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Workers' remittances cross \$13bn mark for the first time in Pakistan history

Remittances sent home by overseas Pakistani workers crossed the \$13 billion mark for the first time in country's history during the last fiscal year (2011-12). They remitted a record amount of \$13,186.58 million during the last fiscal year that ended on June 30, 2012, showing an impressive growth of 17.73 percent when compared with \$ 11,200.97 million received during the preceding fiscal year (2010-11).

Except for the months of September (\$890.42 million) and November (\$924.92 million), Pakistani workers remitted more than \$1 billion during ten months of the fiscal year. Remittances received from all countries of the world showed substantial growth during the last fiscal year and almost all of this growth was through banking channels.

The inflow of remittances in July-June, 2012 period from Saudi Arabia, UAE, USA, UK, GCC countries (including Bahrain, Kuwait, Qatar and Oman) and EU countries amounted to \$3,687.00, \$2,848.86 million, \$2,334.47 million, \$1,521.10 million, \$1,495.00 million and \$364.79 million respectively as compared with \$2,670.07 million, \$2,597.74 million, \$2,068.67 million, \$1,199.67 million, \$1,306.18 million and \$354.76 million respectively in the July-June, 2011 period. Remittances received from Norway, Switzerland, Australia, Canada, Japan and other countries during the last fiscal year (2011-12) amounted to \$935.36 million as against \$1,003.81 million received in the preceding fiscal year (2010-11).

The monthly average remittances for July-June 2012 period comes out to \$1,098.88 million as compared with \$933.41 million during the preceding fiscal year, registering an increase of 17.73 percent.

Overseas Pakistanis also sent home an amount of \$1,117.48 million in June 2012 when compared with \$1,104.56 million received in the same month of 2010-11. During last month i.e. June 2012, remittances from Saudi Arabia, UAE, USA, UK, GCC countries (including Bahrain, Kuwait, Qatar and Oman) and EU countries amounted to \$333.68 million, \$219.14 million, \$206.60 million, \$128.12 million, \$126.72 million and \$29.24 million respectively as compared with \$291.55 million, \$270.04 million, \$204.64 million, \$121.35 million, \$106.20 million and \$33.83 million in June 2011. Remittances received from Norway, Switzerland, Australia, Canada, Japan and other countries amounted to \$73.98 million during June 2012 compared with \$76.95 million received in the same month of 2010-11.

The continued impressive growth in workers' remittances is the result of the efforts made by Pakistan Remittance Initiative (PRI) in collaboration with other stakeholders to facilitate both Overseas Pakistanis and their families back home. Since its inception, PRI has taken a number of steps to enhance the flow of remittances through formal channels which include: (a) preparation of national strategies on remittances (b) taking all necessary steps to implement the overall strategy (c) playing the advisory role for financial sector in terms of preparing a business case, relationship building with overseas correspondents, creating separate efficient remittance payment highways and (d) becoming a national focal point for overseas Pakistanis through round the clock call centre (021-111-222-774) with toll free lines, separate web site etc.

It may be recalled that in order to provide an ownership structure in Pakistan for remittance facilitation, the Government of Pakistan through State Bank of Pakistan, Ministry of Overseas Pakistanis and the Ministry of Finance had launched a joint initiative called Pakistan Remittance Initiative (PRI) in April 2009. This initiative has been taken to achieve the objective of facilitating & supporting faster, cheaper, convenient and efficient flow of remittances.
