



Government of Nepal



RBG/SBG ACCIDENT COMPENSATION PROCEDURES

Rural Access Programme
(RAP) Phase 3

March 2017

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DOCUMENT CONTROL

Document revisions and authorisation	Details	Signature and Date
Version	March 2017	
Summary of revisions made		
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1.0 INTRODUCTION

RAP has tested a number of procedures for compensating RBGs/SBGs who become injured whilst performing road-building tasks. RAP has insured RBG members through an insurance company against accidents during road construction activities. But the policies offered by the company did not cover all the issues and there was considerable delay on payment. Therefore, RAP revised and adopted an internal compensation policy in June 2006 and amended in July 2009, in March 2012, May 2014, August 2014 and in March 2017. Now based on these experiences, RAP intends to 'self-insure' i.e. absorb these medical treatment costs to compensate for the injured or disable or death cases as a project expenses.

As a further improvement, entirely separate compensation entitlements are available for: payment of treatment expenses; and compensation for disability and death as per the prevailing rules and regulation of Government of Nepal.

2.0 RESPONSIBILITIES

The project has given top priority for the safety of RBG/SBG members' lives providing safety gears, first aid training with first aid kit box with replenishment provisions. To ensure safety of RBG/SBG members in day to day work the Sahajkarta, Social Mobilisers, Engineering Team and DTA are always alert and their responsibilities are given in the table below:

Table 2.1: Key Responsibilities

Party	Main Responsibility	Key Activities
RBG/SBG members	Take responsibility for him/herself and look out for colleagues.	<ul style="list-style-type: none"> • Wear protective clothing provided. • Follow safety instructions given. • Avoid taking unnecessary risks. • Report unsafe practices or fears to Sahajkarta and/or Supervisors. • Report occurrence of any accident to a higher authority.
Sahajkarta	Take responsibility for the safe working of the group as a whole.	<ul style="list-style-type: none"> • Ensure all accidents, associated events, reasons and description of injury and immediate measures taken, are recorded in the RBG attendance register. • Voice safety concerns of the group to LRUC, SM, Social Development Officer (SDO) and/or Engineering Team. • Reprimand other RBG members for unsafe practices.
Social Mobiliser(SM)/ Social Development Officer (SDO)	Ensure the RBG's interests are looked after; welfare, treatment of injuries, entitlement to compensation, etc.	<ul style="list-style-type: none"> • SM pays advances and reimburses costs for minor injuries through Office Manager. • SM/SDO/ LRUC discusses/agrees best course of subsequent treatment with RBG or immediate family member. • SM documents all incidents, treatment received and costs. • SM/SDO ensures that RBG First-aid boxes are regularly checked and restocked.

		<ul style="list-style-type: none"> • SDO arranges First-Aid training.
Engineering Team	Take overall administrative responsibility for all safety issues, procedures and training on the work sites.	<ul style="list-style-type: none"> • Assess potential risks involved at all site works. • Develop safe working practices and provide training to RBGs/SBGs. • Advise DTL of all safety equipment procurement needs. • Ensure the cause of all accidents is investigated and, make reports to the DTL. • Require RBGs/SBGs to use protective equipment. • Cause any unsafe practices to be immediately stopped and instruct further actions required.
DTA	Takes overall management responsibility for the safety of the Project.	<ul style="list-style-type: none"> • Monitors the proper performance of the Engineering Team, Safeguards team and RBGs/SBGs. • Instructs the Engineering Team whenever omissions are observed and takes action in case of slow or non-compliance. • Replenishes Office Manager 'Minor Injuries Fund', and processes individual payments in cases of more serious injury.

The main incentives of this approach are:

Gets the money quickly to the injured. It enables payment of advances and speedy reimbursement of costs. Insurance companies have been slow and reimbursed less than the actual expenses.

Saves money. Insurance of large numbers of risk is not cost effective due to insurer's margin for profit, unquantified risk etc. There are also insufficient numbers of proficient insurance companies for competition.

Reduces RAP's administrative burden. Our presence in the field means that accidents are visible and can be readily substantiated. Insurance companies are traditionally suspicious of dealing with remote issues and require high levels of documented proof and questioning.

May help injured third parties. There is a potential danger to members of the public who walk through the work site or who live or work in the zone where work debris might fall. Despite other legal obligations, the procedure could allow a speedy gesture of assistance to be made.

The distinction in primary roles of the Engineering Team and Safeguards Team must be emphasized. The former is the main party when it comes to ensuring the safe conduct of the works. However, it is the Safeguards Team who takes responsibility for overseeing that proper medical treatments are taken and that necessary compensations are paid.

3.0 TREATING THE INJURED

The prompt and correct treatment of injuries, should take precedence over matters of administrative procedure. However in order that claims may be promptly settled. It is important that the specified documentation (described later) is completed at the earliest opportunity.

This document is not a ‘First Aid Manual’ nor does it give advice on treatment of specific injuries. Such proper documentary and professional advice that may exist near the site must always be sought. Site-specific emergency plans should be put in place with the assistance of the Safeguards Team as a precaution in advance.

Table 3.1: Immediate Actions

Stage	Action	Main Responsibility
1 First-Aid trained person. (If not available nominate most competent person.)	<ul style="list-style-type: none"> Do not move the injured person unless they are in immediate danger. Bring First-Aid kit. Organise stretcher (if reqd.) Inform injured-person’s family. 	RBG/SBG Sahajkarta (and/or Supervisor / SM/SDO if present).
2 Give First Aid to injured person.	<ul style="list-style-type: none"> Provide treatment from first-aid kit in minor cases. If assistance sent for, keep injured person calm, comfortable and reassured. 	First-Aider or otherwise most competent individual present.
3 Transfer the injured person to Sub / Health Post / Hospital.	<ul style="list-style-type: none"> Gather necessary voluntary manpower to take RBG/SBG member to most appropriate treatment station 	RBG/SBG Sahajkarta with necessary support from Safeguard Team.
4 Emergency Measures	<ul style="list-style-type: none"> Considering the severity of the case and Doctor’s recommendation take injured RBG/SBG member to most appropriate treatment station 	DTA with prior approval of TMO

4.0 ACCIDENT RECORDING PROCEDURES

Accident details must be accurately recorded with two main objectives:

Safety: Identification of causes and to initiate measures to prevent reoccurrence (by Engineering Team).

Welfare: Recording of injuries, treatments and their costs, and final status of stabilized RBG/SBG (by Safeguards Team).

5.0 COMPENSATION ENTITLEMENT

This section describes the amounts payable. Payments in respect of treatment, and those for disability compensation (or death) are treated separately. Payment for treatment cost must in no way reduce overall entitlement for any subsequent disability (or death) amount. No compensation amounts are payable due to loss of earnings or missed workdays. However, consideration may be given to employing a substitute worker from the injured person's immediate family, where appropriate. Family members of RBG household working in substitute of RBG member are also entitle to get compensation.

Stages in the accident recording procedure:

All details of the accident (names of injured, type and seriousness of injuries, site treatment given, etc.) must be recorded as soon as possible in the RBG/SBG attendance register on the work site. This should describe all happenings up to the time when the RBG/SBG has left the work site.

The SM is then responsible for ensuring that Form A-1 is completed. Initially this entails transfer of the accident details from the RBG/SBG attendance register onto the form. Thereafter each stage of treatment and costs are recorded on the form.

The Engineering Team must review the causes of all accidents either through direct presence on site at the time of accident or through reference to entries in the RBG/SBG attendance register and interviews with those present. Where appropriate a photographic record should also be kept. For minor accidents (Cat. 1) no formal report is required to be submitted other than periodic data entry on Form A-2. For all other injuries (Cat. 2, 3, 4) the DTA must be immediately informed and thereafter a full written report must be submitted. This must:

- Describe sequence of all known events leading to the accident,
- Note any contributing factors (e.g. alcohol, wet conditions, etc),
- Comment on use of safety equipment (whether available, worn / not worn),
- State to what extent accident was avoidable / describe any dangerous practices,
- Note any previous warnings / instructions issued to RBGs/SBGs,
- State measures proposed and by whom, for preventing reoccurrence.

Classification of Injury Severity:

Minor injury (Cat 1): No hospital treatment. Treatment administered on site or by local dispensary/health post. Cost of all treatment expected to be below **NRs 2,000**.

Serious injury without permanent disability (Cat 2): Hospital treatment required, or where cost of treatment exceeds **NRs 2,000**

Serious injury with permanent disability (Cat 3): Injury results in the loss or permanent disablement of body part as listed in Table 5.1.

Fatality (Cat 4): Accident results in death, either immediate or following unsuccessful treatment or onset of related complications.

The following limits apply to the amounts payable which may only be exceeded in very special

cases and which must have the prior approval of the RAP Programme Manager:

Treatment Costs:¹ (total per individual's accident): Up to a maximum of **NRs 75,000** based on reimbursement of actual medical treatment expenditure.

Permanent Disability Compensation: is as per fixed amounts stated in Table 5.1. In no case shall compensation for any combination of disabilities exceed **NRs 830,000**

Death Compensation: is as per fixed amounts stated in Table 5.1. In no case shall compensation for any combination of disabilities or subsequent death exceed **NRs 500,000**

Table 5.1: Disability Categories and Amounts Payable

Nature of Disability	Amount Payable (NRs)
Death	500,000
Loss or permanent disablement in respect of:	
Both hands	830,000
Both feet	830,000
Complete and irrecoverable loss of sight in both eyes	830,000
Complete and incurable insanity (following head injury)	830,000
Complete and incurable paralysis	830,000
Arm or hand	300,000
One leg or one foot	300,000
Thumb of hand	150,000
Index finger of hand	70,000
Any other finger of hand	25,000
Big toe	50,000
Any other toe	15,000
Complete and irrecoverable loss of sight in one eye	200,000
Complete and irrecoverable loss of hearing in both ears	350,000
Complete and irrecoverable loss of hearing in one ear	100,000

6.0 PROCEDURE FOR PAYING COMPENSATION

All payment issues shall be managed and decided at DTA level with reporting and only special cases referred to TMO. The payment process is shown in Figure 1

The following Bank accounts shall be established with the stated float amounts:

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- 1 Treatment costs are only those direct costs (supported by receipts) for medical services, transportation of victim and necessary medical team **{including maximum of one family attendant if essential with travel and subsistence allowance (Fooding and lodging) not exceeding Rs 1000/ per day}** and medicines for the injured person only. No other expenses are permissible.
 - 2 Disability compensation is in addition to any treatment costs.
 - 3 These amounts exceed the proportional rates required by the Nepal Labour Rules 1993

DTA: ‘RBG Welfare Account’ – float balance usually **NRs 150,000** (in addition to all Office Manager held amounts). Accounts and receipts sent to CTA for replenishment. Purpose: for payment of all Category 2, 3, & 4 compensation payments, and for topping up Office Manager float for Cat. 1-injury payments.

Office Manager: ‘Minor Injuries Fund’ – allocation of **NRs 20,000** kept as advance (no separate bank account required). Receipts for reimbursement sent to DTA. May be used only for settlement of receipted Cat 1 payments (normally up to **NRs 2,000** total per case) and for continuous maintenance of RBG/SBG First Aid boxes.

Table 6.1: Required Claim Documentation

Expense	Evidence	Certified By:
First-Aid Box Replenishment	Itemised payment receipt	SDO
Medical Treatment Expenses – Cat 1	Itemised payment receipts.	SDO
Medical Treatment Expenses –Cat 2, 3, 4	Itemised payment receipts.	SM/SDO then DTA
All Advance Payments	Authenticated invoice / estimate from service provider.	SM/SDO then DTA
Disability Compensation (except death)	Doctor’s report. DTA visit and visual confirmation.	SM/SDO then DTA
Death Compensation	Doctor’s report / official death certificate.	SM/SDO then DTA
Family support scheme	Official death certificate	SM/SDO then DTA

7.0 FAMILY SUPPORT SCHEME OF RAP

RAP extends its support to those RBG member who dies during off hours of the road construction in the policy. The following guideline is to be applied in such cases.

a. Eligible Criteria for support to victim’s family

- Untimely and unavoidable death of an active RBG member
- Death must have occurred during the working season
- Death must have happened between working site and/at home, or
- Death must not due to reasons such as quarrel

b. Information and reporting

- Shahajkarta/RBG member to inform fatality in writing to Safeguards Team within 5 days.
- Safeguards and Engineering Team to verify, then inform RAP DTA within 7 further days.
- RAP DTA team to review and verify the case, and advise RAP Programme Manager

within ten further days. (i.e. RAP TMO should be able to offer support within 3 weeks of fatality).

c. Mode of support

- Maximum ceiling for support in these cases is set at **NRs. 50,000** (Fifty thousand) only.
- Maximum amount is available to those RBG families who have launched into income generating activities such as livestock rearing, poultry farming or off-farm activities.
- RBG families who will not use the support money on income-generating activities will get **NRs. 35,000** (thirty five thousand) only.
- Where the beneficiary RBG family invests the support in income-generating activities, payment will be made in two equal installments - the first installment is provided immediately after verification process, and the second installment is made after the verification of the investment of the first installment. The SDO will verify and report back.

Payments shall be made as stated below:

Cat. 1 Cases: Payments or advances may be made directly by the NGO to the RBG/SBG up to **NRs 2,000 max** per person per accident case. SM submits request to Office Manager (DTA) along with expense receipts for top-up of **NRs 20,000** 'Minor Injuries Fund' float.

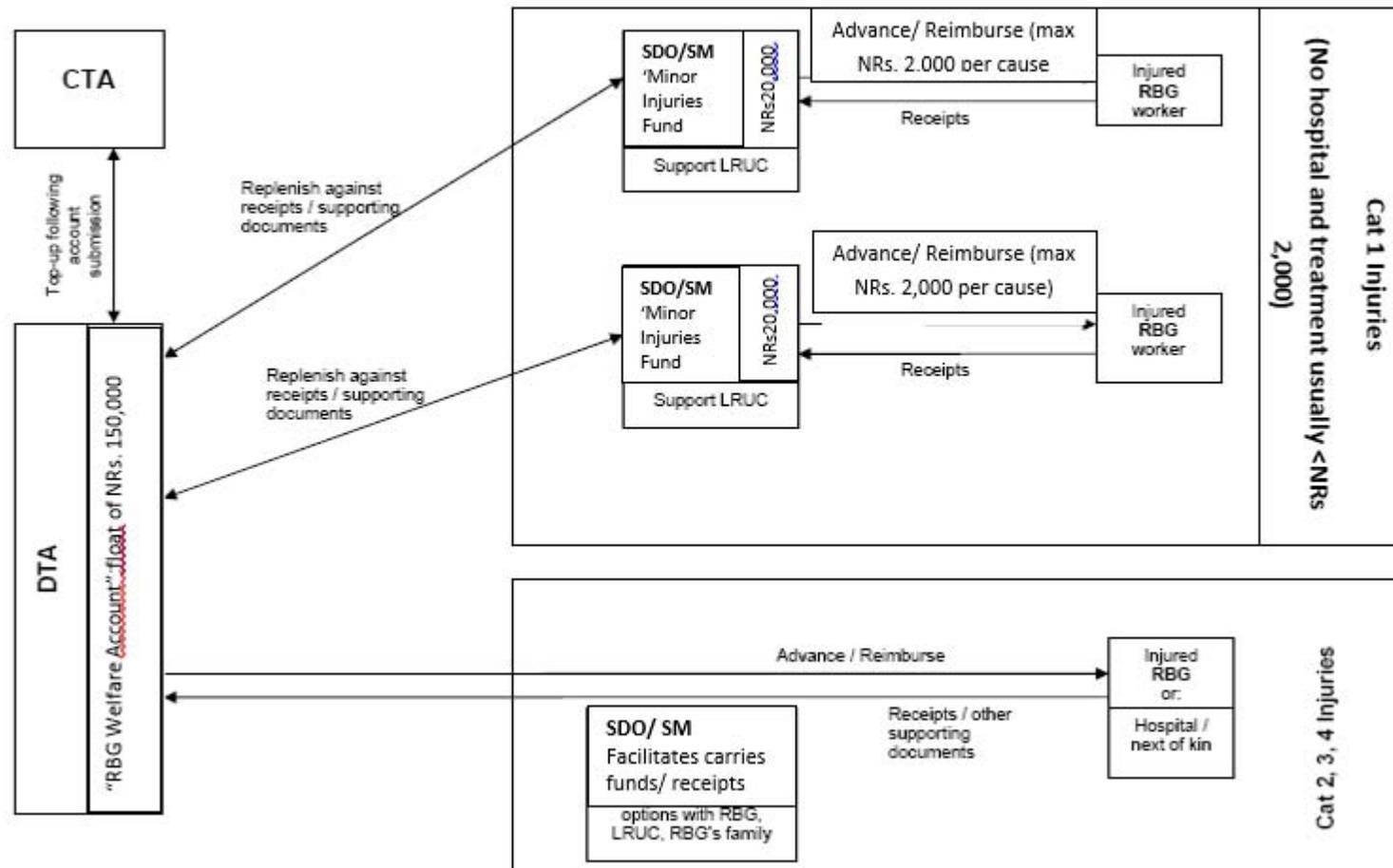
Cat 2, 3, 4 Cases: All payments will be made direct from the DTA 'RBG Welfare Account'. All requests for payment will be managed and supported by the Safeguards Team who will present the required documentary support to the DTA and will collect and take responsibility for delivering the payment to the appropriate recipient, and returning documented proof of payment delivery.

Advances: Advances in respect of any treatment may be made by either DTA or Office Manager as above, up to the stated entitlement limits in cases where the RBG/SBG has insufficient available capital. Advances may be to the RBG/SBG member or direct to the medical facility establishment. In the case of payments on death, these shall be made to the next of kin as identified and authenticated by the LRUC / LRCC/Safeguards Team.

Attachments:

- | | |
|-----------|---|
| Figure 1. | RBG Accident Compensation Scheme: Payment Process |
| Form A-1 | Accident Reporting and Claim Form |
| Form A-2 | Accident Record Form |
| Form 2 | Basis of compensation calculation |

RBG Accident Compensation Scheme: Payment Process



Form A-1: Accident Reporting and Claim Form SM to RAP District Team

Date:	
Name:	
Location:	
Accident Details:	
Time of Accident:	
Injury Details:	
Medical Treatment:	
Cost (Estimate/Actual):	
Witness 1	
Witness 2	
Remarks:	

Certified By: Social Mobiliser	Recommended By: Social Development Officer	Approved By: District Team Leader RAP District Team
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Form A-2: Accident Record Form

Road Corridor:						District:		
Total No. of Labour Days Worked in the Month:								
SN	Date	Acc.Cat.	Nature of Injury	Reason for Injury	Treatment at Site	Further Treatment Required	Days off Work	Cost (Estimated/Actual)

Accident Category

Cat 1 Minor: No hospital treatment, treatment costs expected to be less than **NRs 2,000**

Cat 2 Serious: No permanent Disablement, hospital treatment required or treatment costs **>NRs 2,000**

Cat 3 Serious: Results in permanent disablement

Cat 4 Fatal: Results in death

Form-2: Basis of compensation calculation

SN	Nature of Disability	RAP Amount Payable (NRs)	Remarks
1	Death	500,000	Total employment days/year *wage rate/day*3 years remuneration=Amount payable
	Loss or permanent disablement in respect of:		
2	Both hands	830,000	Total employment days/year *wage rate/day*5 years remuneration =Amount payable
3	Both feet	830,000	" "
4	Complete and irrecoverable loss of sight in both eyes	830,000	" "
5	Complete and incurable insanity (following head injury)	830,000	" "
6	Complete and incurable paralysis	830,000	" "
7	Arm or hand	300,000	60% of 3 years remuneration
8	One leg or one foot	300,000	60% " "
9	Thumb of hand	150,000	30% " "
10	Index finger of hand	70,000	14% " "
11	Any other finger of hand	25,000	5% " "
12	Big toe	50,000	10% " "
13	Any other toe	15,000	3% " "
14	Complete and irrecoverable loss of sight in one eye	200,000	40% " "
15	Complete and irrecoverable loss of hearing in both ears	350,000	70% " "
16	Complete and irrecoverable loss of hearing in one ear	100,000	20% " "

Note: 1. RAP 3 will create maximum of 295 employment days/year and average wage rate is NPR 565/per day.

2. Calculation is based on Nepal labour act 2070