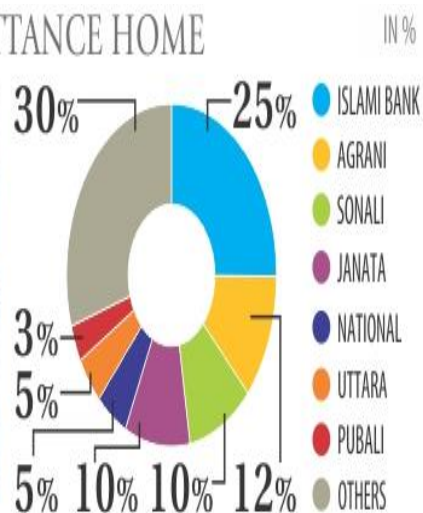


Quarterly Report on Remittance Earnings

October-December 2015¹

BANKS THAT BRING REMITTANCE HOME



TOP TEN REMITTERS

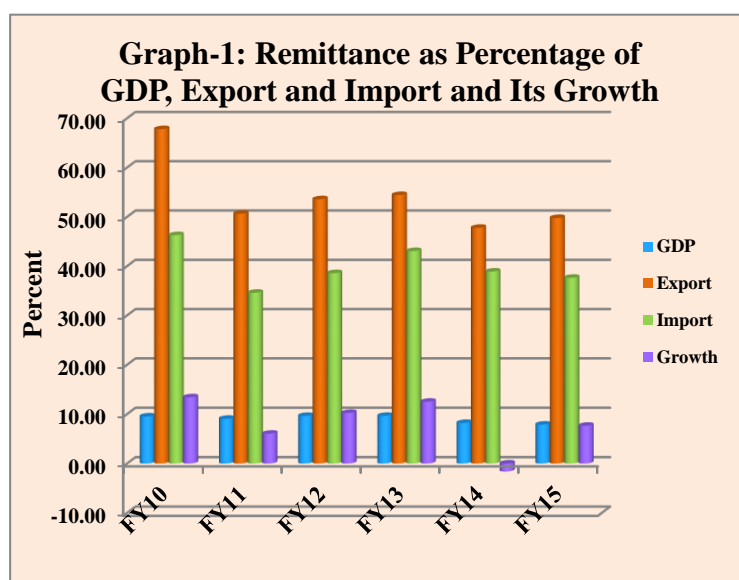
NAME	COUNTRY
Mahiul Muhammed Khan Muqit	UK
Mohammed Mahtabur Rahman	UAE
Rezaul Hasan	USA
Zakir Hossain	KUWAIT
Abul Kalam	UAE
Sayadur Rahman Habib	HONG KONG
Jafar Ahmed	UAE
Mohammed Emadur Rahman	UAE
Nazmul Hossain Gazi	KUWAIT
Nizam Mohammad Meah	USA



Bangladesh Bank
Research Department
 External Economics Division

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.

Foreign employment and remittance sent by the Bangladeshi expatriates have immense contribution to the economic development of Bangladesh through lowering unemployment, poverty alleviation and swelling up foreign exchange reserve. Remittance is the main source of foreign finance for developing countries like Bangladesh with



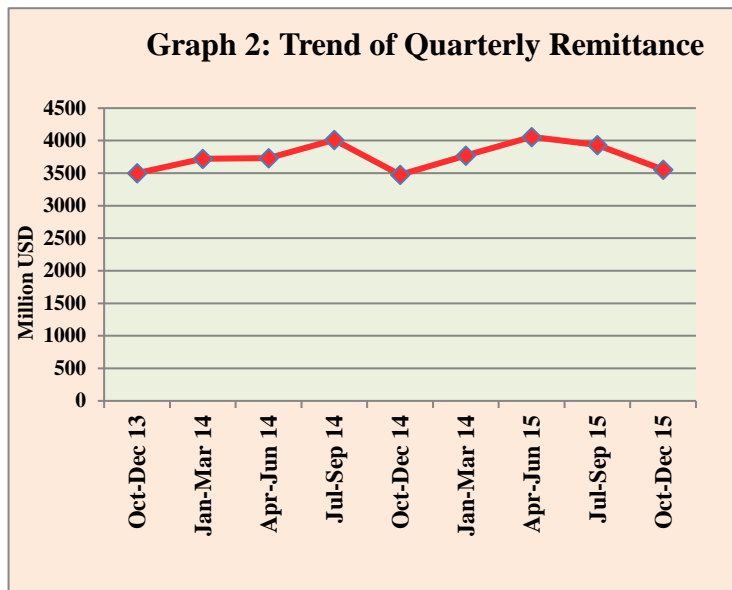
limited internal resources and foreign capital. In addition, remittance plays a supportive role in boosting up current account surplus. Growth of remittance flows worldwide have increased steadily since 2011, consistent with acceleration in economic activities after financial crisis. Historically, remittance flows to Bangladesh have been linked to the employment and economic growth in the Gulf countries. Gross remittance earnings in FY15 increased by 7.65 percent to 15316.92 USD million compared to USD 14228.31 million of FY14. According to World Bank report, the record high remittance inflow in FY15 is for the wake of recent reopening of labor market in Saudi Arabia and global economic recovery and the problems pertaining to the legal status of Bangladeshi migrants in GCC countries have resolved. In FY15 remittance was 7.87 percent of our GDP and 49.78 percent and 37.65 percent of the country's total export earnings and import payments respectively (Table-1).

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

FY	GDP	Export (f.o.b)	Import (f.o.b)	Growth
FY06	6.68	46.12	36.10	24.78
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	49.78	37.65	7.65

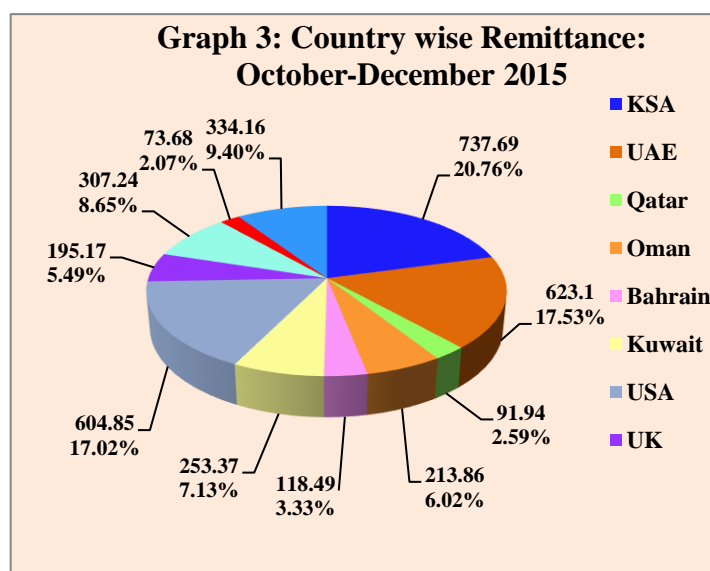
Remittance Inflows: October-December 2015

In October-December 2015 quarter Bangladesh earned USD 3553.55 million of remittance, which is 9.66 percent lower than 3933.63 million of the previous quarter and 2.21 percent higher than USD 3476.86 million of same quarter of the preceding year respectively. It is perceived that due to decrease in manpower export to the most of middle-east countries during the previous period the inflows of remittance has decreased.



Country wise Remittance Inflows: October-December 2015

During the quarter, the largest amount of remittance inflows from KSA (USD 737.69 million), which is 20.76 percent of total remittance earnings. The sequential remittance sender countries are UAE with USD 623.10 million (17.53 percent), USA USD 604.85 million (17.02 percent), Malaysia USD 307.24 million (8.65 percent), Kuwait USD 253.37 million (7.13 percent), Oman USD 213.86 million (6.02 percent) and United Kingdom USD 195.17 million (5.49 percent).



million (7.13 percent), Oman USD 213.86 million (6.02 percent) and United Kingdom USD 195.17 million (5.49 percent). Observing the country wise remittance inflow, the Gulf* countries have important role as the main source of remittance earnings for Bangladesh. In this quarter, the remittance share of these countries stood at 57.46

percent of total remittance earnings, which is 8.70 percent lower than the previous quarter. Overall remittance inflow from EU** countries decreased by 17.77 percent. From Asia-Pacific*** region, overall remittance decreased by 10.96 percent compared to previous quarter due to 11.69 percent and 9.31 percent negative growth from Malaysia and Singapore. During this period 9.82 percent of remittance earnings from Japan has increased. Remittance inflow from USA decreased by 10.88 percent compared to previous quarter. Country wise remittance earning is shown in Table-2 and Graph-3.

Table-2: Country wise Remittance Inflow

(Million USD)

Countries	Oct-Dec 14	Jan-Mar 15	April-June15	July-Sep15	Oct-Dec 15
Gulf Countries	2107.24	2272.98	2384.19	2236.51	2042.03
	(60.62)	(60.27)	(58.74)	(56.86)	(57.46)
KSA	756.33	837.05	903.50	785.21	737.69
	(21.76)	(22.20)	(22.26)	(19.96)	(20.76)
UAE	666.07	712.68	721.46	704.34	623.10
Qatar	75.97	74.76	86.51	91.67	91.94
Oman	210.37	232.97	236.68	243.82	213.86
Bahrain	127.23	145.35	146.26	143.10	118.49
Kuwait	255.58	259.70	277.90	261.58	253.37
Libya	15.63	10.39	11.88	6.78	3.51
Iran	0.06	0.08	0.00	0.01	0.07
EU Countries	227.53	235.93	295.27	334.19	274.82
	(6.55)	(6.26)	(7.28)	(8.50)	(7.73)
United Kingdom	165.50	182.08	224.22	232.42	195.17
German	5.60	4.14	5.33	5.50	5.97
Italy	56.43	49.71	65.72	96.27	73.68
Asia-Pacific Countries	410.94	471.82	498.10	450.40	401.03
	(11.82)	(12.51)	(12.27)	(11.45)	(11.29)
Japan	3.16	3.24	4.01	4.38	4.81
Malaysia	304.65	355.73	386.60	347.91	307.24
Singapore	103.13	112.85	107.49	98.11	88.98
USA	518.57	572.52	640.50	678.70	604.85
	(14.92)	(15.18)	(15.78)	(17.25)	(17.02)
Other Countries	212.48	217.91	240.54	233.83	230.82
	(6.09)	(5.78)	(5.93)	(5.94)	(6.50)
Total	3476.86	3771.16	4058.60	3933.63	3553.55

Source: Foreign Exchange Policy Department, Bangladesh Bank.

Note: Numbers in bracket indicate percentage share of total.

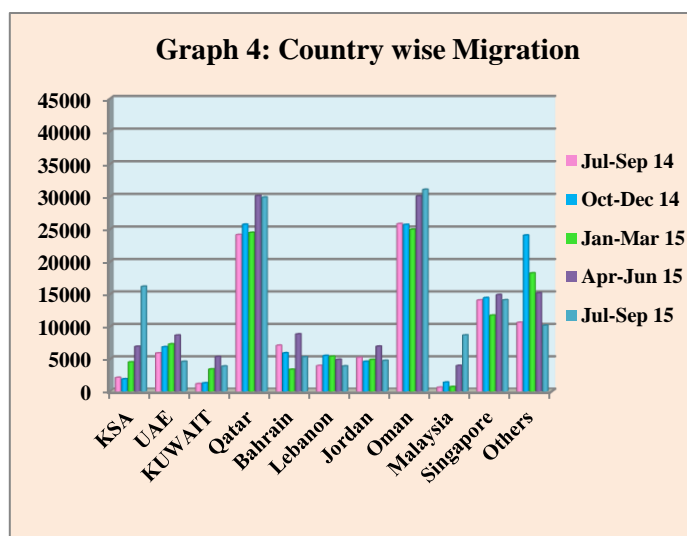
*Gulf Countries are KSA, UAE, Qatar, Oman, Bahrain and Kuwait.

** EU countries are United Kingdom, German and Italy.

***Asia-Pacific countries are Japan, Malaysia and Singapore.

Country wise Migration

In October-December 2015 quarter, 179.40 thousand Bangladeshi migrated for their livelihood, which is 35.7 percent and 53.2 percent higher than 132.24 thousand of the previous quarter and 117.10 thousand of October-December 2014 respectively. During this period, 43837 persons migrated to Oman, 39561 to Qatar, 30733 to KSA, 14883 to Singapore, 5579 to Jordan, 4995 to Lebanon, 4909 to Kuwait 4796 to UAE and 3273 to Bahrain. Migration to all of these countries was higher in these period compared to previous quarter. Country wise migration is shown in Table-3 and Graph-4.



30733 to KSA, 14883 to Singapore, 5579 to Jordan, 4995 to Lebanon, 4909 to Kuwait 4796 to UAE and 3273 to Bahrain. Migration to all of these countries was higher in these period compared to previous quarter. Country wise migration is shown in Table-3 and Graph-4.

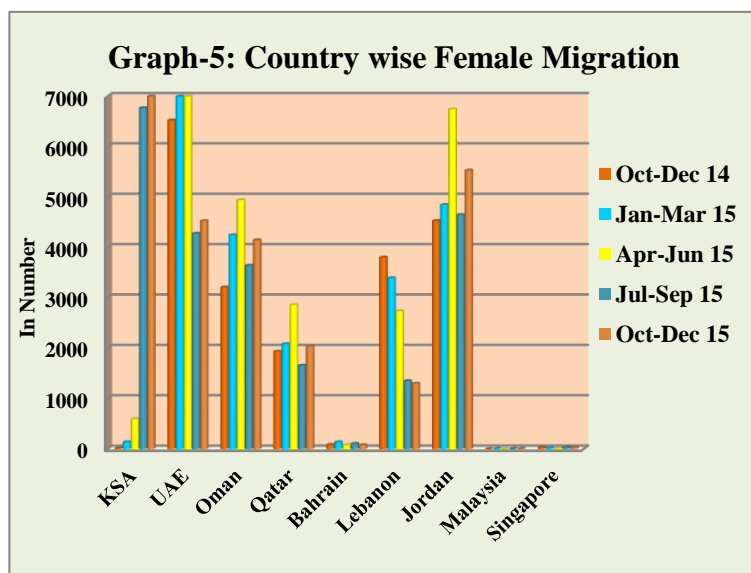
Table-3: Country wise Migration

(In Number)												
Year	KSA	UAE	Kuwait	Qatar	Bahrain	Lebanon	Jordan	Oman	Malaysia	Singapore	Others	Total
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	607798
2013	12654	14241	6	57584	25155	15098	21383	134028	3853	60057	65194	409253
Oct-Dec 14	1882	6823	1266	25696	5897	5482	4578	25664	1373	14339	24099	117099
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-Jun 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
Quarterly Growth	90.2	4.7	27.5	32.5	-38.1	29.1	18.0	41.2	98.9	5.8	-5.0	35.7
Annual Growth	1533.0	-29.7	287.8	54.0	-44.5	-8.9	21.8	70.8	1152.5	3.8	-60.0	53.2

Source: Bureau of Manpower, Employment and Training, Bangladesh

Country wise Female Migration

Migration of Bangladeshi female personnel to various countries in the world has been increasing gradually. In October-December 2015 quarter, 31.47 thousand Bangladeshi female workers migrated for their livelihood, which is 37.3 percent and 48.9 percent higher compared to



previous quarter and 21.13 thousand of October-December 2014. During this period, 13445 female workers migrated to KSA, 5531 to Jordan, 4529 to UAE, 4149 to Oman, 2040 to Qatar and 1298 to Lebanon. It is mentionable that female migration to these countries was significantly higher than the previous quarter, except Bahrain and Lebanon. In this context, it is important to mention that along with increasing female migration in many countries, their job environment and financial security should be ensured through proper monitoring and supervision. 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. Country wise female migration is shown in Table-4 and Graph-5.

Table-4: Country wise Female Migration

Year	(In Number)										
	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
Oct-Dec 14	11	6525	3209	1934	85	3804	4530	0	30	1003	21131
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
Quarterly Growth (%)	98.6	5.9	13.9	23.1	-22.9	-3.9	19.0	150.0	-6.3	-15.3	37.3
Yearly Growth (%)	122127.3	-30.6	29.3	5.5	-4.7	-65.9	22.1		0.0	-63.5	48.9

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

Category wise Migration

By analyzing the category wise migration of Bangladeshi expatriates, it is observed that 43.88 percent of total migrated labor force was unskilled in January-December 2015 (Table-5). 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.

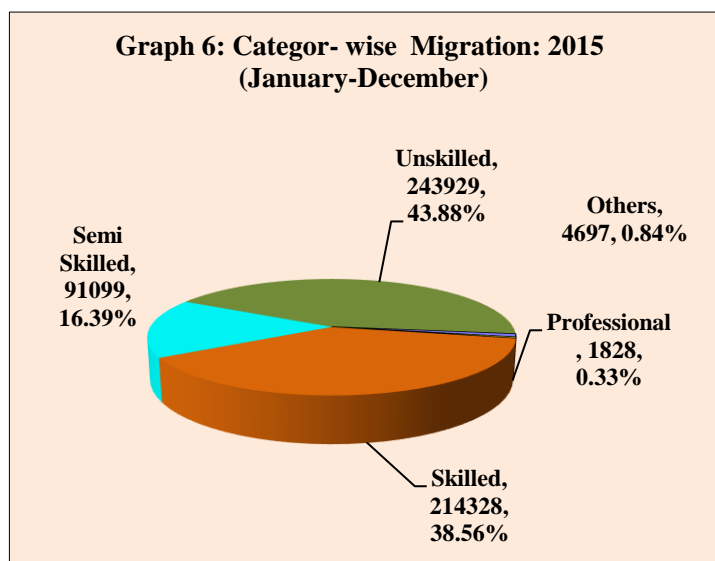


Table-5: Category wise Employee Migration

(In Number)

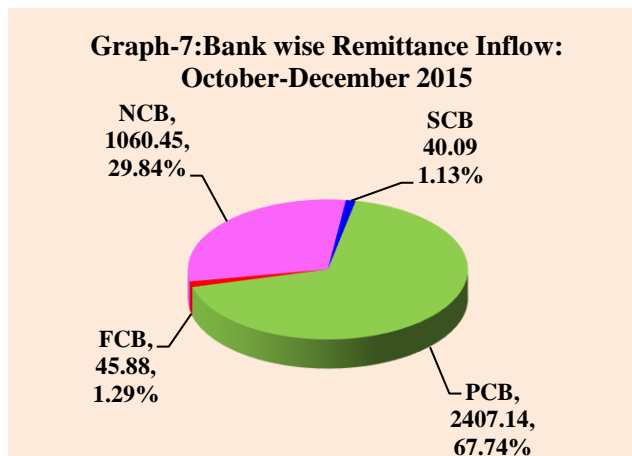
Year	Classification of Migrated Employees					Total
	Professional	Skilled	Semi Skilled	Unskilled	Others	
2001	5940	42742	30702	109581		188965
	(3.14)	(22.62)	(16.25)	(57.99)		(100)
2002	14450	56265	36025	118516		225256
	(6.42)	(24.98)	(15.99)	(52.61)		(100)
2003	15862	74530	29236	134562		254190
	(6.24)	(29.32)	(11.50)	(52.94)		(100)
2004	12202	110177	28327	113670	8582	272958
	(4.47)	(40.36)	(10.38)	(41.64)	(3.14)	(100)
2005	1945	113655	24546	100316	12240	252702
	(0.77)	(44.98)	(9.71)	(39.70)	(4.84)	(100)
2006	925	115468	33965	220436	10722	381516
	(0.24)	(30.27)	(8.90)	(57.78)	(2.81)	(100)
2007	676	165338	183673	472700	10222	832609
	(0.08)	(19.86)	(22.06)	(56.77)	(1.23)	(100)
2008	1864	292364	132825	437088	10914	875055
	(0.21)	(33.41)	(15.18)	(49.95)	(1.25)	(100)
2009	1426	134265	84517	246585	8485	475278
	(0.30)	(28.25)	(17.78)	(51.88)	(1.79)	(100)
2010	387	90621	20016	272118	7560	390702
	(0.10)	(23.19)	(5.12)	(69.65)	(1.93)	(100)
2011	1192	229149	28729	301552	7440	568062
	(0.21)	(40.34)	(5.06)	(53.08)	(1.31)	(100)
2012	36084	173331	104721	284153	9509	607798
	(5.94)	(28.52)	(17.23)	(46.75)	(1.56)	(100)
2013	689	133754	62528	203058	9224	409253
	(0.17)	(32.68)	(15.28)	(49.62)	(2.25)	(100)
2014	1730	148766	70095	193403	11690	425684
	(0.41)	(34.95)	(16.47)	(45.43)	(2.75)	(100)
2015	1828	214328	91099	243929	4697	555881
	(0.33)	(38.56)	(16.39)	(43.88)	(0.84)	(100)
Total	107869	2194359	987465	3537617	111285	6832007

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

Note: Numbers in bracket indicate percentage share of total.

Bank wise Remittance Inflow: October-December 2015

Most of the commercial banks in Bangladesh are contributing significantly to country's economic development through distributing collected remittance from all over the world to the beneficiaries. In this context, private commercial banks (PCBs) collect the highest amount of remittance. State



owned commercial banks (SCBs), foreign commercial banks (FCBs) and specialized banks are the sequential remittance collectors. During October-December 2015, SCBs have collected USD 1060.45 million (29.84 percent), which is 10.28 percent and 3.59 percent lower than previous quarter and the same quarter of the previous year respectively. Among all SCBs, Agrani Bank is in the top position having USD 380.54 million and Sonali Bank attained the second position with USD 334.81 million of remittance. In this period, PCBs have collected USD 2407.14 million (67.74 percent), which is 9.59 percent lower than previous quarter and 5.24 percent higher compared to the same period of preceding year respectively. Islami Bank Bangladesh Limited (IBBL) is the top most remittance collector among all PCBs. During this period, IBBL has collected USD 855.14 million, which is the highest collection compared to any other bank and 24.06 percent of total remittance inflow of the country. In this quarter, many of the PCBs' collection of remittance decreased substantially rather than the previous quarter. During October-December 2015, FCBs have collected USD 45.88 million (1.29 percent), which is 0.92 percent and 5.28 percent higher than the previous quarter and October-December 2014, in that order. Standard Chartered has collected USD 18.60 million of remittance which is the highest amount among the FCBs. In this quarter, Bangladesh Krishi Bank has solely received USD 40.09 million as remittance. It is observed that a few other banks have also contributed in collecting remittance along with the major banks of Bangladesh in October-December 2015 quarter.

Table-6: Bank wise Quarterly Remittance Inflow

(Million USD)

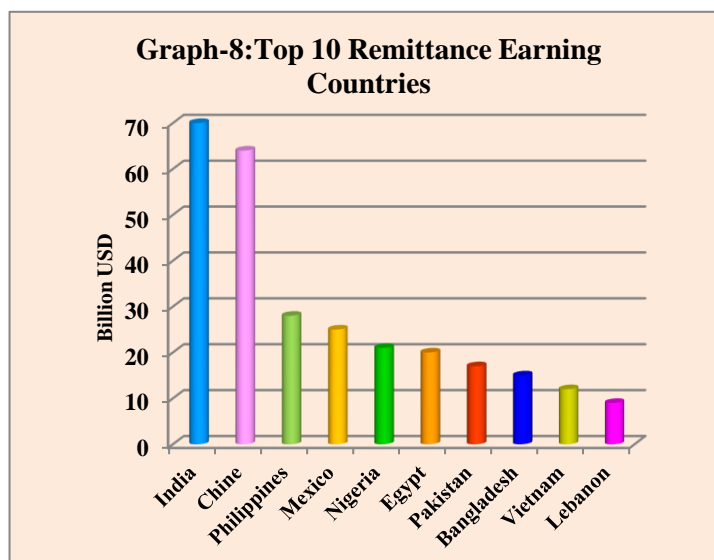
Bank Name	Oct-Dec 14	Jan-Mar 15	April-June 15	July-Sep 15	Oct-Dec 15
State owned Private Banks	1099.96	1187.76	1268.69	1181.94	1060.45
	(31.62)	(31.50)	(31.26)	(30.05)	(29.84)
Sonali Bank	340.8	370.76	392.44	360.45	334.81
Agrani Bank	398.73	437	460.82	420.90	380.54
Janata Bank	314.85	321.2	348.36	340.88	291.57
Rupali Bank Ltd	45.13	58.41	66.53	59.26	53.16
Basic Bank Ltd	0.45	0.39	0.54	0.45	0.37
Specialized Banks	46.02	48.38	49.24	43.90	40.09
	(1.34)	(1.28)	(1.21)	(1.12)	(1.13)
Bangladesh Krishi Bank	46.02	48.38	49.24	43.90	40.09
Private Commercial Banks	2287.30	2490.33	2690.91	2662.33	2407.14
	(65.79)	(66.04)	(66.30)	(67.68)	(67.74)
IBBL	871.74	969.5	1065.40	993.25	855.14
	(25.07)	(25.71)	(26.25)	(25.25)	(24.06)
National Bank Ltd	176.91	186.36	192.21	187.34	156.31
Uttara Bank Ltd	132.29	151.23	167.67	161.31	134.53
BRAC Bank Ltd	83.23	77.28	77.21	82.67	74.93
Pubali Bank Ltd	108.76	127.15	144.62	148.55	125.95
Prime Bank Ltd	78.46	85.1	93.06	99.97	84.59
AB Bank Ltd	61.04	63.21	59.92	49.17	65.07
NCCBL	54.45	48.6	54.10	50.52	40.97
Eastern Bank Ltd	37.14	16.01	12.62	13.90	25.40
Bank Asia Ltd.	110.42	132.02	121.64	116.58	88.44
South East Bank Ltd.	78.67	51.55	65.30	79.66	87.05
The City Bank Ltd	80.52	57.54	62.69	68.42	78.02
Dhaka Bank Ltd	63.21	55.67	56.70	59.65	67.49
Mutual Trust Bank Ltd.	27.9	27.08	25.85	24.71	30.97
The Trust Bank Ltd	35.5	76.97	74.22	72.21	61.37
Dutch-Bangla Bank Ltd	77.67	121.7	130.14	140.87	129.45
Shahjalal Islami Bank	2.13	4.52	6.80	5.79	5.01
IFIC Bank Ltd	15.25	28.13	34.32	31.83	22.68
UCBL	29.6	24.81	27.65	26.53	22.20
Mercantile Bank Ltd.	43.5	45.57	31.26	57.69	60.68
Jamuna Bank Ltd	28.91	27.44	36.56	39.65	46.67
The Premier Bank Ltd	10.84	14.63	22.87	13.74	14.07
Exim Bank Ltd	5.2	6.17	7.45	8.78	8.13
Social Islami Bank Ltd.	9.99	20.51	39.53	26.09	23.44
ICB Islamic Bank	0.38	0.3	-0.02	0.43	0.41
First Security Bank Ltd.	14.52	11.95	14.66	18.85	16.31
One Bank Ltd	2.95	3.37	3.63	3.74	2.92
Al-Arafah Islami Bank Ltd.	20.71	16.4	21.85	37.12	27.98
Standard Bank Ltd	22.91	31.97	32.67	30.68	28.97
BD Com. Bank Ltd.	1.67	1.96	2.05	2.72	2.74
NRB Commercial Bank	0.21	0.84	0.11	1.75	1.23
Other Banks	0.62	4.79	6.17	8.16	18.02
Foreign commercial Banks	43.58	44.69	49.76	45.46	45.88
	(1.25)	(1.19)	(1.23)	(1.16)	(1.29)
HSBC	13.52	14.5	16.96	14.64	13.89
Standard Chartered Bank	20.23	18.5	20.09	17.74	18.60
Woori Bank Ltd	6.68	8.37	9.62	9.24	9.57
Com. Bank of Ceylon	2.81	3.15	2.96	3.71	3.75
Citi Bank NA	0.22	0.07	0.01	0.05	0.01
Bank Al Falah	0.09	0.08	0.08	0.04	0.01
State Bank of India	0.03	0.02	0.03	0.02	0.04
Habib Bank Ltd	0	0	0.00	0.01	0.00
National Bank of Pakistan	0	0	0.01	0.01	0.01
Total	3476.86	3771.16	4058.60	3933.63	3553.55

Source: Foreign Exchange Policy Department, Bangladesh Bank.

Note: Numbers in bracket indicate percentage share of total.

International Comparison

As per view of the paper “Migration and Development Brief of World Bank April 13, 2015”, Bangladesh is in 8th position during 2014 among world’s top ten remittance earner countries and 3rd in South Asian region. 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. In 2013 Tajikistan is in the 1st position in respect of percentage share to GDP.

Table-7: Top 10 Remittance Earning Countries in 2014

Top 10 Countries*	2014 (Billion USD)	Top 10 Countries *	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

Until now, the share of skilled migrants (NRBs) is insignificant where we need to give more attention with policy measure. To this end, Ministry of Expatriates' Welfare and Overseas Employment (MEWOE) has started various projects under the **ADP of FY 2015-16**, such as (i) Renovation and Modernization of Bangladesh Institute of Marine Technology (January 2014 to June 2018); (ii) Establishment of Bangladesh-IDB Friendship Technical Teachers Training Institute (July 2015 to June 2019); (iii) Establishment of Technical Training Center at Upazilla level (July 2015 to June 2019); (iv) Enhancing the Vocational Training Program of TTC, Rajshahi under KOICA's Deep Program (July 2015 to December 2018); (v) Enhancing the Vocational Training Program of TTC, Faridpur under KOICA's Deep Program (July 2015 to December 2018).

Recently (11th January, 2016) the cabinet approved **the Expatriates' Welfare and Overseas Employment Policy 2016** incorporating a provision for setting up a **'National Migration Forum'** to oversee its implementation. It also proposed formation of a national steering committee comprising ministers and secretaries of the ministries concerned to deal with issues relating to overseas employments.

'The new policy is more detailed and comprehensive than the previous one. It would help ensure safe migration and protect dignity of the people working abroad. The main objective of the policy was to ensure safety and security of the migrant workers, who were contributing significantly to the country's economic development, and their families.

The Overseas Employment Policy 2016 has been prepared keeping in view the Overseas Employment and Migration Act 2013 and the United Nations' international convention on the protection of the rights of all migrant workers and their families. The policy recommends providing proper training to migrant workers and taking up labor migration diplomacy across the globe. The policy says the Bangladesh Overseas

Employment and Services Limited would fix up the possible reasonable costs of migration in a transparent way.

The policy aims to ease migration process for female workers seeking overseas jobs and increase number of female officers in Bangladesh missions abroad, particularly in those countries where an increased number of Bangladeshi women were working. The new policy replaces the ‘Overseas Employment Policy 2006’, according to the Cabinet Secretary.

Apart from G to G facilitation services with low cost migration, recently government also has given strong importance on private sector labor migration process.