

Prevention, Compensation, Rehabilitation

Employment Injury Protection Scheme for Workers in the Textile and Leather Industries

The challenge

Apparel supplier to the world – that is how Bangladesh is seen today. With an export volume of USD 28 billion in 2017, the country is the second largest exporter and one of the major players in the global garment industry. Approximately 4,500 factories employ over four million people.

With regards to human rights, including workers' rights, much has improved in recent years within the industry, partly because the issue has attracted global attention. Still, there is room for further improvement. Major industrial accidents in 2012 and 2013 clearly demonstrated that workers are not fully protected while facing the risks of workplace accidents or occupational diseases.

Although legal provisions and strategies are now in place for prevention, rehabilitation and compensation, these are fragmented and have yet to be embedded in an overall strategy. Furthermore, even though the companies are subject to civil liability, only a notable few fulfil their legal obligations. The responsible government bodies require more resources to enforce the legal provisions to ensure that affected individuals therefore have a fair chance of asserting their claims.

The Government of Bangladesh is aware of the issues and plans to introduce an employment injury protection scheme which will include prevention, rehabilitation and compensation. However, the legislative frameworks, administrative structures and processes required for the roll-out of a statutory employment injury protection scheme are not yet in place.

The objective

The Employment Injury Protection Scheme for Workers in the Textile and Leather Industries (EIPS) project is working towards a national employment injury protection scheme in Bangladesh to ensure long-term protection for the workforce against work-related accidents and occupational diseases.

The target group

The project's target group comprises of industrial workers in Bangladesh. According to official statistics, 7.3 million people have employment contracts. These are usually unskilled workers in low-wage jobs, with women accounting for the majority of the workforce. The employment injury protection scheme will be introduced first for workers in the textile, garment and leather industries.

Project title	Employment Injury Protection Scheme for Workers in the Textile and Leather Industries (EIPS)
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
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Country	Bangladesh
Lead executing agency	Ministry of Labour and Employment, Government of the People's Republic of Bangladesh
Overall term	January 2017 – December 2019



The project works towards sustainable development by improving working conditions in the textile, garment and leather industries in Bangladesh.



A study tour to visit the Thailand Social Security Organization was conducted to introduce partners from the leather sector to the concept of an EIPS.

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The EIPS project is contributing towards the introduction of the employment injury protection scheme which is comprised of three foundational pillars under one umbrella - prevention, rehabilitation and compensation.

Our approach

The project is funded by the German Federal Ministry for Economic Cooperation and Development (BMZ) and The Embassy of the Kingdom of the Netherlands in Bangladesh and assists in developing a legal framework, contributes to multi-stakeholder dialogues, and supports the set-up of an administrative body responsible for the employment injury protection scheme. Therefore, the project works closely with the International Labour Organization (ILO) and other development partners and foundations.

Legal framework

The ILO project “Developing a National Employment Injury Insurance Scheme for the Bangladesh RMG Sector” – also commissioned by BMZ – takes the lead for the development of the legal framework and the design of the scheme. It is envisaged that employers will be exempted from civil liability and the existing approach will be replaced by a contributory employment injury protection system.

Combining knowledge and experience

The project works towards achieving broad social consensus for the introduction of the employment injury protection scheme. It will therefore not only provide advice on policy design within the Ministry of Labour and Employment, but also discuss the issue with an enlarged advisory body comprising government, employer and employee representatives in order to reach a viable consensus.

The "Alumni for Social Protection at Workplace" network will also provide advice on the roll-out of the statutory employment injury protection scheme. The network includes government, employer,

and workers' representatives who have taken part in a Tripartite Exchange Programme in Germany. The participants have familiarised themselves with social dialogue, workplace safety and accident insurance and can now contribute their knowledge via the network.

Strengthening the administrative body of an EIPS

Capacity development measures will prepare the future administrative body to fulfill its role for executing an employment injury protection scheme. This includes organisational development measures to determine the scheme's organisational structure and administrative processes, and individual capacity development measures to prepare the administrative staff for the new tasks required. The main areas of improvement are registration, data collection, fund management, claims processing and management, communication and awareness raising.

Future outcome

Managing the three areas of prevention, rehabilitation and compensation under one roof is in itself beneficial, as it increases the incentive for prevention and thus reduces the number of accidents. By supporting the roll-out of an employment injury protection scheme, the project makes a medium- to long-term contribution to sustainable improvement in working conditions in Bangladesh and to comprehensive protection for workers against workplace hazards. The project will therefore play an active role in the realisation of economic and social rights for Bangladeshi workers.

The EIPS project will pave the way for the integration of other social protection programmes such as social health protection schemes and unemployment benefits.

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