Presentation to Member States

Thank you Mr. Chairman

Today, there are approximately 200 million Remittance Families representing **one billion people** or one out of seven people on earth.

Migrants workers: WORK, that's what they do! In the process, they also send 15% of their earnings, while the remaining 85%, or US$2.6 trillion in 2016, stayed in host countries.

On 15-16 June, over 350 stakeholders from the public and private sectors gathered here at the UN for the 5th Global Forum on Remittances, Investment and Development, framing the discussions around the role of migrants' remittances and investment towards achieving the SDGs by 2030.

The FORUM also coincided with the celebration of the International Day of Family Remittances adopted by 176 IFAD's member states 2015. This year's celebration saw an unprecedented endorsement by over 100 Money Transfer Operators, representing 85% of the market, and some celebrating with a **Zero Cost transfer fee**, 800 mobile companies, 6000 savings and retail banks across 80 countries and over 100 emerging payment companies. The DAY not only presents an opportunity for further public-private collaboration, but more importantly, it recognizes the fundamental contribution of migrant workers to their families and communities back home, and to the sustainable development of their countries of origin.

The outcomes and recommendations of this Forum were structured around five points:

- <u>#1- R**ecognizing migrants' key contributions to the SDGs.**</u> Indeed, the main use of remittance is aimed at reaching "**migrants' own Sustainable Development Goals"** of reduced poverty, better health and nutrition, education opportunities, improved housing and sanitation, entrepreneurship, financial inclusion and reduced inequality.
- <u>#2- **Improving data on remittances**</u>. The **lack of data** or faulty estimation methods reduces market access points for the private sector and policymakers' ability to design effective policies, thereby exacerbating financial exclusion and informal flows.

- #3- Support **an enabling environment** that **promotes greater market efficiency** and **addresses major regulatory issues** that continue to challenge the remittance industry. These include **taxation, de-risking and exclusivity agreements**, which incentivize **informal transfer systems**, **lowers competition**, **increase costs** and in turn threatens the ability of migrant workers to send money home to their families

- #4- Leveraging the impact of remittances through financial inclusion and diaspora investment. This can increase opportunities for formal savings, asset-building and investment and in turn can build the **human capital of remittance families** and improve their living standards of communities back home. Just increasing the savings ratio of remittance recipients from 10% to 20%, a realistic target would generate almost US100 billion available to families every year.

- #5- Promoting global partnerships at the **local, national, regional and international levels among the public and private sectors and civil society**. Only through these will innovative and sustainable initiatives be created, and in turn further leverage diasporas' contributions.

A side event on these outcomes will be co-hosted by Madagascar and the Philippines and take place at 1:15 in conference room 8 and lunch will be provided.