



**Way out of Informality:  
Facilitating Formalization of Informal Economy  
in South Asia**

**Report**

**Knowledge Sharing & Planning Workshop**

**27 May, 2013**

**International Labour Organisation**

## Knowledge Sharing & Planning Workshop

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## Executive Summary

A new Sub regional Project titled 'Way out of Informality: Facilitating formalization of the informal economy in South Asia' of the International Labour Organisation (ILO) has been initiated to address the legitimate issues in terms of priorities and challenges of the informal economy in South Asia covering three countries namely Bangladesh, India and Nepal. The Project is an ILO/Japan Multi-bilateral Technical Cooperation Program for a period of 5-years (2012-2016). The Project partners are: the ILO Tripartite constituents (Government, Employers' Organisations and Workers' Associations) and Social partners. This Project will apply integrated decent work strategy for the informal economy to the formalization aspect, emphasize knowledge management to fill the large knowledge gap in the policymaking, and embrace the proven ILO strategy of participatory dialogue.

The Knowledge Sharing and Planning Workshop was organised by the ILO Country Office for Bangladesh with the assistance of the ILO Specialists from the Sub-regional Office, New Delhi, India to share ILO's International good practices on formalisation of informal economy followed by a planning exercise to identify priority sectors by the tripartite constituent partners for addressing formalisation issues in Bangladesh. Participants represented the concerned Ministries and Departments of the Government, Employers' Organizations, Workers' Associations, Labour and Employment related Non-Government Organizations and Social Partners. The Workshop was addressed by the high level Government Officials, distinguished national, ILO Specialists and the representatives of the Employers' Organisations and Workers' Associations. Mr. Shinichi Ozawa, Chief Technical Advisor, ILO/Japan Multi-bilateral Programme, ILO Regional Office FOR Asia & The Pacific, Bangkok introduced the Way out of Informality Project and briefed on the formalization concept of informal economy in South Asia. He underscored that the formalization process will facilitate Decent Work, and also opined that relevant success stories, methods and good practices anywhere will help improve the Project interventions.

The Special Guests from the National Coordination Committee for Workers Education (NCCWE) and Bangladesh Employers' Federation (BEF) urged the stakeholders to share ILO experiences to improve the condition of workers in the informal sector. They endorsed the Project and suggested that the Way out of Informality should be smooth, and in order to achieve the desired goal- the capacity of the stakeholders should be strengthened. As well as opined that the relevant laws are to be updated and the vulnerable workers especially women and the children are to be adequately protected. Mr. Srinivas Reddy, Director, ILO Country Office for Bangladesh reiterated that social dialogue is critical to find out ways and means to eliminate the negative aspects of employment in the informal economy and urged the Project stakeholders to address issues on gender equality so that both men and women are equally benefited from the project interventions. The Chief Guest, Mr. Mikail Shipar, Secretary, Ministry of Labour & Employment (MoLE), Government of Bangladesh (GOB) also reiterated the magnitude, role and plight of workers in the informal sector. He endorsed the Way out of Informality Project as being timely and highly relevant, and expressed his full commitment to support the Project.

Two Technical Sessions in the workshop shared comprehensive information on the 'Project Design, Objectives, Outcome and Activities', 'Integrated Decent Work Strategies for the Informal Economy & Social Protection & Selected International Good Practices Addressing Formalization of Informal Economy', 'Organising Informal Workers - and approaches and strategies for formalization', and the 'Role of Employers' Organizations (EOs) in the Informal Economy' respectively along with the ILO's integrated decent work framework to enable transition to formality. It was discussed that the regulatory environment is important for both formal and informal sectors and helping the informal economy to be formalised. It was emphasised that that the employers' and workers' representation is very important to address many relevant issues of informality to formality effectively.

The 'Way out of Informality' Project presented the study report conducted in Bangladesh, specially focusing on five sectors, titled 'Overview of the Informal Economy in Bangladesh', in the workshop for knowledge sharing and involving the participants for their input and recommendations for a way forward and to identify key issues of informality in Bangladesh. It was presented that according to various surveys and definitions, 87.4 percent-97.6 percent of the employed labour force are in the informal sector, representing 47.9 million of the 53.87 million of employed labour force in 2010 (LFS 2010). The report cited that the legal instruments' role in informal-formal dichotomy to address and help improve the common distress of the workers across the informal economy. In line with the objectives of the Way out of Informality Project, the rapid assessment identified 5 sectors, according to the density of workers, for possible intervention by the Project. The sectors were; Road Transport, Construction, Hotel & Restaurants, Bidi making, and Dry Fish Processing.

Three Consultative Groups formed with the participants from the tripartite constituents representing the Government, Employers and the Workers identified, in order of priority, i) Construction ii) Transport and iii) Hotel & Restaurants for intervention by the Project and listed the available supportive means/system, major obstacles, main actors, proposed interventions, gender equality promotion and scalability for the selected sectors. The Chief Technical Advisor (CTA), Way out of Informality (WOI) Project concluded that the participation of the representatives of the three vital stakeholder groups in the preparation of the meaningful project initiatives reflects a broad-based consensus, acceptance and commitment of these stakeholders. This will facilitate the effective implementation of the Project. Three Consultative Groups recommended that *Construction* sector would be the first priority sector to initiate project interventions in Bangladesh.

The representatives of all the ILO Tripartite constituents and key stakeholders recognized the importance of reducing the plight of workers in the informal sector, and expressed their full cooperation to achieve the objectives of the Project. This demonstrated that the Way out of Informality Project is very timely and highly relevant as well as reflects a broad based consensus, acceptance and commitment of the stakeholders. This will help facilitate the implementation process of the Project through participatory dialogue and fostering partnership among key stakeholders.

### 1. Introduction and Background

The concept of the informal sector was first introduced by the ILO to highlight the activities of a high percentage of labour force working in activities which are generally unregulated, unrecognized and of low productive in nature. For the ILO and its constituents, the most meaningful way of looking at the situation of those in the informal economy is in terms of decent work deficits: poor-quality, unproductive and un-remunerative jobs that are not recognized or protected by law, the absence of rights at work, inadequate social protection, and the lack of representation and voice are most pronounced in the informal economy, especially at the bottom end among women and young workers.

South Asia is known to have the highest incidence of informal economy in terms of number of persons employed, from 80 to 90 percent of the labour force. For example, 87 percent of the labour force is employed in the informal economy in Bangladesh (Labour Force Survey-LFS 2010). According to the LFS 2010, the total labour force (persons 15 years and above) of Bangladesh is 56.65 million (39.48 million males and 17.17 million females).

In line with the ILO's priority program interventions, a new Sub regional project titled "Way out of Informality: Facilitating formalization of the informal economy in South Asia" has been initiated to address the legitimate issues in terms of priorities and challenges of the informal economy in South Asia covering three countries namely Bangladesh, India and Nepal. The Project is an ILO/Japan Multi-bilateral Technical Cooperation Program: under the Framework for Cooperation between Ministry of Health & Labour Welfare (MHLW)-Japan and the ILO for a period of 5-years (2012-2016). Project partners are the ILO tripartite constituents (Government/Employers' Federation/Worker's Federation) and other Non-Government Organizations and Social partners. This sub-regional Project will apply integrated decent work strategy for the informal economy to the formalization aspect, emphasize knowledge management to fill the large knowledge gap in the policymaking, and embrace the proven ILO strategy of participatory dialogue.

The ILO Dhaka Office and the Chief Technical Advisor (CTA) of the Project (based at New Delhi, India) consulted with the tripartite constituents about launching of the Project and received positive responses to organize the Knowledge Sharing and Planning Workshop to inform the tripartite partners and other key stakeholders about the design of the Project and to involve them in terms of making the Project functional.

Accordingly a day-long Workshop was organised by the ILO Country Office for Bangladesh with assistance from ILO Specialists from the Sub-regional Office, New Delhi, India to share ILO's International good practices on formalisation of informal economy followed by a planning exercise by the tripartite constituent partners for addressing formalisation issues in Bangladesh in priority sectors.

As a preparatory to holding the Knowledge Sharing and Planning Workshop, a national study was conducted to have an overview of the informal economy in Bangladesh which identified 5 labour intensive sectors in the informal economy namely **Transport (Road), Construction, Hotel & Restaurants , Bidi making and Dry fish processing** for possible interventions under the Project.

## **2. Objective of the National Workshop**

The day-long national Workshop was aimed at knowledge sharing on the formalization of the informal economy and identifying priority sectors for Project intervention through in depth consultations with the tripartite constituents, key stakeholders and the social partners in Bangladesh.

## **3. Participants and the Resource Persons**

The Workshop was addressed by the high level Government Officials, distinguished national and international experts and the representatives of the EOs and WAs. ILO Specialists on Employers' and Workers' Activities and Informal Economy provided contextual information and shared ILO good practices for active involvement of the participants. The list of the Resource Persons with their affiliations is given in **Annex-I**.

Participants represented the concerned Ministries and Departments of the Government, Employers' Organizations (Eos), Workers' Associations (Was), Labour and Employment related Non-Government Organizations and Social Partners. The list of the participating organisations is given in **Annex-II**.

## **4. Workshop Venue, Date and Programme Agenda**

The one-day Workshop was held on May 27, 2013 in Hotel Sonargaon in Dhaka. Originally it was scheduled for 2 days (May 26 & 27, 2013) but because of unavoidable reasons the Program scheduled on May 26, had been postponed, Therefore, the Workshop had to be condensed into a one-day Program on May 27, 2013.

The day long Workshop included Inaugural Session, 2 Technical Sessions, Tripartite Group Consultations and the Closing Session. The Workshop started at 9:00 AM and ended at 5:30 PM with breaks for tea and lunch. The Agenda of the Workshop events are given in **Annex III**.

## **5. Inaugural Session**

**Mr. Harunur Rashid**, National Project Coordinator, Way out of Informality Project (WOI), ILO, and Dhaka Office welcomed the distinguished guests and expressed his gratitude for the commitment of the participants to join the Workshop which expected to help address challenges of the informal economy in Bangladesh through participatory dialogue and fostering partnership. He also thanked the Japanese Government for funding the Project.

**Mr. Shinichi Ozawa**, CTA, ILO/Japan Multi-bilateral Programme, Regional Office, Bangkok introduced the WOI Project and briefed on the Formalization Concept of Informal Economy in South Asia. **(Annex IV)**. **Mr. Shinichi** noted that it is hard to protect the workers in the informal economy but admitted that the Decent Work concept would help initiate meaningful approaches to improve the situation through the Project: “Way out of Informality” that had been initiated with the support of the Government of Japan. He also commented that Decent Work sums up the aspirations of the people in their working lives. It also involves opportunities for work that is productive and delivers:

- A fair income
- Security in the workplace and social protection for families
- Better prospects for personal development and social integration.
- Freedom for people to express their concerns, organize and participate in the decisions that affect their lives , and
- Equality of opportunity and treatment for all women and men.

**Mr. Shinichi** underscored that formalization facilitates Decent Work and access to social protection and help improve workplaces that are essential for informal workers. Decent Work leads to sustained economic growth which is the best way to improve the situation of workers. He also mentioned that success stories, methods and good practices anywhere will be collected under the Project and disseminated to constituents and stakeholders. He concluded that ILO is committed to support the work of the Government, Employers’ Associations and Workers’ Unions to formalize the informal economy in the Sub-Region.

The Special Guest, **Mr. Mukit Khan, Ex-Chairperson** of National Co-ordination Committee for Workers’ Education (**NCCWE**) supported and endorsed formalization of the informal economy. He stressed that over 80 percent of the labour force are in the informal economy which is still expanding. As the workers in this sector are unorganized, they suffer from exploitation and lack of workers’ right and protection in workplace. **Mr. Mukit** hoped that sincere cooperation of the concerned agencies namely Government, Employers’, Workers’ Associations and Social Partners would ameliorate the conditions of the works in the informal economy.

**Mr. Farooq Ahmed, Secretary General of Bangladesh Employers’ Federation (BEF)** and a special guest, urged the stakeholders to share ILO experience to help improve the condition of workers in the informal sector who are insecure and unprotected. He emphasized that the poverty reduction strategy cannot be successful and sustainable without addressing the rights and aspirations of the workers in the informal sector. **Mr. Farooq** suggested that the Way out of Informality should be smooth, and to achieve the desired goal - the capacity of the stakeholders should be strengthened, relevant laws are to be updated, the vulnerable section of the workers namely women and the children are to be adequately protected and the overall remuneration of the workers must be adequate and attractive. He endorsed the Project and added that some growth sectors are providing the window for formalization, which include productivity/skills improvement, access to finance, required incentive and removal of barriers for informal units to formalize to enterprises.



The **Country Director ILO Mr. Srinivas Reddy** said that in this Planning and Knowledge Sharing Workshop with the representatives of ILO, Government, Employers', Workers' Federations and Civil Societies, priority sectors in the informal economy will be identified for intervention. He informed that the informal economy employees is about 87 percent of the total labour force in Bangladesh and 85 percent of them are female. He reiterated that today's dialogue is critical to find out ways and means to eliminate the negative aspects of employment in the informal economy jobs performing without rights and protection, and facing serious deficits of Decent Work. Mr. Srinivas urged the project stakeholders to address issues on gender equality so that both men and women are equally benefited from the interventions. He stressed on the strategic objectives of ILO Decent Work, social protection, freedom, equity, security and social dignity and, added that the recommendations from this Workshop would be crucial to achieve the objectives of the Project.

The Chief Guest **Mr. Mikail Shipar, Secretary, Ministry of Labour & Employment (MoLE),** GOB also reiterated the magnitude, role and plight of workers in the informal sector. He endorsed the WOI Project as being timely and highly relevant, and expressed his full commitment to support the Project. **Mr. Shipar** informed the audience that the Cabinet has recently approved a new Labour Policy conducive to promoting Decent Work. He added that by addressing the informal sector, Bangladesh can promote Decent Work in the country. He also opined that international and sub-regional good practices and the effective tools in formalizing the informal economy will be useful to the tripartite constituents aimed at contributing to the Project effectively.

During discussion following the presentations, it was pointed out that political will would be required to achieve the objectives of the Project; informality is an issue of governance and it must be addressed accordingly, and, informal aspects must be addressed and social protection schemes must be included in collective agreements.

## **6. Technical Session I**

Two presentations were conducted in this Session. After each presentation, the participants put forward their questions and comments. **Mr Khondaker Mostan Hossain, Deputy Secretary, Mole,** GOB chaired the Session.

The first presentation in this Session was on Way out of Informality Project (WOI) Project Design, Objectives, Outcome and Activities - presented by **Mr. Thomas Kring, Chief Technical Advisor (CTA), Way out of Informality (WOI) Project, ILO, New Delhi (Annex-V).**

**Mr. Kring** gave a brief introduction of the 5-year WOI Project covering India, Bangladesh and Nepal. He noted that the informal sector is expanding in the region. One of the issues is that it is not covered by law, and different strategies may not work equally effectively in different countries. He emphasised that the Decent Work strategies for the informal economy should be an integrated approach in order to be effective. It has to be a constituent-driven process where the constituents will guide national and local level consultative process to prioritize sectors and interventions.



The second presentation entitled 'Integrated Decent Work Strategies for the Informal Economy & Social Protection & Selected International Good Practices Addressing Formalization of Informal Economy' (**Annex-VI**) was presented by **Ms. Sandra Rothboeck, Consultant - WOI Project, ILO, New Delhi.**

**Ms. Rothboeck** presented an overview of ILO's integrated framework to enable transition to formality and some international experiences addressing formalization. She discussed in detail the components of ILO's integrated framework to enable transition to formality:

- Growth strategies and quality employment generation.
- Regulatory environment, including enforcement of ILS & core rights.
- Organization, representation and social dialogue.
- Equality: gender, ethnicity, race, caste, disability, age.
- Entrepreneurship, skills, finance, management, access to markets.
- Extension of social protection, social security, social transfers.
- Local (rural and urban) development strategies.

**Ms. Rothboeck** then addressed the types and areas of formalization and areas of intervention, short to long-term approaches, and cited examples of international experiences in this regard.

During **Question and Answer** period following the presentations, it was asked how to formalize the vast number of migrant and street workers. The Chairperson replied that the informal economy is a huge and complex issue but The Government is committed to Decent Work for all workers and initiatives can be undertaken with an agreement by all. **Mr. Kring** added that the Project will focus areas identified as priority sectors by the stakeholders and the Project will have full commitment to address informality issues and obstacles towards the formalisation process.

## **7. Technical Session II**

Two presentations were given in this Session: - one by **Mr. Ariel B. Castro, ILO Specialist on Workers' Activities, New Delhi**, on "Informal Economy, approaches and strategies for formalization (**Annex-VII**), and the other one by **Mr. Gotabaya Dasanayaka, Senior Specialist on Employer's Activities, ILO, New Delhi**, on "Role of Employers' Organizations (EOs) in the Informal Economy (**Annex-VIII**). The session was chaired by **Mr. Naimul Ahsan Jewel, Member Secretary, NCCWE.**

In his presentation, **Mr. Ariel** discussed what informal economy is, defined the informal economy workers and described possible efforts towards formalization. He also discussed, in detail, strategies and tools for formalization and described as examples, the Construction Workers Welfare Board of India, Trade Union efforts on formalizing construction workers, organizing domestic workers in India and how to formalize the contract workers. **Mr. Ariel** concluded that results so far achieved with efforts towards formalization indicate improving access to social protection, improving working conditions, improving wages and status,

providing voice and representation, increasing trade union strength, campaigning for workers' right and education.

In his presentation, **Mr. Dasanayaka** stressed that the regulatory environment is important for both formal and informal sectors and most problems connected with the informal economy are those that are connected to the absence of conducive national business environment and are critical to business in general. He also commented that enhancement of productivity and quality in informal economy products and services has a direct positive impact on the formal sector (e.g. Supply chains). **Mr. Dasanayaka** concluded that helping the informal economy to formalize would be a contribution to national socio-economic development.

On Employers Organizations (EOs), **Mr. Dasanayaka** informed that they are strategically well placed to provide policy guidelines on how best to address issues of the informal economy and to reach out of informal operations. He opined that Bangladesh Employers Federation (BEF), being the most representative of EOs, can lead on labour and employment issues. He also commented that both EOs and Workers' Organisations (WOs) can play an important advocacy role to draw attention to the underlying causes of informality to galvanize action on the part of all stakeholders to remove barriers to entry into mainstream economic activities.

During **Question and Answer** following the presentations, it was asked how EO policies could be more gender friendly. **Mr. Dasanayaka** informed that EOs have adopted guidelines for gender equality and sexual harassment at workplace.

It was further pointed out from the floor that productivity suffers from a number of factors including political instability, lack of social security and weak linkage between the Government, EOs and WO. **Mr Ariel** replied that these comments focus on the challenge ahead. Necessary infrastructure should be in place to achieve the objectives of the Project. However, he emphasised to understand better the intricacies and complexities of the process. The Chairperson **Mr. Naimul Ahsan Jewel**, Member, Secretary, NCCWE concluded that workers' representation is very important and the trade unions can address many relevant issues of informality to formality effectively

After the lunch break, the study report on the rapid assessment of the informal economy entitled, 'Overview of the Informal Economy in Bangladesh' (**Annex-VIII**) prepared by the consultant **Mr, ATM Nurul Amin** was presented in this session. **Mr. TIM Nurunnabi Khan, Senior Programme Officer, ILO** chaired the Session.

**Mr. Amin** mentioned that Bangladesh demographic-geographic-economic-market-political-social and cultural fundamentals have made it the most densely populated, vulnerable and one of the least developed countries. The end result is endemic and chronic suffering of workers, whose only means of living is selling labour power at any offered price which has given rise to the vast size of informal employment system. He shared that according to various surveys and definitions, 87.4 percent-97.6 percent of the employed labour force are in the informal sector, representing 47.9 million of the 53.87 million of employed labour

force in 2010 (according to one survey). **Mr. Amin** informed from the study that employment in the informal economy in Bangladesh is expanding rapidly and projected to rise to 51.25 million workers in 2013-14. Another concern that he found is the female employment in informal economy that is rising rapidly from 22.53 percent of the labour force in this sector (1990-2000) to 31.50 percent in 2010 and 32.10 percent in 2013-14.

**Mr. Amin** cited the legal instruments' role in informal-formal dichotomy and views of the Bangladesh Employers Federation and Trade Union leaders. However, the common distress of the workers across the informal economy remains:

- Long hours/no holiday
- Low pay
- Exposure to health hazards/accidents
- Poor working conditions
- Perpetual insecurity, chance of losing the job is a constant threat
- If female and young, physical abuse is possible
- Wage discrimination to the young and the female
- Most distressing time is when one falls sick
- Homeless
- Lack of toilet and sanitation services

In line with the objectives of the current ILO Project, **Mr. Amin** through the rapid assessment identified 5 sectors, according to the density of workers, for possible intervention under the Project.

- Road transport
- Construction
- Hotel services
- Bidi making
- Dry fish processing

**Mr. Amin** described the characteristics of these selected sectors and suggested potential areas of action.

During **Question and Answer**, concerns were expressed from the floor about child labour engaged in hazardous work and, safety and sexual harassment of large number of female workers. **Mr. Amin** replied from the study findings that existing trade unions need to be strengthened and, formalization and decent work will address these concerns.

## **8. Prioritizing Sectors for Formalization (in Bangladesh) – Group Work.**

The second half of the Technical Session chaired by Mr. **Thomas Kring** was devoted to the preparation and presentation of Group Work reports for prioritization of sectors for addressing formalization issues in Bangladesh. Three Consultative Groups were formed with the participants from the tripartite constituents representing the Government, Employers and the Workers. The list of participants in each Group is given in **Annex-IX**. Guidelines were given for prioritizing sectors for program intervention. (**Annex IX**)

The Groups were assisted by the Resource Persons present in the Workshop in shaping and formulating their ideas and proposed interventions.

The Group Work Reports of the three groups representing the Government, Employers and the Workers are given in **Annex-XI**.

**9. Major Finding of the Group Work Reports**

The three Groups identified, group-wise, the priority sectors for intervention by the Project and listed the available supportive means/system, major obstacles, main actors, proposed interventions, gender equality promotion and scalability for the selected sectors. The findings of the Group Reports are presented below:

**Identification of Priority Sectors**

The three Working Groups representing the Government, Employers and the Workers prioritized the sectors for intervention as follows:

**Priority Sectors**

<b>Government Group</b>	<b>Employers' Group</b>	<b>Workers' Group</b>
1. Construction	1. Construction	1. Construction
2. Road Transport	2. Hotel and Restaurant	2. Transport (Road)
		3. Hotel & Restaurants

Therefore, the sectors may be prioritized, according to the Working Groups, as follows:

- 1. Construction (1<sup>st</sup> priority of all 3 groups)
- 2. Transport (2<sup>nd</sup> priority of 2 groups)
- 3. Hotel and Restaurants (2<sup>nd</sup> priority of 1 group and 3<sup>rd</sup> priority of 1 group)

**Available Supportive Means/System**

The participants of the three Consultative Groups listed the current laws, policies, codes and institutional facilities and organizations available in the three selected priority sectors (**Annex-XI**). However, it remains to be examined to what extent these legal and institutional infrastructures are relevant, adequate and effective to address the needs of the workers in the informal sector.

**Major Obstacles**

The major obstacles listed by the participants in the three selected sub-sectors (**Annex-XI**) are more or less identical. They include: required legal instruments are absent or adequate, enforcement of existing laws is weak and its monitoring is absent: lack of effective organization and representation of workers, serious Decent Work deficits, discrimination and sexual harassment.

## **Main Actors**

The main actors, as listed by the participants, are the concerned Departments and Ministries of the Govt., relevant Employers' Organizations and Workers' Associations.

## **Proposed Interventions**

Both short and long term interventions have been proposed for the workers in the selected priority sectors. **(Annex-XI)**. Proposed short term interventions include registration and database of the workers; appointment letter and ID card, their need assessment, fixing of minimum and equal wage, skill up gradation, group insurance, OSH measures etc. Proposed long term interventions are: need based skill training and certification, freedom of organization, health insurance, creation of Workers Welfare Board etc.

## **Gender Equality Promotion**

The proposed measures include equal pay, addressing abuse, sexual harassment and discrimination, and a decent work place.

## **Scalability**

The proposed measures mentioned above should be replicated throughout the country.

**Mr. Kring**, as Chair of the session, concluded that the participation of the representatives of the three vital stakeholder groups in the preparation of the reports reflects a broad-based consensus, acceptance and commitment of these stakeholders. This will facilitate the designing, formulation and implementation of the Project. He also concluded from the Group recommendations that there was a clear consensus regarding the first priority and that *Construction* sector would be the first focus of the project.

## **10. Closing Session**

The Closing Session was addressed by Mr. Azizul Haque, Deputy Chief, MoLE-GOB; Mr. Saifuddin Ahmed, Adviser, BEF; Mr. Naimul Ahsan Jewel, Member Secretary, NCCWE ; S.M. Ehsan Kabir Joint Secretary, ERD, GOB; Mr. Harunur Rashid, National Project Coordinator, WOI Project, ILO, Dhaka and Mr. Thomas Kring, CTA, WOI Project, ILO, New Delhi, India

All the speakers responded positively and echoed support to the Project and at the same time assured their full cooperation in the designing, formulation and implementation of the Project. Mr. Azizul Haque shared that the revised Labour Policy is more labour friendly and is awaiting approval of the Government. Mr. Saifuddin Ahmed commented that the workers in the informal economy need to be skilled and protected and assured the role of EOs and BEF during the Project intervention. He also anticipated that the Decent Work deficiencies will be removed with the gradual formalization of the informal economy. In his concluding remarks Mr. Ehsan Kabir, Joint Secretary, ERD said that there needs to be broad based consultations with the stakeholders in formulating the Project. At the end he urged all stakeholders for continued contribution to make the Project successful.

Mr. Thomas Kring at the end thanked all the participants, Resource Persons and ILO Specialists and staff for their contribution in the Workshop. Mr. Thomas assured that the Project would be designed and implemented in consultation with and cooperation of all the concerned parties.

## **11. Conclusion**

The representatives of all the stakeholders namely the concerned Departments and Ministries of the Government of Bangladesh, Employers' Organisations, Workers' Organisations' and the Civil Society shared ILO's international good practices of formalisation of informal economy and endorsed the current Way out of Informality Project. They recognized the importance and urgency of improving the plight of workers in the informal sector and expressed their full support and cooperation to achieve the objectives of the Project. This demonstrates that the Way out of Informality Project is very timely and highly relevant. The representatives of the three key stakeholder Groups participated in the Planning Exercise, selected three sectors in order of priority namely: Construction, Transport and, Hotel and Restaurants for intervention by the Project and listed the available supportive means/system, major obstacles, main actors and proposed interventions for each of the selected sectors. This reflects a broad based consensus, acceptance and commitment of the stakeholders. This will facilitate the designing, formulation and implementation of the Project through participatory dialogue and fostering partnership among key stakeholders and implementing partners.

## Annexures

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### List of Resource Persons

1. **Mr. Mikail Shipar**  
Secretary, Ministry of Labour and Employment (MoLE), Government of Bangladesh
2. **Mr. Srinivas Reddy**  
Country Director, ILO Country Office for Bangladesh
3. **Mr. Farooq Ahmed**  
Secretary General, Bangladesh Employers' Federation (BEF)
4. **Mr. Mukit Khan**  
Ex. Chairperson, National Coordination Committee for Workers' Education (NCCWE)
5. **Mr. Naimul Ahsan Jewel**  
Member Secretary, NCCWE, Bangladesh
6. **Mr. S.M. Ehsan Kabir**  
Joint Secretary (UN), Economic Relations Division (ERD)  
Ministry of Finance, Government of Bangladesh
7. **Mr. Khondaker Mostan Hossain**  
Deputy Secretary  
Ministry of Labour and Employment, Government of Bangladesh
8. **Mr. Azizul Haque**  
Deputy Chief, Ministry of Labour and Employment, Government of Bangladesh
9. **Mr. Shinichi Ozawa**  
Chief Technical Advisor, ILO-Japan Bilateral Programme, Bangkok
10. **Mr. Thomas Kring**  
Chief Technical Advisor, Way out of Informality Project, ILO DWT/CO-New Delhi
11. **Mr. TIM Nurunnabi Khan**  
Senior Program Officer, ILO CO- Dhaka
12. **Mr. Saifuddin Ahmed**  
Labour Adviser, Bangladesh Employers' Federation
13. **Mr. Ariel B. Castro**  
ILO Specialist on Workers' Activities, ILO DWT/CO-New Delhi
14. **Mr. Gotabaya Dasanayaka**  
Senior Specialist on Employers' Activities, ILO DWT/CO-New Delhi
15. **Dr. ATM Nurul Amin**  
Professor, North South University & Principal Researcher, Way out of Informality Project
16. **Ms. Sandra Rothboeck**  
Consultant, Way out of Informality Project, ILO, New Delhi

## List of Participating Organisation

Sl. No.		Name & Designation
1.	Government of Bangladesh	Ministry of Labour & Employment Government of Bangladesh Bangladesh Secretariat, Dhaka
2.		Economic Relations Division (ERD) Ministry of Finance Government of Bangladesh
3.		Director of Labour 4 Rajuk Avenue, Dhaka
4.		Department of Factories & Establishment Labour house, No-4, Rajuk Avenue, Paltan, Dhaka
5.		Socio-Economic Infrastructure (SEI) Division Planning Commission Government of Bangladesh
6.		Internal Monitoring & Evaluation Division (IMED) Ministry of Planning Government of Bangladesh
7.		Statistics & Informatics Division Ministry of Planning Government of Bangladesh
8.		Ministry of Social Welfare Government of Bangladesh Bangladesh Secretariat, Dhaka
9.		Ministry of Commerce Government of Bangladesh Bangladesh Secretariat, Dhaka
10.		Ministry of Industries Government of Bangladesh 91, Motijheel C/A, Dhaka-1000
11.		Bangladesh Bureau of Statistics (BBS) Parishankhyan Bhaban, E-27/A, Agargaon Sher-e-Bangla Nagar, Dhaka-1207
12.		Bangladesh Institute of Development Studies (BIDS) E-17 Agargaon, Sher-e- Bangla Nagar, Dhaka
13.	Bangladesh Employers' Federation (BEF)	Bangladesh Employers' Federation (BEF) Chamber Building, 4th Floor 122-124 Motijheel C.A. Dhaka
14.	The Federation of Bangladesh Chambers of Commerce and Industry	Director, FBCCI The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), 60, Motijheel C/A, Dhaka.
15.	Dhaka Chamber of Commerce & Industry	Dhaka Chamber of Commerce & Industry (DCCI) 65-66, Motijheel C/A. City, Dhaka
16.	Bangladesh Women Chamber of Commerce & Industry	President Bangladesh Women Chamber of Commerce & Industry Gulshan Grace, Apt. # 2C(1 <sup>st</sup> floor) House# 08 Block # CWS (C), South Avenue, Gulshan-1, Dhaka

17.	National Coordination Council for Workers' Education	Chairperson & Member-Secretary National Coordination Council for Workers' Education (NCCWE) Dhaka
18.	Japan International Labour Foundation	Adviser, SRGA Project in Bangladesh, JILAF House 45, Road 27, Block-A Banani, Dhaka-1213
19.	Development Partners	UNDP IDB Bhaban, Agargaon, Sher-e-Bangla Nagar, Dhaka 1207
20.		Adviser (Private Sector Development) JICA Bangladesh Office Gulshan Avenue (South), Circle-1, Dhaka-1212
21.		Sr. Programme Officer Delegation of the European Union to Bangladesh House 7, Road 84, Gulshan 2, Dhaka 1212
22.	R&D Organisations	Bangladesh Unnayan Parishad(BUP) House#50,Road#8,Block-D, Niketon,Gulshan-1, Dhaka - 1212
23.		Centre for Policy Dialogue (CPD) House- 40/C, Road- 32 Dhanmondi R/A Dhaka-1209
24.	NGOs	BRAC BRAC Centre 75 Mohakhali, Dhaka1212
25.		Dhaka Ahsania Mission House # 19, Road # 12 Dhanmondi, Dhaka-1209
26.		UCEP-Bangladesh UCEP head Office Plot no. 2 & 3, Mirpur, Dhaka-1216
27.		Program Manager OSHE Foundation 44 F/6 West Pathapath (4 <sup>th</sup> Floor) Dhaka-1215
28.	ILO, CO-Dhaka	ILO Country Office for Bangladesh Dhaka
29.	DWT/CO, ILO- New Delhi, India	Chief Technical Officer Way out of informality Project ILO, New Delhi, India
30.		Sr. Specialist, Employers' Activities ILO, New Delhi, India
31.		Specialist, Workers' Activities ILO, New Delhi, India
32.	ILO, CO-Khatmundu	National Project Coordinator Way out of informality Project ILO, Nepal
33.	Regional office, ILO-ASIA & The Pacific	Chief Technical Advisor ILO-Japan Bilateral Programme ILO, Bangkok



International  
Labour  
Organization



ILO/Japan  
Multi-bilateral  
Programme

### Programme Agenda of the Workshop

SESSION & TIME	DISCUSSION TOPIC	SPEAKERS/DISCUSSANTS/ RESOURCE PERSONS
Registration 8.30 am to 9.00 am	Participants take Chairs	Way out of Informal Economy (WOI) Project Staff
Inaugural Session 09.00 am to 9.05 am	Welcome address	Harunur Rashid National Project Coordinator , WOI Project
09.05 am to 9.15 am	Introduction of the Way out of informality Project & Formalization Concept of Informal Economy in South Asia	Mr. Shinichi Ozawa Chief Technical Advisor ILO-Japan Bilateral Programme ILO Regional Office, Bangkok
09.15 am to 09.25 am	Statement by the Special Guest	Mr. Sukkur Mahmud Chairperson National Coordination Committee for Workers' Education (NCCWE), Bangladesh
09.25 am to 09.35 am	Statement by the Special Guest	Mr. Farooq Ahmed Secretary-General Bangladesh Employers' Federation (BEF)
09.35 am to 09.47 am	Address by the ILO Country Director	Mr. Srinivas Reddy Country Director ILO Bangladesh
09.47 am to 10.00 am	Address by the Chief Guest	Mr. Mikail Shipar Secretary Ministry of Labour & Employment (MoLE) Government of Bangladesh
10.00 am to 10.30 am	Tea	
Technical Session 1 10.30 am to 11:00 am	Project Design, Objectives, Outcome & Activities	Mr. Thomas Kring Chief Technical Advisor Way out of Informality Project ILO, New Delhi
11.00 am to 11.45 am	Integrated Decent Work Strategies for the Informal Economy & Social Protection & Selected International Good Practices Addressing Formalization of Informal Economy  Questions & Discussion	Sandra Rothboeck Consultant, Way out of informality Project ILO, New Delhi
	Chair: Mr. Khondaker Mostan Hossain Deputy Secretary Ministry of Labour & Employment, Government of Bangladesh	

SESSION & TIME	DISCUSSION TOPIC	SPEAKERS/DISCUSSANTS/ RESOURCE PERSONS
Technical Session 2 11.45 am to 12.15 pm	Social Protection & Organising Workers	<ul style="list-style-type: none"> <li>Mr. Ariel B. Castro Specialist on Workers' Activities,  ILO, New Delhi</li> </ul>
12.15 pm to 01.00 pm	Informal economy and the role of Employers' Associations  Questions & Discussion	<ul style="list-style-type: none"> <li>Mr. Gotabaya Dasanayaka Senior Specialist on Employers' Activities, ILO, New Delhi</li> </ul>
	Chair: Mr. Mr. Naimul Ahsan Jewel Member-Secretary, NCCWE	
01.00 pm to 01.45 pm	Lunch	
Technical Session 2 01.45 pm to 02.45 pm	Overview of the Informal Economy in Bangladesh	Dr. ATM Nurul Amin Principal Researcher Study Team
	Chair: Mr. TIM Nurunnabi Khan Sr. Program Officer, ILO, Dhaka	
02.45 pm to 03.00 pm	Tea	
03.00 pm to 04.00 pm	Prioritising Sectors for Formalisation (in Bangladesh) Working Groups: <ul style="list-style-type: none"> <li>Government</li> <li>Employers'</li> <li>Workers'</li> </ul>	Working Groups/ ILO Specialists
04.00 pm to 04.45 pm	Presentation of Groups <ul style="list-style-type: none"> <li>Government</li> <li>Employers'</li> <li>Workers'</li> </ul>	Working Groups
	Chair: Mr. Thomas Kring CTA, WOI Project, ILO, New Delhi	
Technical Session 3 04.45 pm to 05.15 pm	Action Planning for The Way Forward  Moderators: Mr. Thomas Kring & Mr. Harunur Rashid, WOI Project	Tripartite Constituents Stakeholders/Participants Way out informality Project
Closing Session 05,15 pm to 05.30 pm	Closing Remarks	<ul style="list-style-type: none"> <li>Ministry of Labour</li> <li>Bangladesh Employers' Federation</li> <li>NCCWE</li> <li>International Labour Organization</li> </ul>



ILO/Japan Multi-bilateral Programme



International Labour Organization



ILO/Japan Multi-bilateral Programme

## ILO/Japan Multi-bilateral Programme & Way out of Informality Project

Presentation by  
**Sinichi Ozawa**  
Chief Technical Advisor



Decent Work For All



Why formalization?  
**Informality ≠ UNHAPPY**  
**Formality ≠ HAPPY**

ASIAN DECENT WORK DECADE 2006-2015



ILO/Japan Multi-bilateral Programme



International Labour Organization

### Why formalization?

## Formality

**Easy Access to Social Protection**

**Well Protected in the workplace**




## Decent work


sums up the aspirations of people in their working lives.

It involves opportunities for work that is productive and delivers


- a fair income,
- security in the workplace and social protection for families,
- better prospects for personal development and social integration,
- freedom for people to express their concerns, organize and participate in the decisions that affect their lives and
- equality of opportunity and treatment for all women and men








ILO/Japan Multi-bilateral Programme



International Labour Organization



ILO/Japan Multi-bilateral Programme

### Why ILO?

**JICA**  
Government - Government

**ILO/Japan Multi-bilateral Programme**  
G - ILO (ROAP) – Multi countries

### What is ILO/Japan Programme?

**ILO/Japan Multi-bilateral Programme**  
Since 1974


2010-2014  
**Industrial Relations**  
+ISCAH


2010-2014  
**Greener Business**  
Philippines, Thailand

2012-2016  
**Way out of Informality**  
India, Nepal, Bangladesh


2011-2013  
**Unemployment Insurance**  
+ISCAH

2010-2014  
**Occupational Safety & Health**  
Viet Nam, Cambodia





ILO/Japan Multi-bilateral Programme



International Labour Organization

### What is expected? Why now?

**Way out of Informality**  
2012-2016  
India, Nepal, Bangladesh

**Disseminate to India, Nepal**

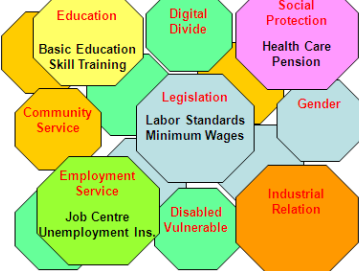
**South Asia Countries**  
Asia & Pacific  
Worldwide


**Strong evidences of Success stories**  
Methods, Good practices

**Bangladesh Model**

Economic Growth (GDP)  
+6 - 7% / year

### What is this for? ... In the near future







## Annex-V



Way out of Informality  
Way out of informality: facilitating formalization of the informal economy in India.  
Funded by the Government of Japan.  
Summary of the Project

### Way out of Informality: Facilitating Formalization of the Informal Economy in Bangladesh

National Knowledge Sharing Workshop  
Thomas Kring, CTA, Way out of Informality  
Decent Work Technical Support Team for South Asia



Decent Work for All

ASIAN DECENT WORK DECADE 2006-2015

- ▶ 5 year project covering India, Bangladesh and Nepal
- ▶ USD 5 million from the ILO/Japan Multi-bi Program
- ▶ Project objective:
  - facilitate formalization of informal businesses and employment relationships,
  - discourage informalization of formal economy firms and jobs



Way out of Informality

Way out of Informality

### Summary of the Project (II)

- ▶ 3 components:
  - 1) Regulatory and policy environment;
  - 2) Promoting job-rich growth strategies and integrated formalization assistance;
  - 3) Knowledge management

### The Informal Economy

- Informal Economy acting as a sponge
- New Trends – Contract Labour, Outsourcing
- Coverage under the Law
- Capturing the Informal Economy in Surveys



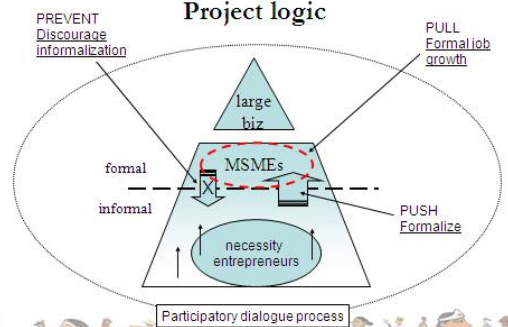
Way out of Informality

### DECENT WORK STRATEGIES FOR THE INFORMAL ECONOMY: An integrated approach to move out informality



Way out of Informality

### Project logic



Way out of Informality

### Immediate Objectives/Outcomes

- ▶ Outcome 1 (policy & regulation): The regulatory and policy environment in the target areas made more conducive to formalization and protective to the risks of informalization
- ▶ Outcome 2 (local area pilot): Formal job growth promoted through job-rich growth strategy and integrated formalization assistance in the target areas
- ▶ Outcome 3 (knowledge): Good practices and tools of promoting formalization better understood by key stakeholders at the national level in South Asia

### ... through the constituents driven process

- ▶ The constituents will guide: national and local level consultative process to prioritize sectors and interventions;
  - Focus on job-rich growth strategies; labour law & social security issues;
  - Coordinate to develop a monitoring system on formalization and job creation;
  - Facilitated through participation at international training and meetings; knowledge sharing workshops and study tours

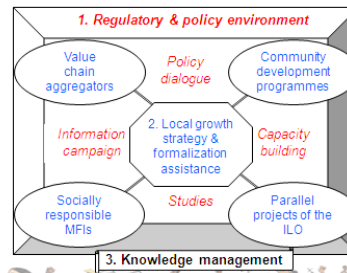




### How the Three Components Work Together

- ▶ **At firms level:**
  - Reduce the regulatory cost of formalization;
  - Link incentive schemes;
- ▶ **At workers level:**
  - Formalize the employment relationships, e.g., through the appointment letter;
  - Extend the social security benefits; and
  - Help find new jobs in the formal economy
- ▶ **Through a constituents driven process**
  - The constituents will guide: national and local level consultative process to prioritize sectors and interventions;

### How the Three Components Work Together



Way out of Informality

### Project strategy – Integration and Leveraging

- ▶ Will follow the approach outlined in the Integrated Decent Work Strategy for the Informal Economy of the ILO with a focus on areas where the “formalization” can be facilitated with limited resources.
- The project will:
- focus on contributing to social dialogue process on policy and regulatory reform through research & analysis and policy advices;
  - capacity building of meso level institutions and constituents to facilitate their direct support of formalization;
  - Incentivizing proven models that promote formalization

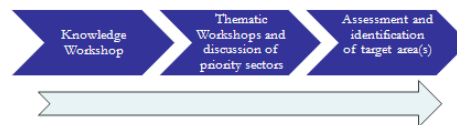


### Project Strategy – Integration and Leveraging

Furthermore the project will:

- ▶ Mobilize the Office-wide knowledge on the formalization and the job-rich growth
- ▶ Partnership to leverage resources thru LED/VCD (with VC aggregators, socially responsible financial institutions, large scale community development programmes and parallel projects)

### Way Forward



6 Months



### Way Forward

- ▶ **Technical Criteria** which will guide the identification process of priority topics:
  - Possible to achieve results with the limited resources and time available
  - Existing building blocks to realize synergies
  - Gender
  - Scalability
- Criteria guiding selection of local area would include:
  - Entry points for all prioritized topics
  - Buy in from local constituents and key stakeholders

### Way Forward

- India: Micro and Small Enterprises Manufacturing (Automobile) (TBC)
- Nepal: Construction Sector (Priority)  
Hotel and Tourism (Second priority)
- Bangladesh: ?





**International Good Practices:  
A Case of Cambodia and India**

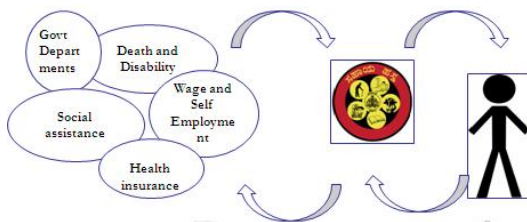
**Presentation at Knowledge Sharing Workshop  
on Way Out of Informality**

**Dhaka, 26/27 May 2013  
Sandra Rothboeck, ILO Consultant**



**Worker Facilitation Centre**

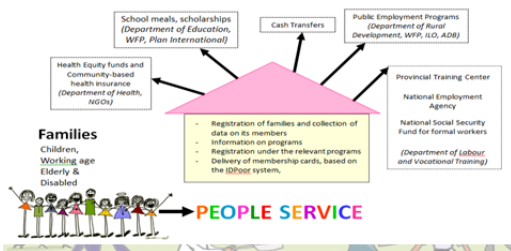
... as a bridge between existing Government Departments (schemes covering different risks) and Unorganised Workers



**Pilot Project, Siem Reap Cambodia**

(\*2011)

- ▶ Implements, through a single Window Service (PEOPLE), the Social Protection Floor + active labour market measures.
- ▶ Single Window Services (PEOPLE):

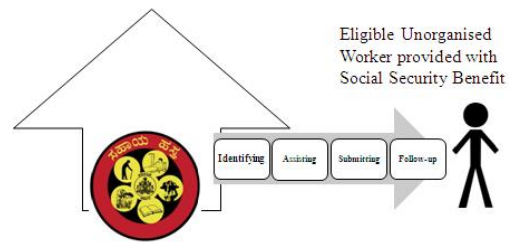


**GIZ/GOI Project:**

**Worker Facilitation Centres in Karnataka**

- Social Security Bill, 2008 – provides minimum social security to all informal sector workers
- Worker Facilitation Centre (WFC) has been therefore piloted in a large number of village councils/wards spread over agro-climatically different districts since 2009 in Karnataka (GIZ/GOI)
- An ILO diagnostic study in 2010 identified major gaps in service delivery under the above BOCW Act.

**Facilitation Process**



Source: GIZ

**What PEOPLE does**

- Provides a coherent framework for implementation of the NSPS
- Facilitates better coordination between line ministries and stakeholders.
- Simplifies procedures and develop synergies: reduced costs, share administrative tasks: (registration, vulnerability assessment, skills assessment, M&E ...)
- Facilitates access to both social protection & employment services for the families with no access to information or services.
- Better monitoring, delivery of integrated social protection and labour market interventions through single database of beneficiaries.
- Administered at sub-national level
- Is linked to the central level via different reporting channels

**Summary**

1. Social Protection Floor first Step towards formalisation
2. Single Window Options are more people friendly and increase accessibility to entitlements and relevant services for informal workers
3. Integrated approaches, which include SP, and labour market interventions (Training, placement etc.) reduce decent work deficits and can contribute towards formalisation

KEY ASPECTS	LESSONS LEARNED
<ul style="list-style-type: none"> <li>• Community Facilitator (CF) works with worker representatives</li> <li>• Training of Facilitators</li> <li>• Management Information System (MIS)</li> <li>• Quality control by third party</li> <li>• Impact Assessment – how is it undertaken and what results have been obtained</li> </ul>	<ul style="list-style-type: none"> <li>• Community Facilitator (local) establishes trust</li> <li>• CF collects information and facilitation of social security benefits improves rapport</li> <li>• Need-based capacity building and MIS enables CF to realize the potential</li> <li>• Regular quality check not only improves the quality of WFC work and strengthens transparency</li> <li>• Individual approach improved the access to social security benefits</li> <li>• WFC as single window addresses the supply side problems and contributes to convergence</li> </ul>





## International Labour Organization

### Informal Economy: Enabling Transition to Formalization

#### Approaches and Strategies for Formalization

Ariel B. Castro  
ILO Sr. Specialist on Workers' Activities  
New Delhi

1

#### What is informal economy?



#### What comes to your mind when you hear the term "informal economy"?

- Atypical work
- Fluctuating income
- Contractual
- No registration
- No identity, their contribution is not counted
- No social security
- No job security
- Poor work conditions
- Temporary
- Part time
- No Regulations
- Harassment & abuse from authorities
- No bargaining power
- Women and children / migrant workers / disabled
- Bonded labour
- ALL NON-FORMAL JOBS

3

#### Efforts towards Formalization



- No quick fix & one size fits - all solution;
- Sensitize workers in the IE to the importance of having collective representation & voice;
- Include IEW in collective agreements and provide them with special services including information on their legal right and other services;
- Comprehensive approach inclusive of rights, decent employment, social protection and social dialogue;
- Measures promoting recognition, protection and support to IEW and economic units like extension of health and social protection schemes, change in labour laws etc.;
- Linking the formal to the informal - recognizing and upgrading skills;
- Creation of formal enterprises and incorporation of informal enterprises into the formal economy;
- Reduce unregistered work without social protection;
- Providing a minimum floor to all irrespective of working situations - e.g. SPF, ILO Recommendation 202 (2012);
- Promote policies, laws, regulations that impact informality;
- Informality is an issue of governance - improved governance at all levels. <sup>2</sup>

#### Skills Training – A Tool for Formalization



- Identification of Candidates (rural unemployed youth / trade union members / adult school drop outs) - Viable Trades - Training Providers / Institutions - govt. approved;
  - Demand driven skills / trades viz. Computer, Cell Phone repair & service, Electrician, Turner, Mechanic, Driving, A/C Mechanic, Spinning Texter - Textiles, Tailoring & Embroidery and many such other trades.
  - Market analysis - Local survey on job opportunities in the selected trades.
  - Selection of right candidates through interviews.
- TUs through a process of social dialogue entering into MOU and service agreements with the employers, training providers / institutions;
- Finalizing course curriculum including workers rights & course duration;
- Follow up and monitoring on candidates attendance and over all performance;
- Formal examination conducted;
- Govt. recognized certification / degree granted;
- Assistance provided for employment exchange enrollment and suitable job placements;
- Once employed the candidates facilitate in strengthening the TU movement through voluntary services.

#### Informal Economy



- Informal Economy includes mostly small scale activities in traditional sectors of the economy. But also a part of new production strategies and changing patterns of employment in global economy;
- Informality does not necessarily recede as countries grow;
- More workers join the informal economy and significant decent work deficits noted;
- ILC 2002 articulates importance of increasing decent work in the informal economy - Resolution on Decent Work and Informal Economy.

2

#### Who are Informal Economy Workers?



- **Own account workers**
  - Small shop & street vendors, transport operators, farmers, fish workers, gem cutters, charcoal makers, weavers, basket makers, potters, potato chips makers, etc;
  - Contributing family members;
  - Those moving from one situation to another;
  - New flexible work arrangements;
  - IEW are the periphery of core enterprises or lowest end of production unit e.g. packers, loaders etc.
- **Contractual labour**
  - home based workers
  - construction workers
  - farm workers
  - railway workers
  - domestic workers
  - garment workers
  - textile workers
  - brass workers
  - beedi & matches workers and many more

4

#### TU Strategies towards Formalization



- Multi Pronged - Integrated Rights Based Approaches;
- Promote international labour standards and its application to protect workers in all parts of economy;
- ILO Declaration on FPRW covers all workers formal and informal;
  - FOA & CB - Child Labour
  - Forced Labour - Discrimination
    - o OSH - could also be an entry point
- Promote multi component programmes
  - Microfinance
  - Microinsurance
  - Rights and awareness raising
  - Increased TU capacity for advocacy
  - TU campaigns
  - Cooperatives

6

#### Construction Workers Welfare Board – India e.g.



- Tripartite legally notified;
- State level welfare board;
- Financed through Cess, Memberships & Govt. contributions
- Social security schemes and benefits provided
  - Benefits are harmonized while the quantum is decided by the state welfare boards.
    - Benefits include:
      - o Education assistance
      - o Higher education assistance
      - o Accident & medical assistance
      - o Natural Death Claim
      - o Accidental death
      - o Marriage assistance
      - o Maternity
      - o Abortion
      - o Pension
      - o Spectacles etc.

8



#### Trade Unions efforts on formalizing construction workers...

- Improve social protection / social security benefits for construction workers through massive awareness campaigns.
- TUs facilitate in enrolling construction workers into welfare boards.
- TUs facilitate in obtaining / renewing identity cards for construction workers from the welfare boards.
- TUs educate and create awareness on the schemes and benefits of the welfare board.
- TUs provide assistance in accessing various schemes and benefits from the welfare board.
- TUs participate and address workers issues in tripartite welfare board committees.
- TUs collate and document best practices / replicate positive experiences in all working areas.

9



## Organizing Domestic Workers

- Access to Welfare Boards (Tamil Nadu and Maharashtra)
- Providing access to health insurance schemes (Tamil Nadu)
- Campaigning for minimum wages for DWs

10

## Contract Workers

- Campaigning for regularization of employment (MNEs and PSUs)
- Wage negotiations
- Bipartite agreements with contractors/sub-contractors/associations for non-regular employees

11

## Trends so far...

- Improving access to social protection
- Improving working conditions
- Improving wages and status
- Providing voice and representation
- Union structure, policy
- Increasing union strength
- Campaigning and workers' rights education

12

### Role of Employers' Organisations (EOs) in the Informal economy

Presented by

Gotabaya Dasanayaka  
Senior Specialist on Employers' Activities  
ILO, New Delhi

❖ Most problems connected with the informal economy are those that are connected to the absence of a conducive National Business environment and are critical to Business in general

❖ The informal economy is at times regarded as being in unfair competition with the formal economy and a level playing field is in the interest of those in the formal economy

❖ Enhancement of productivity & Quality in informal economy products and services have a direct positive impact on the formal sector (Eg. Supply Chains)

**EOs are strategically well placed to provide policy guidelines on how best to address issues of the informal economy and reach out to informal operators.**

**BEF being the most representative EO can give the lead on Labour & Employment issues. Will need coordination with sector / regional Orgs for wider input**

32 – **“Both EOs and WOs can play an important advocacy role to draw attention to the underlying causes of informality to galvanise action on the part of all stakeholders to remove barriers to entry into mainstream economic activities”**

**“Lobby the public authorities for the creation of transparent institutions and mechanisms for delivering services to the informal economy”**

33 – **“EOs in collaboration with or through other organisations can assist economic units operating in the informal economy in a number of ways.....”**

### Employers' Organisations (EOs) represent the Formal economy.

#### Why Need EOs be interested in the Informal Economy ?

❖ Small / Micro enterprises play a major role in the economy and a voice of National Business needs to represent them as well.

❖ Small /Micro enterprises are a potential source of membership either direct or through their Associations.

❖ Helping the informal economy to formalize would be a contribution to national Socio-economic development.

2002 ILC Tripartite Resolution concerning the informal economy.

**Paragraphs:**

27 - **“A conducive policy and legal environment lowers the cost to operate a business.....”**

31 – **“An important objective for both Employers and Workers Organisations is to extend representation throughout the informal economy .....”**

- Lobbying / advocacy
- Representation / services

**DECENT WORK STRATEGIES FOR THE INFORMAL ECONOMY :**  
An integrated approach to move out informality





**Way Out of Informality**  
Facilitating Formalization of the Informal Economy in South Asia

**Overview of the Informal Economy in Bangladesh**

by  
ATM Nurul Amin

Presented to the Knowledge Sharing and Planning Workshop, 27 May 2013, Hotel Sonargaon, Dhaka

**Bangladesh: Demographic-Geographic-Economic-Market-Governance Fundamentals**

- Bangladesh's demographic-geographic-economic-market political, social and cultural fundamentals have made it one of the least developed countries with a per capita income of \$750.
- A country of 142.32 million population, squeezed into 147,570 sq km, which means more than double population than that of Thailand are eking out a living from an area of one-third of Thailand.
- As a riparian country, it does not have any control over its rivers, the life-lines of the nation.
- As a country located at the mouth of a turbulent bay, the Bay of Bengal, the country has long been vulnerable to cyclonic storms and water surge.

The IE definitions adopted in Bangladesh can be grouped into two broad categories:

**Macro level definition**

- *(Influenced largely by the country's data collection system and laws and regulations concerning employment or enterprise system)*

**Micro level definition**

*(Individual researchers' definitions which are largely based on employment or enterprise characteristics, influenced by the original ILO definition (ILO, 1972).*

**Macro level definition: LFS data Based**

- LFS data is a convenient source for data on employment by *labour categories* or *employment status*. These categories used to be (until LFS 2010). :
  - (i) Employers,
  - (ii) Employees,
  - (iii) Self-employed/own account workers,
  - (iv) Day labourers and
  - (v) Unpaid family labourers.

BBS, similar to the practices in other countries consider the informal economy as comprised of category (iii)+(iv)+(v) above, i.e.,:

- Own account of workers
- Day labourers
- Unpaid family labourers.

In most recent LFS, the LFS 2010, labour categories have been revised as follows:

- Regular paid employee
- Employer
- Self-employed (agri)
- Self-employed (non-agri)
- Irregular paid worker
- Day labourer (agri)
- Day labourer (non-agri)
- Servant

From the enterprise perspective two more important findings are:

- “More than 88% of those employed in informal enterprises worked in establishment with less than 10 people”, and
- Almost 77% of the jobs available in the country's labour market in 2010 were undertaken in informal production units composed mainly of unpaid family workers and “daily wage workers” both in the “agriculture and non-agriculture sector” (ADB, 2012, p.2).

**As per Ahmed (2010), a leading member of ISS 2010, the enterprise approach of defining the Informal Sector (IS) is comprised of:**

Household unincorporated enterprises (a) with less than 10 persons engaged in the activity/establishment and (b) without complete set of accounts (Ahmed, 2010).

**The same ISS, in its employment approach, defines the following to comprise informal employment:**

- All those who identified themselves to be unpaid family workers, irregular paid workers, day laborers in agriculture/non-agriculture, domestic workers, and paid/unpaid apprentices;
- All workers employed in the personal household sector;
- Paid employees working in the formal sector and are NOT paid weekly or monthly;
- Paid employees working in personal establishments and “other” sectors; and
- Employers, self employed workers, and “other” workers
- Employed in businesses with NO written accounts and/or are NOT registered with the proper authorities (Ahmed, 2010).



## Finding Highlights

On the basis of BBS-ADB ISS 2010 data, it is found that 93.3% of transport (include storage and communication), 93.6% of construction and 90.4% hotel & restaurant workers are informally employed (ADB, 2012, p. 16).

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## Five selected sectors' worker composition

- Road Transport: bus and truck drivers, conductors, helpers, rickshaw pullers, tempo drivers
- Construction: site preparation labour, mason, mason helper, brick-breaking labour, brick-layer and 'ghrami'
- Hotel services: hotel boy, plate boy, glass boy, cook, cleaner and cashier
- Bidi-making: leaf rolling, filling and packing,
- Dry fish processing: Fish catching, sorting, cleaning, salting and drying.

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## Construction

> In 2010, among 2.6 million construction workers, 2.44 million were engaged in informal sector (ADB, 2012), which is 4.30 percent of the total national labor force.



*"Life seems to be very hard for us. We both (husband and wife) are involved in brick-breaking for last five years but still our condition remains unchanged. We face many problems daily. Now people are using machine. Getting work is becoming harder."*

Keramat Miah, a 50-year old man.

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Picture: Risky work environment

A total of 487 construction workers died and 790 were injured at work in the six months of January to June 2012. Of that number, some 97 workers were killed and 246 workers were injured in violent incidents. The remaining 380 deaths and 544 injuries were the result of workplace accidents (BILS, 2012).

- ❖ Hiring process: contract/sub contract (daily basis)
- ❖ Agreement: verbal
- ❖ Wage: differ by sub-sector, differs by male and female
- ❖ Working hours: 10-12 hours
- ❖ Health hazards: high risk of accident
- ❖ Trade union: ineffective, absent
- ❖ Motivation: none, helpless & hopeless
- ❖ Discrimination: yes
- ❖ Child labor: moderate
- ❖ Awareness of safety and work right: hardly any.

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- > According to LFS 2010, about 6.48 percent of the labor force are engaged in informal transport, storage and communication sector.
- > The working hours for the workers are long, for a low wage.
- > The job is risky in nature and hence when accidents occur workers have to take the full blame and not the bus owners.



Workers do not find any effective presence of labor union, no fruitful benefits from social safety net, child labor use with low pay, no fixed schedule of work, risk and vulnerability are high.

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## Hotel Services

- > According to LFS 2010, about 0.73 million workers are engaged in the informal hotels and restaurants, which account for about 1.28% of the total national labor force.
- > There is no minimum wage
- > Long hours of work is a major concern of the workers.

Workers are not aware of labor union, no fruitful benefits from social safety net, lot of child labor, low pay, health hazards, particularly in kitchen and cleaning work.

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*Though the owner assures me paying the monthly payment in first week of the month, common practice is to pay in the third week of the month. Only Tk. 3500 of monthly pay and late payment make my life more difficult. I work day long, there is no fixed time hours in my duty. The hotel owner provides unsold food and often suffer from diseases.*

- Raihan, 25 years old food server

- ❖ Hiring process: on a daily or monthly basis
- ❖ Agreement: Verbal
- ❖ Wage: Varies by skill level, by gender  
Cook: Tk. 5000-6000/month  
Cashier: Tk. 3000-4000/month  
Hotel boy: Tk. 100-150/daily,

- Sometimes service boys get tips from customers.
- ❖ Working hours: 12-14 hours
- ❖ Health Hazards: smoky and unhealthy working condition, particularly in kitchen
- ❖ Trade union: ineffective, if not absent
- ❖ Motivation: no hope of a better job & life
- ❖ Discrimination: yes
- ❖ Child labor: many
- ❖ Safety and right awareness: no

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## Bidi-Making

- > About 2.1 million workers (1.8 million are women) are engaged in 91 bidi factories (Bangladesh Bidi Sramik Federation).
- > A bidi worker can make 8,000 to 10,000 sticks by working eight to ten hours.
- > Each worker gets Tk. 22-24 for making 1000 bidi!
- > Bidi workers often work in unhealthy conditions, exposed to tobacco dust & chemicals and spend many hours in uncomfortable positions.
- > The children are mostly involved in bidi-making because they can be paid low rate.

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### Dry Fish Processing

- Huge number of women workers are engaged in dry fish processing, some workers sort the fishes, some done cleaning, some do the salting while some do drying.
- The regular wage of a female dry fish worker is only Tk.50/day
- Health hazards include exposure to chemicals, incentives and toxic substances.

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Indicator	Hours/percent
Average daily <i>hours</i> worked	9.8 hrs
Average no. of <i>days</i> worked per week	6.3 hrs
Average <i>monthly</i> earning by working children	Tk. 1775
Forced to work anytime	12.7 %
Victims of violence	8.2 %

Source: BBS, (2011).

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**In considering potential areas of action it is to be borne in mind that the informal workers' extreme vulnerability arises from the (Ahmed, 2010, p.59) :**

- unprotected nature of the work (*labour standpoint*)
- extremely competitive market that leaves little to hope for living beyond subsistence (*an enterprise standpoint*).

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Several ILO projects, as listed below, have already been contributing to reduce the above vulnerabilities of the IE workers.

- (i) TVET projects focus on skill enhancement for reducing joblessness, unemployment and underemployment
- (ii) Elimination of the worst forms of child labour in the urban informal economy
- (iii) Promoting gender equality and preventing violence against women at workplace
- (iv) Green jobs project for emissions reduction and ensuring OSH
- (v) Activities for strengthening trade unions

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- (vi) Promoting decent work through improved migration policy and its application in Bangladesh
  - (vii) Promoting fundamental principles and rights at work in Bangladesh (FPRW)
  - (viii) Assessing and addressing the effects of trade on employment (ETE) in Bangladesh
  - (ix) Monitoring and assessing progress on decent work (MAP)
- A synergic foundation can now be made, based on the outcome of these projects, for the present two-pronged goals that have been set for Way Out of Informality.**

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### For infusing a new momentum to the two-prolonged souls, potential action points would include:

- All incentive system to any employer groups to be conditional for ensuring certain work related rights.
- Strengthening the regulatory framework by improving the rules and procedures of implementing the law and regulators.
- Strengthening of the institutional capacity of the regulatory bodies.

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- Strengthening the capability of the responsible staff and *increasing the staff* number wherever there is shortage (e.g., factory inspectors, labour court magistrates) and increase the logistic support for doing the assigned work.
- Forming *oversight committees* comprising ILO employers, trade unions, government, civil society and development partner representatives for overseeing facilities in workplaces and their conditions.
- Expansion of micro-credit to urban informal sector entrepreneurs
- Recognizing 'right-to-work' by allowing spaces to be used. Research has shown that the cities can afford the required space.

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### Guidelines for Prioritizing Sectors for Program Intervention:

Following guidelines were given for prioritizing sectors for program intervention:

#### Basics:

1. Identify two priority sectors out of the five included in the overview of the informal economy in Bangladesh.  
(Construction, Transport, Hotel & Services, Dry Fish Processing & Bidi Making)
2. Available & Supportive National Policy/Laws/Institutional Support
3. Nature of informality
4. Key obstacles/barriers of the sector in terms of formalization and/or way out of informality
5. Gender inequality

#### Interventions

1. What would be the entry point for intervention?
2. What can Government / Employers / Trade Union? Identify role of partners.
3. Priority of intervention(s) – What can be achieved within 1 year.
4. Long term intervention(s) – What can be achieved within 5 years.

#### Criteria

1. Keep limited time and funding available in mind
2. Consider existing & supportive means/system.
3. Prioritized program intervention(s)
4. Gender equality promotion
5. Scalability

#### Presentation Template

Priority Sector	Available & Supportive Means/System	Major Obstacles	Main Actors	Proposed Intervention(s)
				Immediate intervention:
				Long term intervention:
				Gender equality promotion:
				Scalability:

## Sector wise Group Work Report

### 1. Construction

#### *Available and Supportive Means / Systems*

- Building and construction code
- Land use policy (not yet enacted)
- Child labour protection policy
- Master plan for all main 6 cities available
- Have Code of Conduct by IEB & RAJUK but no national policy
- Existing labour law can be applied
- Very little institutional support
- Trade Union – in some places
- Labour Law
- Wage Board

#### *Major Obstacles*

- Migrant workers
- Casual workers
- Unskilled workers
- Semi-skilled workers
- Lack of organization of workers & employers
- Low paid & unskilled female workers
- Discriminations
- No comprehensive law for construction of houses outside city area.
- No comprehensive land use policy.
- No acts/regulations for construction workers and their wages.
- Lack of enforcement of existing regulations
- No Master Plan for other cities and no implementation of Master Plan in main larger cities.
- Irregular employment (no contracts)
- No system in place to identify and register construction workers (migration)
- Limited Trade Unions presence
- PRA/PPA do not address Labour issues (limited to procurement only)
- Low status of OSH
- Low skills levels
- Contractual labour
- No social security
- No job security
- No working hour
- Health & Safety
- Gender issues/discrimination: low wage, no sanitation, no maternity leave, OSH issues absent.
- No child protection
- Child labour are exists.

### **Main Actors**

- Concerned Ministries of the Government
- Employers' Association
- Union
- Planning agencies (Rajuk) for city areas
- Municipality for local construction
- Public Works Departments (PWD)
- Local Government Engineering Department (LGED)
- Roads and Highways Department
- Educational Institutions (Technical/Polytechnics)
- Fire Service and Civil Defence
- Public/private contractors
- Relevant Employers' Organizations.

### **Proposed Intervention**

#### **Immediate intervention:**

- Need assessment
- Code of conduct
- Registration,
- Provision of ID,
- Mapping of skills,
- Access to banking,
- Health and life insurance
- Social protection
- Database (Country wise and district wise)
- Fixing of minimum wages and enforcement of equal wage
- Training and skills up-gradation and formalization of skills (certification) for better wage bargaining.
- Appointment letter & ID card
- Introduce OSH measures
- Training facility

#### **Long term intervention**

- Demand driven skill training
- Occupational safety and health training
- Skill certification
- Registration of workers & employers
- Provision / Act to ensure rights and safety at work for construction workers in private sector (insurance, contract, OSH, etc.)
- Create enabling environment for organizing workers.
- To bring them under policy & law
- Workers Welfare Board
- Health Insurance
- National Minimum Wage

- Community day care facility
- Freedom of unionization
- Sector profile
- Workers database

***Gender Equality Promotion:***

- Wages
- Equality promotion and environment
- Address abuse, sexual harassment and wage discrimination
- Equal pay
- Toilet facility

***Scalability***

- Replicated throughout the country

## **2. Road Transport**

***Available and Supportive Means / Systems***

- Motor/Vehicle ordinance
- Insurance for vehicles
- Traffic rules
- Trade Union
- Legal support
- Employer's & Government association.

***Major Obstacles***

- Motor/Vehicle ordinance and insurance not obligatory for workers/drivers (no health/life insurance)
- No proper enforcement of Motor/Vehicle ordinance
- Drivers and transport workers not protected by law
- Public sector drivers have limited coverage of person (not health and not life insurance)
- No regular employment for drivers/transport workers
- Low quality roads and poor quality of vehicles unsafe driving.
- Hazardous and long working hours: risky
- No appointment letter & ID card
- No job security
- No working hour
- Harassment
- No Insurance
- No minimum wage

### **Main Actors**

- BRTA (Bangladesh Road Transport Authority) @ district and city level.
- Traffic Policy
- Selected trade unions, but not representing interests of workers. Need for focus on worker's safety.
- Owners of Vehicles/Taxi fleets/Transport companies/Rickshaw fleets
- Government & Private Employers
- Union leaders

### **Proposed Intervention**

#### **Immediate intervention:**

- Promote registration and enforce Motor/Vehicle Ordinance
- Amend Ordinance and include registration and coverage of transport workers and drivers (health, insurance etc.)
- Hold owner and vehicles accountable for appointment, service rules and protection of workers (letters of appointment, regulation working time, health, insurance)
- Enforce quality and safety of vehicles.
- Skill development training (driving)
- Appointment letter
- ID card
- Health & Safety awareness
- HIV/AIDS awareness
- Introduce Health Care facility
- Rest hour

#### **Long term intervention**

- Ensure that public sector transport workers are covered under pension scheme and health insurance.
- Education and skills and certification
- Organizing
- Favourable policy & law
- Freedom of Unionization
- Assessment centre
- Sector profile
- Workers data base

#### **Gender Equality Promotion:**

- Create employment for women

### 3. Hotel and Restaurant

#### ***Available and Supportive Means / Systems***

- Existing labour law can be applied
- Institutional support for owners
- Trade Union
- Legal support
- Employers' & Government Associations

#### ***Major Obstacles***

- Migrant workers
- Casual workers
- Unskilled workers
- Semi-skilled workers
- Lack of organization of workers & employers
- Low paid & unskilled female workers
- Discriminations
- No Appointment letter & ID card
- No job security
- No working hour
- No Insurance
- No minimum wage

#### ***Main Actors***

- Government's concerned Ministry
- Relevant Employers Organizations
- Govt. & Private Employers
- Union Leaders

#### ***Proposed Intervention***

##### **Immediate intervention:**

- Need assessment
- Code of conduct
- Campaign
- Skill Development Training
- Appointment letter
- ID Card
- Health & Safety awareness
- HIV/AIDS awareness
- Introduce Health care facility
- Rest hour
- Service Book
- Group Insurance



**Long term intervention**

- Demand driven skill training
- Occupational safety and health training
- Skill certification
- Registration of workers & employers
- Favourable policy & law
- Freedom of Unionization
- Assessment centre
- Sector profile
- Workers data base

***Gender Equality Promotion:***

- Wages
- Equality promotion and environment
- Create employment for women

***Scalability***

- Replicated throughout the country

## Recommendations of Government Group

### Prioritising Sectors for Programme Intervention

Priority Sector	Available & Supportive Means/System	Major Obstacles	Main Actors	Proposed Intervention(s)
<b>Construction</b>	<ul style="list-style-type: none"> <li>• Building and Construction Code</li> <li>• Land Use Policy (not yet enacted)</li> <li>• Child labour Protection policy</li> <li>• Master plan for all main 6 cities available</li> <li>• Public Procurement Rules and Regulations (under PPA and PPR, 2006/2008)</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• No comprehensive law for construction of houses outside city area.</li> <li>• No comprehensive Land Use policy.</li> <li>• No acts/regulations for construction workers and their wages</li> <li>• Lack of enforcement of existing regulations</li> <li>• No master plan for other cities and no implementation of master plan in main larger cities</li> <li>• Irregular employment (no contracts)</li> <li>• No system in place to identify and register construction workers (migration)</li> <li>• Limited Trade Union presence</li> <li>• PPR/PPA do not address Labour issues (limited to procurement only)</li> <li>• Low status of OSH</li> <li>• Low skills levels</li> </ul>	<ul style="list-style-type: none"> <li>• Planning Agencies (Rajuk) for city areas</li> <li>• Municipality for local construction</li> <li>• Public works departments</li> <li>• LGED</li> <li>• Roads and highways dept.</li> <li>• Educational Institutions (Technical/Polytechnics)</li> <li>• Dept. of Fire service and civil defence</li> <li>• Public/Private Contractors</li> </ul>	<p><b><u>Immediate intervention:</u></b></p> <ul style="list-style-type: none"> <li>• Registration, provision of ID, mapping of skills, access to banking, health and life insurance (this means also district and upozilla level) (Social Protection Floor): database, country wise and district wise</li> <li>• Fixing of minimum wages and enforcement on equal basis</li> <li>• Training and skills upgradation and formalisation of skills (certification) for better wage bargaining.</li> </ul> <p><b><u>Long Term</u></b></p> <ul style="list-style-type: none"> <li>• Provision/Act to ensure rights and safety at work for construction workers in private sector (insurance, contract, OSH, etc.)</li> </ul>

				<ul style="list-style-type: none"> <li>• Create enabling environment for organising workers</li> <li>• Gender Equality:</li> <li>• Address abuse, sexual harassment and wage discrimination</li> </ul>
<b>Road Transport</b>	<ul style="list-style-type: none"> <li>• Motor/Vehicle Ordinance</li> <li>• insurance for vehicles</li> <li>• Traffic Rules</li> </ul>	<ul style="list-style-type: none"> <li>• M/V Ordinance and insurance not obligatory for workers/drivers (no health/life insurance)</li> <li>• No proper enforcement of M/V Ordinance</li> <li>• Drivers and transport workers not protected by law</li> <li>• Public sector drivers have limited coverage of Pension (not health and not life insurance)</li> <li>• No regular employment for drivers/transport workers</li> <li>• Low quality roads and poor quality of vehicles → unsafe driving</li> <li>• Hazardous and long working hours: risky</li> </ul>	<ul style="list-style-type: none"> <li>• BRTA (Bangladesh Road and Transport Authority) @ district and city level.</li> <li>• Traffic Policy</li> <li>• Selected trade unions, but not representing interests of workers. Need for focus on worker's safety.</li> <li>• Owners of Vehicles/Taxi fleets/Transport companies/Ricks haw fleets</li> </ul>	<p><b><u>Short term intervention</u></b></p> <ul style="list-style-type: none"> <li>• Promote registration and enforce M/V/ Ordinance</li> <li>• Amend Ordinance and include registration and coverage of transport workers and drivers (health, insurance etc.).</li> <li>• Hold owner of Vehicles accountable for appointment, service rules and protection of workers (letters of appointment, regulation working time, health, insurance)</li> <li>• Enforce quality and safety of vehicles....</li> <li>• Long term</li> <li>• Ensure that public sector transport workers are covered under pension scheme and health insurance +</li> <li>• Education and skills and</li> </ul>

				certification • Organising
				<b><u>Gender equality promotion:</u></b> • Awareness
				<b><u>Scalability:</u></b> Replication

## Recommendations of Employers' Group

Prioritising Sectors for Programme Intervention

Priority Sector	Available & Supportive Means/System	Major Obstacles	Main Actors	Proposed Intervention(s)
<b>Construction</b>	<ul style="list-style-type: none"> <li>Have code &amp; conduct by IEB &amp; RAJUK but no national policy</li> <li>Existing labour law can be applied</li> <li>Very little institutional support</li> </ul>	<ul style="list-style-type: none"> <li>Migrant workers</li> <li>Casual workers</li> <li>Unskilled workers</li> <li>Semi-skilled workers</li> <li>Lack of organization of workers &amp; employers</li> <li>Low paid &amp; unskilled female workers</li> <li>discriminations</li> </ul>	<ul style="list-style-type: none"> <li>Govt.'s concerned ministry</li> <li>Relevant employers organizations</li> </ul>	<p><b><u>Immediate intervention:</u></b></p> <ul style="list-style-type: none"> <li>Need assessment</li> <li>Code of conduct</li> </ul> <p><b><u>Long term intervention:</u></b></p> <ul style="list-style-type: none"> <li>Demand driven skill training</li> <li>Occupational safety and health training</li> <li>Skill certification</li> <li>Registration of workers &amp; employers</li> </ul> <p><b><u>Gender equality promotion:</u></b></p> <ul style="list-style-type: none"> <li>Wages</li> <li>Equality promotion and environment</li> </ul> <p><b><u>Scalability:</u></b> Replicated throughout the country</p>
<b>Hotel and Restaurant</b>	<ul style="list-style-type: none"> <li>Existing labour law can be applied</li> <li>Institutional support for owners</li> </ul>	<ul style="list-style-type: none"> <li>Migrant workers</li> <li>Casual workers</li> <li>Unskilled workers</li> <li>Semi-skilled workers</li> <li>Lack of organization of workers &amp; employers</li> <li>Low paid &amp; unskilled female workers</li> <li>discriminations</li> </ul>	<ul style="list-style-type: none"> <li>Govt.'s concerned ministry</li> <li>Relevant employers organizations</li> </ul>	<p><b><u>Immediate intervention:</u></b></p> <ul style="list-style-type: none"> <li>Need assessment</li> <li>Code of conduct</li> <li>Long term intervention:</li> <li>Demand driven skill training</li> <li>Occupational safety and health training</li> <li>Skill certification</li> </ul>

				<ul style="list-style-type: none"> <li>• Registration of workers &amp; employers</li> <li>• Gender equality promotion:</li> <li>• Wages</li> <li>• Equality promotion and environment</li> <li>• Scalability:</li> <li>• Replicated throughout the country</li> </ul>
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## Recommendations of Workers' Group

### Prioritising Sectors for Programme Intervention

Priority Sector	Available & Supportive Means/System	Major Obstacles	Main Actors	Proposed Intervention(s)
<b>Construction</b>	<ul style="list-style-type: none"> <li>• Trade Union- in some places</li> <li>• Labour Law</li> <li>• Wage Board</li> </ul>	<ul style="list-style-type: none"> <li>• Contractual labour</li> <li>• No social security</li> <li>• NO JOB SECURITY</li> <li>• No working hour</li> <li>• Health &amp; safety</li> <li>• Gender issue/ discrimination: low wage, no sanitation, no maternity leave, OSH issues absent</li> <li>• No child protection</li> <li>• Child labour are exists</li> </ul>	<ul style="list-style-type: none"> <li>• Government</li> <li>• Employer association</li> <li>• Union</li> </ul>	<p><b><u>Immediate intervention:</u></b></p> <ul style="list-style-type: none"> <li>• Appointment letter &amp; ID card</li> <li>• Introduce OSH measures</li> <li>• Training facility</li> <li>• Minimum wage</li> </ul> <p><b><u>Long term:</u></b></p> <ul style="list-style-type: none"> <li>• To bring them under policy &amp; law</li> <li>• Workers welfare Board</li> <li>• Health Insurance</li> <li>• National Minimum wage</li> <li>• Community day care facility</li> <li>• Freedom of Unionization</li> <li>• Sector profile</li> <li>• Workers data base</li> </ul> <p><b><u>Gender Equality:</u></b></p> <ul style="list-style-type: none"> <li>• Equal pay</li> <li>• Toilet facility</li> </ul>
<b>Transport</b>	<ul style="list-style-type: none"> <li>• Trade Union</li> <li>• Legal support</li> <li>• Employer's &amp; Government association</li> </ul>	<ul style="list-style-type: none"> <li>• Appointment letter &amp; ID card</li> <li>• No Job security</li> <li>• No working Hour</li> <li>• Harassment</li> <li>• No Insurance</li> <li>• No minimum wage (road transport)</li> </ul>	<ul style="list-style-type: none"> <li>• Govt. &amp; private Employer</li> <li>• Union leader</li> </ul>	<p><b><u>Short term intervention:</u></b></p> <ul style="list-style-type: none"> <li>• Campaign</li> <li>• Skill development training (driving)</li> <li>• Appointment letter</li> <li>• ID Card</li> <li>• Health &amp; Safety awareness</li> <li>• HIV/ AIDS awareness</li> <li>• Introduce Health Care facility</li> <li>• Rest hour</li> </ul>

				<p><b><u>Long term:</u></b></p> <ul style="list-style-type: none"> <li>• Favourable policy &amp; law</li> <li>• Freedom of Unionization</li> <li>• Assessment centre</li> <li>• Sector profile</li> <li>• Workers data base</li> </ul> <p><b><u>Gender Issue:</u></b></p> <ul style="list-style-type: none"> <li>• Create employment for women</li> </ul>
<b>Hotel &amp; Restaurants</b>	<ul style="list-style-type: none"> <li>• Trade Union</li> <li>• Legal support</li> <li>• Employer's &amp; Government association</li> </ul>	<ul style="list-style-type: none"> <li>• Appointment letter &amp; ID card,</li> <li>• No Job security</li> <li>• No working Hour</li> <li>• Harassment</li> <li>• No Insurance</li> <li>• No minimum wage (road transport)</li> </ul>	<ul style="list-style-type: none"> <li>• Govt. &amp; private Employer</li> <li>• Union leader</li> </ul>	<p><b><u>Short term intervention:</u></b></p> <ul style="list-style-type: none"> <li>• Campaign</li> <li>• Skill development training (driving)</li> <li>• Appointment letter</li> <li>• ID Card</li> <li>• Health &amp; Safety awareness</li> <li>• HIV/ AIDS awareness</li> <li>• Introduce Health Care facility</li> <li>• Rest hour</li> <li>• Service book</li> <li>• Group Insurance</li> </ul> <p><b><u>Long term:</u></b></p> <ul style="list-style-type: none"> <li>• Favourable policy &amp; law</li> <li>• Freedom of Unionization</li> <li>• Assessment centre</li> <li>• Sector profile</li> <li>• Workers data base</li> </ul> <p><b><u>Gender Issue:</u></b></p> <ul style="list-style-type: none"> <li>• Create employment for women</li> </ul>
				<p><b><u>Scalability:</u></b></p> <ul style="list-style-type: none"> <li>• Advocacy</li> <li>• Good practices</li> </ul>