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Presentation

CHALLENGES AND OPPORTUNITIES FOR THE MDGS: SOCIAL IMPACT OF REMITTANCES

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UNICEF

The background of the slide features a dark red gradient. In the upper right, the UNICEF logo is displayed in white. Below the logo, a silhouette of a city skyline is visible, with several tall buildings. In the foreground, three silhouettes of workers are shown: one standing with a shovel, one lifting a bucket, and one bending over to work on a mound of earth. The overall scene suggests a focus on labor and development.

Challenges and Opportunities for the MDGs: Social Impact of Remittances

Remittances and MDGs: Searching for a framework for enhancing the fulfillment of children's rights

- The massive economic gains from remittances can be used for the eradication of extreme poverty, the extension of primary education, increased access to safe potable water and reduction of child mortality
- From UNICEF's perspective it is central to guarantee that the pursuit of these MDGs includes low-cost interventions and well designed policies aimed at fulfilling the rights of children and women – ensuring their survival, protection, participation and development

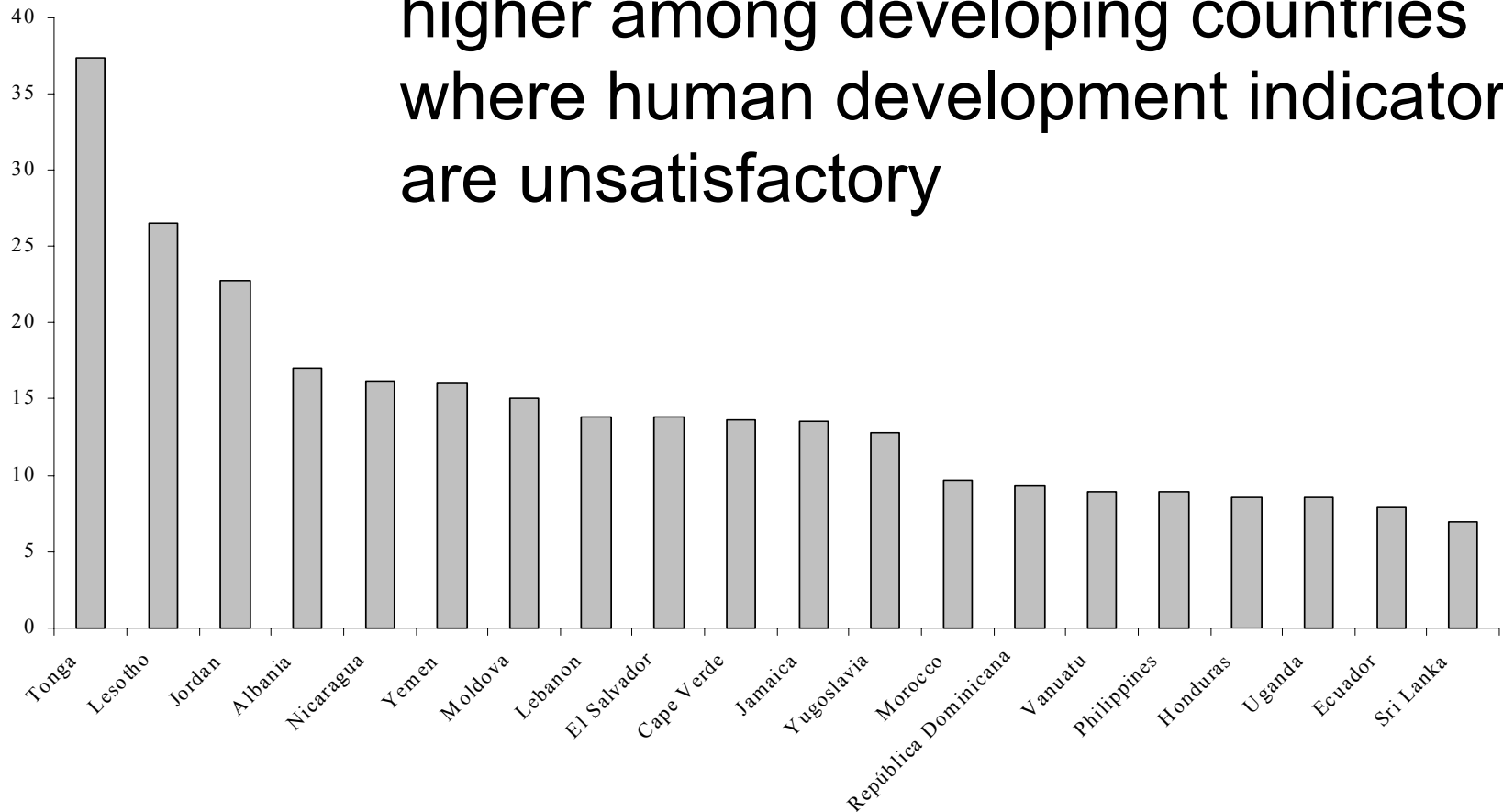
The challenge to UNICEF:

How to support international efforts in leveraging remittances?

- in order to promote the improvement of the conditions and prospects of children and their families
- in a manner that builds the capacity of States to ensure that the rights of women and children are advanced

Remittances: substantial share of GDP in poor countries

- Share of remittances significantly higher among developing countries where human development indicators are unsatisfactory



Utilization of remittances

	Country	Consume	Education /Health	Investm/Saving	Home	Social	Other
Bagasao (2003)*	Philippines	45%	10%	6%	3%		Debts 36%
Siddiqui and Abrar (2003)	Bangladesh	48,9	5,97	7,83	16	9,07	21,3
Bendixen and St. Onge (2005)	Brasil	46	43	19	7		
Bendixen and St. Onge (2005)	Colombia	68	12	11	3		
Bendixen and St. Onge (2005)	Dominican Republic	60	17	10	4		
Bendixen and St. Onge (2005)	Ecuador	61	2	16	4		
Bendixen and St. Onge (2005)	El Salvador	84	4	8	0		4
Bendixen and St. Onge (2005)	Guatemala	68	7	21	0		3
OIM (2004)	Guatemala	63,7	11,1	25,2			
Bendixen and St. Onge (2005)	Honduras	77	10	8	0		3
Orozco (2004 a)	Mexico	70	6	8	1		12
Amuedo-Dorantes et al. (2004)	Mexico	34,2	46,5	2,2	7,4	0,3	9,2
Cohen and Rodriguez (2004)	Mexico	58,4	9,7	8,5		2,4	8,5
Orozco (2005)	Nicaragua	72	19	7	21		2
Addleton (1984)	Pakistan	60		12,8	21,7	2,35	3,19
Stahl and Arnold (1986)	Sri Lanka	52		10	28,5		9,5

The qualitative impact of remittances on social development

Impact on:

- **Improving quality of education and health care for children from low-income households**
- **Household dynamics, particularly sustaining income flows and protecting benefits of remittances**
- **Gender equality**
- **Children's survival, protection, participation and development**

Existing Programmatic Efforts

Models and Initiatives:

Linking remittances with the development of vulnerable communities, cooperating with diaspora associations, institutional mechanisms, public-private partnership, local and national levels



- ▶ **Scholarships**
- ▶ **Basic and social infrastructure**
- ▶ **Equity investments in local enterprises**
- ▶ **Social Investment Funds**

Remittances and Poverty Reduction: Areas for further research

Children and youth: identify psycho-social impact, quality of learning and health care, and promotion of children's rights

Gender: Role of gender in the volume, sustainability, patterns and of uses of remittances

Remittances and Poverty Reduction: Areas of policy development and programmatic direction

- Sustain advocacy with governments on expanding investments in education and health, and the promotion of gender equality and children's rights
- Expanding knowledge of mechanisms aimed at managing the changes that remittances cause at the household and community levels
- Modeling programs that address the impact of remittances on cultural values and social cohesion
- Building institutional mechanisms of cooperation between overseas workers and their communities

The End

