

Brazilian Expats Send US\$ 6.4 Bi Home, Same as Soybean Exports

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The Inter-American Development Bank (IADB) wants to encourage people who receive money from relatives who live abroad to make investments and help create jobs in their own countries.

According to the IADB's data, Latin America and the Caribbean received a record total of US\$ 53.6 billion in 2005, 17% more than in 2004. The money was sent by Latin American emigrants who mostly work in the United States, Japan, Portugal, and England.

The figures were made public, in Belo Horizonte, last month, in the Brazilian Southeast, during a seminar on remittances and microcredit and the impact of the Latin American banking industry, during the IADB's 47th Annual Meeting in that city.

Brazil appears second in the ranking of Latin American countries that receive the most foreign remittances. In 2005, Brazilians working abroad sent US\$ 6.4 billion home, 14% more than in 2004. This sum is equal to the revenues generated by last year's soybean exports.

Mexico continued in first place, with more than US\$ 20 billion in remittances in 2005. For the coordinator of the IADB's remittances program, Pedro Vasconcelos, these statistics will help in the preparation of policies to propel the economies of the foreign workers' countries of origin.

The idea, he explained, is for banks to provide incentives, such as savings accounts and credit lines for micro-firms, in exchange for receiving deposits.

Through the Multilateral Investment Fund, the IADB will give backing to a Brazilian Federal Savings Bank program, in conjunction with the SEBRAE (Brazilian Micro and Small Firm Support Service), to stimulate savings accounts using remittances received from abroad.

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