

# Post-COVID-19 ICT Roadmap: The Labour Migration and Remittance sector

## How the Roadmap came to be

With the growing certainty that COVID-19 is here to stay, the ICT Division of the Government of Bangladesh is developing a roadmap to fight the pandemic and ensuing crisis and to find innovative ways to flourish in the 'new normal'. Labour Migration and Remittance is one of the 18 priority sectors selected based on the impact of COVID-19 on the sector and its potential for transformation of the economy and society.

## Why the Labour Migration and Remittance sector

International labour migration is one of the major contributors to growth of Bangladesh's economy. Since 1976 close to 13 million Bangladeshi citizens have migrated for overseas employment to 165 countries; 916,463 were female migrant workers [1991-2020]. In 2019 US\$ 18.32 billion was remitted to Bangladesh [BMET, 2020], contributing to 40% of Bangladesh's total foreign exchange earnings and making the country the third highest recipient of remittance in South Asia [World Bank, 2020]. International remittances averaged more than 5.7% of GDP during 7FYP [GED, 2020, pp. 14, 42, 92]. The labour migration sector has also contributed to the rapid growth of per capita GDP and per capita gross national income (GNI), one of the major indicators that led Bangladesh to becoming a lower middle-income country (LMIC) in 2015, according to the World Bank classification [GED, 2020, pg. 28]. Overseas employment created 3.5 million jobs against the target of 2 million for the 7FYP, thus covered 30% deficit of domestic employment creation.

The influx of remittance has directly supported poverty reduction by increasing the income and consumption of the rural poor, as a result boosting the rural economy through the expansion of housing, construction, trade, and other services. This has in turn provided a diversified employment base for rural workers.

## Impact of COVID-19

Against the backdrop of the coronavirus pandemic, host nations, predominantly Gulf Cooperation Council (GCC), which accounted for 73% of remittances sent in 2019 [BMET, 2020], are sending back migrant workers. This has not only resulted in decreased remittances, but also added to the rising unemployment numbers for Bangladesh. World Bank has projected that Bangladesh's total remittances will fall to US\$ 14 billion in 2020, which is roughly a 24% decrease from the previous year.

A total of 127,209 migrants, including 11,703 women, have returned from 28 countries since April 2020. The International Organization for Migration (IOM) estimates show that up to 4.8 million migrant workers may return to Bangladesh within 2021 due to the global COVID-19 pandemic, if the economies of the gulf region do not recover by the first quarter of 2021 [Bangladesh Rapid Needs Assessment, IOM, July 2020].

Approximately 70% of migrants who returned from abroad between February and June 2020, are unemployed, according to the IOM survey. Returnee migrants experience reintegration challenges including difficulties in securing employment, financial problems (lack of income and accumulating debt), and health-related issues. A total of 55% of the respondents who had returned from abroad reported to have mounting unpaid debts. In another survey commissioned by the ILO, 85% returnee migrants asserted the need for loan, either to stay back or to go abroad; 33% and 34% expressed interest in getting technical and vocational training, and entrepreneurial skills training respectively; only 11% were aware of information and support related to migration and 79% needed flight and travel related help.

## Needs and Challenges

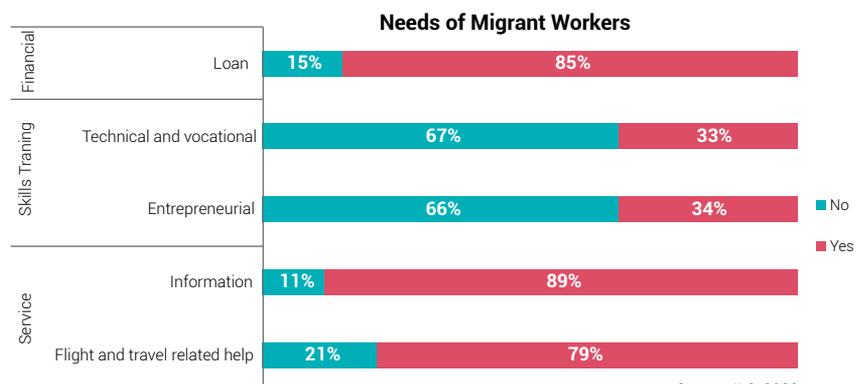
There are four categories of affected due to COVID-19 [see Figure 1]. Of the Bangladeshi workers going for overseas employment every year, the International Labour Organization (ILO) mentions high fees charged by recruiting agencies; low wages and lack of information on opportunities and risks related to migration; discrimination, exploitation, and abuse during overseas engagement; and insufficient services protecting the rights of workers as the major problems faced by them.

It is observed that the interest in remigration is significantly higher than reintegration. Both men and women have become victims of violence in CoD either by the employers or by law enforcement agencies. The ILO survey identifies that most migrants did not receive training prior to migration and have minimum interest in training. The survey also depicts that there is incidence of significant debt burden among migrant workers and their families.

Category of Affected Groups	General Status	Specific Status
Migrants Staying in the CoD	Stuck and cannot return	Lost job and want to return
		With job/business but want to return for other reasons
	Working with additional challenges	Low probability of job loss/shutdown of business and will stay despite facing additional challenges
		High possibility of return due to job loss or unfavourable condition
Migrants Returned from January 2020		Lost job and returned
	Temporary return for reasons other than job loss	Lost job as could not return to CoD on time
		Stuck due to flight restrictions and facing threat of job loss
Families of Migrants		Lost family member who was a migrant
		Stopped receiving remittance
Stranded Aspirant Migrants		Stuck with completed pre-departure procedure
		Lost job due to delay in joining for flight restriction
		Stuck with incomplete pre-departure procedure

Figure 1 Four Groups of Affected Needing Response

Source: ILO, 2020



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## Action Agenda

Taking learnings from local and global best practices and to tackle: (i) the effects of the pandemic, and (ii) the existing systemic and regulatory shortcomings of the Labour Migration and Remittance and ICT in the sector, the following five interventions have been identified for perusing to remerge stronger.

Title	Service delivery platform for migrants and their families in Bangladesh [returnee, aspirant, re-migrant] with digital integration	Financial Protection for Migrant Workers both at Home and Abroad with portability	Safety and rights of migrant workers in country of destination (CoD)	Social protection program for vulnerable migrant workers and their families	Reintegration program: rehabilitation, skills development, RPL, and entrepreneurship development
Why	Independent efforts for creating migrant database is fundamentally flawed and can serve only one-time purpose. The migration is a very dynamic process and a grant moves continuously from one place to another and their status also changes over time. If the data of a migrant is not connected to service and if the data is not interoperable and portable across platform of various agencies at home and abroad, the service delivery will always be fragmented and database will always be obsolete and of no use	High debt burden due to borrowing from informal sources. Lack of financial literacy leading to imprudent borrowing. Low or no savings leading to financial vulnerability. Lack of access to financial services in countries of destination. Tradition lending instruments do not allow migrants to get access to credit.	The collaboration between Government agencies, recruiting agencies and other private sector players are sporadic and occasion based. There is a need for systematic collaboration for reaching out to migrants for ensuring maximum benefits of the GOB programs.	Migrant workers are subject to stigmatization in CoDs, which causes deprivation from access to basic services, discriminatory treatment and verbal and physical abuse both at employers' places and public places	For those who came to Bangladesh on leave and are now stranded for flight restrictions, high cost of air-ticket, and COVID-19 testing related complications, there is a possibility that some of them will not be able to return to the CoDs eventually, unless emergency measures are taken for them. Some of them may require to be considered for remigration or reintegration program
What	Comprehensive mapping of services provided to a migrant worker in the whole lifecycle of overseas employment: pre-departure services, services in CoD, services after return. Mapping of all database of migrant's workers and assessment of their usability/ functionality. Development of SOP for data generation at all service delivery points and storage and retrieval. Making it mandatory for all service delivery agencies for migrant workers across the board. Development of Data Interoperability Framework and bringing all agencies under framework. Data protection protocol. Development of service delivery architecture and data architecture for each group of services. Development of service delivery system with digital integration by module and priority. Launching of mobile app for various user groups. Launching of services with digital integration by priority. Development of Centralized Interoperable Data Repository. Capacity Building of the service providers	a. Opening a DFS account before departure b. Savings: Signing up for auto-deduction of a portion of salary every month which pre-defined conditional cash incentives c. Insurance: Signing up for auto-deduction of a portion of salary every month which pre-defined conditional cash incentives d. Receiving/transferring salary/income to designated DFS account e. Facility of transferring remittance from DFS account to designated account in Bangladesh f. Credit: Alternate credit scoring of each migrant workers and making credit available with a limit based on scoring.	Partnership Development; Development of a Joint Accountability Framework for Intermediaries; Facilitating Termination Settlements; Contract Enforcement with Employers including limitation of working hours; Prevention of Violence Against Migrants, especially Women Migrants; Emergency coordination SOP between GO-NGO-Recruiting Agencies; Development and Deployment of Arbitration System in CoD; Annual Multisector Conference [GO-NGO-Recruiting Agencies/Development Partners] Conference for Deepening Collaboration for Protection of Migrants, especially Women Migrants in CoD	For migrants: Anti-stigmatization campaign; Mental Wellbeing Services for Migrant Workers; Protection of Migrants from violence; Food coupon (rations) from distressed migrants; Launching of insurance service for migrants including 100% salary coverage in case of unsettlement termination payment; For returnee migrants: Unemployment Allowances; Emergency Employment scheme for returnee migrants For vulnerable families of migrants, inter alia: Food stamp or ration card; Cash transfer; Stipend for school-going children; Employment opportunity for members living in Bangladesh	Rehabilitation Service. Self-Protection Training. Mental Wellbeing Service Enlistment of returnee migrants interested in wage employment in Bangladesh. Skills Mapping and Skills Category Upgradation. Training curriculum upgradation. Training facility Upgradation. Training Capacity Upgradation Enlistment of returnee migrants interested in entrepreneurship in Bangladesh. Business management training. Business development Service. Access to finance service. Debt conversion service Capacity Enhancement of TVET Institutions. Establishment of Career Guidance Cell. Apprenticeship Collaboration. Enterprise Promotion collaboration for Migrants. Market Linkage Capacity for DEMO
Lead Agency	MoEWOE	Bangladesh Bank	MoEWOE	WEWB	MoEWOE
Implementing Agencies/Actors	BMET/WEWB/DEMO	PKB/ Commercial Banks/Fintech	MOFA/ Bangladesh Missions in CoDs	MoFA/ MOF/ MoHFW	BMET/ MOFA
Coordinator	ICT Division/ a2i	MoEWOE	ICT Division	ICT Division/	ICT Division/ a2i
Govt. Partners	WEWB/ DEMO/ UNO/ UP	MoEWOE/ Ministry of Finance/ Bangladesh insurance Development Authority	WEWB/ BMET/ BAIRA/	For migrants: MoFA/MOF/Ministry of Disaster and Relief/ MoSW/ MOWCA/ BB/ IDRAB For returnee migrants: MOF/BDUNMN/ BB/PKB For migrant worker families: MoHFW/ MoDR/ USC/ DEMO/ UNO/ UDC/ District Civil Surgeon	WEWB/ DEMO/ NSDA/ BTEB/ TVET Institutions/ MOHA/ MoHFW/
Pvt Sector & Development Partners	BAIRA/ BoP Service delivery companies/ BBS/ Data collection agency/ ILO/ IOM	All scheduled banks/MFIs/Fintech companies and home and abroad.	NGOs in CoD/ NGOs in Bangladesh/ Recruiting Agencies/ Employers	For migrants: INGOs/ILO/IOM/LNGOs/ BAIRA/Employers/ Mental healthcare providers in CoDs and in Bangladesh/ Fintech at CoD and Bangladesh/ World Bank/ Insurance Companies in CoD and Bangladesh For migrant returnees: World Bank/ Commercial Banks/MFIs/ BAIRA For migrant worker families: BAIRA/ WFP/ Recruiting Agencies/ Legal Aid NGOs in CoD and Bangladesh/ Employers/ BoP service provider companies/ NGOs	BAIRA/ ILO/ IOM/ Business Association
Financing and modality	MoEWOE/ ILO/ IOM/ World Bank	WEWB/ Ministry of Finance/IFC	MoEWOE/ Development partners	For migrants:MOF/Development Partners/BAIRA/ Employers, For migrant returnees: MOF/ BDUNMN/ SDC/ DFID/ EU/ World Bank/ WEWB/ REHAB/ DFID/ For migrant worker families:MOF/ MOP/ MOEWOE/ Development Partners/ BAIRA/ Recruiting Agencies	MoEWOE/ SDC/ EU/ ILO/ IOM/ World Bank

- 1) The World Bank, 2020, 'World Bank Predicts Sharpest Decline of Remittances in Recent History' [Press Release], 22 April, Retrieved: 25 September 2020, from <https://www.worldbank.org/en/news/press-release/2020/04/22/world-bank-predicts-sharpest-decline-of-remittances-in-recent-history>
- 2) Mahmud, J. and Hasan, R. 2020, 'Migrants Returning: Bangladesh sees a huge surge in last three weeks', The Daily Star, 14 September, Retrieved: 25 September 2020, from <https://www.thedailystar.net/backpage/news/migrants-returning-bangladesh-sees-huge-surge-last-three-weeks-1960917>