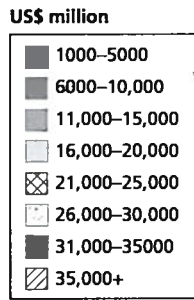


Financial flows (6)

REMITTANCES



Global remittance flows

The map of global remittances shows that the region that receives the most in remittances is south Asia, in particular India, Pakistan and Bangladesh. In these countries the value of remittances is said to be greater than the amount of international aid that they receive. Countries in South-East Asia, such as Indonesia, Malaysia and Vietnam, receive a considerable amount of money through remittances. In contrast, most of Africa and the Caribbean receive a relatively small amount of remittances. Sub-Saharan Africa

appears to be worst off. The pattern is different from the usual rich-poor divide in a number of ways; for example, the low value of remittances received in eastern Europe and in an arc of countries through Turkey to Kazakhstan makes this pattern unusual.

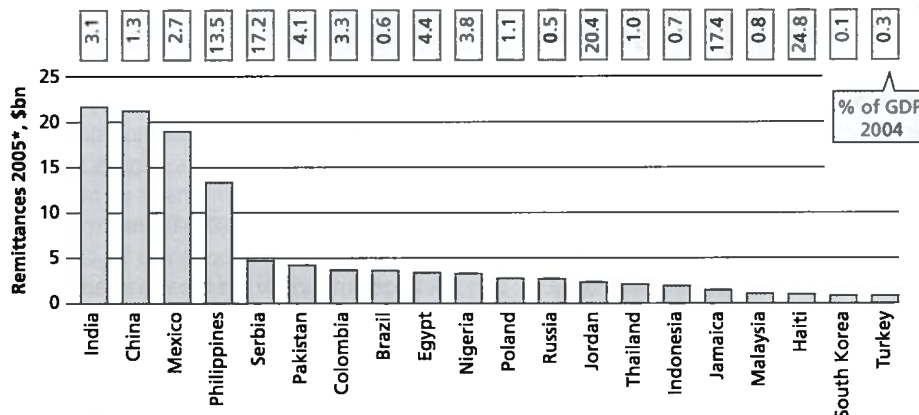
The main rich countries in North America, Europe, Japan, Australia and New Zealand do not show up on this map as they are the main source of income. Nevertheless, there could be some remittances between these countries.

THE VALUE OF REMITTANCES

The value of remittances to individual countries is impressive, with India and China each receiving over \$20 billion in 2005. The source of Mexican money is without doubt the USA, while much of the remittances to the Philippines comes from the UK.

Some countries are very dependent on remittances. Nearly one-quarter of Haiti's GDP comes from remittances

and in Jordan it is over one-fifth. In the Philippines, not only do remittances bring in a huge amount of income, about \$13 billion, they also account for 13.5% of GDP. In India and China, the two largest recipients, remittances in 2005 accounted for 3.1% and 1.3% of GDP respectively.



*Estimate

Remittances, by country, 2005

Source: World Bank