



## African Institute for Remittances (AIR)



# Send Money Africa

MAKING AFRICAN REMITTANCES  
MARKETS MORE TRANSPARENT

*Quarterly Report – June 2018*

## Send Money Africa Data Analysis – Second Quarter – 2018

The Send Money Africa (SMA) remittance prices database provides data on the cost of sending remittances from selected countries worldwide to a number of countries in Africa, as well as for some transactions within the African continent itself – <http://sendmoneyafrica-auair.org/>. The data is collected on a quarterly basis from a sample of the most used Remittance Service Providers (RSPs) in the markets. The data analysis in this report is based on the latest data collection, which was for Q2 2018 (27th-28th June 2018) and was obtained from a total of 579 different remittance services.

### Key Findings

- The **average total cost** of sending money (USD200) to and within Africa in Q2 2018 was **8.37 percent** – a reasonable decrease from Q1 2017, when the average total cost was recorded at **8.66 percent**.
- The **average total cost** of sending USD500 to and within Africa in Q2 2018 was **5.82 percent** – a reasonable decrease from Q1 2018, when the average total cost was recorded at **6.12 percent**.
- The cost of **sending money to Africa** in Q2 2018 (USD 200) was **1.38 percentage points** more expensive than the global average cost for the same period, which measured at **6.99 percent** according to **Remittance Prices Worldwide** (see <http://remittanceprices.worldbank.org>).
- The **10 most expensive corridors** were all **intra-African**, with eight of the most expensive originating from **South Africa**.
- The **least expensive corridor** was **UAE to Egypt**, followed by **Senegal to Mali** and **France to Côte d'Ivoire**.
- The **most expensive send market** among those surveyed was **South Africa** followed by **Tanzania**. The **cheapest send market** was the **UAE**, followed by **Senegal, France and Spain**.
- **Commercial banks** continue to be the most expensive type of remittance service provider. The cheapest continue to be **Mobile Network Operators (MNOs)**.
- **Commercial bank account products** continue to be the most expensive services with the newer, technology-driven products of **mobile** and **online** based remittances being among the cheapest.

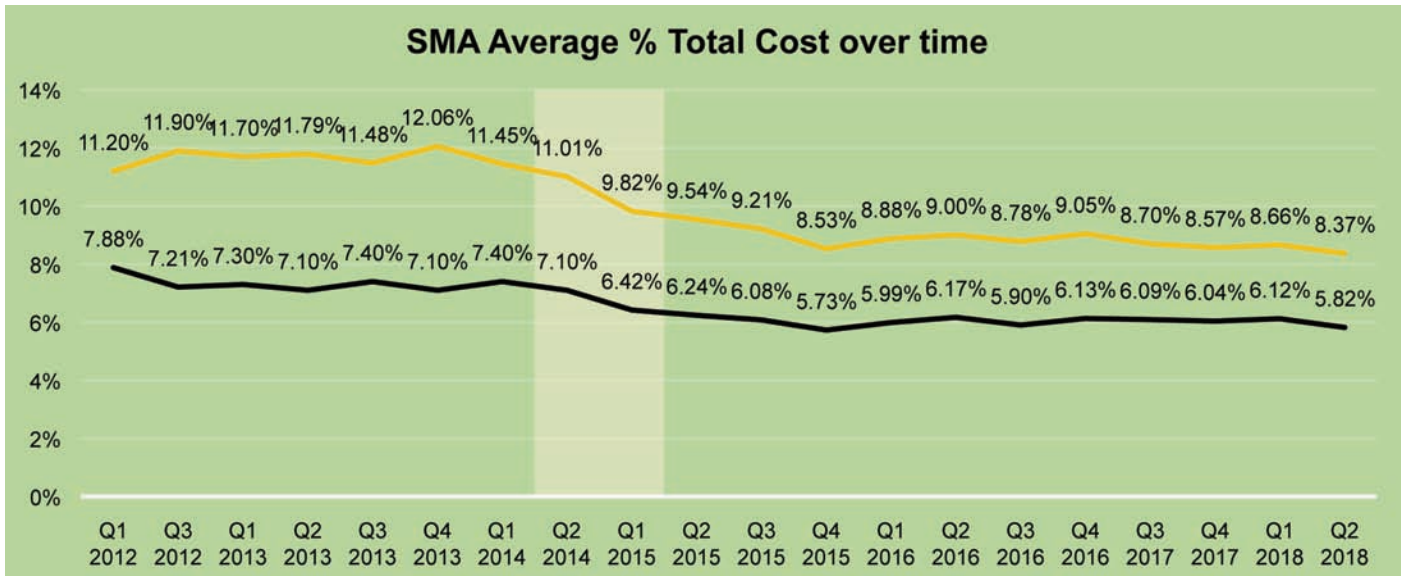


Figure 1: Total Cost of Sending Money to Africa (USD 200; USD 500)

Pricing period	Global average remittance price	Price to send to Africa	Difference in percentages
Q3 2012	9.00	11.90	-2.90
Q3 2013	8.93	11.48	-2.55
Q3 2014	7.90	12.06	-4.16
Q3 2015	7.52	9.21	-1.69
Q3 2016	7.42	8.78	-1.36
Q3 2017	7.21	8.70	-1.49
Q4 2017	7.09	8.57	-1.48
Q1 2018	7.13	8.66	-1.53
Q2 2018	6.99	8.37	-1.38

Figure 2: The Africa Gap

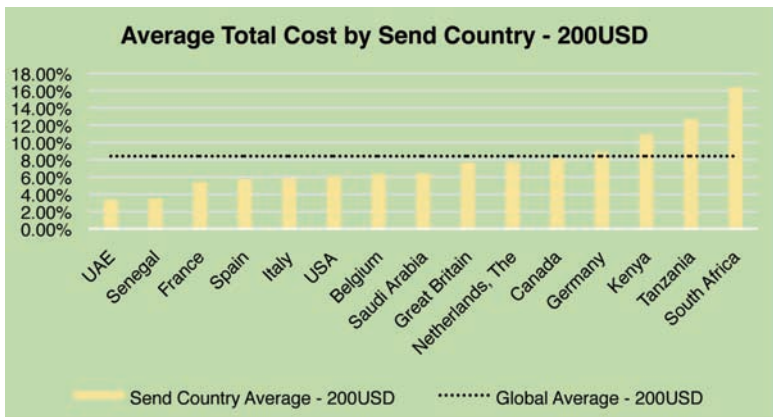


Figure 3: Average Total Cost by Send Country (USD200)

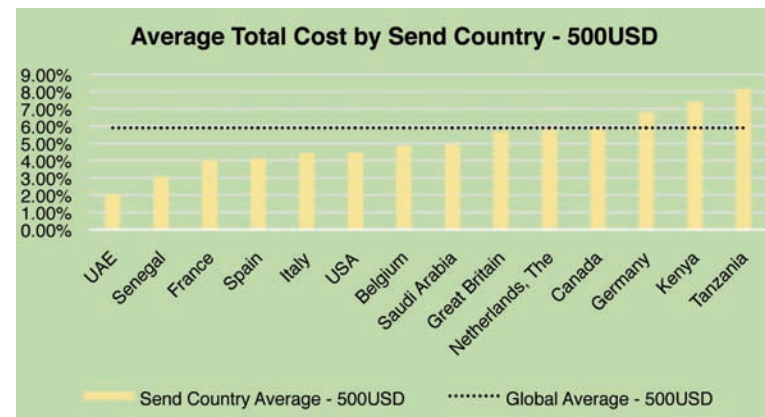


Figure 4: Average Total Cost by Send Country (USD500)

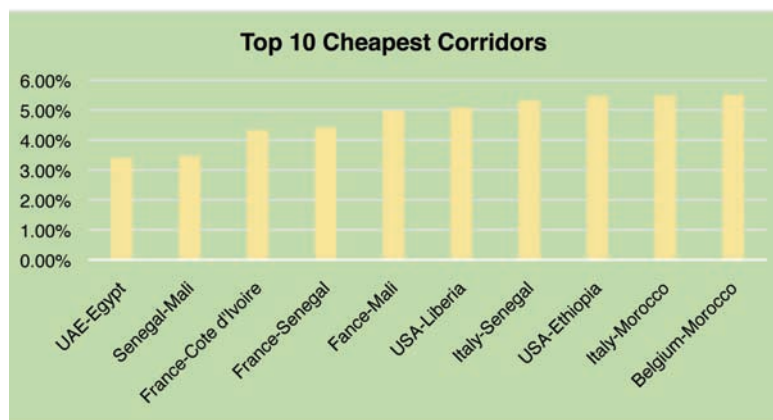


Figure 5: 10 Cheapest Corridors (USD200)

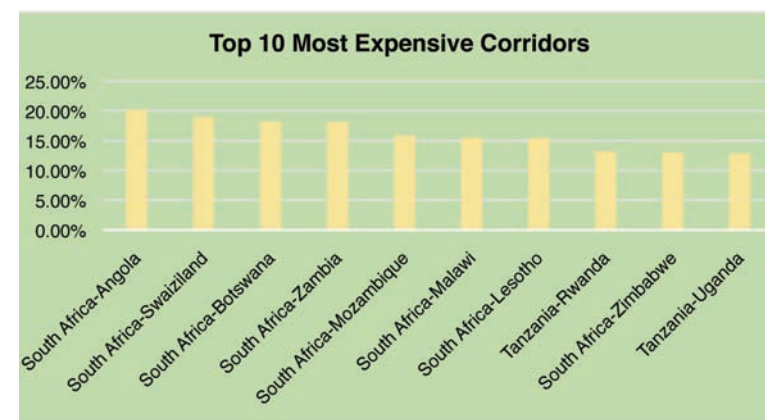


Figure 6: 10 Most Expensive Corridors (USD200)

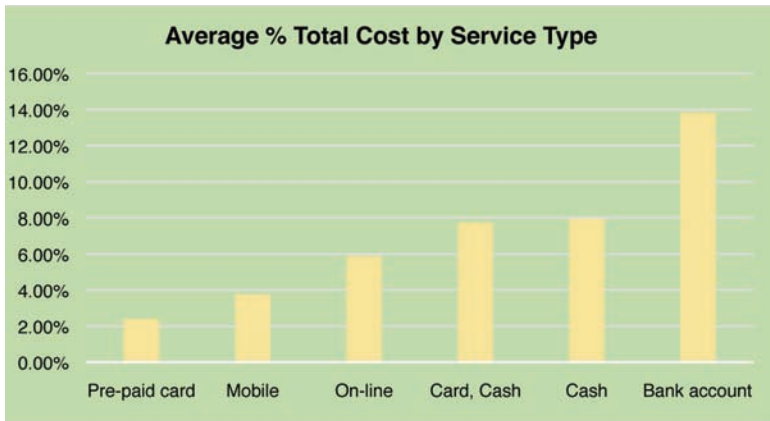


Figure 7: Average Total Cost by Service Type (USD 200)

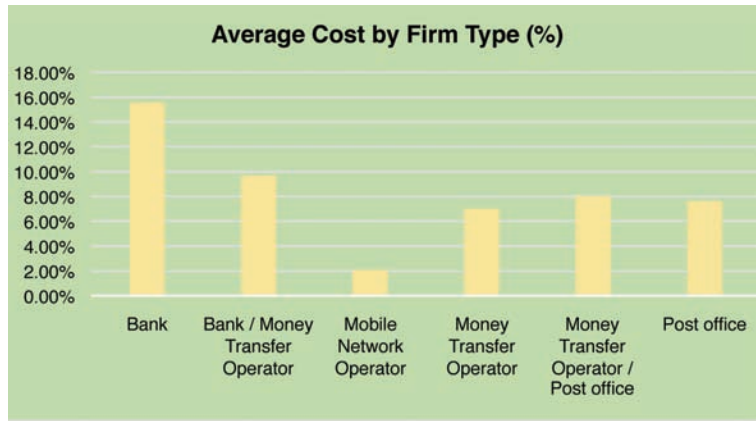
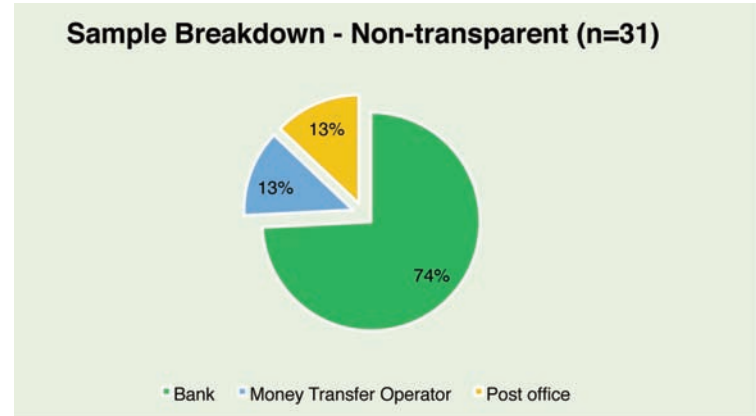
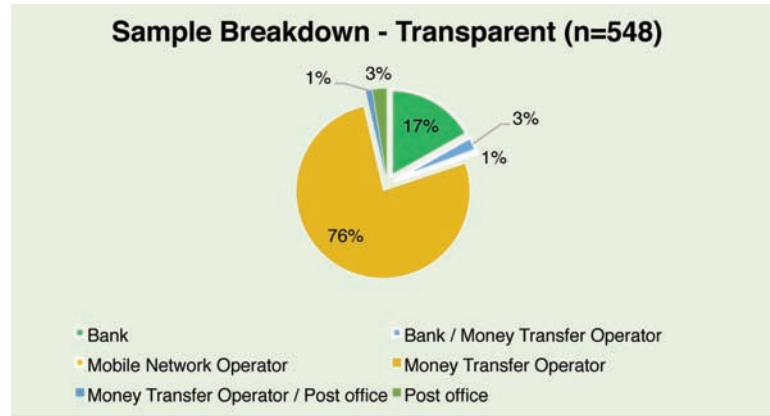


Figure 8: Average Total Cost by Firm Type (USD 200)



Figures 9 & 10: Transparent vs Non-Transparent Market Breakdown

