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Globalization and interdependence: international migration and development

Algeria, Brazil, Chile, France, Germany, Italy, Philippines, Spain and Turkey: draft resolution

Remittances

The General Assembly,

Recalling its resolutions that highlight the development dimension of international migration, in particular resolution 59/241 of 22 December 2004, as well as its resolutions 57/270 B of 23 June 2003, 58/190 of 22 December 2003 and 58/208 of 23 December 2003,

Recognizing that remittances flows constitute an important aspect of international migration, with significant impacts on the economies of recipient countries,

Recognizing also that remittances have been increasing steadily around the world and represent an important source of capital for many developing countries and economies in transition,

Acknowledging that remittances provide a source of financing for developing countries, bringing foreign exchange with no liability and complementing domestic savings, thereby constituting an important basis for capital accumulation, development and poverty alleviation,

Recognizing that, while recent initiatives by relevant stakeholders have led to progress in facilitating and reducing the costs of remittances transfers, the costs incurred by migrants remain high and could be reduced,

Noting the fact that many migrants deprived of access to regular financial services resort to informal means of remittances transfers, which are often less transparent and secure means to transfer funds that could be diverted into illicit activities and tend to be more expensive,

Taking into consideration that remittances constitute private sources of capital and therefore Governments in both developed and developing countries should improve their regulatory measures to favour their flow,

1. *Requests* the Secretary-General, within existing resources, to further review the impact of remittances transfers on the economies of recipient countries, in particular with regard to their role in poverty alleviation, as well as of recent practices and initiatives that could serve as best practices for further action;

2. *Calls upon* Governments to promote regulations that favour market-friendly remittances flows in a substantive manner and with due consideration to the need to promote a comprehensive response that includes a balanced approach between the goals of fighting the funding of illicit activities, including the financing of terrorism, and facilitating remittances transfers;

3. *Encourages* all relevant stakeholders to pursue measures destined to facilitate access to banks and financial institutions in source countries of remittances, including consular identification and financial literacy campaigns, and invites countries to favour the establishment of sound and credible financial systems that could therefore provide a basis for financial inclusion;

4. *Invites* Governments and the private sector to pursue financial innovation as a means of fostering the productive use of remittances through microcredit schemes, interest-bearing accounts and other financial instruments;

5. *Encourages* Governments to promote competition in the market of remittances transfers, in both developed and developing countries, therefore allowing for the operation of a bigger number of agents in the market;

6. *Encourages* all stakeholders to consider ways of allowing for further publicizing of the practices, products and fees of financial institutions and other money transfer operators so as to provide all appropriate information on the market;

7. *Invites* Governments to use more efficiently current statistics systems with regard to remittances flows, on the understanding that the provision of reliable data would be of great importance to fully grasp the economic consequences of remittances and maximize their impact on development;

8. *Encourages* the conclusion of agreements between financial institutions in source and recipient countries, which could encompass the provision of technical assistance to small financial institutions in recipient countries.