

A National Employment Injury Scheme for Bangladesh

Coverage and Benefits – report no.1

A report summarizing the outcomes of first tripartite workshop on designing the coverage and benefit system of National Employment Injury Scheme (EIS) in Bangladesh.

Prepared by

ILO & GIZ

Validated by authorities on

8 July 2025

1. BACKGROUND

The Government of Bangladesh has launched a Pilot of the Employment Injury Scheme (EIS-Pilot) on 21st June 2022, to provide adequate compensation for work-related injuries – covering four (4) million workers in export-oriented readymade garments (RMG) sector in Bangladesh – in line with international standards. The five-year Pilot received financial contribution from more than 70 international Brands with a commitment to support the Pilot until June 2027. Before the end of Pilot, the Government of Bangladesh has committed to establishing a National Employment Injury Scheme designed in close consultation with national tripartite stakeholders and fully aligned with national socio-economic context and international labour standards (in particular Employment Injury Benefits Convention (No. 121)).

The design of National EIS follows a detailed consultative process with national stakeholders – with following major consultative events to be organised in 2025:

- | | | |
|---------------|--|----------------|
| • Workshop-1: | Coverage and Benefits of National EIS | May 2025 |
| • Workshop-2: | Administration and Governance of National EIS | July 2025 |
| • Workshop-3: | Costing and Financial sustainability of National EIS | September 2025 |

Furthermore, a high-level dialogue process is also maintained at Geneva level, when the Bangladesh delegation regularly meets with the ILO leadership during Government Body or International Labour Conference sessions.

As a result of these workshops, a framework for National EIS will be developed, outlining key features of the National Scheme to be included in a draft law.

First workshop was organized jointly by the Ministry of Labour & Employment (MoLE), ILO and GIZ on 14th May 2025 in the Conference Room of MoLE. This report summarizes the outcomes of this workshop.

2. INTRODUCTION

The workshop served as a platform to foster a shared understanding and establish policy directions among national stakeholders regarding the National Employment Injury Scheme (EIS) in Bangladesh. Its primary focus was to ensure alignment of National EIS with the ongoing EIS Pilot, international standards, and the National Social Security Strategy (NSSS). The specific goals included assessing risk coverage, designing a comprehensive benefits package and determining fair compensation frameworks in line with international labour standards. Additionally, the workshop focused on planning the EIS's gradual expansion and building tripartite consensus to align technical recommendations with legislative reforms and secure their commitment towards national EIS.

Based on the insightful discussions, the workshop culminated in the identification of several actionable steps to guide the way forward, which are outlined in detail in Chapter 7 of this report. The summary of the agreed points is as follows:

- a) include coverage for accidents and diseases under the national EIS, with priority given to accident coverage in the initial phase;
- b) establish a social security institution to oversee all EIS benefits—both short- and long-term—starting with the administration of long-term benefits;
- c) retain EIS Pilot practices on compensation levels and apportionment principles, refine benefit redistribution mechanisms (requires further practice), and set a maximum insurable earning for EIS calculation;
- d) collaborate with relevant institutions to implement mandatory registration of factories and develop criteria for sector-specific phased expansion of the EIS.

3. PARTICIPANTS

A total of 37 participants (male 26, female 11) attended the workshop. The detailed list of participants is as follows:

SL.	Name	Designation	Organization
1.	AHM Shafiquzaman	Secretary	Ministry of Labour & Employment (MoLE)
2.	Md. Humayun Kabir	Additional Secretary (IO Wing)	Ministry of Labour & Employment (MoLE)
3.	Fahmida Akhter	Additional Secretary (Development Wing)	Ministry of Labour & Employment (MoLE)
4.	Amal Krishna Mandal	Additional Secretary (Admin)	Ministry of Labour & Employment (MoLE)
5.	Mohammad Mashooqur Rahman Sikder	Joint Secretary (Law)	Ministry of Labour & Employment (MoLE)
6.	Md. Abdus Samad Al Azad	Joint Secretary (Administration)	Ministry of Labour & Employment (MoLE)
7.	Monir Hussain Khan	Additional Secretary/DG	Central Fund (CF)
8.	Ms. Tahmina Begum	Director	Central Fund (CF)
9.	Shamima Sultana	Deputy Director	Central Fund (CF)
10.	Magfurul Awwal	Assistant Director	Central Fund (CF)
11.	Farid Ahmed	AIG	Department of Inspection for Factories and Establishments (DIFE)
12.	Sarwar Kamal	Deputy Secretary (Coordination & Reforms)	Cabinet Division
13.	Farooq Ahmed	General Secretary	Bangladesh Employers Federation (BEF)
14.	Md. Mahabur Rahman	Legal Officer	Bangladesh Employers Federation (BEF)
15.	ANM Saif Uddin	Chair of Standing Committee ILO and Labour Affairs	Bangladesh Garment Manufacturers and Exporters Association (BGMEA)
16.	Sharif Hossain	Senior Joint Secretary	Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA)
17.	Md Nazmul Islam Bhuiyan	Additional Executive Director (Enterprise Services and Industrial Relations)	Bangladesh Export Processing Zone Authority (BEPZA)
18.	Abu Fattah MD. Issa	Senior manager	Leathergoods And Footwear Manufacturers & Exporters Association of Bangladesh (LFMEAB)
19.	Sharif Nawrin Akter	Senior manager	Leathergoods And Footwear Manufacturers & Exporters Association of Bangladesh (LFMEAB)
20.	Touhidur Rahman	President/ Representative	BAWF/ IndustriALL Bangladesh Council (IBC)

SL.	Name	Designation	Organization
21.	Razekuzzaman Ratan	President/ Representative	SLF/ National Coordination Committee for Workers' Education (NCCWE)
22.	Aminul Arifeen	Project Manager, SSPS Project	UNDP
23.	Abdul Bari	Consultant, SSPS Project	UNDP
24.	Dr M A Razzaque	Chairman	RAPID (Facilitator)
25.	Dr Anne Marie La Rosa	Technical Specialist on EIS	ILO Geneva
26.	Andre Picard	Head of Actuarial Services Unit	ILO Geneva
27.	Saad Gilani	Chief Technical Advisor, EIS-Pilot	ILO Bangladesh
28.	Noushin Shah	National Project Coordinator, EIS-Pilot	ILO Bangladesh
29.	Mosrat Jahan	M&E Officer, EIS-Pilot	ILO Bangladesh
30.	Farjana Reza	Project Officer, Social Protection	ILO Bangladesh
31.	Dr Silvia Popp	Project Manager, Social Protection	GIZ Bangladesh
32.	Syed Moazzem Hossain	Senior Technical Advisor, Social Protection	GIZ Bangladesh
33.	Anab Anwar	Communication Specialist, GIZ InS	GIZ Bangladesh
34.	Sabrina Ahmed	Consultant, SoSi	GIZ Bangladesh
35.	Shafiqul Islam	Senior Advisor	EIS Pilot Special Unit
36.	Sujana Tabbasum	Coordinator	EIS Pilot Special Unit
37.	Faruque Hasan	Technical Coordinator MIS	EIS Pilot Special Unit

4. EXPECTATIONS OF THE PARTICIPANTS

Throughout the workshop, participants actively shared their suggestions and insights in response to session-specific questions. Their primary expectation was to establish baseline criteria for beneficiary coverage and benefits, which would guide them in developing a plan to gradually transition the EIS Pilot into a National EIS program. Additionally, they emphasized the importance of better understanding the institutionalization process and ensuring it aligns with both the national context and international standards.

5. METHODOLOGY AND FLOW OF THE EVENT

The workshop featured five (5) interactive plenary sessions held in the Ministry of Labour and Employment conference room. Each session included expert presentations on key concepts, small group discussions between Government, Employers, and Workers, guided by specific questions, plenary exchanges to capture diverse perspectives, and summary wrap-ups highlighting emerging consensus and differences. The detailed agenda is provided below. After discussions, sessions four and five were merged to ease the flow of the debate.

6. AGENDA

Time	14 May 2025 (Wednesday)
	<i>WORKSHOP PART-1: Building technical foundations for consensus</i>
9:30 – 10:30	a) Opening Session b) Objectives & agenda (ILO) c) EIS and coverage: an overview
10:30 – 11:00	Session-1: Defining what risks are covered
11:00 – 11:30	Session-2: Benefit package (short and long term)
	<i>WORKSHOP PART-2: Strategic anchoring and political alignment</i>
11:30 – 12:30	Session-3: Beneficiaries: compensation levels and apportionment principles
12:30 – 13:45	Session-4 & 5: Compulsory registration, & Building national consensus on gradual extension
13:45 – 14:00	Summary Conclusion & Closing

7. KEY TAKEAWAYS FROM THE SESSIONS

The workshop commenced with an opening session led by the Secretary Ministry of Labour and Employment. Following an overview of the EIS, the ILO and GIZ experts highlighted key issues across five thematic areas (as outlined in the agenda). The resource person from RAPID facilitated discussions to reach a consensus on a list of agreed-upon points.

Apart from technical presentations, all discussions were allowed to be bilingual (Bengali and English) to ensure maximum participation of national stakeholders to share their feedback and inputs on each agenda item. Interpretations were arranged for the non-Bengali speakers.

7.1. Session-1: Risk coverage

Key questions:

- What should be the core categories of risks (accidents, diseases) covered under the national EIS? How should they be defined?
- Should a commuting accident be included under the EIS?
- How should the scheme define and assess impairment and disability?
- How should the assessment process be institutionalized?
- How should the capacity to detect and treat occupational diseases be improved to support fair benefit entitlement?

The session started with discussions on key risk categories for inclusion in the National EIS. While both accidents and diseases were recognized as core risk categories, some participants emphasized that substantial experience is currently being gained in managing workplace accidents. In contrast, addressing occupational diseases requires further capacity building and the development of specialized expertise.

Participants agreed in principle on the inclusion of commuting accidents within the National EIS. For example, there was broad consensus on covering incidents involving employer-provided transport. However, some participants raised concerns about extending coverage to risks over which employers have no control. It was suggested that further discussions were needed, potentially involving a broader range of stakeholders, including the Bangladesh Road Traffic Authority, to explore feasible solutions.

Participants acknowledged that Schedule 3 of the Bangladesh Labour Act (BLA) urgently needs to be revised to align with current best practices and reflect modern occupational diseases. To make the diagnosis of such diseases more relevant, some proposed sector-level initiatives aimed at developing targeted skills and competencies to address sector-specific occupational risks. Additionally, they recommended implementing a mechanism for periodic review of the list of diseases to ensure its continued relevance.

The importance of the Department of Inspection for Factories and Establishments (DIFE) was recognized, along with the need to enhance the capacity of general hospitals to conduct on-site assessments of occupational diseases. Participants also proposed establishing dedicated service desks for hospital workers to streamline access to these services. There was consensus that the current schedule (Schedule 1) used for assessing disability and impairment under the EIS Pilot is outdated and requires substantial improvement.

Finally, there was a consensus on strengthening institutional capacity for assessing disabilities and occupational diseases (activities the costs of which are not foreseen in the current EIS Pilot). The government highlighted the potential to upgrade 32 existing Labour Welfare Centres for occupational disease treatment, with plans to establish an additional 32 centres to ensure nationwide coverage across all 64 districts. There was strong support for creating specialized healthcare institutions in upazilas and industrial areas. Some participants also emphasized the need to establish a dedicated rehabilitation mechanism under the national EIS scheme. It was agreed that the long-term financing for all of the above still needed to be agreed upon and guaranteed.

7.2. Session-2: Benefit package (short and long term)

Key questions:

- Should all benefits – both short and long term – be administered by the EIS institution?
- What are the risks if different benefits remain under separate institutions or schemes?
- What are the advantages to have all benefits administered by the same institution?
- What principles should guide the integration or coordination of benefits with other social insurance/protection programmes?
- What other existing national schemes or allowances can result in duplication of benefits?

The session explored the advantages and disadvantages of having all benefit schemes administered through a single institution versus multiple institutions. Participants agreed that a single institution should oversee all benefits (short-term and long-term) to ensure quality services for the beneficiaries. The government shared that the Ministry of Labour and Employment is planning to establish a single social security institution to serve this purpose.

Employers and workers shared insights from their study tours to Cambodia and South Korea, where all benefits are managed under a comprehensive Employment Insurance Scheme. However, participants stressed that Bangladesh was not yet ready to implement all benefits (long-term and short-term) at once, and proposed a phased approach, starting with long-term benefits for which a strong experience was currently gained under the EIS Pilot. Short-term benefits should be added later. It was proposed that existing institutions should continue managing short-term benefits during this transition period. Some participants emphasized the need to ensure that rehabilitation be also considered in such an architecture.

Participants agreed to ensure collaboration between National EIS and other existing institutions to address any duplication or enhance harmonization.

7.3. Session-3: Compensation levels and apportionment principles

Key questions:

- What compensation levels (for permanent disability and death) are appropriate, in line with international standards?
- What should be the guiding principles for apportioning compensation among multiple eligible beneficiaries
 - Should there be a fixed priority order? If yes, what should it be?
 - Should the widower be treated like the widow?
 - What about redistribution among beneficiaries in case of the death or ineligibility of one of them?
- When should benefits be suspended, reduced or terminated?
- Should there be a maximum insurable wage (ceiling) and, if so, at which level?

In the third session, discussions centred on compensation levels and apportionment principles for the national EIS. Participants agreed that the EIS Pilot, where compensation aligns with national laws and international practices, should be continued under the National EIS. Regarding apportionment principles, participants noted that while the BLA defines the beneficiary list, it does not specify distribution percentages amongst them. The EIS Pilot includes a fixed priority order for beneficiaries and specific compensation percentages, as outlined in the EIS Governance Rules. It was suggested that the same approach could be adopted for the National EIS. There was consensus that widows and widowers should receive equal treatment based on principles of fairness. Some participants suggested revisiting the redistribution mechanism in the EIS Pilot to address evolving circumstances—for instance, reallocating benefits to parents if a deceased worker's spouse remarries. Others proposed documenting such cases from the EIS Pilot for reference in the National EIS.

Participants observed that the EIS Pilot's policies for suspending, reducing, or terminating benefits were consistent with international standards and should remain unchanged in the National EIS.

All participants supported setting a maximum insurable wage ceiling for calculating EIS benefits. ILO experts shared that, based on international standards, the ceiling is often set at multiple of the minimum wage, covering 75% of workers' average salaries. Considering Bangladesh's context, a ceiling of four to six times the minimum wage was proposed for the EIS Pilot, with the final amount to be decided for the National EIS.

7.4. Session-4 & 5: Compulsory registration & Consensus on gradual extension

Key questions:

- Should all formal workers (or only all industrial workers) be covered from the outset, or should a progressive coverage model be applied?
- What about informal sector workers?
- What sectors are currently ready for inclusion?
- How can a system of compulsory employer and worker registration be effectively enforced? How to make it universal?
- What are the responsibilities of the stakeholders in the registration process, and how to ensure compliance?

The last two sessions were merged and concluded with discussions on potential actions for mandatory registration process and a phased extension plan for the national EIS. Participants agreed that all formal workers should be gradually included in the national EIS, with consideration given to the costs associated with each sector. Some suggested starting with export industries and expanding gradually to other formal sectors. Others proposed conducting formal studies with wider stakeholders' input to guide the extension plan based on the assessment of which sectors are ready to join. In this last case, it was stressed that however this gradual approach should be accompanied by a strict timeline.

Regarding the inclusion of the informal economy workers, participants noted that there is no formal distinction between formal and informal sectors in BLA. However, a major challenge lies in the lack of adequate data and information necessary to effectively reach and include informal workers. Some participants suggested conducting studies to develop sector-specific mechanisms for their inclusion, while others stressed prioritizing high-risk sectors. The examples of the agricultural and fisheries sectors, where 200–300 workers die annually due to thunderstorm, were mentioned. Participants agreed that formalization of labour relations was key. Nevertheless, a consensus on how to treat informal sector workers in formalized industries still needs to be reached.

The EIS Pilot is already being implemented in export-oriented RMG industries including the EPZ RMG factories. Some participants proposed including the leathergoods and footwear sector (replication of the EIS Pilot in the leather and footwear sector has already started) in the national EIS at the outset, while others suggested adding the pharmaceutical sector and sectors with established minimum wages for future inclusion. The National Economic Census 2024 by the Bangladesh Bureau of Statistics (BBS), could help identify the potential/ priority sectors.

To introduce a mandatory registration system for employers and workers, participants emphasized the need to adopt a digital transformation of the registration system. A digital system would not only facilitate registration but also improve monitoring and tracking of progress. The importance of upgrading the current system was stressed. To do so, it was suggested that development partners, such as GIZ, be involved for technical support. On the other hand, some suggested mandatory registration for all new factories and introducing a simplified process for registering old factories through DIFE. They also proposed a plan to prepare a unique ID under the Ministry of Labour and Employment for each person before joining employment. All stakeholders agreed on the need for collaboration among relevant institutions to achieve universal registration coverage.

8. IMPACT OF THE DISCUSSIONS ON THE NATIONAL FRAMEWORK FOR AN EIS

The discussion enabled the identification of numerous technical elements related to the coverage and benefits provided under a national Employment Injury Scheme (EIS). Indeed, any framework must include clear definitions. The discussion brought to light the following points:

- Occupational injuries include both work-related accidents and occupational diseases.
- Although they may be subject to distinct coverage conditions, commuting accidents are also included within the scope of the scheme.
- Beneficiaries and dependants are those already defined under section 2(30) of the BLA.
- Disability assessment is based on the schedule set out in Schedule 1 of the Act, which is due for revision.
- The list of occupational diseases is included in Schedule 3 of the Act, which also requires review in line with the ILO list of occupational diseases, 2014.
- The assessment of income loss in cases of permanent incapacity is based on the disability assessment (and not on impairment).
- Short-term benefits include medical care, allied care, and temporary income replacement. Although rehabilitation is not covered under the BLA, it should be anticipated as part of the short-term benefits under the national EIS scheme, even if its implementation may be delayed.
- Long-term benefits include compensation for loss of income in cases of death or permanent incapacity.
- Compensation is paid in the form of a pension, except in exceptional cases (as already tested under the EIS Pilot).
- Cases of suspension, reduction, or termination of benefits follow the same modalities already tested in the EIS Pilot.
- The compensation rate is set at 60% in cases of total permanent incapacity. This rate is multiplied by the percentage of partial permanent incapacity to determine the corresponding benefit.
- The compensation rate is set between 40% and 60% in case of the death of the insured person.
- The apportionment rules tested during the EIS Pilot should form the basis of the system integrated into the national framework.
- All workers employed in any of the nationally recognized sectors should be covered in a phased approach, regardless of the nature of their employment relationship. The coverage of a specific sector will become effective upon government notification.
- The registration of all employers is mandatory within a specified period following the commencement of the scheme or the start of business operations.

10. PHOTOS



9. ANNEXES

Presentations



Why this session matters

- Lays the **foundation for coverage and eligibility** under the EIS
- Key to defining who gets protection and for what
- Ensures **clarity, fairness, and legal enforceability**
- Aligns with Bangladesh context and international standards and best practices

What Should be Covered?

Core Risk Categories:

- Workplace accidents
- Occupational diseases
- Commuting accidents

→ These must be **clearly and operationally defined**

→ Definitions must align with **international standards** and **national realities**

Disability assessment – Current Gaps

- Outdated Schedule 1 (to be urgently updated) and impairment assessment tools required
- Eligibility and Benefit level depend on proper assessment
- Network of services
- Develop national **occupational medicine capacity**

Occupational Diseases – Current Gaps

• Covered in **Schedule 3 of the Labour Act**

• **Challenges:**

- Outdated classifications
- Lack of standardized diagnostic criteria
- Limited capacity for detection and assessment

Recommendation:

- Update Schedule 3 with modern, evidence -based list
- Develop national **occupational medicine capacity**

Key questions

- What should be the core categories of risks (accidents, diseases) covered under the national EIS? How should they be defined?
- Should a commuting accident be included under the EIS?
- How should the scheme define and assess impairment and disability?
- How should the assessment process be institutionalized?
- How should the capacity to detect and treat occupational diseases be improved to support fair benefit entitlement?



Tripartite technical Workshop 1

Session 2 – Benefit Package (Short and Long Term)

14-15 May 2025



Why this Session is Important

- Defines what workers and dependents receive under the national EIS
- Ensures benefits are timely, fair, and adequate
- Prevents duplication across fragmented schemes
- Integrates lessons from the EIS Pilot and international best practices

The Two Pillars of Benefits

Short-Term Benefits

Medical and allied care

Rehabilitation

Temporary income replacement

Long-Term Benefits

Permanent disability pensions

Survivors' benefits (incl. funeral costs)

Indexed, periodic payments

→ Goal: **Unified benefit system**, not split across multiple entities

From the EIS Pilot to National Scheme

- Pilot covers:
 - Long-term income replacement
 - Employer provides short-term support directly
- Possible avenue:
 - National EIS integrates both short - and long-term benefits under one institution for:
 - Efficiency
 - Oversight
 - Equity
 - Cost control

Key questions



- Should all benefits – both short and long term – be administered by the EIS institution?
 - What are the risks if different benefits remain under separate institutions or schemes?
 - What are the advantages to have all benefits administered by the same institution?



Tripartite technical Workshop 1

Session 3 – Compensation level and apportionment principle

14-15 May 2025

Why this Session is Important

- To understand the structure of compensation in EIS-Pilot
- Ensures benefit level complies with ILO Convention 121
- Discuss apportionment of benefits among eligible survivors and redistribution options
- What lessons from the EIS-Pilot can be used to feed the national EIS

Minimum levels of benefits of ILO Convention 121

- Temporary or initial incapacity for work: 60% of wage
- Permanent total loss of earning capacity: 60% of wage
- Permanent partial loss of earning capacity: a suitable proportion of the 60% of wage
- Death: Widow with 2 children: 50% of wage
- Pensions should be adjusted to reflect increase in cost of living
- Small pensions can be paid in a lump sum
- Funeral benefit: not less than normal cost of a funeral

Benefits under the EIS-Pilot

- Short-Term Benefits: Not covered by the EIS-Pilot – Remains under the BLA
- Permanent total disability: 60% of wage
- Permanent partial disability: % of disability x 60% of wage
- Death: Between 40% and 60% depending on type(s) and number of eligible dependents
- Pensions reviewed following substantial changes in the general level of earnings resulting from change in CoL

Benefits under the EIS-Pilot

- Eligible dependents: as defined in S.2 §30 of the BLA
 - 15 { 4 (a) A widow, minor child, unmarried daughter, or a widowed mother; and
 - + (b) If wholly or partly dependent on the earnings of the worker at the time of his/her death, a widower, father, daughter if widowed, minor brother, unmarried or widowed sister, widowed daughter-in-law, minor son of a deceased son, minor child of a deceased daughter where his/her father is not alive or, where no parent of the worker is alive, the paternal grandparent, son born out of wedlock, and unmarried daughter born out of wedlock
 - 11

Benefits under the EIS-Pilot

- Dependency status ends at:
 - (a) Death for all dependents;
 - (b) Marriage for: widow, unmarried or widowed daughter, unmarried or widowed sister, widowed daughter-in-law, unmarried daughter born out of wedlock
 - (c) Attainment of age of majority for: son and daughter, brother and sister, son born out of wedlock and minor child of a deceased daughter, except for disabled children, where it ends when disability ends or at death whichever comes first.

In the case of death of a permanently disabled worker receiving a pension, who dies from a cause related to the work-related injury, the eligible dependents become entitled to receive a benefit in line with the above criteria

EIS-Pilot – Apportionment of benefits in case of death

- 3 groups were created
 - (a) Widow/er, Children (with widow/er) and Full Orphans;
 - (b) Parents (mother and dependent father)
 - (c) Other dependents.
- Objective: Widow with 2 children receive 50% of wage

EIS-Pilot – Apportionment of benefits in case of death

Status of eligible dependents	Compensation in % of reference wage	Each additional	Max.	Redistribute
Widow/er	40	Split	50	Yes ⁽¹⁾
Children (with widow/er)	5	5		
Full Orphans ⁽²⁾	40	5		

- (1) If the widow/er ceases to be eligible (death or remarriage), the children are then eligible to receive the full orphans' benefit
 (2) When the widower is not eligible (i.e. not financially dependent), the children are then considered as full orphans

EIS-Pilot – Apportionment of benefits in case of death

Status of eligible dependents	Compensation in % of reference wage	Each additional	Max.	Redistribute
Parents				TBD by GB (on principle of fairness)
- No widow/er and no orphan at the time of death and no other dependents	40	Split	40	
- No widow/er and no orphan at the time of death but other dependents	20	Split	40	
- Widow/er with or without children + no other dependent at the time of death	10	Split	60	
- Full Orphans + no other dependent at the time of death	10	Split	60	
- Widow/er with or without children + other dependents at the time of death	5	Split	60	
- Full Orphans + other dependents at the time of death	5	Split	60	

EIS-Pilot – Apportionment of benefits in case of death

Status of eligible dependents	Compensation in % of reference wage	Each additional	Max.	Redistribute
Other dependents				TBD by GB (on principle of fairness)
- No widow/er, no orphan, and no parents at the time of death	40	Split	40	
- No widow/er, no orphan but parents at the time of death	20	Split	40	
- Widow/er with or without children + no parents at the time of death	10	Split	60	
- Orphans + no parents the time of death	10	Split	60	
- Widow/er with or without children + parents at the time of death	5	Split	60	
- Full Orphans + parents at the time of death	5	Split	60	

Key questions

- What compensation levels (for permanent disability and death) are appropriate, in line with international standards?
- What should be the guiding principles for apportioning compensation among multiple eligible beneficiaries
 - Should there be a fixed priority order? If yes, what should it be?
 - Should the widower be treated like the widow?
 - What about redistribution among beneficiaries in case of the death or ineligibility of one of them?
- When should benefits be suspended, reduced or terminated?
- Should there be a maximum insurable wage (ceiling) and, if so, at which level?

Example of ceiling on insurable wage

- Recommendation to the Board of EIS-Pilot: between 4 and 6 times the minimum wage rounded to the nearest 5,000 BDT

⇒ For example $4 \times 12,500 = 50,000$ BDT

	Worker A	Worker B
Wage	18,000	80,000
Insurable wage	18,000	50,000
Permanent total disability pension (60% of insurable wage)	10,800	30,000
- in % of wage	60%	37.5%

EIS EMPLOYMENT
INJURY
SCHEME
P I L O T

**Workshop on 'National
Employment Injury
Scheme: Coverage &
Benefits''**

**Session-4: Options for
coverage**

15 May 2025

SESSION 4: WHO IS COVERED? COMPULSORY REGISTRATION

This session addresses one of the foundational questions for the national EIS: Who should be covered and how can they be brought into the scheme? While the long-term vision is clear—that all formal workers in Bangladesh must be protected against work-related injuries—the operational realities require a phased and strategic approach to achieve this goal.

Scaling this success across all formal sectors, however, will depend on establishing a compulsory registration mechanism for both employers and workers.

This session will explore the technical, legal, and institutional requirements for ensuring universal and compulsory registration in the EIS.

Key questions

Key working groups' questions:

1. Should all formal workers (or only all industrial workers) be covered from the outset, or should a progressive coverage model be applied?
2. What about informal sector workers?
3. What sectors are currently ready for inclusion?
4. How can a system of compulsory employer and worker registration be effectively enforced? How to make it universal?
5. What are the responsibilities of the stakeholders in the registration process, and how to ensure compliance?

Definition of Formality

In Bangladesh, formal employment refers to jobs in establishments that are registered with a government authority, and where the worker receives regular wages, is entitled to social protection (such as provident fund, pension, or gratuity), and is covered by written contracts or official documentation (Bureau of Statistics).

As defined by ILO, formal employment refers to employment relationships that are in compliance with national labour laws, taxation rules, and social protection systems.

As per OECD, formal employment is work for which employees or employers contribute to a formal social security system and where workers have legal contracts or protections as per national regulations.

Labour force statistics

Employed population aged 15 or older, by formal/informal employment

As of the 2022 Labor Force Survey¹, 31.98 million people (45.4%) are involved in agriculture, 11.97 million (17%) are employed in the industry sector, and 26.52 million (37.6%) work in the service sector

Agriculture

Formal
1.01 million (1.4%)

Informal
30.97 million (44%)

Industry

Formal
1.13 million (1.6%)

Informal
10.84 million (15.4%)

Service

Formal
8.53 million (12.1%)

Informal
17.97 million (25.5%)

Definition of Formality

Who should be eligible for a national EIS ?

Workers who are
defined as formal

OR

Workers who engaged in
income generating sectors
defined as formal

Formal sector workers are not the same as industrial sector workers!
There are formal industrial sectors with a high degree of informal workforce.

- *Should all formal workers (or only all industrial workers) be covered from the outset, or should a progressive coverage model be applied?*

Industries according to characteristics



Risk



Employment



Economic relevance

The Minimum Wage Board defines 47 industrial sectors.

- What sectors are currently ready for inclusion?

An example



► ilo.org

Remembering South Korea

Initial Limitation to Large Enterprises:

When Korea's Industrial Accident Compensation Insurance (IACI) was first introduced in 1964, and later administered by KCOMWEL from 1973, coverage was primarily limited to larger industrial enterprises with a relatively high risk of occupational accidents, such as manufacturing and construction.

Gradual Inclusion of Small and Medium Enterprises (SMEs):

During the 1980s and 1990s, recognizing the vulnerability of workers in smaller firms, a phased expansion to include SMEs was initiated.

Extension to Diverse Sectors:

The scheme, which initially focused on manual labour sectors, was gradually extended to include service industries, public institutions, and later, more precarious and informal employment categories such as part-time, temporary, and freelance workers.

Mandatory and Voluntary Enrolment Mechanisms:

While certain sectors were mandated to enrol, others were allowed to join voluntarily. For example, self-employed individuals and employers in low-risk sectors were given the option to participate in the IACI, thereby promoting wider adoption.

Improved Access for Vulnerable Worker Groups:

Special provisions were made over time to improve access for groups such as female workers, migrant workers, and older employees. These efforts reflected broader labour rights reforms and alignment with international standards.

EXPANSION OF COVERAGE

Korea's industrial accident compensation insurance scheme expanded to cover more businesses and wor-



Registration of enterprises

In order to ensure a national EIS to be functional, it is essential that the enterprises of the sectors are registered within the EIS system.

The EIS Pilot has developed a Management Information System.

- *How can a system of compulsory employer and worker registration be effectively enforced?*
- *What are the responsibilities of the government, employers and workers in the registration process, and how to ensure compliance?*



Thank you!!