Determinants of Remittances in Pakistan: Micro Evidence

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Abstract

This paper quantifies the determinants of sending more remittances in Pakistan employing survey data in 2024 using Logit Model. The analysis indicates that remittances are significantly driven by income, education, migration status, destination, and Pakistan specific pull factors. Higher income increases remittances, while higher education and permanent residency reduces them reflecting stronger integration abroad. GCC migrants remit more due to temporary ties. Inflation and family needs in Pakistan raise remittance likelihood. Additionally, product-specific analyses reveal that incentives like Sohni Dharti Remittances Program boost remittances, but use of informal channels may deter them.

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Non-technical Summary

This study examines why overseas Pakistanis choose to send more remittances to Pakistan, using survey data collected in January 2025. The analysis shows that remittance behavior is shaped by a combination of migrants' personal characteristics, their migration arrangements, and economic conditions in Pakistan. Migrants with higher incomes are more likely to remit, while those with higher education or permanent residency abroad tend to send less, reflecting stronger economic and social integration in host countries. In contrast, migrants based in Gulf Cooperation Council (GCC) countries remit more frequently, largely because their migration is temporary and family ties with Pakistan remain strong.

Economic conditions at home also matter. Higher inflation and rising family expenses in Pakistan increase the likelihood of remittances, indicating that migrants respond to financial pressures faced by their households. The study also finds that incentive-based schemes, such as the Sohni Dharti Remittances Program, encourage remittance flows. However, the use of informal channels and operational frictions in formal schemes can limit their effectiveness.

From a policy perspective, the findings suggest that well-designed incentives and user-friendly remittance platforms can help sustain remittance inflows. Improving awareness, reducing technical issues, and strengthening engagement with overseas Pakistanis could enhance the impact of existing initiatives. Overall, the study highlights that remittances are not only driven by migrants' earning capacity, but also by their ties to Pakistan and the ease with which they can send money home.

1. Introduction

The sharp rise in global migration trends in recent years has captured the keen interest of policymakers worldwide (World Migration Report 2024). Factors such as geopolitical conflicts, the turmoil brought on by climate change, and stark income disparities in low-income nations have significantly intensified cross-border movements (McAuliffe and Oucho (2024)).

This surge in migration has brought not only increased remittances to countries of origin, based on the notion of altruism, but also a range of other social and economic changes in both the host and country of origin, in the form of skills and knowledge transfer. In this backdrop, there is a wealth of literature that delves into the diverse impacts of migration along with remittances on various aspects of human life, including culture, labor force participation and economic development.

Global migration trends indicate that Asia has the highest share in the internation migration, within which the South Asian region has the dominant share. Zooming in on Southern Asia,

Pakistan contributes 14.6 percent of the region's emigrants, playing an important role in South Asian migration dynamics.[2] Pakistan's position as the 5th largest recipient of remittances globally highlights the importance of its diaspora community. With remittances exceeding $30 billion in recent years, this inflow has become one of the most stable and reliable sources of foreign exchange for the country **(Figure 1)**.

Figure 1: Remittances and Net Exports (end Quarter-Million USD)

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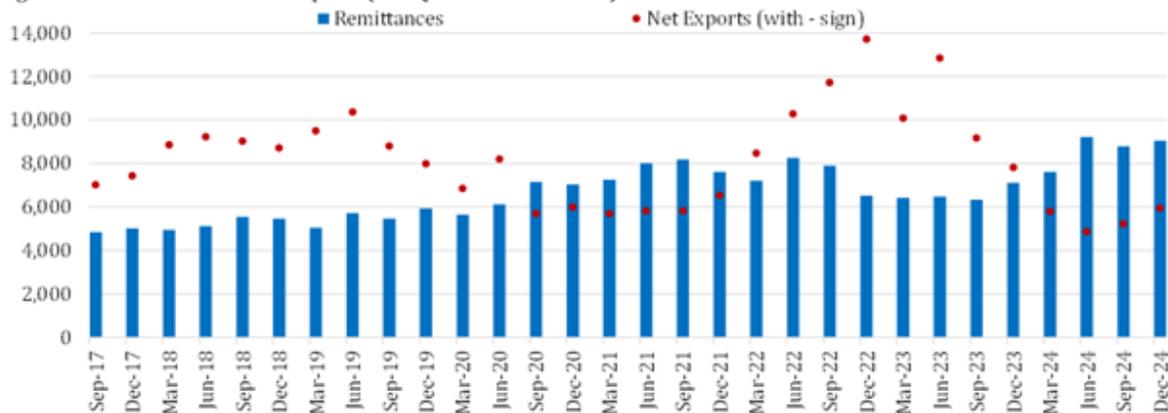
[2] Global Migration Database, United Nations

Given the critical role of remittances in Pakistan's balance of payments, the SBP conducted the 2025 Remittances Survey to examine migrant experiences in 2024 and capture expectations for 2025. The purpose was to explore and to pin down not only the factors that drive migrants to remit funds to their home countries, but to also better understand the magnitude of funds they send. In addition, the survey also provided information about remitter's perspective about overall economic conditions and inflation in the host countries, exchange rate movements, general economic uncertainties, and perspective and expectations of Pakistan's economic conditions. Importantly, the survey was carried out during a relatively stable year, without major global or domestic shocks. As a result, the findings are likely to reflect structural and behavioral trends in remittances, making them broadly representative of recent and near-term dynamics rather than short lived or crisis driven effects.

Thus, given the importance of the subject and utilizing the microdata from the survey, this study addresses the determinants of sending more remittances by overseas Pakistanis, in terms of its quantification and trends. The key contribution of this research lies in its use of survey data to examine the issues at a micro level, distinguishing it from prior studies on Pakistan, which primarily explored the topic from a macroeconomic perspective (Ali and Murtaza, 2022).

Given the scope of this paper, literature related to the quantification of the determinants of remittances in the origin countries has been cited for an overall understanding of the study area. At the microeconomic level, while exploring probable determinants, research indicates that remittances rise to help relatives cope with income losses in the case of Togo (Agarwal and Horowitz, 2002). Conversely, other studies show a positive link between remittances and the financial well-being of families back home, implying that remittances may be motivated by self-interest, such as investment. Lueth and Ruiz-Arranz (2008) show that the inflation disparity between remittance-sending and receiving countries has a positive correlation with bilateral remittance flows. Richard (2008) finds that developing countries sending more high-skilled migrants receive lower remittances, while poverty levels do not increase remittance inflows. Meanwhile, some find no significant correlation with business cycles or shocks like armed conflicts (Naudé and Bezuidenhout, 2012). Other work compares the role of external forces and domestic macroeconomic factors, including global oil prices, international growth, national output, inflation, interest rates (Le Goff and Salomone, 2015), and exchange rate movements (Poghosyan,

2023), in shaping remittance flows across SAARC countries (Frankel, 2011). Yuni et al. (2013) finds that past remittances, broad money growth, taxes, inflation, lending rate, and age dependency ratio significantly impact remittances in African countries barring GDP per capita and exchange rates.

While focusing on the micro level determinants, the rest of the paper has been outlined as following. Section two will discuss the methodological framework followed by results. The last section will discuss the results and possible implications of the study.

Figure 2: Destination-wise Actual Remittances vs. Response

2. Methodological Framework

This section outlines the specification of the relationship between the variables to be tested for our study. Additionally, it provides information on the data sources and discusses the estimation results. Our empirical analysis focuses on the probability of increase in the remittances sent in 2024 given the multiple factors under consideration.

2.1. Survey Methodology

The online survey conducted in January 2025, yielded a total of 6716 responses. In terms of destinations captured, response was received by 77 distinct countries, though most of the responses were concentrated in GCC countries that host most of Non-Resident Pakistanis (NRPs) (**Figure 2**). To maximize the outreach of the survey, the online survey link was shared with the NRPs through Pakistan Embassies abroad, Ministry of Foreign Affairs (MOFA), Bureau of Emigration & Overseas Employment (BEOE) and the Pakistan Remittance Initiative (PRI) team of the State Bank of Pakistan using emails, social media, and website postings.
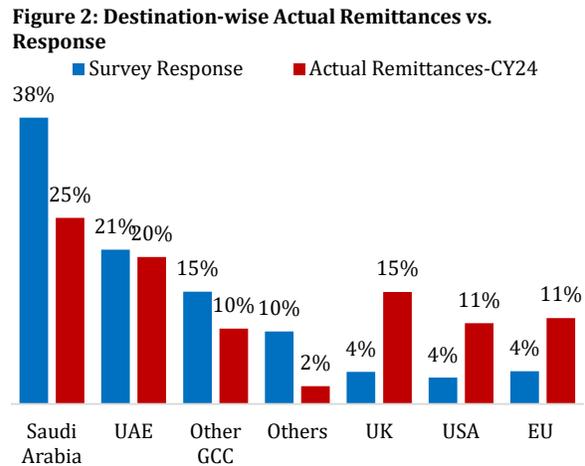
As an online survey, a key caveat is the potential underrepresentation of Pakistani diaspora segments with low or no formal education. This is reflected in the respondent profile, where the median education level was a bachelor's degree. To address this concern, the questionnaire was offered in both English and Urdu, and outreach was supported by Community Welfare Attaché officers of BEOE as well as bank representatives. These steps helped broaden coverage, with around 30 percent of respondents reporting education at the high school level or below. Even so, some underrepresentation likely remains.

Figure 1A: Age Groups

Age Group	Percentage
Under 18 years	0%
18 - 30 years	22%
31 - 45 years	57%
46 - 60 years	17%
61 - 75 years	3%
More than 75 years	1%
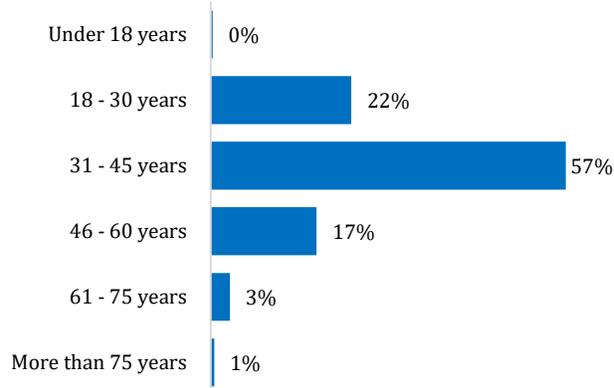
Figure 1B: Immigration Status

Status	Count
Other	2
Citizen	10
Permanent Resident	10
Temporary Resident	4
Student Visa	2
Work Visa	73
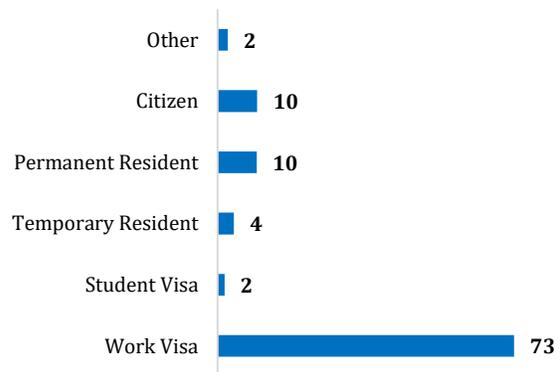
The questionnaire was broadly composed of two sections: Detailed profile of respondents and trends in remittances during the year.

3. Survey Results:

The demographic profile of the respondents indicates that male participants constituted the majority, reflecting their predominant role as primary earners and remittance senders **(Figure 1)**. Most respondents were within the age group of 31–45 years, typically associated with active employment. Income levels among participants showed a broad distribution, with notable concentrations in the 1 to 3 lac and 3 to 5 lacs in Pakistani Rupees monthly income brackets, suggesting a relatively stable earnings base. In terms of remitter's legal status, respondents were

predominantly on work visas, and their educational backgrounds showed significant representation at both the lower (matriculation or below) and higher (master's degree or above) ends. Occupation-wise, professionals such as lawyers, doctors, engineers, and IT specialists made up the largest group, followed by skilled laborers.

The main findings of the survey regarding factors affecting remittance behavior are as following:

The 2024 survey data on remittance behavior indicates a notable increase in remittance flows compared to the preceding year, aligning with the broader upward trend in official remittance statistics. This surge is primarily driven by a combination of domestic economic pressures in Pakistan and evolving circumstances in host countries (see **Table C** for details). Specifically, approximately 40 percent of respondents cited Pakistan-specific pull factors as the key motivators for higher remittances, with elevated inflation emerging as the most significant factor. Conversely, about 25 percent of respondents attributed the increase to push factors originating in host countries, mainly the rise in remitter incomes. Furthermore, roughly one-third of participants linked the heightened remittance activity to increased household consumption needs due to inflation, as well as pressing financial obligations related to weddings, education, and health emergencies. An additional 12 percent of the respondents indicated that their remittances were motivated by investment considerations, including asset acquisition and favorable profit rates within Pakistan. Notably, among those who reported a decline in remittance activity, the prevailing rationale was

Figure 1C: Education Level

Education Level	Value
Other	4
Master's degree or higher	21
Bachelor's Degree	14
BA/ BSC	13
FA/FSC/ A-Level	19
Matric or less	24
No formal education	4

Figure 1D: Occupation

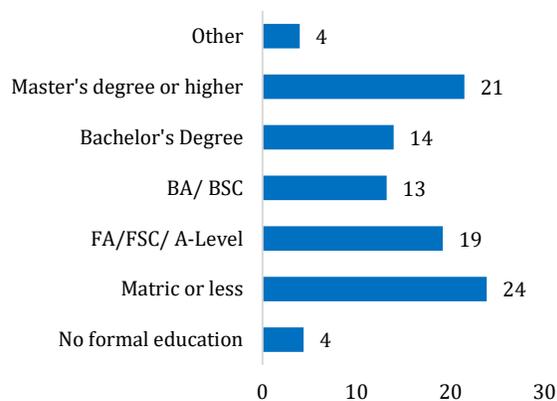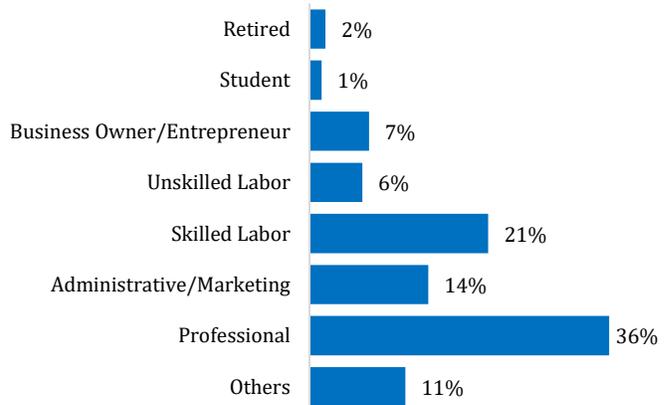| Occupation	Value
Retired	2%
Student	1%
Business Owner/Entrepreneur	7%
Unskilled Labor	6%
Skilled Labor	21%
Administrative/Marketing	14%
Professional	36%
Others	11%

uncertainty surrounding Pakistan's economic outlook followed by uncertainty about the exchange rate. Regionally, the Middle East continued to serve as the principal source of remittance inflows during 2024.

Regarding the future expectations, a significant proportion of respondents, exceeding half, indicated their intention to remit greater amounts in 2025 relative to 2024, signaling the likely continuation of elevated remittance flows in the coming year. The anticipated increase in remittances is primarily attributed to expectations of higher income levels among remitters, which emerged as the most frequently cited motivation. This is followed by the projected persistence of relatively high inflation in Pakistan, further reinforcing the necessity for enhanced financial support to families. Among those who reported to send less remittances, uncertainty about Pakistan's economy was mentioned as the main cause followed by income effect of the remitters that may not be expected to improve in the upcoming year. Consistent with prevailing trends, the Middle East is projected to remain the leading source region for remittance inflows in 2025.

Overall, the proportional distribution between the use of formal and informal channels for remittance transmission shows that approximately 87 percent of respondents are utilizing formal ways of remitting funds. A regional disaggregation reveals that the prevalence of informal remittance channels is notably higher in non-GCC countries compared to GCC member states. Respondents from non-GCC regions frequently cited unfavorable exchange rate differentials and substandard customer service as key drivers behind their preference for informal mechanisms. In contrast, the continued use of formal channels was predominantly motivated by considerations of safety and convenience, which emerged as the most salient factors influencing remitters' choice of transmission method in the current survey findings.

Regarding initiatives aimed at facilitating remittance flows, survey findings indicate a rise in the number of users of the Roshan Digital Account (RDA); however, this increase was offset by a comparable proportion of inactive users, suggesting a stagnation in the overall utilization of the RDA. In the case of the Pakistan Remittance Card (PRC), a significant awareness gap persists, with approximately half of the respondents indicating no knowledge of the initiative. Similarly, for the Sohni Dharti Remittance Program (SDRP), nearly one-third of respondents reported being unaware of the program. Among those familiar with and utilizing SDRP, a decline in active usage

was observed. Respondents frequently cited technical issues with the Sohni Dharti mobile application, particularly its incompatibility with iOS platforms, as well as concerns related to non-functional features, verification difficulties, and delays in the accrual of reward points, all of which contributed to diminished user engagement.

When interpreting the findings, it is important to acknowledge the nature of the respondent pool. Since the data was gathered through individuals with active accounts, there is a possibility of certain biases in representation i.e. people favoring formal channels may dominate the ones using informal channels. However, as the same data was also made available via embassy websites, the respondent set is broader than just account holders, ensuring a more diverse range of perspectives. Nonetheless, given that literate individuals are more likely to complete such surveys, there remains the possibility that certain demographics, particularly those with limited literacy, may be underrepresented.

4. Model Specification and Empirical Findings

Since the study employs survey data, coding the responses as per variable characteristics while utilizing binary logit model is the widely used technique in such scenarios. The general form of the specification, employed for this study, is expressed as follows:

$$P(Y = 1|X) = \frac{\exp(\alpha + \beta X)}{1 + \exp(\alpha + \beta X)} \tag{1}$$

$$\Pr(Y = 1 \mid X_i) = \beta_o + \beta X_i + \epsilon_i \tag{2}$$

$$Y^* = \beta_o + \beta X_i + \epsilon_i \tag{3}$$

In our survey, respondents were asked the following question: "How do you compare the amount you sent to Pakistan in 2024 with last year (2023)". The possible responses were (i) I have sent more remittances in 2024 than last year, (ii) I have sent less remittances than last year, (iii) I have sent same amount of remittances compared to last year. The dependent variable Y^* is defined as binary variable that takes the value '1' if the individual is sending more remittances and '0' other wise. X_i represents the vector of all the explanatory variables (**Table B**) for the desired regression, while β_o and β are vector of parameters, and ϵ is error term.

4.1. Estimation Results

Our analysis on the determinants of sending more remittances to Pakistan comprises four different aspects. The very first aspect analyzes the impact of personal profile on the probability of sending more remittances. Questions related to personal profile include arrival period in foreign country, monthly income, age, sex, education level and emigration status in foreign country.

The second aspect pertains to incentives by the government of Pakistan, in collaboration with State Bank of Pakistan, aimed at boosting remittances via formal channels. The survey also incorporated questions regarding the respondent's awareness and use of all the accounts facilitating remittances to Pakistan. In particular, questions related to the usage and awareness of RDA, SDRP and PRC were incorporated in the estimation model to gauge different behavior with respective to incentive schemes.

In addition to the profile of respondents and incentive schemes to remit, this survey also yields some important insights about remittances channels used by the respondents. This information is useful for the policy makers for devising appropriate channels that cater to the needs of overseas Pakistanis. For instance, latest survey results show that respondents are using multiple channels to send remittances to Pakistan, however, the most dominant one is through Exchange Companies followed by overseas Pakistani banks. Additional insights can be drawn from this survey regarding destination of overseas Pakistanis and dominant factor affecting their remittances behavior.

In third scenario, importance of Gulf Cooperation Council (GCC) region, a destination variable, in terms of sending remittances, use of formal and informal channels to remit and factors originating from Pakistan, known as pull factors, were incorporated along with remitters profile and incentive schemes of sending remittances. In particular, for Pakistan related factors, aspects of high inflation, attractive exchange rate, investment in real estate and additional medical, wedding, education related needs of the family were investigated with regards to explaining the remittances sending behavior.

Given that a substantial proportion of the Pakistani diaspora resides in the GCC region and represents the largest source of remittance inflows to Pakistan, it becomes imperative to examine the extent to which their remittance-sending behavior is influenced by Pakistan specific pull factors

within the Pakistani economy. Understanding this sensitivity is crucial for informing policy interventions specific to expats in GCC countries aimed at sustaining and optimizing remittance flows in response to domestic economic conditions. Thus, in the fourth scenario, this aspect has been analyzed by introducing interaction term in the equation.

The estimation results of all four scenarios discussed above are presented in **Table 1** where coefficients of the estimated equations represent probability of the response variable.

Table 1: Average Marginal Effects of Different Variables on the Likelihood of Y				
	(1)	(2)	(3)	(4)
Arrival year	0.01	0.013*	0.019***	0.019***
	(0.01)	(0.01)	(0.01)	(0.01)
Monthly Income	0.035***	0.035***	0.022***	0.022***
	(0.00)	(0.00)	(0.00)	(0.00)
Education	-0.015***	-0.015***	-0.031***	-0.031***
	(0.00)	(0.00)	(0.00)	(0.00)
Age	0.005	-0.006	-0.016*	-0.016*
	(0.01)	(0.01)	(0.01)	(0.01)
Permanent Residence	-0.138***	-0.096***	-0.066***	-0.066***
	(0.02)	(0.02)	(0.02)	(0.02)
RDA		0.040**	-0.005	-0.005
		(0.01)	(0.01)	(0.01)
SDRP		0.163***	0.074***	0.074***
		(0.01)	(0.01)	(0.01)
PRC		-0.006	-0.028	-0.028
		(0.02)	(0.02)	(0.02)
GCC			0.052***	0.053***
			(0.01)	(0.01)
Informal Channel			-0.128***	-0.128***
			(0.02)	(0.02)
Pakistan			0.430***	0.428***
			(0.01)	(0.01)
GCC*Pakistan				0.003
				(0.02)
Constant	-0.172	-0.489***	-1.152***	-1.145***
	(0.18)	(0.18)	(0.23)	(0.23)
No. of Obs.	6249	6249	6249	6249
R-Squared	1%	4%	26%	26%

Note: Standard errors are reported in parentheses. *, **, *** indicates significance at the 90 percent, 95 percent, and 99 percent level, respectively.

Several findings immediately stand out. For instance, majority of the variables like monthly income, education, status of residency in foreign country, incentive schemes, channels, Pakistan related factors and GCC destination, have highly significant effects. Meanwhile arrival period and age, though positively related with sending more remittances, are not statistically significant in some scenarios, such as Equation 1.

Profile variables depict that arrival period is statistically significant in three model specifications, implying the probability range of 13 percent to 20 percent of sending higher remittances as long as the recency effect intensifies. It suggests that more recent arrivals might have a stronger tendency to send higher remittances. Essentially, the more recently someone has arrived, the greater their probability of sending larger financial transfers implying heightened financial responsibilities.

For monthly income of the remitter, the probability of sending more remittances increases in the range of 22 to 35 percent along with the rise in income. Plausible justification for this is that since income directly affects capacity to remit (Banerjee, 1984). This variable remained significant in all four cases under study.

Though literature has shown the dual effect of education on remittances, rise in remittances is negatively related to education in our survey, in line with some of the literature findings as well (Rapoport and Docquier, 2004). This shows that with the rise in education levels attained by the remitter, the probability of sending remittances is reduced within the range of 15 percent to 31 percent under different four models that is contrary to the conventional literature. This implies that highly educated residents might prefer to bring their families along with them, reducing the need to send remittances back home.

Likewise, migration status also plays a significant role in the probability of reducing the remittances: individuals with permanent residency or citizenship are more likely to settle long-term and integrate into the host society, which may diminish the sense of obligation or urgency to support relatives in their country of origin as their financial and emotional investments are more localized.

Element of age has remained an insignificant determinant in the first two models, however, in model 3 and model 4, negative relationship with the rise in remittances has been reported by around 16 percent. This suggests that as individuals grow older, they may send lower remittances, possibly due to shifting financial priorities, increased local investments, or reduced obligations toward their home country. Also, those who transition to part-time work or rely on pensions may no longer have the financial flexibility to send large amounts regularly.

Second part of the testing involves the significance of the incentive schemes in remittances sending behavior. Role of RDA has remained insignificant in two specifications out of three. In second specification, though, it shows statistically significant positive relationship to the rise in probability of sending more remittances by 40 percent. Similarly, role of PRC has not shown a statistically significant impact in any of the three models analyzed. This means that, based on the data, PRC does not appear to influence the dependent variable within the scope of the study. Initiative of SDRP, on the contrary, has played a significant and positive role, with a probability range of 16 to 74 percent in sending more remittances to Pakistan.

Other factors, such as destination of remitters, bring interesting insights. In the case of Pakistan, remitters residing in GCC, such as Saudi Arabia, UAE, Qatar, Oman, Bahrain, and Kuwait, are 52 percent more likely to send higher remittances compared to other destinations. A key reason is that, unlike many Western countries where migrants often settle permanently, GCC countries mainly operate under temporary work visa regimes. In the absence of clear pathways to permanent residence, migrants tend to prioritize remittances rather than long term investment or consumption in host countries.

In response to exploring the role of using formal and informal channels, results indicate that the probability to send more remittances through formal channels reduces by around 13 percent. This suggests that when migrants opt for formal remittance channels, such as banks, money transfer services, or government-regulated financial institutions, the likelihood of sending higher remittances decreases probably owing to high transfer fee, strict regulatory compliance and documentation requirements, exchange rate fluctuations, delays in processing time and trust and familiarity with informal networks. It is important to highlight the caveat that causality cannot be

conclusively established here given the cross-sectional nature of the data and measurement error due to indirect nature of question.

An extremely important dimension, demand pull factors for Pakistan such as inflation, favorable exchange rates, real estate investment, and family expenses for healthcare, weddings, and education yields some important insights. Model results indicate that the probability of sending rises by around 43 percent when tied to these demand-side factors.

Since destination-specific and Pakistan-related factors consistently played a significant role in the overall models, it becomes essential to test how sensitive remittance-sending behavior is to these two variables in particular. The results of the fourth model indicate that the interaction between residing in GCC economies and the presence of pull factors in Pakistan does not have a statistically significant effect on the likelihood of remitting funds. In other words, while each factor may have an individual influence, their combined effect is weak and lacks statistical robustness. This finding suggests that migrants living in GCC countries do not necessarily send more remittances in response to Pakistan's economic or social demand-pull conditions. Thus, remittance behavior in this context appears relatively insensitive to the interplay between these two dimensions.

5. Conclusion

To sum up, this study has examined several elements of determinants to remit more. Empirical implications are elicited and explored using evidence from Pakistan. The findings highlight key drivers of remittance behavior, with monthly income, education, migration status, demand pull factors and destination country emerging as the most significant factors. Higher income increases the likelihood of remitting by 22 percent to 35 percent, while higher education reduces it by 15 percent to 31 percent, likely due to family reunification and localized financial commitments. Migrants with permanent residency or citizenship also remit less, reflecting deeper integration in host countries. GCC-based migrants are 52 percent more likely to send higher remittances, driven by temporary migration structures that maintain strong ties to their home country. Incentive schemes like SDRP positively influence remittances, while formal channels tend to reduce them, likely due to costs and regulatory hurdles. Demand-pull factors in Pakistan, such as inflation and family expenses, raise remittance probability by 43 percent though their interaction with GCC residency lacks statistical significance.

In terms of policy implications, this study suggests that policymakers should focus on enhancing the incentives schemes. To address the stagnation in RDA usage despite a rise in account openings, targeted reactivation campaigns with incentives should be launched, alongside improved user engagement strategies and integration with other financial services. For the PRC, awareness remains low, and certificate issuance has declined; therefore, mass awareness efforts, simplified application processes, and improved transparency in application status tracking are essential.

For SDRP, both awareness and usage are declining, largely due to technical issues—particularly on iOS devices. A full technical overhaul of the app is needed, along with better cross-platform performance. Awareness campaigns, user training, and in-app feedback mechanisms should be introduced to improve user satisfaction and retention.

Meanwhile, to gain deeper insights into the shifting trends and a more balanced representation over time, future research could focus on a comparative study to assess how responses evolve, ensuring a more comprehensive understanding of the subject matter.

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Annexure

Table A: Descriptive Statistics of Major Variables

Variable	Obs	Mean	Std. Dev.	Min	Max
Income increased	3,514	0.45	0.50	0	1
Relatively higher inflation in Pakistan	3,514	0.54	0.50	0	1
Relatively low inflation in the host country	3,514	0.06	0.23	0	1
Ex-rate in Pakistan appreciated/remained stable	3,514	0.12	0.33	0	1
Additional medical, wedding, educational related needs of family	3,514	0.30	0.46	0	1
Purchased house/apartment/land in Pakistan	3,514	0.15	0.36	0	1
Shifted savings to Pakistan amid higher profit rates compared to host country	3,514	0.11	0.31	0	1
Incentives increased for sending remittances through formal channels	3,514	0.05	0.23	0	1
Moving back to Pakistan on permanent basis	3,514	0.03	0.17	0	1
Formal channels are cheaper due to a range of incentives offered by Gov. of Pakistan & Banks	5,501	0.33	0.47	0	1
Formal channels are safer	5,501	0.63	0.48	0	1
Formal channels are quicker	5,501	0.35	0.48	0	1
Accurate information on exchange rate is readily available	5,501	0.23	0.42	0	1
Formal channels provide convenient solutions such as mobile/ app based solutions	5,501	0.37	0.48	0	1

Table B: Explanatory Variables

Variable	Remarks	Coding
Arrival period	In which of the following periods did you arrive in the host country?	Before 1990 = 1, 1991-2000 = 2, 2001-2010 = 3, 2011-2020 = 4, After 2020 = 5
Monthly Income	Please select monthly income bracket in host country (in Pak Rupee terms)	Less than 100,000 = 1, 100,000- 300,000 = 2, 300,000 – 500,000 = 3, 500,000 – 1,000,000 = 4, 1,000,000 – 1,500,000 = 5, More than 1,500,000 = 6
Education	Please select your education level	No formal education = 1, Matric or less = 2, FA/FSC/ A-Level = 3, BA/ BSC = 4, Other Bachelor's Degree = 5, Master's degree or higher = 6
Age	Please select your age bracket	Under 18 years = 1, 18 - 30 years = 2, 31 - 45 years = 3, 46 - 60 years = 4, 61 - 75 years = 5, More than 75 years = 6
Permanent Residence	Please select your emigration status in host country	Work Visa = 1, Student Visa = 2, Temporary Resident = 3, Permanent Resident = 4, Citizen = 5
RDA	Do you have Roshan Digital Account?	Yes, and it is active = 1, Yes, but it is inactive = 1, No, but I have heard about it = 0, No, and I have not heard about it = 0
SDRP	Do you know about Sohni Dharti Remittance Program (SRDP)?	Yes, and I use their app = 1, Yes, but I don't use their app = 0, No = 0
PRC	Do you know Proceed Realization Certificate (PRC) is issued against your remittances in bank account in Pakistan?	No = 0, Yes, but never got it = 0, Yes, I always get PRC against my remittances = 1
GCC	What is your Host Country	Australia = 0, Bahrain = 1,

		Kuwait = 1, Oman = 1, Qatar = 1, Saudi Arabia = 1, United Arab Emirates = 1, United Kingdom = 0, United States of America = 0
Informal Channel	In your view, which channel is used mostly for sending remittances by Overseas Pakistanis?	Mostly Formal Channels = 1, Mostly informal Channels = 0
Pakistan	If you have sent more remittances in 2024 as compared to 2023, what were the reasons for sending more remittances?	My income increased = 0, Relatively higher inflation in Pakistan = 1, Relatively low inflation in the host country = 0 Exchange rate in Pakistan appreciated or remained stable = 1, Additional medical, wedding, educational related needs of family = 1, I purchased house/apartment/land in Pakistan = 0, I shifted savings to Pakistan due to higher profit rates compared to the host country = 0, Incentives increased for sending remittances through formal channels = 0, I am moving back to Pakistan on permanent basis = 0

Source: SBP Pakistan Remittances Survey 2025

Table C: Frequency Distribution of Current and Expected Remittance Behavior

Current Remittance behavior	
Less than last year	20%
Same as last year	19%
More than last year	62%
Reasons for sending More remittance Last year	
Higher inflation in Pakistan	54%
Income increased	45%
Additional medical, wedding, educational needs	30%
Purchased house/apartment/land	15%
Exchange rate in Pakistan appreciated or remained stable	12%
Shifted savings due to higher profit compared to the host country	11%
Low inflation in the host country	6%
Incentives increased for formal channels	6%
Moving back to Pakistan	3%
Reasons for sending Less Remittances Last year	
Uncertainty about Pakistan's economy	49%
Held remittances due to uncertainty of exchange rate	24%
My income decreased /has not risen adequately	22%
Higher expenditure due to high inflation abroad	21%
Family members came to stay with me	12%
Uncertainty about my job/business in host country	10%

Cost of sending remittance has increased	10%
Profit rates were attractive in the host country	9%
Purchased assets/made investment in the host country	8%
Expected Remittance Behavior	
Less than last year	11%
Same as last year	29%
More than last year	60%
Reasons to send More remittances Next Year	
Income is expected to increase	56%
Relatively higher inflation expected in Pakistan	31%
Additional needs of family	27%
Planning to purchase house/apartment/land in Pakistan	23%
Planning investment in Pakistan	14%
Exchange Rate is expected to remain stable	10%
Planning to move to Pakistan	8%
Profit rates are expected to be higher in Pakistan	7%
Selling /planning to sell assets in host country	5%
Cost of remitting funds have declined	3%
Reasons to send less remittances 2025	
Uncertainty about Pakistan's economy	53%
Income is not expected to increase	29%
Higher expenditure in host country due to expected high inflation	22%
Exchange rate in Pakistan is expected to depreciate	20%
Cost of remitting funds have increased	18%
Family members are coming from Pakistan to stay with me	15%
Uncertainty about my job/ business	13%
Profit rates are expected to be attractive in the host country	12%