

# At \$129 bn, India top recipient of remittances this year: World Bank

RUCHIKA CHITRAVANSHI

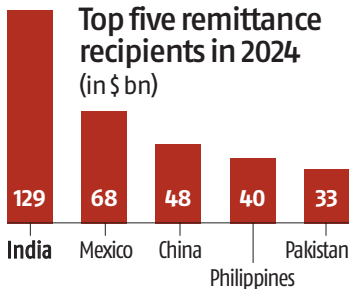
New Delhi, 18 December

India was the topmost recipient of remittances in 2024 with an estimated inflow of \$129 billion, followed by Mexico, China, Philippines and Pakistan, driven by a recovery in the job markets in high-income countries, a blog post by World Bank economists said on Wednesday.

The growth rate of remittances this year is estimated to be 5.8 per cent, compared to 1.2 per cent registered in 2023, according to the report.

“The recovery of the job markets in the high-income countries of the Organization for Economic Co-operation and Development (OECD), following the onset of the pandemic, was the key driver of remittances,” the blog post said.

It added that officially recorded remittances to low-and



Source: World Bank blog post

middle-income countries (LMICs) are expected to reach \$685 billion in 2024.

The blog post said remittances have continued to outpace other types of external financial flows to low- and middle-income countries and will continue to increase because of enormous migration pressures driven by demographic trends, income gaps, and climate change.

It said the gap between remittances and Foreign Direct Investment (FDI) is expected to widen further in 2024.

In the past decade, remittances increased by 57 per cent, while FDI declined by 41 per cent, the World Bank said.

“Countries need to take note of the size and resilience of remittances and find ways to leverage these flows for poverty reduction, financing health and education, financial inclusion of households, and improving access to capital markets for state and non-state enterprises,” the blog said.

Remittance flows to South Asia are expected to register the highest increase in 2024, at 11.8 per cent, driven by continued strong flows to India, Pakistan, and Bangladesh, the blog post by economists Dilip Ratha, Sonia Plazaeng and financial analyst Ju Kim, added.