

Workers' remittances in the EU27

## Migrants in the EU27 sent about €20 billion to third countries in 2006

€7 bn transferred within the EU27

The money sent by migrants to their former country of residence, usually referred to as workers' remittances<sup>1</sup>, from the **EU27** Member States amounted to €26 bn in 2006, compared with €23 bn in 2005. These figures include both intra-EU27 and extra-EU27 flows. Flows to other Member States accounted for a much lower share than flows to countries outside the EU27. In 2006, **intra-EU27** flows accounted for €7 bn or one quarter of the total, and **extra-EU27** flows for €19 bn or three quarters, the same proportions as in 2005. **Spain, UK, Italy, Germany and France** are the main remitting Member States. These five Member States account for more than 85% of total **EU27** remittances.

The data show that, in 2006, the **EU27** as a whole remitted more than double the amount it received from third countries (€19 bn sent compared to €9 bn received)

These are the main results of a recent survey of Member States' statistics carried out by **Eurostat, the Statistical Office of the European Communities**. In response to an increasing demand for data on workers' remittances, Eurostat launched an ad hoc survey asking Member States to provide statistics on remittances. It should be noted that the data provided by the Member States take account of flows officially recorded within the framework of balance of payments statistics. Money sent through informal or illegal channels are not usually recorded and therefore not part of the statistics resulting from this survey. This data is complemented by a new study financed by the European Commission.

### Workers' remittance outflows from the EU27, €billion

	2006	2005
Total workers' remittances	26.0	23.0
Intra-EU flows	6.8	6.1
Extra-EU flows	19.2	17.0

Source: Eurostat

## Workers' remittance outflows from EU Member States in 2006, €billion

	Total	Intra-EU	Extra-EU
Spain	6.8	1.2	5.6
United Kingdom*	5.9	1.2	4.7
Italy	4.4	1.1	3.2
Germany	2.9	0.9	2.0
France*	2.4	1.1	1.4
Netherlands*	0.8	0.2	0.6
Portugal	0.6	0.1	0.5
Austria*	0.6	0.4	0.2
Greece*	0.5	0.1	0.5
Belgium*	0.3	0.1	0.2
Denmark	0.2	0.1	0.2
Ireland*	0.5	0.4	0.1
Czech Republic	0.1	0.1	0.1
Luxembourg	0.1	0.1	0.0
Other*	0.1	0.1	0.1
<b>EU27*</b>	<b>26.0</b>	<b>6.8</b>	<b>19.2</b>

\* Eurostat estimates  
Source: Eurostat

### Main corridors and regions of destination of EU27 remittances

A study<sup>2</sup>, which was financed by the European Commission's **Directorate-General for Economic and Financial Affairs** (DG ECFIN), provides non-official estimates of **the volume and the geographical breakdown of workers' remittance flows from the EU**. Using a statistical model to indirectly estimate workers' remittances from migrants' disposable income and their propensity to remit, the study for the first time presents workers' remittance flows from the 27 EU Member States by origin and destination countries for the years 2000 to 2004. These data include money sent through both formal and informal channels and in addition the compilation approach is different from the official data collected by Eurostat. Therefore the two data sets should not be directly compared. However, these estimates provide an overview of the geographical breakdown which complements the Eurostat survey.

In 2004, the **10 most important remittance corridors** identified were Germany-Turkey, France-Morocco, France-Portugal, Spain-Morocco, Spain-Colombia, Germany-Poland, Spain-Ecuador, France-Algeria, Italy-Albania, and Germany-Serbia and Montenegro. Apart from intra-EU remittance flows, the **main global regions of destination** were non-EU Europe, North Africa, Sub-Saharan Africa and Latin America.

### Workers' remittances from the EU27 - Breakdown by global regions of destination (€billion), 2004

	EU27	non-EU Europe	North Africa	Sub-Saharan Africa	Latin America	Asia	North America	Caribbean	Middle East	Oceania	Total
<b>Germany</b>	1.69	2.70	0.13	0.30	0.21	0.61	0.19	0.04	0.10	0.01	<b>6.0</b>
<b>France</b>	1.62	0.22	2.29	0.72	0.05	0.23	0.01	0.10	0.05	0.00	<b>5.3</b>
<b>Spain</b>	0.72	0.14	1.11	0.20	2.00	0.05	0.01	0.20	0.01	0.00	<b>4.4</b>
<b>UK</b>	0.93	0.13	0.06	1.12	0.14	0.97	0.25	0.24	0.07	0.19	<b>4.1</b>
<b>Italy</b>	0.34	0.66	0.23	0.44	0.15	0.16	0.03	0.04	0.03	0.00	<b>2.1</b>
<b>Belgium</b>	0.39	0.14	0.30	0.04	0.03	0.04	0.03	0.00	0.00	0.00	<b>1.0</b>
<b>Netherlands</b>	0.26	0.14	0.22	0.08	0.07	0.08	0.03	0.01	0.01	0.01	<b>0.9</b>
<b>Austria</b>	0.33	0.32	0.02	0.03	0.02	0.05	0.01	0.01	0.00	0.00	<b>0.8</b>
<b>Other</b>	0.61	0.54	0.06	0.28	0.26	0.22	0.11	0.01	0.08	0.02	<b>2.2</b>
<b>Total</b>	<b>6.9</b>	<b>5.0</b>	<b>4.4</b>	<b>3.2</b>	<b>2.9</b>	<b>2.4</b>	<b>0.7</b>	<b>0.7</b>	<b>0.4</b>	<b>0.2</b>	<b>26.8</b>

Source: Commission Services calculations based on Jiménez-Martín et al. (2007)

1. In the Balance of Payments statistics framework workers' remittances covers goods and financial instruments transferred by migrants living and working in new economies to residents of economies in which the migrant formerly resided. In the statistics presented, only money transfers are covered.  
Data on remittances are difficult to compile, because they represent numerous, small transactions through a large variety of channels. Therefore, in a number of countries there are concerns over data quality. The users need to bear this in mind when using the data.
2. The study was carried out by Sergi Jiménez-Martín, Natalia Jorgensen and José María Labeaga at the *Fundación de Estudios de Economía Aplicada (FEDEA)* in Madrid. It is available in English language for download at:  
[http://ec.europa.eu/economy\\_finance/index\\_en.htm](http://ec.europa.eu/economy_finance/index_en.htm)

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**Tim ALLEN**  
Tel: +352-4301-33 444  
[eurostat-pressoffice@ec.europa.eu](mailto:eurostat-pressoffice@ec.europa.eu)

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For further information on Eurostat data:  
**Mushtaq HUSSAIN**  
Tel: +352-4301-35 811  
[mushtaq.hussain@ec.europa.eu](mailto:mushtaq.hussain@ec.europa.eu)

For further information on DG ECFIN study:  
**Martin HALLET**  
Tel: +32-2-299 34 38  
[martin.hallet@ec.europa.eu](mailto:martin.hallet@ec.europa.eu)