Sending Money to Latin America: The Human Face of Remittances

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Chapter 1: Latin American Remittance Senders in the United States and Japan

Who are they?
United States – Age

- 18-24: 15%
- 25-34: 34%
- 35-49: 30%
- 50-64: 12%
- 65 or older: 6%
United States – Annual Income

- Less than $20,000: 49%
- Between $20,000 and $30,000: 31%
- More than $30,000: 20%
United States – Education

- Did not complete high school: 46%
- High school diploma: 35%
- Some college / technical school: 7%
- College graduate or more: 10%
United States – Country of Birth

- **Mexico**: 59%
- **South America**: 10%
- **El Salvador**: 9%
- **Cuba**: 6%
- **Dominican Republic**: 6%
- **Guatemala**: 6%
- **Other Central America**: 4%
United States – Legal Status

- Citizen: 20%
- Legal resident: 38%
- Undocumented immigrant: 37%
- No answer: 5%
Japan – Country of Birth

82%

14%

4%

Brazil

Peru

Other Latin American country
Chapter 2: The Remittance Sending Process
The Remittance Sending Population in the U.S. and Japan

- United States: 61%
- Japan: 70%
Average Amount Sent with each Remittance

United States

Japan

$0 $100 $200 $300 $400 $500 $600 $700

$240

$600
Frequency of Remittance (per year)

United States: 12.6
Japan: 14.5
United States
How do you usually send money?

- International money transfer company: 79%
- Person traveling: 11%
- Bank: 7%
- Mail: 2%
- Credit union: 1%
When you family picks up the money in Latin America, do you think that they get the full amount or that they get less than what you sent?

- 58% The full amount
- 33% Less than the full amount
- 9% Don't know / No answer

Source: U.S. Senders survey, 2001
Some people think the cost of sending *remesas* is fair because the money arrives fast and safe. Other people think the cost of sending *remesas* is not fair because the fees and charges are excessive. What do you think?

- **25%** Fair
- **59%** Not fair
- **16%** Don't know / No answer

Source: U.S. Senders survey, 2001
Are you satisfied with the services of your current international money transfer company?

- Yes: 94%
- No: 6%

Source: Dominican Republic survey, 2004
Japan

How do you usually send money?

- Bank: 82%
- Credit union: 11%
- Mail: 2%
- Other method: 3%
- Don't know / No answer: 2%
How many people do you send money to?

Dominican Republic

- One: 46%
- Two: 23%
- Three: 16%
- Four: 7%
- Five or more: 7%
Chapter 3: The Remittance Recipients in Latin America
Remittance Recipients in Latin America

- Dominican Republic 38%
- El Salvador 28%
- Guatemala 24%
- Mexico 18%
- Honduras 16%
- Colombia 16%
- Ecuador 14%
- Brazil 2%
Is your remittance shared with another person?

- Yes, with one other person: 12%
- Yes, with two other people: 27%
- Yes, with three other people or more: 29%
- Not shared: 30%

Source: Dominican Republic survey, 2004
Where does the money come from?

- Ecuador: 38% U.S., 58% Europe
- Brazil: 31% U.S., 50% Europe, 17% Latin America
- Colombia: 31% U.S., 54% Europe, 9% Latin America
- Dominican Republic: 21% U.S., 76% Europe, 3% Latin America
How frequently do you communicate with the relative that sends you money?

- **Dominican Republic**: 75% (Once a week or more), 20% (Once a month)
- **Colombia**: 51% (Once a week or more), 34% (Once a month)
- **Mexico**: 31% (Once a week or more), 36% (Once a month)
- **Brazil**: 26% (Once a week or more), 20% (Once a month)
Chapter 4: The Impact of Remittances on Banking and Economic Development
How is the remittance used?

*Includes education, savings, investing in property or investing in a business.
Do you have a bank account? Remittance Senders

United States
- 45% (light blue)
- 55% (dark green)

Japan
- 8% (light blue)
- 92% (dark green)
Bank account
Remittance Recipients

- Brazil: 63%
- Colombia: 52%
- Ecuador: 46%
- Dominican Republic: 34%
- Mexico: 33%
- El Salvador: 23%
- Guatemala: 23%
- Honduras: 19%
Familiarity with ATM machines

- Dominican Republic: 81%
- Colombia: 81%
- Mexico: 68%
- Ecuador: 64%
- El Salvador: 37%
- Honduras: 29%
- Guatemala: 27%
Dominican Republic
Do you use the money from the remittance as collateral to get a bank loan?*

- Yes: 85%
- No: 15%

*Respondents who use the remittance to invest in a business, property or savings
Do you have any plans to start your own business in the future?

- Yes, in Japan: 14%
- Yes, in home country: 40%
- Yes, in some other country: 1%
- No: 24%
- Don't know / No answer: 21%

Source: Survey of Latin American immigrants in Japan, 2005
How interested would you be in investing in a fund that would benefit the economic development of your home country?

Remittance Senders in the United States

- Very interested: 11%
- Somewhat interested: 27%
- Not interested at all: 62%
How interested would you be in investing in a fund that would benefit the economic development of your home country?

Remittance Recipients in Mexico

- 23% Yes
- 29% No
- 48% No answer
Chapter 5:
The Impact of Remittances on Migration
Was there an agreement to send remittances prior to your relative leaving?

- **Mexico**: 37% Yes, 63% No
- **Dominican Republic**: 36% Yes, 64% No
- **Colombia**: 28% Yes, 72% No, it came up afterwards
What is the most important reason that people leave your country?

- **Ecuador**
  - Improve their lives: 83%
  - Send remittances: 17%

- **El Salvador**
  - Improve their lives: 78%
  - Send remittances: 19%

- **Honduras**
  - Improve their lives: 81%
  - Send remittances: 17%

- **Guatemala**
  - Improve their lives: 81%
  - Send remittances: 13%
Were Mexico’s economic problems a major factor in your relative’s decision to leave?

- Very / somewhat important: 48%
- Not important: 20%
- No answer: 5%
- 75%
Did the remittance sender have a secured job when he left the country?

- **Honduras**: 24% Yes, 76% No
- **Guatemala**: 18% Yes, 82% No
- **El Salvador**: 15% Yes, 85% No
Has your life improved due to the remittances?

- **Mexico**
  - Yes: 67%
  - No: 33%

- **Brazil**
  - Yes: 60%
  - No: 40%