

SDG 10.c.1: Reducing Remittance Costs

Sonia Plaza, KNOMAD, World Bank

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Sustainable Development Goal 10.7

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Exorbitant costs



7
%

Global
average



9%

Africa



20
%

Within
Africa



90%

Venezuela

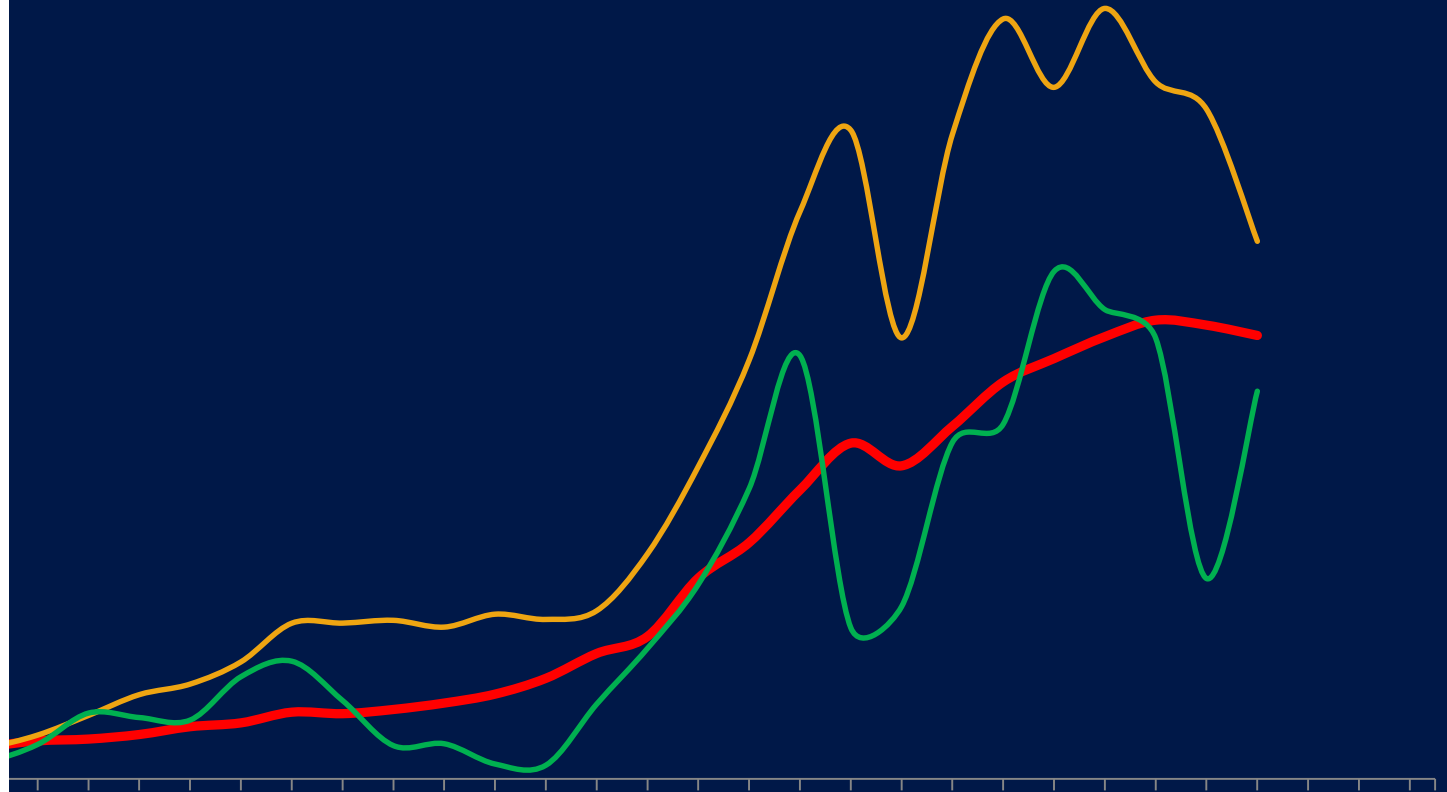
Remittance Cost indicator

- Remittance Prices Worldwide monitors remittance prices across all regions
- RPW started monitoring costs since 2008
- RPW covers 48 remittance sending countries and 105 receiving countries
- 365 country corridors worldwide
- Main RSPs: Banks, MTOs and Postal Offices

Sustainable Development Goal 17.3

- SDG 17.3: Mobilize additional financial resources for developing countries from multiple sources
- **SDG indicator 17.3.2: Volume of remittances (in United States dollars) as a proportion of total GDP**

ances to low and middle income ies projected to reach \$450 billion in 2017

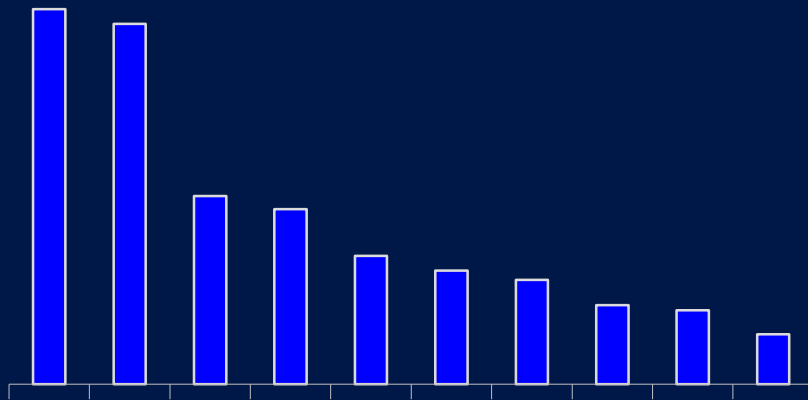


Top recipients of remittances

\$ billion, 2017p

as % of GDP, 2017p

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Remittances can be leveraged for accessing international capital markets

- Remittances can improve country risk rating
- As part of debt sustainability analysis
- Future remittance inflows and diversified payment rights can be used as collateral to reduce borrowing costs and lengthen debt maturity

Benefits and Risks

Benefits

- Remittance goes direct to the people
- Can be mobilized for investments
- Access to capital markets



THANK YOU

**Dilip Ratha (Head of KNOMAD/WB),
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