

# 4<sup>th</sup> Quarterly Business Oversight and Financial Report of EIS Pilot Special Unit

Period: April 01 to June 30, 2024

Date: July 31, 2024



**Submitted by**

**Employment Injury Scheme (EIS) Pilot Special Unit**

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## Abbreviations

AFO	Admin and Finance Officer
AWCA	Asian Workers Compensation Association
BEF	Bangladesh Employers Federation
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
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
IEC	Information Education Communication
K-COMWEL	Korea Workers' Compensation & Welfare Service
ILO	International Labor Organization
MoLE	Ministry of Labour and Employment
MIS	Management Information System
MISO	Management Information System Officer
NOA	Notice of Award
ODA	Overseas Development Assistance
PPD	Partial Permanent Disability
VDCO	Verification, Documentation Correspondence Officer

## **1. Executive Summary**

The 4<sup>th</sup> Quarterly Business Oversight and Financial Report outlines the significant activities of the EIS-PSU from April 01 to June 30, 2024. It details key decisions by the EIS\_GB and the Sub-Committee, and an overview of EIS-PSU operations during the period. Additionally, the report includes a data analysis section highlighting critical issues that require further attention. The report concludes with a summary of the challenges encountered in daily operations and the corresponding mitigation strategies.

## **2. Introduction**

The Quarterly Business Oversight and Financial Report is essential for informing all EIS Pilot stakeholders about quarterly progressive activities. The report focuses on case approvals, beneficiary details, payment information, and decisions made by the EIS\_GB and its Sub-Committee. We invite your comments and suggestions to enhance the quality and utility of future reports.

## **3. Objectives of the EIS-PSU Quarterly Report**

The report aims to inform stakeholders about approved beneficiaries and related financial transactions. It also seeks to improve these activities by analyzing data, identifying obstacles, and implementing corrective measures to support the overall objectives of the EIS Pilot.

## **4. Disability Assessment**

Disability assessment sessions have become an essential component of EIS Pilot operations. However, due to the unavailability of PPD case files, no sessions were conducted by the EIS-PSU from April 01 to June 30, 2024.

## **5. EIS\_GB and EIS\_GB Sub-Committee Meetings**

From April 01 to June 30, 2024, the following two tripartite meetings were organized:

### **a. 8<sup>th</sup> Meeting of EIS\_GB on May 13, 2024**

Ten EIS\_GB members and thirteen observer representatives attended the meeting. The meeting was very effective and took the following unanimous decisions:

- The GB approved the 3<sup>rd</sup> Quarterly Business Oversight and Financial Report of the EIS Pilot Special Unit.
- The GB approved to cover the costs of commuting accidents in the Ready-Made Garment Sector by the EIS Pilot from July 01, 2024.
- The GB endorsed the report of the 6<sup>th</sup> meeting of the EIS Sub-Committee.
- The GB approved Cases No: 2024.EIS.000022, 2024.EIS.000023, and 2024.EIS.000024 for benefit payment referred by the Sub-Committee.
- The GB approved the Actuarial valuation proposal.
- The 2<sup>nd</sup> Anniversary Event for EIS Pilot will be organized on the 1<sup>st</sup> week of July 2024 (the event was later postponed due to unavoidable circumstances).

### **b. 6<sup>th</sup> Meeting of EIS\_GB Sub-Committee on April 02, 2024**

The meeting was attended by six Sub-Committee members and seven observer representatives including representatives from ILO and GIZ. In the meeting, six death cases and one PPD case were discussed, and decisions were taken as given in the table below:

Date	Presented Cases		Approved Cases		Approve Beneficiaries		Not Approved Cases	Referred to GB
	Death	PPD	Death	PPD	Death	PPD		
April 02, 2024	6	1	3	1	7	1	0	3
<b>Total</b>	<b>6</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>7</b>	<b>1</b>	<b>0</b>	<b>3</b>

## 6. Review of 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 Governance Board members and observer representatives from ILO, GIZ, and EIS-PSU. The host organization, K-COMWEL, efficiently arranged all meetings and field visits. The Korean Government has proposed three initiatives for collaboration with the Government of Bangladesh:

### ➤ **Technical Assistance for Employment Injury Insurance**

Korea Workers' Compensation & Welfare Service (K-COMWEL) and the Ministry of Employment & Labour (Korea) have offered a 3-year Overseas Development Assistance (ODA) support (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 Ministry of Labor and Employment (MoLE) (Bangladesh) and K-COMWEL/MoLE (Korea) in December 2024.

### ➤ **Asian Workers Compensation Association (AWCA) Membership**

K-COMWEL has extended a membership offer to MoLE (Bangladesh) for the AWCA.

### ➤ **AWCA 60th Anniversary Invitation**

The Government of Bangladesh has been invited to participate in the 60th Anniversary of AWCA in Seoul in 2025.

## 7. 'ILO Technical Mission on EIS Pilot' on 12-16 May 2024

A two member ILO technical mission comprising of 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 visited Bangladesh from 12 to 16 May 2024. The team had intensive interactive bilateral meetings with various stake holders of the EIS Pilot (DG Central Fund, BEF, BGMEA, BKMEA, EIS-PSU, Brands, Donors and ILO Country Office clusters). The team presented Commuting Accident case and Actuarial Valuation of EIS Pilot to the 8<sup>th</sup> GB meeting held on 13 May 24 and the GB approved the proposals. 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.

## 8. 'Blueprint of Institutionalizing EIS Pilot' started in 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, 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

## 9. Data Analysis of Approved Cases

- a. The below table shows the death cases by quarterly period, dependents number, gender, average monthly payments per death case, and total paid amount till June 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 June 2024
22.06.2022 - 31.09.2022	3	3	0	9	5	4	6,990.07	471,628.44
01.10.2022 - 31.12.2022	5	5	0	11	5	6	5,260.42	527,046.67
01.01.2023 - 31.03.2023	2	2	0	4	1	3	4,678.22	222,751.93 <sup>1</sup>
01.04.2023 - 30.06.2023	2	2	0	6	2	4	4,319.17	124,169.15
01.07.2023 - 31.09.2023	5	5	0	11	5	6	4,089.99	453,484.33 <sup>2</sup>
01.10.2023 - 31.12.2023	1	1	0	2	1	1	3,347.95	26,783.52
01.01.2024 - 31.03.2024	3	1	2	8	4	4	11,245.99	189,607.85
<b>Total</b>	<b>21</b>	<b>19</b>	<b>2</b>	<b>51</b>	<b>23</b>	<b>28</b>	<b>5,847.76<sup>3</sup></b>	<b>2,015,471.89</b>

<sup>1</sup> In this quarter 85,510 BDT was paid as One time/instalment payment rest of paid as monthly payment.

<sup>2</sup> In this quarter 259,592 BDT was paid as One time/instalment payment rest of paid as monthly payment.

<sup>3</sup> Total average value equals to sum of each quarters case no x average benefit / total case no.

b. The below table shows the PPD cases by quarterly period, gender, average monthly benefit, and total paid amount till June 2024.

<b>Period of Accident</b> (dd.mm.yyyy)	<b>Total number of cases</b>	<b>Male</b>	<b>Female</b>	<b>Average benefit per case per month in BDT</b>	<b>Total benefit paid up to June 2024 in BDT</b>
01.10.2022 - 31.12.2022	4	4	0	2,539.17	449,876.11 <sup>1</sup>
01.01.2023 - 31.03.2023	2	2	0	1,672.84	54,527.16
01.04.2023 - 30.06.2023	2	2	0	1,660.19	200,615.61 <sup>2</sup>
01.07.2023 - 31.09.2023	2	1	1	5475.00	195,517.94 <sup>3</sup>
01.10.2023 - 31.12.2023	2	2	0	400.49	173,900.00 <sup>4</sup>
<b>Total</b>	<b>12</b>	<b>11</b>	<b>1</b>	<b>2,562.88</b>	<b>1,074,434.82</b>

c. The below table shows the benefit payment instalment by dates including the total cost of top-up benefit at the date of death and permanent disability.

<b>Title</b>	<b>Date of Payment</b> (dd.mm.yyyy)	<b>Total Number of Beneficiaries</b>			<b>Amount Disbursed (BDT)</b>		
		<b>Death</b> (Beneficiaries & Number of Cases)	<b>PPD</b>	<b>Total</b>	<b>Death</b>	<b>PPD</b>	<b>Total</b>
1 <sup>st</sup> Payment Disbursement	06.08.2023	08 (No of Cases: 03)	00	8	164,866.78	0.00	164,866.78
2 <sup>nd</sup> Payment Disbursement	03.09.2023	17 (No of Cases: 08)	6	23	319,047.30	193,201.63	512,248.93

<sup>1</sup> In this quarter 278,531 BDT was paid as One time/instalment payment rest of paid as monthly payment.

<sup>2</sup> In this quarter 167,254 BDT was paid as One time/instalment payment rest of paid as monthly payment.

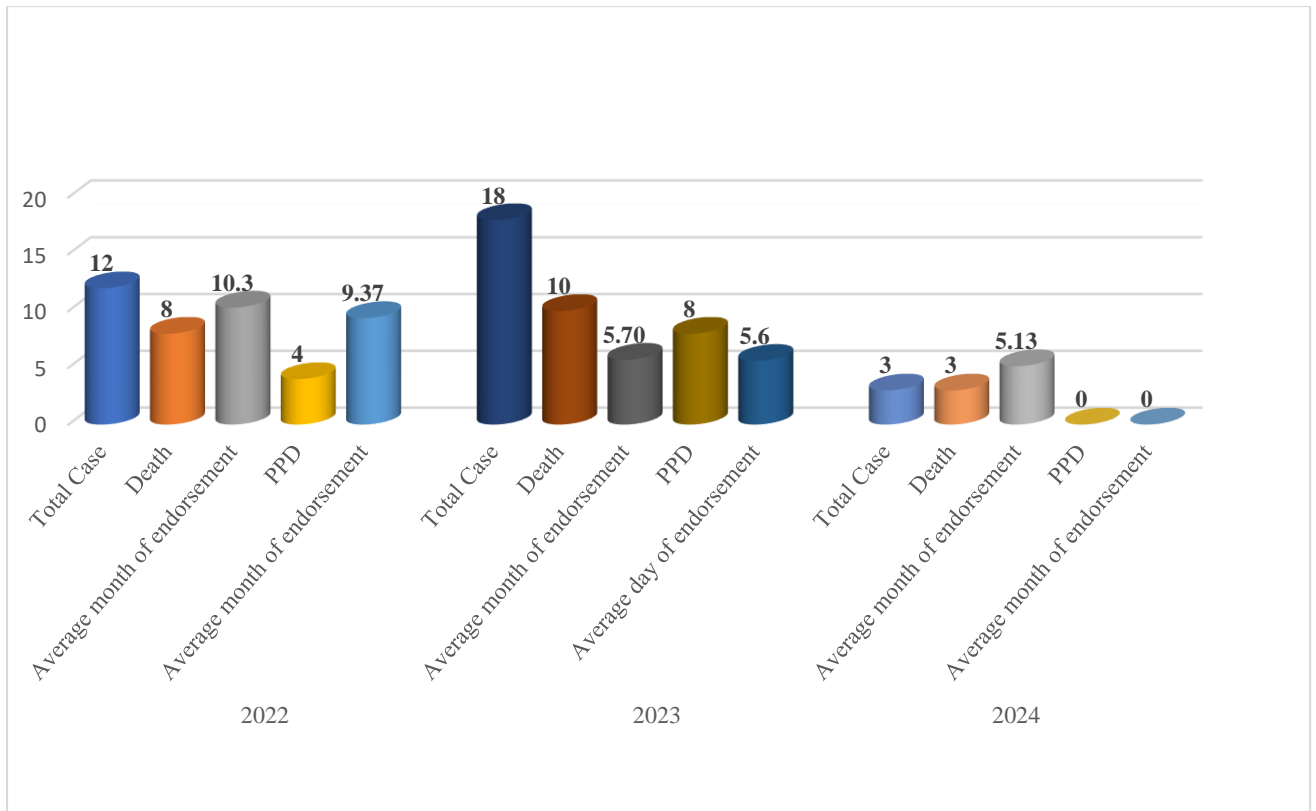
<sup>3</sup> In this quarter 121,893 BDT was paid as One time/instalment payment rest of paid as monthly payment.

<sup>4</sup> In this quarter 173,900 BDT was paid as One time/instalment payment rest of paid as monthly payment.

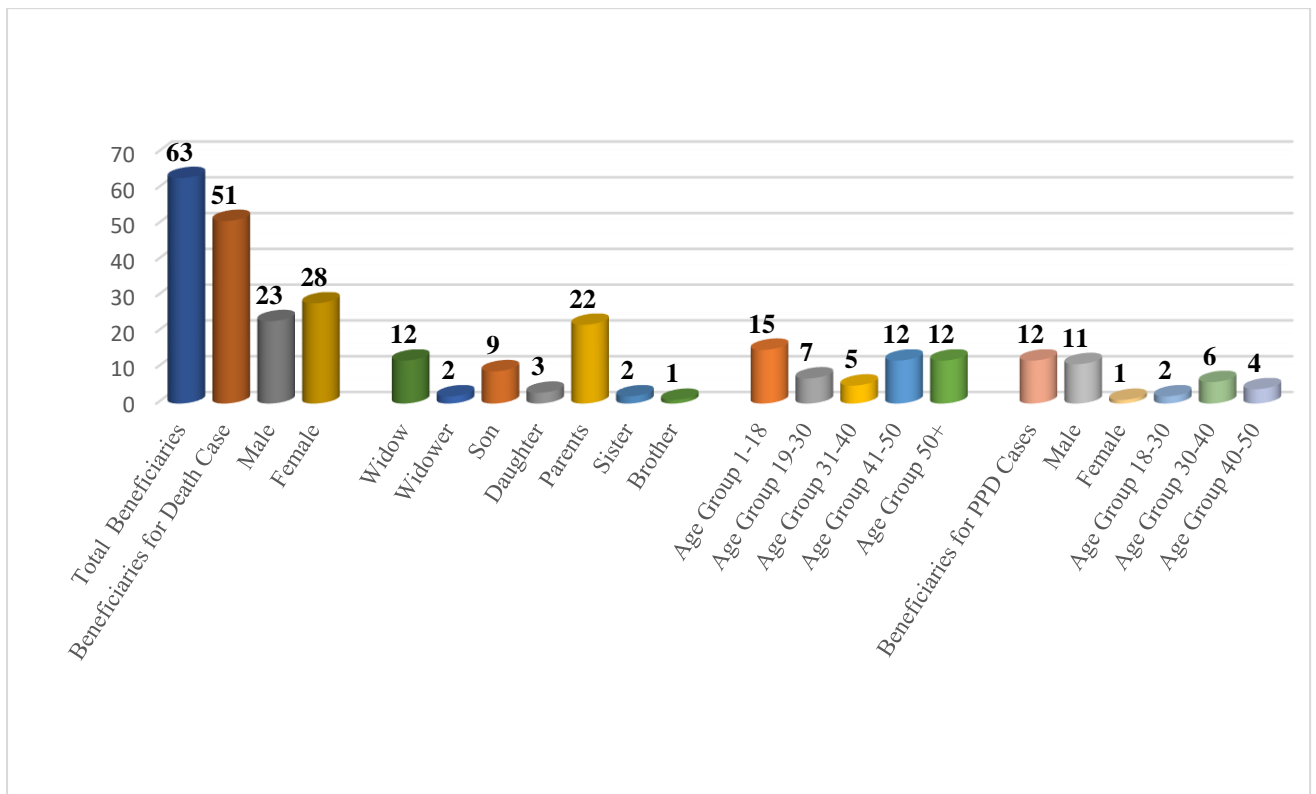
3 <sup>rd</sup> Payment Disbursement	01.10.2023	17 (No of Cases: 08)	5	22	45,575.26	12,551.43	58,126.69
4 <sup>th</sup> Payment Disbursement	17.10.2023	8 (No of Cases: 03)	1	9	187,451.29	55,751.33	243,202.62
5 <sup>th</sup> Payment Disbursement	26.10.2023	24 (No of Cases: 11)	5	29	66,248.42	12,551.43	78,799.85
6 <sup>th</sup> Payment Disbursement	30.11.2023	24 (No of Cases: 11)	5	29	60,105.37	12,551.43	72,656.80
7 <sup>th</sup> Payment Disbursement	01.01.2024	27 (No of Case:13)	6	33	89,472.47	28,900.97	118,373.44
8 <sup>th</sup> Payment Disbursement	01.02.2024	31 (No of Case: 15)	11	42	90,111.43	276,817.40	366,928.83
9 <sup>th</sup> Payment Disbursement	29.02.2024	30 (No of case:14)	7	37	72,387.51	25,954.64	98,342.15
10 <sup>th</sup> Payment Disbursement	05.05.2024	38 (No of Cases:18)	8	46	469,938.02	147,847.64	617,785.66
11 <sup>th</sup> Payment Disbursement	05.14.2024	36 (No of Cases:18)	10	46	86,886.73	256,397.64	343,284.37
12 <sup>th</sup> Payment Disbursement	05.30.2024	44 (No of cases:21)	7	51	242,756.81	25,954.64	268,711.45
13 <sup>th</sup> Payment Disbursement	06.24.2024	44 (No of cases:21)	7	51	120,624.50	25,954.64	146,579.14
<b>Total Amount Disbursed:</b>					<b>2,015,471.89</b>	<b>1,074,434.82</b>	<b>3,089,906.71</b>
<b>Total cost of top-up benefit at the date of death and permanent disability:</b>					<b>31,624,478.00</b>	<b>9,733,666.00</b>	<b>41,358,144.00</b>



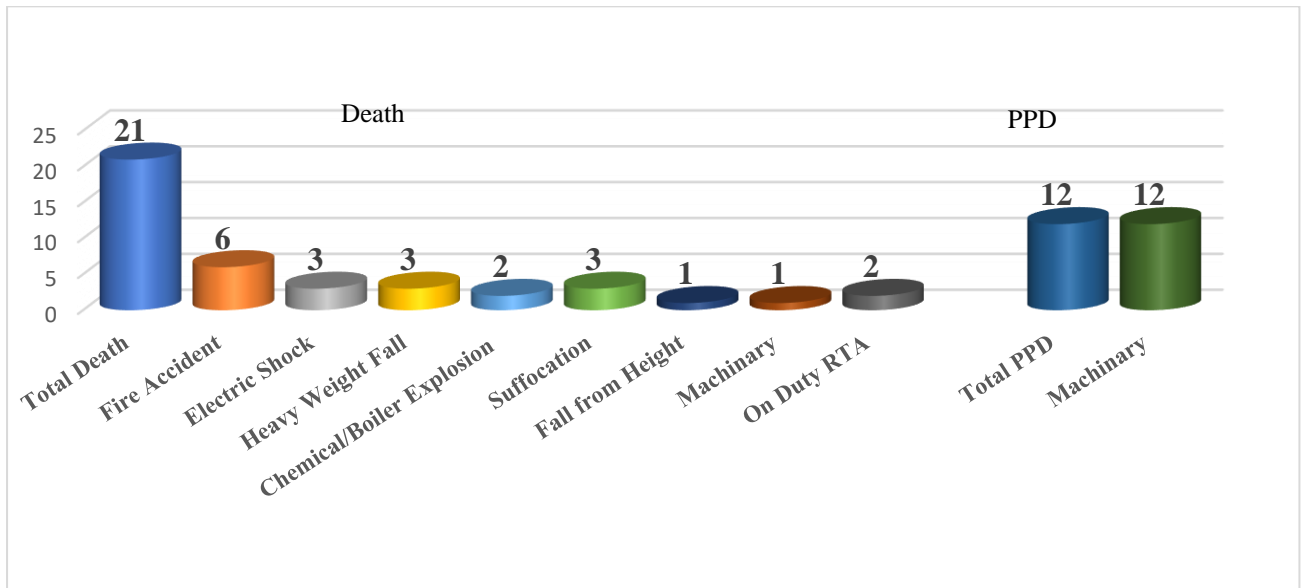
d. The below graph shows the yearly number of approved cases and months taken from the accident date to EIS approval by the Sub-Committee.



e. The below graph shows beneficiary analysis by gender, relationship with workers, and age group.

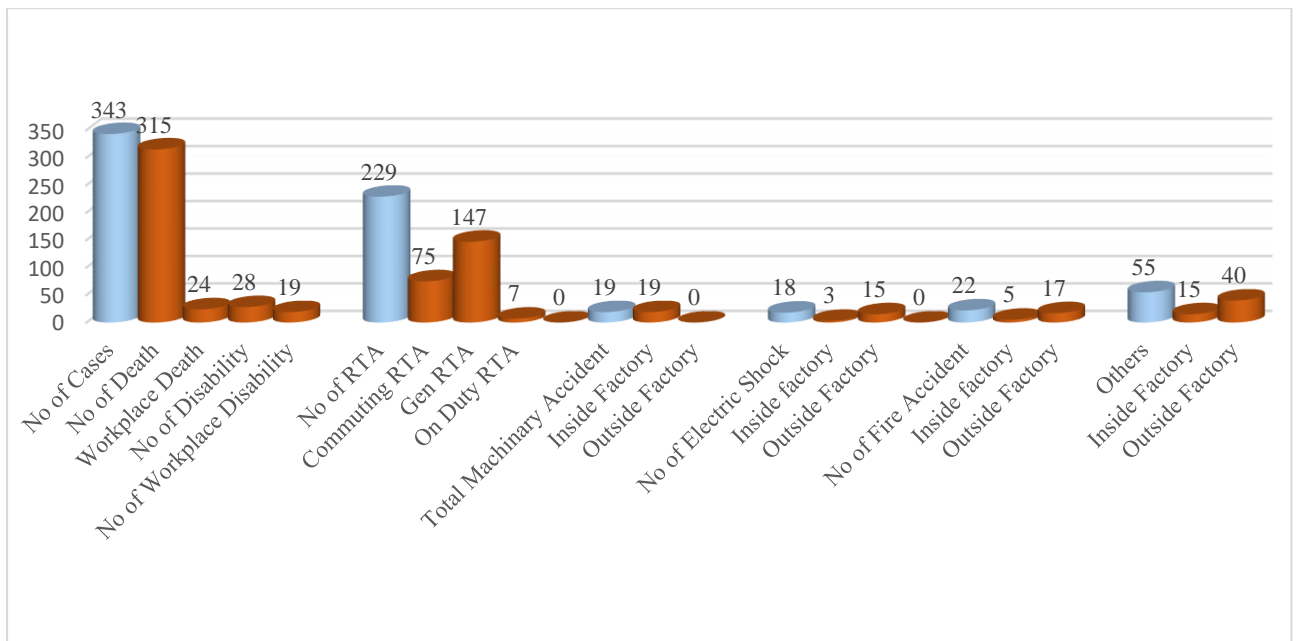


f. The below graph shows the number by the cause of accidents.



## 10. 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 CF by the type of accident.



## 11. Quarterly Financial Report

The quarterly financial report is prepared from receipts and 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 adhere to the approved annual budget, except for HR costs, which are covered by GIZ from their funds. The program support cost is minimal, considering that the initial office setup, equipment, furniture, and stationery were financed by GIZ

## Quarterly Financial Report

For the Period of 1 April, 2024 to 30 June, 2024

Expenses:					
Date	Voucher #	A/C Code	Expenditure Details	Paid (BDT)	Remarks
A	B	C	D	E	F
04-04-24	PV# 26	510	Top-up benefit payment up to 29 February, 2024 Total paid to 37 beneficiaries (death 30 & PPD 7) Total 21 cases (death 14 & PPD 7)	98,342.15	
23-04-24	PV# 27	5301	File Server (MIS), Stationery and Printing Items Purchase	173,918.00	
05-05-24	PV# 28	510	Top-up benefit payment up to 31 March, 2024 Total paid to 46 beneficiaries (Death 38 & PPD 8) Total 26 cases (Death 18 & PPD 8)	617,785.66	
14-05-24	JV# 14	5311	6th Sub Committee Meeting	25,170.00	
14-05-24	JV# 15	5306	8th GB Meeting	39,020.00	
14-05-24	PV# 31	510	Top-up benefit payment up to 30 April, 2024 Total paid to 46 beneficiaries (Death 36 & PPD 10) Total 28 cases (Death 18 & PPD 10)	343,284.37	
30-05-24	PV# 33	5308	5th Disability Assessment Expense	4,400.00	
13-06-24	PV# 34	5304	EIS-PSU Staff Field Visit (Travel, Food, Night Allowance)	4,960.00	
13-06-24	PV# 35	5307	Sub-Committee Meeting and Other Meeting Expense (Meeting with EU Delegate)	1,815.00	
24-06-24	PV# 36	5301	Top-up benefit payment up to 31 May, 2024 Total paid to 51 beneficiaries (Death 44 & PPD 7) Total 28 cases (Death 21 & PPD 7)	146,579.14	
24-06-24	PV# 37	5301	Top-up benefit payment up to 30 June, 2024 Total paid to 51 beneficiaries (Death 44 & PPD 7) Total 28 cases (Death 21 & PPD 7)	268,711.45	
30-06-24	PV# 38	5314	Bank Charge	345.00	
<b>30-06-24</b>			<b>Total Expense</b>	<b>1,724,330.77</b>	

Receipt:					
Date	Voucher #	A/C Code	Particulars	Received (BDT)	Remarks
A	B	C	D	E	F
01-04-24			Opening Balance	2,411,464.07	
16-05-24	RV#3	-	Received from ILO	6,087,840.00	
<b>30-06-24</b>			<b>Received Balance</b>	<b>8,499,304.07</b>	

Reconciliation:			
Date	Particulars	Amount (BDT)	Remarks
A	B	C	D
30-06-24	Received Balance	8,499,304.07	
30-06-24	Current Quarter Total Payment	1,724,330.77	
<b>30-06-24</b>	<b>Ledger Balance (Received Balance-Current Quarter Total Expense)</b>	<b>6,774,973.30</b>	
<b>30-06-24</b>	<b>Bank Balance As Per Bank Statement</b>	<b>6,774,973.30</b>	

### 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 63 Beneficiaries for 12 PPD & 21 Death Cases	41,358,144	

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

## 12. Coordination Meetings with Stakeholders

Between April 01, 2024, to June 30, 2024, the following types of coordination meetings with stakeholders were arranged:

### a) Factory Orientation Sessions regarding EIS Pilot:

A total of 94 factories and suppliers from different brands participated in the orientation session for the EIS Pilot. The specific dates and inviting brands are given below:

Date	Name of Brands
April 22, 2024	Carrefour
April 24, 2024	Tesco
April 28, 2024	Tally Weijl
April 29, 2024	Decathlon, Amazon, Zeeman
May 26, 2024	OVS
June 03, 2024	Oberalp, Just Group, One plus All

### b) Monthly Meetings with Local Brands

Between April 01 and June 30, 2024, three meetings were held with brand representatives, ILO, GIZ, and EIS-PSU. These meetings, which took place on the second Tuesday of each month, focused on information sharing on EIS Pilot operational and strategic matters. Till 30 June 52 brands have signed pledges for EIS Pilot including 6 new brands during this quarter.

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

Description	Date	Participants	Place
MIS User Training	May 19, 2024	Coordinator, AFO, MISO, VDCO	Techno heaven Office, Mohakhali, Dhaka
MIS Admin Training	May 20, 2024	Coordinator, AFO, MISO, VDCO	Mohakhali, Dhaka
Workshop on Selection of sample inclusion criteria and cost analysis method for the rehabilitation services for injured workers from the RMG sector	May 28, 2024	Coordinator, VDCO	UCEP, Mirpur, Dhaka
Field visit of DIFE doctors on Disability Assessment to CRP	June 09, 2024	Coordinator, VDCO	CRP, Savar, Dhaka

## 13. Challenges and Way Forward of the EIS-PSU

### Challenges

- Awareness building of the EIS Pilot and its business processes.
- Accidents reporting through DIFE's LIMA system and inadequate accident description.
- Accident cases are erroneously mentioned as normal deaths in the Central Fund Application.

- Communication challenges with beneficiaries often arise from network, phone, and non-responsive issues.

### **Way Forward**

- More stakeholder awareness-building programs to promote the importance of reporting accidents through DIFE's LIMA system. Improving the current situation requires a collaborative effort involving the government, brands, development partners, and industrial associations such as BGMEA/BKMEA.
- Factories need to proactively gather detailed accident information and maintain comprehensive accident records.
- Dissemination of factory orientation training contents at all levels by the training attendees.
- Information about the EIS Pilot business process should be included in all meetings, printed materials, workshops, training programs, and publications of all stakeholders.
- Keeping backup contact details of beneficiaries' close relatives or neighbours is advisable to ensure effective communication during critical situations.

## **14. Conclusion**

This is the 4<sup>th</sup> Quarterly Business Oversight and Financial Report since the EIS-PSU was established. We truly value the input and guidance from all stakeholders. We believe that the report effectively reflects our wide-ranging activities, and we eagerly anticipate improving it with valuable feedback from our readers.

### 13. Photographs of a few Important Events



a) Study Visit of the tripartite delegation from Bangladesh to K-COMWEL, Seoul, South Korea on 16-21 April 2024



c) 6<sup>th</sup> Meeting of EIS Sub-Committee on April 02, 2024



d) ILO Technical mission on EIS-Pilot on 12-16 May 2024.



e) 8<sup>th</sup> Meeting of EIS Governance Board on May 13, 2024



f) The EIS-PSU team joined training on MIS at Technohaven on May 19-20, 2024



g) Workshop on selection of sample inclusion criteria and cost analysis method for the rehabilitation services for injured workers from the RMG sector on 28 May, 2024





h) The EIS Orientation Training for RMG factories



i) Meeting with BGMEA, ILO, and GIZ to discuss open cases and designate focal persons on June 02, 2024



i) Visit to CRP by DIFE Doctors, GIZ, and EIS-PSU Officials on June 09, 2024