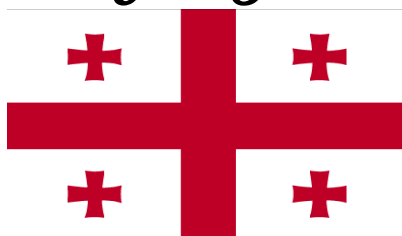


# Summary of Findings from National Surveys

## *Azerbaijan*



## *Georgia*



## *Moldova*



### **Introduction**

The first phase of this project involved conducting household surveys in Azerbaijan, Moldova and Georgia. The three survey samples were designed to be representative of the adult populations of these three countries. Professionally trained and supervised personnel conducted the interviews. Bendixen & Associates polled 4,051 Azeri adults, 5,005 Georgian adults, and 2,073 Moldovan adults from December of 2006 through February of 2007. The majority of the interviews in Azerbaijan were conducted in Azerbaijani and Russian. The remainder were conducted in Hebrew, Turkish, Lezgi, Chechen, Tatar, Talysh, Avar, Tat or Farsi. The interviews in Georgia were conducted in Georgian. The interviews in Moldova were conducted in Moldovan, Romanian, and Russian. The margin of error for all three surveys is between one and two percentage points.

### **Demographic Characteristics of Remittance Recipients**

The studies reveal that the demographic and geographic distribution of remittance recipients in each of the three countries surveyed is similar to that of the adult population. In Azerbaijan, there is a higher concentration of remittance recipients in the capital city of Baku and the port city of Lankaran. In Georgia, the profile of remittance recipients is younger than that of the adult population. There also seems to be a higher concentration of recipients in the region of Samtskhe Javakheti - mostly populated by ethnic Armenians. In Moldova, remittance recipients are more likely to be older, female, and residents of the urban areas.

### **Major Findings on Remittances**

More than one-third of the adult population of these three countries report having a family member living abroad. A significant percentage also reported that these relatives send them money directly and on a regular basis - at least once a year. There are approximately half a million regular remittance recipients in each of the three countries studied. Azeris receive the majority of remittances from family members living in Russia. In contrast, less than half of all remittances to Georgia and Moldova come

from Russia. In Georgia, remittances also arrive from Greece, Germany, France, Austria, Belgium, the United States, and Armenia. In Moldova, remittances also arrive from Italy and other European nations. Recipients in these three countries report that they received six to eight remittances during the last twelve months and that the average remittance was between €100 and €150.

The polls indicate that the remittance process has been directly impacted by the improvement and low cost of international communications. The overwhelming majority of remittance recipients in these three countries reveal that they communicate with their family abroad via telephone or Internet at least once a month. This modern social phenomenon has resulted in the creation of “transnational families.” Many senders are motivated to send remittances because they are well informed about the needs and concerns of their relatives back home. The surveys show that the remittance process involves all types of relatives – parents, sons and daughters, spouses, siblings, cousins, uncles and aunts.

This study reveals that remittances are a relatively new economic phenomenon in these three countries. Approximately one-half of all recipients have been receiving money from abroad for less than three years.

A substantial percentage of the money sent from abroad to these three countries arrives by informal means. In Georgia and Moldova, approximately one-third of remittances are sent by courier or with a family member traveling to those countries, while one-fifth of Azeris utilize the so-called “koala” system. Nevertheless, the majority of recipients in the three countries collect their money at a bank or financial institution.

The three polls indicate that more than eighty percent of the money received in Moldova, Georgia, and Azerbaijan is spent on daily expenses – housing, food, clothing, and medicine. Many remittance recipients report some interest in financial investment products like home mortgages, insurance policies, small business and educational loans.

Remittance recipients in the three countries studied told interviewers that they share the money that they receive from relatives abroad with at least two other people. The study indicates that approximately three and a half million people in Azerbaijan, Georgia and Moldova benefit from the remittance process.

The study shows that a very low percentage of remittance recipients have a bank account and therefore have access to credit and other financial investment products. In Azerbaijan and Moldova, about one-fifth of recipients have a bank account, while in Georgia, the percentage of those with a bank account is even lower – 11 percent. These low numbers are surprising considering the large percentage of people from these three countries that go to a bank to pick up their remittance on a regular basis.

### **Remittance Estimates**

The household study of Moldova estimates that it received €440 million during 2006. The equivalent estimate for Azerbaijan is €385 million. The estimate for Georgia is €304 million. These estimates are based on the latest census figures on the adult population of each country, the percentage of adults that receive remittances on a regular basis in each country, the average annual frequency of remittances and the average amount of remittances in each country.