

India 1st Country To Surpass \$100 Billion In Remittances

Why In News

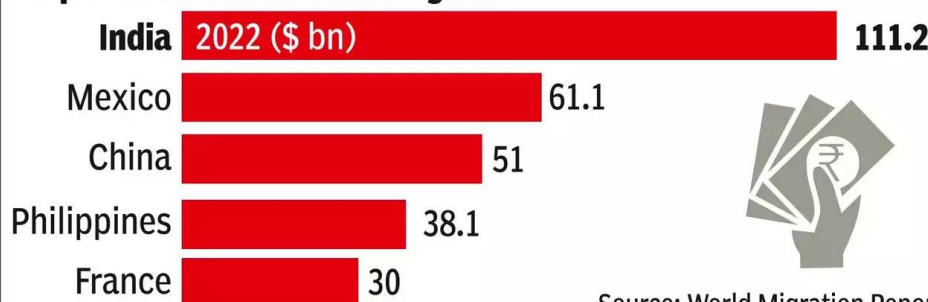
- India has become the first country to receive over **\$100 billion in remittances** in 2022, according to the United Nations migration agency. **International Organisation for Migration (IOM)** revealed in its World Migration Report 2024 that India's remittances surged to \$111 billion last year, surpassing all other nations.



- "India was well above the rest, receiving more than **USD 111 billion**, the first country to reach and even surpass the USD 100 billion mark.
- Mexico was the second-largest remittance** recipient in 2022, a position it also held in 2021 after overtaking China, which historically had been the second-biggest recipient after India," said the report.

MONEY FLOW

Top Five Countries Receiving Remittances



Source: World Migration Report

All You Need To Know

- The report **highlighted that India, Mexico, China, the Philippines, and France** were the top five recipients of remittances in 2022.
- **India's dominance in remittances** has been steadily growing over the years. The report's data showed that India led in remittance receipts in 2010 (\$53.48 billion), 2015 (\$68.91 billion), and 2020 (\$83.15 billion), with \$111.22 billion in 2022.



- **Southern Asia, benefiting** from a substantial migrant worker population, continues to attract some of the highest remittance inflows globally.
- **Apart from India, Pakistan and Bangladesh** also rank among the top ten recipients of international remittances, underscoring the significance of labour migration from this subregion.
- The report shed light on the **challenges faced by migrant workers** from Southern Asia, including financial exploitation, high migration costs leading to excessive debt, xenophobia, and workplace abuses.



- The **Gulf States remain** pivotal destinations for migrant workers, particularly from India, Egypt, Bangladesh, Ethiopia, and Kenya, employed in sectors like construction, hospitality, security, domestic work, and retail.
- India also stands out as the origin of **the largest number of international migrants** globally, with sizeable diasporas residing in countries such as the United Arab Emirates, the United States, and Saudi Arabia.



- Despite being a huge source of emigrants, India also attracted immigrants, ranking **13th globally as a destination** country for international migrants.
- The report highlighted that Mexico has become the second-largest recipient of international remittances, overtaking China, which held this position historically.
- China's declining remittance inflows were attributed to demographic shifts and **its zero-COVID policy**, which restricted overseas work opportunities.
- Furthermore, the report pointed out that Asia serves as a major source of internationally mobile students, with China leading in outbound student mobility.
- The United States, the UK, Australia, Germany, and Canada remain preferred destinations for international students.
- **World Bank is at the forefront** of compiling global data on international remittances. Despite the numerous data gaps, definitional variances, and methodological challenges inherent in compiling accurate statistics, the World Bank's data serves as a crucial resource.



- However, it's important to note that these figures do not account for unrecorded flows through **formal or informal channels**. Consequently, the actual magnitudes of global remittances are likely to be larger than the available estimates.
- The report further sheds light on the origins of the largest number of internationally mobile students - Asia. In 2021, China led the pack with more than **1 million internationally** mobile students, the highest number globally. This figure is more than double the number of students from India, which ranks second with around **508,000 students**.



- An intriguing trend in international migration is the gender distribution in destination countries. In Europe and Northern America, including countries like the United States, Canada, France, Spain, Italy, and even India, there are more female than male international migrants.
- However, this trend is reversed in most Asian countries in the top 20, particularly the **Gulf Cooperation Council (GCC)** countries - Saudi Arabia, the United Arab Emirates, and Kuwait, where the number of male international migrants significantly outnumbers females.
- IOM publishes its flagship world migration report every two years since 2020.