



THE BALANCE OF PAYMENTS

REMITTANCE UPDATE

February 2009

External Sector Statistics Unit

Economic Information & Publications Department
RESEARCH AND ECONOMIC PROGRAMMING DIVISION

BANK OF JAMAICA
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Table 1

Jamaica's Remittances			
US\$ Millions			
	2008 Feb	2009* Feb	% Change**
Remittance Companies^	122.9	114.2	-7.1
Other Remittances	40.2	19.0	-52.7
Total Remittance Inflows	163.1	133.2	-18.3
Total Remittance Outflows	26.6	15.4	-41.9
Net Remittances	136.5	117.7	-13.8
<p>* <i>Provisional</i></p> <p>** <i>Growth relative to the corresponding period of the previous year.</i></p> <p>^ <i>Flows through Remittance Companies</i></p> <p><i>External Sector Statistics Unit Economic Information & Publications Dept. Research & Economic Programming Division Bank of Jamaica</i></p>			

Table 2

Jamaica's Remittances			
US\$ Millions			
	2008 Jan-Feb	2009* Jan-Feb	% Change**
Remittance Companies^	234.0	223.8	-4.3
Other Remittances	78.7	44.6	-43.3
Total Remittance Inflows	312.7	268.4	-14.2
Total Remittance Outflows	53.9	36.4	-32.5
Net Remittances	258.8	232.0	-10.3
* <i>Provisional</i>			
** <i>Growth relative to the corresponding period of the previous year.</i>			
^ <i>Flows through Remittance Companies</i>			
<i>External Sector Statistics Unit Economic Information & Publications Dept. Research & Economic Programming Division Bank of Jamaica</i>			

Table 3

Jamaica's Remittances				
	US\$ Millions		% Change**	
	2007/08 <i>Apri-Feb</i>	2008/09* <i>Apri-Feb</i>	<i>Apri-Feb- 08</i>	<i>Apri-Feb 09*</i>
Remittance Companies^	1364.9	1395.9	11.8	2.3
Other Remittances	466.1	409.8	35.7	-12.1
Total Remittance Inflows	1831.1	1802.6	11.9	-1.6
Total Remittance Outflows	288.4	268.8	7.3	-6.8
Net Remittances	1542.7	1533.8	12.8	-0.6
<p><i>* Provisional</i></p> <p><i>** Growth relative to the corresponding period of the previous year.</i></p> <p><i>^ Flows through Remittance Companies</i></p> <p><i>External Sector Statistics Unit</i> <i>Economic Information & Publications Dept.</i> <i>Research & Economic Programming Division</i> <i>Bank of Jamaica</i></p> <p><i>* Provisional</i></p>				

Table 4

Jamaica's Historical Remittances												
<i>US\$ Millions</i>												
	<i>Jan</i>	<i>Feb</i>	<i>Mar</i>	<i>Apr</i>	<i>May</i>	<i>Jun</i>	<i>Jul</i>	<i>Aug</i>	<i>Sep</i>	<i>Oct</i>	<i>Nov</i>	<i>Dec</i>
Remittance Companies												
2009	109.6	114.2										
2008	111.0	122.9	132.7	129.2	139.0	129.5	133.3	124.7	137.6	126.7	110.6	143.5
Other Remittances												
2009	25.6	19.0										
2008	38.5	40.2	42.6	48.8	42.2	42.5	43.8	41.3	46.8	39.3	24.9	33.5
Total Remittance Inflows												
2009	135.2	133.2										
2008	149.6	163.1	175.3	178.0	181.3	172.0	177.0	165.9	184.3	166.0	135.5	177.0
Total Remittance Outflows												
2009	20.9	15.4										
2008	27.3	26.6	26.8	26.0	25.7	26.2	27.8	29.9	24.8	24.0	22.3	25.8
Net Remittances												
2009	114.3	117.7										
2008	122.2	136.5	148.5	152.0	155.5	145.8	149.2	136.1	159.5	142.0	113.2	151.3
* Provisional												
<i>External Sector Statistics Unit</i>												
<i>Economic Information & Publications Dept.</i>												
<i>Research & Economic Programming Division</i>												
<i>Bank of Jamaica</i>												

Table 5

<i>Jamaica's Historical Remittances (US\$MN)</i>									
	<i>2000</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>	<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>
<i>Remittance Companies</i>	<i>454.9</i>	<i>567.6</i>	<i>622.0</i>	<i>678.2</i>	<i>764.6</i>	<i>963.1</i>	<i>1042.7</i>	<i>1166.7</i>	<i>1235.0</i>
<i>Building Societies</i>	<i>147.6</i>	<i>195.5</i>	<i>240.7</i>	<i>277.7</i>	<i>339.8</i>	<i>300.2</i>	<i>341.6</i>	<i>385.5</i>	<i>405.0</i>
<i>Other Authorised Dealers</i>	<i>187.0</i>	<i>177.0</i>	<i>267.9</i>	<i>313.6</i>	<i>361.3</i>	<i>358.0</i>	<i>385.1</i>	<i>412.1</i>	<i>385.1</i>
<i>Total Remittance Inflows</i>	<i>789.5</i>	<i>940.1</i>	<i>1130.6</i>	<i>1269.5</i>	<i>1465.8</i>	<i>1621.2</i>	<i>1769.4</i>	<i>1964.3</i>	<i>2025.1</i>
<i>Total Remittance Outflows</i>	<i>131.2</i>	<i>147.3</i>	<i>213.4</i>	<i>283.0</i>	<i>339.9</i>	<i>316.9</i>	<i>299.6</i>	<i>303.2</i>	<i>313.2</i>
<i>Net Remittances</i>	<i>658.3</i>	<i>792.8</i>	<i>917.2</i>	<i>986.6</i>	<i>1125.9</i>	<i>1304.3</i>	<i>1469.8</i>	<i>1661.1</i>	<i>1711.9</i>
<p><i>External Sector Statistics Unit</i> <i>Economic Information & Publications Dept.</i></p> <p><i>Bank of Jamaica</i> * <i>Provisional</i></p>									

Table 6

Jamaica's Historical Remittances (US\$MN)						
	<i>2002/03</i>	<i>2003/04</i>	<i>2004/05</i>	<i>2005/06</i>	<i>2006/07</i>	<i>2007/08</i>
Remittance Companies	623.6	699.0	810.7	979.5	1069.6	1194.6
Building Societies	252.6	298.2	327.4	302.6	355.8	400.5
Other Authorised Dealers	293.0	330.7	360.5	364.8	376.3	421.8
Total Remittance Inflows	1169.3	1328.0	1498.7	1646.9	1801.7	2016.9
Total Remittance Outflows	239.8	296.5	338.3	315.5	294.4	316.7
Net Remittances	929.4	1031.5	1160.4	1331.5	1507.3	1700.2
<p><i>External Sector Statistics Unit</i> <i>Economic Information & Publications Dept.</i></p> <p><i>Bank of Jamaica</i> * <i>Provisional</i></p>						

Table 7

SELECTED INDICATORS				
	2004	2005	2006	2007*
Selected indicators (US\$mn)				
REMITTANCE INFLOWS	1465.8	1621.2	1769.4	1964.3
TOURISM EXPENDITURE	1437.9	1545.1	1870.1	1905.3
EXPORTS	1601.6	1664.3	2133.6	2226.4
FDI	601.6	682.5	882.2	866.5
IMPORTS	4098.6	4866.2	5801.4	6614.8
GDP	10111.4	11112.6	11963.9	12873.3
Remittance/Population (US\$) (Per Capita)	553.6	611.1	663.8	733.2
Remittances/GDP	14.5	14.6	14.8	15.3
Remittances/Tourist Expenditure	101.9	104.9	94.6	103.1
Remittances /Exports	91.5	97.4	82.9	88.2
Remittances/FDI (INFLOWS)	243.7	237.5	200.6	226.7
Remittances/Imports	35.8	33.3	30.5	29.7
<i>External Sector Statistics Unit Economic Information & Publications Department Bank of Jamaica October 03, 2008 * Provisional</i>				

Table 8

Remittances for Selected Countries												
US\$ Millions												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec*
Mexico												
2008	1646.1	1727.6	1945.9	2011.1	2184.5	2085.5	2015.0	1937.1	1972.8	2444.8	1606.9	1,776.1
2007	1757.2	1729.9	2021.3	2005.5	2258.2	2087.2	2165.1	2205.3	1968.6	2163.9	1799.0	1808.4
month/month growth rate	-6.3	-0.1	-3.7	0.3	-3.3	-0.1	-6.9	-12.2	0.2	13.0	-10.7	-1.8
CYTD growth rate	-6.3	-3.2	-3.4	-2.4	-2.6	-2.2	-2.9	-4.2	-3.7	-1.9	-2.6	-2.6
El Salvador												
2008	275.5	298.3	338.4	338.5	353.4	334.4	332.1	305.7	304.7	304.3	264.8	337.5
2007	270.9	269.0	320.2	310.3	338.0	310.0	324.6	312.2	281.6	323.8	283.5	351.1
month/month growth rate	1.7	10.9	5.7	9.1	4.6	7.9	2.3	-2.1	8.2	-6.0	-6.6	-3.9
CYTD growth rate	1.7	6.3	6.1	6.9	6.3	6.6	6.0	4.9	5.3	4.1	3.2	2.5
Guatemala												
2008	314.6	318.3	340.5	385.3	397.5	384.4	409.7	373.5	371.9	367.7	311.6	..
2007	287.1	271.9	327.6	333.6	392.9	356.5	381.2	381.4	326.8	391.2	340.8	337.4
month/month growth rate	9.6	17.1	3.9	15.5	1.2	7.8	7.5	-2.1	13.8	-6.0	-8.6	..
CYTD growth rate	9.6	13.2	9.8	11.4	8.9	8.7	8.5	7.0	7.7	6.2	4.9	..
Jamaica												
2008	158.3	163.1	175.4	178.0	181.1	171.9	176.9	165.8	184.2	165.9	135.4	176.9
2007	142.5	138.2	165.0	154.4	163.0	161.5	169.4	166.5	169.6	169.7	163.8	200.8
month/month growth rate	11.0	18.1	6.3	15.3	11.1	6.5	4.5	-0.4	8.6	-2.2	-17.3	-11.9
CYTD growth rate	11.0	14.5	11.5	12.4	12.2	11.2	10.1	8.7	8.7	7.6	5.2	3.5
Dominican Republic												
2008	248.7	258.8	286.6	245.8	271.6	247.4	266.1	252.4	249.6	..	..	..
2007	229.4	235.7	271.2	236.6	257.9	231.9	253.5	254.0	246.9	270.4	254.4	290.8
month/month growth rate	8.4	9.8	5.7	3.9	5.3	6.7	5.0	-0.6	1.1	..	..	..
CYTD growth rate	8.4	9.1	7.9	6.9	6.6	6.6	6.3	5.4	5.0	..	..	..
Columbia												
2008	385.0	362.0	393.7	411.1	410.6	367.8	469.2	373.0	480.0	427.5	320.6	438.4
2007	307.3	302.0	340.9	319.8	341.9	337.0	374.0	418.1	405.9	439.3	467.7	438.7
month/month growth rate	25.3	19.9	15.5	28.6	20.1	9.2	25.5	-10.8	18.2	-2.7	-31.4	-0.1
CYTD growth rate	25.3	22.6	20.1	22.2	21.8	19.6	20.5	15.7	16.1	13.8	8.6	7.7
Phillipines												
2008	1264.0	1258.6	1427.8	1410.2	1429.8	1450.8	1366.8	1332.0	1332.9	1434.7	..	..
2007	1099.4	1085.5	1304.8	1191.5	1237.1	1115.8	1096.6	1206.9	1139.8	1388.5	1187.0	1397.0
month/month growth rate	15.0	15.9	9.4	18.4	15.6	30.0	24.6	10.4	16.9	3.3	..	..
CYTD growth rate	15.0	15.5	13.2	14.5	14.7	17.2	18.2	17.2	17.1	15.5	..	..
* Provisional												
..- data not available												
Sources : Central Banks of each country . Please note that the information above reflects the most accurate data to date,as such, these figures are subject to revision.												
External Sector Statistics Unit												
Economic Information & Publications Dept.												
Research & Economic Programming Division												
Bank of Jamaica												

Table 9

Remittances Quarterly Growth Rates for Selected Countries (%)**											
	Jan-Mar-06	Apr-Jun-06	July-Sep-06	Oct-Dec-06	Jan-Mar-07	Apr-Jun-07	July-Sep-07	Oct-Dec-07	Jan-Mar-08	Apr-Jun-08	Jul-Sep-08
Mexico	29.1	21.4	12.9	7.7	3.0	-1.2	2.6	-0.4	-3.4	-1.1	-6.5
El Salvador	24.6	16.4	12.1	9.2	7.9	7.1	8.0	3.1	6.1	7.1	2.6
Guatemala	20.2	21.2	27.4	14.4	11.9	13.3	17.3	14.7	9.8	7.8	6.0
Honduras	39.4	42.7	27.6	21.6	11.7	8.7	12.1	7.3	9.9	12.0	4.3
Nicaragua	13.0	13.2	18.7	8.7	-4.9	7.7	6.4	14.8	22.8	13.5	8.7
Colombia	17.1	26.8	14.2	12.3	11.0	-2.0	23.2	29.1	20.1	19.2	10.4
Ecuador	9.4	17.2	23.3	26.8	3.5	8.5	6.9	3.0	12.3	-7.8	-13.0
Jamaica	3.6	7.6	7.4	9.9	7.8	10.0	11.8	13.9	11.8	11.0	4.3
Dominican Republic	10.6	18.6	17.6	5.6	17.2	10.7	7.2	8.8	7.9	5.3	1.8

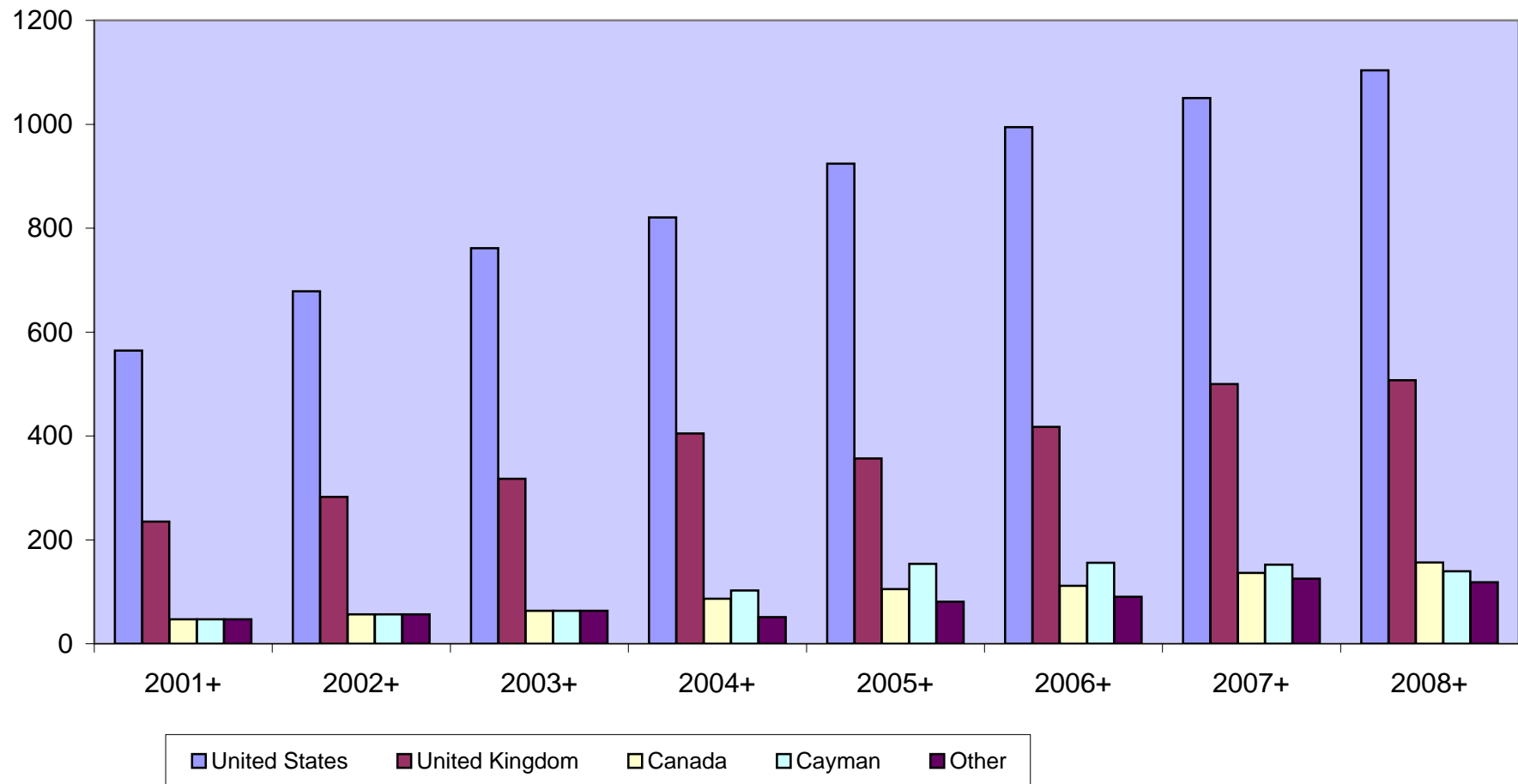
** Growth relative to the corresponding period of the previous year.

Source: Migrant Remittances Newsletter December 2008

Table 10

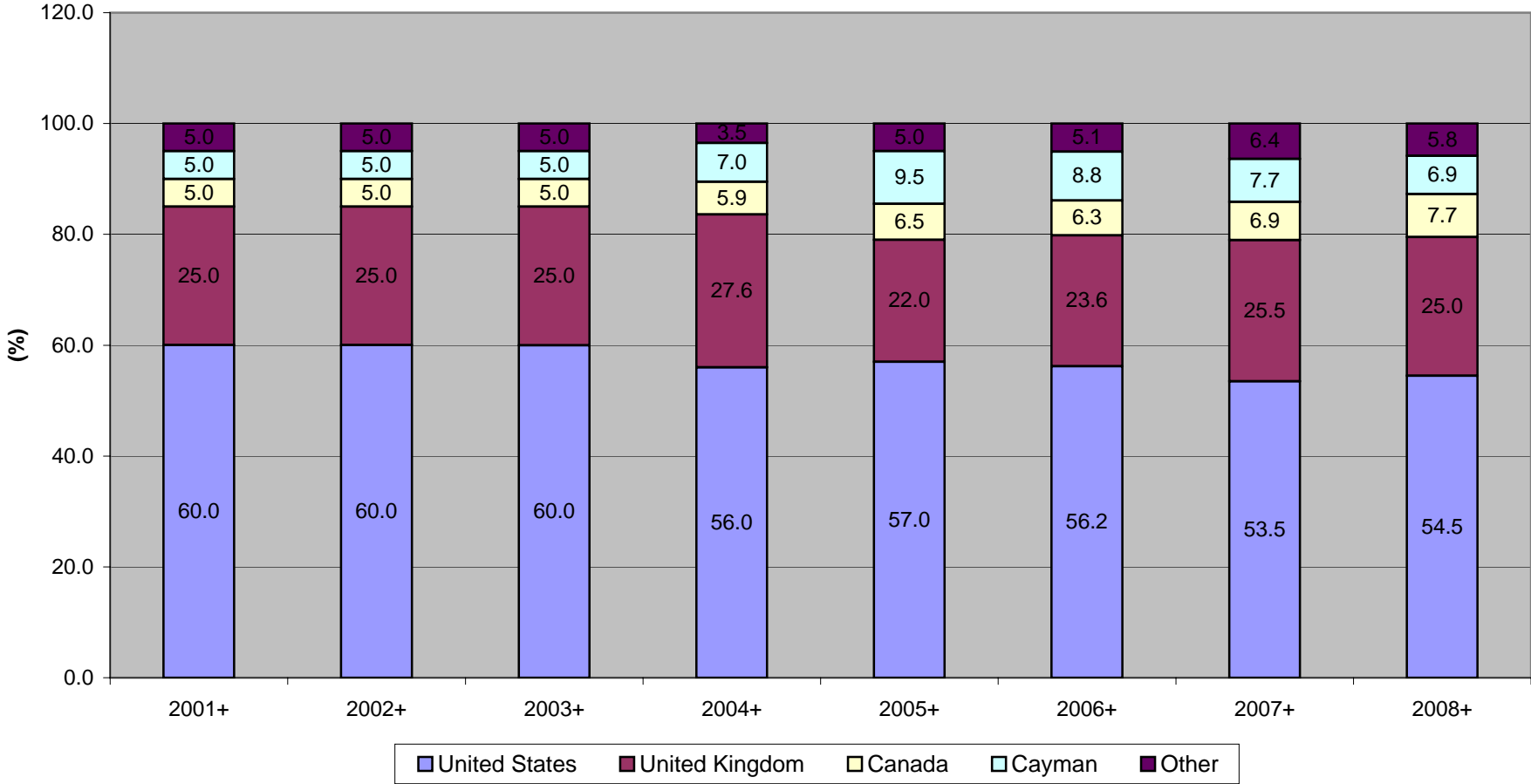
Remittance by Source Countries (US\$MN)							
	2003+	2004+	2005+	2006+	2007+	2008+	Jan-Feb 2009+
United States	761.6	820.8	924.1	994.4	1050.5	1103.0	148.5
United Kingdom	317.4	404.6	356.7	417.6	500.0	507.0	50.9
Canada	63.5	86.5	105.4	111.5	136.2	156.5	18.1
Cayman	63.5	102.6	154.0	155.7	152.2	139.6	15.2
Other	63.5	51.3	81.1	90.2	125.3	118.3	35.8
Total	1269.5	1465.8	1621.2	1769.4	1964.3	2024.4	268.4
Source: Bank of Jamaica + <i>Estimates are based on information submitted by Institutions</i>							

CHART 1
Contribution of Remittances by Source Country



+ Estimates are based on information submitted by Institutions

**Chart 2:
Percentage Contribution by Source Country**



+ Estimates are based on information submitted by Institutions

Appendix I

Proposed Revision to Remittance Statistics

Introduction

Remittance has historically been defined by the balance of payments manual. The current balance of payments manual (BPM5) has been revised and a new edition BPM6 was published in December 2008. The revised definition results from an increased emphasis being placed on remittances as these flows have increased significantly in recent years. It was believed that a revision to the current definition was necessary which would provide further clarification as well as capture other flows considered remittances.

Definition

According to the fifth edition of the Balance of Payments Manual remittances to an economy are defined primarily by 'Workers Remittances'. Workers Remittances cover current transfers by migrants who are employed in new economies and considered residents there. The revised BOP manual proposes an expansion in the items considered remittances. First, the concept workers remittance is replaced with personal transfers. Secondly the concepts of personal remittances, total remittance and transfers to nonprofit institutions serving households are introduced. Within the balance of payments frame work, investments in the economy by migrants, such as bank deposits and portfolio investments are excluded from remittances.

Personal Transfers is a new concept that consists of all current transfers in cash or in kind made or received by resident households to or from non-resident households. It is independent of the source of income of the sender, irrespective of whether the sender receives income from labor, entrepreneurial or property income, social benefits, as well as any other type of transfers. It is also independent of the relationship between the households irrespective of whether they are related or unrelated individuals.

Personal Remittances represents personal transfers plus compensation of employees (less taxes, social contributions and transport & travel expenditures made by residents employed by non-residents) and capital transfers between households. Personal Remittances include all household-to-household transfers and the net earnings of non-resident workers. It should be noted that 'personal remittances' also include transfers originating from who are not migrant

workers. This definition therefore includes income that the households in a country receive from individuals abroad, regardless of whether the individuals abroad are resident in the country of their employment or not.

Compensation of employees comprise wages, salaries, and other benefits, in cash or kind, earned by individuals in economies other than those in which they are residents. Employees, in this context, include seasonal or other short-term workers (less than one year) and border workers who have centers of economic interest in their own economies.

Capital transfers result in a change in the stocks of assets of one or both parties to the transaction without affecting the savings of either party. Capital transfers in kind are transfers of ownership of non-financial assets or forgiveness of debt. A transfer of cash is a capital transfer only when it is linked to or conditional on the acquisition or disposal of a fixed asset.

Total Remittances include personal remittances and social benefits. Social Benefits are defined as “benefits payable under social security funds and pension funds.

A **nonprofit institution serving household (NPISH)** is an entity mainly engaged in providing goods and services to households, or the community, free of charge, or at prices that are not economically significant (and thus are classified as non-market producers), except those that are controlled and mainly financed by government units.

Three categories of remittances defined may be included as supplementary items: Personal Remittances, Total Remittances and Total Remittances & Transfers to Nonprofit Institutions Serving Households (NPISHs).

Conclusion

Based on the results of the comparison between remittances currently reported (represented by private transfers & social benefits in table below) and BPM6, the overall change is not very significant. However, the gap between the two definitions is increasing steadily and this difference may become large if this gap continues to increase. The ‘current transfers to NPISH’ is the primary reason for this gradual divergence.

Appendix II

Major components of Remittances and difference from previous definition:

January 2005 to December 2008

(US\$MN).

	US\$MN					
	Per. Trans. & Soc. Ben.	Net Comp. of Emp.	Total Rem.	Curr. Trans. to NPISH	Tot. Rem. & Trans. to NPISH	Difference: Old vs New
Mar-95	157.1	4.4	161.5	2.1	163.6	6.5
Jun-95	141.0	6.5	147.5	2.1	149.6	8.6
Sep-95	141.1	13.3	154.4	2.1	156.5	15.4
Dec-95	143.1	14.2	157.3	2.1	159.4	16.3
Mar-96	134.6	7.5	142.1	2.1	144.2	9.6
Jun-96	143.7	6.6	150.3	2.1	152.4	8.7
Sep-96	165.1	11.1	176.2	2.1	178.3	13.2
Dec-96	192.0	12.4	204.4	2.1	206.5	14.5
Mar-97	187.4	12.3	199.7	2.1	201.8	14.4
Jun-97	160.1	9.6	169.7	2.3	172.0	11.9
Sep-97	150.6	15.0	165.6	2.4	168.0	17.4
Dec-97	156.3	16.9	173.2	2.4	175.6	19.3
Mar-98	163.5	11.7	175.2	2.1	177.3	13.8
Jun-98	161.1	9.8	170.9	2.2	173.1	12.0
Sep-98	160.1	17.0	177.1	2.4	179.5	19.4
Dec-98	170.0	22.6	192.6	2.4	195.0	25.0
Mar-99	164.6	12.2	176.8	2.4	179.2	14.6
Jun-99	170.8	12.0	182.8	2.4	185.2	14.4
Sep-99	171.4	19.6	191.0	2.4	193.4	22.0
Dec-99	174.2	21.4	195.6	2.4	198.0	23.8
Mar-00	200.2	7.1	207.3	1.8	209.1	8.9
Jun-00	187.1	8.2	195.3	1.8	197.1	10.0
Sep-00	186.6	17.0	203.6	2.1	205.7	19.1
Dec-00	215.6	21.5	237.1	2.1	239.2	23.6
Mar-01	228.6	8.8	237.4	1.8	239.2	10.6
Jun-01	223.3	12.4	235.7	2.1	237.8	14.5
Sep-01	240.6	22.7	263.3	2.1	265.4	24.8
Dec-01	247.6	23.3	270.9	2.1	273.0	25.4
Mar-02	257.7	8.0	265.7	18.6	284.3	26.6
Jun-02	289.7	15.9	305.6	18.6	324.2	34.5
Sep-02	290.7	27.4	318.1	18.6	336.7	46.0
Dec-02	292.5	23.2	315.7	18.7	334.4	41.9
Mar-03	296.4	10.7	307.1	21.0	328.1	31.7
Jun-03	292.5	13.3	305.8	21.0	326.8	34.3
Sep-03	315.9	21.6	337.5	21.0	358.5	42.6
Dec-03	364.8	26.0	390.8	21.0	411.8	47.0
Mar-04	354.8	12.7	367.5	25.2	392.7	37.9
Jun-04	366.1	16.0	382.0	25.2	407.2	41.2
Sep-04	341.8	29.5	371.3	33.3	404.7	62.9
Dec-04	403.2	32.0	435.2	49.6	484.8	81.6
Mar-05	387.7	19.3	406.9	39.5	446.4	58.7
Jun-05	394.0	19.7	413.7	30.2	443.9	50.0
Sep-05	411.5	30.5	442.0	30.2	472.3	60.8

	Per. Trans. & Soc. Ben.	Net Comp. of Emp.	Total Rem.	Curr. Trans. to NPISH	Tot. Rem. & Trans. to NPISH	Difference: Old vs New
Dec-05	428.0	29.4	457.4	30.2	487.6	59.6
Mar-06	413.4	17.9	431.3	39.1	470.4	57.0
Jun-06	435.2	20.9	456.1	39.1	495.2	60.1
Sep-06	451.9	29.7	481.6	39.1	520.7	68.8
Dec-06	468.9	33.9	502.9	39.1	542.0	73.0
Mar-07	445.7	14.8	460.5	65.4	525.9	80.2
Jun-07	478.8	18.0	496.8	65.4	562.2	83.4
Sep-07	505.4	29.2	534.7	65.4	600.1	94.7
Dec-07	534.3	37.3	571.6	65.4	637.1	102.7
Mar-08	496.8	17.1	513.9	65.4	579.3	82.5
Jun-08	531.0	19.7	550.7	65.4	616.1	85.1
Sep-08	526.9	25.2	552.1	65.4	617.5	90.6
Dec-08	478.3	n/a	n/a	n/a	n/a	n/a