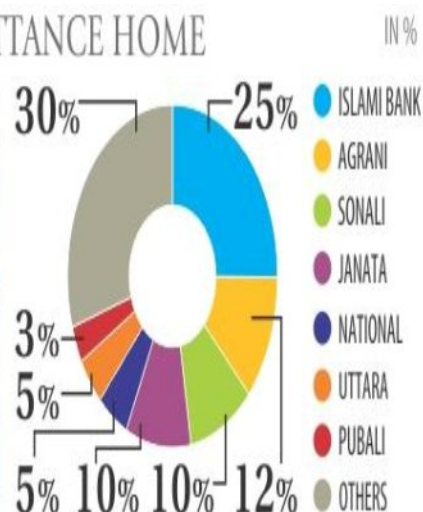


Quarterly Report on Remittance Inflows:

April-June 2016¹

BANKS THAT BRING REMITTANCE HOME



TOP TEN REMITTERS

NAME	COUNTRY
Mahiul Muhammed Khan Muqit	UK
Mohammed Mahtabur Rahman	UAE
Rezaul Hasan	USA
Zakir Hossain	KUWAIT
Abul Kalam	UAE
Sayadur Rahman Habib	HONG KONG
Jafar Ahmed	UAE
Mohammed Emadur Rahman	UAE
Nazmul Hossain Gazi	KUWAIT
Nizam Mohammad Meah	USA

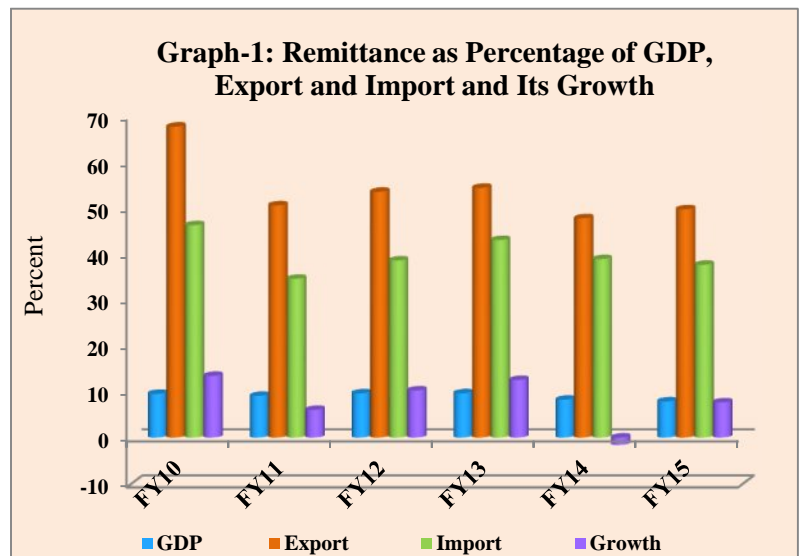


Bangladesh Bank
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¹Comments on any aspects of the report are highly welcome and can be sent to Ms. Zahira Hasin, Joint Director, Research Department, Bangladesh Bank. E-mail:zahira.hasin@bb.org.bd.

Introduction

Remittance is the second highest source of foreign currency earning of Bangladesh after exports of readymade garments (RMG). But, 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 a significant role on the overall



economy of Bangladesh. World Bank ranked Bangladesh as seventh in the world for remittance inflow based on the information of 2013. Bangladesh joined in the 10 billion US\$ club of remittance inflow in FY10. Remittance inflow into Bangladesh experienced 552.32% growth in FY13 over FY03 and the size of yearly remittance inflow in FY13 is more than twenty three times over the inflow of FY95. Contribution of remittance inflow to GDP is also rising. According to World Bank, share of remittance inflow in GDP for Bangladesh was 6% in 2002 which increased to 9.7% in 2012.

Foreign employment and remittance sent by the Bangladeshi expatriates have immense contribution to the economic development of Bangladesh in many significant ways like lowering unemployment, poverty alleviation and swelling up foreign exchange reserve. The pattern and use of remittances is the most important issue for economic development. If expatriates' earnings are invested in productive fields, they contribute to output growth, employment, etc. In addition, remittance plays a supportive role in boosting up current account surplus. Gross remittance earnings decreased by 2.52 percent to USD 14931.16 million in FY16 compared to USD 15315.92 million of FY15, which is 6.76 percent of country's GDP*, 43.58 percent of total export earnings and 38.18 percent of total import payments during FY16 (Table-1).

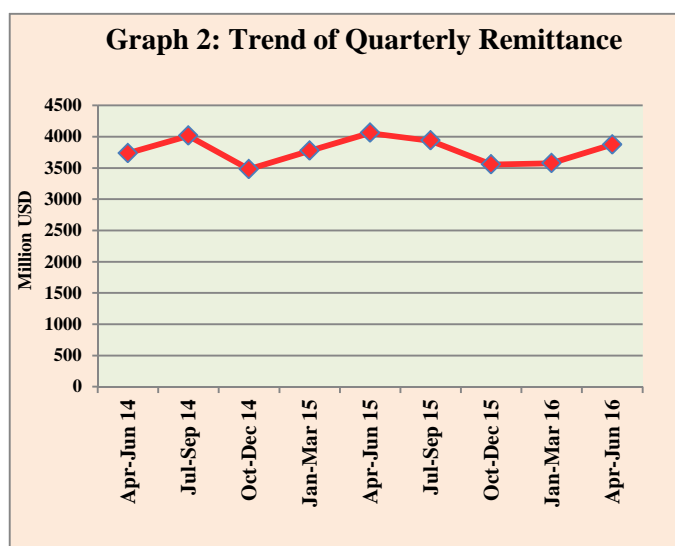
Table-1: Remittance as Percentage of GDP, Export and Import and its Growth

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	47.80	42.38	-1.61
FY15	7.87	49.08	37.65	7.65
FY16	6.76	43.58	38.18	-2.51

*Provisional

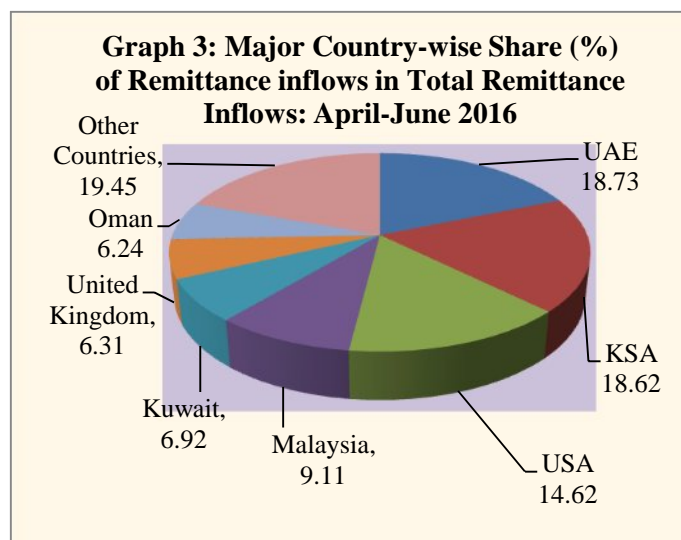
Remittance Inflows: April-June 2016

Remittance sent by the Bangladeshis expatriates stood at USD 3871.5 million during the last quarter of FY16 (April-June 2016) , which is 8.4 percent higher than the previous quarter and 4.6 percent lower than the same quarter of the preceding year. In FY16 the inflows of remittance has declined by 2.52 percent to USD 14931.16 million compared to USD 15315.92 million of FY15 due mainly to decrease in manpower export to a few of middle-east countries and sharp declined in Malaysia.



Country wise Remittance Inflows

Country-wise data on remittance inflows shows that the largest amount of remittance has received from UAE (USD 724.98 million), which is 18.73 percent of total remittance inflows, followed by KSA (18.62 percent), USA (14.62 percent), Malaysia (9.11 percent), Kuwait (6.92 percent), United Kingdom (6.31 percent), and Other Countries (19.45 percent).



Oman (6.24 percent), other countries (19.45 percent). Considering the group-wise countries remittance share in total remittance inflows, it was observed that 56.76 percent of total remittances has received from the Gulf* countries during April-June quarter of FY16, followed by USA (14.62 percent), Asia-Pacific*** countries (11.99 percent), EU** countries (9.23 percent) and other countries (7.40 percent). This share of remittance inflows received from Gulf countries is lower than the previous quarter and the same quarter of corresponding year but the amount is 5.71 percent higher than the previous quarter. The amount of remittance inflows from EU countries and Asia-Pacific region have increased by 31.6 percent and 10.31 percent respectively during the quarter under report compared to the previous quarter. Country-wise remittance inflows and their percentage share are shown in Table-2 and Graph-3 respectively.

Table-2: Country-wise Remittance Inflows

	(Million USD)				
	April-June15	July-Sep15	Oct-Dec 15	Jan-Mar 16	April-June16
Gulf Countries	2384.19	2236.51	2042.03	2078.81	2197.57
	<i>58.74</i>	<i>56.86</i>	<i>57.46</i>	<i>58.19</i>	<i>56.76</i>
KSA	903.5	785.21	737.69	716.3	720.94
UAE	721.46	704.34	623.1	662.55	724.98
Qatar	86.51	91.67	91.94	118.87	129.09
Oman	236.68	243.82	213.86	212.34	241.4
Bahrain	146.26	143.1	118.49	112.76	112.22
Kuwait	277.9	261.58	253.37	254.85	267.99
Libya	11.88	6.78	3.51	1.08	0.91
Iran	0	0.01	0.07	0.06	0.04
EU Countries	295.27	334.19	274.82	271.62	357.37
	<i>7.28</i>	<i>8.50</i>	<i>7.73</i>	<i>7.60</i>	<i>9.23</i>
United Kingdom	224.22	232.42	195.17	190.07	244.47
Germany	5.33	5.5	5.97	6.9	7.76
Italy	65.72	96.27	73.68	74.65	105.14
Asia-Pacific Countries	498.1	450.4	401.03	420.63	464
	<i>12.27</i>	<i>11.45</i>	<i>11.29</i>	<i>11.77</i>	<i>11.99</i>
Japan	4.01	4.38	4.81	7.22	6.27
Malaysia	386.6	347.91	307.24	316.37	352.69
Singapore	107.49	98.11	88.98	97.04	105.04
USA	640.5	678.7	604.85	564.24	566
	<i>15.78</i>	<i>17.25</i>	<i>17.02</i>	<i>15.79</i>	<i>14.62</i>
Other Countries	240.54	233.83	230.82	237.13	286.5
	<i>5.93</i>	<i>5.94</i>	<i>6.50</i>	<i>6.64</i>	<i>7.40</i>
Total	4058.60	3933.63	3553.55	3572.43	3871.44

Source: Foreign Exchange Policy Department, Bangladesh Bank.

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

*Gulf Countries are KSA, UAE, Qatar, Oman, Bahrain, Kuwait, Libya and Iran. ** EU countries are United Kingdom, Germany and Italy. ***Asia-Pacific countries are Japan, Malaysia and Singapore.

Country-wise Migration

One lakh and eighty two thousand Bangladeshis have migrated to abroad during April-June quarter of FY16 for their employment, which is 4.6 percent lower than the previous quarter and 34.3 percent higher than the same quarter of FY15. Of which 29.63 percent has migrated to Oman, followed by Qatar (18.49 percent), KSA (15.17 percent), Bahrain (8.67 percent), Singapore (8.33 percent), Jordan (3.32 percent), Kuwait (3.31 percent), Lebanon (1.91 percent), UAE (0.99 percent), Malaysia (0.74 percent) and other countries (9.44 percent). Trend of country-wise migration from 2003 to 2016 (up to June) and share (%) of country-wise migration are shown in Table-3 and Graph-4 respectively.

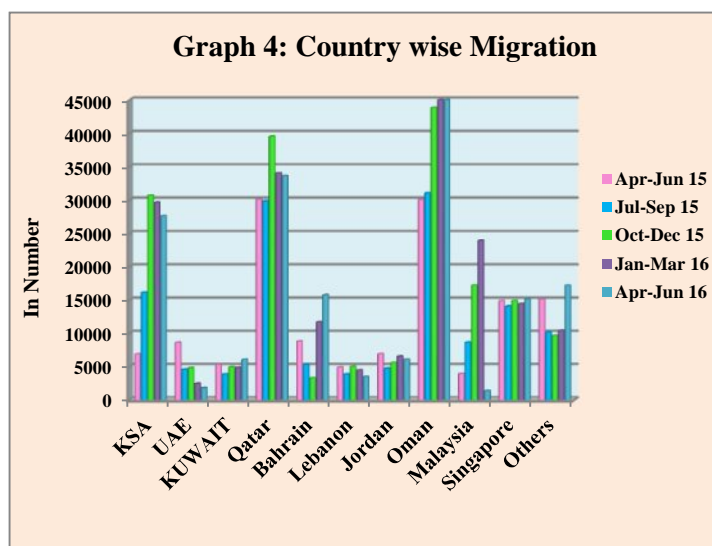


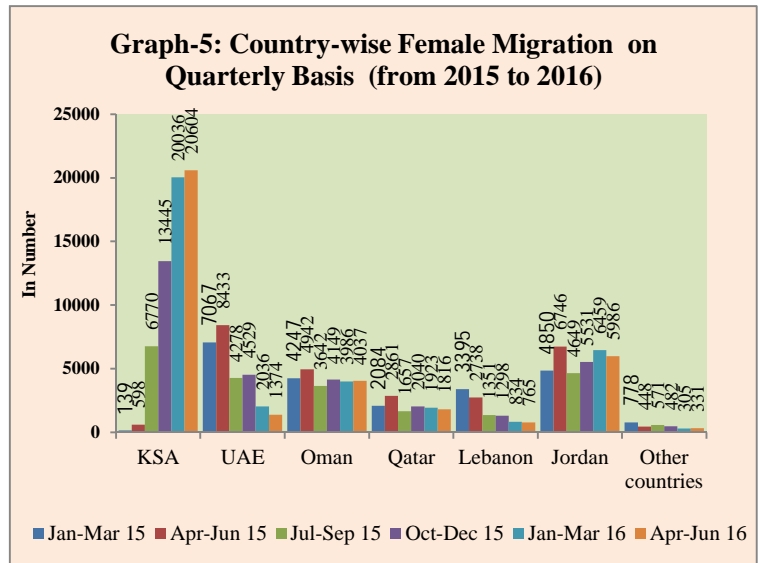
Table-3: Trend of Country-wise Migration

Year	(In Number)											Total
	KSA	UAE	Kuwait	Qatar	Bahrain	Lebanon	Jordan	Oman	Malaysia	Singapore	Others	
2003	162131	37346	26722	94	7482			4029	28	5304	11054	254190
2004	139031	47012	41108	1268	9194			4435	224	6948	23738	272958
2005	80425	61978	47029	2114	10716			4827	2911	9651	33051	252702
2006	109513	130204	35775	7691	16355	0	2822	8082	20469	20139	30466	381516
2007	204112	226392	4212	15130	16433	3541	494	17478	273201	38324	33292	832609
2008	132124	419355	319	25548	13182	8444	682	52896	131762	56581	34162	875055
2009	14666	258348	10	11672	28426	13941	1691	41704	12402	39581	52837	475278
2010	7069	203308	48	12085	21824	17208	2235	42641	919	39053	44312	390702
2011	15030	282734	29	13168	13928	19166	4387	135260	742	48666	34952	568062
2012	21232	215452	2	28801	21777	14864	11726	170326	804	58657	61836	605477
2013	12654	14241	6	57584	25155	15098	21383	134028	3853	60057	65194	409253
2014	10657	24232	3094	87575	23378	16640	20338	105748	5134	54750	74001	425547
Jan.-Mar. '15	4489	7266	3395	24444	3354	5364	4873	24928	688	11702	18206	108709
Apr.-June '15	6893	8628	5318	30099	8804	4886	6916	30048	3950	14873	15135	135550
Jul.-Sep. '15	16155	4581	3850	29861	5289	3868	4725	31046	8648	14065	10150	132238
Oct.-Dec. '15	30733	4796	4909	39561	3273	4995	5579	43837	17197	14883	9641	179404
2015	58270	25271	17472	123965	20720	19113	22093	129859	30483	55523	53132	555901
Jan.-Mar. '16	29661	2443	4825	34049	11705	4464	6534	48379	23939	14446	10423	190868
Apr.-June '16	27618	1793	6027	33656	15781	3480	6038	53941	1345	15164	17184	182027
% Growth (Apr.-June '16 over Jan.-Mar. '16)	-6.89	-26.61	24.91	-1.15	34.82	-22.04	-7.59	11.50	-94.38	4.97	64.9	-4.6
% Growth (Apr.-June '16 over Apr.-June '15)	300.67	-79.22	13.33	11.82	79.25	-28.78	-12.70	79.52	-65.95	1.96	13.5	34.3

Source: Bureau of Manpower, Employment and Training, Bangladesh

Country wise Female Migration

Considering the gender-wise migration of Bangladeshis expatriate to abroad female migration has been increasing gradually. In April-June 2016 quarter, 34.91 thousand Bangladeshi female workers have migrated for employment, which is 1.87 percent lower and 30.44 percent higher than the previous quarter and the same quarter of 2015. Among the total female migration 59.02 percent



workers have migrated to KSA, followed by Jordan (17.15 percent), Oman (11.56 percent), Qatar (5.20 percent), UAE (3.94 percent) and Lebanon (2.19 percent). Rest 0.95 percent has migrated to other countries. Analyses the data on overseas employment of female workers, it was found that the amount of total overseas female workers from 1991 to 2016 (up to June) stood at about 5,31,932. On the other hand, the total amount of overseas workers during this period stood at 1,01,19,983. Therefore, the percentage share of female workers in total overseas workers is very negligible (5.26 percent) due to various social and cultural reasons. They have restrictions at various levels to go abroad. However, the global opportunities for some occupations dominated by women are huge and competition is far less. So, the proper steps should be taken for increasing female migration in many countries and ensuring their job environment and financial security through proper monitoring and supervision. In this context, Government may take necessary initiatives through Bureau of Manpower, Employment and Training (BMET) and Bangladeshi Diplomatic Missions in abroad. Moreover, private recruiting agencies may play an important role in this regard. Trend of Country-wise female migration from 2012 to 2016 (up to June) and from 2015 to 2016 (quarterly basis) are shown in Table-4 and Graph-5 respectively.

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
Jan-Mar 15	139	7067	4247	2084	138	3395	4850	5	21	614	22560
Apr-Jun 15	598	8433	4942	2861	79	2738	6746	0	12	357	26766
Jul-Sep 15	6770	4278	3642	1657	105	1351	4649	2	32	432	22918
Oct-Dec 15	13445	4529	4149	2040	81	1298	5531	5	30	366	31474
2015	20952	24307	16980	8642	403	8782	21776	12	114	1750	103718
Jan-Mar 16	20036	2036	3986	1923	58	834	6459	8	30	209	35579
Apr-Jun 16	20604	1374	4037	1816	7	765	5986	0	29	295	34913
% Growth (Apr.- June'16 over Jan.- Mar.'16)	2.83	-32.51	1.28	-5.56	-87.93	-8.27	-7.32	-100.00	-3.33	41.15	-1.87
% Growth (Apr.- June'16 over Apr.- June'15)	3345.48	-83.71	-18.31	-36.53	-91.14	-72.06	-11.27		-6.45	-12.72	30.44

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

Overseas Employment by Skill Group

Bangladeshis expatriates working abroad currently range from domestic aides activities to scientific research activities. A large number of expatriates are less/un-skilled and skilled workers. Changing in the relative composition of skills over time and their sectoral distribution in the importing countries are very important factors. Four skill groups have been identified for demarcation of the profession of workers. These are Professionals, Skilled, Semi-skilled and Less-skilled. A data of overseas employment from 1976 to 2015 by skill group shows that the highest number (50.80 percent) of expatriates are less-skilled followed by skilled (31.75 percent), semi-skilled (15.15 percent) and professional (2.30 percent) (Graph-6). During the period, only 0.33 percent of migrated manpower was professional, 38.56 percent was skilled and semi-skilled migration stood at 16.39 percent.

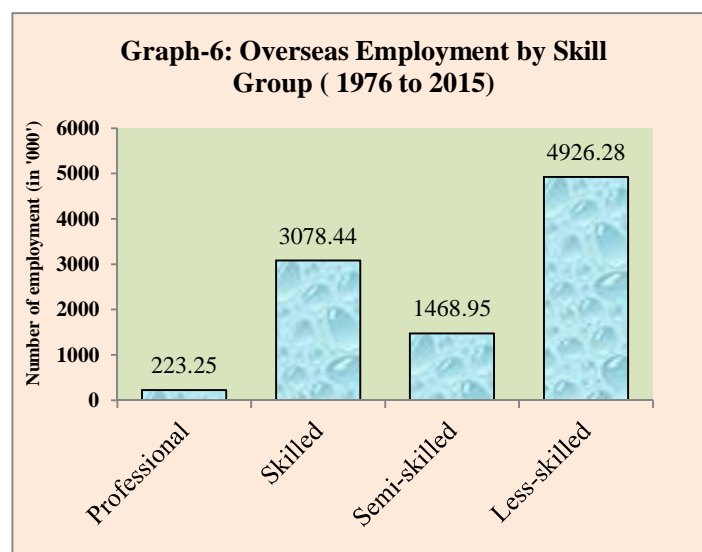


Table-5: Category wise Employee Migration

(In Number)

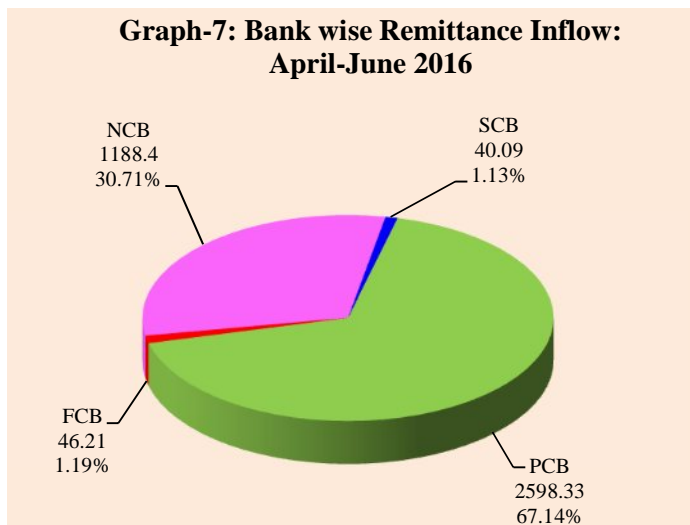
Year	Overseas Employment by Skill Group				Total
	Professional	Skilled	Semi-Skilled	Unskilled	
2001	5940	42742	30702	109581	188965
	<i>3.14</i>	<i>22.62</i>	<i>16.25</i>	<i>57.99</i>	<i>100.00</i>
2002	14450	56265	36025	118516	225256
	<i>7.65</i>	<i>24.98</i>	<i>15.99</i>	<i>52.61</i>	<i>100.00</i>
2003	15862	74530	29236	134562	254190
	<i>8.39</i>	<i>29.32</i>	<i>11.50</i>	<i>52.94</i>	<i>100.00</i>
2004	12202	110177	28327	130834	272958
	<i>6.46</i>	<i>40.36</i>	<i>10.38</i>	<i>47.93</i>	<i>100.00</i>
2005	1945	113655	24546	124796	252702
	<i>1.03</i>	<i>44.98</i>	<i>9.71</i>	<i>49.38</i>	<i>100.00</i>
2006	925	115468	33965	241880	381516
	<i>0.49</i>	<i>30.27</i>	<i>8.90</i>	<i>63.40</i>	<i>100.00</i>
2007	676	165338	183673	493144	832609
	<i>0.36</i>	<i>19.86</i>	<i>22.06</i>	<i>59.23</i>	<i>100.00</i>
2008	1864	292364	132825	458916	875055
	<i>0.99</i>	<i>33.41</i>	<i>15.18</i>	<i>52.44</i>	<i>100.00</i>
2009	1426	134265	84517	263555	475278
	<i>0.75</i>	<i>28.25</i>	<i>17.78</i>	<i>55.45</i>	<i>100.00</i>
2010	387	90621	20016	287238	390702
	<i>0.20</i>	<i>23.19</i>	<i>5.12</i>	<i>73.52</i>	<i>100.00</i>
2011	1192	229149	28729	316432	568062
	<i>0.63</i>	<i>40.34</i>	<i>5.06</i>	<i>55.70</i>	<i>100.00</i>
2012	36084	173331	104721	303171	607798
	<i>19.10</i>	<i>28.52</i>	<i>17.23</i>	<i>49.88</i>	<i>100.00</i>
2013	689	133754	62528	221506	409253
	<i>0.36</i>	<i>32.68</i>	<i>15.28</i>	<i>54.12</i>	<i>100.00</i>
2014	1730	148766	70095	216783	425684
	<i>0.92</i>	<i>34.95</i>	<i>16.47</i>	<i>50.93</i>	<i>100.00</i>
2015	1828	214328	91099	253323	555881
	<i>0.97</i>	<i>38.56</i>	<i>16.39</i>	<i>45.57</i>	<i>100.00</i>
Total (from 2001 to 2015)	107869	2194359	987465	3760187	6832007

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: April-June 2016

Remittance is the life line of Bangladesh economy and Banks as the most important functionary of the financial system drives the legal channel for remittance mobilization. Remittances by migrant workers' earning sent back from the country of employment to the country of origin play a vital role in the economies of many labour sending countries (Puri & Ritzema 1999). Remittance also helps in macroeconomic development process



in the home country as the remittance provides significant sources of foreign currency, increases national income, finances imports and contributes to improve the balance of payment situation. On the other hand, banks play a dynamic role in the economic development of a nation through mobilization of savings and allocation of credit to the productive sectors. Banks also providing services to a large number of citizens in the country as well as its citizens working abroad. A large number of Bangladeshis expatriates are working abroad and sending home hard earned foreign currencies. They have sent on an average USD 3.73 billion per year from 1976 to 2015. Non-resident Bangladeshis (NRBs) sent USD 15.27 billion to Bangladesh in 2015 compared to USD 14.94 billion in 2014. “Despite global economic recession and political turmoil in the Middle East, Bangladesh’s financial and external sectors continued to remain resilient with attractive foreign exchange reserves, which was mainly aided by the robust growth in exports and due to unflinching remittance inflows.” “Remittances in Bangladesh stood around 10.98% of the GDP in 2012, rising from 1.93%, 2.55% and 4.57% of the GDP in 1981, 1991 and 2001 respectively. It stand around 8% of the GDP in 2015, which is lower (0.74 percentage point) than the previous year.

Most of the commercial banks in Bangladesh are providing services to a large number of citizens 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 Nationalized Commercial Banks (NCBs),

Foreign Commercial Banks (FCBs) and specialized banks. During April-June 2016, NCBs have collected USD 1188.4 million (30.7 percent of total), which is 9.4 percent higher than previous quarter and 6.3 percent lower than the same quarter of the previous year. Among all NCBs, Agrani Bank Ltd. is in the top position with USD 434.6 million and Sonali Bank Ltd. attained the second position with USD 362.2 million.

During the period under report, PCBs have collected USD 2598.3 million (67.1 percent of total), which is 8.0 percent higher and 3.4 percent lower than previous quarter and same quarter of preceding year respectively. Among the PCBs, highest amount of remittances have been collected by Islami Bank Bangladesh Ltd. (IBBL) . The IBBL has collected USD 926.2 million, which is around 24 percent of total remittance inflow of the country. During April-June 2016, FCBs have collected USD 46.2 million (1.2 percent of total), which is 3.9 percent higher than the previous quarter and 0.5 percent lower than the same quarter of 2015. Among FCBs, Standard Chartered bank has collected the highest amount of remittance with USD 17.4 million. During April-June 2016 Bangladesh Krishi Bank has solely received USD 37.1 million as remittance. It is observed that along with the above mentioned banks some other banks (Sonali Bank Ltd, Janata Bank Ltd., Dutch-Bangla Bank Ltd., National Bank Ltd., Bank Asia Ltd., Pubali Bank Ltd., Uttara Bank Ltd.) have also contributed in collecting remittance during April-June 2016. Trend of bank-wise quarterly remittance inflows is shown in Table-6.

Table-6: Bank-wise Quarterly Remittance Inflow

(Million USD)

Bank Name	April-June 15	July-Sep 15	Oct-Dec 15	Jan-Mar 16	April-June 16
Nationalized Commercial Banks	1268.69	1181.94	1060.45	1086.52	1188.40
	(31.26)	(30.05)	(29.84)	(30.41)	(30.70)
Sonali Bank	392.44	360.45	334.81	333.80	362.23
Agrani Bank	460.82	420.90	380.54	400.82	434.59
Janata Bank	348.36	340.88	291.57	299.68	327.05
Rupali Bank Ltd	66.53	59.26	53.16	51.86	64.05
Basic Bank Ltd	0.54	0.45	0.37	0.36	0.48
Specialized Banks	49.24	43.90	40.09	35.74	37.13
	(1.21)	(1.12)	(1.13)	(1.00)	(0.96)
Bangladesh Krishi Bank	49.24	43.90	40.09	35.74	37.13
Private Commercial Banks	2690.91	2662.33	2407.14	2405.80	2598.33
	(66.30)	(67.68)	(67.74)	(67.34)	(67.11)
IBBL	1065.40	993.25	855.14	867.10	926.21
	(26.25)	(25.25)	(24.06)	(24.27)	(23.92)
National Bank Ltd	192.21	187.34	156.31	155.95	166.28
Uttara Bank Ltd	167.67	161.31	134.53	132.38	130.59
BRAC Bank Ltd	77.21	82.67	74.93	71.34	75.5
Pubali Bank Ltd	144.62	148.55	125.95	132.02	136.99
Prime Bank Ltd	93.06	99.97	84.59	82.93	84.91
AB Bank Ltd	59.92	49.17	65.07	62.65	59.15
NCCBL	54.10	50.52	40.97	44.33	74.01
Eastern Bank Ltd	12.62	13.90	25.40	12.37	12.68
Bank Asia Ltd.	121.64	116.58	88.44	93.87	139.84
South East Bank Ltd.	65.30	79.66	87.05	67.33	71.02
The City Bank Ltd	62.69	68.42	78.02	72.69	57.15
Dhaka Bank Ltd	56.70	59.65	67.49	53.93	33.53
Mutual Trust Bank Ltd.	25.85	24.71	30.97	36.58	39.8
The Trust Bank Ltd	74.22	72.21	61.37	73.81	69.39
Dutch-Bangla Bank Ltd	130.14	140.87	129.45	142.84	169.33
ShahjalalIslami Bank	6.80	5.79	5.01	5.23	6.86
IFIC Bank Ltd	34.32	31.83	22.68	17.11	19.71
UCBL	27.65	26.53	22.20	22.45	21.47
Mercantile Bank Ltd.	31.26	57.69	60.68	56.64	77.00
Jamuna Bank Ltd	36.56	39.65	46.67	37.85	38.00
The Premier Bank Ltd	22.87	13.74	14.07	24.56	25.67
Exim Bank Ltd	7.45	8.78	8.13	10.13	10.24
Social Islami Bank Ltd.	39.53	26.09	23.44	23.03	43.19
ICB Islamic Bank	-0.02	0.43	0.41	0.30	0.28
First Security Bank Ltd.	14.66	18.85	16.31	23.31	20.66
One Bank Ltd	3.63	3.74	2.92	2.84	2.95
Al-ArafahIslami Bank Ltd.	21.85	37.12	27.98	30.32	34.36
Standard Bank Ltd	32.67	30.68	28.97	21.77	25.03
BD Com. Bank Ltd.	2.05	2.72	2.74	3.09	3.47
NRB Commercial Bank	0.11	1.75	1.23	0.63	0.59
Other Banks	6.17	8.16	18.02	24.42	22.47
Foreign commercial Banks	49.76	45.45	45.87	44.44	46.21
	(1.23)	(1.16)	(1.29)	(1.24)	(1.19)
HSBC	16.96	14.64	13.89	13.04	14.08
Standard Chartered Bank	20.09	17.74	18.60	16.75	17.40
Woori Bank Ltd	9.62	9.24	9.57	10.23	10.83
Com. Bank of Ceylon	2.96	3.71	3.75	4.30	3.74
Citi Bank NA	0.01	0.05	0.01	0.03	0.02
Bank Al Falah	0.08	0.04	0.01	0.05	0.05
State Bank of India	0.03	0.02	0.04	0.03	0.06
Habib Bank Ltd	0.00	0.01	0.00	0.00	0.01
National Bank of Pakistan	0.01	0.00	0.00	0.01	0.02
Total	4058.60	3933.62	3553.55	3572.50	3871.49

Source: Foreign Exchange Policy Department, Bangladesh Bank.

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

Global Comparison

As per observation of the paper “Migration and Development Brief of World Bank April 13, 2015”, Bangladesh attained the 8th position in 2014 among the world’s top ten remittance earner countries and 3rd in South Asian region. Where India is the world’s top most remittance earner and China attained the 2nd position. Though Bangladesh is in 6th position among world’s top 10 manpower exporter countries, its remittance earning is 11.14 percent of the country’s GDP.

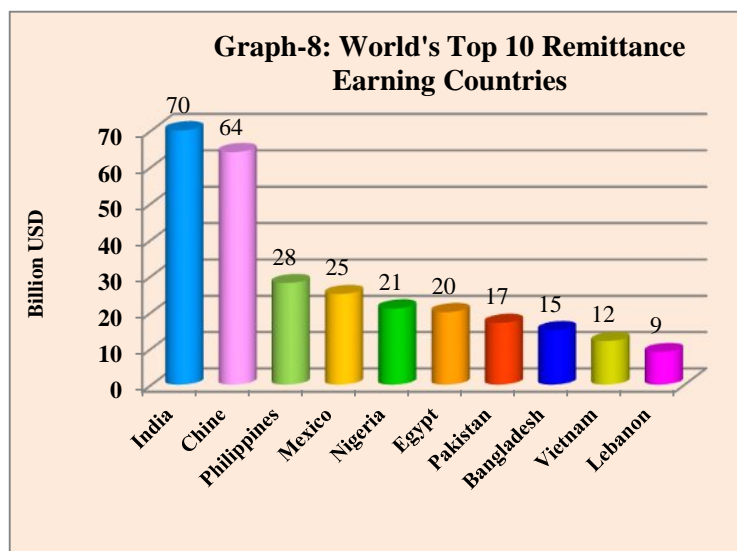


Table-7: Top 10 Remittance Earning Countries in 2014

Top 10 remittance earning countries*		Top 10 countries (considering Percentage Share of GDP)**	
Country	Amount of remittance (Billion USD)	Country	Percentage Share of GDP
India	70	Tajikistan	49
China	64	Kirgiz Republic	32
Philippines	28	Nepal	29
Mexico	25	Moldova	25
Nigeria	21	Tonga	24
Egypt	20	Haiti	21
Pakistan	17	Armenia	21
Bangladesh	15	Gambia	20
Vietnam	12	Lesotho	20
Lebanon	9	Samoa	20

*Source: Migration and Development Brief, World Bank, April 13, 2015.

**Top 10 Countries according to percentage share of GDP (%) in 2013

Recent Policy Measures Towards Migrant Workers

Though Bangladesh is in 6th position among world's top 10 manpower exporter countries, the share of skilled migrants is still insignificant where country needs to give more attention with policy measures. In this context, Bangladesh government and Bangladesh Bank have taken various regulatory and institutional measures to boost up remittances through formal channel in the early 2010s which contributed to boost up the remittances. The Ministry of Expatriates' Welfare and Overseas Employment (MEWOE) has started various projects under the **ADP of FY 2015-16**. Some recent policy measures are given below.

Policy Approved by the government

- With a view to protect the rights of all migrant workers and their families, the cabinet has approved a more detailed and comprehensive "Expatriates' Welfare and Overseas Employment Policy 2016" on 11th January 2016 in line with the Overseas Employment and Migration Act 2013 and the United Nations' international convention. The new policy replaces the 'Overseas Employment Policy 2006'.
- 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 main objective of the policy is to ensure safety and security of the migrant workers, who were contributing significantly to the country's economic development, and their families.
- The policy recommends for providing proper training to migrant workers and taking up labor migration diplomacy across the globe.
- The policy also recommends to fix up the possible reasonable costs for migration in a transparent way by the Bangladesh Overseas Employment and Services Limited.
- One of the major objective of this policy is to simplify the migration process for female workers 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 were 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

- 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 at Upazilla level (July 2015 to June 2019);
- Enhancement of the Vocational Training Program of TTC, Rajshahi under KOICA's Deep Program (July 2015 to December 2018);
- Enhancement of the Vocational Training Program of TTC, Faridpur under KOICA's Deep Program (July 2015 to December 2018).

Measures taken by the Bangladesh Bank

- Banks are allowed for establishing drawing arrangements with the exchange houses all over the world for collecting remittances;
- For better control on the remittance collection, the local banks are encouraged to establish their exchange houses/branch offices abroad and under this arrangement some banks have already established their offices abroad to collect remittances by their own.
- With a view to quick delivery of remittances to beneficiaries through bank-to-bank clearing systems, Bangladesh Electronic Funds Transfer Network (BEFTN) was established from 28 February 2011 with other funds transfer activities;

- For enhancing distribution network, to accelerating and simplifying the delivery process of inward remittances, some Micro Finance Institutions (MFIs) are allowed to perform the job of remittance distribution now;
- Banks (Bank Asia Ltd., BRAC Bank Ltd., Dhaka Bank Ltd., Trust Bank Ltd., Mercantile Bank Ltd., Citibank N.A and Sonali Bank Ltd.) are now allowed to distribute remittance using the countrywide outlets of different mobile operators like Grameen phone, Banglalink & Robi.
- To increase the competition among the money transmitters, commercial banks are instructed to amend the contracts with some Multinational Money Remitters/ Exchange Houses through their mutual understanding to remove “Pay Cash Exclusivity Clause” or any other such clause that can a ceiling on the competition in the market among the related parties;
- Bangladesh Bank has simplified the approval policy of drawing arrangements between foreign exchange houses and domestic banks.