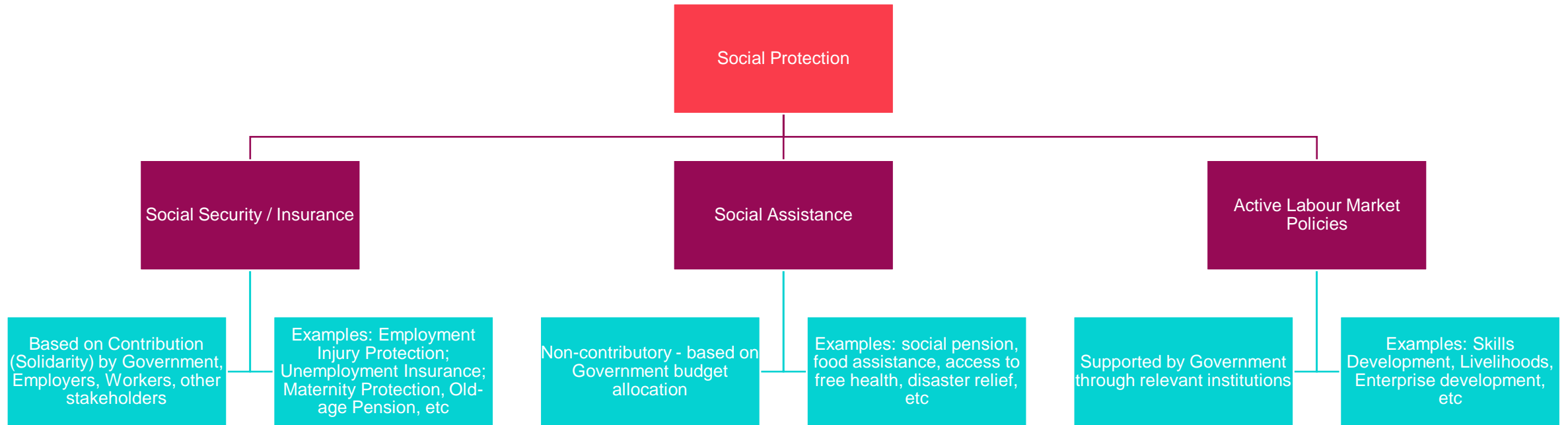




► Social Insurance Concept and Key Features

Social Protection System

Social Protection is a set of policies and programmes designed to reduce and prevent poverty and vulnerability **throughout the lifecycle**



► **Social Insurance:**

A system of compulsory contribution to enable the provision of state assistance in sickness, unemployment, etc

Commercial Insurance (Group or individual)

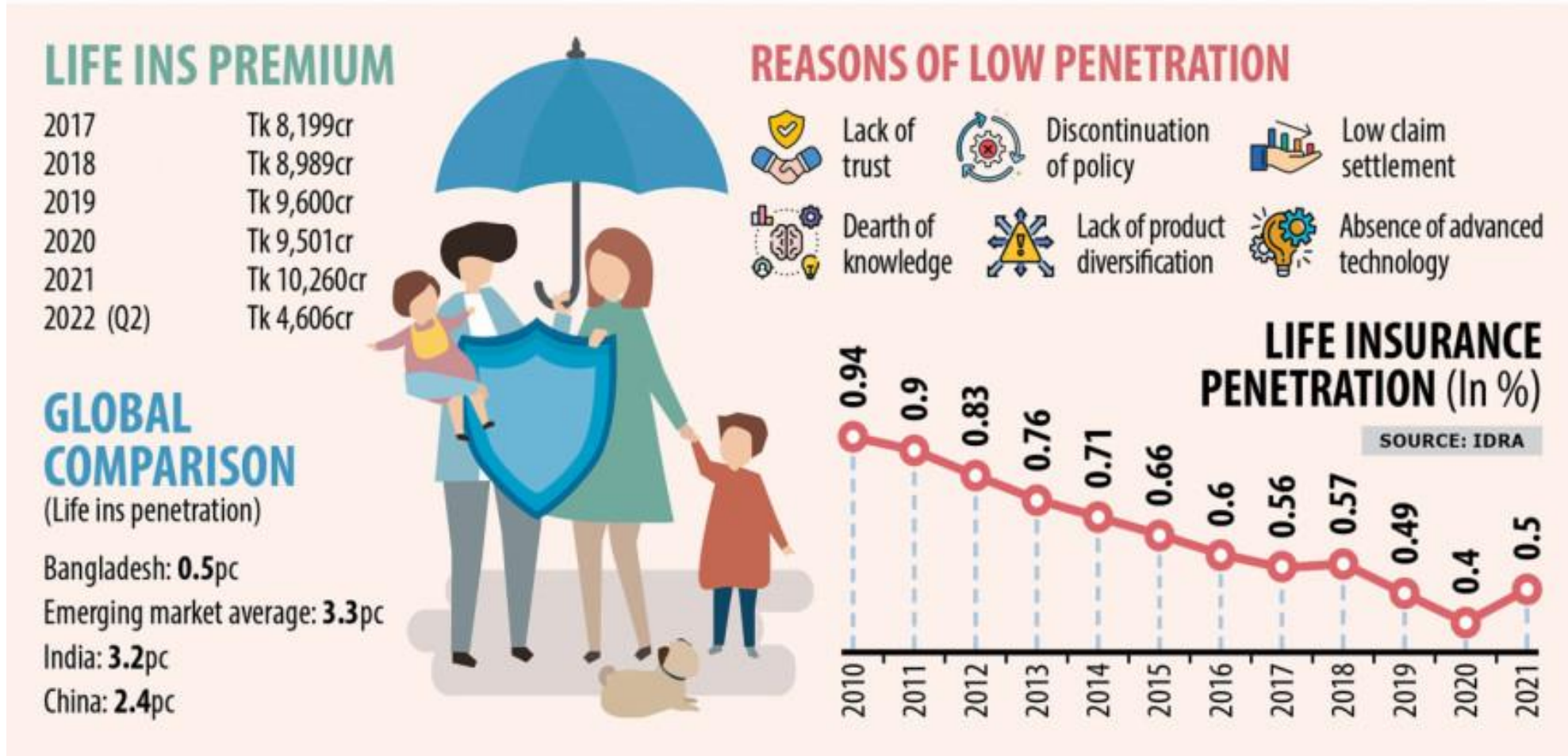
- Owned and managed by private sector
- Purpose is to make profit
- Provide limited benefits – as much as possible
- Looks for excuses to reduce benefits
- Contributed by individual beneficiaries
- Restricted benefits package
- Restricted to only those who can afford
- More expensive – less benefits

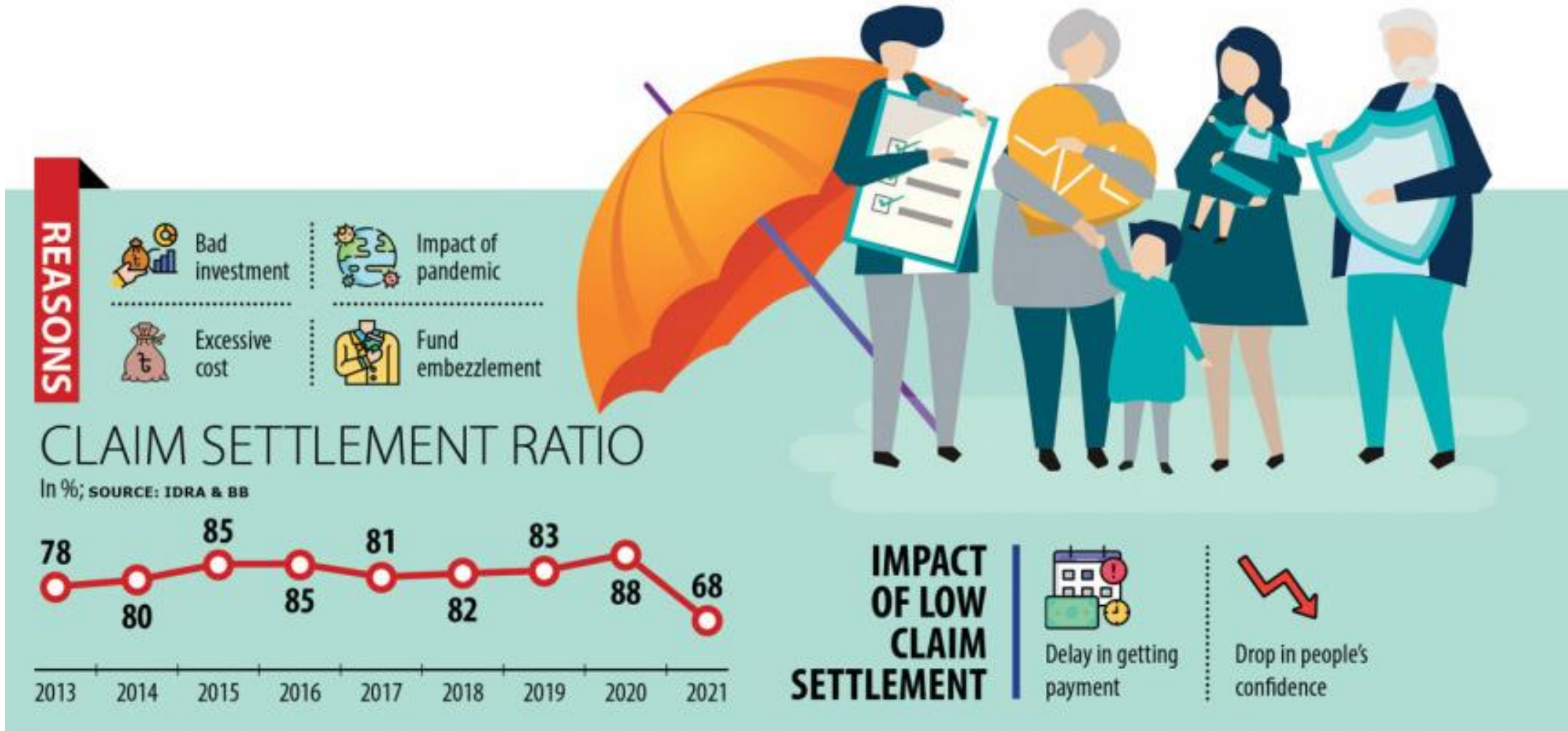
Social Insurance

- Government owned and managed
- Governed by tripartite stakeholders
- Purpose is not-for-profit – but for welfare
- No fault approach
- Solidarity contribution
- Wider benefits packages
- Should be universally applicable
- Less expensive – more benefits

Situation of commercial life insurance in Bangladesh

(Source: Daily Star 22nd October 2022)





► Quality and Principles of Social Insurance

Quality of Social Insurance

Breadth of Social Insurance

- Potential coverage
- Statutory coverage
- Actual coverage

Depth of Social Insurance

- Range of benefits
- Adequacy of benefits
- Coverage of beneficiaries

Principles of Social Insurance

- Solidarity contribution
- Universal application to cover all working age population
- Financial sustainability
- Role of Government
- Specific solution for each specific target group



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▶ Thank you

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