

Record Notes
Meeting of the Social Insurance Cluster
Social Security Branch
Cabinet Division

Chairperson: Mr. Shamsul Arefin, Secretary, Coordination & Reforms
Special Guest: Mr. Rahat Anwar, Additional Secretary, Coordination, Cabinet Division.
Discussant: Mr. Mohammad Khaled Hasan, Joint Secretary, Civil Registration and Social Security Branch, Cabinet Division
Time and Date: 27 June 2022, 11.30 am – 1:00 pm
Venue: SSPS Conference Room, Cabinet Division, Transport Pool Building, Dhaka.

Participants: Annexure 1

The chair Mr. Mr. Shamsul Arefin, Secretary, Coordination & Reforms, Cabinet Division, inaugurated the meeting with a note of heartiest welcome to the participants followed by a brief speech. He said that Social insurance is one of the most predominant segments of social protection in many countries, though in Bangladesh this system is yet to be introduced in the mainstream. The National Social Security Strategy of Bangladesh puts much emphasis on introducing a suitable framework of social insurance. The Financial Institutions Division had been working on developing insurance programmes for different walks of people. Recently, the Finance Division has been given the responsibility of coordinating the social insurance cluster.

The special guest Mr. Rahat Anwar, Additional Secretary, Coordination then explained the objective of the workshop. He briefly explained that we need social security systems are shaped by the need to address the causes of poverty and are designed to address the risks and challenges associated with different stages of the lifecycle. We also need to decide the relative balance between public expenditure-financed and social insurance schemes. Now we are approaching to proper administrative arrangements involving a coordinating agency, strong implementing agencies, professional staff, a sound MIS, a payment system based on financial institutions, a proper M&E and an appeals system to resolve beneficiary grievances are all elements of a sound Social Security delivery system.

Mr. Mohammad Khaled Hassan, Joint Secretary, Cabinet Division then briefly presented the background and Social Insurance Cluster. He said that Social insurance is the mainstream of social security in western countries, but it is less common in the third world. Social insurance best fits with formal economy employment. Bangladesh has around three-fourths of all jobs in the informal sector and it poses a big challenge for the cluster to design social insurance systems for people with informal employment. Concerted efforts from stakeholders will be required for the introduction of such systems.

Open Discussion

**Additional Secretary
Ministry of Women and Children Affairs**

Additional Secretary, Ministry of Women and Children Affairs said that the social insurance is one of the most predominant segments of social protection in many countries, though in Bangladesh this system is yet to be introduced in the mainstream. The National Social Security Strategy of Bangladesh puts much emphasis on introducing a suitable framework of social insurance. The Financial Institutions Division had been working on developing insurance programmes for different

walks of people. Recently, the Finance Division has been given the responsibility of coordinating the social insurance cluster.

**Deputy Secretary
Financial Institution Division**

Deputy Secretary, Financial Institution Division shared that the Social insurance is the mainstream of social security in western countries, but it is less common in the third world. Social insurance best fits with formal economy employment. Bangladesh has around three-fourths of all jobs in the informal sector and it poses a big challenge for the cluster to design social insurance systems for people with informal employment. Concerted efforts from stakeholders will be required for the introduction of such systems. He explained that social insurance is usually a contributory social security mechanism with participants paying regular premiums. It is a programme where risks are transferred to and pooled by a government organization. The benefits, eligibility requirements, and other aspects of the programme are defined by statute. Explicit provision is made to account for income and expenses, often through a trust fund. Participation is often compulsory for groups. It covers costs related to life-course events, for example, maternity, unemployment, workplace accidents, old age, or illness. Sometimes costs are matched or subsidized by the scheme provider.

**Deputy Secretary
Ministry of Labour and Employment**

Deputy Secretary, Ministry of Labour and Employment stated that Social insurance is usually a contributory social security mechanism with participants paying regular premiums. It is a programme where risks are transferred to and pooled by a government organization. The benefits, eligibility requirements, and other aspects of the programme are defined by statute. Explicit provision is made to account for income and expenses, often through a trust fund. Participation is often compulsory for groups. It covers costs related to life-course events, for example, maternity, unemployment, workplace accidents, old age, or illness. Sometimes costs are matched or subsidized by the scheme provider.

Decisions:

1. Thematic cluster coordinating ministries will organize meeting regularly and share their meeting minutes and progress to the Cabinet Division;
2. Each ministry may share their NSSS Action Plan progress within the committee members in the meeting and share their lessons learned;

Then, the Chair of the workshop responded to the questions and observations of the participants on their respective projects. Afterwards, there being no other issues for discussion, the chair concluded the meeting with thanks to the participants.

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