

POLICY BRIEF | 2025

# Stitching **Financial Health** for a Resilient Future

*Improving the Financial Health of RMG Workers in Bangladesh*

## PREPARED BY

**Sajid Amit | Mushfiqur Rahman**

Center for Enterprise and Society | University of Liberal Arts Bangladesh (ULAB)

## TECHNICAL SUPPORT

**Razik Fazle | Salma Akhter | Mostafezur Rahaman | Selinas Rukaiya Suhee**

Sarathi – Improving Financial Health | Swisscontact Bangladesh

This policy brief has been developed with the support of the *Sarathi – Improving Financial Health* project of Swisscontact Bangladesh. The Sarathi project was funded by the MetLife Foundation and the Happel Foundation, with co-funding from the Swiss Agency for Development and Cooperation (SDC) and the Federal Department of Foreign Affairs (FDFA).

## TABLE OF CONTENTS

<b>Executive Summary .....</b>	<b>3</b>
<b>1. Introduction.....</b>	<b>4</b>
<b>2. Background and Context.....</b>	<b>4</b>
2.1 The Sarathi Project .....	4
2.2 National Economic and Sector Context .....	4
<b>3. State of Financial Inclusion: National Evidence.....</b>	<b>5</b>
3.1 MFS Growth and the Depth Gap .....	5
3.2 Wage Digitisation and the Cash-Out Paradox .....	6
3.3 Credit Access: The Informal Finance Trap.....	6
3.4 Insurance: Persistent Underadoption .....	7
3.5 Gender Dimensions .....	7
<b>4. Market and Systems Analysis .....</b>	<b>7</b>
4.1 Financial Product Landscape.....	7
4.2 Delivery Channels: Reach, Effectiveness, Gaps .....	9
4.3 User Behaviour and Financial Psychology .....	11
4.4 Gender Dimensions of Financial Exclusion .....	12
4.5 The Informal Finance Ecosystem .....	13
4.6 Supply-Side Economics.....	15
4.7 Market Failure Taxonomy .....	16
<b>5. Regulatory and Policy Landscape .....</b>	<b>18</b>
5.1 Bangladesh Bank.....	18
5.2 Insurance Development and Regulatory Authority (IDRA).....	18
5.3 Labour Law and Employment Standards.....	18
<b>6. Lessons from Global Best Practices .....</b>	<b>19</b>
6.1 South and Southeast Asia.....	19
6.2 Sub-Saharan Africa .....	20
6.3 Latin America .....	21
<b>7. Key Findings and Gap Analysis .....</b>	<b>22</b>
<b>8. Policy Recommendations .....</b>	<b>23</b>
8.1 Bangladesh Bank — Regulatory and Market Development .....	23
8.2 IDRA — Insurance Regulation .....	24
8.3 Government of Bangladesh — Labour Law and Social Policy.....	25
8.4 RMG Factories and Industry Associations.....	26
8.5 Financial Institutions, Fintechs and Insurance Providers .....	26
<b>9. Implementation Considerations .....</b>	<b>27</b>
9.1 Sequencing and Prioritisation.....	27
9.2 Multi-Stakeholder Coordination Platform .....	27
9.3 Monitoring and Evaluation Framework .....	28
9.4 Political Economy and Change Management.....	28
<b>10. Conclusion.....</b>	<b>28</b>
<b>11. References.....</b>	<b>29</b>

## EXECUTIVE SUMMARY

Bangladesh's Ready-Made Garments (RMG) sector employs over 4.2 million workers — more than 60% women — generating over 84% of the country's export earnings (BGMEA, 2024; ILO, 2025). Yet financial inclusion for these workers remains structurally shallow. While 70% now hold MFS accounts and wage digitisation has expanded rapidly, workers' engagement remains largely transactional: money is received and immediately withdrawn. The World Bank Global Findex (2025) confirms that only 11% of Bangladeshi adults save formally and 13% borrow formally — starkly low for an economy of this scale.

This brief synthesises evidence from national-level studies, MFS market data, and a multi-stakeholder roundtable discussion at the Daily Star (October 2024). It benchmarks Bangladesh against global best practices from Cambodia, India, Kenya, Colombia, Ethiopia, and Tanzania — drawing transferable lessons for regulatory, market, and behavioural change.

**KEY FINDINGS:** The RMG minimum wage was raised by 56% in December 2023 to BDT 12,500 — but the estimated living wage for a family of four in Dhaka is BDT 27,900, leaving a structural income gap that drives chronic debt and financial fragility (CPD, 2024). MFS transactions grew 28.5% to BDT 17.4 lakh crore in 2024, yet cash-out remains the dominant pattern. 92% of workers lack formal contracts, blocking credit access. Gender dynamics compound exclusion for the majority-female workforce. Global evidence — from India's PMJDY, Kenya's M-Pesa, Cambodia's wage digitisation programme, and Colombia's conditional cash transfer model — offers actionable lessons for Bangladesh.

**THIS BRIEF CALLS FOR:** Coordinated regulatory action (Bangladesh Bank, IDRA, Ministry of Labour); targeted market development (banks, fintechs, MFIs, insurance providers); factory-level behavioural change investment; and a formal multi-stakeholder coordination platform to drive system-level change.

## 1. Introduction

---

Bangladesh's Ready-Made Garments (RMG) sector is the engine of the national economy, accounting for more than 84% of total export earnings — approximately USD 46.99 billion in FY2022–23 — and providing direct employment to over 4.2 million workers, with women comprising roughly 60% of the workforce (BGMEA, 2024; Karim et al., 2024). The sector is the most important provider of formal employment in the country, particularly for young women with limited education from rural areas, and indirectly supports an estimated 40 million Bangladeshis (ILO, 2025).

Yet the financial lives of RMG workers remain characterised by fragility, exclusion, and chronic stress. Despite more than a decade of financial inclusion interventions — from Bangladesh Bank's no-frill accounts and MFS promotion to development-sector programmes — the benefits of formal finance have not been meaningfully translated into worker financial resilience. The World Bank Global Findex (2025) reports that only 11% of Bangladeshi adults save formally and 13% borrow formally, despite 82% owning mobile phones. Closing the gender gap in financial inclusion alone could add an estimated 14% — approximately USD 50 billion — to national output (World Bank, 2025).

This policy brief represents a comprehensive evidence synthesis to date on financial inclusion for Bangladesh's RMG workforce. It draws on seven years of implementation experience from the Sarathi project of Swisscontact Bangladesh; key national studies; current MFS market data; global evidence from low and middle-income countries; and a roundtable discussion with government officials, policymakers, financial institutions and financial inclusion experts. Its primary audiences are policymakers, financial regulators, financial institutions, industry associations, and development partners.

## 2. Background and Context

---

### 2.1 The Sarathi Project

The Sarathi – Improving Financial Health project, launched in 2016 by Swisscontact Bangladesh, has served as the institutional vehicle for financial inclusion work in the RMG sector. Funded by the MetLife Foundation, the Happel Foundation, and the Swiss Agency for Development and Cooperation (SDC), Phase II (2021-2024) set a target of enabling at least 265,000 workers to access tailored digital financial solutions across two components: expanding financial access (savings, micro-loans, insurance) and investing in upskilling and re-skilling, women's empowerment, and entrepreneurship.

### 2.2 National Economic and Sector Context

Bangladesh's GDP grew from just over USD 100 billion in 2009 to more than USD 450 billion in 2024 (World Bank, 2025). However, this growth has not translated equitably into worker welfare. The RMG minimum wage was revised in December 2023 — the first adjustment since 2018 — rising by 56% to BDT 12,500 per month for non-EPZ factories (BDT 12,800 for EPZ). While this increase was significant in nominal terms, it remains far below the estimated living wage of BDT 25,497–27,900 per month for a four-member family in Dhaka (CPD, 2024). The Centre for Policy Dialogue's analysis found that using the Anker methodology, a living wage for a Grade 7 worker in 2023 should be BDT 17,568 — 40% above the mandated minimum (CPD, 2024).

This structural income gap has profound implications for financial inclusion. Workers operating at or below the subsistence level have no surplus to save, find credit indispensable for basic needs, and face constant income

shocks that formal insurance could mitigate — yet cannot afford premiums. The Cornell University Global Labor Institute (2025) has called for annual wage reviews, noting that Bangladesh's five-year revision cycle, combined with high inflation, disproportionately erodes real wages.

Women workers — who comprise 53.7% of the RMG workforce according to GIZ (2023) — face compounded vulnerability. The GIZ (2023) study on declining female workers in the textile industry found that women disproportionately hold lower-skilled positions, face a greater risk of job displacement through automation, and exercise less financial autonomy within households. A cross-sectional study of 1,118 RMG workers (Dreher et al., 2023) found that while work-family conflict levels were relatively low, financial obligations affected virtually all workers, with direct links between indebtedness and poor health outcomes.

### 3. State of Financial Inclusion: National Evidence

#### 3.1 MFS Growth and the Depth Gap

Mobile Financial Services have undergone remarkable expansion. MFS total transactions grew 28.5% to BDT 17.42 lakh crore in 2024, up from BDT 13.55 lakh crore in 2023 (Bangladesh Bank, 2024). Total MFS accounts reached 238.68 million by December 2024 — 107.72 million in urban areas and 130.96 million in rural areas (Bangladesh Bank, 2024). bKash alone has nearly 80 million verified users, while Nagad and Rocket hold significant market shares. Over 3.5 million DPS (deposit pension scheme) accounts have been opened via bKash through partnerships with IDLC Finance, Mutual Trust Bank, Dhaka Bank, City Bank, and BRAC Bank.

However, the critical distinction between access and use persists. While account ownership has expanded rapidly, depth of engagement remains shallow. The dominant behavioural pattern — receiving wages digitally and cashing out immediately — reflects a 'wage pipe' model of MFS rather than genuine financial inclusion. Studies on low-income MFS users (Kusimba et al., 2019) consistently show that digital payments facilitate transactions but rarely translate into savings accumulation without product design interventions.

#### Key MFS Data: Bangladesh 2024

- Total MFS accounts: **238.68 million** (December 2024) | Source: Bangladesh Bank, 2024
- MFS transaction value: **BDT 17.42 lakh crore** — up 28.5% year-on-year | Source: TBS, 2025
- Monthly active transactions (December 2024): **670 million** | Source: Bangladesh Bank, 2024
- Daily MFS transactions: approx. **BDT 5,000 crore** | Source: TBS, 2025
- bKash verified users: **~80 million** | bKash, cited in The Daily Star, 2024
- DPS accounts opened via bKash: **3.5 million+** | The Daily Star, 2024
- City Bank nano-loans via bKash: **BDT 1,565 crore disbursed** to 500,000 customers | The Daily Star, 2024

#### 3.2 Wage Digitisation and the Cash-Out Paradox

Wage digitisation in Bangladesh's RMG sector has advanced significantly, with approximately 54–70% of workers now receiving wages digitally (World Bank, 2025). Dutch Bangla Bank's Rocket platform disburses salaries to 2.5 million workers monthly; Bank Asia's agent banking model serves 7 million customers, 64% of whom are women. Despite this, the immediate cash-out pattern persists — driven by limited trust in keeping money in digital wallets, family pressure to share wages in cash, lack of suitable savings products, and the high cash-out fees that make maintaining balances economically rational for workers.

Critically, a study by TBS (2021) found that high healthcare costs deprive approximately 40% of RMG workers of treatment when needed — a direct consequence of absent health insurance and inadequate savings. Workers interviewed by Cornell University's GLI (2025) reported spending BDT 3,500 on medicine and BDT 2,000 on electricity in hot months, equivalent to 61% of average monthly rent, forcing borrowing against personal belongings at high interest rates.

### 3.3 Credit Access: The Informal Finance Trap

Formal credit remains largely inaccessible for RMG workers. The structural barriers are well-documented: 92% lack formal employment contracts and payslips (Sarathi, 2024), disqualifying them from orthodox credit assessments. The Credit Information Bureau (CIB) mechanism — designed to assess creditworthiness — cannot be effectively deployed when workers have no formal credit history. RMG workers, therefore, turn to informal moneylenders and loan sharks, who offer document-free, immediate credit at exploitative rates — perpetuating cycles of indebtedness that undermine the financial health that formal inclusion is meant to improve.

The nano-loan and EWA ecosystem offers a partial solution. City Bank's collaboration with bKash has disbursed BDT 1,565 crore in nano-loans to 500,000 unique customers (The Daily Star, 2024). PrimeAgrim and Agam's EWA solutions allow workers to access up to 60% of earned wages before payday. BRAC Bank's Apon initiative provides payroll-linked micro-credit. However, limited smartphone ownership (30% of RMG workers), burdensome KYC requirements, and the absence of alternative credit scoring models constrain scale.

### 3.4 Insurance: Persistent Underadoption

Micro-insurance uptake in the RMG sector remains critically low despite the availability of products from Zaynax Health, Waadaa.Insure, Green Delta, Pragati Life, and Guardian Life Insurance. Two structural barriers stand out. First, the Bangladesh Labour Act (2006) prohibits automatic wage deductions for insurance premiums — making it virtually impossible to systematically enrol workers, given that insurance is an 'unsought' product requiring active opt-in. Second, IDRA's KYC requirements for policies below BDT 200,000 remain burdensome, slowing worker onboarding. A community-based health insurance review (DFID, 2019) found that virtually all RMG workers have almost no access to healthcare services beyond basic factory medical centres and accidental insurance, many of which are non-functional.

### 3.5 Gender Dimensions

The gender dimension of financial exclusion requires particular analytical attention. Female RMG workers face compounded structural barriers: male-dominated outreach creates communication barriers in financial literacy sessions; limited mobility restricts access to physical banking touchpoints; domestic pressure to hand over wages to husbands undermines financial autonomy; and the risk of domestic coercion increases with wage visibility through digital payments (Consulting & Research Gateway, 2024). The World Bank study (2025) notes that fewer than 40% of Bangladeshi women participate in the labour force, and closing the gender gap in financial inclusion could add USD 50 billion to national output.

The GIZ (2023) on declining female workers in the textile industry found that women predominantly hold lower-skilled positions most vulnerable to automation, underscoring the urgency of investment in their economic agency — including financial inclusion — as a resilience strategy. Gender-responsive financial product design is not an optional consideration; it is a structural requirement for achieving meaningful outcomes.

## 4. Market and Systems Analysis

A market systems analysis of financial inclusion for Bangladesh's RMG workers requires examining the full ecosystem: what products and services exist; how they are delivered; how workers actually behave financially; what structural and gender-specific barriers constrain uptake; how the informal finance sector operates in competition with formal services; and where supply-side incentive failures prevent market actors from serving this segment at scale. This section builds a comprehensive picture of each dimension.

### 4.1 Financial Product Landscape

The financial product ecosystem for RMG workers has diversified substantially since 2016 — moving from basic wage disbursement accounts toward a layered architecture of nano-loans, savings schemes, insurance, and emerging earned wage access solutions. However, diversification of product supply has not translated proportionately into adoption, and critical gaps remain between what is available and what workers actually use.

Product	Key Providers	Current Scale	Key Design Features	Critical Adoption Barrier
<b>MFS Accounts &amp; Wage Disbursement</b>	bKash (~80M users), Nagad, Rocket (2.5M RMG workers/month), Upay; 13 licensed providers	238.68M total MFS accounts (Dec 2024); 70% of RMG workers receive wages digitally	Instant wage receipt; P2P transfers; bill payments; mobile recharge	Immediate cash-out dominates — workers withdraw full salary on payday; shallow utility beyond transactions
<b>Nano-Loans &amp; Digital Credit</b>	City Bank/bKash (BDT 1,565 crore disbursed to 500K customers); Prime Bank PrimeAgrim (AI credit scoring); Dhaka Bank E-Rin (up to BDT 50K); BRAC Bank Apon (payroll-linked)	Growing but concentrated; the majority of uptake among higher-literacy, smartphone-owning workers	Collateral-free; instant digital disbursement; repayment via MFS deduction	30% smartphone ownership; burdensome KYC; no credit history for orthodox scoring; high effective interest rates
<b>Earned Wage Access (EWA)</b>	wagely (UNCDF-supported); PrimeAgrim; Agam — all offer up to 60% of accrued wages before payday	Early-stage pilot; UNCDF committed USD 556,000 to scale EWA + digital literacy for 135,000 workers	Access earned wages daily; reduces pay-cycle income volatility; factory payroll integration	Requires factory system integration; no clear regulatory framework; limited worker awareness
<b>Micro-Savings</b>	IDLC–bKash DPS (BDT 500–3,000/month; auto-deduction); Bank Asia DPS 100 (BDT 100/month minimum); Dhaka Bank NSS; City Alo	3.5M+ DPS accounts via bKash with IDLC, MTB, Dhaka Bank, City Bank, BRAC Bank — though not RMG-exclusive	Low minimum deposit; automated deduction; defined tenure	Irregular income disrupts consistent deposits; workers prefer liquid informal savings; low trust in long-term formal schemes; lack of awareness of returns

Product	Key Providers	Current Scale	Key Design Features	Critical Adoption Barrier
<b>Micro-Insurance</b>	Zaynax Health; Waadaa.Insure; Green Delta; Pragati Life; Guardian Life — offering health, life, and accident coverage via B2B, B2C, and B2B2C models	Very low penetration; predominantly B2B factory-purchasing models; B2C and B2B2C remain nascent	Affordable premiums; health coverage; 24/7 doctor consultation; B2B2C via pharmacies and MFS agents	Labour Act (2006) prohibits automatic premium wage deduction; IDRA KYC burden; low worker awareness; distrust of claims processes; insurance perceived as an irrelevant 'unsought' product
<b>Agent Banking</b>	Bank Asia (7M customers; 64% women; 40,000+ agent touchpoints); Dutch Bangla Bank Rocket; DBBL; City Bank	Expanding in peri-urban RMG clusters; active in Gazipur, Narayanganj, and Ashulia	Physical touchpoints outside bank hours; account opening; cash-in/out; loan disbursement	Factory shift hours conflict with agent operating times; last-mile cost is high per transaction; low worker awareness of agent banking services
<b>Shariah-Compliant Products</b>	Islamic bank MFS (Al-Arafah Hello Cash; Islami Bank mCash); Islamic DPS products	Emerging; significant unmet demand given the religious preferences of the majority Muslim workforce	Interest-free compliant structures; halal savings	Very limited product range; most workers are unaware of available options; low distribution reach

## 4.2 Delivery Channels: Reach, Effectiveness, and Gaps

Financial services reach RMG workers through five primary delivery channels, each with fundamentally different reach characteristics, cost structures, and suitability for different product types. Understanding why each channel succeeds or fails in this context is essential for designing interventions that go beyond access creation to behavioural adoption.

### Mobile Financial Services Platforms

MFS platforms are the dominant channel for financial services delivery to RMG workers, by far the widest-reaching and most trusted. By December 2024, total MFS accounts stood at 238.68 million — 107.72 million in urban areas and 130.96 million in rural areas (Bangladesh Bank, 2024). Monthly transaction volumes reached 670 million in December 2024, with a total transaction value of BDT 1.65 trillion. bKash dominates with nearly 80 million verified users and a market share of approximately 40%; Nagad and Rocket follow. The critical structural insight is that MFS platforms were designed for payments, not for financial behaviour change. Workers use them efficiently as conduits — receiving wages and cashing out — but the deeper product layer (savings, credit, insurance) requires deliberate additional design investment beyond platform infrastructure.

### Factory Payroll Systems

Factory payroll integration represents the highest-leverage delivery point for financial inclusion interventions — the moment of wage disbursement, when workers' financial attention is most engaged. Yet this channel is

underutilised. UNCDF's market assessment found that wage digitisation in the sector stood at approximately 54% — having fallen from a COVID-induced peak of 90% in 2020 when government stimulus mandated digital disbursement, before declining by more than 50% after government support was withdrawn in August 2020 (UNCDF, 2022). This collapse reveals a critical structural weakness: wage digitisation driven by mandate without a sustainable commercial and behavioural ecosystem is fragile. Factories that do pay digitally represent an opportunity to embed EWA, automatic savings deductions, and insurance premium collection directly into payroll — but this requires factory owner buy-in, updated software systems, and the regulatory clarity currently absent for automatic premium deductions.

### **Agent Banking Networks**

Agent banking extends formal financial services to peri-urban and rural communities beyond branch banking reach. Bank Asia's 40,000+ agent network — with 64% female account holders — is the most developed in Bangladesh. The agent banking model is particularly relevant for RMG workers because agents can operate outside standard bank hours, physically proximate to factory residential clusters. However, two systemic limitations constrain effectiveness: agents are primarily designed for account opening and cash transactions, not for financial advisory or product uptake facilitation; and operational hours conflict with shift work patterns mean many workers still cannot access agents when needed. Enabling licensed MFIs to function as banking agents — leveraging their 19,000+ branches embedded in communities where RMG workers live — represents the most significant untapped channel expansion opportunity.

### **MFI Networks**

Bangladesh's microfinance sector — comprising over 700 licensed MFIs serving approximately 32 million borrowers — represents an underutilised distribution channel for insurance and savings products. MFIs hold established trust relationships in low-income communities, with field officers who visit borrowers regularly. However, MFIs currently operate outside the formal banking agent framework, limiting their ability to offer bank-linked products. Research on MFI–informal finance interactions (Berg, Emran & Shilpi, 2015) found that while MFI expansion reduces households' propensity to borrow from informal sources, it does not consistently reduce the amount of informal loans — indicating that MFIs alone have not broken the informal credit cycle. Expanding the MFI channel to include insurance distribution and agent banking functions would multiply its impact.

### **Direct Factory-Based Delivery**

Some development programmes — including Swisscontact and UNCDF — have piloted direct in-factory financial literacy and product distribution through factory management cooperation. UNCDF's research found strong interest in long-term savings and pension products independent of the employer, and awareness of digital healthcare services among factory-based outreach populations (UNCDF, 2022). The challenge is scalability without factory management incentive to invest in programme delivery. Linking factory financial inclusion investment to buyer social compliance requirements and ESG credentials creates a commercial incentive structure for factory participation.

## **4.3 User Behaviour and Financial Psychology**

Understanding why RMG workers behave the way they do financially is essential for designing products and interventions that achieve genuine inclusion — not just account ownership. A body of evidence from national research and comparable contexts reveals a complex picture that challenges simplistic 'financial illiteracy'

narratives and points to structural and psychological factors that cannot be addressed by product availability alone.

### **The Cash-Out Paradox**

The dominant financial behaviour pattern among RMG workers — receiving wages digitally and immediately withdrawing the entire amount in cash — appears irrational from a financial management perspective but reflects rational responses to a poorly designed ecosystem. Workers report multiple drivers: distrust of leaving money in digital wallets (fear of system errors, unauthorized access, or platform failure); family and social pressure to hand wages to a spouse or parent in cash immediately; the absence of relevant digital payment use-cases in their daily expenditure (landlords, market vendors, and neighbourhood food sellers all require cash); and the high per-transaction cash-out fee that makes small, frequent withdrawals economically costly, incentivising a single large withdrawal (UNCDF, 2022).

This behaviour is not unique to Bangladesh. The UNCDF assessment confirms that after COVID-19, wage digitisation was mandated and then withdrawn, digital payment use declined by more than 50% demonstrating that behaviour change requires sustained ecosystem investment, not just mandate. Cambodia's experience shows that when a non-interoperable system is used by factories, workers cash out their entire salary because they can only do one free withdrawal per pay period (World Bank, 2022). Bangladesh's interoperable MFS architecture is structurally superior, but the incentive to cash out persists because the surrounding merchant and payments ecosystem has not been sufficiently digitised.

### **Financial Knowledge and Capability Gaps**

A study of RMG workers' financial capability (Yeasmin, 2023) found that workers rarely understand interest rates on savings or loan products, preferring instead to save in physical assets — land or livestock — which they perceive as more profitable and accessible in emergencies than formal financial accounts. Workers reported consistently failing to meet monthly ends, rarely having money left over, and lacking records of their financial activities. The study found that even dissatisfied workers do not know where to complain, indicating structural barriers to engagement beyond basic literacy. Critically, workers' reliance on informal financial arrangements — and their dependency on family members for financial decisions — reduces their exposure to formal products and builds preference for the familiar.

Importantly, a study of low-income workers in Nairobi (Mountain et al., 2023) challenges the view that low-income workers are simply financially illiterate: many are highly financially sophisticated, knowing how to minimise transaction costs, compare borrowing options, and navigate complex financial environments. Yet they remain structurally indebted because incomes are too low to generate surplus, not because of ignorance. This distinction — between financial capability gaps and structural income inadequacy — is critical for intervention design. Financial literacy programmes alone cannot address what is fundamentally a structural problem; they must be paired with products designed for low, irregular income profiles.

### **Savings Behaviour and Informal Mechanisms**

Despite the absence of formal savings, RMG workers do save through informal and semi-formal mechanisms that respond better to their social and economic realities. Research on low-income households in Bangladesh confirms that savings in land, livestock, and reciprocal community networks (rotating savings groups) serve as important risk management tools. Workers' preference for these mechanisms over formal DPS schemes reflects rational assessments of liquidity, trust, and transaction costs, not irrational behaviour. A study on

financial inclusion and expenditure patterns among slum households in Bangladesh (Tandfonline, 2024) found that financial inclusion acts as a safeguard for human capital investments (education, healthcare) during income shocks — evidence that access to formal savings and credit reduces the disinvestment in human capital that characterises financially fragile households. This finding directly supports the case for improved financial inclusion as a development imperative beyond financial sector metrics.

### Debt Dynamics and Income Shocks

An LSE survey of a large, nationally representative RMG factory found that 18% of workers regularly cut meals at the end of the month, and 50% report borrowing money at least once per month to meet living expenses (Agam AI, 2024). When income shocks occur — medical emergencies, Eid expenditure pressure, transportation costs in summer months, or factory shutdowns — workers access whatever credit is fastest and cheapest in terms of documentation burden, not interest rate. This is how loan sharks gain their grip: The Daily Star investigation (2024) documented informal 'emergency loans' in Dhaka slums charging 15–20% per month — between 180% and 240% annualised — well above MFI rates of 11–15% per year. Workers borrow from multiple sources simultaneously, creating debt spiral dynamics that are well-documented in Bangladesh's microfinance literature (Uddin, 2021; Berg, Emran & Shilpi, 2015).

### 4.4 Gender Dimensions of Financial Exclusion

Gender is not a peripheral consideration in Bangladesh's RMG financial inclusion challenge — it is central to understanding why aggregate statistics on account ownership conceal deep disparities in financial agency, autonomy, and outcomes. Women constitute approximately 53.7–60% of the RMG workforce (GIZ, 2023; ILO, 2025), yet face compounding structural barriers that male workers do not.

### Technology Access Gap

UNCDF's research specifically highlighted 'notable gender gaps in smartphone ownership, internet access, and awareness of digital and financial services, with women workers lagging behind their male counterparts' (UNCDF, 2023). While 30% of workers overall own smartphones, the female share of smartphone ownership is lower still. This is a structural barrier to the entire digital financial services architecture: app-based nano-loans, digital savings, EWA platforms, and fintech innovations all require smartphone access. Without targeted interventions — such as operator-subsidised data bundles for women workers and USSD-based product alternatives — the digital financial inclusion gap will reproduce and amplify the gender gap.

### Financial Autonomy and Domestic Coercion

Digital wage payments — while broadly empowering — can expose women workers to financial coercion within households. Research on women's financial inclusion in the RMG sector (Consulting & Research Gateway, 2024) found that women often do not have rights over their own income, with digital wages sometimes increasing the visibility of earnings to controlling spouses or family members. Women's World Banking's experience with HERfinance digital wages programme in Bangladesh confirmed similar findings: without privacy-protected account features and female-focused outreach, wage digitisation can inadvertently transfer financial control from women to household power structures. Privacy-protected SMS notifications, PIN-secured accounts, and education for male household members are design requirements, not optional enhancements.

## Outreach Design Failures

Most financial literacy and product outreach in the RMG sector is conducted by male bank officials and MFS agents — creating immediate communication barriers for female workers. Cultural norms in many factory environments make it difficult for women to engage directly with male outreach officers on personal financial matters. This structural outreach failure is compounded by restricted mobility: women workers have limited time and freedom to visit bank branches, even during hours that technically align with factory schedules. Female peer educators — workers trained within factories to provide ongoing financial literacy support to colleagues — have demonstrated effectiveness and represent the most culturally appropriate scaling model.

## Automation Risk and Long-term Financial Vulnerability

The GIZ (2023) found that women predominantly hold lower-skilled positions in the RMG sector — precisely those most vulnerable to automation and industry restructuring. The UNCDF estimates that approximately 2.7 million workers in Bangladesh's RMG sector will be significantly impacted by the Fourth Industrial Revolution, with women facing disproportionate job displacement risk (UNCDF, 2023). This long-term structural vulnerability makes financial resilience investment for women workers not only a current welfare priority but a medium-term economic stability imperative: workers displaced without savings, insurance, or transferable financial assets will face acute poverty risk.

### 4.5 The Informal Finance Ecosystem: Competition and Complementarity

Any honest market systems analysis of financial inclusion for RMG workers must grapple with the informal finance ecosystem — the network of moneylenders, loan sharks, cooperative savings groups, family networks, and employer advances that currently serve the financial needs that formal institutions fail to meet. Understanding the informal sector not as a residual problem to be eliminated, but as a market competitor with genuine comparative advantages, is essential for designing formal sector responses that can compete.

### Why Informal Finance Persists

Informal lenders outcompete formal institutions on three critical dimensions: speed (emergency loans available within hours without documentation); accessibility (available in the neighbourhood, at any time, without literacy or smartphone requirements); and relationship (based on social trust and flexible repayment negotiation). While formal banks and MFIs offer lower interest rates — commercial banks charge 10–15% per annum vs informal moneylenders charging 15–20% per month (The Daily Star, 2024) — the effective comparison from a worker's perspective is not interest rate but total cost of access. If accessing a bank loan requires multiple branch visits, KYC documentation, credit history assessment, and a two-week processing time, the higher interest rate of an informal lender providing same-day cash is economically rational for a worker facing an immediate medical expense.

### Debt Trap Dynamics

The concentration of informal lending in RMG worker communities creates systemic debt trap dynamics that undermine even successful formal financial inclusion initiatives. The Daily Star investigation (2024) found workers in Dhaka slums with debt obligations to 20–30 creditors simultaneously, with the principal component representing a fraction of total obligations — the remainder being accumulated interest charges from informal sources. Workers borrow from MFIs to repay moneylenders, then from moneylenders to repay MFI instalments — a phenomenon documented as 'multiple borrowing' in Bangladesh's microfinance literature (Uddin, 2021). Research by Berg, Emran and Shilpi (2015) using two national surveys found that while MFI expansion reduces

households' propensity to borrow from informal sources, moneylender interest rates paradoxically increase when MFI coverage is high — consistent with moneylenders concentrating on the riskiest borrowers excluded by cream-skimming MFIs. This finding has direct implications for Bangladesh: expanding formal credit access without simultaneously addressing the regulatory vacuum around informal lending will not break the debt cycle.

### **Informal Savings and Social Insurance Mechanisms**

Not all informal financial mechanisms are exploitative. Rotating savings and credit associations (ROSCAs, locally called 'kootu' or 'samiti'), neighbourhood mutual aid networks, and community-based social insurance through cooperative contributions represent genuinely valuable financial tools that formal sector providers have historically failed to replicate. RMG workers' preference for saving in land and livestock — documented by Yeasmin (2023) — reflects an embedded asset accumulation logic that formal DPS products have not yet matched in terms of perceived security or accessibility in emergencies. Product designers in formal financial institutions should study these informal mechanisms carefully: the features that make them work — transparency, community accountability, liquidity at the point of need, social embeddedness — are precisely the features missing from most formal products available to low-income workers.

### **4.6 Supply-Side Economics: Why Banks Do Not Serve This Market**

Financial institutions' limited engagement with the RMG worker segment is not primarily a values or intent failure — it is a business model failure. Understanding the supply-side economics of serving low-income workers is essential for designing the regulatory incentives and risk-sharing mechanisms that can change institutional behaviour.

#### **Unit Economics of Low-Income Financial Services**

Serving a low-income RMG worker customer generates small transaction values per interaction. A worker earning BDT 12,500/month who saves BDT 500/month generates a deposit return for the bank that is negligible compared to the compliance, infrastructure, and customer acquisition costs involved. Traditional banking models built around large-ticket lending and corporate accounts cannot achieve viability at this scale without structural cost reduction or risk-sharing support. The World Bank Country Private Sector Diagnostic for Bangladesh (2025) estimated that digital credit's contribution to GDP, currently at 0.9%, could reach 4.3% if recommended credit adoption and payment enforcement reforms are implemented — suggesting that the economic case for expanding digital credit to underserved workers is substantial but requires enabling regulatory conditions to materialise.

#### **Credit Risk Under Information Asymmetry**

Banks face genuine credit assessment challenges for RMG workers. Without formal employment contracts (absent for 92% of workers), payslips, credit history, or collateral, orthodox credit scoring models cannot assess creditworthiness reliably. The CIB report mechanism — Bangladesh's primary credit assessment tool — is further constrained by restricted API access, slowing credit decisions to days rather than minutes. This creates a systemic information gap: workers have genuine creditworthiness — demonstrated by regular wage receipts and consistent MFS transaction patterns — but no mechanism for that creditworthiness to be formally recognised. Alternative credit scoring using MFS transaction history, EWA repayment records, and wage payment consistency is the structural solution — and Bangladesh's Payment and Settlement Systems Act (2024) now provides the legal foundation for this. What is missing is the operationalisation of that framework through specific Bangladesh Bank guidelines and fintech sandbox programmes.

## Interoperability and Ecosystem Fragmentation

A major structural barrier to financial service deepening for RMG workers is ecosystem fragmentation. Workers' financial lives span MFS platforms, bank accounts, MFI loans, and insurance products — managed through different systems with no data integration or interoperability. A worker's savings history with Bank Asia's DPS 100, repayment record with a Grameen Bank MFI loan, and MFS transaction patterns on bKash all represent valuable creditworthiness signals — but they exist in separate, non-communicating systems. The lack of a unified data layer — equivalent to India's Aadhaar-based financial identity — means that every new product interaction requires re-documentation, re-verification, and fresh credit assessment. Bangladesh's proposed national data stack (NID-linked financial identity) is the structural solution; its operationalisation is the most urgent infrastructure priority for financial inclusion depth.

### 4.7 Market Failure Taxonomy

Drawing together the evidence above, the following table provides a comprehensive taxonomy of market failures across four dimensions — classified by failure type, proximate cause, consequence for workers, and required intervention — to guide both regulatory and market actor responses.

Market Failure	Type	Proximate Cause	Consequence for Workers	Required Intervention
<b>Cash-out dominance despite wage digitisation</b>	Behavioural + Ecosystem	Absence of a digital merchant ecosystem; social pressure; fee structure incentivises lump-sum withdrawal	Financial behaviour remains transactional; no savings accumulation	Merchant ecosystem digitisation; interoperability; behaviour change communication; privacy-protected accounts
<b>Credit exclusion for 92% of workers lacking formal employment contracts</b>	Regulatory + Information	The Labour Act does not mandate employment contracts; no enforcement	Workers are excluded from formal credit assessment regardless of their real creditworthiness	Mandate written contracts; alternative credit scoring under Payment Act 2024; CIB API access
<b>Informal moneylenders charge 180–240% annualised interest</b>	Market Competition + Regulatory Vacuum	Formal credit is inaccessible (speed, documentation); regulatory vacuum on informal lending	Chronic debt traps; consumption of savings through interest; health and well-being impacts	EWA to replace emergency informal borrowing; CGS to enable formal nano-loans; informal lender regulation
<b>Insurance has near-zero uptake despite available products</b>	Regulatory + Legal	The Labour Act prohibits automatic premium deduction; IDRA KYC burden; and no mandate for factories for insurance coverage support	Workers remain financially unprotected from health and income shocks	Amend the Labour Act; simplify KYC; mandate health insurance for factories above 400 workers
<b>Women face compounded exclusion from</b>	Structural + Gender	Smartphone ownership gap; male-dominated	Gender gap in financial inclusion amplifies	Gender-smart product design; female agent networks;

Market Failure	Type	Proximate Cause	Consequence for Workers	Required Intervention
<b>digital financial services</b>		outreach; domestic financial coercion risk	economic vulnerability and automation risk	privacy-protected accounts; peer educator models
<b>Financial capability gaps suppress product uptake</b>	Information + Behavioural	Low understanding of financial product terms; preference for tangible asset saving; no financial education infrastructure	Workers do not access products aligned with their actual financial needs	Systemic factory-based financial literacy (bi-weekly capsule modules); peer educator programmes; IEC materials
<b>MFI expansion does not reduce moneylender rates</b>	Market Competition	Cream-skimming by MFIs leaves riskiest borrowers to moneylenders; MFIs cannot offer full range of financial services	Debt trap persists even among MFI borrowers; coexistence of formal and exploitative informal credit	Enable MFIs as bank agents; extend MFI mandate to insurance distribution; alternative scoring for excluded borrowers
<b>Digital credit at 0.9% of GDP vs 4.3% potential</b>	Supply-side Economics + Regulatory	No CGS; no mandatory digital bank micro-lending quotas; restricted CIB API access; no alternative scoring operationalisation	Banks cannot serve the segment commercially; workers are excluded from the formal credit market	Operationalise CGS; mandate micro-lending allocations; launch fintech sandbox for alternative scoring; provide CIB API access
<b>Ecosystem fragmentation blocks data-based inclusion</b>	Infrastructure + Regulatory	No integrated financial identity (NID-financial account linkage); MFS, bank, MFI, and insurance systems do not communicate	Each new product interaction requires re-documentation; creditworthiness signals wasted	National data stack; NID-linked financial accounts; Payment Act 2024 data-sharing provisions
<b>Post-COVID reversal of wage digitisation gains</b>	Policy Sustainability	Mandate-driven adoption without a commercial ecosystem; no incentive for factories after subsidy withdrawal	54% current digitisation — far below 90% COVID peak; financial inclusion gains are fragile	Sustainable commercial models for wage digitization, EWA integration, and buyer compliance linkage

## 5. Regulatory and Policy Landscape

---

### 5.1 Bangladesh Bank

Bangladesh Bank has been the most active regulatory driver of financial inclusion. Key milestones include: no-frill accounts with initial deposits from BDT 10–100; COVID-19 wage disbursement directives that catalysed MFS adoption among RMG workers; the launch of Digital Bank licenses under a new regulatory framework; and the Payment and Settlement Systems Act (July 2024), which provides legal foundations for alternative credit scoring, private credit bureaus, and data-sharing across financial providers. The UNCDF Inclusive Digital Economy Scorecard rates Bangladesh at 82/100 on policy and regulation — but only 44/100 on innovation and 56/100 on skills (UNCDF, 2024).

Critical regulatory gaps remain. Cash-out fees have remained static despite 28.5% annual transaction growth, disproportionately burdening low-income users. CIB report access via API is restricted, slowing credit assessments for nano-loans to days rather than minutes. No mandatory lending portfolio allocation for microloans to low-income workers exists for commercial or digital banks. The Credit Guarantee Scheme (CGS) has been recommended across multiple forums since 2021, but has not been operationalised.

### 5.2 Insurance Development and Regulatory Authority (IDRA)

IDRA's Insurance Regulatory Sandbox Guidelines (2023) create an important innovation pathway for insurtech firms. However, KYC requirements for policies below BDT 200,000 remain burdensome, slowing rapid worker onboarding. Health insurance for factory workers is not mandated, and the Bangladesh Labour Act's prohibition on automatic wage deductions for insurance premiums represents the single most significant structural barrier to scalable insurance coverage. Moreover, there are no provisions or support mechanisms which will incentivise the factory owners to ensure insurance coverage (particularly health insurance) for their workers.

### 5.3 Labour Law and Employment Standards

The Bangladesh Labour Act (2006, amended 2013) creates financial inclusion consequences well beyond its primary scope. The prohibition on non-statutory wage deductions prevents automatic premium collection for insurance. The absence of a legal requirement for written employment contracts means 92% of workers lack documented income proof. The minimum wage is reviewed only every five years — and the 2023 revision, while a 56% nominal increase to BDT 12,500, still falls short of living wage estimates by BDT 5,000–15,000 depending on methodology (CPD, 2024). The Global Labor Institute at Cornell University (2025) has documented that this static wage-setting process, combined with inflation averaging 9–10%, systematically erodes real wages between revisions.

## 6. Lessons from Global Best Practices

Bangladesh's financial inclusion challenge for industrial workers is not unique. A comparative analysis of transformative programmes across South Asia, Sub-Saharan Africa, and Latin America reveals consistent principles and transferable models that can inform Bangladesh's path forward.

### 6.1 South and Southeast Asia

#### CASE STUDY: INDIA

##### **Pradhan Mantri Jan Dhan Yojana (PMJDY): The World's Largest Financial Inclusion Programme**

Launched in August 2014, PMJDY opened 57.81 crore (578 million) bank accounts by 2025, raising financial inclusion coverage from 25% to over 80% (Ministry of Finance, 2025). Key features: zero-balance accounts requiring no minimum deposit; simplified/relaxed KYC using Aadhaar digital identity; RuPay debit cards with embedded accident insurance of Rs. 2 lakh; overdraft facility up to Rs. 10,000 for eligible accounts; and integration with the JAM trinity (Jan Dhan–Aadhaar–Mobile), enabling frictionless government benefit transfers. Total deposits grew nearly 15 times since inception to Rs. 2,67,756 crore by August 2025. The Direct Benefit Transfer mechanism alone saved approximately Rs. 3.48 lakh crore (USD 4.19 billion) in government subsidy leakages by March 2023. Of 57.81 crore accounts, 55.6% are held by women, and 66.6% are in rural and semi-urban areas.

**KEY LESSON FOR BANGLADESH:** Digital identity (NID) linked to financial accounts, combined with simplified KYC and bundled insurance, can drive mass financial inclusion rapidly. The Aadhaar-JAM trinity model offers a direct precedent for Bangladesh's proposed national data stack.

#### CASE STUDY: CAMBODIA

##### **ILO Better Factories Cambodia: From Cash to Responsible Digital Wages**

Cambodia's garment sector achieved wage digitisation growth from 22% of factories in 2018 to 72% by 2024 — serving over 550,000 workers in 700+ export factories (ILO Global Centre on Digital Wages for Decent Work, 2024). The programme combined: a government sub-decree (April 2023) mandating digital wage payments in the public sector; ILO and Better Factories Cambodia technical support for factory transitions; a RISE/Mastercard Financial Health Programme providing financial capability training alongside wage digitisation for 25,000+ workers (85% women) in 17 factories; and market-competitive interoperability across bank and fintech payroll providers. Results: employers reported 84% reduction in payroll admin costs (saving USD 16,000/year per factory); workers who received both digital wages and financial training showed measurably improved savings behaviour and financial decision-making confidence. Critically, the percentage of workers cashing out their entire wages on payday dropped substantially following training interventions.

**KEY LESSON FOR BANGLADESH:** Wage digitisation alone does not improve financial behaviour — it must be accompanied by targeted financial capability training, gender-responsive design, and interoperable payment infrastructure. This mirrors the Sarathi model and provides evidence for scaling.

#### CASE STUDY: INDIA

##### **Bandhan Bank: From MFI to Agent Banking at Scale**

Bandhan Bank, originally a microfinance institution serving low-income communities in West Bengal, converted to a full commercial bank in 2015. It leveraged its 28,000+ agent/correspondent network to extend savings accounts, loan disbursements, and digital payments to low-income customers — particularly women in rural areas — at a scale unachievable through traditional branch banking. The bank now serves over 30 million customers across India, with strong penetration in underserved populations.

**KEY LESSON FOR BANGLADESH:** Enabling licensed MFIs to operate as bank agents — as recommended in Bangladesh Bank's proposed guideline updates — can dramatically extend last-mile reach for RMG workers at lower cost than branch banking. Bangladesh has 19,000+ MFI branches operating in communities where many RMG workers live.

## 6.2 Sub-Saharan Africa

### CASE STUDY: KENYA

#### M-Pesa: Mobile Money as a Platform for Financial Inclusion Deepening

Launched by Safaricom in 2007, M-Pesa grew from a P2P remittance tool to a comprehensive financial platform serving 30 million active monthly users, generating over USD 300 billion in transactions and contributing to Kenya's financial inclusion rate rising from 26% in 2006 to 84% in 2021 (PACT/Africa, 2023). The key regulatory enabler was the Central Bank of Kenya's 'test-and-learn' approach — allowing innovation within a sandbox framework while maintaining consumer protection principles. M-Pesa's evolution through successive 'generations' from P2P payments (Gen 1) to M-Shwari savings and credit (Gen 2) to credit scoring (Gen 3) to international remittances (Gen 4) demonstrates how a payments platform can become a comprehensive financial services ecosystem. Jack and Suri's research (2014) estimated that M-Pesa's risk-sharing function lifted approximately 2% of Kenyan households out of poverty.

**KEY LESSON FOR BANGLADESH:** The regulatory sandbox model, graduated product evolution, and telecom-banking partnership structure of M-Pesa offer direct precedents for Bangladesh's fintech ecosystem development. bKash's trajectory mirrors M-Pesa's early stages. Moreover, digital platforms must be accompanied by targeted, gender-responsive interventions, not just infrastructure.

### CASE STUDY: ETHIOPIA

#### MFI-Led Microinsurance: Rapid Scale Through Regulatory Innovation

When Ethiopia allowed MFIs to underwrite their own credit life insurance, it overnight transitioned approximately 1.5 million policyholders from the informal to the formal insurance sector — from an estimated 300,000 formal policyholders at the time (Cenfri, 2024). The policy decision was controversial given supervisory gaps, but demonstrated that regulatory reform can enable rapid inclusion at scale when MFI networks are deployed as distribution channels. Ethiopia's National Financial Inclusion Strategy II (2021–2025) explicitly prioritises gender-intentional financial inclusion — recognising that the gender gap in financial inclusion requires specific design attention, not just generic inclusion initiatives.

**KEY LESSON FOR BANGLADESH:** Bangladesh's IDRA could enable MFIs to serve as distribution agents for micro-insurance products — leveraging their community trust, branch density, and existing client relationships. Ethiopia's experience also validates the importance of explicit gender-intentional policy design.

### CASE STUDY: TANZANIA

#### M-Pawa: Behaviour-Based Savings and Credit for the Unbanked

M-Pawa, developed by Vodacom Tanzania and Commercial Bank of Africa (CBA), offers mobile savings and micro-loans based entirely on users' savings behaviour — without requiring formal credit history or collateral. Loan eligibility and size are determined by savings patterns over time, creating incentives for savings accumulation and establishing an alternative credit scoring foundation accessible to low-income workers. The model has demonstrated that behavioural data can serve as a credible proxy for creditworthiness in low-income segments.

**KEY LESSON FOR BANGLADESH:** Bangladesh's new Payment and Settlement Systems Act (2024) now explicitly permits alternative credit scoring and data-sharing — creating the legal foundation for similar behavioural credit models. Fintechs such as PrimeAgrim and bKash already hold the transaction data required to develop such models; the regulatory and incentive framework to accelerate this now needs to be operationalised.

## 6.3 Latin America

### CASE STUDY: COLOMBIA / MEXICO / PERU

#### Conditional Cash Transfers and Fintech-Led Financial Inclusion

Latin America's financial inclusion transformation from 2020–2023 offers important lessons. Government conditional cash transfer (CCT) programmes — Colombia's Familias en Acción, Mexico's Prospera, Peru's Juntos — used simplified bank accounts as distribution channels, driving mass account opening among previously unbanked

populations (MDPI, 2025). While initial access was instrumentally driven (for receiving government benefits), sustained engagement followed for a meaningful share of participants — demonstrating that account usage can deepen over time if the account remains active and relevant. The Mastercard study (2023) found that the share of Latin Americans without any formal financial product fell from 45% in 2019 to 21% in 2023 — driven significantly by fintech penetration, with fintechs now the primary provider through which low-income populations first access debit cards (35% of respondents), savings accounts (28%), and credit cards. Colombia emerged as a regional leader in open finance regulation (mandatory framework published June 2025), and Peru's Yape and Colombia's Daviplata mobile wallets have achieved high adoption among lower-income users — demonstrating that purpose-built, easy-to-use applications outperform generic banking apps for low-income segments.

**KEY LESSON FOR BANGLADESH:** Government social protection programmes in Bangladesh (e.g., G2P transfers) can be deployed as a financial inclusion lever — using the existing MFS infrastructure to deliver benefits while simultaneously building active account usage. This requires active collaboration between the Ministry of Social Welfare, Bangladesh Bank, and MFS providers.

The following table summarises transferable lessons from global best practices for Bangladesh's financial inclusion strategy.

Country & Programme	Key Innovation	Measurable Outcome	Transferable Lesson for Bangladesh
<b>India – PMJDY</b>	Zero-balance accounts + Aadhaar digital identity + bundled insurance + agent banking	578M accounts opened; financial inclusion 25% → 80%; USD 4.19B in DBT leakage savings	NID-linked financial accounts; simplified KYC; bundled micro-insurance with account opening
<b>Cambodia – ILO BFC / RISE</b>	Mandatory wage digitisation + financial capability training + interoperable platforms	22% → 72% digital wage factories; 84% reduction in payroll admin costs; improved worker savings behaviour	Combine wage digitisation mandates with structured financial literacy, gender-responsive training models
<b>Kenya – M-Pesa</b>	Telecom-led mobile money with regulatory sandbox; graduated product evolution from payments to credit/savings	Financial inclusion 26% → 84% (2006–2021); 30M monthly active users	Regulatory sandbox for fintech innovation; telecom-banking partnerships; behavioural credit scoring
<b>Ethiopia – MFI Insurance</b>	Regulatory approval for MFIs to underwrite credit life insurance, using branch networks for distribution	1.5M policyholders overnight; rapid scale through existing MFI infrastructure	Enable MFIs as insurance distribution agents; address premium collection legal barriers
<b>Tanzania – M-Pawa</b>	Savings-behaviour-based credit scoring; micro-loans without formal credit history	Expanded credit access for unbanked workers through mobile savings habits	Operationalise alternative credit scoring under the Payment & Settlement Systems Act (2024)
<b>Colombia/Peru – CCTs + Fintech</b>	Government benefit payments through digital accounts as a financial inclusion gateway; purpose-built mobile wallets	Financial exclusion fell from 45% → 21% (2019–2023); fintech as primary provider for low-income groups.	Use G2P transfers and social protection as financial inclusion entry points; invest in purpose-built RMG worker apps.

## 7. Key Findings and Gap Analysis

Domain	Finding	Evidence Source
<b>Wage &amp; Income</b>	RMG minimum wage (BDT 12,500) is 49–55% below the estimated living wage (BDT 25,497–27,900 for a family of four in Dhaka). Five-year review cycle erodes real wages through inflation.	CPD, 2024; PiHR, 2025; Cornell GLI, 2025
<b>MFS Depth</b>	70% account penetration, but 'wage pipe' behaviour dominates. Cash-out is immediate. Static cash-out fees burden low-income users despite 28.5% transaction growth.	Bangladesh Bank, 2024; Sarathi, 2024; World Bank Findex, 2025
<b>Smartphone Access</b>	Only 30% of RMG workers own smartphones, creating a structural barrier to app-based nano-loans, EWA, and digital savings products.	Sarathi, 2024
<b>Employment Contracts</b>	92% of workers lack formal contracts and payslips — blocking credit scoring, insurance eligibility, and formal labour market protections.	Sarathi, 2024; ILO, 2025
<b>Healthcare Costs</b>	40% of workers cannot afford treatment when needed. Workers spend BDT 3,500/month on medicine in hot months — equivalent to 39% of minimum wage.	TBS, 2021; Cornell GLI, 2025
<b>Gender Exclusion</b>	Women (53.7% of the workforce) face compounded barriers: male-led outreach, domestic financial coercion, restricted mobility, and greater automation risk.	ETI-BRACU-GIZ, 2023; Parveen S Huda, 2024
<b>Credit Access</b>	Orthodox credit scoring excludes workers with no formal history. Informal loan sharks dominate with document-free lending at exploitative rates.	Sarathi, 2024; Dreher et al., 2023
<b>Insurance</b>	Near-zero uptake. The Labour Act prohibits automatic premium deductions. IDRA KYC burden slows enrolment. Most factories offer only mandatory hazard coverage, not any health insurance.	Bangladesh Labour Act (2006); IDRA Guidelines, 2023; Sarathi, 2024
<b>Financial Literacy</b>	Bangladesh Bank's 2021 guidelines have limited reach. Behavioural change at scale requires dedicated campaigns beyond financial institution-led communication.	Bangladesh Bank, 2021; UNCDF IDES, 2024 (skills score: 56/100)
<b>Regulatory Gaps</b>	No mandatory micro-lending quotas for digital banks; CGS not operationalised; CIB API access restricted; alternative credit scoring underutilised.	Bangladesh Bank; Payment & Settlement Systems Act, 2024
<b>Coordination</b>	No formal multi-stakeholder platform coordinates government, regulators, banks, MFIs, fintechs, and factories around shared financial inclusion objectives.	Sarathi Roundtable, 2024; UNCDF, 2024

## 8. Policy Recommendations

The following recommendations are grounded in national evidence, global best practices, and stakeholder consultations. They reflect a system-level approach addressing demand, supply, and regulatory dimensions simultaneously. Each recommendation specifies its rationale, responsible actors, and implementation pathway.

### 8.1 Bangladesh Bank — Regulatory and Market Development

Recommendation	Responsible Actors	Implementation Pathway
Operationalise a Credit Guarantee Scheme (CGS) with Bangladesh Bank and participating commercial banks sharing credit risk at 50:50 on nano-loans and micro-credit for RMG workers. Pilot with a BDT 100 crore initial fund.	Bangladesh Bank, Commercial Banks, Digital Banks	Commission a CGS framework under Bangladesh Bank's SMESPD within 6 months; pilot with 5 banks in Dhaka and Chittagong EPZ; evaluate default rates over 12 months before scaling.
Reduce MFS cash-out charges by establishing a progressive fee ceiling indexed to transaction volume — reversing the structural burden on low-income users as transaction volumes grow. Benchmark against Kenya's M-Pesa cash-out model.	Bangladesh Bank, MFS Providers (bKash, Nagad, Rocket)	Commission independent cost-benefit analysis; consult MFS providers on ceiling model; issue revised MFS fee guidelines.
Provide financial institutions and licensed fintechs with direct API access to Credit Information Bureau (CIB) reports, reducing credit approval times from days to minutes for nano-loans under BDT 50,000.	Bangladesh Bank, CIB, Banks, Fintechs	Develop a tiered-access API gateway with privacy and security protocols; pilot with three digital lenders.
Mandate digital banks to allocate a minimum 10% of their lending portfolio to microloans for low-income workers, with RMG workers as a designated priority segment — backed by mandatory quarterly reporting.	Bangladesh Bank, Digital Banks	Incorporate mandatory micro-lending ratios into Digital Bank licensing conditions; link performance to license renewal.
Enable licensed MFIs to participate in agent banking as authorised agents of commercial banks — leveraging MFI branch density and community trust for last-mile RMG worker financial services. Draw on the Bandhan Bank model.	Bangladesh Bank, MFIs, Commercial Banks	Amend Agent Banking Guidelines; develop MFI agent certification framework; launch pilots in RMG-concentrated districts.
Launch a dedicated fintech regulatory sandbox stream for alternative credit scoring models using MFS transaction history, wage payment records, and EWA repayment data — operationalising the Payment and Settlement Systems Act (2024). Benchmark against M-Pawa (Tanzania) and M-Shwari (Kenya).	Bangladesh Bank, Fintechs, MFS Providers	Designate a specific sandbox window for worker-focused credit products; engage fintech firms to pilot with pre-defined evaluation criteria.

### 8.2 Insurance Development and Regulatory Authority (IDRA)

Recommendation	Responsible Actors	Implementation Pathway
Simplify KYC requirements for micro-insurance policies below BDT 200,000, enabling rapid worker onboarding through MFS-based e-KYC and digital verification — reducing onboarding time from weeks to hours.	IDRA, Insurance Companies, Insurtechs	Revise KYC guidelines; issue a circular permitting MFS-based e-KYC as sufficient verification for micro-insurance.

Recommendation	Responsible Actors	Implementation Pathway
Mandate health insurance coverage for all RMG factories employing more than 400 workers, using a phased implementation: factories above 1,000 workers in Year 1; above 400 in Year 2. Use a shared premium model (factory welfare fund + worker contribution).	IDRA, Ministry of Labour, BGMEA, BKMEA	Develop mandate under IDRA's regulatory framework in consultation with BGMEA and BKMEA; pilot shared-contribution model with factories before full rollout.
Enable MFIs to serve as licensed insurance distribution agents, leveraging their branch density and established client trust — drawing on Ethiopia's MFI microinsurance model as a reference.	IDRA, MFIs, Insurance Companies	Issue a regulatory circular permitting MFI insurance agency roles; develop a commission and compliance framework.

### 8.3 Government of Bangladesh — Labour Law and Social Policy

Recommendation	Responsible Actors	Implementation Pathway
Amend Section X of the Bangladesh Labour Act (2006) to permit automatic wage deductions for micro-insurance premiums with explicit worker consent — removing the single most critical barrier to scalable insurance coverage for RMG workers. Alternatively, incentivise the factories to ensure basic health insurance for their workers – minimising out-of-pocket expenditures.	Ministry of Labour and Employment, Parliament	Initiate tripartite review (government, employers, workers); introduce an amendment bill; implement alongside worker sensitisation campaigns.
Mandate written employment contracts and payslips for all RMG workers, with BGMEA and BKMEA developing a standard contract template and compliance monitoring mechanism linked to social compliance audits and buyer requirements.	Ministry of Labour, BGMEA, BKMEA	Commission standard contract rubric development; integrate into annual buyer social audits; compliance to be tracked by DIFE (Department of Inspection for Factories and Establishments).
Create a unified national data stack linking NID, employment records, wage data, and MFS transaction history — modelled on India's JAM trinity — to reduce documentation burden and enable frictionless financial services access for workers.	Ministry of Finance, Ministry of ICT, Bangladesh Bank, NID Authority	Establish an inter-ministerial task force; pilot in two RMG-concentrated districts (Gazipur and Narayanganj).
Institutionalise annual minimum wage reviews for the RMG sector — eliminating the five-year review cycle that systematically erodes real wages through inflation, as recommended by the Cornell Global Labor Institute (2025).	Ministry of Labour, Minimum Wage Board	Amend the Minimum Wage Board's mandate in the ongoing Bangladesh Labour Act amendment process to require annual cost-of-living-linked reviews.
Deploy government social protection programmes (G2P transfers, social safety nets) through MFS platforms as a financial inclusion entry point — activating dormant MFS accounts and deepening engagement with formal financial services, drawing on Colombia's CCT model.	Ministry of Social Welfare, Bangladesh Bank, MFS Providers	Map existing G2P transfer programmes to active MFS accounts; pilot automatic savings prompt following each transfer; evaluate savings uptake.

## 8.4 RMG Factories and Industry Associations

Recommendation	Responsible Actors	Implementation Pathway
Adopt Earned Wage Access (EWA) solutions integrated into payroll systems — providing workers with access to up to 60% of earned wages before payday, reducing reliance on informal moneylenders. Pilot with PrimeAgrim and Agam in 20 factories.	RMG Factories, BGMEA, Fintechs (PrimeAgrim, Agam)	Commission EWA pilot with factories; evaluate impact on informal loan uptake and worker satisfaction over 6 months before scaling.
Invest in systemic in-factory financial literacy: bi-weekly 10–15 minute capsule modules; peer educator programmes (training one worker per 50 as a financial literacy ambassador); and IEC materials (posters, SMS campaigns). Adopt Cambodia's RISE/Mastercard training model with a gender-responsive design.	RMG Factories, Banks, MFIs, MFS Providers	Partner with MFIs to co-develop and deliver training modules; train peer educators within each participating factory; track product uptake over 12 months.
Implement a shared-contribution health insurance model using factory welfare funds alongside voluntary worker contributions — targeting factories of 400+ workers as a pre-mandate preparatory measure.	RMG Factories, Insurance Providers, BGMEA	Pilot with factories in Gazipur and Narayanganj with micro-insurance companies; evaluate claims rates, and worker satisfaction over 12 months.

## 8.5 Financial Institutions, Fintechs, and Insurance Providers

Recommendation	Responsible Actors	Implementation Pathway
Design and offer purpose-built financial products for RMG workers — including education loans, home construction savings plans, emergency credit facilities, and EWA solutions — based on human-centred design research with workers rather than adaptation of existing products.	Commercial Banks, MFIs, MFS Providers, Fintechs	Commission HCD research; develop new worker-focused products per institution; track uptake and repayment.
Implement alternative credit scoring systems using MFS transaction data, wage payment history, and EWA repayment records — operationalising the framework permitted under the Payment and Settlement Systems Act (2024). Benchmark against M-Pawa and M-Shwari.	Fintechs, Commercial Banks, MFS Providers	Engage Bangladesh Bank's fintech sandbox; pilot two to three alternative scoring models; evaluate default rates against orthodox scoring baselines.
Integrate Gender Lens Investing (GLI) principles into product design, outreach strategy, and agent recruitment — deploying female agents for female worker outreach, privacy-protected SMS notifications, and products that support women's autonomous financial decision-making.	Banks, MFS Providers, Impact Investors, Development Partners	Set gender targets for female agent recruitment; pilot privacy-protected SMS systems; report on gender-disaggregated product uptake annually.
Insurance providers to deploy MFI distribution networks for micro-insurance — covering workers outside banking hours, offering simplified claims via SMS, and targeting 50,000 new RMG worker policyholders within 24 months.	Insurance Companies, Insurtechs, MFIs	Establish formal distribution agreements between insurers and MFIs; co-develop simplified claims procedures with real-time SMS tracking; monitor claims ratios and worker satisfaction.

## 9. Implementation Considerations

---

### 9.1 Sequencing and Prioritisation

Effective implementation requires deliberate sequencing. Immediate regulatory actions with high leverage should be prioritised: the MFS fee ceiling review, CIB API access, simplified IDRA KYC for micro-insurance, and the Bangladesh Labour Act amendment process for automatic premium deductions. These create enabling conditions for market actors. Alternatively, incentivise the factories to ensure basic health insurance for their workers – minimising out-of-pocket expenditures. Medium-term priorities include the CGS operationalisation, factory-level EWA pilots, in-factory financial literacy programmes, and MFI agent banking enablement. Long-term, including the national data stack, sector-wide health insurance mandate, and alternative credit scoring ecosystem, requires sustained institutional investment and coordination.

### 9.2 Multi-Stakeholder Coordination Platform

The most consistently cited gap across all consultations and roundtable discussions (organised by Sarathi and the Daily Star in 2024) is the absence of a formal coordination mechanism to align actors across government, regulation, industry, finance, and civil society around shared financial inclusion objectives for RMG workers. This brief recommends the establishment of a dedicated RMG Financial Inclusion Platform — convened under Bangladesh Bank or the Ministry of Finance, with rotating co-chairs from industry and civil society — to drive accountability, share data, and coordinate implementation. Development partners, including Swisscontact, UNCDF, and the MetLife Foundation, are well-positioned to provide secretariat support. Ghana's National Financial Inclusion and Development Strategy governance architecture — with a high-level council, steering committee, and working groups — provides a practical reference model.

### 9.3 Monitoring and Evaluation Framework

Progress on financial inclusion must be measured beyond account ownership. A robust framework should track: active usage rates of savings, credit, and insurance products (not just account ownership); gender-disaggregated data on product uptake and financial decision-making autonomy; worker financial resilience indicators (ability to absorb income shocks without informal borrowing); system-level metrics on credit default rates under alternative scoring models; and MFS depth indicators (share of transactions beyond cash-out). Bangladesh Bank's existing financial inclusion data infrastructure, BGMEA/BKMEA factory-level data, and annual third-party surveys can form the basis for a shared, publicly available dashboard.

### 9.4 Political Economy and Change Management

Reforms in the RMG financial inclusion space involve actors with divergent commercial, political, and institutional interests. Banks may resist mandatory micro-lending ratios without adequate risk-sharing instruments. Factory owners may resist contract issuance requirements if they imply greater legal liability. MFS providers may resist fee ceiling reforms that constrain revenue. Labour law amendment faces complex tripartite consultation dynamics. An alternative action can be to incentivise the factories to ensure basic health insurance for their workers, minimising out-of-pocket expenditures of the workers. Advocacy strategies must therefore lead with shared value: framing financial inclusion for workers as productivity, retention, and buyer compliance investment for factories; framing regulatory reforms as market-enabling rather than punitive for financial institutions; and building visible coalitions of early adopters to demonstrate feasibility before mandating at scale.

The Cambodia experience — where brands joined wage campaigns after evidence of cost-efficiency — demonstrates that private sector buy-in follows demonstrated business benefit.

## 10. Conclusion

Bangladesh's RMG sector stands at a pivotal inflexion point. The Payment and Settlement Systems Act (2024), the Digital Bank framework, the IDRA Regulatory Sandbox, the PMJDY model available for adaptation, and the emerging EWA and alternative credit scoring ecosystem together create the most enabling regulatory and market environment the sector has seen. At the same time, a structural income gap — with minimum wages still BDT 5,000–15,000 below living wage estimates — and the persistent labour law barriers to automatic insurance premium deductions represent real constraints on what financial services alone can achieve.

This brief argues for a dual imperative. First, a regulatory and market systems reform agenda that operationalises the enabling environment created by recent policy advances — particularly the Credit Guarantee Scheme, alternative credit scoring, and simplified KYC for micro-insurance. Second, a behavioural and structural agenda that invests in financial capability alongside product design, addresses gender norms systematically, and links employment formalisation (contracts and payslips) to financial access as mutually reinforcing reforms.

The global evidence is clear: financial inclusion for low-income workers requires aligned action across regulatory, market, and behavioural dimensions simultaneously. Kenya's financial inclusion grew from 26% to 84% over fifteen years through such alignment. Cambodia's garment sector wage digitisation grew from 22% to 72% in six years through coordinated public-private investment. India brought 578 million accounts into the formal system through a single, well-designed government programme. Bangladesh has the institutional capacity, the digital infrastructure, and the national development imperative to achieve comparable results. The workers of Bangladesh's RMG sector — who power the economy that powers national development — deserve nothing less.

### CALL TO ACTION

**REGULATORS & POLICYMAKERS:** Operationalise the Credit Guarantee Scheme. Reduce MFS cash-out fees. Enable CIB API access for fintechs. Amend the Labour Act to permit automatic insurance premium deductions. Mandate annual minimum wage reviews. Deploy G2P transfers as financial inclusion entry points.

**FINANCIAL INSTITUTIONS & FINTECHS:** Deploy alternative credit scoring under the Payment and Settlement Systems Act. Design products using human-centred research with workers. Recruit female agents for female worker outreach. Integrate EWA into factory payroll partnerships.

**RMG FACTORIES & ASSOCIATIONS:** Issue formal employment contracts and payslips — immediately. Pilot EWA with factories. Invest in bi-weekly in-factory financial literacy capsules with peer educators. Pilot shared-contribution health insurance before IDRA mandates it.

**DEVELOPMENT PARTNERS:** Convene and fund a multi-stakeholder RMG Financial Inclusion Platform. Provide technical assistance for regulatory reform. Scale financial capability training using the gender-responsive Cambodia/RISE model. Commission annual gender-disaggregated financial inclusion surveys for RMG workers.

## 11. References

- Agam AI. (2024). *Financial illiteracy and loan sharks: Informal lending landscape in Bangladesh*. Agam AI. <https://agam.ai/>
- Bangladesh Bank. (2021). *Financial literacy strategy for Bangladesh*. Bangladesh Bank.
- Bangladesh Bank. (2024a). *Mobile financial services data: Monthly report, December 2024*. Bangladesh Bank. <https://www.bb.org.bd/>
- Bangladesh Bank. (2024b). *Payment and Settlement Systems Act 2024*. Government of Bangladesh.
- Bangladesh Garment Manufacturers and Exporters Association (BGMEA). (2024). *BGMEA annual report 2023–24*. BGMEA.
- Berg, C., Emran, M. S., & Shilpi, F. (2015). *Microfinance and moneylenders: Long-run effects of MFIs on informal credit market in Bangladesh* (Policy Research Working Paper). World Bank Group. <https://doi.org/10.1596/1813-9450-7375>
- Centre for Policy Dialogue (CPD). (2024). *Revision of the minimum wage of RMG workers in 2023*. CPD. <https://cpd.org.bd/>
- Cornell University Global Labor Institute (GLI). (2025). *Waiting game: Minimum wage-setting in Bangladesh's apparel industry*. Cornell ILR School.
- Dreher, A., Yusuf, R., Ashraf, H., Ahmed, S. A. K. S., Strümpell, C., & Loerbroks, A. (2023). Work-family conflict, financial issues and their association with self-reported health complaints among ready-made garment workers in Bangladesh. *International Archives of Occupational and Environmental Health*, 96(4), 483–496. <https://doi.org/10.1007/s00420-022-01942-9>
- Ethical Trading Initiative Bangladesh, BRAC University, & GIZ. (2023). *Study on the decline of women workers in the textile industry in Bangladesh*. ETI/BRAC University/GIZ.
- Insurance Development and Regulatory Authority (IDRA). (2023). *Insurance regulatory sandbox guidelines 2023*. IDRA.
- International Finance Corporation (IFC) & BSR. (2022). *The potential gains of digitising garment sector wages in Cambodia*. World Bank Group.
- International Growth Centre (IGC). (2023). *Worker financial stress in Bangladesh's RMG sector: Survey evidence*. London School of Economics.
- International Labour Organization (ILO). (2025). *Workers' welfare in the Bangladesh RMG industry*. ILO. <https://www.ilo.org/>
- ILO Global Centre on Digital Wages for Decent Work & Better Factories Cambodia. (2024). *Digital wage payments in Cambodia's garment sector*. ILO.
- Jack, W., & Suri, T. (2014). Risk sharing and transaction costs: Evidence from Kenya's mobile money revolution. *American Economic Review*, 104(1), 183–223. <https://doi.org/10.1257/aer.104.1.183>
- Karim, R., Ahmed, S. U. M., & Harada, Y. (2024). Labor welfare policy, practices, and deficiencies with the ILO: Evidence from the garment industry of Bangladesh. *Labour & Industry: A Journal of the Social and Economic Relations of Work*. Advance online publication. <https://doi.org/10.1080/0023656X.2024.2373893>
- Mastercard & Americas Market Intelligence. (2023). *The state of financial inclusion post COVID-19 in Latin America and the Caribbean*. Mastercard.
- Ministry of Finance, India. (2025). *Pradhan Mantri Jan Dhan Yojana — 11 years of transformative impact*. Government of India. <https://www.pmjdy.gov.in/>
- Nazrul, N., Majumder, T., & Karki, S. (2024). Economic resilience and gender empowerment: A post-pandemic analysis of Bangladesh's ready-made garment sector. *International Journal of Social Science and Humanity*, 1(3), 55–70. <https://doi.org/10.62951/ijss.v1i3.55>
- Ndung'u, N. (2021). *A digital financial services revolution in Kenya: The M-Pesa case study*. Blavatnik School of Government, University of Oxford.
- PACT Africa. (2023). *Breaking down barriers: How fintech powers financial inclusion in Kenya*. PACT Africa. <https://africanpact.org/>
- RISE & Mastercard Center for Inclusive Growth. (2024). *Financial empowerment in Cambodia: Unveiling the benefits of responsible wage digitalization*. RISE. <https://riseequal.org/>
- Sarathi – Improving Financial Health Project. (2024a). *Programme monitoring and field data, 2021–2024*. Swisscontact Bangladesh.

- The Business Standard. (2025, August 26). MFS transaction amount grew 28.53% in 2024. *The Business Standard*. <https://www.tbsnews.net/>
- The Daily Star. (2024). Transforming the banking landscape through MFS. *The Daily Star*.
- Uddin, M. A. (2021). *Microfinance and debt trap: An ethnographic evidence from a village in Bangladesh* (Working Paper). University of Creative Technology Chittagong.
- UK Government/DFID. (2019). *Community-based health insurance (CBHI) in Bangladesh*. UK Government.
- United Nations Capital Development Fund (UNCDF). (2022). *Ready-made garment sector digital market assessment: Bangladesh*. UNCDF. <https://www.uncdf.org/article/7363/>
- United Nations Capital Development Fund (UNCDF). (2023). *Digital financial services for garment workers in Bangladesh: Research on digital financial capabilities, financial products availability and usage, and social welfare ecosystem*. UNCDF. <https://www.uncdf.org/article/8467/>
- United Nations Capital Development Fund (UNCDF). (2024). *Inclusive digital economy scorecard (IDES): Bangladesh country assessment*. UNCDF.
- UNDP & World Bank. (2025). *Digital wages can unlock women's economic power in Bangladesh*. UNDP. <https://sdgfinance.undp.org/>
- Women's World Banking, Better Than Cash Alliance, & UNCDF. (2022). *Inclusive digital payments solutions for the garment sector workers in Bangladesh*. Women's World Banking. <https://www.womensworldbanking.org/>
- World Bank. (2025a). *Bangladesh GDP growth and poverty assessment: Spring 2025*. World Bank Group.
- World Bank. (2025b). *Global Findex database 2025*. World Bank Group. <https://www.worldbank.org/en/publication/globalfindex>
- World Bank, IFC, & BSR HERproject. (2023). *RISE financial health programme results: 151 factories, Bangladesh, Cambodia, China, Egypt, India, Indonesia, Vietnam*. World Bank Group.
- Yeasmin, N. (2023). Financial capability of low-income workers: Insights from Bangladesh's readymade garment industry. *BUFT Journal of Business & Economics (BJBE)*, 4. Bangladesh University of Fashion and Technology

---

### About the Sarathi Project (Swisscontact Bangladesh)

The Sarathi – Improving Financial Health project is an initiative by Swisscontact Bangladesh, funded by the MetLife Foundation and the Happel Foundation, with co-funding from the Swiss Agency for Development and Cooperation (SDC) and the Federal Department of Foreign Affairs (FDFA). Since November 2021, Sarathi has been working to advance financial health and resilience among Bangladesh's RMG sector workers and their communities, targeting at least 265,000 workers and family members across savings, loans, insurance, and digital payment systems.

**Website:** <https://www.swisscontact.org/en/projects/sarathi-progress-through-improved-financial-health>

**Contact:** [salma.akhter@swisscontact.org](mailto:salma.akhter@swisscontact.org), [mostafezur.rahaman@swisscontact.org](mailto:mostafezur.rahaman@swisscontact.org).