

Global Forum on Remittances, Investment and Development 2023 Outcomes Report



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The summit in figures

655 attendees
from over **60 countries**

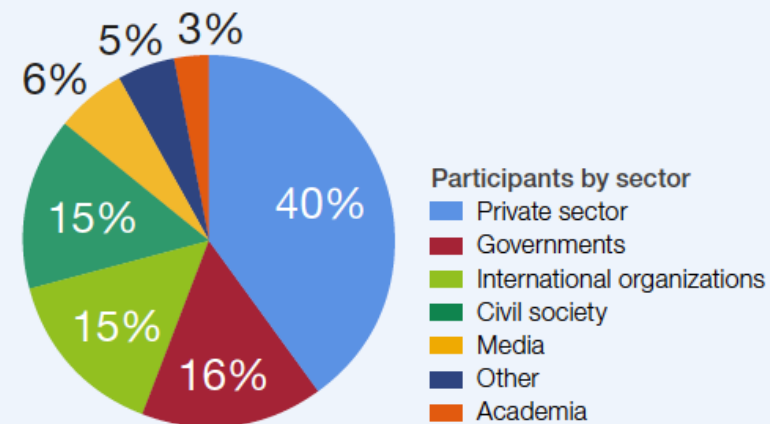
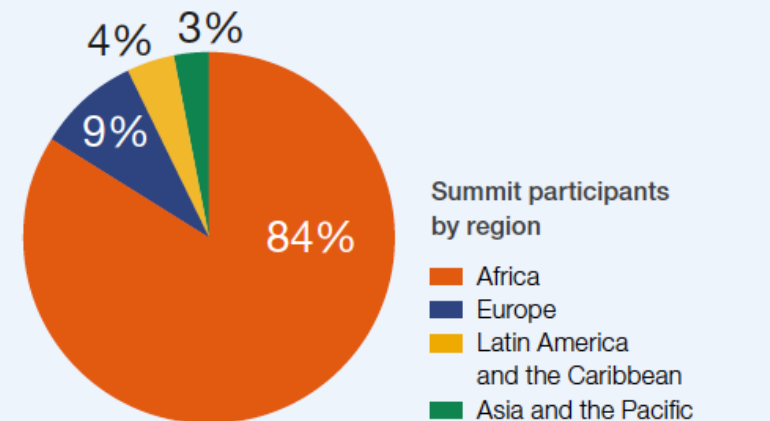
3 days involving
33 panels, including
4 opening sessions and
4 keynote addresses

118 speakers from
international financial
institutions, governments,
the private sector and
civil society

Over **100 articles**
and mentions in the
international press

Over **100,000 impressions**
on FFR and IFAD
social media platforms

Over **5,000 web profile** visits



Remittances and **diaspora investments** are different in scope and needs.

International remittances are private cross-border, **person-to-person payments** of relatively **low value**, **sent regularly** by migrant workers to their **relatives in home countries** with the purpose of **supporting livelihoods** and contributing to their well-being.

In turn, **diaspora investments** respond to **personal goals set by migrants** who wish to **finance business opportunities in their countries of origin**. These investments can be either individual or collective and vary in terms of size, scope, duration and frequency.

Both remittances and diaspora investments can be “flows of change” for their countries of origin, promoting economic opportunities and sustainable development, if properly leveraged.

1 Know your diaspora investor

Gathering specific information about the needs of diaspora investors crucial to design policies and financial vehicles (tailoring the risk and impact appetite)



Actionable outcomes:

- Collect and disseminate data on diaspora investments disaggregated by country and thematic areas (mapping and engaging diaspora communities)
- Consider using tools to measure the impact of diaspora contributions (ex. IOM's guidance)
- Promote surveys and analysis of the targeted diaspora as compulsory initial step towards the creation of any secure, reliable, sound investment vehicle.

2 Establish enabling environments and regulatory frameworks

Conducive environments are necessary to bolster reliable investment models to respond the diaspora investors' need.

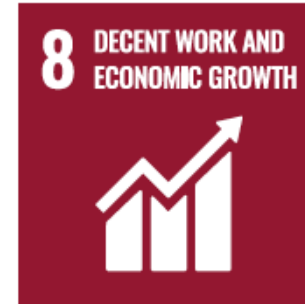


Actionable outcomes:

- Create a multi-stakeholders dialogue to address issues such as CDD, KYC, AML and cross-border investments.
- Create diaspora investment-friendly jurisdictions in host countries (adequate legal framework and tax incentives)
- Foster the dialogue among the diaspora investment vehicle promoters to proportionate the compliance risks and ensure the consumer protection to promote investment innovation
- Strengthen legal framework for investment-based under the crowdfunding platforms
- Help the investors navigate the complexity of investing back home

3 Customize investment models based on diaspora profiles

Develop differentiated solutions corresponding to the diaspora investor profiles



Actionable outcomes:

- Develop diversified approach and customised instruments to match investors profiles (according to their preferences in term of return and risks) in a transparent manner to drive trust and adoption
- Provide financial education and business support to potential investors and entrepreneurs
- Provide financial training to diasporas on how to become investors in a medium and longer term to achieve sustainable investments.

4 Leverage diaspora investment for climate adaptation

The potential of diaspora investment for climate adaptation is enormous but still under-exploited.



Actionable outcomes:

- Promote further analysis of the contribution of diaspora investment for climate adaptation.
- Increase awareness of the importance to invest in climate-adaptation strategies, through climate-oriented investment mechanisms and adequate climate finance education for diaspora
- Identify the role and mechanisms that diasporas can play in green finance in countries of origin and tie it to priority sectors included in national development plan.

5 Move from pilot to scale-up interventions

Scaled-up interventions to create impact of diaspora investment to sustainable development



Actionable outcomes:

- Successful solution need to be replicated, expanded and adapted to different contexts.
- Remove barriers preventing diaspora investments in SMEs, or national bonds. And facilitate the set-up of compliant vehicles to pool diaspora resources in host countries
- Promote incentives to orient diaspora towards viable investment options
- Identify and promote instrument of public and development finance that can encourage diaspora investments (blended finance, first loss mechanism, guarantee funds and fiscal incentives)

1 Expand and strengthen remittance data collection

Collection, analysis and dissemination of disaggregated data on remittance flows, access and use effectively impact public policies, private sector investment and informed decision making at the customer end



2 Promote harmonized regulatory frameworks proportionate to the effective risks of remittances

Harmonized legal and regulatory frameworks on remittances in accordance to international standards can lead to greater market integrations and lower risk



3 Open instant payment systems to a wide variety of providers and accelerate interoperability

Lowering barriers to entry for a wide variety of RSPs and promoting interoperable instant payment systems in the broader market



4 Enhance access to digital remittances and bundled financial services

Financial inclusion leveraged through remittances enhances resilience of migrant families



5 Promote financial education and digital literacy

Financial education and digital literacy are major enablers to greater financial inclusion and customer protection linked to remittances and for the uptake of digital methods



6 Recognize the contribution of remittances to climate adaptation

Development practitioners lack reliable data demonstrating the contribution of remittances to climate adaptation and their potential as an adaptation tool



7 Strengthen partnerships

Public–private–civil society partnerships are essential to improve the global remittance market



Thank you!



Financing Facility
for Remittances



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www.familyremittances.org



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