

## Much more than a 'lifeline' for millions, remittances can spur global growth, says UN agency

Not only are remittances a “critical lifeline” for millions globally, the direct benefits of money sent home by migrant workers touch the lives of one in every seven persons on the planet – over one billion people, the United Nations rural development agency has said.

“[Remittances are vital](#) for millions of families, helping them to address their own development goals, but we can help them do more and build their longer-term future,” said Gilbert Houngbo, the President of the International Fund for Agricultural Development ([IFAD](#)).

Last year, 200 million migrants sent \$481 billion to remittances-reliant countries. Of this amount, \$466 billion went to developing countries and there are estimates that between 2015 and 2030, remittances sent to developing countries could cross \$6.5 trillion.

According to IFAD, after spending remittances on basic needs such as food, housing, education and health, a sizable amount – over \$100 billion, still remains – presenting a large pool of resources, which can then be invested in financial and tangible assets such as savings or small business development that help families build their future.

These productive activities can also create jobs and transform economies, in particular in rural areas, added IFAD.

“Given appropriate investment options, customized to their circumstances and goals, remittance families will invest more and become agents of change in their communities,” urged Mr. Houngbo.

The IFAD President’s call comes against the backdrop of the recent designation, by the UN General Assembly, of 16 June as the [International Day of Family Remittances](#), originally created by the IFAD Governing Council.

Proclaiming the International Day, the General Assembly [also recognized](#) the “transformative impact” of remittances, including those from migrants, for the implementation of the Sustainable Development Goals and in supporting long term development strategies.