



Migration from Bangladesh and Overseas Employment Policy

Dr. Md. Nurul Islam

Migration from Bangladesh and Overseas Employment Policy

This paper has assessed the pattern of migration, socio-economic benefit and impact of the remittances sent by the expatriate workers. It has analyzed the use of remittance and contribution to the national economy of Bangladesh. It also emphasizes the fundamentals of Overseas Employment Policy 2006 including the institutions and actors involved, the instruments of implementing and the linkages with governance.

1.00 Introduction

Bangladesh like other South-Asian countries is in a situation of surplus manpower with a combination of professional, skilled, semi-skilled and less-skilled labour force. Local wage employment cannot absorb the huge low skilled and less educated workforce. This large volume of workforce needs to be engaged in employment to ensure their participation in the economic development of the countries as well to improve their family standard.

Migration plays a vital role in the national economy mainly in two major ways; firstly it reduces unemployment and secondly migration results in remittance flows for the country. The migration has shown steady growth over the year that is favorable to the development of Bangladesh; as inflow of remittance has increased every year. The links between migration and remittances are self evident. Both have a strong co-relation to poverty reduction in home countries. Remittance has become an important aspect for the developing countries like Bangladesh for socio-economic advancement. Remittance has a significant role to maintain balance of payment and to enrich foreign currency reserve. It also has a great contribution in Gross Domestic Product (GDP) of the country. Migration is gradually being considered as the development alternative to the family level of workers particularly the illiterate and un-skilled workforce.

2.00 Migration from Bangladesh

Migration has become an important livelihood strategy for the people of Bangladesh. It has remarkable positive impact on social development and empowerment through skill transfer and by fostering many community development initiatives. Bangladesh has a long history of international migration. During British rule some people migrated to UK and also USA for trade and higher study. But after independence of Bangladesh in 1971, the flow of migration to other

countries also increased. During mid 1970s due to oil exploration of Middle East countries, there was tremendous demand for skilled and unskilled workers. The higher income of the migrated person not only changes his destiny, but has also improved the lives of his family in the home country.

Bangladesh is considered as a resourceful country of a huge labour-force. About 60 million people constitute this vast reservoir of active manpower; Bangladesh is steadily turning her manpower into an asset through training and skill development with a view to meeting the needs of overseas employment. It is not possible for Bangladesh to absorb the full range of available less-skilled, semi-skilled, skilled and professional manpower within the country in an appropriate manner and hence it is needed to find employment opportunities abroad. There are also a number of foreign countries who are in need of importing manpower from other countries. Overseas employment from Bangladesh started officially in 1976 with a modest number (6,078) of workers.

Presently about 7.5m Bangladeshi migrants are working all over the world. Yearly migration from Bangladesh is about 0.3-0.4m. In the years of 2010, the migration from Bangladesh was 3,90,702. Bangladeshi workers are mainly engaged in 143 countries of the world but about 90% of the migration takes place in the Middle East and Malaysia. Libya, Qatar Saudi Arabia, UAE, Kuwait, Oman, Malaysia and Singapore are some of the major countries of destination.

Currently two types of international migration occur from Bangladesh. One takes place mostly to the industrialized west and the other to Middle Eastern and South East Asian countries. Voluntary migration to the industrialized west includes permanent residents, immigrants, work permit holders and professionals. They are usually perceived as long term or permanent migrants. Migration to Middle East and South East Asia are usually for short term and that migrants return home after finishing their contracts of employment in the host countries.

Bangladesh has classified temporary migrant population into four categories. These are professional, skilled, semi-skilled, and unskilled. Doctors, engineers, nurses and teachers are considered as professionals. Manufacturing or garments workers are considered as skilled; while tailor, mason, etc. as semi-skilled workers; housemaid, cleaner, laborers are classified as less-skilled. Figure of migration and remittance from 1976 to 2010 is shown in Table 1.

Table-1: Flow of Migration from Bangladesh

A. Year-wise from 1976 to 2010

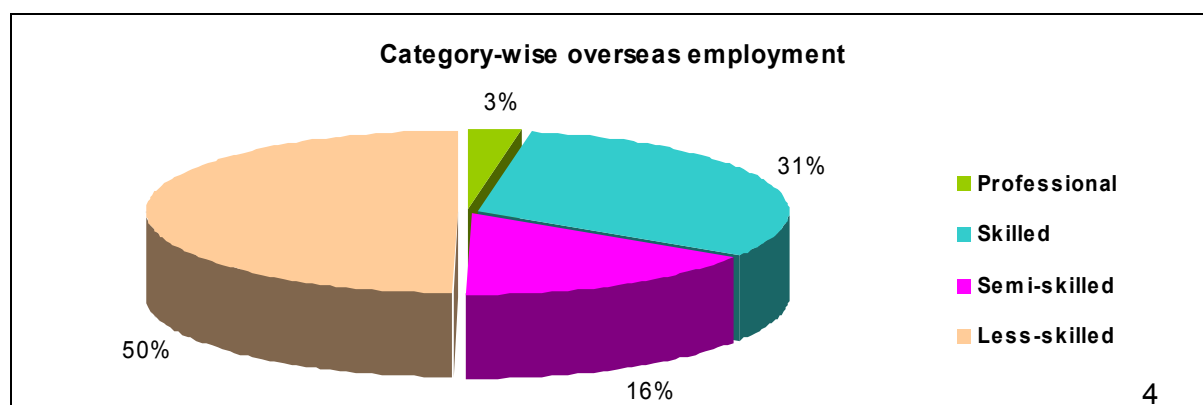
Year	Number		Year	Number		Year	Number
1976	6087		1987	74017		1999	268182
1977	15725		1988	68121		2000	222686
1978	22809		1989	101724		2001	188965
1979	24495		1990	103814		2002	225256
1980	30073		1991	147131		2003	254190
1981	55787		1992	188124		2004	272958
1982	62762		1993	244508		2005	252702
1983	59220		1994	186326		2006	381516
1984	56714		1995	187543		2007	832609
1985	77694		1996	211714		2008	875055
1986	68658		1997	231077		2009	475278
			1998	267667		2010	390702

Source: Bureau of Manpower Employment and Training (BMET)

B. Category-wise (2001-2010)

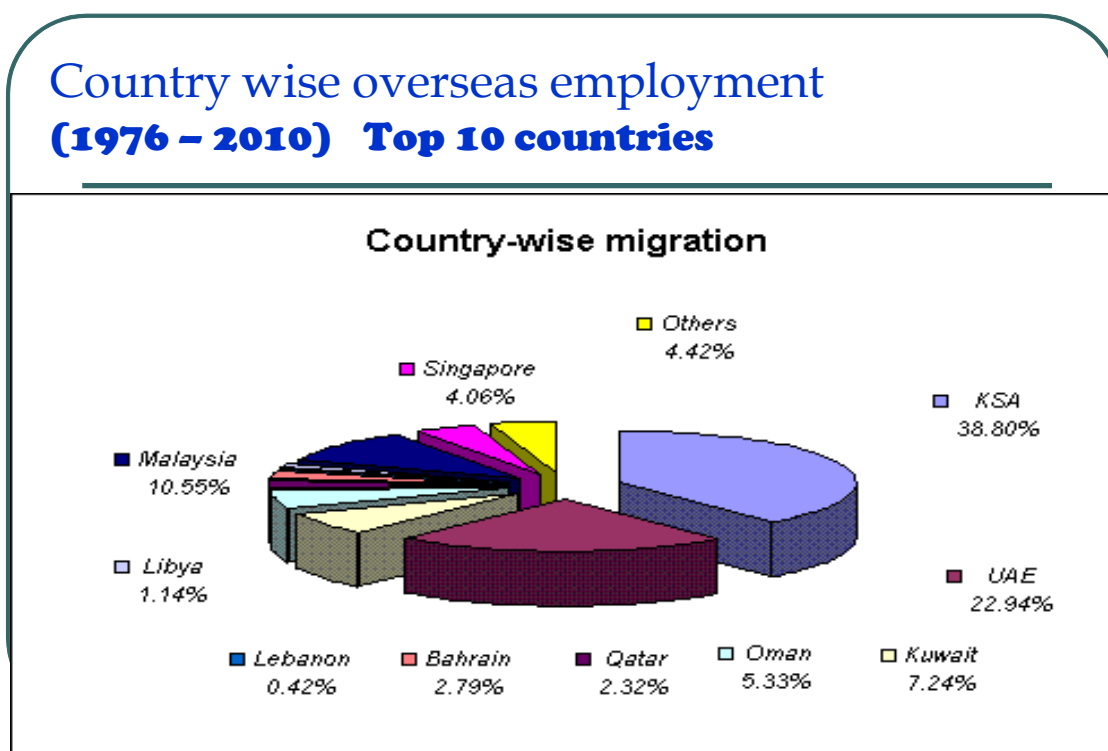
Year	Worker's Category				Total
	Professional	Skilled	Semi-skilled	Less-skilled	
2001	5,940	42,742	30,702	109,581	188,965
2002	14,450	56,265	36,025	118,516	225,256
2003	15,862	74,530	29,236	134,562	254,190
2004	12,202	110,177	28,327	122,252	272,958
2005	1,945	113,655	24,546	112,556	252,702
2006	925	115,468	33,965	231,158	381,516
2007	676	165,338	183,673	482,922	832,609
2008	1,864	292,364	132,825	448,002	875,055
2009	1,426	134,265	84,517	255,070	475,278
2010	387	90,621	20,016	279,678	390,702

Source: Bureau of Manpower, Employment & Training (BMET)



Source: Bureau of Manpower Employment and Training (BMET)

C. Country wise overseas employment



Source: Bureau of Manpower Employment and Training (BMET)

3.00 Remittance earned through migrant workers

Remittances now form an important part of household livelihood strategies. The remittances sent by the migrant workers have grown over time. It has increase from US\$ 1217.06 million (1995-96) to US\$ 1097.00 million (2009-2010). The cumulative receives from Bangladeshi migrants during 1976-2010 stood at around US\$ 78.67 billion. Bangladesh maintained a healthy growth in remittances through the formal channel. The trend of remittance has accelerated in recent years from \$2.07 billion in 2001 to \$11.00 billion in 2010, an average growth of 43 percent per annum, even in the global financial meltdown. The oil-rich Middle Eastern countries with more than 80 percent of the total stock of Bangladesh migrants accounts for a lion's share of remittances. Table 2 shows the year-wise remittance from 1999 to 2010.

Table-2: Remittance sent by Expatriate Bangladeshis

Year	In crore ¹ Tk.	b US \$	% increase
2001	11,590.79	2.07	
2002	16,484.53	2.85	37.68
2003	18,484.53	3.18	11.58
2004	21,285.95	3.56	11.95
2005	27,304.33	4.25	19.38
2006	38,366.56	5.48	28.94
2007	45,739.86	6.57	19.89
2008	63,109.15	9.01	37.14
২০০৯	৭২,০০৪.০০	১০.৭২	১৯.০৯
২০১০	৭৬,৫০০.০০	১১.০০	২.৬১

Source : Bangladesh Bank

The Kingdom of Saudi Arabia is the most important source of remittances. Its share is about 29 percent of the aggregate remittances received in Bangladesh. The US, accounts for the second largest source nearly 15 percent of the total. Remittance figure attains 11.14% of GDP and 6 times of Overseas Development Assistance (ODA) and 12 times the Foreign Direct Investment (FDI) flow to Bangladesh. (Source: Calculated data from Board of Investment, Bureau of Statistics).

3.01 Macroeconomic Benefits of Remittance

Remittances in Bangladesh arise as a poverty alleviating policy tool. It contributes directly in broadening the opportunities to increase incomes. It allows households to increase their consumption of local goods and services. At the community level, remittances generate multiplier effects in the local economy, creating jobs and spurring new economic and social infrastructure and services. At the national level, remittances provide foreign currency and contribute significantly to GDP.

Remittance has surpassed official aid transfers to developing countries, reduces international inequality and promotes poverty reduction. Measuring the impact of remittances is complex. But a growing body of evidence from poverty simulation model, cross-country regressions and analysis of household survey shows that remittances, in facts do reduce poverty-although the evidence of their effect on inequality is mixed (World Bank 2006).

The remittance has significant microeconomic impact at household level. The macroeconomic impact of remittances at household level partially depends on the

¹ Crore is a local counting slab equal to 10m.

characteristics of the migrants and hence the recipients i.e. whether they constitute the rural poor, or the more educated sectors of the population generally residing in urban areas. The majority of Bangladeshi migrants abroad is unskilled, and originates from rural areas. The poorer the household, the more impact or benefits remittance income can have on alleviating poverty. In the short-term remittances help loosen the budget constraints of their recipients, allowing them to increase expenditures on both durables and non-durables products, and provides them with protection against negative income shocks (Bruyn 2005).

Investment in health and education is valuable for long-term economic growth and poverty reduction. Studies conclusively found that migrant families invested more in these areas (Murshid 2002). The most comprehensive review of the literature on remittances in Bangladesh (Bruyn2005) lays out a number of benefits that are listed in the table below:²

Table - 3: Socioeconomic Impact of Remittance at Community & Household Levels in Bangladesh

Major Indicators	Positive Impact of Remittances
Nutrition	Allow families of migrants to meet basic nutritional needs
Living condition and Housing	Living condition and housing improved
Education	Invest for education of children
Healthcare	Increased investment for healthcare
Social security	Social security for elderly people increased
Investment	Increased investment in business or income generating Activities

Source: Modified from Tom de Bruyn 2005

3.02 Microeconomic Benefit at Household Level

Using HCI (Head Count Index), a study estimates that 21 percent of the migrant households were moderately poor prior to overseas migration by the respondents. In the post-migration period the proportion of such household slashed down dramatically to seven percent.

Study founded that remittances promote development through increased material and human capital investment. The study shows that from zero level of savings, respondents now save a quarter of their overseas income beside remittances. Apart from that their investment on health and education of family members, the two

² Harnessing Remittances for Economic Development of Bangladesh by Mr. Rashed Al Hasan, INAFI Bangladesh

major indicators of human capital has increased significantly compared to pre-migration level. Generally remittance is used in the following expenditures:

- (a) Repaying loans for migration;
- (b) Buying land and constructing house;
- (d) Investing in business;
- (e) Increase in income and savings;
- (f) Community development;
- (g) Improve living standard;
- (h) Social ceremonies.

Human development includes construction and development of schools, colleges, health centers, water supply and sanitation, rural electrification etc. Migration also helps development or strengthening of family values and social norms and traditions which have a positive trend on human development.

A study shows that the higher the skill and education level of the expatriates the lower their ties with the host country and incidence of sending remittances back home. About 97 percent of the Bangladeshi overseas workers are outside professional categories; they have strong ties with home and tend to send a significant portion of their remittance back to Bangladesh. The investigation on the pattern of expenditure of the workers shows that the expatriate workers spend 29.8 percent of their income on personal consumption abroad; they send 44.9 percent of their income back home and save 22.8 percent. The remittances sent by the overseas workers are used for various productive, investment and consumption purposes. A major share of remittances (36 percent) is used to meet recurrent consumption which includes education, health care, and food. Such expenditures have a direct poverty alleviation impact. Another 20 percent is used for investment in land properties, while around 14 percent of remittances are spent to provide better housing arrangements.

It is found from a study that during migration the total income of migrant households increased by 119 percent. A significant portion of remittance is used for purchase of land and home construction. While going abroad a migrant worker usually manages the fund for his migration either by selling land or mortgaging land. So to retrieve the sold or mortgaged land some portion of remittance is used. The table below can clearly explore the utilization patterns of remittances in Bangladesh.

Table - 4: Utilization patterns of Remittances in Bangladesh

Purposes	Remittances used (%)
Food and Clothes	20.45
Medical Treatment	3.22
Child Education	2.75
Agricultural land purchase	11.24
Homestead land purchase	0.96
Home construction / repair	15.02
Release of mortgage land	2.24
Taking mortgage of land	1.99
Repayment of loan(for migration)	10.55
Repayment of loan (other purpose)	3.47
Investment in Business	4.76
Savings/Fixed deposit	3.07
Insurance	0.33
Social ceremonies	9.07
Gift/ donation to relatives	0.94
Send relatives for pilgrimage	0.92
Community development activities	0.09
Sending family members abroad	7.19
Furniture	0.69
Others	1.05
Total	100

Source: Siddiqui, Tanseem (2003), Migrant worker remittances and Microfinance in Bangladesh³

The various sectors and activities which are benefited most from remittance are construction, agriculture, services, manufacturing, transport and communication and social infrastructures.

The remittances are generally treated as income source of the family of a migrant worker. Usually the returnee migrants try to utilize the remittance in the investment opportunities. In the responses from the returned migrants, land is found the safest and most profitable investment. Migrant workers chose to invest in all kinds of land – arable, homestead, commercial, etc. They have also mortgaged in land as an income-earning avenue. Investment in savings among these families

³ Siddiqui, Tasneem, Migrant worker remittances and Microfinance in Bangladesh

is found to be relatively low. Other investment sectors through utilizing remittance are considered as financing in sending other family members abroad; construction of structured home, investment in business, etc. Investment of remittances in productive venture is not always because of the lack of willingness of the part of individuals or families, but also due to lack of viable investment opportunities.

3.03 Impact of Migration and Remittance to the Economy of Bangladesh

Remittance has a considerable contribution to ease foreign exchange constraint, stabilizing the exchange rate and allowing Bangladesh to import much needed raw materials, intermediate goods and capital equipment. Comfortable reserves of foreign exchange have also contributed to overall macro stability and have reduced aid dependency. Remittance increases with the expanding migration process and accelerating movement of people for overseas employment market.

Remittances from migrants have positive impacts on poverty reduction and development in Bangladesh substantially contributing to the achievement of the Millennium Development Goals. These positive impacts become greater when remittances can be saved and invested in infrastructures and productive capacity. Government policy measures induce such use. Significant barriers to migration and remittance transfers need to be addressed in order to harness opportunities for development and poverty reduction, including through easing financial transfers, setting appropriate incentives, improving policy coherence in migration and remittance policies, and facilitating the temporary movement of people.

Migration can indirectly help alleviate poverty by raising the productivity, education and health of their families. Success of a migration depends on the positive gains and benefit accrued for the family members particularly to the children of women migrant workers. With the increasing importance of migration, government wants to maximize the contribution of manpower export for economic growth and poverty reduction of the country. It is now well accepted that one of routes to achieve the economic emancipation for Bangladesh lies in manpower export sector.

The remittance and economic development in Bangladesh can be broadly explained in two ways; overall Macroeconomic benefits of remittance and Microeconomic benefits at household level. The migration of workers in search of economic opportunity has enormous implications for development. It has significant positive impacts on household well-being and economic growth through improved income and increased integration in the global economy (World Bank 2006). Studies on Impact of International Labour Migration and Remittances on Poverty in

Bangladesh found that migration households experienced enormous expansion of their income base during the post migration period.

Bangladesh has witnessed a modest poverty reduction rate of around one percentage point a year since the early nineties. The percentage of population living in poverty fell from over 70 percent in 1970 to about 50 percent in 2000. A decline of nearly 10 percentage points occurred in just the first half of the nineties. The poverty Gap (P1) measures the average distance the poor are from the poverty line and the Poverty Severity (P2), the square of the Poverty Gap, investigates the distributional characteristics of the poor. Changes in these measures suggest that the average distance from the poverty line had decreased for the poor between 1991/92 and 2000 from 17.2 percent to 12.9 percent, and the rate of decline in P1 and P2 measures was faster than that of the head count rates (World Bank, 2006).

3.04 Impact of Migration on Women

Gradually more women are migrating on their own as principal wage-earners. They tend to take jobs in what are familiar to the female occupations so their experience is gendered as well. Many women who migrate find themselves at risk of gender-based violence and exploitation.

3.05 Socio-Economic impact of migration and Remittance

Benefits accrued through migration from Bangladesh have manifold impact on the economy. Migration from Bangladesh facilitates the following socio-economic benefits of the migrants:

- It reduces the unemployment problem leading to poverty alleviation.
- Remittances enhance the economic condition of the migrants ensuring the economic development of the country. It is the highest amount of real foreign currency earning for the economy.
- It helps reducing the frustration among the women at young age, social problems, etc.
- It develops the capability of investment for self-employment and entrepreneurship.
- For movement of migrant workers, business related to hotel, traveling, transportation, etc. gets momentum in the country.
- It enhances the financial capability and purchasing power of the migrant workers.
- It enhances transfer of technology through technical knowledge and expertise acquired by the migrant workers working abroad.

- It creates motivation and develops awareness of the migrant workers towards cleanliness, hygienic environment, importance of literacy, discipline, and uplift the standard of living.

3.06 Impact of Remittance on balance of payment and investment

The most important macro-economic impact of financial flow arising from international labor migration is on the balance –of –payments and through that on the economy as a whole. A major benefit of labor export is the balance of payments support provided by remittance. In a situation of foreign exchange shortage, remittance inflows could promote investment and capacity utilization if most of the remitted foreign exchange is used for importing capital goods and essential inputs. Alternatively, increased foreign exchange availability may lead to a relaxation of controls on luxury imports. It may also lead the government to choose the easier short-run options instead of taking measures designed to strengthen the economy's structure and reduce its import dependence in the longer run.

Table 5 : Remittance, its impact on Balance of Payment

(In bUS\$)

Year	Remittance	Import	Export	Trade balance
2002-2003	3.06	9.66	6.55	3.11
2003-2004	3.37	10.85	7.6	3.25
2004-2005	3.85	13.18	8.65	4.52
2005-2006	4.8	14.75	10.53	4.22
2006-2007	5.98	17.16	12.18	4.98
2007-2008	7.92	21.63	14.11	7.52
2008-2009	9.69	22.51	15.57	6.94
2009-2010	10.97	23.74	16.2	7.53

Source : Bangladesh Bank and Bangladesh Bureau of Statistics (BBS)

The aggregate import of goods and services has gone up for Bangladesh almost twice over between 1980 and 1999. Remittances significantly exceed foreign direct investment and foreign aid for Bangladesh. Since 1996 onwards, remittance earnings also cover its trade deficit. It would enable countries to more vigorously pursue the objective of maximizing GNP rather than just GDP.

The importance of foreign remittances in the economy of Bangladesh is widely recognised. Along with the readymade garment (RMG) sector and non-farm activities in the agricultural sector, remittances have been identified as one of the three key factors that have been responsible for reducing the overall incidence of poverty in Bangladesh.

3.07 Impact of migration at Policy level

Remittance has also prominent effects as -

1. It strengthens country's foreign reserve
2. Influence of Development Partners reduced at Policy level
3. Dependency of the country on Foreign Aid reduced
4. It maintains the balance of Payments

Adams and Page (2003) empirically demonstrated that international migration can be positively linked to a decline in the number of people living in poverty. A World Bank report (2007) recently linked 6 percent poverty cut in Bangladesh in 2006 to migration.

Table 6 : Remittance, its impact on GDP & % of export earning

(In bUS\$)

Year	Remittance	GDP	as % of GDP	Export	as % of Export
2002-2003	3.06	51.91	5.89	6.55	46.72
2003-2004	3.37	56.53	5.96	7.6	44.34
2004-2005	3.85	60.53	6.36	8.65	44.51
2005-2006	4.8	61.98	7.74	10.53	45.58
2006-2007	5.98	68.55	8.72	12.18	49.10
2007-2008	7.92	79.55	9.96	14.11	56.13
2008-2009	9.69	89.36	10.84	15.57	62.24
2009-2010	10.97	98.75	11.11	16.2	67.72

Source : Bangladesh Bank and Bangladesh Bureau of Statistics (BBS)

Bangladesh still receives lower amount of remittances compared to the number of the national working abroad. Compared to the other labour sending countries number of Bangladesh immigrants is smaller, mostly short term in employment, less skilled in working performance and low paid. Informal remittance transfer has long been seen as a strong barrier to receiving remittances in full swing.

A stable business climate encourages the investment of income from remittances and a sound financial infrastructure is essential if remittances are to have a positive impact.

4.00 Poverty Reduction Policies and Migration

Empowerment of the migrant workers may be possible through ensuring appropriate social and economic re-integration which can be ensured through the following measures:

1. Liaison with Investment opportunities in the country at various levels.
2. Arrangement of loan from banks for SME initiatives.
3. Providing Training on cooperative basis to the returnee women migrants.
4. Arrangement of re-migration.
5. Basic training in technically employable trades.
6. Refresher training of semi skilled level of workers to upgrade their skill.
7. Assisting in Information and Communication Technology project.
8. Providing Community Based Training on cooperative basis,

5.00 Overseas Employment Policy 2006

- a) Policy parameters of Expatriate Welfare and Overseas Employment Policy in Bangladesh;

Bangladesh adopted Overseas Employment Policy in 2006 to ensure the prospect of regular migration of long term and short term for both men and women from all parts of Bangladesh at a rational cost.

- i) Objectives of the Policy is to organise overseas employment sector and to the ensure welfare of Bangladeshi workers abroad.
- ii) Salient features of the Policy are as follows:
 - It also ensures abolition of any scope of irregular migration.
 - This policy is the commitment of government to protect the rights, dignity and security of all migrant workers in and outside the country.
 - It arranges measures to ensure the social protection of the left behind families and properties of both short-term and long-term migrants.
 - It prevents misconduct in the recruitment process is considered as an act against national interest and provision to make the concerned persons, governmental and private organisations accountable.
 - It encourages remittance flows through official channels and support to the workers and their families to ensure effective and efficient use of remittance.
 - It assists in social and economic re-integration of returnee migrant workers.
 - It emphasizes allocation of necessary resources and strengthen the existing institutional infrastructure and personnel for the implementation.
- iii) Plan of action should be taken on the implementation of the policy indicators mentioned in OEP phase-wise.

iv) Capacity Building for implementation of the Overseas Employment Policy need to

- inform and train aspirant migrant workers so that they can compete in global markets;
- provide support and advocacy for migrants while abroad;
- negotiate fair contracts and bilateral agreements.

b) Processes of policy making in particular relation to overseas employment

- ❖ Setting up Objectives
- ❖ Goals to achieve
- ❖ Coverage
- ❖ Beneficiaries
- ❖ Commitments
- ❖ Implementing modalities
- ❖ Stakeholders
- ❖ Social and Economic Impacts
- ❖ Resources
- ❖ Plan of Action

c) Role of various institutions, actors, stakeholder and other interfaces involved in the policy making

- ☐ Ministry of Home Affairs
- ☐ Ministry of Foreign Affairs
- ☐ Ministry of Civil Aviation and Tourism
- ☐ Bureau of Manpower Employment and Training
- ☐ Department of Passport and Immigration
- ☐ Airport Authorities
- ☐ Recruiting Agencies
- ☐ NGOs
- ☐ Civil Society

d) Other Policies of the Ministry

- ☐ Selection of CIP (NRB) policy, 2006
- ☐ Special privilege policy of expatriate Bangladeshis for remittance, 2008
- ☐ Medical Test policy for overseas employment 2008

6.00 Government Initiatives towards better migration management

Government of Bangladesh is always trying to maximize the benefits from remittance to ensure more positive impact on the economic development. With this view the Ministry of Expatriates' Welfare and Overseas Employment and its

department the Bureau of Manpower Employment and Training (BMET) are adopting various measures to regulate the migration.

i) Vision of the Ministry

To emphasize more on migration sector, the Bangladesh Government has established the Ministry of Expatriates' Welfare & Overseas Employment in 2001 to ensure welfare of the expatriate workers and increase of the overseas employment. The Ministry has been rendering ceaseless efforts in enhancing the flow of remittance and to provide equal opportunity of the people of all areas of the country for overseas employment and ensuring overall welfare of the migrant workers. Bureau of Manpower, Employment & Training (BMET) is also responsible to regulate the entire migration process and is engaged for overall planning and implementation of the strategies for proper utilization of manpower of the country.

ii) Digitization in Migration management

A Computer database has been prepared to stop the fraudulent activities in the process of migration. Public awareness campaign for the overseas employment is being conducted. Smart card with a computer chip of 32 kb is being provided to the migrant workers to ensure accountability and transparency in the process.



iii) Establishment of Expatriates Welfare Bank

With a view to reducing the cost of migration, the Government has established "Expatriates Welfare Bank" (*Probashi Kallyan Bank*⁴) for giving loan with simple interest to the aspirant workers going abroad and providing financial assistance to the returnee migrants to invest in productive activities. A long cherishing vision came into being on the very day of launching of Colombo Process Summit⁵, the

⁴ 'Probashi Kallyan Bank' is the name of the bank in Bangla

⁵ 'Colombo Process' is a forum of cooperation among 11 labour sending countries in South Asia of which Bangladesh is the present Chair.

bank had been inaugurated by the Honourable Prime Minister of Bangladesh Sheikh Hasina on 20 April 2011.



iv) **Promotion of Skill Development Training**

The Bureau of Manpower, Employment & Training has taken up programmes for facilitating export of skilled manpower through providing training to the workers in 38 Technical Training Centres (TTC) in various trades. Two projects are being implemented to establish 35 more Training Institutes in different Districts to facilitate exporting more skilled workers.

An endowment fund of US\$ 20m (Tk. 140.00 crore) has been allocated to encourage the skill development training for facilitating overseas employment.

v) **Initiatives and Incentives for Smooth Transfer of Remittances**

Government and Bangladesh Bank extend their efforts to encourage expatriate Bangladeshi nationals to send their hard earned foreign currency through official channels. Now-a-days nationalized and commercial bank have established strong network abroad for easy transfer of remittance to Bangladesh. As a result the flow of transferring remittance in Bangladesh through official channels is increasing day by day. To boost the remittance flow government has undertaken various investment initiatives. Different types of savings products like US Dollar Bond, Premium Bond, and Wage Earners' Development Bond are offered for expatriate Bangladeshis. Moreover, tax holiday and tax exemption are also provided to encourage remittance flow and utilize it for economic development. Additionally CIP (NRB) cards and Privilege cards for the expatriates' Bangladeshis have introduced to encourage more flow of remittance.

Increasing the number of public and private banks and exchange houses is major destination countries to make the remittance services easily available to the migrant workers abroad and their families as well back in home. Technology based mobile banking has reduced money both transfer cost and time.

vi) **Initiative to explore new markets**

Government is trying to maximize the geographical areas for overseas employment although global economic down turn persists. Initiative has been taken to export manpower to new destinations particularly in Australia, Canada, Russia, New Zealand, Sweden, Greece, Congo, South Africa, Lebanon, Algeria, Sudan, Poland, Romania, Botswana, Tajikistan, etc. in addition to the present market area.

vii) **Efforts to reduce migration cost**

This manpower export sector is stigmatized by the allegation of charging high migration costs. This is mainly due to the unethical practices of the Recruiting Agencies in procuring visa and purchasing it with a high cost. Government has adopted various measures towards curbing this exorbitant migration cost to ensure the migration make a success. A Committee in the Ministry along with the representation from Recruiting Agency Association BAIRA⁶ to analyze the item-wise expenditure critically during migration and suggest a reasonable migration cost. Arrangement of G2G⁷ recruitment has been taken to check and balance the migration cost and visa trading.

viii) **Holding the Colombo Process⁸ Summit**

Bangladesh is the current Chair of the Colombo Process. The fourth Ministerial level consultation was arranged by the Government of Bangladesh on 20 April 2011 in Dhaka. Honourable Prime Minister of Bangladesh Sheikh Hasina Inaugurated the Summit. The theme of the summit was 'Migration with Dignity'. 11 member states and 9 observers from different labour receiving countries and International Organisations attended the summit and discussed various common issues on protection of rights of the migrant workers. A 'Dhaka declaration' has been adopted in concluding session. (Annex 1).

⁶ BAIRA is the Association of Recruiting Agencies for Manpower for Overseas Employment

⁷ G2G is the Government to Government arrangement for recruitment of manpower

⁸ The Colombo Process, established in 2003, as a Regional Consultative Process (RCP) on the management of overseas employment and contractual labour for countries of origin in Asia, is cooperation on issues of common interest and concern relating to labour mobility. The main area of focus is the protection of and provision of services to migrant workers.



ix) **Repatriation of workers from Libya and their rehabilitation Project**

With the outbreak of the crisis in Libya, 36,500 workers have been repatriated from Libyan borders with the assistance from IOM, Red Cross and UNHCR. Their situation is subject to an evolving humanitarian crisis and threatens the livelihoods of many migrants' families that relied on critical remittances from abroad to stay out of poverty. Government of Bangladesh (GoB) has arranged to assist the returnees for a cash grant to meet the immediate subsistence using credit of IDA financing.

x) **Enhancement of Labour Attaché**

To provide more intensive welfare services to about 7 million Bangladeshi workers working abroad, more posts of Labour Attaché have been created. To ensure the protection of right of the migrant workers and to mitigate problems of the workers, Labour Attaché is engaged in dedicated services. Recently Ministry increases the number of Labour Attachés in some existing Labour Wings and also opened new Labour Wings in Japan, Italy and Jordan.

xi) **Inter-Ministerial Vigilance Task Force**

Stringent monitoring of the migration management at different stages is very important issue. Unscrupulous agencies and intermediaries or middlemen sometimes create problems through cheating the innocent aspirant migrant worker in different way. To curb this type of fraudulent activities, the Ministry has formed Vigilance Taskforce with the representation from other relevant ministries. The

Taskforce keeps on monitoring at various stages of migration including in the airports during departure of the workers.

xii) Updating of Emigration Ordinance

In Bangladesh, the entire migration management process is controlled and regulated by the Emigration Ordinance 1982, With a view to making it more effective and matching with the situation of present time, the provision of the ordinance have been reviewed and the law has been updated.

xiii) Adopting Anti-Trafficking Law

To keep the migration free from all kinds of deceive and fraudulent practices particularly to dissociate it with the attempt of trafficking in the name of migration, government is finalizing the Anti-trafficking law with some special features making it punishable offence.

7.00 Conclusion

The Government of Bangladesh with 142 million people is faced with a challenge to use the human resource effectively. The GOB has recognized labour migration as a potential tool for the socio-economic development of the country. Efforts to manage migration have been strengthened and introduced digitized migration management system in order to maximize benefits from migration and minimize the harmful effects.

Poverty reduction has become an immediate agenda of the government of Bangladesh that it has take up the National Strategy for Accelerating of Poverty Reduction (NSAPR-II) in order to combat it urgently. One of the most important vehicles for reduction of poverty is migrant workers' remittances.

Dhaka Declaration
21 April 2011

WE, THE MINISTERS OF THE COLOMBO PROCESS MEMBER COUNTRIES, GATHERED IN DHAKA, BANGLADESH ON THE 20TH AND 21ST APRIL 2011 IN THE FOURTH LABOUR MIGRATION MINISTERIAL CONSULTATIONS FOR COUNTRIES OF ORIGIN IN ASIA;

Affirming the theme of the Meeting – “Migration with Dignity”, to focus on all related aspects of labour migration that impact on the rights, welfare, dignity and well-being of migrant workers;

Acknowledging that the promotion and protection of the rights of migrant workers and their families, and improving the welfare, dignity and well-being of migrant workers, especially those of women, remain a constant and formidable challenge;

Recognizing the contribution of migrant workers to the development of both countries of origin and countries of destination;

Also recognizing the contribution of countries of destination to the development of effective approaches to the management of overseas employment;

Acknowledging that the shift in demographic patterns as well as changes in employment structures in many countries create a situation of mutual interest and benefit for labour surplus and deficit countries;

Recognizing that sustained bilateral and regional consultations can significantly contribute to the pursuit of humane and orderly labour migration management;

Reaffirming the importance of further strengthening the engagement and dialogue amongst countries of origin, destination and transit to promote and protect the rights of migrant workers and ensure their welfare, dignity and well-being;

Recognizing that labour migration from Countries of Origin in Asia has been increasingly feminized in recent years, with employment opportunities and number of destinations for women migrant workers increasing worldwide;

Taking note of the adverse impact of the recent global financial and economic crisis on labour migration;

Also taking note with concern of the impact of the recent political unrest and conflicts in certain parts of the world, including in some key destination countries for Asian migrant workers;

Appreciating the efforts by the Colombo Process Member Countries to take forward the consultative process, with continued support from relevant international organizations, particularly the International Organization of Migration (IOM), including for the study entitled “Labour Migration from Colombo Process Countries: Good Practices, Challenges and Ways Forward”;

MAKE THE FOLLOWING RECOMMENDATIONS:

1. Promoting Rights, Welfare and Dignity:

- i. To ensure the promotion and protection of the rights of all migrants and their families, including their social and economic rights, as well as improving the welfare, dignity and well-being of all migrant workers, especially women;
- ii. To develop employment and labour market policies and formulate rules, regulations and procedures that are conducive to the pursuit of legal, humane and orderly labour migration;
- iii. To eliminate all forms of occupational and socio-cultural discriminations against migrant workers.
- iv. To promote Decent Work for migrant workers, including in low-skill and low-wage sectors, and to design employment contracts based on existing good practice models;
- v. To develop and streamline policy, legal and institutional mechanisms to eliminate unethical practices concerning migrant workers including deduction / non-payment in violation of contractual provisions, rationalize migration costs, promote transparency and openness in recruitment processes, strengthen monitoring and supervision of recruitment practices, and prevent slippage of regular migrant workers into any form of irregularities;
- vi. To effectively address the specific needs and concerns of vulnerable groups of migrant workers, especially women, domestic workers, low-skilled and low-wage workers;
- vii. To promote rest and recreation facilities for migrant workers and their families, increase opportunities for family reunion, and facilitate their access to basic services, particularly education;
- viii. To promote the implementation of migrant-inclusive health policies to ensure equitable access to health care and services as well as occupational safety and health for migrant workers;

2. Services and Capacity Building:

- i. To strengthen information and advocacy campaigns in collaboration with the concerned stakeholders to brief and advise potential migrant workers and their families about safe and legal employment opportunities as well as the risks associated with irregular migration;
- ii. To strengthen information and advocacy campaigns for sensitizing migrant workers about the benefits accruing from formal remittance channels, and develop policy incentives and institutional mechanisms and programmes to streamline the flow of remittances through formal channels, including

- reducing cost of remittance, and promote their productive use for development gains;
- iii. To invest in skills training and development of potential migrant workers to secure their employment opportunities in occupational areas where such labour and skills are in demand, and to facilitate mutual recognition of qualifications and certifications;
 - iv. To promote employment and labour markets research capacity, to duly assess the current and projected labour markets' needs as well as the shifting demographic trends and employment structures;
 - v. To support capacity building of national partners, including employers' and workers' organizations, non-governmental organizations and migrant workers' organizations to help gather, organize and disseminate relevant legal, procedural, labour market, socioeconomic and socio-cultural information to migrant workers;
 - vi. To promote establishment of institutional mechanisms such as one-stop migrant workers' resource centres to provide information, orientation courses and services to migrant workers, including in pre-departure and post-arrival situations;
 - vii. To continue to build capacity of labour welfare, consular and immigration offices with a view to enhancing provision of needed support services to migrant workers, especially women;
 - viii. To encourage mobility in job market, consistent with national regulations.

3. Emergency Response and Emerging Issues:

- i. To develop appropriate policy and institutional response capacity to mitigate the impact of emergency situations on migrant workers, including ensuring their safety, security and well-being as well as early evacuation, repatriation, compensation and opportunities to return to their jobs;
- ii. To further explore the possible nexus between environmental degradation and climate change on one hand and human mobility on the other, and its likely implications on labour migration;

4. Enhanced Dialogue and Cooperation:

- i. To strengthen information exchange and sharing of best practices on labour migration management among the Colombo Process Member Countries;
- ii. To promote enhanced dialogue and cooperation among countries of origin, destination and transit to address issues concerning migrant workers;

- iii. To encourage participation in regular bilateral, regional and multilateral consultations on labour migration issues, involving, among others, relevant regional and international organizations;
- iv. To follow up on these recommendations through regular consultations, including at the Ministerial level.

ADOPT THE OPERATING MODALITIES FOR THE COLOMBO PROCESS (ATTACHED);

AGREE THAT THE FIFTH COLOMBO PROCESS MINISTERIAL CONSULTATION FOR COUNTRIES OF ORIGIN IN ASIA (COLOMBO PROCESS) WILL BE HELD IN 2013;

EXPRESS GRATITUDE TO THE GOVERNMENT OF BANGLADESH FOR CHAIRING THE MEETING AND THE EXCELLENT ARRANGEMENTS PROVIDED.

Adopted in Dhaka, Bangladesh on 21 April 2011 by the attending Ministers of the following countries:

Islamic Republic of Afghanistan,
People's Republic of Bangladesh,
People's Republic of China,
Republic of India,
Republic of Indonesia,
Federal Democratic Republic of Nepal,
Islamic Republic of Pakistan,
Republic of the Philippines,
Democratic Socialist Republic of Sri Lanka,
Kingdom of Thailand,
Socialist Republic of Vietnam.

References

1. Bangladesh Bank Annual Report 2005
2. Bangladesh Bank, website: www.bangladesh-bank.org
3. Bangladesh Bureau of Statistics, website: www.bbsgov.org
4. Board of Investment, July 2004, website: www.boibd.org
5. Bureau of Manpower, Employment and Training (BMET), website: <http://www.bmet.org.bd>
6. De Bruyn & Kuddus (2005), Dynamics of Remittance Utilization in Bangladesh, International Organisation for Migration, IOM Migration Series, Number 18, Geneva, Switzerland
7. DFID Bangladesh (2005), UK-Bangladesh Remittance & Payments Partnership (RPP) Project,
8. Economic Relations Division, Ministry of Finance, Government of Bangladesh, website: <http://www.mof.gov.bd>
9. Export Promotion Bureau, Government of Bangladesh, website: www.epb.gov.bd
10. Federation of Chamber of Commerce & Industries (FBCCI), Bangladesh website: www.fbcci-bd.org
11. Global Economic Prospects 2006, *Economic Implications of Remittances and Migration*, The World Bank, Washington DC.
12. Ministry of Expatriates' Welfare and Overseas Employment, website: www.probashi.gov.bd
13. Ministry of Finance, Government of Bangladesh, 1Economic Trends and Bangladesh Economic Survey – 2005, website: www.mof.gov.bd
14. Murshid et al (2002), A Study of remittance Inflows & Utilization, UNDP & IOM, Dhaka, November 2002
15. National Board of Revenue (NBR), website: www.nbr-bd.org
16. Siddiqui, Tanseem and Abrar, R. Chowdhury (2003), Migrant worker remittances and Microfinance in Bangladesh, ILO, Working paper no.38, Dhaka, September 2003

- b) Recent reform initiative to make overseas employment policies more effective and
- c) Any other related issue