

Global Forum on Remittances, Investment and Development
United Nations, New York, 16 June 2017
Delegates Dining Room, United Nations, 10:30-11:30.

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[...]

Excellencies,

Ladies and gentlemen,

I am honoured by the invitation to offer a few remarks at the 2017 Global Forum on Remittances, Investment and Development and on the occasion of the third International Day of Family Remittances.

Both the timing and the venue of this Forum could not have been better chosen.

Between April and November 2017, the General Assembly is holding consultations on a global compact for safe, orderly and regular migration, to be adopted in September 2018. To this end, the General Assembly has invited, and I quote, "...United Nations entities that address migration-related issues to contribute to the preparatory process of the global compact."

With regard to the venue, the negotiations on the global migration compact will be undertaken by the same delegations as those present here today. By convening this Forum at the United Nations, you have created a unique opportunity for delegates to absorb the latest information and evidence and to exchange views with industry experts on the challenges and opportunities for migrants and diaspora to contribute to development.

Dear delegates,

The facts speak for themselves.

According to Sending Money Home, the report that was just launched by IFAD:

- Remittances to low- and middle-income countries reached 445 billion US dollars in 2016.

- Between 2007 and 2016, the amount of remittances increased by 51 per cent.
- Most remittances are invested in health, education, sanitation and housing.
- By facilitating financial inclusion, remittances expand opportunities for recipients.

In short, remittances allow families to reach their “own” sustainable development goals.

Let me also highlight some persistent challenges and propose how to overcome them.

- About one third of all working-age people on this planet have no access to financial services delivered by regulated financial institutions. Boosting the financial inclusion for remittance receivers is “low hanging fruit”.
- The case for boosting the financial inclusion of women is particularly strong as women tend to remit a higher proportion of their income than men. When women’s human and labour rights are respected, migration can provide them with economic opportunity and financial independence both at home and abroad. We must unlock the potential of migration for women by abolishing gender-biased legal, administrative, and cultural restrictions to their movement and to their financial inclusion.
- “De-risking”, that is, global financial institutions terminating or restricting business relationships with remittance companies and smaller local banks, is often caused by cumbersome regulations intended to combat money laundering and terrorist financing. These measures end up driving remittance flows underground, limiting competition and increasing the costs of transferring remittances. Today, the average cost of sending remittances is about 7.5 per cent, significantly higher than the Sustainable Development target of 3 per cent. It is crucial that financial regulators reduce the oversight requirements over the transfers of small amounts in order to encourage healthy competition among mainstream financial institutions

Ladies and gentlemen,

According to the New York Declaration for Refugees and Migrants, the global migration compact should be guided by the 2030 Agenda for Sustainable Development.

Given its critical role in developing the global compact on migration, the General Assembly has invited the private sector to contribute to the preparations of the compact.

I understand that you held a very successful Private Sector Day yesterday. You discussed recent developments in the regulatory framework and presented innovative strategies and new, technology-driven business models. You also shared good practices at the Marketplace.

Earlier this year, my predecessor Mr. Peter Sutherland called for forging operational partnerships among policymakers and regulators, financial industry representatives and technology entrepreneurs for improving remittance markets and financial inclusion.

I am delighted that you have taken steps in that direction. I urge you now to pursue the concrete, operational initiatives necessary to harness the full potential of this important driver of development.

Dear colleagues,

Today, many aspects of multilateralism are under threat.

At the national level, we see the rise in populism, fuelled in part by xenophobia and intolerance.

In such a climate, adopting an ambitious, global deal on migration presents a major challenge.

Collecting factually accurate information and showcasing positive examples of the many contributions of migrants and migration has become all the more important. And few issues are as telling as that of remittances.

Most migrants are migrant workers. Not only do they contribute to their host communities by paying rent and taxes, consuming goods and launching business initiatives, small and large. But they also support the communities they left behind by sending back, in small but regular amounts, vastly larger sums of money than developed countries expand in development aid. This is part of the

complex reality of migration. But this is the part that is conveniently overlooked by those who seek to demonize migrants and set back migration.

I am particularly pleased that the 176 member states of the IFAD Governing Council have proclaimed 16 June as the International Day of Family Remittances. Such action echoes the call in the New York Declaration to more widely recognize the contributions of migrants and diaspora and to promote faster, cheaper and safer transfers of remittances through regulated channels.

16 June could become a rallying call for States, as well as for civil society and the private sector, to celebrate the transformative impact of remittances in the lives of hundreds of millions of families as well as their contribution to achieving the Sustainable Development Goals.

Ladies and gentlemen,

Let me once again thank and congratulate the organizers, IFAD, DESA and the World Bank, for convening this Forum at this critical juncture, here at the United Nations in New York.

I wish you a very successful second day of the Global Forum.

No doubt, the findings of this Forum will be tremendously helpful in preparing the Secretary General's report on the global compact on migration due early next year.

Thank you.

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