

Remittances

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Development of a Research Study to Enhance Value and Amount of Formal Remittances to Ethiopia

Date of submission
24/11/2015

Requesting entity
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This Action is funded by the European Union

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Background

Ethiopia is ranked as one of the top-ten remittance receiving countries in sub-Saharan Africa. At various times, the National Bank of Ethiopia has taken positive measures in order to improve the operations and flow of formal remittances as well as to reduce access to informal remittances. However, given the large size of Ethiopian diaspora (between

2.5 and 3 million) there is a strong need to further explore opportunities to improve the inflow of remittances, which benefit the migrants, their families and the Ethiopian economy as a whole.

Objective

This Technical Assistance Intervention aims at supporting the Ethiopian Ministry of Foreign Affairs and related stakeholders to identify barriers adversely affecting the Ethiopian Diaspora from using formal remittances transfer mechanisms.

Activities

A thorough study examining the possible solutions to enhance formal remittances flows to the country to support sustainable economic development;

Consultation, and brainstorming with relevant stakeholders about the realm of formal remittances inflows in Ethiopia.

Expected results

A study on barriers affecting the Ethiopian Diaspora from using formal remittances transfer mechanisms to help the Government to build strong relationships with its diaspora, and encourage them to formally transfer money back into the country to boost the national economy;

By analyzing and building onto already existing initiatives, new systems will be incorporated into the Ethiopian context, allowing the Government to ensure economic stability and growth.