REMITTANCES TO ETHIOPIA

October 27, 2010
Methodology

<table>
<thead>
<tr>
<th>Sample size</th>
<th>2,412 interviews with Ethiopian adults</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dates of interviews</td>
<td>July 14 – September 4, 2010</td>
</tr>
<tr>
<td>Margin of error</td>
<td>2 percentage points</td>
</tr>
<tr>
<td>Language of interviews</td>
<td>Amharic</td>
</tr>
</tbody>
</table>
The survey was conducted in regions that represent 97 percent of the Ethiopian population.
DEMOGRAPHICS AND CHARACTERISTICS OF REMITTANCE RECIPIENTS
Gender

Census

- 50% Male
- 50% Female

Remittance Recipients

- 55% Male
- 45% Female
Urban / Rural

Census

16% Urban
84% Rural

Remittance Recipients

35% Urban
65% Rural
Monthly Household Income

Remittance Recipients

- Less than 1000 ETB: 9%
- 1000 - 3500 ETB: 47%
- 3500 - 5000 ETB: 12%
- 5000 - 10000 ETB: 23%
- 10000 ETB or more: 2%
- No answer: 7%
THE STATISTICS OF REMITTANCES
Do you have any family members or relatives living in another country outside Ethiopia?

- Yes: 39%
- No: 61%
Have any of your family members or relatives living in another country outside Ethiopia ever sent you money?

- Yes, frequently: 14%
- Yes, infrequently: 4%
- No: 21%
- No family members outside Ethiopia: 61%

14% of Ethiopian adults are regular remittance recipients.
How frequently does your family member or relative send you money?

- 24 times a year: 2%
- 12 times a year: 15%
- 4-6 times a year: 36%
- 2-3 times a year: 47%

AVERAGE: 5 TIMES A YEAR
How much money – on average – does your family member or relative send to you each time?

- Less than $100: 32%
- $101 to $200: 38%
- $201 to $300: 15%
- $301 to $400: 8%
- $401 to $500: 4%
- More than $500: 3%

AVERAGE: US$120
## Remittances to Ethiopia

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult population (est.)</td>
<td>38,500,000</td>
</tr>
<tr>
<td>Percent receiving international remittances regularly</td>
<td>14%</td>
</tr>
<tr>
<td>Adult population receiving international remittances regularly</td>
<td>5,400,000</td>
</tr>
<tr>
<td>Frequency of remittances</td>
<td>5 times a year</td>
</tr>
<tr>
<td>Average remittance received</td>
<td>US$120</td>
</tr>
<tr>
<td>Total amount per year</td>
<td>US$3.2 billion</td>
</tr>
</tbody>
</table>
# Origin of Remittances

<table>
<thead>
<tr>
<th>Region</th>
<th>North America</th>
<th>Europe</th>
<th>Other Africa</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>United States</td>
<td>England</td>
<td>Djibouti</td>
</tr>
<tr>
<td></td>
<td>Canada</td>
<td>Germany</td>
<td>South Africa</td>
</tr>
<tr>
<td><strong>Asia / Middle East</strong></td>
<td></td>
<td>Italy</td>
<td>Sudan</td>
</tr>
<tr>
<td>UAE</td>
<td></td>
<td>Norway</td>
<td>Kenya</td>
</tr>
<tr>
<td>Israel</td>
<td></td>
<td>Sweden</td>
<td></td>
</tr>
<tr>
<td>Lebanon</td>
<td></td>
<td>Netherlands</td>
<td></td>
</tr>
<tr>
<td>Yemen</td>
<td></td>
<td>France</td>
<td></td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td></td>
<td>Switzerland</td>
<td></td>
</tr>
<tr>
<td>Qatar</td>
<td></td>
<td>Denmark</td>
<td></td>
</tr>
<tr>
<td>Australia</td>
<td>40%</td>
<td>22%</td>
<td>5%</td>
</tr>
<tr>
<td></td>
<td>35%</td>
<td></td>
<td>2%</td>
</tr>
<tr>
<td></td>
<td>5%</td>
<td></td>
<td>1%</td>
</tr>
<tr>
<td>Asia / Middle East</td>
<td>30%</td>
<td></td>
<td>1%</td>
</tr>
<tr>
<td></td>
<td>23%</td>
<td></td>
<td>1%</td>
</tr>
<tr>
<td></td>
<td>3%</td>
<td></td>
<td>1%</td>
</tr>
<tr>
<td></td>
<td>2%</td>
<td></td>
<td>&lt;1%</td>
</tr>
<tr>
<td></td>
<td>1%</td>
<td></td>
<td>&lt;1%</td>
</tr>
<tr>
<td></td>
<td>&lt;1%</td>
<td></td>
<td>&lt;1%</td>
</tr>
</tbody>
</table>

**Note:** The percentages are approximate and may not sum up to 100% due to rounding.
The Statistics of Remittances
THE REMITTANCE PROCESS
How do you receive this money?

- Bank: 21%
- Remittance company: 64%
- Traveler: 14%
- Credit card / ATM card: 1%
What is the name of the bank or remittance company?

Remittance companies (64%)

- Western Union 59%
- MoneyGram 4%
- Dahabshiil 1%
- OTHER MEANS 15%

Banks (21%)

- Dashen Bank 8%
- Commercial Bank of Ethiopia 6%
- Hiberet / United Bank 4%
- Awash International Bank 1%
- Other banks 2%
How satisfied are you with the services of your bank or remittance company?

- Very satisfied: 64%
- Somewhat satisfied: 32%
- Somewhat dissatisfied: 4%
- Very dissatisfied: 0%
RELATIONSHIP WITH REMITTANCE SENDERs
What is your relationship to the person who sends you money?

- Father or mother: 6%
- Brother or sister: 47%
- Husband or wife: 5%
- Son or daughter: 10%
- Uncle, aunt, cousin, niece, nephew, or other: 32%
Which of the following best describes the main reason your relative who sends you money left Ethiopia?

- To find a better job 85%
- To go to school 10%
- For some other reason 3%
- No answer 2%
How often do you communicate with this family member or relative – the one that sends you money?

- Every day: 1%
- Once a week: 46%
- Once a month: 41%
- A few times a year: 12%
- Once a year: 0%
- Very rarely / Almost never: 0%
Overall, how many people benefit from the money you receive from your family member or relative?

<table>
<thead>
<tr>
<th>Option</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>20%</td>
</tr>
<tr>
<td>2</td>
<td>21%</td>
</tr>
<tr>
<td>3</td>
<td>24%</td>
</tr>
<tr>
<td>4</td>
<td>16%</td>
</tr>
<tr>
<td>5</td>
<td>11%</td>
</tr>
<tr>
<td>6</td>
<td>3%</td>
</tr>
<tr>
<td>7</td>
<td>3%</td>
</tr>
<tr>
<td>8 or more</td>
<td>2%</td>
</tr>
</tbody>
</table>
IMPACT OF INTERNATIONAL REMITTANCES
What do you use this money for?

- Daily expenses only: 57%
- University education: 29%
- Small business: 9%
- Savings account: 4%
- Housing: 1%
### Interest in Financial Products

“Very interested” answers only

<table>
<thead>
<tr>
<th>Financial Product</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Savings account</td>
<td>79%</td>
</tr>
<tr>
<td>Business loans</td>
<td>71%</td>
</tr>
<tr>
<td>University education loans</td>
<td>69%</td>
</tr>
<tr>
<td>Home mortgage</td>
<td>60%</td>
</tr>
<tr>
<td>Health or life insurance</td>
<td>56%</td>
</tr>
</tbody>
</table>
Do you own a mobile phone?

Remittance Recipients

- Yes: 94%
- No: 6%
Impact of Remittances
Have any of your family members or relatives living in another part of Ethiopia ever sent you money?

- Yes: 78%
- No: 22%
How much money – on average – does your family member or relative send to you each time?

- Less than $50: 60%
- $51 to $100: 22%
- More than $100: 18%
How do you receive this money?

- Bank: 74%
- Remittance company: 4%
- Traveler: 20%
- Another way: 2%