

5th Quarterly Business Oversight and Financial Report of EIS Pilot Special Unit

Period: July 01 to September 30, 2024

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Submitted by

Employment Injury Scheme (EIS) Pilot Special Unit

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Abbreviations

AFO	Admin and Finance Officer
BLA	Bangladesh Labour Act
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_GB	Employment Injury Scheme Governance Board
EIS-PSU	Employment Injury Scheme Pilot Special Unit
GD	General Diary
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
FIR	First Information Report
ILO	International Labor Organization
MoLE	Ministry of Labour and Employment
MIS	Management Information System
MISO	Management Information System Officer
NOA	Notice of Award
PD	Permanent Disability
SOP	Standard Operating Procedure
VDCO	Verification, Documentation Correspondence Officer

1. Executive Summary

The 5th Quarterly Business Oversight and Financial Report presents a comprehensive activity of EIS-PSU from July 01 to September 30, 2024. Key decisions made by the Sub-Committee, along with an overview of EIS-PSU's operations and data analysis section is also included highlighting critical issues requiring further attention. The report concludes with a summary of the challenges encountered in daily operations and the corresponding mitigation strategies.

2. Introduction

The 5th Quarterly Business Oversight and Financial Report is an important medium for informing all EIS Pilot stakeholders about quarterly progressive activities. This report emphasizes case approvals, beneficiary details, payment information, and decisions made by the EIS Sub-Committee. EIS-PSU welcomes comments and suggestions to enhance the quality and effectiveness of future reports.

3. Objectives of the EIS-PSU Quarterly Report

The report aims to inform stakeholders regarding approved beneficiaries and related financial transactions. Additionally, it seeks to enhance these activities through data analysis, identification of bottlenecks, and the implementation of corrective measures to support the overall objectives of the EIS Pilot.

4. Disability Assessment

During the current quarter, the EIS-PSU conducted 6th, 7th, and 8th disability assessment sessions in cooperation with doctors from DIFE. The sessions were held on July 1, August 25, and September 22, 2024. In the 6th assessment session, two disability cases were examined, followed by four cases in the 7th session and one in the 8th session. The assessment team determined the percentage of income capacity loss in accordance with Schedule 1 of the Bangladesh Labour Act (BLA). The details of the cases are enumerated below:

Disability Assessment Sessions	Case No	Percentage of Loss of Income	SL of BLA Schedule-1	Nature of Disability
6 th Disability Assessment Session	2023.EIS.SP.000015	100%	2	While moving a washing machine with a crane, the crane's belt tore, leading to the machine's fall on the worker and subsequent amputation of the worker's leg.
	2023.EIS.SP.000016	100%	2	On-duty Road Traffic Accident and subsequent amputation of the worker's leg.

7 th Disability Assessment Session	EIS.2024.SP.000017	100%	4	On-duty Road Traffic Accident and subsequent amputation of the worker's leg.
	EIS.2024.SP.000018	7%	41	While operating a forklift, the workers left hand became stuck, resulting in the amputation of the worker's little finger.
	EIS.2024.SP.000019	10%	16	The worker lost the front part of his left-hand thumb while working on Jaccard Machine.
	EIS.2024.SP.000020	14%	33	The worker lost his index finger while working on the snap button machine.
8 th Disability Assessment Session	EIS.2024.SP.000021	30%	14	While operating a motorized down-breaking machine in the factory's iron section accidentally the workers left arm three fingers were crushed.

5. EIS_GB and EIS_GB Sub-Committee Meetings

During the quarter two EIS_GB Sub-Committee meetings were organized. The Sub-Committee meetings were attended by Sub-Committee members along with the observer representatives from ILO and GIZ. During these two meetings, a total of four death cases and seven PD cases were reviewed and approved for the EIS Pilot benefit.

EIS_GB Sub- Committee Meeting No	Date	Presented Cases		Approved Cases		Approve Beneficiaries		Not Approved Cases	Referred to GB
		Death	PD	Death	PD	Death	PD		
7 th	July 7, 2024	4	2	4	2	13	2	0	0
8 th	September 24, 2024	0	5	0	5	0	5	0	0
Total		4	7	4	7	13	7	0	0

6. Approval of SOP of Commuting Accident

During the 8th EIS_GB meeting held on May 13, 2024, the EIS_GB approved the coverage of commuting accidents in the Ready-Made Garments sector for the EIS Pilot benefit, effective from July 1, 2024. Following this decision, the EIS_GB formed a Special Committee to

develop and approve a detailed Standard Operating Procedure (SOP) for the verification and processing commuting accident cases through mutual consultations.

The Special Committee developed the draft SOP and shared it with all members of the committee and relevant stakeholders through emails for comments and corrections. Finally, the committee convened a special meeting on July 7, 2024. In this meeting, the draft was discussed in detail and finally approved the SOP with necessary amendments.

7. Data Analysis of Approved Cases

- a. The below table shows the death cases with accidents period, dependents number, gender, average monthly payments per death case, and total paid amount till September 2024.

Period of Accident (dd.mm.yyyy)	Total number of cases	Male	Female	Total number of dependents	Male	Female	Average benefit per case per month in BDT	Total benefit paid out up to September 2024
28.02.2024 - 01.01.2024	4	2	2	10	5	5	9,964	334,246
31.12.2023 - 01.01.2023	13	13	0	34	12	22	4,954	1,176,869
31.12.2022 - 22.06.2022	8	8	0	20	10	10	5,909	1,132,456
Total	25	23	2	64	27	37	6,062	2,643,572

- b. The below table shows the PD cases with accidents period, gender, average monthly benefit, and total paid amount till September 2024.

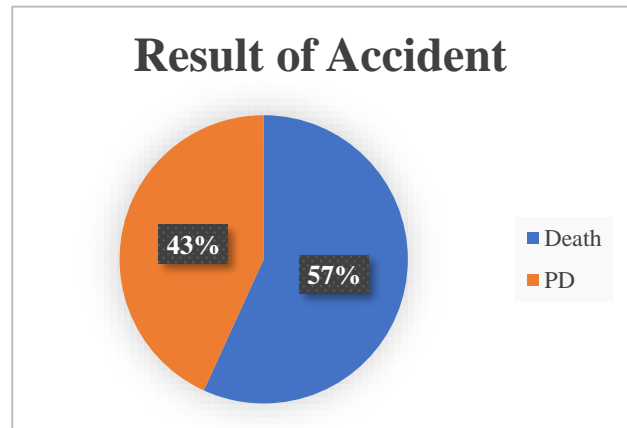
Period of Accident (dd.mm.yyyy)	Total number of cases	Male	Female	Average benefit per case per month in BDT	Total benefit paid out up to September 2024
04.05.2024 - 01.01.2024	4	4	0	2,833	4,221,666
31.12.2023 - 01.01.2023	10	9	1	3,473	10,887,826
31.12.2022 - 22.06.2022	4	4	0	2,539	3,566,004
Total	18	17	1	3,123	18,675,496

b. The table below shows the benefit payment instalments by months and dates, including the total cost of top-up benefits at the date of death and permanent disability.

Title	Date of Payment (dd.mm.yyyy)	No of Cases		Total Beneficiaries			Amount Disbursed (BDT)		
		Death	PD	Death	PD	Total	Death	PD	Total
August, 2023	03/09/2023	08	06	17	06	23	483,914.08	193,201.63	677,115.71
September, 2023	27/09/2023	08	05	17	05	22	45,575.26	12,551.43	58,126.69
	17/10/2023	03	01	08	01	09	187,451.29	55,751.33	243,202.62
October, 2023	26/10/2023	11	05	24	05	29	66,248.42	12,551.43	78,799.85
November, 2023	26/11/2023	11	05	24	05	29	60,105.37	12,551.43	72,656.80
December, 2023	27/12/2023	11	05	24	05	29	60,105.37	12,551.43	72,656.80
	31/12/2023	02	01	03	01	04	29,367.1	16,349.54	45,716.64
January, 2024	01/02/2024	15	11	31	11	42	90,111.43	276,817.40	366,928.82
February, 2024	04/04/2024	14	07	30	07	37	72,387.51	25,954.64	98,342.15
March, 2024	05/05/2024	18	08	38	08	46	469,938.02	147,847.64	617,785.66
April, 2024	13/05/2024	18	10	36	10	46	86,886.73	256,397.64	343,284.37
May, 2024	30/05/2024	21	07	44	07	51	242,756.81	25,954.64	268,711.45
June, 2024	24/06/2024	21	07	44	07	51	120,624.50	25,954.64	146,579.14
July, 2024	01/08/2024	24	10	57	10	67	341,016.46	124,122.79	465,139.25
August, 2024	07/10/2024	23	09	54	09	63	143,543.95	42,274.79	185,818.74
September, 2024	16/10/2024	23	14	54	14	68	143,543.95	314,782.57	458,326.52
Total Amount Disbursed:							2,643,572.42	1,555,614.97	4,199,191.21
Total cost of top-up benefit at the date of death and permanent disability:							38,501,152.00	18,675,496	57,176,648.00

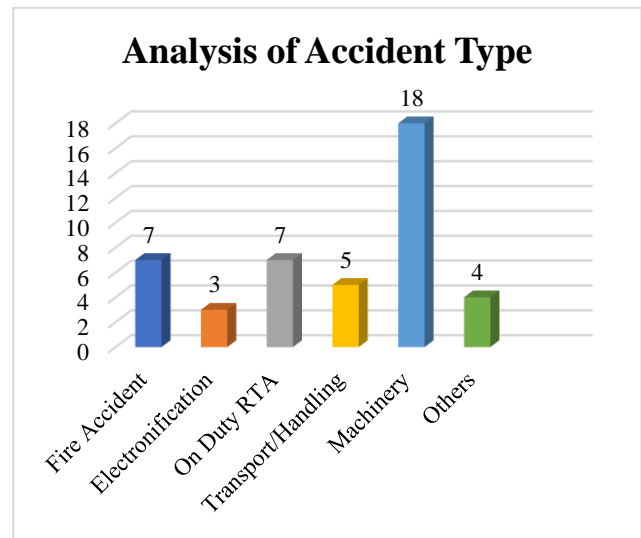
c. **Case analysis approved by the Sub-Committee**

The below pie chart titled "Result of Accident" illustrates the outcomes of accidents up to September 30, 2024. It reveals that 57% of the recorded cases resulted in death, while 43% led to permanent disability (PD).



The bar chart titled "Accident Type" categorizes various types of accidents by their causes. The breakdown of the causes is as follows:

- ✓ Machinery accidents are the most frequent, with 18 cases, indicating a high risk associated with machinery use.
- ✓ Fire accidents and On Duty Road Traffic Accidents (RTA) both account for 7 cases each.
- ✓ Transport/Handling accidents are reported in 5 cases.
- ✓ Electrification incidents are recorded in 3 cases, reflecting a smaller but notable category.

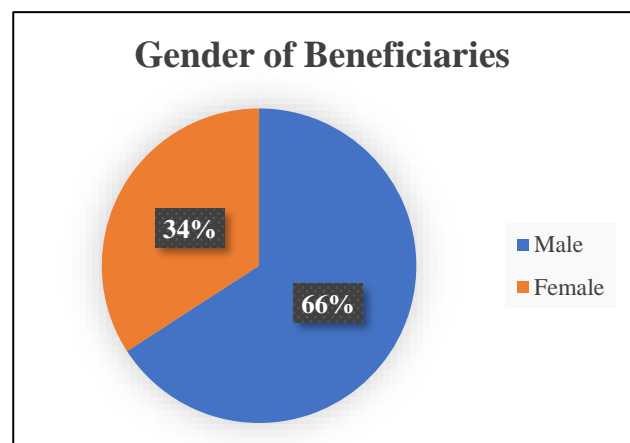


Other types of accidents, including suffocation (3 cases) and chemical burn (1 case), are categorized under the other categories, in total 4 cases.

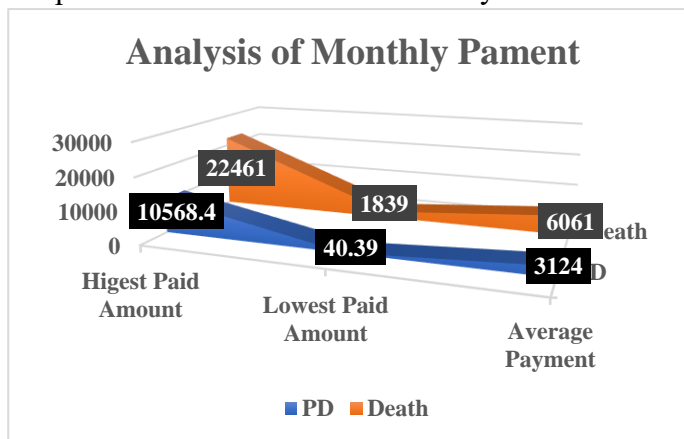
This distribution emphasizes that machinery-related incidents are a major concern, making it a priority for preventive measures. Other categories like fire, road traffic accidents, and handling incidents also suggest areas where additional safety protocols and training may be beneficial.

The pie chart titled "Gender of Beneficiaries" displays the distribution of beneficiaries by gender in death and PD cases:

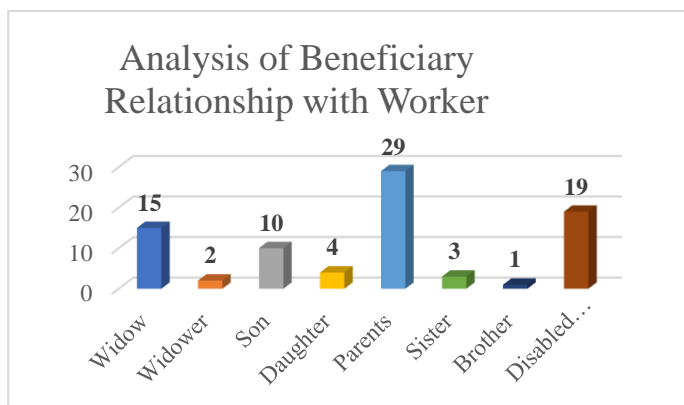
- ✓ **Male:** Represented by the blue portion, making up 66% of the beneficiaries.
- ✓ **Female:** Represented by the orange portion, making up 34% of the beneficiaries.



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 PD cases, the highest monthly instalments are 10,568.4 BDT, while the lowest is 40.39 BDT. The average payment to beneficiaries with permanent disability is 3,124.00 BDT. In death cases, the highest monthly instalment paid to the dependants of a deceased worker is 22,461.00 BDT, and the lowest is 1,839.00 BDT, with an average payment of 6,061.00 BDT. All amounts reflect case-based payments.

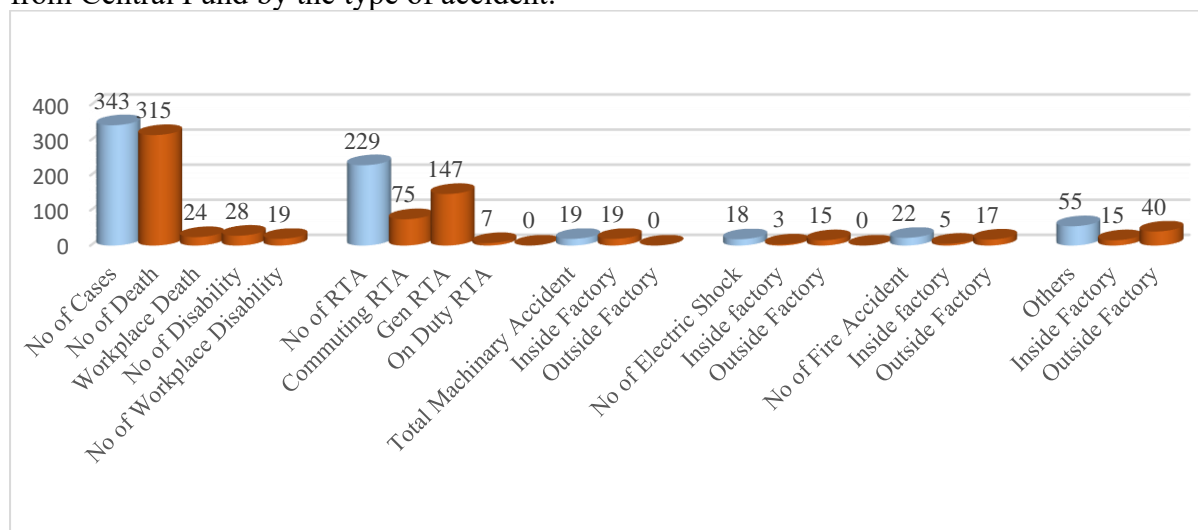


Among the 83 beneficiaries of 25 death cases and 19 PD cases, the largest groups of beneficiaries include parents (22), widows (15), and sons (10). Other categories consist of daughters (4), sisters (3), widowers (2), and brothers (1). Additionally, there are 19 disabled workers (self). This data offers a comprehensive overview of the demographics and relationships of those receiving benefits.



8. Analysis of all Death and Disability Files Received from CF

The below graph shows the analysis of 343 accidental death and disability case files received from Central Fund by the type of accident.



9. Quarterly Financial Report

The quarterly financial report is prepared from receipts expenditures vouchers, and bank account statements. All transactions of the EIS-Pilot are carried out via the bank, and no cash balance is maintained. Expenditures conform to the approved annual budget, except for HR costs, which are covered by GIZ from their funds.

Quarterly Financial Report

For the Period of 1 July, 2024 to 30 September, 2024

Expenses:					
Date	Voucher#	A/C Code	Expenditure Details	Paid (BDT)	Remarks
A	B	C	D	E	F
02-Jul-24	JV#18	5308	6th Disability Assessment	11,880.00	
10-Jul-24	JV#19	5307	7th Sub Committee Meeting	22,765.00	
18-Aug-24	JV#20	5301	Postal cost & Photocopy Machine Servicing	1,340.00	
01-Aug-24	PV#41	510	Top-up benefit payment up to 31 July, 2024	465,139.25	
27-Aug-24	JV#21	5308	7th Disability Assessment	7,070.00	
30-Sep-24			Total Expense	508,194.25	

Receipt:					
Date	Voucher#	A/C Code	Particulars	Received (BDT)	Remarks
A	B	C	D	E	F
01-Jul-24			Opening Balance	6,774,973.30	
-		-	Received from ILO	-	
30-Sep-24			Received Balance	6,774,973.30	

Reconciliation:			
Date	Particulars	Amount (BDT)	Remarks
A	B	C	D
01-Jul-24	Received Balance	6,774,973.30	
30-Sep-24	Current Quarter Total Payment	508,194.25	
30-Sep-24	Ledger Balance (Received Balance-Current Quarter Total Expense)	6,266,779.05	
30-Sep-24	Deduct: Advance for 8th Sub Committee meeting	27,400.00	
30-Sep-24	Reconciled Ledger Balance	6,239,379.05	
30-Sep-24	Bank balance as per bank statement	6,239,379.05	

Total cost of top-up benefit at the date of death and permanent disability:		
Particulars	Total estimated top-up benefit for life at present value (BDT)	Remarks
A	B	C
Total 83 Beneficiaries for 19 PD & 25 Death Cases	@57,176,648	

N.B.: @This contribution amount is being collected from the Brands in tranches and transferred from ILO, Geneva to the EIS-PSU as and when required.

10. Coordination Meetings with Stakeholders

Between July 1 to September 30, 2024, the following types of coordination meetings with stakeholders were arranged:

a) Factory Orientation Sessions regarding EIS Pilot:

A total of 237 factories and suppliers from different brands participated in the orientation session for the EIS Pilot. The specific dates and inviting brands are given below:

SL No	Date	Brand's Name	Number of Factory Participated
1	July 4, 24	Inditex	32
2	July 8, 24	Inditex	29
3	July 9, 24	Inditex	30
4	July 11, 24	Teddy	23
5	July 15, 24	El Corte Ingles	21
	July 16, 24	BGMEA	7
6	September 10, 24	PVH	14
7	September 15, 24	ILO, Better Work	15
8	September 16, 24	Prenatal	6
9	September 18, 24	NEXT	25
10	September 22, 24	Mango	11
11	September 26, 24	The combined session with factories from all Brands in Chattogram	22

b) Monthly Meetings with Local Brands

During the quarter two meetings were conducted with representatives from brands, the ILO, GIZ, and EIS-PSU. These meetings focused on sharing information on the operational and strategic matters of the EIS Pilot. As of September 30, 2024, a total of 58 brands have signed pledges for the EIS Pilot, including 5 new brands that joined during this quarter.

c) Training and Orientation Workshops attended by EIS-PSU Officials

Description	Date	Participants	Place
Workshop on Open IMIS	September 16-17, 2024	MISO	Online

11. Challenges and Way Forward of the EIS-PSU

Challenges

- ✓ The current business process of the EIS Pilot is delaying case approval and payment.
- ✓ Accident cases are being erroneously classified as normal deaths in the Central Fund thus few cases may be missing EIS Pilot eligibility.
- ✓ Accurately filling in 'the causes of death' on death certificates is crucial, but often overlooked.
- ✓ Non filing of GD/FIR for accidental deaths hamper proper verifications.

- ✓ Most accident details are inadequate for confirming whether they are workplace/commuting accidents.
- ✓ Based on improved accident reporting, more cases from factories that do not belong to BGMEA or BKMEA are reported to the EIS Pilot. A process on how to effectively manage the claims needs to be devolved urgently.

Way Forward

- ✓ Simplifying the business process by accessing files at the association level may reduce the time currently required for file processing and approval.
- ✓ Conducting more awareness-building programs/refresher programs with relevant stakeholders on the EIS Pilot application process is essential.
- ✓ Proactively gathering detailed accident information and maintaining comprehensive accident records by factories specially for accidents outside factory is necessary.
- ✓ Disseminating orientation training content to all factory levels of employees by the training attendees is essential.
- ✓ Focusing factory orientation training on coverage for commuting accidents, is essential.
- ✓ Designating focal persons at BGMEA/BKMEA and factories for collecting CF application statuses for cases reported in the media, received through DIFE and call centres is recommended.
- ✓ The importance of filing GD specially for Commuting accidents to be highlighted in all information dissemination sessions.

12. Conclusion

This is the 5th Quarterly Business Oversight and Financial Report since the EIS-PSU was established. The input and guidance from all stakeholders are highly valued, as they contribute significantly to our efforts. We trust that this report comprehensively reflects our diverse activities, and we look forward to enhancing it based on valuable feedback from our readers.

13. Photographs of a few Important Events



a) 6th Disability Assessment at DIFE Conference Room on July 1, 2024



b) SOP Approval Meeting at DIFE Conference Room July 7, 2024



c) 7th Meeting of EIS_GB Sub-Committee at DIFE Conference Room July 7, 2024



d) 7th Disability Assessment at DIFE Conference Room on August 25, 2024



e) The EIS Orientation Training for RMG factories



f) The EIS Orientation Training for RMG factories at Chittagong on September 26, 2024



g) 8th Disability Assessment at DIFE Conference Room on September 22, 2024



h) 8th Meeting of EIS_GB Sub-Committee at MoLE Conference Room on September 24, 2024