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AN ANALYSIS OF TRENDS IN COST OF REMITTANCE SERVICES

REMITTANCE PRICES WORLDWIDE QUARTERLY

THE WORLD BANK
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This Report reflects the latest trends observed in the data published in March 2024.

Remittance Prices Worldwide is available at **http://remittanceprices.worldbank.org**

Overview

Remittance Prices Worldwide (RPW) monitors remittance prices across all geographic regions of the world. Launched in September 2008, RPW monitors the cost incurred by remitters when sending money along major remittance corridors. RPW is used as a reference for measuring progress towards global cost reduction objectives, including the G20 commitment to reduce the global average to 3 percent, which is being pursued in partnership with governments, service providers, and other stakeholders.

Since Q2 2016, RPW covers 48 remittance sending countries and 105 receiving countries, for a total of 367 country corridors worldwide. RPW tracks the cost of sending remittances for four main RSP types: Banks, MTOs, Mobile Operators, and Post Offices. MTOs include both traditional providers and innovative/fintech players. On average, 21.1 services per corridor are tracked.

This Report uses data from RPW's most recent release to analyze the global, regional, and country specific trends in the average cost of migrant remittances.

FXC Intelligence provides the underlying data used in the RPW.

Key findings

- The **Global Average** decreased from 6.39 percent in Q4 2023 to 6.35 percent in Q1 2024.
- The **International MTO Index** experienced a decrease over the quarter to 6.30 percent in Q1 2024, from 6.45 percent in Q4 2023.
- The **Global Weighted Average** decreased to 4.76 percent in Q1 2024 from 4.88 percent in Q4 2023.
- The **Global SmaRT Average** for Q1 2024 was recorded at 3.21 percent (down from 3.41 percent in Q4 2023). Twenty-five corridors did not have any SmaRT qualifying services.
- The **Digital remittances index** stayed the same at 4.96 percent in Q1 2024.
- The Digital-only MTO index experienced a decrease to 3.97 percent in Q1 2024 from 4.03 in Q4 2023.
- South Asia remains the lowest cost receiving region, with an average cost of 5.16 percent. Sub-Saharan Africa remains the most expensive region to send money to, recorded at 7.73 percent total average cost in Q1 2024.
- Banks remain the most expensive type of service provider, with an average cost of 12.66 percent.
- The proportion of corridors with average costs of less than 5 percent has increased considerably since Q1 2009 (from 17 percent to 37 percent in Q1 2024).
- In Q1 2024, credit or debit card overtook mobile money as the lowest cost instrument to originate remittances. Mobile wallet was the lowest cost instrument to receive remittances.

- Due to the ongoing Russia-Ukraine war, RPW did not include any data on corridors originating in the Russian Federation in Q1 and Q2 2022. From Q3 2022 to Q1 2024, only publicly available online data on corridors originating in Russia were collected, i.e., mystery shopping or data collection via APIs were not employed. Due to this deviation in data collection methodology, these services were not included in the main analysis in Q1 2024; instead, the data are presented in Annex V.
- In Q1 2024, eleven services were moved from the prospects index to the main analysis, after demonstrating consistency, materiality and diversity. In the same quarter, thirty-eight new services were added to the prospects index. RPW will continue to monitor and include new services when and where relevant using the prospects index.

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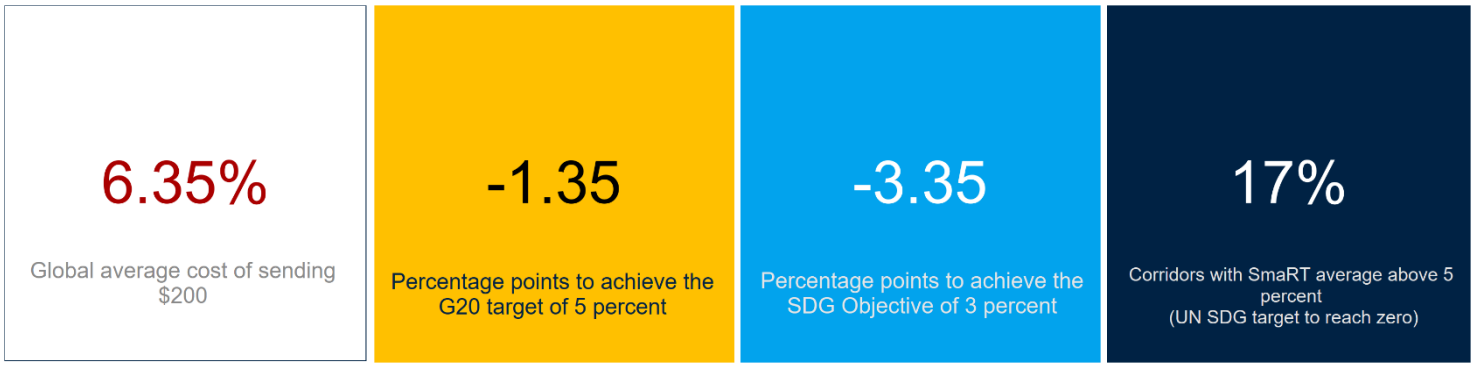
Progress tracker

RPW indicators are used to measure the progress towards targets of global efforts for the reduction of remittance costs. The UN SDGs and the G20 have indicated a target of 3 percent for the Global Average to be reached by 2030.[1] At the same time, the UN SDGs and the G20 have also committed to ensuring that in all corridors, remittances can be transferred for 5 percent or less.

The figure below summarizes the progress towards these three targets.



Number of corridors in the Q1 2024 dataset

The Q1 2024 dataset includes data from 348 corridors (excluding 13 originating in Russia, 3 originating in Nigeria, and 2 originating in Pakistan). Due to the ongoing Russia-Ukraine war, RPW did not include any data on corridors originating in the Russian Federation. In addition, remittance service providers (RSPs) have still not resumed outgoing remittance operations in Nigeria due to the Central Bank of Nigeria banning all outbound transfers from the country. Moreover, services to Bangladesh became unavailable due to outflow restrictions from State Bank of Pakistan in addition to services to Afghanistan.

Prospects index

Since Q1 2022, RPW data collection has been used to also monitor new services via a *prospects index*. These new services are candidates for inclusion in the main index in the future subject to them meeting certain requirements. In Q1 2024, eleven services were moved from the prospects index to the

[1] The G8 (L'Aquila, 2010) and the G20 (Cannes, 2011 and Brisbane, 2014) committed to reduce the Global Average Total Cost to 5 percent. The G20 aligned with the UN's 2030 Agenda to include cost reduction targets set under SDG 10.c. In addition, through the G20 Roadmap for Enhancing Cross-Border Payments, the G20 reaffirmed SDG 10.c for remittance costs. World Bank's *Remittance Prices Worldwide* database will be used to monitor several targets on remittances in the Roadmap, including those on cost, speed and transparency. See FSB (2021), *Targets for addressing the four challenges of cross-border payments* (https://www.fsb.org/wp-content/uploads/P131021-2.pdf) and FSB (2022), *Developing the Implementation Approach for the Cross-Border Payments Targets* (https://www.fsb.org/wp-content/uploads/P171122.pdf). Until now, RPW has been reporting on the G8/G20 remittance target of 5%. In line with the G20 affirmation of the SDG 10.c remittance price targets, starting with Q1 2023 edition of the RPW Quarterly Reports, the reporting is being adjusted to keep only SDG 10.c. There has been no change in the methodology.

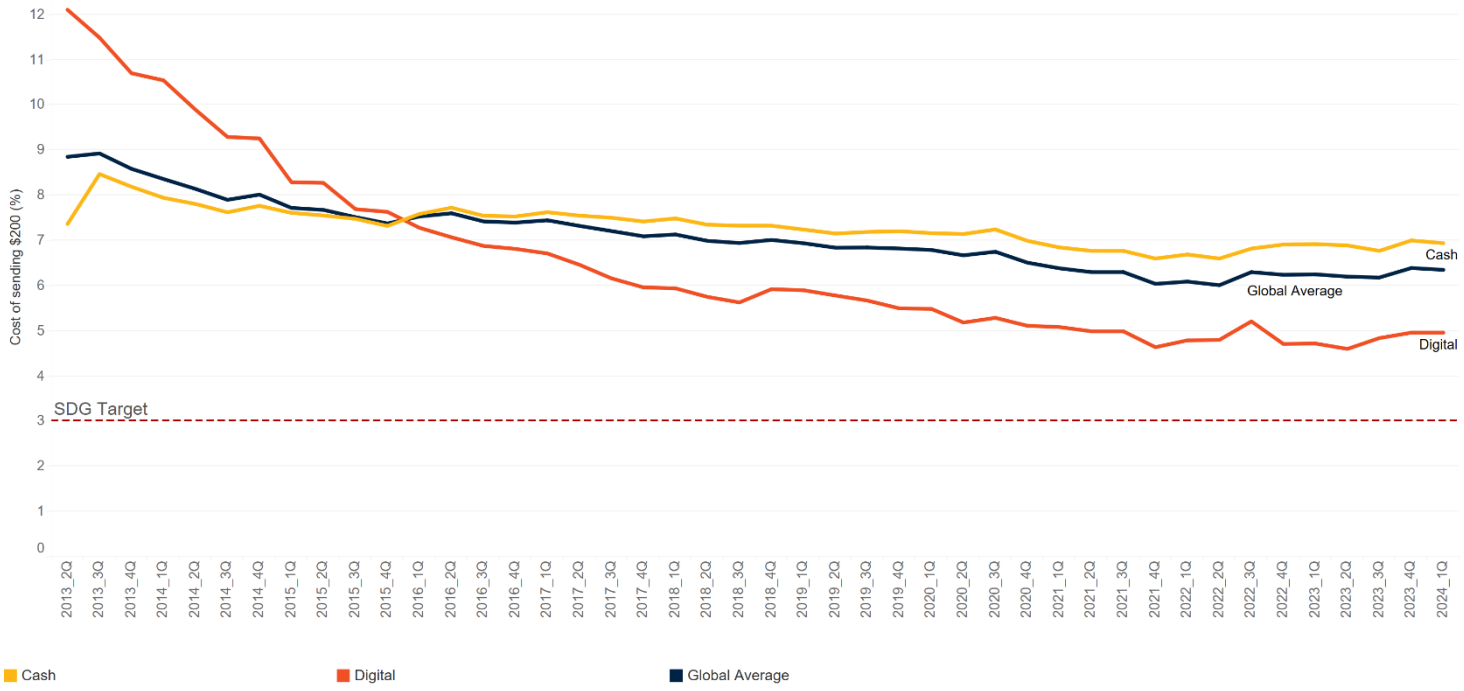
main analysis, after demonstrating consistency, materiality and diversity. In the same quarter, thirty-eight new services were added to the prospects index. Please see Annex IV for details.

Global trends

Global average experiences a decrease

In Q1 2024, the Global Average cost for sending remittances was 6.35 percent, a small decrease from 6.39 in Q4 2023. The Global Average has remained below 7.00 percent since Q1 2019 (see Figure 1 below and Table 1 in the Annex). Overall, this represents a decline of 3.32 percentage points since Q1 2009, when the figure was recorded at 9.67 percent. In Q1 2024, the global average for digital remittances was recorded at 4.96 percent, while the global average for non-digital remittances was 6.94 percent. Digital services account for 30% of all services RPW collected in Q1 2024.[2]

Figure 1 Trends in the global cost of sending $200 in remittances[3]



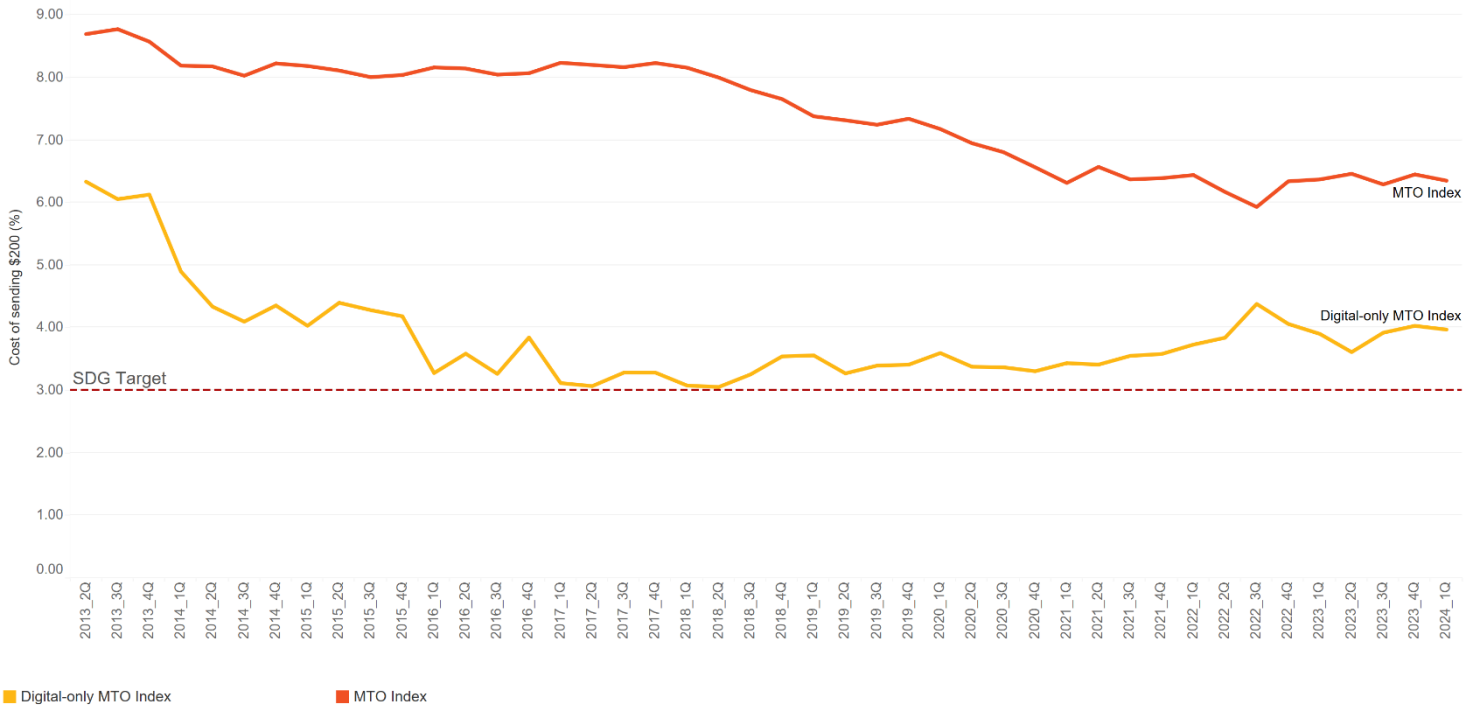
[2] A digital remittance must be sent via a payment instrument in an online or self-assisted manner, and received into a transaction account, i.e., bank account, transaction account maintained at a non-bank deposit taking institution (say a post office), mobile money or e-money account.

[3] Figures for the global average were adjusted in Q1 2014 following a clean-up of the entire database. Some values slightly vary from figures published prior to Q1 2014.

International MTO index

The International MTO Index tracks the prices of MTOs that are present in at least 85 percent of corridors covered in the RPW database.[4] In Q1 2024, the International MTO Index recorded a decrease to 6.30 percent from the previous value of 6.45 percent in Q4 2023. Over the year, this figure was down by 0.07 of a percentage point, recorded at 6.37 percent in Q1 2023. This figure has come down by 4.06 percentage points from its first recorded value of 10.36 percent in Q1 2009. In Q1 2024, the digital-only MTO Index recorded at 3.97 percent, a small decrease from 4.03 percent in Q4 2023.[5] The digital-only MTO Index has consistently remained below both the International MTO Index and the global average.

Figure 2 Trends in International MTO Index & Digital-only MTO Index



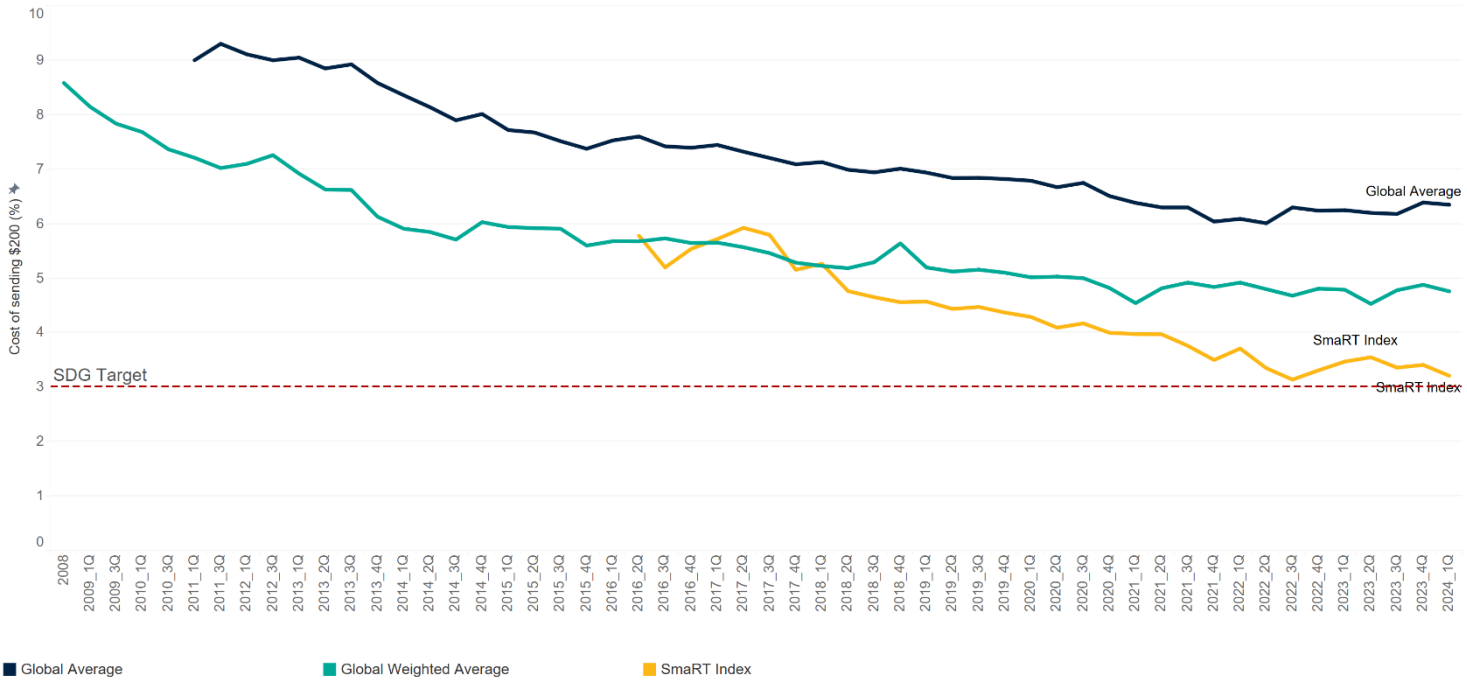
Global weighted average

The global weighted average total cost accounts for the relative size of the flows in each remittance corridor.[6] This, as illustrated in Figure 3 (see also Table 1 in the Annex), has at times shown a different

[4] The International MTOs Index includes all MTOs that are present in over 85 percent of RPW corridors. Thus far, it has included Western Union and MoneyGram, which operate in 95 percent and 90 percent of the country corridors covered in the database, respectively.
[5] A digital-only MTO refers to money transfer operators that send remittances predominantly through digital channels. The digital-only MTO index includes five digital-only MTOs, Wise, Remitly, WorldRemit, InstaReM and Xoom. Some of these providers also have physical channels.
[6] It is important to note that, while official data on remittance flows by bilateral corridors are currently not available, estimates (Ratha and Shaw 2007, the 2018 version, available at

pattern from the simple average. In Q1 2024, the Global Weighted Average was recorded at 4.76 percent. This figure has been recorded below 5.00 percent since Q4 2020. Over the last five years, this figure has decreased by approximately 0.44 percentage points – recorded at 5.20 percent in Q1 2019.

Figure 3 Trends in Global weighted average & SmaRT average



Smart Remitter Target (SmaRT)

To complement the Global Average and Global Weighted Averages described above, the World Bank introduced the SmaRT indicator in Q2 2016, which aims to reflect the cost that a savvy consumer with access to sufficiently complete information could pay to transfer remittances in each corridor. SmaRT is calculated as the simple average of the three cheapest qualifying services for sending the equivalent of $200 in each corridor and is expressed as a percentage of the total amount sent. In addition to transparency, services must meet additional criteria to qualify for being included in the SmaRT calculation, including transaction speed (five days or less), and accessibility, determined by geographic proximity of branches for services that require physical presence, or access to any technology or device necessary to

http://www.worldbank.org/en/topic/migrationremittancesdiasporaissues/brief/migration-remittances-data) have been used in this calculation. These estimates are based on the Balance of Payments (BOP) and factor in migrant stocks, destination country incomes, and source country incomes. The methodology for these estimates has been questioned, as well as the accuracy of official data on remittance flows and migrant stocks. However, this still represents the only available comprehensive dataset on bilateral remittance flows. It also seems likely that overall, the dataset is sufficiently accurate to reflect at least the proportion between the different corridors, hence offering a good approximation to weight the relevance of each corridor in terms of flow size.

use the service, such as a bank account, mobile phone, or the Internet.[7] In Q1 2024, the Global SmaRT Average was recorded at 3.21 percent.

The potential of SmaRT can be appreciated even more at the corridor level, where the indicators can inform policy actions by identifying limitations at a more granular level. In Q1 2024, 25 of the 354[8] corridors did not have any SmaRT qualifying services, indicating that in these corridors there is an issue with either access or reach of services, or a lower level of competition. Of these 25 corridors, fourteen are destined for Sub-Saharan Africa, five for the Middle East and North Africa, five for South Asia, and one for Latin America and the Caribbean. An overwhelming majority of these corridors have low Internet penetration and/or have low transaction account penetration, which indicate that access to the Internet and accounts should be proactively targeted in these regions as a means of encouraging more diverse payment and remittance services offering. Majority of the receiving countries in this group have a "Green Light" SmaRT rating for accessibility to Cash, and majority (18 out of 25 – see Box 1) have a "Green Light" rating for Mobile services (measured by availability of cash services and number of cellular subscriptions per 100 persons).

Box 1 - Corridors without SmaRT qualifying services with "Green Light" rating for mobile services

Angola to Namibia	Jordan to Syrian Arab Rep.	*Pakistan to Bangladesh*
Australia to Somalia	Netherlands to Suriname	Qatar to Sudan
Ghana to Nigeria	*Nigeria to Benin*	Qatar to Egypt, Arab Rep
India to Bangladesh	*Nigeria to Mali*	Saudi Arabia to Syrian Arab Rep.
India to Pakistan	*Nigeria to Togo*	Saudi Arabia to Sudan
India to Sri Lanka	*Pakistan to Afghanistan*	United Arab Emirates to Sudan

Note: In Q1 2024, RPW continued to experience difficulties in collecting data on all outbound services from Nigeria and Pakistan. In addition, data on services originating in the Russian Federation (13 corridors) were not included. Therefore, for Q1 2024, RPW reports no qualifying services in these 18 corridors, five of which are listed in this Box in italics.

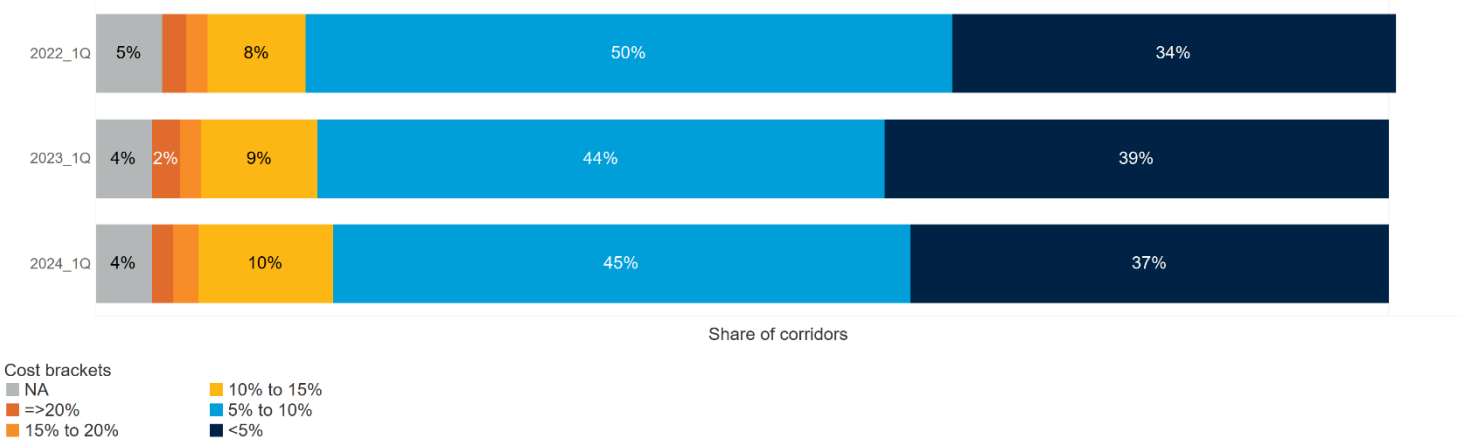
The UN SDGs committed to ensure that, by 2030, it should be possible to send remittances for 5 percent or less in every corridor. The SmaRT averages are used as a reference for this indicator, reflecting the fact that in any given corridor there are services available to customers that meet the requirements described above, while also on average offering a cost that is in line with the UN SDG. As of Q1 2024, 76 percent of all corridors covered in the RPW database had SmaRT corridor averages below 5 percent.[9]

[7] For additional information on the methodology used to calculate SmaRT see https://remittanceprices.worldbank.org/sites/default/files/smart_methodology.pdf
[8] The number of corridors excludes the 13 corridors originating in Russia.
[9] Please note that this figure excludes the 13 corridors which originate in Russia.

Trends in corridor average total costs

Figure 4 shows that compared to Q1 2009, the proportion of corridors with average costs of less than 10 percent has increased considerably, showing an overall increase of share by 28 percentage points (53 percent of corridors in Q1 2009, compared to 81 percent of corridors in Q1 2024). This shift is naturally accompanied by a decrease of share of corridors exhibiting total costs over 15 percent (18 percent of corridors compared to 4 percent of corridors). In the 10-15 percent total cost category there are 10 percent of corridors in Q1 2024, compared to 29 percent of corridors in Q1 2009. Year over year since Q1 2019, this gradual shift is visible. Of the 6 corridors with costs above 20 percent in Q1 2024, three originate in Sub-Saharan Africa and four are destinated for Sub-Saharan Africa. In the figure below, corridor average total costs for all outbound services from Nigeria and Pakistan remain unavailable. Corridor average total costs for services originating from Russia are excluded. These 18 corridors are shown as “NA” in Figure 4.

Figure 4 Distribution of Average Total Costs



G8 and G20 countries

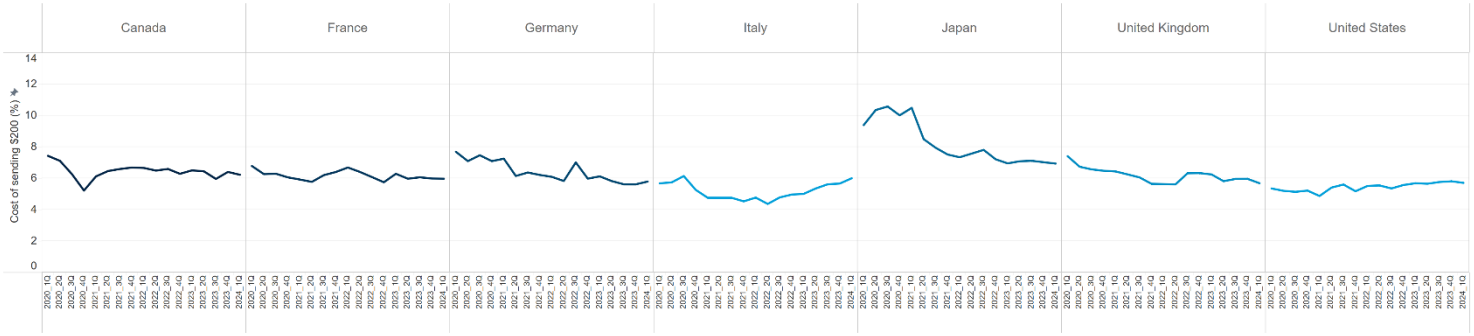
Cost of sending remittances from G8 countries

The G8 countries include several of the major remittance sending countries in the world.[10] The average cost for sending remittances from the G8 countries decreased from 5.92 percent in Q4 2023 to 5.87 percent in Q1 2024. Over the year, this figure decreased by 0.10 of a percentage point (from 5.97 percent in Q1 2023). The largest increase in total average cost to send remittances is seen in Italy (5.67 percent to 6.01 percent), followed by Germany (5.62 percent to 5.80 percent). The largest decrease is seen in United Kingdom (5.97 percent to 5.69 percent), followed by Canada (6.41 percent to 6.23 percent), United

[10] As the dataset did not include data on corridors originating from Russia collected in the same way as from other sending countries, the G8 and G20 figures reported do not include data on these corridors from Russia.

States (5.82 percent to 5.71 percent), Japan (7.03 percent to 6.94 percent), and France (5.99 percent to 5.98 percent).

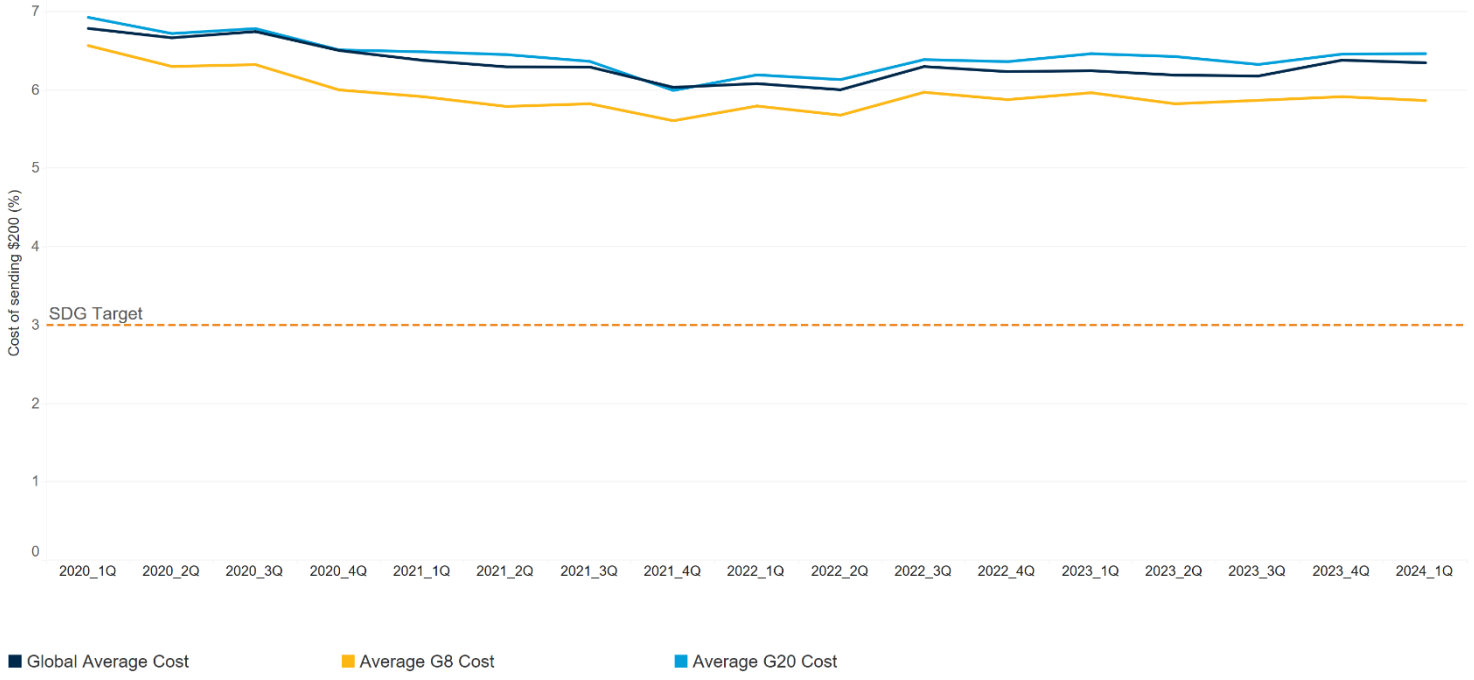
Figure 5 Total average over time in G8 countries



Cost of sending remittances from and to G20 countries

The cost of remitting from G20 countries experienced a minute increase to 6.47 percent in Q1 2024, as shown in Figure 6 (also see Table 3 in the Annex).

Figure 6 Average cost of sending $200 from G8 and G20 countries



South Africa remains the costliest G20 country to send remittances from (see Figure 7). This is despite an overall decrease from its peak in Q1 2013, when the cost of sending from South Africa was more than 20 percent. In Q1 2024, remitting from South Africa incurred an average cost of 13.18 percent, a decrease

from its recorded value of 12.82 percent in Q4 2023. The cost of sending from the second most expensive G20 sending country – Japan – was recorded at 6.94 percent in Q1 2024. The Republic of Korea is the least expensive G20 sending country, recorded at 5.20 percent, followed by Australia (5.40 percent), Saudi Arabia (5.56 percent), United Kingdom (5.69 percent), United States (5.71 percent), Germany (5.80 percent), France (5.98 percent), Italy (6.01 percent), and Canada (6.23 percent).

Figure 7 Average cost of remitting from G20 countries

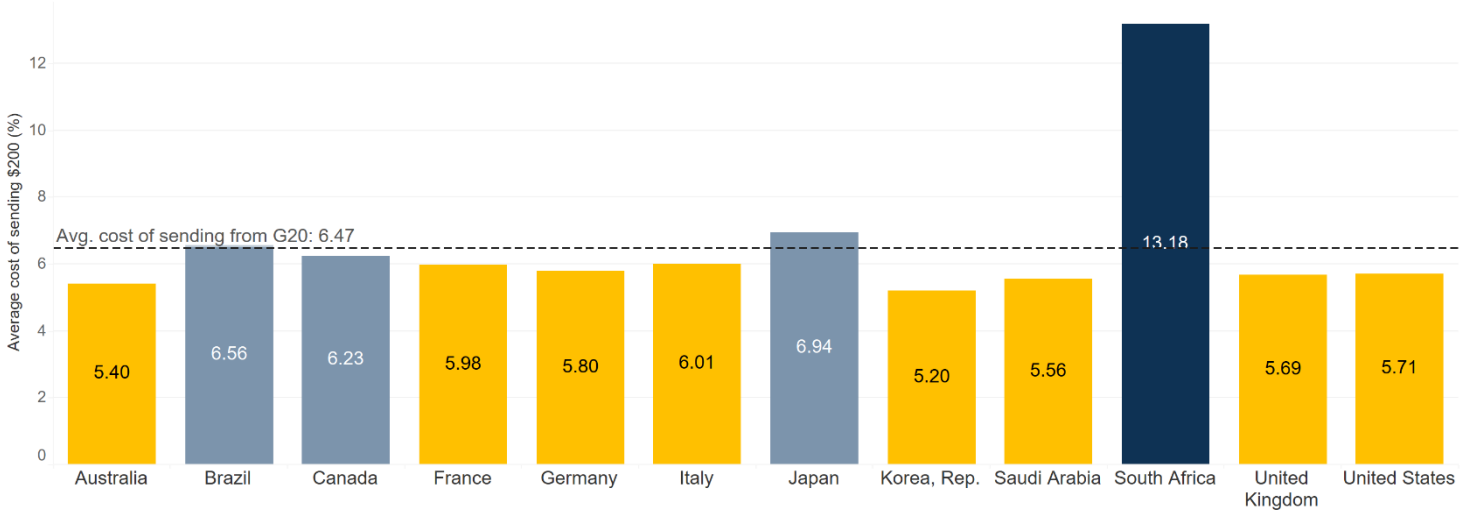
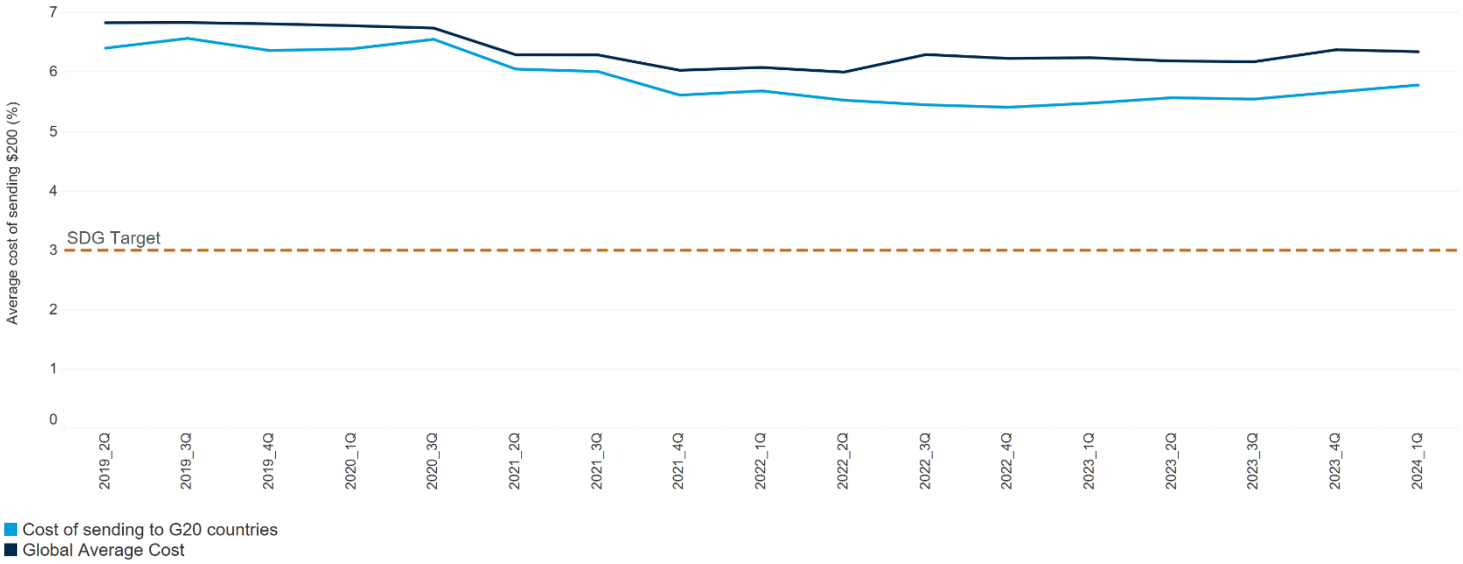


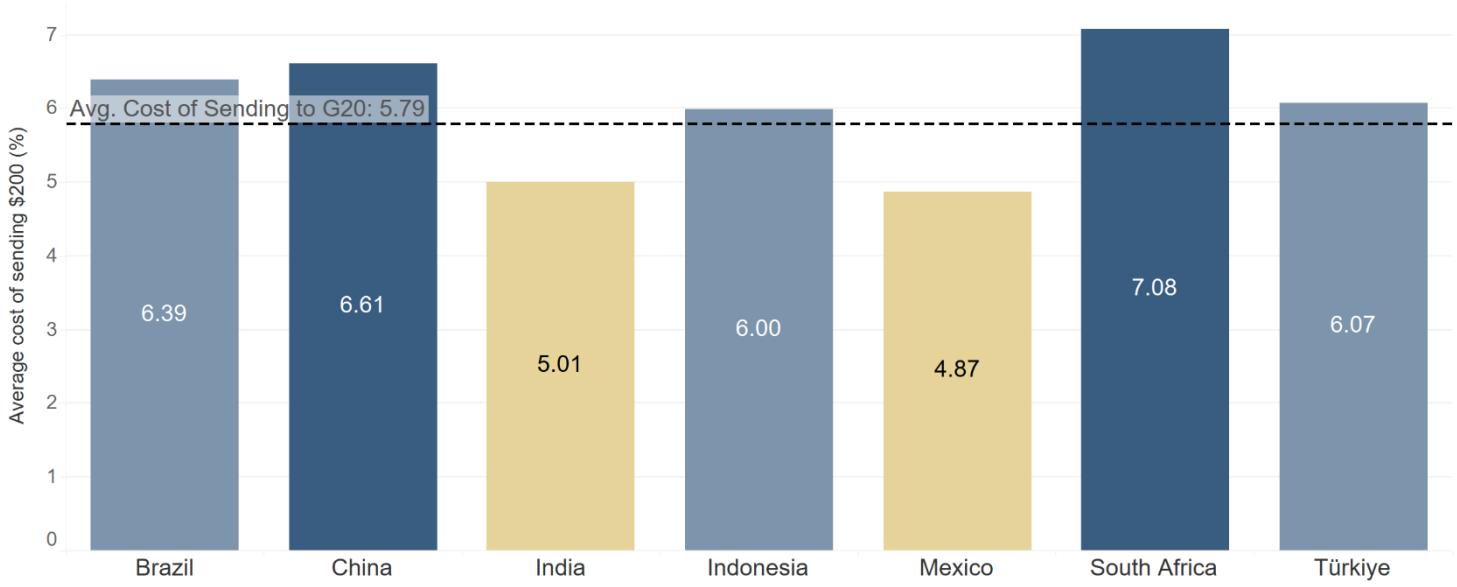
Figure 8 Average cost of sending $200 to G20 countries



Figures 8 and 9 display the total average cost of sending $200 to G20 countries over time and in Q1 2024, respectively (see also Table 4 in the Annex). The average cost of sending money to the G20 countries that are included in RPW as receiving markets was recorded at 5.79 percent in Q1 2024.

Apart from a few quarters, the average cost of sending money to the G20 countries has followed the pattern of the Global Average. Since Q2 2017, the cost of remitting to G20 countries is recorded below the Global Average. In Q1 2024, South Africa (7.08 percent) is the most expensive country in this group to remit to, followed by China (6.61 percent). Costs for sending remittances to Indonesia, India, and Mexico were recorded below 6 percent. Mexico remained the cheapest receiving market in the G20 group, recorded at 4.87 percent.

Figure 9 Average cost of remitting to G20 countries, by Country



Regional trends

Cost of sending remittances by region of the world

The cost for remittance services varies significantly depending on the region where the money is being sent to (see Figures 10 & 11 below and Table 5 in the Annex). In Q1 2024, most regions recorded an increase in average total costs. Europe and Central Asia (ECA) experienced the largest increase from 6.66 percent to 7.39 percent, followed by Middle East and North Africa (MNA), East Asia and Pacific (EAP) and Latin America and the Caribbean (LAC). South Asia (SA) experienced the largest decrease from 5.79 percent to 5.16 percent, followed by Sub-Saharan Africa (SSA).

Figure 10 Average costs over time by region of the world

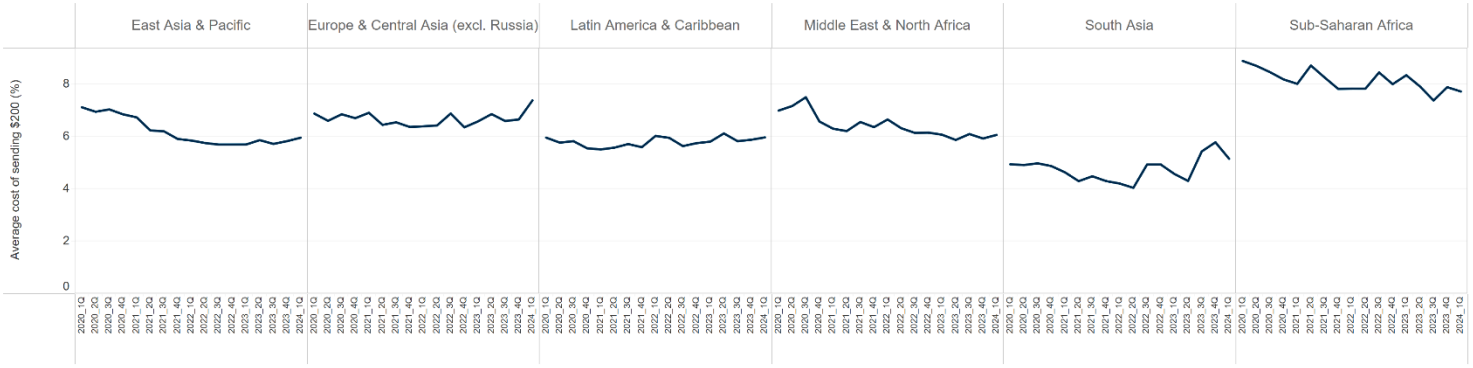
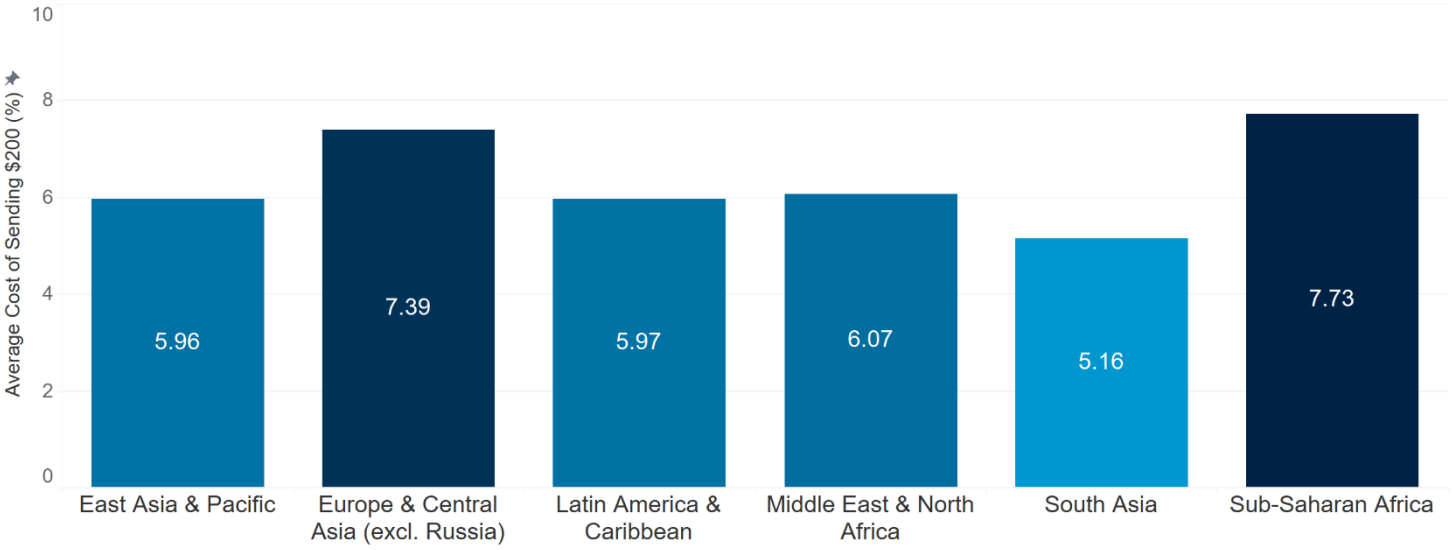


Figure 11 Average costs by region of the world

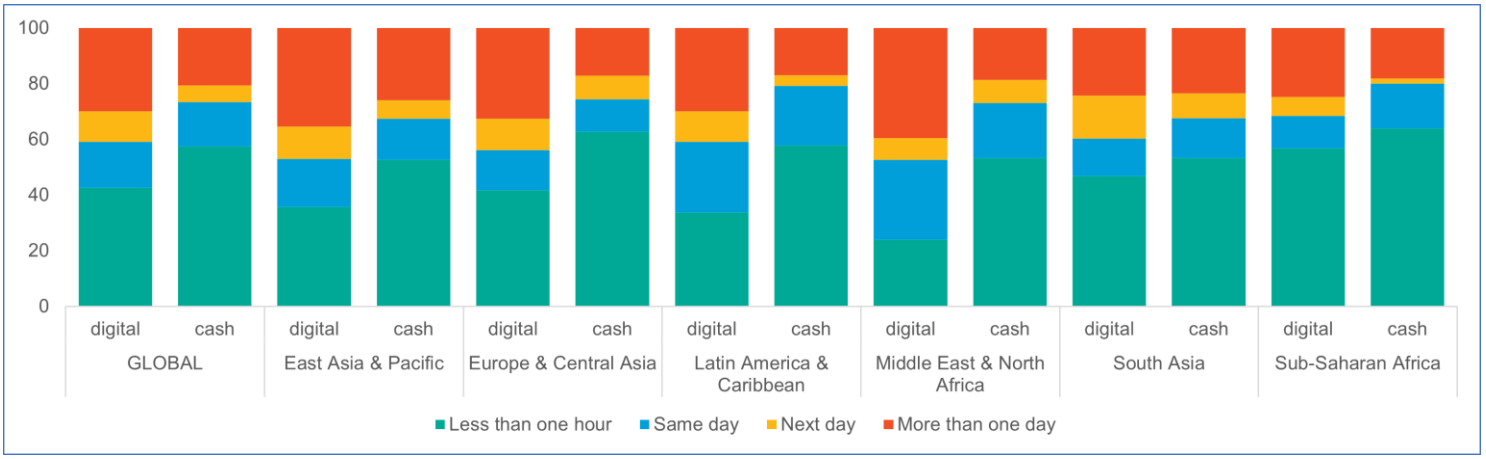


Regional differences in speed of sending remittances

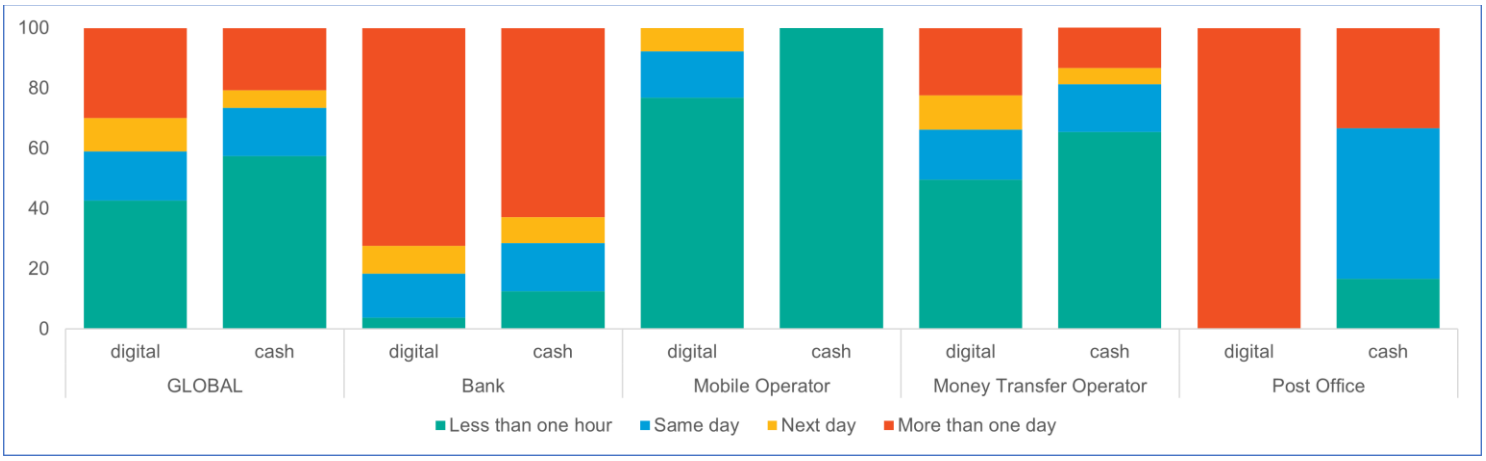
Figure 12 compares the distribution of speed between digital and non-digital remittances across different regions and RSP types. In all regions, non-digital remittances appear faster than their digital counterparts. This is due to two reasons. First, digital remittances encompass traditional banking services, i.e. bank account to bank account services, that have a slower speed. Second, most non-bank RSPs included in RPW may be pre-funding the transactions, offering a fast service to the end users. It is also important to note that differences in the distribution of speed between digital and non-digital services within each RSP type is less observable than those across various RSP types. Bank and Post Office services are much slower than money transfer operator and mobile operator services.

Figure 12 Speed of sending remittances by region and RSP type: cash vs digital services

Panel A – By region



Panel B – By RSP type

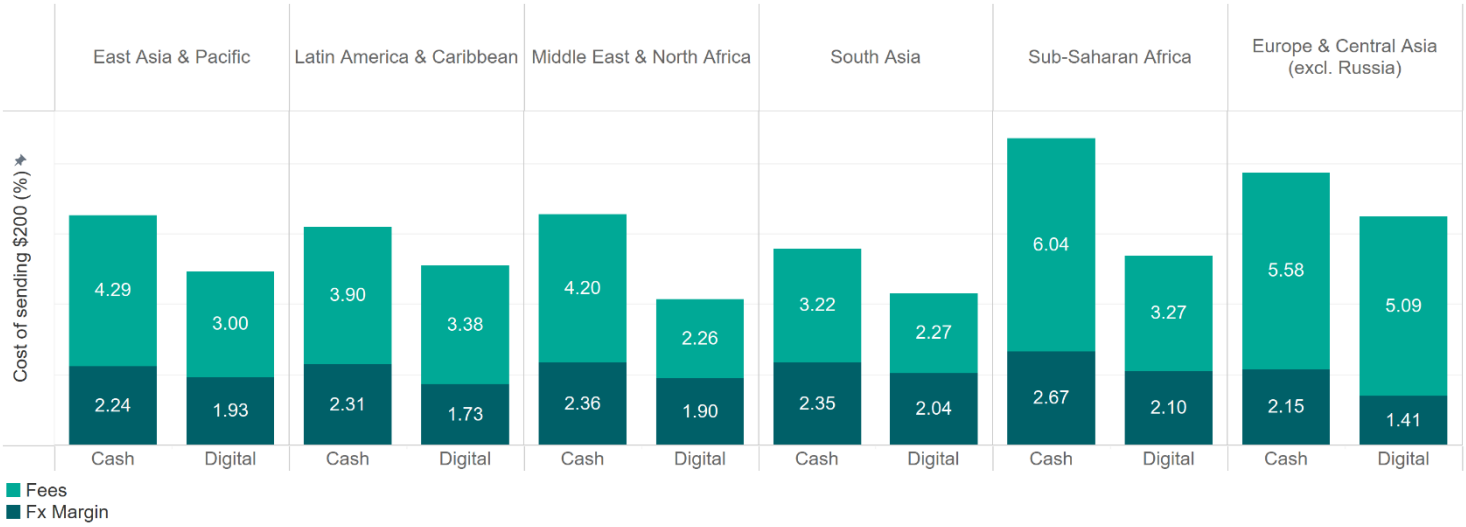


Cost structure

Cash vs. digital services

Figure 13 further compares the costs for remittance services among different regions, by breaking down the cost into two components: fee and foreign exchange (FX) margin. Within each region, Figure 13 differentiates between digital and non-digital remittances. It shows fees account for a large portion of the costs for remittance services. Moreover, costs for non-digital services are consistently higher than those for digital services regardless of the region where the money is being sent to.

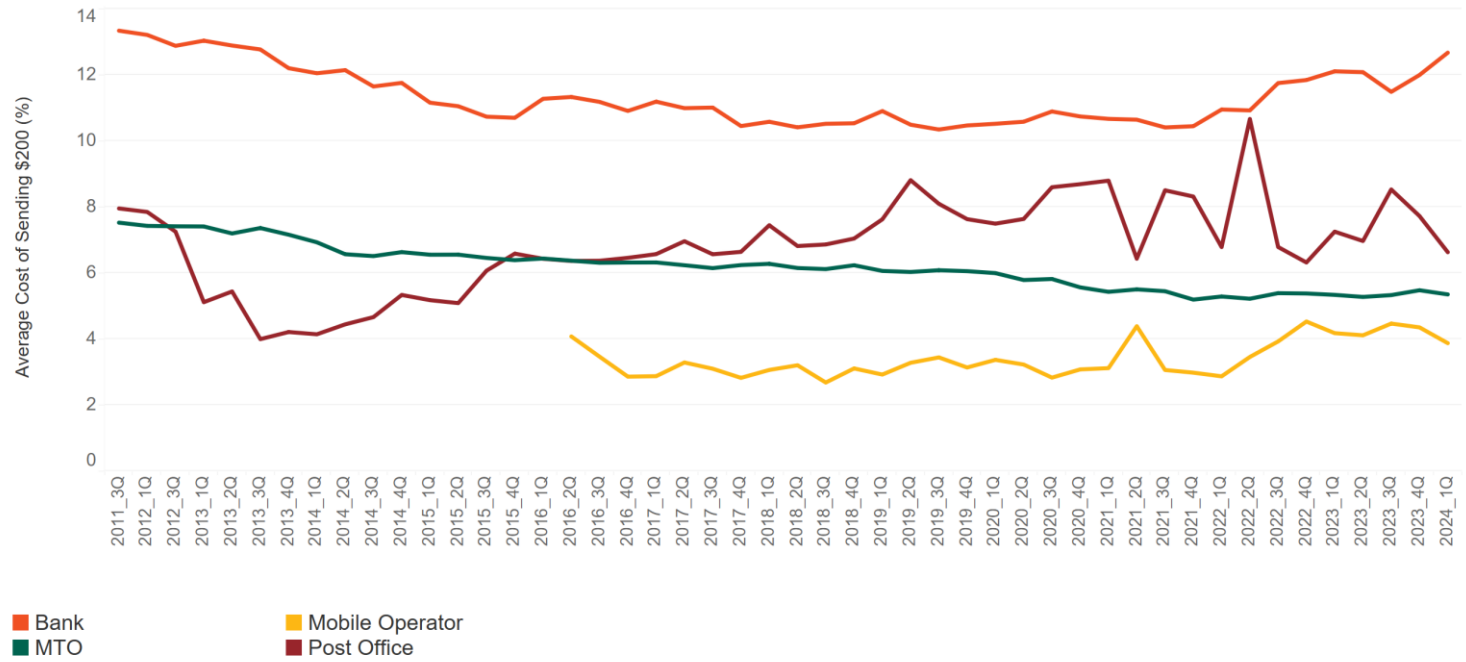
Figure 13 **Average costs by region: cash vs digital services**



Costs by RSP type

RPW tracks the cost of sending remittances for four main RSP types: banks, MTOs, mobile operators, and post offices. Figure 14 provides a time series visual of all the RSP types included in the RPW dataset.

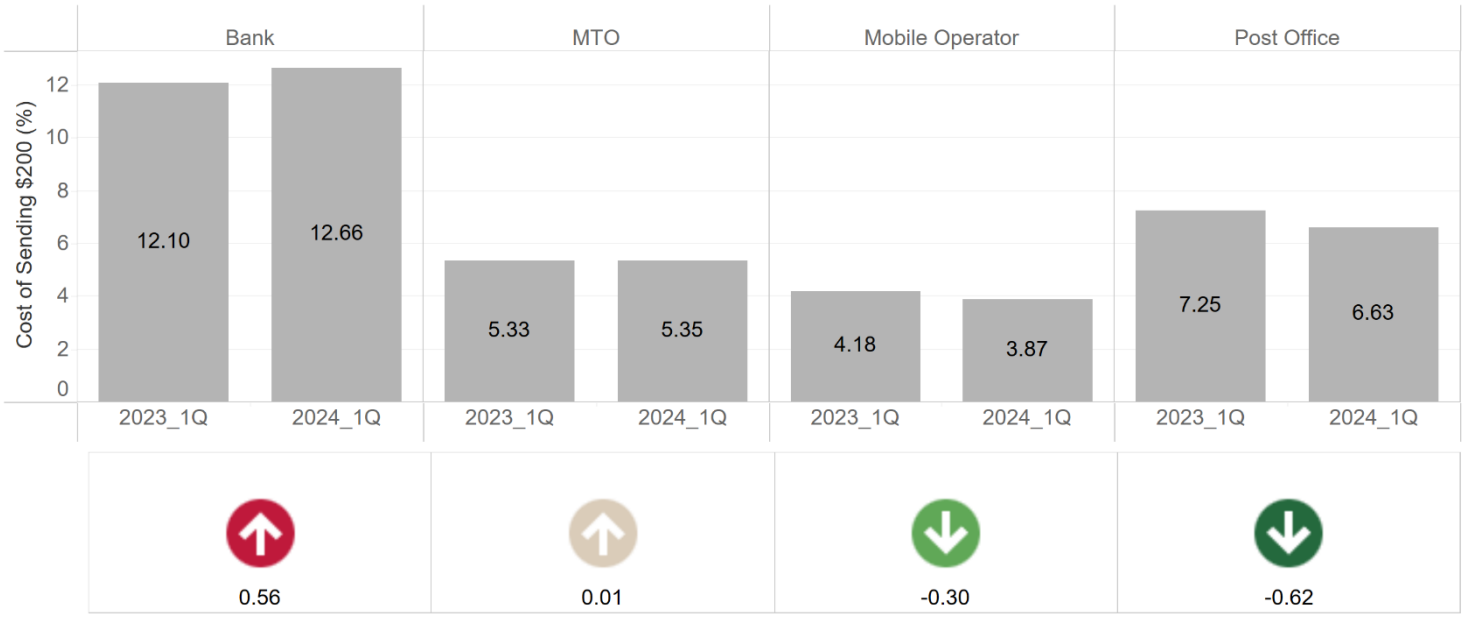
Figure 14 **Total averages over time by RSP type**



Over time, banks, mobile operators, and MTOs have seen a general decline of total average costs, while post office services, due to the small number of services, have led a volatile trend and overall recorded periodic increases since the historic low recorded in Q3 2013. Banks have been firmly above the Global Average, whereas MTOs and mobile operators have remained below.

Figure 15 provides an overview for each RSP type in Q1 2023 and Q1 2024. Banks continue to be the costliest RSP type, with an average cost of 12.66 percent in Q1 2024. Post offices' costs are recorded at 6.63 percent in Q1 2024.[11] MTOs' costs are recorded at 5.35 percent, while mobile operators are the cheapest RSP type with costs recorded at 3.87 percent. However, mobile operators only account for a very small share (less than 1%) of the sample size. Box 2 provides additional details on the average cost of sending $200 via mobile operators.

Figure 15 Total average by RSP type



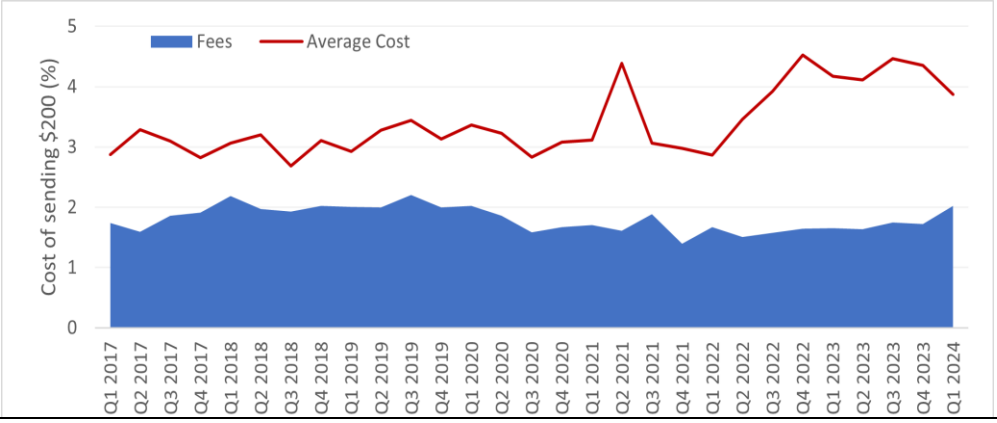
[11] Several services originating in France via "La Poste" are provided by "La Banque Postale" which is a subsidiary of La Poste and is licensed as a bank. This recategorization seems to have impacted the average cost of sending via post offices in Q1 2022.

Box 2 - Average cost of sending $200 via mobile operators

Average cost of sending $200 via mobile operators has been fluctuating around 3 percent over time, until recently. At the same time, transfer fees charged by mobile operators have been around 1.5 – 2.0 percent on average (Figure B2.1 – the blue shaded portion in the chart shows share of fees in the average cost).

RPW collects the total cost of services split into two components: transfer fee and foreign exchange margin. As shown in the figure, the fluctuations in the average cost of sending via mobile operators since 2021 have largely been due to the fluctuations in the average foreign exchange margin.

Figure B2.1 Average cost of sending $200 via mobile operators



A similar pattern is also observed for mobile money as the payment instrument.

Costs by sending and receiving method

RPW captures separately the payment instrument used to fund the transaction and the one used to disburse the funds to the receiver. This approach is reflected in the charts below. This approach allows for further refinement of the analysis and increases its adaptability to new products that might emerge and has proven particularly useful in monitoring innovative products and players.

In Q1 2024, credit or debit card overtook mobile money as the cheapest method for funding a remittance transaction at 5.12 percent (3,450 services recorded in RPW) (Figure 16). The average cost when using Cash (1,715 services) was 6.77 percent. Sending money using mobile money (50 services) cost 5.42 percent. Using a bank account incurred an average cost of 7.94 percent (2,252 services).

The cost of sending remittances to a bank account within the same bank or to a partner of the originating bank (103 services) was recorded at 11.74 percent in Q1 2024 (Figure 17). In contrast, sending money to a bank account regardless of originating bank (2,746 services), was 7.26 percent. When funds are sent to a mobile wallet (515 services) the average cost in Q1 2024 was 4.61 percent. Services where money is disbursed in cash (4,198 services) cost on average 5.97 percent. RPW data collection has picked up an emerging means of disbursement in 2023. In Q1 2024, disbursing using debit card (8 services) incurred

a cost of 5.00 percent.

Figure 16 Average Cost by Instrument Used to Fund the Transaction

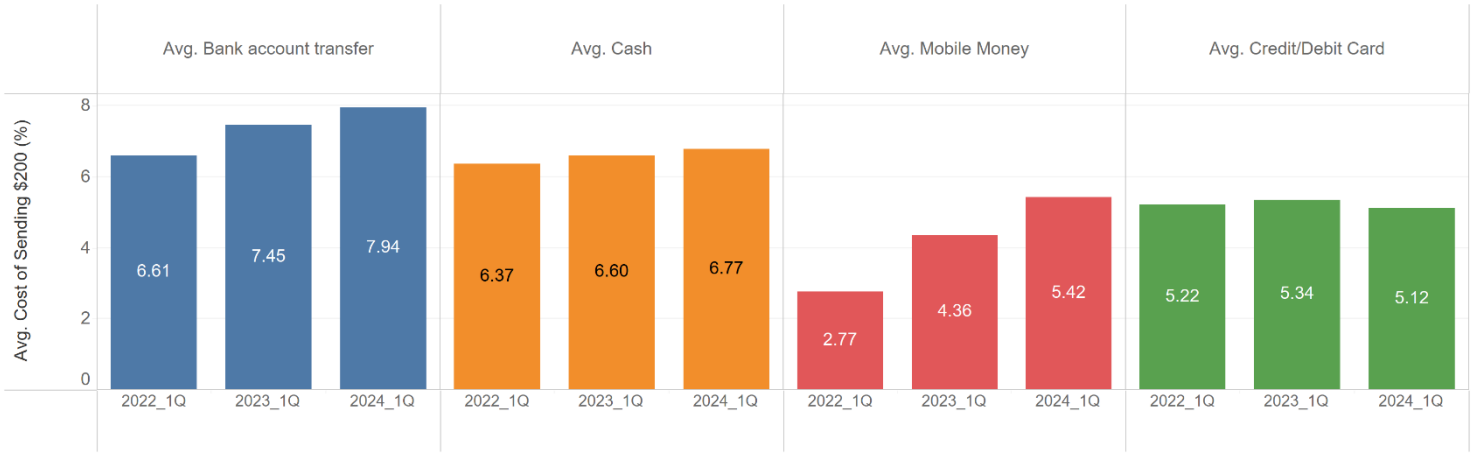
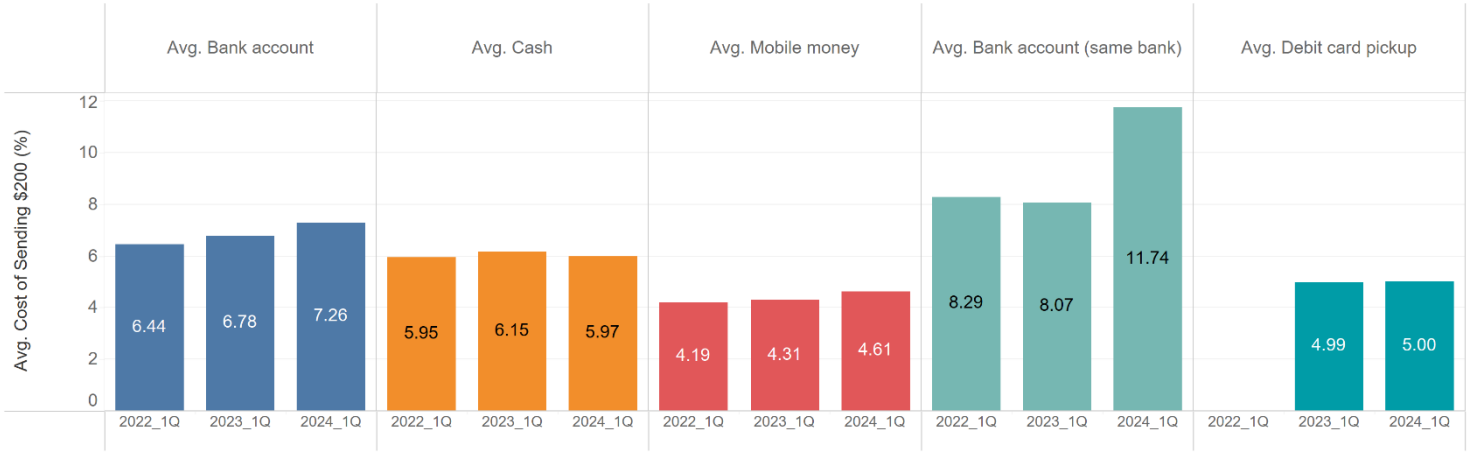


Figure 17 Average cost by means of disbursing the funds



Annex I – Tables ($200)

Table 1 – Global Average (%), International MTO Index

	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1
Global Avg.	6.67	6.75	6.51	6.38	6.30	6.30	6.04	6.09	6.01	6.30	6.24	6.25	6.20	6.18	6.39	6.35
MTO Index	6.95	6.81	6.56	6.31	6.57	6.37	6.39	6.44	6.17	5.93	6.34	6.37	6.46	6.29	6.45	6.30

Table 2 – Total average in G8 Countries (%)

	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1
Canada	7.12	6.27	5.23	6.13	6.47	6.60	6.69	6.66	6.50	6.60	6.29	6.51	6.45	5.96	6.41	6.23
France	6.27	6.30	6.06	5.93	5.78	6.21	6.41	6.69	6.41	6.09	5.75	6.29	5.98	6.07	5.99	5.98
Germany	7.10	7.47	7.10	7.26	6.15	6.37	6.22	6.10	5.83	7.02	5.98	6.13	5.84	5.62	5.62	5.80
Italy	5.75	6.15	5.27	4.76	4.76	4.76	4.54	4.78	4.37	4.79	4.97	5.01	5.36	5.62	5.67	6.01
Japan	10.36	10.58	10.02	10.5	8.50	7.95	7.52	7.35	7.58	7.82	7.22	6.96	7.09	7.12	7.03	6.94
Russia	1.90	1.94	1.00	1.00	2.40	2.93	3.13									
UK	6.74	6.57	6.48	6.44	6.25	6.06	5.65	5.64	5.62	6.33	6.34	6.25	5.82	5.97	5.97	5.69
USA	5.21	5.14	5.22	4.88	5.41	5.61	5.18	5.52	5.55	5.36	5.58	5.69	5.66	5.77	5.82	5.71
G8	6.31	6.33	6.01	5.92	5.79	5.83	5.61	5.80	5.68	5.98	5.88	5.97	5.83	5.87	5.92	5.87

Table 3 – Total average in G20 sending countries (%)

	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q4	2024 Q1
Australia	7.31	7.21	7.31	7.23	6.56	7.25	6.40	6.23	5.76	5.82	5.88	5.77	5.98	5.72	5.51	5.40
Brazil	9.57	9.77	7.00	7.17	7.74	4.81	4.19	5.93	7.71	9.01	8.08	8.10	9.41	7.61	6.90	6.56
Canada	7.12	6.27	5.23	6.13	6.47	6.60	6.69	6.66	6.50	6.60	6.29	6.51	6.45	6.96	6.41	6.23
France	6.27	6.30	6.06	5.93	5.78	6.21	6.41	6.69	6.41	6.09	5.75	6.29	5.98	6.07	5.99	5.98
Germany	7.10	7.47	7.10	7.26	6.15	6.37	6.22	6.10	5.83	7.02	5.98	6.13	5.84	5.62	5.62	5.80
Italy	5.75	6.15	5.27	4.76	4.76	4.76	4.54	4.78	4.37	4.79	4.97	5.01	5.36	5.62	5.67	6.01
Japan	10.36	10.58	10.02	10.5	8.50	7.95	7.52	7.35	7.58	7.82	7.22	6.96	7.09	7.12	7.03	6.94
Korea, Rep.	4.72	4.74	4.74	4.61	4.15	4.18	3.46	2.98	2.93	2.07	2.28	3.30	3.55	4.72	5.27	5.20
Russia	1.90	1.94	1.00	1.00	2.40	2.93	3.13									
Saudi Arabia	4.79	4.80	4.42	3.55	4.82	4.87	4.20	4.43	4.87	4.22	4.83	4.54	4.69	5.52	5.49	5.56
South Africa	14.56	15.05	14.41	14.91	15.86	14.81	13.02	13.93	14.73	15.01	13.19	13.4	13.9	11.62	12.82	13.18
UK	6.74	6.57	6.48	6.44	6.25	6.06	5.65	5.64	5.62	6.33	6.34	6.25	5.82	5.97	5.97	5.69
USA	5.21	5.14	5.22	4.88	5.41	5.61	5.18	5.52	5.55	5.36	5.58	5.69	5.66	5.77	5.82	5.71
From G20	6.73	6.79	6.52	6.49	6.46	6.37	6.00	6.20	6.14	6.39	6.37	6.47	6.43	6.33	6.46	6.47

Table 4 – Total average in G20 receiving countries (cost to send money to select countries %)

	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1
Brazil	7.30	6.90	7.07	6.69	6.10	6.43	6.35	6.56	6.27	6.17	5.87	5.90	6.28	5.97	6.12	6.39
China	8.23	8.43	8.07	7.71	7.14	6.78	6.35	6.52	6.28	6.37	6.12	6.30	6.45	6.46	6.59	6.61
India	5.30	5.41	5.51	5.17	5.18	5.31	4.94	4.98	4.70	4.65	4.57	4.72	4.77	4.95	5.04	5.01
Indonesia	6.68	6.57	6.53	6.29	6.16	6.15	5.62	5.61	5.57	5.26	5.51	5.34	5.58	5.32	5.44	6.00
Mexico	4.22	4.18	3.87	3.65	4.59	4.39	4.28	4.81	4.53	4.45	4.57	4.65	4.63	4.70	4.89	4.87
South Africa	7.41	8.14	8.03	8.08	7.16	8.21	6.20	6.36	6.56	6.68	6.43	6.64	6.73	7.17	7.20	7.08
Türkiye	6.67	7.26	6.75	6.91	7.54	6.93	6.54	6.08	6.55	6.20	6.40	6.28	6.01	5.62	5.81	6.07
To G20	6.47	6.56	6.50	6.22	6.06	6.02	5.62	5.69	5.53	5.46	5.42	5.48	5.58	5.55	5.67	5.79

Table 5 – Total average by regions of the world (%)

	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1
East Asia & Pacific	6.96	7.05	6.86	6.74	6.24	6.21	5.91	5.85	5.76	5.70	5.85	5.70	5.87	5.73	5.83	5.96
Europe & Central Asia (excl. RUS)	6.61	6.86	6.71	6.92	6.45	6.55	6.37	6.40	6.43	6.89	6.40	6.59	6.87	6.60	6.66	7.39
Latin America & Caribbean	5.77	5.83	5.56	5.51	5.58	5.72	5.60	6.03	5.96	5.64	6.03	5.81	6.13	6.87	5.88	5.97
Middle East & North Africa	7.17	7.51	6.58	6.31	6.22	6.56	6.37	6.66	6.33	6.15	6.66	6.08	5.88	5.83	5.93	6.07
South Asia	4.92	4.98	4.88	4.64	4.30	4.49	4.30	4.21	4.05	4.94	4.21	4.58	4.31	5.44	5.79	5.16
Sub-Saharan Africa	8.71	8.47	8.19	8.02	8.72	8.27	7.83	7.84	7.84	8.46	7.84	8.35	7.92	7.39	7.90	7.73

Annex II - Cost Trends for Sending $500

This Annex is a continued supplement to the ongoing Global Cost Reduction monitoring efforts established with the main RPW Quarterly Report. Global targets for reduction of remittances cost have focused on the $200 (or local currency equivalent) as the amount sent, which is believed to be an accurate representation of a typical remittance transaction size. However, data for $500 (or equivalent) have also been collected alongside the data for $200 and have been analyzed since Q4 2017 to complement the $200 analysis.

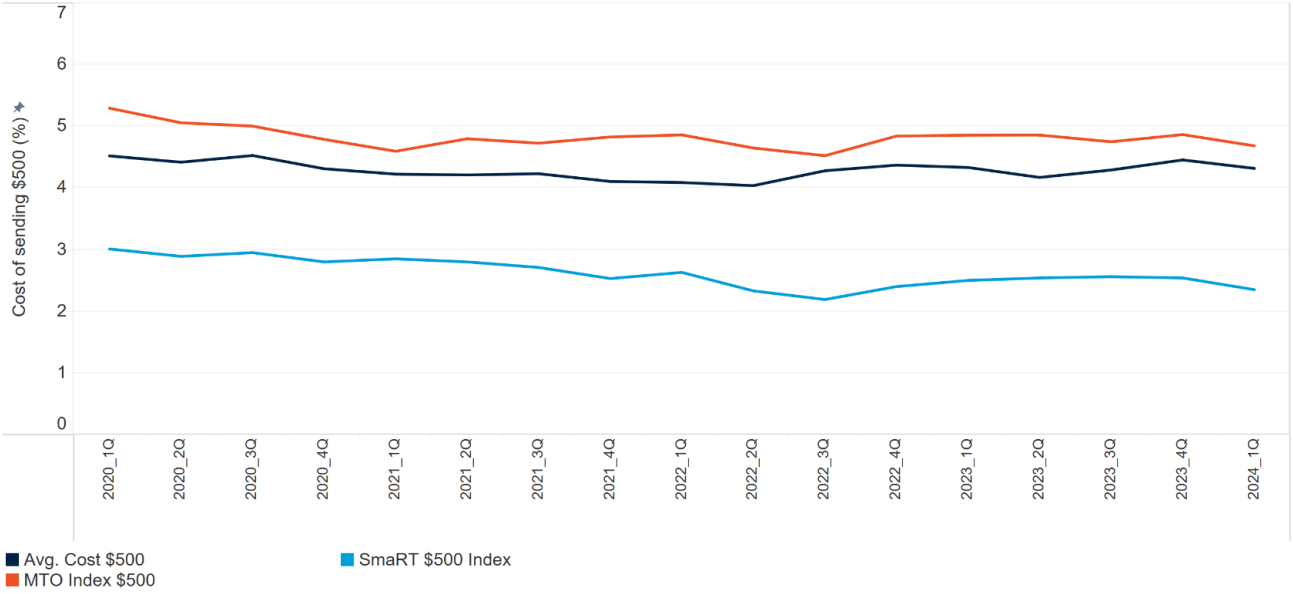
The analysis in this annex shows again that, as expected, the average cost of sending $500 is lower as a percentage of amount sent compared to the average cost of sending $200. The analysis additionally confirms that the average cost of sending $500 has followed a similar trend to the one observed over the years for $200.

Global trends for sending $500

Global average total cost

In Q1 2024, the Global Average cost for sending $500 was 4.32 percent. The average cost of sending $500 has remained below the 5.00 percent since Q2 2014 and has never exhibited a value above 6 percent (the costliest period was in Q3 2011, where the total average cost of sending $500 was recorded at 5.59 percent) (Figure 18). This represents a decline of 1.00 percentage point since Q1 2011, when the figure was first recorded at 5.32 percent. Over the preceding 5-year period (Q1 2019 – Q1 2024), the total cost of sending $500 has decreased by 0.25 percentage point.

Figure 18 Global average total cost for sending $500



International MTO Index

The International MTO Index tracks the prices of MTOs that are present in at least 85 percent of corridors covered in the RPW database.[12] In Q1 2024, the International MTO Index for $500 decreased to 4.68 percent. As seen in Figure 18, the International MTO Index exhibits an overall downwards trend. Over the preceding 5-year period (Q1 2019 – Q1 2024), the total cost of sending $500 has decreased by 0.64 percentage point.

SmaRT Remitter Indicator

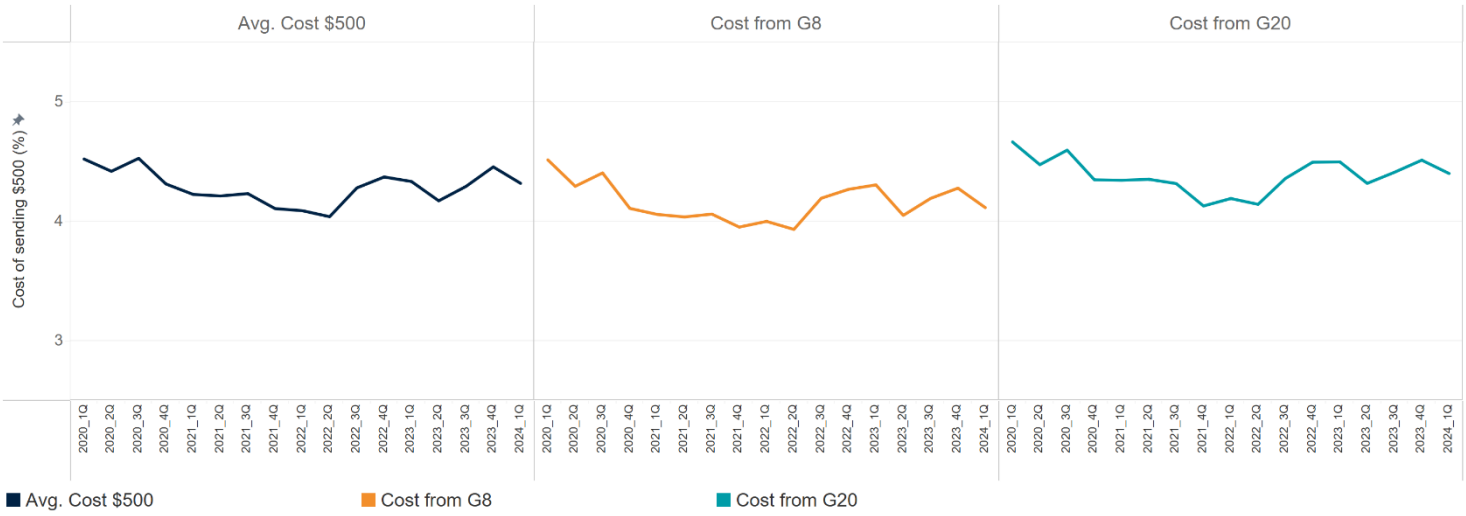
The SmaRT index aims to reflect the cost that a savvy consumer with access to sufficiently complete information could pay to transfer remittances in each corridor. In Q1 2024, the Global SmaRT Average for $500 was recorded at 2.35 percent.

G20 Countries

Cost of sending remittances from and to G20 countries

The cost of remitting $500 from G20 countries has remained below 5.00 percent since Q1 2014, when this figure was recorded at 5.10 percent. The total cost of remitting $500 from G20 countries has closely followed a similar trend as the Global Average of sending $500, as seen in Figure 19. The cost of remitting $500 from G20 countries in Q1 2024 experienced a small decrease, recorded at 4.40 percent.

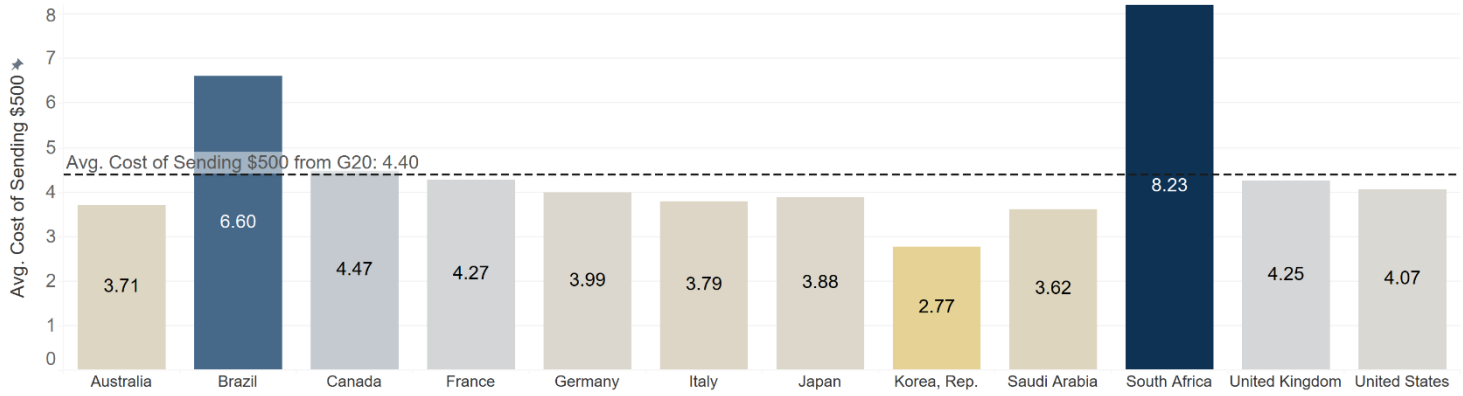
Figure 19 Average cost of sending $500 from G20 countries



[12] The International MTOs Index includes all MTOs that are present in over 85 percent of RPW corridors. Thus far, it has included Western Union and MoneyGram, which operate in 95 percent and 90 percent of the country corridors covered in the database, respectively.

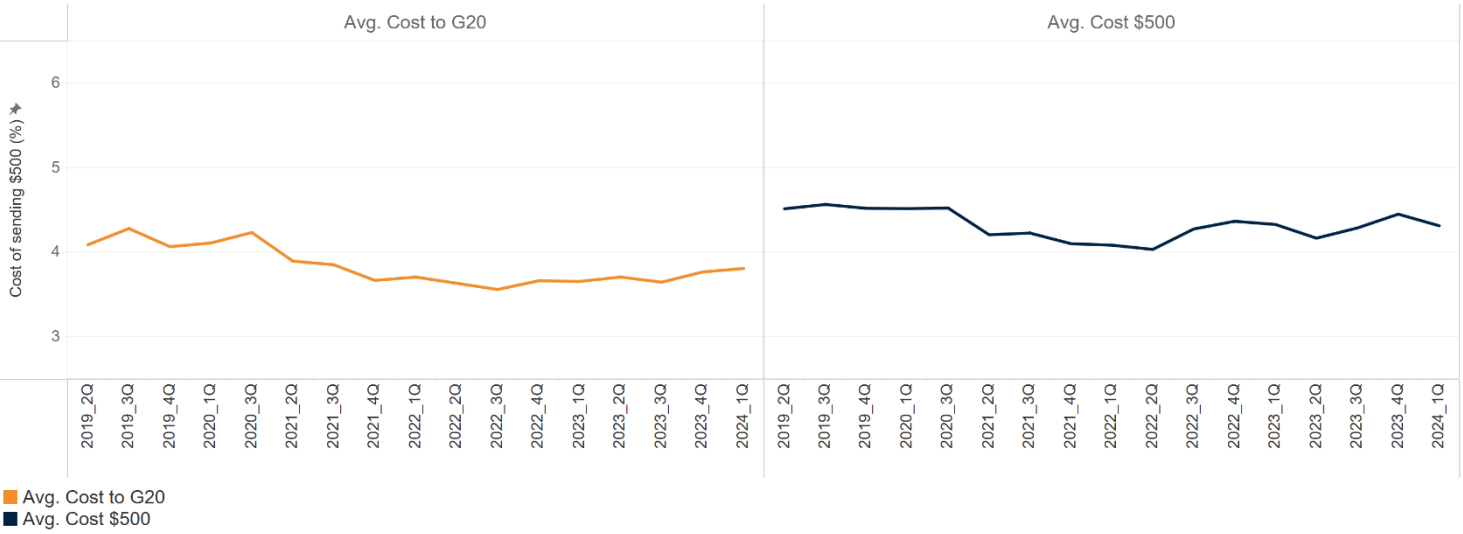
In Q1 2024, South Africa is the most expensive G20 country to send $500 from (see Figure 20) at 8.23 percent, closely followed by Brazil recorded at 6.60 percent. The Republic of Korea remains the least expensive sending country in this grouping, exhibiting a total average cost of sending $500 of 2.77 percent, followed by Saudi Arabia (3.62 percent), Australia (3.71 percent), Italy (3.79 percent), Japan (3.88 percent), Germany (3.99 percent), the United States (4.07 percent), the United Kingdom (4.25 percent), and France (4.27 percent). Of this group only Brazil and South Africa exhibit costs higher than the Global Average in Q1 2024.

Figure 20 Average cost of remitting from G20 countries



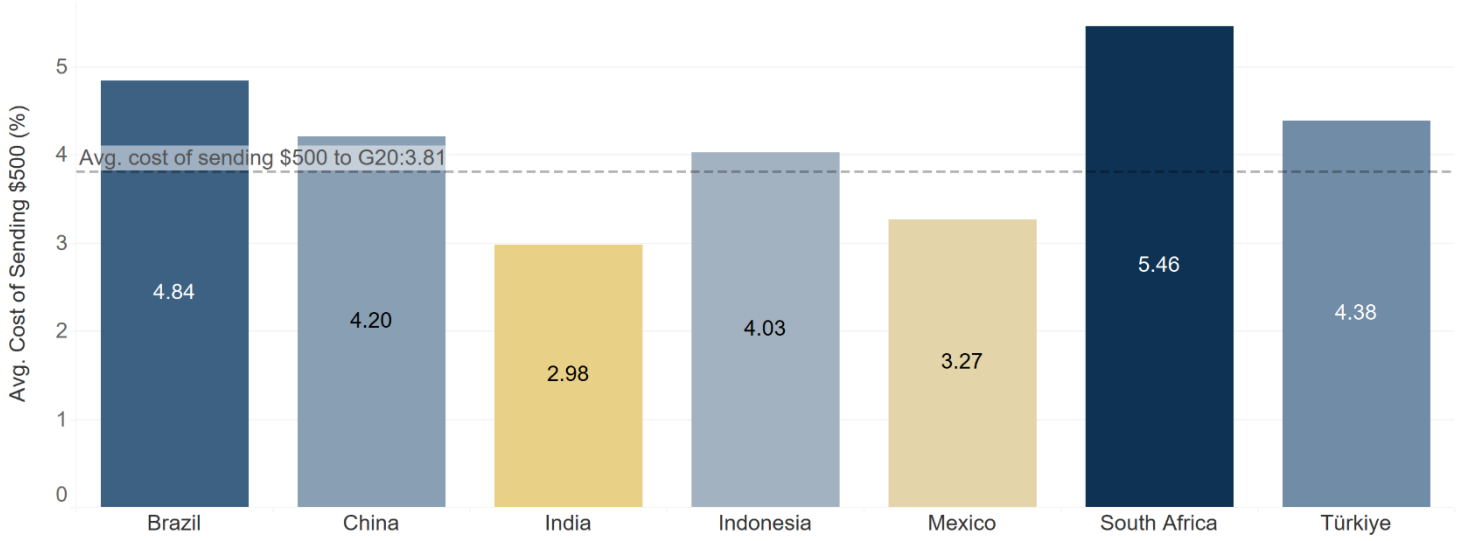
Figures 21 and 22 display the total average cost of sending $500 to G20 countries over time and in Q1 2024, respectively. The average cost of sending $500 to the G20 countries that are included in RPW as receiving markets increased slightly from 3.77 percent in Q4 2023 to 3.81 percent in Q1 2024.

Figure 21 Average cost of remitting to G20 countries



For the past 5 consecutive years, the cost of remitting $500 to G20 countries is recorded below the Global Average cost of sending $500. In Q1 2024, South Africa (5.46 percent) remains the most expensive country in this grouping to remit to, followed by Brazil (4.84 percent), Türkiye (4.38 percent), and China (4.20 percent). Over the last 5 years, the total average cost of sending to G20 countries has decreased by 0.36 of a percentage point (in Q1 2019, this figure was recorded at 4.17 percent).

Figure 22 Average cost of remitting $500 to G20 countries, by Country



Annex III – Tables ($500)

Table 6 – Global Average, International MTO Index ($500)

	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1
Global Avg.	4.42	4.53	4.31	4.22	4.21	4.23	4.10	4.09	4.04	4.28	4.37	4.33	4.21	4.29	4.45	4.32
MTO Index	5.06	5.00	4.79	4.59	4.80	4.73	4.83	4.86	4.65	4.52	4.84	4.86	4.86	4.75	4.86	4.68

Table 7 – Cost of sending $500 from G20 countries

	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1
Australia	4.71	4.68	4.73	4.71	4.38	4.63	4.44	4.24	3.76	3.90	4.05	4.02	4.07	3.96	3.79	3.71
Brazil	9.19	9.46	6.79	6.82	7.65	4.50	3.96	6.01	7.20	9.26	7.88	7.68	8.76	7.57	6.88	6.60
Canada	4.74	4.22	3.32	4.23	4.58	4.70	4.54	4.55	4.43	4.59	4.74	4.94	4.81	4.36	4.69	4.47
France	4.86	5.00	4.67	4.52	4.28	4.63	4.68	4.54	4.42	4.10	4.15	4.47	4.39	4.25	4.22	4.27
Germany	4.82	5.22	4.89	5.04	4.08	3.97	4.11	3.93	3.94	4.63	4.09	4.23	3.88	3.89	3.85	3.99
Italy	3.99	4.43	3.59	3.13	3.20	3.25	3.12	3.31	3.00	3.40	3.62	3.59	3.63	3.87	4.09	3.79
Japan	5.32	5.89	5.19	5.42	4.60	4.36	4.30	4.16	4.13	4.39	4.19	3.89	4.01	3.98	3.95	3.88
Korea, Rep.	2.38	2.40	2.54	2.41	2.24	2.40	2.14	1.87	1.87	1.05	1.28	1.34	1.50	2.45	2.83	2.77
Russia	1.55	1.61	1.00	1.00	2.40	2.66	2.83									
Saudi Arabia	2.94	2.66	2.52	2.01	2.88	2.91	2.64	2.88	3.13	2.54	3.18	2.86	2.95	3.62	3.61	3.62
South Africa	8.58	9.09	8.75	8.99	9.38	9.11	7.75	8.18	8.68	8.64	8.22	7.81	8.04	7.58	7.82	8.23
UK	4.76	4.74	4.68	4.69	4.62	4.54	4.21	4.09	3.99	4.80	4.86	4.76	4.27	4.46	4.58	4.25
USA	3.58	3.50	3.62	3.33	3.78	3.88	3.71	3.89	3.95	3.77	4.00	4.07	3.97	4.19	4.23	4.07
From G20	4.47	4.59	4.35	4.34	4.35	4.31	4.13	4.19	4.14	4.36	4.49	4.50	4.37	4.41	4.51	4.40

Table 8 – Cost of receiving $500 in G20 countries

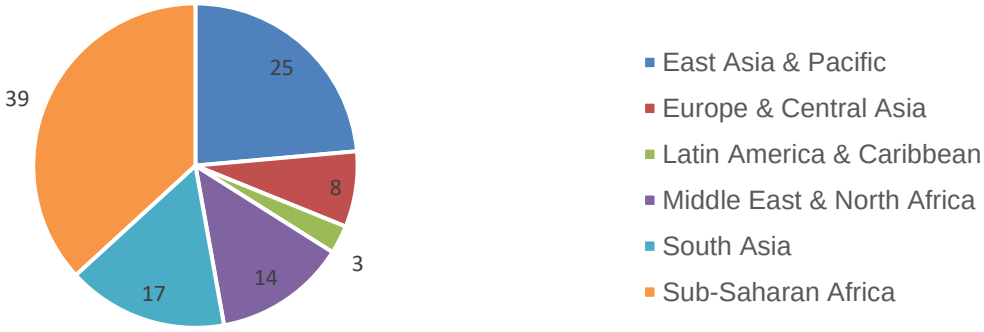
	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1
Brazil	5.42	5.00	5.17	4.77	4.64	4.87	4.91	5.04	4.67	4.72	4.57	4.56	4.78	4.59	4.72	4.84
China	5.02	5.25	4.93	4.72	4.44	4.25	4.02	4.11	3.98	4.01	4.01	4.10	4.18	4.18	4.28	4.20
India	3.20	3.29	3.38	3.05	3.13	3.14	2.99	3.03	2.88	2.78	2.85	2.85	2.96	2.96	3.02	2.98
Indonesia	4.32	4.17	4.18	3.89	3.90	3.82	3.62	3.61	3.60	3.34	3.73	3.51	3.69	3.48	3.63	4.03
Mexico	2.81	2.69	2.36	2.13	2.83	2.76	2.86	3.21	3.09	2.94	3.12	3.15	3.05	3.01	3.27	3.27
South Africa	5.72	6.29	6.23	6.28	5.47	6.28	4.62	4.75	5.03	5.24	4.91	5.13	4.99	5.48	5.60	5.46
Türkiye	4.90	5.45	4.94	5.18	5.24	4.81	4.64	4.18	4.76	4.58	4.67	4.70	4.57	4.13	4.29	4.38
To G20	4.17	4.24	4.19	3.94	3.90	3.86	3.67	3.71	3.64	3.56	3.67	3.66	3.73	3.65	3.77	3.81

Annex IV – Prospects Index

Since Q1 2022, RPW data collection would be used to also monitor new services via a *prospects index*. These new services could be candidates for inclusion in the main index in the future subject to them meeting certain requirements. In Q1 2024, thirty-eight new services originating from ten sending country were added to the prospects index, covering twenty-one destination countries.

In Q1 2024, eleven services were moved from the Prospects Index and added to the main analysis. Taken together, the Prospects Index now includes 107 services. Figure 23 shows the distribution of these services by receiving region.

Figure 23 Number of Prospects Index services by receiving region



Average cost for sending $200 for the prospects index was 6.63 percent, higher than the global average of 6.35 percent in Q1 2024. Fifty-six services were digital services, accounting for 52 percent of all services in the prospects index. Average cost for digital remittances was 4.31 percent, lower than the global digital remittances index of 4.96 percent. Figure 24 plots the average cost by receiving regions. Average cost for the prospects index in Q1 2024 stayed lower than the global average. It is partly caused by graduating previously high-cost services, i.e. collaboration between Bank and MTO, to the main data.

In Q1 2024, cheapest method to fund a remittance transaction among the services in the prospects index was mobile money at 2.34 percent. According to Table 9, average costs of sending $200 via various payment instrument are all higher than their main dataset counterparts, except for services sent via mobile money. Table 10 shows mobile wallet is the cheapest method to disburse remittance among the services in the prospects index at 3.14 percent. Apart from mobile wallet and debit card, sending $200 to various pickup instruments in the prospects index are all more expensive than sending to their counterparts in the main analysis.

Figure 24 Average cost of Prospects Index services by region, sending $200 (%)

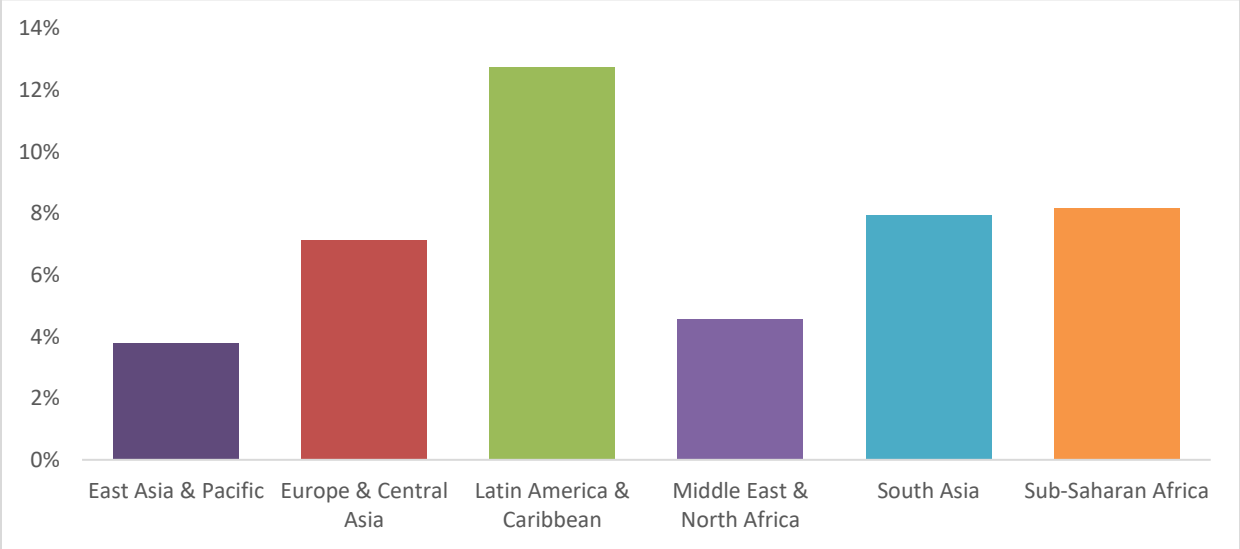


Table 9 Average Cost by Instrument Used to Fund the Transaction, sending $200

Sending method	Cash	Bank Account	Debit/Credit Card	Mobile Money
Prospects Index	na	9.52	5.25	2.34
Number of services	na	38	64	5

Table 10 Average cost by means of disbursing the funds, sending $200

Receiving method	Cash	Bank Account	Bank Account (same bank)	Debit Card	Mobile Wallet
Prospects Index	6.58	7.50	17.67	4.68	3.14
Number of services	41	53	2	1	12

Table 11 provides additional information for comparison, including the average costs using the services included in the prospects index only, the average costs without these services as shown elsewhere in this report, and the average costs if these services would instead be included in the main analysis.

RPW will continue to monitor new services in the coming quarters as part of the prospects index. Over time, these services will be added to the main analysis and indices, based on a combination of materiality and diversity criteria.

Table 11 A comparison of cost of sending $200 with/without the services in the prospects index

	Prospects Index	# of services	Q1 2024 averages (Reported in the main section)	Would-be Q1 2024 averages including prospects
East Asia & Pacific	3.78	25	5.96	5.93
Europe & Central Asia	7.12	8	7.39	7.39
Latin America & Caribbean	12.76	3	5.97	6.00
Middle East & North Africa	4.56	14	6.07	6.04
South Asia	7.95	17	5.16	5.19
Sub-Saharan Africa	8.16	39	7.73	7.74
Average total cost	6.63	107	6.35	6.36
Digital remittances index	4.31	56	4.96	4.94

Annex V – Corridors from Russia

Out of the 13 corridors in the RPW database, data collection has resumed in 9 corridors, with a total of 16 services. The number of services per corridor resumed dropped from 4.7 services in Q4 2023 to 1.8 services per corridor in Q1 2024 due to regulatory measures by the Central Bank of Russia.[13] The countries to which services remain unavailable are Estonia, Latvia, Lithuania, and Ukraine. Table 12 presents a comparison of corridor averages in Q4 2021, Q3 2022, Q4 2023, and Q1 2024. Due to the ongoing Russia-Ukraine war, these services have been excluded from the main analysis.

Table 12 Cost of sending $200 in Russian corridors comparison

	Q4 2021	# of services	Q3 2022	# of services	Q4 2023	# of services[14]	Q1 2024	# of services
Russian Federation to Armenia	1.78	2	2.50	1	2.50	1	1.95	1
Russian Federation to Azerbaijan	1.77	4	1.00	2	1.00	6	0.99	1
Russian Federation to Belarus	1.15	5	0.96	3	0.98	7	0.95	2
Russian Federation to Estonia	6.27	6	-	-	-	-	-	-
Russian Federation to Georgia	1.91	6	1.00	1	1.0	6	0.99	1
Russian Federation to Kazakhstan	1.47	5	0.96	3	1.0	6	0.99	1
Russian Federation to Kyrgyz Republic	0.90	6	4.14	4	0.98	7	0.92	2
Russian Federation to Latvia	6.90	5	-	-	-	-	-	-
Russian Federation to Lithuania	6.57	5	-	-	-	-	-	-
Russian Federation to Moldova	1.56	5	0.98	2	0.99	6	1.89	3
Russian Federation to Tajikistan	2.13	4	2.10	3	2.10	2	0.90	2
Russian Federation to Ukraine	4.30	6	-	-	-	-	-	-
Russian Federation to Uzbekistan	2.65	7	3.60	5	3.33	1	2.46	3

[13] On February 21, 2024, Central Bank of Russia revoked the license of QIWI Bank, which is also the owner of Contact money transfer system. Contact money transfer services were not available in Q1 2024 when the data were collected. These account for 32 services originating in Russia, which were included in the RPW dataset in the previous quarters.

[14] Please note that this column is based on the new data categorization.

REMITTANCE PRICES WORLDWIDE
THE WORLD BANK GROUP

The World Bank Group 1818 H Street NW Washington, DC 20433 USA

www.worldbank.org
THE WORLD BANK
IBRD • IDA | WORLD BANK GROUP
paymentsystems@worldbank.org
Telephone: +1 202 473-1000