

# Quarterly Report on Remittance Inflows:

January-March 2018 <sup>1</sup>



**Bangladesh Bank**  
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# **Quarterly Report on Remittance Inflows**

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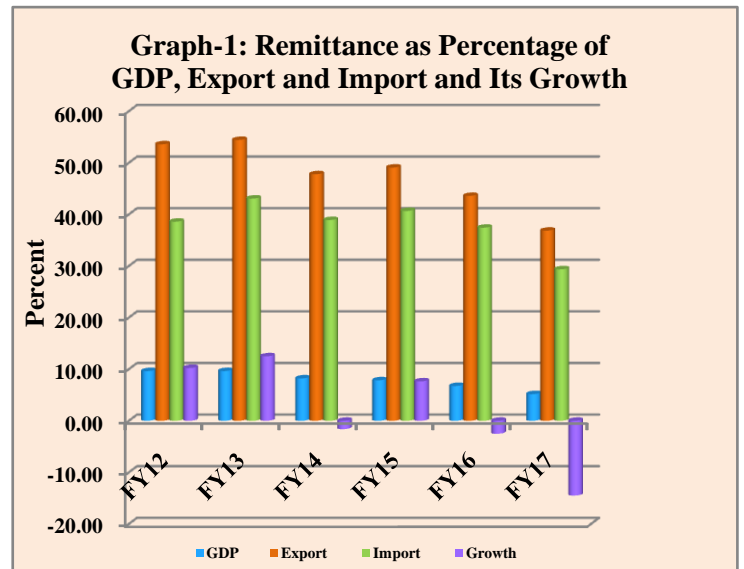
## Introduction

Remittance is the second highest source of foreign currency earnings of Bangladesh after exports of readymade garments (RMG). However, remittance can be considered as the highest one in net earning term since in case of exporting RMG a significant portion of earnings is foregone for importing its raw materials. Remittance plays an important role on the overall economy of Bangladesh. World Bank ranked

Bangladesh as eighth in the world and third in the South Asia Region for remittance inflow based on the information of 2016. Bangladesh joined in the 10 billion USD club of remittance inflow in FY10.

Foreign employment and remittance sent by the Bangladeshi expatriates have immense contribution to the economic development of Bangladesh in many ways as lowering unemployment, poverty alleviation and swelling up foreign exchange reserve. The pattern and use of remittance is also the most important issue for economic development. If expatriates' earnings are invested in productive fields, they can contribute to output growth, employment, etc. In FY17, remittance was 5.17 percent of country's GDP, 49.2 percent of total export earnings and 29.4 percent of import payments (f.o.b) (Table-1). In addition, remittance plays a supportive role in boosting up current account surplus.

Gross remittance earnings posted a negative growth of 14.5 percent to USD 12769.5 million in FY17 compared to USD 14931.16 million of FY16. One of the important reasons of such drastic fall was the increase of remittance transfer to unofficial channel. So, Government has taken legal actions of some source countries against using informal channel for sending remittance which might have positive impact to shoot up remittance in formal channel to Bangladesh in the coming months.

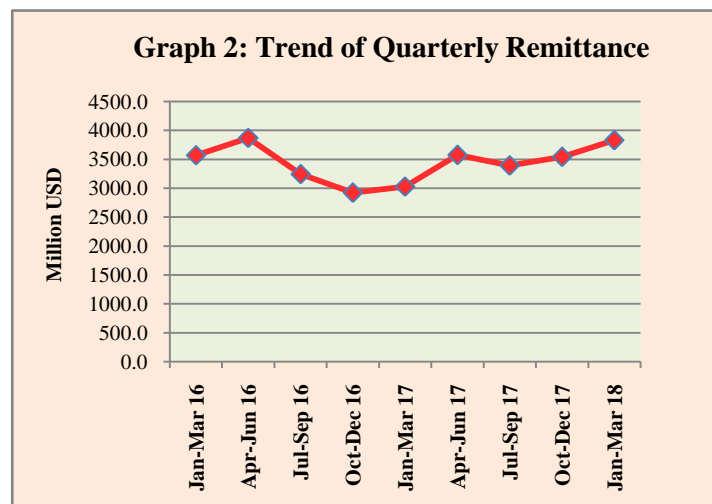


**Table-1: Remittance as Percentage of GDP, Export and Import and its Growth**

FY	Remittance as % of GDP	Remittance as % of Export Earnings (f.o.b)	Remittance as % of Import Payments (f.o.b)	Growth (%) of Remittance
FY07	7.51	49.60	38.54	24.50
FY08	8.64	55.93	40.62	32.39
FY09	9.44	62.11	47.70	22.28
FY10	9.52	67.80	46.29	13.40
FY11	9.05	50.64	34.61	6.03
FY12	9.63	53.58	38.59	10.24
FY13	9.64	54.43	43.07	12.51
FY14	8.21	47.78	38.91	-1.61
FY15	7.85	49.08	40.67	7.64
FY16	6.74	43.59	37.42	-2.51
FY17	5.17	49.22	29.36	-14.48

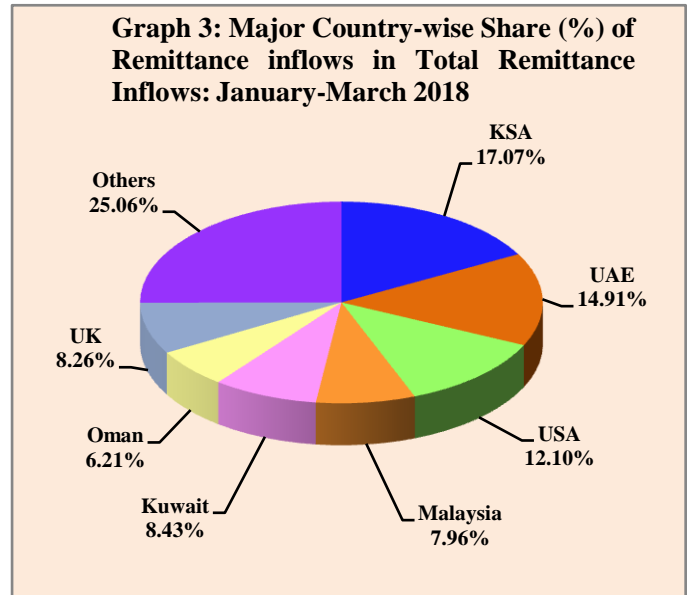
### Remittance Inflows: January-March 2018

Remittance sent by the Bangladeshi expatriates stood at USD 3828.64 million during the 3rd quarter of FY18 (January-March 2018), which is 8.11 percent and 26.45 percent higher than the previous quarter and the same quarter of the preceding year respectively. During the quarter under report, rise in remittance was mainly due to higher number of migration in the previous quarter to most of the source countries.



## Country wise Remittance Inflows

Country-wise remittance inflow during January-March 2018 shows that the largest amount of remittance has been received from KSA (USD 653.37 million), which is 17.1 percent of total remittance inflows (**Graph-3**), followed by UAE (14.9 percent), USA (12.1 percent), Kuwait (8.4 percent), United Kingdom (8.3 percent), Malaysia (8.0 percent), Oman (6.2 percent) and other countries (25.1 percent). Region-



wise remittance inflows shows that 56.6 percent of total remittances has been received from the Gulf<sup>1</sup> countries during January-March quarter of FY18, followed by EU<sup>3</sup> countries (12.9 percent), Asia-Pacific<sup>2</sup> countries (10.6 percent), and other countries (7.9 percent). The amount of remittances received from Gulf countries stood at USD 2167.0 million during the 3<sup>rd</sup> quarter of FY18 which is 6.6 percent and 26.6 percent higher than the previous and the corresponding quarter of the previous year respectively (**Table-2**). The amount of remittance inflows from EU countries and Asia-Pacific both increased significantly compared to the previous quarter and the corresponding quarter of the previous year.

<sup>1</sup>Gulf Countries are KSA, UAE, Qatar, Oman, Bahrain, Kuwait, Libya and Iran.

<sup>2</sup>Asia-Pacific countries are Japan, Malaysia and Singapore.

<sup>3</sup>EU countries are United Kingdom, Germany and Italy.

**Table-2: Country group wise Remittance Inflows**

(Million USD)

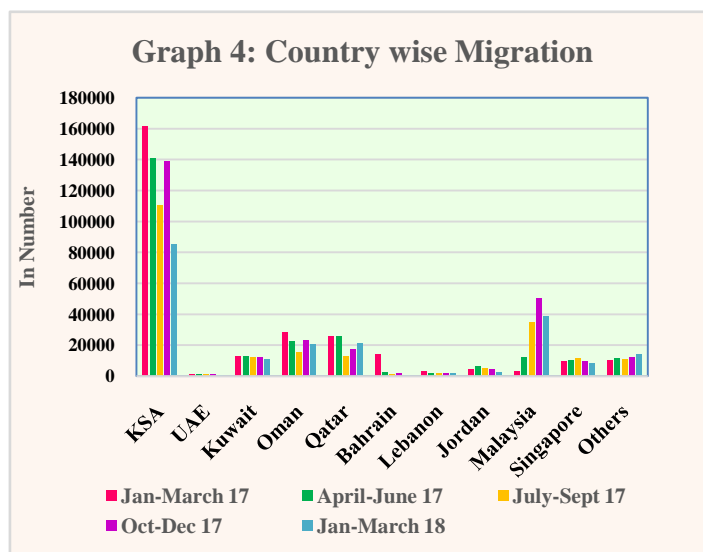
	Jan-Mar' 17	April-June'17	July-Sep'17	Oct-Dec' 17	Jan-Mar' 18
<b>Gulf Countries</b>	1711.59	2041.07	1875.28	<b>2032.68</b>	<b>2167.00</b>
	<i>56.53</i>	<i>57.10</i>	<i>55.30</i>	<i>57.40</i>	<i>56.60</i>
KSA	515.14	607.06	591.99	609.42	<b>653.37</b>
UAE	482.43	587.49	514.70	623.48	<b>570.87</b>
Qatar	140.31	168.44	164.08	174.70	<b>234.69</b>
Oman	215.17	250.92	229.78	221.18	<b>237.83</b>
Bahrain	114.82	141.48	123.71	127.12	<b>146.45</b>
Kuwait	243.26	285.18	250.68	276.25	<b>322.91</b>
Libya	0.45	0.50	0.34	0.53	<b>0.86</b>
Iran	0.01	0.00	0.00	0.00	<b>0.02</b>
<b>EU Countries</b>	371.54	408.74	448.26	<b>410.21</b>	<b>492.93</b>
	<i>12.27</i>	<i>11.43</i>	<i>13.22</i>	<i>11.58</i>	<i>12.87</i>
United Kingdom	239.02	240.54	257.98	240.7	<b>316.2</b>
Germany	7.05	11.04	8.05	10.23	<b>10.19</b>
Italy	125.47	157.16	182.23	159.28	<b>166.54</b>
<b>Asia-Pacific Countries</b>	303.79	361.00	318.76	345.11	<b>404.03</b>
	<i>10.03</i>	<i>10.10</i>	<i>9.40</i>	<i>9.75</i>	<i>10.55</i>
Japan	5.89	7.16	6.35	7.26	<b>9.21</b>
Malaysia	232.26	280.42	239.17	265.22	<b>304.87</b>
Singapore	65.64	73.42	73.24	72.63	<b>89.95</b>
<b>USA</b>	389.20	490.05	481.14	481.04	<b>463.25</b>
	<i>12.85</i>	<i>13.71</i>	<i>14.19</i>	<i>13.58</i>	<i>12.10</i>
<b>Other Countries</b>	251.62	274.00	267.58	272.3	<b>301.43</b>
	<i>8.31</i>	<i>7.66</i>	<i>7.89</i>	<i>7.69</i>	<i>7.87</i>
<b>Total</b>	<b>3027.74</b>	<b>3574.86</b>	<b>3391.02</b>	<b>3541.34</b>	<b>3828.64</b>

Source: From July, 2016 Statistics Department, Bangladesh Bank & Upto June, 2016 Foreign Exchange Policy Department, Bangladesh Bank

Note: Numbers in Italic indicate percentage share in total remittance.

## Country wise Migration

About two lakh and four thousand Bangladeshi have migrated to abroad during January-March 2018 (Table-3 and Graph-4) for employment. Most (41.7 percent) of Bangladeshis have migrated to KSA during January-March 2018, followed by Malaysia (19.0 percent), Qatar (10.5 percent), Oman (9.9 percent), Kuwait (5.3 percent), Singapore (4.2 percent), Jordan (1.2 percent), Lebanon (0.9 percent), UAE (0.3 percent), Bahrain (0.2 percent) and other countries (6.9 percent). Table-3 shows the yearly data on country-wise migration from 2004 to 2017 and quarterly data from January-March 2017 to January-March 2018.



**Table-3: Trend of Country wise Migration**

(In Number)

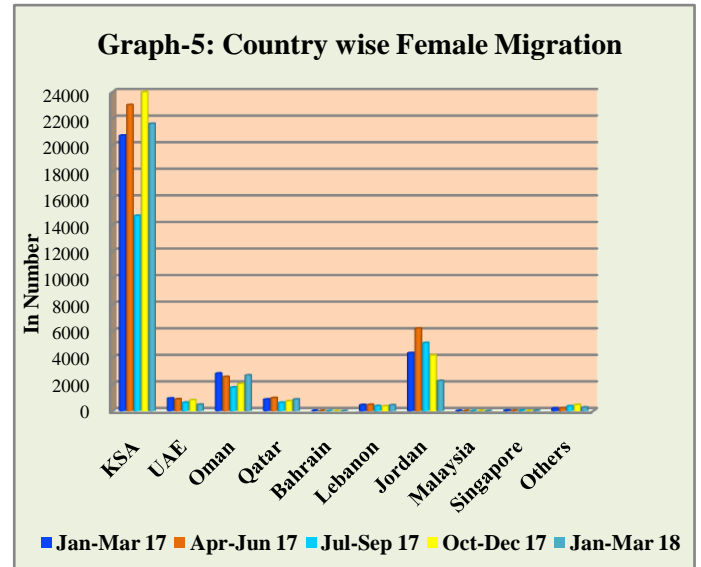
Year	KSA	UAE	Kuwait	Oman	Qatar	Bahrain	Lebanon	Jordan	Malaysia	Singapore	Others	Total
2004	139031	47012	41108	4435	1268	9194			224	6948	23738	272958
2005	80425	61978	47029	4827	2114	10716			2911	9651	33051	252702
2006	109513	130204	35775	8082	7691	16355	0	2822	20469	20139	30466	381516
2007	204112	226392	4212	17478	15130	16433	3541	494	273201	38324	33292	832609
2008	132124	419355	319	52896	25548	13182	8444	682	131762	56581	34162	875055
2009	14666	258348	10	41704	11672	28426	13941	1691	12402	39581	52837	475278
2010	7069	203308	48	42641	12085	21824	17208	2235	919	39053	44312	390702
2011	15030	282734	29	135260	13168	13928	19166	4387	742	48666	34952	568062
2012	21232	215452	2	170326	28801	21777	14864	11726	804	58657	61836	605477
2013	12654	14241	6	134028	57584	25155	15098	21383	3853	60057	65194	409253
2014	10657	24232	3094	105748	87575	23378	16640	20338	5134	54750	74001	425547
2015	58270	25271	17472	129859	123965	20720	19113	22093	30483	55523	53132	555901
2016	143913	8131	39188	188247	120382	72167	15095	23017	40126	54730	52735	757731
Jan.-Mar. '17	161356	1123	12730	28349	25935	13789	2813	4415	2830	9761	9872	272973
Apr.-Jun. '17	140917	1271	12907	22288	25914	2681	2048	6287	11794	10023	11387	247517
Jul.-Sep. '17	110124	774	12224	15436	12547	1277	1608	5262	34683	11152	10884	215971
Oct.-Dec. '17	138911	967	11743	23001	17616	1571	1858	4485	50480	9465	11967	272064
2017	551308	4135	49604	89074	82012	19318	8327	20449	99787	40401	44110	1008525
Jan.-Mar. '18	<b>85158</b>	<b>605</b>	<b>10725</b>	<b>20274</b>	<b>21349</b>	<b>391</b>	<b>1774</b>	<b>2413</b>	<b>38865</b>	<b>8553</b>	<b>14094</b>	<b>204201</b>
% Growth (Jan.-Mar. '18 over Oct.-Dec. '17)	-38.7	-37.4	-8.7	-11.9	21.2	-75.1	-4.5	-46.2	-23.0	-9.6	17.8	-24.9
% Growth (Jan.-Mar. '18 over Jan.-Mar. '17)	-47.2	-46.1	-15.8	-28.5	-17.7	-97.2	-36.9	-45.3	1273.3	-12.4	42.8	-25.2

Source: Bureau of Manpower, Employment and Training, Bangladesh

## Country wise Female Migration

Considering the gender wise migration of Bangladeshi expatriates to abroad, in January-March 2018 quarter a significant number of female migrates to abroad. During this period, about 28.6 thousand Bangladeshi female workers have been migrated abroad for employment (Table-4). Among the total female migrants, 75.5 percent migrated to KSA, followed by Oman (9.4 percent), Jordan (7.9 percent), Qatar (3.1 percent), UAE (1.7 percent), Lebanon (1.5 percent)

and Singapore (0.1 percent). The remaining 0.9 percent migrated to other countries. Analyzing the data of overseas female employment, it is found that 6.96 lakh female workers migrated for overseas employment from 1991 to 2017, whereas the total number of overseas workers stood at 106.37 lakh during the same period. So, the percentage share of female workers in total overseas workers is very insignificant (6.54 percent) due to various social and cultural barriers. However, the global demand for some occupations belonged to women (nurse, maid servant, etc.) is increasing in the recent years. So, Government may take necessary initiatives to fulfill the demand for overseas female workers through Ministry of Expatriates Welfare and Overseas Employment (MoEW&OE) and Bangladeshi Diplomatic Missions in abroad. Private recruiting agencies may play an important role in this context. Table-4 shows the yearly trend of country wise female migration from 2012 to 2017 and Graph-5 shows the quarterly trend of country wise female migration from January-March 2017 to January-March 2018.





**Table-4: Trend of Country-wise Female Migration**

(In Number)

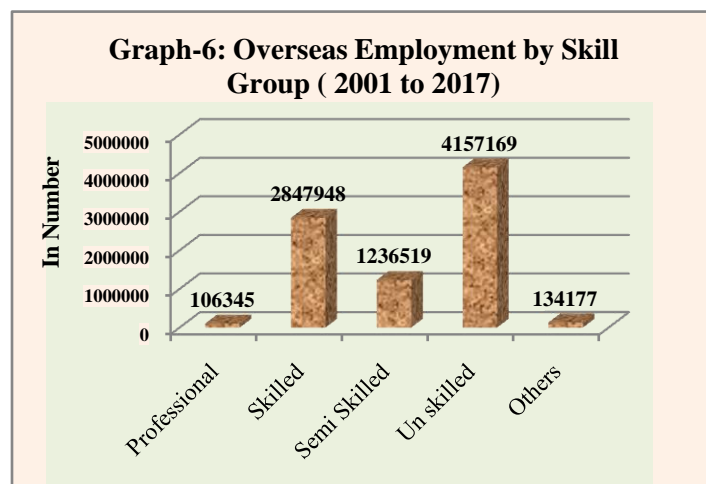
Year	KSA	UAE	Oman	Qatar	Bahrain	Lebanon	Jordan	Malaysia	Singapore	Others	Total
2012	485	6212	4102	6	38	12496	11582	19	75	2289	37304
2013	167	13710	6068	2100	141	10750	21243	23	133	2065	56400
2014	13	23214	11584	6452	121	11990	20134	15	128	2356	76007
2015	20952	24307	16980	8642	403	8782	21776	12	114	1750	103718
2016	68286	5151	12897	5381	79	2450	22689	8	104	1043	118088
Jan-Mar 17	20723	942	2821	867	12	448	4359	7	32	194	30405
Apr-Jun 17	23021	883	2566	977	7	466	6209	6	21	208	34364
Jul-Sep 17	14681	627	1770	622	0	377	5118	3	33	365	23596
Oct-Dec 17	24929	820	2042	743	2	351	4186	12	16	459	33560
<b>2017</b>	<b>83354</b>	<b>3272</b>	<b>9199</b>	<b>3209</b>	<b>21</b>	<b>1642</b>	<b>19872</b>	<b>28</b>	<b>102</b>	<b>1226</b>	<b>121925</b>
<b>Jan-Mar 18</b>	<b>21610</b>	<b>477</b>	<b>2679</b>	<b>872</b>	<b>3</b>	<b>437</b>	<b>2261</b>	<b>3</b>	<b>27</b>	<b>267</b>	<b>28636</b>
% Growth (Jan-Mar.18 over Oct-Dec 17)	-13.3	-41.8	31.2	17.4	50.0	24.5	-46.0	-75.0	68.8	-41.8	-14.7
% Growth (Jan-Mar.18 over Jan-Mar.17)	4.3	-49.4	-5.0	0.6	-75.0	-2.5	-48.1	-57.1	-15.6	37.6	-5.8

Source: Bureau of Manpower, Employment and Training, Bangladesh

### Overseas Employment by Skill Group

A large number of Bangladeshi expatriates are less/un-skilled and stood at 41.57 lakh during 2001 to 2017. The number of skilled expatriates stood at 28.48 lakh during the same period. The relative composition of skills is changing over time. Based on occupation expatriates are categorized into four groups- professionals, skilled, semi-skilled and less skilled.

Data on skill group-wise overseas employment during 1976 to 2017 shows that the highest number (48.2 percent) of expatriates are un-skilled followed by skilled (33.4 percent), semi-skilled (15.2 percent) and professional (2.0 percent) (Annexure-1). In 2017 only 0.45 percent of the migrated work force was professional, followed by skilled (43.1 percent), un-skilled (39.8 percent) and semi-skilled (15.4 percent) (Table-5).



**Table-5: Category wise Migration**

(In Number)

Year	Overseas Employment by Skill Group					
	Professional	Skilled	Semi-Skilled	Unskilled	Others	Total
2001	5940	42742	30702	109581		188965
	<i>3.14</i>	<i>22.62</i>	<i>16.25</i>	<i>57.99</i>		<i>100.00</i>
2002	14450	56265	36025	118516		225256
	<i>6.41</i>	<i>24.98</i>	<i>15.99</i>	<i>52.61</i>		<i>100.00</i>
2003	15862	74530	29236	134562		254190
	<i>6.24</i>	<i>29.32</i>	<i>11.50</i>	<i>52.94</i>		<i>100.00</i>
2004	12202	110177	28327	113670	8582	272958
	<i>4.47</i>	<i>40.36</i>	<i>10.38</i>	<i>41.64</i>	<i>3.14</i>	<i>100.00</i>
2005	1945	113655	24546	100316	12240	252702
	<i>0.77</i>	<i>44.98</i>	<i>9.71</i>	<i>39.70</i>	<i>4.84</i>	<i>100.00</i>
2006	925	115468	33965	220436	10722	381516
	<i>0.24</i>	<i>30.27</i>	<i>8.90</i>	<i>57.78</i>	<i>2.81</i>	<i>100.00</i>
2007	676	165338	183673	472700	10222	832609
	<i>0.08</i>	<i>19.86</i>	<i>22.06</i>	<i>56.77</i>	<i>1.23</i>	<i>100.00</i>
2008	1864	292364	132825	437088	10914	875055
	<i>0.21</i>	<i>33.41</i>	<i>15.18</i>	<i>49.95</i>	<i>1.25</i>	<i>100.00</i>
2009	1426	134265	84517	246585	8485	475278
	<i>0.30</i>	<i>28.25</i>	<i>17.78</i>	<i>51.88</i>	<i>1.79</i>	<i>100.00</i>
2010	387	90621	20016	272118	7560	390702
	<i>0.10</i>	<i>23.19</i>	<i>5.12</i>	<i>69.65</i>	<i>1.93</i>	<i>100.00</i>
2011	1192	229149	28729	301552	7440	568062
	<i>0.21</i>	<i>40.34</i>	<i>5.06</i>	<i>53.08</i>	<i>1.31</i>	<i>100.00</i>
2012	36084	173331	104721	284153	9509	607798
	<i>5.94</i>	<i>28.52</i>	<i>17.23</i>	<i>46.75</i>	<i>1.56</i>	<i>100.00</i>
2013	689	133754	62528	203058	9224	409253
	<i>0.17</i>	<i>32.68</i>	<i>15.28</i>	<i>49.62</i>	<i>2.25</i>	<i>100.00</i>
2014	1730	148766	70095	193403	11690	425684
	<i>0.41</i>	<i>34.95</i>	<i>16.47</i>	<i>45.43</i>	<i>2.75</i>	<i>100.00</i>
2015	1828	214328	91099	243929	4697	555881
	<i>0.33</i>	<i>38.56</i>	<i>16.39</i>	<i>43.88</i>	<i>0.84</i>	<i>100.00</i>
2016	4638	318851	119946	303706	10590	757731
	<i>0.61</i>	<i>42.08</i>	<i>15.83</i>	<i>40.08</i>	<i>1.40</i>	<i>100.00</i>
2017	4507	434344	155569	401796	12302	1008518
	<i>0.45</i>	<i>43.07</i>	<i>15.43</i>	<i>39.84</i>	<i>1.22</i>	<i>100.00</i>
Total (2001 to 2017)	101838	2413604	1080950	3755373	121875	7473640
	<i>1.25</i>	<i>33.58</i>	<i>14.58</i>	<i>49.01</i>	<i>1.58</i>	<i>100.00</i>

Source: Bureau of Manpower, Employment and Training, Bangladesh.

Note: Italic numbers indicate percentage share of employment by skill group in total employment.

## **Bank wise Remittance Inflow: January-March 2018**

Banks as the most important functionary of the financial system act as the legal channels for remittance mobilization. A large number of Bangladeshi expatriates working abroad are sending home their hard earned foreign currencies through banking channel. Most of the commercial banks in Bangladesh have been providing services to a large number of migrants working abroad through collecting their remittances from all over the world and distributing this money to their beneficiaries as possible shortest period.

Among the different group of commercial banks, Private Commercial Banks (PCBs) collect the highest amount of remittance, followed by State owned Commercial Banks (SOCBs), Foreign Commercial Banks (FCBs) and Specialized Banks (SB). During January-March 2018, SOCBs have collected USD 932.09 million (24.35 percent of total), which is 10.0 percent and 15.1 percent higher than previous quarter and the same quarter of the previous year respectively. Among all SOCBs, Agrani Bank Ltd. is in the top position with USD 370.72 million and Sonali Bank Ltd. has attained the second position with USD 287.05 million.

During the period under report, PCBs have collected USD 2823.65 million (73.75 percent of total), which is 7.7 percent and 31.2 percent higher than the previous quarter and the same quarter of preceding year respectively. Among the PCBs, Islami Bank Bangladesh Ltd. (IBBL) has collected highest amount of remittance. IBBL has collected USD 778.64 million, which is 20.34 percent of total remittance inflow of the country.

During January-March 2018, FCBs have collected USD 39.22 million (1.02 percent of total), which is 2.6 percent lower than the previous quarter and 11.0 percent higher than the same quarter of 2017 respectively. Among FCBs, Standard Chartered bank has collected the highest amount of remittance with USD 15.60 million.

During January-March 2018, Bangladesh Krishi Bank has received only USD 33.68 million as remittance. It is observed that some other banks (Janata Bank Ltd, Dutch-Bangla Bank Ltd., South East bank Ltd., Mutual Trust Bank Ltd., Uttara Bank Ltd, BRAC Bank Ltd., Pubali Bank Ltd., The Trust Bank Ltd., The City Bank Ltd., Al-Arafah Islami Bank Ltd. etc.) have also played significant role in collecting remittance during January-March 2018. The trend of bank-wise remittance inflows (on quarterly basis) is shown in Table-6.

**Table-6:Bank-wise Remittance Inflow (Quarterly Basis)**

(Million USD)

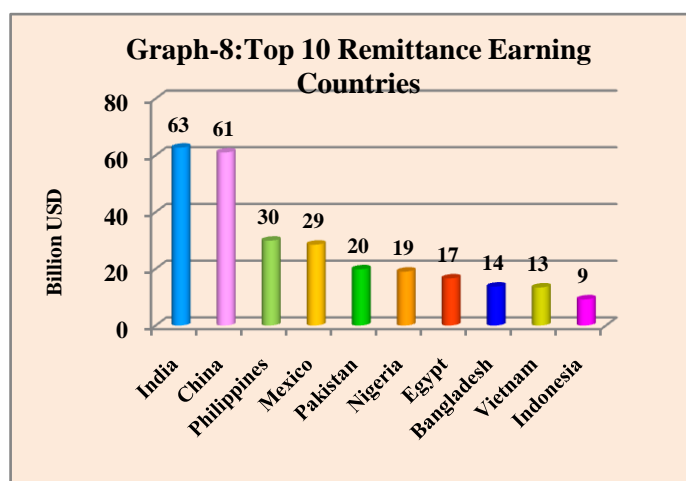
Bank Name	Jan-Mar 17	April-June 17	July-Sep 17	Oct-Dec 17	Jan-Mar 18
<b>Nationalized Commercial Banks</b>	<b>809.60</b>	<b>928.64</b>	<b>890.22</b>	<b>847.13</b>	<b>932.09</b>
	(26.74)	(25.98)	(26.25)	(23.92)	(24.35)
Sonali Bank	245.88	286.35	260.91	259.23	287.05
Agrani Bank	311.66	357.28	325.07	324.59	370.72
Janata Bank	211.89	236.30	214.99	224.77	229.61
Rupali Bank Ltd	39.81	48.31	88.88	38.27	44.07
Basic Bank Ltd	0.36	0.40	0.37	0.27	0.64
<b>Specialized Banks</b>	<b>30.05</b>	<b>34.71</b>	<b>30.10</b>	<b>31.52</b>	<b>33.68</b>
	(0.99)	(0.97)	(0.89)	(0.89)	(0.88)
Bangladesh Krishi Bank	30.05	34.71	30.10	31.52	33.68
<b>Private Commercial Banks</b>	<b>2152.68</b>	<b>2577.20</b>	<b>2434.07</b>	<b>2622.43</b>	<b>2823.65</b>
	(71.10)	(72.09)	(71.78)	(74.05)	(73.75)
IBBL	588.59	700.33	677.29	679.54	778.64
	(19.44)	(19.59)	(19.97)	(19.19)	(20.34)
National Bank Ltd	111.97	130.27	120.73	109.49	117.50
Uttara Bank Ltd	120.42	123.91	123.58	109.55	133.94
BRAC Bank Ltd	68.52	77.64	84.58	104.80	132.07
Pubali Bank Ltd	101.84	112.18	124.55	123.84	120.52
Prime Bank Ltd	60.59	61.86	58.84	89.72	80.43
AB Bank Ltd	63.67	56.27	87.13	49.80	65.07
NCCBL	56.03	85.33	91.09	110.52	85.88
Eastern Bank Ltd	26.90	30.41	23.02	67.12	86.30
Bank Asia Ltd.	95.94	129.11	114.76	100.75	88.95
South East Bank Ltd.	108.14	147.42	138.69	136.86	143.10
The City Bank Ltd	66.01	77.92	96.14	139.66	98.90
Dhaka Bank Ltd	13.26	11.53	5.07	6.41	8.90
Mutual Trust Bank Ltd.	58.11	61.19	63.74	129.13	140.38
The Trust Bank Ltd	99.47	86.02	58.56	85.27	103.02
Dutch-Bangla Bank Ltd	149.48	225.82	169.09	166.31	205.63
Shahjalal Islami Bank	8.40	12.02	7.68	13.34	19.58
IFIC Bank Ltd	10.37	10.37	8.26	10.67	10.52
UCBL	19.93	16.71	17.42	17.41	17.26
Mercantile Bank Ltd.	65.02	78.36	78.82	88.47	61.47
Jamuna Bank Ltd	53.42	57.31	51.55	49.55	40.47
The Premier Bank Ltd	14.45	23.11	17.28	11.55	23.67
Exim Bank Ltd	10.49	14.05	12.22	10.98	10.08
Social Islami Bank Ltd.	54.90	75.73	73.63	62.57	51.28
ICB Islamic Bank	0.02	0.01	0.04	0.00	0.00
First Security Bank Ltd.	27.11	38.17	32.56	28.40	32.18
One Bank Ltd	1.90	2.38	2.24	1.75	19.09
Al-Arafah Islami Bank Ltd.	53.86	65.20	46.27	71.43	94.04
Standard Bank Ltd	21.10	26.96	21.99	24.54	25.24
BD Com. Bank Ltd.	2.68	3.14	3.12	2.53	2.71
NRB Commercial Bank	0.43	1.35	0.87	0.93	2.24
Other Banks	19.66	35.12	23.26	19.54	24.59
<b>Foreign commercial Banks</b>	<b>35.33</b>	<b>34.31</b>	<b>36.63</b>	<b>40.25</b>	<b>39.22</b>
	(1.17)	(0.96)	(1.08)	(1.14)	(1.02)
HSBC	8.93	8.55	7.57	7.26	7.16
Standard Chartered Bank	15.53	12.41	15.73	14.89	15.60
Woori Bank Ltd	8.58	10.56	10.85	12.12	12.83
Com. Bank of Ceylon	1.95	2.58	2.26	5.67	3.28
Citi Bank NA	0.04	0.02	0.04	0.20	0.27
Bank Al Falah	0.11	0.15	0.12	0.08	0.05
State Bank of India	0.15	0.03	0.06	0.03	0.03
Habib Bank Ltd	0.04	0.00	0.00	0.00	0.00
National Bank of Pakistan	0.00	0.01	0.00	0.00	0.00
<b>Total</b>	<b>3027.74</b>	<b>3574.86</b>	<b>3391.02</b>	<b>3541.34</b>	<b>3828.64</b>

Source: Statistics Department, Bangladesh Bank.

Note: Numbers in bracket indicate percentage share of total remittance.

## Global Comparison

The World Bank report titled “Migration and Development Brief April, 2017”, finds that, Bangladesh still retained the 8<sup>th</sup> position in 2016 among the world’s top ten remittance earner countries and 3<sup>rd</sup> in South Asian region. India is the world’s top most remittance earners country followed by China, Philippines, Mexico, Pakistan, Nigeria and Egypt. Bangladesh’s



remittance earning is 6.8 percent of the country’s GDP. Table-7 shows the top 10 remittance earning countries based on the amount of remittance and as percentage share of GDP in 2016.

**Table-7: Top 10 Remittance Earning Countries in 2016**

Top 10 remittance earning countries		Top 10 countries (As Percentage Share of GDP)**	
Country	Amount of remittance (Billion USD)	Country	Percentage Share of GDP
India	63	Kyrgyz Republic	34.5
China	61	Nepal	29.7
Philippines	30	Liberia	29.6
Mexico	29	Haiti	27.8
Pakistan	20	Tonga	27.8
Nigeria	19	Tajikistan	26.9
Egypt	17	Moldova	21.7
Bangladesh	14	Comoros	21.2
Vietnam	13	Gambia	20.4
Indonesia	9	Honduras	18.4

Source: Migration and Development Brief, World Bank, April, 2017.

\*\*Top 10 Countries according to percentage share of GDP (%) in 2015.

## **Recent Policy Measures towards Migrant Workers**

Bangladesh government and Bangladesh Bank have taken various regulatory and institutional measures to boost up remittances through formal channel, which contributed to boost up the remittances. The Ministry of Expatriates' Welfare and Overseas Employment (MoEW&OE) has started various projects under the ADP of FY 2016-17.

### **Policy Measures by the government**

With a view to protect the rights of all migrant workers and their families, the cabinet approved a more detailed and comprehensive "Expatriates' Welfare and Overseas Employment Policy 2016" on 11 January 2016 in line with the Overseas Employment and Migration Act 2013 and the United Nations' international convention. The new policy replaced the 'Overseas Employment Policy 2006'. The main objective of the policy is to ensure safety and security of the migrant workers, who are contributing significantly to the country's economic development, and their families. This policy includes a provision for setting up a 'National Migration Forum' to supervise the policy implementation. The policy also proposed on formation of a national steering committee comprising ministers and secretaries of the concerned ministries to deal with issues relating to overseas employments. The policy recommends for providing proper training to migrant workers and taking up labor migration diplomacy across the globe and fixing up the possible reasonable costs for migration in a transparent way by the Bangladesh Overseas Employment and Services Limited. An important objective of this policy is to simplify the migration process for the female workers who are seeking overseas jobs. The policy also recommends to increase the number of female officials in Bangladesh missions abroad, particularly in those countries where an increased number of Bangladeshi women are working. Apart from G to G facilities with low cost migration, government has also given strong emphasis on private sector labor migration process recently.

## **Projects under the ADP**

For skill development, the following projects are in progress-

- Renovation and Modernization of Bangladesh Institute of Marine Technology (January 2014 to June 2018);
- Establishment of Bangladesh-IDB Friendship Technical Teachers Training Institute (July 2015 to June 2019);
- Establishment of Technical Training Center (TTC) at Upazilla level (July 2015 to June 2019);
- Enhancement of the Vocational Training Program of TTC in Rajshahi and Faridpur under KOICA's Deep Program (July 2015 to December 2018);
- Capacity Development Program of TTC, Rajshahi (January 2016 to December 2019).

## **Measures taken by the Bangladesh Bank**

For boosting up remittance inflows in the banking channel Bangladesh Bank has taken a number of measures in recent years

- For the purpose of quick delivery of remittances to beneficiaries through bank-to-bank clearing systems, Bangladesh Electronic Funds Transfer Network (BEFTN) was established on 28 February 2011 with other funds transfer activities;
- To speed up remittance inflows and distribution, the approval mechanism of drawing arrangements among Bangladeshi banks and foreign exchange houses abroad has been simplified. Presently, 1142 drawing arrangements are active and they are playing important role for sending remittances to Bangladesh.
- To increase the competition among the money transmitters, commercial banks are instructed to make the contracts with Multinational Money Remitters/ Exchange Houses to avoid Pay Cash Exclusivity Clause which can create monopoly in the market.
- Establishment of exchange houses/branch offices abroad by local banks has been approved. 34 exchange houses/branch offices/representative offices of different local banks are operating their programs in different countries (UK, USA, Australia, Singapore, Malaysia, Greece, Italy, Canada, Oman and Maldives).

- Besides, bank branches, 26 micro-finance institutions, branches of Bangladesh Post Office and Singer Outlets are permitted to operate distribution of remittances. To promote remittance inflows and distribution network, these institutions through their branches in remote areas in the country are playing important role on quick delivery of remittance. 18 of 24 approved banks have already started their services to give out remittances through the outlets of mobile phone operators.
- To mobilize the remittance flows under the drawing arrangement, the maximum time to give out remittances to beneficiary level has been re-fixed to 2 working days instead of 72 hours.
- To encourage the workers to remit their earnings through the banking channel CIP facilities and special citizen facilities for Bangladeshi expatriates have been extended.
- Customer Right Preservation Centre has been established by the Bangladesh Bank to receive the complaints regarding remittance from the Bangladeshi expatriates or their domestic beneficiaries directly.
- Three NRB commercial banks have started their operations in Bangladesh to facilitate investment by Non Resident Bangladeshi.
- Non-Resident Bangladeshis (NRBs) are allowed to open Non-Resident Foreign Currency Deposit (NFCD) accounts with authorized dealer banks at home to credit their retirement benefits, periodical pensions, superannuation benefits, etc. as per employment agreement with employers while on service abroad. The balances held in these accounts can be used for settlement of legitimate payment abroad.
- To ease the remittances for import payment against expired Letter of Credit Authorization Form (LCAF) which is restricted without obtaining its revalidation, ADs are allowed to effect remittances within 30 months of issuance LCAF against import of capital machinery without obtaining its revalidation. Revalidation of LCAF has not be required for remittances against import out of fund held in foreign currency accounts of importers which are maintained under general or special authorization from Bangladesh Bank.
- ADs are allowed to remit the registration fee to the bank account of the beneficiaries for medical check-up of migrant workers, the fee in case of invoices specifying details of the check-up by persons and deduction of applicable taxes.



- For issuing shares in favor of the non-residents by debit to the non-resident Taka accounts, ADs maintain non-resident Taka accounts in the names of their overseas branches and correspondents against inward remittance in convertible foreign currencies. ADs will issue certificate in support of the payment from such account for purchase of shares in Bangladeshi companies.
- Authorized Dealer banks are allowed to issue guarantee, bid bond or performance bond in local currency against Taka equivalent on behalf of a non-resident firm/company favoring residents in Bangladesh provided a back to back foreign currency guarantee with suitable coverage for exchange rate fluctuation from counter guarantee issuing banks abroad.
- In order to enhance housing finance facility, NRBs may avail housing finance facility at a maximum debt equity ratio of 75:25 instead of existing debt equity ratio of 50:50.
- To enhance the quality of remittance service for NRBs, Bangladesh Bank has instructed all AD banks to establish Remittance Help Desk in their branch offices.
- According to the Wage-Earner Development bond Rules, 1981 payment methods in Taka currency received against inward remittance is permissible for purchase of Wage-Earner Development Bond (WEDB). Despite the above instruction, misunderstanding is observed regarding utilization of fund held in Taka accounts fed by inward wage remittances for purchase of WEDB. It is mentionable that Taka fund credited in non-resident Taka account of Bangladesh nationals residing abroad or in resident Taka accounts of their beneficiaries against inward remittances through normal banking channel or authorized exchange house channel.

Category-wise Overseas Employment from 1976 to 2017						
Year	Worker's Category					Up to Dec., 2017
	Professional	Skilled	Semi-skilled	Less-skilled	Others	Total
1976	568	1,775	543	3,201	-	6,087
1977	1,766	6,447	490	7,022	-	15,725
1978	3,455	8,190	1,050	10,114	-	22,809
1979	3,494	7,005	1,685	12,311	-	24,495
1980	1,983	12,209	2,343	13,538	-	30,073
1981	3,892	22,432	2,449	27,014	-	55,787
1982	3,898	20,611	3,272	34,981	-	62,762
1983	1,822	18,939	5,098	33,361	-	59,220
1984	2,642	17,183	5,484	31,405	-	56,714
1985	2,568	28,225	7,823	39,078	-	77,694
1986	2,210	26,294	9,265	30,889	-	68,658
1987	2,223	23,839	9,619	38,336	-	74,017
1988	2,670	25,286	10,809	29,356	-	68,121
1989	5,325	38,820	17,659	39,920	-	101,724
1990	6,004	35,613	20,792	41,405	-	103,814
1991	9,024	46,912	32,605	58,615	-	147,156
1992	11,375	50,689	30,977	95,083	-	188,124
1993	11,112	71,662	66,168	95,566	-	244,508
1994	8,390	61,040	46,519	70,377	-	186,326
1995	6,352	59,907	32,055	89,229	-	187,543
1996	3,188	64,301	34,689	109,536	-	211,714
1997	3,797	65,211	43,558	118,511	-	231,077
1998	9,574	74,718	51,590	131,785	-	267,667
1999	8,045	98,449	44,947	116,741	-	268,182
2000	10,669	99,606	26,461	85,950	-	222,686
2001	5,940	42,837	30,702	109,581	-	189,060
2002	14,450	56,265	36,025	118,516	-	225,256
2003	15,862	74,530	29,236	134,562	-	254,190
2004	12,202	110,177	28,327	113,670	8582	272,958
2005	1,945	113,655	24,546	100,316	12240	252,702
2006	925	115,468	33,965	220,436	10722	381,516
2007	676	165,338	183,673	472,700	10222	832,609
2008	1,864	292,364	132,825	437,088	10914	875,055
2009	1,426	134,265	84,517	246,585	8485	475,278
2010	387	90,621	20,016	272,118	7560	390,702
2011	1,192	229,149	28,729	301,552	7440	568,062
2012	36,084	173,331	104,721	284,153	9509	607,798
2013	689	133,754	62,528	203,058	9224	409,253
2014	1,730	148,766	70,095	193,403	11690	425,684
2015	1,828	214,328	91,099	243,929	4697	555,881
2016	4,638	318,851	119,946	303,706	10590	757,731
2017	4,507	434,344	155,569	401,796	12,302	1,008,518
<b>Total</b>	<b>232,391</b>	<b>3,833,406</b>	<b>1,744,469</b>	<b>5,520,493</b>	<b>134,177</b>	<b>11,464,936</b>
<b>%</b>	<b>2.03</b>	<b>33.44</b>	<b>15.22</b>	<b>48.15</b>	<b>1.17</b>	<b>100.0</b>

