



CEMLA SEMINAR FOR THE LAUNCHING OF THE REMITTANCES PROGRAM



CURRENT PRACTICES FOR THE COMPILATION OF REMITTANCE STATISTICS IN BELIZE

1



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Outline of Presentation

- **Concepts and Definition**
- **Methodology**
 - **Western Union Inflows Monthly Report**
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 - **Commercial Banks Monthly Inflows Report Form**
 - **Commercial Banks Monthly Outflows Report**
 - **Annual BOP Post Office Survey Form**
- **Importance of Remittances**
 - **Composition of Outflows & Inflows in BOP**
 - **Estimate of Gross Western Union Outflows & Inflows**
 - **Impact of Net Settlements in Remittances**
- **Issues with Remittances Data**
- **Recommendations**



Concepts and Definition

- The concepts and definition used in collecting remittance data confirms to the **fifth edition (1993)** of the **Balance of Payments Manual**.
- Remittances include transfers “by migrants who are employed in new economies and considered residents there. (A migrant is a person who comes to an economy and stays, or is expected to stay, for a year or more.)” BPM5 pg. 302



Methodology

SOURCES	INWARD REMITTANCES	OUTWARD REMITTANCES
Western Union (Monthly)	<ul style="list-style-type: none">• Prior to 2005, net settlements data• Starting in 2005, information on inward flows	Information on each outward money transfer
Commercial Banks (Monthly)	<ul style="list-style-type: none">• Inflows for 'Family Maintenance and Migrant Transfers'	<ul style="list-style-type: none">• Outflows for Family Maintenance
Post Office (Annual)	<ul style="list-style-type: none">• Annual BOP survey form – information on purchases of international money and postal orders	<ul style="list-style-type: none">• Annual BOP survey form – information on sales of international money and postal orders
Unofficial Sources	<ul style="list-style-type: none">• None	<ul style="list-style-type: none">• None



Western Union Inflows

Monthly Report

WESTERN UNION INFLOWS	2005
Education	8.3%
Family Maintenance	47.8%
Gifts	9.0%
House Construction	10.2%
Insurance Payments	0.5%
Payment for Merchandise	3.0%
Tax	0.1%
Loan payments	0.0%
Medical Expenses	6.4%
Pension	0.9%
Rental Income	2.0%
Subscriptions	0.0%
Tickets for International Air Travel	1.1%
Tickets for International Land Travel	0.1%
Vacation Expenses	4.4%
Other	6.4%
	<hr/>
	100.0%



Western Union Outflows

Monthly Report



WESTERN UNION OUTFLOWS	2004
Imports	2.8%
Transportation	3.4%
Travel	2.1%
Medical	3.6%
Education	5.3%
Communications	0.0%
Insurance / Financial Services	0.1%
Computer and information	0.0%
Other business services	0.3%
Personal, cultural and recreational services	0.0%
Government services, n.i.e.	0.0%
Interest/Profits/Dividends/Property Rental	0.2%
Family maintenance	80.5%
Other transfers	1.3%
Capital/Financial Account	0.3%
	<hr/>
	100.0%



Commercial Banks Inflows Monthly Report Form



THE CENTRAL BANK OF BELIZE
MONTHLY STATEMENT SHOWING INFLOWS OF FOREIGN CURRENCIES

BANK: _____

MONTH ENDING: _____

LOCATION: _____

BZ \$ ' 000

	US \$	STLG.	CAN. \$	CARICOM	OTHER	TOTAL
1. Enterprises/individuals marketing the major export products						
2. Enterprises/individuals marketing all other merchandise						
3. Enterprises/individuals engaged in the re-exportation of goods						
4. Tourist related purchases						
5. Transportation agencies						
6. Insurance companies and agencies						
7. Embassies and other official entities						
8. Enterprises and professionals providing miscellaneous services						
9. Family maintenance and migrant transfers						
10. Post Office						
11. Credit Unions						
12. Religious and other non-profit organizations						
13. International and regional organizations						



Commercial Banks Outflows

Monthly Report



COMMERCIAL BANKS OUTFLOWS	2004
Imports	69.7%
Transportation	2.0%
Travel	2.9%
Medical	0.3%
Education	0.8%
Communications	0.0%
Insurance / Financial Services	2.7%
Computer and information	0.1%
Other business services	3.9%
Personal, cultural and recreational services	0.1%
Government services, n.i.e.	0.1%
Interest	1.9%
Interest/Profits/Dividends/Property Rental	4.9%
Family maintenance	0.3%
Other transfers	0.1%
Capital/Financial Account	10.1%
	<hr/>
	100.0%

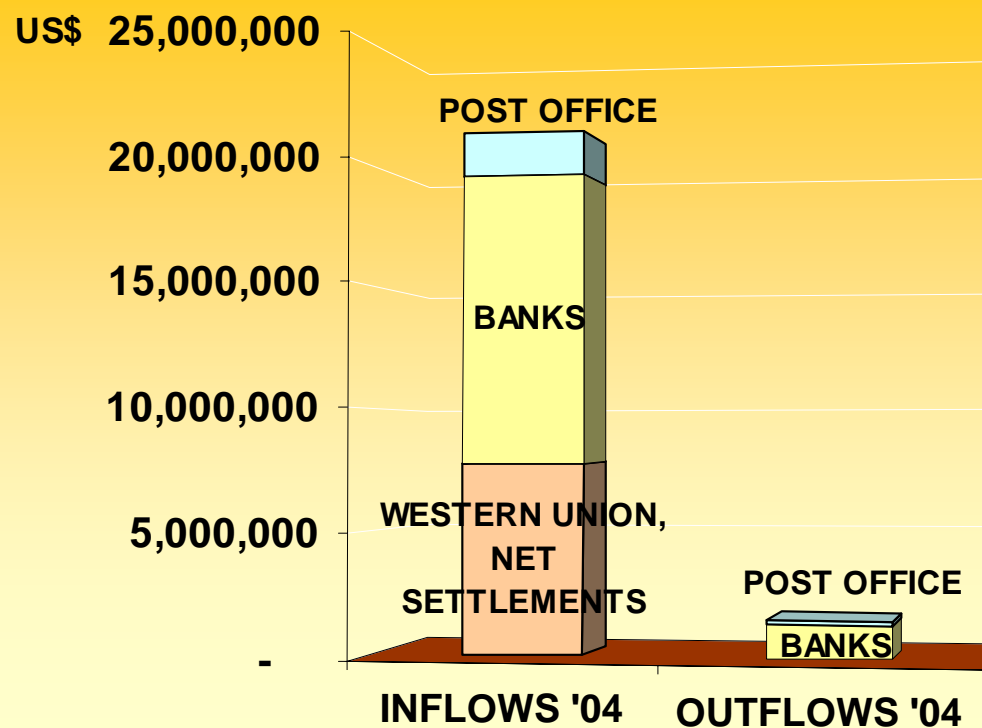


Importance of Remittances

	Inward Remittances as a Percentage of				
Year	GDP	Export of Goods	Export of Services	Export of Goods & Services	Per Capita US\$
1999	3.1%	8.6%	15.2%	5.5%	\$92.9
2000	2.7%	8.1%	14.9%	5.3%	\$91.4
2001	2.0%	6.5%	10.6%	4.0%	\$68.3
2002	1.6%	4.7%	8.3%	3.0%	\$55.0
2003	1.7%	5.2%	7.8%	3.1%	\$60.9
2004	2.0%	7.1%	9.2%	4.0%	\$76.8

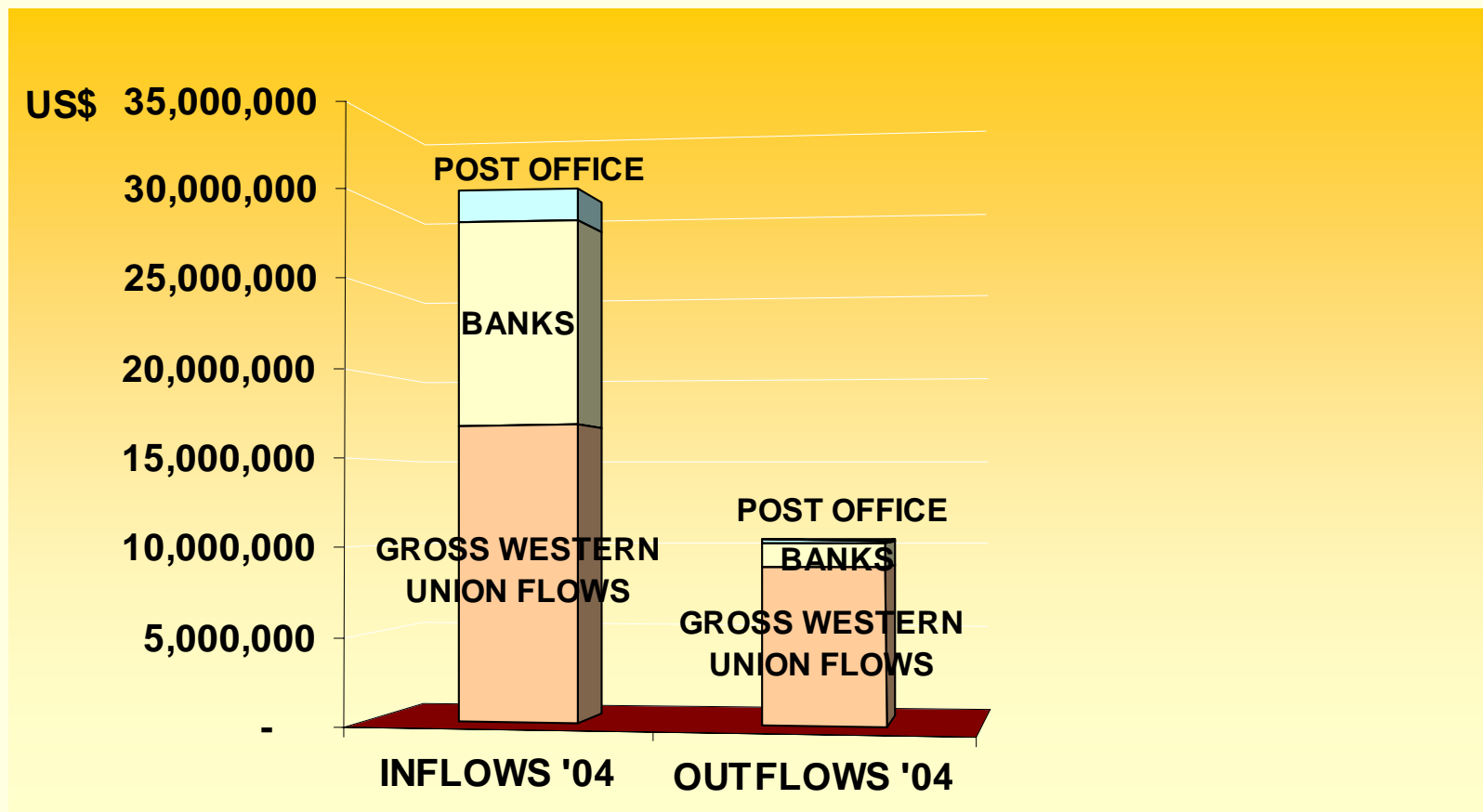


Composition of Outflows & Inflows in BOP





Estimate of Gross Outflows & Inflows With Gross WU Flows





Impact of Net Settlements in Remittances

Inward Remittances for 2004 As A Percentage of	With Western Union Net Settlements	With Western Union Gross Inflow
GDP	2.0%	2.9%
Export of Goods	7.1%	9.9%
Export of Services	9.2%	13.0%
Export of Goods & Services	4.0%	5.6%
US\$ Per Capita	\$76.8	\$108.2



Issues with Remittances Data

- ***Lack of time series of gross remittance data due to use of Western Union net settlements in BOP***
- ***Current treatment is to assume all money transfers are family remittances.***
- ***Vague definition***
- ***No estimation of informal flows***



Recommendations

- ***Collect and use gross money transfer flows rather than net settlements***
- ***Concise definition***
- ***Each country to provide direction of outflows at least***



Direction of Outflows for 2004

Outflows by Country	Outflows Percentages
Latin America	39.4%
Mexico	2.6%
Guatemala	7.2%
Honduras	16.2%
El Salvador	6.4%
Rest of Latin America	7.0%
CARICOM	4.1%
North America	26.6%
USA	25.3%
Europe	1.4%
Asia	26.3%
Rest of World	2.2%
Total	100.0%



Continue ...**Recommendations**

- ***Easy availability of directional flows to countries***
- ***Encourage registration of money transfer businesses and record their flows where possible***



THANK YOU.
GRACIAS.