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PHOTO: STAR

# Cash incentive on remittance now 2.5pc

## Govt gunning for \$26b inflows in fiscal 2022-23

STAFF CORRESPONDENT

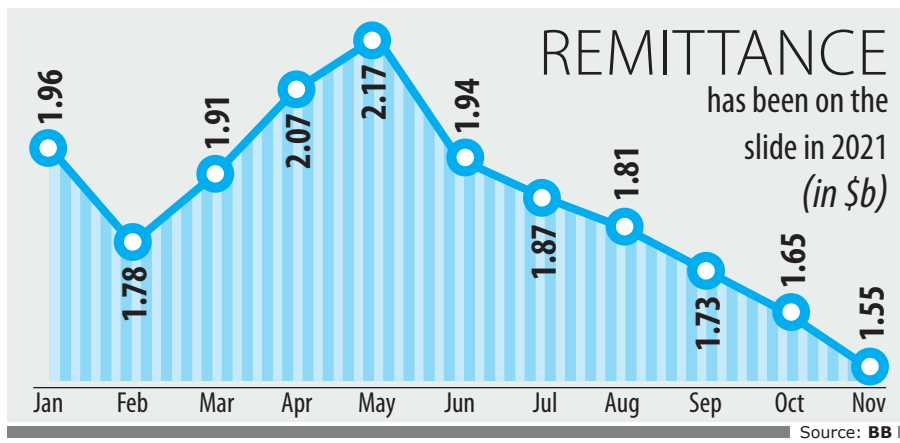
The government yesterday increased the cash incentive for sending remittance through the official channel to 2.5 percent from 2 percent as it looks to stem the tide of sliding inflows.

Between June and November last year, which is the latest available data of the central bank, expatriate Bangladeshis sent home about \$10.6 billion, down 17.1 percent year-on-year.

In the first 11 months of 2021, expatriate Bangladeshis sent home \$20.4 billion, meaning the country will still register a record-setting year of remittance.

In 2020, a record \$21.7 billion was received in remittance, which has progressively become a pillar for the economy, helping it to prevent a crash-landing during the pandemic.

The government has set a target of receiving \$26 billion in remittance this



fiscal year and Finance Minister AHM Mustafa Kamal is hoping the higher cash incentive will help to hit the number.

Bangladesh received \$24.6 billion last fiscal year, up 36 percent from fiscal 2019-20.

There is a charge for sending

remittances through the legal channel and the cash incentive offsets that, Kamal said at a virtual press briefing yesterday.

"We are trying to bring remittance through the right channel -- that is why the incentive has been increased," he added.