



REPORT

SHIP RECYCLING IN BANGALDESH

Stakeholders Consultation on Protection of Workers against work-related accidents in Ship Recycling Industry in Bangladesh



Summary Report on the outcomes of the Tripartite Stakeholders Consultation on Protection of Workers against work-related accidents in Ship Recycling Sector

27th January 2026
GIZ Office, Dhaka



1. SHIP RECYCLING INDUSTRY IN BANGLADESH

The ship recycling industry in Bangladesh is a vital sector of the economy, employing thousands of workers and providing steel to domestic industries. While it offers economic benefits and utilizes Bangladesh's coastal regions and affordable labour, the sector is also associated with hazardous working conditions that often lead to serious accidents, injuries, and long-term health problems for workers and surrounding communities.

Bangladesh has a 35-40% share in the global ship recycling sector. With the entry into force of the Hong Kong Convention in June 2025, the country has been actively preparing to ensure full compliance with its provisions, resulting in a notable transformation and a significant number of HKC-compliant yards.

In parallel, the Government of Bangladesh is placing strong emphasis on preventing workplace accidents as shown by its recent ratification of ILO Conventions nos. 155 and 187 on health and safety at the workplace, and providing adequate compensation for affected workers, in line with the ILO Employment Injury Benefits Convention, 1964 (No. 121). Lessons learned from the Employment Injury Scheme Pilot (EIS-Pilot) in the readymade garment (RMG) sector offer a valuable model for replication in the ship recycling industry.

Introducing a proof-of-concept phase for an EIS in ship recycling would allow Bangladesh to test, adapt, and validate the scheme's design in a new industrial context — demonstrating its applicability beyond the RMG sector.

2. EMPLOYMENT INJURY SCHEME IN BANGLADESH

On 21st June 2022, the Government of Bangladesh launched Employment Injury Scheme (EIS) Pilot, to provide adequate compensation for work-related injuries to around 4 million workers in the export-oriented RMG sector, following international standards. The scheme operates under a social insurance model, managed by the Central Fund of the Ministry of Labour and Employment (MoLE), and delivers long-term benefits at a remarkably low cost. A tripartite Governance Board provides policy and strategic oversight, a tripartite sub-committee reviews and approves cases for compensation, and an efficient EIS Pilot Special Unit (EIS-PSU) verifies and processes compensation claims (as a national institution would do). Based on successful implementation and coverage in the export-oriented RMG Sector, the Pilot is now replicated in the Footwear & Leather Sector and is now operationalized in Export Processing Zone (EPZs).

3. PARTICIPANTS

A total of 35 participants (male 24, female 11) attended the workshop, from following institutions:

- **Government:** Ministry of Industries (Chair), Ministry of Labour & Employment, Bangladesh Ship Recycling Board (BSRB); and Ministry of Shipping.
- **Industry and Employers:** Bangladesh Ship Breakers and Recyclers Association (BSBRA), Bangladesh Employers Federation, representatives from cash buyers.
- **Workers' Organizations:** National Coordination Council for Workers' Education, trade unions in the ship recycling sector.
- **International Partners:** ILO, GIZ, IMO, JICA, BIMCO, and embassies of ship-owning countries, the Asian Shipowners' Association (ASA), Cash Buyers, and the Japanese Shipping Association (JSA).

The detailed list of participants is attached as annex.

4. RATIONALE OF TRIPARTITE STAKEHOLDERS' CONSULTATION

The ship recycling sector employs thousands of workers who face high exposure to physical and occupational hazards. While a significant number of ship recycling facilities have invested heavily in modernising their infrastructure and achieved certified compliance with the HKC, worker protection remains an area demanding significant improvement. Addressing this is not only a national priority but also a critical international responsibility – particularly when ships arrive from all over the world.

Establishing a solidarity-based Employment Injury Scheme (EIS) in the ship recycling industry would contribute to:

- Enhancing compliance with international labour and safety standards.
- Improving Bangladesh's global reputation for responsible ship recycling; and
- Providing reliable, affordable remedies for injured workers and their families.
- To this end, the Bangladesh Ship Recycling Board (BSRB), in collaboration with the International Maritime Organization (IMO), the International Labour Organization (ILO) and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), organized a Roundtable to discuss financing modalities, institutional arrangements, and stakeholder roles for replicating the EIS in the ship recycling sector.

5. OBJECTIVES OF THE CONSULTATION

General Objective

To bring together key national and international stakeholders to develop a roadmap for a proof-of-concept replication of the Employment Injury Scheme (EIS) within the ship recycling industry, ensuring protection for workers against work-related accidents, and providing a reliable and affordable remedy for industry.

Specific Objectives

The objectives of the meeting were to:

- Review lessons and good practices from the EIS-Pilot in the RMG sector.
- Discuss the relevance and feasibility of applying a similar social insurance model in ship recycling.
- Examine the cost implications and institutional arrangements required for such a scheme, including financial traceability.
- Identify stakeholder roles and potential financial or technical contributions.
- Agree on next steps toward establishing a solidarity-based Employment Injury Scheme for the sector.

Expected outputs

- Common understanding on issues related to protection of workers against work-related accidents in ship recycling industry in Bangladesh
- Identification of interested stakeholders to contribute towards protection of workers against work-related accidents
- An agreed way forward for a Pilot arrangement for protection of workers against work-related accidents and timeline

6. METHODOLOGY AND FLOW OF THE CONSULTATION

The consultation followed an interactive and evidence-based approach, combining expert presentations, and individual experience-sharing to ensure both conceptual clarity and practical application.

The summary agenda is presented below.

7. AGENDA

Time	27 January 2026 (Tuesday)
02:00 – 02:30 PM	a) Welcome Remarks by ILO b) Opening Remarks by Ministry of Labour & Employment c) Address by Chief Guest, Additional Secretary, Ministry of Industries
02:30 – 03:00 PM	Technical Presentations: <ul style="list-style-type: none">• <i>ILO Presentation on replicating EIS Pilot in Ship Recycling Sector</i>• <i>BSRB Presentation on Ship Recycling Industry in Bangladesh</i>
03:00 – 03:20 PM	Reflections by key Stakeholders: <ul style="list-style-type: none">• <i>President, Bangladesh Ship Breakers and Recyclers Association</i>• <i>Representation, National Coordination Council for Workers Education</i>• <i>Ministry of Shipping</i>
03:20 – 03:50 PM	Open Discussion & questions
03:50 – 4:00	Concluding session <ul style="list-style-type: none">• <i>Director General, Bangladesh Ship Recycling Board (BSRB)</i>

8. PROCEEDINGS AND KEY TAKEAWAYS

8.1. OPENING SESSION

The Consultation commenced with a welcome speech by **Mr. Max Tunon, ILO Country Director** for Bangladesh. He appreciated the timely organization of this consultation. He said for workers protection, preventing accidents must remain our first priority. But when accidents occur, we must protect the workers and their families through fair, and adequate compensation mechanism. This is where an Employment Injury Scheme (EIS) becomes critically important. Bangladesh has already set a strong example in this area. In 2022, the Government of Bangladesh, with technical assistance from the ILO and GIZ, launched a Pilot of Employment Injury Scheme (EIS Pilot) in the export-oriented ready-made garment sector, covering approximately four million workers. The replication of EIS-Pilot in Ship Recycling sector will be a triple-win for Government, Employers/Industry, and Workers.

Ms Tahmina Begum from Ministry of Labour & Employment (MoLE) highlighted the successful implementation of EIS-Pilot in RMG and Leather/Footwear sectors, including in Export Processing Zones (EPZs) and reaffirmed MoLE's support for further replication of this scheme in Ship Recycling Sector.

In his inaugural speech, the **Chief Guest, Mr Md Firoz Uddin, Additional Secretary/Chief of Shipping Wing in Ministry of Industries**, said that the Ship Recycling sector is an important contributor to Bangladesh economy as it provides steel and other raw material to the downstream industry. Government of Bangladesh is keen to further develop this sector and meet the requirements of international Conventions including Hong Kong Convention, environmental treaties, and ILO Conventions – particularly, the newly ratified Conventions. In particular, Occupational Safety & Health is a priority area for Government. Ministry of Industries is also working to establish a 'Treatment, Storage, and Disposal Facility (TSDF)' for hazardous waste material for this sector. He appreciated the initiative to start Employment Injury Scheme in Ship Recycling sector and assured that Ministry of Industries would fully support this initiative and will collaborate with industry partners and workers for its implementation. He also thanked development partners including ILO, GIZ and IMO for their support.

8.2. TECHNICAL PRESENTATIONS

In first presentation, **Dr Anne Marie La Rosa, EIS Specialist from ILO Geneva**, highlighted the importance of EIS for ship recycling sector – particularly in compliance with Hong Kong Convention. She also explained the details of the EIS Scheme, its benefits, costing, and its business feasibility. She highlighted that as per ILO costing study, a contribution of USD 0.50 per LDT (Light Tonne of Ship to be Dismantled) will be sufficient to cover all workers. She also informed audience about the ongoing discussion with ship owners and cash-buyers through BIMCO, for a contribution mechanism through inclusion of a Letter of Understanding in standard sales agreements. She emphasized the need for all stakeholders to work together for success of this arrangement and its transition towards an institutionalized National Employment Injury Scheme.

In second presentation, **Mr ASM Shafiul Alam Talukder, Director General, Bangladesh Ship Recycling Board (BSRB)**, highlighted the importance of ship recycling in national economy and the latest developments in the sector. He said the Government fully recognizes its responsibilities under Hong Kong Convention, and three recently ratified ILO Conventions (C-155, C-187, and C-190). He said the EIS-Pilot will help Bangladesh to fully align its accident compensation system with ILO Employment Injury Benefits Convention, 1964 (No. 121). He assured full support for the implementation of EIS-Pilot in Ship Recycling sector and explained salient details for the proposed roll-out of scheme. BSRB will support EIS through four approaches, i.e., National coordination among government, employers, workers; partnership with ILO and development partners- JICA, IMO; Oversight of fund collection and benefit delivery; and awareness and capacity building across industry. He appreciated the design of EIS-Pilot which bring some innovative business practices, e.g.,

- Risk-based contribution (better OSH = lower contribution)
- Integration with green financing / ESG funds
- Donor matching fund during pilot phase
- Digital contribution tracking for transparency

He concluded with a request to ILO and other international partners to make similar contributory schemes for other competitive countries otherwise, it is a fear that ship-owners will prefer sending ships to other countries due to less cost¹.

8.3. FEEDBACK BY STAKEHOLDERS

The session began with a reflection on the replication of EIS-Pilot in Ship Recycling Sector.

Mr Amjad Hossain Chowdhury, President, Bangladesh Ship Breakers & Recyclers' Association (BSBRA), welcomed this initiative on behalf of the Ship Recycling Industry and informed that they are working hard to make this industry safer and more professional for everyone. The Association is working on four priority areas, i.e., improved regulation and authorization by shipyards; monitoring the enforcement of laws & rules; compliance with international standards (HKC and others); and promoting workers' welfare through training and management practices. With these efforts, 30 yards have already been converted into 'Green Yards' and got license to operate. For workers, strict compliance with Wage Board and Labour Act are in practice. The number of accidents has reduced from 10 (in 2020) to 4 (in 2025). When any injury or death occurs, we provide fair and fast compensation along with medical treatment and care. He thanked all partners for collaboration in this improvement.

¹ Note from ILO : it is to be noted that EIS costs is already included in other competing countries.

Mr Mohammad Amran Hossain, Joint Secretary, Ministry of Shipping, suggested that ship-owners should pay 5%-10% of the cost of the ship to compensate for workers' protection and environmental conservation.

Mr Razequzzaman Ratan, Representative of National Coordination Council for Workers' Education (NCCWE), said that Ship Recycling sector is part of global supply chain, therefore, every decision should be taken with caution to ensure competitiveness and compliance. Protection of workers should be prioritized while making business decisions. Government should ensure affordability of such schemes, with EIS as a good example of low-cost scheme. As the member of the EIS Pilot Governance Board, he highlighted that EIS fund has been ensuring transparency in fund management and prompt response to the victims of work injury. He suggested to take into consideration economic aspect, environmental aspect and workers safety together when introducing the EIS in this industry. He also asked to explore the possibility of including compensation for pollution into the EIS fund. He emphasized to cover Occupational Diseases in the Ship Recycling Sector, which has a higher prevalence in this sector.

Ms Gudrun Jenssens from BIMCO, informed the audience that Shipping is a highly competitive global industry. She expressed her sincere hope to start EIS in Bangladesh soon. She informed that workers' protection cost is already included in ships sold to India. She assured support from BIMCO on the proposed clause in Ship Sales Agreement.

Mr Akira Okamoto, JICA Expert, appreciated this initiative by Ministry of Industries and ILO. JICA is closely working with Government to promote safety of workers which ultimately leads to productivity. He mentioned that there is a need for real data to make evidence-based safety policies. JICA is going to offer training programmes on safety for workers in Bangladesh. He expressed hope to working together on these initiatives to prevent accidents.

Mr Ole Justesen, Sector Counsellor, Embassy of Denmark, was pleased to see the commitment and coordination among all stakeholders around the table. He mentioned that Denmark is already supporting trade unions in ship recycling sector. Denmark is also working with ILO to improve Labour Laws and its application through ADWIB Programme.

Mr Walton Pantland, from IndustriALL Global Union Geneva, shared his pleasure to see this initiative being materialized. He remembered in April 2025, when first time this initiative was discussed in a roundtable organized by IndustriALL Global Union in Chittagong. Afterwards, an impressive work was done to engage all relevant stakeholders, undertake an affordable cost estimate, and preparing technical feasibility. He also appreciated Ms Gudrun in BIMCO for her support in this arrangement. He hoped to see this scheme rolling out soon. He also emphasized on considering 'Occupational Diseases' and ensuring a tripartite governance structure to ensure credibility and trust of the scheme.

Ms Keiko Iwasa, Japanese Shipping Association (JSA), welcomed the EIS initiative for the protection of workers in Bangladesh and solidarity of all stakeholders. She said it will be useful if all stakeholders agree to support workers' protection. It is a joint responsibility, and all stakeholders need to join this initiative.

Ms Susan Wingfield, UN Environment Programme (UNEP), also appreciated this initiative and they fully support this intervention. She said workers' protection is closely linked to waste management and protection against occupational diseases. It would be useful to tackle all environmental and social responsibility to make ship recycling a sustainable industry.

Ms Nurun Nahar, Joint Secretary, Ministry of Industries, appreciated the event and suggested that instead of focusing on end-of-life ships only, we should also collect a levy from working-ships (throughout life cycle of a ship) to contribute towards workers' welfare and environmental protection. She also suggested to establish a consortium of willing partners to work together for this noble purpose.

Mr Md. Shahidullah Badal, President, Bangladesh Metal Workers' Federation, thanked all stakeholders for supporting this initiative which is a long-time demand of workers. He expressed happiness on seeing this initiative move. He requested DG-BSRB to include a representative of workers on the Board.

Mr Jashim Uddin Badal, Programme Manager, IMO, welcomed the initiative and assured support for its roll-out.

Concluding Remarks

Mr Shafiul Alam Talekdar, Director General, BSRB, offered concluding remarks and thanked the ILO, GIZ, and IMO for jointly organizing this event with Ministry of Industries. He appreciated the rich discussion and useful suggestions and proposals shared by participants. He encouraged international organizations like the ILO and IMO, to approach other ship recycling countries for introducing uniform levy as proposed for Bangladesh, to ensure Bangladesh does not become less competitive due to introducing EIS. He reaffirmed the commitment of his Ministry of protect soil, water and air, through their sustainability efforts. For EIS, he emphasized to complete the remaining discussions and start the scheme soon. Government is ready to fully cooperate in this regard, and a formal MOU can be signed soon. He invited Dr Anne Marie to visit Bangladesh and finalize arrangements for rolling out EIS in ship recycling sector soon, based on good practices from other countries. He called for developing a core committee by march 2026, for the development and implementation of the EIS in Bangladeshi ship breaking yards.

9. IMPACT OF THE CONSULTATION

The discussions highlighted several key elements to be considered while replicating EIS-Pilot in Ship Recycling Sector, which are:

- a) All stakeholders fully endorsed the replication of EIS-Pilot in ship recycling sector and the putting into place of a core committee by March 2026 would be advisable.
- b) A tripartite endorsement system based on good practices of EIS-Pilot in RMG will be appropriate.
- c) Government and industry are willing to participate in the claims processing.
- d) Good practices from the ongoing EIS Pilot in RMG and Leather/Footwear to be replicated in ship recycling sector.
- e) While workplace accidents and deaths are reducing, the occupational diseases are prevalent and need to be addressed through EIS.
- f) Accident-related data needs to be improved and made available for evidence-based policy decision.
- g) Environmental issues should be tackled together with workplace accidents to address occupational diseases
- h) It would be useful to start similar contribution mechanisms for other ship-recycling countries to maintain Bangladesh competitiveness
- i) Advocacy with BSRB to include workers' representative on the Board.

10. PHOTOS FROM THE EVENT



11. LIST OF PARTICIPANTS

SL.	Name	Designation	Organization
1.	Mr Firoz Uddin	Additional Secretary	Ministry of Industries
2.	Mr ASM Shafiul Alam Talukder	Director General BSRB	Ministry of Industries
3.	Ms Nurun Nahar	Deputy Secretary	Ministry of Industries
4.	Mr Mohammad Amran Hossain	Joint Secretary	Ministry of Shipping
5.	Ms Tahmina Begum	Joint Secretary	Ministry of Labour & Employmnt
6.	Mr Max Tunon	Country Director	ILO
7.	Mr Amzad Hossain Chowdhury	President	BSBRA
8.	Mr Razequzzaman Ratan	Member	NCCWE
9.	Mr Md Shahidullah Badal	President	Bangladesh Metal Workers Fed
10.	Mr Md Shariful Islam	Coordinator	IndustriALL Global Union
11.	Mr Mohammad Ali	Secretary	Bangladesh Metal Workers Fed
12.	Dr Shahpar Selim	Programme Officer	Embassy of Norway
13.	Ms Iffat Ahmed	Admin Assistant	IMO
14.	Mr Fahim Abrar	Advisor	Embassy of Denmark
15.	Mr Jashim Uddin Badal	Programme Manager	IMO
16.	Mr Ashik Mahmud Sajib	Programme Officer	Bangladesh Employers Fed
17.	Mr Shoumik Sharif	Project Officer	JICA
18.	Mr Akira Okamoto	Technical Expert	JICA
19.	Ms Shoko Sakuma	Representative	JICA
20.	Mr Ulrich Kleppmann	Head of Development	Embassy of Germany
21.	Mr Shafiqul Islam	Advisor	EIS Pilot Special Unit
22.	Mr Ole Justesen	Sector Counsellor	Embassy of Denmark
23.	Mr Faruque Hassan	MIS Specialist	EIS Pilot Special Unit
24.	Ms Sujana Tabbasum	Coordinator	EIS Pilot Special Unit
25.	Mr S. M. Ahsan	Advisor	Embassy of Germany
26.	Mr Md. Aatur Reza	Liaison Officer	BSBRA
27.	Ms Noushin Shah	Project Coordinator	ILO – EIS
28.	Mr Saad Gilani	Chief Technical Adviser	ILO – EIS

On-line Participants

SL.	Name	Designation	Organization
1.	Dr Anne Marie La Rosa	Technical Expert EIS	ILO, Geneva
2.	Ms Gudrun Janssens	Head of EU Engagement	BIMCO
3.	Ms Susan Wingfield	Programme Manager	UNEP
4.	Mr Keiji Tomoda	Technical Adviser	The Ports & Harbours Association of Japan
5.	Ms Kumiko Iwasa	Project General Manager	Kawasaki Kisen Ltd
6.	Mr Walton Pantland	Campaign Director	IndustriALL Global Union
7.	Mr Gunjan Dallakoti	Head of Programme	ILO Dhaka