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Diaspora Remittances key to National Development





The tremendous growth in Labor Migration in Kenya has contributed to the increase of diaspora remittances which not only is a contributor to economic growth and development but also a catalyst for sustainable development.

Migrant workers stimulate economic growth and development in areas of destination, transit and origin through their labor, skills transfer, consumption and investments. Their remittances also make significant contributions to food security, human capital, rural development and overall Gross Domestic Product (GDP) in of the country.

The increasing Kenyan migrant to the gulf nations and other key labour markets has contributed to a growing prominence in diaspora remittances especially from countries such as the US, UK and Saudi Arabia. According to the Central Bank of Kenya (CBK) Data, Kenyans sent home cumulatively USD 305.9 million by June 2021 compared to USD 288.5 million in June 2020 and USD 315.8 million in May 2021. The report also showed that the cumulative inflows in the 12 months to June 2021 totaled USD 3,383 million compared to USD 2,809 million in the same period in 2020, a 20.4 per cent increase.

Regions such as Asia recorded an increase of 12 percent month-on-month to sh 3.5 billion ($32.6 million) while remittances from north America including the US, Canada and Bahamas jumped by 6 percent to sh20.8 billion ($193.5 million). Inflows from European Countries rose by 3 percent to sh7 billion ($65.8 million), Africa stayed flat at sh 1.4 billion ($ 13.5 million).

In 2020, Kenya was ranked among the top four highest remittance-recipient countries in Africa, coming in close after Egypt (USD 29.6 billion), Nigeria (USD 17.2 billion) and Ghana (USD 3.6 Billion).

More information on Kenyan migrant workers is available on :https//kmw.nea.go.ke

ABOUT NEA

The National Employment Authority (NEA) was established in April, 2016 by an Act of Parliament (the National Employment Authority Act 2016) . The Authority main policy priorities are the promotion of employment in all aspects of national development. Specific policy priorities are:

1. Employment creation, especially for the youth, minorities and marginalized groups
2. Provision of labour market information;
3. Re-engineering of public employment services; and
4. Promotion of foreign employment.



This data only captures remittances sent through formal channels, and it has been suggested that the value of remittances could be double this amount if remittances sent through informal channels were factored in. It is estimated that three-quarters of remittances are channeled to family support/consumption, such as school fees, food and medical bills.

This tremendous growth has made diaspora remittance to become Kenya's highest foreign exchange earner, exceeding earnings from tea, coffee, as well as tourism. This makes it not only a major contributor to economic growth and development but also as a catalyst for sustainable development.

Training workshop on Safe Labour Migration.



In a bid to support Government's efforts to promote safe labour Migration practices, and ensure its alignment with international best practices and initiatives, The Ministry of labour in collaboration with the International Organization on Migration (IOM) organized two-day training workshop on 20th and 21st September 2021, at Maanzoni for the Labour Vetting Committee and the National Coordination Mechanism. The aim of the workshop was to sensitize them on good practices on labour migration and ethical recruitment

The workshop tackled various topical issues ranging from risks faced migrant workers, the human trafficking element in labour migration, protection of migrant workers, and pre-departure orientation, among others.

Labour migration and foreign employment benefit Kenya in form of remittances, skills transfer and source of livelihoods to thousands of Kenyans migrant workers and their families. Just as the broader recruitment sector is driven by a market for quickly available and inexpensive labour, the market for ethical recruitment is associated with business incentives for recruiters to do the right thing on both the employer and migrant ends of the labour supply chain

Kenya has so far taken a number of measures to enhance the protection of Kenyan migrant workers abroad, including the development of BLAs, deploying labour attachés to Middle Eastern countries, and strengthening the regulation of PEAs.



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