

**“ROLE OF REMITTANCE IN RURAL DEVELOPMENT”  
A CASE STUDY OF BANCHARAMPUR UPAZILA  
OF BRAHMANBARIA DISTRICT**

Plan 432  
Rural Planning Studio

SUBMITTED TO

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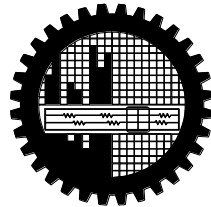
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## **ABBREVIATIONS AND ACRONYMS**

<b>ADB</b>	Asian Development Bank
<b>ASA</b>	Association of Social Advancement
<b>BB</b>	Bangladesh Bank
<b>BBS</b>	Bangladesh Bureau of Statistics
<b>BDT</b>	Bangladesh Taka
<b>BI</b>	Board of Investment
<b>BMET</b>	Bureau of Manpower, Employment and Training
<b>BRAC</b>	Bangladesh Rural Advancement Committee
<b>DD</b>	Demand Draft
<b>EU</b>	European Union
<b>FDI</b>	Foreign Direct Investment
<b>GDP</b>	Gross Domestic Product
<b>ILO</b>	International Labour Organization
<b>IMF</b>	International Monetary Fund
<b>IOM</b>	International Organization for Migration
<b>MEWOE</b>	Ministry of Expatriates' Welfare and Overseas Employment
<b>MF</b>	Ministry of Finance
<b>MFA</b>	Ministry of Foreign Affairs
<b>MFI</b>	Micro Finance Institution
<b>MWRC</b>	Migrant Workers Resource Centre
<b>NCB</b>	Nationalised Commercial Bank
<b>NGO</b>	Non-Governmental Organization
<b>NSB</b>	National Savings Bureau
<b>ODA</b>	Official Development Assistance
<b>PC</b>	Privatisation Commission
<b>PCB</b>	Private Commercial Bank
<b>RMG</b>	Ready Made Garments
<b>RMMRU</b>	Refugee and Migratory Movements Research Unit
<b>UNDP</b>	United Nations Development Programme
<b>USD</b>	United States Dollars

## TABLE OF CONTENTS

<b>CONTENT</b>	<b>PAGE NO</b>
<b>Abstract</b>	<b>I</b>
<b>Acknowledgement</b>	<b>II</b>
<b>Table of Contents</b>	<b>III-IX</b>
<b>Abbreviations and Acronyms</b>	<b>X</b>
<b>List of Tables</b>	<b>VII</b>
<b>List of Figures</b>	<b>VII-VIII</b>
<b>List of Maps</b>	<b>VIII</b>
<b>List of Photographs</b>	<b>IX</b>
<b>Chapter 01</b>	
<b>Introduction</b>	<b>1-6</b>
1.1 Background of the Study	1
1.2 Objectives of the Study	3
1.3 Research Questions	3
1.4 Rationale of the Study	4
1.5 Scope of the Study	5
1.6 Limitations of the Study	6
<b>Chapter 02</b>	
<b>Literature Review</b>	<b>7-32</b>
2.1 Remittance	7
2.1.1 History	7
2.1.2 Importance	8
2.2 Rural Development	8
2.3 Global Scenario of Remittance	9
2.3.1 Remittance Scenario of India	10

2.3.2 Remittance Scenario of Spain	12
2.3.3 Remittance Scenario of Nepal	14
2.3.4 Remittance Scenario of Somalia	14
2.3.5 Remittance Scenario of Haiti	15
2.3.6 Remittance Scenario of Philippines	16
2.3.7 Remittance Scenario of Pakistan	18
2.4 Remittance Scenario of Bangladesh	19
2.4.1 Origin and Scope of Migrants' Remittance	20
2.4.2 Flow of Migrant Workers	20
2.4.3 Destination	22
2.4.4 Flow of Remittance	23
2.4.5 Methods of Transferring Remittance	24
2.4.6 Actors in Remittance Transfer	25
2.4.7 Legal and Regulatory Framework of Labour Migration	25
2.4.7.1 International Instruments	25
2.4.7.2 National Instruments	26
2.4.7.3 Regulatory Instruments	27
2.4.8 Nature of Remittances and the Bangladeshi Migrants in UAE	29
2.4.9 Bangladeshi Migrant Workers in Malaysia's Construction Sector	30

## **Chapter 03**

### **Methodology of the Study 33-37**

3.1 Selection of the Project	33
3.1.1 Selection of the Study Area	33
3.1.2 Formulation of Objectives	33
3.1.3 Preparation of Co-ordination Schema	33
3.1.4 Preparation of Questionnaire and Checklist	34
3.2 Data Collection	34
3.2.1 Primary Data Collection	34
3.2.1.1 Reconnaissance Survey	34
3.2.1.2 Field Survey	34
3.2.1.3 Questionnaire Survey	35
3.2.2 Secondary Data Collection	35

3.2.2.1 Different Public and Private Institutions	35
3.2.2.2 Journals, Reports and Internet	35
3.3 Preparation of Database	35
3.4 Data Analysis and Interpretation	36
3.5 Identification of Problems and Potentials	36
3.6 Recommendations	36
3.7 Preparation of Report	36

## **Chapter 04**

### **Study Area Profile 38-47**

4.1 Brahmanbaria District	38
4.1.1 Location and Geography	38
4.1.2 History and Culture	38
4.1.3 Administrative Units	40
4. 1.4 Other Information	40
4.2 Bancharampur Upazila	41
4.2.1 Reasons behind Choosing Bancharampur as the Study Area	41
4.2.2 Bancharampur Upazila at a Glance	41
4.3 Working Experience in the Bancharampur Upazila	44

## **Chapter 05**

### **Analysis on Households and Migrant's Information 48-56**

5.1 General Information about Household	48
5.1.1 Family Composition of the Households	48
5.1.2 Gender Compositions of the Household	49
5.1.3 Educational level of the member of the Household	49
5.1.4 Total per month family Income and Expenditure of the Household	50
5.1.5 Relation between educational background of the migrants and their amount of sending remittance	51
5.1.6 Employment status of the household	51
5.1.7 Households member's different types of Occupation	52

5.2 Migrant Information	52
5.2.1 Migrants destination among different countries	53
5.2.2 Year of migrations for migrants	53
5.2.3 No. of migrants from a household	54
5.2.4 Educational background of the migrants	54
5.2.5 Frequency of sending remittances	55
5.2.6 Change in employment after Migration	55
5.2.7 Average amount of sending Remittance	56
5.2.8 Channel of sending Remittance	56

## **Chapter 06**

### **Analysis on the Uses and Impacts of Remittance 57-64**

6.1 Sectors in which Remittance is used by the Households	57
6.2 Impacts of Remittance	58
6.3 Role of Remittance (in case of improvement)	59
6.4 Role of remittance (in case of deterioration)	60
6.5 Role of remittance in the extent of change in various issues of life	61
6.6 Role of remittance considering extent of change	62
6.7 Role of remittance considering extent of change	63
6.8 Idea about the Investment/productive Sectors	64
6.9 Investment of Money in Productive Sectors	64

## **Chapter 07**

### **Problems and Potentials 65-71**

7.1 Problems observed	65
7.2 Potentialities found	69

## **Chapter 08**

### **Recommendations and Conclusions 72-76**

8.1 Recommendations	72
8.1.1 Banks	72
8.1.2 Public Policy Reforms	73

8.1.3 Ministries and Agencies	74
8.1.4 Micro Finance Institutions and Civil Society Bodies	75
8.1.5 International Agencies	75
8.1.6 Coordination	76
8.2 Conclusions	76

<b>References</b>	<b>77-79</b>
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<b>Appendices</b>	<b>80-97</b>
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### **List of Tables**

Table 2.1: Countries receiving the most remittances, 2003 (US\$ billion)	11
Table 2.2: Worldwide ranking of remittance issuing countries in 2002	13
Table 2.3: Total No. of People Officially Migrated Yearly, their Skill Composition and Remittance Sent by Them during 1976-2000	21
Table 2.4: Migration by Country of Employment 1976-2000 (March)	22
Table 4.1 Remittance flow of the Upazilas of Brahmanbaria District	41
Table 5.1: Gender compositions of the household	49
Table 5.2: Relation between educational background of the migrants and their amount of sending remittance	51
Table 5.3: Frequency of sending remittances by migrants	55
Table 6.1: Sectors in which remittance is used by the households	57

### **List of Figures**

Figure 2.1: Remittances to India in Billions of US Dollars, 1990-1991 to 2005-2006	11
Figure 2.2: Permanent migration (1981-2003): Country of destination: USA, Total and USA's share of total	17
Figure 2.3: Permanent migration (1981-2003): Country of destination: Australia, Canada, Japan and others (excluding USA)	17

Figure 2.4: Distribution of global remittances received by region between 1992 and 2002	18
Figure 3.1: Flow chart of Methodology	37
Figure 5.1: Range of family members in households	48
Figure 5.2: Level of education of family members in households	49
Figure 5.3: Total per month family Income and Expenditure of the Household	50
Figure 5.4: Employment status of the households	51
Figure 5.5: Households member's different types of Occupation	52
Figure 5.6: Migrants destination among different countries	53
Figure 5.7: Year of migrations for Migrants	53
Figure 5.8: No. of migrants from a Household	54
Figure 5.9: Educational background of the migrants	54
Figure 5.10: Employment category of the migrants	55
Figure 5.11: Average amount of sending remittance (taka)	56
Figure 5.12: Channel of sending remittance	56
Figure 6.1: Impacts of Remittance	58
Figure 6.2: Role of Remittance (in case of improvement)	59
Figure 6.3: Role of remittance (in case of deterioration)	60
Figure 6.4: Role of remittance in the extent of change in various issues of life	61
Figure 6.5: Role of remittance considering extent of change	62
Figure 6.6: Role of remittance considering extent of change	63
Figure 6.7: Idea about the investment/productive sectors	64
Figure 6.8: Investment of money in productive sectors	64



## **List of Maps**

Map 01: Brahmanbaria District	39
Map 02: Bancharampur Upazila	43

## **List of Photographs**

Photograph 01: Migrants House
Photograph 02: Migrants House
Photograph 03: BRAC School
Photograph 04: Grameen Bank
Photograph 05: Poor road way condition
Photograph 06: Poor road way condition
Photograph 07: Small corner shop
Photograph 08: Flood area
Photograph 09: Growth Centre
Photograph 10: Growth Center
Photograph 11: Migrants Home
Photograph 12: Commercial Building

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# CHAPTER 01

## INTRODUCTION

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During the 18<sup>th</sup> and 19<sup>th</sup> centuries, development impact of migration was mostly recorded in the context of receiving states whereas since 2<sup>nd</sup> World War migration experience underscores positive economic and social benefits for both receiving and sending countries. Various figures indicate that flows of migrant remittances from sending to receiving countries are continuously growing. Global figures state that official remittances have increased from less than US\$ 2 billion in 1970 to US\$ 80 billion in 2000. This does not include informal transfers. Micro-studies in countries like Pakistan and Bangladesh have shown that only around half of the remittances are transferred through official channels and the rest find their way through different unofficial methods. Consequently the actual amount of remittance is likely to be at least double the officially recorded figures (Siddiqui, 2004).

Sixty percent of the global remittance flow is towards developing countries. When compared with foreign direct investment (FDI) in those countries, amount of remittances are over half of total flow (Siddiqui, 2004). Moreover, remittances as source of financial flows are found to be more stable than private capital flows and to be less volatile to changing economic cycle. International organizations like ILO, IMF, IOM, World Bank and ADB are increasingly emphasizing migrants' remittance as tool to promote development.

### 1.1 BACKGROUND OF THE STUDY

Bangladesh is one of the major labour-sending countries of the world. Each year a large number of people voluntarily migrate overseas for both long- and short term employment. Bangladesh is a huge labour surplus country. Hence it belongs to the supply side of the global labour market. On an average, 2, 50,000 people annually (1995-2003) migrate to take up overseas employment. Flow of migrant workers is associated with growing flow of remittance to Bangladesh. In 2002, it accounted for 2% of the global remittance transfer and 12% of the official remittance to South Asia. (Siddiqui, 2004)

Labour migration plays a vital role in the economy of Bangladesh which has a very narrow export base. Ready-made garments, frozen fish, jute, leather and tea account for four-fifths of its export earnings. Currently, garments manufacturing is treated as the highest foreign exchange earning sector of the country (US\$4.583 billion in 2003). However, if this is adjusted for the cost of imports of raw material, then the net earning from migrant workers' remittances is higher than that of the garments sector.

Families of the migrants spend the remittance mostly in food, clothing, medical treatment, children's education, agricultural land purchase, homestead land purchase, release of mortgaged land, taking mortgage of land, home construction and repair, repayment of loan, running shops, opening phone and fax shop, tailoring shop, stationery store, pottery, saw mill, transport business and handloom factory. Some invest in different types of services related to farming; for example, irrigation schemes and trading in agricultural items, & financing migration of other family members (Siddiqui, 2004).

A good amount of remittance is used in social ceremonies such as wedding, naming of the child, Eid and death. Migrants spend a lot of money in their own weddings. Besides, dowry is paid when their sisters are married off. The amounts of savings are comparatively low. Community development activities and others include contribution to the road construction, and construction and maintenance of mosques and madrasas, court settlement, misappropriation, purchase of home appliances, installing tube-wells and sanitary latrines and so on.

It appears that Bangladesh has been receiving extraordinary remittance growth in recent times which suggests that some of the policies which have been executed by the government are producing good results. According to a report published in a leading newspaper, The Daily Star, remittance from overseas workers grew by some 24 per cent in the last eight months. Remittance hit a record of US\$ 428 million in February 2006, reportedly an all-time high in a single month.

Bangladesh's foreign exchange reserve hit a record high on Sunday, January 07, 2007 reaching close to 4 billion U.S. dollars mainly on wage earners remittance and export earnings. According to Bangladesh Bank, the central bank, the foreign exchange reserve on Sunday, January 07, 2007 stood at 3.96 billion dollars.

The contribution of remittances to Gross Domestic Product (GDP) has also grown from a meager 1 per cent in 1977-1978 to 5.2 per cent in 1982-83. During the 1990s, the ratio hovered around 4 per cent (Siddiqui, 2004). However, if the unofficial flow of remittances is taken into account, the total contribution of remittances to GDP would certainly be much higher. Murshed (2000) finds that an increase of BDT 1 in remittances would result in an increase in national income of BDT 3.33.

## **1.2 OBJECTIVES OF THE STUDY**

The study has been conducted to achieve the following objectives:

- To identify the flow of remittance from abroad.
- To identify the uses and impacts of remittance in different socio-economic sectors.
- To explore the problems and potentials in effective uses of remittance for rural development.

## **1.3 RESEARCH QUESTIONS**

To conduct the research the following questions have been selected:

- a) How many people go to abroad from this locality?
- b) What amount of money they transfer at home?
- c) How do they transfer money to the country?
- d) In which sectors the families use the money and how?
- e) What are the impacts of the remittance in each family?
- f) What are the problems of the uses of remittance in productive sectors?
- g) How the remittances can be used efficiently in rural development?

## **1.4 RATIONALE OF THE STUDY**

Over the last few years in Bangladesh, major policies and actions have been undertaken to ensure greater flow of remittance through official channel, yet steps towards effective utilization of remittance are still inadequate. Here as well, common perception of government functionaries and NGO activists is that migrants spend a large portion of their remittance in conspicuous consumption.

In 2003, net export earnings from ready-made garments (RMG) were estimated to be between US\$2.29 billion and US\$2.52 billion, whereas net earnings from remittances were US\$3.063 billion. In fact, since the 1980s, contrary to popular belief, remittances sent by migrant workers have played a much greater role in sustaining the economy of Bangladesh than the garments sector. (Siddiqui, 2005)

The Bangladesh Bank documents remittance flows to Bangladesh from all over the world. Bank data shows that the remittances sent by the migrants have grown over time. It has increased from a paltry figure of US\$ 23.71 million in 1976 to more than US\$ 3 billion in 2002-03 fiscal years. Throughout the last twenty-five years, the remittance flows broadly indicate an average yearly increase of around 10 percent. (Siddiqui, 2004)

Certain things are clear from the above discussion, remittances are generally treated as income source of the households, yet these households do not spend major share of the remittance in consumption. Some considered investment of remittance in housing or land purchase as unproductive since it does not add to the country's productive capacity. However if considered from migrants' point of view land still constitutes the safest avenue for remittance utilisation.

Arable land immediately provides economic return through crop production and value of both arable and homestead land increases over time. Use of remittance in releasing mortgaged out land is also quite important in the rural context as it re-establishes the right of the person to cultivate in the land. It also adds to the social esteem of the family concerned. Construction of house is not also seen as productive venture.

Investment in savings among the households is found to be relatively low. In general there is a lack of information about different savings schemes available. Utilizing remittance in sending family members abroad from the perspective of the migrants' families is an investment rather than consumption. Therefore, if one adds investment in land, financing migration of other family members, construction of homestead, investment in business, then one would appreciate the intention of the families for income maximization given the limited options.

On the basis of the above it may be said that remittances play a significant role in the economic and social development process of the families of migrants and also in the country's economy.

## **1.5 SCOPE OF THE STUDY**

Remittance plays an extremely important role in sustaining the economy. It is the highest foreign exchange earning sector of the country. Macro economic growths in different sectors ranging from agriculture to service have direct correlation with migrants' remittance. It constitutes very important source of the country's development budget and the amount received through remittance is higher than foreign aid to Bangladesh (Siddique, 2004).

This study aims at identifying the flow of remittance from abroad. It also identifies the role of remittance in rural development, its uses and impacts in different socio-economic sectors in rural areas. And the final aim of this project is to explore the problems and potentials of remittance in effective uses for rural development.

The study aims to cover the existing condition of remittance in Brahmanbaria District by using sampling methods among different households through questionnaire survey. The reason for choosing Brahmanbaria is that, it is the fourth highest overseas employment sending district among the 64 districts of Bangladesh, which is almost 5.76% as a whole since 1976 till now (Appendix-I).

The main target of the research is to identify the role of remittance in rural development and to perform the task, certain objectives are settled down, which will guide throughout the whole study.

## **1.6 LIMITATIONS OF THE STUDY**

Every research has some limitations and this study has no exception. Attempts have been formed to accomplish the objectives set for the current study. But some constraints have limited the study in different stages in distinct ways. Below the limitations that are faced during the working period are stated:

- ❑ Only one thana has been selected for this study. Therefore, it may not be the typical condition of all other regions or thanas of the country.
- ❑ In some cases the local people did not response sincerely or present their opinions properly due to lack of willingness, knowledge or awareness.
- ❑ Resource constraints and lack of man power are also other limitations for conducting this study.



## **CHAPTER 02**

### **LITERATURE REVIEW**

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**Key Words:** Remittance, Rural Development

#### **2.1 REMITTANCE**

Remittances are transfers of money by foreign workers to their home countries. Migrant remittances, defined as transfers of funds from migrants to relatives or friends in their country of origin, have become an increasingly important feature of modern economic life.

Money sent home by migrants constitutes the second largest financial inflow to many developing countries, exceeding international aid. Latest World Bank estimates are that some US\$250 billion was remitted globally in 2006 and these figures are increasing by almost 30% year on year. Remittances contribute to economic growth and to the livelihoods of needy people worldwide. Moreover, remittance transfers can also promote access to financial services for the sender and recipient, thereby increasing financial and social inclusion.

(<http://en.wikipedia.org/wiki/Remittance#searchInput>)

##### **2.1.1 HISTORY**

Remittances are not new phenomena in the world, being a normal concomitant to migration which has ever been a part of human history. In the 1800s, the English usage of the word was usually to refer to money sent away from England - the opposite direction to today's usual usage of the term. A "remittance man" was an exile living on money sent from home. Within Victorian British culture, this often meant the black sheep of the family who was sent away (from the UK to the Empire), and paid to stay away.

Several European countries such as Spain, Italy or Ireland have been heavily dependent on remittances received from their emigrants during the 19th and 20th centuries. In the case of Spain, remittances amounted to the 21% of all of its current account income in 1946. All of those countries created policies on remittances developed after significant research efforts in the field. For instance, Italy was the first

country in the world to enact a law to protect remittances in 1901 while Spain was the first country to sign an international treaty (with Argentina in 1960) to lower the cost of the remittances received.

(<http://en.wikipedia.org/wiki/Remittance#History>)

### **2.1.2 IMPORTANCE**

Remittances are playing an increasingly large role in the economies of many countries, contributing to economic growth and to the livelihoods of needy people (though generally not the poorest of the poor). As remittance receivers often have a higher propensity to own a bank account, remittances promote access to financial services for the sender and recipient, an essential aspect of leveraging remittances to promote economic development.

During disasters or emergencies, remittances can be a vital source of income for people whose other forms of livelihood may have been destroyed by conflict or natural disaster. This is being increasingly recognised as important by aid actors who are considering better ways of supporting people in emergency responses.

(<http://en.wikipedia.org/wiki/Remittance#Importance>)

## **2.2 RURAL DEVELOPMENT**

Rural development in general is used to denote the actions and initiatives taken to improve the standard of living in non-Urban neighbourhoods, countryside, and remote villages. These communities can be exemplified with a low ratio of inhabitants to open space. Agricultural activities may be prominent in this case whereas economic activities would relate to the primary sector, production of foodstuffs and raw materials.

Rural development actions mostly aim at the social and economic development of the areas. These programmes are usually top-down from the local or regional authorities, regional development agencies, NGOs, national governments or international development organizations. But then, local populations can also bring about endogenous initiatives for development. The term is not limited to the issues for developing countries. In fact many of the developed countries have very active rural development programmes. ([http://en.wikipedia.org/wiki/Rural\\_development](http://en.wikipedia.org/wiki/Rural_development))

According to the South African Rural Development Framework/SARDF (1997:9), rural development can be defined as:

“Helping rural people set the priorities in their own communities through effective and democratic bodies, by providing the local capacity; investment in basic infrastructure and social services, Justice, equity and security; dealing with the injustices of the past and ensuring safety and security of the rural population, especially that of women ”

It aims to involve the community in finding solutions to their problems. The SARDF document seeks ways to:

- Involve rural people in decisions that affect their lives through participation in rural local government
- Increase employment and economic growth in rural areas
- Provide affordable infrastructure
- Ensure social sustainability in rural areas.

(cbdd.wsu.edu)

## **2.3 GLOBAL SCENARIO OF REMITTANCE**

Remittances constitute the second largest capital flow to developing countries. It is estimated that approximately 500 million people or 10% of the world’s population are sending or receiving remittances. It is less than the capital invested directly by private companies but more than official aid.

(Ratha, Dilip. 2003)

Remittances to developing countries from overseas resident and non-resident workers are estimated to have increased from US\$116 billion in 2003 to \$126 billion in 2004. This is almost twice the amount of Official Development Assistance (ODA) – US\$72 billion and 76% of total foreign direct investment (FDI). In Latin America and the Caribbean, \$45 billion were transferred as remittances in 2004, surpassing the level of FDI and ODA to that region combined.

(Carling, Jorgen. 2005)

A study commissioned by the Multilateral Investment Fund of the Inter-American Development Bank concludes that Latin America and the Caribbean are the main recipient areas of remittances in the world, receiving about 31% of total flows. South Asia is the second-largest remittance recipient area (20%), followed by the Middle East and North Africa (18%), East Asia and the Pacific (14%), Europe and Central Asia (13%) and Southern Africa (5%). [Carling, Jorgen. 2005]

While India, Mexico, Philippines, China and Turkey are the major remittance receiving countries, there is an escalating increase of remittances to African countries. From the perspective of the magnitude of the role of remittances in the overall economy, however the countries receiving the most remittances are small, middle income countries such as Jamaica, Jordan, El Salvador and Cape Verde where migrant transfers represent more than 10% of the GDP. [Carling, Jorgen. 2005]

Migration for employment has long played a crucial role in shaping South Asia. With over 40 percent of the regional population still living on less than a dollar a day, migration to meet basic needs and improve standards of living will continue to play an important role in the region. During the oil boom in the 1970s, the labour-surplus economies of South Asia were able to supply cheap labour to meet the growing labour demands in the Middle East. These labour markets, including those in East Asia, proved vital for South Asian economies. According to the World Bank, by 2004 remittances were injecting USD 3.4 billion into the Bangladeshi economy, USD 4.1 billion into Pakistan, and a staggering USD 23 billion into India – accounting for over 5 percent of the GDP in all three countries. [<http://www.himalmag.com>]

### **2.3.1 REMITTANCE SCENARIO OF INDIA**

India is the world's top receiver of remittances (Table 2.1). Growth in money sent home by its migrant workers has been dramatic in recent years, touching US\$ 17.4 billion in 2003, up from almost US\$14 billion in 2002, and over US\$ 11 billion in 2001.

[<http://go.worldbank.org/E6Y6IE0CQ0>]

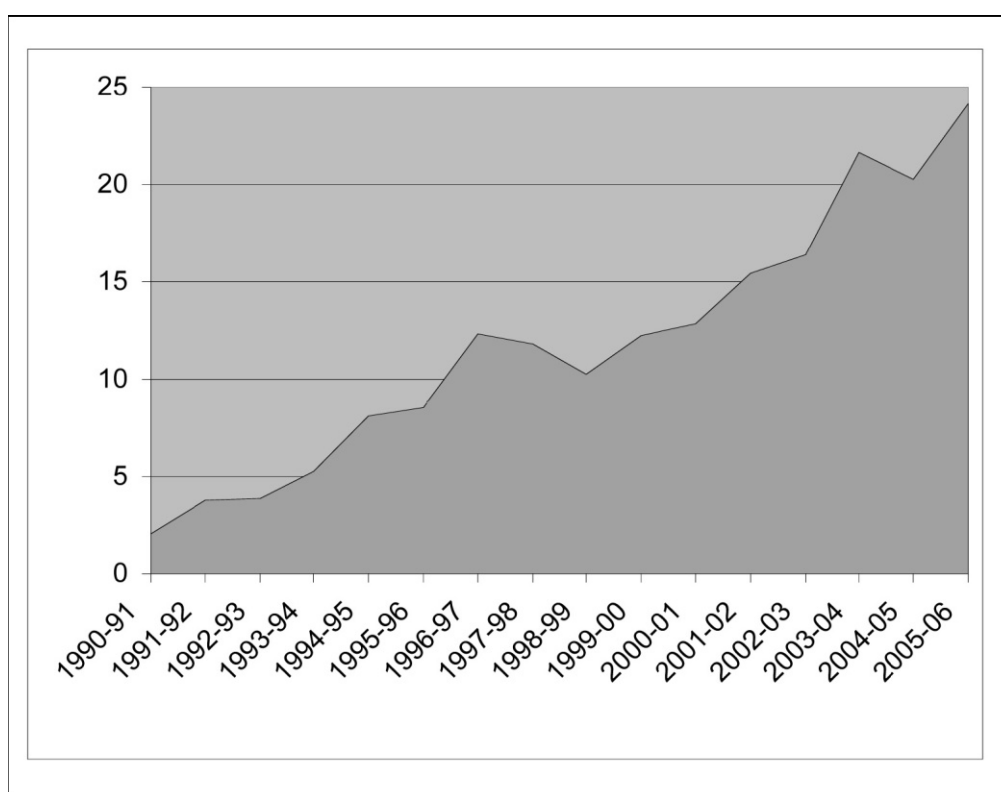
Table 2.1: Countries receiving the most remittances, 2003 (US\$ billion)

Country	Remittances in US\$ billion
<b>India</b>	<b>17.4</b>
Mexico	14.6
Philippines	7.9
China	4.6
Pakistan	4.0
Morocco	3.6
Bangladesh	3.2

Source: <http://go.worldbank.org/E6Y6IE0CQ0>

The Reserve Bank of India (RBI) has reported that Indian migrants transferred \$24.1 billion to India in fiscal year 2005-2006. India, thus, continues to retain its position as the leading recipient of remittances in the world. World Bank estimates for 2005 put India in the lead at \$23.5 billion, with China and Mexico close behind at \$22.4 billion and \$21.7 billion, respectively. [www. migration policy.org]

Figure 2.1: Remittances to India in Billions of US Dollars, 1990-1991 to 2005-2006



Source: Reserve Bank of India, March 2007

### **2.3.2 REMITTANCE SCENARIO OF SPAIN**

[<http://www.realinstitutoelcano.org/default.asp>]

According to the Bank of Spain, in 2003 foreign emigrants residing in Spain sent remittances totaling 2,895 million euros. This is a formidable figure; it almost trebles the Spanish Foreign Ministry's annual budget, easily exceeding the Development Aid granted by the country. In Spain, remittances are the main expression of international solidarity in economic terms, and the same is true globally, where the worldwide flow of remittances more than doubles Official Aid to Development globally.

Yet these flows are much more than family charity. In net terms, remittances are currently the main vehicle to transfer funds from rich to poor countries. In gross terms, they exceed development aid, foreign investment or tourist revenues in most developing countries, such as Morocco. Based on the official minimum wage rate in a more developed country like Bulgaria, remittances from Spain alone could pay the annual wages of 4.3 million workers.

Remittances sent from Spain have increased almost twelve-fold in the last decade, whereas the specific weighting of Spain in the worldwide total of these flows has increased eightfold. 3.18% of all global remittances are sent from Spain, ranking eighth worldwide (Table 2.2). The Spanish economy is therefore of capital importance for some developing countries. For example, remittances from Spain to Morocco in 2003 amounted to 3,205 million dirhams (300 million euros). This sizeable sum would be enough to cover the annual minimum wage of 118,000 Moroccans.

However, Spain is not aware of the importance of these flows and is not developing any programme to foment them. For example, the most reliable studies calculate that the cost of sending remittances could account for up to 15% of their total value. If Spain were to cut this figure by just one point, each developing country would receive 28.9 million euros more. If Spain were to cut the cost by 56%, as the United States did for remittances to Mexico, poor countries could receive 243 million euros more in remittances each year.

Table 2.2: Worldwide ranking of remittance issuing countries in 2002

<b>Country</b>	<b>Remittances in US\$ million</b>
European Union	33042
United States	29970
Saudi Arabia	15875
Germany	8181
Luxemburg	3973
France	3814
Italy	3581
Japan	3348
<b>Spain</b>	<b>2912</b>
Holland	2873
Israel	2634
United Kingdom	2155
Belgium	1757
Russia	1732
Korea	1398
Austria	1076

Source: <http://www.realinstitutoelcano.org>

The above table suggests that Europe has been the world's main issuer of remittances since statistical records began, well ahead of the United States, which ranks second, and Saudi Arabia, third. In 2002, the European Union sent remittances totalling 33,042 million dollars, a spectacular figure, similar to the GDP of a recent member of the EU such as Slovakia. It is hard to determine the reason for Europe's primacy in these flows. It could mean that Europe hosts more emigrants, or that solidarity here is higher, or simply that salaries are higher than in the US or Saudi Arabia.

[<http://www.realinstitutoelcano.org/default.asp>]

### **2.3.3 REMITTANCE SCENARIO OF NEPAL**

If anyone ever take an international flight from or to Nepal, it is nearly impossible to avoid running into groups of Nepali workers, with light bags and bewildered looks. With 300-500 Nepali workers leaving the country every day, this is hardly surprising.

Yet, these hardworking and honest people are an invaluable resource to Nepal's ailing economy. Statistics from Nepal Rastra Bank, the country's central bank, reveal that the Nepali economy in 2004/05 earned over USD 922 million in remittances from overseas workers – accounting for 12.4 percent of national GDP. With 30 to 50 percent of these remittances being transferred through informal channels, total remittances for that year could easily top USD 1.5 billion. More importantly, however, this money is spread throughout the country, providing significantly greater security against a potential economic crisis. [\[http://www.himalmag.com\]](http://www.himalmag.com)

### **2.3.4 REMITTANCE SCENARIO OF SOMALIA**

The system of remittances or wealth transfers from abroad, is a well-established practice in Somalia. Remittances are intimately linked to Somalia's role since the 1970s as a labor reserve for Gulf States and (since the mid-1980s) as a diaspora community in the West.

The United Nations Development Programme (UNDP) estimated that in 2004 remittances amounted to roughly USD 700 million–1 billion in Somalia, of which USD 360 million was directed at the subsistence of families, with the remainder going to business and investment. In 2005, the World Bank estimated that the total volume of remittances to Somalia was more than USD 825 million. [\[Anna Lindley, 2006\]](#)

According to International Monetary Fund (IMF) trading partner data, in 2004, export and import values were USD 265 million and USD 461 million, respectively (World Bank, 2005). International aid from UN and bilateral and multilateral donors was USD 170 million in 2002, and USD 272 million was pledged for 2003. In 2002, total household income for Somalia was estimated at USD 1.5 billion. Thus, taking USD



360 million as a conservative estimate of ‘family remittances’, remittances may constitute 25 per cent of household income, compared with 50 per cent made up by self-employment and 14 per cent made up by wage employment.

[Anna Lindley, 2006]

When one considers that most of the Somali population is living off of less than one dollar per day, that the injection of hard currency from abroad is essential in enabling Somalia (which has a chronic balance of trade deficit and a local currency of little value) to purchase staple food imports like rice, sugar, and flour, and that the remittances tend to have a “multiplier effect” in local communities, indirectly benefiting households which do not receive remittances themselves, the importance of remittances to Somali food security is hard to overestimate. [Ken Menkhaus, 2001]

Without access to remittances, Somalia – which already faces very severe economic duress and a worsening food crisis – would slip into famine and malnutrition levels akin to what was witnessed there in 1991-92. The remittances very much constitute a life support system for a comatose economy like Somalia.

[Ken Menkhaus, 2001]

### **2.3.5 REMITTANCE SCENARIO OF HAITI**

Taken together, Haitian migrant and other transfers for 2005 are expected to show an estimated value of USD 919 million. This is a huge figure for a poor country with a population of slightly more than eight million, but it is not disaggregated by place, type of recipient, average amounts or intended use and it is not limited to family remittances.

[Patricia Fagen, 2006]

According to the World Bank’s most recent country overview, private transfers, mainly remittances, have more than doubled from USD 256 million in 1997 to USD 650 million in 2002, representing 19 per cent of Haiti’s gross domestic product (GDP). Already, remittances are well over 100 per cent of the value of the nation’s exports and surpass international assistance. Most remittance funds come from the United States, followed by Canada and France. However, the monthly remittances

sent by Haitians in the US average only USD 179.3 Although significant numbers of Haitians live in the Dominican Republic, Jamaica and the Bahamas, and sacrifice their own well-being to send or transport remittances, the amounts overall are still small.

[Patricia Fagen, 2006]

### **2.3.6 REMITTANCE SCENARIO OF PHILIPPINES**

The Philippines is a remittances receiving developing country with an estimated population of more than 85 million people in 2005. They have the largest out-migration (relative to population) of any country in East or South-East Asia; somewhere in the region of 1 million people. The estimated remittances to the Philippines in 2005 were around 10.7 billion USD. These factors put the Philippines policy makers in a situation where knowledge about remittances' consequences is of great importance. Remittances have great impact on the domestic economy of the Philippines as remittances represent some 13.5 percent of GDP.

[Peter Holmvall, 2006]

The USA is a highly developed country with colonial ties to the Philippines. As the old colonial power of the Philippines the USA have been the main receiving country of the historical permanent migration from the Philippines. The large networks of Filipino migrants in the USA inspire and help prospect migrants in their efforts to migrate to the USA. A large share of the permanent migration should go to the USA.

Most of the permanent migration from the Philippines 1981-2003 has been to the USA. About 80 percent of total migration in 1981 went to the USA and during the 1980s the Filipino migration to Canada, Australia and Japan increased which resulted in a decrease on about 10 percentage points in migration to the USA (Figure 2.2 and 2.3). Migration to the USA stayed at a steady high amount of people and was still the largest receiver of migrants in the end of the 1980s even though the share of migration to the USA decreased.

[Peter Holmvall, 2006]

Figure 2.2: Permanent migration (1981-2003): Country of destination: USA, Total and USA's share of total

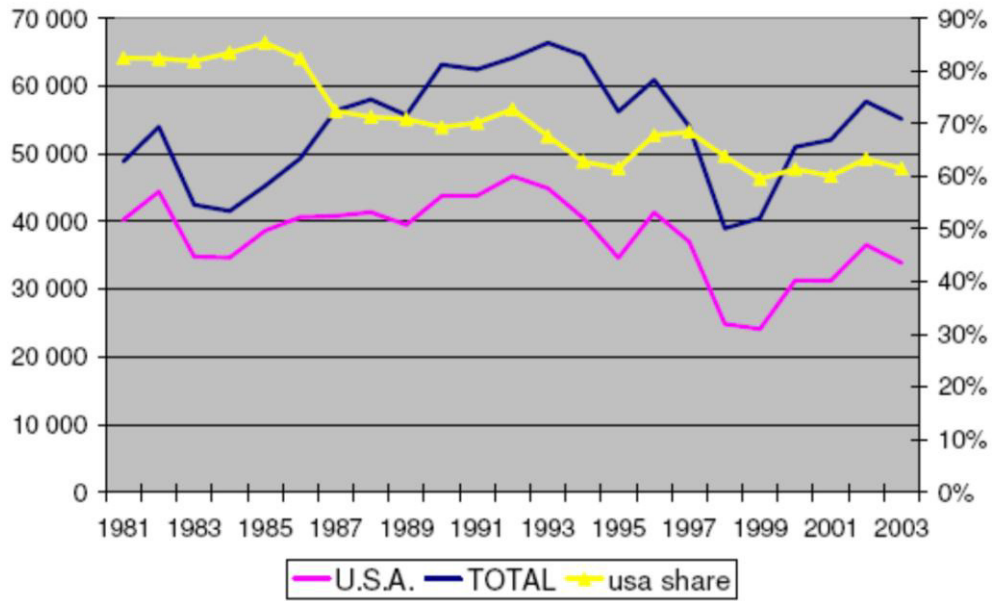
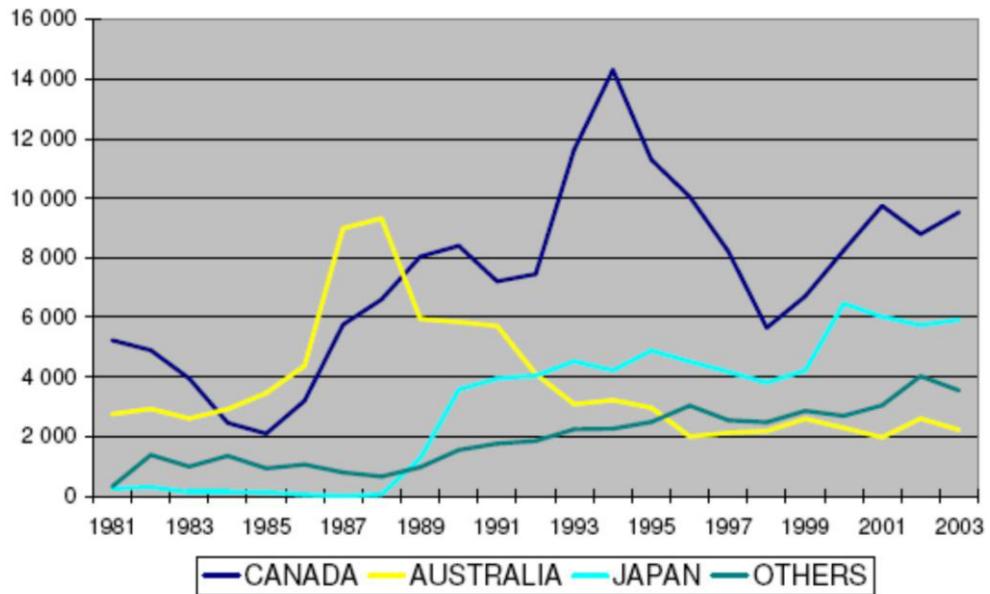


Figure 2.3: Permanent migration (1981-2003): Country of destination: Australia, Canada, Japan and others (excluding USA)



[Peter Holmval, 2006]

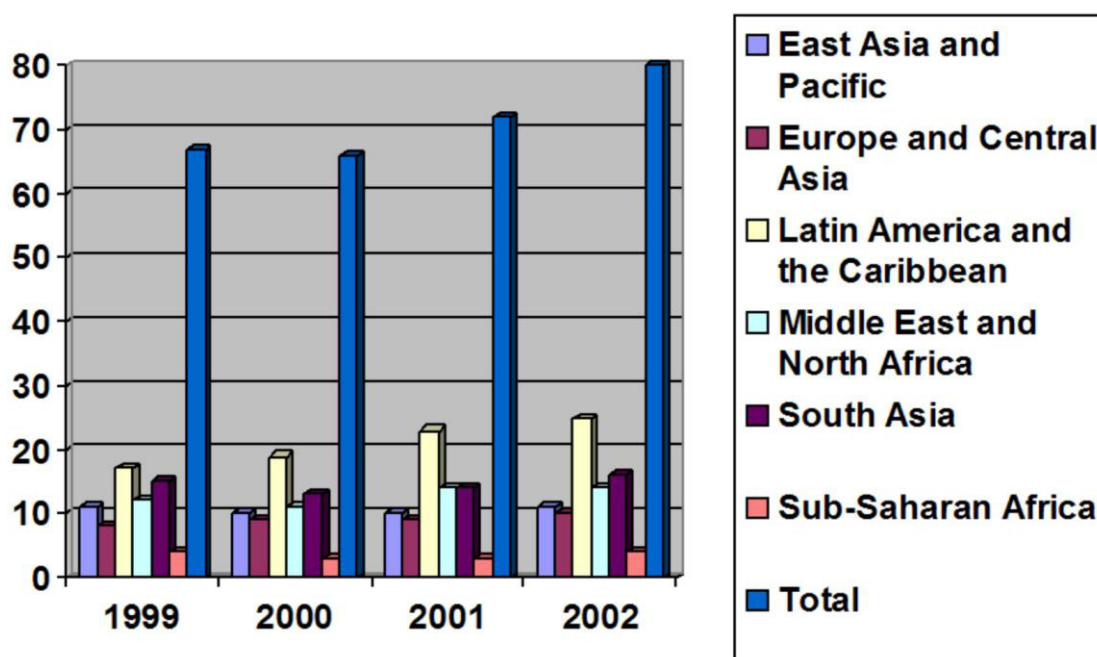
### 2.3.7 REMITTANCE SCENARIO OF PAKISTAN

Since independence in 1947 – an event that itself was profoundly linked to migration – millions of people have immigrated to and emigrated from Pakistan, resulting in a vast network of migrant connections around the world. The Pakistan government puts the current expatriate population at around seven million, many of them residing in much richer countries in the West and the Persian Gulf.

As a result, Pakistan is one of the largest recipients of remittances in the developing world. For many years, official remittances have exceeded either foreign direct investment or official development assistance. In the 1980s, remittances were linked to a rapid decline in poverty levels and in recent decades the level of official remittances has continually increased. In 2005–2006, official remittances reached some \$430 million, an increase of over 10% over the previous year. It is important to stress that estimating remittance flows accurately is fraught with difficulties, and the data needs to be treated with great caution. The main sources of overseas remittances are Saudi Arabia, the United Arab Emirates (UAE), the UK and the US.

[Abid Qaiyum Suleri and Kevin Savage, 2006]

Figure 2.4: Distribution of global remittances received by region between 1992 and 2002



Source: IMF and World Bank Data, 2003

Remittances are one of the most visible - and beneficial - outcomes of global migration which has risen markedly in recent years due to persistent income inequalities between nations. The United Nations estimates that about 175 million people, or roughly 3 percent of the world's population, lived and worked outside the country of their birth in 2000, up from 120 million in 1990.

Workers' remittances undoubtedly help ease poverty and improve living standards in their home countries by enabling better health care, nutrition, housing, and education. In many communities, however, the money is often put to unproductive uses such as buying land and building houses.

With migration set to rise in the coming years as a result of globalization, remittances can be expected to grow steadily well into the foreseeable future. Therefore, both remitting and recipient countries are considering the long-term economic implications of these transfers.

## **2.4 REMITTANCE SCENARIO OF BANGLADESH**

Between 1976 and 2002 Bangladesh received US\$ 30,400 million in official remittances. In the last years official remittances have increased to US\$ 3.8 billion annually. Most international remittances come from the Middle East and thus from temporary migrant workers. Saudi Arabia accounts for more than 40 per cent.

The diaspora also takes a large share, with the USA accounting for 14 per cent of the remittance flow. Besides official channels, money is remitted by hundi or hand carried by the migrant or friends or family of the migrant. These informal channels probably equal the amount sent by formal channels. The former are often quicker, cheaper (also in terms of exchange rate), easier, more accessible and more confidential than the latter. However, they can also be less reliable. [Tom De Bruyn, 2006]

#### **2.4.1 ORIGIN AND SCOPE OF MIGRANTS' REMITTANCE**

International labour migration from Bangladesh has a long history. In the early 1940s work opportunities in British merchant ships paved the way for migration for Bangladeshis. The migration route has taken various twists and turns since then, but voyages beyond borders in search of better life still continues unabated. The present form of labour migration, with which this study is concerned, mainly began in the 1970s to cater to the labour needs of the Middle Eastern countries. Gradually, such migration also expanded to the newly industrialised countries of Southeast Asia. The foremost character of this type of migration is its short duration. This migration takes place on the basis of specific job contracts. Almost all of those who participate in this labour market return to Bangladesh on completion of their contracts.

[Siddiqui, T and C R Abrar, 2003]

#### **2.4.2 FLOW OF MIGRANT WORKERS**

Systematic recording of information on migration of Bangladeshi workers began in the mid-70s. Bureau of Manpower, Employment and Training (BMET) of Labour Ministry, maintains the record. Table 2.3 captures the total number of 'official' flow of migrant workers over almost the past quarter of this century. The table suggests that the highest number of people migrating from Bangladesh was in the year 1997 (381,077).

BMET 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, labourer are classified as unskilled. Table 2.3 shows that the skill composition of those who migrated over this period, in general, indicates a consistent level of comparatively high proportion of semi and unskilled migrant workers.

Table 2.3: Total No. of People Officially Migrated Yearly, Their Skill Composition and Remittance Sent by Them during 1976-2000

Year	Professional	Skilled	Semi-Skilled	Un-Skilled	Total	Remittance (US\$ Million)
1976	568	1,775	543	3,201	6,087	23.71
1977	1,766	6,447	490	7,022	15,725	82.79
1978	3,455	8,190	1,050	10,114	22,809	106.90
1979	3,494	7,005	1,685	12,311	24,495	172.06
1980	1,983	12,209	2,343	13,538	30,073	301.33
1981	3,892	22,432	2,449	27,014	55,787	304.88
1982	3,898	20,611	3,272	34,981	62,762	490.77
1983	1,822	18,939	5,098	33,361	59,220	627.51
1984	2,642	17,183	5,484	31,405	56,714	500.00
1985	2,568	28,225	7,823	39,078	77,694	500.00
1986	2,2210	26,294	9,265	30,889	68,658	576.20
1987	2,223	23,839	9,619	38,336	74,017	747.60
1988	2,670	25,286	10,890	29,356	68,121	763.90
1989	5,325	38,820	17,659	39,920	101,724	757.84
1990	6,004	35,613	20,792	41,405	103,814	781.54
1991	9,024	46,887	32,605	58,615	147,131	769.30
1992	11,375	50,689	30,977	95,083	188,124	901.97
1993	11,112	71,662	66,168	95,566	244,508	1,009.09
1994	8,390	61,040	46,519	70,377	186,326	1,153.54
1995	6,352	59,907	32,055	89,229	187,543	1,201.57
1996	3,188	64,301	34,689	109,536	211,714	1,355.34
1997	3,797	65,211	193,558	118,511	381,077	1,525.03
1998	9,574	74,718	51,590	131,785	267,667	1,599.24
1999	8,045	98,449	44,947	116,741	268,182	1705.74
2000 (Jan. March)	202	20853	5515	17791	46271	1949.32
<b>Total</b>	<b>108,569</b>	<b>798,860</b>	<b>591,506</b>	<b>1,180,146</b>	<b>2,679,171</b>	<b>19,907.17</b>

Source: Prepared from BMET and Bangladesh Bank Data 1999

However, from 1976 to 1981 the professionals and the skilled workers outnumbered the semi and unskilled ones, i.e., more than 50%. Though the share of unskilled workers claims the major part (44%) among the whole bulk of the migrants, it has been showing a frequent fluctuating trend within the range of 31% to 53% during the period 1976-99. [Siddiqui, T and C R Abrar, 2003]

### 2.4.3 DESTINATION

Bangladesh export migrant workers to 13 Middle Eastern and North African countries. Only 8 countries among them, account for more than 82% (24, 10,690) of the total migrants till now. These countries are Saudi Arabia, UAE, Kuwait, Qatar, Iraq, Libya, Bahrain and Oman of which Kingdom of Saudi Arabia, alone accounts for nearly half of the total number of workers who migrated from Bangladesh during the period 1976-99. [Siddiqui, T and C R Abrar, 2003]

Table 2.4: Migration by Country of Employment 1976-2000 (March)

Country	K.S.A	Kuwait	U.A.E	Qatar	Iraq	Libya	Bahrain	Oman	Malaysia	Korea	S.Pore	Others	Total	Remittance	
Year														Million US	(Crore Tk.)
1976	217	643	1989	1221	587	173	335	113				809	6087	23.71	35.85
1977	1379	1315	5819	2262	1238	718	870	1492				632	15725	82.79	125.16
1978	3212	2243	7512	1303	1454	2394	762	2877	23			1029	22809	106.9	165.59
1997	6476	2298	5069	1383	2363	1969	827	3777			110	223	24495	172.06	266.95
1980	8695	3687	4847	1455	1927	2976	1351	4745	3		385	2	30073	301.33	492.95
1981	13384	5464	6418	2268	13153	4162	1392	7352			1083	1111	55787	304.88	620.74
1982	16294	7244	6863	6252	12898	2071	2037	8248			331	524	62762	490.77	1176.84
1983	12928	10283	6615	7556	4932	2209	2473	11110	23		178	913	59220	627.51	1568.76
1984	20399	5627	5185	2726	4701	3386	2300	10448			718	1224	56714	500	1265.49
1985	37133	7384	8336	4751	5051	1514	2965	9218			792	550	77694	500	1419.61
1986	27235	10286	8790	4847	4728	3111	2597	6255	53		25	254	68658	576.2	1752.85
1987	39292	9559	9953	5889	3847	2271	2055	440				711	74017	747.6	2313.94
1988	27622	6524	13437	7390	4191	2759	3268	2219	2			709	68121	763.9	2423.59
1989	39949	12404	15184	8462	2573	1609	4830	15429	401		229	654	101724	757.85	2446
1990	57486	5957	8307	7672	2700	471	4563	13980	1385		776	517	103814	781.54	2691.63
1991	75656	28574	8583	3772		1124	3480	23087	1628		62	585	147131	769.3	2818.65
1992	93132	34377	12975	3251		1617	5804	25825	10537		313	293	188124	901.97	3513.26
1993	106387	26407	15810	2441		1800	5396	15866	67938		1739	724	244508	1009.09	3986.97
1994	91385	14912	15051	624		1864	4233	6470	47826	1558	391	2012	186326	1153.54	4629.63
1995	84009	17492	14686	71		1106	3004	20949	35174	3315	3762	3975	187543	1201.52	4838.31
1996	72734	21042	23812	112		1966	3759	8691	66631	2759	5304	4904	211714	1355.34	5685.3
1997	106534	21126	54719	1873		1934	5010	5985	152844	889	27401	2762	381077	1525.03	6709.15
1998	158715	25444	38796	6806		1254	7014	4779	551	578	21728	2602	267667	1599.24	7513.18
1999	26286	3324	39120	864		239	666	713		136	1000	563	268182	1806.63	8882.74
2000 (Jan-March)	32701	278	7014	715		484	815	1220	30	264	2584	166	46271	478.50	2440.34
Total	1318693	302970	338114	90713	66343	46686	75779	214620	385526	10864	78087	13139	2956243	18537.19	69783.48

Source: Prepared from BMET and Bangladesh Bank data 2000



Saudi Arabia is the largest employer of Bangladeshi migrant workers. From 1976 to February 1999 altogether 2,679,171 people have migrated from Bangladesh on overseas employment. Of this figure 1,126,539 have gone to Saudi Arabia during this period. In 1998 alone altogether 267,667 persons went overseas on employment; more than half the number, i.e., 158,715 had gone to Saudi Arabia.

From the late 1980s to 1997 Malaysia used to be the second largest employer of Bangladeshi migrant workers. However, due to financial crisis, the number of Bangladeshis migrating to Malaysia fell drastically. If one counts the total number of people from 1976 to 1999, Malaysia still stands in the second position among the Bangladeshi labour importing countries (3, 85,019). Other major countries of destination for migrant workers are UAE, Kuwait, Oman, Qatar, and Bahrain.

[Table 2.4]

#### **2.4.4 FLOW OF REMITTANCE**

The massive outflow of Bangladeshis generated significant financial flows, in the form of remittances, which have become a valuable and inexpensive source of foreign exchange available for economic development of the country. Information on the annual flow of remittance from migrant workers is not available from BMET. The Statistics Department of Bangladesh Bank records the annual flow of remittance from all over the world.

Table 2.4 also shows that the remittance sent by migrant workers has grown over time. It has increased from a paltry figure of US\$23.71m (1976) to US\$1806.63m (1999). Nonetheless, it is important to note that the yearly growth rate of remittance is much less than the growth rate of the total number of migrant workers. More information can be found from Appendix-II & III.

#### **2.4.5 METHODS OF TRANSFERRING REMITTANCE**

Migrants use different methods in sending remittance involving both official and unofficial channels. Officially, transfer of remittance takes place through demand draft issued by a bank or an exchange house; travelers' checks; telegraphic transfer; postal order; account to account transfer; automatic teller machine (ATM) facilities; electronic transfer and in kind.

When remittances are transferred directly from the foreign account of migrant worker to his own account at home it is known as direct transfer. This can be through telegraphic means or otherwise. Remittances are frequently sent through demand draft in Taka issued by a bank or an exchange house in favour of a nominee of migrant. Usually the draft is sent by post or in emergency by courier service.

One can send remittance through the postal authorities. In such case the remitted money is handed over to the receiver by the local post office. Travellers' cheques are also used as a means to send remittance. However they will be treated as official transaction when they are encashed through banks.

Hundi or Money Courier is the most common among the unofficial channels of transfer. Hundi refers to illegal transfer of resource outside the international or national legal foreign currency transfer framework. Organised groups based in diverse cities such as London, New York, Dubai, Kuala Lumpur and Singapore conducts hundi operation through their partners in Bangladesh or in the region. Besides this, other unofficial methods are, sending remittance through departing friends and relatives; personally hand carried by the senders themselves without declaration, and in the form of visa/ work permit for sell or family use.

## **2.4.6 ACTORS IN REMITTANCE TRANSFER**

There are several actors involved in the area of remittance transfer. Among them, Ministry of Finance (MoF) and Bangladesh Bank (BB) are the two most important institutions.

Besides, Ministry of EWOE (MoEWOE); Ministry of Foreign Affairs (MoFA); Ministry of Commerce (MoC); Bureau of Manpower, Employment and Training (BMET); National Savings Bureau (NSB); Privatisation Commission (PC) and Board of Investment (BoI) are other relevant ministries and agencies in the public sector.

Nationalised Commercial Banks (NCBs), Private Commercial Banks (PCBs), and exchange houses holding drawing arrangements with public and private banks operating in Bangladesh are the other public and private actors.

A new bank, established by a Micro-finance Institution (MFI) and Refugee and Migratory Movements Research Unit (RMMRU) of the University of Dhaka are two of the recent non-traditional players in the area of remittance.

## **2.4.7 LEGAL AND REGULATORY FRAMEWORK OF LABOUR MIGRATION**

This section examines the legal and regulatory framework that governs migration – focusing on the rights that exist for Bangladeshi migrant workers and the extent to which these are enjoyed in practice.

### **2.4.7.1 INTERNATIONAL INSTRUMENTS**

The ILO is the longest-established organization dealing with migration of labour. The first session of the International Labour Conference in 1919 highlighted the issue of equality of treatment between nationals and migrant workers, and the coordination of migration policies between states on the one hand and between government, employers' and workers' organizations on the other.

The 1990 UN International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families (ICMW) is the most comprehensive instrument relating to migrant workers. It ensures rights to both regular and irregular, and male and female migrants.

It affirms that migrants are both social and economic beings. It is important to note that none of the Bangladesh labour-receiving countries has ratified the ILO Conventions or the 1990 UN Convention on migration. Bangladesh itself has not ratified the ILO Conventions. And although it has signed the UN Convention, it has not yet ratified this. Therefore, migrant workers from Bangladesh cannot receive protection through these international instruments. [Tasneem, 2004]

#### **2.4.7.2 NATIONAL INSTRUMENTS**

In order to manage and provide better protection to the migrants, a number of different measures have been introduced by successive governments in Bangladesh, including new ordinances, statutory regulatory orders and framed rules.

##### **(a) The Emigration Ordinance, 1982**

In 1982, the then Government promulgated an Emigration Ordinance, which is the key regulatory instrument in relation to migration. Under the terms of the Ordinance, only those with valid travel documents are allowed to emigrate.

A letter of appointment or work permit from a foreign employer or an employment or emigration visa from a foreign government is considered to be a valid document. A person who is selected by a foreign employer through an organization or a recruiting agent recognized by the government under an agreement between the two governments will also be allowed to emigrate. [Tasneem, 2004]

### **(b) Statutory and Regulatory Orders**

On 11 April 1983, by a notification<sup>8</sup> of the Labour and Manpower Ministry, the then Government set up four Special Courts in each of the divisions of the country (Dhaka, Chittagong, Khulna and Rajshahi). Subsequently, on 25 March 1985, by another Order<sup>9</sup> the Director General of BMET, managers of employment exchanges and assistant directors of district employment and manpower offices were authorized to lodge complaints to the Special Courts. [Tasneem, 2004]

### **(c) Migration of Women**

In 1981, the then Government issued a circular imposing a ban on the migration of all categories of female workers other than professionals. In 1987, the ban was replaced by the imposition of restrictions on the migration of women of unskilled and semi-skilled categories. In 1997, a ban was again imposed on all categories of woman workers, including professionals. Later the same year this was changed from a ban to restrictions, from which professionals were excluded. In 2003, the then Government eased the restrictions on the migration of unskilled and semi-skilled women over 35. However, those under 35 are still not allowed to migrate on their own. [Tasneem, 2004]

### **(d) Rules Framed**

In December 2002, the then Government framed three rules under the 1982 Ordinance: Emigration Rules; Rules for Conduct and Licensing Recruiting Agencies; and Rules for Wage Earners' Welfare Fund. [Tasneem, 2004]

## **2.4.7.3 REGULATORY INSTRUMENTS**

There are two regulatory instruments that apply to remittance. These are, Foreign Exchange Regulation Act, 1947 and Money Laundering Prevention Act, 2002. Foreign exchange regulation act is operational for a long time, whereas Money Laundering Prevention Act is a recent creation.

### **(a) Foreign Exchange Regulation Act, 1947 (As modified upto 1996)**

The Foreign Exchange Regulation Act, 1947 is the primary regulatory instrument of Bangladesh with respect to all kinds of foreign exchanges including that of foreign currency transfer like remittance. The act came into being on 11 March 1947. But it has been modified several times upto 30 June 1996.

**Evaluation:** Foreign Exchange Regulation Act, 1947 is an all encompassing legislation that covers all kinds of foreign exchange transfer. This act does not have any specific section on migrant remittance. Under the broad umbrella of the act, the Foreign Exchange Policy Department has framed guidelines to manage remittance movement. [Tasneem, 2005]

### **(b) Money Laundering Prevention Act, 2002**

The Money Laundering Prevention Act, 2002 received the consent of President to become a law on 5 April 2002. The act was amended in 2003. The act understands 'money laundering' as illegally earning or gaining resources directly or indirectly and as perpetrating or assisting in illegal transfer, conversion or concealing position of legal or illegal resources earned or gained directly or indirectly.

**Evaluation:** Bangladesh is the first South Asian nation to have specific law for prevention of money laundering and money laundering court for trial of such cases. Pakistan and Sri Lanka is yet to establish such specialised laws and courts to deal with money laundering. India has framed money laundering law in 2003.

Since introduction of the act, BB received around 300 complaints of money laundering. After investigation, 17 of them turned out to be criminal offences. All 17 cases are currently under trial. However, in general, prosecution process in Bangladesh is extremely slow paced. In many instances, cases remain unresolved for decades. For effective implementation, prosecution process has to be streamlined, of course, maintaining due course of law. [Tasneem, 2005]

#### **2.4.8 NATURE OF REMITTANCES AND THE BANGLADESHI MIGRANTS IN UAE**

The United Arab Emirates (UAE) is one of the oil rich countries of the Middle East. The British withdrew from the territory in 1971. It was after the discovery of oil in the mid-1970s that major development work began there. Due to the shortage of indigenous labour UAE became dependent on foreign labour and Bangladesh became a major supplier of labour. The earliest figure available on international labour migration from Bangladesh shows that during the first three years UAE was the largest recipient of the Bangladeshi labour. Gradually of course few other countries surpassed UAE.

Yet, UAE is the receiver of 11.38% of Bangladeshi workers who go abroad through official channel. From the perspective of remittance flow as well, UAE is an important country. From 1994-95 to 1999-2000 UAE was the third largest remittance sending country of Bangladesh preceded by Saudi Arabia and Kuwait. In 1996-97 UAE stood fourth as remittances from Oman of that year surpassed UAE.

The country is inhabited by three million people. Expatriate community comprises three-fourth of the country's total population. Bangladeshis with ten percent of expatriate population constitute the third largest workforce of UAE.

Almost 200,000 Bangladesh workers live in these six Emirates that are looked after by the Bangladesh consulate based in Dubai. Most are in construction work, cleaning, garments manufacturing, agriculture, and plumbing, electrical and motor mechanic work. In addition there are vendors (vegetable, meat and fruits).

In the Friday market thousands of Bengali fruit and vegetable vendors can be seen. There are also small shop-keepers dealing in grocery, perfume and cosmetics. A good section of Bangladeshis are employed in the government agencies such as Dubai Municipality and Dubai Electric and Water Authority (DEWA).

Most are employed as menial labourers, though there are some professionals in these organisations as well. In addition, there are a handful of other professionals – bankers, working in Arab and western banks, and doctors. The government jobs are secured and job contracts, including payment of salary, are generally honoured. However, there have been some problems in the private sector where salaries are often kept unpaid for as many as two to six months. Sometime workers are made to work for longer period without compensating them for overtime.

[Siddiqui, T and C R Abrar 2003]

#### **2.4.9 BANGLADESHI MIGRANT WORKERS IN MALAYSIA'S CONSTRUCTION SECTOR**

Even before the country's independence in 1971, people from what was then East Pakistan (now Bangladesh) were already migrating to other countries in search of jobs. Large-scale migration began in 1976, when the cash-rich Middle Eastern countries undertook massive development projects following the oil price hike in 1973. The crisis in the Persian Gulf during the period 1990-1991 prompted a shift in focus to South-East and East Asia.

Fortuitously at that time, Malaysia was already suffering from acute labour voids - more so than other countries in the region. Consequently, in 1992, Malaysia entered into an agreement with Bangladesh for the systematic transfer of labour on a large scale. Hence, the Bangladesh-to-Malaysia labour movement was augmented from that year onwards.

The importation in 1986 of 500 Bangladeshis to service the plantation sector on a trial basis was a precursor to the mass labour movement. In 1994, Malaysia entered into another agreement with Bangladesh for the annual importation of 50,000 workers, mostly for the construction industry, although the aftershock of the Asian Financial Crisis damaged the programme.



Almost all early migrants traveled abroad on their private initiative. In the mid-1970s, the Government of Bangladesh set up an institutional framework, the Bureau of Manpower, Employment and Training (BMET) under the Ministry of Labour, to regularize the procedures for labour export. From that time onwards, all foreign employment was required to be cleared by BMET while private recruitment agents were required to have a license to avoid fraudulent deals.

As an example, it should be mentioned that 6.4 per cent of the surveyed Bangladeshi site operatives admitted not having proper work and travel documents. The actual number must have been higher as it is the nature of people in such circumstances not to disclose their status for fear of punishment and deportation. In fact, to another survey question, 14.9 per cent admitted working previously in other economic sectors before entering construction.

It is common practice for the main contractors to provide temporary accommodations for construction site operatives, often without charge for those whose homes are too distant for daily commuting. While some accommodations are decent, the majority are erected perfunctorily using the cheapest, even discarded, building materials. At worst, they are nothing more than dilapidated shacks. Conditions inside can be quite deplorable - crammed, dimly lit and poorly ventilated. Sanitation, surface water drainage and rubbish disposal are typically crude.

The inhabitants of such accommodations tend to be dominated by foreign nationals. There is no legislative and regulatory provision that the authorities can invoke to require main contractors to provide decent accommodations for site operatives. This is so despite the public health menace that such places can pose not only for the foreign workers but also for the general population.

The Bangladesh High Commission made known during an interview the complaints it has received from its citizens about improper accommodations. On this note, it can be seen that the dissatisfaction level of the Bangladeshis concerning site accommodations was actually higher than for the entire foreign worker population.

Further, workplaces are often raided by the police to apprehend foreign workers who have entered the country illegally. Tempted by the opportunity to make quick money, some dishonest policemen have taken advantage of their position to extort money from these people in return for acquiescence; they often make their raids on paydays. Bogus policemen have also been caught extorting money from workers.

As a consequence of the different perception that employers had about the various foreign nationality groups, wage segmentation prevails in the Malaysian construction industry, with the Indonesians commanding the highest wage level and the Bangladeshis the lowest. This phenomenon is so despite a policy introduced in 1991 by the Malaysian government to ensure equal wages and benefits for foreign labour.

In a host country setting where immigrant labour is composed of various nationalities, labour hierarchy is bound to prevail. In Malaysia's construction industry, Bangladeshis have been relegated to the lowest stratum. The situation that has been arisen parallels the construction boom period of the early 1980s in the Middle East when workers from Bangladesh were treated similarly. Even today, labour market segmentation still remains intact in that part of the world.

There are steps that the Government of Bangladesh could take to forge a change in preference by Malaysian construction employers for various nationality groups. For a start, it could ensure that only skilled workers are sent to work in Malaysia's construction industry. A skills training programme for prospective international migrant workers should be introduced or otherwise expanded.

The Bangladesh High Commission has indicated that, as part of the regularized migration process to Malaysia, every departing Bangladeshi is required to undertake an orientation course to highlight the social conduct acceptable to the local populace in their new home in order to preserve multiracial harmony. Further, the intending migrants should be forewarned of the possibility of being treated as a discordant element in the host community.

[Rashid and Aziz, 2001]

## **CHAPTER 03**

### **METHODOLOGY OF THE STUDY**

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The procedures which are followed to achieve the objectives and carry out the entire study are described in this chapter. A flow chart is also given showing the steps concisely relating to carry out the study is attached at the end of this chapter.

#### **3.1 SELECTION OF THE PROJECT**

Rural development means poverty alleviation through increase in income, creating job opportunities for all, improving living conditions through rural infrastructure development and undertaking social and welfare activities and ensuring people of their basic needs of their living. In this context remittances play a major role in developing the rural socio-economy. This is why the project 'Role of Remittance in Rural Development' has been chosen.

##### **3.1.1 SELECTION OF THE STUDY AREA**

For the purpose of carrying out the project and to attain the objectives, Bancharampur Upazila of Brahmanbaria district, has been chosen as the study area. Brahmanbaria District has the fourth highest percentage of overseas employment rate among all the districts of Bangladesh. Moreover remittance flow is highest in Bancharampur Upazila among all the Upazilas of Brahmanbaria District. This is why Bancharampur Upazila has been selected as the study area.

##### **3.1.2 FORMULATION OF OBJECTIVES**

To carry out this project effectively and efficiently and to reach the goal, some objectives are confronted before the commencement of the project on the study area.

##### **3.1.3 PREPARATION OF CO-ORDINATION SCHEMA**

Under the objectives some research questions are selected and finally a co-ordination schema is prepared. To do this some complex and simple variables are declared; where the possible data type and source are also measured.

### **3.1.4 PREPARATION OF QUESTIONNAIRE AND CHECKLIST**

In this stage a questionnaire is prepared for household surveying and a checklist is also prepared to collect information from various public and private officials and institutions.

## **3.2 DATA COLLECTION**

### **3.2.1 PRIMARY DATA COLLECTION**

This project is mainly dependent on primary data which come out through carrying out both the field survey and the questionnaire survey in respect of the socio-economic aspects.

#### **3.2.1.1 RECONNAISSANCE SURVEY**

To gather an idea about the overall situation of the Upazila, reconnaissance survey is conducted first. This survey also helps in planning the working procedure to execute the entire project.

#### **3.2.1.2 FIELD SURVEY**

Field survey is helpful to get some specific information like the settlement pattern, physical and environmental condition and overall idea of the project area. That's why field survey is important. Through out the field survey the project team has gone to many public and private officials and institutions, banks and NGOs of Bancharampur Upazila.

Among them the Chairman of a union, some influencing people of the area and some officials from different banks and NGOs are notable. Islami Bank, Agrani Bank, Grameen Bank, and BRAC, ASA NGOs are surveyed.

### **3.2.1.3 QUESTIONNAIRE SURVEY**

The questionnaire survey is conducted among the inhabitants of Bancharampur Upazila and thus it has been tried to cover people from all strata and socio- economic status to obtain a fare picture, but the families are included those who have at least one migrant member. The purposes behind conducting this questionnaire survey are to know information about household characteristics, family structure, their sources of remittances, problems getting remittances, uses of these remittances, its impacts etc.

Sample unit: Each household has at least one migrant member

Sample size: 45 households

### **3.2.2 SECONDARY DATA COLLECTION**

Data from secondary sources are great help in executing any project. In this project Banglapedia, Internet, Library Books and reports provided secondary information to determine the working procedures to carry out the entire study.

#### **3.2.2.1 DIFFERENT PUBLIC AND PRIVATE INSTITUTIONS**

Some data has been collected from Bangladesh Bank, RMMRU, different embassies, and the department of international relations of Dhaka University and from other institutions related to migration and remittance.

#### **3.2.2.2 JOURNALS, REPORTS AND INTERNET**

To realize the concept of rural development and remittance, and collect some other information many papers and documents are collected from internet and libraries. In this regard various journals, reports and papers have been overviewed.

### **3.3 PREPARATION OF DATABASE**

Data collected at the end of all types of surveys, a complete data base of the concerned aspects is prepared using SPSS 12.0 (Statistical Package for Social Science).

### **3.4 DATA ANALYSIS AND INTERPRETATION**

The data and information, which are collected from the field survey and secondary sources in tabular and graphic form or just as information, have been interpreted on the basis of analysis. For data analysis standard statistical methods have been applied and for this purpose, the following computer programs have been used, like – Microsoft Excel, SPSS 12.0 etc.

### **3.5 IDENTIFICATION OF PROBLEMS AND POTENTIALS**

Some major problems and prospects relating to the remittance of the study area are identified on the basis of primary and secondary data at the end of the field survey, questionnaire survey and literature review.

### **3.6 RECOMMENDATIONS**

Then to overcome those problems and help this area to flourish as an economically developed zone by enhancing the potentialities found in that area, certain recommendations have been formulated considering both the national and regional context.

### **3.7 PREPARATION OF REPORT**

After getting all relevant data and information related to the concerned aspects, data analysis and the subsequent interpretation all these are presented on a report. And finally a presentation is held on this project.

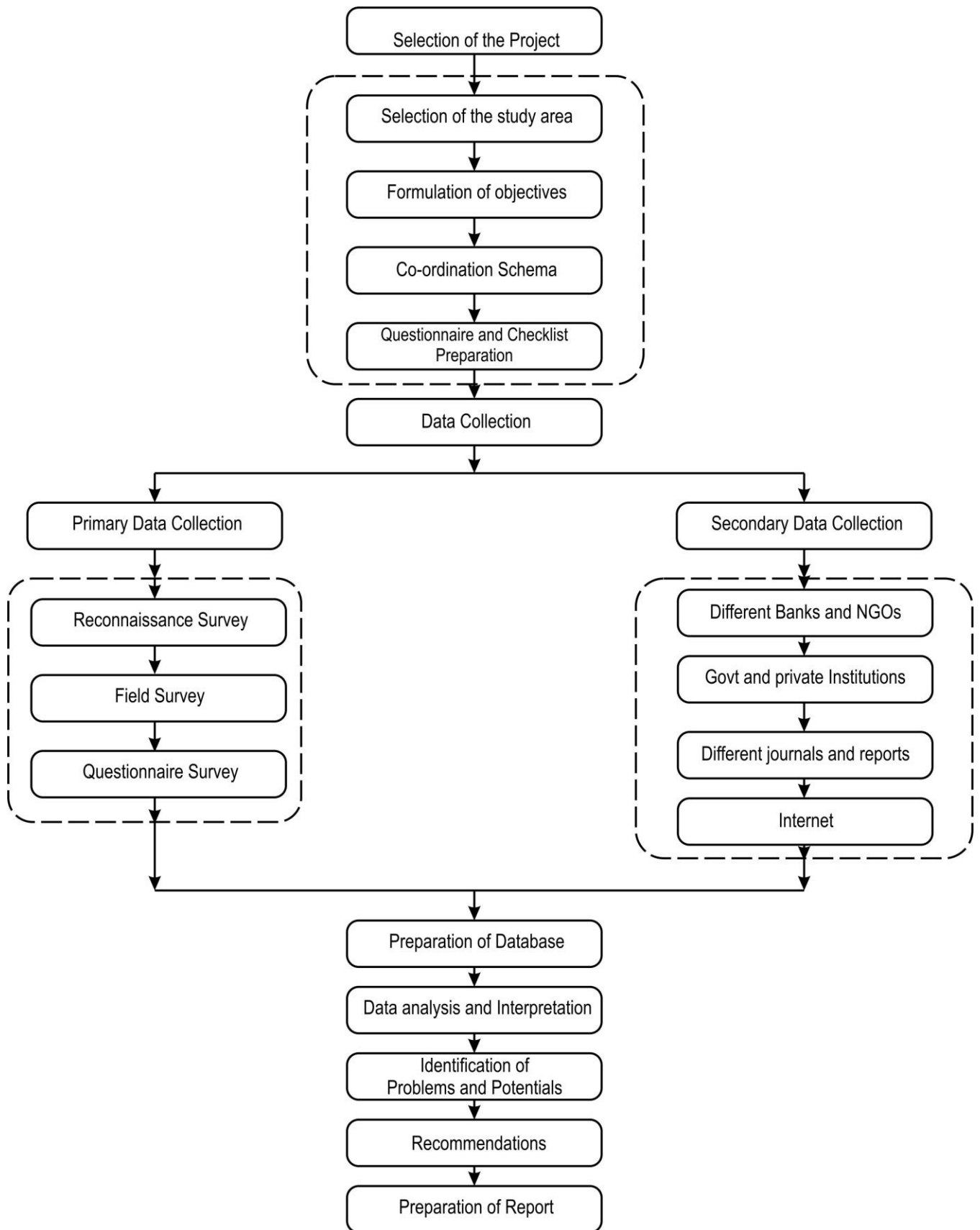


Figure 3.1: Flow chart of Methodology

## **CHAPTER 04**

### **STUDY AREA PROFILE**

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Bancharampur Upazila of Brahmanbaria District has been chosen as the study area for this project; the reasons behind choosing this area have been stated earlier. In this chapter a brief description of the district and the upazila and also the field experience, held by the project team, has been described.

#### **4.1 BRAHMANBARIA DISTRICT**

##### **4.1.1 LOCATION AND GEOGRAPHY**

**Brahmanbaria** (Bengali: Bramhonbaria) is a district in east-central Bangladesh. It is a part of the Chittagong Division.

Brahmanbaria District (Chittagong division) with an area of 1927.11 sq km, is bounded by Kishoreganj and Habiganj district on the north, Comilla district on the south, Hobiganj district and Tripura State of India on the east and Meghna river, Kishoreganj, Narsingdi and Narayanganj districts on the west (Map 01). The district is a lowlying land having small hills and hillocks of red soil. Main rivers are Meghna and Titas.

([http://en.wikipedia.org/wiki/Brahmanbaria\\_District](http://en.wikipedia.org/wiki/Brahmanbaria_District))

##### **4.1.2 HISTORY AND CULTURE**

Brahmanbaria was a part of Samatata Janapada of the ancient Bengal. The first and temporary capital of Isa Khan was at Sarail, located at 10 km north of Brahmanbaria Town. Brahmanbaria was made one of the 3 Sub-divisions of Comilla District by the British rulers in 1860. Brahmanbaria Municipality was established in 1868. It became part of East Pakistan in 1947 which eventually became independent Bangladesh in 1971. During the Mughal era, Brahmanbaria was famous for producing quality cloth Muslin. Brahmanbaria has a rich tradition of the cultivation of art, education and culture. It is often figuratively called the cultural capital of Bangladesh.



Map 01: Brahmanbaria District



(<http://www.bangladesh.gov.bd/maps/images/brahmanbaria/Brahmanbaria-district.gif>)

### 4.1.3 ADMINISTRATIVE UNITS

The district has 4 municipalities, 39 wards, 97 mahallas, 8 upazilas, 98 union parishads, 1052 mouzas and 1329 villages. More information about the district is stated in appendix VII. Brahmanbaria district is divided into eight Upazilas (previously known as Thanas). These are:

- 1) Brahmanbaria Sadar Upazila
- 2) Nasirnagar Upazila
- 3) Nabinagar Upazila
- 4) Sarail Upazila
- 5) Kasba Upazila
- 6) Akhaura Upazila
- 7) Bancharampur Upazila
- 8) Ashuganj Upazila

### 4.1.4 OTHER INFORMATION

- **Main Hats, Bazars and Fairs:** Total number of hats and bazars are 245, most noted of which Ananda Bazar, Asuganj, Chandura, Lalpur, Panishwar, Akhaura, Magra, Banchharampur, Dariar Char, Masimnagar, Kasba, Muslimganj, Gopinathpur, Nabinagar, Bhangura, Shibpur, Phandauk, Nasirnagar and Sarail; Fair- most noted of which are Kendua Mela, Shiva Bari Mouza Mela (Akhaura), Chaumohoni Mela (Kasba), Radhanagar Baishaki Mela (Nabinagar) and Baruni Mela of Ghazi and Kalu (Sarail).
- **NGO Activities:** Operationally important NGOs are ASA, BRAC, CARE, grameen bank, proshika, Save the Children, Social Marketing Company, Ujjiban Kendra, Gana Kalyan Kendra.

(Source: Banglapedia, 2006)

## 4.2 BANCHARAMPUR UPAZILA

Among the eight upazilas of Brahmanbaria District, Bancharampur Upazila has been chosen as the study area.

### 4.2.1 REASONS BEHIND CHOOSING BANCHARAMPUR AS THE STUDY AREA

Table 4.1 Remittance flow of the Upazilas of Brahmanbaria District

Upazila	Population	Income Source (Remittance & Rent)
Akhaura	130319	8.01%
<b>Bancharampur</b>	<b>278240</b>	<b>10.98%</b>
Brahmanbaria	625484	2.91%
Ashuganj	145828	3.57%
Kasba	271231	6.36%
Nabinagar	420383	8.76%
Nasirnagar	255668	0.88%
Sarail	271101	1.25%

Source: Community Series, BBS, 2007

From the above table it is seen that remittance flow is highest in Bancharampur Upazila among all the Upazilas of Brahmanbaria District. This is why Bancharampur Upazila has been selected as the study area.

### 4.2.2 BANCHARAMPUR UPAZILA AT A GLANCE

**Background:** Bancharampur, the third largest upazila of Brahmanbaria zila in respect of population and household came into existence in 1904 as Thana and upgraded to upazila in 1983. Nothing is definitely known about the origin of the upazila name. More information about the upazila is described in appendix VIII.

(Community Series, BBS, 2007)

**Area and Location:** The upazila occupies an area of 217.38 sq. km. It is located between 23°41' and 23°53' north latitudes and between 90°44' and 90°53' east

longitudes. The upazila is bounded on the north by Raipur upazila of Narsingdi zila, on the east by Nabinagar upazila and Muradnagar upazila of Comilla zila, on the south by Homna upazila of Comilla zila and on the west by Araihasar upazila of Narayanganj zila and Narsingdi sadar upazila (Map 02). (Community Series, BBS, 2007)

**Housing and Household Characteristics:** The number of households enumerated in the census for the upazila is 51,222. Of them the overwhelming 99.55% is dwelling households. In comparison institutional households are merely 0.30% and others 0.15%.

**Household size:** The average dwelling household size for the upazila is 5.43 persons. For rural area the size is 5.44 and for urban areas the size is slightly smaller, 5.36 persons.

**Main Source of Household Income:** In urban area dwelling households having main incomes are from employment 9.09%, construction 3.85%, **rent and remittance 10.98%**, religious service 0.43%, business 17.78%, transport and communication 4.17%, weaving 5.49%, industry 1.28%, agriculture 28.86%, nonagricultural labour 8.41% and others 9.66%.

The rural dwelling households observed getting main incomes are from agriculture 45.35% of which cropping, livestock, forestry and fishery 30.68% and agricultural labour 14.67%. Other sources are non-agricultural labour 3.03%, business 13.29%, employment 6.68%, transport and communication 1.11%, construction 0.99%, weaving 6.12%, **rent and remittance 5.27%** and others 18.16%.

(Community Series, BBS, 2007)

**Economic Activity:** In Bancharampur upazila population below 10 years of age is 29.47%. Among the population of age 10 years and above those recorded do not work are 33.75%, looking for work 1.96%, doing household work 31.78% and employed the remaining 32.51%. The employed people identified working are in agriculture 19.60%, industry 0.68%, business 4.39%, services 0.37%, construction 0.56%, transport and communication 0.52% and others 6.39%.

(Community Series, BBS, 2007)

Map 02: Bancharampur Upazila



(<http://www.bangladesh.gov.bd/maps/images/brahmanbaria/Bancharampur.gif>)

### **4.3 WORKING EXPERIENCE IN BANCHARAMPUR UPAZILA**

Through the journey of Bancharampur Upazila of Brahmanbaria the project team had gathered great practical experience while working with the local people. People were very friendly and the working environment was also very excellent. Bancharampur is an upazila and its financial flow at present mainly depends on remittance.

In Bancharampur Upazila about 80% families have at least one migrant member now a day. So, it is a nice place to work for the project purposes. But in the near past the economic background of Bancharampur upazila was different. That time most of the adult or working class people were engaged in agriculture for their livelihood. Besides weaving cloths (Tat Shilpo) was their second major type of economic activity. Once this upazila was famous for ‘Tat Shilpo. But for the higher price of cotton and lack of government support, this industry is about to die.

The project team stayed in the upazila for four days. On day one the project team visited the important portions of the upazila on foot and rickshaw as a preparation of the work. Second day the project team met with the Chairman of Salimabad Union Parishad named Md. Johirul.

#### **KEY INFORMANT 1**

**MD. Johirul, Chairman of Salimabad Union Parishad**

He listened to the cause of coming there with deep concentration and welcomed warmly. He gave brief instruction about the study area and introduced with two of his friends Belal Hossain and Abu Musa Sarker. Both of them always guided the project team and it was very tough without their real support.

## **KEY INFORMANT 2**

MD. Belal Hossain, Friend of the Chairman

Belal Hossain had all the information in where and which families have the migrant member. He was present with the team physically throughout the whole survey activities. From his opinion it is found that most of the family has at least one migrants and mainly in Saudi Arabia, Dubai, UAE some are in Italy, England, Malaysia, UK, USA, and Spain. From his opinion it is also found that the migrants living in USA or UK like country send enough remittances to their families. Some of these families have been upgraded from middle class to higher class for their migrant's member. Families like these build markets or small shops. Some of these families invested their money in different business outside their district.

After completing half of the Questionnaire Survey that day, the project team returned to their living place.

Third day the project team went to Bancharampur Sadar with Md. Belal Hossain where most of the public offices and government, non-government organizations, banks situated. He is well-known person to all the official staff in most of the organizations. About 8-10 banks have their branches here named Agrani, Sonali, Janata, Islami, BRAC etc. NGO's named Grameen Bank, BRAC, ASA etc. are also performing their activities broadly and efficiently.

For collecting necessary information, the project team visited two of the major NGOs: Grameen Bank and BRAC. Here the project team collected important information about remittance.

### **KEY INFORMANT 3**

Md. Amir Hossain, Manager of Grameen Bank

Md. Amir Hossain manager of Grameen Bank talked with the project team cordially. He informed that, there are about 5000 customers or members in their branch and approximately 3000 member's family have at least one migrant member. But Grameen Bank can't work with the remittance. Because 'Bangladesh Bank' does not allow them to work with D.D. (Demand Draft) and T.D.D. (Transfer of Demand Draft), the manager said Grameen Bank has deposit skim/program. Anybody can deposit here in the deposit skim of duration of 10 years. Customers have to deposit money every month. The amount of the monthly deposited money could be taka 100-1000. If any customer deposits monthly 100 tk., after 10 years the total amount of deposited money will be 12000 taka but he will get back 22000 taka after 10 years which is almost double of the deposited money. If the deposited money monthly 1000 tk. the total amount of deposited money will be 120000 tk. and the return will be 224270 tk. But the percentage of deposited money of the members of the Grameen Bank is not so high. One of the reasons behind that Grameen Bank has no permission to give loan against deposit.

Then the project team visited to the Islami Bank. There they talked with the manager of the bank.

### **KEY INFORMANT 4**

Md. Samsul Haque, Manager of Islami Bank

The manager informed that most of the remittance of this district comes through their bank. From there the remittance data sheet of January to July of 2007 is given by the manager. The manager informed the project team about the time and procedure of getting the remittance money. He said that for this there are different schemes of getting the remittance money. Like Instant Cash, here the person will get the remittance money with in 1-2 days. Another process is that Telephone Transfer, here the money sent from the foreign bank through telephone call to the local branch. In this process they get money within 2-3 days. The manager informed that there are not enough problems to the migrant's family from getting the remittance money.



Then the project team also visited to Agrani Bank. There the team talked with the manager.

**KEY INFORMANT 5**

Md. Abdur Rahman, Manager of Agrani Bank

The manager helped the project team providing some data sheet of sending remittances. The manager also informed the project team about the method of sending remittances. FDD (Foreign Demand Draft) and FTT (Foreign Telephone Transfer) are two methods used in sending remittances.

Then the project team went to the BRAC NGO. There the team met with the manager of the NGO.

**KEY INFORMANT 6**

Md. Jamal Uddin Talukdar, Manager of BRAC NGO

BRAC NGO was established here in 1993 but the NGO is working on remittances for the last 2 years. They have 247 registered migrant members and every month 20 more new member is being added. The migrant members of this NGO are mostly in Middle East country like Qatar, Dubai, Arab Amirat, Abu Dhabi etc. The NGO provided us with some data sheet of receiving remittances by them. The data sheet has been included in Appendix IX.

On fourth day the project team completed rest of the questionnaire survey and visited Upazila health complex to collect information about the migrant's. After collecting information the team ended their work there and started their journey towards Dhaka.

Some relevant photographs of the study area have been attached in appendix X.

## CHAPTER 05

### ANALYSIS ON HOUSEHOLDS AND MIGRANT'S INFORMATION

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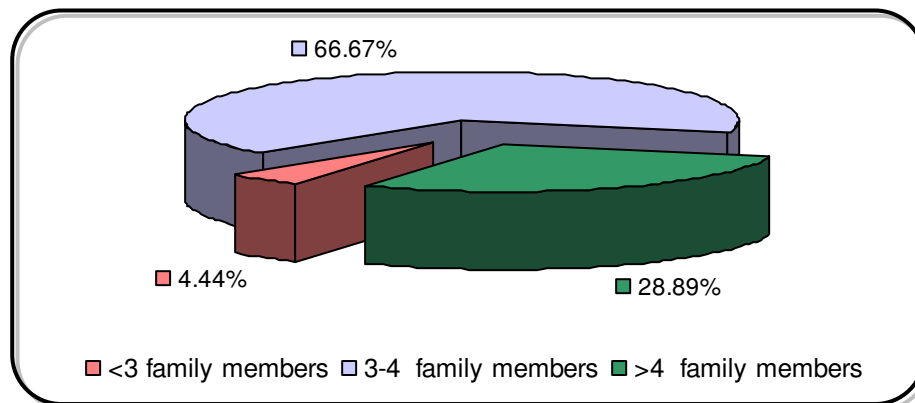
In this chapter the compositions of the households and migrants information will be analyzed. The analysis is based on the data collected from field survey. Analysis of the composition of households and migrants information is important as it helps in finding out the overall remittances effect over migrants family and as well as over rural development.

#### 5.1 GENERAL INFORMATION ABOUT HOUSEHOLD

- Average Household Income = 6046.512 tk
- Average Household Expenditure = 15677.78 tk
- Total no of Surveyed Household = 45
- Total Family member in 45 Families = 179

##### 5.1.1 FAMILY COMPOSITION OF THE HOUSEHOLDS

Figure 5.1: Range of family members in households



Source: Field Survey, 2007

From the above figure the family composition of the households can be visualized. It is seen from figure 5.1 that most of the families of the study area are formed with 3-4 members (66.67%). The second highest composition of family members is 28.89%. These types of families are mainly joint family. For some cases it is found that there are maximum 6 members in some families. There is a very low percentage (4.44%) in less than 3 family members.

### 5.1.2 GENDER COMPOSITIONS OF THE HOUSEHOLD

Table 5.1: Gender compositions of the household

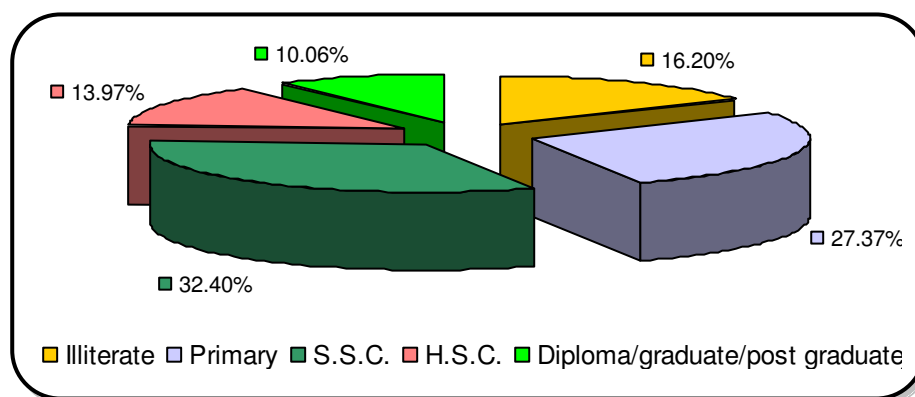
Gender	Frequency	Percent
Male	84.00	46.93
Female	95.00	53.07
Total	179.00	100.00

Source: Field Survey, 2007

From the above table the gender composition of the households can be visualized. Most of the members of the family are male (53.07%). But the percentage of female is not negligible (46.93%). For most of the cases it is found that woman in the family contributes only as a housewife (Figure 5.5)

### 5.1.3 EDUCATIONAL LEVEL OF THE MEMBER OF THE HOUSEHOLD

Figure 5.2: Level of education of family members in households

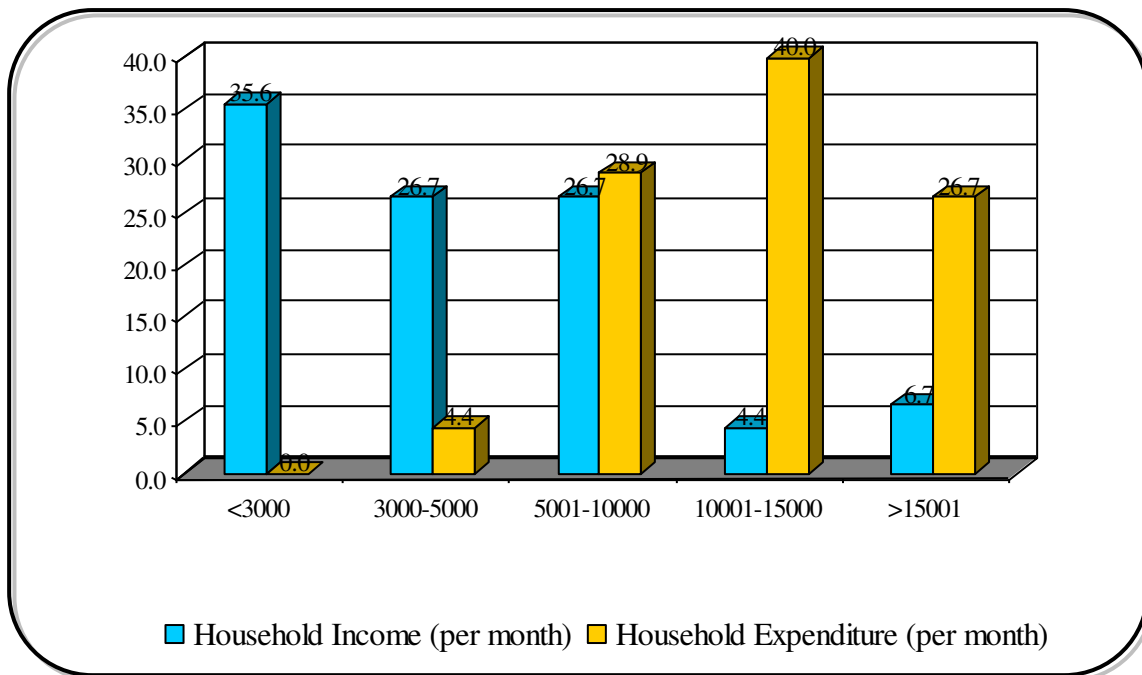


Source: Field Survey, 2007

From the above figure the level of education of family members in the households can be visualized. It is found that illiteracy rate among different families is not high (16.20%). Most of the people of the area are literate. 32.40% people have completed their SSC level, 27.37% people have passed only their primary level of education. There is a very low rate in the completion of HSC (13.97%) and Diploma/graduate/post graduate (10.06%). From the analysis it can be visualized that the literacy condition of overall household is not so bad as 16.20% people are illiterate. Educational qualification contributes in choosing different types of profession and thus it has an effect over the income level of the household.

### 5.1.4 TOTAL PER MONTH FAMILY INCOME AND EXPENDITURE OF THE HOUSEHOLD

Figure 5.3: Total per month family Income and Expenditure of the Household



Source: Field Survey, 2007

From the above figure it can be visualized that average per month household income by the family members is not so high. 35.56% people's income is less than 3000 tk. But people of per month income level of tk 3000-5000 tk are 26.67% and people of per month income level of 5001-10000 tk is also 26.67 %. Through the survey it is found that only one member of a household whose per month income is 30000 tk which is maximum income by a member of a household.

From the above figure it is seen that monthly expenditure of per households is not so less as only 4.44% household's expenditure is between 3000-5000 tk whereas the highest expenditure is between 10001-15000 tk (40.00%). There is also a noticeable portion of expenditure greater than 15001 tk (26.67%) and between 5001-10000 tk (28.89%). From the figure it is seen that the income and expenditure percentage between 5001-10000 tk is 26.7% and 28.9%

From the figure it is seen that income expenditure ratio is never the same, hence expenditure is greater than income. This is possible because of the remittance money. The family which gets more remittance has a high expenditure value.

### 5.1.5 RELATION BETWEEN EDUCATIONAL BACKGROUND OF THE MIGRANTS AND THEIR AMOUNT OF SENDING REMITTANCE

Table 5.2: Relation between educational background of the migrants and their amount of sending remittance

Educational background of the migrants	Amount of remittance sent by the migrants per month (Taka)					Total
	<5000	5001-15000	15001-25000	25001-35000	>55000	
Illiterate	1	-	-	-	-	1
Primary	-	4	-	1	1	6
S.S.C	2	4	7	1	1	15
H.S.C	1	9	7	3	-	20
Graduate	-	4	1	3	2	10
Post graduate	-	-	4	-	1	5
<b>Total</b>	4	21	19	8	5	57

Source: Field Survey, 2007

From the above table it is clear that most of the remittance sender migrants have only completed their H.S.C. level of education and they send mainly amount between tk 5001-15000. It is also clear that illiterate migrants (only 1) can not send enough remittance. The migrants who have completed graduate or post graduate degree does not contribute much in sending remittance whereas the migrants of S.S.C. or H.S.C. level contributes much in sending remittances. Only 5 migrants can send remittance greater than 55000 tk. It is seen from the table that primary passed or illiterate migrants have a very few contribution in sending of remittances. They mainly do labor type job in the foreign country.

### 5.1.6 EMPLOYMENT STATUS OF THE HOUSEHOLD

Figure 5.4: Employment status of the households

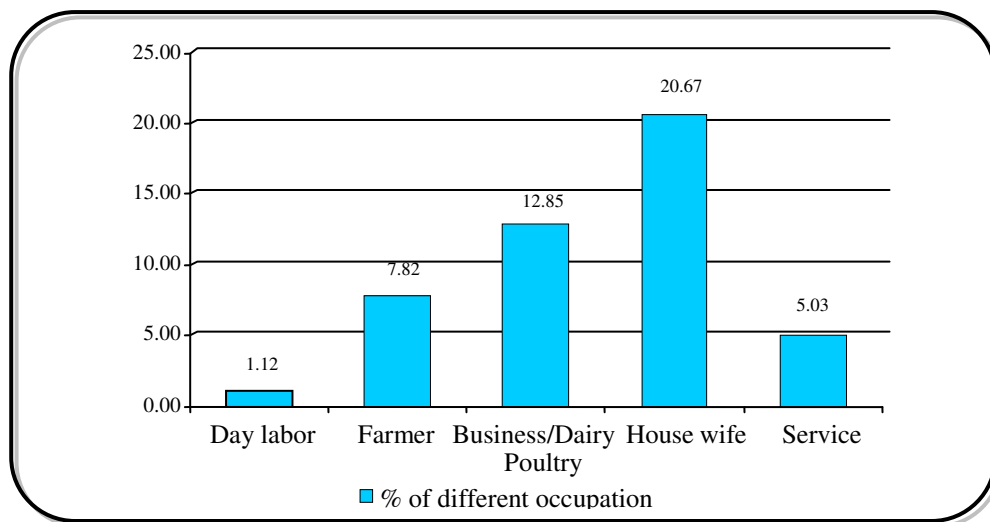


Source: Field Survey, 2007

From the above figure the employment status of households can be visualized. It is seen that 52.51% people are employed whereas 47.49% people are unemployed. People are mainly employed in services, day labor, farmer, business/dairy poultry, housewife etc. The unemployed persons are mainly small children or old people who are unable to any kind of work.

### 5.1.7 HOUSEHOLDS MEMBER'S DIFFERENT TYPES OF OCCUPATION

Figure 5.5: Households member's different types of Occupation



Source: Field Survey, 2007

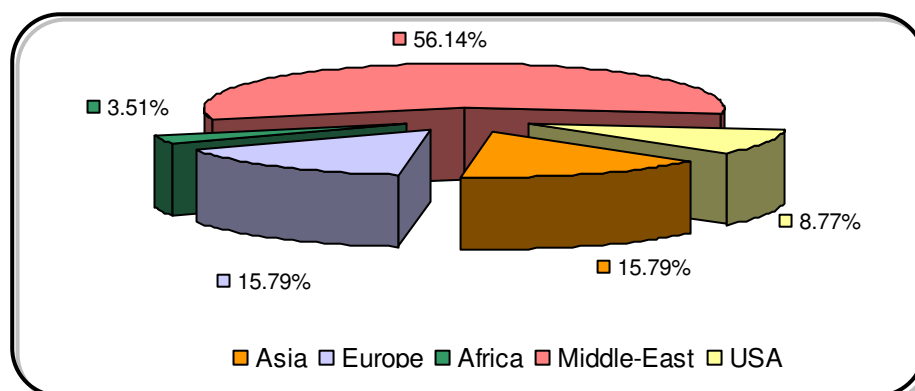
From the above figure the employment characteristics of the people can be visualized. As most of the women are only engaged in house work (20.67%), male do most of the outdoor work. Services seems to not important here as only 5.03% people are engaged in it. The main occupation seems to be business like various dairy poultry or shop keeping (12.85%). There is a very little portion of day labor (1.12%). Farming seems to also flourish here as 7.82% people are engaged in it.

### 5.2 MIGRANT INFORMATION

- Total No. of Migrants = 57
- Percentage of Migrants = 31.84%
- Average Migrants / Family = 1.27%

## 5.2.1 MIGRANTS DESTINATION AMONG DIFFERENT COUNTRIES

Figure 5.6: Migrants destination among different countries

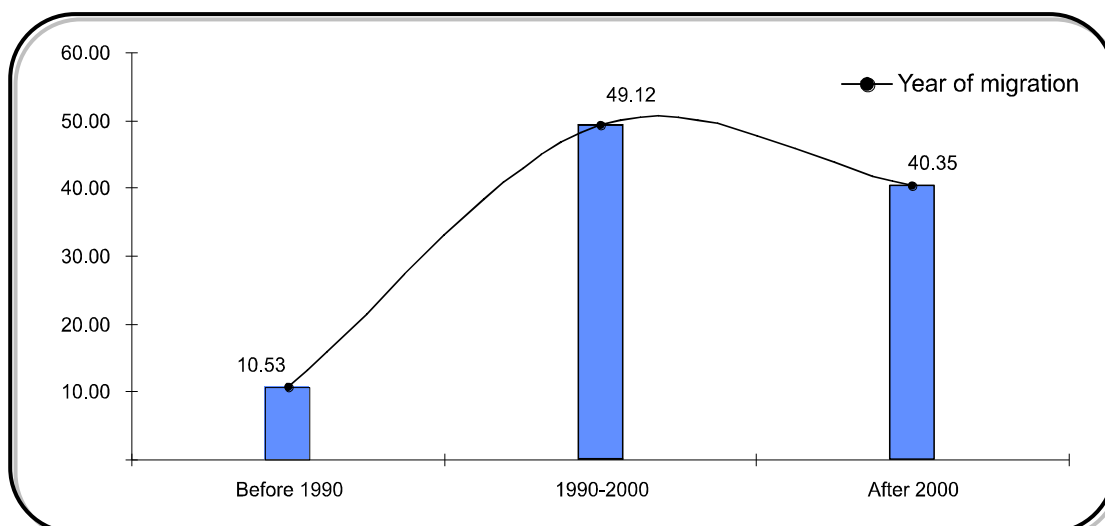


Source: Field Survey, 2007

From the above graph the destination of different migrants can be seen. It is seen that most of the migrants are mainly migrated to Middle East (56.14%) like Abu Dhabi, Dubai, Arab Amirat, Iraq, Iran etc. Migration among Asia like Malaysia, China, Thailand, India, Pakistan and Europe like UK, Italy, Germany are same (15.79%). Migration to USA is not negligible (8.77%). There is a very little portion of migration in Africa (3.51%) which is mainly South Africa.

## 5.2.2 YEAR OF MIGRATIONS FOR MIGRANTS

Figure 5.7: Year of migrations for Migrants



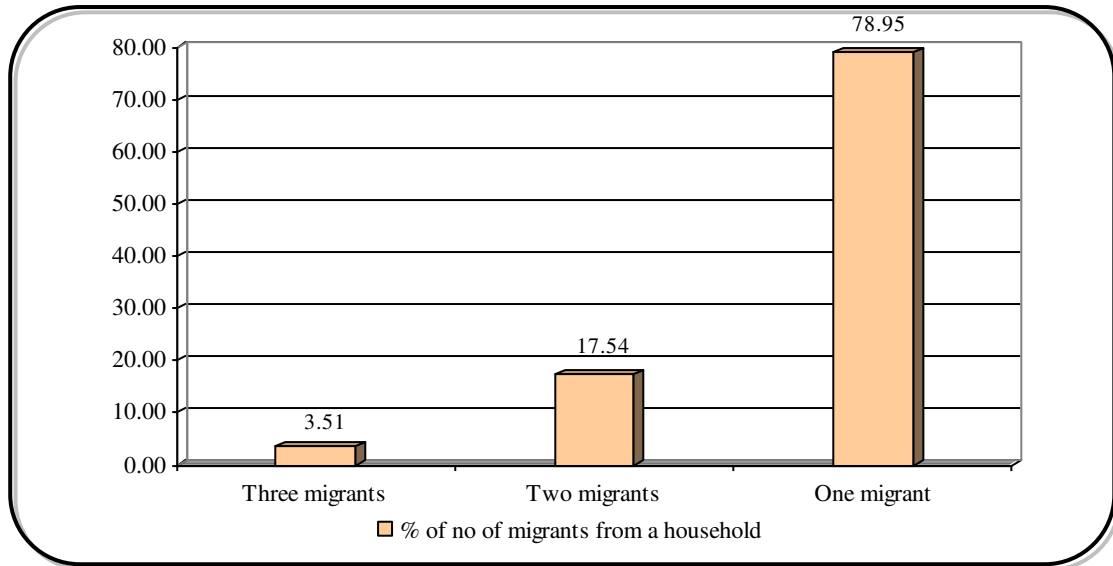
Source: Field Survey, 2007

From the above figure it is seen that most of the person (19.12%) have migrated mainly between years 1990-2000. After year 2000 the migration was 40.35%, which

is also noticeable but before 1990 the rate of migration was not that much mentionable (10.53%).

### 5.2.3 NO. OF MIGRANTS FROM A HOUSEHOLD

Figure 5.8: No. of migrants from a Household

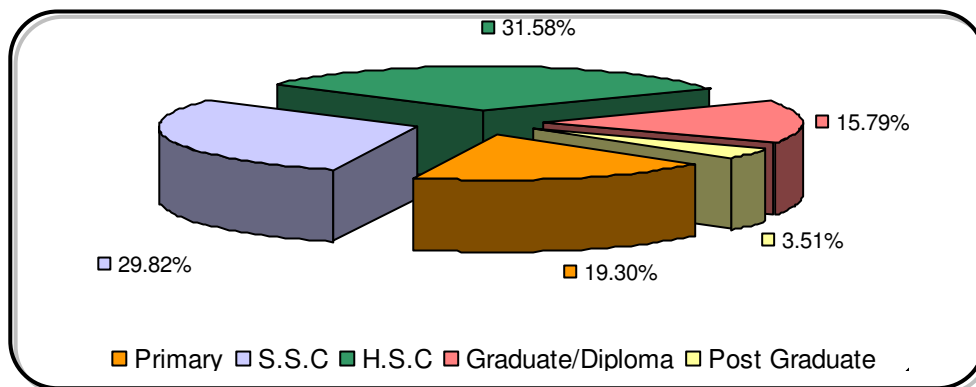


Source: Field Survey, 2007

From the above figure it is found that most of the household has minimum 1 migrants (78.95%). 17.54% household has 2 migrants and a very few (3.51%) household has three migrants. Migrants play an important role in sending remittance so the family has a larger number of migrants is benefited mostly as they can get more remittance.

### 5.2.4 EDUCATIONAL BACKGROUND OF THE MIGRANTS

Figure 5.9: Educational background of the migrants



Source: Field Survey, 2007

From the above figure the educational qualification of the migrants can be seen. It is found that most of the migrants have a minimum HSC pass qualification (31.58%).



29.82% migrants have minimum SSC pass qualification. Few have done graduate/diploma (15.79%) and some have completed only their primary level of education (19.30%). Migrant's education is very much important in getting a job in the foreign country which also affects the amount of sending remittance.

### 5.2.5 FREQUENCY OF SENDING REMITTANCES

Table 5.3: Frequency of sending remittances by migrants

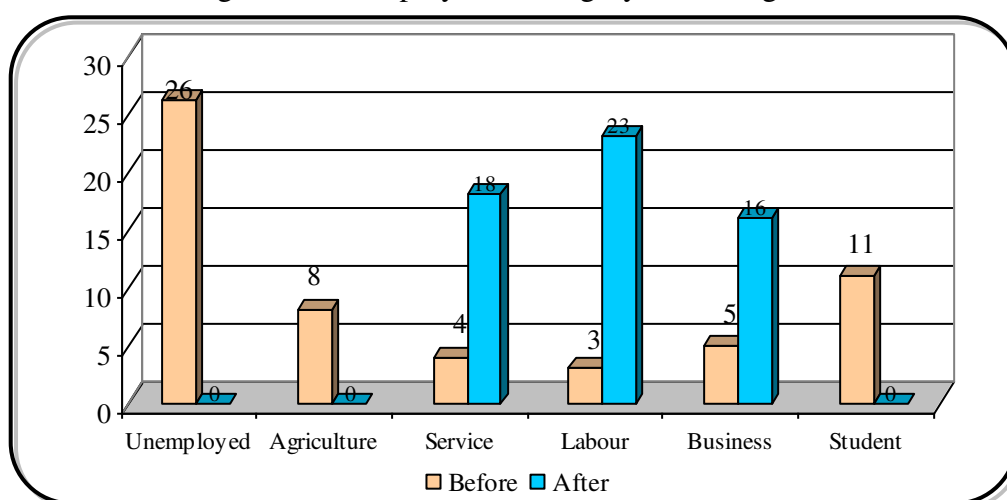
Frequency of sending remittance	Frequency	Percent
Monthly	19.00	33.33
2-3 month	31.00	54.39
Half yearly	3.00	5.26
Yearly	3.00	5.26
Occasionally	1.00	1.75
<b>Total</b>	<b>57.00</b>	<b>100.00</b>

Source: Field Survey, 2007

From the above table it is seen that the frequency of sending remittance between 2-3 months is very high (54.39%). Very few of the migrants (1.75%) send occasionally. That means there is a good supply of remittance money from foreign. Percentage of sending money monthly is also noticeable (33.33%). Frequency of remittance sending largely depends on the type of job they do in the foreign country.

### 5.2.6 CHANGE IN EMPLOYMENT AFTER MIGRATION

Figure 5.10: Employment category of the migrants



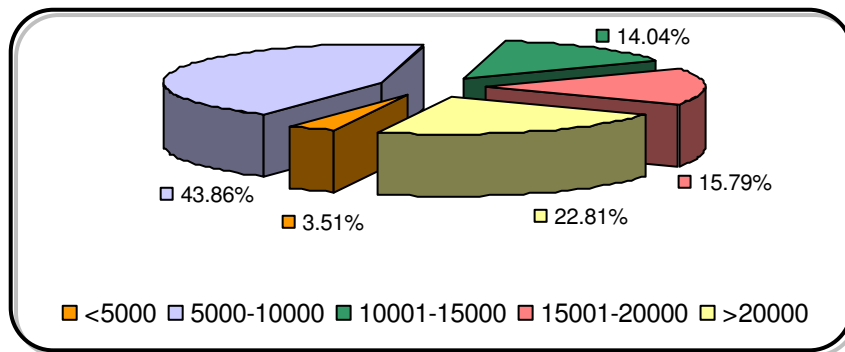
Source: Field Survey, 2007

From the above figure the employment category of the migrants between when they were in their country and after they have migrated is demonstrated. It is seen that the unemployed ness has totally become zero after the migration. That means most of them get job in the foreign country while they can't get a job when they were in the

country. Some also have shifted their agricultural work and student do another work. Increase in service, labour and business sector also is important and noticeable. The maximum increase in labour sector is because this is cheap and easy to get in foreign country. Service sector has also a very large positive shift as most of the workers shifted in this sector.

### 5.2.7 AVERAGE AMOUNT OF SENDING REMITTANCE

Figure 5.11: Average amount of sending remittance (taka)

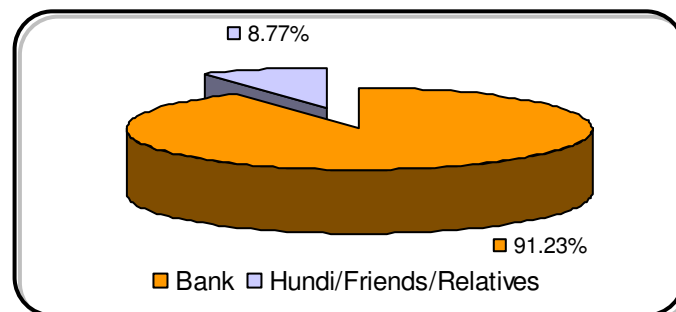


Source: Field Survey, 2007

From the above figure it is seen that the average amount of sending money is 5000-10000 tk which comes mainly between 2-3 months (43.86%). There is also a very high portion of sending remittance money which is greater than 20000 tk (22.81%). Very few send their remittance less than 5000 tk (3.51%). 15.79% migrants send their remittance between 15001-20000 tk.

### 5.2.8 CHANNEL OF SENDING REMITTANCE

Figure 5.12: Channel of sending remittance



Source: Field Survey, 2007

From the above figure the channel of sending remittances is described. Major portion of remittance comes through bank (91.23%). This is because it is safe and the money comes to the receiver family quickly. Few (8.77%) sends their remittance through Hundi or friends or relatives.

## CHAPTER 06

### ANALYSIS ON THE USES AND IMPACTS OF REMITTANCE

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In this chapter the uses and impacts of remittances sent by the migrants will be analyzed. The analysis is based on the data collected from field survey. Below the sectors in which remittance is used by the households are discussed.

#### 6.1 SECTORS IN WHICH REMITTANCE IS USED BY THE HOUSEHOLDS

Table 6.1: Sectors in which remittance is used by the households

Sectors	Frequency	Percent
Purchasing basic needs	44	38.6
Land/homestead purchase	17	14.91
House purchase or repair	15	13.16
Agriculture/poultry/dairy/fisheries	11	9.65
Business	11	9.65
Savings	9	7.89
Payment of loan	5	4.39
Purchasing luxurious goods	2	1.75
<b>Total</b>	<b>114</b>	<b>100</b>

Source: Field Survey, 2007

From the above table it is observed that on an average, each family spent maximum (38%) of the remittance in purchasing basic needs. Some other sectors in which the families spent the money are gradually land/homestead purchase (15%) and house repair or purchase (13%). Only very few spent the remittance in the sectors like savings, payment of loan and purchasing luxurious goods.

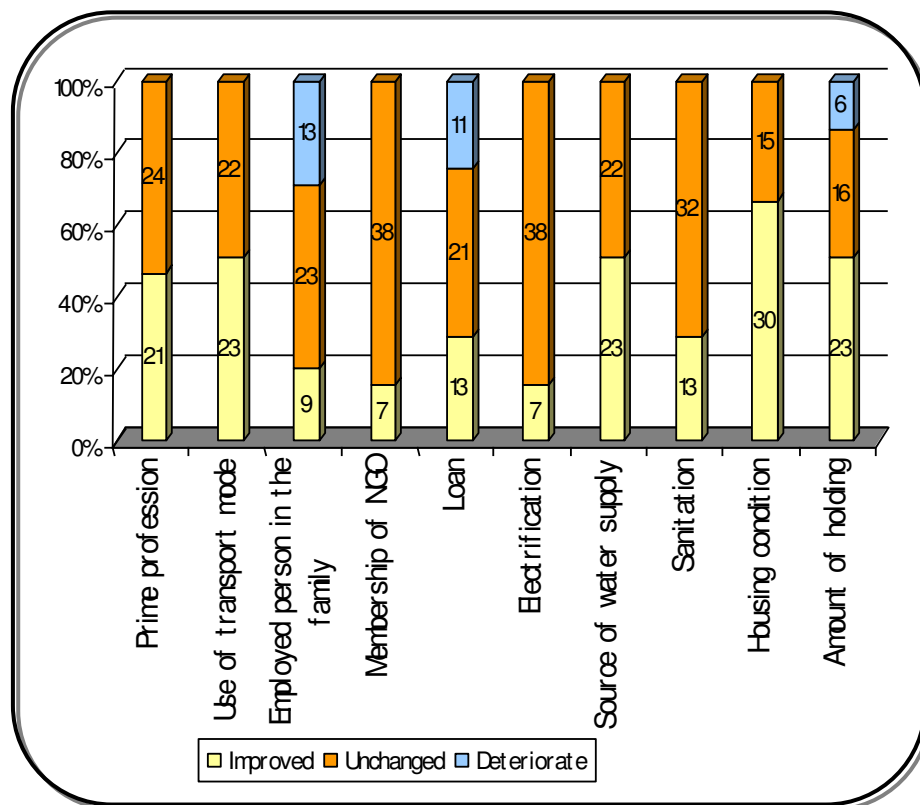
Actually most of the families that have migrants are not economically good enough and many of them do not have ideas about investment sectors, this is why they mostly invest the money in purchasing basic goods, while some households use it in purchasing land/homestead/house.

Families that have loans are concerned to repay it and they spent some of the remittance in this sector. While those who are conscious enough they invest the remittance in agriculture and business.

## 6.2 IMPACTS OF REMITTANCE

Now the impacts of remittance in the households, after considering the before-after scenario are discussed below. To perceive the impacts some sectors have been chosen. Here the impacts are measured in three different terms: improved, unchanged & deteriorated for each sector.

Figure 6.1: Impacts of Remittance

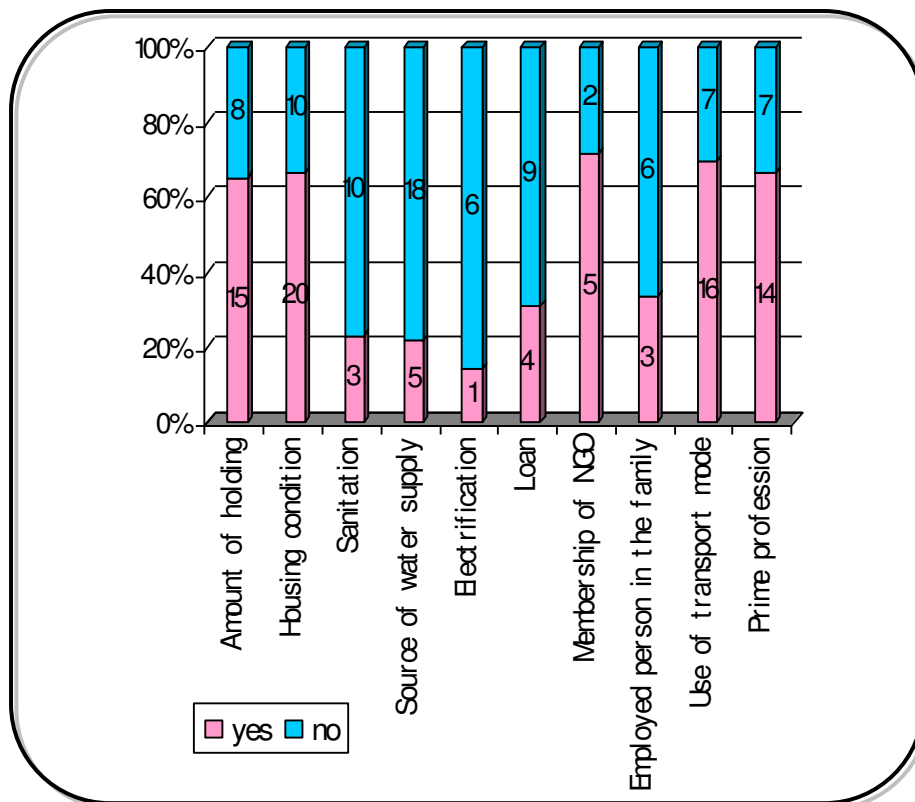


Source: Field Survey, 2007

From the above figure it is observed that deterioration has occurred in three sectors like amount of holding, loan and employed person in the family. And improvement and deterioration is seen for the other sectors. Below the reasons and role of remittance for these changes of the sectors are discussed. Only improvement and deterioration, these two criteria will be discussed for each sector, considering the role of remittance in those sectors. While the criteria no-change should not be considered in this type of analysis, because it does not represent any positive or negative change.

### 6.3 ROLE OF REMITTANCE (IN CASE OF IMPROVEMENT)

Figure 6.2: Role of Remittance (in case of improvement)



Source: Field Survey, 2007

From the above figure it is found role of remittance is positive for sectors like amount of holding, improving housing condition, membership of NGO, use of transport mode and improve in prime profession. While in the sectors like sanitation, electrification, loan and employed person in the family negative role of remittance is dominating.

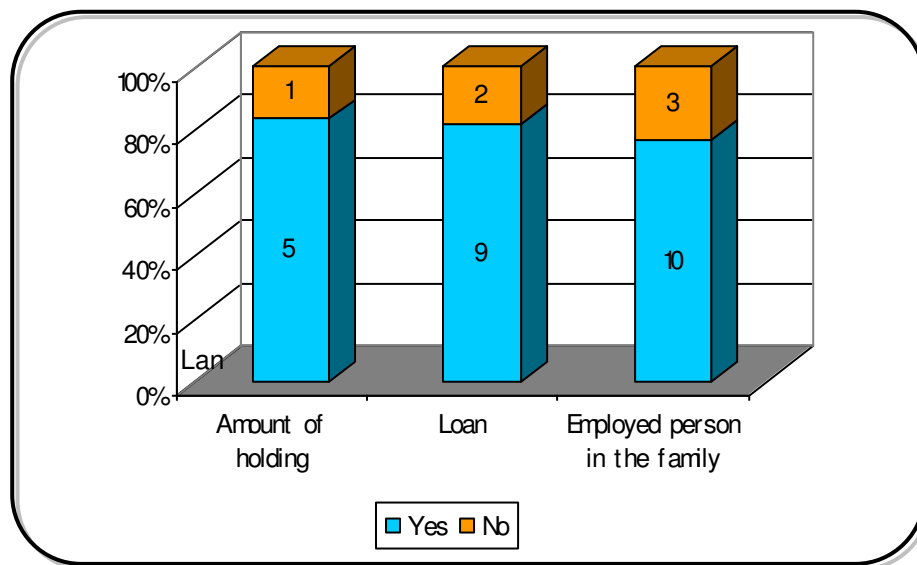
Remittance is spent in buying lands for different purposes and also for improving the housing condition vastly, this is why these two sectors have highly positive role of remittance. The positive role is also very high for the membership of NGO, because many get the money through different banks which are in coalition with NGO's. Thus the people are getting in touch with NGO's more day by day, so that they can use the money in investment sectors which is more profitable and the NGO's are working on it. People are getting many help from these NGO's too.

The roles are also positively very high for sectors like use of transport mode and improve in prime profession. There was a time when the family members were used to travel on foot or by rickshaw, but now when there is more money in their hands they prefer to travel by rickshaws or motor vehicles. And in case of prime profession some were farmer or day labor, but now they have changed their professions in more profitable ones like business, investment in dairy/poultry farms and so on.

But in case of sanitation, source of water supply and electrification although improvement is seen but here the role of remittance is highly negative. Because improvement of these sectors have been done with the help of governmental actions. In case of payment of loans most of the households are still in debt.

#### 6.4 ROLE OF REMITTANCE (IN CASE OF DETERIORATION)

Figure 6.3: Role of remittance (in case of deterioration)



Source: Field Survey, 2007

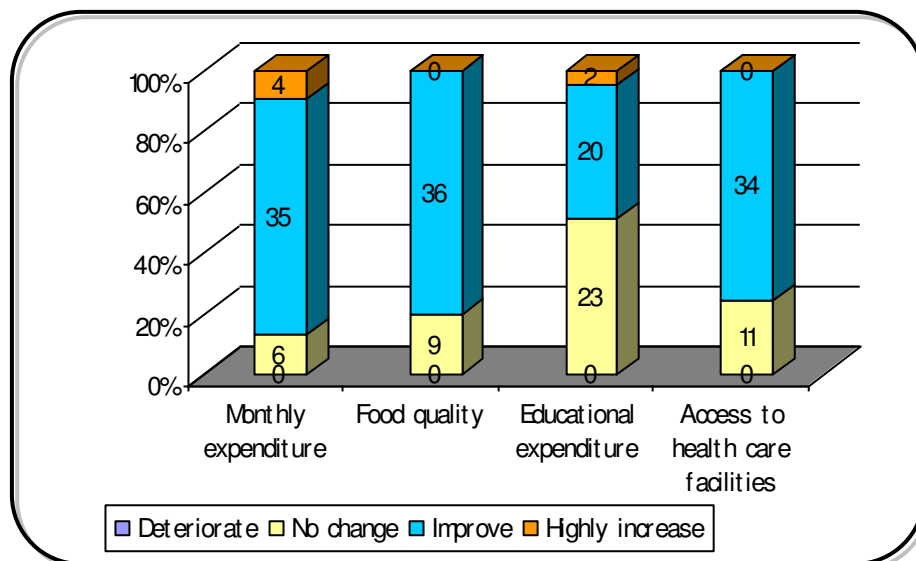
The figure above represents the role of remittance in case of deterioration of different aspects of life. In some families it is seen that to manage money, for the migrant member to help him go away, they have to sell some portion of the homestead lands or holdings or take heavy loans. This is the deterioration of the sectors where the role of remittance is high.

Some households often face problems like increase in the number of unemployment rate within the family. Sometimes a tendency grows among the young members of the family that it is better to go outside the country to earn money than to continue study of doing less profitable jobs here. So they kept themselves unemployed hoping to go abroad and earn more money. Thus this type of problem creates.

### 6.5 ROLE OF REMITTANCE IN THE EXTENT OF CHANGE IN VARIOUS ISSUES OF LIFE

The extent of change in different sectors will be analyzed and the role of remittance for these changes will also be considered in the discussion below.

Figure 6.4: Role of remittance in the extent of change in various issues of life



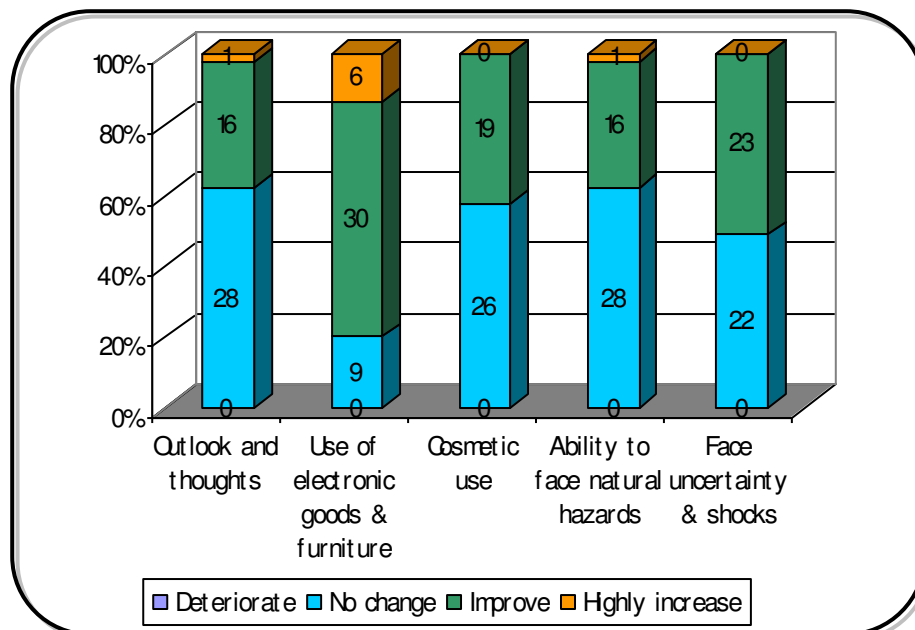
Source: Field Survey, 2007

From the above figure it is found that the role of remittance is positive for sectors like monthly expenditure, food quality and access to health care facilities. Because people's general tendency is to expend the money in fulfilling basic needs. In the sector education, no-change situation is dominating.

Sectors like monthly and educational expenditure are showing the role of remittance has highly increased slightly. It is because some families pay special attention to education. Moreover increase in monthly family expenditure is due to the availability of more remittance. No deterioration is found for these sectors.

## 6.6 ROLE OF REMITTANCE CONSIDERING EXTENT OF CHANGE

Figure 6.5: Role of remittance considering extent of change



Source: Field Survey, 2007

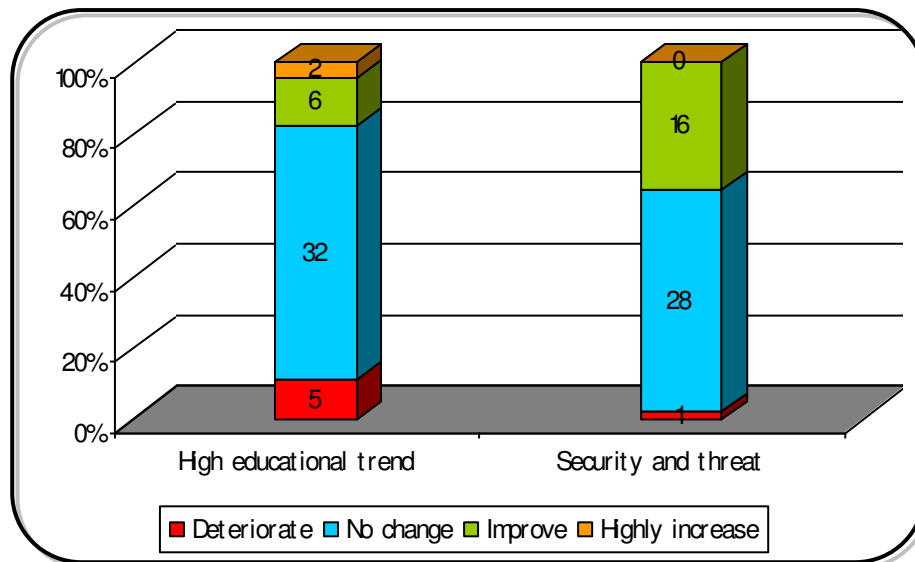
From the above figure it is observed that for sectors like use of electronic goods & furniture and face uncertainty & shocks, the role of remittance is high. Due to the increase of money, the uses of electronic goods & furniture have increased among the people. And moreover they are now much more prepared to face different uncertainties.

In case of sectors like outlook & thoughts, cosmetics use and ability to face natural hazards, the role of remittance is mostly unchanged. Cause people are not conscious of these. It is mainly due to lack of education. But for very few households this scenario is vice-versa. For these households, it is found that the role remittance is positively very high for sectors like outlook & thoughts, the uses of electronic goods & furniture and the ability to face natural hazards. These households seem to be much more modern and literate. But they are very few in number.



## 6.7 ROLE OF REMITTANCE CONSIDERING EXTENT OF CHANGE

Figure 6.6: Role of remittance considering extent of change



Source: Field Survey, 2007

The above figure explains that there is deterioration trend in case of high educational trend and security & threats. In many households, a tendency is found that deterioration in education. Actually in this case, many members think it's better to go abroad than to continue studies. For very few families this scenario is quite opposite.

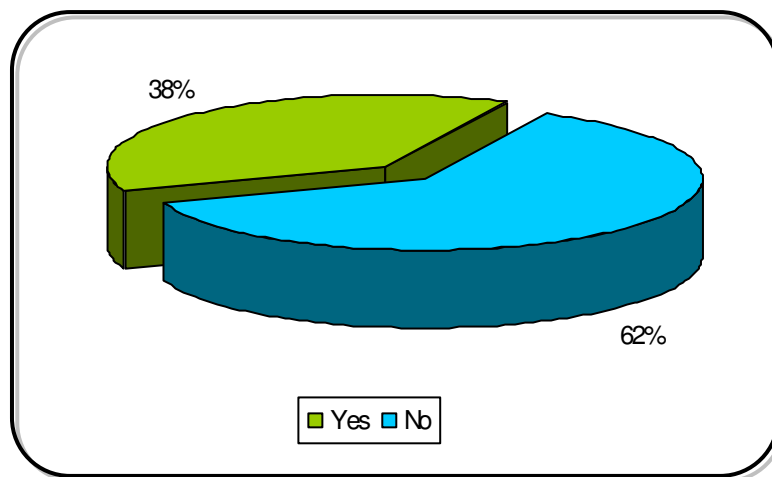
In case of security some households face threats of robbery. The rich remittance dependent families are often vulnerable in this regard. That's why for some households a slight deterioration in the sector security and threat is found.

It is also found that the rate of improvement for the sector high educational trend is very poor among the households. Because mostly the remittance families do not pay attention to higher studies, rather their intention is to earn money.

For these two sectors, no-change situation also very strong among the households and high rate of improvement is also very little. It seems to be they are not quite concerned about high education, on the other hand although the rate of improvement in security has increased but there is a slight deterioration is found too.

## 6.8 IDEA ABOUT THE INVESTMENT/PRODUCTIVE SECTORS

Figure 6.7: Idea about the investment/productive sectors

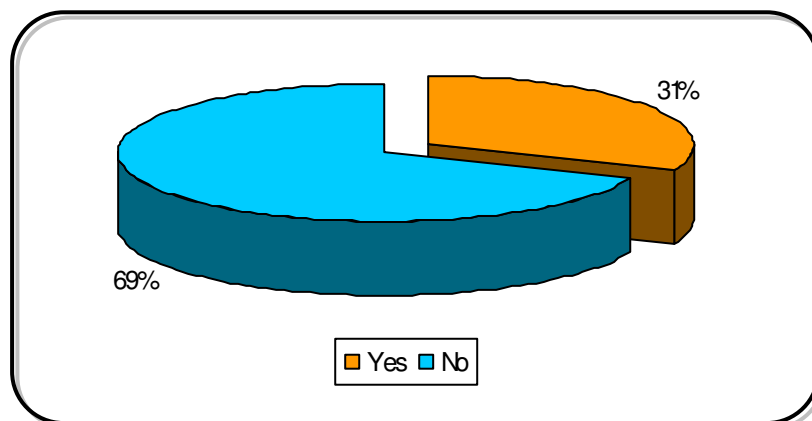


Source: Field Survey, 2007

The above figure shows that only 38% households have ideas about investment/productive sectors. And the rest do not have any idea.

## 6.9 INVESTMENT OF MONEY IN PRODUCTIVE SECTORS

Figure 6.8: Investment of money in productive sectors



Source: Field Survey, 2007

This figure above indicates that 69% of the households do not invest remittance in investment sectors like dairy/poultry or in productive business. While only 31% invest in productive sectors.

This is because as 62% households do not have any idea about investment sectors (from figure 6.7), they are not aware of investing in productive sectors.

## CHAPTER 07

### PROBLEMS AND POTENTIALS

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The impact of remittance on the economy of labour sending countries depends to a large extent the way they are used. Over the years, concerns have been expressed about the limited extent of the productive use of remittance. Different authors have different perceptions about what constitute productive use. However, there is a general agreement that bulk of the remittance money is used in daily expenditure for food and clothing. Another big segment goes into house improvement.

#### 7.1 PROBLEMS OBSERVED

It is true that remittances are generally treated as income source of the family. Yet many families did not spend major share of the remittance in consumption. Wherever the families found investment opportunities they utilised that. In the context of Bangladesh for an individual, land is the safest and most profitable investment. Therefore they chose to invest in all kinds of land – arable, homestead, commercial etc. Some of them have been successful in releasing mortgaged land. They have also mortgaged in land as an income-earning avenue.

Investment in savings among the families is found to be relatively low. In general there is a lack of information about different savings schemes available. Utilizing remittance in sending family members abroad from the perspective of the migrants' families is an investment rather than consumption. Therefore if one adds investment in land, financing migration of other family members, construction of homestead, investment in business, then one would appreciate the intention of the families for income maximisation given the limited options.

On the basis of the above findings it is argued that investment of remittances in productive venture is a difficult proposition not always because of the lack of willingness of the part of individuals or families, but also due to lack of viable

investment opportunities. The negative impacts of remittances are a possible dependency on this money flow and inflation. Possibly remittances could result in neglecting the local productive activities in the receiving areas.

If age is considered, two types of investment opportunities are necessary. Those who are more than 45 years of age would need savings instruments where they can invest and receive interest. Those who belong to age category of 25-44 can be treated as risk takers who would be able to run business venture. For this group, information on safe business avenues, credit facilities, training assistance etc. are required. Almost half of the remittance receivers are illiterate (field survey 2007). This means that processing loans and/or receiving training through formal institutions could be problematic for them.

Below the problems, regarding remittance, in Bancharampur is discussed more specifically. The whole discussion is based on field survey, in Bancharampur Upzilla, conducted by the project team in July 2007.

- A good percentage of those who are remitting money and their families are less educated. Almost 56% of the people have completed only S.S.C. level and many are illiterate too. On the other hand, maximum household heads, who are controlling the remittance, are either uneducated or house wife/unemployed. This creates problems in the proper utilizations of remittance in important productive fields.
- As female members or housewives are mostly controlling the remittance, this creates lots of problems. In rural areas, the females do not have easy access to any where, that they can invest the money in business or in other productive sectors like dairy/poultry or somewhere else. Moreover, housewives or unemployed persons those have the controlling power of remittance are mostly illiterate.
- Maximum households have very low family income (mostly <3000-5000 tk/month). On the other hand, 40% households have high rate of family expenditure (10000-15000 tk/month). This is a great problem. Because these families are highly dependent on the migrant members. In case of any kind of

problem relating to the migrant member, the dependent families have to suffer a lot.

Sometimes it is seen that there is no source of income locally but the families are expending more than their income. And the families that have no migrant members are the sufferers. This creates vertical equity gap within the same region. The remittance family, although they do not have proper source of income in comparison to their expenditure, in this case are getting extra benefits than that do not have migrants.

- This type of situation is creating high rate of unemployment. Because a general tendency is growing among the people, especially the young generation, is that it is better to go abroad and earn more money than to invest money in local areas. For this the local resources are not being utilizing properly. People see that those have migrants are more rich, so they tend to go abroad.
- And another big problem is being created among those who are school going, that they are leaving primary education uncompleted and are trying to leave the country. Thus they are remained uneducated. Some also do not work as they are getting enough money from abroad. Thus unemployment and illiteracy are generating highly in this area. And this is also affecting others who don't have any migrants. Sometimes the local inflation rate also increases significantly.
- It is also found that those who are leaving this country from here, are not educated enough or many of them are illiterate. This means they are going abroad, without having proper skill. Maximum go abroad as labors, some of the migrants are doing other jobs like service/business of others, but their number is very little.

But if this manpower can be trained or if they be skillful, then they can send much money than they are sending now. So this is a problem, that the proportion of receiving money to the number of migrants sending abroad is

very low. Skillful or even semi-skillful migrants can send more remittance than the unskilled ones.

- From field survey it is found that most of the remittance is being spent by the families in meeting basic needs or purchasing land/homesteads. Very few save or use the remittance in productive sectors. And there is no tendency to invest in even community development activities. This is also a great problem.
- Often some families have to take huge loans/sell homestead lands & holdings or mortgage it, to collect the money for the migrant member to help him go abroad. To do this the families become highly indebted and they have to pay the loans for many long times. This affects both the family's economic and social condition. Although many families can repay the loans, but still many families are suffering a lot to repay the loans which is really miserable.
- Security for the migrant's family has also become a burning issue now-a-days. Normally the remittance family is richer than others, which often creates problems. Sometimes incidents like robbery occur with these families which is a real threat to them. Again if any migrant member comes home, then he feels in risk of being hijacked. Thus often social security becomes a major problem for the migrant families.
- Another important problem is found that most of the remittance families do not have any idea about the productive sectors (62%). And they do not invest money in productive sectors. This is a great problem for them. If money is spent only in fulfilling basic needs it will affect the rural economy a lot.

And if money is not invested in rural productive sectors proportionately, then it will deteriorate the rural economy to a great extent in the long run. Moreover, the local productive and other unique sectors (here the culture of TAT or weaving cloths) will demolish soon. So to flourish the local economy and help it from deterioration, investment of remittance money is very much in need.

- Although most of the migrants send money through banks, but still almost 8% of them using unofficial channels. It is because due to the high transfer costs, complained by many of the migrant families.
- The need for special savings schemes for the migrant families and the absence of such services at door to door level are also not well-organized in the area. Many of the families are not aware about the need for having a bank account too.
- Investment of remittances in productive venture is a difficult proposition not always because of the lack of willingness of the part of individuals or families, but also due to lack of viable investment opportunities.
- Often remittances result in neglecting the local productive activities in the receiving areas. This area is famous for weaving cloths but people are not investing in this sector and the authority is not also concerned about it. This is why this sector is going to extinct forever and now very few people are depending on it. Remittances create incentives that reduce the domestic work effort.

## **7.2 POTENTIALITIES FOUND**

Remittances contribute significantly to the national economy. The impact at the household level is less straightforward. On the plus side, remittances allow families to meet their basic needs; open up opportunities for investing in education, health care, etc.; loosen up constraints in the family budget to invest in business or to save; are a kind of emergency resource; provide a social security for the elderly; and can boost the local economy.

Remittances can reduce poverty and fuel high rates of household savings and investment. Remittances are often an important source of foreign exchange, domestic consumption, and investment. Remittances also are an important and stable source of income for many households, especially in the rural areas.

Remittances can lead to economic growth simply by increasing the migrant's household income, regardless of whether this additional income is spent on consumption or savings. Remittances may have distributive effects on poverty and inequality. Remittances contribute to household income and thus, in the short run, reduce poverty.

Below the potentials, regarding remittance, in Bancharampur is discussed in more detail. The whole discussion is based on field survey, in Bancharampur Upzilla, conducted by the project team in July 2007.

- After migration 100% people are found employed, while staying in the country many remained unemployed. In the study area many members of the families are found unemployed due to the unavailability of jobs or lack of willingness. Moreover in foreign countries, more money is paid related to construction or laborious jobs. Most of the cases people who are unemployed in this area, after migrating they get jobs in foreign countries, because those jobs related to day labour are easily gettable.
- Individual family prosperity is largely found in this area. Though most of the families do not pay in productive sectors or for community development but the remittance getting families are economically much more prosperous. Thus remittances can lead to economic growth simply by increasing the migrant's household income, regardless of whether this additional income is spent on consumption or savings.
- Membership of NGOs has increased (70%) among the remittance getting families. Recently some NGOs are helping the families in receiving the money from abroad and are trying to make them conscious of investing the money in productive sectors. After being a member of NGO, each of the families are being conscious of using the money in different productive sectors and also in saving schemes, which is a good sign of economic and rural development for the area in the long run.



- This area was famous for producing quality cloth [Muslin](#) (a kind of very good quality of cloth in the Mughal Period); the culture deteriorated later on. But still this area is well known for TAT or weaving cloths. Some families are still dependent on this sector. So if this sector can be flourished again then it will be a great opportunity for this area to increase economic growth.

Moreover the skilled persons that are found in some families can be trained and provided with necessary supports so that they can be self-employed and contribute to household income.

- There are many hats and bazars (market places) in this area, and there is a possibility of growth center development by utilizing those market places properly. Most of the market places are not in good condition. These places are in lack of proper infrastructure facilities and management. So by providing necessary facilities these places can be developed as growth center; and thus increase the economic growth of the area as well as the country's economy as a whole.

Although many problems exist in this area but removing those problems and enhancing the potentialities by taking necessary and proper steps, in collaboration with the public and private authorities and institutions, both the economic as well as rural development of this area is possible.

## **CHAPTER 08**

### **RECOMMENDATIONS AND CONCLUSIONS**

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#### **8.1 RECOMMENDATIONS**

Remittance policy should generate a new interest for the policy makers, and politicians, as well as development analysts as remittances by the Bangladeshi's abroad rise to a level that is comparable with its development assistance and foreign direct investments. There are opportunities to improve receipts of foreign currency through remittances from abroad.

The country needs a coherent remittance policy to maximize the benefits of remittances in nation building. To achieve this objective, a remittance policy at national level should be part of a broader set of reforms aimed at modernizing the financial system to allow financial institutions to compete successfully with money transfer firms.

There is a tendency of irregular migrants sending remittance through informal channels. Therefore, along with efforts towards encouraging flow of regular migration, procedures must be simplified so that irregular migrants can send remittance through regular channels.

Besides lowering transfer costs significantly, this policy might also attract additional remittances (money sent home from abroad) that are currently being transferred through unofficial channels. Remittance policy should also focus on redirecting some of the remittances towards investments, and provide incentives for citizens abroad to contribute towards the development of their communities at home.

##### **8.1.1 Banks**

The banks are working hard to match the level of services provided by hundi operators. Following measures may be undertaken to further improve their quality of services.

A good percentage of those who are remitting money and their families are less educated. In most cases, they are not familiar in dealing with formal institutions and are not aware about the need for having a bank account. In that context, those who are going overseas should be encouraged to open accounts before their departure. This can be ensured through existing BMET clearance process. Before issuing clearance certificate, BMET can ensure if the migrant has opened a bank account.

A segment of Bangladeshi migrant population is undocumented. There is a tendency of irregular migrants to send remittance through informal channels. Therefore, along with efforts towards encouraging flow of regular migration, procedures must be simplified so that irregular migrants can send remittance through regular channels. In this regard, Bangladeshi banks overseas may be instructed to facilitate opening of account by accepting documents, other than passport.

Bank officials are to be trained, regularly updated and motivated about the importance of migrant remittance.

### **8.1.2 Public Policy Reforms**

The government needs to commit adequate resources to migration sector. A large segment of hundi money is channeled to finance smuggling. This necessitates re-evaluation of taxation policy, and tariff and duty structures.

Such revision has also become necessary for reducing under-invoicing of imports that is another contributing factor to hundi. The concerned authorities need to assess if the revenue earning under the existing tax, tariff and duty regimes is higher than the loss of foreign exchange due to smuggling and under-invoicing.

The Bangladesh Bank's policy of not allowing private banks opening branches in foreign cities where nationalized commercial banks have their branches needs to be reconsidered. Such protectionism is against the principle of liberalization and private sector development. If banks gear themselves adequately for harnessing migrants' remittance then opening of branches by private banks would lead to a healthy competition and thus is likely to contribute increased flow of remittance.

Government may give migrant workers the right to import goods that can be considered as remittance in kind. Such remittance in kind may be exempted from custom duties.

The government's concern of the high risk involved in allowing MFIs to mobilise non-members' savings is appreciated. However, considering the need for special savings schemes for the migrant families and the absence of such services at door to door level, the government may give special permission to a few tested MFIs to engage themselves in managing non-members' savings. Government may undertake a high profile project like 'Jamuna Bridge' dedicated to the migrants and mobilise fund from the migrants in implementing that project.

### **8.1.3 Ministries and Agencies**

There is much room for improvement in the functioning of Bangladeshi missions abroad with respect to remittance. When queries are made on opening new branches and corresponding relationships, the missions need to act on them promptly. Procedural delays have to be minimised by fixing specific time frames.

Data is non-existent on the long term migrants of Bangladesh. In order to design its targeted interventions, BB requires information on number of migrants, their professional background and area of concentration in the receiving countries.

There is a general decline in the supply of skilled and professional categories of migrants from Bangladesh. This has given rise to a situation where increase in number of people migrating has not been matched by commensurate increase in remittance inflow. Under such conditions, a number of measures need to be taken by BMET.

Many labour receiving countries have projection plans of development work and concomitant labour needs. These projection plans need to be collected and analysed on a routine basis. Accordingly human resources of Bangladesh have to be trained and marketed. Initiatives must be taken for proper certification of skills that a good section of migrant workers possess, such as electrician, mason, bricklayer, plumber, fitter,

turner etc. In this respect, special incentives may be provided to private recruiting agencies who export skilled manpower.

Vocational training should be incorporated in mainstream primary and secondary level curricula. Chapters on migration should be incorporated in textbooks. To increase the communication skills, English should be introduced as a second language from the first grade. Moreover necessary training and facilities, for those who are skilled in weaving cloths, should also be provided. And the concerned authority should pay serious attention in this regard.

#### **8.1.4 Micro Finance Institutions and Civil Society Bodies**

Tested microfinance institutions should come forward to play a role in managing migration. They can take up the migrant workers' issue as a matter of social responsibility. BRAC has already emerged as a non-traditional actor in remittance transfer. Experience of BRAC bank regarding remittance transfer may be studied thoroughly. This will give idea on the possibility of their replication.

MFIs can make migrants their members before departure; develop credit schemes for facilitating their migration, form partnership in remittance transfer, provide package on repayment of loans and savings for the migrants, assist the remittance receivers in setting up micro enterprises and help reintegration of returnee migrants through investment assistance.

Potential migrants should be provided information on official remittance process. The training programmes designed by RMMRU can be replicated at a large scale by private sector and MFIs.

#### **8.1.5 International Agencies**

International organisations can jointly establish migrant workers resource centres (MWRCs) in major receiving countries. These MWRCs can provide all kinds of services including remittance information to the migrants of different labour sending countries.

### **8.1.6 Coordination**

It is well recognised that migration is a complex process with many stakeholders. It involves various ministries of the government, private and nationalised commercial banks, MFIs, migrant workers and members of their families. Effective coordination among the actors is essential for enhancing the efficiency of migrant workers' remittance. The inter-ministerial coordination committee headed by the Minister for EWOE should incorporate all the actors, government, private sector and the civil society.

## **8.2 CONCLUSIONS**

The study has found that many migrants are remitters of small amounts. In order to encourage small savers proper incentive programmes may be undertaken. Bonds, shares and mutual fund at attractive rates may be offered targetting the small savers.

The central bank may consider allowing banks appoint brokers/agents on payment of commission who help mobilizing individual remittances. This appears to be an effective tool to mobilize remittance of Bangladeshi migrants.

A comprehensive stocktaking of all micro-credit initiatives of existing government, private and non-governmental organizations may be undertaken to create a data-base. Such a data-base will be extremely useful for further research and exchange of ideas and information between various actors.

A wider awareness programme needs to be organised for dissemination of information on various benefits and advantages of sending remittance through official channels, options available for savings and investment and utilization opportunities at the grassroots. The target group for such programme would be potential migrants, migrants, and remittance receiving families. They may be reached through training of elected members of union councils, local level government functionaries, volunteers of migrant workers associations and members of grassroots level, trade union and peasant associations.

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## Appendix I

### District-wise Overseas Employment from 1976 to April 2007

S.L. No.	Name of District	Overseas Employment	Percentage (%)
1	Comilla	556109	11.71
2	Chittagong	434036	9.14
3	Dhaka	311094	6.55
<b>4</b>	<b>Brahmanbaria</b>	<b>273533</b>	<b>5.76</b>
5	Chandpur	240667	5.07
6	Tangail	229364	4.82
7	Noakhali	193716	4.08
8	Munshiganj	164546	3.49
9	Sylhet	139984	2.95
10	Manikgonj	136680	2.88
11	Feni	134245	2.83
12	Narshingdi	133028	2.8
13	Gajipur	127116	2.68
14	Narayanganj	125029	2.63
15	Lakshmipur	118943	2.5
16	Moulvibazar	104336	2.2
17	Mymensingh	93033	1.96
18	Kishoregonj	83990	1.77
19	Faridpur	79991	1.68
20	Barisal	71470	1.5
21	Bogra	69383	1.46
22	Madaripur	59819	1.26
23	Habiganj	59297	1.25
24	Sariatpur	56167	1.18
25	Coxs Bazar	50777	1.07
26	Nawabganj	47647	1
27	Sunamganj	44864	0.94
28	Jessor	39300	0.83
29	Pabna	34083	0.72
30	Jamalpur	32692	0.69
31	Kustia	32692	0.69
32	Bhola	31822	0.67

S.L. No.	Name of District	Overseas Employment	Percentage (%)
33	Jhinaidah	29214	0.62
34	Naogaon	28344	0.6
35	Pirojpur	28344	0.6
36	Gopalganj	26084	0.55
37	Meherpur	25214	0.53
38	Natore	24345	0.51
39	Narail	23649	0.5
40	Sirajganj	22780	0.48
41	Jhalakati	20867	0.44
42	Rajbari	18954	0.4
43	Sathkhira	18607	0.39
44	Barguna	16694	0.35
45	Bagherhat	16520	0.33
46	Gaibandha	14781	0.31
47	Rajshahi	13738	0.29
48	Magura	13390	0.28
49	Patuakhali	12520	0.26
50	Khulna	12346	0.25
51	Jaipurhat	10955	0.23
52	Chuadanga	10260	0.22
53	Netrokona	9912	0.21
54	Dinajpur	8347	0.18
55	Sherpur	7999	0.17
56	Rangpur	7651	0.16
57	Thakurgaon	5565	0.12
58	Kurigram	4521	0.1
59	Nilphamari	2608	0.05
60	Khagrachori	1565	0.03
61	Lalmonirhat	1391	0.03
62	Bandarban	1217	0.03
63	Panchagor	696	0.01
64	Rangamati	522	0.01

**Total Overseas Employment: 4,750,051**

Source: BMET, 2007

## Appendix II

### NUMBER OF PERSONS ABROAD ON EMPLOYMENT AND TOTAL WORKERS' REMITTANCES

Year/Month	No. of Persons	Remittances	
		Million US. \$	Tk. in Crores
<b>1996-97</b>	227,584	1475.42	6300.04
<b>1997-98</b>	242,811	1525.43	6934.60
<b>1998-99</b>	270,390	1705.74	8197.78
<b>1999-00</b>	248,291	1949.32	9807.03
<b>2000-01</b>	2,13,339	1882.10	10170.01
<b>2001-02</b>	185,534	2501.13	14377.03
<b>2002-03</b>	241,425	3061.97	17728.81
<b>2003-04</b>	272,693	3371.97	19869.8
<b>2004-05</b>	2,51,699	3848.29	23646.97
July	27,316	286.67	1711.99
August	23,938	271.68	1613.51
September	21,899	275.37	1637.35
October	27,636	297.03	1768.22
November	14,854	267.30	1596.85
December	21,515	379.19	2286.89
January	16,866	316.25	1895.60
February	16,544	329.05	2078.94
March	20,464	400.32	2540.43
April	19,071	367.85	2334.74
May	19,802	311.75	1980.55
June	21,794	345.83	2201.90
<b>2005-06</b>	286,381	4801.88	32274.63
July	21,153	342.49	2197.06
August	22,704	377.36	2443.77
September	21,414	351.51	2306.26
October	22,252	374.19	2458.82
November	19,626	316.33	2080.96
December	26,273	416.99	2755.05
January	21,009	395.99	2624.99
February	21,482	424.02	2844.74
March	27,584	476.77	3316.41
April	25,960	410.39	2874.78
May	28,766	487.24	3382.90
June	28,158	429.13	2988.89
<b>2006-07</b>			
July	35,121	412.80	2875.15
August	34,833	471.22	3280.63
September	32,972	446.00	3031.02
October	29,769	377.34	2531.57
November	46,474	598.73	4185.72
December	49,012	555.08	3855.59
January	41,817	462.55	3223.51
February	37,432	500.32	3453.21
March	47,280	537.29	3704.08
April	65,277	543.74	3748.54

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

## Appendix III

### COUNTRY-WISE WORKERS REMITTANCES

(Taka in crores)																
Period	Saudi Arabia	U.A.E.	U.K.	Kuwait	U.S.A.	Libya	Qatar	Oman	Singapore	Germany	Bahrain	Iran	Japan	Malaysia	Other Countries	Total
1993-94	1772.22	352.32	193.92	740.90	314.70	7.61	224.60	292.19	9.28	49.84	106.72	2.18	126.21	40.84	119.79	4354.90
1994-95	1916.90	326.97	189.07	702.40	410.94	4.12	290.25	326.68	11.76	32.37	135.53	1.22	126.31	201.00	138.48	4814.00
1995-96	2037.98	342.69	168.87	712.79	472.35	0.69	217.76	334.02	16.31	20.07	122.75	0.32	93.88	304.08	133.34	4970.50
1996-97	2510.03	382.44	239.91	903.30	673.14	1.91	226.74	403.23	28.44	13.16	137.55	1.92	109.25	404.53	272.91	6300.04
1997-98	2674.60	486.17	298.39	969.05	922.37	2.40	262.59	400.88	35.15	11.37	147.21	4.13	91.09	353.31	273.81	6934.60
1998-99	3298.26	603.85	260.08	1109.25	1153.38	0.66	307.89	442.77	62.97	24.83	187.61	0.90	190.37	324.95	245.64	8213.41
1999-00	46	65	36	123	121	0.20	320	46	58	23.6	210.0	-	17	27	21.0	98.0
2000-01	4972.70	779.39	300.98	1336.39	1218.15	0.53	342.41	451.66	42.20	20.80	237.97	-	58.69	164.69	243.45	10170.01
2001-02	6598.68	1311.63	595.02	1642.34	2048.24	-	520.63	593.49	82.05	35.10	310.93	-	81.20	269.44	258.11	14377.03
2002-03	7262.45	1895.65	1275.08	1960.44	2652.10	0.96	657.46	660.42	179.84	55.41	368.93	1.28	105.60	239.75	413.52	17728.81
July-Sept	1761.78	425.74	299.46	480.17	641.53	0.30	151.59	148.28	54.07	15.11	82.50	-	31.26	69.34	5.60	4217.09
Oct-Dec	1756.80	438.31	301.90	485.72	639.50	0.30	167.33	170.11	36.14	11.69	87.37	0.29	16.90	56.92	74.33	4243.61
Jan-Mar	1762.53	525.50	330.72	541.77	659.47	0.18	186.26	189.98	431.19	12.75	101.27	0.58	26.46	57.03	112.62	4550.31
April-June	1981.34	506.10	343.00	452.78	711.60	0.18	152.28	152.05	46.44	15.86	97.79	0.41	30.98	56.46	170.57	4717.81
2003-04	8169.26	2201.17	1753.70	2129.15	2757.27	0.77	669.79	698.62	190.79	71.44	360.18	2.24	110.39	218.43	541.19	19869.80
2004-05	9291.27	2721.92	2311.60	2499.32	3430.30	1.66	837.54	806.69	294.81	62.20	412.59	3.21	97.43	156.49	719.85	23646.97
July	733.24	185.85	147.69	172.47	233.33	0.12	63.66	52.37	16.96	4.18	32.55	0.24	8.54	16.06	44.73	1711.99
August	671.17	166.59	125.73	173.60	251.10	0.30	61.41	52.26	14.97	3.56	30.88	0.24	7.90	12.71	41.10	1613.51
September	731.30	169.10	134.91	165.00	215.25	0.06	56.78	58.33	16.71	3.09	29.61	0.24	8.38	11.06	37.52	1637.35
October	695.61	209.84	146.68	196.75	270.56	0.06	60.66	59.59	18.45	4.70	30.84	0.30	10.48	13.99	49.71	1768.22
November	599.19	175.22	165.72	187.88	221.87	0.06	66.55	64.16	12.31	5.14	26.35	0.24	10.93	7.47	53.79	1596.85
December	1036.67	223.21	261.20	219.95	266.99	0.12	71.59	73.58	19.36	5.07	36.91	0.00	9.59	12.24	50.42	2286.89
January	700.88	233.41	203.26	212.55	253.97	0.12	73.97	70.19	22.48	5.03	34.35	0.30	8.87	12.53	63.72	1895.60
February	738.89	266.24	296.44	209.06	268.45	0.19	59.83	77.84	54.08	5.24	34.24	0.25	6.95	15.67	45.55	2078.94

March	885.33	324.28	313.56	260.38	387.36	0.25	79.96	76.60	41.50	6.60	47.09	0.32	9.65	17.01	90.56	2540.43
April	964.55	266.26	195.30	217.96	364.64	0.00	75.34	72.74	26.78	7.17	33.89	0.32	5.90	14.34	89.56	2334.74
May	755.12	225.85	1340.05	223.44	327.37	0.19	79.86	67.55	25.79	6.99	37.44	0.44	5.53	11.50	79.54	1980.55
June	779.32	276.07	187.06	260.28	369.41	0.19	87.93	81.88	25.60	5.41	38.14	0.32	4.71	11.91	73.67	2201.90
<b>2005-06</b>	11385.21	3776.30	3752.95	3326.33	5105.86	1.22	1179.24	1109.99	436.30	79.97	451.35	11.94	63.43	140.26	1454.28	32274.63
July	934.79	251.40	136.32	206.34	353.15	0.00	81.47	71.27	27.58	7.38	33.36	0.38	4.17	8.85	80.70	2197.06
August	936.49	227.63	229.19	255.28	449.30	0.13	81.66	74.15	31.86	6.48	35.55	0.71	5.31	10.62	99.41	2443.77
September	874.45	237.05	251.42	209.76	389.20	0.07	82.80	83.00	23.09	6.23	42.12	0.33	4.59	11.61	90.54	2306.26
October	885.18	320.80	192.14	262.91	451.30	0.13	93.37	80.49	26.88	5.65	39.69	0.07	4.67	11.50	84.04	2458.82
November	840.40	233.03	139.87	232.63	315.86	0.07	89.37	101.19	20.99	3.55	30.26	0.53	3.42	7.43	62.37	2080.96
December	1036.97	322.75	312.25	307.09	399.26	0.07	98.18	89.59	31.98	4.62	43.67	0.92	4.76	10.24	92.70	2755.05
January	776.02	341.03	382.86	246.34	413.07	0.07	110.03	109.03	46.94	6.04	32.74	4.78	6.24	8.10	141.50	2624.99
February	859.62	370.27	452.32	246.35	454.27	0.13	89.30	86.95	58.97	8.05	35.22	0.67	4.50	14.42	163.70	2844.74
March	1096.96	385.99	528.73	321.37	486.64	0.07	93.00	101.63	54.19	7.72	40.34	0.83	5.84	9.81	183.29	3316.41
April	911.35	363.34	311.74	331.54	486.77	0.07	121.95	102.55	35.79	8.12	33.76	1.12	6.86	35.65	124.12	2874.78
May	1162.95	359.02	492.33	365.34	486.77	0.07	118.10	107.06	39.30	8.33	40.62	0.76	7.85	6.11	188.29	3382.90
June	1070.03	363.99	323.73	341.49	420.27	0.14	120.01	103.08	38.73	7.80	44.02	0.84	5.22	5.92	143.62	2988.89
<b>2006-07</b>																
July	951.42	360.72	358.49	304.02	428.00	0.07	128.64	97.86	35.31	5.64	37.89	1.39	4.46	5.50	155.74	2875.15
August	1100.14	381.10	467.36	319.07	495.35	0.14	139.10	99.07	39.75	8.08	40.03	1.25	5.71	6.47	178.02	3280.63
September	1097.62	320.50	362.29	355.70	451.25	0.00	115.40	107.44	30.51	7.61	42.75	0.82	4.35	4.69	130.08	3031.02
October	793.41	316.66	315.99	291.77	440.65	0.13	108.08	81.72	29.45	6.04	33.55	0.94	3.96	5.30	103.92	2531.57
November	1149.74	556.55	867.30	479.51	516.15	0.14	143.39	156.53	62.50	10.35	42.85	0.91	7.62	5.94	186.24	4185.72
December	1046.35	478.16	672.44	442.04	610.62	0.07	130.45	117.80	55.36	9.59	49.25	2.15	6.53	10.91	223.87	3855.59
January	902.42	431.03	509.36	387.48	457.79	0.21	139.94	126.28	46.34	9.06	44.18	1.32	3.41	7.11	157.57	3223.51
February	1062.84	461.40	452.84	364.70	562.44	0.14	125.41	109.88	64.26	7.45	42.17	1.59	4.49	7.45	186.15	3453.21
March	958.75	559.31	542.83	470.31	572.89	16.82	144.29	114.51	51.64	9.10	52.95	1.17	9.17	7.03	193.31	3704.08
April	1036.65	536.49	554.28	414.40	619.01	0.07	139.95	102.79	49.64	9.38	54.88	2.07	8.00	6.76	214.20	3748.54

'\_\_' = Nil

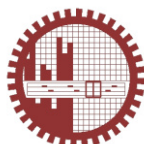
Source: Bangladesh Bank, 2007

**Appendix IV**  
**Co-ordination Schema**

<b>Objectives</b>	<b>Research Questions</b>	<b>Complex Variables</b>	<b>Simple Variables</b>	<b>Data Type</b>	<b>Data Source</b>
To identify the flow of remittance from abroad	How many people go to abroad from this locality?	Number of overseas people from this locality	Month/Year wise data	Quantitative	Secondary
	What amount of money they transfer at home?	Amount of money	Cash form	Quantitative	Secondary
			Kind form	Qualitative	Primary
To identify the uses and impacts of remittance in different socio-economic sectors	In which sectors do the families use the remittances?	Productive sectors	Food, clothing, medical treatment	Qualitative	Primary
			Home construction and repair, homestead land purchase		
			Children's education & agricultural land purchase		
			Running business & shops, repayment of loan		
			Investment in different types of services related to farming		
		Non-productive sectors	Social ceremonies such as wedding, naming of the child	Qualitative	Primary
			Release of mortgaged land & taking mortgage of land		
			Dowry & own weddings, savings		
			Court settlement & misappropriation		
	What are the impacts of remittances?	Households that get remittance	Present socio-economic position	Qualitative	Primary
Comparison of the past and present situation					
Households that do not get remittance		Present socio-economic position	Qualitative	Primary	
		Comparison with the households that get remittance			
To explore the problems and potentials in effective uses of remittance for rural development	What are the problems in the effective uses of the remittance?	Problems in various issues	Lack of knowledge	Qualitative	Primary
			Consumption rather than investment		
			Lack of co-operation among the communities		
			Uses of remittance in non-productive sectors		
			Inappropriate role of the government & NGO's		
	How the remittances can be efficiently used in rural development?	Productive uses	Fulfilling basic needs	Qualitative	Primary
			Investment in agricultural and farming sectors		
			Community development activities		
			Government functionaries and NGO activists all together		

**Appendix V**  
**Questionnaire for Survey**

**QUESTIONNAIRE ON**  
**Role of Remittance in Rural Development**



A Case Study of .....Union..... Upazila ..... District

This questionnaire is used only for study purpose for Final year students under the course-

**”Plan 432: Rural Planning Studio”**

Department of Urban and Regional Planning  
Bangladesh University of Engineering and Technology (BUET), Dhaka

Name of the respondent.....
Location: Village .....

**1. GENERAL INFORMATION ABOUT HOUSEHOLD**

Serial No.	Relation with Household head	Age	Gender	Level of education	Employment	Income (monthly)	Family expenditure (monthly)

**Relation:** 1 = Wife, 2 = Brother, 3 = Sister, 4 = Son, 5 = Daughter, 6 = Others (Specify)

**Gender:** 1 = Male, 2 = Female

**Level of education:** 1 = Illiterate, 2 = Primary, 3 = SSC, 4 = HSC, 5 = Graduate, 6 = Post Graduate

**Employment:** 1 = Day laborer, 2 = Farmer, 3 = Rickshaw puller, 4 = Business, 5 = Dairy/poultry, 6 = Others (Specify)

## 2. MIGRANT INFORMATION

Serial	Destination	Year of migration	Profession		Educational Background	Age while migration	Marital status	Gender	Relation with present House head
			Before	After					

**Educational background:** 1 = Illiterate, 2 = Primary, 3 = SSC, 4 = HSC, 5 = Graduate, 6 = Post Graduate

**Marital status:** 1 = Single, 2 = Married

**Gender:** 1 = Male, 2 = Female

## 3. FLOW OF REMITTANCE

Serial no.	Average amount of remittance	Frequency	Channel	Problems faced in receiving

**Frequency:** 1 = Monthly, 2 = 2-3 Month, 3 = Half Yearly, 4 = Yearly

**Channel:** 1 = Bank, 2 = Hundi, 3 = Friends/Relatives, 4 = Others (Specify)

**Problems faced:** 1 = Delay in liquidation of draft, 2 = Extra payment in liquidation, 3 = Others (Specify)

## 4. CONTROL OVER USE OF REMITTANCE

Serial no.	Person controlling (Relation with migrant)	Sector	Amount (in terms of percentage)

**Relation with migrant:** 1 = Wife, 2 = Brother, 3 = Sister, 4 = Son, 5 = Daughter, 6 = Others (Specify)

**Sector:** 1 = Purchasing basic needs, 2 = House purchase/repair, 3 = Land purchases, 4 = Homestead purchase, 5 = Payment of loan/Mortgage, 6 = Purchasing luxurious goods, 7 = Saving, 8 = Agriculture, 9 = Business, 10 = Home based informal works, 11 = Poultry/dairy, 12 = Fisheries, 13 = Industries, 14 = Others (Specify)



## IMPACTS OF REMITTANCE IN RURAL DEVELOPMENT

### 5. Before/After scenario

Sectors	Condition		Opinion about role of remittance	Comments
	Before	After		
Amount of land holding (in decimal)				
Housing condition				
Sanitation				
Source of water supply				
Electrification				
Loan (Tk.)				
Membership of NGO				
No. of Employed person in family				
Unemployed person				
Use of transport mode				
Prime Profession				

**Opinion about the role of remittance:** 1 = Yes, 2 = No

**Housing condition:** 1 = Kutcha, 2 = Semi pucca, 3 = Pucca

**Sanitation:** 1 = Sanitary, 2 = Unsanitary

**Source of water supply:** 1 = Individual tube well, 2 = Neighbors tube well, 3 = others (Specify)

**Electrification:** 1 = Yes, 2 = No

**Membership of NGO:** 1 = Yes, 2 = No

**Use of transport mode:** 1 = on foot, 2 = Rickshaw, 3 = Cycle, 4 = Van, 5 = Motor Cycle, 6 = others (Specify)

**Prime profession:** 1 = Day laborer, 2 = Farmer, 3 = Rickshaw puller, 4 = Business, 5 = Shopkeeper, 6 = Dairy/poultry, 7 = others (Specify)

### 6. Extent of change

Sectors	Deteriorate	No change	Improve/Increase	Highly increase	Role of remittance
Monthly expenditure					
Food Quality					
Educational expenditure					
High educational trend					
Outlook and thoughts					
Access to health care facilities					
Use of electronics goods and furniture					
Cosmetic use					
Ability to face natural hazard					
Face uncertainty and shocks					
Security and threat					

**Role of remittance:** 1 = Yes, 2 = No

**PROBLEMS**

**7. Have you ever invested money in productive sectors?**

a. Yes (Go to question no 8)

b. No (Go to question no 9)

**8. Productive sectors**

Location	Sector	Amount	Employment generation (number of employees)

**9. If no, Reasons:**

.....  
.....

.....  
.....

.....  
.....

**10. Do you have any idea about investment sector?**

a. Yes

b. No

**11. Do you have any skilled person in your family?**

a. Yes (Go to question no 12)

b. No

**12. Type of skill**

No. of person	Type of skill

Students of Level: 4; Term: 2,  
Urban and Regional Planning,  
BUET

**Name of the interviewer:**

**Time:**

**Date:**

**Signature:**

## **Appendix VI**

### **Checklist**

#### **The issues to be discussed with the key informants**

##### **1. Physical features and amenities**

- Number and condition of growth center
  - Distance from the village
  - Structural condition
  - Types of the rural market
- Condition of road network
  - Road type
  - Road length
  - Road condition
- Rural resources of locality
- Availability of any industry
- Potentiality to start an industry

##### **2. Institutional facility**

- Banking facility
  - Number of banks
  - Names
- Availability of NGOs
- Availability of vocational training centre
- School / College
- Any kind of facility from Government

##### **3. Vulnerability to natural hazards**

##### **4. Social type and conflicting issues among different groups**

##### **5. Formal / Informal leadership**

##### **6. The affect of remittance among different social classes**

## **The information to be collected form officials**

- **Bank**
  - The total flow of foreign remittance in the area
  - The number and condition of bank accounts of the foreign workers and their family
  
- **NGO**
  - Is there any activity of the organization for using the remittance money for productive activities
  - Is there any future plan of the NGO regarding this
  - What are their suggestions to motivate the people to use their money in productive activities
  - What are the potential sectors to invest remittance money
  
- **Government Organization**
  - Potential and productive sectors of the area to invest remittance money
  - What are their suggestions to motivate the people to use their money in productive activities

## Appendix VII

### BRAHMANBARIA ZILA CENSUS RESULTS AT A GLANCE

Items	2001	1991	Growth Rate			
			Decadal		Annual	
<b>1. AREA</b>						
In Sq. Km.	1 927.11	1 927.11				
In Sq. Mile	744.06	744.06				
<b>2. HOUSEHOLD</b>						
Zila	429 390	360 265	19.19		1.77	
Rural	368 761	315 697	16.81		1.57	
Urban	60 629	44 568	36.04		3.13	
<b>3. HOUSEHOLD SIZE (Dwelling)</b>						
Zila	5.58	5.94	(-)	6.06	(-)	0.62
Rural	5.59	5.96	(-)	6.21	(-)	0.64
Urban	5.52	5.81	(-)	4.99	(-)	0.51
<b>4. POPULATION</b>						
Both Sexes	2 398 254	2 141 745	11.98			1.14
Male	1 205 552	1 089 702	10.63			1.02
Female	1 192 702	1 052 043	13.37			1.26
<b>Rural</b>						
Both Sexes	2 062 070	1 882 642	9.53			0.91
Male	1 033 470	954 783	8.24			0.80
Female	1 028 600	927 859	10.86			1.04
<b>Urban</b>						
Both Sexes	336 184	259 103	29.75			2.64
Male	172 082	134 919	27.54			2.46
Female	164 102	124 184	32.14			2.83
<b>5. DENSITY</b>						
Per Sq. Km.	1 244	1 111	11.97			1.14
Per Sq. Mile	3 223	2 878	11.98			1.14
<b>6. SEX RATIO (M/F)</b>						
Zila	101	104				
Rural	100	103				
Urban	105	109				
<b>7. LITERACY RATE (7 Years &amp; Over)</b>						
Both Sexes	39.46	26.59	48.40			4.03
Male	42.26	32.66	29.39			2.61
Female	36.69	20.32	80.56			6.09
<b>8. SCHOOL ATTENDANCE (5 to 24 years)</b>						
Both Sexes	449 634	320 574	40.26			3.44
Male	234 593	186 181	26.00			2.34
Female	215 041	134 393	60.00			4.81
<b>9. URBAN POPULATION (%)</b>						
	14.02	12.10	15.87			1.48
<b>10. ADMINISTRATIVE UNIT*</b>						
Upazila	8	7				
Union	98	97				
Mauza	1 024	1 024				
Village	1 331	1 350				
Paurashava	4	1				
Paura Ward	39	4				
Mahallah	97	28				

\* (i) Mauza includes depopulated and urban mauzas also.

(ii) Variation is due to new addition.

Source: Community Series, BBS, 2007

## Appendix VIII

### BANCHHARAMPUR UPAZILA CENSUS RESULTS AT A GLANCE

Items	2001	1991	Growth Rate	
			Decadal	Annual
<b>1. AREA</b>				
In Sq. Km.	217.38	217.38		
In Sq. Mile	83.93	83.93		
<b>2. HOUSEHOLD</b>				
Upazila	51 222	43 052	18.98	1.75
Rural	48 405	40 944	18.22	1.69
Urban	2 817	2 108	33.63	2.94
<b>3. HOUSEHOLD SIZE (Dwelling)</b>				
Upazila	5.4	6.0	(-) 10.00	(-) 1.05
Rural	5.4	6.0	(-) 10.00	(-) 1.05
Urban	5.4	5.6	(-) 3.57	(-) 0.36
<b>4. POPULATION</b>				
Both Sex	278 240	258 371	7.69	0.74
Male	138 421	131 598	5.18	0.51
Female	139 819	126 773	10.29	0.98
<b>Rural</b>				
Both Sex	263 129	246 563	6.72	0.65
Male	130 996	125 625	4.27	0.42
Female	132 133	120 938	9.26	0.89
<b>Urban</b>				
Both Sex	15 111	11 808	27.97	2.50
Male	7 425	5 973	24.31	2.20
Female	7 686	5 835	31.72	2.79
<b>5. DENSITY</b>				
Per Sq. Km.	1 280	1 189	7.65	0.74
Per Sq. Mile	3 315	3 078	7.70	0.74
<b>6. SEX RATIO (M/F)</b>				
Upazila	99	104		
Rural	99	104		
Urban	97	102		
<b>7. LITERACY RATE (7 Years &amp; Over)</b>				
Both Sex	35.0	20.9	67.56	5.30
Male	38.4	26.9	42.86	3.63
Female	31.7	14.6	117.33	8.07
<b>8. SCHOOL ATTENDANCE (5 to 24 years)</b>				
Both Sex	51 951	35 556	46.11	3.86
Male	27 449	21 031	30.52	2.70
Female	24 502	14 525	68.69	5.37
<b>9. URBAN POPULATION (%)</b>	5.43	4.57	18.82	1.74
<b>10. ADMINISTRATIVE UNIT*</b>				
Union	13	13		
Mauza	76	76		
Village	118	118		
Paurashava	-	-		
Paura Ward	-	-		
Mahallah	-	-		

\* Mauza includes depopulated mauzas also .

Source: Community Series, BBS, 2007

## Appendix IX

BRAC

Branch: (0808) BANCHARAMPUR

Remittance Payment Report

Transaction Date: Tue 31 Jul 2007 (Opened)

Project: (211) Remittance

From: Sun 01 Jul 2007

To: Tue 31 Jul 2007

Receiving Report					Payment Report			
Advice Receive Date	Name Of Agent	TT/Money Tr. Control		Amount Taka	Name Of Receiver	Payment Date	Cheque No	Remarks
		Date	Number					
01-Jul-2007	BRAC BANK	01-Jul-2007	2630484624	15,000	ASANULLA	01-Jul-2007		
02-Jul-2007	BRAC BANK	02-Jul-2007	8441578282	30,000	MARIUM	02-Jul-2007	456545	
02-Jul-2007	BRAC BANK	02-Jul-2007	0059319	65,000	FATIK	02-Jul-2007	465461	
02-Jul-2007	BRAC BANK	02-Jul-2007	0061507633	16,166	ABUL HOSSAIN	02-Jul-2007		
03-Jul-2007	BRAC BANK	03-Jul-2007	0059782	5,600	SAYALA	03-Jul-2007		
03-Jul-2007	BRAC BANK	03-Jul-2007	8242693067	15,000	SHILPI	03-Jul-2007		
03-Jul-2007	BRAC BANK	03-Jul-2007	4770618750	20,000	SHAHIDULLA	03-Jul-2007		
03-Jul-2007	BRAC BANK	03-Jul-2007	0059737	5,000	AWAL	03-Jul-2007		
03-Jul-2007	BRAC BANK	03-Jul-2007	0059599	36,000	TITU	03-Jul-2007		
03-Jul-2007	BRAC BANK	03-Jul-2007	8108009733	34,000	HASMATARA	03-Jul-2007		
03-Jul-2007	BRAC BANK	03-Jul-2007	0059486	30,000	MANOWARA	03-Jul-2007		
03-Jul-2007	BRAC BANK	03-Jul-2007	3552076068	10,000	KAMRUNNAHAR	03-Jul-2007		
03-Jul-2007	BRAC BANK	03-Jul-2007	6282422851	30,000	RINA	03-Jul-2007		
03-Jul-2007	BRAC BANK	03-Jul-2007	2647615832	35,000	NASIMA	03-Jul-2007		
05-Jul-2007	BRAC BANK	05-Jul-2007	2722741238	32,000	ROKEYA	05-Jul-2007		
05-Jul-2007	BRAC BANK	05-Jul-2007	0059978	18,505	MAMOTAJ	05-Jul-2007		
05-Jul-2007	BRAC BANK	05-Jul-2007	7432765447	80,015	PALASH	05-Jul-2007	465464565	
05-Jul-2007	BRAC BANK	05-Jul-2007	70723000031	45,000	NURU MIAH	05-Jul-2007		
05-Jul-2007	BRAC BANK	05-Jul-2007	5979032816	17,512	JALIL	05-Jul-2007		
05-Jul-2007	BRAC BANK	05-Jul-2007	3161855783	20,000	MAMUN	05-Jul-2007		
08-Jul-2007	BRAC BANK	08-Jul-2007	6722084363	25,000	MOSTAFIJUR	08-Jul-2007		
08-Jul-2007	BRAC BANK	08-Jul-2007	8222899720	10,000	MOSARROF	08-Jul-2007		
08-Jul-2007	BRAC BANK	08-Jul-2007	0172368118	42,190	HASHI	08-Jul-2007	65465412	
09-Jul-2007	BRAC BANK	09-Jul-2007	4391924771	26,000	MINOARA	09-Jul-2007		
09-Jul-2007	BRAC BANK	09-Jul-2007	7821985666	10,000	SAKIAN	09-Jul-2007		
09-Jul-2007	BRAC BANK	09-Jul-2007	5137440960	10,000	SHEPU	09-Jul-2007		
09-Jul-2007	BRAC BANK	09-Jul-2007	3971124806	57,008	OLAK	09-Jul-2007		
10-Jul-2007	KAMAL	10-Jul-2007	4533168065	5,000	KAMAL	10-Jul-2007		
10-Jul-2007	BRAC BANK	10-Jul-2007	2871219350	10,000	SATARA	10-Jul-2007		
10-Jul-2007	BRAC BANK	10-Jul-2007	0982172657	89,734	SIDDIQUER	10-Jul-2007	65465456	
10-Jul-2007	BRAC BANK	10-Jul-2007	70723000071	181,814	AINAB	10-Jul-2007		
10-Jul-2007	BRAC BANK	10-Jul-2007	6622033891	70,000	PARIBANER NESA	10-Jul-2007	4944715	
10-Jul-2007	BRAC BANK	10-Jul-2007	9920496055	35,000	ABU	10-Jul-2007	4944716	
11-Jul-2007	BRAC BANK	11-Jul-2007	6116717078	16,000	MOHAR ALI	11-Jul-2007		
11-Jul-2007	BRAC BANK	11-Jul-2007	0060012	10,000	HALIMA	11-Jul-2007		
11-Jul-2007	BRAC BANK	11-Jul-2007	9810752620	8,366	BADONERNECHA	11-Jul-2007		

Receiving Report					Payment Report			
Advice Receive Date	Name Of Agent	TT/Money Tr. Control		Amount Taka	Name Of Receiver	Payment Date	Cheque No	Remarks
		Date	Number					
11-Jul-2007	BRAC BANK	11-Jul-2007	3767079540	10,000	ALI AZAM	11-Jul-2007		
11-Jul-2007	BRAC BANK	11-Jul-2007	9691383196	17,498	KULSUM	11-Jul-2007		
11-Jul-2007	BRAC BANK	11-Jul-2007	3221071685	21,000	RAHIMA	11-Jul-2007		
11-Jul-2007	BRAC BANK	11-Jul-2007	6451592535	8,000	NAZIMUDDIN	11-Jul-2007		
12-Jul-2007	BRAC BANK	12-Jul-2007	3429614330	20,767	ALY AKBAR	12-Jul-2007		
12-Jul-2007	BRAC BANK	12-Jul-2007	6138215828	23,432	RUBI ULLAH	12-Jul-2007		
12-Jul-2007	BRAC BANK	12-Jul-2007	3871962548	12,000	SUKKUR	12-Jul-2007		
15-Jul-2007	BRAC BANK	15-Jul-2007	7122248712	18,000	NASIR	15-Jul-2007		
15-Jul-2007	BRAC BANK	15-Jul-2007	8043083989	40,200	ANWAR	15-Jul-2007		
15-Jul-2007	BRAC BANK	15-Jul-2007	5481217581	17,000	MUSLEM	15-Jul-2007		
15-Jul-2007	BRAC BANK	15-Jul-2007	4463031409	50,011	MONI	15-Jul-2007		
15-Jul-2007	BRAC BANK	15-Jul-2007	7057450484	44,000	AL AMIN	15-Jul-2007	5646541	
15-Jul-2007	BRAC BANK	15-Jul-2007	9740185947	60,000	MOTI KHAN	15-Jul-2007	546512313	
15-Jul-2007	BRAC BANK	15-Jul-2007	5579836687	50,000	BABO	15-Jul-2007	9879845	
15-Jul-2007	BRAC BANK	15-Jul-2007	0108471540	37,000	NAYAALI	15-Jul-2007	4651213	
15-Jul-2007	BRAC BANK	15-Jul-2007	9540435280	20,000	FARID	15-Jul-2007	798465	
15-Jul-2007	BRAC BANK	15-Jul-2007	5188383248	50,000	SIDDIQUR	15-Jul-2007	6546512	
16-Jul-2007	BRAC BANK	16-Jul-2007	0060596	234,500	MANOARA	16-Jul-2007		
16-Jul-2007	BARC BANK	16-Jul-2007	0060584	70,000	HELENA	16-Jul-2007		
16-Jul-2007	BRAC BANK	16-Jul-2007	4888572282	101,740	FIROZA	16-Jul-2007		
16-Jul-2007	BRAC BANK	16-Jul-2007	0060552	6,000	RUSIA	16-Jul-2007		
16-Jul-2007	BRAC BANK	16-Jul-2007	9809567297	19,623	ANWARA	16-Jul-2007		
16-Jul-2007	BRAC BANK	16-Jul-2007	4383218674	57,243	MALEK	16-Jul-2007	65465451	
19-Jul-2007	BRAC BANK	19-Jul-2007	0427681356	20,000	SALEHA	19-Jul-2007		
23-Jul-2007	BRAC BANK	23-Jul-2007	8139301977	32,239	FAJLUL HAQUE	23-Jul-2007		
23-Jul-2007	BRAC BANK	23-Jul-2007	6641212568	19,000	MAMIN	23-Jul-2007		
23-Jul-2007	BRAC BANK	23-Jul-2007	9911029930	22,000	GOLAM KIBRIA	23-Jul-2007		
23-Jul-2007	BRAC BANK	23-Jul-2007	9762461690	20,000	SENOWARA	23-Jul-2007		
23-Jul-2007	BRAC BANK	23-Jul-2007	2510521501	22,000	FARID MIA	23-Jul-2007		
23-Jul-2007	BRAC BANK	23-Jul-2007	0511156412	10,000	MAINUDDIN	23-Jul-2007		
23-Jul-2007	BRAC BANK	23-Jul-2007	1947002079	13,373	LITON MIA	23-Jul-2007		
23-Jul-2007	BRAC BANK	23-Jul-2007	2827709846	46,882	ABUL HOSSAIN	23-Jul-2007		
23-Jul-2007	BRAC BANK	23-Jul-2007	9722748653	29,574	BIPOB	23-Jul-2007		
23-Jul-2007	BRAC BANK	23-Jul-2007	0061124	15,000	MAMOTAJ	23-Jul-2007		
23-Jul-2007	BRAC BANK	23-Jul-2007	9631582269	11,000	ABDUR RAHMAN	23-Jul-2007		
25-Jul-2007	BRAC BANK	25-Jul-2007	0061083	20,000	UZZAL	25-Jul-2007		
25-Jul-2007	BRAC BANK	25-Jul-2007	0060810	40,000	TTTU MIAH	25-Jul-2007		
25-Jul-2007	BRAC BANK	25-Jul-2007	9496820478	99,999	MOSTAFA	25-Jul-2007		



Receiving Report					Payment Report			
Advice Receive Date	Name Of Agent	TT/Money Tr. Control		Amount Taka	Name Of Receiver	Payment Date	Cheque No	Remarks
		Date	Number					
25-Jul-2007	BRAC BANK	25-Jul-2007	4777623377	10,000	SHAPAN	25-Jul-2007		
25-Jul-2007	BRAC BANK	25-Jul-2007	0060791	6,000	MOHSIN	25-Jul-2007		
25-Jul-2007	BRAC BANK	25-Jul-2007	<del>209184732</del>	<del>27,317</del>	JAHANGIR	25-Jul-2007		
25-Jul-2007	BRAC BANK	25-Jul-2007	6491597512	21,374	SHAHID	25-Jul-2007		
25-Jul-2007	BRAC BANK	25-Jul-2007	9008063716	13,871	SHAKILA	25-Jul-2007		
26-Jul-2007	BRAC BANK	26-Jul-2007	7701800233	3,132	NAZMUL	26-Jul-2007		
26-Jul-2007	BRAC BANK	26-Jul-2007	9731615846	20,000	TAJUL ISLAM	26-Jul-2007		
29-Jul-2007	BRAC BANK	29-Jul-2007	4947023638	44,527	HELAL	29-Jul-2007	654564564	
29-Jul-2007	BRAC BANK	29-Jul-2007	3342904487	20,000	MUNTO MIAH	29-Jul-2007	45665465465	
29-Jul-2007	BRAC BANK	29-Jul-2007	4211568903	40,000	AWAL	29-Jul-2007	65645645645	
29-Jul-2007	BRAC BANK	29-Jul-2007	4666872562	26,695	SAMIR	29-Jul-2007		
29-Jul-2007	BRAC BANK	29-Jul-2007	33202937	10,000	MOHSIN	29-Jul-2007		
29-Jul-2007	BRAC BANK	29-Jul-2007	394950017	100,000	ASADUZZAMAN	29-Jul-2007		
29-Jul-2007	BRAC BANK	29-Jul-2007	7180298816	26,000	NAZRUL	29-Jul-2007		
30-Jul-2007	BRAC BANK	30-Jul-2007	9921776859	15,665	MAMIN	30-Jul-2007		
30-Jul-2007	BRAC BANK	30-Jul-2007	6002235705	20,000	ALKAS	30-Jul-2007		
30-Jul-2007	BRAC BANK	30-Jul-2007	3627002986	12,000	TOTA	30-Jul-2007		
31-Jul-2007	BRAC BANK	31-Jul-2007	0060597	200,000	FATEMA	31-Jul-2007	0773500	
31-Jul-2007	BRAC BANK	31-Jul-2007	8958763370	13,000	REHANA	31-Jul-2007		
<b>Total</b>				<b>3,204,972</b>	<b>Thirty Two Lac Four Thousand Five Hundred Seventy Two</b>			

APPENDIX X



Photograph 01: Migrants House



Photograph 02: Migrants House



Photograph 03: BRAC School



Photograph 04: Grameen Bank



Photograph 05: Poor road way condition



Photograph 06: Poor road way condition



Photograph 07: Small corner shop



Photograph 08: Flooded area



Photograph 09: Growth Centre



Photograph 10: Growth Center



Photograph 11: Migrants Home



Photograph 12: Commercial Building