



Launching Ceremony of Foreign Remittance Payment Project of BURO Bangladesh

Speech by Dr. Atiur Rahman, Governor, Bangladesh Bank

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The Westin Dhaka, Ballroom (level- 1)

Mr. Chairperson and Executive Director, BURO; special guest, Executive Vice Chairman of MRA; Mr. Smith; distinguished guests and CEOs of participating banks; Assalamu alaikum and a very good morning to you all.

I am very happy to be invited to the formal launch of the new web based and POS terminal based remittance delivery arrangement, developed with RPCF grant support, in partnership of BURO an MFI, Cashlink Bangladesh, an IT platform, and six banks; for prompt delivery of remittances of Bangladeshi workers abroad to their beneficiaries at home. I am happy to note that the new arrangement has already delivered remittances totaling USD 45 million, before its formal launch. I am also pleased to know that BURO has already set a target for remittance distribution of USD 125 million by 2010.

This is precisely the kind of partnership between banks, MFIs and IT platforms that BB is actively encouraging for efficient and swift delivery of payments and other financial services to population segments in dispersed remoter locations in Bangladesh that cannot be served cost effectively by bank branches. I congratulate BURO for its success in having already brought in six banks on board, and I am further heartened to know that yet more banks are being approached to make use of the new remittance delivery arrangement. I look forward to utilization of the new arrangements by banks not just for remittance delivery but also for delivery of other financial services like taking of deposits from and disbursement and recovery of agricultural and SME loans to farmers and rural entrepreneurs, realizing BB's vision of fuller financial inclusion of all population segments in all regions of Bangladesh.

Commissioning of automated inter bank clearing in BACH at BB, due next month, will facilitate secure and fast inter bank settlement of claims, including those from the remittance delivery arrangement being launched here formally today. I believe that the bank and non-bank partners in the new arrangement will work out suitable ways of maintaining optimal stocks of cash available at delivery points; Bangladesh Bank will be happy to provide such support and guidance as may be needed. Rapid expansion of card based delivery arrangement will reduce the need for cash balances, also helping promote savings habit in card holders.

I would like to conclude here, heartily congratulating the project partners and wishing them all success in bringing payment services closer to the doors of beneficiaries; also thanking RPCF for its grant support for the project. Thank you all for your patient attention.

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