

# **NATIONAL REMITTANCE PLAN 2015 CHINA**

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### Background

The World Bank estimates that remittances to China amounted to US\$64.1 billion in 2014, making China the second large remittance-receiving country in the world.

#### Top 10 Remittance Flows to mainland China in 2014

Corridor	Volume (\$US billion)	Corridor	Volume (\$US billion)
United States	16.3	Australia	2.9
Hong Kong SAR, China	15.6	Singapore	2.8
Japan	4.2	Macao SAR, China	2.2
Canada	4.2	Italy	1.1
Korea, Rep.	4.1	Spain	1.0

Source: World Bank Bilateral Remittance Data, 2014

### 2014 Call to Action on Remittances

*“The People’s Bank of China is exploring options to support innovation in payment processes through the use of technology and is supporting financial inclusion mechanisms and financial education programs for migrants.”*

#### Update

China has improved its financial infrastructure to support remittances and introduce remittance services in rural areas through bank branches and banking agents.

A whole range of stakeholders have worked together to support innovation in payment processes: the Central Bank, supervisors, commercial banks, mobile network operators, the broader private sector, including payment service providers, and think tanks.

Thanks to the achievements of hi-tech companies, innovation in payment processes through the use of technology is successfully ongoing.

China has begun to develop a financial inclusion plan that focuses on financial inclusion mechanisms and education programs, including remittances literacy.

### 2015 Country plan for reducing remittance transfer costs

#### 1. Increase Remittance Market Competitiveness

- a. China is making efforts to lower the regulatory barriers for remittance inflows and outflows. China also encourages competition among service providers to lower the price of remittance.

## **2. Improve Financial System Infrastructure and Pursue Policies Conducive to Harnessing Emerging Technologies**

- a. China is continuing to reduce remittance transfer costs through innovation in payment processes with more efficient technology.

## **3. Improve Transparency and Consumer Protection of Remittance Transfers**

- a. China will launch a financial education program. The program will enhance transparency and remittances literacy, and help migrant workers to transfer salaries to their families in their hometown at a reasonable cost.