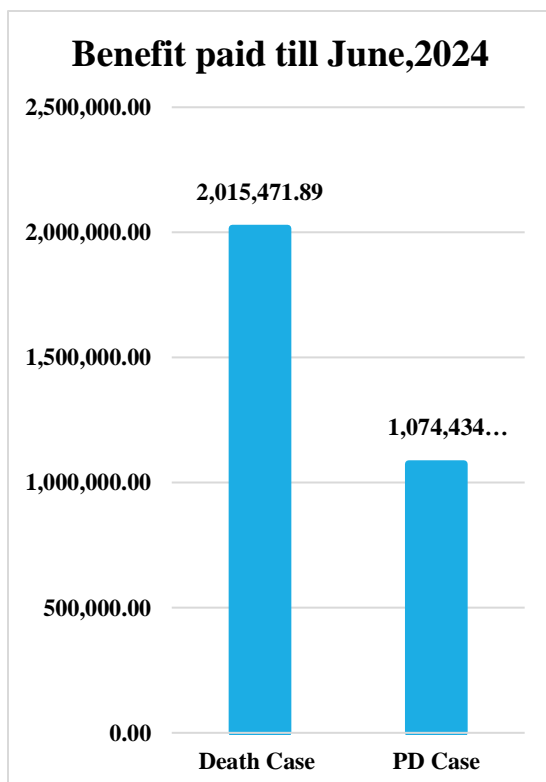
10. Fund Mobilization and Management

The additional benefits for beneficiaries and administrative costs of the EIS Pilot are fully funded through voluntary contributions from over 52 international brands sourcing from Bangladesh. ILO and GIZ jointly mobilizes the brands, and the contribution is deposited at ILO Geneva. From this contribution fund, the required amount is transferred in tranches to EIS account under CF based on approved budget by the EIS_GB. The info graph on the right shows the transferred amount to EIS Pilot account maintained with the Sonali Bank, Ramna Branch from ILO based on invoices raised by the EIS_PSU. Budget, benefit payment and other expenditure details and actuarial valuation of the fund with ILO is included in the audit report.



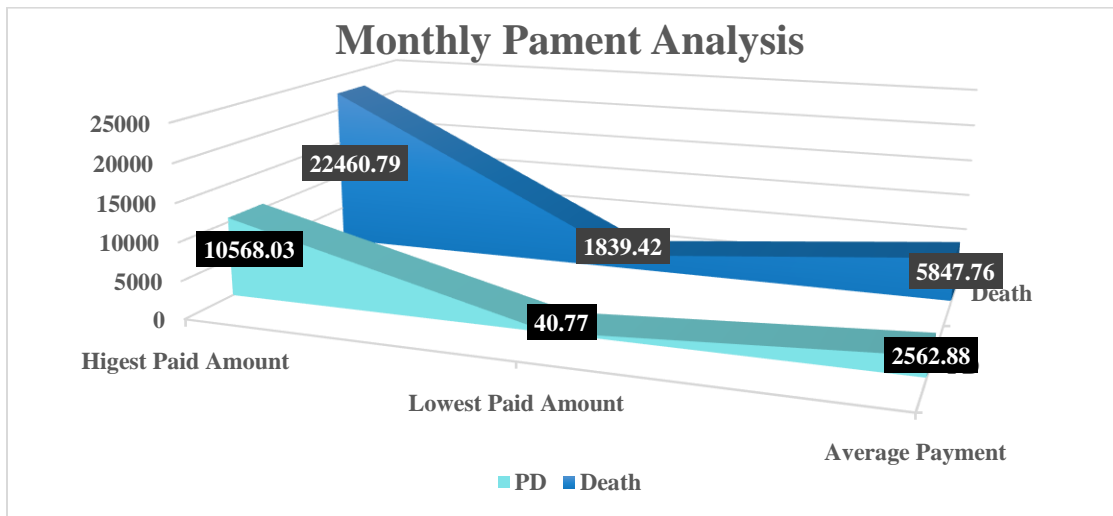
11. Benefit Payment Information

As of 30th June 2024, a total of 3,089,906.71 BDT was disbursed to beneficiaries. Of this amount, 2,015,471.89 BDT was disbursed to the beneficiaries of deceased workers, while 1,074,434.82 BDT was paid to those who have experienced permanent (partial or total) disability. To cover the



lifelong benefit of all beneficiaries, the total cost of the accident is estimated at 41,358,144 BDT, including 31,624,478 BDT for death cases and 9,733,666 BDT for disability cases.

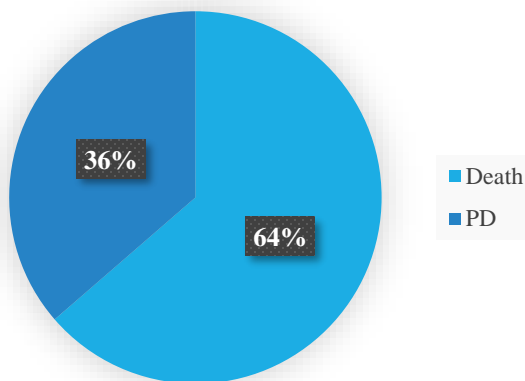
All benefits are paid as monthly instalments, except in few cases where the monthly benefit amount is low. Payments are made directly to the beneficiaries' bank accounts. For PPD/PTD cases, the highest monthly instalments are 10,868.4 BDT, while the lowest is 40.77 BDT. The average payment to beneficiaries with permanent disability is 2,562.88 BDT. In death cases, the highest monthly instalment paid is 22,460.79 BDT, and the lowest is 1,839.42 BDT, with an average payment of 5,847.76 BDT. All amounts reflect case-based payments.



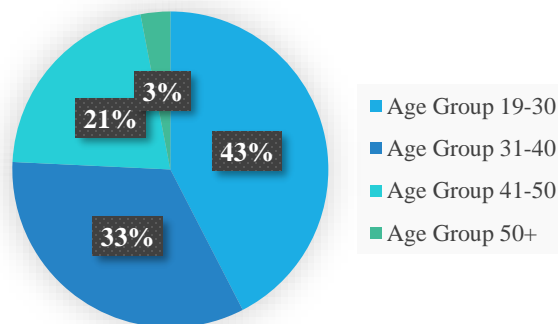
12. Analysis of the Claim Applications and Beneficiaries

As of 30th June 2024, the Sub-Committee has reviewed 35 cases, approving 33 of them, resulting in benefits for 63 beneficiaries, while two cases were not approved. The overall case approval rate is 94.28%. The analysis of the approved cases reveals that 64% of the incidents (21 cases) resulted in death, while 36% (12 cases) led to permanent disability.

Result of Accident

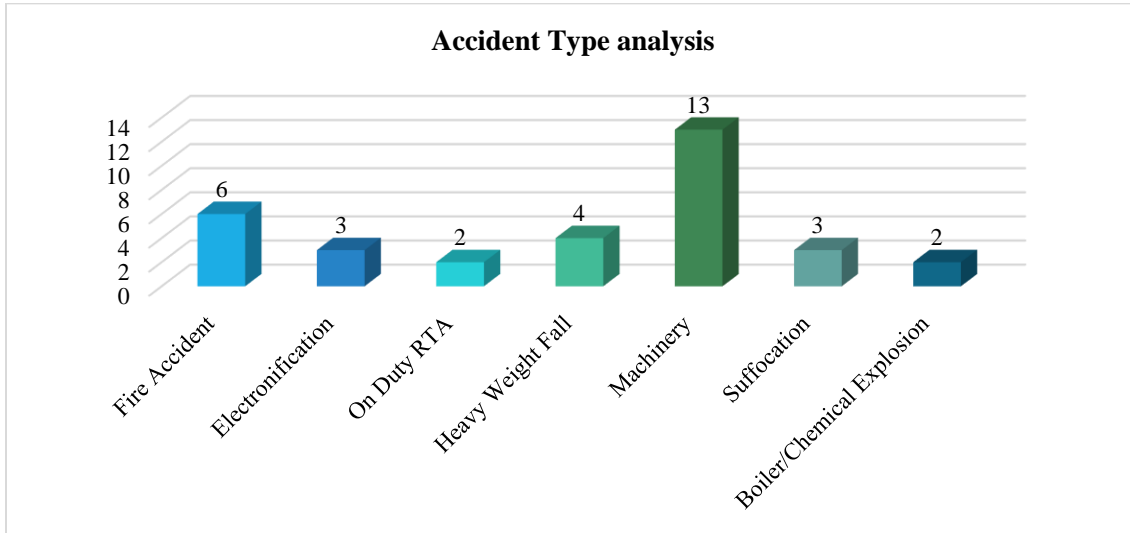


Age Group of Worker



Most affected workers were in the age group of 19-30 years (17 cases), followed by the age groups of 31-40 years (13 cases), 41-50 years (8 cases), and 50+ years (1 case).

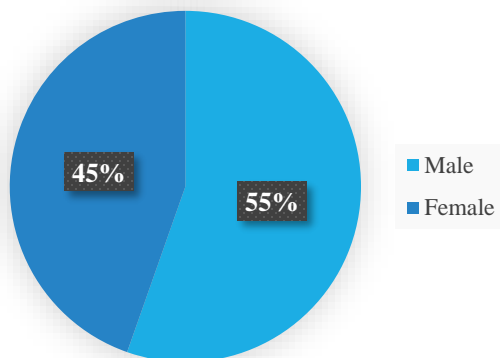
The types of accidents were varied, with machinery-related incidents being the most common, accounting for 13 cases. Other notable accident types included fire accidents (6 cases) and heavy weight falls (4 cases), on-duty road traffic accidents (3 cases), suffocation incidents (3 cases), electrocution (3 cases), and boiler/chemical explosions (2 cases). This analysis provides a detailed overview of the nature, and consequences of the workplace accidents reviewed and approved by the Sub-Committee.



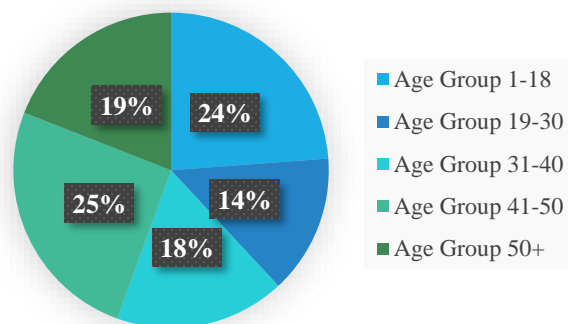
13. Beneficiaries Information

The below analysis of beneficiaries reveals that out of 63 beneficiaries, 55% are female and 45% are male. The age distribution shows that beneficiaries are spread across various age groups, with the largest groups being ages 1-18 (18 beneficiaries) and ages 41-50 (21 beneficiaries). Most beneficiaries are parents, accounting for 29 cases, followed by disabled workers (14 cases), widows (15 cases), and sons (10 cases). Other categories include daughters (4 cases), sisters (3

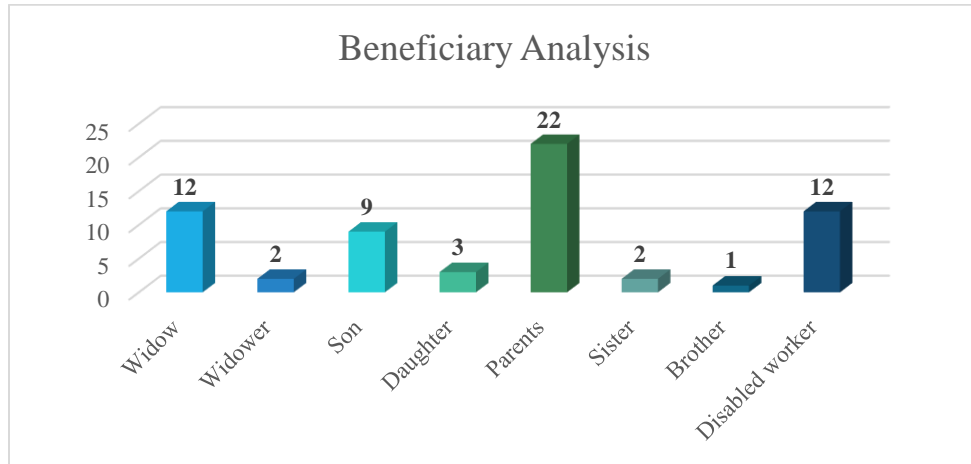
Gender of Beneficiaries



Age Group of Beneficiaries



cases), widowers (2 cases), and brothers (1 case). This data provides a comprehensive view of the demographics and relationships of those receiving benefits.

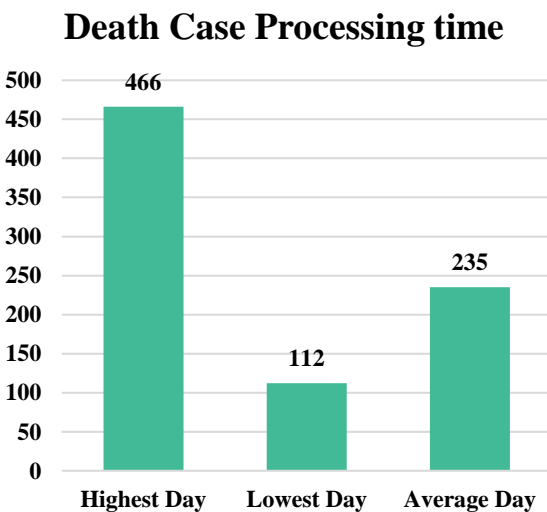


14. Analysis of not Approved Cases

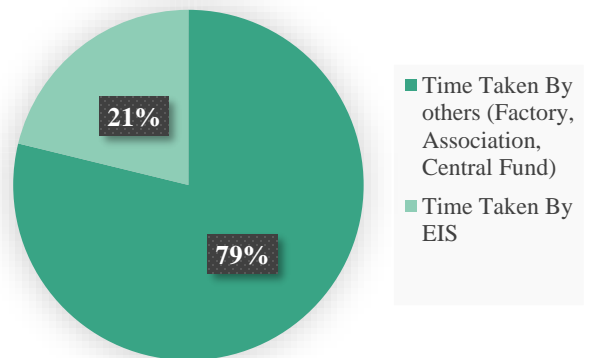
Among the 35 cases, 2 were not approved by the EIS_GB Sub-Committee. These 2 cases involved deceased workers who had suffered heart attacks at the workplace. Although the workers became ill on the factory premises and later died in the hospital, but these cases were not approved as EIS-Pilot specifically covers accident-related cases, which led to the rejection of these two cases.

15. Analysis of Case approval timeline

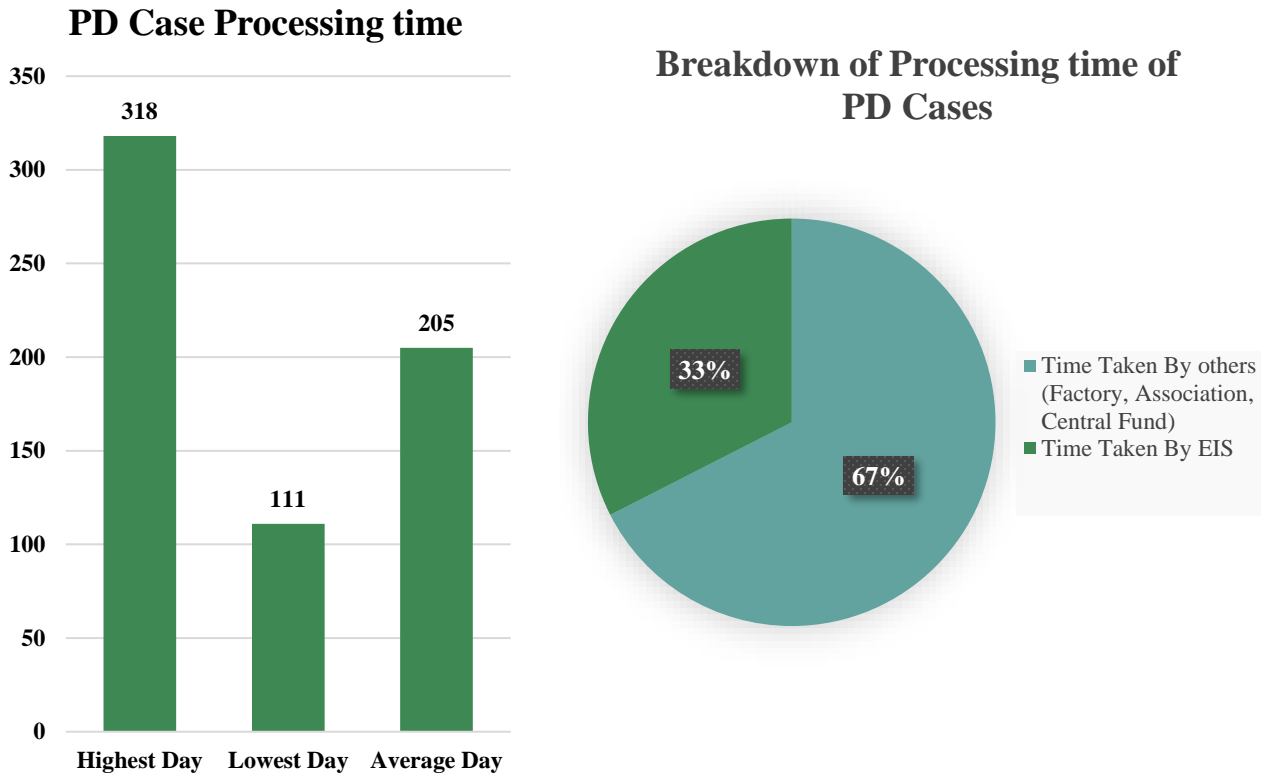
The analysis of the approval timelines for death cases (from the day of the accident to the day of approval by the EIS_GB Sub-Committee) shows that the longest processing time was 466 days, while the shortest was 112 days. On average, it took 235 days to approve these cases. Furthermore, the pie chart indicates that 79% of the total processing time was spent for collection of various documents, preparation of application and processing up to the CF while 21% was spent by the EIS Pilot for verification, collection of missing documents and approval by the Sub-Committee.



Breakdown of Processing time (Factory, Association, CF & EIS)



For permanent disability cases, the longest processing time was 318 days and the shortest was 111 days, with an average of 205 days. The pie chart illustrates the breakdown of this processing time, showing that 67% was spent for the collection of initial documents, preparation of application and processing up to the CF while 33% was spent by the EIS-PSU for collecting missing documents, disability assessment and approval by the Sub-Committee.



The findings suggest that to reduce overall variability and improve consistency in case processing, it is crucial to address delays occurring before cases reach the EIS. By streamlining processes with all stake holders, the timeline for both death and PD cases could be more efficient and timelier. On this aspect ILO and GIZ jointly are working to orient the factory management and workers representatives on EIS Pilot.

16. Analysis of Case received from Central Fund

This section provides an analysis on all the accident-related cases submitted in CF including the applications which could not be considered as EIS Pilot eligible cases. The purpose of the analysis is to give an overview on the nature and frequency of accidents, percentage of workplace accident compared to non-workplace accident and provoke thoughts for remedial measures. During the reporting period the EIS-PSU has received 343 accident-related case files from the CF, covering various types of incidents. Gender distribution shows that 73% of these cases involve males, while 27% involve females, indicating a higher incidence of accidents among men.

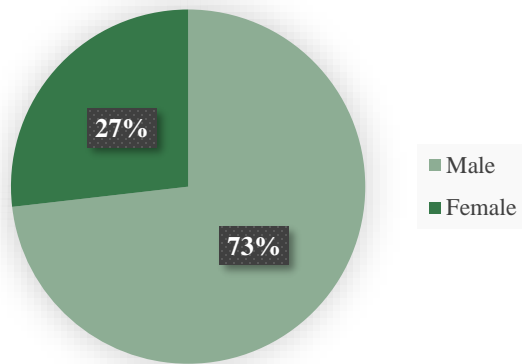
In terms of outcomes, 92% of cases resulted in Death, and 8% resulted in disability. Road Traffic Accidents (RTAs) are the most common, accounting for 147 cases, followed by Commuting RTAs

with 75 cases. Other accident types include Fire Accidents (22 cases), Machinery Accidents (19 cases), Electrification (18 cases), and On-Duty RTAs (7 cases). A majority of 55 cases were categorized as "Others".

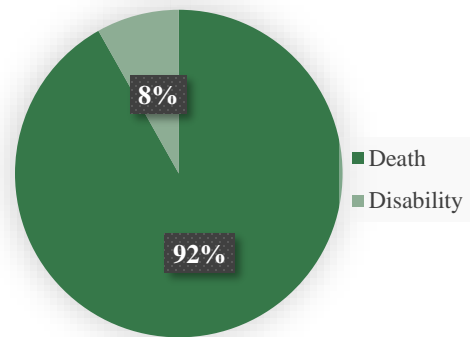
A closer look at the location of the incidents reveals a notable trend: 92% of the death cases occurred outside the workplace, whereas 68% of the disability cases took place within the workplace. This distinction emphasizes the need for different safety strategies tailored to external and workplace environments.

The data portrays a clear picture of the areas where safety improvements are most needed, particularly in addressing road traffic hazards and enhancing workplace safety protocols. Targeted interventions in these areas could significantly reduce both the frequency and severity of accidents.

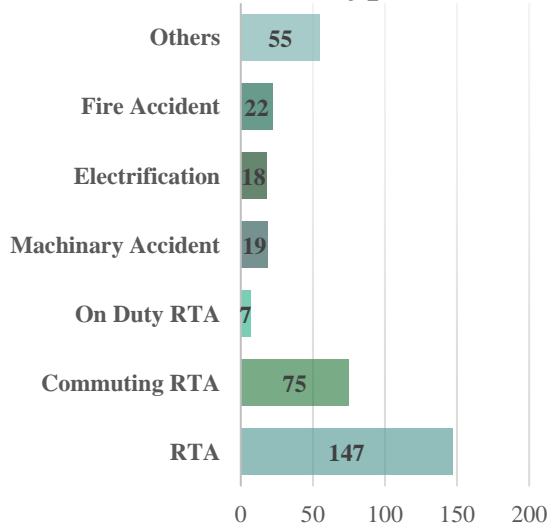
Gender



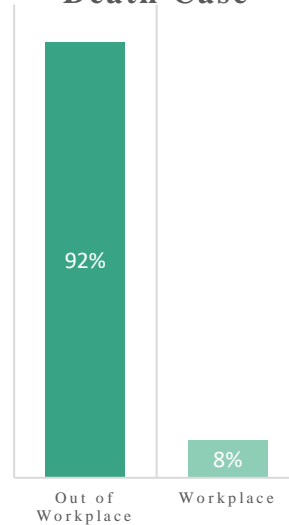
Result of Accident



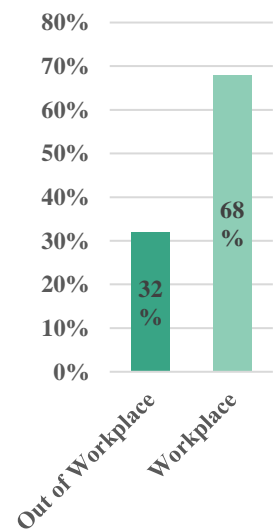
Accident Type



Death Case

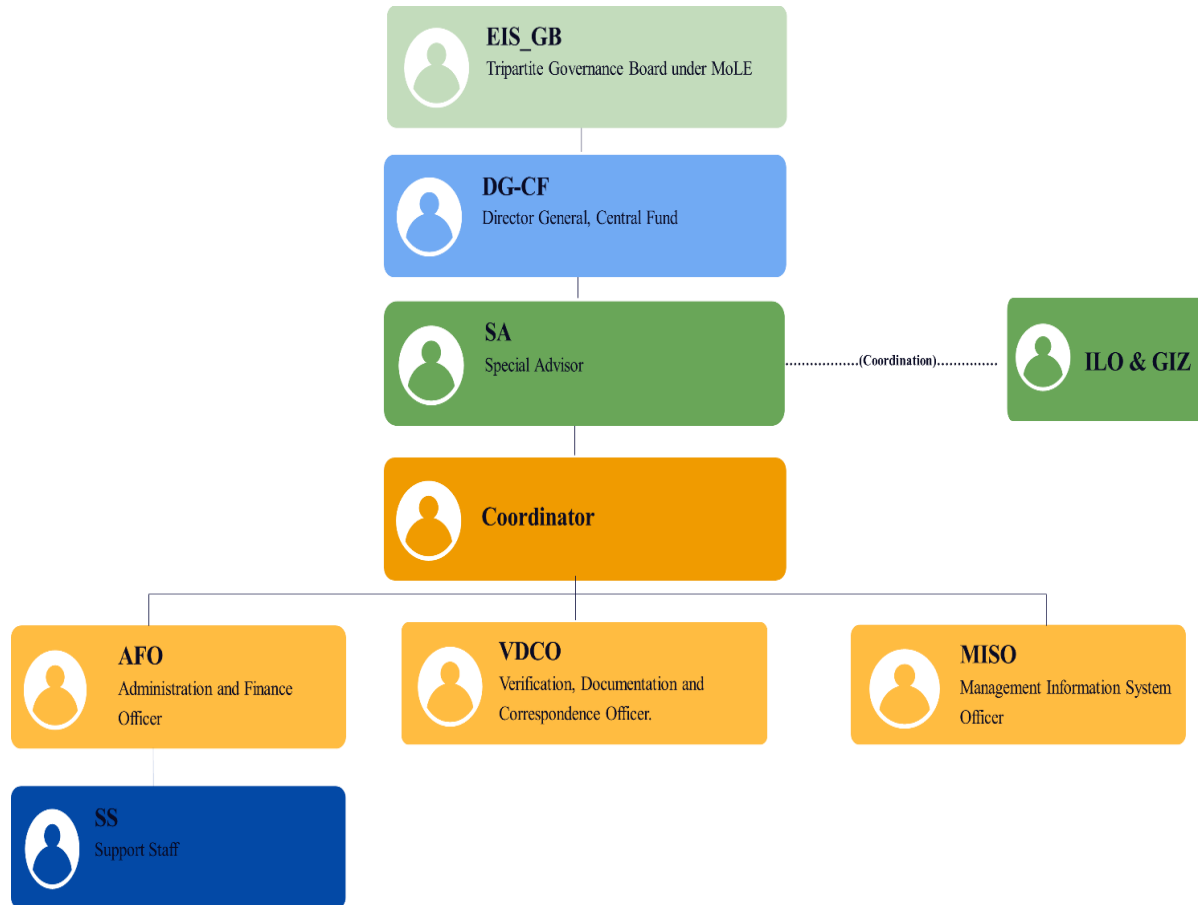


Disability Case



17. HR and Administration Management

For smooth operations and delivery of the EIS benefit; an EIS Pilot Special Unit has been established initially with GIZ covering full recruitment costs, through an independent open bid process. They have placed the below-mentioned organogram and personnel in the EIS-PSU which reports to DG-CF. The EIS_GB endorsed the continuation of EIS-PSU in its 3rd meeting. In addition, GIZ also catered for initial office setup cost, administration cost including office equipment, stationery and furniture for the operationalization of the EIS-PSU (costs that should normally be borne by the EIS-PSU). The organogram of EIS-PSU is given below.



18. Communication and Publication for Awareness Building

The EIS Pilot maintains a website (www.eis-pilot-bd.org), initially developed and managed by GIZ, which provides regular updates on the program. The statistics of beneficiaries are updated on monthly basis. Coordination and information-sharing meetings and webinars are conducted regularly by ILO and GIZ to engage various stakeholders. Beneficiary impact videos showcase the program's humanitarian impact and government initiatives. With the approval of the EIS_GB, GIZ has also developed and distributed various Information, Education, Communication (IEC) materials like brochures, leaflets, and posters, and conducted training sessions with brands. A total of 661 factories officials attended awareness sessions of the EIS Pilot till June 2024. There is a plan from ILO for reaching out approximately 500-600 non-member brand factories through

BGMEA and BKMEA. There are also plans to propagate the awareness raising message of EIS Pilot amongst RMG workers’ representatives.

19. Training and Orientation Workshops attended by EIS-PSU Officials

During January 2023 to June 2024, the EIS-PSU staff were engaged in several capacity building activities which are given below:

Description	Date	Participants
Training on “IT Vendor Management” at Bogra, Bangladesh	06 May-09 May, 2024	MIS Officer
Training on “Employment Injury Schemes and the Prevention of Occupational Accidents and Diseases” at ITC-ILO in Turin, Italy	26 June-07 July, 2023	EIS_PSU team members, GIZ and CF officials
Capacity Building on Cyber Security (Cyber Security Concept, Best Practice to secure the organization, Introduction to the type of cyber-attack and malware, Password Policy, how to mitigate the security risk.	18-20 February 2024 and 04-06 March 2024	MIS Officer and Coordinator
MIS User Training	19 May 2024	Coordinator, AFO, MISO, VDCO
MIS Admin Training	20 May 2024	Coordinator, AFO, MISO, VDCO
Workshop on Selection of sample inclusion criteria and cost analysis method for the rehabilitation services for injured workers from the RMG sector	28 May 2024	Coordinator, VDCO
Orientation for DIFE doctors on Disability Assessment	09 June 2024	DIFE doctors, Coordinator, VDCO

20. Study Visit to South Korea

A study visit to South Korea was successfully organized by ILO and GIZ from April 16-21, 2024, with full participation from all the EIS_GB members and observer representatives from ILO, GIZ, and EIS-PSU. The host organization, Korea Workers’ Compensation & Welfare Service (K-COMWEL), efficiently arranged all meetings and field visits. The Korean Government has proposed three initiatives for collaboration with the Government of Bangladesh:

20.1 Technical Assistance for Employment Injury Insurance

K-COMWEL and the Ministry of Employment & Labour (Korea) have offered a 3-year Overseas Development Assistance (ODA) support in 2026-2028 to establish a national

Employment Injury Insurance in Bangladesh. Feasibility studies will begin in 2024, with expected approval in 2025. A Memorandum of Understanding (MOU) is anticipated between the MoLE Bangladesh and K-COMWEL/MoLE (Korea) in December 2024.

20.2 Asian Workers Compensation Association (AWCA) Membership

In their capacity as Chair of the AWCA, K-COMWEL has extended a membership offer to MoLE (Bangladesh) for the AWCA.

20.3 AWCA 60th Anniversary Invitation

K-COMWEL has also extended an invitation to the Government of Bangladesh to participate in the 60th Anniversary of AWCA in Seoul in 2025.

21. Disability Assessment

Comprehensive disability assessment is a relatively new approach in Bangladesh, with the first successful implementation being the disability assessment of injured workers from the Rana Plaza tragedy in 2012-13. Since then, progress in this area has been slow.

For the EIS Pilot initiative, two Doctors were nominated by the DIFE to undertake the disability assessment of the permanently disabled RMG workers. The team has so far, conducted five sessions, assessed 11 workers and assigned their loss of income capacity according to the Schedule-1 of the BLA 2006. The disability assessment is done physically by the assigned doctors at EIS-PSU office at scheduled date for each permanently disabled worker.

22. ILO Technical Missions on EIS Pilot

During the period of this annual report two ILO technical missions were conducted for the advancement of EIS Pilot activities. The details are appended below:

Date	Description
7-11 May 2023	The ILO Technical Mission, comprising Dr. Anne Marie LaRosa, Senior Policy Legal & Labour Standards Specialist, and Andre Picard, Chief Technical Advisor & Head of Unit, Social Protection Department/Actuarial Services unit guided tripartite meetings on the progress of the EIS Pilot. During the mission, experts from ILO Geneva engaged with key stakeholders in Dhaka and formulated recommendations to operationalize the Pilot further. Their participation in the 4 th GB meeting led to the approval of the EIS Pilot Governance Board Rules and the Detailed Calculation of top-up benefits under the scheme by the tripartite constituents. Additionally, the Board approved the formation of a Sub-committee to oversee the endorsement of claims.
12-16 May 2024	A two-member ILO technical mission comprising Dr. Anne Marie La Rosa, Senior Policy Legal & Labour Standards Specialist, and Andre Picard, Chief Technical Advisor & Head of Unit, Social Protection

	<p>Department/Actuarial Services unit visited Bangladesh from 12 to 16 May 2024. The team had intensive interactive bilateral meetings with various stakeholders of the EIS Pilot (DG Central Fund, BEF, BGMEA, BKMEA, EIS-PSU, Brands, Donors, and ILO Country Office clusters). The team presented the commuting Accident statistics in Bangladesh and shared the importance for considering the commuting accidents under EIS Pilot. With the constructive bilateral discussion with all constituents during their visit, the EIS_GB members responded positively to this proposal. In the 8th GB meeting, they approved the inclusion of commuting accidents to be covered by the EIS Pilot, effective from 1st July 2024. The team also presented Actuarial Valuation of the fund contributed by the international brands for the financial sustainability of the EIS Pilot in the 8th GB meeting held on 13 May 2024 and the GB approved the proposal. Mr. Andre also undertook a field visit to a RMG factory to observe the accident data collection process and related works of the factory. Overall, it was a very effective and fruitful visit for the EIS Pilot in Bangladesh.</p>
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23. Blueprint for Institutionalization of EIS Pilot in Bangladesh

From June 2024 a preliminary draft blueprint on the subject matter is under discussion and development with input from relevant stakeholders. The core purpose of the concept is to provide comprehensive insurance coverage for workers against work-related accidents and occupational diseases, ensuring their medical care, financial compensation, rehabilitation, and prevention of such accidents and diseases, through gradual extension of coverage to all sectors, under an effective national institution. To transform the blueprint into working paper for a permanent national EII scheme will need intensive interactive dialogue with all relevant stakeholders.

24. Annual Audit Report (To be added later)

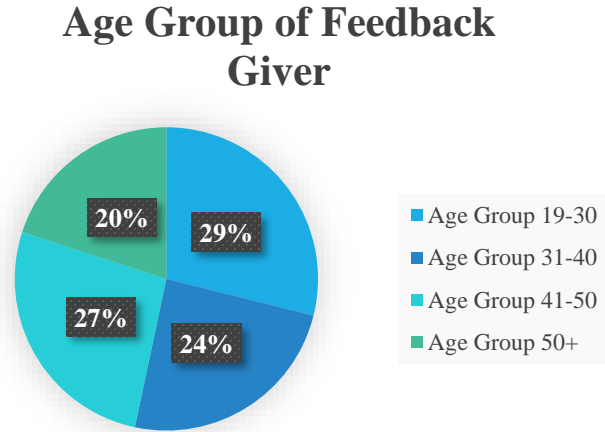
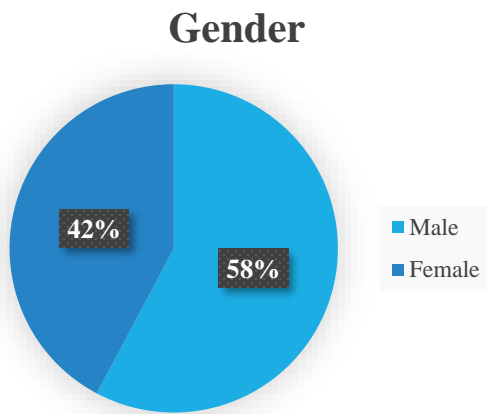
The annual audit was conducted by the CA (Chartered Accountant) firm, Hoda Vasi which was duly approved by the EIS_GB. The detail report is attached as Annex A to this report. Beside the financial audit the report also reflect contribution in cash and kind by various stake holders. The report also reflects the Actuarial Valuation of the fund at ILO Geneva.

25. Grievance Management

The EIS-PSU has received three grievance case information of three factories from the DIFE call centre. The 1st case was verified through BGMEA and was confirmed that the worker does not belong to RMG factory, thus not eligible for EIS benefit. This was informed to the worker and resolved accordingly. The other two cases likely to be EIS eligible cases, are being considered and EIS PSU is coordinating with factories/BGMEA/CF for processing their initial application to the CF through BGMEA/BKMEA.

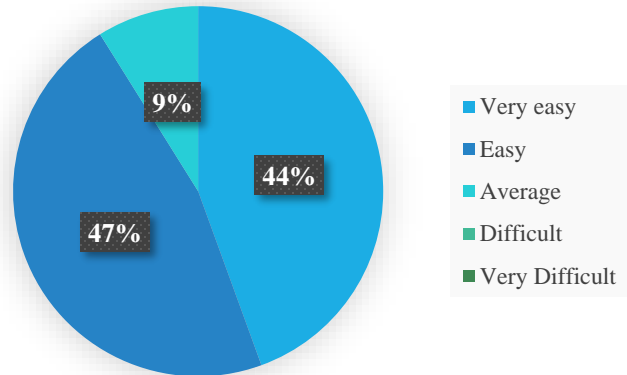
26. Beneficiary Feedback

Beneficiary feedback was completed in August 2024 with all the 45 adult beneficiaries on a google form with five questions. Out of the 45 respondent 26 (58%) were male and 19 (42%) were female and 31 were the dependents of death beneficiary and 14 were permanently disabled workers. Gender, age group and response to each question of the respondent are given below:



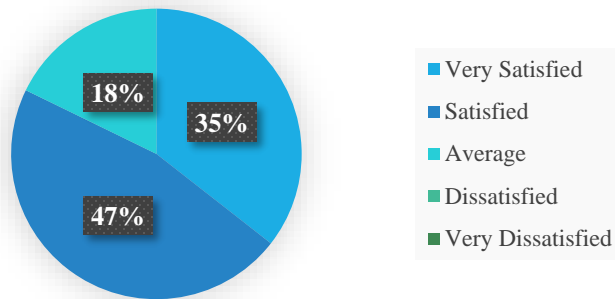
The pie chart reflects the satisfaction level of the application process for EIS beneficiaries. It shows that the majority, 47%, found the process **easy**, while 44% rated it as **very easy**. Only 9% of respondents considered the process as average. No one described the process either as **difficult** or **very difficult**. This indicates that overall, most beneficiaries had a relatively smooth experience with the application process, though a small percentage encountered challenges.

Satisfaction level of Application Process



Regarding the contact process to EIS-PSU, majority of the respondents (47%) reported that they are "Satisfied" with the ease process of contacting the EIS-PSU. Additionally, 35% of respondents expressed that they were "Very Satisfied," while 18% rated the contact experience as "Average." Importantly, there were no responses indicating dissatisfaction, either "Dissatisfied" or "Very Dissatisfied," highlighting an overall positive perception of accessibility to the EIS-PSU.

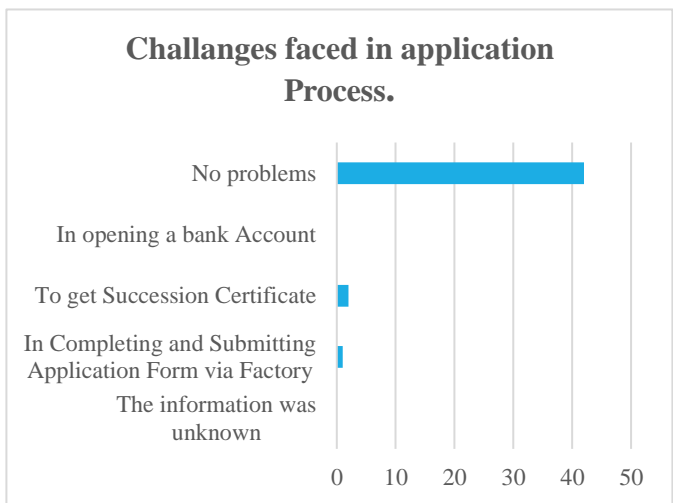
How easy to Contact EIS-PSU



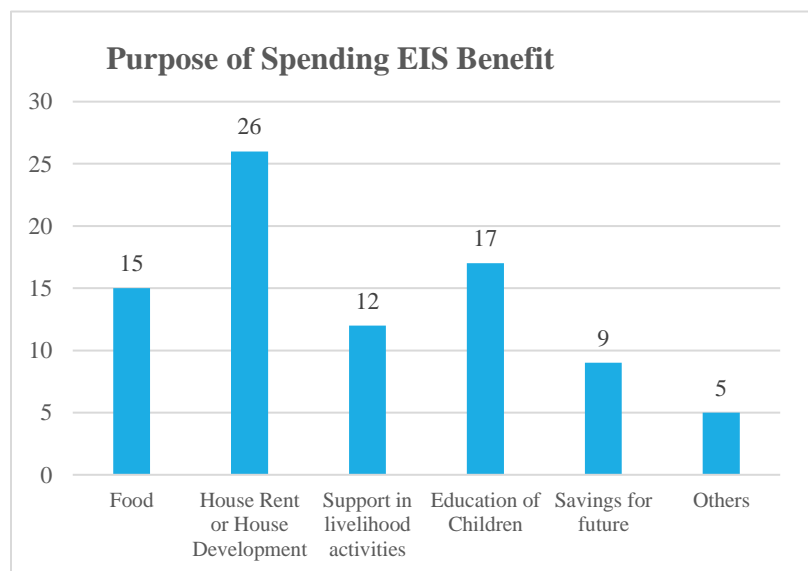
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Among the 45 beneficiaries, nearly 42, reported they faced "No problems" during the application process. A small number of respondents encountered difficulties, with a few citing challenges in "Opening a Bank Account," "Obtaining a Succession Certificate," and "Completing and Submitting the Application Form via Factory." Additionally, there was a minor indication that some respondents were unaware of the information required. Overall, the data suggests that most respondents did not experience significant challenges in the application process.



The bar chart titled "Purpose of Spending EIS Benefit" shows that the most common use of the Employment Injury Scheme (EIS) benefits is for "House Rent or House Development," with 26 respondents indicating this purpose. Other significant areas of spending include "Education of Children" (17 respondents), "Food" (15 respondents), and "Support in Livelihood Activities" (12 respondents). Additionally, 9 respondents reported using the benefits for "Savings for Future," while 5 indicated "Others" as their purpose.



The survey offered five answer choices, with an "Others" option, and allowed participants to answer multiple options. Of the 45 participants, 21 chose only one option, 17 responded two, 3 chose three options, and 4 participants marked all five. This indicates the varied ways individuals utilize their EIS benefits, depending on their unique circumstances.

27. Challenges and Way Forward of the EIS-PSU

27.1 Challenges

1. In some cases, factories/beneficiaries are taking long time to complete and process the application.
2. Most cases accident details are inadequate to ascertain workplace accident.
3. Verification for cases reported in the media and received through call centre needs a detail guidance.
4. There are two signatories of the EIS Pilot bank account. Change of any signatory causes significant delay in benefit payment to the beneficiaries.
5. Discrepancies of workers information with NID/Birth Certificates creates hindrance in processing claim application.
6. In death certificate, causes of death are not filled in accurately.
7. In some cases, factories are not filing GD in case of workers accidental death.

27.2 Way Forward

1. More awareness-building programs with the relevant stake holders about EIS Pilot application process and its timely submission.
2. Factories need to proactively gather detailed accident information and maintain comprehensive accident records.
3. Dissemination of factory orientation training contents at all levels by the training attendees.
4. Information about the EIS Pilot business process should be included in all meetings, printed materials, workshops, training programs, and publications of all stakeholders.
5. Factory orientation training focussed on coverage for commuting accidents, which occur three times more often than workplace accidents in the RMG sector.
6. Designate focal person at BGMEA/BKMEA and factories for collecting CF application status for cases reported in the media and for cases reported through DIFE and call centres.
7. EIS Pilot bank account signatories may be increased to three with the requirement of two signatures for processing regular monthly benefit payment.
8. EIS-PSU team member's access to accidental case files at BGMEA/BKMEA along with CF staff member may reduce the time required for EIS Pilot approval.

28. Conclusion

The 1st EIS Pilot Annual Report reflects a consistent progress of the Pilot activities since its formal launching on 21 June 2022. This report highlights the substantial progress made in claim processing, benefit payments, policy development, and strategic governance decisions. Despite

challenges, efforts have demonstrated a strong commitment by all stakeholders for the success of the pilot for improving worker welfare and safety. The initiative is the first in Bangladesh of many social protection components and will pave the way for expanding to other sectors. Moving forward, the EIS-PSU will focus on stakeholder collaboration, comprehensive reporting, and extending benefits to commuting accident cases in the coming year.

We hope the report provides sufficient insight of the EIS Pilot activities conducted in a transparent, efficient, inclusive and verifiable process. Stakeholder input is highly valued, and there is a strong anticipation for further improvements based on this valuable feedback. Continued support remains essential for making the EIS Pilot more effective and impactful.