SUSTAINABLE DEVELOPMENT GOALS

IFAD
Investing in rural people

Recovery and Resilience through Digital and Financial Inclusion

#FamilyRemittances

International Day of Family Remittances
16 JUNE

IDFR 2021-2022 Campaign

Observance event

ACCRA | GHANA
Kempinski Hotel Gold Coast City
Thursday, 16 June 2022
8 A.M. (Greenwich Mean Time)

www.familyremittances.org remittances.ghana@ifad.org

Table of contents

Acronyms

BoG	Bank of Ghana
CoP	Community of practice
FFR	Financing Facility for Remittances
FSP	Financial service provider
GCM	Global Compact for Safe, Orderly and Regular Migration
GFRID	Global Forum on Remittances, Investment and Development
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (German Agency for International Cooperation)
IDFR	International Day of Family Remittances
IFAD	International Fund for Agricultural Development
IOM	International Organization for Migration
MTO	money transfer operator
NRSN	National Remittance Stakeholder Network
PRIME Africa	Platform for Remittances, Investments and Migrants' Entrepreneurship in Africa
RSP	remittance service provider
SDGs	Sustainable Development Goals
UNCDF	United Nations Capital Development Fund

Highlights

Global trends

- The IDFR observance events highlighted the power of remittances to help people and communities. Since the IDFR was unanimously adopted by the United Nations General Assembly in 2018, recognizing the contribution of over 200 million migrant workers supporting their 800 million family members back home, remittances have been acknowledged as the human face of globalization.

- Remittances and global resilience are two sides of the same coin. Despite the impact of the COVID-19 pandemic, migrants continued to send remittances back home. Money sent home by 200 million migrant workers around the world reached **US$605 billion in 2021**, an increase of 12 per cent compared to 2020. Remittance flows more than tripled the total amount of official development assistance provided by the countries of the OECD Development Assistance Committee (US$178.6 billion). This money represents a lifeline for more than 800 million family members.

- The Global Compact for Safe, Orderly and Regular Migration (GCM) brings together 164 Member States to achieve 23 migration-related objectives, including that of promoting faster, safer and cheaper transfer of remittances and to foster financial inclusion for migrants and their families (objectives 19 and 20). At the recent International Migration Review Forum in May 2022, where the GCM implementation status was discussed for the first time, Member States committed to reduce the average costs of sending remittances. We are not there yet. The global average cost of remitting US$200 remains above 6 per cent, twice the SDG 10.c target of 3 per cent.[1]

- South Asia remains the region with the lowest receiving cost, with an average of 4.3 per cent, while sub-Saharan Africa remains the most expensive region to send money, averaging 7.8 per cent. Banks remain the most expensive way to send remittances, with a global average cost of 10.3 per cent.

- By meeting the Sustainable Development Goal (SDG) 10.c, migrants would save an additional US$1 billion in transaction fees every year.

- After the United States, the European Union (EU) is the second region from which remittances are sent to low- and middle-income countries (LMICs), accounting for 11 per cent of the total flows.

- In 2021, remittances inflows to Africa reached US$94 billion. Particularly in sub-Saharan Africa, flows soared to US$49 billion in 2021 following an 8.1 per cent decline in 2020.

- The power of remittances to help people and communities has been confirmed once again, as they help secure economic wealth and livelihoods for rural families and communities, particularly in times of crisis, and prevent many people fall into poverty traps when faced with financial shocks.

- Remittances are also key in enabling rural people to invest in resilient activities, providing them with sustainable alternatives to migration. Through remittance-linked adapted savings, insurance, credit and investment products, these flows bring resilience to hundreds of millions of families back at home. They are also crucial in helping them build their way towards financial independence.

1/ By 2030, reduce to less than 3 per cent the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than 5 per cent.

- Migrants represent insurance for families back home. Remittance-linked insurance products can therefore give recipients the opportunity to better manage funds and cover unexpected shocks.

- Remittances and diaspora investments to rural areas offer a concrete avenue for climate adaptation as they allow smallholder farmers to better anticipate, manage and become resilient to climate change.

- Ten years ago, lack of access to digital options for sending remittances made them expensive and inconvenient. Today, the number of digital remittance players has grown, although digital flows still represent less than 4 per cent of global flows.

- The COVID-19 pandemic also proved to be an unprecedented opportunity to further leverage the development impact of remittances. Indeed, the crisis created the conditions for an increased adoption of digital channels which, in turn, promoted the use of formal channels. In many cases, they even brought down costs.

- Deliberate efforts to popularize digital services by the various players during the pandemic allowed customers to use cheaper and faster options, pushing the uptake of digital remittances. In the banking sector, there was a push to mobile applications, online banking and education to increase intake among customers.

- The uptake of digital platforms among excluded populations is limited due to lack of digital financial literacy, poor infrastructure (access to electricity and mobile data in rural areas), and people's fear of fraud.

- Partnerships among diverse remittance service providers (RSPs), financial service providers and fintechs result in more options to the customers. They provide last mile delivery by adapting and integrating their products, hence reducing the cost to the end users.

- Because the financial services sector is the most regulated industry worldwide, fintechs are realizing that to get into the financial system they need to partner with other players.

- Collaboration between different players – as banks provide migrants with tailored products, and provide remittance options (in the absence of exclusivity agreements with MTOs), can enable banking solutions that target youth and women, to build their credit history and leverage remittances including starting small businesses.

- Blockchains help reduce the cost to a certain point (2-3 per cent). However, engaging with traditional players can increase costs.

- There is a need for financial literacy among remittance senders and recipients.

Ghana

- Remittances are a crucial development factor for the country's economy. As a source of foreign exchange inflows and livelihood support, over the years remittances have been broadly stable in Ghana, exhibiting a significant degree of resilience when other sources of capital flows fluctuated. With over US$3.6 billion in 2020, remittances accounted for 5.1 per cent of the country's GDP, with an average of 4.8 per cent for the last three years and surpassing foreign direct investment flows over the same period.
- Ghana has a very dynamic remittance market. All public and private sector actors are highly committed to innovate, foster financial inclusion, and contribute to an improved enabling environment.
- High cost, financial literacy penetration, lack of data and know-your-customer flexibility for underserved communities remain some of the main challenges in the Ghanaian remittance market to be further addressed by public and private sector stakeholders.
- Digitalization of financial services, including remittances, continues to increase and is expected to play a very significant role in Ghana. Digital remittances provide a scope to offer a more diverse suite of value-added products and services to senders and receivers. However, the effects of the recent electronic levy may have an impact on the growth of mobile remittances.
- Remittances are critical for rural and more vulnerable communities, particularly in times of crisis, as almost half of all remittance flows go to rural areas. Rural communities, and particularly women, can be better served by encouraging the use of digital channels, alongside deeper penetration of mobile money and banking agents.
- While remittances are private financial transactions, their impact can only be leveraged in concert with coherent public policies and priorities, coupled with civil society and private sector initiatives.

Read the newsletter on the IDFR Observance Event

The Ghanian remittance community at the IDFR

- Over **50 attendees** from Ghana and neighbouring countries
- Half day marked by **2 sessions**, **1 report presentation** and **5 panels**
- **14 speakers** from key Ghanaian entities involved in the remittance ecosystem
- Over **1,000 impressions** on social media using #familyremittances

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Participants registering

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Networking at the event

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Networking at the event

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Panel on “Remittance families and the Sustainable Development Goals”

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The event’s attendees

Event pictures and video recording

Main outcomes

Welcoming remarks

Hani Abdelkader Elsadani Salem
Country Director for Ghana, International Fund for Agricultural Development (IFAD)

High-level remarks

Pooja Bhalla
Officer in charge on behalf of Abibatou Wane-Fall, Chief of Mission, International Organization for Migration (IOM) and Chair of the United Nations Migration Network – Ghana

Philip Abradu-Otoo
Head of Research, Bank of Ghana

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Welcoming remarks

Hani Abdelkader Elsadani Salem

Country Director for Ghana, International Fund for Agricultural Development (IFAD)

- The presence of many attendees at the event indicates that we all share a belief in the power of remittances to not only change individual lives, but to support entire communities by keeping local economies running.
- On this day, we recognize the efforts of one billion people who either send or receive remittances, and who collectively form the “human face of globalization.”
- During these years of health and economic crises, Ghanaian migrants demonstrated once again incredible resilience and commitment to their loved ones back home, as they continued to send remittances and invest in Ghana despite tremendous challenges.
- Remittances are pivotal in enabling rural people to invest in resilient activities, thus providing them with sustainable alternatives to migration.
- Remittances and diaspora investments to rural areas offer a concrete avenue for climate adaptation. These flows allow smallholder farmers to better anticipate, manage and become resilient to climate change.
- For more than fifteen years now, IFAD has been working with migrants and their families back home in more than 50 countries, to maximize the impact of both migrants’ investment and the remittances they send.
- In Ghana, thanks to the financial contribution of the European Union (EU), and in close collaboration with key partners and stakeholders from the private sector, IFAD is implementing the PRIME Africa initiative to address the main challenges in the country’s remittance market and exploit all opportunities to leverage their impact for rural development and financial inclusion.
- In Ghana, IFAD set up a National Remittance Stakeholder Network to promote a regular inclusive dialogue on the key aspects of the national remittance market.

High-level remarks

Pooja Bhalla

Officer in charge on behalf of Abibatou Wane-Fall, Chief of Mission, International Organization for Migration (IOM) and Chair of the United Nations Migration Network – Ghana

- The growth and importance of remittances to the economy of Ghana cannot be overemphasized. Remittances contribute to meet shortfalls in household income, payment of medical bills, schooling or training of a household member, as well as supporting migrants' children left behind.

- There is a need for continuous engagement of the UN with the private sector, civil society and the government in developing innovative digital financial services and remittance-led investment products. This engagement is more important than ever.

- Ghana is a champion country for implementing the Global Compact for Safe, Orderly and Regular Migration (GCM), which includes Objective 19 on creating the conditions for migrants and diasporas to fully contribute to sustainable development in all countries, and Objective 20 on promoting faster, safer and cheaper transfer of remittances and foster financial inclusion of migrants.

- In Ghana, the UN Network on Migration works to facilitate effective, timely and coordinated UN system-wide support to Ghana on migration governance, including the implementation, follow-up and review of the GCM.

Philip Abradu-Otoo

Head of Research, Bank of Ghana

- The contribution of migrant workers' remittances to families back home – to support livelihoods, as a vital source of foreign exchange, as investment to support economic development and beyond – cannot be taken for granted.

- Remittances are an important development factor for the country's economy. As a source of foreign exchange inflows and livelihood support, remittances have been broadly stable in Ghana, showing a significant degree of resilience when other sources of capital flows fluctuated, surprising many policymakers.

- With over US$3.6 billion in 2020, remittances accounted for 5.1 per cent of the country's gross domestic product (GDP), with an average of 4.8 per cent for the last three years and surpassing foreign direct investment flows over the same period.

- The remittances ecosystem has great potential. By applying the necessary tools, policies, and enabling the regulatory framework, all stakeholders could harness the potential in the remittance market to support economic development and to help reduce poverty.

- Over the last two years, the Bank of Ghana (BoG) has fostered an enabling environment for remittances by passing the Payment System and Services Act. Its aim at licencing dedicated electronic money issuers and payment service providers, including fintechs. The Guidelines for Inward Remittance Services for payment service providers were also adopted.

- The enabling policy framework has led to the increased availability of digital remittance services and channels, which in turn spurred competition, lowered transfer costs and increased formal transaction flows.

- There is still more work to be done to further deepen and improve the remittance ecosystem in Ghana, to lower costs and reduce informality. BoG is committed to working with relevant stakeholders in order to address these challenges.

Main outcomes

Remittance families and the Sustainable Development Goals

MODERATOR

Francine Dove
Remittances and Inclusive Digital Finance Specialist, FFR, IFAD

PANELLISTS

Godwin Kafui Agozie
Head of Money Remittances, Fidelity Bank

Eric Akomanyi
Labour Mobility and Human Development Officer, International Organization for Migration (IOM), Ghana

Oppong Kwarteng
Advisor and Coordinator, Business Ideas for Development, GIZ Ghana

Benjamin Torsah
Head Financial Market and Innovation Unit, Ministry of Finance, Ghana

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This panel aimed at addressing the impact of remittances on the social and economic development of receiving families, through greater financial inclusion, investment and employment generation. The session analysed the national context, cover aspects such as customer protection and market integrity, and the linkages with the sending end. Examples of current and upcoming initiatives were shared.

Highlights

- High cost, financial literacy penetration, lack of data and know-your-customer (KYC) flexibility for underserved communities are some of the main challenges in the Ghanaian remittances market and are being addressed by public and private sector stakeholders.

- Soon to be released, data on financial inclusion rate will show an unprecedented increase, mainly driven by mobile money. The Ministry of Finance plans to review the National Financial Inclusion Strategy and continue to spur financial inclusion through the implementation of a financial literacy strategy.

- Efforts to deepen financial literacy in Ghana continue through GIZ's launch of an online financial literacy platform, and IFAD's partnership with Fidelity Bank to pilot an innovative financial literacy programme administered using Integrated Voice Response on mobile phones.

- IOM, together with Ghana Statistical Services, have developed and piloted tools to improve data collection administration that could be scaled. Data reporting requirements for MTOs need to be reviewed and enforced to reduce weaknesses in remittance data collection.

- There is a need to cater to the different requirements for different remittance customer segments. Rural populations need deeper digital penetration, refugees need flexible KYC requirements and the diaspora needs financial product and service options.

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Godwin Kafui Agozie intervening during the panel.

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Eric Akomanyi intervening during the panel.

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Oppong Kwarteng intervening during the panel.

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Benjamin Torsah intervening during the panel.

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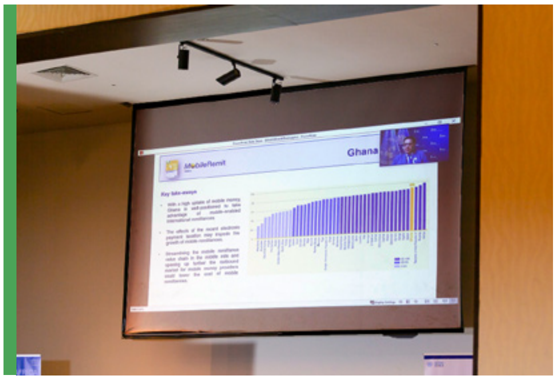
The panellists at “Remittance families and the Sustainable Development Goals”

Main outcomes

Presentation: MobileRemit Africa report

Frédéric Ponsot
Senior Technical Specialist on Remittances, Diaspora and Inclusive Finance, FFR, IFAD



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- The first IFAD MobileRemit Africa report creates a mobile remittance-enablement index score for African countries, allowing for a nuanced understanding of the factors that may aid or impede the adoption of the mobile channel for remittances. The index is built upon five pillars that allow for country comparisons and best practice dissemination. These are:
  - E-money international money transfer;
  - Market environment;
  - Enabling environment;
  - Inclusion environment; and
  - Consumer protection.

- Ghana ranks fourth in the continent with a MobileRemit Africa index score of 89/100, in the top decile of countries with a favourable operating environment for mobile remittances.

- Ghana scores high on the enabling environment pillar with its existing e-money framework, the permitted use of non-bank agents and the presence of domestic interoperability. Improvements could be made to engage further in favour of flexible and tiered KYC proportionate to anti-money laundering/combating the financing of terrorism customer risk profile.

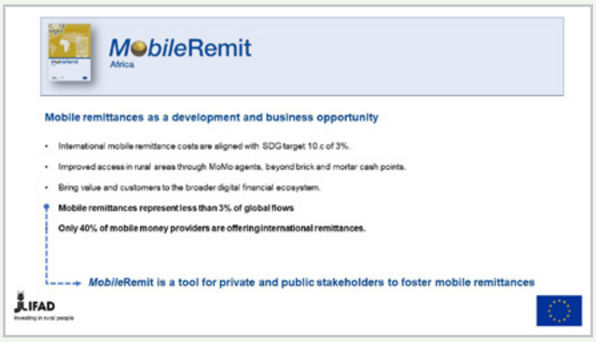
- Ghana also scores high on the inclusion pillar. However, a perfect score is offset by bigger gender and rural gaps in mobile money account ownership, compared to other financial services according to the most recent Findex data available (2017).

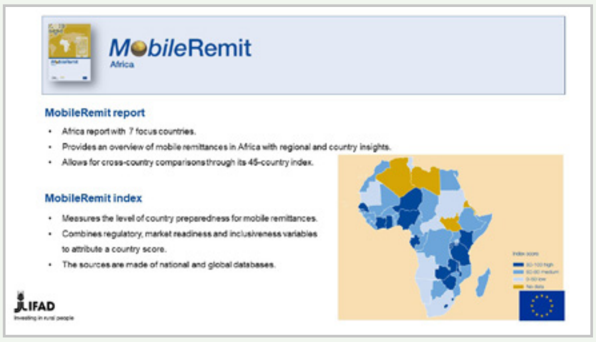
- Ghana has a perfect score for consumer protection, given the presence of both deposit insurance and mobile money trust accounts, as well as specific consumer protection legislation and the ability to earn interest on mobile money deposits, a combination not frequently seen in other African countries.

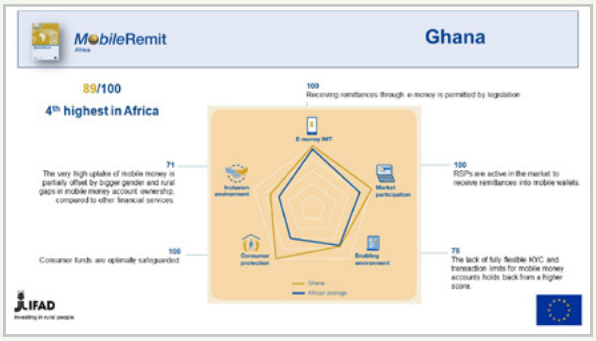
- The tax authority has implemented a sector-specific tax on mobile money cash-out commissions to be paid by mobile money agents, as well as a controversial electronic payment tax.

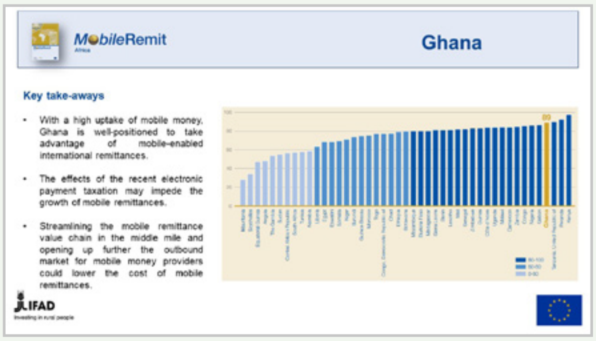
- Further cost reduction could derive from streamlined supply chains opening the outbound mobile-enabled remittance market to non-bank-financial-institutions.

MobileRemit Africa report









Video recording of the presentation

Main outcomes

The role of the private sector in greater digital and financial inclusion




MODERATOR

Clara Arthur
Policy and Ecosystem Expert, United Nations Capital Development Fund (UNCDF) Ghana

PANELLISTS

Kate Thompson
Head of Consumer Products, Ecobank Ghana

Kofi Owusu-Nhyira
Chief Executive Officer, Nsano

Thompson Sakyi
Director, Mobile Financial Services, AirtelTigo Money

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The panel highlighted the opportunities offered by the national remittance market, and how digitalization and innovative business models can play a crucial role in facilitating access and the provision of inclusive remittance-related services to underserved customers, particularly in remote areas, and to women and youth.

Highlights

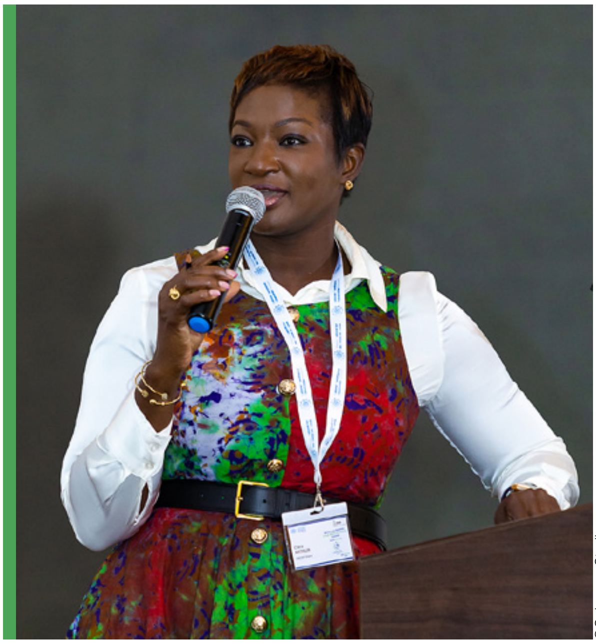
- Digitization of financial services, including remittances, continues to increase and is expected to play a very significant role in Ghana. Digital remittances provide scope to offer a more diverse suite of value-added products and services to senders and receivers.

- The market is focused on encouraging customers to keep remittance funds within their digital termination channel and using the funds within the ecosystem instead of cashing out.

- Remittance costs to Ghana remain high due, in part to multiple players in the remittance value chain, a challenge that needs to be addressed. The impact of the e-levy, whilst indirect for remittances, remains to be seen. Mobile money transactions in Ghana have in some cases been reduced by up to 40 per cent since its implementation.

- Financial risk resilience for remittances users is key. A reduction in risk will lead to the reduction in remittance transaction cost and could be achieved by streamlining and simplifying the KYC process.

- Rural communities, particularly women, can be better served by encouraging the use of digital channels, alongside deeper penetration of mobile money and banking agents. Through partnership with IFAD, Ecobank is developing a savings product targeted at women and rural remittance beneficiaries.



Clara Arthur moderating the panel.

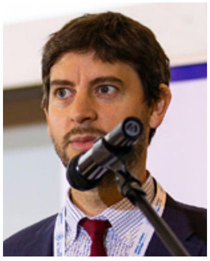
Kate Thompson intervening during the panel.

Kofi Owusu-Nhyira intervening during the panel.

Thompson Sakyi intervening during the panel.

Main outcomes

Closing remarks



Mauro Martini
Remittances and Development Officer, FFR, IFAD

- This event has clearly showed that Ghana has a very dynamic remittance market. All actors from both the public and private sectors are highly committed to contribute to an improved enabling environment, to innovate and to foster financial inclusion.
- Over the last decade, the focus on remittances has been mostly aggregate volumes and high transaction costs on the sending side. In the aftermath of the COVID-19 crisis, it has become clear that we must start focusing on receivers.
- Remittances are critically important to rural and more vulnerable communities, particularly in times of crisis. No matter how many people leave home, more remain behind. Almost half of all remittance flows go to rural areas. The current crisis has taught us that remittances are a lifeline for them.
- While remittances are private financial transactions, their impact can only be leveraged in concert with coherent public policies and priorities, coupled with civil society and private sector initiatives.
- For more than fifteen years, IFAD has supported migrant workers and their families back home in more than fifty countries. We have worked to maximize the impact of migrants' investments and remittances to improve quality of life, financial inclusion, gender equality, and to provide more opportunities for youth. All of this has resulted in enhanced local economic development.
- Here in Ghana, through the PRIME Africa initiative, with the precious contribution from the European Union and the support from the Bank of Ghana, IFAD has initiated a journey to address these main three take-aways.
- A National remittance Stakeholder Network has been set up with the aim to promote a regular dialogues between public and private sector on the key aspects of the national remittance market.
- IFAD is working with Cenfri and a selected number of remittance service providers to enhance customer due diligence processes that would enable greater access to remittances and other financial products to lower income segments of the population.
- IFAD is also about to conclude new partnership agreements with Ecobank, Fidelity Bank, and MFS Africa, for a set of initiatives through which we aim at contributing to the reduction of remittance costs, to the promotion of digital and financial inclusion, and to the expansion of formal remittance channels to the country.
- I hope we will all leave this meeting with a renewed commitment to help remittance families improve their lives, and to further leverage the impact of these flows to create more economic opportunities and enable communities to recover from the current crisis.
- We look forward to continuing engaging with you all from now on. See you in 2023 at the Remit Fair & Expo Africa in Cape Town and at the Global Forum on Remittances, Investment and Development (GFRID) Summit in New York.

Organizers

IFAD
Investing in rural people

The International Fund for Agricultural Development (IFAD) is a specialized agency of the United Nations and an international financial institution, with the mandate to invest in rural people to eradicate poverty in low- and middle-income countries.

Financing Facility for Remittances

IFAD's US$65 million multi-donor Financing Facility for Remittances (FFR) aims at maximizing the impact of remittances on development and promoting diaspora engagement in migrants' countries of origin.

Sponsors

European Commission
ec.europa.eu

IFAD
Investing in rural people

International Fund for Agricultural Development
www.ifad.org

LUXEMBOURG
AID & DEVELOPMENT

The Government of the Grand Duchy of Luxembourg
maee.gouvernement.lu/en.html

MINISTERIO DE ASUNTOS EXTERIORES Y DE COOPERACIÓN
cooperación española

Spanish Agency for Development Cooperation (AECID)
www.aecid.es/EN/aecid

Sweden
Sverige

The Swedish International Development Cooperation Agency (Sida)
https://www.sida.se/en

Resolution adopting the International Day of Family Remittances

Resolution adopted by the United Nations General Assembly on 12 June 2018

A/RES/72/281

The General Assembly,
Recalling its resolutions 53/199 of 15 December 1998 and 61/185 of 20 December 2006 on the proclamation of international years, and Economic and Social Council resolution 1980/67 of 25 July 1980 on international years and anniversaries, particularly paragraphs 1 to 10 of the annex thereto on the agreed criteria for the proclamation of international years, as well as paragraphs 13 and 14, in which it is stated that an international day or year should not be proclaimed before the basic arrangements for its organization and financing have been made,

Reaffirming its resolution 70/1 of 25 September 2015, entitled "Transforming our world: the 2030 Agenda for Sustainable Development", in which it adopted a comprehensive, far-reaching and people-centred set of universal and transformative Sustainable Development Goals and targets, its commitment to working tirelessly for the full implementation of the Agenda by 2030, its recognition that eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development, its commitment to achieving sustainable development in its three dimensions – economic, social and environmental – in a balanced and integrated manner, and to building upon the achievements of the Millennium Development Goals and seeking to address their unfinished business,

Reaffirming also its resolution 69/313 of 27 July 2015 on the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, which is an integral part of the 2030 Agenda for Sustainable Development, supports and complements it, helps to contextualize its means of implementation targets with concrete policies and actions, and reaffirms the strong political commitment to address the challenge of financing and creating an enabling environment at all levels for sustainable development in the spirit of global partnership and solidarity,

Recalling its resolution 71/237 of 21 December 2016 on international migration and development, in which it noted the adoption of resolution 189/XXXVIII by the Governing Council of the International Fund for Agricultural Development, on 16 February 2015, in which the Governing Council proclaimed 16 June as the International Day of Family Remittances,

Welcoming the work of the International Fund for Agricultural Development to develop and promote innovative investment mechanisms to increase the development impact of remittances and diaspora investment for sustainable development, including through the Global Forum on Remittances, Investment and Development, bringing together representatives of the private and public sectors and of civil society,

Considering that in many developing countries international remittances constitute an important source of income for poor families and are projected to exceed a cumulative 6.5 trillion United States dollars, of which half will reach rural areas, during the 2015-2030 time frame for achieving the Sustainable Development Goals,

Noting that 1 billion people are directly impacted by remittances annually, either as senders or as recipients, and that 75 per cent of annual remittance flows go to meet the immediate needs of recipients and the remainder – over 100 billion dollars a year – is either saved or invested,

Recognizing the transformative impact that remittances, including those from migrants, have across the Sustainable Development Goals and in supporting long-term development strategies, particularly on poverty reduction and access to basic services at the household level, and that remittances foster local investments that can encourage entrepreneurship and financial inclusion, especially in rural areas of developing countries where poverty rates are highest, and in times of crisis and disaster,

Conscious that millions of families in rural areas are also supported by domestic remittances sent by family members typically living in urban locations,

Recognizing the work done by Member States, the United Nations system, the World Bank and the Group of 20 and the role of civil society organizations in promoting the development impact of migration and family remittances,

Recognizing also the role of the private sector in developing cost-effective and accessible money transfer services, including by linking them to other financial services for remittance senders and their families, and the role of all relevant stakeholders in realizing by 2030 the objective of target 10.c of Sustainable Development Goal 10, to reduce to less than 3 per cent the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than 5 per cent,

Acknowledging that innovative digital technologies such as mobile money transfers can effectively reduce the cost of the transfer of remittances, which enables efficiency and cost savings for senders and recipients of remittances,

1. *Decides* to proclaim 16 June the International Day of Family Remittances;
2. *Invites* all Member States, organizations of the United Nations system and other international and regional organizations, as well as civil society, including non-governmental organizations, individuals, the private sector and academia, to observe and actively support the International Day in an appropriate manner and in accordance with national priorities, in order to raise awareness of the impact of remittances;
3. *Calls upon* the International Fund for Agricultural Development to facilitate the observance of the International Day, including through the Global Forum on Remittances, Investment and Development and mindful of the provisions contained in the annex to Economic and Social Council resolution 1980/67;
4. *Stresses* that the cost of all activities that may arise from the implementation of the present resolution should be met from voluntary contributions;
5. *Requests* the Secretary-General to bring the present resolution to the attention of Member States, the organizations of the United Nations system and all relevant stakeholders for observance.

95th Plenary Meeting
12 June 2018

Sponsors of the Resolution:
Algeria, Australia, Bangladesh, Bolivia (Plurinational State of), Brazil, Canada, China, Colombia, Costa Rica, Dominican Republic, Ecuador, Egypt, El Salvador, Ghana, Guatemala, Guinea, Guyana, Honduras, India, Indonesia, Ireland, Jamaica, Madagascar, Malawi, Mexico, Morocco, Myanmar, Nepal, Nicaragua, Nigeria, Paraguay, Philippines, Republic of Moldova, Russian Federation, Samoa, Singapore, Sudan, Thailand, Timor-Leste, Tunisia, Uruguay and Viet Nam.

The #FamilyRemittances Campaign 2020-2030

IFAD, as *custodian* of the IDFR, aims at ensuring support of the observance and dissemination of resulting actions in the framework of the decennial ***#FamilyRemittances Campaign 2020-2030: Support one billion people reach their own SDGs***. In that timeframe, through a spotlight on yearly themes aligned to the global development agenda, the campaign aims at strengthening and guiding stakeholders in focusing on the new trends and priorities that make remittances count more.

Furthermore, the campaign presents an opportunity to highlight practices, initiatives, innovations and partnerships that are committed to facilitate faster, cheaper and safer transfers, and to link these funds to inclusive financial services for migrants and their families.

Since its launch in 2020, the first campaign theme has shed light on how remittances can support migrant families in Building resilience in times of crises. In 2021-2022, the campaign theme focused on Recovery and resilience through digital and financial inclusion, as presented in the following section.

Supporting one billion people reach their own SDGs

#FamilyRemittances2030

International Day of Family Remittances

16 JUNE

The #FamilyRemittances Campaign 2021-2022

Recovery and Resilience through Digital and Financial Inclusion

#FamilyRemittances

International Day of Family Remittances
16 JUNE

IDFR 2021-2022 Campaign

The theme of the 2021-2022 #FamilyRemittances campaign is a step in the direction of enabling digital remittances, which saw a spike after the COVID-19 crisis despite catastrophic predictions of a severe fall in global flows. Indeed, data from the past two years have demonstrated that remittances have remained resilient during the COVID-19 pandemic and ensuing economic crisis. Global crises have always been a testing ground for the resilience of any economy. Remittances have, time and again, stayed afloat due to the strong commitment of migrant workers to the well-being of their families back home.

In 2021, remittance flows to LMICs reached US$605 billion, registering an increase of over 8 per cent from 2020 (World Bank, 2022). Such recovery follows the trend initiated in 2020, when remittances declined only by a modest 1.6 per cent, equal to US$540 billion, in the face of one of the deepest recorded global recessions.

One of the greatest catalysts of formal remittances during the past two years is the accelerated adoption of digital technology by migrant workers and their families. Both online and mobile digitalization buoyed remittance flows during this challenging period. Mobile remittances alone increased 48 per cent during 2021 to US$16 billion (GSMA, 2022). Digitalization proved to be less costly than cash transfers, which further reinforced the adoption of mobile money, thereby advancing the financial inclusion of migrants and their families.

Current estimates indicate that US$1 trillion is processed annually by the mobile money industry, an increase of 31 per cent year-on-year (GSMA, 2022). The value of international remittances sent and received via mobile money grew by 48 per cent in 2021, reaching US$16 billion.

In addition to highlighting the resilience displayed by migrant workers and their families through the pandemic, the IDFR 2021-2022 campaign also builds on behavioural shifts among migrants and the diaspora over the past two years, toward the accelerated adoption of digital technology. The campaign showcases practices and initiatives that led to the promotion and uptake of digital transfers and remittance-linked financial services, toward greater financial inclusion.

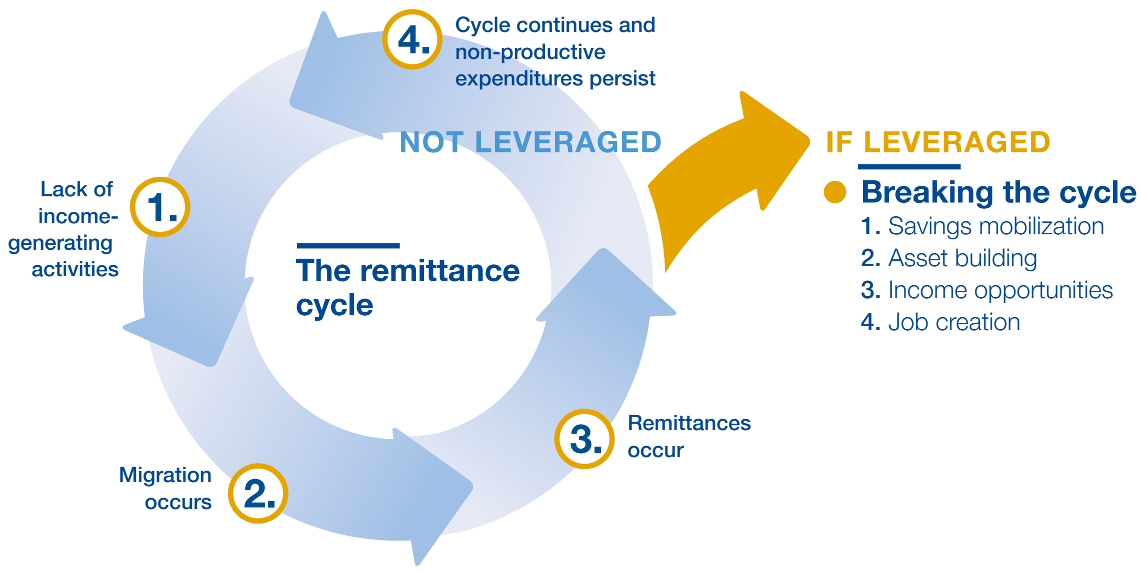
The PRIME Africa initiative

Through the Platform for Remittances, Investments and Migrants' Entrepreneurship in Africa – the PRIME Africa initiative –, IFAD's FFR and its partners in Africa are working to promote cost reduction, formalization and digitalization of remittance flows, and financial inclusion in seven African countries – Ghana, Kenya, Morocco, Senegal, South Africa, The Gambia and Uganda.

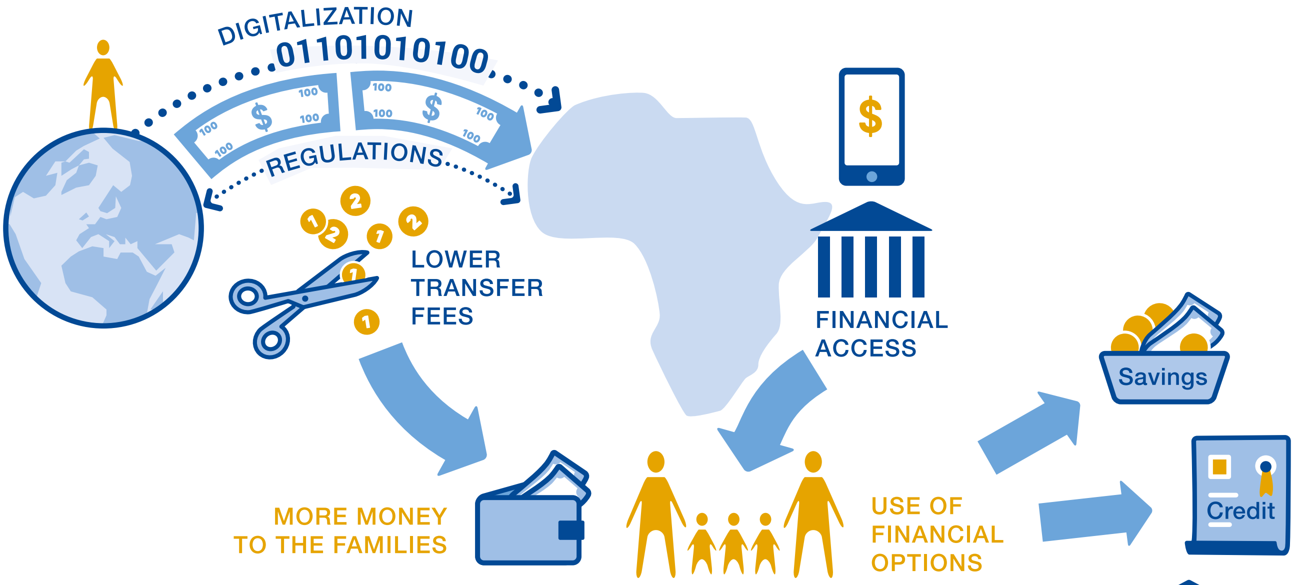
Through the implementation of 15 projects, in partnership with remittance service providers, with the co-financing of the European Union and the other FFR donors, IFAD expects to benefit over 1 million people.

Furthermore, in each of the seven target countries, National Remittance Stakeholder Networks and related Communities of Practice have been established to promote a regular inclusive dialogue on key aspects of the national remittance markets.

PRIME AFRICA'S THEORY OF CHANGE



GOALS

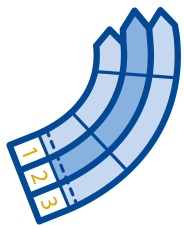


REDUCED REMITTANCE TRANSFER COSTS from Europe to and within Africa

ENHANCED FINANCIAL INCLUSION through remittance-linked financial services

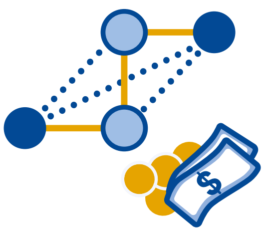
ACTIVITIES

- **Address the data gap**
Strategic market data allow for further market depth and width, and targeted capacity-building to key stakeholders for remittance data creation and use.



- **Increase market competition**
Expand access to remittances through close cooperation with public and private sectors, and additionally reduce significantly direct and indirect costs, and spur market competition.

- **Support an enabling environment**
Coherent national regulatory frameworks in both sending and receiving countries can foster competition in remittance corridors and enable safe, cheap and fast transfers.



- **Finance and promote business models linking remittances and financial services**
Co-finance and promote innovative, replicable and scalable business models and technologies that link remittances to financial services, towards greater financial inclusion.

- **Finance scalable innovations and related capacity**
Collaboration mechanisms in place among central banks, regulatory bodies, the private sector and diaspora communities in sending and receiving countries; and strengthened capacity to adapt and scale up best practices within an operational framework that allows cooperation among partners.

International Fund for Agricultural Development (IFAD)
IFAD is a specialized agency of the United Nations and an international financial institution, with the mandate to invest in rural people to eradicate poverty in low- and middle-income countries.

Financing Facility for Remittances (FFR)
IFAD's US$65 million multi-donor Financing Facility for Remittances aims at maximizing the impact of remittances on development and promoting diaspora engagement in migrants' countries of origin.

For more information, visit: www.ifad.org/ffr | www.gfrid.org | www.familyremittances.org

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Financing Facility for Remittances

2022