

ACTION ON THE COSTS OF REMITTANCES IN THE PACIFIC

RAROTONGA, COOKS ISLANDS – Pacific Economic Ministers have endorsed Australia's call for a reduction in the fees, costs and charges of remittances across the Pacific.

Assistant Treasurer, Senator Nick Sherry, supported by a range of Ministers has met with Economic Ministers from across the Pacific in wide ranging regional economic talks at the Pacific Islands Forum Economic Ministers Meeting (FEMM).

"Today we voiced very strong Ministerial-level concerns with the level of fees, costs and charges to make money remittances in the Pacific region."

"Some providers of remittance services are charging up to 30 percent of the remitted amount and we collectively agree this is just unacceptable."

The Pacific Islands Forum Economic Ministers Meeting also endorsed Australia and New Zealand, to work with Pacific island countries and development partners such as the World Bank, to undertake a work program to examine how remittance costs in the Pacific compare internationally and to examine options to maximise the economic opportunities that can arise from strong low-cost remittance flows.

The outcomes of this work will be presented to the next FEMM in mid-2010.

The Assistant Treasurer also presented to Ministers the recently launched website www.SendMoneyPacific.org which has significantly boosted transparency in remittance fees, costs and charges.

"Making the true costs of remittances clear to Pacific island citizens has already had a downward effect on charges – which is a great outcome," said the Assistant Treasurer.

"We also highlighted the need for increased competition in the provision of remittance services as a key ongoing element in pushing down costs."

"Backed by today's call to action, I intend to open a dialogue with the full range of remittance providers in Australia to discuss the level of their costs and what can be done to bring them down."

Australia's call for action was supported by the delegations of the Cook Islands, the Federated States of Micronesia, Kiribati, Nauru, New Zealand, Niue, Palau, Papua New Guinea, Republic of the Marshall Islands, the Solomon Islands, Tonga, Tuvalu and Vanuatu.

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