

[India](#) continued to be the world's top recipient of [remittance](#) from its diaspora, gathering \$69 billion in 2017—nearly 1.5 times India's defence budget for 2018-19—an increase of 9.5% from the previous year, according to [World Bank](#) data.

[Remittances](#) to [India](#) from its diaspora increased 22 times to \$69 billion in 2017 from \$3 billion in 1991, but as a proportion to gross domestic product (GDP) fell 1.2 percentage points to 2.8% in six years to 2017. Such [remittances](#) increased nine times worldwide to \$613 billion during the same period.

The countries that followed [India](#) in receiving [remittances](#) were China, The Philippines, Mexico, [Nigeria](#) and Egypt, according to the latest [migration](#) report by the [World Bank](#).

Nearly \$6.5 trillion will be sent in remittances to developing countries between 2015 and 2030, involving over a billion senders and receivers, according to this June 2014 note by the International Fund for Agricultural Development (IFAD), an international financial institution and United Nations agency.

Close to half of the remittances will go to rural areas where poverty and hunger are the highest, it said.

“Remittances are vital for millions of families, helping them to address their development goals,” Gilbert F. Hounbo, president of IFAD, said in the release.

The increase in remittances is likely to continue in 2018 due to strong economic conditions in advanced economies (particularly the United States) and an increase in [oil prices](#) that should have a positive impact on the Gulf Cooperation Council region (now known as Cooperation Council for the Arab States of the Gulf), including [United Arab Emirates](#) (UAE), Saudi Arabia, Bahrain, Kuwait, Oman and Qatar, the report said.

[Kerala](#) topped the share of remittances (40%) with the number of workers sending money to the state increasing in five years to 2014, IndiaSpend reported on April 20, 2016, followed by [Punjab](#) (12.7%), [Tamil Nadu](#) (12.4%), [Andhra Pradesh](#) (7.7%) and [Uttar Pradesh](#) (5.4%) respectively.

Remittances steady but contribution to GDP declines

Remittances contributed to 2.8% of India's GDP in 2017 based on projected figures, the [World Bank](#) report noted, the same as the previous year.

Over six years to 2017, the contribution to GDP fell 1.2 percentage points to 2.8% while the remittances averaged nearly \$68 billion.

In 1990-91, the contribution to GDP was 0.7%, which increased to 3.08% in 2005-06, [Migration](#) Policy Institute, a global think tank, reported on February 1, 2007.

In 2011-12, remittances accounted for 4% of GDP, the highest level over the last six years, Hindustan Times reported on October 8, 2012.

[Migration](#) of workers from India fell 39% between 2011-17

While remittances are expected to rise during 2018, workers migrating for work legally after completing ‘emigration check required’—required for travellers/workers who have not completed grade X in India—procedures in 2016 fell nearly 34% to 520,938 compared to 2015, according to the Migration 2018 report of the [International Labour Organization](#).

The drop was due to the decline in [crude oil prices](#) and the resulting economic slowdown in the GCC countries.

Overall, in seven years to 2017, the number of workers migrating fell 39% to 391,024.

There are more than 30 million Indians overseas with over 9 million concentrated in the six Gulf nations.

Indian workers going to [Saudi Arabia](#) declined 47% to 162,000 in 2016 from 2015, and workers going to the UAE fell 29% in the same period, the 2017 World Bank report showed. Inflows from the GCC made up 52% of remittances received in 2016, the ILO report said.

In 2017, remittances sent by over 200 million migrants helped sustain 800 million people across the world, the IFAD said.

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