



**MULTILATERAL INVESTMENT FUND
INTER-AMERICAN DEVELOPMENT BANK**



REMITTANCES 2005

**TRANSFORMING LABOR MARKETS AND
PROMOTING FINANCIAL DEMOCRACY**

STATISTICAL COMPARISONS



**BUENOS AIRES
NOVEMBER, 2005**



REMITTANCES, 2005

Call it the case of the missing billions. For generations, millions of migrant workers have been sending billions of dollars back to their home countries to support their families. But these flows of both money and people have been hidden in plain sight for decades. Why? Because the money is sent regularly in small amounts, usually outside the formal financial system; and the workers typically live on the margins of society.

All of this is now changing. Remittances are widely recognized as critical to the survival of millions of individual families, and the health of many national economies throughout Latin America and the Caribbean (LAC). Unlike foreign aid, migrant remittances go directly to families in places that are often difficult to reach with development assistance. And while international capital flows have fluctuated with market cycles, remittances have increased, even during economic recession.

For 2005, remittances to LAC are expected to reach US\$53-55 billion, making the Region the largest remittance market in the world. This amount will once again, exceed the combined flows of all Foreign Direct Investment (FDI) and net Official Development Assistance (ODA) to the Region.

Mexico is the largest recipient of remittances, with remittances expected to exceed US\$20 billion in 2005, followed by Brazil and Colombia. But growth was widespread throughout the Region: Central America and the Dominican Republic combined are expected to reach over US\$12 billion; Andean countries over US\$11 billion. These amounts reflect both substantially increased volume and much improved mechanisms to accurately report the full dimensions of these flows.

There are currently an estimated 25 million LAC-born adults living outside their country of origin. Approximately 65% send money home on a regular basis, typically \$100/\$200/\$300 a month, resulting in about 175 million separate financial transactions a year. Transaction costs to send these remittances have been cut in half over the past five years; but at 7%, still remain too high.

Almost 75% of LAC remittances are sent from the US (approximately US\$40 billion); but in recent years, Western Europe has become the fastest growing destination for LAC migrants, resulting over 12% of the market. Other large flows come from Japan to Brazil and Peru, Canada to Jamaica and Haiti; intraregional flows account for most of the rest.

Transforming Labor Markets

Family by family, worker by worker, migrants are redrawing the map of global labor markets. Over the past few decades, economic migration has increased at four times the rate of world population growth, as globalization is clearly accelerating and expanding the process of remittances.

The basic economic equation in the Americas, and throughout the world, is quite simple: developed countries need migrant labor, and families back home need the remittances that come from their earnings. Each year, millions continue to leave their villages and hometowns to seek jobs and better lives for themselves and their families. Today, the number of economic migrants (approximately 175 million) would alone constitute the sixth most populous country in the world.

So people move “North” by the millions, and money moves “South” by the billions.

The process is profoundly entrepreneurial. Facing increasingly limited prospects at home over the past two decades, workers in Latin America and the Caribbean—particularly from rural areas—have bypassed their own cities in favor of moving directly abroad. Like entrepreneurs who seek markets around the world, foreign workers cross borders in search of comparative advantages.

But the driving force behind this phenomenon remains a fundamentally human connection: a commitment to family values lies at the core of these flows. As a result, new networks of social and economic connections are being formed. These are transnational families, living and contributing to two countries, two economies, and two cultures at the same time. Shifts in international trade, investment, and communication have required the world’s political and economic systems to adopt new rules and mechanisms to meet modern realities. The same needs to be done for the migrant laborers who have become such an integral part of the world’s labor markets.

- **Promoting Financial Democracy**

Financial systems in most developing countries generally serve only the social and economic elites of their populations. Currently, less than 10% of remittance recipients are estimated to have access to banking accounts, loans or other basic financial services. But the scale and scope of LAC remittances can be a powerful tool to open up these financial systems, and thereby multiply economic impact for millions of families and their communities.

Over the past five years, remittances have undergone dramatic changes. Over the next five years, the system can be entirely transformed.

By the end of this decade, remittances to Latin America and the Caribbean can move from the current “cash-to-cash” system into the electronic or digital transfer system of “accounts-to-accounts.” The technology is already available; what is needed are innovative business plans and appropriate regulatory frameworks. The costs of sending money can continue to fall. Millions of poor people can be brought into the financial system, and remittances can be leveraged by linking flows to local microfinance institutions, home mortgages, and even the securitization of bonds for on-lending to local small businesses.

The millions of decisions made each year to migrate and remit are individual decisions made in the best interests of individual families. These decisions are grounded in the reality of the lives of the families involved, not by some econometric model, abstract theory, or government policy.

Remittances have now been “discovered.” Today, 1 of every 10 persons around the globe is directly involved with remittances—125 million migrant workers regularly sending money to support another 500 million relatives back home (averaging four per household). The challenge ahead is to provide these millions of hard-working migrants and their families with more options to use their own money...

They will do the rest.





Remittances by Selected LAC Countries
2004 (US\$ millions)

Argentina

Remittances & Selected Indicators 2004

	(millions)
Population ¹	38.37
Remittances	\$270

Remittances as compared to: (% of)

General Indicators²

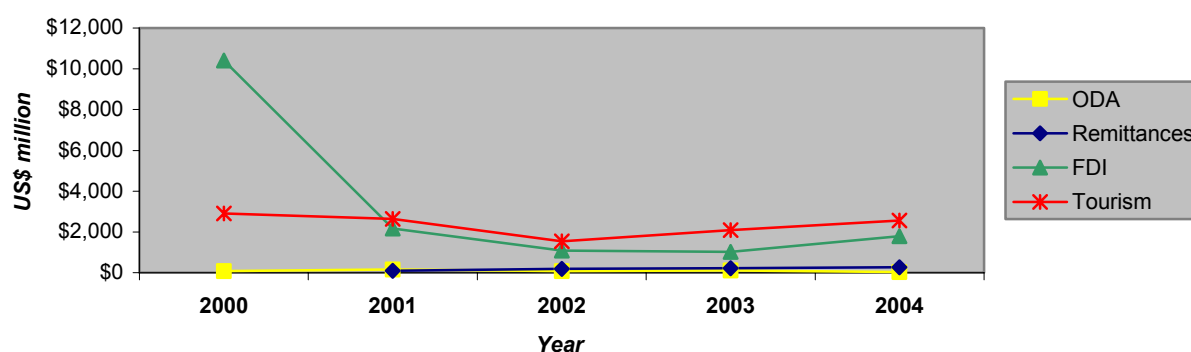
Official Development Assistance (ODA)	807%
Foreign Direct Investment (FDI)	15%
Gross Domestic Product (GDP)	0.2%

Tourism & Main Exports³

Tourism	11%
Agricultural Manufacture Exports ⁴	2%
Fuels and Energy Exports ⁴	4%
All Agriculture Exports (2003)	2%
Exports (f.o.b)	1%

- In recent years Argentina has experienced a surge of emigration. The main destinations for Argentine migrants were Spain, Italy, the United States, and Israel. Except for the U.S., those countries were preferred due to ancestral ties. It is estimated that around 250,000 people left Argentina in the two and a half years following the financial crisis of 2001.
- Remittance inflows to Argentina are eight times greater than ODA. However, remittances remain a relatively small part of the Argentine economy when compared with other countries in the region.
- Remittances account for only 0.2% of Argentina's GDP and are dwarfed by export receipts.

Remittances to Argentina Compared with ODA, FDI, and Tourism (2000-2004)



¹ Source: IMF IFS.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003, 2004*, OECD, DAC Online Database; FDI: CEPAL, *Foreign Investment in Latin America and the Caribbean 2004*; GDP: Calculated based on IMF IFS.

³ Source: Tourism: 2000-2003, IMF, *Balance of Payments Statistics Yearbook 2004, 2004*, Instituto Nacional de Estadística y Censos (<http://www.indec.mecon.ar>); All Agriculture Exports: FAO Statistical Databases, Agricultural Data; Exports: IMF IFS.

⁴ Source: Instituto Nacional de Estadística y Censos.

Remittances & Selected Indicators 2004

Population ¹	(millions) 0.26
Remittances	\$77

Remittances as compared to: (% of)

General Indicators²

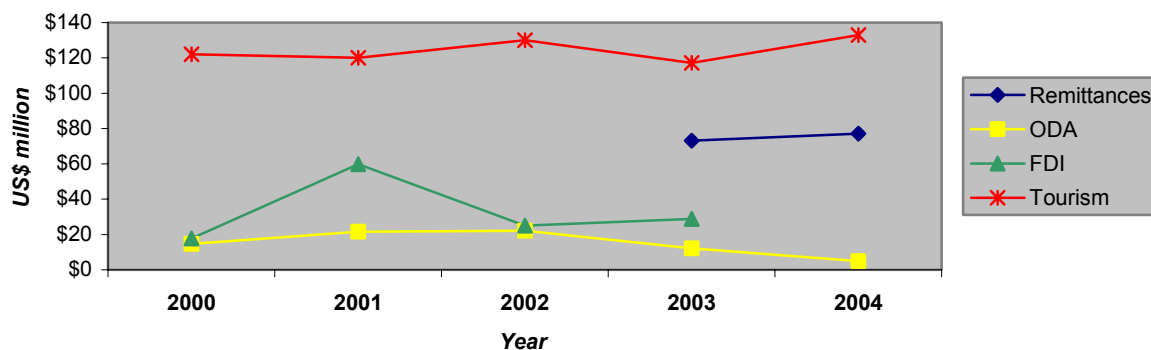
Official Development Assistance (ODA)	1556%
Foreign Direct Investment (FDI), (2003)	253%
Gross Domestic Product (GDP)	6.8%

Tourism & Main Exports³

Tourism	58%
Shrimp Exports ⁴	181%
Sugar Exports ⁴	193%
All Agriculture Exports (2003)	61%
Exports (f.o.b)	25%

- It is estimated that around 44,000 Belizean-born people are living in the United States. Although the size is much smaller than that of its neighboring countries, the impact of emigration in Belize is significant: the percentage of emigrants to the U.S. relative to the total population is above 15%.
- Belize also continues to receive migrants from Guatemala, El Salvador, and Honduras.
- Belize receives more in remittances than the sum of ODA and FDI. Remittances per capita are US\$296, the third-highest in the region.
- Remittances account for about 7% of GDP, and amount to more than the half of the income from tourism.
- Remittances represent almost twice the value of two main exports products: 181% of total shrimp exports and 193% of total sugar exports.

Remittances to Belize Compared with ODA, FDI, and Tourism (2000-2004)



¹ Source: IMF IFS.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003, 2004*, OECD, DAC Online Database; FDI: IMF IFS; GDP: 2000-2003, Calculated based on IMF IFS, 2004, CEPAL, *Panorama de la Inserción Internacional en América Latina y el Caribe 2004, Tendencias 2005*.

³ Source: Tourism: 2000-2002, IMF, *Balance of Payments Statistics Yearbook 2004, 2003-2004*, Central Bank of Belize (<http://www.centralbank.org.bz>); All Agriculture Exports: FAO Statistical Databases, Agricultural Data; Exports: 2000-2003, IMF IFS, 2004, Central Bank of Belize.

⁴ Source: Central Bank of Belize.

Remittances & Selected Indicators 2005

Population ¹	(millions) 9.43
Remittances	\$860

Remittances as compared to: (% of)

General Indicators²

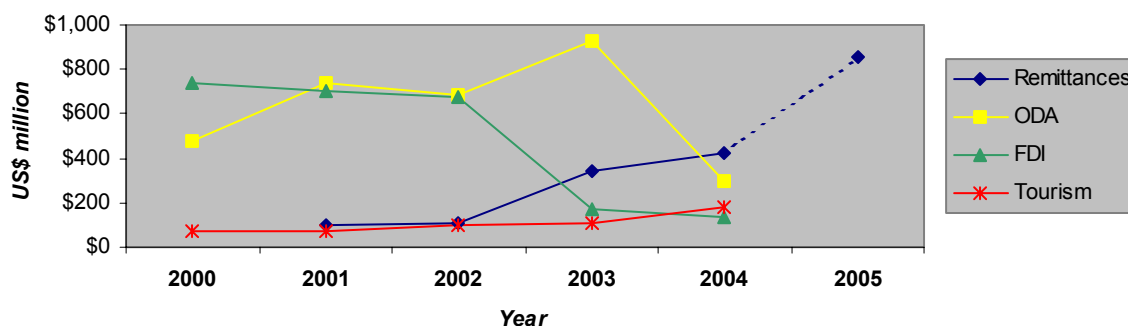
Official Development Assistance (ODA), (2004)	143%
Foreign Direct Investment (FDI), (2004)	308%
Gross Domestic Product (GDP)	8.8%

Tourism & Main Exports

Tourism (2004) ³	239%
Natural Gas (excl Fuels) Exports ⁴	94%
Soy / Derivatives Exports ⁴	238%
All Agriculture Exports ⁴	143%
Exports (f.o.b) ⁴	33%

- The main destination of Bolivian migrants is Argentina. Before the 2001 Argentine economic crisis, more than 600,000 Bolivian migrants were living in Argentina. The Argentine crisis resulted in the return of many migrant workers to Bolivia. However, as the Argentine economy recovers, Bolivians are again migrating back to Argentina.
- Remittance inflows will reach US\$860 million this year, and are equivalent to 8.8% of Bolivian GDP.
- In 2004, remittances were larger than the inflows of the sum of ODA and FDI.
- Remittances exceed the value of tourism revenues by over 200%.
- It is estimated that remittances are equal to 94% of the value of the country's natural gas exports and exceed all its agricultural exports. Remittance flows are equal to 33% of Bolivian annual exports.

Remittances to Bolivia Compared with ODA, FDI, and Tourism (2000-2005)



¹ Source: Instituto Nacional de Estadística de Bolivia (<http://www.ine.gov.bo>).

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003*, 2004, OECD, DAC Online Database; FDI: CEPAL, *Foreign Investment in Latin America and the Caribbean 2004*; GDP: 2000-2004, Calculated based on IMF IFS, 2005, IMF World Economic Outlook and EconStats (<http://www.econstats.com/weo/>).

³ Source: Tourism: 2000-2003, IMF, *Balance of Payments Statistics Yearbook 2004*, 2004, Banco Central de Bolivia (<http://www.bcb.gov.bo>).

⁴ Source: 2005's values are estimated based on each category's Jan-Aug 2005 growth rate. Ministerio de Desarrollo Económico (<http://www.desarrollo.gov.bo>).

Remittances & Selected Indicators 2004

	(millions)
Population ¹	183.91
Remittances	\$5,624

Remittances as compared to: (% of)

General Indicators²

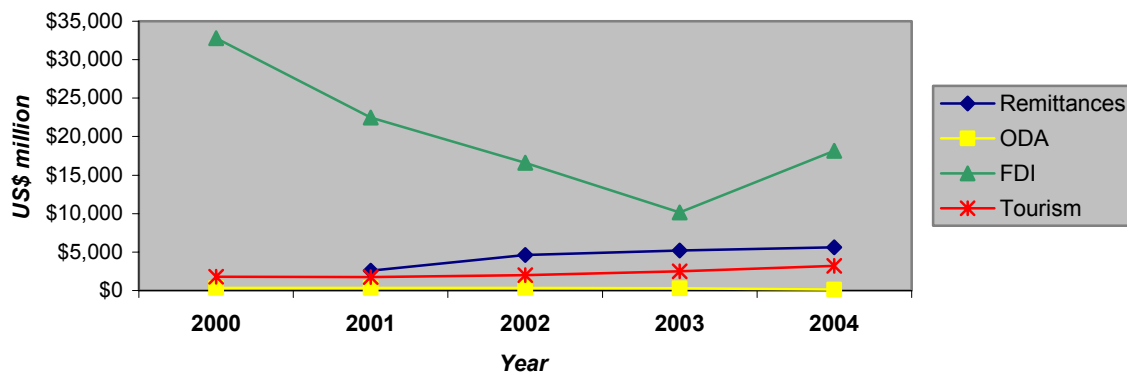
Official Development Assistance (ODA)	4758%
Foreign Direct Investment (FDI)	31%
Gross Domestic Product (GDP)	0.9%

Tourism & Main Exports³

Tourism	175%
Transportation Equipment Exports ⁴	35%
Soy Exports ⁴	56%
All Agriculture Exports (2003)	25%
Exports (f.o.b)	6%

- Many Brazilian migrants live in the United States and Japan, as well as in the neighboring countries such as Paraguay and Argentina.
- Recently, remittances inflows from Japan to Brazil, which amount to US\$2,200 million, have begun to attract considerable attention.
- Although remittances represent only 0.9% of GDP, Brazil is the second largest remittance-receiving country in the region.
- Remittances inflows are more than 175% of the income of the tourism sector.
- Remittance inflows equal 56% of the value of soybean exports, which is the country's biggest agricultural export product.

Remittances to Brazil Compared with ODA, FDI, and Tourism (2000-2004)



¹ Source: IMF IFS.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003, 2004*, OECD, DAC Online Database; FDI: CEPAL, *Foreign Investment in Latin America and the Caribbean 2004*; GDP: Calculated based on IMF IFS.

³ Source: Tourism: 2000-2003, IMF, *Balance of Payments Statistics Yearbook 2004, 2004*, Banco Central do Brasil (<http://www.bcb.gov.br>); All Agriculture Exports: FAO Statistical Databases, Agricultural Data; Exports: IMF IFS.

⁴ Source: Ministério do Desenvolvimento (<http://www.desenvolvimento.gov.br>).

Remittances & Selected Indicators 2004

	(millions)
Population ¹	44.92
Remittances	\$3,857

Remittances as compared to: (% of)

General Indicators²

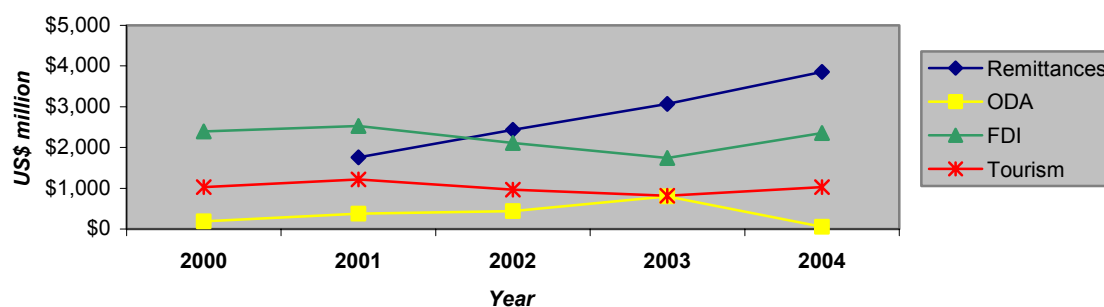
Official Development Assistance (ODA)	7270%
Foreign Direct Investment (FDI)	164%
Gross Domestic Product (GDP)	4.0%

Tourism & Main Exports³

Tourism	374%
Oil / Derivatives Exports ⁴	92%
Coal Exports ⁴	208%
All Agriculture Exports (2003)	108%
Exports (f.o.b)	23%

- During the past five years almost 1 million Colombians have left their country for United States, Spain, Costa Rica, etc.
- Formerly, the main destinations for Colombian migrants were neighboring countries, but with globalization the variety of destinations has increased
- It is estimated that in 2005 more than 450,000 Colombian-born people live in the U.S.
- Colombia shows rapid expansion of remittances inflows and is the third largest receiving country in the region.
- Colombia receives more remittances than the sum of ODA and FDI (US\$2,405 million).
- Remittances are equivalent to nearly four times the revenue from tourism, and approximately equal to oil export revenue.
- The money transfer market in Colombia is becoming more and more competitive as a result of the entrance of new small businesses into the sector. Leading companies are Western Union, Envíos de Valores, Remesas Pujol, La Nacional, and Viameras. In Colombia, Titan is one of the key distributors.

Remittances to Colombia Compared with ODA, FDI, and Tourism (2000-2004)



¹ Source: IMF IFS.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003*, 2004, OECD, DAC Online Database; FDI: CEPAL, *Foreign Investment in Latin America and the Caribbean 2004*; GDP: Calculated based on IMF IFS.

³ Source: Tourism: 2000-2003, IMF, *Balance of Payments Statistics Yearbook 2004*, 2004, Banco de la República Colombia (<http://www.banrep.gov.co>); All Agriculture Exports: FAO Statistical Databases, Agricultural Data; Exports: IMF IFS.

⁴ Source: Banco de la República Colombia

Costa Rica

Remittances & Selected Indicators 2004

	(millions)
Population ¹	4.25
Remittances	\$320

Remittances as compared to: (% of)

General Indicators²

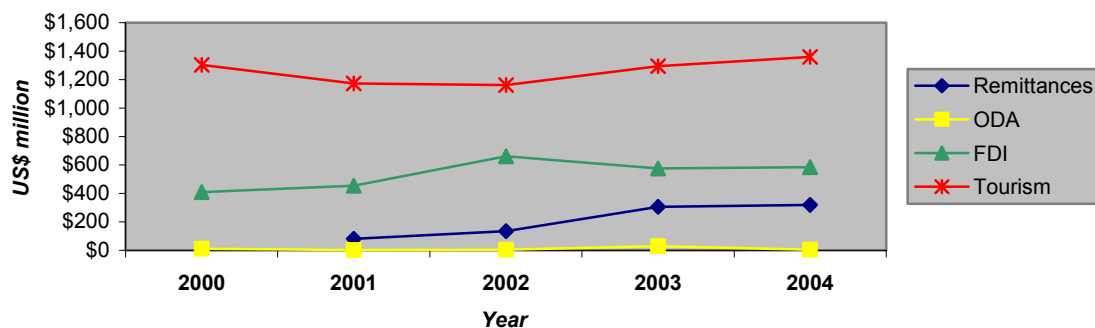
Official Development Assistance (ODA)	7960%
Foreign Direct Investment (FDI)	55%
Gross Domestic Product (GDP)	1.7%

Tourism & Main Exports³

Tourism	24%
Manufacturing Industry Exports ⁴	26%
Banana Exports ⁴	59%
All Agriculture Exports (2003)	17%
Exports (f.o.b)	5%

- In Costa Rica, remittances, come mainly from the United States, and are not as significant as in other Central American countries.
- Costa Rica is also a remittance sending country, as it has received many migrant workers from neighboring countries.
- Costa Rica receives remittances equivalent to more than a half of FDI inflows, and remittances represented 1.7% of GDP in 2004.
- Remittances are equivalent to a quarter of tourism revenue, the country's main industry, and also a quarter of its manufacturing exports.
- Remittances are equivalent to about 60% of Costa Rican banana exports, and 5% of total exports.

Remittances to Costa Rica Compared with ODA, FDI, and Tourism (2000-2004)



¹ Source: IMF IFS.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003, 2004*, OECD, DAC Online Database; FDI: CEPAL, *Foreign Investment in Latin America and the Caribbean 2004*; GDP: 2000-2003, Calculated based on IMF IFS, 2004, CEPAL, *Panorama de la Inserción Internacional en América Latina y el Caribe 2004, Tendencias 2005*.

³ Source: Tourism: 2000-2003, IMF, *Balance of Payments Statistics Yearbook 2004, 2004*, Banco Central de Costa Rica (<http://www.bccr.fi.cr>); All Agriculture Exports: FAO Statistical Databases, Agricultural Data; Exports: 2000-2003, IMF IFS, 2004, CEPAL, *Estudio Económico de América Latina y el Caribe 2004-2005*.

⁴ Source: Banco Central de Costa Rica.

Dominican Republic

Remittances & Selected Indicators 2004

	(millions)
Population ¹	8.41
Remittances	\$2,438

Remittances as compared to: (% of)

General Indicators²

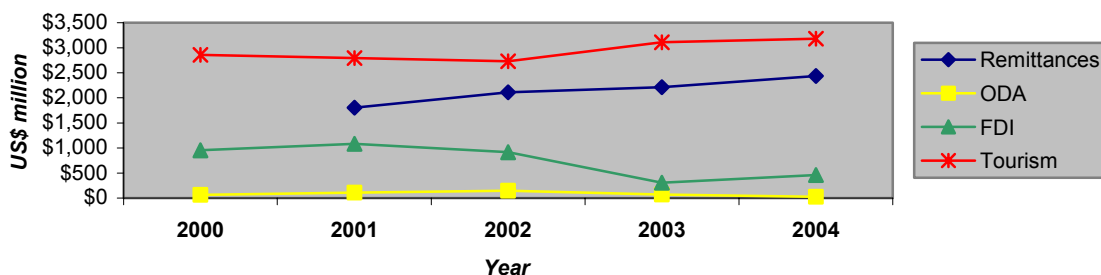
Official Development Assistance (ODA)	8521%
Foreign Direct Investment (FDI)	527%
Gross Domestic Product (GDP)	13.2%

Tourism & Main Exports³

Tourism	77%
Ferro-Nickel Exports ⁴	625%
Sugar / Derivatives Exports ⁴	2607%
All Agriculture Exports (2003)	367%
Exports (f.o.b)	42%

- There are an estimated 2 million Dominican-born adults currently living and working outside of their country of origin.
- Most of these adults are in the United States, and around 60% of annual remittances flows come from the U.S.
- Despite its relatively small population the Dominican Republic receives US\$2,438 million as remittances, the sixth largest amount in the region.
- The average amount of each remittance received per capita is US\$289, the fourth largest in the region.
- Remittance inflows far exceed the sum of ODA and FDI (US\$492 million), and represent 13.2% of the Dominican Republic's GDP.
- Remittances volumes are significant in comparison with country's main export products, such as ferro-nickel (625% of the total), and equivalent to 42% of total exports revenues.
- Informality of money transfers in the Dominican Republic is small. The major competitors are as follows: Quisqueyana, Vimenca/Western Union, MoneyGram, La Nacional, Remesas Dominicanas, Pronto Envio. Unlike other countries, these business are organized into an association, ADEREDI, which represents their interests.

Remittances to Dominican Republic Compared with ODA, FDI, and Tourism (2000-2004)



¹ Source: IMF IFS.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003*, 2004, OECD, DAC Online Database; FDI: CEPAL, *Foreign Investment in Latin America and the Caribbean 2004*; GDP: 2000-2003, Calculated based on IMF IFS, 2004, CEPAL, *Panorama de la Inserción Internacional en América Latina y el Caribe 2004, Tendencias 2005*.

³ Source: Tourism: 2000-2003, IMF, *Balance of Payments Statistics Yearbook 2004*, 2004, Banco Central de la República Dominicana (<http://www.bancentral.gov.do>); All Agriculture Exports: FAO Statistical Databases, Agricultural Data; Exports: 2000-2003, IMF IFS, 2004, CEPAL, *Estudio Económico de América Latina y el Caribe 2004-2005*.

⁴ Source: Banco Central de la República Dominicana.

Remittances & Selected Indicators 2004

	(millions)
Population ¹	13.04
Remittances	\$1,740

Remittances as compared to: (% of)

General Indicators²

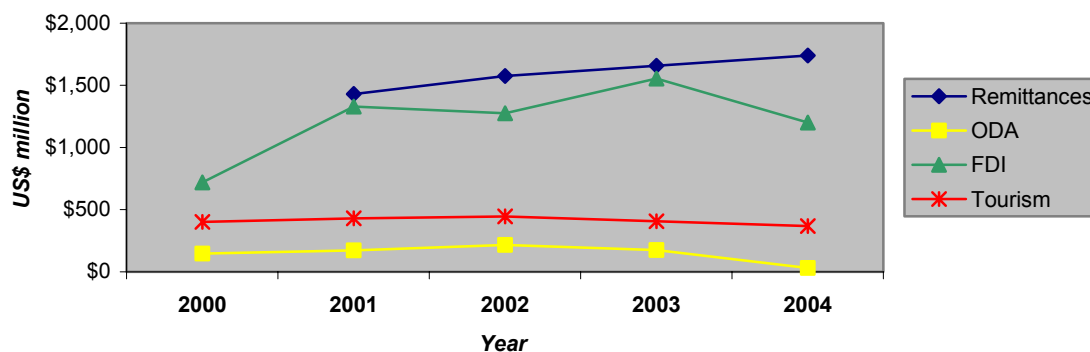
Official Development Assistance (ODA)	5556%
Foreign Direct Investment (FDI)	145%
Gross Domestic Product (GDP)	5.7%

Tourism & Main Exports³

Tourism	474%
Oil / Oil Products Exports ⁴	41%
Banana Exports ⁴	170%
All Agriculture Exports (2003)	83%
Exports (f.o.b)	22%

- Between 1998 and 2002 an estimated half million Ecuadorians left their country to move to Spain, the United States, Central America, and other regions. The increase of Ecuadorian migrants in Spain has been significant, rising 75% over to years to 132,628 persons in 2002.
- Remittance inflows are increasing, while other sources of foreign exchange have been unchanged in recent years. In 2004 remittances were larger than the sum of ODA and FDI.
- Remittances represent the second largest financial source from abroad after oil exports, and bring in 170% more money than banana exports and 474% than tourism.
- Delgado Express is the dominant player in the U.S.-Ecuadorian remittance market. In Spain, La Caixa has attracted a significant number of senders.
- On the receiving end, Banco Solidario has established a partnership with several companies offering innovative packages to their customers.

Remittances to Ecuador Compared with ODA, FDI, and Tourism (2000-2004)



¹ Source: IMF IFS.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003*, 2004, OECD, DAC Online Database; FDI: CEPAL, *Foreign Investment in Latin America and the Caribbean 2004*; GDP: Calculated based on IMF IFS.

³ Source: Tourism: 2000-2003, IMF, *Balance of Payments Statistics Yearbook 2004*, 2004, Banco Central del Ecuador (<http://www.bce.fin.ec>); All Agriculture Exports: FAO Statistical Databases, Agricultural Data; Exports: 2000-2003, IMF IFS, 2004, CEPAL, *Estudio Económico de América Latina y el Caribe 2004-2005*.

⁴ Source: Banco Central del Ecuador.

Remittances & Selected Indicators 2004

	(millions)
Population ¹	6.76
Remittances	\$2,548

Remittances as compared to: (% of)

General Indicators²

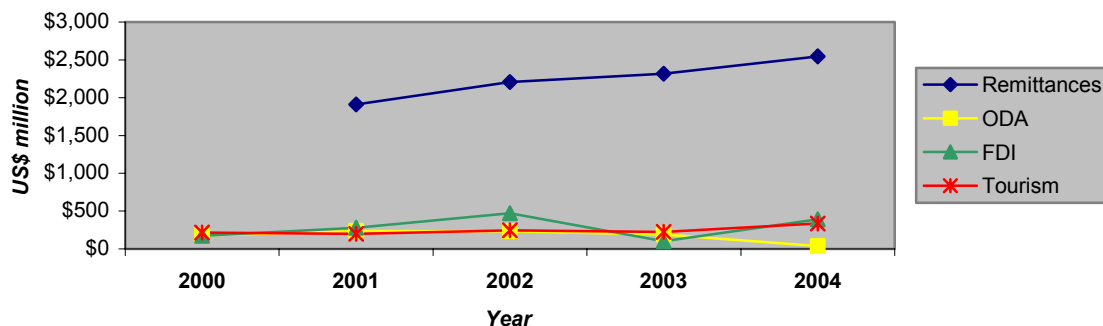
Official Development Assistance (ODA)	6620%
Foreign Direct Investment (FDI)	655%
Gross Domestic Product (GDP)	16.1%

Tourism & Main Exports³

Tourism	756%
Maquiladora Exports ⁴	140%
Coffee Exports ⁴	2055%
All Agriculture Exports (2003)	581%
Exports (f.o.b)	77%

- It is estimated that more than 1 million Salvadorans are living in the United States. Given the size of El Salvador's population, this represents a significant number of the people living outside of the country.
- El Salvador is the fifth largest remittance-receiving country in the region, with the second largest average amount of flows per capita, US\$376.
- Remittance inflows are far larger than the sum of ODA and FDI (US\$427 million), and represent 16.1% of El Salvador's GDP.
- Remittance receipts are larger than any main export product's revenues, and amount to as much as 77% of total exports.
- El Salvador has one of the most competitive money transfer markets in the region due to its dollarized economy and the competition between large banks and such companies as Western Union and Gigante Express. The four largest banks, Banco Agrícola, Banco del Comercio, Banco Cuscatlán, and Banco Salvadoreño, have branches in the U.S. operating money transfer services. Moreover, Fedecaces, the national credit union system, has focusing on the low income households.

Remittances to El Salvador Compared with ODA, FDI, and Tourism (2000-2004)



¹ Source: IMF IFS.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003*, 2004, OECD, DAC Online Database; FDI: CEPAL, *Foreign Investment in Latin America and the Caribbean 2004*; GDP: Calculated based on IMF IFS.

³ Source: Tourism: 2000-2003, IMF, *Balance of Payments Statistics Yearbook 2004*, 2004, Banco Central de Reserva de El Salvador (<http://www.bcr.gob.sv>); All Agriculture Exports: FAO Statistical Databases, Agricultural Data; Exports: IMF IFS.

⁴ Source: Banco Central de Reserva de El Salvador.

Remittances & Selected Indicators 2004

	(millions)
Population ¹	12.29
Remittances	\$2,681

Remittances as compared to: (% of)

General Indicators²

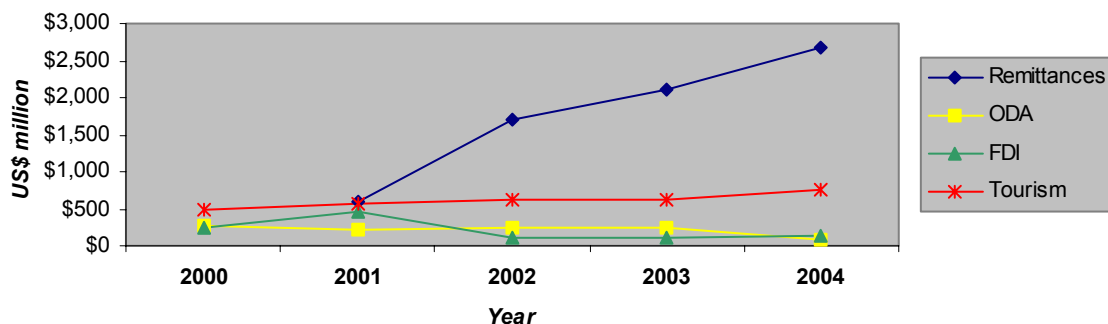
Official Development Assistance (ODA)	3052%
Foreign Direct Investment (FDI)	2145%
Gross Domestic Product (GDP)	10.0%

Tourism & Main Exports³

Tourism	348%
Apparel Exports ⁴	164%
Coffee Exports ⁴	818%
All Agriculture Exports (2003)	161%
Exports (f.o.b)	78%

- More than half a million Guatemalan migrants are living in the United States. Neighboring Mexico is the second largest destination of Guatemalan workers.
- As shown in the graph below, remittance inflows to Guatemala have been increasing dramatically, and amounted to US\$2,681 million in 2004, the fourth largest in the region and fifth largest per capita (US\$218).
- Remittance inflows are far larger than the sum of ODA and FDI (US\$213 million), and represent 10.0% of its GDP.
- Remittances are the principal source of foreign currency and are equal to 164% of apparel exports; 348% of tourism income; and 818% of coffee exports.
- Markets in Guatemala have been very competitive due to the participation of such local banks as BanRural, Banco Metropolitano, Banco Occidente, Banco Industrial, and Banco GyT in the money transfer business. Western Union, Vigo, and MoneyGram are also operating in Guatemala, and King Express has a significant share. As a result of this competition, transaction costs to Guatemala are lower than in other parts of the region.

Remittances to Guatemala Compared with ODA, FDI, and Tourism (2000-2004)



¹ Source: IMF IFS.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003*, 2004, OECD, DAC Online Database; FDI: CEPAL, *Foreign Investment in Latin America and the Caribbean 2004*; GDP: Calculated based on IMF IFS.

³ Source: Tourism: 2000-2003, IMF, *Balance of Payments Statistics Yearbook 2004*, 2004, Banco de Guatemala (<http://www.banguat.gob.gt>); All Agriculture Exports: FAO Statistical Databases, Agricultural Data; Exports: 2000-2003, IMF IFS, 2004, CEPAL, *Estudio Económico de América Latina y el Caribe 2004-2005*.

⁴ Source: Banco de Guatemala.

Remittances & Selected Indicators 2004

	(millions)
Population ¹	0.75
Remittances	\$143

Remittances as compared to: (% of)

General Indicators²

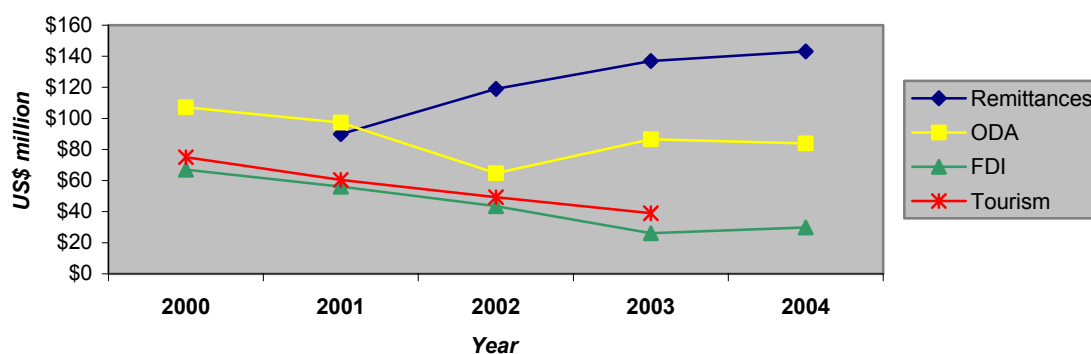
Official Development Assistance (ODA)	171%
Foreign Direct Investment (FDI)	477%
Gross Domestic Product (GDP)	18.1%

Tourism & Main Exports³

Tourism (2003)	352%
Gold Exports ⁴	98%
Sugar Exports ⁴	104%
All Agriculture Exports (2003)	75%
Exports (f.o.b)	24%

- Although a precise estimation has not been made about the number of Guyanese living abroad, it is said that between 500,000 and 1,000,000 Guyanese live outside of their country. The United States is the main destination with more than 200,000 resident Guyanese there.
- Remittance inflows have been increasing slowly, while other financial sources have also not shown much growth.
- Remittances are larger than the sum of ODA and FDI, and represent 18.1% of GDP.
- Remittance receipts are almost equal to the revenues of gold and sugar exports (the country's two main export products), and amount to 352% of the income from tourism.
- In Guyanese markets, licensed money transfer companies play a significant role. In particular, it is estimated that Western Union transfers two thirds of the total remittance flows. Such commercial banks as ScotiaBank also operate as money transmitters or as check cashers.

Remittances to Guyana Compared with ODA, FDI, and Tourism (2000-2004)



¹ Source: IMF IFS.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003*, 2004, OECD, DAC Online Database; FDI: 2000-2003, IMF IFS, 2004, Bank of Guyana (<http://www.bankofguyana.org.gy>); GDP: Calculated based on IMF IFS.

³ Source: Tourism: IMF, *Balance of Payments Statistics Yearbook 2004*; All Agriculture Exports: FAO Statistical Databases, Agricultural Data; Exports: 2000-2003, IMF IFS, 2004, Bank of Guyana.

⁴ Source: Bank of Guyana.

Remittances & Selected Indicators 2004

	(millions)
Population ¹	8.99
Remittances	\$1,026

Remittances as compared to: (% of)

General Indicators²

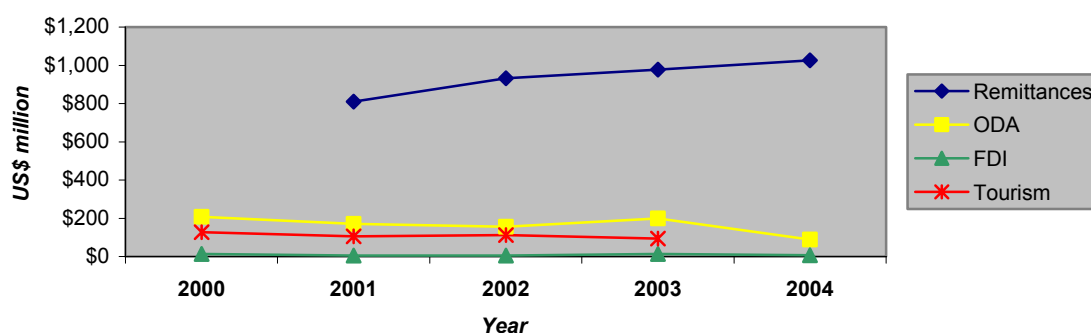
Official Development Assistance (ODA)	1162%
Foreign Direct Investment (FDI)	17390%
Gross Domestic Product (GDP)	28.1%

Tourism & Main Exports³

Tourism (2003)	1052%
Manufactured Products Exports ⁴	822%
Cacao Exports ⁴	15760%
All Agriculture Exports (2003)	4716%
Exports (f.o.b)	271%

- According to the United States Census in 2000, there were 419,317 Haitian-born people in the U.S., 40% of whom lived in Florida, and 30% in New York.
- It is estimated that between 500,000 and 800,000 Haitians are in neighboring Dominican Republic, but the highly transient nature of this migration pattern makes it difficult to estimate the number precisely.
- In Haiti, remittances play very important macroeconomic role, because they represent as much as 28.1% of Haiti's GDP, the highest in the region. Remittances are also more than ten times as large as the sum of ODA and FDI (US\$94 million).
- Similarly, remittance inflows are significant when compared to other macroeconomic data: they represent ten times the income from tourism, eight times the manufactured products exports, and approximately three times the country's total goods exports.
- Such licensed companies as Western Union transfer only half of those monetary flows.

Remittances to Haiti Compared with ODA, FDI, and Tourism (2000-2004)



¹ Source: 2000-2003, IMF IFS, 2004, CEPAL, *Anuario estadístico de América Latina y el Caribe 2004*.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003*, 2004, OECD, DAC Online Database; FDI: 2000-2002, IMF IFS, 2003-2004, Banque de la République d'Haïti (<http://www.brh.net>); GDP: Calculated based on IMF IFS.

³ Source: Tourism: IMF, *Balance of Payments Statistics Yearbook 2004*; All Agriculture Exports: FAO Statistical Databases, Agricultural Data; Exports: 2000-2003, IMF IFS, 2004, CEPAL, *Estudio Económico de América Latina y el Caribe 2004-2005*.

⁴ Source: Banque de la République d'Haïti.

Remittances & Selected Indicators 2004

Population ¹	(millions) 7.05
Remittances	\$1,134

Remittances as compared to: (% of)

General Indicators²

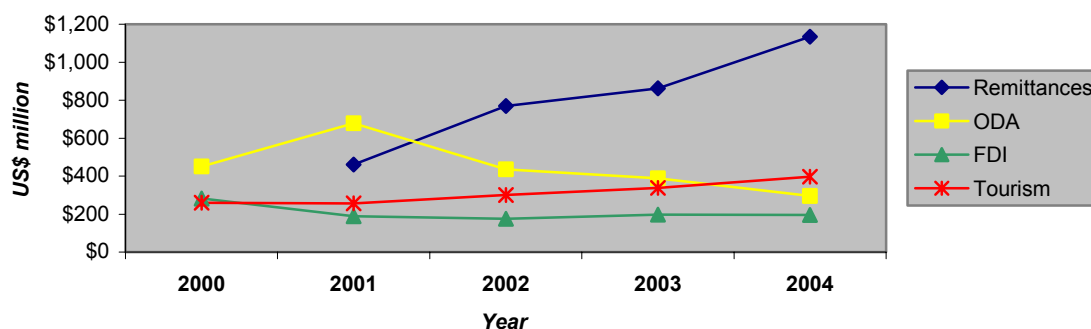
Official Development Assistance (ODA)	385%
Foreign Direct Investment (FDI)	582%
Gross Domestic Product (GDP)	15.1%

Tourism & Main Exports³

Tourism	286%
Coffee Exports ⁴	544%
Banana Exports ⁴	450%
All Agriculture Exports (2003)	119%
Exports (f.o.b)	47%

- According to the United States Department of State, approximately 800,000 to 1 million Hondurans reside in the U.S.
- The growth of remittance inflows in Honduras is quite large in comparison with other external financial sources.
- Remittances contribute more than twice of the sum of ODA and FDI (US\$490 million) to the Honduran economy, and represent 15.1% of GDP.
- In 2004, remittance inflows were more than three times the tourism sector's income, and more than four times the export sector's income.
- The Honduran remittance markets is structured and formal. The leading companies are Banco Atlantida (with branch offices in Chicago), Western Union, Leon Express, Gigante Express, and Ficohsa Express.

Remittances to Honduras Compared with ODA, FDI, and Tourism (2000-2004)



¹ Source: IMF IFS.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003*, 2004, OECD, DAC Online Database; FDI: CEPAL, *Foreign Investment in Latin America and the Caribbean 2004*; GDP: 2000-2003, Calculated based on IMF IFS, 2004, CEPAL, *Panorama de la Inserción Internacional en América Latina y el Caribe 2004, Tendencias 2005*.

³ Source: Tourism: 2000-2003, IMF, *Balance of Payments Statistics Yearbook 2004*, 2004, Banco Central de Honduras (<http://www.bch.hn>); All Agriculture Exports: FAO Statistical Databases, *Agricultural Data*; Exports: 2000-2003, IMF IFS, 2004, CEPAL, *Estudio Económico de América Latina y el Caribe 2004-2005*.

⁴ Source: Banco Central de Honduras.

Remittances & Selected Indicators 2004

	(millions)
Population ¹	2.64
Remittances	\$1,497

Remittances as compared to: (% of)

General Indicators²

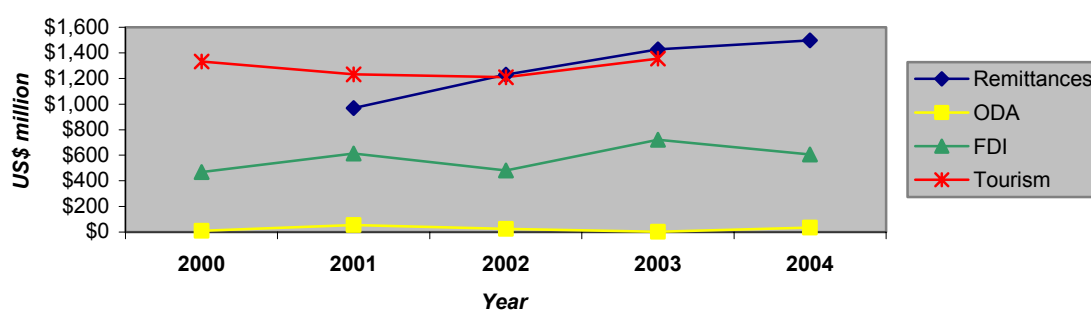
Official Development Assistance (ODA)	4367%
Foreign Direct Investment (FDI)	247%
Gross Domestic Product (GDP)	17.0%

Tourism & Main Exports³

Tourism (2003)	105%
Crude Materials (excl Fuels) Exports ⁴	161%
Chemicals Exports ⁴	1937%
All Agriculture Exports	486%
Exports (f.o.b)	84%

- The United States is the primary host country for Jamaican migrants, generating almost half of all remittances to Jamaica. The second-most important source is the United Kingdom, followed by Canada and Cayman Islands.
- Jamaica records a per capita remittances total of US\$567, which is the largest in the region.
- Remittances are a double of the sum of ODA and FDI (US\$639 million), and represent 17.0% of the country's GDP.
- Remittances are equivalent to 161% of Jamaican crude materials exports and 84% of its total exports. Remittances are the largest financial source from abroad.
- Traditionally, remittances were transferred by commercial banks. In the late 1990's remittance companies entered the money transfer market and have expanded to capture 50% of the market share in 2003. This, in turn, reduced the share of the commercial banks from 52.5% in 1994 to 23.0% in 2003.

Remittances to Jamaica Compared with ODA, FDI, and Tourism (2000-2004)



¹ Source: IMF IFS.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003*, 2004, OECD, DAC Online Database; FDI: CEPAL, *Foreign Investment in Latin America and the Caribbean 2004*; GDP: 2000-2003, Calculated based on IMF IFS, 2004, CEPAL, *Panorama de la Inserción Internacional en América Latina y el Caribe 2004, Tendencias 2005*.

³ Source: Tourism: IMF, *Balance of Payments Statistics Yearbook 2004*; All Agriculture Exports: 2000-2003, FAO Statistical Databases, *Agricultural Data*, 2004, Calculated based on the data of Statistical Institute of Jamaica (<http://www.statinja.com>); Exports: 2000-2003, IMF IFS, 2004, Calculated based on the data of Statistical Institute of Jamaica.

⁴ Source: Statistical Institute of Jamaica.

Remittances & Selected Indicators 2004

	(millions)
Population ¹	105.70
Remittances	\$16,613

Remittances as compared to: (% of)

General Indicators²

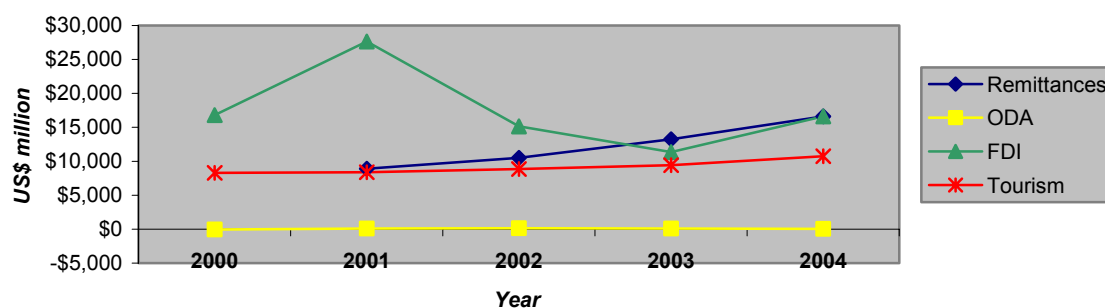
Official Development Assistance (ODA)	24888%
Foreign Direct Investment (FDI)	100%
Gross Domestic Product (GDP)	2.5%

Tourism & Main Exports³

Tourism	154%
Maquiladora Exports ⁴	19%
Oil Exports ⁴	70%
All Agriculture Exports (2003)	152%
Exports (f.o.b)	9%

- Mexican migration to the United States has been the most dynamic in the world, and it is estimated that around 10 million Mexican-born people live in the U.S. In the U.S. there are hundreds of active hometown associations (HTA).
- Mexico is the largest remittance-receiving country in the region. Remittances represent, however, 2.5% of its GDP and 9% of its annual exports, due to the size of the Mexican economy.
- Such inflows are similar in amount to FDI, and taking into account the negligible quantity of ODA, are almost equal to the sum of ODA and FDI.
- Remittance receipts exceed tourism and agricultural exports, and are only exceeded by oil export revenue.
- In Mexico, there are at least one hundred money transfer businesses, resulting in high competition. Banamex and Bancomer offer a wide distribution network in the Mexican side. In the U.S. side, Citicorp, Wells Fargo, and Bank of America are seeking to attract new customers among sending groups.

Remittances to Mexico Compared with ODA, FDI, and Tourism (2000-2004)



¹ Source: IMF IFS.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003*, 2004, OECD, DAC Online Database; FDI: CEPAL, *Foreign Investment in Latin America and the Caribbean 2004*; GDP: Calculated based on IMF IFS.

³ Source: Tourism: 2000-2003, IMF, *Balance of Payments Statistics Yearbook 2004*, 2004, Instituto Nacional de Estadística Geografía e Informática (INEGI) (<http://www.inegi.gob.mx>); All Agriculture Exports: FAO Statistical Databases, Agricultural Data; Exports: IMF IFS.

⁴ Source: INEGI.

Remittances & Selected Indicators 2004

	(millions)
Population ¹	5.38
Remittances	\$810

Remittances as compared to: (% of)

General Indicators²

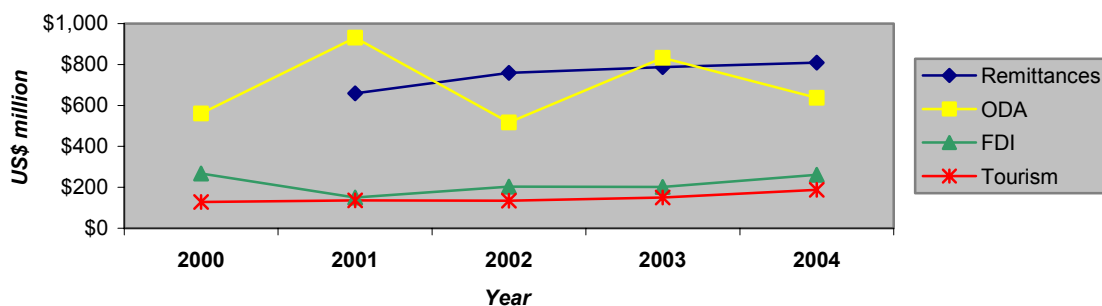
Official Development Assistance (ODA)	127%
Foreign Direct Investment (FDI)	310%
Gross Domestic Product (GDP)	17.8%

Tourism & Main Exports³

Tourism	432%
Coffee Exports ⁴	639%
Beef Exports ⁴	734%
All Agriculture Exports (2003)	201%
Exports (f.o.b)	89%

- The principal destination for Nicaraguan migrant workers is the United States, followed by Costa Rica.
- Remittance inflows are larger than those of ODA and of FDI, but are still a bit below the sum of the two (US\$899 million).
- Remittances are an important financial source in Nicaragua, and are equivalent to 17.8% of its GDP, the third largest percentage in the region.
- Compared to goods and service exports, remittances bring in four times the amount of tourism income, six times the amount of coffee exports, and twice the amount of all agricultural exports,.
- In the U.S., remittance companies (Western Union, etc.) compete with 'encomenderos', who hand deliver remittances throughout Nicaragua. In Costa Rica, some commercial banks and the post offices also participate in the money transfer services.

Remittances to Nicaragua Compared with ODA, FDI, and Tourism (2000-2004)



¹ Source: IMF IFS.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003*, 2004, OECD, DAC Online Database; FDI: CEPAL, *Foreign Investment in Latin America and the Caribbean 2004*; GDP: Calculated based on IMF IFS.

³ Source: Tourism: 2000-2003, IMF, *Balance of Payments Statistics Yearbook 2004*, 2004, Banco Central de Nicaragua (<http://www.bcn.gob.ni>); All Agriculture Exports: FAO Statistical Databases, *Agricultural Data*; Exports: 2000-2003, IMF IFS, 2004, CEPAL, *Estudio Económico de América Latina y el Caribe 2004-2005*.

⁴ Source: Banco Central de Nicaragua.

Remittances & Selected Indicators 2004

Population ¹	(millions) 3.18
Remittances	\$231

- Panamanian migration to the United States has a long history, although there are fewer Panamanians in the U.S. than from other Central American countries.
- In 2004, remittances to Panama equaled half of FDI.
- Remittances are equivalent to 1.8% of Panamanian GDP and 4% of its total exports.

Remittances as compared to: (% of)

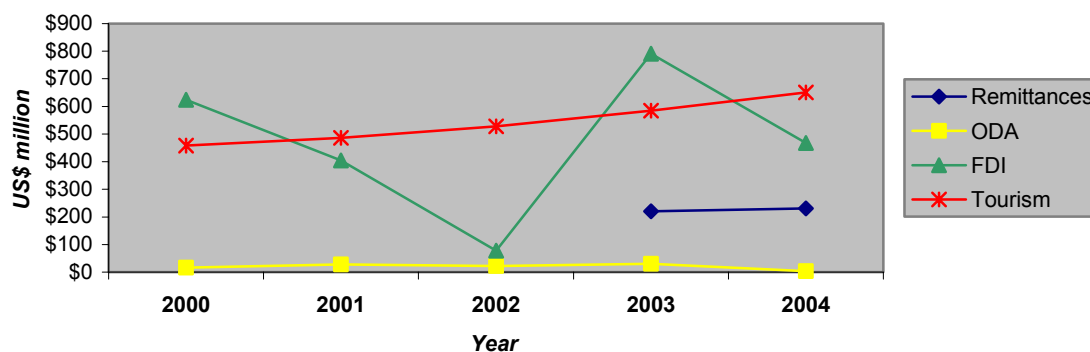
General Indicators²

Official Development Assistance (ODA)	6435%
Foreign Direct Investment (FDI)	49%
Gross Domestic Product (GDP)	1.8%

Tourism & Main Exports³

Tourism	35%
Fish Exports ⁴	82%
Banana Exports ⁴	213%
All Agriculture Exports (2003)	82%
Exports (f.o.b)	4%

Remittances to Panama Compared with ODA, FDI, and Tourism (2000-2004)



¹ Source: IMF IFS.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003, 2004*, OECD, DAC Online Database; FDI: CEPAL, *Foreign Investment in Latin America and the Caribbean 2004*; GDP: 2000-2003, Calculated based on IMF IFS, 2004, CEPAL, *Panorama de la Inserción Internacional en América Latina y el Caribe 2004, Tendencias 2005*.

³ Source: Tourism: 2000-2003, IMF, *Balance of Payments Statistics Yearbook 2004, 2004*, Ministerio de Economía y Finanzas (<http://www.mef.gob.pa>); All Agriculture Exports: FAO Statistical Databases, Agricultural Data; Exports: IMF IFS.

⁴ Source: Ministerio de Economía y Finanzas.

Paraguay

Remittances & Selected Indicators 2004

	(millions)
Population ¹	6.02
Remittances	\$506

Remittances as compared to: (% of)

General Indicators²

Official Development Assistance (ODA) (04/03) ³	998%
Foreign Direct Investment (FDI)	633%
Gross Domestic Product (GDP)	7.4%

Tourism & Main Exports⁴

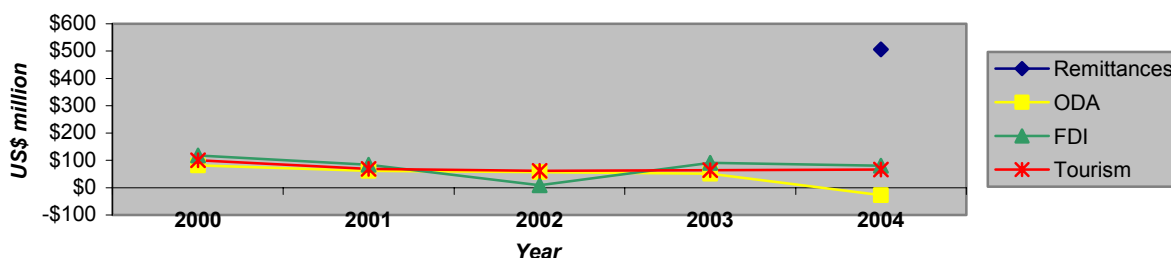
Tourism	755%
Soya Exports ⁵	88%
Wheat Exports ⁴	281%
All Agriculture Exports	41%
Exports (f.o.b)	19%

- Paraguay has a long history of migration to Argentina and Brazil. Around 300,000 Paraguayans were counted in the Argentine Census 2001.

- Data on remittances to Paraguay is not available for years before 2004, thus it is impossible to graph a However, in 2004, remittances inflows were six times of FDI.

- Remittances account for 7.4% of Paraguayan GDP, and remittance receipts are seven and a half times the tourism income and almost three times the wheat exports.

Remittances to Paraguay Compared with ODA, FDI, and Tourism (2000-2004)



¹ Source: IMF IFS.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003, 2004*, OECD, DAC Online Database; FDI: CEPAL, *Foreign Investment in Latin America and the Caribbean 2004*; GDP: 2000-2003, Calculated based on IMF IFS, 2004, CEPAL, *Panorama de la Inserción Internacional en América Latina y el Caribe 2004, Tendencias 2005*.

³ 2004's remittance inflow is divided by 2003's ODA inflow, because 2003's remittance data is not available and 2004's ODA is negative.

⁴ Source: Tourism: 2000-2003, IMF, *Balance of Payments Statistics Yearbook 2004, 2004*, Banco Central del Paraguay (<http://www.bcp.gov.py>); All Agriculture Exports: 2000-2003, FAO Statistical Databases, *Agricultural Data, 2004*, Calculated based on the data of Banco Central del Paraguay; Exports: 2000-2003, IMF IFS, 2004, CEPAL, *Estudio Económico de América Latina y el Caribe 2004-2005*.

⁵ Source: Banco Central del Paraguay.

Remittances & Selected Indicators 2004

	(millions)
Population ¹	27.56
Remittances	\$1,360

Remittances as compared to: (% of)

General Indicators²

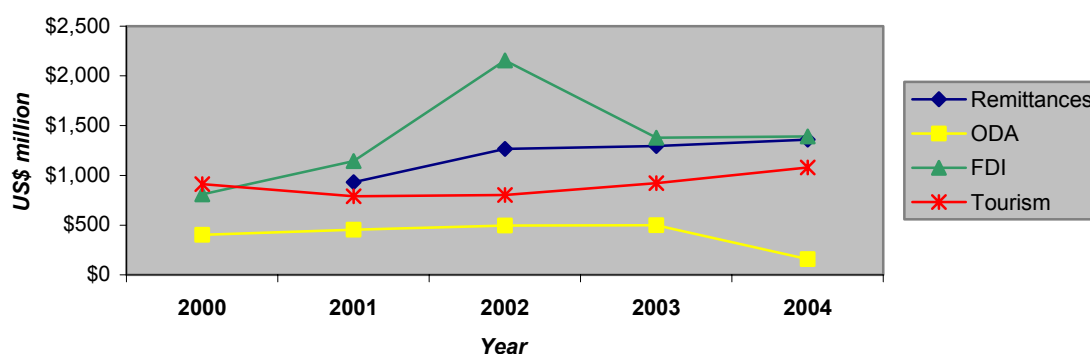
Official Development Assistance (ODA)	860%
Foreign Direct Investment (FDI)	98%
Gross Domestic Product (GDP)	2.0%

Tourism & Main Exports³

Tourism	126%
Copper Exports ⁴	56%
Gold Exports ⁴	57%
All Agriculture Exports	121%
Exports (f.o.b)	11%

- It is estimated that around 300,000 Peruvian-born people live in the U.S. The next most popular destination for Peruvian workers is Chile, to which an estimated 80,000 Peruvians have emigrated in recent years.
- Remittances into Peru amount to 860% of its ODA receipts and are approximately equivalent to the FDI inflows.
- Remittances inflows exceeded the tourism income and all agricultural exports in 2004.
- According to the Central Bank of Peru, in the first semester of 2005, around 53% of total remittance flows were transferred by remittance companies, while 27% were transferred by banks. It also estimated that another 20% pass through such channels as courier companies, cooperatives, and travel agents.

Remittances to Peru Compared with ODA, FDI, and Tourism (2000-2004)



¹ Source: IMF IFS.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003*, 2004, OECD, DAC Online Database; FDI: CEPAL, *Foreign Investment in Latin America and the Caribbean 2004*; GDP: Calculated based on IMF IFS.

³ Source: Tourism: 2000-2003, IMF, *Balance of Payments Statistics Yearbook 2004*, 2004, Banco Central de Reserva del Perú (<http://www.bcrp.gov.pe>); All Agriculture Exports: 2000-2003, FAO Statistical Databases, *Agricultural Data*, 2004, Banco Central de Reserva del Perú; Exports: IMF IFS.

⁴ Source: Banco Central de Reserva del Perú.

Suriname

Remittances & Selected Indicators 2004

	(millions)
Population ¹	0.45
Remittances	\$50

Remittances as compared to: (% of)

General Indicators²

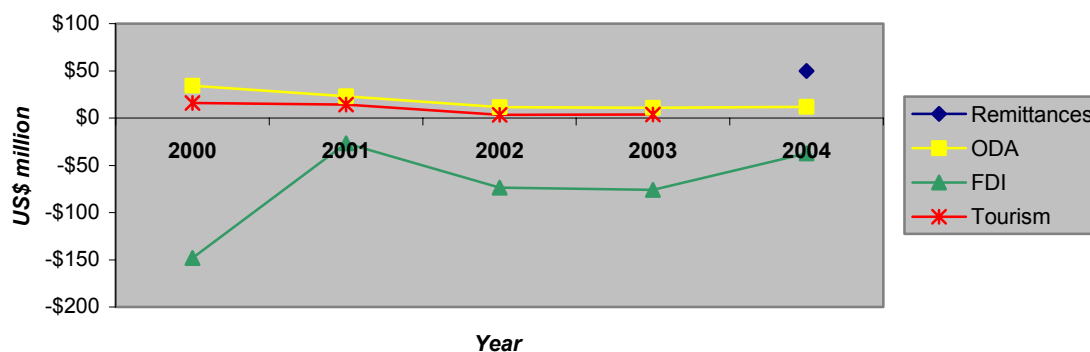
Official Development Assistance (ODA)	424%
Foreign Direct Investment (FDI) ³	-
Gross Domestic Product (GDP)	6.4%

Tourism & Main Exports⁴

Tourism (2004/2003)	1316%
Mining Products Exports ⁵	15%
All Agriculture Exports (2004/2003)	163%
Exports (f.o.b)	6%

- The Netherlands is main destination of Surinamese migrants due to historical ties. It is estimated that around 300,000 first- and second-generations of Surinamese are living in the Netherlands.
- The trend of remittance inflows to Suriname before 2004 is not shown in the graph below, because pre-2004 data is not available. However, in 2004 remittances were four times greater than ODA receipts and represented 6.4% of the Surinamese GDP.
- Remittances exceed the country's agricultural exports.

Remittances to Suriname Compared with ODA, FDI, and Tourism (2000-2004)



¹ Source: IMF IFS.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003, 2004*, OECD, DAC Online Database; FDI: IMF IFS; GDP: 2000-2003, Calculated based on IMF IFS, 2004, CEPAL, *Panorama de la Inserción Internacional en América Latina y el Caribe 2004, Tendencias 2005*.

³ FDI data registered negative during the considered period.

⁴ Source: Tourism: IMF, *Balance of Payments Statistics Yearbook 2004*; All Agriculture Exports: FAO Statistical Databases, Agricultural Data; Exports: IMF IFS.

⁵ Source: World Trade Organization Statistic Database (<http://stat.wto.org>).

Trinidad & Tobago

Remittances & Selected Indicators 2004

	(millions)
Population ¹	1.30
Remittances	\$93

Remittances as compared to: (% of)

General Indicators²

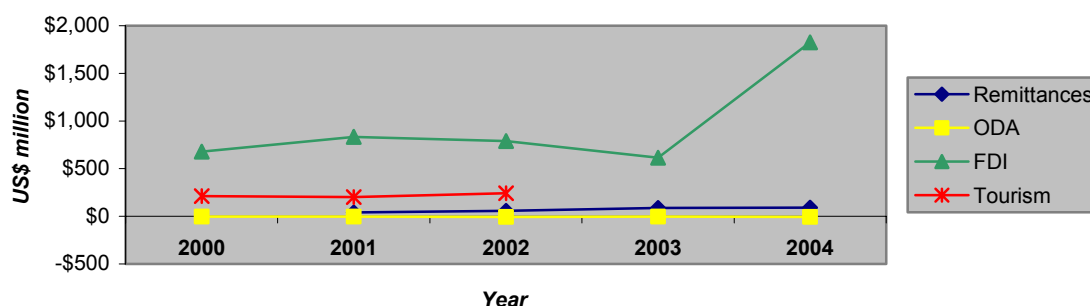
Official Development Assistance (ODA) ³	-
Foreign Direct Investment (FDI)	5%
Gross Domestic Product (GDP)	0.9%

Tourism & Main Exports⁴

Tourism (2002)	24%
Gas Exports ⁵	5%
Petroleum Crude & Refined Exports ⁵	6%
All Agriculture Exports (2003)	40%
Exports (f.o.b)	1%

- The principal destination of migrant workers is the United States, followed by Canada, and the United Kingdom. It is estimated that around 200,000 persons who were born in Trinidad & Tobago currently live in the U.S.
- Remittance inflows to Trinidad & Tobago in 2004 amount to US\$93 millions, representing 0.9% of the annual GDP.
- Such inflows are equivalent to around 5% of gas exports and petroleum-related exports.
- Remittances brought in a quarter of tourism income in 2002 and 40% of all agricultural exports in 2003.

Remittances to Trinidad & Tobago Compared with ODA, FDI, and Tourism (2000-2004)



¹ Source: IMF IFS.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003, 2004*, OECD, DAC Online Database; FDI: CEPAL, *Foreign Investment in Latin America and the Caribbean 2004*; GDP: 2000-2003, Calculated based on IMF IFS, 2004, CEPAL, *Panorama de la Inserción Internacional en América Latina y el Caribe 2004, Tendencias 2005*.

³ ODA data registered negative during the considered period.

⁴ Source: Tourism: IMF, *Balance of Payments Statistics Yearbook 2004*; All Agriculture Exports: FAO Statistical Databases, Agricultural Data; Exports: 2000-2002, IMF IFS, 2003, CEPAL, *Anuario Estadístico de América Latina y el Caribe 2004, 2004*, Central Bank of Trinidad & Tobago (<http://www.central-bank.org.tt>).

⁵ Source: Central Bank of Trinidad & Tobago.

Uruguay

Remittances & Selected Indicators 2004

	(millions)
Population ¹	3.44
Remittances	\$105

Remittances as compared to: (% of)

General Indicators²

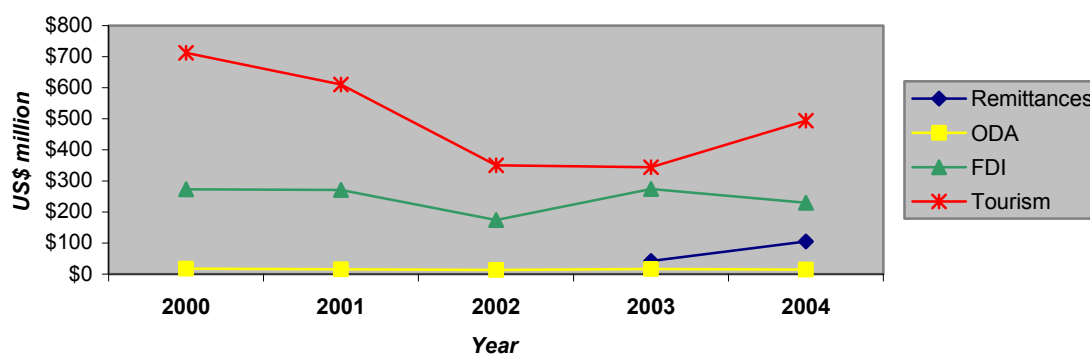
Official Development Assistance (ODA)	743%
Foreign Direct Investment (FDI)	46%
Gross Domestic Product (GDP)	0.8%

Tourism & Main Exports³

Tourism	21%
Meat Exports ⁴	16%
Leather Exports ⁴	44%
All Agriculture Exports (2003)	3%
Exports (f.o.b)	3%

- The main destination of Uruguayan migrants is Argentina, where 117,564 Uruguayans were counted in the Argentine 2001 Census.
- Although remittances to Uruguay in 2004 amounted to only 0.8% of GDP, those flows bring in seven and a half times Uruguayan ODA receipts and are equal to approximately a half of FDI.
- Remittances are also equal to 20% of the revenue from tourism

Remittances to Uruguay Compared with ODA, FDI, and Tourism (2000-2004)



¹ Source: IMF IFS.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003, 2004*, OECD, DAC Online Database; FDI: CEPAL, *Foreign Investment in Latin America and the Caribbean 2004*; GDP: Calculated based on IMF IFS.

³ Source: Tourism: 2000-2003, IMF, *Balance of Payments Statistics Yearbook 2004, 2004*, Banco Central del Uruguay (<http://www.bcu.gub.uy>); All Agriculture Exports: FAO Statistical Databases, *Agricultural Data*; Exports: 2000-2003, IMF IFS, 2004, CEPAL, *Estudio Económico de América Latina y el Caribe 2004-2005*.

⁴ Source: Banco Central del Uruguay.

Remittances & Selected Indicators 2004

	(millions)
Population ¹	26.28
Remittances	\$259

Remittances as compared to: (% of)

General Indicators²

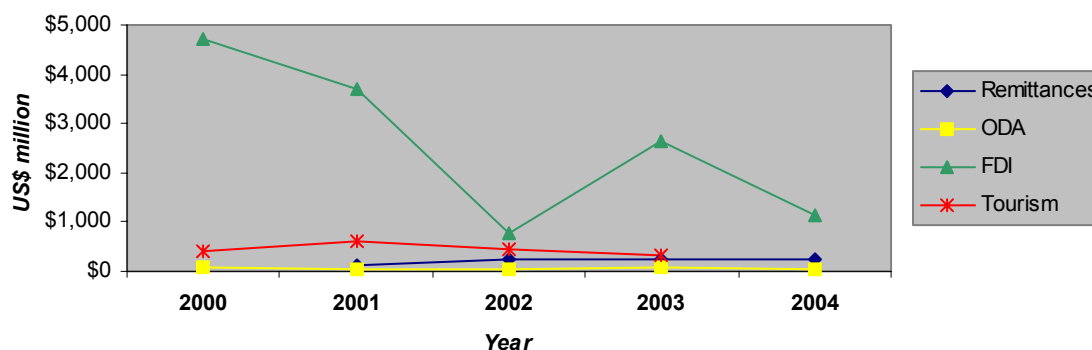
Official Development Assistance (ODA)	1263%
Foreign Direct Investment (FDI)	23%
Gross Domestic Product (GDP)	0.2%

Tourism & Main Exports³

Tourism (2003)	76%
Oil Exports ⁴	1%
Iron Products Exports ⁴	13%
All Agriculture Exports (2003)	121%
Exports (f.o.b)	1%

- Venezuela is both a remittance sending and receiving country. Historically, Venezuela received migrants from other parts of Latin America. However, it has recently begun sending workers abroad in increasing numbers, resulting in increased remittance inflows.
- Remittances are equivalent to around a quarter of FDI inflows, but amounted to only 0.2% of Venezuelan GDP in 2004.
- When compared with the country's oil exports, the size of remittances are quite small.

Remittances to Venezuela Compared with ODA, FDI, and Tourism (2000-2004)



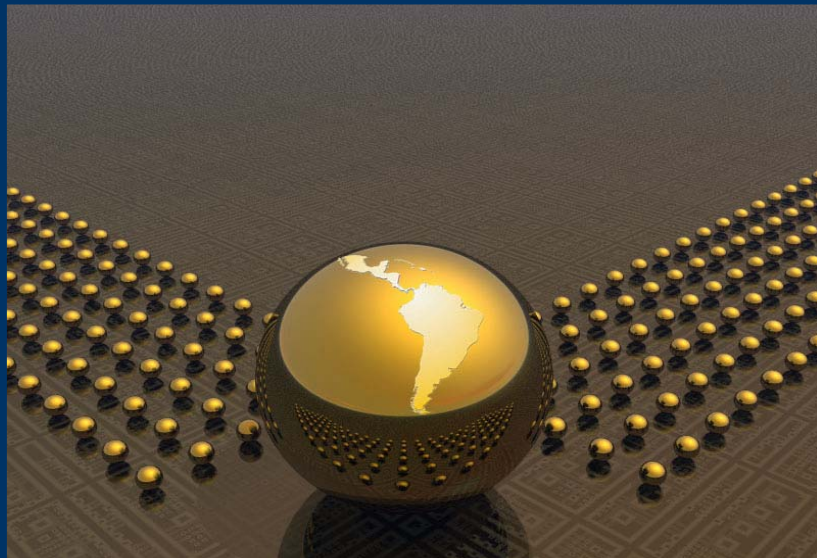
¹ Source: IMF IFS.

² Source: ODA: 2000-2003, OECD, *Geographical Distribution of Financial Flows to Aid Recipients 1999-2003, 2004*, OECD, DAC Online Database; FDI: CEPAL, *Foreign Investment in Latin America and the Caribbean 2004*; GDP: Calculated based on IMF IFS.

³ Source: Tourism: IMF, *Balance of Payments Statistics Yearbook 2004*; All Agriculture Exports: FAO Statistical Databases, Agricultural Data; Exports: IMF IFS.

⁴ Source: Banco Central de Venezuela (<http://www.bcv.org.ve>).

www.MigrantRemittances.org



Remittances@iadb.org

