

Sri Lanka Central Bank to introduce an incentive package of benefits for migrant workers proportional to their remittances

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Nov 10, Colombo: Remittances by Sri Lankans employed abroad have been an important flow of foreign exchange into the country, with an annual average value of over US dollars 7 billion in the past five years.

Considering the importance of this steady non-debt inflow, the Government and the Central Bank of Sri Lanka (CBSL) are in the process of taking steps to ensure that remittances reach their full potential in a manner that is beneficial to the worker as well as to the country, the Central Bank announced.

In this regard, the CBSL is currently working in collaboration with the Ministry of Labor, State Ministry of Foreign Employment Promotion and Market Diversification and Sri Lanka Bureau of Foreign Employment, the banking sector and several other stakeholders to introduce an incentive package for migrant workers, which includes pension/superannuation benefits, accident/life insurance benefits, banking facilities including low interest loans for housing and / or self-employment on return to Sri Lanka, and enhanced duty-free concessions.

In order to ensure that the country reaps the intended benefits of providing such incentives, this package of benefits would be made available only to those who remit their earnings to Sri Lanka through the formal banking system or any other formal money transfer system routed through banking channel, and the incentives are expected to be linked to the amount of foreign exchange so remitted to Sri Lanka. Operational details of proposed incentive package will be informed to the public in due course, in consultation with relevant Government authorities and the banking sector.

In the meantime, the CBSL urges the Sri Lankan community living abroad to ensure that their remittances to Sri Lanka are being made through formal banking channels to a designated bank account in Sri Lanka so that the value of foreign exchange so remitted to Sri Lanka could be easily tracked for the above mentioned purposes.