



Joint statement by the Global Partnership for Financial Inclusion on the occasion of the United Nations' International Day of Family Remittances

Date: 16 June 2023

In observance of the [International Day of Family Remittances \(IDFR\)](#), the Global Partnership for Financial Inclusion (GPI) of the G20 joins the international community in acknowledging the impact that remittances have on millions of households and entire communities in low- and middle-income countries (LMICs). GPI members reiterate their commitment 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”, as set under the 2030 Agenda for Sustainable Development, specifically Sustainable Development Goal (SDG) 10.c target.

Despite the economic hardships leading to a rise in cost of living, affecting income of migrants amongst many, remittances continue flowing as a sign of commitment to families in countries of origin and a sign of resilience. In 2022, it is estimated that over 200 million migrants working outside their countries of origin sent more than US\$640 billion in remittances to at least 800 million people in LMICs.

Migrant remittances sent back to LMICs help achieving numerous SDGs such as SDG 1 no poverty, SDG 2 zero hunger, SDG 3 good health and well-being, SDG 4 quality education, SDG 5 gender equality, SDG 6 clean water and sanitation, SDG 10 reducing inequality, SDG 11 sustainable cities and communities, SDG 12 responsible consumption and production, SDG 13 climate action, and SDG 17 partnerships for the goals.

Recognizing that challenges and opportunities within the remittance ecosystem have been identified, namely:

1. Challenges:

- enabling access to and use of formal remittance channels, remain an obstacle;
- remittance transfer costs in 2023 remain above 6 per cent and far from the 3 per cent set by SDG 10.c target;

2. Opportunities:

- addressing policy and regulatory issues, as well as innovation tools and business models in both sending and receiving markets, can enable competition leading to remittance cost reduction and greater access to these flows;



- leveraging digital technology, including digital public infrastructure, enable cheaper, faster and safer flows, and can allow people, particularly in rural areas, to access remittance-linked financial services, such as savings, credit and insurance;
- interoperable digital payment systems with respect to cross-border payments may significantly reduce costs and risks, thus ensuring resilient non-disruptive payment systems;
- bundling remittances with financial and digital services and literacy can promote financial inclusion for both migrants and their families back home.

The GPII urges all stakeholders to promote access to remittance transfers and leverage their development impact particularly among underserved segments, such as women, youth, elderly, and people in rural areas by:

- Reinforcing global commitments to reduce the cost of remittances.
- Creating the enabling conditions to encourage efficient use of digital infrastructure for the transfer of remittances.
- Improving the collection and dissemination of remittance data of both sending and receiving countries towards the development of the remittances ecosystem and to support informed policies.
- Strengthening partnerships through bilateral and multi-stakeholder platforms to maximize the impact of remittances by encouraging individual and collective actions in both sending and receiving countries.
- Promoting access to financial services for remittance senders and recipients.
- Encouraging digital channels, innovative payment methods and interoperable payment systems for sending and receiving remittances faster, cheaper and safer.
- Ensuring adapted financial and digital literacy methods for the most vulnerable.
- Creating awareness on the importance of remittances and its contribution to socio-economic development.

On this special occasion, the GPII reaffirms its commitment to promote the development impact of migrants' remittances embodied in the UNGA resolution and reflected in the IDFR 2023-2024 global campaign "[Digital remittances towards financial inclusion and cost reduction](#)".

Reference:

The Global Partnership for Financial Inclusion (GPII) is an inclusive platform for all G20 countries, interested non-G20 countries and relevant stakeholders to carry forward work on financial inclusion,



including implementation of the G20 Financial Inclusion Action Plan. This platform enables peer learning, knowledge sharing, policy advocacy and coordination.

Some of the work areas, among others, include ways to improve financial system infrastructure, pursue policies conducive to harnessing emerging technologies, facilitate remittance flows and reduce the cost of remittance transfers, promote digital financial literacy and consumer protection and bridge the digital divide. "In particular, GPII informs G20 Leaders about the remittances progress and their members update their National Remittances Plan on a regular basis".