

MARKET UPDATE

Remittance inflow surges as migrants love to remit money via mobile banking channel

Express Report

Remittance inflow surged recently as Bangladeshi migrant workers are showing more interest in sending their hard-earned remittance to their families through mobile banking channel as it is quick, secured and comparatively low cost delivery channel thanks to new regulations of Bangladesh Bank.

Bangladesh Bank data shows migrant workers sent remittance worth Tk 31.74 crore in August - a surprising 241.65 per cent growth in the same month of last year as some leading banks are using bKash, the leading mobile financial services to deliver money to their families who mostly live in remote areas.

More than half a million Bangladeshis migrated to various countries in recent years, adding to the 9 million migrants already living abroad, many since the 1970s. They often maintain close ties with loved ones back home and even assist them with regular infusions of funds. Most of them send remittance of small ticket size ranging from \$20 to \$200.

Remittance inflow through bKash partner banks -BRAC Bank, MTB and Bank Asia has now reached to 14 million US dollar till last month and the exchange value has been disbursed to thousands of local recipients, industry sources said.

Major General (rtd) Sheikh Monirul Islam, Chief External Officer of bKash Limited said bKash delivers remittance money to remote areas within a few minutes so, migrant workers are showing more interest to send their hard earned money through banks partnered with bKash instead of using unofficial channels.

Bangladesh Bank recently published a prudential guideline for mobile financial services that allows migrant workers to send their remittance through Nostro Accounts of scheduled commercial banks and pay out the money only in Bangladeshi Taka (BDT) to MFS accounts of the beneficiaries.

"The new regulation allows migrant workers to send their hard earned money to their near and dears quickly through official channel using mobile financial services like bKash", said Dr Lila Rashid, General Manager, Payment Department of Bangladesh Bank.



bKash recently became the partner of WorldRemit, which attracts migrant workers to send money to their relatives quickly at lower costs.