

OP-ED: Employee injury insurance: A new dawn with social protection

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As the news of a social protection scheme trial hits, the potential for immediate impact to 50-100 factories marks the promise of long-term gains for the whole readymade garment (RMG) sector. The new Employee Injury Insurance (EII) trial program starting in August 2021 is the first formalised and structured injury protection and compensation scheme for garment workers in Bangladesh. It enjoys strong backing from the International Labour Organization (ILO) and international development agencies, as well as other local and international stakeholders. An EII is a comprehensive and holistic approach for mitigating the effects of workplace injuries and occupational diseases by providing appropriate rehabilitation services coupled with routine financial compensation.

The trial comes after years of discussions with trade unions, manufacturers, retail brands, industry advocates and government officials all eager to address occupational safety for workers in Bangladesh's RMG industry. The movement gained momentum after the Rana Plaza tragedy in 2013 and another 109 industry accidents since then, of which at least 35 happened at textile factories.

Bangladesh continues to be the second largest apparel producer in the world. The country turned half a century in 2021 and has emerged strong and resolute over the years while also being hailed as a development success. Bangladesh's growth trajectory has gone hand-in-hand with the apparel sector, built on the strength of an estimated 3.5 million strong women and men. As Bangladesh begins a journey towards a lower middle-income country, there are, however, milestones that will need to be crossed – and one of these is a comprehensive employment insurance scheme.

standards and protection of workers in supply chains. As the environmentalist and activist Edward Abbey says: "Every important change in our society, for the good, at least, has taken place because of popular pressure-pressure from below, from the great mass of people." Public disclosure of data that enables holding decision makers accountable is the work of transparency. Transparency is the proof of practice needed to transform statements of intent to actions - and when public disclosure becomes mandatory or includes sanctions for inaccurate information or harmful practices, the playing field is levelled, and improvements scaled.

Bangladesh has spearheaded several transformational initiatives around transparency in the sector, such as the Accord and Alliance – which standardized and publicly disclosed information on workplace safety and other compliance related issues.

This ushered in a new way of looking at transparency as a lever for change and highlighted the power of public disclosure. Both elements that will be critical for the EII trial. Yet this is a long journey. A report entitled "[Transparency Assessment: Examining the transparency journey for the Bangladesh apparel sector](#)" was published by Laudes Foundation in 2020. The assessment showed how transparency could practically bring about massive changes in the industry. For workers, it would mean more information about their rights and the responsibilities of their employers, while for employers, it would provide more incentive to improve, and potentially disclose their business partners' purchasing practices.

The report focused on how transparency could be promoted in Bangladesh to improve the industry and thus make it an attractive sourcing destination. It mapped each key stakeholder of the fashion supply chain on a continuum of transparency and indicated where interventions could be staged for each group. Perhaps most importantly, this report showed that parties move at a different pace and not all groups have the same learning journey. And it highlighted workers' call for greater safety and occupational security, which essentially is what the EII is now setting out to provide.

That is why this trial marks a pivotal moment for Bangladesh. But its effectiveness and ultimate success will hinge on key factors like the availability of reliable, accurate and real-time publicly disclosed data of working conditions, workers demographic and uplifting the voices of the workers' advocates and the organisations that represent them to participate in the design implementation and monitoring of the scheme.

The ground work for this has already been laid by organizations like Mapped in Bangladesh, Garment Worker Diaries and Open Apparel Industry (OAR), among others, who have made factory level primary and secondary data publicly available for the global industry to utilize. BRAC-CED's Mapped in Bangladesh allows easy web-based access to basic factory information for all export-oriented factories in the country. Having reliable, real-time, and accurate publicly disclosed data is essential for organisations planning on implementing any kind of social protection systems, including the EII.

While there are many organisations that can offer support and share their expertise to help make the EII successful. To garner effective support and ensure it is serving the millions of workers, however, a triangulated approach that amplifies worker voice and their perspectives will be needed. They must have a say on the EII rollout, have clear communication on the scope of this initiative, and do strategic advocacy around accountability mechanisms. To that effect, Laudes Foundation is partnering with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH to enable workers and civil society to voice their demand for an improved compensation system in the form of an EII.

A successful rollout of the employment injury insurance will not only help workers and the industry in particular, but the millions of people and their families connected to the sector. It also ties into the vision of a more equitable garment industry worldwide, where every person involved in the supply chain has a role. An integral part to building and sustaining change is in building the movements with those closest to the ground and supporting them with the necessary tools, data and skills to advocate on an equal footing.

[In many ways, the employment injury insurance trial marks a new chapter for Bangladesh as it joins the ranks with countries that protect their employees from workplace accidents and illnesses by offering a comprehensive protection plan. Ensuring that the trial is successful is vital for all of us striving for better living and working conditions and more security for apparel workers and their families in Bangladesh.](#)

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