

Denera Atanguegnima

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Informations complémentaires :via Teams

PhD seminar. Remittances and Financial Inclusion: What Do We Learn from African Countries?

Remittances and Financial Inclusion: What Do We Learn from African Countries?

Discussants : [Jean-Louis Combes](https://leo.uca.fr/enseignants-chercheurs/m-jean-louis-combes)(<https://leo.uca.fr/enseignants-chercheurs/m-jean-louis-combes>) et [Bernard Lombo](https://www.linkedin.com/in/aguima-aim%C3%A9-bernard-lombo-21ab38125/)(<https://www.linkedin.com/in/aguima-aim%C3%A9-bernard-lombo-21ab38125/>?originalSubdomain=fr)

ABSTRACT

In policy discussions, it has frequently been claimed that migrants' remittances could be a 'catalyst' for access to financial services for receiving households. This study examines empirically the role of migrant remittances as a determinant of financial inclusion in Sub-Saharan African (SSA) countries using panel data over the period 2004 to 2019. This is an important issue considering the literature that has documented the effects of financial inclusion on inclusive growth and poverty reduction. Eight different indicators of financial inclusion were used: Bank branches and Automatic teller machines (ATMs) per 100 000 adults, the aggregate level of deposits and credits provided by banks, the number of microfinance institutions (MFIs), the value of deposits and loans provided by MFIs, and the number of active borrowers per MFI. Results using the dynamic Generalized Method of Moments (GMM) show a positive effect of remittances on the level of financial inclusion. These effects are more significant for microfinance institutions indicators than for those of traditional banks. This suggests that remittances provide recipients the opportunity to open bank accounts, increase their savings, and access the financial system while allowing also the unbanked to access existing and new financial products such as those from microfinance institutions. As a result, remittances are emerging as a determinant of financial inclusion in SSA. They can potentially help to expand microfinance institutions since the profile of the recipients of remittances often matches those of their clients. Our findings provide insights into the potential for capitalizing on the benefits of African migration through remittances by implementing and promoting financial inclusion policies that focus on financial institutions appropriate to the Sub-Saharan context.

[Read the paper](https://cerdi.uca.fr/medias/fichier/financial-inclusion-remittances-denera-atanguegnima_1648041540951-pdf?ID_FICHE=89010&INLINE=FALSE)(https://cerdi.uca.fr/medias/fichier/financial-inclusion-remittances-denera-atanguegnima_1648041540951-pdf?ID_FICHE=89010&INLINE=FALSE)



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