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**Statement by Louise Arbour, Special Representative  
of the Secretary-General for International Migration**

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**The contribution of migrants to sustainable development**

**Side event during the 4<sup>th</sup> round of intergovernmental  
negotiations on the Global Compact for Migration**

**New York, 15 May 2018**

**Excellencies,**

**Colleagues, ladies and gentlemen,**

**Thank you very much for giving me the opportunity to address you today. I would like to thank IFAD and the Global Migration Group for organizing this timely event at the margins of the fourth round of negotiations.**

**As we proceed in these negotiations to examine the many aspects of international migration, it is critical that we not lose sight of its important relationship to development, well-articulated in both the Sustainable Development Goals and the New York Declaration.**

**I particularly welcome the focus of today's event on the important contribution of migrants to global sustainable development. The positive aspects of migration are easily obscured in the current political climate where a negative, if not actively hostile, narrative often dominates public discourse.**

**When migrants are systematically portrayed as unfair competitors for jobs, benefits and scarce resources, or as threats to social cohesion and public security, the need is stronger than ever for leadership across all sectors to insert into the public discourse credible facts, evidence**

**and informed analysis, and steer it away from perceptions grounded in misinformation if not outright xenophobia and intolerance.**

**The global reality is indeed worth recalling: most migrants are migrant workers and they are needed in virtually all sectors of the job market; they bring skills and they help economies flourish. Although migrants represent just slightly over 3% of the global population, they contributed 9% of global GDP in 2015.**

**Our understanding of the positive impacts of labour migration has evolved greatly in recent years. We know that the majority of migrants' economic contribution is generated in the economies of the destination countries where migrants live and work. While it is obvious that migrant workers contribute to their host communities by paying rent and taxes, consuming goods and launching business initiatives, small and large, the significance of the support that they send home in the form of what we call remittances, has and continues to evolve.**

**IFAD estimates remittances to low and middle-income countries reached 445 billion US dollars in 2016 and is expected to reach 6.5 trillion by 2030. Remittances are currently used mostly by households to cover basic needs such as food, education and health care; but when**

**combined with increased financial acumen, they can serve as seed money to build savings, or start modest businesses. Needless to say, efforts at increasing financial education and inclusion will play a large part in increasing the impact of remittances on development.**

**The case for fostering the financial inclusion of women is particularly strong as women tend to remit a higher proportion of their income than men and in a majority of cases, even though they earn less on average, they are, at the receiving end, often the ones making decisions about the use of that income.**

**Several issues have been brought to the fore as our understanding of the relationship between remittances and development improves. The best known one is of course the call, often repeated, to reduce the cost of transfer so as to increase the net benefit of this individually modest flow of money.**

**And in that context, it is worth repeating that a large part of that cost is attributable to the oversight obligations, so called de-risking policies, imposed on financial institutions as part of the fight against money laundering and the financing of terrorism. While it is unclear how effective such oversight has been in the case of regular private transfers of very small sums of money, we must**

**ensure that de-risking policies do not create unnecessary barriers to the continued flow of remittances across borders or for migrants to access banking services in the first place as agreed to in the Addis Ababa Action Agenda.**

**It is also now well documented that the aggregate sum of remittances amounts to over three times the total amount of official development aid sent by richer countries to the developing world. This connection between the two should not suggest that remittances should in any way be computed as forming part of ODA. Inasmuch as many call for a better use of remittances, away from simple subsistence allocation and into more productive endeavours, these transfers remain private funds, directed from often modest earnings to private recipients.**

**And finally, as we see an increase in South-South migration, we will need to understand better the impact of remittances on the middle- income countries of destination, for whom the 15% sent home by migrants may be felt differently than it is for the richer economies.**

**In short, the connection between migration and development must be understood in its global aspects. Migration contributes today and will likely continue to contribute even more in the future to the prosperity of**

**developed economies. And that includes migration at all skill levels.**

**As we develop an array of policy options to maximize the benefits of migration for the reduction of inequalities between and within countries, which constitutes one of the most ambitious goals of the SDGs, we must make sure that we have in mind the relationships not only between richer and poorer countries, but also within the developing world, where most international migration takes place today.**

**In my view we must above all ensure that the primary focus of sustainable development should be on the benefits that it provides to populations in the developing world.**

**That is not to discount sustainable development's inevitable benefits for all of humanity. But as we become increasingly aware of the complexity of the relationship between migration and development – such as the reality that development may very well lead to increased migration, by choice this time, less than by necessity – we must ensure that migration policies do not highjack the development agenda.**

**Rather, we must increasingly view development as a good in and of itself. And migration's connection to it is as a phenomenon not to be stopped, but to be better regulated for the benefit of all concerned. If the political discourse I highlighted at the outset prevails, we risk a world in which that clear delineation comes under ever greater threat. It is our task to help prevent that from occurring.**

**Thank you.**