

Global Forum on Remittances 2013

20-23 May, Bangkok

OFFICIAL REPORT



in collaboration with:



Global Forum on Remittances 2013

20-23 May, Bangkok

OFFICIAL REPORT

The Global Forums on Remittances are a series of Forums organized by IFAD's Financing Facility for Remittances.

For additional information please contact:

Pedro De Vasconcelos, Programme Manager
Financing Facility for Remittances
International Fund for Agricultural Development
Via Paolo di Dono, 44 - 00142 Rome, Italy
Tel: +39 06 5459 2012 - Fax: +39 06 5043 463
E-mail: remittances@ifad.org
www.ifad.org/remittances
www.RemittancesGateway.org

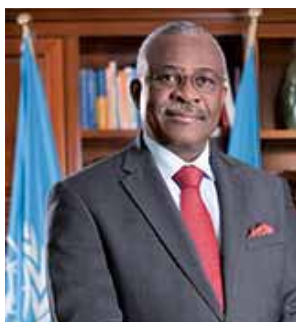
This publication or any part thereof may be reproduced without prior permission from IFAD, provided that the publication or extract therefrom reproduced is attributed to IFAD and the title of this publication is stated in any publication and that a copy thereof is sent to IFAD.

© 2014 by the International Fund for Agricultural Development (IFAD)

The GFR2013 report was prepared by
Alessandra Casano, KM Officer of the FFR
and edited by Brett J. Shapiro.

Printed November 2014

FOREWORD



More than 230 million people live outside the countries and communities they call home. Many of them leave their rural villages for cities and destinations abroad, seeking the opportunity that they do not find at home, and often at tremendous sacrifice. IFAD invests in people in order to transform rural areas into thriving communities in which women, men and youth can see a hopeful future. However, in many cases that is not yet a reality.

The ramifications of the personal decision to migrate reach far beyond migrant workers and their families, and can have direct effects on development. Money sent home can be a potent force for poverty reduction, as well as providing individuals with new opportunities. Remittances also help stimulate local economies and play a vital role in national development.

IFAD's multi-donor Financing Facility for Remittances (FFR) was created to support IFAD's mandate to empower rural families to lift themselves out of poverty and improve their livelihoods. The FFR is a tool to maximize the development impact of remittances.

The FFR organizes the Global Forum on Remittances and Development (GFRD) every two years, in collaboration with key partners, in order to exchange knowledge and best practices and stimulate the debate on global issues related to remittances and development. This event focuses worldwide attention on the critical importance of remittance flows and the opportunities they provide for the well-being of individuals, families, communities and nations. The GFRD brings together major stakeholders from the private and public sectors and from civil society to create long-lasting partnerships that will spur innovation and competition in the remittance marketplace.

The 2013 Forum in Bangkok represented a turning point for incorporating remittances into the global development agenda. It showcased the dynamic and innovative character of the Asia-Pacific remittance marketplace – valued at over US\$ 260 billion annually – and highlighted the importance of dealing with issues such as financial inclusion, the use of technology to reduce costs, and the creation of an enabling environment to unleash the development potential of remittances. Nowhere is this potential more apparent than in Asia.

Towards this end, IFAD is committed to working with its partners at all levels to turn the vast potential of remittances to improve the lives of millions of families in Asia and throughout the world.

A handwritten signature in black ink, appearing to read 'Kanayo F. Nwanze'.

KANAYO F. NWANZE
President of IFAD

TABLE OF CONTENTS

List of acronyms	7
Introduction	8
Statistics	9
History of the Forum	10
The venue	11

PUBLIC SECTOR DAY | 20 MAY

Session I Opening of the Global Forum on Remittances 2013	
Keynote Address and Introductory Remarks	14

Session II Remittances and development	
Panel 1 High Level Forum: G20 process and reducing the cost of remittances	18

Session II Remittances and Development	
Panel 2 International Organizations and Remittances	20

Session III Setting the stage: <i>Sending money home to Asia</i>	24
--	----

Session IV Enabling remittance markets: Standards, regulatory reforms and best practices	
Panel 1 Creating enabling remittance markets: Experiences and lessons – policy and regulatory reforms	28

Session IV Enabling remittance markets: Standards, regulatory reforms and best practices	
Panel 2 Private sector initiatives in creating enabling remittance markets	30

PRIVATE SECTOR DAY | 21 MAY

Session V Asia-Pacific remittance marketplace	
Panel 1 Market trends, innovations and opportunities	32

Session V Asia-Pacific remittance marketplace	
Panel 2 Remittances and cross-selling of financial products: Meeting the specific needs of remittance senders and recipients	34

Session V Asia-Pacific remittance marketplace	
Panel 3 New market opportunities	37

Session VI Networks: Reaching the customer	
Panel 1 Financial infrastructure, innovation and new models being developed for cross-border remittance services	39
Session VI Networks: Reaching the Customer	
Panel 2 Rural access and financial services: Expanding the market	42
Session VII Financial services: Models and best practices	
Panel 1 International mobile remittances and financial services: Opportunities and limitations	45
Session VII Financial services: Models and best practices	
Panel 2 Reaching the last mile: Success stories and challenges	47
CIVIL SOCIETY DAY 22 MAY	
Session VIII Remittances and financial inclusion: From financial literacy to investment models	
Panel 1 Role of financial inclusion policies for remittances	51
Session VIII Remittances and financial inclusion: From financial literacy to investment models	
Panel 2 Financial literacy and consumer protection	53
Session VIII Remittances and financial inclusion: From financial literacy to investment models	
Panel 3 Diaspora capital: Entrepreneurship, investment and financial intermediation	56
Session IX Innovation Awards ceremony	59
Conclusions and recommendations	62
Learning event	65
Networking	68
F@RUM	70
Press coverage	72
List of speakers	74
List of participants	80
The remittance marketplace	84
The organizers	86

LIST OF ACRONYMS

ADB	Asian Development Bank
AFI	Alliance for Financial Inclusion
AML/CFT	Anti-money laundering/Combating the financing of terrorism
ATM	automatic teller machine
AUSAID	Australian Agency for International Development
BICS	Belgacom International Carrier Services
CGAP	Consultative Group to Assist the Poor
CMF	Centre for Micro-Finance
CPSS	Committee on Payment and Settlement Systems
DMA	Developing Markets Associates
EC	European Commission
EU	European Union
FFR	IFAD's Financial Facility for Remittances
FIIAPP	Fundación Internacional y para Iberoamérica de Administración y Políticas Públicas
GDP	gross domestic product
GFR	Global Forum on Remittances
GIZ	German Foundation for Development
GNI	gross national income
GXI	G-Xchange, Inc.
IFAD	International Fund for Agricultural Development
IME	International Money Express
INAFI	International Network of Alternative Financial Institutions
IOM	International Office for Migration
MFI	microfinance institution
MNO	mobile network operator
MTO	money transfer operators
NGO	non-governmental organization
ODA	official development assistance
PFIP	Pacific Financial Inclusion Programme
RTGS	Real Time Gross Settlement
UNCDF	United Nations Capital Development Fund
UPU	Universal Postal Union
WSBI	World Savings and Retail Banking Institute

INTRODUCTION

Remittances, or the portion of earnings that crossborder migrant workers send to their countries of origin, are a traditional means of financial support to family members back home. Over the past 15 years, as the number of migrant workers has increased, remittance flows have accelerated. Now, for many developing economies in Asia and the Pacific, and globally, remittances are the largest financial inflow. As such, they have a significant impact on the economic well-being of recipient families, especially in rural areas, where they represent four times the global official development assistance (ODA), and the growth and stability of their economies. Given their importance, remittances continue to attract high level domestic and international policy attention: policy efforts focus on facilitating the safe and efficient flow of remittances, as well as maximizing their impact on economic growth and development.

The quality and cost of remittance services are among the most fundamental determinants of the impact of remittance flows. These services vary significantly across remittance markets, depending on market conditions in both sending and receiving economies.

Key parameters include market transparency, consumer protection requirements, payment system development, remittance distribution networks, regulatory requirements, governance, and risk management practices. For example,

in rural areas where remittance distribution networks are often poor, the average cost of remittance services can reach as high as 25 per cent of the amount sent.

Bringing together over 400 participants, including experts and stakeholders from leading business groups, government regulators and civil society, the Global Forum on Remittances (GFR) 2013, co-hosted by IFAD's Financing Facility for Remittances (FFR) and the World Bank's Financial and Private Sector Development Vice Presidency, highlighted the great potential of remittances in Asia-Pacific, and its global impact and implications.

The goals and objectives of the GFR2013 were to create a common agenda for the Asia-Pacific remittance market by:

- highlighting the importance of international and domestic remittances in rural areas of the region;
- exchanging worldwide lessons learned and best practices, and promoting the scaling-up of successful models;
- promoting private sector involvement as agents of innovation; and
- supporting national governments in fostering enabling environments that promote low-cost remittances and that maximize the impact of these funds in terms of access to finance and creation of wealth.



STATISTICS

The GFR included a series of high-level panels, cross-cutting roundtables, and working group sessions devoted to an in-depth exchange of ideas, best practices and business models for urban and rural remittances worldwide.

The Forum agenda was divided as follows:

PUBLIC SECTOR DAY | 20 MAY

PRIVATE SECTOR DAY | 21 MAY

CIVIL SOCIETY DAY | 22 MAY

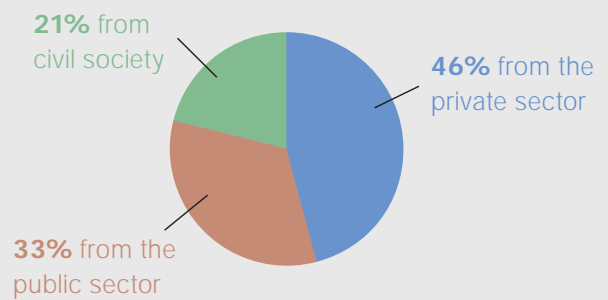
LEARNING EVENT ON SCALING-UP IN NEPAL AND THE PHILIPPINES | 23 MAY

The regional study *Sending Money Home to Asia* was released during the forum, providing a thorough overview of the Asian remittance marketplace, analysing data and statistics on competition, regulations, common practices and latest trends, as well as pinpointing challenges and opportunities for financial development and education.

3 DAYS OF SESSIONS: 10 SESSIONS – 18 PANELS

58 SPEAKERS AND 15 MODERATORS
FROM GOVERNMENTS, CIVIL SOCIETY AND PRIVATE SECTOR

405 PARTICIPANTS ENGAGED FROM 72 COUNTRIES, OF WHICH:



OVER 400 NEWS ITEMS ON THE INTERNATIONAL PRESS

INTERACTION ON SOCIAL MEDIA



HISTORY OF THE FORUM

The Global Forum on Remittances (GFR) is part of a series of ground-breaking international forums, launched by the Inter-American Development Bank (IDB) and after which its organization passed on to the International Fund for Agricultural Development. These globally-recognized events are aimed at bringing together stakeholders from around the world involved in the field of remittances, migration and development, to stimulate partnerships and create long lasting synergies among public and private sectors, and civil society actors. Originally established as a platform to share lessons learned and best practices, the GFR – now Global Forum on Remittances and Development (GFRD) – has become, over the last decade, a unique opportunity to discuss global remittance-related issues and find solutions to maximize the development impact of these flows.

The past editions of the Forum were held in collaboration with key regional and prominent international financial institutions (IFIs), as well as sister agencies such as regional development banks and the World Bank:



2005: International Forum on Remittances – LAC
Focused on Latin America and the Caribbean, held in Washington D.C. and organized by the IDB, after which the organization passed on to IFAD;



2007: International Forum on Remittances – Global
Global coverage, held in Washington D.C. in collaboration with the IDB;



2009: Global Forum on Remittances – Africa
Held in Tunis, in collaboration with the African Development Bank;



2013: Global Forum on Remittances – Asia
the 2013 Forum held in Bangkok, and organized with the World Bank.

In 2015, the Global Forum on Remittances and Development – Europe will focus on its transnational markets and the development impact in other regions of the world. It will take place in Milan in conjunction with the Universal Exposition EXPO2015.



THE VENUE

The Global Forum on Remittances 2013 was held at the United Nations Conference Centre (UNCC), located in Bangkok in the headquarters of the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP).







GFR2013 – Private sector day

SESSION I OPENING OF THE GLOBAL FORUM ON REMITTANCES 2013

Keynote address and introductory remarks

Her Majesty Queen Máxima of the Netherlands addressed the audience in her capacity as the United Nations Secretary General's Special Advocate for Inclusive Finance for Development. IFAD and the World Bank, co-organizers of the forum, introduced its objectives and format. The Government of Spain, in representation of the GFR sponsors and partners, elaborated on the donors' vision on the expected outcomes of the event.

SPEAKERS

Queen Máxima of the Netherlands

(by video)

Kevin Cleaver

Associate Vice-President, Programme Management Department, International Fund for Agricultural Development (IFAD)

Janamitra Devan

Vice President and Head of Network, Financial and Private Sector Development, The World Bank Group

Javier Hernández Peña

Deputy Director General for Development Policies, General Secretariat for International Cooperation, Ministry of Foreign Affairs and Cooperation, Government of Spain

Mr De Vasconcelos stated: "It is appropriate that the Forum take place in Asia, the focal point of unprecedented rural global migration, with more than 60 million Asian migrants living around the world both north and south. The aim of the Forum is to highlight today's challenges and tomorrow's opportunities, with the ultimate objective of making migration more of a choice rather than a necessity."

With this in mind, the forum was then officially opened with a video address of the United Nations Secretary-General's Special Advocate for Inclusive Finance for Development, **Her Majesty Queen Máxima of the Netherlands** (see the welcoming speech in the box that follows).



Welcoming Speech by Her Majesty Queen Máxima of the Netherlands¹



Good morning ladies and gentlemen. People migrate for many reasons. Almost always they are seeking to set themselves and their families on a new path. Sending money home is a big part of how they achieve this.

This year migrants will send home an estimated US\$400 billion from overseas, and this may be a conservative number considering the very large informal and domestic remittances. This money provides for immediate needs and is often the foundation for long-term welfare and income when migrants return home. The question is how to harness remittances more effectively in order to help migrants and their families reach their goals. I would like to call your attention to several areas for action.

Remitting money is expensive. Every year international migrants spend about the GDP of Kenya to send money home. Fees can climb as high as 20 per cent. Reducing the high costs at both ends will mean that more money ends up in the hands of receivers. There are many opportunities for policymakers and the private sector to explore ways to reduce costs through new products or mitigation of currency exchange risk, but also by spurring competition which in certain quarters has driven down costs and increased innovation. This is particularly important in rural areas, where receivers often have to pay an additional premium.

We can also help by designing better products tailored to the changing patterns of migration. Women now make up nearly half of all migrants. They send a greater proportion of their earnings home and [do so] more regularly than men, and they tend to invest in family and necessities over consumer goods. How can we help them better? Another new trend is the growing number of remittances between two developing countries, not only North–South. These new corridors also need attention.

Another area for priority action is helping receivers use their money in the best possible way once they get it.

By considering the full pictures of their lives, how can remittances help them leverage savings, insurance, loans and other products that add value? One bank in Sri Lanka offered a savings-linked remittance product to help migrants and their families buy a home or start a business. Sixty-three per cent of these accounts are held by women, and the bank couples the product with financial education. This multidimensional approach helps individuals understand financial choices and budgeting. It also supports, of course, entrepreneurship.

Realizing all this takes partnerships and dialogue, regulators, senders, receivers, providers and development agencies; this forum is an excellent venue to take all these valid views into account. Look to your left and to your right. Is anyone missing? Should others be part of this in the future? With which partners can you take this kind of dialogue to the national or regional level or into specific sectors?

You know, several years ago I met a woman in South Africa. Her son sent a set amount of money every three months. With this money she slowly bought building materials with the intention to build an extra room to rent it out. This could be her pension and security. Every time there was a storm, however, half the materials were destroyed. If she just had a bank account she could have saved the money safely. If there had been loans that actually could have seen the steadiness of the cash flow she could have borrowed against a regular remittance and built this room in one go, and insurance could have helped her protect the investment against risks.

It is really time to shine a spotlight on remittances and tackle some of the challenges still facing very hard-working families. Better remittances as a suite of financial products will empower people to shape their future. The impact of helping migrants and their families will be lasting and global if we link remittances to other financial services and make them more affordable and more relevant to their needs.

I hope you will address these issues during your forum and in your coming work.

¹ To watch the video, click here: <http://www.youtube.com/watch?v=D47CKtH1XF0&feature=youtu.be>



Mr Kevin Cleaver, opened his remarks by asking why an agency such as IFAD gives remittances such a high profile. The US\$410 billion in remittances sent home in 2012 by migrants to developing countries dwarfs ODA, with Asia alone believed to have some 60 million migrants who in 2012 sent home US\$260 billion.

He noted that the costs of remitting funds vary hugely in both the source and destination country. This is of interest to IFAD since the cost of remitting money is invariably higher and takes longer if the money is going to rural areas, and in Asia this amounts to 40 per cent of total remittances.

IFAD believes that increased competition and innovation are fundamental, together with government policy engagement in support of new service providers in rural areas, and the inclusion of more service points. A competitive scenario should be encouraged, as an increased number of operators competing for a share of the market will result in greater efficiency and lower costs, with a larger percentage of remitted funds going directly to households.

The parallel development of financial services, particularly in under-served rural areas, is also critical, as appropriate financial services can mobilize funds for investment and not just for consumption. This is important in rural areas since prices – and therefore the profitability of agriculture and agro-industrial production – are going up. People are paying more for food, but at the same time more of this can go to farmers and to the agro-businesses, marketing, and input supply processes that sustain them. Agriculture

is becoming profitable – very profitable in some places. Channelling some of this remittance money through financial intermediation into agriculture, agro-business, and agro-industry could be the single most important development that happens in agriculture and rural development in decades. Reducing agriculture's claim on the public sector could actually do more to stimulate agricultural growth and rural development in poor areas of developing countries than official development assistance.



Mr Janamitra Devan said that it was encouraging to see that remittances and more recently the reduction in remittance costs are top items on the global economic agenda.

The G8 and G20 regional fora and many individual countries are showing strong leadership in improving markets for remittances and implementing the Committee on Payment and Settlement Systems (CPSS)/World Bank General Principles for International Remittances (the international standards for remittances).

The flaws in today's remittance systems pose a chronic problem for an estimated 230 million people, 3 per cent of the world's population. The system hits the poorest people (and countries) the hardest of all, especially through the exorbitant fees charged. Remittances are almost half of Tajikistan's gross domestic product (GDP), and almost a quarter of Nepal and Samoa's. Countries like these are victimized by the distortions in the marketplace. Moreover, for personal transfers by poor migrants, the high fees for sending small sums can afflict a punishing burden.

The global average cost of remitting consistently decreased between 2008 and 2010. Unfortunately this trend has stopped over the past year, and was 9.05 per cent in the first quarter of 2013 compared

to 9.12 per cent in the first quarter of 2012 and 9.09 per cent in 2011 – a new trend that needs to be reversed. There have been some encouraging signs of progress. In almost 20 per cent of remittance corridors, the 5x5 target has already been achieved, and another 20 per cent are close. This is a dramatic improvement over 2009, when only 7 per cent of corridors had met the target.

However, there are still many barriers. Prices are highest in the poorest countries because their markets remain under-developed in terms of financial infrastructure and regulatory environment. Payment systems are often inefficient; processing remittances requires a great deal of hands-on activity. Moreover, banks often lack modern technical infrastructure and links between their branches, which can drive costs further upward. Markets are often dominated by only several remittance providers who sometimes have exclusive agreements with the networks of disbursing agents. This enables them to eliminate competitors and charge exorbitant fees. Regulatory regimes can also restrict competition, sometimes excluding non-bank financial institutions from processing remittances.

Mr Devan went on to discuss the steps that can be taken, as well as practical policy options, to make sure that the recent momentum continues. The first step is the broader adoption of the General Principles for International Remittance Services, which have been widely endorsed as the best-practice standard. The principles include such market-based approaches as fostering transparency, improving the payment systems infrastructure, and adopting best practices for governments and risk management.



Mr Javier Hernández Peña

highlighted that working in remittances has valuable overall development benefits. It can be a driving force for financial inclusion, which in turn drives investment and

productivity, both agricultural and industrial. Remittances can be the trigger for extending financial services and education, and giving people access to credit, insurance, micro-insurance and other financial services. He added that for the extension of financial services – for example, access to credit, insurance and micro-insurance – financial education is also a very important driver for development, particularly for those who are receiving money from abroad.

Spain has particular experience in this sector because of the Spain-Latin America corridor. The Spanish remittance volume to Latin America is about triple the overall flow of ODA from Spain to the entire developing world.

Spain has two of the most important banking operators for remittances, and they lowered the cost of remittances significantly – it is not yet under 5 per cent but certainly closer to it than most countries. This experience and the recognition of the importance of remittances have led Spain to fund this sector through IFAD, which is one of Spain's leading partners in the distribution of remittances through multilateral channels. Their funding has also contributed to these fora.

SESSION II REMITTANCES AND DEVELOPMENT

PANEL 1

High level forum: G20 process and reducing the cost of remittances

The G8 and the G20 have played leading roles in addressing key challenges in international remittance flows. The G8 put remittances on the global policy agenda for the first time during the 2004 Sea Island Summit. In Seoul in 2010, and again in Cannes in 2011, the G20 leaders endorsed a commitment to reduce the global average cost of sending remittance by 5 per cent by 2014, the “5x5 Objective”. This high-level panel brought together key G20 stakeholders to share their achievements and lessons.



MODERATOR

Janamitra Devan

Vice President and Head of Network, Financial and Private Sector Development, The World Bank Group

SPEAKERS

Blair Exell

First Assistant Secretary of the International Policy and Sector Division of the Australian Agency for International Development (AUSAID)

Pak Hendar

Assistant Deputy Governor for Payment Systems, Bank of Indonesia

His Excellency Michelangelo Pipan

Ambassador of the Italian Republic to Thailand

The moderator opened the session by giving a brief history of the events that led to the creation of the “5x5 Objective”. The G8 first put remittances on the agenda in 2004. In 2008 in Hokkaido, Japan the Global Remittances Working Group was created, and the “5x5 Objective” was adopted in 2009 in L'Aquila, Italy. In 2011, the G20 leaders also endorsed this initiative.



Mr Blair Exell explained why and how the G20 decided to focus on remittances. The G20 is made up of the world's 19 largest national economies plus the European Union and accounts for 90 per cent of global GDP. Half of global remittance

flows are sent from or received by G20 members, and even a small reduction in costs could release billions of dollars into the hands of poor communities. In practical terms, the G20 has helped build momentum for progress, launched the G20 Remittance Policy Tool Kit in 2011, and is supporting innovation in the payment systems of both sending and receiving countries.

Mr Exell outlined the progress that his native Australia has accomplished. One in four of Australia's 23 million people are migrants. In 2011 US\$4 billion left Australia in remittances, and although the cost of sending money remains high (on average 14 per cent in 2010), it had dropped on average to 11 per cent by the beginning of 2013; the costs to Fiji, Samoa and Tonga –



three of the most remittance-dependent economies in the world – have almost halved. He explained that this reduction is due in great part to:

- creating strong links between the public and private sectors;
- promoting a greater understanding and awareness of remittance products, including their costs;
- introducing new products;
- lowering the costs of existing products; and
- improving access to financial services and financial legislative programmes in Pacific countries.

In 2009 Australia and New Zealand jointly funded a remittance comparison website, “Send Money Pacific”, and “Send Money Asia” was launched in 2013. Australia is also supporting “mobile” money in Papua New Guinea and elsewhere.



Mr Pak Hendar drew an impressive picture of the challenges faced by Indonesia, a country of 17,000 islands and 242 million people who speak 742 languages and dialects.

Indonesia received US\$7.2 billion in import remittances in 2012, and is the least expensive receiving country after Mexico (an average of 6.6 per cent for Indonesia in Q3 of 2012, compared to 5.3 per cent for Mexico). An analysis by the Bank of Indonesia showed that the key challenges in Indonesia are: consumer protection; lack of access in remote areas to remittance services; and financial illiteracy.

To address consumer protection, new regulations have been enacted, and the Bank is leading the way in introducing more mobile banking to Indonesia’s 220 million mobile phone users. To address lack of access, Mr Hendar explained how the Bank had also negotiated a deal to link the automatic teller machines (ATMs) of the three largest treating companies for ATM and debit cards, making it easier for their customers to send and receive money via ATMs and debit cards. Importantly, this was a voluntary agreement by the

companies, which realized the advantages it had to their operations and customers. To address financial illiteracy, a pilot project is under way to provide financial education for migrant workers and their families. Once it has been tested, the project can be rolled out.



Ambassador Pipan gave details of the interesting situation in Italy, which went from being a net remittance receiver to provider in 1998. Few countries in the world have had the experience

that Italy has had at both ends of the spectrum. In 2009, Italy, together with the World Bank and other partners, developed an international initiative aimed at reducing the costs of transferring remittances by half, from 10 per cent to 5 per cent by 2014. He added that the thin line of balance between cost reduction, consumer protection, anti-laundering requirements and preventing terrorist financing is a fine art. Promoting and ensuring better coordination among all the major public and private players in Italy proved to be a key to success, and this was achieved through the Italian Working Group on Remittances, one of whose early successes was the prevention of any introduction of taxes on remittances. A remittance cost comparison website, “Mandasoldiacasa” (*Send your money home*), was also launched, and average costs dropped from 10.2 per cent in 2008 to 7.4 per cent in 2012. He noted that if all countries were able to achieve the “5x5 Objective” it would put US\$15 billion back into the hands of remittance senders and their families around the world. He recommended that action be immediately stepped up by all, in particular by those who are still lagging behind, by reviewing and adopting the best-practice action suggested by the Rome roadmap on remittances of 2009 and the G20 toolkit of 2011.

SESSION II REMITTANCES AND DEVELOPMENT

PANEL 2 International organizations and remittances



MODERATOR

Donald F. Terry

Professor, Development Finance,
Boston University School of Law

SPEAKERS

Andrew Bruce

Regional Director Asia-Pacific, International Organization
for Migration (IOM)

Ana Beatriz Martins

Head of Political, Press and Information Section,
Delegation of European Union to Thailand

Toru Shikibu

Inter-American Development Bank Special Representative
in Tokyo

Taffere Tesfachew

Director, Division for Africa, Least Developed Countries
and Special Programmes, United Nations Conference
on Trade and Development

Myo Thant

Principal Economist, Asian Development Bank

Mr Donald F. Terry opened the session by presenting a series of numbers:

- 500 billion – the amount of dollars remitted annually, including those people who remit, but whose money is not counted officially
- 250 million – the number of migrants sending money back home
- 2,000 – the average amount of dollars that migrants send back home annually
- 1.5 billion – the number of financial transactions that take place every year for remittances
- 3 billion – the number of separate trips made each year to send and pick up money
- 200 – the amount of dollars in a typical transaction

He then posed the following questions to initiate the discussions: *How do you send US\$200 across a border efficiently, inexpensively, conveniently and how do you take that cascade of those US\$200 over and over and over again, a billion and a half times a year? How do you take that US\$200 and move it into a system for which it is not just a cash-to-cash transaction but a transaction that is allowing more financial options for the recipients and more opportunity to invest in the communities where they live?*





Mr Toru Shikibu began by explaining that the Inter-American Development Bank started studying remittances when little factual information was available, pioneering efforts to increase

competition and reduce the cost of remittances. These efforts have contributed to a reduction in the cost of sending remittances by more than 50 per cent compared to past years. In its more than 15 years of work in the remittances sector, the Bank, through its grants and loans instruments, has also financed more than 45 remittances-related projects in Latin America and the Caribbean, including small businesses, housing and financial inclusion, and shared the learning with actors in this sector. The Bank's broad presence in the region through its local offices enables it not only to supervise the progress of projects but also to create strong relationships with its partners and learn from models that can be replicated in countries within and outside of the Latin America and the Caribbean region. The Bank has helped raise the profile of remittances, and its work has served as a reference for other development banks.



Mr Andrew Bruce stated that remittances are one of the most direct and obvious ways in which migration contributes to development. He explained that IOM works closely with governments and

stakeholders in both remittance sending and receiving countries to maximize their development impact, always keeping in mind that remittances are private funds. IOM focuses its efforts on three key areas:

- **Capacity-building and policy advice and support.** To maximize the benefits of remittances, governments need to gear their policies towards ensuring safe, accessible, low-cost remittance transfers and to leveraging remittances for maximum development impact. In 2011 IOM and the

Government of Pakistan conducted a study of labour migration and remittances in the Saudi Arabia/Pakistan corridor, which resulted in a number of important recommendations: labour migration should be mainstreamed into government development policy; there should be an increased focus on encouraging the use of formal remittance channels; and the strategic use of remittances should be pursued to build local jobs and encourage economic development. In Viet Nam, IOM is about to undertake a study that will investigate the linkages between internal migration, remittances and rural development and the use of mobile technology.

- **Financial literacy training and awareness-raising.** This can take the form of pre-departure training or community-based training in communities that are known to receive large volumes of remittances.
- **Research and mapping.** There is still much to be studied and mapped with regard to the dynamics of remittances in the Asia-Pacific region. To this end, IOM has recently studied remittance corridors to the Philippines and Indonesia, diaspora linkages between Bangladeshi migrants in the United Kingdom and the United States and their home country, and the impact of remittances from Cambodian migrant workers in Thailand on their home communities. IOM has also conducted a migration profile of Afghanistan that focuses on circular migration and remittances. The European Union – Latin American and Caribbean Project includes a mapping of 70 projects on remittances worldwide and the development of a “Remittances and Development Best Practice Manual” which will lay out a framework for best practices. Based on this framework, IOM will develop tools for policy design and implementation in pre-determined Latin American and Caribbean countries.



Mr Taffere Tesfachew focused on the least developed countries, of which 14 are in the Asia-Pacific region.

These countries are characterized by per capita income of less than US\$1,000 per year. They are marginal players in the international economic and financial system. Remittances have been growing in this group of countries. Recorded official remittances increased from about US\$3.5 billion in 1990 to about US\$6.3 billion in 2000. During the following decade it suddenly increased to over US\$27 billion. The surge in remittances results from a rapid increase in migration, from 16 million in 1990 to 19 million in 2000, and then to 27.5 million people from this group of countries – a 42 per cent increase in the last decade. One of the reasons is the south-south movement, mainly for economic reasons. In 2011, as many as two-thirds of the recorded remittances originated in other developing countries.

Mr Tesfachew explained that the bulk of remittances from these countries go through informal channels, an option preferred by migrants for reasons of their legal status, as well as the level of development of the financial sector in recipient countries, the regulations and infrastructure, and the cost associated with remitting through official channels. Nevertheless, formal channels need to be encouraged. From the point of view of the individual migrant, relying on informal channels may seem to be a rational choice, given the prohibitively expensive costs of remitting through the formal ones. However there is clear evidence that from policy and development perspectives, remittance through official channels is preferred. This should be the objective, so that many of these countries could generate foreign exchange, address their balance of payments and improve their credit-worthiness, in addition to helping the poor. In this regard, competition is critical.



Ms Ana Beatriz Martins explained that, since the European Union (EU) issued a policy paper in 2005 on comprehensive migration policy for the 27 Members States, migration, and as part of that remittances, has

become quite high on the political agenda. The EU is a huge recipient and destination zone, with an increasing number of migrants and 40 billion remittances to other countries. Its commitment to development as a donor is the largest worldwide; so from both the development and migration points of view, remittance is an important issue. The EU has some ten ongoing projects worldwide on remittances and two flagship remittance projects – the African Remittances Institute, which could be an interesting case for Asia as well, and IFAD's Financial Facility for Remittances.

She described what she considers to be the most important initiative, the Payment Services Directive, which was issued in 2009 to create the legal basis for a single market in payments. This binding directive for Member States seems to have had a considerable effect on the effectiveness of EU measures and policies on remittances. The banking and financing markets have improved considerably in their transparency as well as competition and competitiveness in business. The directive has led to more financial and business outlets, which has created competition, transparency and thereby a reduction in costs of transfers from 11.7 per cent to 10.6 per cent.

Nevertheless, there is still a very long way to go. Reaching the 5 per cent target remains a challenge with the EU as a whole. Another challenge is the fragmentation of policies on remittances, in particular in the European Commission (EC) where civil services are dealing with the policies of remittances, be it the service dealing with development policies or internal market or money laundering. Efforts need to be made to have a more focused, targeted policy. In addition, the different stakeholders need to be more involved in

providing education, including diasporas, governments in the receiving countries and non-governmental organizations (NGOs).



Mr Myo Thant reiterated the enormous numbers involved when speaking about remittances in Asia: India is US\$59 billion, China is US\$57 billion, the Philippines is about US\$23 billion, and Pakistan

and Bangladesh are about US\$12 billion each. But absolute numbers do not tell the full story; it is also about percentage of the country's GDP and how important money remittances are to the country. In this lens, Tajikistan's remittances represent over 40 per cent of its GDP; Kyrgyzstan is about 23 per cent; Nepal is over 22 per cent; and Tonga is about 14 per cent. He also explained that migration flows as well as remittances are highly stratified: the corridors are not random. Certain people go to certain countries. Within Asia the major destinations are Thailand, Singapore and Japan, although the latter is not usually thought of as a migration destination country. There is also Australia, which is particularly important for people from the Pacific. There is also migration outside Asia, to the United States and Russia.

He went on to discuss formal versus informal migration, which varies greatly by country and needs to be studied further, particularly to determine the extent and importance/impact of informal migration. He added that unfortunately, many studies have chosen the easy route by studying countries such as the Philippines and Malaysia. There are other, more difficult countries in Southeast Asia that warrant analysis.

The following challenges emerged during the discussions:

- **The cost of migration to the migrants.** How much of remittances actually end up paying for the migration process? In certain corridors the cost is very high. In fact, for some migrants, the first year they are working they are actually paying off all the costs of getting included on the list and getting the job in the country in which they are working. If the idea is to leverage remittances for development, one year's salary is not going back to the rural areas, the source of development impact. How do we make migration less expensive for the migrants themselves; how do governments better control the migration process?
- **Specific remittance measures for least developed countries.** Although least developed countries have certain international support measures in place – for example, quota-free market access, special ODA and special environment funds – there are no tangible remittance measures. In addition, financial institutions in these countries need to be strengthened, along with more work with microfinance institutions. A better flow of information and best practices would be enormously helpful.
- **Migrants' rights and policy.** Efforts need to be made to promote migrants' basic civil and human rights in having access to health, education and human security, and in helping them to avoid situations of bonded labour or dependency.

SESSION III SETTING THE STAGE: *SENDING MONEY HOME TO ASIA*

In the context of the GFR, IFAD released its latest regional study, *Sending Money Home to Asia*. Based on joint research between IFAD and the World Bank Group, the study highlights the trends and opportunities in today's Asian remittance market. During this panel, both IFAD and the World Bank presented the main findings of their joint research and set the stage for the following plenary and breakout sessions.²



Messrs Kevin Cleaver and Pedro de Vasconcelos opened the session by introducing the new report, *Sending Money Home to Asia*, the latest in the series, following the global issue (released in 2007) and an issue on the African marketplace (launched at the GFR2009 in Tunis).



MODERATOR

Pedro de Vasconcelos

Manager of IFAD's Financing Facility for Remittances, Coordinator and Chair of the GFR

SPEAKERS

Kevin Cleaver

Associate Vice-President, Programme Management Department, IFAD

Massimo Cirasino

Manager, Financial Infrastructure and Remittances, The World Bank Group

The report shows how 60 million Asian migrants from 22 countries analysed sent US\$260 billion home in 2012 – which amounts to more than half of the world's total remittances. This money goes to about one in ten (or 70 million) Asian households. Nationally, the largest recipients are (in order): India, China, the Philippines, Pakistan, Bangladesh, Viet Nam and Sri Lanka. All of the international remittance service providers are involved, including banks (the major players), non-bank financial institutions, credit unions, microfinance institutions, money transfer organizations and post offices.

Mr Cleaver went on to outline how the research conducted for the report had discovered 350,000 pay-out locations in Asia. Two-thirds of them are located

Section 2: Regional overview

South Asia

There are currently about 26 million migrant workers from South Asia living abroad, making the region the largest source of migrants of the continent. Over the past decade, countries such as Afghanistan, India, Pakistan and Sri Lanka have all experienced substantial increases in the number of migrants leaving their country (official, temporary, other countries, not by Bangladesh and Nepal, have actually experienced substantial reductions, as many of their citizens have returned home. Meanwhile, over the same period, Bangladesh, Nepal and Pakistan have all launched operation courses for millions of additional migrant workers

Official remittances from neighbouring Asian countries. The majority of remittances to South Asia flow to India – with Afghanistan, Bangladesh, Nepal, Pakistan and Sri Lanka also receiving significant amounts. Nepal and Thailand are particularly interesting cases in that these countries are also experiencing an equilibrium, with about the same number of migrants leaving the country as foreign workers entering.

These countries receive less than 10 per cent of GDP (ranging from Bangladesh 11.8 per cent to Afghanistan 16.2 per cent) and spend US\$ 1 per cent.

Rural and coastal trends

The majority of the population in South Asia lives in rural areas. States tend to report higher rates of GDP if you count. However, it is not clear what the majority of GDP, post offices and banks, SWIFT operations (SWIFT) tend to report higher percentages.

South East Asia

Other major remittance recipients in the subregion are the Philippines (US\$ 11 billion), Indonesia (US\$ 7 billion) and Thailand (US\$ 1 billion). At the same time, however, Singapore and Thailand are the only countries in the subregion that have significantly higher percentages of GDP.

Other major remittance recipients in the subregion are the Philippines (US\$ 11 billion), Indonesia (US\$ 7 billion) and Thailand (US\$ 1 billion). At the same time, however, Singapore and Thailand are the only countries in the subregion that have significantly higher percentages of GDP.

South East Asia is primarily the world's most dynamic remittance market, with almost 13 million migrants living abroad.

The report shows that South East Asia has seen a surge in remittance flows to its labor destination for South East Asia. The Labor Migration Commission (LMC) has the highest rate of participation of migrants and citizens abroad. The Philippines has the most diverse labor force, with around 10 million overseas Filipinos. The Philippines is the largest in the subregion.

Country	Population (millions)	Remittances (US\$ billion)	% of GDP
India	1,100	100	10.0
China	1,300	80	6.2
Philippines	90	11	12.2
Pakistan	150	5	3.3
Bangladesh	140	4	2.9
Viet Nam	75	3	4.0
Sri Lanka	20	1	5.0
Indonesia	230	7	3.0
Thailand	60	1	1.7
Malaysia	25	1	4.0
Singapore	5	1	20.0
World	7,000	260	3.7

² Presentations are available at <http://bit.ly/1p1tpJL>

in urban areas even though 40 per cent of funds go to rural areas. Expanding rural services is the biggest challenge as costs are much higher in rural areas, where travel time and costs are also involved.

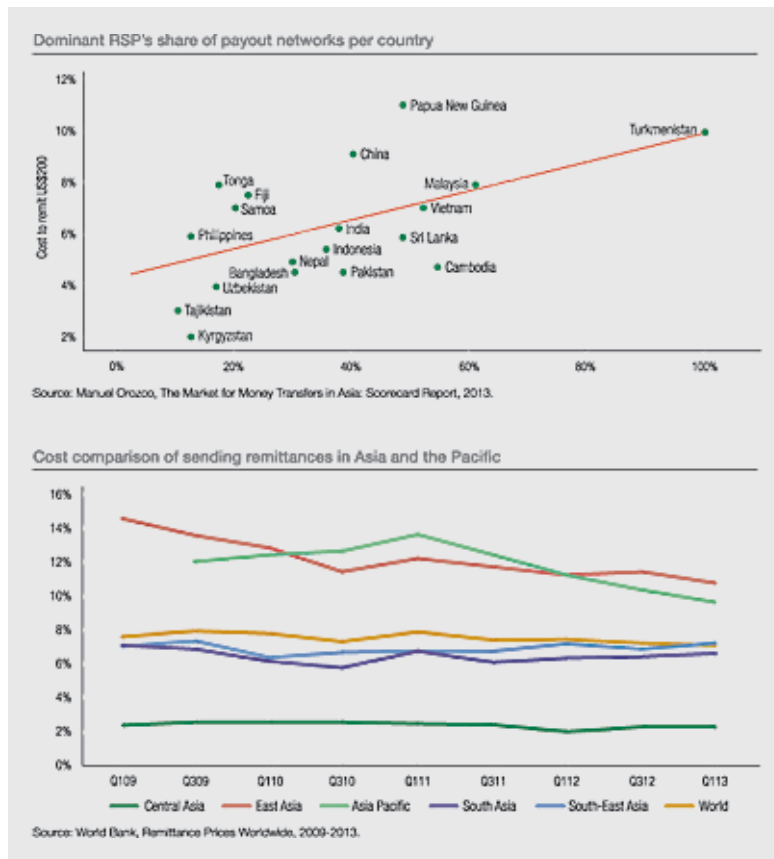
Mr Cleaver described the FFR, a US\$28 million multi-donor facility managed by IFAD that experiments with new ways of providing remittance services. The facility has supported 50 projects in 40 countries, helping governments to expand financial services and providers and to explore financial education. IFAD strongly supports the expansion of providers and the modernization of their services, particularly by training non-traditional providers like post offices and microfinance organizations. Mobile and electronic services are less expensive and may jump-start more services in rural areas. Financial training workshops for individuals have been productive too, enabling people to shop around for services.

Mr Cleaver remarked that the need to modernize financial intermediation to enable some of these funds to be invested productively has been underestimated. These funds can be a huge source of productive investment in agriculture, agro-industry and agricultural marketing, which could have a larger and more productive impact on growth in agriculture in rural areas than aid projects can have.



Mr Massimo Cirasino explained how the World Bank has recognized the importance and challenge of remittances, and has taken up the agenda of creating more efficient markets to lower costs. As part of this effort, the Bank has met with the Sub-Committee on Payment and Settlement Systems of the Bank for International Settlements. It has also met with other banks, multilateral agencies, partners and the private sector, and published the General Principles for International Remittance Services.

Mr Cirasino described how the national payment system infrastructure has improved around the world since the Principles began to be implemented at global, regional and national levels. Legal and regulatory framework reforms in the European Union Payments Service Directive have also helped to reduce prices significantly. For example, the cost of US-Mexican remittances has decreased continually over the years, thanks in part to the proportionate identification requirements for Mexicans in the United States. Mr Cirasino gave other examples of reforms and successes from Italy, Pakistan, Sri Lanka and the United Kingdom.



Key findings

International remittance flows to the Asia and the Pacific region

- The Asian continent is the source of nearly 60 million migrant workers who sent almost US\$260 billion to their families in 2012. This represented 63% of global flows to developing countries.
- An estimated 70 million Asian households benefit from these flows – one out of every ten.
- Seven out of the top ten remittance-receiving countries are in Asia: India, China, the Philippines, Bangladesh, Pakistan, Viet Nam and Indonesia (in order of magnitude). More than half of the population in these countries is rural.
- Nine countries have remittances exceeding 10% of GDP, including Tajikistan, with more than 50%.

Markets

- In many senses, Asia cannot be described as a single market, as there are significant differences among subregions, and even between urban and rural markets in the same country.
- Transfers take place through a network of over 350,000 payment points in the 22 countries studied.
- India, China and the Philippines account for 75% of all payment points in Asia.

- Although the clear majority of the region's population lives in rural areas, 65% of payment locations are in urban areas.
- The legal and regulatory frameworks in most countries allow banks alone to make foreign currency payments.
- Even though the average costs of sending money to Asian markets are below the global average, remittances to rural areas are still much more expensive.
- Sending money to Central Asia from the Russian Federation is the least expensive, costing on average 2.5% per US\$200 sent.
- Banking institutions, mostly through their money transfer operator (MTO) agents, handle 75% of all transactions.
- In many countries, particularly in rural areas, retail stores are playing an increasing role as payout locations.
- Post offices are active payers in more than half the countries studied, with a major presence in China and Indonesia. These post offices may account for a 5% share in the remittance payment market.
- Microfinance institutions currently play a more limited role, making up less than 2% of all payment points. Nevertheless, they often have greater rural presence than banks, and offer a wider range of financial services to underserved clients.

- MTOs are increasingly making use of mobile transfer services. Mobile remittance companies have also emerged in significant numbers: 60% of leading remittance service providers now offer mobile transfers.

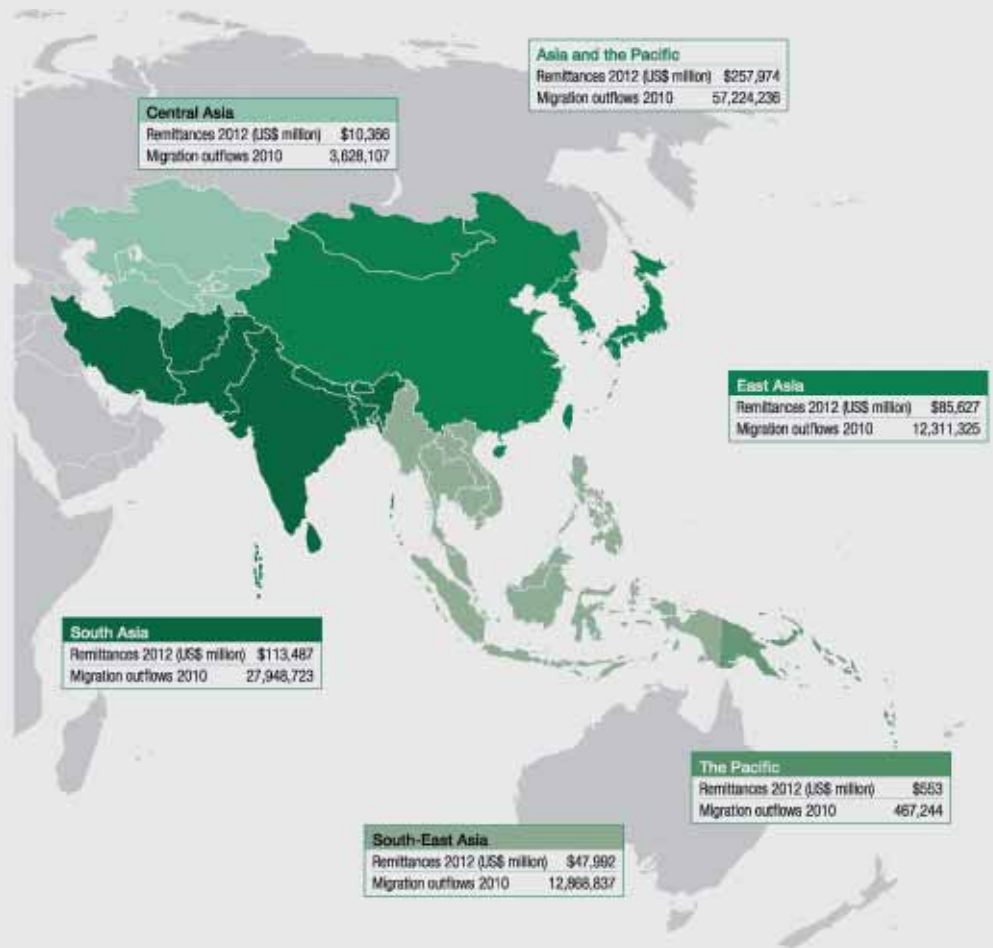
Financial inclusion

- Although reliable data are lacking on the financial inclusion of Asian remittance-receiving households, most live outside the world's financial system, particularly those from rural areas.
- As a result, these households have limited access to savings accounts and other financial instruments that can help build assets.
- Providing remittance-receiving households with more options for using their money will also leverage the development impact of remittances on the communities where they live.
- Effective financial inclusion requires a strong commitment to support financial literacy programmes for remittance-receiving households.
- Diaspora savings constitute a significant opportunity to invest in local communities, provided viable mechanisms are made available and sound opportunities are offered.
- Improving food security through diaspora investment is already a promising trend, which can be brought to scale.

Policy implications

The Asian remittance market is undergoing important modernization processes. Nonetheless, financial access can be much improved across the region in order to maximize the impact of remittances. Recommended policy initiatives to address this issue include:

- Raise awareness of the scale and scope of Asian remittances, particularly to rural areas, in order to encourage the private sector, civil society and governments to engage directly in maximizing the development impact of these flows.
- Implement General Principles (GPs) for International Remittances.
- Address legal and regulatory restrictions with a view to promoting more competition in the marketplace.
- Partner with commercial banks, in particular to broaden the financial options available to remittance-receiving households.
- Support the modernization of other key remittance payers, such as post offices, microfinance institutions and mobile network operators.
- Strengthen commitment to financial inclusion, particularly through literacy programmes.
- Promote the diaspora's asset-building and investment mechanisms in countries of origin.



Source: World Bank, Remittance Inflows by Country, November 2012; IMF, World Economic Outlook Database, Gross Domestic Product Current Prices in US Dollars, 2012; World Bank, Bilateral Migration Matrix, 2010.

SESSION IV ENABLING REMITTANCE MARKETS: STANDARDS, REGULATORY REFORMS AND BEST PRACTICES

PANEL 1 Creating enabling remittance markets: Experiences and lessons – policy and regulatory reforms

While regulatory frameworks are aimed at balancing the need for a secure, level playing field, and allowing for competition and innovation, this outcome is not always achieved. Exclusivity, inadequate access to payments systems, anti-money laundering/combating the financing of terrorism (AML/CFT) compliance and currency controls are among the key issues the regulatory framework needs to address. As new players and technologies populate the Asian remittance market, regulators face the challenge of addressing the risks and opportunities with appropriate measures. This session highlighted the recent reforms in legislative and regulatory frameworks that govern money transfers and the remittance market in general, and fostered discussions from both public and private sector on enabling remittance markets in Asia.³



MODERATOR

Alfred Hannig

Executive Director, Alliance for Financial Inclusion (AFI Global)

SPEAKERS

Dato' Muhammad Bin Ibrahim

Deputy Governor, Bank Negara Malaysia

Ajith Nivard Cabraal

Governor, Central Bank of Sri Lanka

Byung Rhae Lee

Director-General, Financial Services Bureau, Financial Services Commission of the Republic of Korea

The session was opened by **Mr Alfred Hannig**, who outlined four key policy issues for remittances: (i) competition; (ii) proportionality; (iii) technology; and (iv) financial inclusion. Mr Hannig then introduced the three Asian panellists, whose presentations demonstrated the diversity of the remittances issue, in terms of financial sectors and migration and remittance flows.



The first speaker, **Governor Ajith Nivard Cabraal**, is the Governor of the Central Bank of Sri Lanka, a country that received US\$6.3 billion in remittances in 2012 (equal to 9.7 per cent of GDP), up from \$1.6 billion in 2006. Some 1.8 million migrants left the country in 2010, while 300,000 arrived. The cost of sending remittances in Sri Lanka has recently dropped from 10 per cent to 5 per cent.

The Government has recognized at the highest levels that remittances are a fundamental way to promote rural development and build capital, and that migrants would earn higher salaries and remit more if they were better skilled and educated. Migrants would also have lower transaction costs if they used formal channels, which is another area of focus for future policies. Through collaboration with the private sector, the Government has also improved the mobile technology available to send remittances around the world.

Governor Cabraal presented four practical strategies to leverage the impact of these flows:

- enabling migrants to pool remittances in order to reduce overall the number of transactions;



³ Presentations are available at <http://bit.ly/1p1tpJL>

- strengthening the e-payments infrastructure for the country's 20 million mobile phone users
- promoting – for banks and financial institutions – the creation of special products for senders and receivers to ensure sound investments; and
- encouraging agreements between countries to remove obstacles to the efficient transfer of money, especially since little money laundering can occur in transfers of US\$200-300.



Mr Dato' Muhammad Bin Ibrahim pointed out that Malaysia was fortunate to be able to upgrade its mobile technology without any legacy issues or waste. The country was also successful in signing bilateral

agreements with other countries, creating common understandings and safe procedures, minimizing costs, and increasing the use of the formal sector.

Malaysia is a net sending economy, with the overall figure growing from US\$2.1 billion in 2005 to US\$6.6 billion in 2012. A number of reforms have been introduced since 2005. New laws were devised, and all licences were reviewed, with 300 out of 800 not being renewed. Mergers and the entry of new reputable providers were encouraged, and a new agent framework as well as ATM network agreements and new mobile technology greatly expanded the reach. In addition, the Government improved the regulatory approach to ensure competition that would drive down costs and safeguard consumer interests. Transparency was also enhanced, as well as fair market practices, to allow broader participation and reduced transaction fees.



According to **Mr Byung Rhae Lee**, the Republic of Korea had about 800,000 immigrant workers in 2012, more than 90 per cent from Asian countries such as China, Indonesia, the Philippines, Thailand, Viet Nam,

and Uzbekistan. Each year the 840,000 remittance transactions are worth about US\$4.4 billion.

In the Republic of Korea most people transfer money using the "Swift" method, which costs between US\$35 and US\$77 and takes one or two days. Direct bank transfers are slightly less expensive, and global remittance companies transfer money in real time but charge even more. Given this situation, the Korean government plans to establish new and improved remittance services in 2014 – a cross-border fund transfer service that will take place in real time, simplify the process and reduce costs. This will require active cooperation and support from financial authorities of partner countries.

Given the work happening at policy level and in terms of regulations, the question arose as to how many non-bank financial institutions had actually been prosecuted or closed down for breaking rules or laws. Deputy Governor Ibrahim explained how the 2005 exercise to remap the whole industry and start afresh resulted in revoking some licences. Governor Cabraal reported that no institutions had been closed down, although there have been some fines. Mr Lee also reported that no non-bank financial institutions had been prosecuted or closed down for violating rules or laws.

The panellists expressed their hope for global progress on remittance issues, in particular:

- ensuring that migrants are properly trained and understand recipient countries' needs and rules;
- ensuring that remittances flow freely and at a reasonable cost;
- allowing free labour movement, and hence encouraging remittances, which could be even more effective than providing aid;
- promoting global cooperation and understanding on remittance rules, which need to be less onerous and costly; and
- addressing the need for a better compilation of statistics on remittances worldwide, and for more resources for capacity-building and knowledge-sharing for service producers.

SESSION IV ENABLING REMITTANCE MARKETS: STANDARDS, REGULATORY REFORMS AND BEST PRACTICES

PANEL 2

Private sector initiatives in creating enabling remittance markets



MODERATOR

Donald F. Terry

Professor, Development Finance,
Boston University School of Law

SPEAKERS

Arken Kenesbekovic Arystanov

Chairman of the Management Board, Kazpost

Edward Brandt

Executive Vice President, Managing Director, Government
Services & Solutions, MasterCard

Khalid Fellahi

Senior Vice President and General Manager, Western
Union Digital

Leon Isaacs

Managing Director, International Association of Money
Transfer Networks

Roy Emil S. Yu

Senior Vice President, Bank of the Philippine Islands

The first Western Union money transfer was in 1987. If modern transmission techniques are less than 30 years old and have changed so much, could the next 10 or 15 years see even greater changes? The private sector could play a very important role in creating enabling remittance markets.⁴



Mr Leon Isaacs explained that one of the main challenges for the private sector is the outcome of the anti-money laundering environment. Since several banks received enormous fines last year for money laundering

offences that they committed but that had nothing to do with money transfer operations (MTOs), the remaining banks are now petrified of suffering similar fines. MTOs are not only unable to open accounts in many countries, but in the UK, for example, no High Street bank will open a new account for an MTO, and one bank is reducing from 400 to 10 the number of MTOs on its books.



Mr Khalid Fellahi added that since the focus on remittances has matured to include discussions about economic value chains and financial inclusion, Western Union's view of its role has shifted

accordingly. In countries without legacy issues, there is potential to create new and efficient payments systems. Western Union is thinking about products that address their customers' needs beyond the money transfer. Will non-traditional distribution systems, such as shopkeepers, increase access for rural customers? Could people pay bills from abroad, and pay for insurance and healthcare? Can new technology be leveraged to give people greater access to services and information? And how can creativity and innovation be promoted?



⁴ Presentations are available at <http://bit.ly/1p1tpJL>



Mr Edward Brandt pointed out that MasterCard is different from an MTO, and highlighted how the cost of cash to societies is enormous. A new path for MasterCard is its partnerships with the World Bank

and groups like USAID and AFI, and with governments such as Nigeria, in an effort to make payment systems more electronic. Moreover, large financial institutions need to work with NGOs and grassroots organizations if they are going to promote financial inclusion through education. MasterCard is also now in partnership with Western Union, which has created a “network of networks” and increased accessibility for their customers. There is even greater potential for including post offices, MTOs and mobile operators as distribution channels.



Mr Roy Emil Yu explained that in the Philippines, the increase in the number of remittance service providers and pay-out locations has made the service very accessible and convenient for the customers.

Remittance charges are declining as a result of the increased competition. However, most of the bank and non-bank remittance operators are complaining about the rising cost of doing business, especially in the compliance and information technology areas. The client experience has improved, as people can collect their remittances closer to home and any day of the week.



Mr Arken Kenesbekovic Arystanov remarked that in Kazakhstan, remittances account for a higher proportion of GDP than in any other country. In addition, 50 per cent of residents live in rural areas, where few banks operate. Now those customers can be served by Kazpost, which followed Japan's lead and began to incorporate banking and financial services into its business model – a successful

gamble that also made Kazpost profitable. People can obtain financial advice and services, as well as their remittances, at their local post office; Kazpost is working with neighbouring countries to extend the model.

The panellists agreed that improving efficiency is vital to financial inclusion. Growing access to electronic transactions and creating linkages between remittances and other financial products are essential elements to creating a more efficient ecosystem. Related suggestions were made, including:

- convening stakeholder fora in relevant countries, to ensure that all players are able to describe the issues from their viewpoint, and systems can be designed that will work for everyone;
- reducing or removing taxes on small rural operators, enabling them to be more profitable;
- facilitating equitable and stable access to the banking and payments system for remittance operators;
- advancing in the use of electronic systems, since the cost of remittances is not only in the transaction, but in also the time and travel involved in collecting the money;
- working toward including remittance senders in the formal sector, where they can obtain credit and interest on their savings, and access to appropriate financial products; and
- creating appropriate insurance products to reduce vulnerability.

SESSION V ASIA-PACIFIC REMITTANCE MARKETPLACE

PANEL 1

Market trends, innovations and opportunities

Market competition is key to reducing the cost of international money transfers. With the emergence of new technologies and the entry of non-traditional service providers, balanced and effective regulatory frameworks are more vital than ever to foster innovation and competition as well as to protect the interests of remittance senders and receivers. The Asia-Pacific region is renowned for its diversity in market opportunities and challenges. This session addressed the latest trends in the Asia-Pacific remittance markets from the perspective of remittance service providers.⁵



MODERATOR

Leon Isaacs

Managing Director, International Association of Money Transfer Networks

SPEAKERS

Paolo Baltao

President, G-Xchange, Inc. (GXI)

Chandra Prasad Dhakal

Chairman, Global International Money Express (IME) Bank

Sebastian Plubins Malfanti

Managing Director of Europe, Middle East, Africa and South Asia, RIA Financial Services

Kirill Palchun

Vice-President and Chief Financial Officer, Unistream Bank

Sudhir Kumar Shetty

Chief Operating Officer, Global Operations, UAE Exchange

How will the world of remittances look in ten years' time?



Mr Sudhir Kumar Shetty opened the discussion, saying that the remittance market would double in size to about US\$1 trillion. It would also have a much higher profile, and new corridors would emerge.

Contracts for workers in the health and education industries will grow, and this will open new corridors as well. **Mr Kirill Palchun** added Asia would become more of a sending region, in particular to Europe and Russia. Money transfers will also become more independent of location, with electronic money and technologies firmly rooted in the mainstream.



Mr Malfanti

Mr Sebastian Plubins Malfanti noted that cash-to-cash transfers were likely to become less common in every sphere, with digital mobiles and money wallets becoming the norm.



Mr Dhakal

Mr Chandra Prasad Dhakal stated that the increase in technology, players and competition would make transactions easier and result in the majority of remittances being made via formal channels.

Mr Paolo Baltao pointed out that the need to have cash contributed to the high cost of money transfers, but that once recipients were able to access and spend their money electronically, they would have more power in dictating how and when they receive their funds.

Mr Shetty described the situation in the Gulf region, where the boom in infrastructure development has created



⁵ Presentations are available at <http://bit.ly/1p1tpJL>

jobs for some 7 million migrants, mainly from South and South-East Asia. He agreed that new technology has transformed the market, making instant transfers possible and greatly reducing costs. It has also made money accessible for free across a huge network of ATMs.



Mr Baltao explained that GXI had pushed its advanced technology too early, before the market was ready for it. People were reluctant to send money through phones, for example, because if the phone was lost the potential loss of money was too great a risk. However, phone transfers have paid off. Although this rapid and inexpensive money transfer technology is not hugely profitable, the senders and recipients are using the same technology to spend their money in any number of ways. This has created a new financial “ecosystem” for mobile money, which, with ATMs, could be integrated into the money transfer system. And there is money to be made providing these services.



Mr Palchun noted that a key trend in the transfer market is changing migrant behaviour. For years now, the time period in which a migrant client assimilates in his or her host country has been shrinking: if, previously, a migrant needed 15-20 years to complete assimilation in a new country, now this process takes less than ten years. Once fully assimilated, a client becomes more interested in banking products, including mobile and online services, so that we see a new trend in which a migrant client is transforming into a mobile client, a person in need of not only transferring money home, but also of using other financial services around the clock, regardless of location.

A number of challenges and solutions regarding markets and regulators were also discussed, including:

- **Opening markets to competition and encouraging migrants to use formal channels.** In Pakistan, regulators are being proactive in taking a positive step to open up the market to more competition and

encourage migrants to use formal channels. This has reduced costs – last year almost US\$14 billion flowed into Pakistan, when not long ago the figure was only US\$1.2 billion.

- **Ruling out exclusivity deals.** This is one of the most effective ways regulators can move to bring down the costs of remittances. However, Mr Malfanti shared his experience with his company, the third largest money transfer company in the world, which has been waiting more than three years for a licence from the regulators in India. Mr Baltao has also had good experiences with the regulators in the Philippines, but again suggested that the potential for money laundering provokes fear, and that if transfers are instant there is no stage at which authorities could act to halt suspicious transactions.
- **Promoting a better understanding of what money transfer operators do.** This includes what they do to ensure transparency and compliance with international regulations and standards. Many operators consider their procedures to be highly professional and secure, but the authorities and banks are of another opinion and are unwilling to work with them as partners, often making it difficult for them to open or maintain bank accounts.
- **Educating the authorities, banks and customers about how modern money transfer systems work (and can work), and how safe, secure and compliant they are.** The forum was an opportunity for players on both sides of the market to begin to build bridges and work together better. Operators need to demonstrate to policymakers and others how their businesses benefit the whole country, not just the operators and remittance senders and recipients.

The panellists welcomed new entrants to the money transfer market, including internet giants such as Apple, Google and PayPal, as well as the new social media entrant Azimo. The session concluded with a positive note on calling for the institution of an **International Day of Family Remittances** that would honour the migrants’ contribution and their impact in the home communities.

SESSION V ASIA-PACIFIC REMITTANCE MARKETPLACE

PANEL 2

Remittances and cross-selling of financial products: Meeting the specific needs of remittance senders and recipients

Over the past decade, key players in the remittance market have introduced innovative mechanisms to cross-sell other financial products to remittance customers. This panel explored the lessons accumulated over the past decade on cross-selling products ranging from savings, credit, insurance, to investment advisory services. It also considered the sustainability of the cross-selling initiatives, as well as the opportunities for, and challenges of, replicating and scaling-up these efforts.⁶



MODERATOR

Michael Hamp

Senior Advisor, Rural Finance, IFAD

SPEAKERS

Habib Ali

Executive Director, Head of Branchless Banking and Easy Paisa Operations

Jonathan Alles

Deputy Chief Executive Officer, Hatton National Bank, Sri Lanka

Robert Cantrell

Vice President, Wells Fargo

Elena Gafarova

Vice President, Russlavbank and CONTACT Payment System

Avijit Nanda

Chief Executive Office, TimesofMoney

There is universal agreement that both remittance senders and recipients need appropriate financial products that respond to their individual needs. This cross-selling of products – starting with the money transfer but offering customers much more – is a challenge to get right.



Ms Elena Gafarova explained

that in Russia there has been a lot of progress implementing the “5x5 Objective”. As a result, fees for both domestic and cross-border money transfers are 2 per cent

or less. This is good for customers, but not so good for banks. Banks looking to form partnerships now have to be more careful about whom they choose, to ensure that they really add value as well as deliver at a low cost. Russia also has many new migrants from China, India, the Philippines and Viet Nam, so there are new customers with new demands. It is an enormous undertaking to set up systems with new countries, ensuring that they meet all the rules and regulations of both sending and receiving countries.



In India, as Mr Avijit Nanda pointed

out, service providers view money transfers as an important way to attract new customers – including Indians based abroad and those who are switching from cash-to-

account-based transactions. Once these customers are through the door, there are many products on offer



⁶ Presentations are available at <http://bit.ly/1p1tpJL>

to satisfy their need to support and stay connected with their family back home, including paying bills and providing healthcare.



Mr Habib Ali described a joint initiative of government agencies in Pakistan – the Pakistan Remittance Initiative – which has led to an increase in the number of financial institutions involved in remittances,

and a more competitive and efficient environment. He described how banks have opened dedicated remittance services and are using microfinance institutions and the postal network to pay recipients. A training programme has focused on developing remittance products and services, information technology infrastructure and inter-bank transfers. Financial institutions in Pakistan are enhancing their outreach to collect remittances overseas, focusing on the key corridors for Pakistan. Banks and telecommunications companies are working together too, and Pakistan is one of the fastest-growing markets for branchless and mobile banking.



Mr Jonathan Halles stressed partnerships as the key to success in Sri Lanka. Hatton National Bank works with most of the other members of the panel to deliver services to Sri Lankans

at home and abroad.



This approach was also reiterated by **Mr Robert Cantrell**, whose Global Remittances Services division at Wells Fargo works with 42 different remittance network members across 14 countries.

The actual products offered by the different remittance operators and networks vary by market, and are designed and adapted to ensure they are appropriate to the needs of customers. There are also similarities. Despite the differences in context, many remittance senders and recipients are new to formal banking and are still able to benefit from the same type of basic products and services. All of the panel members are using the latest technology to reduce the cost and speed of remittances, and to maximize convenience for customers at both ends of the transaction. In some cases this means taking on partners with an existing widespread physical presence; in other cases it means creating mobile products such as e-wallets that anyone with a mobile phone can access. Making it easy for those earning the money to pay loans and bills for themselves and extended family is popular, as is offering savings accounts for both senders and recipients. Insurance products to provide security to vulnerable families are also much in demand.

The following examples of services emerged during the discussions:

- In Russia, Russlavlbank is using Contact e-wallets for all these services, and customers simply need a mobile phone to access them. Service provision has already grown by 872 per cent in the last year.
- In India, there are about 200 million bank accounts, but a billion mobile phone subscribers, so that too is where newly banked customers are concentrated. It is certainly worthwhile for savings customers, who can obtain 6 or 7 per cent interest.

- In Pakistan a new home delivery service is being established, which will make it easier for women in particular to use formal transfer channels.

Many remittances are from family members working in the city who send money to their family in the country. E-wallets do not have the added expense of foreign currency transactions or the requirement to comply with money laundering laws. They can be used to withdraw cash but also to pay loans, school fees, health costs and other bills. E-wallets have many practical advantages too, in that families can set up e-wallets for members who are too young to have debit or credit cards, to share the purchase of a major item among more than one person, or to buy goods without having to share credit card details.

Financial education is still an important aspect for everyone working in remittances. Many migrants start off with a large debt to loan sharks and employment bureaus. It should not be assumed that they will have extra money to be saved or invested. It is also very important to be aware that migrants can easily be taken advantage of by friends and families back in their country of origin. Those staying behind often have pre-conceived notions about how much money the migrant will be earning; if a migrant begins to invest in one family business, others could expect him or her to finance any number of family businesses.

Banks may have difficulty attracting migrant customers, who might only use the services of direct MTOs, which do not necessarily offer other products. In this regard, it is important for those banks to carry out community outreach at community events in order to educate and build trust among the migrant community.

MFIs and their partners

MFI	Partner RSP	Total MFI coverage (%)
AccessBank	Contact, Leader, Migom, WU, Unistream	65
BRAC	MoneyGram, Samba Speedcash Now, Ria, WU	98
Chhimek Bank	MoneyGram, Prabhu Money Transfer, Ria	48
FINCA	Migom, MoneyGram, Unistream, WU	49
Karnali Microcredit	Ria	12
Matin	MoneyGram, Unistream	65
Microfinance Ltd	MoneyGram	37
PRASAC	Maybank	28
Santarjed Microfinancing	Western Union	12
SHARE MFI	Western Union	26
Tameer Bank MFI	MoneyGram	31

Source: Manuel Orozco, The Market for Money Transfers in Asia: Scorecard Report, 2013.

SESSION V ASIA-PACIFIC REMITTANCE MARKETPLACE

PANEL 3

New market opportunities

This panel provided the context for the following parallel sessions that cover focused topics on challenges and solutions in rural areas, as well as innovations in financial infrastructure and payment instruments.⁷



MODERATOR

Pedro de Vasconcelos
Manager, Financing Facility
for Remittances, IFAD

SPEAKERS

Massimo Cirasino

Manager, Financial Infrastructure and Remittances,
The World Bank

Norbert Bielefeld

Deputy Director Payment Systems, World Savings and
Retail Banking Institute (WSBI)



Mr Massimo Cirasino reiterated that reaching rural areas with remittance services is a global challenge, and solutions need to be global as well. The World Bank's Payment Systems Development

Group has been looking at innovation in financial infrastructure retail payments. Although there has been talk about the "cashless society" since the late 1950s, in many areas cash is still the predominant instrument.

Two recent surveys looked at the state of innovation in remittances, focusing on new products but also trying to capture innovation in processing mechanisms.

The surveys showed that innovative payment instruments have not really penetrated the market yet, but they are growing at a faster rate than traditional electronic retail payments. Disappointingly, 70 per cent of products focused on domestic payments, but there is potential for these to be used for international remittances. Payment processing has become faster and more efficient.

The financial inclusion agenda has been a driver for innovative products, and there is increasing collaboration between banks and non-banks. All of these changes are making the global financial sector more complex.



⁷ Presentations are available at <http://bit.ly/1p1tpJL>



Mr Norbert Bielefeld made a distinction between cash as it is understood in rural and urban areas. In rural areas, cash is used as a means of transaction, but not with the same frequency as in urban areas. Many services rendered are not paid for in cash but are bartered. Therefore, remittances and economic development are about monetizing assets and monetizing an economy with local circulation. He described a market survey conducted with IFAD in order to understand how people in urban and rural areas viewed remittances. In three out of the four countries surveyed, people in rural areas received remittances less often than people in urban areas, primarily due to transaction costs and access; they also use a larger amount for daily expenses; and many do not have a bank account. He then highlighted the importance of proximity when it comes to providing financial services, and suggested that services should be provided no more than 2-3 kilometres away, with an agent who can service up to 700 households. This is clearly a challenge, especially in remote areas.

The following challenges and opportunities emerged during the panel discussion:

- **The international remittance model.** There is a need for innovation in the traditional international remittance model. It is expensive and complicated to maintain a large agent network but also, for different reasons, to maintain international networks. At the same time, the many different foreign exchange transactions necessary to establish and maintain a multitude of business partnerships are also a challenge. The major obstacle is that the domestic and international systems are not integrated, which limits the use of e-money, mobile money and card products. The inter-operability of networks is also holding back competition.
- **Governance.** Governance is always important, and while some central banks are “getting it right”, there is still a need for more efficient and effective oversight from and of central banks. Innovative products can carry new risks, so governance and risk management need to be up to date to ensure legal conformity and consumer protection.
- **Different uses of cash and savings.** Cash is used in quite a different way in rural and urban areas. In rural areas, there is a great deal more bartering of services and goods, with cash being used less often. Urban dwellers pay cash for goods and services more frequently, but also have other cash-based systems, such as paying monthly for goods. Savings work quite differently too. In urban areas people might save cash, at home or in a bank, but in rural areas savings are often in the form of cattle, grain or gold. Therefore, using remittances to contribute to local economic development will be quite a different challenge in rural areas. There is a desire among rural dwellers for access to bank accounts, insurance and loans. There is already a very high level of mobile phone usage (more than 90 per cent of the population); so people are willing and able to pay for valuable innovations.
- **Access to services.** The distance to access services is very important, and must be truly local. In Kenya, for example, this means that even with the penetration of the M-PESA product, 20-25 per cent of people are a challenge to serve, and about 15 per cent are simply too remote to serve effectively.
- **Financial education.** As some 40 per cent of remittances flow to rural areas, financial education is key to encouraging savings in interest-bearing accounts, investment, and entrepreneurship by migrants – all necessary to truly tackle poverty in rural areas. There is also a need to be able to link remittances to credit histories, in order for people who receive regular payments to access credit. Important lessons have been learned about enhancing competition and empowering through education as well, not least by providing appropriate training in financial literacy and promoting a full range of appropriate financial services.

SESSION VI NETWORKS: REACHING THE CUSTOMER

PANEL 1

Financial infrastructure, innovation and new models being developed for cross-border remittance services

Many developments and innovations are taking place “behind the scenes”, in areas that most remittance senders and recipients often do not see. Financial infrastructures that support the processing of remittances are critical for innovation and new product developments in remittances. This session discussed recent innovations and developments and their implications on remittance markets in terms of competition, technological innovation, and costs.⁸



MODERATOR

Isaku Endo

Financial Sector Specialist, Financial Infrastructure and Remittances, The World Bank Group

SPEAKERS

Vijay Chugh

Chief General Manager, Department of Settlement Payments, Reserve Bank of India

Ian Hooper

Asia-Pacific Payment Services Lead, Accenture

Vikram Modi

Head, Emerging Product Solutions, Asia-Pacific at Visa Inc.

Bella Santos

Director, Payment Systems, Bangko Sentral ng Pilipinas (Central Bank of the Philippines)

Marc Van Teeseling

Vice President, Business Development, Asia-Pacific, Earthport Plc.

A great deal of the work of remittances goes on behind the scenes, on processes that the customers and clients will never see. Innovative new financial infrastructure and models are being developed all the time to make cross-border remittance services more safe, efficient and accessible.



Mr Ian Hooper

stated that the volume of change in the remittance payments sector has been immense and described the payments industry as a “monster of innovation”. Businesses are putting

a great deal of effort into analytics, making sure that they really know their customers and are developing appropriate products and services. During the financial crisis, volumes of remittance payments remained fairly stable and steady, and even grew. Transaction volumes will continue to rise, and this is driving investment and innovation in infrastructure, technology and marketing, nationally and internationally. The Gartner Hype Curve for Payments demonstrates the high number of new payment technologies that are coming onto the market, and those that are maturing and actually showing benefits. Mr Hooper is also predicting a period of “creative destruction”, when many new players and technologies will be challenging the status quo. Clients



⁸ Presentations are available at <http://bit.ly/1p1tpJL>

are beginning to talk about remittances and mainstream banking in the same breath, and linking together these strands of business within their operations. He advises clients looking to enter the market to stay as flexible as possible, and to begin right away.



According to **Mr Vikram Modi**, Visa is also thinking about how their existing business needs to change to meet the new challenges and opportunities. He described this as a shift from merchant-to-merchant electronic payments to person-to-person payments. It is also clear that any new model for remittance infrastructure would have to build on the basis of a multilateral operating tool. The kind of low-cost straight-through electronic processing that is secure and anti-money laundering compliant, and that the VISA network provides, is ideal for this. However, it needs to be person-to-person and able to both send and receive money – which is what the VISA personal payments platform has accomplished. The platform cannot reach all 250 million migrant workers, but with mobile wallets and e-wallets this is the direction in which everyone is moving.



Mr Marc Van Teeseling explained the shift in the type of migrant going abroad, where more and more skilled workers, with knowledge of internet banking, are becoming part of the remittance-sending diaspora. As a regulated payments institution, Earthport's customers are not the end-users but the

banks and other financial institutions including MTOs. Earthport's innovation is using the efficiencies of domestic automated clearing houses and applying that to international transfers. This is achieved by holding bank accounts in more than 50 countries, and using those domestic accounts to process small and medium value payments, including remittances. With active local bank accounts in so many countries, effectively an international automated clearing house has been created that allows for efficient, transparent and low-cost international transfers without the issues of traditional international bank transfers such as beneficiary deductions, high foreign exchange rates and unclear correspondent charges.



Ms Bella Santos reported that in the Philippines remittances make up 10 per cent of the country's GDP, so the central bank has stepped in to provide an interbank settlement facility for remittances. Whenever a bank in the Philippines receives funds that need to be credited to a different bank, they are sent on to the Central bank, which uses its real-time settlement system to forward the money to the correct receiving bank. The receiving bank must acknowledge receipt the same day, or the money is withdrawn again. The system was set up in May 2010 and by the end of the year had processed 112,000 transactions worth US\$100 million. By the end of 2012 that figure had increased more than threefold to 380,000 transactions.



Mr Vijay Chugh reminded the audience that India is a vast country, with 1.2 billion people spread over 600,000 villages, and stated that the official figure of US\$70 billion remitted annually

is probably only half of what is really remitted. He explained how the Reserve Bank of India has enabled widespread interoperability of ATMs to help customers all over the country access their funds more easily. In 2013 the number of electronic transactions exceeded paper transactions for the first time. He added that in addressing the costing issue, a business model should be based more on the number of transactions than on the value of transactions. The Real Time Gross Settlement (RTGS) system is the big thing, and is now moving into the next generation. RTGS requires a large amount of liquidity, so there will be advanced features and liquidity management. In India there is also the national electronic fund transfer system, an image payment system, and an automatic clearing house; despite these recent advances in infrastructure, 90 per cent of people are still not being served electronically. Billions of transactions are still being carried out in cash, and there is potential to do these much more efficiently using an electronic system. A form of branchless banking is currently being rolled out, including biometric authentication processes using fingerprints. Only about half of the customers have been fingerprinted so far, but it is expected that in two to three years there will be full coverage.

A number of other observations emerged during the discussions:

- In the Philippines, a well-developed pre-departure orientation programme for migrants has significantly improved financial literacy across the country. Remittance receivers are much more likely to have bank accounts now, and to be saving some of their income.
- Regarding the potential for social media and alternative currencies such as BitCoin, customer preference will drive innovation in this area. If there is a large demand and service providers can supply it profitably, then it may well happen. However, central banks are uncomfortable with the process, and it may not happen within the next five years. Even e-wallets are not something that the average poor person is comfortable using.
- MTOs are actively working with VISA on the model presented – for example, UAE Exchange, the Singapore Post Office and a number of payment service providers in Russia. There is beginning to be a demand for, and interest in, the model on the part of non-bank remittance service providers and MTOs.

SESSION VI NETWORKS: REACHING THE CUSTOMER

PANEL 2

Rural access and financial services: Expanding the market

The path to financial inclusion presents both great challenges and opportunities. This is particularly true in rural areas where the scale and scope of remittances coupled with banking, microfinance services and postal financial services can be a powerful lever to open up financial access. This panel presented and discussed the possibilities of expanding and deepening the remittance market in rural areas while promoting financial inclusion, as well as its limitations.⁹



MODERATOR

Francesco Rispoli

Rural Finance Technical Adviser, IFAD

SPEAKERS

Ron Bevacqua

Asia Regional Coordinator, PlaNet Finance

Marissa M. de Mesa

Vice President, CARD Bank Inc.

Maria Luisa Hayem

Access to Finance Specialist, Multilateral Investment Fund,
Inter-American Development Bank

Sergey Nanba

Postal Financial Services Coordinator, Universal Postal
Union (UPU)

Leila Rispens-Noel

President and Co-Founder, Wimler Foundation, Hong Kong
and Senior Advisor, International Network of Alternative
Financial Institutions (INAFI)

More than 40 per cent of remittances go to rural areas, and the challenges of trying to reach a greater number of rural people and providing them with new and useful financial services while making a profit – or at least being financially sustainable – have been discussed thoroughly. For the last ten years, the great potential for remittances has been trumpeted, but what has actually changed, and what are the critical challenges that remain, particularly in rural areas?



Mr Ron Bevacqua pointed out

that there is more wealth in the countryside than people realize, but it is held in land, animals or gold rather than cash. In the past, microfinance institutions (MFIs) have

concentrated on the easier-to-reach urban market, but farmers also need capital and loans, usually larger ones than urban residents. However, they need to be serviced in a different way. Savings, insurance and credit are all very much needed in the rural areas, but the products need to be tailored for the market. All of these products can be linked to remittances. Until recently, there was little evidence that MFIs, banks and cooperatives took rural remittance recipients seriously as potential customers. Remittance recipients may have been among their clients, but they were not considered a separate market segment with specific needs. PlaNet Finance found that the cash income from remittances changed their financial service needs significantly compared to rural households that do



⁹ Presentations are available at <http://bit.ly/1p1tpJL>

not receive remittances. The key to remittance-linked financial products is the linkage between MTOs and the local MFIs, banks and cooperatives. These linkages may be difficult to form if the MTOs are regulated under a separate framework than the retail institutions. This challenge has been encountered in the Philippines, as the supervisor of NGO-MFIs would not let them form partnerships with MTOs.

He added that mainstreaming financial education into service delivery was important to ensure success and create new consumers of more complex financial products. In many cases a personal relationship is needed: the MFI needs to know and work with both remittance senders and receivers, as both need to fully understand the options and risks and have a plan.



Ms Leila Rispens-Noel remarked that 70 per cent of migrants and their families are still unbanked, and many of those with bank accounts only use them to deposit and immediately withdraw; they do not

actually build any savings or invest the money. MFIs do reach remote rural areas, and so are well-placed to provide appropriate products and services (such as savings, micro-insurance and loans) to remittance recipients. They should also work closely with remittance senders who want to invest, create wealth and perhaps return home. It is important to remember that the volume of remittances sent continues to grow, even during serious financial crises. It is equally important for the financial sustainability of MFIs that they branch out and provide varied products that the market is demanding: improved services come with a fee, which helps to keep MFIs in business as well. MFIs need to be trained and equipped with the proper technology. They need to convert remittance recipients into clients through financial education, which takes time.



Mr Sergey Nanba explained that three out of four postal operators offer financial services. There are 50 countries that use post office bank accounts – about 1.6 billion accounts worldwide. Studies have

shown that in most countries people trust the postal system and would be willing to use the post office as a bank, or for banking services. Post offices are guided by national and international regulations, and have a good legal basis for providing these services, linked to remittances.

Mr Nanba described the challenges that post offices faced in providing financial services. One of the biggest problems is that, in many countries, post offices do not have enough cash available at their counters, particularly in rural areas, where customers need it. Creating and managing the infrastructure to have the cash where it is needed is expensive.

He stressed the importance and advantage of using the existing large postal infrastructure in a more efficient way by also providing additional cash-generating financial services through partnerships. The cross-selling of financial products would make sense, as post offices are already managing many different services, and branching out using technology. The worldwide postal electronic payment network should be used as a universal point of financial inclusion.

Post offices need partners to develop and deliver additional financial services, such as microfinance services, as shown by a UPU survey on post offices in Africa. In the UPU/IFAD project, “Development of access to remittance services through postal networks in underserved areas in the Asia region”, countries in the Asia-Pacific region have around 88 per cent of post offices in rural areas. Post offices could launch “win-win” common projects with new partners which do not have access points in these underserved areas.

Post offices have led the way in some countries, such as Brazil and Kazakhstan. Mr Nanba described how, within three to five years, 20 per cent of the unbanked population of both countries, mostly in rural areas, had opened accounts. Other banks saw opportunities and began to expand too. In Kazakhstan, the post office is strongly involved in pension payments. It was a success, and some people who started receiving their pensions in an account were able to accumulate savings.



Ms Maria Luisa Hayem described the various channels to provide financial services to rural populations. Banks have made alliances with credit unions, and in Ecuador co-operatives have been able to connect into the national payment system. With regard to the private sector, it is important to know the customer. She cited research conducted through Financial Diaries to understand how people manage their finances, and indicated that this Financial Diaries methodology could help develop products and channels adapted to the needs of rural populations.

It is important that financial inclusion strategies take the rural situation into account and are disaggregated by rural/urban. Governments should also develop regulations that promote innovations that benefit rural populations. Regarding international organizations, there are two areas where significant contributions can be made: collaborating with governments to develop financial inclusion strategies as well as an enabling regulatory environment; and working together with financial intermediaries, credit unions and microfinance institutions that are interested in reaching the most remote areas but are reluctant because of the risk or the high initial investment required.



Ms Marissa De Mesa explained that CARD Bank currently has 700,000 clients from all over the Philippines. The Bank has 800,000 savers, which represents one of the opportunities for the company for remittance services, since the markets are already in place. However, multiple financial services – savings, loans and micro-insurance – need to be provided in order to reach the markets. In this regard, remittances can help by having a service charge which can be used for the Bank's microfinance loans. This could assist in mobilizing additional capital funds for loan disbursements and can be a source of low-cost funding.

She added that remittance services have a high demand, with many clients/members and over 50 banks and 300 micro-banking offices. However, only 52 banks have access to online services and technology. Infrastructure is one of the main challenges.

About the role of governments

Governments play an important role in developing enabling regulatory environments to expand the access to financial products and services and promote private sector innovation. For instance, in Ecuador the central bank has linked up credit unions in rural areas to the national payment system in order to facilitate remittances payments.

– Maria Luisa Hayem

SESSION VII FINANCIAL SERVICES: MODELS AND BEST PRACTICES

PANEL 1

International mobile remittances and financial services: Opportunities and limitations

Over recent years, mobile phone domestic payment services have been launched in numerous markets, as in the Philippines. However, few, if any, of these services offer customers the option of sending cross-border remittances. This panel of practitioners and experts discussed the current impediments and opportunities to the launch of international mobile remittance services.¹⁰



MODERATOR

Reuben Summerlin

Advisor, Pacific Financial Inclusion Programme, United Nations Capital Development Fund (UNCDF)

SPEAKERS

Massimo Cirasino

Manager, Financial Infrastructure and Remittances, World Bank Group

Claire Featherstone

Head of New Business, Maxis Communications Malaysia

Yoshimune Ishii

Director, International Service Strategy, Global Business Division, NTT DOCOMO

Frederic Salmon

Vice President, Mobile Financial Services, Belgacom International Carrier Services (BICS)

There is a great desire to increase the convenience and security of sending remittances, as well as to lower the cost. Mobile technology can play a more important role, but how?



Mr Massimo Cirasino highlighted that mobile money is an important payment mechanism that should be available as a product option and be part of a national payment system. The greatest potential for

mobile money is in international remittances. In this sphere, mobile money could help to reduce costs dramatically and enhance processing speed. The challenge will be to develop a coherent and consistent set of legal and regulatory frameworks that would cover agent management, customer protection and licensing requirements. To get the most out of the potential of mobile money, a well-developed domestic “ecosystem” is needed, one that allows customers to use mobile money for more than money transfers. Only 1 per cent of international remittances involve mobile money. There is plenty of room for expansion, but it should grow at the same pace as transparency and consumer protection rules.



Ms Claire Featherstone described how the non-bank remittance market in Malaysia has grown from 23 to 55 per cent over the last five years. Malaysian migrants are a lucrative customer base for

Maxis, placing many international mobile calls to, and receiving them from, Bangladesh, India, Indonesia and the Philippines. Although they are connected to the mobile network, most migrants are unbanked and not financially literate, and they are primarily sending money to unbanked family members in rural areas. She does not believe that these customers are ready for mobile-to-mobile remittances. As a result, Maxis has set up a



¹⁰ Presentations are available at <http://bit.ly/1p1tpJL>

partnership with the traditional MTO, Western Union. This enables remittance senders to send money via a large network of convenient airtime reload dealers in the country where they are working. In this way, their families can collect from widely available and well-established Western Union agents back home. Remitters still need help from the remitting agents to carry out their transactions; they have not begun to remit independently the way they could.



Mr Yoshimune Ishii explained that in Japan, NTT DOCOMO charges a flat fee of US\$10 for remittances – expensive compared to some markets, but much cheaper (a third to a quarter) than a bank

remittance fee. Most senders are Japanese, and 90 per cent of recipients receive their money through their bank accounts; few people are switching over to less expensive, new non-bank services. In this regard, more promotion is necessary. He added that more effort needs to be put into infrastructure, particularly for near field communication. The Japanese market is very demanding in terms of service quality, the users' experience and the user interface. The design of the interface is important for international remittances as it is the key element to assuring senders that their money has arrived safely.



Mr Frederic Salmon described how BICS, in partnership with eServGlobal, developed the Homesend service as an international remittance hub targeting mobile operators'

wallets, building on their core business of international interworking and interoperability. They are essentially a neutral hub connecting international players, on both the sending and receiving ends, and processing the necessary transactions. He highlighted that in Africa, many extremely poor people have a well-advanced mobile handset and that this is the best device to expand outreach and give access to financial services,

which could increase significantly over the next three to five years, depending on certain external factors such as the regulatory environment.

During the panellist discussions, the following opportunities and preconditions for growth in the mobile remittance market also emerged:

- **Reaching the cash-to-cash customers.** Although banking and online customers are unlikely to change their way of doing business, the 50 per cent of cash-to-cash customers that remain are potential mobile clients.
- **Further investment in remittance corridors.** While mobile-to-mobile remittances are ideal, there are few remittance corridors that are large enough to justify their further investment. What could make a difference would be encouraging companies to do their payroll this way, i.e. paying salaries into a mobile wallet that could be linked to a prepaid ATM card.
- **Co-branding.** For non-retail operations, a co-branded approach with retail partners could be an effective way forward, although at present there is not much impetus for creating the sender-recipient partnerships. Mobile operators on the sending side, in developed countries in particular, do not see this as a priority. As a consequence, many existing services would be more accurately called "something-to-mobile".
- **Integration and co-ordination.** There is still much integration and co-ordination needed among international actors to create the kind of ubiquity and common standards that currently exist in the "roaming world".
- **Standard vs. functional approach.** Actors should not get caught up in what type of service is the standard, but should take a functional approach and go with whoever provides the right services for each circumstance.

SESSION VII FINANCIAL SERVICES: MODELS AND BEST PRACTICES

PANEL 2

Reaching the last mile: Success stories and challenges

Non-bank financial institutions such as MFIs play a significant role in expanding financial services in rural areas and to the traditionally underserved. The growth of remittance flows to MFI target groups presents enormous opportunities for them to cross-sell their financial services, and thus deepen their impact on local economies. This panel offered insights on the opportunities and challenges associated with non-traditional service providers in the remittance market, including services in rural areas.¹¹



MODERATOR

Mayada El-Zoghbi

Senior Microfinance Specialist, Donors and Investors, Consultative Group to Assist the Poor (CGAP)

SPEAKERS

Mahabub Hossain

Executive Director of BRAC, Bangladesh

Prahlad Man Mali

Chief Executive Officer, Centre for Micro-Finance (CMF), Nepal

Budi Setiawan

Director of Technology and Financial Services, Pos Indonesia

Nguyen QuocVinh

Vice President, Viet Nam Post

Asia is home to 70 per cent of remittance-receiving countries, and 50 per cent of migrants are from rural areas. It is a challenge to get remittances to the recipients in the countryside, and Sending Money Home to Asia estimates that rural recipients spend another US\$30 in travel and associated costs just to collect their money. Can we use existing networks of organizations that are already serving rural communities to reach that "last mile"?

Two networks are already reaching small rural communities in most countries: the post office and MFIs. Post offices are already handling about 5 per cent of remittance flows, and MFIs about 2 per cent – can they do more?



Mr Budi Setiawan explained that

Pos Indonesia serves a country of 142 million people spread over 17,000 islands. A healthy, state-owned company, Pos Indonesia already offers a variety of products, including post, financial services, property and e-commerce. There are 3,764 post offices and 12,000 revenue-sharing postal agents, all connected to the online services. Domestic services account for nearly 15 million transactions and US\$1.7 billion, while Pos Indonesia handles about 23 per cent of total revenue from incoming remittances. Providing enough cash to all post office branches, with transactions reaching nearly US\$40 million each day, remains a great challenge for Pos Indonesia. The logistics of moving such large amounts is formidable. Technology is also a



¹¹ Presentations are available at <http://bit.ly/1p1tpJL>

challenge, but Pos Indonesia is developing its account management and mobile payments, and, with IFAD, is improving safety and storage in its data centre.



Mr Nguyen Quoc Vinh explained that in Viet Nam, the post office is also state-owned and that post offices serve a radius of less than 3 kilometres and no more than 8,000 people. There is a

large network of 14,000 post offices, about 3,000 of them connected online and another 800 working with branches of the largest bank in Viet Nam: the Bank for Agricultural Development. Traditionally the post office provided domestic and international money transfers, the former very cheaply (only 1.3 per cent of the transaction value). Recently, financial services have expanded to include collection and payment for all banks, insurance companies, and even some shares of the government, such as pensions. The Viet Nam Post is working with IFAD and UPU to upgrade to a better international payments system, keeping in mind that the source of funds is also an issue, as developed-country post offices do not seem to be interested in money transfer services.



Regarding MFIs, BRAC is the second largest in Bangladesh, and **Mr Mahabub Hossain** is keen to be part of the remittance market. He noted that the growth of remittance flows through MFIs

gives them a chance to cross-sell their financial services and to make a positive impact on local economies. With 150 million people in a small country listed as the least developed country, it is important to expand credit for self-employment and to ensure the smooth transfer of remittances from overseas. There has been

an enormous expansion in remittances, especially since 2004. In terms of reach, the microfinance clients are not the same people as the remittance recipient clients – the latter tend to be much better off. In fact, only 1 per cent of households receive both microfinance credit and remittances. He added that microfinance activities seem to be reaching a ceiling, but there are still opportunities for migrants.

It is a similar story in Bangladesh, which receives US\$15 billion in remittances, almost 11 per cent of the country's gross national income (GNI). BRAC and BRAC Bank work together to ensure that remittance recipients receive their money within 24 hours of its being transferred, at a cost of only US\$2 on an average transaction of US\$500. In 2011, BRAC went a step further in its innovative financial products, piloting "migrant financing" in 2011, with the aim of reducing both the risks and the costs of migration. Mr Hossain elaborated on how BRAC carries out services (e.g. visa verification) that are often sold by expensive and sometimes fraudulent middlemen. It also counsels migrants, teaching them how to be safe, and even negotiates with unscrupulous middlemen to recover money for migrants who have been cheated. Migrants can then apply for loans to finance their migration. In 2012, BRAC provided loans to 27,000 migrants, with an average loan of US\$2,000. The migrants then transfer their remittances through BRAC Bank, paying off their loan in instalments and, if they want, building up savings. Another innovation for BRAC Bank is the mobile wallet, Bikash, and already nearly 3 million people have opened accounts with BRAC Bank to transfer money domestically using cell phones. Mr Hossain expects to have 10 million households on board by the end of 2013. At the moment, central bank regulations limit international transactions because of the risks of money laundering and funding terrorism. If those rules are amended, BRAC Bank should be able to handle

international transfers by cell phone. Initially, when BRAC Bank moved into the remittance area, cash flow and availability was a problem, but now that loan sizes are larger, there is more cash regularly flowing into the banks. Nevertheless, harnessing remittances for investment and development, instead of just consumption, is an on-going challenge.



Mr Pahlad Man Mali explained that of a population of 26.6 million, as of 2011 there were officially close to 2.1 million Nepalis working abroad and the growth of people migrating has continued. About

half of all households have a migrant family member, and remittances make up around a quarter of GDP. Unfortunately, more than 86 per cent of remittances are spent on consumption. Urban, peri-urban and suburban areas are served mainly by banks and finance companies. To reach the last mile would mean working with the more than 11,000 credit co-operatives. CMF ran a two-year project called "Migrants' savings and alternative investments". CMF worked with ten co-operative societies (all owned and managed by women) which had previously provided consumption loans only. New products were developed, including unemployment insurance, pension savings and enterprise loans, reaching 11,700 clients through the ten societies, 4,266 of whom had family members living abroad. CMF was also able to persuade the central bank to allow the co-operatives to be agents for money transfer organizations, and the insurance companies to provide micro-insurance products. CMF trained the co-operatives in their new role, through which they were not only able to channel remittances to their members at their doorsteps but also successfully mobilized savings and helped create jobs through microenterprise loans.

In order to scale up these successes, the following recommendations were made:

- **Developing networks.** In Viet Nam, the post office needs to develop its agency network and work much more with MTOs, both to increase volume and to enable recipients to receive their money in foreign currency if they choose.
- **Expanding cross-selling.** There is room for growth in cross-selling other financial products and opening up new corridors, possibly with other post offices.
- **Capitalizing on enterprise loans.** In Nepal, CMF's enterprise loans were a success and had repayment rates of 98-99 per cent. Such initiatives could be scaled up provided they are accompanied by financial education.
- **Developing a survey of remittance recipients.** A survey of remittance recipients should be taken as a starting point to assess the actual demand for new products.
- **Expanding government services.** In Bangladesh, the government is reducing the cost of migration by creating a government-to-government contract with the migrant, instead of a private recruiting agency taking a cut. This has reduced the cost of migration from Taka 200,000 to 40,000 (equal to approximately US\$260 to US\$520). The Government has also established the Expatriate Welfare Bank, where migrants can obtain loans at very low interest rates.

Messrs Hossain and Mali both highlighted benefits to the government of migrant remittances. In Nepal, remittance flows prevent a negative balance of payments, and in Bangladesh they provide the Government with a very important source of foreign exchange reserves. These reserves have enabled the Government to finance essential imports and infrastructure development, for the benefit of the entire country.

SESSION VIII REMITTANCES AND FINANCIAL INCLUSION: FROM FINANCIAL LITERACY TO INVESTMENT MODELS

PANEL 1

Role of financial inclusion policies for remittances

Remittances can introduce migrants and their families to a broader range of financial services and/or financial service providers. Migrants and their families may have little access to, or not be at ease with, financial services other than remittances. Effective access to a broader range of financial services may enable migrants and their families to more effectively manage their financial resources to meet their immediate and longer-term needs, and thus provide the tools they need to leverage their limited resources to enhance their economic well-being. Building on discussions of the panel of “Remittances and cross-selling of financial products”, this panel focused on how public policies can support the initiatives of leveraging remittance services to provide effective access to a broader range of financial services.¹²



MODERATOR

Sara Bayes

Head of Migration and Development Programme, Fundación Internacional y para Iberoamérica de Administración y Políticas Públicas (FIIAPP)

SPEAKERS

Henri Dommel

Head of the Inclusive Financial Practice Area, UNCDF

Imelda M. Nicolas

Chairperson, Commission on Filipinos Overseas

Karina Nielsen

Measurement, Learning and Evaluation Officer, Bill and Melinda Gates Foundation

Arnulfo Valdivia Machuca

Director, Institute for Mexicans Abroad, Foreign Ministry

Qifeng Zhang

Principal Financial Sector Specialist, Asian Development Bank (ADB)

Public policy can make or break initiatives to leverage remittances and provide access to financial services. On the wider stage, public policy can promote or stifle competition, and invite or block new actors into the marketplace.



Mr Henri Dommel opened the discussion by stating that a forward-thinking government can also target the demand side – the migrants themselves – to ensure that when they migrate, they understand the options they have for remitting their money, as well as the options for other financial products and services to make their remittances more effective. As an example of effectively influencing public policy, he described the



¹² Presentations are available at <http://bit.ly/1p1tpJL>

Pacific Financial Inclusion Programme (PFIP), in which UNCDF worked closely with central banks to help them understand what financial inclusion was about. This created a safe space for peer learning and interaction among these banks, and led to exploring innovative ways to provide and access financial services, using branchless banking approaches. Cooperation with mobile network operators (MNOs) was also developed, leading to new e-wallet products, and to the MNOs entering the remittance field. In another case, PFIP worked with Westpac Bank and the Department of Social Welfare in Fiji to make welfare payments to 25,000 people electronically and linked to no-cost bank accounts. This system soon spread and led to salaries being paid in the same way through a card-based system linked to "mom and pop" shops. Currently more than 100,000 clients are signed up. As a third example, he described the Better Than Cash Alliance, which brings together governments, private sector and development organizations that are committed to moving away from cash to electronic payment systems. This shift will lower costs, be more transparent and secure, and promote financial inclusion.



Ms Imelda Nicolas spoke about the Philippines Development Plan, whose goal is to bring the unbanked into the financial system by offering a wide range of financial services and making delivery channels via banks and non-banks reach the financially excluded. To achieve this goal, the Central Bank of the Philippines has enhanced transparency and promoted competition by requiring banks and non-banks to post charges for their remittance products. The Bank also: (i) changed the rules to enable rural and cooperative banks to allow overseas Filipinos to have foreign currency accounts; (ii) made the ATM networks interconnected and less costly; (iii) approved remitting via mobile phones and cash cards; (iv) standardized identification requirements; and (v) encouraged banks and non-banks to expand and capture more of the global remittance market. Finally, the Bank is encouraging Filipino migrants to

save and invest, and banks to offer migrants specialized products, such as insurance, pensions and real estate loans and mortgages – with direct payment schemes. Even migrants' children are being invited into the fold. The Kiddie Katapat Savings Program gives youngsters their own account along with basic knowledge about saving and preparing for their future.



Ms Karina Nielsen pointed out that transactions which involve cash are very expensive. This is why her team is focusing on providing digital financial services, in particular sound domestic payment schemes, to as many people as possible. Domestic remittances touch 4.5 times as many people as international remittances and are worth three times as much. Nielsen's team believes that it is vital to enable poor people to convert their physical cash into digital money, and then to access financial products through a digital ecosystem. Public policy can play a significant role in advancing the financial inclusion agenda. If governments paid people electronically, for example, it would generate the critical mass necessary to attract investments for creating effective digital payment systems. Regulators should intervene only if and when market forces are unable to achieve public policy objectives (e.g. lack of infrastructure or competition, excessive prices, lack of deployment in rural areas). Governments also have a key role to play in facilitating dialogue among stakeholders and the private and public sectors.



Mr Arnulfo Valdivia Machuca began by saying that Mexico is the fourth largest recipient of remittances in the world. Government policy during the last 15 years has aimed to lower costs, harness remittances for development, and promote financial inclusion. The creation of the high-security consular ID for Mexicans in the United States was a fundamental improvement in giving migrants access

to financial services. Other programmes have lowered prices (Directo a Mexico), educated migrants (financial education week in the United States) and supported migrants who are helping their communities of origin (Tres Por Uno). Mr Machuca elaborated on the lessons learned, among them: the use of informal channels has practically disappeared; migrants do not always trust that the money they remit will be used the way they expect; and if we do not understand the segmentation of diasporas, then we cannot hope to create policies that will be appropriate and effective. He also described a new government initiative in which the Mexican government is helping migrants in the United States who want to become legal residents, with loans and advice about the process.

Banking of Mexican migrants and facilitating their access to financial services is a priority of the Mexican Consular network in the US. If migrants have access to financial institutions, robberies can be prevented and workers can save money when sending remittances to Mexico, and have a savings account and access to credits. This task was possible through the “Matricula Consular”, a Mexican ID issued in each one of the 50 Mexican Consulates in the United States, and through agreements between banks and/or credit unions and Mexican Consulates. These agreements allow banks or credit unions that accept the Mexican Consular ID as an official document to open bank accounts, to provide basic financial information inside Mexican Consulates. Furthermore, 69 per cent of the Mexican Consulates in the United States have an annual programme of financial education for migrants of Mexican origin. Currently Mexican Consulates nationwide in collaboration with local financial institutions are working on a nationwide initiative *Semana de Educación Financiera* – Financial Education Week. The objective of the initiative is to provide immigrants with programmes and services that give them tools for better decision-making regarding planning and managing their resources.



Mr Qifeng Zhang mainly underscored four key messages:

- The importance of remittances and related policies deserves higher attention. Remittances are an integral part of financial inclusion. All of the nine General Principles endorsed by the G20 for financial inclusion have direct relevance for remittances. Much needs to be done to help capitalize on remittances to build up savings, and engage in income-generating activities for poverty reduction.
- The starting point is greater insight into the dynamics of remittances and development, and a good understanding of the existing policies, legal and regulatory frameworks, key stakeholders, products, markets and clients, as well as major constraints and issues on remittances as part of financial inclusion.
- To maximize the benefits of remittances for financial inclusion, the following issues need to be addressed with the support and intervention of the public sector:
 - Easier access to and broader use of remittance services from the formal sector
 - Driving down the cost on users of remittance services (both remitter and recipient sides) through enhanced competition and/or use of information technologies
 - On the supply side, taking remittances as an opportunity for financial service providers to expand their services and better serve the needs of remittance recipients (financial product design and delivery mechanisms)
 - On the demand side, promoting financial education and business development skills of the remittance recipients, to make the most of remittances in income-generating activities.
- The formulation and implementation of remittance-related policies call for close co-operation and coordination among various government and regulatory authorities, as well as other stakeholders.

SESSION VIII REMITTANCES AND FINANCIAL INCLUSION: FROM FINANCIAL LITERACY TO INVESTMENT MODELS

PANEL 2

Financial Literacy and Consumer Protection

The realities of transnational migration and transnational families are often more complex than expected. Financial literacy can play an important role in formulating clear financial goals, defining the pathway to achieve them, identifying risk-mitigation strategies and providing entrepreneurship and investment training. This panel addressed various methods of providing financial education and highlighted how different kinds of institutions can help migrant workers and their families make the most of their hard-earned money.¹³



MODERATOR

Manuel Orozco

Senior Fellow, Inter-American Dialogue

SPEAKERS

Peter Bonin

Team Leader, Sector Project Migration and Development, German Foundation for Development (GIZ)

Sarah Hugo

Programme Manager, Developing Markets Associates (DMA)

M. Kalyanasundaram

Chief Executive Officer, INAFI India

Czarina Medina-Guce

Head, Plans & Programs Unit; Executive Director ad interim, Union of Local Authorities of the Philippines

It is now universally accepted that financial literacy and education are vital, but how does financial education modify behaviour and help people to build assets and achieve financial independence?

The panel tried to address five key questions: (i) What content links remittances and financial education? (ii) Is “to save” the only message? (iii) What strategies can modify behaviour and improve lives? (iv) Is financial education a development tool? and (v) What lessons have we learned?



Mr Peter Bonin described what is called “FREDI” – financial literacy for remittances and diaspora investments – which is a collection of methodologies that GIZ is attempting to mainstream into its

sustainable development work. It is a means to an end, something that enables anyone to make the most of any and all other development opportunities that are appearing or being created. There is much talk about entrepreneurship training, but not everyone is an entrepreneur. Financial literacy programmes need to take place on the ground, but they also have to be evident at the medium and intermediary levels, to have institutions that can deliver as well; and on the macro-level, where policies are developed. This is the



¹³ Presentations are available at <http://bit.ly/1p1tpJL>

key to sustainability. In essence, the issue is one of mainstreaming. It is about development cooperation playing a role, not only as training experts for individuals but also as an interlocutor between the actors, a facilitator between the various partners and levels.



Ms Sarah Hugo described the work that DMA is undertaking in four of the Commonwealth of Independent States: Armenia, Moldova, Kyrgyz Republic and Tajikistan, where between 20 and 47 per cent of GDP comes from remittances. In each of these countries less than 5 per cent of adults have a bank account. Therefore the majority of adults go to the bank simply to collect their remittance in cash and then leave. DMA has trained financial advisers to work in the branches to intercept unbanked potential clients and give them free one-on-one financial advice that is tailored to the needs of the individual. The aim is to help people manage their finances, see remittances as a form of income, and mobilize their savings into a formal account. This also increases the deposit base of the bank, which benefits the economy and financial institutions in other important ways. Half-way through the project, with teams of 20 in each of the four countries working for ten months, DMA financial advisers had given 85,000 free consultations. Over 11,000 accounts were subsequently opened, and over US\$10 million was deposited in the same period. At the end of the project, in two of the countries the banks retained 70 per cent of the advisers.



Mr Kalyanasundaram explained that domestic migration is huge in India, comprising one-third of the population. Sixty per cent of people who are unbanked represent the target audience for the INAFI projects, including illiterate people, students and non-financial professionals (e.g. teachers, government workers), totalling about 400 million people. INAFI India chose to focus on poor women organized in self-help groups, and to represent those who were excluded from the banking system. Financial literacy programmes covering savings, credit, insurance, remittances and pensions are being organized with trusted NGOs as enabling partners. Through these programmes, INAFI India aims to go beyond savings and credit to gain the full benefits of financial inclusion by facilitating access to insurance, remittances and pensions.



Ms Czarina Medina-Guce described the OFW Pinoy-WISE, or Worldwide Initiative on Investment, Savings, and Entrepreneurship programme in the Philippines. The initiative is delivered through local governments, and their one-stop migration resource centres are flourishing. She highlighted financial literacy as the primary step in providing services to both sides of the migration corridor. The initiative offers financial literacy to migrants and their families that cover such topics as financial planning, monitoring, analysing costs of living, and consumption patterns. Psycho-social services are also offered to address the social costs of migration and family relationships. Services are offered at the provincial level, and in two provinces migrant resource desks have been set up as a “one-stop shop” for migrants and their families. Such quick and easy access to services has proved to be very successful in reaching migrant families.

As to the question of how much financial education is specific to migrants, a number of observations were made:

- Price comparison websites for sending money have proven to be a useful tool, and there is now a lot of talk about encouraging the diaspora to invest back home. But for many recipients, the basics about budgeting are still vital, and treating remittances as a regular source of income is the most important training need.
- In India, account-to-account transfers are the primary focus because there are so many domestic migrants. However, important basics are also highlighted, such as the fact that finances should be need-based, not want-based, and that savings, credit and insurance are all a must.
- In the Philippines, local government is playing a role in encouraging migrants abroad to invest, not just in the home country, especially in the rural areas. However, to accomplish this, the government needs to provide a decent level of consumer protection.
- In Asia, 30 to 40 per cent of migrants are short-term, so it is also important that recipients understand and plan for the fact that money will not be coming forever (in Bangladesh, the Expatriate Welfare Bank offers migrants credit at low rates while they are away and when they return).

An important issue raised by the audience was that financial education should be universal and start when people are young, to protect citizens from fraud and enable them to save and invest wisely.

The main approach of financial advising is to help people manage their finances more proactively, and to build assets in the long term. The digital revolution is dramatically increasing the number of financial transactions, electronically through reloadable cards or e-wallets. Making sure that people understand these tools and know how to use the different options most effectively is a key point for asset-building in this new digital age.

SESSION VIII REMITTANCES AND FINANCIAL INCLUSION: FROM FINANCIAL LITERACY TO INVESTMENT MODELS

PANEL 3

Diaspora capital: Entrepreneurship, investment and financial intermediation

With more than 215 million people – 3 per cent of the world's population – now living outside their home countries, diaspora communities play a vital role in the economies of many nations. While the remittances that migrant workers send back home secure short-term needs, providing them with opportunities for investing these funds and their savings for longer-term sustainable development remains a challenge. This panel discussed and presented best practices and models for supporting migrant communities to leverage their hard-earned funds and their dedication to their home communities in order to increase the impact on local economic development.¹⁴



MODERATOR

Pedro de Vasconcelos

Manager Financing Facility for
Remittances, IFAD

SPEAKERS

Marriz Agbon

President, Philippine Agricultural Development and
Commercial Corporation, Department of Agriculture of the
Philippines

Bikash Chowdhury Barua

Chairperson, BASUG, Bangladesh

Romi Bhatia

Senior Advisor for Diaspora Partnerships, USAID

Christian Eigen Zucchi

Senior Economist, Migration and Remittances, Development
Economics Prospects Group, World Bank

Thierry Sanders

Director and Founder, BiDx BV and BiD Network Foundation

Although much research and many projects are underway about diaspora investment, there is still a lot to learn. We know that 20-30 per cent of remittance flows are usually available for saving or investing, but there are also other more complex investment models, such as diaspora bonds. There are challenges to mobilizing diaspora capital, and the potential models that could scale up this type of investment are just coming to the surface.



14 Presentations are available at <http://bit.ly/1p1tpJL>



Mr Marris Agbon described agriculture as a new and growing area for diaspora investment. Atikha is probably the best-known experience, with the diaspora in Italy and the UAE pooling their funds for a rural community project and receiving a good return on their money for keeping it invested for five years. The government is also recognizing NGO and private sector initiatives to mobilize diaspora investment in agriculture and agri-businesses. The Department of Agriculture of the Philippines itself is forming local agro-enterprise clusters with clearly defined areas for production, post-harvest processing, logistics and marketing, and detailed proposals are being written about investment opportunities to support these clusters. The combined challenges for government, civil society and the private sector not only include developing sound investment vehicles, but also building trust and capabilities for investing on the part of migrant workers and their beneficiary families, identifying risk mitigation measures and evaluating these efforts towards sharing the best practices.



Mr Bikash Chowdhury Barua spoke about the huge potential of the diaspora in terms of their wealth and know-how. However, they have not been seriously involved in the development process

by the governments at both home and receiving ends. There is no policy on diaspora engagement in development process; diasporas need to be a part of the development process as a serious partner. The diaspora, the so-called “golden sons” of the country, unconditionally send large sums of foreign money to keep the economy of the home country strong. Describing the treatment of the diaspora as “deplorable”, he said that not many Bangladeshi diaspora organizations are working on this huge potential area, and perhaps BASUG is the only one that

has been working for years on migration, development and remittance issues. The areas of BASUG interest and involvement are: migration, diaspora and development, with remittances as its key area of activities, including gender-oriented financial literacy and diaspora investment. He emphasized that remittances are important for countries like Bangladesh. Even during the recent global economic crisis, remittance flows did not decline but increased. Unfortunately, he said, “if we look at Bangladesh, we, the remitters, do not know how the remittances that we send are spent, except that we know they are used for payment of balance and pay import”.



highlighted that public-private engage the diaspora have been work at USAID. Groups of diaspora convened to research their needs learn how to support them. Based on about one-eighth of the US population is foreign-born (but they launch 25 per cent of the start-ups), a business plan competition project called the African Diaspora Marketplace was set up with Western Union. The project was created to identify promising businesses that were diaspora-driven and in partnership with an in-country business partner, with the idea of having an impact on the local economy. There was huge demand – 773 applications – in the first rounds of the Marketplace. They had to provide equity, but there was seed capital, matching grants and technical and advisory services. There have been some great successes, and USAID expects the project to be completely funded by the private sector within three years.

Mr Christian Eigen Zucchi asked what formal mechanisms could be put in place to mobilize diaspora



financing more directly. He highlighted its great potential: if only one in ten migrants invested US\$1,000, US\$20 billion could be mobilized. One mechanism that has been used by national governments

to raise money is diaspora bonds. Targeted for migrants who want to support their country of origin, people usually hold them until they mature, providing the issuing country with much-needed money (and foreign currency).

Mr Thierry Sanders raised the question of when a migrant wants to invest in something more immediate.



In this regard, BiD Network has managed to find investors through their website for some 850 businesses. About one-third of their 500 investors are institutional, and about 120 are from the diaspora.

BiD Network is currently working on a project with IFAD to channel US\$1.8 million to 20 small and medium entrepreneurs in Somalia and Somaliland. This will be carried out through a business plan competition, and the best 20 per cent or so of ideas will be improved upon with the help of mentors. These will then be advertised online for potential investors to consider.

A number of factors for success emerged during

the discussion:

- It is particularly important to know as much as possible about the diaspora that is being addressed, and then to put in place the right actors, the right channels, and the right infrastructure on the ground.
- Getting crowdfunders, transfer companies and banks to work together is vital.
- Governments have an important role to play, using partial credit guarantees to unlock access to credit locally.
- Diaspora bonds have great potential if they are designed, marketed and connected properly to diaspora groups.
- The active participation of embassies, in particular diplomatic missions, can be critical to success; their role is fundamental in mobilizing diaspora involvement and engaging investment.

All the panellists agreed that it is up to governments to build trust with their diaspora, without which none of these initiatives will ever grow sufficiently to make a real global impact.

SESSION IX INNOVATION AWARDS CEREMONY

Migration and Development in the Remittance Marketplace: Innovation and Impact

IFAD's Financing Facility for Remittances (FFR) conducted an awards ceremony highlighting the most innovative and successful projects financed since the Facility's inception in 2006. With over 50 projects financed in more than 40 countries, the FFR selected three projects in the following categories, each reflecting one of the Facility's core objectives. Project representatives were given the opportunity to comment on the results of their initiative after a short video documentary was presented for each project.

Core Objective 1: Expanding financial services to rural areas – reaching the “last mile”

The expansion of financial services to rural areas presents invaluable opportunities for migrants and their families to send and receive remittances cheaper and faster. As a consequence, such services would deepen the impact remittances have on local economies and provide recipients with more opportunities at the local level. This award was granted to the “GCash Network Activation” project, for their innovative mobile remittance network in the Philippines.

Core Objective 2: Enhancing impact through cross-sector partnerships – empowering families, providing more opportunity

Over the past decade, key players in the remittance market introduced innovative tools to create synergies and establish partnerships aimed at enhancing the development potential of remittances. By creating tailored products for migrants and their families, such as savings accounts and insurance, these actors could provide greater access to financial services to the communities in remote areas. For this purpose, the project “Remittance-linked savings for rural Sri Lankan women” was awarded, as an example of integration of financial services, literacy and awareness campaigns.

Core Objective 3: Diaspora investment models – matching “outside resources” to local development

With more than 230 million people – 3 per cent of the world's population – now living outside their home countries, diaspora communities play a vital role in the economies of many nations. Providing them with opportunities for investing remittances and their savings for longer-term sustainable development remains a challenge. The Atikha project, “Mobilizing migrant resources towards agri-based cooperatives in the Philippines” showed that diaspora can be actively engaged in the development of their home communities and can own the process reaching towards their financial stability, as well as their families’.

CORE OBJECTIVE 1

Expanding financial services to rural areas



Awardee:

Paolo Baltao

President, G-Xchange, Inc.,
Philippines

Project: **GCash Network**

Activation

Project description: Over 9 million Filipino migrants send international remittances, and about 30.5 million domestically remit funds to their families, including the unbanked and under-banked Filipinos wishing to save and access MFI and other banking services. In order to provide more opportunities and access to migrants and their families,



G-Xchange successfully activated the GCash Network. This project aimed to help reduce poverty by providing

more convenient and affordable financial services to the unbanked and under-banked Filipino population using mobile technology and access to socially adapted outlets. In addition, the project extended a remittance service system to enable rural and urban beneficiaries to access their funds more conveniently and economically. As a consequence, GCash outlets have increased to 18,000 units by activating a network of 15,000 airtime sub-distributors of Globe Telecom Inc. and re-confirming 3,000 traditional GCash outlets, located in local neighbourhood convenience stores, pawnshops, airtime load distributors etc. The project improved speed and accuracy of the remittances transmission and provided a mechanism for informing sender and beneficiary of when a remittance was sent and when it was paid out; it also provided more convenient access for the underserved and unbanked to better-value services from airtime sub-distributor outlets and other financial services.

Watch the video:

www.youtube.com/watch?v=Y0Vy0E_9n5A



CORE OBJECTIVE 2

Enhancing impact through cross-sector partnerships



Awardee:

Chandula Abeywickrema,
Deputy General Manager,
Hatton National Bank, Sri Lanka

*Project: Remittance-linked savings
for rural Sri Lankan women*



Project description: Hatton National Bank (HNB) designed a remittance-linked savings product that grants access to two financial products highly aligned with the needs of migrant workers and their families: insurance and productive loans. Just two months after the service was introduced, more than 200 savings accounts were

opened, with a total value of some US\$50,000. Due to the overwhelming response, the product was introduced in all 231 branches during the first year of project implementation. Significant drivers of success included HNB's well-established remittance services, strong brand and branch network, and an easy integration of the new products into its management information system. In addition to its savings product, HNB also offered migrant insurance packages for account holders one year after opening an account. This facility is especially relevant in a country such as Sri Lanka, where insurance penetration is reported to be 10 per cent and where the close-knit culture does not give much prominence to it. HNB also provides information to migrant workers before their departure on how to insure family members, making sure that families can discuss the options open to them beforehand. As a result of government prioritization of male migration from Sri Lanka, HNB sought to create a series of products specifically designed for woman-headed households. Working together with Women's World Banking, HNB created a product for depositing remittance transfers into a specialized bank account, with the express purpose of graduating from savings to insurance and loans for productive enterprises.

Watch the video:

www.youtube.com/watch?v=Rj8tKpKrUJE#t=11



CORE OBJECTIVE 3

Diaspora investment models



Awardee:

Estrella Mai Dizon-Anonuevo,
Executive Director, Atikha Overseas
Workers and Communities
Initiative Inc., Philippines

*Project: Mobilizing migrant
resources towards agri-based
cooperatives in the Philippines*

Project description: Up to 70 per cent
of the 8 million Filipinos working
overseas are not able to save
enough to return to their home
country. This fact results in migrant
workers needing to stay abroad
for a much longer period, and to
cope with a host of associated



negative consequences. In order to change this situation, Atikha provided financial education to more than 1,500 domestic workers in Italy, mostly women, through training courses in financial planning, budgeting, goal setting, savings and investment. By sharing information and strategies acquired with family members in their home country, a sense of mutual commitment

and support to the family's overall goals was created. Atikha took a very realistic approach to investments, identifying migrants who expressed a desire to start their own businesses back in the Philippines and recognizing that many required specific training before they could do so successfully. The courses offered by Atikha led some group members to use their savings to start small businesses, while others invested in less hands-on investment vehicles that would still earn them a better return than a normal bank account. As a result, 900 migrants pooled their savings in order to join the Soro-soro Ibaba Development Cooperative (SIDC), which not only provided members with cheaper remittance transfer options, but also allowed the pooling of their savings for reinvestment in the start-up of new businesses. In addition to maximizing their own financial gains, participants sought to contribute to the development of their home communities. To that end, participants identified investment in agriculture as the best way to create local jobs, taking advantage of local conditions and expertise to maximize their return on investment. By mobilizing relatively small monthly savings and jointly investing in an agricultural cooperative, these migrant workers have become agents of change for themselves and their communities.

Watch the videos:

www.youtube.com/watch?v=NRXuaMvZ6kE and

www.youtube.com/watch?v=cSh0YKTE0xc



CONCLUSIONS AND RECOMMENDATIONS

SPEAKERS

Donald F. Terry

Professor, Development Finance, Boston University
School of Law

Mayada El-Zoghbi

Senior Microfinance Specialist, Donors and Investors, CGAP

Bella Santos

Director, Payment Systems, Bangko Sentral ng Pilipinas

Sara Bayes

Head of Migration and Development Programme, FIIAPP

Massimo Cirasino

Manager, Financial Infrastructure and Remittances,
The World Bank Group

Hoonae Kim

Director, Asia and the Pacific Division, IFAD

PUBLIC SECTOR DAY

Mr Donald F. Terry summarized the essence of the first day as trying to give an overview with a particular emphasis on the perspectives of the public sector. In this context, the following messages emerged during the first day:

- **The need to go beyond the numbers.** The issue of remittances has come very far in the past decade, and we need to go beyond the numbers to see what can actually be done.
- **Remittances seen through a rural prism.** This is clearly a focal point for IFAD. For example, of the estimated US\$100 billion that go into rural Asia, given the opportunity to save and invest, maybe an additional US\$30 billion could come out of these remittance flows.
- **The role of the World Bank.** Reporting on remittances by the World Bank has been a cornerstone, tracking 220 corridors in the world, from sending to receiving, and striving to continually improve reporting. Moreover, the Bank is furnishing the building blocks of the five general principles for international remittances, the building blocks of getting the right financial infrastructure, of promoting regulatory reform, competition, transparency and risk management across the board. These efforts are commendable and need to continue.
- **“Expensive to be poor”.** In rural areas, the financial system is the poorest and the hardest, which presents a daunting challenge for IFAD and other organizations.
- **The sending side of remittances from developed countries.** Developed countries are taking up the issue on the sending side. Spain and Italy demonstrated their involvement and successes. These countries were major remittance-receiving countries during the twentieth century and have much knowledge about remittances.
- **Performance in Asia.** Some regulators from Asian countries are also very engaged in remittances. For example, in Indonesia 103 remittance service providers have been added in several years, resulting in lower costs and greater competition. In Sri Lanka, within four years after a 25-year-old civil war, remittances have doubled, and the price of sending to Sri Lanka has been reduced by 50 per cent. These are the results of engagement.
- **Technology.** Technology may not be a panacea, but in rural areas it is clearly a viable way to reach that last mile.



He concluded by saying that much more needs to be done. How do we expand the distribution network beyond commercial banks? How do we exploit the potential of the electronic, digital and other technologies? How do we overcome the regulatory roadblocks in so many countries that slow down their future development? How do we remove the long-term exclusivity arrangements?

PRIVATE SECTOR DAY

Mmes Mayada El-Zoghbi and **Bella Santos** focused on the second day of the forum, which was about the market itself, with trends, opportunities, challenges and best emerging practices. The following key messages emerged:

- **The potential of technology.** E-wallets will gain greater space in the future, and the potential of e-money needs to be explored and exploited very carefully. Many rural communities are not yet monetized economies, which must take place before the digital dimension can be introduced. People need to be able to believe that they can access their cash at any time, and this step is still needed in many rural communities.
- **The importance of competition.** Competition is a key factor in driving down remittance costs. However, interoperability among sectors remains a major challenge.
- **Partnership/collaboration.** While some may see competition, others see opportunity for collaboration and partnerships: between postal networks and MFIs, for example, which are partnering to broaden their services, with telecommunication and money transfer companies, and many others.
- **Enabling regulations.** Much work remains to be done, particularly in terms of harmonizing regulations across countries, in order for remittances to really work.
- **Cross-selling.** The cost of remittances is dropping, but providers still need to make money. Cross-selling is the key to making the business work. Most of the MFIs present spoke about how they are already providing linkages to loans, savings, insurance,

non-financial services and financial capability.

In this regard, cross-selling and value-added services are key.

- **Domestic payments.** Although there is much discussion about cross-border remittances, domestic payments are at the core. Seventy-five per cent of all innovations taking place regarding remittances are triggered by domestic payments. Therefore, domestic payments need to be strengthened, and the remittances connected to them. At the same time there are gaps between new products and services and the needs of the customers, especially those in the rural areas.
- **Capacity.** Capacity is another key factor, at the consumer level, the provider level and the regulatory level.

CIVIL SOCIETY DAY

Ms Sara Bayes focused her discussion on the role of financial inclusion, literacy and investment models, and the key messages that emerged.

- **Financial inclusion.** Supporting projects that address financial inclusion is extremely important, as is setting up alliances between the public and private sector in order to address the demands of migrants and their families as well as to provide technical assistance. Specific models of remittance interventions need to be developed or adapted according to the different diaspora segments, the realities of migrants and their needs.
- **Financial literacy.** Financial education for migrants and recipient families and relatives is critical. In this regard, working in partnership with local authorities or central governments is important.
- **Investment models.** The private sector, governments and the diaspora must work together in defining new models for remittance interventions. In addition, promoting social connections between families abroad can be a key strategy for investment, and the number of financial options for migrants and their families to invest their capital in needs to be broadened.

CONCLUDING REMARKS



Mr Massimo Cirasino and Ms Hoonae Kim were asked to give the concluding remarks of the forum. Mr Cirasino emphasized that the flow of remittances has the potential to lift families

out of poverty, support their small businesses and help countries with their balance of payments. Yet inefficiencies in sending and receiving remittances drain away much of their potential benefit, causing the financial systems to hit the poorest the hardest of all. The data show some positive signs towards the achievement of the “5x5 Objective”, which has been embraced by the entire industry, not just the regulators. In addition, the commitment has become truly global, and with it the realization that this is a win-win initiative. The cost of providing services can go down and volumes can go up without necessarily squeezing the return on investment to the bone for the remittance service providers.

Financial inclusion is more and more an objective of governments worldwide, and remittances can play an important role since they represent the first financial services to which migrants and beneficiaries are exposed in their lifetime. Activating proper financial literacy and education programmes coupled with an appropriate consumer protection framework is paramount, along with creating an enabling environment for financial institutions and other entities to employ

the “3 Ps” – Products, Products, Products – in other words, payment, savings, credit and insurance products tailored around these communities and leveraged on the regularity and resilience of remittance flows. The World Bank has been working in more than 120 countries and is confident that in the not-so-distant future, most countries will have safe and efficient payment systems and services and, more importantly, the capacity to maintain these systems.



Ms Hoonae Kim reiterated that remittances are a significant source of improving livelihood conditions and creating the foundation for better economic futures for all the countries, but particularly the

poor countries and the poor in rural areas, where the bulk of the migrant workers originate. IFAD is already supporting more than 40 countries with 50 different projects that seek to strengthen service delivery for remittances as well as their use on the ground. In order to move forward, IFAD and development partners need to focus on training in financial literacy, as well as to systematically include the diverse potential uses of the remittance source, both in existing and new operations that are designed. In this regard, more discipline and innovation are required to determine what types of products could be offered.

SCALING-UP STRATEGIES FOR EFFECTIVE NATIONAL REMITTANCE PROGRAMMES: THE PHILIPPINES AND NEPAL

As part of the Global Forum on Remittances 2013, a learning event was organized to discuss approaches to scaling-up opportunities in the Philippines and Nepal. The half-day event was attended by more than 100 people representing the two countries.

Mr Pedro de Vasconcelos, Manager of IFAD's Financing Facility for Remittances, opened the learning event by explaining that its purpose was to understand what is meant by scaling up and how it can be achieved effectively. **Mr Cheikh Sourang**, Senior Programme Manager of IFAD's Strategy and Knowledge Management Department, emphasized the importance of learning about remittances from each other, particularly the interactions between those in the field and the civil servants in northern and southern capitals. Scaling up can be defined as replicating, expanding and adapting whatever works, in order to reach more people and in a sustainable manner. There are a number of questions that help unbundle the black box of scaling up:

- What are the ideas? What is the intervention we are talking about? Is it new; has it been tested? Who tested it?
- Where do we want to be? How many people, households, etc. do we want to reach, and what tools do we need to reach them?
- Who are actors, what are the driving forces?
- Do we start with small pilots or with a big programme?
- Who are the champions?

INSTITUTIONS AND PARTNERSHIPS TO SCALE UP: SETTING THE STAGE FOR THE PHILIPPINES AND NEPAL

Mr Benoit Thierry, IFAD's Country Programme Manager for Nepal, explained that the country has more than two million Nepalis working outside their home, with remittances accounting for 25-26 per cent of the GDP, that will continue to increase in the coming years. It is therefore important to go beyond remittances, to see what can be done in terms of migration being helpful for the development of the country. How can these people be provided with a decent income in the

country and have opportunities to invest in productive assets? In Nepal, many returnees are trying to develop income-generating activities – growing quality vegetables, building greenhouses, rearing improved livestock, or engaging in enterprises such as masonry and carpentry. These activities are beneficial to the region. In this regard, a host of business services need to be in place, including literacy, accountancy and vocational training. Finance is another critical component – access to credit in particular, and the ability for migrants to set up saving accounts while they are still abroad to save some money as capital upon their return. All of these efforts require linking with the various levels, from individual to local community, local community to local authorities, to regional level and national level. It can be cumbersome and there can be tension and conflict. However, the beauty of our work is when we manage to get everybody working together. This is the way to real development.

Youqiong Wang, IFAD's Country Programme Manager for the Philippines, explained that there is great potential to tap into agricultural financing, using remittances in the Philippines. There are about US\$24 billion in remittances every year, which is about 13 per cent of the GDP. There are three main challenges in the country programme in relation to using remittances for agricultural financing:

- **finding tested, sustainable and efficient models and the process to replicate and upscale them.** Some of the models tested before are expensive, with very high transaction costs, and may not be sustainable.
- **how to link and integrate the facilitation and financing of remittances for agricultural investment in the entire country programme.** Again, the challenge is finding appropriate models and approaches, and how to finance them in the long term.
- **defining the roles and responsibilities of government and private sector operators,** and determining how to use IFAD financing to support remittances for agricultural financing in the country programme.

IDENTIFYING MODELS AND SPACES OF INTERVENTION: WHAT, WHO, WHEN AND HOW

Mr Manuel Orozco, Senior Fellow of the Inter-American Dialogue, began by mentioning two main issues to consider in scaling up: the conceptual framework that informs the policy issue of scaling up; and the technical component, its operationalization, introducing certain tools, instruments and strategies to implement a particular project of larger magnitude. Scaling up does not mean mega-projects; it means ensuring that what is carried out will have an epidemic effect on the productive base of a local economy and in generating wealth and improving social conditions in a society.

It is important to remember that when a household receives remittance money, it does not separate the remittance transactions, remittance earnings and other earnings. They are all put together. In this way, we cannot talk about uses of remittances per se, but using or managing household income and investments. Investing and remitting are two completely different activities. One other aspect is donations. On average an immigrant donates about US\$200 per year. So there are three different activities that immigrants perform.

The process of migration is a cycle – prior to, during and after migration – and there are different dynamics ongoing in each phase which have implications for development. The point of departure is to consider two main aspects: what are the units and levels of analysis? When it comes to remittances, they are basically split in two: remittances as a transfer or commodity, and remittances as a leveraging feature. Policy-makers, people in the development field and academics tend to put the transaction cost above in the hierarchy of policy priorities in the relationship between remittances and development. It is important but it is not the number one priority. Leveraging remittances as part of income for asset building is perhaps the most important priority. Other important policy issues come into play, such as transaction methods, money transfer access and compliance, technology, and many others.

Once they are identified, solutions can be found. And this is where the idea of scaling up comes up – expanding in terms of geographic scope but also in terms of its effect on and integration with other activities, as well as the potential risks involved. The development impact considerations are very important to understand, and best practices can be extremely useful. The best practices are not simply projects that work and can be taken on; they are the synthesis of those projects that have a sound development impact and that effectively address the issues of correspondence, ownership, sustainability, replicability, risk and accountability.

SUMMARY OF BREAKOUT SESSIONS: SETTING THE STAGE IN THE PHILIPPINES AND NEPAL

Mr Manuel Orozco provided a summary of the breakout session for the Philippines. During the session, the following issues emerged:

- **Financial literacy and advice.** Many return-migrants come back with occupations that relate more to the activities they were performing abroad, and when they return their skills are not necessarily tradable and portable. Therefore, a realignment of actual skills and the skills needed to be competitive is something that needs to be addressed.
- **Technical assistance.** Of critical importance is skills training in entrepreneurship and entrepreneurialism – how to develop a business, how to formalize it, and how to integrate it into the value chain.
- **Access to financial services.** Access takes two tracks: working with commercial banks to increase their support of financial inclusion for remittance recipients; and strengthening the competitive capacity – liquidity, technological capacity, compliance capacity and staff – of non-banking financial institutions (i.e. microfinance institutions, rural banks and credit unions) to provide financial access and services to remittance recipients and migrants.
- **Investment intentionality.** It is important gain a sense of the intention and practice of investment by migrants – how much do they invest, in what do they invest, and how can incentives be provided for those who have a capacity to invest in the agriculture sector?

Mr Benoit Thierry provided a summary of the breakout session for Nepal. The main issues that emerged during the discussions were as follows:

- **The need for better coordination of actors in the country.** This includes people working on finance, the government, institutions working on migration, as well as representatives of migrants' associations and workers.
- **Training and skills development.** As with the Philippines, the needs for training are very important, particularly when migrants have returned to their country. They need to acquire skills to develop new businesses in the country.
- **Improved financial tools.** This goes beyond the money transfer issue to linking that process to better financial tools and to more banking systems, as well as investment mechanisms for migrants.
- **Responding to the rapid evolution of migration.** Although migration may be not be a new phenomenon, it has increased greatly over the past ten years, reaching 25-26 per cent of GDP and continuing to increase. Hence, there is a momentum that requires a stabilization of the organization tools and systems in order to address all aspects of migration and development.

NATIONAL OPPORTUNITIES FEEDBACK

H.E. Virgilio A. Reyes, Ambassador of the Philippines to the Italian Republic and Permanent Representative of the Philippines to FAO, WFP and IFAD gave a presentation from the perspective of the Philippines, which is now becoming a pioneer in re-integration of its returning workers, as well as a prime source of innovation in providing assistance to those who choose to stay and work in countries of their choice. The Administration of President Benigno Aquino III remains committed to creating jobs back home but also to aiding citizens abroad, and the country's guiding statement is that Filipinos will continue to work outside of the country because they want to and not because they have to. The role of government is merely to assist and guide but never to compel or direct what remains to be a personal decision by the individual. He then went on to mention

the various government agencies that have responded to the challenges of the new millennium, including: the Central Bank; the Commission on Filipinos Overseas; the DOLE; and the Department of Agriculture. He also highlighted cooperation and partnerships with the private sector, in particular NGOs, private banks and remittance companies. Today the Philippines is a country which stands at the mid-point. It is a sending country, which one day, like Italy, Spain and the United States, may once again become a receiving country. One indication of its recovery is its graduation from being a debtor to a creditor country within the IMF system and the country's recent rank upgrading by economic rating agencies. This is why the issue of using and directing remittances to the country's agricultural and rural development is so crucial.

During the brief discussions that followed, the issue of pooled investors emerged. Funds such as the Diaspora Loan Investment Fund responded to some of the scaling-up issues by moving the savings concept to investing. As pooled investors, the low-income earners can actually have a larger stake in funding or participating in funds that are of national developmental concerns. The concept works both with private and government partnership and it gives an incentive for the overseas workers who are not able to put savings aside to have partnership in terms of their investment being matched. In addition, the issue of lack of coordination among the actors re-emerged – the private and public sectors, even the diaspora. The latter contribute so much, and yet the recognition of what they are doing is really very minimal, especially in decision-making processes. An external force may be needed to stimulate the players, to bring them together one more time and sit down to really make a plan. In this regard, IFAD can lead the way.

NETWORKING





Webpages



[Home](#) | [Who we are](#) | [What we do](#) | [Where we work](#) | [Topics we cover](#) | [Our stories](#) | [Financing](#) | [Evaluation](#)

Overview

- [About the forum and venue](#)
- [Session documents](#)
- [Practical information](#)
- [Accommodation and visa](#)
- [Contact us](#)

Global forum on remittances



The International Fund for Agricultural Development (IFAD) and the World Bank successfully organized the 2013 edition of the Global Forum on Remittances: Sending money home to Asia - GFR2013

About the Global Forum:

Ever since its first 2005 edition, the GFR has represented a unique platform to promote global awareness of migrant remittances and to highlight the immense impact of the money sent home to developing countries. The GFR 2013 highlighted the global implications for the remittance market and an in-depth review of barriers and opportunities in the Asia-Pacific region.

Objectives:

The main objective of the Forum has been to stimulate the debate on today's market realities and tomorrow's opportunities. In this sense, the three day event helped create the foundation for a common agenda for the Asia-Pacific remittance market.

Audience:

Over 350 international participants, including experts and representatives from leading business groups, government regulators and the civil society, attended the GFR2013.

[Read more](#)

Registration

[Register](#)



Sending Money Home to Asia

Highlights and news

GFR2013 media coverage

Follow the event via webcast

Agenda

Check out the selection of events: Day 1
Day 2 / Day 3

Download the flyer for the Forum

Partnership opportunities

Electronic newsletter: GFR Update
Issue 1 | Issue 2 | Issue 3 | Final Forum issue

Expert advisory group


FAQ

Sponsoring

The remittances marketplace




The remittances marketplace, that will be held in conjunction with the Global Forum on Remittances 2013, will represent a networking exercise in order to promote partnerships and reinforce stakeholder experience in the field of remittances.


REMITTANCESGATEWAY

[HOME](#) | [NEWS](#) | [LIBRARY](#) | [EVENTS](#) | [GLOBAL FORUM 2013](#) | [VIRTUAL FORUM](#) | [USEFUL LINKS](#)

Overview



The International Fund for Agricultural Development (IFAD) and the World Bank successfully organized the 2013 edition of the Global Forum on Remittances: Sending money home to Asia - GFR2013

About the Global Forum:

Ever since its first 2005 edition, the GFR has represented a unique platform to promote global awareness of migrant remittances and to highlight the immense impact of the money sent home to developing countries. The GFR 2013 highlighted the global implications for the remittance market and an in-depth review of barriers and opportunities in the Asia-Pacific region.

Objectives:

The main objective of the Forum has been to stimulate the debate on today's market realities and tomorrow's opportunities. In this sense, the three day event helped create the foundation for a common agenda for the Asia-Pacific remittance market.

Audience:

Over 350 international participants, including experts and representatives from leading business groups, government regulators and the civil society, attended the GFR2013.

PRESS COVERAGE

Some of the over 400 news items on the international press:

The Bangkok Post

Time to harness the remittance boom

Published: 23 May 2013 at 13:11 | Views: 1,455 | Comments: 0

Newspaper section: News
Writer: Kanayo F. Nwanze

Like 12 | 3 | 0

Print | Email | Share

For more than a decade, Asia's economies have been on the move, and so have its people. The scale of migration from rural to urban areas and across international borders is historically unprecedented, and 21st-century Asia is its focal point.

A migrant worker uses an ATM machine with instructions written in Thai and Burmese. Worldwide, remittances sent home to developing countries are five times higher than official development aid, yet most migrant workers are still excluded from modern banking services. PHOTO: LAOPAISANTAKSIN

In Asia's developing countries, the power and potential of remittances - the money that migrant workers send home to their families (many of whom live in poor and remote areas) - is immense. Currently, more than 60 million migrant workers from the Asia-Pacific region account for more than half of all remittance flows to developing countries, sending home about US\$260 billion (7.74 trillion baht) in 2012.

Business >

Liberating the remittance economy

Asian migrant workers send home massive sums, and mobile technology now helps them save transaction costs and free up billions more dollars for their families to use productively.

Published: 27 May 2013 at 14:05 | Views: 4,338 | Comments: 0

Newspaper section: Asia Focus
Writer: Jürgen Gabel

Like 7 | 6 | 0

Print | Email | Share

The image of the Philippine housekeeper living and working far from her beloved family is a cliché long associated with the world of migrant labour. And while it's true that remittances play a big role in the Philippine economy, the sums pale in comparison to those that flow back to some other countries.

A Filipino migrant worker leaves a remittance centre in Hong Kong.

In the bigger picture, the remittance economy is a phenomenon that merits much closer attention. Its sheer size is reason enough, but the impact of new technologies is now freeing up billions more dollars that used to be swallowed up by transaction fees and other costs.

The Economist

The Economist | World politics | Business & finance | Economics | Science & technology | Culture

Remittances

Channelling cash

Migrants' money could be put to better use

May 28th 2013 | BANGKOK | From the print edition

Zineer | Like 132 | Tweet 146

THE world economy may be struggling, but foreign remittances continue to grow. In all, 250m migrant workers will send home \$500 billion this year—up from \$410 billion in 2012, according to a new report by the International Fund for Agricultural Development (IFAD), an agency of the United Nations. More than half ends up in Asia, but much of the money is wasted on expensive transfer services and gets stashed away rather than put to productive uses that might help reduce poverty.

Changing this was the main topic at the Global Forum on Remittances this week in Bangkok, a conference organised by IFAD and the World Bank, which focused on Asia. Participants agreed that bringing a bigger part of the remittances into the formal financial system could do more for economic development than official aid and foreign direct investment combined. The much more difficult question is how to make this happen.

Migrants tend to be good credit risks, but most cannot access conventional financial services. Banks shun them because they are uncomfortable with the risks of transferring cash, fearing penalties for abetting money laundering and financing terrorism. So migrants have to resort to costly money-transfer services. In Africa fees can amount to 20% of the money sent.

In this section

- Lenders of the last resort
- Channelling cash
- Unbreakable Omon
- System reboot
- Let's do it my way

Other articles

Harnessing the Remittance Boom

08-21 11:04 Caring

Print | E-Mail | Share | Single Page

while remittances to developing countries are five times higher than official development assistance, the enormous potential returns for society have not been realized.

By Kanayo F. Nwanze

ROME - For more than a decade, Asia's economies have been on the move - and so have its people. The scale of migration from rural to urban areas and across international borders is historically unprecedented, and twenty-first-century Asia is its focal point.

In Asia's developing countries, the power and potential of remittances - the money that migrant workers send home to their families (many of whom live in poor and remote areas) - is immense. Currently, over 60 million migrant workers from the Asia-Pacific region account for more than half of all remittance flows to developing countries, sending home about \$260 billion in 2012.

China, India, and the Philippines are the three largest recipients of remittances, while Bangladesh, Indonesia, Pakistan, and Vietnam are also in the top ten. The money is often a lifeline: it is estimated that 10% of Asian families depend on payments from abroad to obtain their food, clothing, and shelter.

But, while remittances to developing countries are five times higher than official development assistance, the enormous potential returns for society have not been realized - and can be secured only if the flow of money can be channeled into effective rural and agricultural development, particularly in fragile states and post-conflict countries. Doing so would contribute significantly to creating jobs, enhancing food security, and fostering stability in countries emerging from strife.

Accueil > Economie > EcoFutur

En Asie, la téléphonie mobile remplace le système bancaire

LIBERATION (AVEC AFP) 21 MAI 2013 À 18:07



Un champ inondé à Pea Reang, à 60 km à l'est de Phnom Penh, le 6 octobre 2011 (© AFP/Tang Chhin Sothy)

Selon une étude de la Banque mondiale et de l'IFAD, les travailleurs immigrés d'Asie-Pacifique ont transféré par téléphone en 2012 plus de 200 milliards d'euros à leurs proches jusque dans les coins les plus reculés.

Asia recibió US\$260.000 millones de sus emigrantes en 2012

Fuente: Daily Frontier
Martes, 21 de Mayo de 2013 09:58

Unos 70 millones de familias asiáticas o uno de cada diez hogares dependen de este envío de divisas.

Recomendado | Twitter (2) | 8-1 | 0

Unos 60 millones de emigrantes de Asia enviaron a sus países US\$260.000 millones durante 2012, según un informe divulgado hoy en Bangkok al inicio del Foro Mundial de las Remesas de Naciones Unidas.

Según el documento, titulado "Enviando dinero a casa en Asia", unos 70 millones de familias asiáticas o uno de cada diez hogares dependen de este envío de divisas desde el extranjero para comprar comida y ropa y vivir bajo un techo.

Las remesas a Asia representaron el año pasado un 63% del total de dinero enviado a países en desarrollo por trabajadores emigrantes.

En total los inmigrantes de todo el mundo enviaron el año pasado US\$410.000 millones a sus respectivos países, de los que US\$72.000 millones fueron a América Latina y unos US\$60.000 millones a África.

En Bangkok, políticos, representantes del sector privado y líderes comunales debatirán sobre las políticas internacionales, las comisiones en el envío de las remesas y el impacto de este dinero en el desarrollo de los países, durante la cita de tres días organizada por el Fondo Internacional para el Desarrollo de la Agricultura (FIDA) y el Banco Mundial (BM).

Living VNI | English | Français | Español | 中文 | 日本語

Vietnam+

Politics | World | Society | Business | Culture-Sport | Sci Tech | Health | Environment | Travel

HOME | WORLD

Asian workers abroad send home highest remittances

21/05/2013 | 16:37:04

EMAIL | PRINT | SHARE | Font Size | A A

TOP STORIES

- Thailand opens first international water park
- Lees boosts handcraft production
- Preparations for ASEAN army rifle shooting contest under review
- Thailand to host World Puppet Carnival in November
- Thailand: Establishment of 16 NLA committees completed
- More than 400,000 Thais have schizophrenia
- Philippine car assemblers post record sales in September
- Malaysia unveils 2015 state's budget

Asian workers abroad sent 260 billion USD to their home countries in 2012, higher than all other regions in the world, said a recent United Nations report.

The amount is five times higher than the total international development assistance for Asia, highlighted the report which was released on May 20.

Countries receiving the highest remittance levels in descending order are India, China, the Philippines, Pakistan, Bangladesh, Vietnam and Sri Lanka.

It said about 60 million Asian workers are working abroad, bringing home 60 percent of the 410 billion USD of total remittances. The figure is higher than the combined total that African, American and Eastern European guest workers send home.

It is estimated that one in every 10 families in Asia receives money from a relative working abroad - VNA.

Live coverage by BBC

Commenti Archiviato | Di economia

Come sfruttare il boom delle rimesse

di [Emanuela F. Iannace](#) | Commenti (1)

Tweet | Conoscigli | 1024 | A+ | A- | 100%



ROMA – Da oltre un decennio le economie asiatiche sono in movimento, e così anche le loro popolazioni. La portata della migrazione dalle aree rurali a quelle urbane e oltre i confini internazionali non ha precedenti nella storia, e il punto focale è l'Asia del ventunesimo secolo.

Nei Paesi in via di sviluppo dell'Asia, la forza e il potenziale delle rimesse – il denaro inviato dai lavoratori emigrati alle famiglie (molte delle quali vivono in aree povere e remote) – sono enormi. Attualmente, oltre 60 milioni di lavoratori provenienti dalla regione Asia/Pacifico rappresentano più della metà di tutte le rimesse rivolte ai Paesi in via di sviluppo, inviando in patria circa 260 miliardi di dollari nel 2012.

Cina, India e Filippine sono i tre maggiori destinatari delle rimesse; Bangladesh, Indonesia, Pakistan e Vietnam si collocano nella top ten. Il denaro è spesso un'ancora di salvezza: che il 10% delle famiglie asiatiche dipenda dai pagamenti provenienti dall'estero per ottenere cibo, vestiti e riparo.



LIST OF SPEAKERS

KEYNOTE SPEAKERS



H.M. Queen Máxima
of the Netherlands

United Nations Secretary General's
Special Advocate for Inclusive
Finance for Development

and sustainable institutions. She works in partnership with stakeholders globally to raise awareness, encourage leadership, and foster action toward financial inclusion. She is also Honorary Patron of the G20 Global Partnership for Financial Inclusion.

Queen Máxima is an active global voice on the importance of inclusive finance for achieving development and economic goals. Designated in 2009 by the UN Secretary-General as his Special Advocate for Inclusive Finance for Development, Queen Máxima encourages universal access for individuals and enterprises, at a reasonable cost, to a wide range of financial services, provided by diverse, responsible



Kevin Cleaver

Associate Vice-President,
Programme Management
Department, International Fund for
Agricultural Development (IFAD)

He helped create an effective system of knowledge management and sharing, and staff learning in the World Bank's Environmentally and Socially Sustainable Development Network. Mr Cleaver has a long and distinguished career in agriculture and rural development, with many books and articles published.

Mr Kevin Cleaver has been IFAD's Associate Vice-President for Programmes from 2006 until 2014. Before joining IFAD, he held several key positions, as Director, in the World Bank, including: Africa Technical Department, Environmentally and Socially Sustainable Development at the Europe and Central Asia Region; and Agriculture and Rural Development for the World Bank Group.



Janamitra Devan

Vice President and Head of
Network, Financial and Private
Sector Development, The World
Bank Group

the negotiation of the Cotonou Agreement and, in 2008, he was appointed Deputy Director General for Institutional affairs in the Secretariat of State for the EU.

Mr Janamitra Devan has been the former Vice President of the World Bank Group. Since joining in 2009, he has been engaged to facilitate access to a broad range of financial services and to mobilize the private sector in offering better services to the poor. He has engaged with the public and private sectors to promote collaborative public-private dialogue and the development of a regulatory environment that



Javier Hernández Peña

Deputy Director General for
Development Policies, General
Secretariat for International
Cooperation, Ministry of Foreign
Affairs and Cooperation,
Government of Spain

the negotiation of the Cotonou Agreement and, in 2008, he was appointed Deputy Director General for Institutional affairs in the Secretariat of State for the EU.

Mr Hernández Peña is the Deputy Director General for Development Policies in the General Secretariat for International Development Cooperation of the Government of Spain. He has been a diplomat since 1987, working in different duty stations – Teheran, Stockholm, Canberra, Brussels (as Counsellor in the Permanent Representation of Spain to the EU) and Nicosia. As Counsellor in the Secretariat of State for the EU development cooperation and ACP matters, he took part in

MODERATORS

15 moderators from governments, civil society and the private sector



Sara Bayes

Head of Migration and Development Programme, FIIAPP



Massimo Cirasino

Manager, Financial Infrastructure and Remittances, The World Bank Group



Pedro De Vasconcelos

Manager, Financing Facility for Remittances, IFAD



Mayada El-Zoghbi

Senior Microfinance Specialist, Donors and Investors CGAP



Isaku Endo

Financial Sector Specialist, Financial Infrastructure and Remittances, The World Bank Group



Michael Hamp

Senior Technical Advisor, Rural Finance, IFAD



Alfred Hannig

Executive Director, Alliance for Financial Inclusion (AFI Global)



Gary Howe

Director, Strategic Planning Division, IFAD



Leon Isaacs

Managing Director, International Association of Money Transfer Networks



Hoonae Kim

Director, Asia and the Pacific Division, IFAD



Manuel Orozco

Senior Fellow, Inter-American Dialogue



Francesco Rispoli

Rural Finance Expert, IFAD



Bella S. Santos

Director, Payment Systems, Bangko Sentral ng Pilipinas



Reuben Summerlin

Advisor, Pacific Financial Inclusion Programme, UNCDF



Donald F. Terry

Professor, Development Finance, Boston University School of Law

SPEAKERS

57 speakers from governments, civil society and private sector



Chandula Abeywickrema
Deputy General Manager, Hatton National Bank, Sri Lanka



Marriz Agbon
President, Philippine Agricultural Development and Commercial Corporation, Department of Agriculture of the Philippines



Habib Ali
Executive Director, Head of Branchless Banking and EasyPaisa Operations, Tameer Microfinance Bank, Pakistan



Jonathan Alles
Deputy CEO, Hatton National Bank, Sri Lanka



Arken Kenesbekovich Arystanov
Chairman of the Management Board, KazPost



Paolo Baltao
President, G-Xchange, Inc. (GX)



Bikash Chowdhury Barua
Chairperson, BASUG, Bangladesh



Ronald Bevacqua
Asia Regional Coordinator, PlaNet Finance



Romi Bhatia
Senior Advisor for Diaspora Partnerships, USAID



Norbert Bielefeld
Deputy Director Payment Systems, World Savings Bank Institute (WSBI)/European Savings Banks Group (aisb)



Dato' Muhammad Bin Ibrahim
Deputy Governor, Bank Negara Malaysia



Peter Bonin
Head of Project, GIZ Sector Project Migration and Development



Edward Brandt

EVP, Managing Director,
Government Services
& Solutions, MasterCard



Andrew Bruce

Regional Director, International
Organization for Migration (IOM)
Asia-Pacific



Ajith Nivard Cabraal

Governor, Central Bank
of Sri Lanka



Robert Cantrell

Vice President,
Wells Fargo



Vijay Chugh

Chief General Manager,
Department of Settlement
Systems, Reserve Bank of India



Marissa M. De Mesa

Vice President,
CARD Bank, Inc.



Chandra Prasad Dhakal

Chairman, Global
IME Bank



**Estrella Mai
Dizon-Anonuevo**

Executive Director, Atikha
Overseas Workers and
Communities Initiative Inc.



Henri Dommel

Director, Inclusive Financial
Practice Area, United Nations
Capital Development Fund
(UNCDF)



Christian Eigen Zucchi

Senior Economist, Migration
and Remittances, Development
Prospects Group, World Bank



Blair Exell

First Assistant Secretary, Policy
and Sector Division



Claire Featherstone

Head of New Business, Maxis
Communications Bhd, Malaysia



Khalid Fellahi

Senior Vice President and
General Manager, Western Union



Elena Gafarova

Vice President, Russlavlbank



María Luisa Hayem

Access to Finance Specialist,
Multilateral Investment Fund,
IADB



Pak Hendar

Assistant Deputy Governor
for Payment Systems, Bank of
Indonesia



Ian Hooper
Lead, Accenture Payment Services, Asia-Pacific, Accenture



Mahabub Hossain
Executive Director, BRAC, Bangladesh



Sarah Hugo
Programme Manager, Developing Markets Associates (DMA)



Yoshimune Ishii
Director, International Service Strategy, Global Business Division, NTT DOCOMO, Inc.



Muthukumaraswamy Kalyanasundaram
Chief Executive Officer, INAFI India



Byung Rhae Lee
General Manager, Multilateral Investment Fund, Inter-American Development Bank (IDB)



Prahlad Man Mali
CEO, Centre for Micro-Finance, Nepal



Ana Beatriz Martins
Head of Political, Press and Information Section, European Union Delegation to Thailand



Czarina Medina
Acting Executive Director, Union of local authorities of the Philippines



Vikram Modi
Head of Personal Payments, Asia Pacific, Central Europe, Middle East & Africa, VISA Inc.



Sergey Nanba
Postal Financial Services Coordinator, UPU



Avijit Nanda
Chief Executive Officer, TimesofMoney



Imelda M. Nicolas
Chairperson, Commission on Filipinos Overseas



Karina Nielsen
Measurement, Learning and Evaluation Officer, Bill and Melinda Gates Foundation



Kirill Palchun
Vice President and Chief Financial Officer, Unistream Bank



Sebastian Plubins Malfanti
Managing Director of EMEA, RIA Financial Services



Leila Rispens-Noel
 President and Co-Founder,
 Wimler Foundation Hong Kong
 and Senior Advisor, INAFI
 International



Frédéric Salmon
 Vice President, Mobile Financial
 Services and International
 Strategic Sourcing, BICS SA/NV



Thierry Sanders
 Director and Founder, BiDx BV
 and BiD Network Foundation



Budi Setiawan
 Director of Technology and
 Financial Services, PT Pos
 Indonesia



Sudhir Kumar Shetty
 COO, Global Operations,
 UAE Exchange



Toru Shikibu
 IDB Special representative
 in Tokyo, Inter-American
 Development Bank (IDB)



Taffere Tesfachew
 Director, Division for Africa, Least
 Developed Countries and Special
 Programmes, UNCTAD



Myo Thant
 Principal Economist, Asian
 Development Bank (ADB)



Arnulfo Valdivia Machuca
 Director Institute for Mexicans
 Abroad (IME), Foreign Ministry,
 Mexico



Marc Van Teeseling
 Vice President, Business
 Development Asia-Pacific,
 Earthport Plc.



Nguyen Quoc Vinh
 Vice President, Vietnam Post



Roy Emil S. Yu
 Senior Vice President, Bank of
 the Philippine Islands



Qifeng Zhang
 Principal Financial Sector
 Specialist, Asian Development
 Bank

LIST OF PARTICIPANTS

405 participants engaged from 72 countries, of which:

- 46% from the private sector
- 33% from the public sector
- 21% from civil society

Rinat Abdrasilov
Lloyds Banking Group

Abdulai Abdul-Rafiu
Ghana Post Company Ltd.

Emmanuel II Abengmoni
Ministère de l'Economie de la
Planification et de l'Aménagement
du Territoire, Cameroun

Dally Abrazado
Viamericas Corporation

Pramesh Acharia
Alpine Development Bank Ltd.

Elizabeth Acquah
Ghana Post Company Ltd.

Linus Adaba
ETI Rep Office Nigeria

Michael Adedotun Oke
Agric-link Multipurpose
Cooperative Society Ltd.

Rosan Adhikari
Rural Microfinance Development
Center Ltd.

Vijay Aditya
Ekgaon Technologies Pvt. Ltd.

Eric Adja
International Migrants Remittances
Observatory for LDCS

Charles Agueh
Ecolabs Programme Association

Hassan Ahmed
Secretariat of Sudanese Working
Abroad

Mosleh Ahmed
Migrants Remittance Research
Centre

Syed Ahmed
Financial Excellence Limited

Keiichi Akasaka
Unidos Co., Ltd.

Yara Akkari
Arc Finance Ltd.

Sultan Al Ali
Wall Street Exchange Center

Osama Al Rahma
Al Fardan Exchange

Abdul Rahman Alkindy
Central Bank of Oman

Gerardo Alvarado
PIFIL

Armin Amio
BusinessMirror

Kenneth Amoateng
Abibimman Foundation

Ratchada Anantavasilpa
World Bank

Lynda Anih
Avic oil company

Yolando Arban
IFAD

Benjamin Arcebal
ASKI Global Ltd.

Laudra Archangel
IntEnt NGO

Kantitat Areechitranusorn
Bank of Thailand

Danang Ariawan
HOLCIM

Kullawan Arphasirat
UNCDF

Gilberto Arredondo
Fastacash

I Gede Arsana
World Bank

Bashu Aryal
IFAD

Alireza Assadzadeh
Ministry of Interiors, Iran

Konstantin Atanesyan
IFAD

Nuttawut Atitana
Bank of Thailand

Hassan Awad
Kaah Express Financial Services

Ismail Awil
Oxfam Novib

Hossam Aziz
Oxfam Novib

Soukeyna Ndiaye Ba
INAFI

Ildefonso Bagasao
Economic Resource Center
for Overseas Filipinos (ERCOF)
Philippines Inc.

Nikoloz Bakradze
Intel Express Georgia

Omar Baldeh
Rural Finance Project

Vanessa Barba
Wells Fargo Bank

Nilim Baruah
International Labour Organization
(ILO)

Sudip Ranjan Basu
UNESCAP

Jocelyn Batoon-Garcia
Philippine Embassy

Inna Bekker
International Money Transfers
LEADER

Robert Bell
Passport FX Australia

Bienvenido Betonio
Global Filipino Diaspora Council

Somporn Bevan
Enrich Personal Development Ltd.

Kamal Bhandari
Prime Commercial Bank

Deepa Bharathi
UN Women

Gopakumar Bhargavan
UAE Exchange

Umesh Laxmanrao Bharte
Jawaharlal Nehru University

Devi Bhattachan
Prabhu Group Inc.

Shikshya Bhattachan
Prabhu Group Inc.

Radj Bhondoe
Seva Network Foundation

Nadeem Bhurgri
Pakistan Remittance Initiative (PRI)

Saili Bhuvanadasan
BICS Asia PTE Ltd.

Nathaniel Bills
United States Agency for
International Development (USAID)

Nana Boakye-Adjei
Developing Markets Associates
Ltd.

Hans Boon
PostFinance International
Development

Deepak Bulchandani
UREMIT International

Stu Butler
Skrill

Sergey Bychenko
Mayzus Finacial Services Ltd.

Eduardo Calleja
Embassy of Chile in Thailand

Joel Joseph Candy
Xpress Money Services Ltd.

Jonathan Capal
Developing Markets Associates -
DMA Asia Pacific

Mark Carter
Skrill

Antonio Casado Rigalt
Embassy of Spain in Thailand

Alessandra Casano
IFAD

Sameer Chand
Reserve Bank of Fiji

Bobdinga Charles
United Savings and Agricultural
Credit (USA CREDIT) Ltd. Cameroun

Ali Chohan
Global Organization for Human
Empowerment & Rights, Pakistan

Jantima Chotchusana
Thailand Post

Vannak Chou
Ministry of Economy and Finance

Tunyaporn Chunsangsree
Bank for Agriculture and
Agricultural Cooperative

Vann Charles Chuon
Association of Banks in Cambodia

Carlo Corazza
World Bank

Ghenadie Cretu
IOM

Hugo Cuevas-Mohr
International Money Transfer
Conferences and Trade Fairs
(IMTC)

Nicholas Cunnew
Ocean Feather Pty Ltd.

Hirose Daichi
PlaNet Finance, Japan

Mark Daniels
Opportunity International - Australia

Angela Dansson
Ministry of Food and Agriculture

Marius Dano
Belgacom International Carrier
Services

Abdul Razaq alis Zain

Daudpoto
Indus Development Organization
(IDO)

Mohit Davar
T&J Strategic Advisory Services
FZ-LLC

José De Luna Martinez
World Bank

Daniëlle De Winter
The Network University (TNU)

Hanna Degaga
Commercial Bank of Ethiopia

Hem Raj Dhakal
IME SDN BHD

Nara Hari Dhakal
Centre for Empowerment and
Development, Nepal

Simone di Castri
GSMA

Adrian Dincsoy
GIZ

Phuong Do
A and B make 3

Seth Donkor
Osphen Microfinance Co.Ltd.

Melinda Dulay
Bank of the Philippine Islands - BPI

Khalid El Harizi
IFAD

Karar Eltohami
Secretariat of Sudanese Working
Abroad

Jose Etchegoyen
SAS Institute Inc

Gibril Faal
African Foundation for
Development - AFFORD-UK

Rosanna Faillace
IFAD

Ahmad Farhan
Afghanistan Payments Systems

Wael Farrag
wmigration sector

Rabab Fatima
Researchers without borders

Irene Fernandez
INAFI Philippines

Larry Fogelson
Ria Financial Services

Peter Foster
Alliance for Financial Inclusion

Emile François Kuminga
ASNTIC - ECOSOC NGO

Tamara Frank
MyPay Co Ltd.

Eddy A. Gaafar
Financial Consultant / Commercial
Banking

Aditya Gaiha
Reserve Bank of India

Dan Gallucci
Asean Confidential

Vivek Garg
TimesOfMoney Ltd.

May Garlitos
ASKI Global Ltd.

Kedar Gautam
INAFI Nepal

Karuna Ghimire
Paribartan Nepal

Bishwaroop Ghosh
TimesofMoney Ltd.

Simret Girmay
Wegagen Bank S.C.

Ksenia Glebova
ESCAP

Tamar Gogodze
Rico Express MFO LLC

Marcela Gonzalez
Sepulveda
Euronet Payment Services - Ria
UK

Eugene Gutierrez
Eurogiro A/S

Kim Hailwood
MoneyPACIFIC

Ariel Halpern
PROCASUR

Yuko Hamada
IOM

Mohammad Abdul Hamid
Anannyo Samaj Kallyan Sangostha

Syed Haque
WARBE Development Foundation

Souren Hayriyan
Unistream Bank

Cornelis Heesbeen AUXFIM

Manita Herman
European Union Delegation to
Thailand

Ranjith Hettiarachcho
Association of Asian Confederation
of Credit Unions

Wildan Hidajat
Xpress Money Services

Brigitte Hoermann
ICIMOD

Md. Morshed Hossain
Begum Rokeya University,
Rangpur, Bangladesh

Bony Hudi
Bank Mandiri

Chris Hughes
Alliance for Financial Inclusion

Feisal Hussain
UNCDF

Abdoul Anziz Iaid
Attoumane
Alliance for Financial Inclusion/GIZ

Hamid Ibrahim
Bakaal

Friday Idiku
University of Calabar

Md. Sirajul Islam
BURO Bangladesh

Sahim Jaafar
PADIL, SERVICES...

Wong H. F. Jacky
Century Richtone Limited

Moises Jaimés
BBVA Bancomer USA

Cedric Javary
United Nations Capital
Development Fund (UNCDF)

Tom Joehnk
The Economist

Narendra Joshi
South Asia Partnership Nepal

Virginia Juan
APPEND

Gerd Junne
The Network University (TNU)

Philip Jusu
African Union Commission - AU

Surachada Kaewsritong
AFI Global

Ngandu Kalonji
Central Bank of Congo

Bilal Kamal
Kamal Exchange Co LLC

Kassim Kamara
Institute of Agricultural Research
Group Sierra Leone

Emery Kangudie
Conseil National de la Jeunesse

Sujoy Kanjilal
Ria Financial Services

Safari Kasiyanto
Bank Indonesia

Ryo Kawaguchi
Sumitomo Corporation

Michael Kent
Azimo

Terapol Ketphan
Thai Carbon Fund

Md. Khairuzzaman Khan
Placid Express Sdn Bhd

Muhammad Khan
Muhammad Akram & Sons Org

Bishnu Khatri
Youth Action Nepal

Nissara Khumsakul
Bank of Thailand

Chantana Kijkarnent
Thai Carbon Fund

Minje Kim
KFTC (Korea Financial
Communications & Clearings
Institute)

Yungil Kim
Bank of Korea

Kashiko Kimoto
Unidos co., Ltd.

Yuichiro Kimoto
Unidos co., Ltd.

Enock Kinara
Postal Corporation of Kenya

Hailu Kinfe
African Union Commission - AU

Suchada Kirakul
Bank of Thailand

Jusatayanond Kittanart
Sumitomo Corporation

Yamazaki Kohei
Nomura Research Institute

Korranan Komkai
BASUG Diaspora and
Development

Yinna Kongcharoen
Thailand Post

Channarong Kongkaew
Bank of Thailand

Kossi Kossi
Ministère de l'Economie et des
Finances

Dimitrios Kourbouzos
KMT Payment Services S.A.

Maria Kourbouzou
KMT Payment Services S.A.

Jay Krishnasamy
Mastercard

Espen Kristensen
Ria Financial Services/Euronet
Worldwide

Mafolo Ladha
Union des groupements de
solidarité et d'épargne

Lisa Lam
Western Union

Kusum Lama
Prabhu Group Inc.

Wilbur Langurayan
Viamerica Corporation

Siriporn Laosang
UN Women

Heike F. C. Lautenschlager
ILO

Hien Le Thi Mai
Vietnam Post

Sung-Ah Lee
Alliance for Financial Inclusion - AFI
Global

Amy Lefevre
Thomson Reuters

Stefania Lenoci
IFAD

Jinh-nipa Lenukul
Bank of Thailand

Nelson Leung
Sigue Global Services (Hong Kong)
Ltd.

Cristina Liamzon
OFSPES

Hyung Joon Lim
Financial Services Commission

Siririta Limruangrong
Thailand Post

José Lobrigo
SEDP, Inc.

Marie Felisa Luarca Reyes
European Network of Filipino
Diaspora

Nednin Luengwattanapong
Bank of Thailand

Cecilia Lumapas
Michel J. Lhuillier Financial
Services Inc.

Emmanuel Mabaya
Mandungu
Tour Operation et Initiatives
ECOSOC

Kenneth Macalinao
ASKI

Gregorio III Macapagal
ASKI

Mian Farrukh Majeed
Summit Bank Ltd.

Lyudmila Maksakova
Academician of Labor and
Business Academy

Shusmita Malla
GIZ/Centre for International
Migration and Development (CIM)

Promoth Manghat
UAE Exchange

Epouse Diarra Savane

Mariame
Haut Conseil des Maliens de
l'Exterieur

Vasimalai Marimulku

Paramasiam
Dhan Foundation

Luana Marriott
AusAID

Gregg Marshall
Western Union

Anna Marie Martinez
Wimler Foundation Hong Kong

Mauro Martini
IFAD

David Masengesho
National Institute of Statistics of
Rwanda

Samuel Mathey
Université de Lorraine, ICN
Business School

Crispen Mawadza
World Bank

Bijou Mbaki Minsengi
Groupe de Recherche-Action pour
le Développement Intégral

Chantal Mbanwei
Benevolent Community Education
and Rural Development Society
(BERDSCO)

Ndum Mbanwei
Benevolent Community Education
and Rural Development Society
(BERDSCO)

Jean Mbetianga
Action des Chrétiens pour
l'Abolition de la Torture et la Peine
de Mort (ACAT- RCA)

Fatou Mboup
Union des Femmes Chefs
d'Entreprise

Irina Medvedeva
Russlavbank (CONTACT SYSTEM)

Sokim Mel
International Finance Corporation

Naushad Memon
Pakistan Remittance Initiative

Haimanot Mengesha
Commercial Bank of Ethiopia

Raymond Mensah
Rural and Agric. Finance Program
- IFAD/MOFEP

Clarita Mercado
CARD Bank Inc.

Katherine Miles
Alliance for Financial Inclusion (AFI)

Ritesh Mittal
WorldLink Financial Services Pvt.
Ltd.

Katsuya Miyoshi
JICA Thailand Office

Moinuddin Moinuddin
Pakistan Remittance Initiative (PRI)

Monnou Monnou
Femmes et Contributions
Developpent

Andres Montes
UNFPA

Ínigo Moré
Ria Financial Services

Igor Munteanu
National Bank of Moldova

Jason Musyoka
Cwaninga Economic and
Development

Augustin Mutemberezi
Diaspora Capital

Hemendra Muzumder
Society for Social Service (SSS)

Md. Atiqun Nabi
INAFI Asia and Bangladesh

Ton Naerssen
Oxfam Novib

Tetsunori Nagashima
Merchantrade Asia Sdn Bhd

Remya Nair
Mint Newspaper, India

Santhosh Nair
UAE EXCHANGE MALAYSIA
SDN BHD

Yusuke Nakabayashi
Nomura Research Institute

Shankar Narayanan
Fastacash Pte Ltd.

Shabani Ndayishimiye
Burundian youth for peace building
and young refugees integration
(BRPYI)

Ndioro Ndiaye
Alliance pour la Migration le
Leadership et le Developpement

Therese Necio-Ortega
Independent Power Producers
Forum

Rohit Nepali
INAFI Nepal

Lasha Nickolaishvili
Rico Express MFO LLC

Suthasinee Nimitkul
Bank of Thailand

Won-Sik Noh
Asia-Pacific Rural and Agricultural
Credit Association - APRACA

Wameek Noor
World Bank

Wanna Noparbhorn
National ITMX Company Ltd.

Annette Ntignoi
Le collectif des Femmes Africaines
du Hainat

Nailla Nyiraneza
Centre des Ressources Grands
Lacs(CRGL-asbl)

Wilson Obomanu
Centre for Diaspora Development
Work (CENDDOW)

Barclay O'Brien
UNOPS

Franklin Odoemenam
Micro Investment Consultancy
Services

Noppadol Ongsrikul
Bank of Thailand

David Onu
iNterra Networks Inc.

Jeremaiah Opiniano
Institute for Migration and
Development Issues

Mayumi Ozaki
Asian Development Bank

Rahul Pai
UAE Exchange

Alberto Palomo
Placid Express Sdn Bhd

Marlon Palomo
INAFI

Penett Pampe Onesime
ASNTIC - ECOSOC NGO

Ajit Pandey
Amity University, UP.INDIA

Vikas Panditrao
TimesOfMoney Ltd.

Nuantip Pankaew
Bank of Thailand

Uraiwan Pearsicharoen
Thailand Post

Aileen Constantino Peñas
Atikha Overseas Workers and
Communities Initiative

Richard Philippart
Government of Luxembourg

Jatuporn Pinnuvat
Decillion Group

Kamolpoph Pitaktigul
RIA Financial Services

Bernard Poirine
University of French Polynesia

Suman Pokharel
International Money Express Pvt.
Ltd.

Buddhi-baedya
Pongbhoka
Bangkok Bank PCL.

Jean Pouit
MyTransfer/World Diaspora Fund

Dolraporn
Prasongsuttiporn
Bank of Thailand

Brad Prentice
Fastacash

Nartruedi
Punyaratabandhu
Bangkok Bank PCL.

Agung Bayu Purwoko
Bank Indonesia

Catherine Quioas
Michel J. Lhuillier Financial
Services Inc.

Mohammed Rahman
Ever Bright Foundation

Mujibur Rahman
Society for Social Service (SSS)

Sarveswaran Raja Gopal
Merchantrade Asia Sdn Bhd

Anil Kumar Ramdas
UAE Exchange

Bhuvan Rana
Everest Finance Limited

Mariel Rapisura
Social Enterprise Development
Partnerships, Inc. (SEDP)

Mohammed Rashid
Placid Express Sdn Bhd

Sovann Rithy
National Bank of Cambodia

Isabel Rodriguez
ESCAP

Joep Roest
UNSGSA

Karembe Rokia Diarra
Fédération des Associations de
Migrants (FAM)

Søren Rose
Eurogiro A/S

Hossein Rostami
Canadian International
Development Agency

Joshua Rurka
Money.net

Emilenn Sacdalan
Social Enterprise Development
Partnerships, Inc. (SEDP)

Ney Sakal
Ministry of Economy and Finance,
Cambodia

Khan Salehin
ESCAP

Edwin Salonga
Ateneo de Manila University

Elenita Valenzuela
San Roque
Association of Asian Confederation
of Credit Unions

Alfred Tedd Santos
LBC Express INC.

Arshad Sattar
Pakistan Remittance Initiative (PRI)

Supicha Sawongkhan
Bank of Thailand

Daniel Schearf
Voice of America

Tham Seng Heng
IME (M) SDN BHD

Amit Sengupta
VIVEKANANDA SEVAKENDRA-O-
SISHUDDYAN

Santanu Sengupta
African Centre for Mobile Financial
Inclusion

Qaim Shah
IFAD

Suhail Shamsi
Ria Financial Services

Anuj Sharma
Anuj S Sharma & Company (ASCo)

Nitin Sharma
UAE Exchange

Vladimer Shavlakadze
Rico Express MFO LLC

Mohammad Sheikh
Ananyo Samaj Kallyan Sangostha

Mohamed Shokry
Ministry of Manpower and
Emigration

Mohammad Sikder
Refugee and Migratory Movements
Research Unit (RMMRU)

Bendarage Silva
Central Bank of Sri Lanka

Clare Sim
Central Bank of Malaysia

Olivier Simboni Bagulawi
ASNTIC - ECOSOC NGO

Sangram Singh
XMSI

Trijan Singh
INAFI Nepal

Thanit Sirichote
Bangkok Bank PCL

Klinkaew Sitthisangkhom
Bank of Thailand

Vickneswaren Siva
Balasubramaniam
DiGi Telecommunications

Alyson Slater
CSR Asia

Rakib Sma
BURO Bangladesh

Lucia Spaggiari
MicroFinanza Rating

Barbara Span
Western Union

Alker St Eloi
Organisation RESH

Ainsley Stinson
IOM

Veronica Studsgaard
International Association of Money
Transfer Networks (IAMTN)

Hashem Suheimat
Marconi University - Rome, Italy

Yusoff Sulong
Central Bank of Malaysia

Marina Sultana
Refugee and Migratory Movements
Research Unit (RMMRU)

Kleddao Sungnet
Bank of Thailand

Anongnaj Surakij
Thailand Post

Ihwan Sutardiyanta
Hartana
PT Pos Indonesia (Persero)

Maria Linda Tacbobo
Michel J. Lhuillier Financial
Services Inc.

Mediatix Takahashi
TRANSREMITTANCE Co. Ltd.

Masao Takekida
Ministry of Foreign Affairs of Japan

Vince Tallent
Fastacash

Amit Talwar
IndusInd Bank limited

Aik Boon Tan
Fixed & Mobile Pte Ltd.

Daisuke Tanaka
Nomura Research Institute

Kanokluck Tanalukkittichod
Money&Banking

Choopong
Tanaphongsatorn
Bangkok Bank PCL.

Chandra Tandan
City Express Money Transfer
Private Limited

Hiroshi Tanioku
NTT Docomo

Jean Robert Tchoumba
Association Camerounaise pour
l'Evaluation Environnementale
(ACAMEE)

Lakshmi Siva Bhaskar
Teegela
India Centre for Migration, Ministry
of Overseas Indian Affairs

Bikash Thapa
Nepal Investment Bank

Savoure Thibaud
Fixed & Mobile Pte Ltd.

Thanyanan Thongsaphak
Thailand Post

Lambert Timmermans
Eastnets

Marechi Togonidze
Georgian Diaspora Foundation

Princess Tomas-Tayao
Philippine Embassy

Prasarn Trairatvorakul
Bank of Thailand

Thin Tran
International Finance Corporation

Salia Traoré
Minsitère des maliens de l'extérieur

Yishay Trif
Moneynet

Miriam Tugawin
Lagawe Highlands Rural Bank

Edward Twinomugisha
Bank of Uganda

Don Uche Onwuka
Migrants' Rights Initiative

Efobi Uchenna
Covenant University

Akm Ullah
American University in Cairo

Asmat Ullah
Dollar East Exchange Co. (Pvt) Ltd.

Md. Ahsan Ullah
Bangladesh Bank

Aimée Usanase
Lamine Mining Ltd.

Shivshankar Vadivelalagan
MicroSave

Sylvia Van den Berg
Ortega
Diaspora Forum for Development

Lasse van Luijk
Multiplan International Support
Services

Ramasamy Veeran
Merchantrade Asia Sdn Bhd

Purísima Riza Veluz
IFAD

Jaruspong Viasuwan
Decillion Group

Bernadette Victorio
Alliance for Financial Inclusion - AFI
Global

Angelito Villanueva
Smart Communications

Rolando Villanueva
Development Workshop

Jc Omar Socrates II Vita
Social Action Center

Natalia Vozian
Diaspora Relations Bureau

Clare Walsh
AusAID

Karishma Wasti
Nepal Centre for Disaster
Management

Michael Wee
FASTACASH PTE LTD

Johanna Wiese
Devex International

Thin Win
Thomson Reuters Foundation

Sam Wong
Century Richtone Ltd.

Tai Keung Wong
Century Richtone Limited

Vanessa Wong
Money Swap

Mali Wongkit
Bank for Agriculture and
Agricultural Cooperative

Juanita Woodward
Eurogriro A/S, Singapore Branch

Stephen Wright
Associated Press

Emmanuel Yangam
Ministry of Finance

Sam Yap
AmeerTech Remittance &
Exchange Services Pte Ltd.

Wong Yew Sen
IME (M) SDN BHD

Vipawan Yongvikul
Western Union Services

Xuan Yu
Vietnam Post

Marwan Zantout
Eko Green

Aria Zeleke
Ethiopian Ministry of Foreign Affairs

Ahmed Ziauddin
BASUG Diaspora and
Development

THE REMITTANCE MARKETPLACE

The Remittances Marketplace, held in conjunction with the Global forum on Remittances 2013, represented a networking exercise in order to promote partnerships and worldwide cross-learning experiences in the field of remittances. It also provided a unique opportunity for exhibitors and participants to become aware of business-technology approaches that could best reduce transaction costs, create profitable business models, deliver additional value to users, and indicate means of maximizing the benefits of remittances by linking them to other financial services. The Marketplace showcased new products, innovative tools and technologies for remittances and banking to a high-level audience of government officials, commercial bankers, industry representatives and development workers from all over the world and, in particular, from the Asia-Pacific region.



LIST OF EXHIBITORS

AFI - Alliance for Financial Inclusion
Atikha Overseas Workers and Communities Initiative, Inc.
AusAID
Basug Bangladesh
BICS Home Send
CGAP - Consultative Group to Assist the Poor
DMA - Developing Markets Associates
EC - European Commission
EUROGIRO
Fastacash
Grand Duchy of Luxembourg - Ministry of Foreign Affairs
IAMTN - International Association of Money Transfer Networks
IDB - Inter-American Development Bank
IFAD - International Fund for Agricultural Development
INAFI - International Network of Alternative Financial Institutions
IOM - International Organization for Migration
MasterCard
Oxfam Novib
RIA Financial Services
Ruslavbank
TimesofMoney
UAE Exchange
UNCDF - UN Capital Development Fund
Unistream
UN Women
UPU - Universal Postal Union
Viamericas
World Bank
WSBI - World Savings Banks Institute



THE ORGANIZERS



IFAD's Financing Facility for Remittances

www.ifad.org/remittances

The International Fund for Agricultural Development (IFAD) is an international financial institution and a United Nations specialized agency dedicated to eradicating poverty and hunger in the rural areas of developing countries. IFAD's US\$28 million multi-donor facility – the Financing Facility for Remittances – increases economic opportunities for poor rural people by supporting and developing innovative, cost-effective and easily accessible remittance services that promote financial inclusion and productive investment in rural areas.



The World Bank's Payment Systems Development Group

www.worldbank.org/paymentsystems

The World Bank Group is a leader in financial infrastructure development in emerging markets, including payment systems and remittances, credit reporting and secured lending. Its Payment Systems Development Group has been active in over 100 countries through a variety of instruments, including support to comprehensive reform programmes, development of reform strategies, technical advice and management of multi-country and regional initiatives.

Follow us on the new RemittancesGateway.org


REMITTANCESGATEWAY
Login
Search

HOME > NEWS > LIBRARY > EVENTS > GLOBAL FORUM 2015 > VIRTUAL FORUM > USEFUL LINKS > REGISTRATION

Latest News : Latest Insight Into Payment Remittance > At the recent NACHA Council on Electroni



1 2 3 4




INDUSTRY NEWS

Omanye Money launches international mobile remittances to Ghana



U.K.-based Omanye Money has launched an international remittance service enabling customers to transfer funds directly from their mobile phones to rec

[Read more >](#)

PUBLIC SECTOR

Philippines posts record \$4.48bn BoP deficit in Jan



The Philippines posted a record balance of payments (BoP) deficit of \$4.48bn in January, when it saw its biggest-ever net portfolio outflows due to

20-02-2014 [Read more >](#)

CIVIL SOCIETY

New Remittance Map Shows Where the Money Goes



The Pew Research Center has built an interesting interactive map of remittance flows worldwide in 2012. International migrants sent \$529 billion in

21-02-2014 [Read more >](#)

INDUSTRY NEWS

Under the Wire



A San Diego startup has launched what it says is the first international shopping card — allowing immigrants to send money home without getting socked

[Read more >](#)

1 2 3 4 5

PUBLIC SECTOR

Expatriates boost remittances by 4.1%



Jordanians' remittances went up by 4.1 per cent until the end of March, standing at \$550.1 million, up from \$528.6 million in the same period of last

08-04-2014 [Read more >](#)

1 2 3 4 5 6

CIVIL SOCIETY

Somalia turns to Diaspora for investment



The Somali government has said it intends to tap into its Diaspora to invest in the war-ravaged country. Speaking to the Somali Diaspora community i

21-02-2014 [Read more >](#)

1 2 3 4

VIRTUAL FORUM

Latest comments

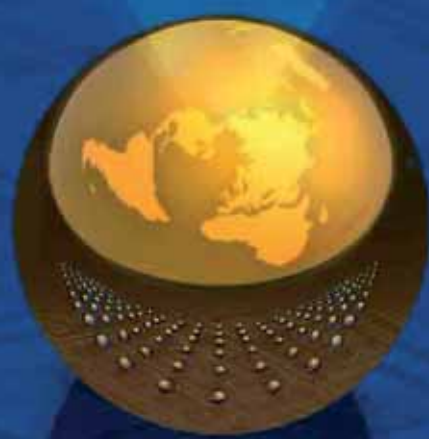
-  [Why the initiative?](#) 17 Jul 2014 13:43
-  [Welcome to Kunenal](#) 24 Feb 2014 11:18
-  [Why the initiative?](#) 17 Jul 2014 13:43
-  [Welcome to Kunenal](#) 24 Feb 2014 11:18
-  [Why the initiative?](#) 17 Jul 2014 13:43
-  [Welcome to Kunenal](#) 24 Feb 2014 11:18
-  [Why the initiative?](#) 17 Jul 2014 13:43
-  [Welcome to Kunenal](#) 24 Feb 2014 11:18

87



SAVE THE DATE

Global Forum on Remittances and Development 2015



16-19 June 2015
Milan, Italy

With the Patronage of



MILANO 2015
FEEDING THE PLANET
ENERGY FOR LIFE

In collaboration with



THE GOVERNMENT
OF THE GRAND DUCHY OF LUXEMBOURG

Directorate for Development Cooperation
and Humanitarian Affairs





International Fund for Agricultural Development

Pedro De Vasconcelos, Programme Manager

Financing Facility for Remittances

Via Paolo di Dono, 44 - 00142 Rome, Italy

Tel: +39 06 5459 2012 - Fax: +39 06 5043 463

E-mail: remittances@ifad.org

www.ifad.org/remittances

www.RemittancesGateway.org

 ifad-un.blogspot.com

 www.facebook.com/ifad

 instagram.com/ifadnews

 www.twitter.com/ifadnews

 www.youtube.com/user/ifadTV



November 2014