



Tripartite Technical Workshop 3

Funding and Financial Sustainability of the National Employment Injury Scheme (EIS)

27-28 September 2025

Validation of Workshop No. 1 and agreed principles and *rules of the game RECAP*

- All workers in formal sectors are covered, with implementation to be rolled out progressively
- A comprehensive national Employment Injury Scheme (EIS) will be established in the long term. Immediate implementation will focus on long-term benefits, while short-term benefits will be introduced in phases
- Cost of protection will be calculated for each industry separately depending on its risks.
- The decision on commuting accidents still lacks availability of data to be considered (to be evaluated in workshop 3)
- Precedents set by EIS Pilot for coverage & benefits will be followed

Validation of Workshop No. 2 and agreed principles

- Governance Board should be composed of 11 to 15 members, ensuring equal representation from the government, employers, and workers (head of administration should be a non-voting member), with economic sectors of national significance duly represented
- Continued oversight by MoLE and establishment of an independent appeals tribunal
- A new administrative entity needs to run the EIS national scheme. During the transition, the current EIS Special Unit and set up should continue operating
- The Governance Board should be strategically focused, with claims handling moved to the administration
- Leverage institutional linkages with DIFE, MoHFW, the CF, BLWF, BRTA, etc. is vital
- Ensuring regional presence through limited regional establishments or co-location with existing offices as the EIS expands
- Concrete investment approach is needed for the national EIS to ensure long-term sustainability and expansion

Why this workshop on funding and financial sustainability?

- **Overall Objective:**
 - To build a shared understanding among tripartite stakeholders of the financial architecture required for a sustainable national **EIS**
- **Focus Areas:**
 - Cost projections for long-term benefits
 - Funding mechanisms
 - Investment strategies
 - Governance models
 - Phased expansion aligned with international standards and national context

Specific Objectives

1. Examine actuarial cost estimates for long-term benefits
2. Identify and evaluate potential funding sources
3. Discuss financial oversight and governance structure
4. Initiate reflection on prudent reserve and investment strategies

Structure of Workshop 3

- **Day 1: Setting the Financial Foundation**
 - Opening, validation, and objectives
 - Flash-focus on governance and funding policies
 - Deep dive into cost projections and rating systems
- **Day 2: Ensuring Sustainability & Strategic Expansion**
 - Deep dive into funding sources and legal pathways
 - Group work on funding scenarios
- Closing with summary and way forward

Expected Outputs

- Consensus on cost estimates for long-term benefits
- Validated risk-rating model and industry cost scenarios
- Draft roadmap for funding structure and legal integration
- Principles for funding and investment policy

Next steps

- Preparation for Pilot-to-National Transition Plan:
 - Final tripartite technical framework summarizing consensus and open questions (to elected government)
 - Continued modelling on short-term benefits
 - Development of financial oversight structures



Thank you!!



Tripartite technical Workshop 3

Technical Framing – Rationale and Objectives of Financing EIS

27-28 September 2025

Role of Financing Social Insurance

1. Risk Pooling (collective financing)

- spread the financial risk of events like employment injury, illness, unemployment, or maternity — which are uncertain and potentially very costly for individuals or employers

2. Ensuring Sustainability

- Adequate contributions and financial governance ensure that the system can continue to pay out benefits without going bankrupt

3. Promoting Social Solidarity and Redistribution

- Financing mechanisms often include progressive elements — such as income-based contributions — to promote social equity. This allows redistribution from higher earners to those in need (vertical redistribution) or from employed to unemployed (horizontal redistribution)

Role of Financing Social Insurance

4. Intergenerational Equity vs Solidarity

- Most public pension systems operate on a pay-as-you-go (PAYG) basis, where current workers fund the benefits of current retirees. This creates a form of intergenerational contract, reliant on the financing structure being adequate and fair across age cohorts

5. Political and Economic Stability

- Stable financing builds public trust and helps maintain economic stability, especially in times of crisis. A well-financed system can act as an automatic stabilizer by supporting household incomes and consumer spending

6. Influencing Behaviour

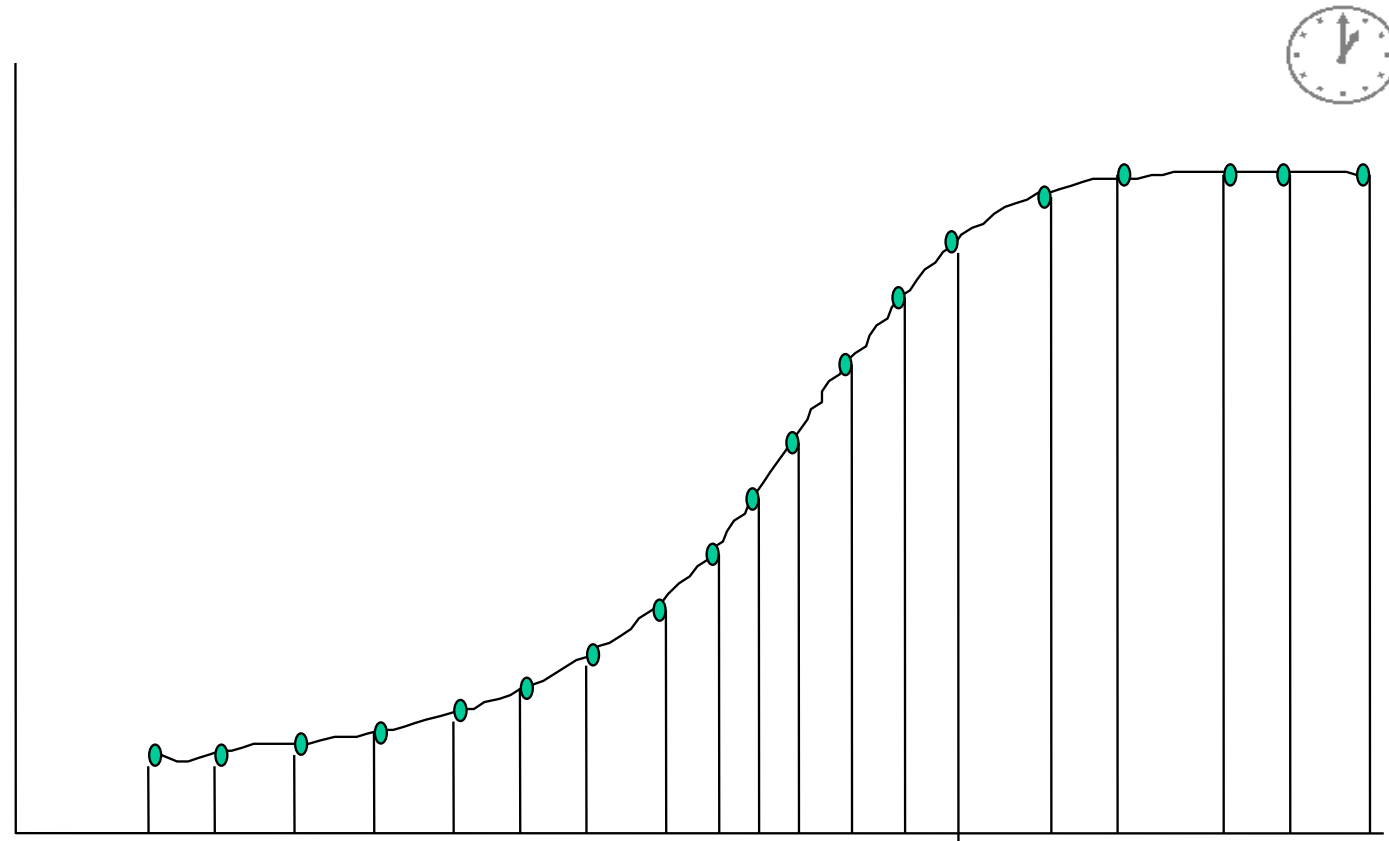
- How social insurance is financed can also shape individual and employer behaviour

Financing approaches in Social Insurance

► Pay-As-You-Go (PAYG)

- Each year the contribution rates is set to equal the expected cost of benefits
- No reserve is created
- Usually used for short-term benefits with a small reserve of a few months
- Not commonly used for long-term benefits

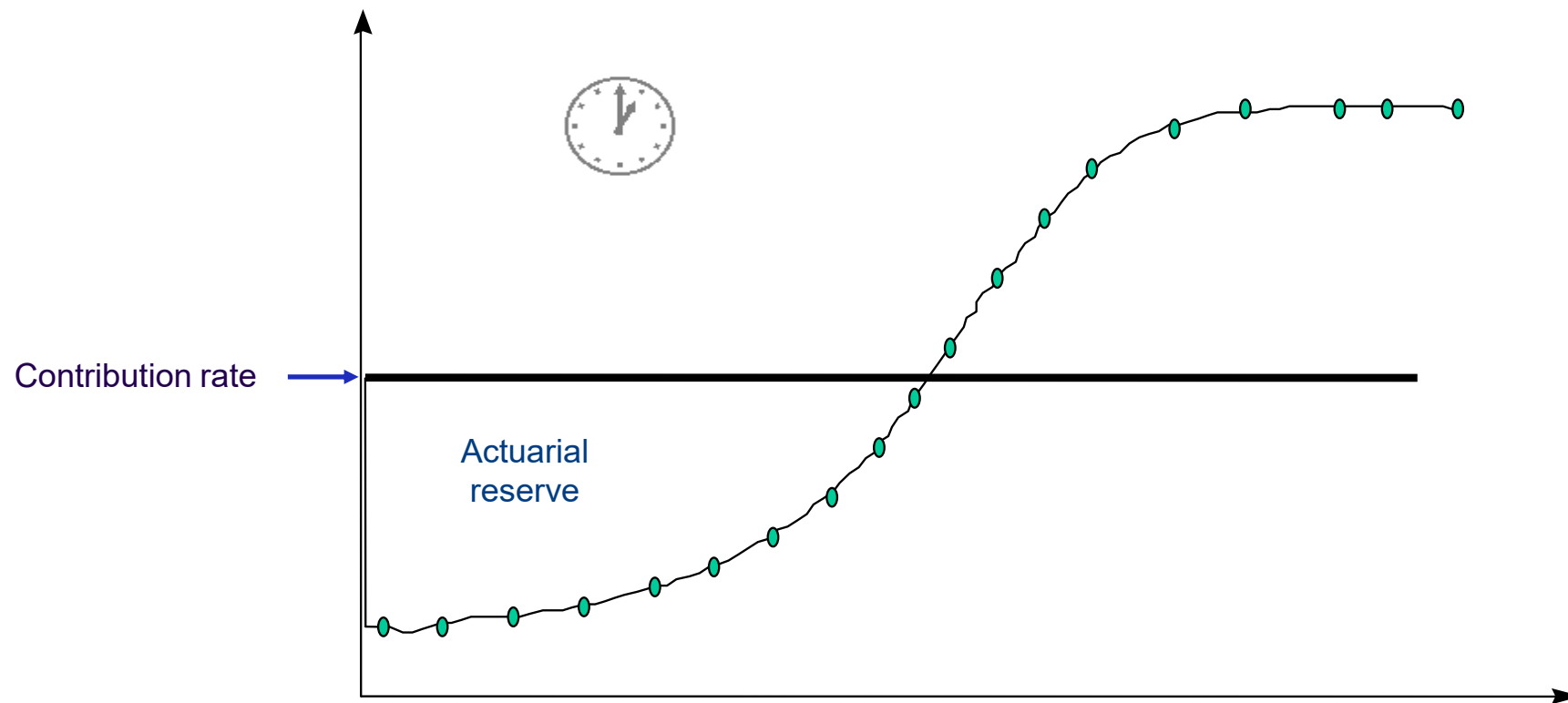
Contribution rate for
Long-term benefits



Financing approaches in Social Insurance

▶ Partially funded (1) – General Average Premium

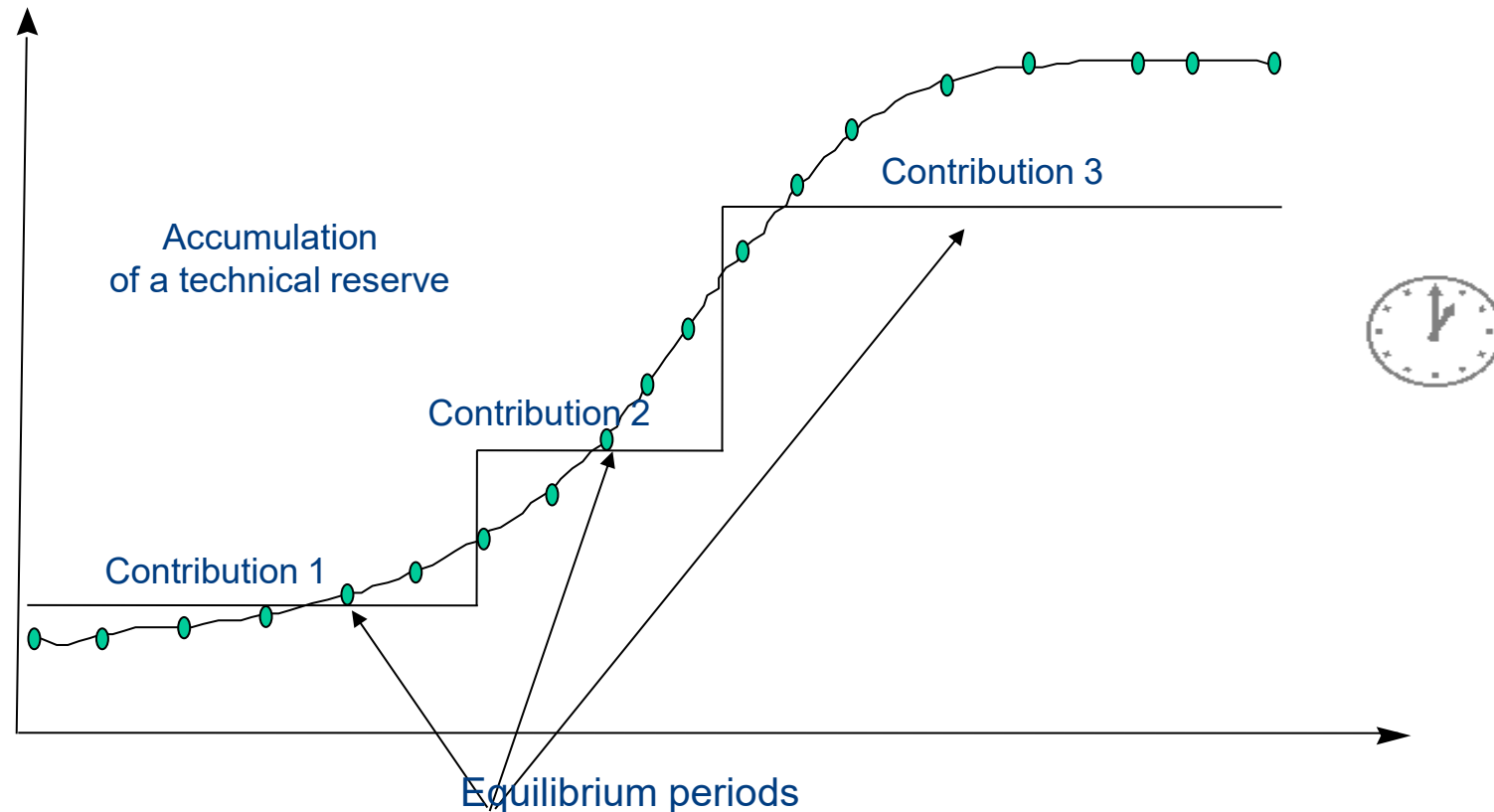
- An average of the PAYG level over a period is defined and the level of contribution is established for the period
- During the initial phase the contribution collected exceed the costs with benefits and therefore a reserve is created
- The reserve is used to pay benefits when the system matures and the costs with benefits are higher than contributions



Financing approaches in Social Insurance

► Partially funded (2) – Scaled Premium System

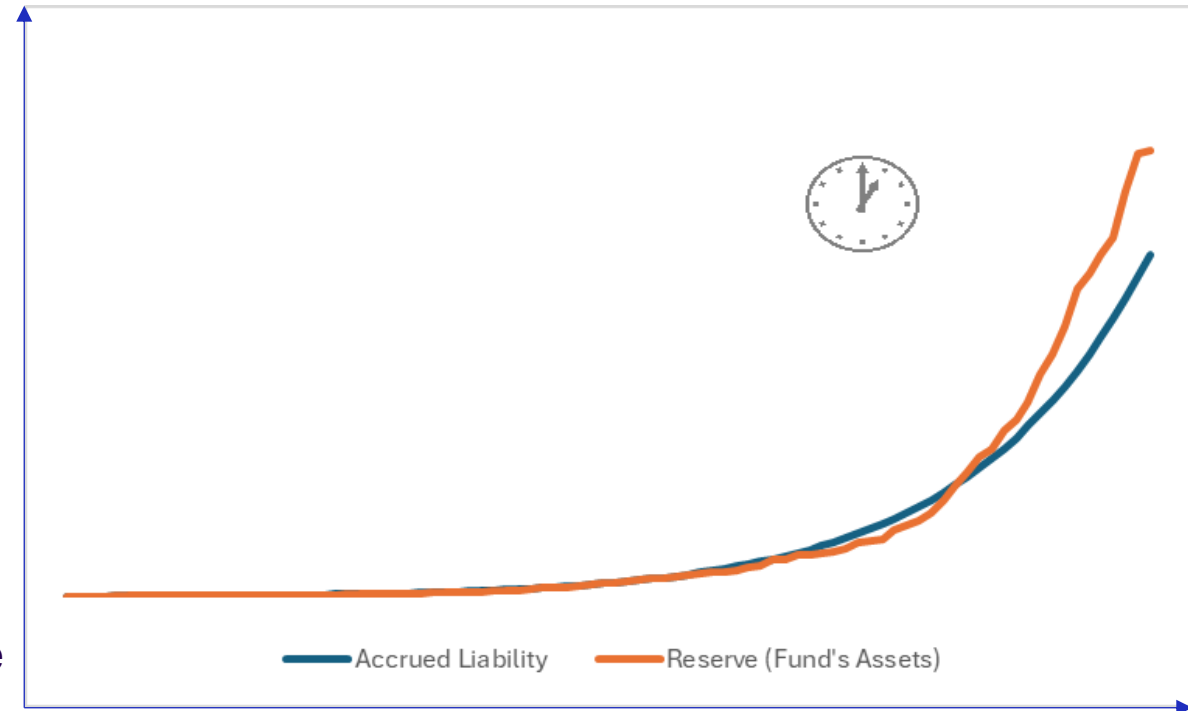
- As in the General Average Premium the contribution level is defined based on the average of expected costs over a period.
- However instead of a single contribution level for all the period, different equilibrium periods are established, and reserves are created
- It is a strategy that allows higher redistribution between generations. It is recommended when the economic situation is expected to improve and therefore future generations that are expected to be better off will pay higher level of contributions than the generations in the early years of the system



Financing approaches in Social Insurance

► Full Funding for long-term benefits

- Levying each year the sums required for expected lifetime benefit payments accrued in that year
- At each point in time, a reserve is accumulated to be at least equal to the present value of accrued benefits
- Implies that a portion of the sums levied is invested and the investment income will be used, in addition to contributions, to pay future benefits
- When deficits occur, they are amortized over a short period by supplemental contributions. Inversely, when surpluses occur, they can be used to reduce future contributions
- Should the plan terminate, there would be enough reserve to pay the expected lifetime benefits for the accumulated accrued benefits at the termination date as well as the management costs associated with them



Role of Financing Social EII

1. Ensures Timely and Adequate Compensation

2. Employer-Funded Model

- EII is typically entirely financed by employers, not workers. This reflects the principle that employers are responsible for workplace conditions and should bear the cost of work-related injuries
- This also creates an incentive for employers to maintain safer working environments (to avoid higher contributions) – Influencing Behavior

3. Risk-Based Contribution System

- In many countries, EII is funded through experience-rated contribution rates, where employers in more dangerous industries or with poor safety records pay higher rates

Role of Financing Social EII

4. Pooling Risk Across Employers

- Even though employers pay based on a risk-based contribution system, financing often occurs through a national insurance fund that pools contributions across many employers

5. Sustainability of Benefits

- Adequate financing protects the system from underfunding. Proper actuarial planning is vital, especially for long-term disability or survivor payments.

6. Supports Economic and Social Stability

- By covering injured workers, the system: Prevents **economic hardship**, Reduces **litigation** between workers and employers, Maintains **productivity and morale** in the workforce, and Acts as a **stabilizer** during workplace or industrial crises

Financing approaches for EI – Mixed system

- ▶ Long-term benefits = Full funding
 - Levying each year the sums required for expected benefit payments regarding the accidents occurring in that year and the occupational diseases reported in that year
 - At the end of each financial year, a reserve is accumulated to be at least equal to the present value of benefits for accidents that occurred and occupational diseases reported before the end of that financial year
 - When deficits occur, they are amortized over a short period by supplemental contributions. Inversely, when surpluses occur, they can be used to reduce future contributions
 - Should the scheme terminate, there would be enough reserve to pay the benefits for all the injuries that occurred until the termination date as well as the management costs associated with them
 - Also, given that benefit recipients tend to have a longer life than companies or even industries, the funding of benefits at the time an accident occurs protects the worker against any slowdown in the industry and employers against the burden of increasing costs
- ▶ Short-term benefits = Pay-As-You-Go with a small reserve



Thank you!!



Tripartite technical Workshop 3

Session 1 – Financial
oversight & Governance

27-28 September 2025

Good financial governance

Good Financial Governance is all about finding the right balance between



EIS Pilot Governance Board Rules

1. Terms of reference

- The EIS GB sets out policies and procedures in all relevant business areas – including communication, information, case handling, **financial oversight**, compliance, risk management, **actuarial assessment**, **auditing**, and **reporting**

15. Guiding Financial Governance Principle

- The EIS GB should ensure that the EIS Pilot remains accountable and transparent. EIS Pilot must be subject to adequate financial rules and meet the highest possible standards as regards its financial regulation.

18. Accounting

- The EIS GB must ensure adequate accounting standards and practices for the EIS Pilot separate account. Must ensure a complete audit trail and documentation on all EIS Pilot transactions.

EIS Pilot Governance Board Rules

20. Budget

- No later than 3 months before the start of the financial year, the EIS-PSU will present a complete EIS Pilot budget for the coming year to the EIS GB for discussion and subsequent approval.

21. Current business reporting

- The EIS-PSU must prepare a standardised **quarterly business oversight report** for the EIS GB.
- Must include timely and accurate information on assessed cases, awarded benefits by type, duration and size of benefits, total benefit costs, incurred administration costs broken down by type of cost and an assessment of the current financial status in view of the budget.

22. Financial reporting and auditing

- For each financial year, the EIS Pilot Special Unit will prepare an annual financial statement.
- The annual financial statement must – as a minimum – include the following items: i. Management report; ii. Management attestation; iii. Annual account including a balance sheet, an income statement, and a cash flow statement;
- iv. Relevant notes; v. Description of the applied accounting standard.
- The EIS annual financial statement - less the management statement - must be audited and certified by an independent external auditor approved by the EIS Governance Board. The auditing must comply with acknowledged national and international standards
- The annual financial statement – including the auditor's report - will be presented to the EIS GB for approval. The deadline for submission of the audited financial statement is 3 months after the closure of the financial year

22. Financial reporting and auditing

- The EIS annual financial statement is adopted and signed by the EIS GB with submission requiring dated signature from all board members. All individual board members are responsible for ensuring that the annual financial statement is timely and adequate, provides a prudent assessment of the current EIS state of affairs – including risks and outlook – and that it is drafted in compliance with all relevant standards and regulations.
- The EIS annual financial statement is submitted simultaneously to the participating brands, relevant stakeholder groups and the Minister of Labour and Employment for orientation. An electronic version of the EIS annual financial statement is made public

Lessons from the EIS Pilot financial governance

1. Financial oversight practices
 - Content of reports, frequency of reporting, external review
 - Is that enough?
2. Involvement of national stakeholders in the financial supervision
 - Sufficient knowledge? Capacity building?
3. Possible gaps or risks identified in financial control?
 - How to address them in a national scheme



Thank you!!



Tripartite technical Workshop 3

Session 2 – Funding & Investment Policies

27-28 September 2025

Funding and Investment Policies

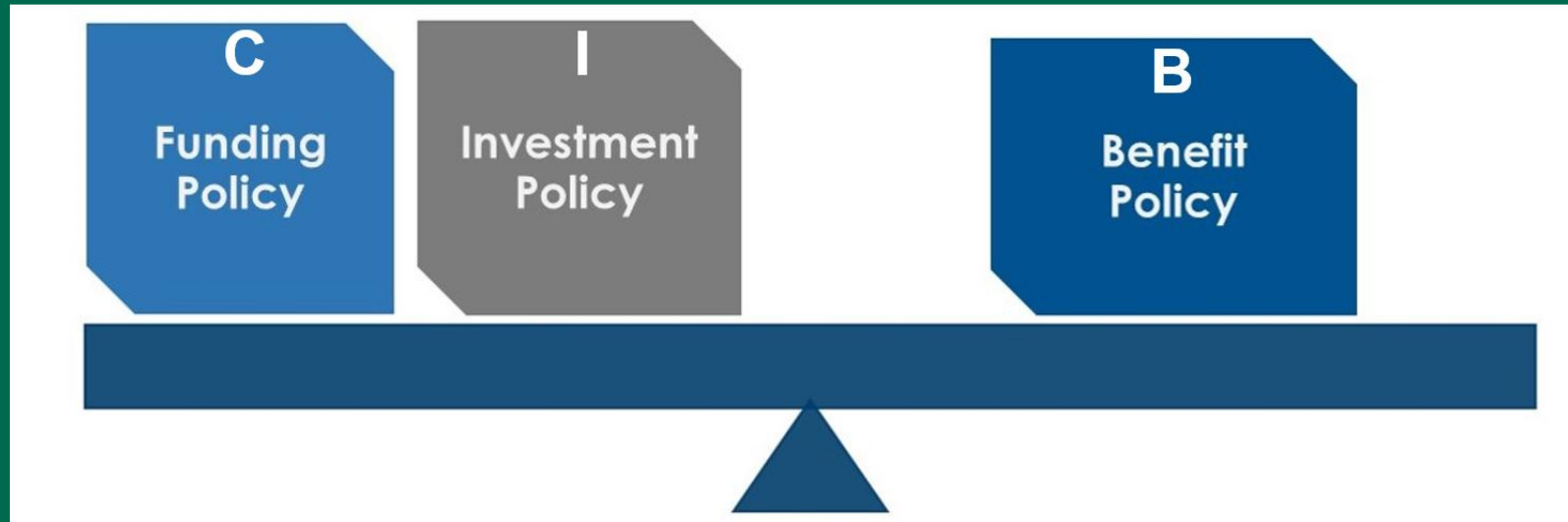
Good Financial Governance is all about finding the right balance between



Actuarial valuations assess the long-term equilibrium of these 3 policies and make recommendations on each policy, if necessary to ensure the equilibrium

Basic equation of all schemes

Over the long-term



Contributions: Funding Policy

Investment return: Investment Policy

Benefits: Benefit Policy

3 interlinked policies



- Level of C has an impact on I (and vice versa)
 - ✓ Pure PAYG funding, $C = B$ and $I = 0$
➔ Investment Policy has no importance
- The more a scheme is funded, the more the investment Policy has an impact on I and consequently on C and/or B
- The Benefit Policy has an impact on Funding and Investment Policies
 - ✓ Even benefits not specifically stated in the law, for example substantive commitment for pension indexation

Funding Policy



- ISSA-ILO Guidelines on Actuarial Work for Social Security recommend the adoption of a formal written Funding Policy
- Funding Policy should take into account
 - ✓ Benefit security and adequacy
 - ✓ Stability and/or affordability of contributions
 - ✓ Investment Policy: Level of risk related to the target return
 - ✓ Financial situation of the scheme
 - ✓ Legal provisions of the scheme and any substantive commitments such as benefit indexation

Funding Policy



- Funding Policy should
 - ✓ Define the scheme's funding objective
 - ✓ Describe key risks faced by the scheme
 - ✓ Identify funding volatility factors
 - ✓ Define the mechanism and period of amortization of deficits and surpluses
- EII long-term benefits are usually fully funded
- A Funding Policy provides guidance to the actuary in the selection of valuation methodologies and assumptions

Investment Policy



- Should take into account for its impact on the Funding and Benefit Policies
 - ✓ A longer period of amortization of deficits in the Funding Policy allows more risks (i.e. volatility) in the Investment Policy
- An Investment Policy usually contains:
 - ✓ Governance structure of investment
 - ✓ Investment objectives
 - ✓ Risk tolerance and Management
 - ✓ Strategic Asset Allocation
 - ✓ Investment Guidelines and Restrictions

Investment Policy



- An Investment Policy usually contains:
 - ✓ Performance Monitoring and Evaluation
 - ✓ Reporting and Transparency
 - ✓ Compliance and Control
 - ✓ Ethical and Social Considerations
 - ✓ Appendices

Funding and Investment Policies



- Benefit Policy is defined by law and substantive commitments
- The law shall also indicate that the GB is responsible to approve a Funding and an Investment Policies and review them periodically



Thank you!!



Tripartite technical Workshop 3

Session 3 – Deep-dive Part 1

27-28 September 2025

Rating systems

Uniform rating



ONE SIZE FITS ALL

All the employers enrolled in the system are subject to the same level of contribution

$$\text{PREMIUM RATE (FOR EVERYONE)} = \frac{\text{COST OF BENEFITS}}{\text{SALARY MASS}}$$

ADVANTAGES

- EASY TO PUT IN PLACE AND TO MANAGE

DISADVANTAGES

- UNFAIRNESS BETWEEN COMPANIES CARRYING OUT MORE OR LESS HAZARDOUS ACTIVITIES

ONE SIZE FITS SMALL



ONE SIZE FITS LARGE



Rating systems

Differential rating

ONE SIZE FITS SMALL



AN EXAMPLE FROM THE
ITALIAN EXPERIENCE
MADE TO MEASURE
Differential rating model
ONE SIZE FITS LARGE

INAIL RATES BY NACE CLASSIFICATION (average 2024)		
Classification code	Activity	Rate
NACE C13	Manufacture of textiles	1,6882%
NACE B	Mining and quarrying	5,1708%
NACE F	Construction	7,2079%
NACE H	Transporting and storage	3,0019%
NACE	All Sectors	1,8905%

- Introduction/Adoption of a classification of work activities (i.e. ISIC; NACE or National) based on their different exposure to the occupational risks
- Different premiums level are calculated for each class

MADE TO MEASURE

$$\text{PREMIUM RATE (CLASS X)} = \frac{\text{COST OF BENEFITS}_{\text{Class X}}}{\text{SALARY MASS}_{\text{Class X}}}$$

Rating systems

Experience rating

GIVEN THE INITIAL RATE ASSIGNED TO EACH INDUSTRY:

- Models based on experience by industry (differential):

Premium for each industry may vary depending on its history of injuries:

The premium will vary depending on the number of accidents in past years:
more/less events => more/less high the premium will be

- Models based also on the Company's injury experience:

Premium for each company may vary with respect to its own history of injuries:

More/less events for the company => more/less high the premium will be

Rating systems

Mixed models

Combination of the Uniform and/or Differential and/or Experience rating models:

- Some Industrial Sectors may be modelled uniformly with an average rate for all the companies included;

AND/OR

- Some Industrial Sectors may have differentiated rates based on the different exposure to risk of each of their respective group of companies;

AND/OR

- Some Industrial Sectors may see their companies constantly monitored in terms of frequency of events to decide if and when to adjust the rate (i.e. whenever a company's rate goes over or under the X% of the belonging Sector's rate)

Rating systems

Factors having an impact on the cost

Short term benefits:

Ageing population: greater health precariousness => easier to get injured => slower recoveries

Severe or multiple events

Frequency index

Severity index

Long term benefits:

Ageing population: greater health precariousness => higher % of permanent impairment

Expectation of life: longer benefits' duration

Severity of permanent consequences of the injuries (besides being a consequence of ageing population)

Rating systems – Data are crucial

		Type of benefit	Type of accident	Place of Accident	Mode	Paid cases		
INAIL (Italy) Manufacture of textile (NACE Division C13) ≈12.000 Industries ≈110.000 workers Accidents at work paid in 2024		Temporary leaves	On Duty	Without mean of transport	On work place	977	977	1.199
				With mean of transport	Road Accidents	11	222	
			Commuting	Without mean of transport	Road Accidents	31		
				With mean of transport	Road Accidents	180		
		Lump Sums (6%-15%)	On Duty	Without mean of transport	On work place	51	51	61
				With mean of transport	Road Accidents	-	10	
			Commuting	Without mean of transport	Road Accidents	1		
				With mean of transport	Road Accidents	9		
		Annuities (16%-20%)	On Duty	Without mean of transport	On work place	5	5	6
				With mean of transport	Road Accidents	-	1	
			Commuting	Without mean of transport	Road Accidents	1		
				With mean of transport	Road Accidents	-		
	Annuities (21%-100%)	On Duty	Without mean of transport	On work place	3	3	4	
			With mean of transport	Road Accidents	-	1		
		Commuting	Without mean of transport	Road Accidents	1			
			With mean of transport	Road Accidents	-			
	Survivors	On Duty	Without mean of transport	On work place	-	-	1	
			With mean of transport	Road Accidents	1	1		
		Commuting	Without mean of transport	Road Accidents	-			
			With mean of transport	Road Accidents	-			
TOTAL						1.271		

Rating systems

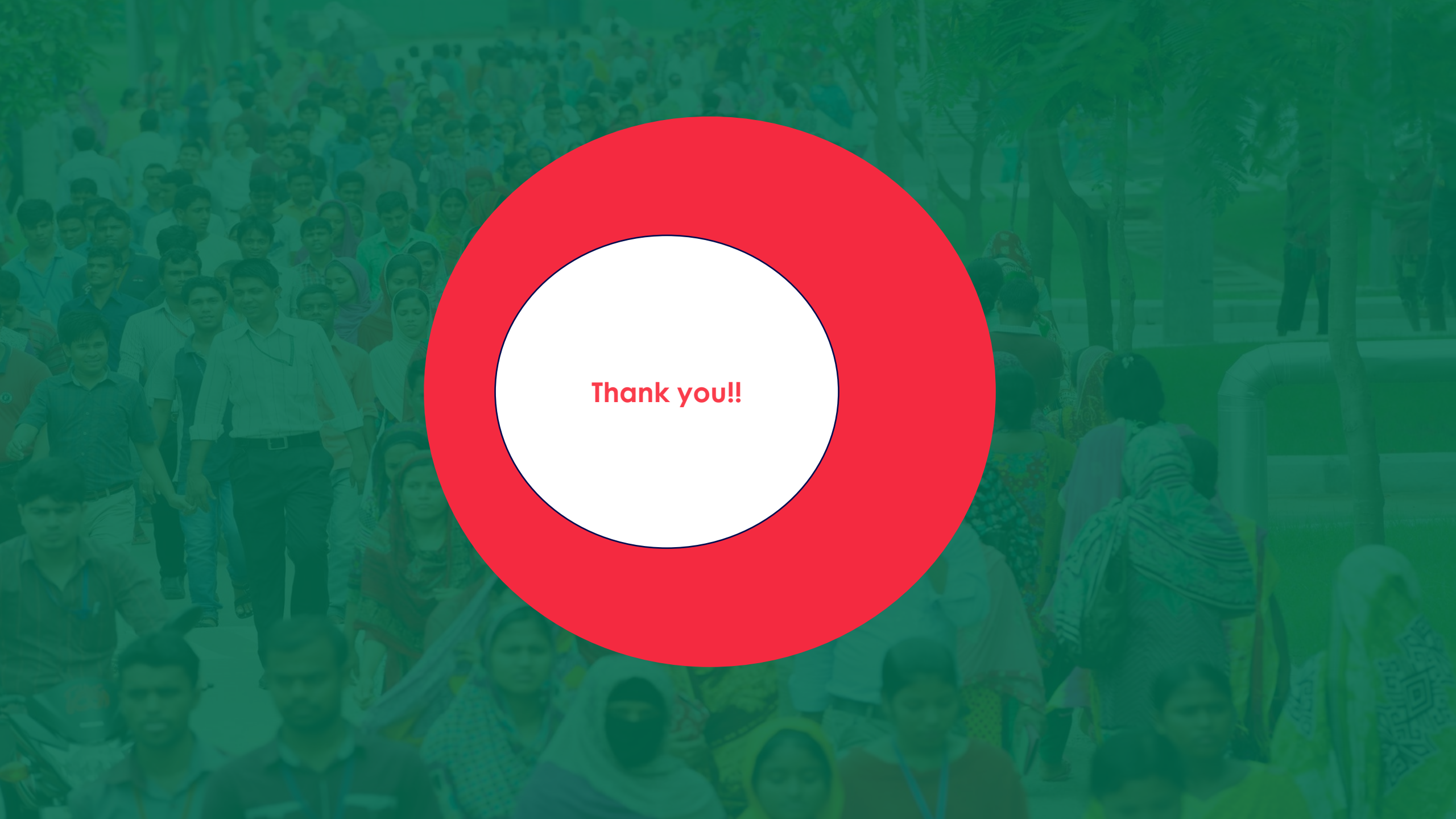
Sensitivity parameters in the cost projection

Main Drivers of the cost projection

1. Birth rate
2. Expectation of life
3. Ageing of population
4. Inflation
5. Investment return
6. Exchange risk in case of investments in foreign countries or in foreign currency's assets)



Questions ?



Thank you!!



Tripartite technical Workshop 3

Session 3 – Deep-dive

27-28 September 2025

Estimated cost for RMG

Observed experience in RMG since June 2022¹

	Cases	Period Months	Average per month	Average Cost ²	Average Lump sum
Death					
Workplace	39	36	1.08	2,728,961	200,000
On Duty RTA	17	36	0.47	2,493,970	200,000
Commuting	65	12	5.42	2,136,988	200,000
PPD					
Workplace	64	36	1.78	1,134,154	50,000
On Duty RTA	10	36	0.28	2,991,406	50,000
Commuting	12	12	1.00	2,814,420	

1. Including pending cases and estimated IBNR as of 30 June 2025
2. Cases since January 2024 only to consider the impact of the 50% increase in minimum wages in December 2023

Scenarios for LTB (Death and PPD)

- **Without commuting accidents**
 - i. Without deduction of CF 2 laks
 - ii. With deduction of CF 2 laks
 - iii. With deduction of CF 2 laks and BRTA 5 laks for On Duty RTA
- **With commuting accidents**
 - iv. Without deduction of CF 2 laks
 - v. With deduction of CF 2 laks
 - vi. With deduction of CF 2 laks and BRTA 5 laks

Estimated LTB cost – Without commuting accidents

	Deaths			PPD			Total				
	Number	Cost		Number	Cost		Number	Benefit Cost	Admin cost (10%)	Total Cost	Total Cost % Wage
i. Without deduction of CF 2 laks	18.67	53,342,320		24.67	35,399,966		43.33	88,742,286	8,874,229	97,616,515	0.014%
ii. With deduction of CF 2 laks	18.67	49,608,987		24.67	34,166,633		43.33	83,775,620	8,377,562	92,153,182	0.013%
iii. With deduction of CF 2 laks and BRTA 5 laks for On Duty RTA	18.67	46,775,653		24.67	33,833,300		43.33	80,608,953	8,060,895	88,669,848	0.012%

Estimated LTB cost – With commuting accidents

	Deaths			PPD			Total				
	Number	Cost		Number	Cost		Number	Benefit Cost	Admin cost (10%)	Total Cost	Total Cost % Wage
iv. Without deduction of CF 2 laks	83.67	205,246,536		36.67	69,173,009		120.33	274,419,545	27,441,955	301,861,500	0.042%
v. With deduction of CF 2 laks	83.67	188,513,203		36.67	67,939,676		120.33	256,452,879	25,645,288	282,098,167	0.040%
vi. With deduction of CF 2 laks and BRTA for On D	83.67	153,179,870		36.67	66,406,342		120.33	219,586,212	21,958,621	241,544,833	0.034%

Estimated cost without and with commuting accidents

WITHOUT COMMUTING ACCIDENTS - TOTAL					
	Number	Benefit Cost	Admin cost (10%)	Total Cost	Total Cost % Wage
Without deduction of CF 2 laks	43.33	88,742,286	8,874,229	97,616,515	0.014%
With deduction of CF 2 laks	43.33	83,775,620	8,377,562	92,153,182	0.013%
With deduction of CF 2 laks and BRTA for On Duty RTA 5 laks	43.33	80,608,953	8,060,895	88,669,848	0.012%

WITH COMMUTING ACCIDENTS - TOTAL					
	Number	Benefit Cost	Admin cost (10%)	Total Cost	Total Cost % Wage
	120.33	274,419,545	27,441,955	301,861,500	0.042%
	120.33	256,452,879	25,645,288	282,098,167	0.040%
	120.33	219,586,212	21,958,621	241,544,833	0.034%

Cost in % of wages is significantly low in comparison to other countries. This may be explained by

1. RMG is not a sector with high risk of accidents
2. Good prevention work done over the last 10 years
3. Occupational diseases are not included because not diagnosed
4. Number of PPD cases seems lower than what it should be in comparison to number of deaths, especially for commuting accidents

Estimated LTB cost for RMG – Adjusted for commuting PPD

If we assumed that the ratio of number of PPD cases per month from commuting to PPD cases per month from workplace is the same ratio than for death cases, ($5.42 / 1.08 = 5.02$), number of PPD cases from commuting increases from 1.00 to 8.89 per month

	Cases	Period Months	Average per month	Average Cost ²	Average Lump sum
Death					
Workplace	39	36	1.08	2,728,961	200,000
On Duty RTA	17	36	0.47	2,493,970	200,000
Commuting	65	12	5.42	2,136,988	200,000
PPD					
Workplace	64	36	1.78	1,134,154	50,000
On Duty RTA	10	36	0.28	2,991,406	50,000
Commuting	12	12	8.89	2,814,420	

With commuting accidents – Adjusted for commuting PPD

WITH COMMUTING ACCIDENTS - TOTAL						WITH COMMUTING ACCIDENTS - TOTAL				
	Number	Benefit Cost	Admin cost (10%)	Total Cost	Total Cost % Wage	Number	Benefit Cost	Admin cost (10%)	Total Cost	Total Cost % Wage
Without deduction of CF 2 laks	120.33	274,419,545	27,441,955	301,861,500	0.042%	215.00	540,851,327	54,085,133	594,936,459	0.083%
With deduction of CF 2 laks	120.33	256,452,879	25,645,288	282,098,167	0.040%	215.00	522,884,660	52,288,466	575,173,126	0.081%
With deduction of CF 2 laks and BRTA for On Duty RTA 5 laks	120.33	219,586,212	21,958,621	241,544,833	0.034%	215.00	476,551,327	47,655,133	524,206,459	0.073%

Approximately ½ the cost that was initially estimated in 2018 that was 0.17%

Potential funding sources after June 2027

- ✓ Contributions: 0.083% of wages
- ✓ Surpluses from the Central Fund (accumulated and/or ongoing)
- ✓ Combination of contributions and surpluses
- ✓ Others? (EIS-Pilot Surplus, Government subsidies)

Administrative costs – ILO's estimation

- ✓ Long-term benefits
 - 10% of the cost of accidents
- ✓ Short-term benefits
 - 20% of the cost of accidents
- ✓ Assuming total is 50/50 LTB/STB
 - 15% of the cost of accidents
- ✓ Italy = 13%



Thank you!!



Tripartite technical Workshop 3

Wrap up of day 1

27-28 September 2025

Employment Injury Scheme (EIS) Pilot – At a Glance

Objective: Provides income security for workers/families affected by workplace accidents, aligned with ILO Convention 121 and Bangladesh Labour Act

- Launch: Endorsed by MoLE (Mar 2022), launched (Jun 2022); collaborative effort of MoLE, employers, workers' orgs, ILO, GIZ & 85+ brands. The Pilot shall end on June 2027.
- Governance: 12-member Tripartite Board chaired by Secretary MoLE; supported by EIS Pilot Special Unit; 98 death cases & 41 disability cases approved so far.
- Funding: Fully financed by voluntary contributions from international brands contributing at a rate of 0.019% of their sourcing from Bangladesh
- Coverage: Initially RMG sector, replicated to Leather & Footwear (2025) and operationalized in EPZ factories (2025).
- Expansion: Replication discussion in other industries underway
- Significance: First government-led social insurance initiative in Bangladesh; part of National Social Insurance Strategy.

Key Results to date

- **2015-2020:** Feasibility analysis, consensus building, study visits
- **Dec 2021:** Tripartite workshop on design of EIS-Pilot
- **Mar 2022:** MoLE signed EIS-Pilot Framework
- **May 2022:** Employers (BEF, BGMEA, BKMEA) signed a Declaration in Geneva to support EIS-Pilot
- **Jun 2022: EIS-Pilot launched**
- **Sep 2022:** BLR amended to allow EIS Operations
- **Oct 2022:** EIS Governance Board notified
- **Jan 2023:** EIS Unit established in MoLE (CF)
- **Jun 2023: First set of cases approved**
- **Jul 2024:** Commuting Accidents covered
- **Feb 2025: Lol signed with BEPZA to cover EPZ**
- **May 2025: Lol signed with Leather & Footwear Association**
- **Feb 2025:** EIS-GB asked ILO to start design EIS
 - ✓ **May 2025:** First tripartite workshop on National EIS: Coverage & Benefits
 - ✓ **July 2025:** 2nd tripartite workshop on National EIS: Governance and Administration

Institutionalization Process

1st Workshop on benefits and coverage (May 2025):

- All workers in formal sectors are covered, with implementation to be rolled out progressively
- A comprehensive national Employment Injury Scheme (EIS) will be established in the long term. Immediate implementation will focus on long-term benefits, while short-term benefits will be introduced in phases
- Cost of protection will be calculated for each industry separately depending on its risks.
- Precedents set by EIS Pilot for coverage & benefits will be followed

Institutionalization Process

2nd Workshop on governance and institutional arrangements (July 2025):

- Governance Board should be composed of 11 to 15 members, ensuring equal representation from the government, employers, and workers, with economic sectors of national significance duly represented
- Continued oversight by MoLE and establishment of a review process
- A new administrative entity needs to run the EIS national scheme.
- Leverage institutional linkages with relevant stakeholders (such as DIFE, MoHFW, CF, BLWF, BRTA, etc.) is vital, with specific arrangements still to be defined
- Concrete investment approach is needed for the national EIS to ensure long-term sustainability and expansion

Estimated cost

- **With commuting accidents: 0.042% of wages**
Per worker = $0.042\% \times \text{BDT } 17,000 \times 12 = \text{BDT } 86 / \text{year}$
- **Without commuting accidents: 0.014% of wages**
Per worker = $0.014\% \times \text{BDT } 17,000 \times 12 = \text{BDT } 29 / \text{year}$

3rd Workshop on costs and funding

Potential funding sources after June 2027

- ✓ Contributions: 0.083% of wages
- ✓ Surplus in existing funds
- ✓ Combination of contributions and surpluses
- ✓ Others? (EIS-Pilot Surplus, Government subsidies)