



GPFI

Global Partnership
for Financial Inclusion

G20 National Remittance Plan 2019

Argentina

Background

In Argentina, the Central Bank is entitled by law to regulate the foreign exchange market, including international remittances. These operations could be made by financial entities and exchange houses with their customers (both individuals and firms).

As it has been recognized, Argentina is not a major source of money transfer remittances. Remittances sent and received represent, respectively, 0.2% and 0.1% of the Argentine GDP (2017 & 2018). And according to World Bank, remittances received represent the 0.1% of the total remittance inflows of low-and middle-income countries (2018). The size of the migrant population is around 5% of the total population. Please find below more data:

- Migrant remittance inflows (USD million): 493 (2018)
- Migrant remittance inflows (as a share of GDP) in 2018: 0.1%
- Migrant remittance inflows as a share of total migrant remittance inflows of low-and middle-income countries: 0.1% (2018)
- Migrant remittance inflows as a share of total migrant remittance inflows in Latin America and the Caribbean: 0,6% (2018)
- Migrant remittance outflows (USD million): 1,006 (2017)
- Migrant remittance outflows as a share of GDP in 2017: 0.2%
- Stock of emigrants: 996,100 (2017)
- Stock of emigrants as percentage of population: 2%
- Stock of immigrants: 2,391,065 (2017)
- Stock of immigrants as percentage of population: 5%
- Top source countries: Paraguay, Bolivia, Peru, Chile, Italy, Uruguay, Spain, Brazil, Colombia, United States
- Women as percentage of immigrants: 53.8 percent
- Number of refugees: 3,322

Source: World Bank Group

Call to Action on Remittances

The remittance sector is not very significant in Argentine economy, nevertheless, our country participates in different initiatives that seek to address the needs to improve the international remittances environment.

In particular, on August 29, 2019, the Secretariat of Finance (Ministry of Treasury) approved the National Financial Inclusion Strategy (NFIS) which establishes as a cross-cutting objective to ensure the financial inclusion of specific groups with mayor risk of exclusion, such as migrants and refugees.

In parallel, the BCRA has conducted special initiatives to collect information and to disclose the current regulatory framework to improve the financial inclusion of migrants.

2019 Country plan for reducing remittance transfer costs

- 1. Increase remittance market competitiveness, including through improvements to the regulatory environment**
 - With regard to specific difficulties of this segment, the Argentine NFIS (2018) has identified the regulatory framework updating as a general measure in order to promote the use of technology for the development of cheaper international transfer services.
- 2. Improve financial system infrastructure and pursue policies conducive to supporting innovation and harnessing emerging technologies.**
 - As regards the improvement of the financial system infrastructure, the Argentine NFIS (2018) has identified regulatory changes to facilitate migrants' identification.
- 3. Improve transparency and consumer protection of remittance transfers.**
 - The BCRA has initiated in 2018 a multi sector-led awareness-building campaigns to promote bank account openness procedure; explaining its requirements, in particular, identification documentation and free of charge services.
 - In addition, the BCRA conducts mystery-shopping research's to monitor the availability of financial products related to financial inclusion. Especially regarding migrants and remittance environment, in 2018 one of the mystery shopping research had the objective bring out the offer of a savings bank account to migrants and the possibility to carry out remittances from this account.