



ERMG PROJECT: FINANCIAL INCLUSION

Urban Development | BRAC

The ready-made garment (RMG) sector in Bangladesh employs **4 million workers** and **64%** of the workforce are **women**. The majority of workers' expenses contribute towards **children's education, food and house rent**. **1 in 2** RMG workers are interested in savings schemes and pension plans and **1 in 3** workers are interested in insurance and credit products.

BRAC draws on **43 years** of experience providing financial services to **7 million people** in all **64 districts** of Bangladesh. BRAC microfinance is one of the **largest providers of financial services** for people living in poverty, facilitating their easy access to credit and savings.

BRAC has partnered with **29 RMG factories** and established **three one-stop service centres** providing holistic wellbeing services in the major urban industrial centres of **Tongi, Gazipur and Savar**.

The Urban Development programme in collaboration with **BRAC Microfinance** is offering financial services for workers in the RMG industry such as **deposit premium schemes (DPS)** and **micro-health insurance**. A total of **5000 workers** have access to these financial services, which ensure their financial protection in times of adversity and helps them adopt a positive approach to savings.

The micro-health insurance is designed to provide health and life insurance coverage of up to BDT 20,000 for each participating RMG worker, 18-55 years of age. BRAC subsidises 50% of the annual premium cost of BDT 600. The micro-health insurance provides coverage for hospital overnight stays, intensive care care, surgical charges, medicines etc.

RMG workers have DPS, a monthly savings scheme which is tailored to the needs of RMG workers at a premium of BDT 200 per month. Participating workers pay BDT 100 per month while BRAC subsidises the remaining cost.

PROFILE:

3
one-stop service centres

29
ready-made garment factories as partners

854
people came under mobile banking

930
people reached through 39 financial literacy workshops

1,372
DPS clients reached

1,700
micro-health insurance clients reached

50,000
ready-made garment workers (targeted)

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