

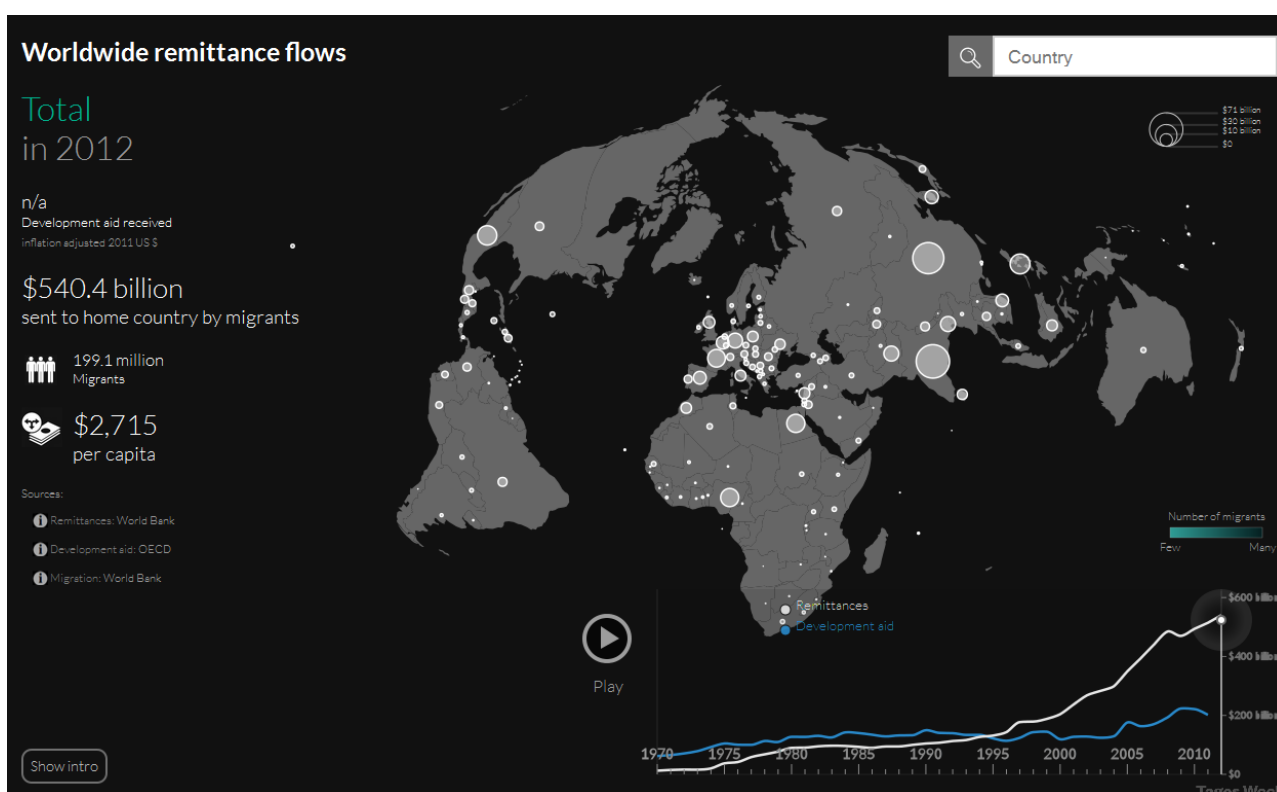
Visualising the incredible rise of remittances

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I have [documented](#) in the past on the Devpolicy blog the dramatic rise of remittances, which have now surpassed \$US540 billion a year (more than ODA flows by a factor of 2.5). Now, for the first time, an awesome visualisation (drawing on data from [The World Bank](#) and [OECD](#)) shows the evolution of remittances around the world since 1970. Put together by a team at [TagesWoche](#), a German-language online newspaper, the visualisation shows how huge and broadly spread remittances have become (particularly in the past two decades).

Click on the image below to view the visualisation.



The authors highlight that between 2000 and 2012 remittances have soared from US\$204 billion to US\$540 billion (with at least another US\$250 billion estimated to be sent through unofficial channels). Average payments per migrant are also estimated to have doubled in the past ten years. Make sure you also take a look at the time-series data for individual countries to see how remittances have evolved over time.

While growth in remittances has exploded, competition in the remittance-sending business hasn't. The cost of sending remittances remains stubbornly high, [globally averaging](#) 9.05%. The most expensive corridor in the world, according to the World Bank, is South Africa to Malawi where it costs \$US48.17 to send \$US200. The [World Bank](#) and other agencies (see paragraphs 56-59 of [this report](#)) are looking for ways to bring costs down, in line with a G20 commitment to reduce the global average cost of sending remittances to five per cent by 2014, which could save up to \$US16 billion a year. One approach is to set up web sites that help migrants identify the cheapest way of sending funds, like [SendMoneyPacific](#), which is supported by the Australian aid program. With transaction costs as high as they are, surely this is a worthy objective. And with

remittances as important as they are to our Pacific neighbours, it is to be hoped that Australia will pursue it when it takes the G20 reins.