United Nations
Network on Migration
Working Better Together

The impact of COVID-19 on family remittances: a lifeline cut for migrant families

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Background

The United Nations Network on Migration (UNNM) is committed to supporting all partners in pursuit of the implementation of the Global Compact for Migration (GCM), recognizing that this collaborative framework provides an invaluable tool for ensuring all in society can contribute to a collective response to COVID-19 and are protected equally against its impact.

This policy brief[1] is part of a UNNM series looking at different aspects of the COVID-19 pandemic, and how they relate to migrants and their communities. In line with GCM´s objective 20[2], the present document addresses the challenges faced by households receiving remittances and their communities. It aims to provide practical guidance to States and other stakeholders in *promoting faster, safer and cheaper transfer of remittances and foster financial inclusion of migrants*. “The transformative impact of remittances on the well-being of migrant workers and their families, as well as on the sustainable development of countries”[3] is being hampered by the current COVID-19 crisis as the World Bank estimates that the pandemic will push between 40 to 60 million people into extreme poverty in 2020 alone[4]. To help address these risks, this thematic brief outlines key, short-term actions for consideration by all stakeholders involved in the regulation and provision of services related to remittance transfers.

In only a few months, COVID-19 has changed the world. The pandemic has moved with the speed and impact of a major natural disaster, simultaneously locking down countries and economies across the globe. This virus has spawned a global “economic pandemic”, a crisis that threatens livelihoods and incomes and has the potential to send several million people into extreme poverty. An estimated 164 million migrant workers[5] – some of whom provide essential services in important economic sectors (such as construction, hospitality, tourism, agribusiness and home care), have been severely affected. Migrants’ income is vital to the financial support of at least 800 million relatives living back home in low and middle income countries (LMIC)[6]. The financial support migrant families receive that was estimated at a record value of US$554 billion in 2019, is utilized among others to meet health, education, housing and nutrition needs thereby playing an important role in development outcomes. According to latest World Bank estimates[7], measures to contain the spread of COVID-19 are projected to result in an indicative 20 percent decline of remittance transfers and likely representing a loss of a crucial financing line for many vulnerable households.

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[1] This policy brief was prepared by IFAD and the UN Network on Migration.

[2] GCM Objective 20: Promote faster, safer, cheaper transfer of remittances and foster financial inclusion of migrants. “We commit to promote faster, safer and cheaper remittances by further developing existing conductive policy and regulatory environments that enable competition, regulation and innovation on the remittance market and by providing gender-responsive programmes and instruments that enhance the financial inclusion of migrants and their families. We further commit to optimize the transformative impact of remittances on the well-being of migrant workers and their families, as well as on sustainable development of countries, while respecting that remittances constitute an important source of private capital, and cannot be equated to other international financial flows, such as foreign direct investment, official development assistance, or other public sources of financing for development (…).” Global Compact for Safe Orderly and Regular Migration, General Assembly A/RES/73/195.

[3] GCM Objective 20

[4] World Bank, 2020. Blog open data, Impact of covid19 on global poverty

[5] ILO, 2020. Global Estimates on International Migrant Workers

[6] IFAD, 2017. Sending Money Home: Contributing to the SDGs one family at a time

[7] World Bank, 2020. Press release: “World Bank predicts a sharpest decline of remittances in recent history.”

In addition, migrants and their families may be affected both in countries of destination and of origin. In countries of destination, migrants might be excluded from social protection responses to compensate for income loss; families in countries of origin might also be excluded from social protection responses that are either non-existent or not applicable to families that are dependent on remittances and may not be counted among low-income families.

List of Abbreviations

AML	Anti-money laundering
ATM	Automated teller machine
CDD	Customer due diligence
CEMLA	Centre for Latin American Monetary Studies
CFT	Combating the financing of terrorism
CICO	Cash in - cash out
COVID-19	Coronavirus disease 2019
CPSS	Committee on Payment and Settlement Systems
CPMI	Committee on Payments and Market Infrastructures
e-KYC	Electronic know your client
EU	European Union
FATF	Financial Action Task Force
FDI	Foreign Direct Investments
FX	Foreign Exchange
GCM	Global Compact for Migration
GDP	Gross Domestic Product
GFRID	Global Forum on Remittances Investment and Development
GP	General Principles
GSMA	Groupe Special Mobile Association
ID	Identification
KYC	Know Your Customer
LAC	Latin America and the Caribbean
LMICs	Low- and Middle-Income Countries
MFI	Microfinance Institutions
MNO	Mobile Network Operator
MTO	Money Transfer Operator
ODA	Official Development Assistance
POS	Point of Sale
PSP	Payment Service Provider
RCTF	Remittance Community Task Force
RSP	Remittance Service Provider
SDGs	Sustainable Development Goals
SIM	Subscriber Identity Module
UNMN	United Nations Network on Migration

The impact of COVID-19 on family remittances: challenges and recent trends

The World Bank predicted that remittances to LMICs would see the sharpest decline in recent history this year, falling by 19.7 percent to around US$445 billion, compared to US$554 billion in 2019[8]. Although reported figures vary greatly by country: "…in Europe and Central Asia (27.5 percent), followed by Sub-Saharan Africa (23.1 percent), South Asia (22.1 percent), the Middle East and North Africa (19.6 percent), Latin America and the Caribbean (LAC) (19.3 percent), and East Asia and the Pacific (13 percent)" according to the World Bank, some public authorities are in line with these estimates. The Central Bank of Bangladesh, for example, reported a 25 per cent drop in April[9], registering a fall of US$353 million from the same month a year ago. El Salvador[10] also reported a drop of 40 percent in flows, and Sri Lanka a 35 percent.

Remittances constitute an important source of private capital that cannot be equated to other international financial flows, due among other factors, to the social contract that binds migrants to their families back home. As a result, remittance flows are often relatively resilient to external shocks, as evidenced in the 2008 financial crisis or the 2014 Ebola epidemic. Instead, COVID-19 has emerged as a unique threat for remittances, as the social and economic effects of the pandemic have been felt for both senders and recipients simultaneously, depriving many migrant workers from their main source of income and harming the ability of remittance-receiving families to meet basic needs.

More specifically, migrant workers on **the sending side** are disproportionally represented in economic sectors severely affected by COVID-19, such as domestic and care work, construction, hospitality, travel and tourism, food and agribusiness. Job losses are usually exacerbated by the limited access to safety-net systems, and may exert downward pressure on wages in the long term.

Remittance receiving families and countries are suffering severe socio-economic effects[11], especially in at least 60 middle and low-income countries that are most reliant on remittances (for which remittances to GDP ratio exceeds 5 percent). In countries such as Haiti, the Kyrgyz Republic, Nepal, South Sudan, and Tonga, where remittances represent at least 30 per cent of GDP, the economic and social implications are even more damaging, reducing access to food, health, clothing, cash, housing and education. Poor households are losing a lifeline, as remittances represent on average up to 60 per cent of a recipient family's income[12], and typically more than double its disposable income. A recent survey by Centre for Latin American Monetary Studies (CEMLA) on 32,000 migrant workers in the eight largest remittance-receiving countries in Latin America and the Caribbean indicates that, for 22 percent of the households, remittances are the only source of income[13].

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[8] World Bank, 2020. Migration and Development Brief 32

[9] The Daily Star, 2020. Article

[10] The New York Times, 2020. Article

[11] Loss of a lifeline and of quality of life, due to the reduced ability to meet basic needs

[12] IFAD and the World Bank, 2015. The use of Remittances and Financial Inclusion

[13] CEMLA 2020, in IFAD Brief "Remittances in times of crisis: facing the challenges of covid-19. Issue 2

Remittances have also an important impact on children's lives. On average, 75 percent of remittances are used to cover essentials such as food, school fees, medical expenses and housing, affecting children's diets, learning outcomes and health[14]. They are associated with lower levels of child labour and higher spending on education – affecting children's outlook in life in the long-run, and subsequently positively impacting their communities' development.

The projected sharp decrease of remittances on households can potentially push back decades of progress made on diverse Sustainable Development Goals (SDGs)[15] including poverty reduction, income inequality, nutrition, health and education, at the national level impacts for remittance dependent countries in terms of foreign exchange reserves, exchange rate impacts and other economy wide effects is likely to be substantial.

As known from previous crises – including among Syrian refugees in Turkey or Lebanon - as access to humanitarian aid, livelihoods or remittances get cut drastically, a resurgence of harmful coping strategies is observed among migrant and refugee/internally displaced (IDP) families such as removing children from school, child labour or child marriage.

Business continuity for remittance service providers (RSPs) has been impaired, as most non-bank RSPs in sending countries are considered "non-essential" services by governments. As such, their network of branches and agents have remained closed throughout the lockdown, unable to provide cash-in and cash-out (CICO) services. CICO services are an essential facility for remittance families, as majority of remittance transfers (80 per cent) still rely on cash[16]. This has a greater impact on women sending and receiving remittances as they represent the majority of the world's unbanked population. Cash availability, especially in rural remote areas where it is needed the most, becomes scarce when only bank branches are open. Agent[17] outreach is twenty times greater than bank branches and seven times greater than ATMs, according to the Global System Mobile Communications Association (GSMA)[18]. A recent survey by the World Bank[19] estimates that 77 percent of respondent operators remained open for business, although a significant number are working remotely. This has enabled remittances to continue flowing.

In countries where mobile money and bank agents were recognized as essential, and therefore able to operate for limited hours, operators are facing liquidity and rebalancing challenges[20]. The liquidity challenge has been greater for deep rural agents operating remotely from touch points like banks and e-money distributors.

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[14] UNICEF. Working Paper: Children "Left behind"

[15] IFAD, 2018. Remittances, investments, and the SDGs

[16] Proof of Capital, 2019. Remittances Markets – Primer and Landscape

[17] An entity (small shop or local business) that captures or disburses remittance transfers on behalf of a remittance service provider. "Capturing" means receiving the money and instructions from the sender. "Disbursing" means giving the money to the receiver. Small shops have higher capillarity in remote areas as compared to bank branches.

[18] GSMA, 2019. State of Industry Report on Mobile Money

[19] World Bank, 2020. RPW Special issues on COVID-19

[20] Moodys Analytics, 2020. ECB Opinion on Liquidity Assistance by Bank of Lithuania amid COVID-19

Overall transfer costs have likely decreased but many high cost corridors persist. The global average cost of sending remittances (6.79 percent by Q1 in 2020[21]) continues to be above the commitment to reduce to less than 3 per cent the transaction costs of migrant remittances and to eliminate remittance corridors with costs higher than 5 per cent made in the 2030 Agenda for Sustainable Development (target 10.c) and in the Global Compact on Migration. In addition, often women tend to pay 20 per cent higher fees than men[22].

The World Bank Remittance Prices Worldwide Issue 33, finds that in the immediate aftermath of the lockdowns – the first four to six weeks – the cost of sending remittances in some corridors has decreased. During this period, foreign exchange margins, in addition to fees, have declined on average. However, this trend may not hold in the medium term for two reasons. Firstly, the average costs in the aftermath of lockdowns are calculated based on a smaller number of services in each corridor due to operational disruptions. The remaining operational services, in general, have been those via digital channels, which have always been less costly compared to cash-based services. Secondly, a lower volume of remittances, fluctuating exchange rates due to economic and trade related factors, and the volatility in the financial markets may complicate the setting of exchange rates for RSPs, potentially leading to higher overall fees later on.

The crisis has exposed key obstacles to the implementation of commitments outlined in objective 20 of the GCM, in particular in paragraph 26 on ***further developing existing conducive policy and regulatory environments that enable competition, regulation and innovation on the remittance market.*** Legal and regulatory frameworks are obstacles to a level playing field in the provision of remittance services. Many countries still use bank and post office-led remittance transfer models, with MTOs, MNOs and FinTechs having little ability to provide services directly to consumers. Some countries permit service provision but impose steep capital and local business registration requirements for non-bank RSPs.

Several of these issues are long-standing, well-known and have yet to be adequately addressed. Indeed, the 2007 General Principles for International Remittance Services provide an overarching framework to policymakers for assessing the current state of enabling policy environment and design appropriate reforms[23].

De-risking continues to be a challenge. This has been a chronic issue for years which became acute when the pandemic hit Europe and North America. Banks in those regions adopted tighter risk mitigation strategies, closing correspondents' banking accounts, especially those from small, fragile or conflict-affected states. Without a bank account, MTOs cannot receive senders' payments digitally (bank transfers or card payments). Certain regulators, such as the Central Bank of Somalia, are trying to remediate this challenge by encouraging commercial banks to employ existing Correspondent Banking Relationships to support remittance inflows as part of their COVID-19 response.

There is a lack of **harmonization** amongst regulatory frameworks governing remittance services in key corridors with high volumes of cross-border flows. This, together with a lack of payment systems legislation

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[21] World Bank, 2020. Remittance Prices Worldwide, Issue 33

[22] UN Women, 2020. Addressing the impact of covid-19 pandemic on women migrant workers

[23] Bank for International Settlements and the World Bank, 2007. General Principles for International Remittance Services.

and **integration,** make it difficult for RSPs, fintechs and other private sector players involved in the remittance market to build synergies.

From a customer point of view, the lack of **transparency**[24] and disclosure of fees continues to affect levels of trust in formal channels. Many countries lack regulations requiring RSPs to disclose fees and its components. Where laws do exist, the enforcement generally tends to be weak.

Risk-based supervision for customer due diligence (CDD) is absent or ineffective in many markets. This has led to a strong reliance on face to face and largely paper-based know-your-client (KYC) compliance measures. These responses are neither inclusive, robust nor customer-oriented. Simplifying KYC requirements for low risk accounts through the acceptance of alternative forms of identification, such as SIM card registration, could serve as a short-term measure that can be validated and refined at a later point.

The current crisis also evidenced how low **financial literacy levels,** including digital financial literacy and awareness of alternative channels keeps consumers in the dark, particularly women, of safer, cheaper, and more efficient remittance services options. Out of habit, often customers still prefer the use of unregulated channels to send cash transfers.

Moving forward

This pandemic has prompted most public authorities to implement a number of **temporary measures** to help buffer the crisis. There have been positive responses, often in coordination with the private sector, which have helped build the resilience that remittance families need in the short term and have promoted overdue structural changes in the remittance market.

Amid reservations of low inflows of remittances due to the impact of the global pandemic, regulators are adapting the existing frameworks to the current situation. Measures to facilitate the use of mobile payments, including fee waivers, lowering charges on payment infrastructure, and/or raising limits were introduced in many African countries (Egypt, Ghana, Kenya and Zambia, among others). The Government of Pakistan is offering an incentives package to overseas Pakistanis to encourage them to use banking channels to transfer remittances.

In turn, despite current challenges, RSPs have taken many proactive steps since the beginning of the crisis to ensure service continuity. Some of these measures include:

a. Providing guidance on social distancing and safety measures;
b. Gathering customer data. Organizations such as SPTF, 60 Decibels, FINCA/ValiData, and ADA have developed a tool to standardize client surveys, the COVID–19 Client Interview Tool. Simple, standardized questions are designed to capture information on how clients are affected by the pandemic, and develop evidence-based targeted responses;
c. Educating consumers to build trust and send remittances to bank accounts or mobile wallets rather than by cash pick-up;

[24] There are particular challenges with certain mobile-to-mobile services regarding the provision of foreign exchange rates. The situation is significantly improved where remittance services are offered by mobile money providers that are certified under the GSMA Mobile Money Certification initiative (these providers comply with 79 best practice indicators focused on transparency, disclosure and customer service).

d. Opening up new digital corridors;
e. Providing loyalty incentives to remittance senders;
f. Reducing fees (mostly during the lockdown period), providing fee-free transactions and increasing send and account balance limits;
g. Building apps to help use e-KYC[25] to on-board clients. Valyou in Malaysia has launched a e-KYC app to facilitate the digital onboarding of migrants from 7 countries in the region in a quick and easy manner, and developed educational videos to support migrants throughout this process.
h. Developing new saving and investment products for low value accounts, such as remittances for a purpose (insurance, groceries, home deliveries, etc.). The pandemic has forced postal offices to diversify quickly into other delivery services. As an example, digitalization of payments and remittances was accelerated with the launch of virtual payment cards by KazPost and Russian Postbank. These cards facilitate on-line shopping and on-line payment of bills, and the receipt or sending of remittances at low cost.

Digitalization as an enabler

Despite the systemic barriers that prevent many remittance families from effectively accessing and using digital cross-border remittances, the COVID-19 pandemic is evidencing the need for a step-change in digital adoption. Lockdowns and other health-related measures could be driving a better understanding of the role of digital financial services to help manage the economic fallout of this crisis. Migrant workers and their families back home are beginning to use mobile services more widely and RSPs are being forced to change their operating models to offer digital services rapidly.

Current events may be acting as catalyst, with major MTOs already reporting an impressive growth in digital transactions, 57 percent year-after-year for MoneyGram, and 21 percent for Western Union in Q1, 2020.[26]

In the short term, the focus should be placed in assisting the digitalization of the first mile to minimize risks of transmission of COVID-19 for senders and agents where possible. This includes the promotion of alternative cash-in/cash-out deposit options, especially for those without bank accounts, digital onboarding, fee and transaction tax reduction/stabilization, exceptions or incentives, awareness raising around digital options, and remote assistance with digital channels.

The current crisis could also speed up the longer-term shift toward digital payments to reduce costs, improve speed, enhance security, increase transfer through regular channels and open up gender-responsive distribution channels to underserved populations, including persons in rural areas, persons with low levels of literacy and persons with disabilities. However, if not managed carefully, this process could exacerbate an already existing digital divide in access to payments instruments. This divide will specially impact the unbanked and in particular women, who often face greater obstacles in accessing digital

[25] Electronic Know-your-customer: is a combination of paperless customer onboarding, promptly identifying and verifying customer identity, maintaining KYC profile in a digital form and determining customer risk grading through digital means. Bangladesh Financial Intelligence Unit, 2019. Guidelines on electronic KYC

[26] Western Union, 2020. Release: First quarter results 2020

technology and/or have lower digital literacy than men. According to a recent GSMA report, globally women are 20 per cent less likely to use mobile internet than men[27].

It is therefore crucial to close the digital gap by putting the premium in large scale programmes of digital literacy and inclusive digital solutions involving the private sector. The lack of necessary skills to use cash digital solutions could hamper access to remittances and financial autonomy of many remittance families. It is equally critical to mitigate the disproportionate impact the digital divide can have on remittances sent and received by women:

1. Women have lower financial literacy levels in general and have lower familiarity with digital services.
2. Migrant workers, most of whom are women and remained confined in their workplaces are more reliant on agents / employers to remit for them, which makes their digital literacy crucially important.
3. Research shows that women remit to a bigger network of people indicating the transfer costs incurred by women if they are higher.

The pandemic has amplified calls to defend the role of cash, especially in cash-based rural economies, but it has also called for strengthening the digital ecosystem of receiving countries, with the examination of initiatives like central bank digital currencies, such as the ones recently implemented in China.

A global response

Strengthening international cooperation and global partnerships is one of the key commitments of the Global Compact on Migration. In particular, objective 20b promotes and supports the International Day of Family Remittances[28] and IFAD's Global Forum on Remittances, Investment and Development (GFRID)[29] as important platforms to build and strengthen partnerships for innovative solutions on cheaper, faster and safer transfer of remittances with all relevant stakeholders. In this context:

- As a result of the COVID-19 outbreak and subsequent lockdown, the organizers[30] of the **Global Forum on Remittances, Investment and Development (GFRID**) will convene the next edition in Nairobi on 16-18 June 2021. In the meantime, a series of virtual forums, or **eGFRID**, will be held to address issues faced by remittances families across the world. GFRID will maintain its role as a platform building and strengthening partnerships among all relevant stakeholders.
- In this context, and in response to the call by the UN Secretary General for global solidarity, on 24 March 2020, IFAD and its GFRID partners called for the creation of a **Remittance Community Task Force (RCTF)**. To date, over 35 organizations have joined the RCTF, including several UN Migration Network members (ESCWA, IFAD, IOM, UNCDF, UN Women, World Bank), international organizations, inter-governmental bodies, industry and private sector groups, networks of diaspora

[27] GSMA, 2020. Connected Women: The Mobile Gender Gap Report

[28] The International Day of Family Remittances (IDFR) is a universally-recognized observance adopted by the United Nations General Assembly (A/RES/72/281) and celebrated every year on 16 June: www.familyremittances.org and www.un.org/en/events/family-remittances-day/

[29] GFRID website: https://gfrid.org/

[30] IFAD, World Bank, African Union and the Central Bank of Kenya

organizations and international experts on remittances. This Task Force also includes a large reference group comprised of government representatives and national development agencies. RCTF members have developed a Blueprint for Action, highlighting response, recovery and resilience guidelines for member states to maintain the flow of fast, cheap and safe remittances during the post-COVID-19 crisis. The RCTF recommendations are in Annex to this policy brief.

- The UN Framework on the Immediate Socioeconomic Response to COVID19 called for committed action to contain de sharp decline of remittances by facilitating digital solutions[31].
- A High-Level Event on Financing for Development in the Era of COVID-19 and Beyond, convened by the UN Secretary-General, the Prime Minister of Canada, and the Prime Minister of Jamaica, identified key areas of action to reposition the UN Financing for Development Framework in the context of pandemic-related crisis. The purpose of the initiative was to identify concrete financing solutions to respond to the current pandemic, including on fostering remittances in times of crisis. Proposals for concrete action will be presented at a Ministerial event at the July 2020 High-Level Political Forum on Sustainable Development (HLPF) with continued actions leading up to the General Assembly session in September and December 2020.
- Other initiatives are calling for a global response. For example, the **Call-To-Action** by Switzerland and the United Kingdom jointly with World Bank (Knomad), UNCDF, IOM, UNDP, IAMTM, ICC, including the governments of Ecuador, Egypt, El Salvador, Jamaica, Mexico, Nigeria, Pakistan, Sierra Leone and Zimbabwe.The Call to Action aims to raise awareness of the importance of remittances in low income countries and to identify key measures that could mitigate the significant impact of the COVID-19 crisis on remittances, highlight them for the attention of policymakers, regulators and remittance service providers.[32]
- This year the **International Day of Family Remittances (IDFR),** observed on **16 June**, will be more relevant than ever. Coming against the backdrop of the terrible toll taken by the COVID-19 pandemic on remittance families, with millions of migrant workers losing their jobs, and many of their families suddenly pushed below the poverty line, this year's IDFR observance represents **an invaluable opportunity** to recognize the key role family remittances play on poverty alleviation, enhanced access to better education, health care, nutrition and broader livelihood support contributing to sustainable development. It is also an occasion **to call on governments, private sector entities, and the civil society to help migrant families build resilience in these times of crisis.** The IDFR 2020 Campaign "Building resilience in times of crisis" is responding to the need of coming together and acting as ONE to address the needs of the one billion people on earth affected by their ability to transfer and receive remittances from abroad.

[31] UN Sustainable Development Group, 2020. A UN framework for immediate socio-economic response to covid-19

[32] Knomad, 2020: Covid-19 remittances call to action

Initial set of actionable recommendations

Emergency measures need regulatory as well as business practice and customer behavioral changes. There are several immediate and short-term recommendations that public authorities, service providers and civil society organizations should prioritize in order to ensure the resilience of remittance families. Such recommendations are geared towards ensuring service continuity and more precisely, access to remittances to those who rely on them the most, as well supporting Member States and other stakeholders in implementing the Global Compact on Migration.

The following are actionable recommendations presented under the framework of the *General Principles for International Remittance Services*, and are aimed at public authorities and service providers. They are in line with the UN framework for the immediate socio-economic response to COVID19, the outcomes of the recent High-Level event of Financing for Development in the era of COVID-19 and beyond, and will pave the way to successfully achieve both the Objective 20 of the Global Compact for Migration and SDG Target 10.c.

These measures focus on crisis needs within the next 6 months. Some of them, however, entail longer-term benefits and could be maintained. They are divided by target group: public authorities in both sending and receiving countries, service providers, and diaspora organizations.

For public authorities:

1. Declare all Remittance Service Providers (RSPs) as essential services.
2. Consider extending financial relief measures for eligible RSPs to assist with urgent crisis-induced credit and liquidity risks.
3. Consider proportionate temporary transaction and balance limits that are appropriate for the level of the crisis.
4. Waive taxes for remittance senders and recipients (where applicable).
5. Promote the collection and dissemination of national, regional, and international data on the remittance market to improve resilience in times of crisis.
6. Promote current or new public-private working groups at the national level to improve awareness and preparedness.
7. Promote collaborative engagement among public authorities and diaspora groups in host and home countries to gather and disseminate information.
8. Encourage the disclosure of information on costs in easily accessible and understandable forms
9. Support the immediate inclusion of remittance families in financial and digital education in both sending and receiving countries.
10. Encourage use of digital channels for sending and receiving remittances.
11. Promote and implement programmes of financial education and awareness, including on digital literacy.

12. Contemplate simplified customer due diligence mechanisms for transactions and account opening, as well as eKYC modalities.
13. Enable easier entry of new business models and new entrants to the remittances market.
14. Provide additional guidance to banks on compliance requirements, including for RSPs as account holders and to assess exposure to Anti-Money Laundering/Combating the Financing of Terrorism (AML/TF) risks.
15. Ensure that migrants or remittance-dependent families are included in economic stimulus packages, cash assistance or social protection response to COVID19, independent of their migration status.

For Remittance Service Providers:

1. Fast-track innovative, cost-effective business solutions that support the needs of remittance families in times of crisis.
2. Incentivize the use of existing digital remittance products through targeted, time-bound offers
3. Develop business continuity plans while ensuring safety of staff and customers.
4. Consider digital solutions for conducting customer due diligence where the regulatory framework allows.
5. Strengthen the dissemination of information through digital channels in available remittance products, their features and ways to obtain them.
6. Provide capacity building to migrants with a particular focus on women, on how to send remittances digitally to help close the persistent gender gap in digital remittance sending, including by involving civil society organizations and other key stakeholders.

For Migrant, Diaspora Associations, and other stakeholders:

1. Convey and disseminate key messages to migrants and diaspora members to ensure that they are able to make informed choices about the use of remittances and remittances-linked services, and gather primary data on key needs.

A more comprehensive approach to these recommendations is to be found in the joint expertise of the thirty-five organizations that formed the Remittance Community Task Force (RCTF), including aspirational goals outlining directions toward a better future for remittance families. The final set of these concerted recommendations are available **here**.

These recommendations and initiatives will be updated and revised as the situation of remittances in the current crisis evolves.

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Annex

Annex A: Concepts and definitions

Annex B: A collection of news and identified promising practices