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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 June 2021.

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

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## 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 5 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, 15.0 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.

*The World Bank is calling for feedback to improve the RPW dataset in regard to provider and product coverage within the scope of the [RPW methodology](#). We would like to hear your feedback at: [paymentsystems@worldbank.org](mailto:paymentsystems@worldbank.org)*

## Key findings

- The **Global Average** recorded a decrease from 6.38 percent in Q1 2021 to 6.30 percent in Q2 2021.
- The **International MTO Index** experienced a moderate increase over the quarter to 6.57 in Q2 2021, from 6.31 percent in Q1 2021. This is the fifth consecutive quarter in which this figure has been recorded below 7.00 percent.
- The **Global Weighted Average** increased to 4.71 percent in Q2 2021, from 4.54 percent in Q1 2021. This is the third quarter in which this figure has been recorded below 5.00 percent.
- The **Global SmarT Average** for Q2 2021 was recorded at 3.97 percent.
- The **Digital remittances index** decreased from 5.08 percent in Q1 2021 to 4.99 percent in Q2 2021.
- South Asia remains the lowest cost receiving region, with an average cost of 4.30 percent. Sub-Saharan Africa remains the most expensive region to send money to, recorded at 8.72 percent total average cost in Q2 2021.
- Banks remain the most expensive type of service provider, with an average cost of 10.64 percent.
- The proportion of corridors with average costs of less than 5 percent has increased considerably since Q1 2009 (from 17 percent to 41 percent in Q2 2021).
- In Q2 2021, mobile money was the least costly instrument to originate remittances and was also the least cost instrument to receive remittances.

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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 G8 (L'Aquila, 2010) and the G20 (Cannes, 2011 and Brisbane, 2014) committed to reduce the Global Average Total Cost to 5 percent. The UN SDGs have indicated a target of 3 percent for the Global Average to be reached by 2030. At the same time, the UN SDGs 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.



## Changes in Q2 2021

In Q2 2021, RPW underwent a change in data classification which is summarized below.

During the Q2 2021 data collection period, the team has found that pricing in a corridor has started to diverge for some service providers based on different payment instruments and/or different ways of accessing the service on both ends of the corridor. In such instances, the existing services in the database that included multiple instruments and/or access types were separately recorded in the Q2 2021 dataset to capture the different price information.

As such, the total number of products have increased to 15 per corridor, compared with 13.3 per corridor using the previous categorization in Q1 2021.<sup>1</sup>

Overall, a non-material decrease across RPW indicators was observed because of this change. Compared to cash services, digital services with flexible payment instrument and multiple access points account for a larger share of the newly added services.

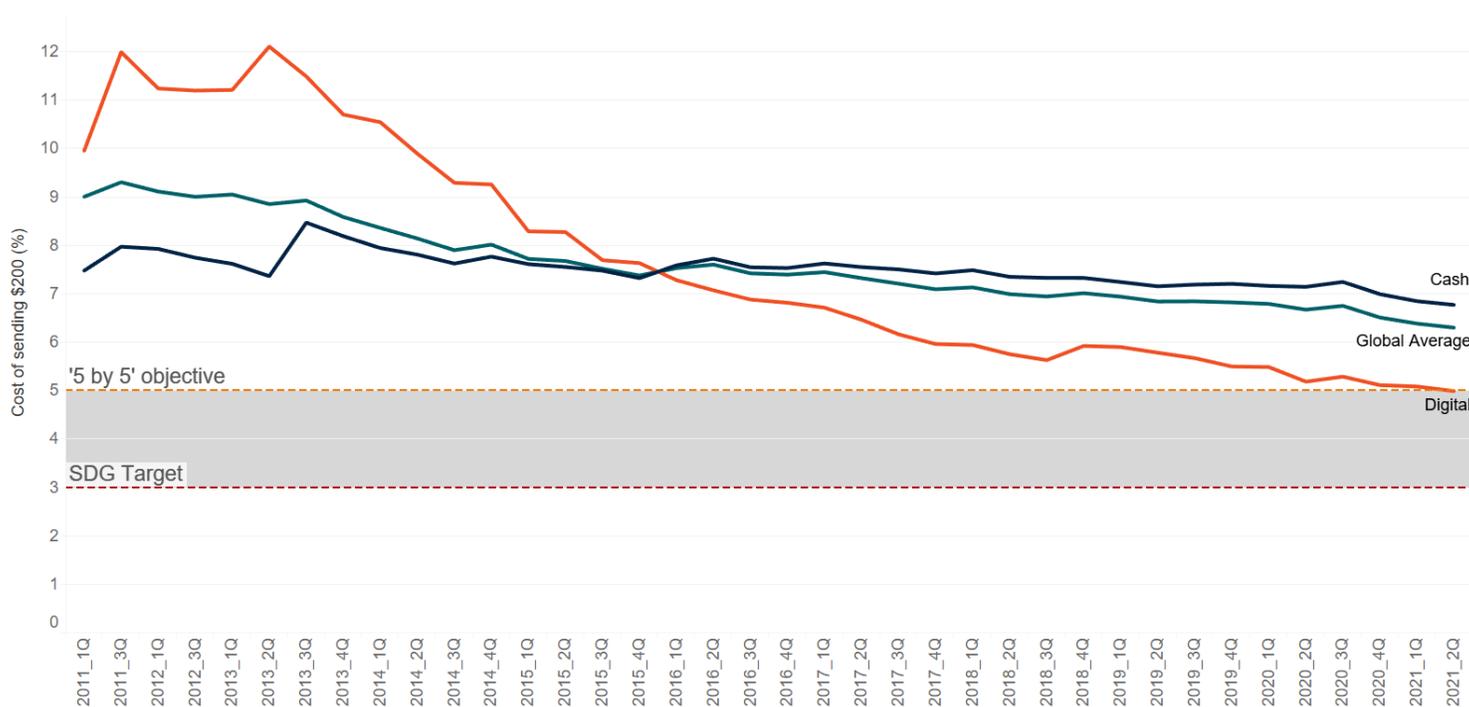
<sup>1</sup> Please note that the number of available products overall have declined since the start of the COVID-19 pandemic due to mainly the unavailability of cash-based services. Prior to the start of the pandemic, in Q1 2020, the number of services included in RPW per corridor was 14.2 on average.

# Global trends

## Global average experiences reduction

In Q2 2021, the Global Average cost for sending remittances was 6.30 percent. It represents a decrease from 6.38 in Q1 2021. 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 3.37 percentage points since Q1 2009, when the figure was recorded at 9.67 percent. In addition to the Global Average, another average total cost is introduced to track the average price of “digital remittances” in RPW database.<sup>2</sup> In Q2 2021, the global average for digital remittances was recorded at 4.99 percent, while the global average for non-digital remittances was 6.77 percent. Digital services account for 26% of all services RPW collected in Q2 2021.

**Figure 1 Trends in the global cost of sending \$200 in remittances<sup>3</sup>**



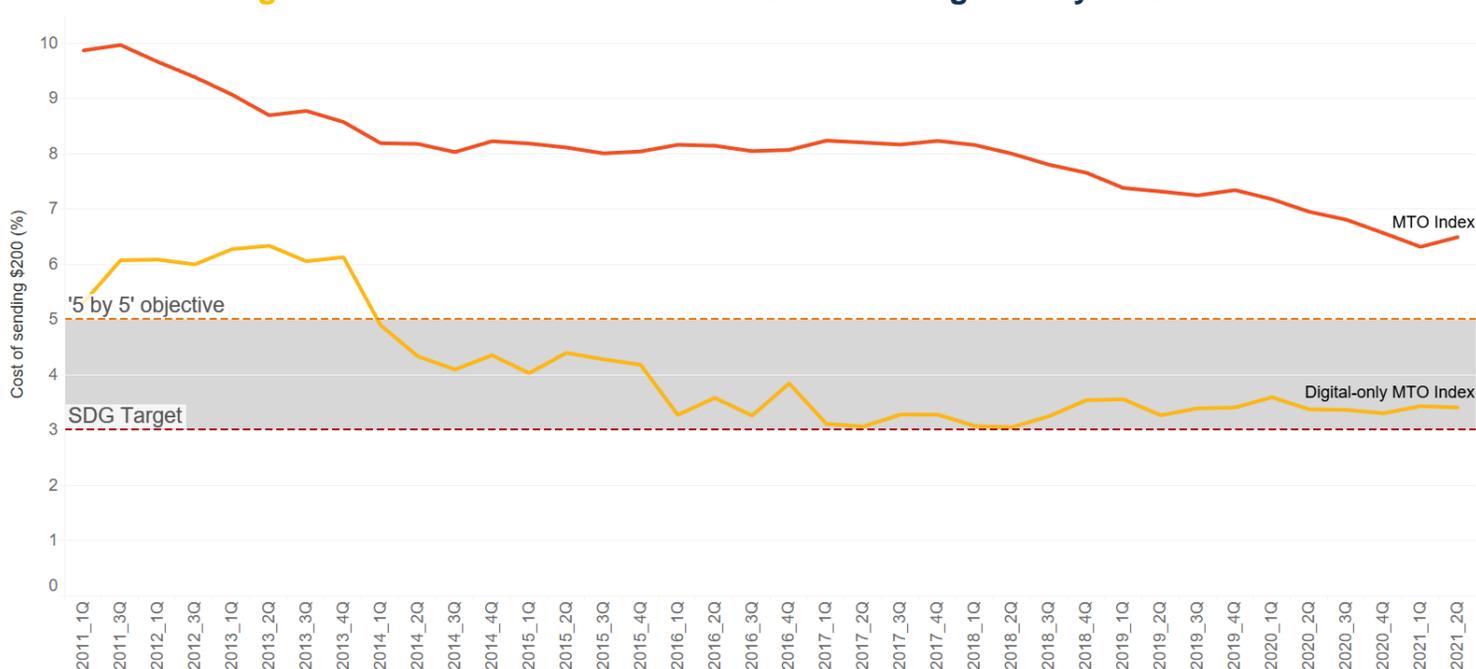
<sup>2</sup> A digital remittance must be sent via a payment instrument in an online or self-assisted manner, and received into a transaction account, i.e., bank account, transaction account maintained at a non-bank deposit taking institution (say a post office), mobile money or e-money account.

<sup>3</sup> 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.<sup>4</sup> In Q2 2021, the International MTO Index recorded a moderate increase to 6.57 from the previous value of 6.31 percent in Q1 2021. Over the year, this figure was down by 0.38 of a percentage point, recorded at 6.95 percent in Q2 2020. This figure has come down by 3.79 percentage points from its first recorded value of 10.36 percent in Q1 2009. A second Digital-only MTO Index has been introduced to reflect the growing impact of digital and information technology innovation on the global remittance market. Digital-only MTO refers to money transfer operators that send remittances only through digital channels.<sup>5</sup> Digital-only MTO Index has consistently remained below both the International MTO Index and the global average. In Q2 2021, Digital-only MTO Index recorded at 3.41 percentage point, a modest decrease from 3.43 percentage point in Q1 2021.

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



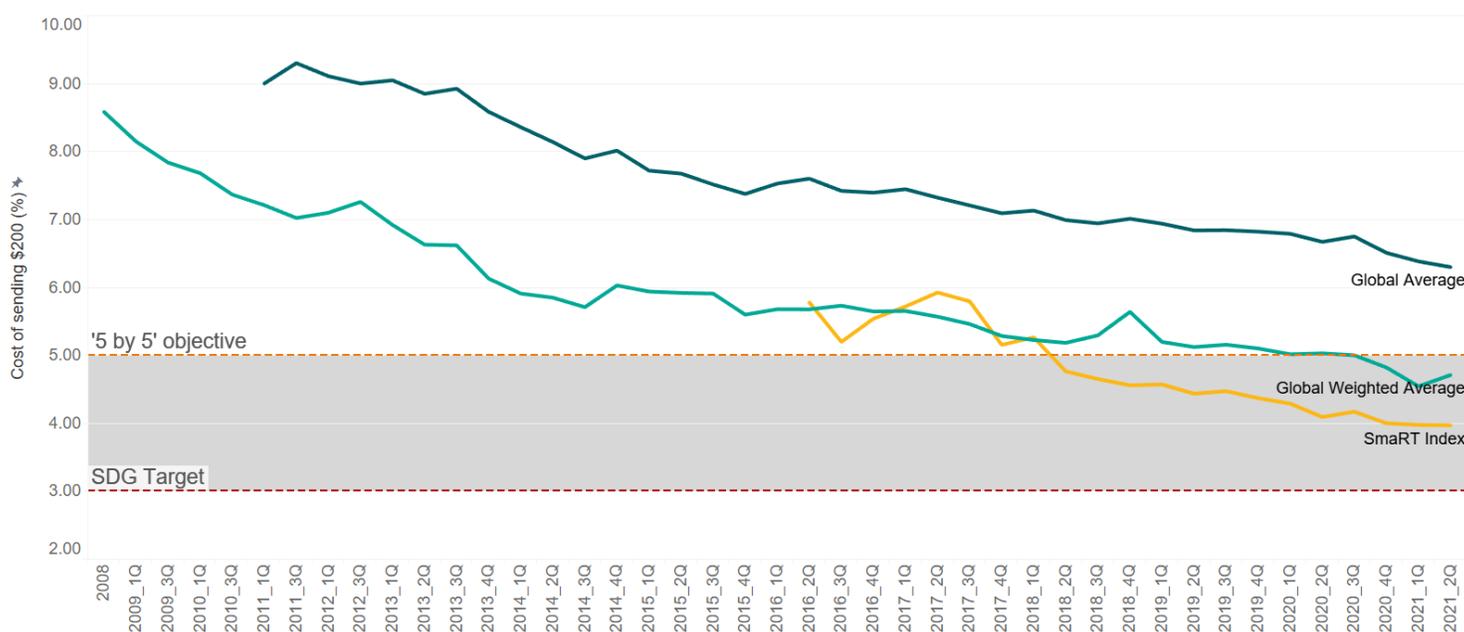
<sup>4</sup> The International MTOs Index includes all MTOs that are present in over 85 percent of RPW corridors. Thus far, it has included Western Union and MoneyGram, which operate in 95 percent and 90 percent of the country corridors covered in the database, respectively.

<sup>5</sup> It includes five digital-only MTOs, Transferwise (Wise), Remitly, WorldRemit, InstaReM and Xoom.

## Global weighted average

Also, a weighted average total cost is calculated, which accounts for the relative size of the flows in each remittance corridor.<sup>6</sup> The Global Weighted Average of sending remittances, as illustrated in Figure 3 (see also Table 1 in the Annex), has at times shown a different pattern from the simple average. In Q2 2021, the Global Weighted Average recorded at 4.71 percent (in Q1 2021, this was recorded at 4.54 percent). This is the third consecutive quarter in which this figure has been recorded below 5.00 percent. Over the last five years, this figure has decreased by approximately 0.97 percentage points – recorded at 5.68 percent in Q2 2016.

**Figure 3 Trends in Global weighted average & SmaRT average**



<sup>6</sup> It is important to note that, while official data on remittance flows by bilateral corridors are currently not available, estimates (Ratha and Shaw 2007, last updated in 2018, available at <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.

## 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 use the service, such as a bank account, mobile phone, or the Internet.<sup>7</sup> In Q2 2021, the Global SmaRT Average was recorded at 3.97 percent. Since Q2 2020 this figure has come down from 4.09 percent, a nominal decrease of 0.12 of a percentage point.

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 Q2 2021, 26 of the 367 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 26 corridors, seventeen are destined for Sub-Saharan Africa, three for the Middle East and North Africa, four for South Asia, one for Europe and Central 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 most (20 out of 26 – see Box) have a “Green Light” rating for Mobile services (measured by availability of cash services and number of cellular subscriptions per 100 persons).

### Box - Corridors without SmaRT qualifying services with “Green Light” rating for mobile services

|                            |                         |                                     |
|----------------------------|-------------------------|-------------------------------------|
| Angola to Namibia          | Nigeria to Benin        | Saudi Arabia to Sudan               |
| Ghana to Nigeria           | Nigeria to Mali         | Saudi Arabia to Syrian Arab Rep.    |
| India to Bangladesh        | Nigeria to Togo         | Saudi Arabia to Yemen, Rep.         |
| India to Pakistan          | Netherlands to Suriname | United Arab Emirates to Yemen, Rep. |
| India to Sri Lanka         | Pakistan to Afghanistan | United States to Yemen, Rep.        |
| Jordan to Syrian Arab Rep. | Qatar to Sudan          | United States to Egypt, Arab Rep.   |
| Russia to Uzbekistan       |                         | United Arab Emirates to Sudan       |

*Note: In Q2 2021, RPW continues to experienced difficulties in collecting data on the outbound services from Nigeria. Therefore, for Q2 2021, RPW reports no qualifying services from Nigeria to Benin, Mali and Togo.*

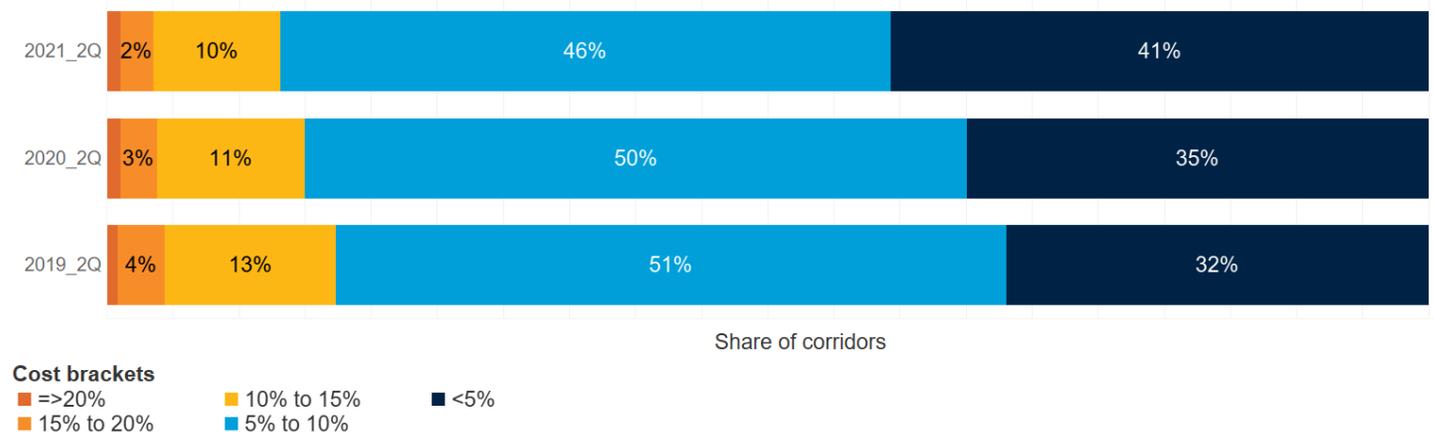
<sup>7</sup> For additional information on the methodology used to calculate SmaRT see [https://remittanceprices.worldbank.org/sites/default/files/smart\\_methodology.pdf](https://remittanceprices.worldbank.org/sites/default/files/smart_methodology.pdf)

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 Q2 2021, 69 percent of all corridors covered in the RPW database had SmaRT corridor averages below 5 percent.

## 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 33 percentage points (53 percent of corridors in Q1 2009, compared to 86 percent of corridors in Q2 2021). 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 Q2 2021, compared to 29 percent of corridors in Q1 2009. Year over year since Q1 2019, this gradual shift is visible. Of the 4 corridors with costs above 20 percent in Q2 2021, three originate in Sub-Saharan Africa and are destined for Sub-Saharan Africa. In addition, corridor average total costs for all outbound services from Nigeria remain unavailable in Q2 2021.

**Figure 4 Distribution of Average Total Costs**

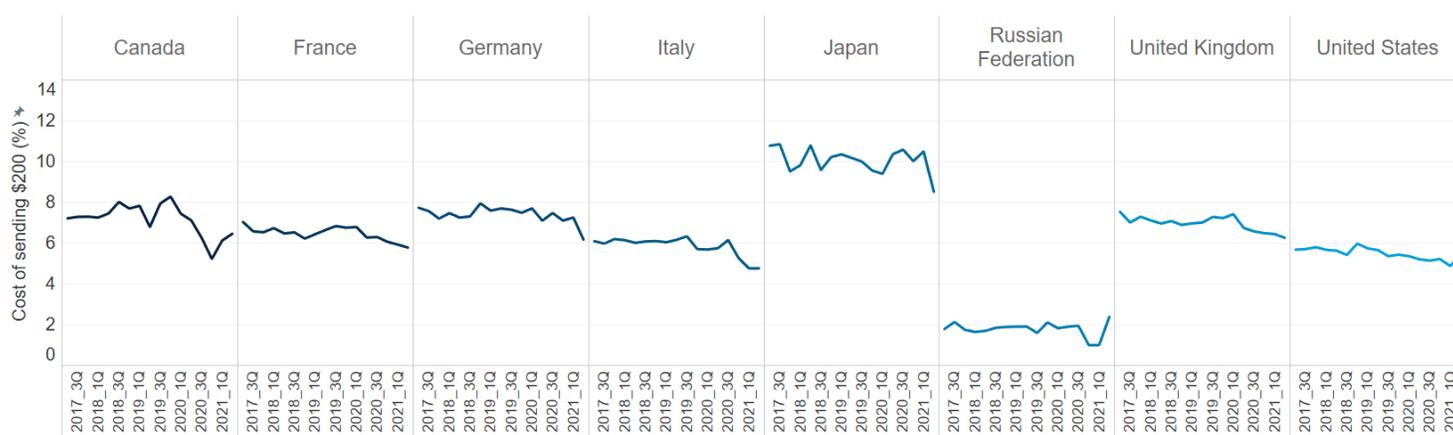


## G8 and G20 countries

### Cost of sending remittances from G8 countries

The G8 countries include several of the major remittance sending countries in the world. The average cost for sending remittances from the G8 countries decreased from 5.92 percent in Q1 2021 to 5.79 percent in Q2 2021. This is the second quarter in which this figure has been recorded below 6.00 percent. Over the year, this figure has decreased by 0.51 of a percentage point (from 6.31 percent in Q2 2020).

**Figure 5 Total average over time in G8 countries**



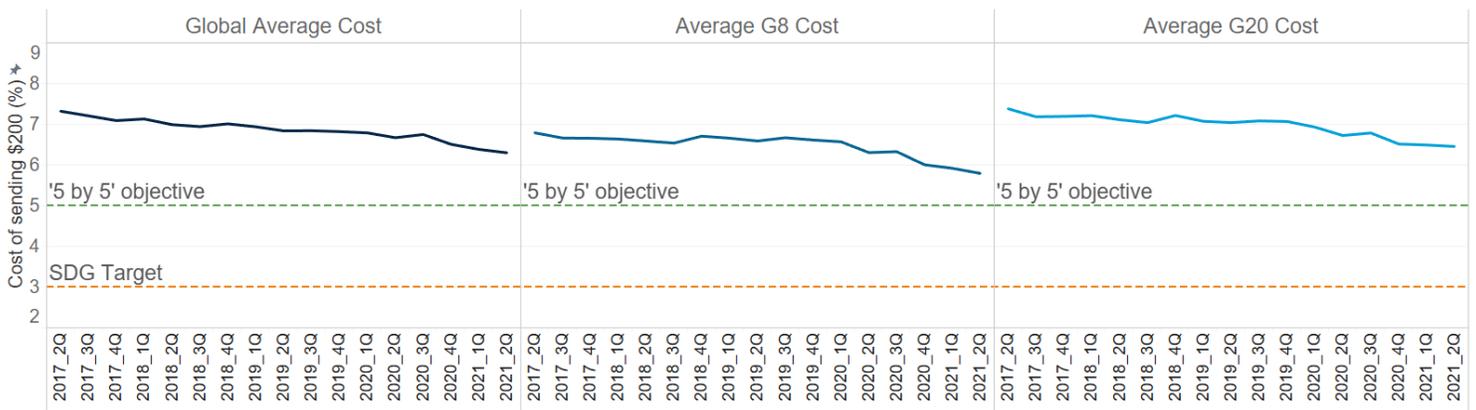
The largest decrease in total average cost to send remittances is seen in Japan (10.50 percent to 8.50 percent), followed by Germany (7.26 percent to 6.15 percent), United Kingdom (6.44 percent to 6.25 percent), and France (5.93 percent to 5.78 percent). The largest increase is seen in Russia (1.00 percent to 2.40 percent), United States (4.88 percent to 5.41 percent), and Canada (6.13 percent to 6.47 percent).

### Cost of sending remittances from and to G20 countries

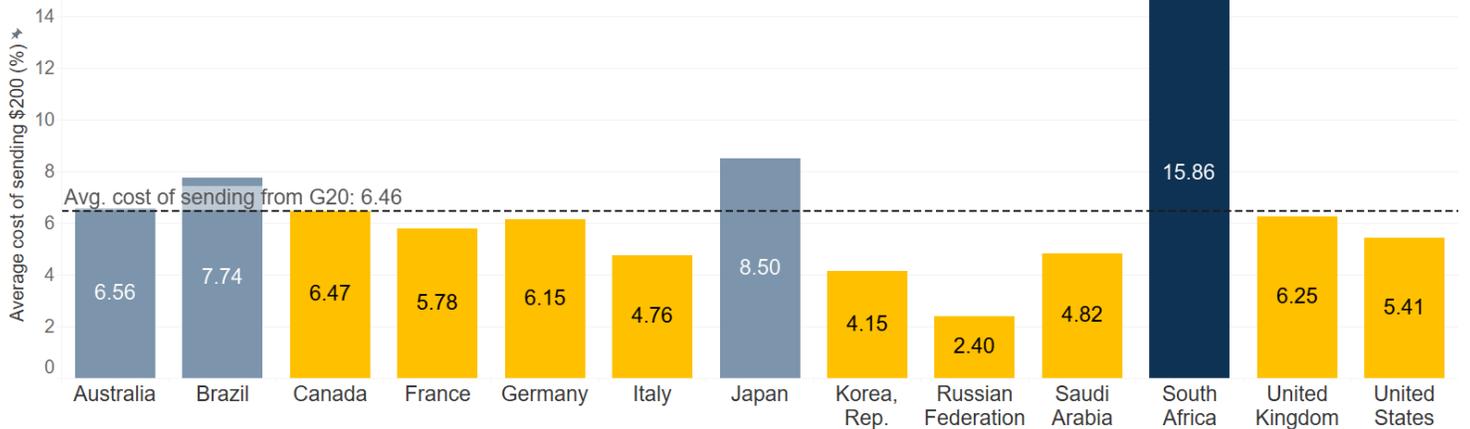
The cost of remitting from G20 countries stayed the same at 6.46 percent in Q2 2021, as shown in Figure 6 (also see Table 3 in the Annex).

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 Q2 2021, remitting from South Africa incurred an average cost of 15.86 percent, a moderate increase from its recorded value of 14.91 percent in Q1 2021. The cost of sending from the second most expensive G20 sending country – Japan – was recorded at 8.50 percent in Q2 2021. Russia is the least expensive G20 sending country, recorded at 2.40 percent, followed by the Republic of Korea (4.15 percent), Italy (4.76 percent), and Saudi Arabia (4.82 percent).

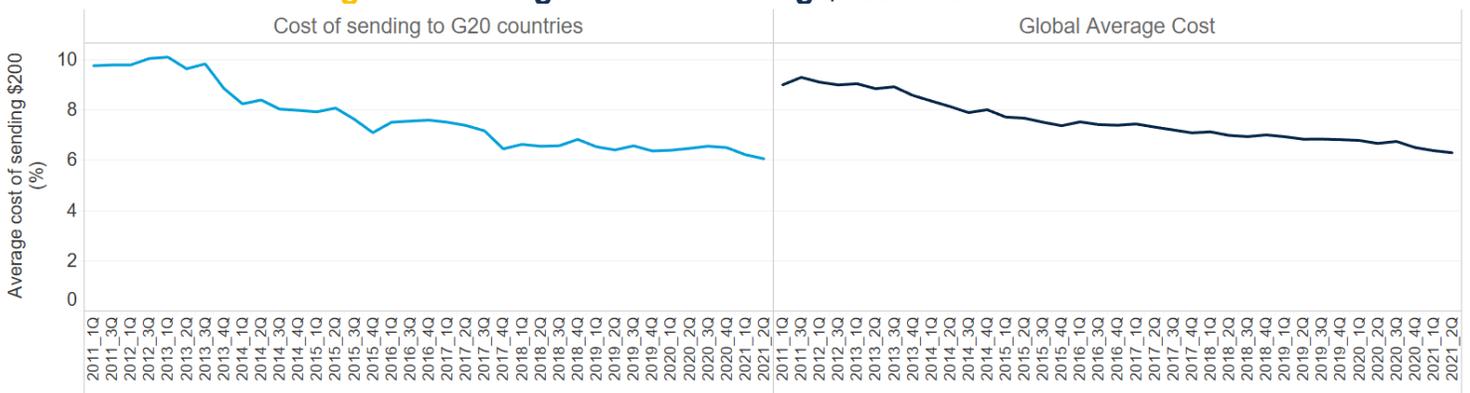
**Figure 6 Average cost of sending \$200 from G8 and G20 countries**



**Figure 7 Average cost of remitting from G20 countries**



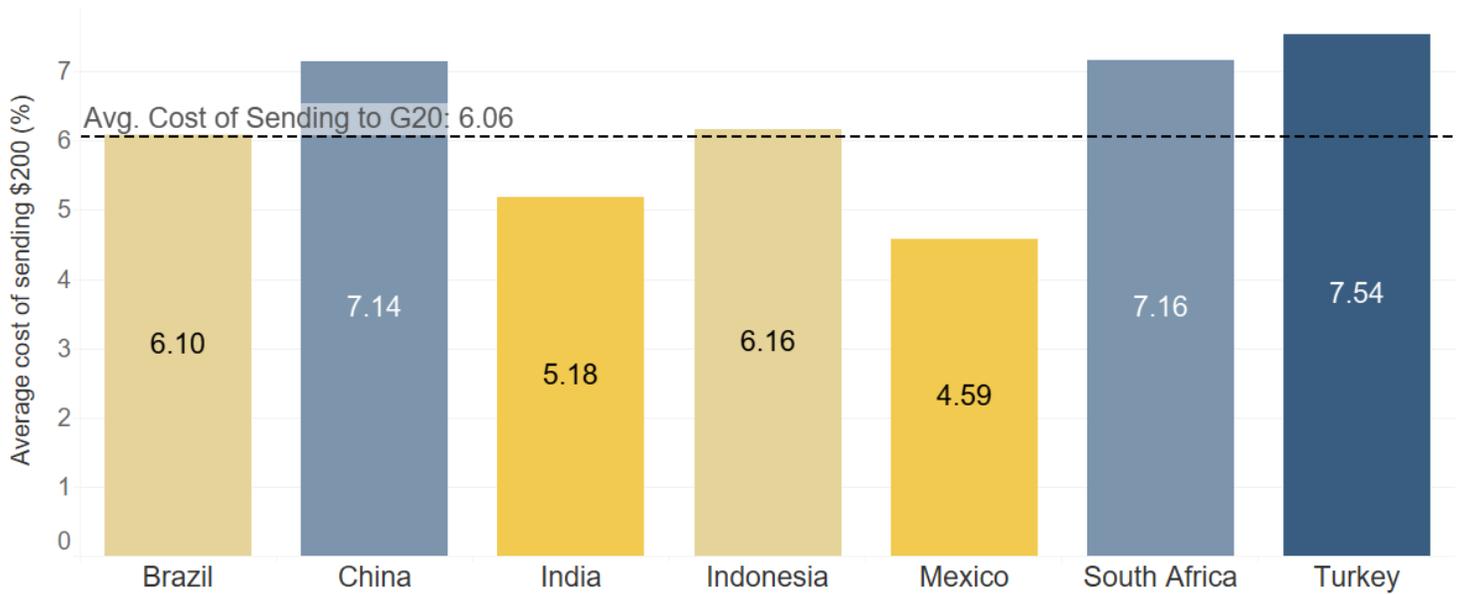
**Figure 8 Average cost of sending \$200 to G20 countries**



Figures 8 and 9 display the total average cost of sending \$200 to G20 countries over time and in Q2 2021, 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 6.06 percent in Q2 2021.

Apart from a few quarters, the average cost of sending money to the G20 countries has followed the pattern of the Global Average. For the 16<sup>th</sup> consecutive quarter since Q2 2017, the cost of remitting to G20 countries is recorded below the Global Average. Turkey (7.54 percent) overtook South Africa as the most expensive country in this group to remit to, followed by South Africa (7.16 percent), China (7.14 percent), Indonesia (6.16 percent) and Brazil (6.10 percent). Costs for sending remittances to India and Mexico were recorded below 6 percent. Mexico remained the cheapest receiving market in the G20 group, recorded at 4.59 percent.

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

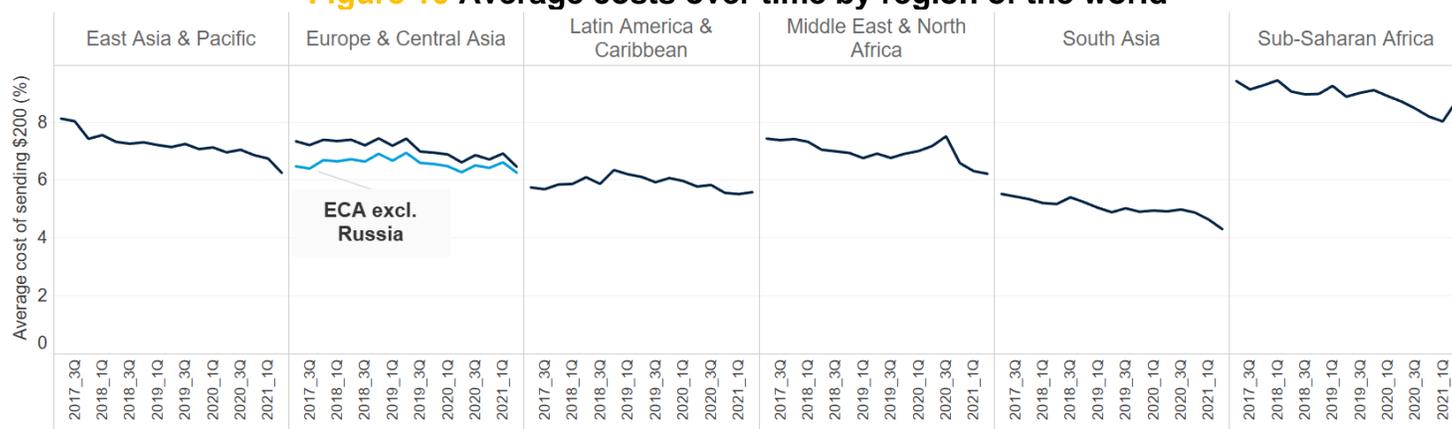


## Regional trends

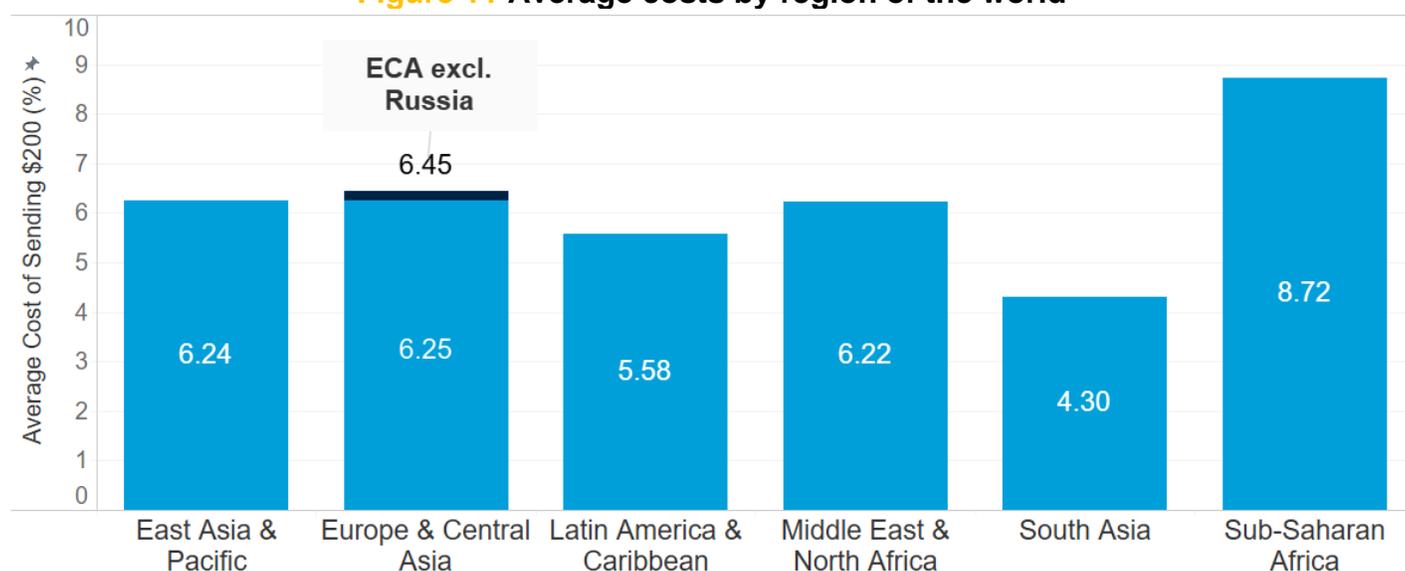
The cost for remittance services varies significantly depending on the region where the money is being sent to (see Figures 10 & 11 below and Table 5 in the Annex). Over the quarter, most regions recorded a decrease in average total cost. East Asia and Pacific (EAP) experienced the largest decrease from 6.74 percent to 6.24 percent, followed by Europe & Central Asia (ECA), South Asia (SA), and Middle East and North Africa (MNA). Latin America and the Caribbean (LAC) recorded a slight increase while SSA experienced a moderate increase from 8.02 percent to 8.72 percent.

Due to the unique features of the Russian remittance market and its heavy influence on the ECA region, an additional value for the ECA region, excluding Russia, has been calculated and considered: the average excluding Russia was recorded at 6.45 percent – higher than the average including Russia, which is recorded at 6.25 percent in Q2 2021.

**Figure 10 Average costs over time by region of the world**



**Figure 11 Average costs by region of the world**

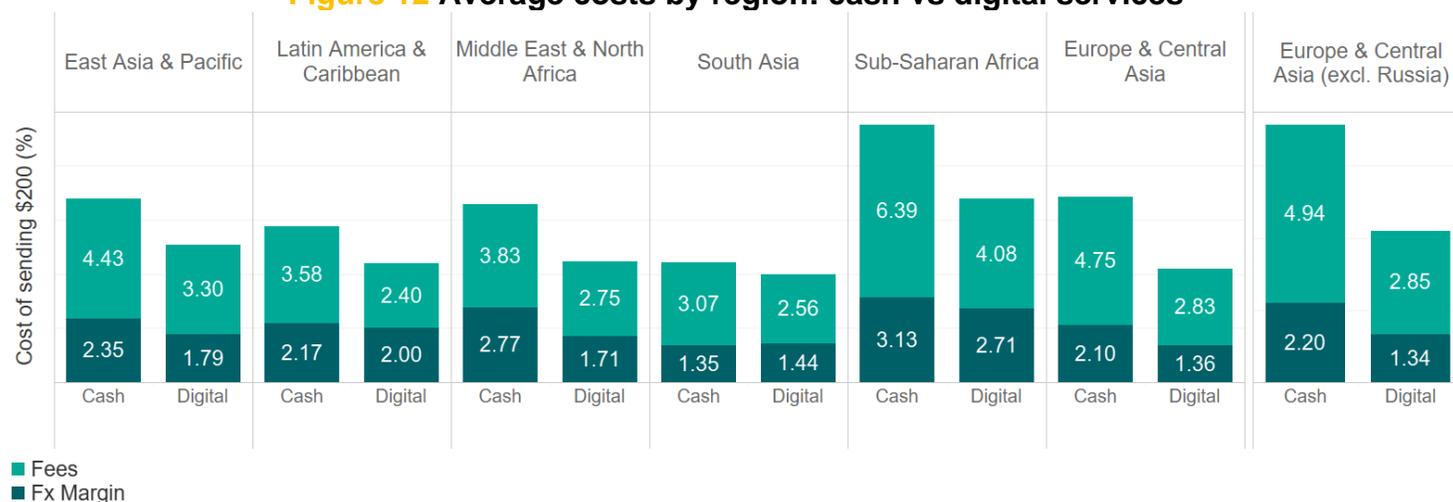


## Cost structure

### Cash vs. Digital Services

Figure 12 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 12 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 12 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 13 provides a time series visual of all the RSP types included in the RPW dataset.

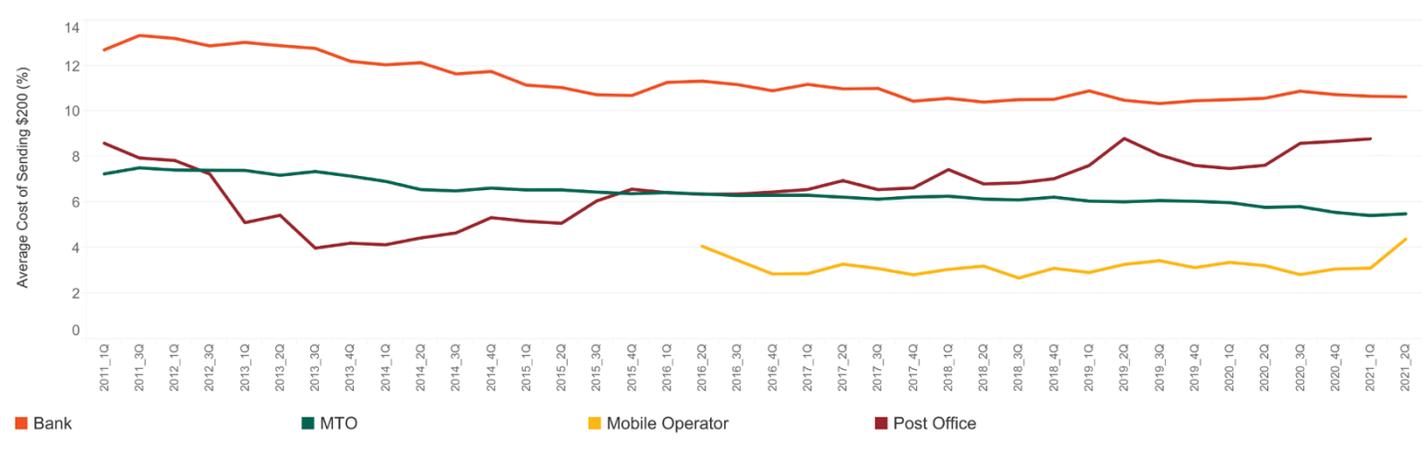
Over time, Banks, Mobile Operators, and MTOs have seen a general decline of total average costs, while Post Office services, due to the small number of services, have led a volatile trend and overall recorded periodic increases since the historic low recorded in Q3 2013. Banks have been firmly above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

Figure 14 provides an overview for each RSP type in Q2 2020 and Q2 2021. Banks continue to be the costliest RSP type, with an average cost of 10.64 percent in Q2 2021. Post Offices are recorded at 6.43 percent in Q2 2021.<sup>8</sup> Money Transfer Operators are recorded at 5.50 percent, while Mobile Operators are

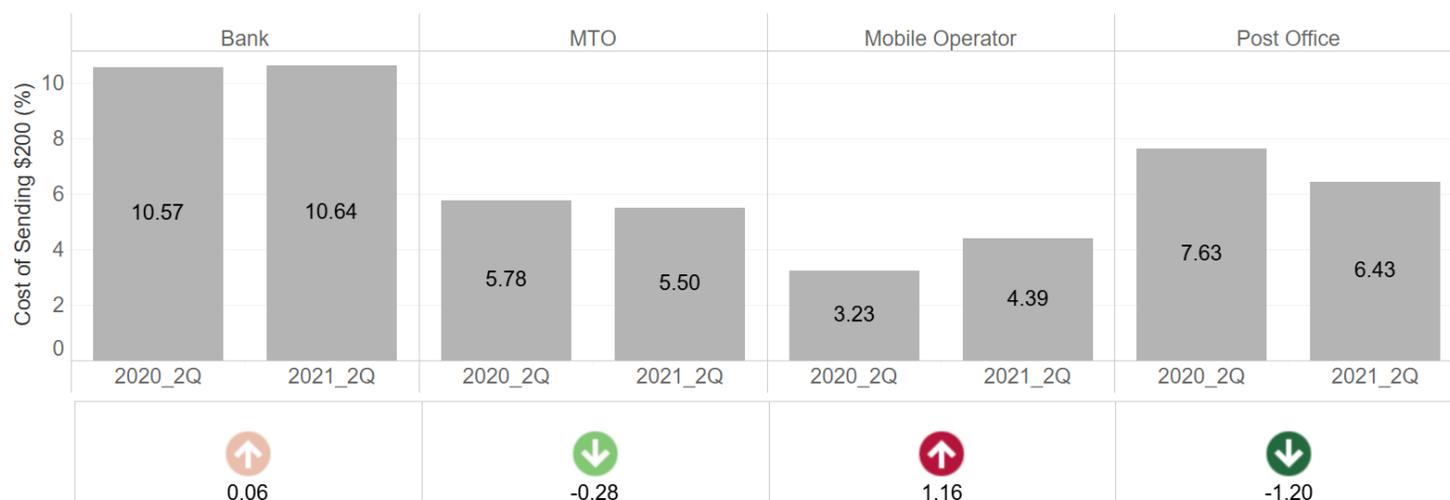
<sup>8</sup> The large decline in the average cost of sending via Post Offices in Q2 2021 is due to logistical reasons. Therefore, the data on Post Offices should be interpreted with caution.

the cheapest RSP type recorded at 4.39 percent. However, Mobile Operators only account for a very small share (less than 1%) of the sample size.

**Figure 13 Total averages over time by RSP type**



**Figure 14 Total average by RSP type**



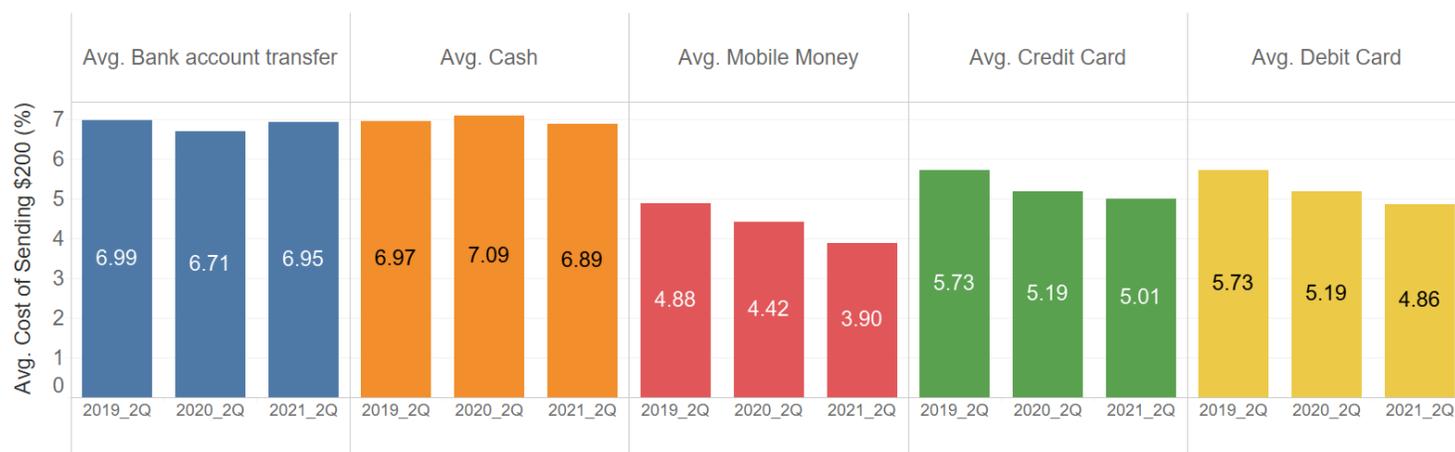
## Costs by Sending and Receiving Method

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 Q2 2021, the cheapest method for funding a remittance transaction was Mobile Money at 3.90 percent

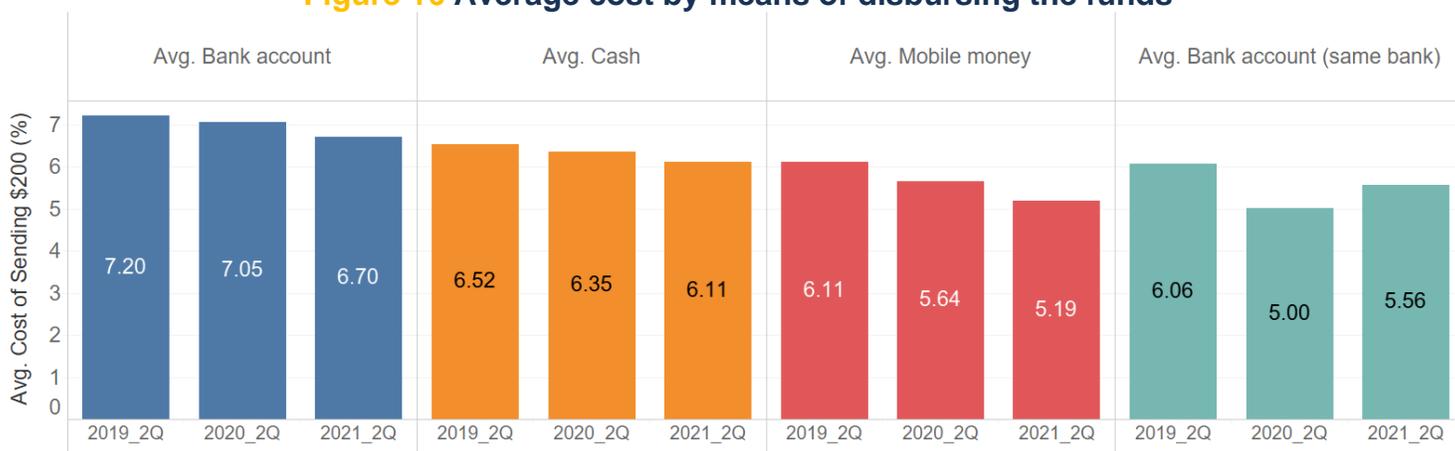
(37 services recorded in RPW) (Figure 15). The average cost when using Cash (1,745 services) was 6.89 percent. Sending money using a debit card (1,677 services) cost 4.86 percent while funding the transaction using a credit card (1,601 services) cost 5.01 percent. Using a bank account incurred an average cost of 6.95 percent (1,941 services).

**Figure 15 Average Cost by Instrument Used to Fund the Transaction**



The cost of sending remittances to a bank account within the same bank or to a partner of the originating bank (85 services) was recorded at 5.56 percent in Q2 2021 (Figure 16). In contrast, sending money to a bank account at a different bank (1,899 services), is the most expensive option at 6.70 percent. When funds are sent to a mobile wallet (366 services) the average cost in Q2 2021 was 5.19 percent. Services where money is disbursed in cash (3,317 services) cost on average 6.11 percent.

**Figure 16 Average cost by means of disbursing the funds**



# Annex I – Tables (\$200)

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

|                     | 2017_2Q | 2017_3Q | 2017_4Q | 2018_1Q | 2018_2Q | 2018_3Q | 2018_4Q | 2019_1Q | 2019_2Q | 2019_3Q | 2019_4Q | 2020_1Q | 2020_2Q | 2020_3Q | 2020_4Q | 2021_1Q | 2021_2Q |
|---------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Global Average Cost | 7.32    | 7.21    | 7.09    | 7.13    | 6.99    | 6.94    | 7.01    | 6.94    | 6.84    | 6.84    | 6.82    | 6.79    | 6.67    | 6.75    | 6.51    | 6.38    | 6.30    |
| MTO Index           | 8.20    | 8.16    | 8.23    | 8.16    | 8.00    | 7.80    | 7.65    | 7.38    | 7.32    | 7.24    | 7.34    | 7.18    | 6.95    | 6.81    | 6.56    | 6.31    | 6.57    |

**Table 2 – Total average in G8 Countries (%)**

|                    | 2017_2Q | 2017_3Q | 2017_4Q | 2018_1Q | 2018_2Q | 2018_3Q | 2018_4Q | 2019_1Q | 2019_2Q | 2019_3Q | 2019_4Q | 2020_1Q | 2020_2Q | 2020_3Q | 2020_4Q | 2021_1Q | 2021_2Q |
|--------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Canada             | 7.21    | 7.29    | 7.29    | 7.25    | 7.45    | 8.02    | 7.69    | 7.83    | 6.79    | 7.94    | 8.28    | 7.44    | 7.12    | 6.27    | 5.23    | 6.13    | 6.47    |
| France             | 7.04    | 6.57    | 6.53    | 6.73    | 6.47    | 6.53    | 6.22    | 6.43    | 6.64    | 6.83    | 6.76    | 6.79    | 6.27    | 6.30    | 6.06    | 5.93    | 5.78    |
| Germany            | 7.73    | 7.57    | 7.20    | 7.47    | 7.25    | 7.31    | 7.95    | 7.59    | 7.70    | 7.64    | 7.49    | 7.70    | 7.10    | 7.47    | 7.10    | 7.26    | 6.15    |
| Italy              | 6.10    | 5.98    | 6.20    | 6.14    | 6.01    | 6.08    | 6.10    | 6.04    | 6.16    | 6.33    | 5.71    | 5.68    | 5.75    | 6.15    | 5.27    | 4.76    | 4.76    |
| Japan              | 10.77   | 10.85   | 9.52    | 9.82    | 10.80   | 9.58    | 10.22   | 10.35   | 10.18   | 9.99    | 9.56    | 9.40    | 10.36   | 10.58   | 10.02   | 10.50   | 8.50    |
| Russian Federation | 1.78    | 2.13    | 1.75    | 1.64    | 1.70    | 1.85    | 1.89    | 1.90    | 1.91    | 1.59    | 2.11    | 1.83    | 1.90    | 1.94    | 1.00    | 1.00    | 2.40    |
| United Kingdom     | 7.55    | 7.01    | 7.29    | 7.11    | 6.96    | 7.08    | 6.89    | 6.97    | 7.01    | 7.28    | 7.23    | 7.42    | 6.74    | 6.57    | 6.48    | 6.44    | 6.25    |
| United States      | 5.68    | 5.71    | 5.80    | 5.67    | 5.63    | 5.42    | 5.98    | 5.74    | 5.66    | 5.36    | 5.43    | 5.36    | 5.21    | 5.14    | 5.22    | 4.88    | 5.41    |
| G8                 | 6.79    | 6.66    | 6.66    | 6.64    | 6.59    | 6.54    | 6.71    | 6.66    | 6.59    | 6.67    | 6.61    | 6.57    | 6.31    | 6.33    | 6.01    | 5.92    | 5.79    |

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

|                    | 2017_2Q | 2017_3Q | 2017_4Q | 2018_1Q | 2018_2Q | 2018_3Q | 2018_4Q | 2019_1Q | 2019_2Q | 2019_3Q | 2019_4Q | 2020_1Q | 2020_2Q | 2020_3Q | 2020_4Q | 2021_1Q | 2021_2Q |
|--------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Australia          | 9.31    | 8.84    | 8.43    | 8.15    | 7.88    | 7.77    | 8.12    | 7.58    | 7.68    | 7.42    | 7.61    | 7.59    | 7.31    | 7.21    | 7.31    | 7.23    | 6.56    |
| Brazil             | 3.47    | 4.64    | 5.84    | 4.93    | 7.23    | 6.47    | 7.70    | 7.66    | 7.39    | 6.57    | 6.83    | 5.09    | 9.57    | 9.77    | 7.00    | 7.17    | 7.74    |
| Canada             | 7.21    | 7.29    | 7.29    | 7.25    | 7.45    | 8.02    | 7.69    | 7.83    | 6.79    | 7.94    | 8.28    | 7.44    | 7.12    | 6.27    | 5.23    | 6.13    | 6.47    |
| France             | 7.04    | 6.57    | 6.53    | 6.73    | 6.47    | 6.53    | 6.22    | 6.43    | 6.64    | 6.83    | 6.76    | 6.79    | 6.27    | 6.30    | 6.06    | 5.93    | 5.78    |
| Germany            | 7.73    | 7.57    | 7.20    | 7.47    | 7.25    | 7.31    | 7.95    | 7.59    | 7.70    | 7.64    | 7.49    | 7.70    | 7.10    | 7.47    | 7.10    | 7.26    | 6.15    |
| Italy              | 6.10    | 5.98    | 6.20    | 6.14    | 6.01    | 6.08    | 6.10    | 6.04    | 6.16    | 6.33    | 5.71    | 5.68    | 5.75    | 6.15    | 5.27    | 4.76    | 4.76    |
| Japan              | 10.77   | 10.85   | 9.52    | 9.82    | 10.80   | 9.58    | 10.22   | 10.35   | 10.18   | 9.99    | 9.56    | 9.40    | 10.36   | 10.58   | 10.02   | 10.50   | 8.50    |
| Korea, Rep.        | 5.42    | 4.81    | 5.03    | 5.15    | 4.95    | 5.07    | 5.10    | 5.05    | 4.92    | 4.87    | 4.50    | 4.77    | 4.72    | 4.74    | 4.74    | 4.61    | 4.15    |
| Russian Federation | 1.78    | 2.13    | 1.75    | 1.64    | 1.70    | 1.85    | 1.89    | 1.90    | 1.91    | 1.59    | 2.11    | 1.83    | 1.90    | 1.94    | 1.00    | 1.00    | 2.40    |
| Saudi Arabia       | 5.55    | 5.10    | 5.45    | 5.71    | 5.73    | 6.34    | 6.51    | 4.88    | 5.18    | 4.99    | 4.75    | 4.53    | 4.79    | 4.80    | 4.42    | 3.55    | 4.82    |
| South Africa       | 16.76   | 16.57   | 16.17   | 17.13   | 16.18   | 15.82   | 15.76   | 14.85   | 15.27   | 15.96   | 17.18   | 15.34   | 14.56   | 15.05   | 14.41   | 14.91   | 15.86   |
| United Kingdom     | 7.55    | 7.01    | 7.29    | 7.11    | 6.96    | 7.08    | 6.89    | 6.97    | 7.01    | 7.28    | 7.23    | 7.42    | 6.74    | 6.57    | 6.48    | 6.44    | 6.25    |
| United States      | 5.68    | 5.71    | 5.80    | 5.67    | 5.63    | 5.42    | 5.98    | 5.74    | 5.66    | 5.36    | 5.43    | 5.36    | 5.21    | 5.14    | 5.22    | 4.88    | 5.41    |
| From G20           | 7.38    | 7.19    | 7.20    | 7.21    | 7.11    | 7.04    | 7.22    | 7.07    | 7.04    | 7.08    | 7.07    | 6.93    | 6.73    | 6.79    | 6.52    | 6.49    | 6.46    |

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

|              | 2017_2Q | 2017_3Q | 2017_4Q | 2018_1Q | 2018_2Q | 2018_3Q | 2018_4Q | 2019_1Q | 2019_2Q | 2019_3Q | 2019_4Q | 2020_1Q | 2020_2Q | 2020_3Q | 2020_4Q | 2021_1Q | 2021_2Q |
|--------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Brazil       | 6.33    | 6.33    | 6.48    | 6.45    | 7.20    | 7.06    | 7.51    | 7.32    | 7.54    | 7.63    | 7.18    | 7.78    | 7.30    | 6.90    | 7.07    | 6.69    | 6.10    |
| China        | 10.28   | 10.00   | 7.92    | 8.26    | 7.71    | 7.99    | 8.49    | 8.45    | 8.13    | 9.04    | 8.32    | 8.10    | 8.23    | 8.43    | 8.07    | 7.71    | 7.14    |
| India        | 6.04    | 5.98    | 5.62    | 5.63    | 5.62    | 5.68    | 5.79    | 5.47    | 5.24    | 5.38    | 5.30    | 5.31    | 5.30    | 5.41    | 5.51    | 5.17    | 5.18    |
| Indonesia    | 7.87    | 7.13    | 6.60    | 7.59    | 7.10    | 6.85    | 7.32    | 6.51    | 6.57    | 6.08    | 6.15    | 6.12    | 6.68    | 6.57    | 6.53    | 6.29    | 6.16    |
| Mexico       | 5.11    | 4.86    | 4.45    | 4.43    | 3.74    | 4.06    | 5.65    | 4.53    | 4.64    | 4.61    | 4.39    | 4.04    | 4.22    | 4.18    | 3.87    | 3.65    | 4.59    |
| South Africa | 8.02    | 8.07    | 8.55    | 7.83    | 7.57    | 8.10    | 7.45    | 7.23    | 7.88    | 7.54    | 7.80    | 7.82    | 7.41    | 8.14    | 8.03    | 8.08    | 7.16    |
| Turkey       | 7.14    | 6.84    | 7.28    | 7.34    | 8.01    | 7.08    | 6.17    | 6.71    | 6.98    | 6.62    | 6.62    | 6.72    | 6.67    | 7.26    | 6.75    | 6.91    | 7.54    |
| to G20       | 7.39    | 7.17    | 6.45    | 6.63    | 6.56    | 6.58    | 6.83    | 6.54    | 6.41    | 6.58    | 6.37    | 6.40    | 6.47    | 6.56    | 6.50    | 6.22    | 6.06    |

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

|                            | 2017_2Q | 2017_3Q | 2017_4Q | 2018_1Q | 2018_2Q | 2018_3Q | 2018_4Q | 2019_1Q | 2019_2Q | 2019_3Q | 2019_4Q | 2020_1Q | 2020_2Q | 2020_3Q | 2020_4Q | 2021_1Q | 2021_2Q |
|----------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| East Asia & Pacific        | 8.12    | 8.03    | 7.42    | 7.55    | 7.32    | 7.25    | 7.30    | 7.21    | 7.14    | 7.24    | 7.07    | 7.13    | 6.96    | 7.05    | 6.86    | 6.74    | 6.24    |
| Europe & Central Asia      | 6.47    | 6.40    | 6.69    | 6.65    | 6.72    | 6.64    | 6.90    | 6.67    | 6.94    | 6.59    | 6.55    | 6.48    | 6.27    | 6.51    | 6.42    | 6.61    | 6.25    |
| Latin America & Caribbean  | 5.74    | 5.68    | 5.85    | 5.86    | 6.10    | 5.87    | 6.34    | 6.20    | 6.11    | 5.92    | 6.07    | 5.97    | 5.77    | 5.83    | 5.56    | 5.51    | 5.58    |
| Middle East & North Africa | 7.43    | 7.38    | 7.41    | 7.32    | 7.04    | 6.99    | 6.93    | 6.76    | 6.91    | 6.76    | 6.91    | 7.00    | 7.17    | 7.51    | 6.58    | 6.31    | 6.22    |
| South Asia                 | 5.52    | 5.43    | 5.34    | 5.21    | 5.17    | 5.40    | 5.23    | 5.04    | 4.89    | 5.02    | 4.90    | 4.95    | 4.92    | 4.98    | 4.88    | 4.64    | 4.30    |
| Sub-Saharan Africa         | 9.42    | 9.13    | 9.27    | 9.44    | 9.05    | 8.96    | 8.97    | 9.25    | 8.88    | 9.01    | 9.10    | 8.90    | 8.71    | 8.47    | 8.19    | 8.02    | 8.72    |
| ECA excl. Russia           | 7.34    | 7.21    | 7.39    | 7.34    | 7.39    | 7.20    | 7.44    | 7.18    | 7.43    | 6.98    | 6.94    | 6.88    | 6.61    | 6.86    | 6.71    | 6.92    | 6.45    |

## 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.

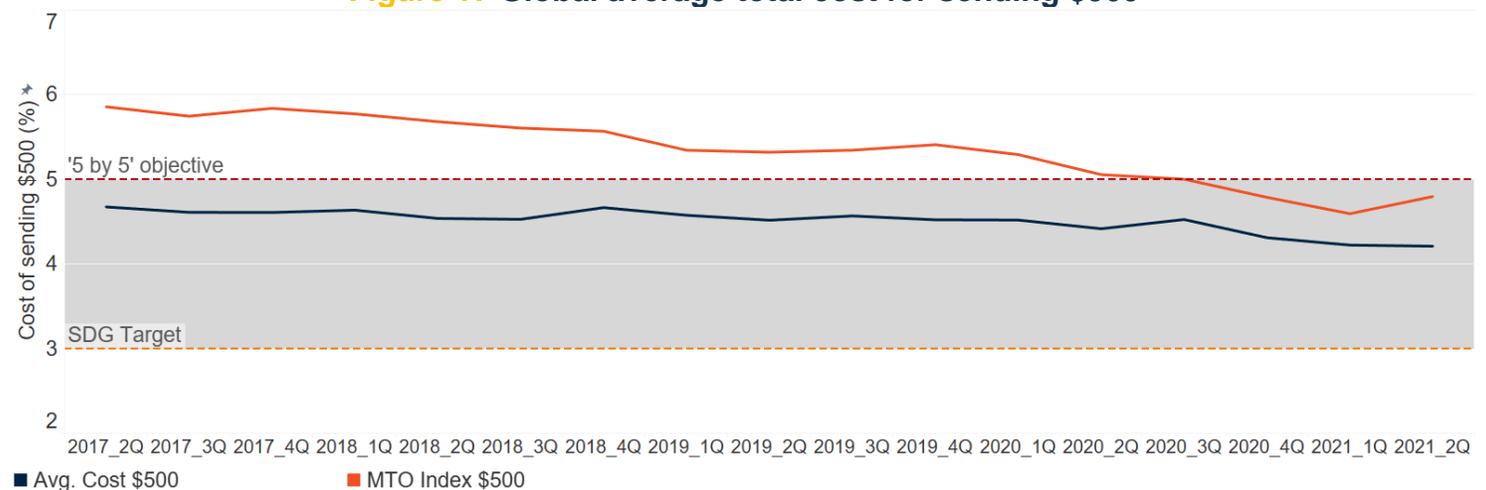
The analysis in this annex shows again that, as expected, the average cost of sending \$500 is lower as a percentage of amount sent compared to the average cost of sending \$200. The analysis additionally confirms that the average cost of sending \$500 has followed a similar trend to the one observed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

### Global trends for sending \$500

#### Global average total cost

In Q2 2021, the Global Average cost for sending \$500 was 4.21 percent. The average cost of sending \$500 has remained below the 5.00 percent total average cost 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). The Global Average of sending \$500 exhibits an overall downwards trend since Q1 2011, as seen in Figure 17 below. This represents a decline of 1.11 percentage point since Q1 2011, when the figure was recorded at 5.32 percent. Over the preceding 5-year period (Q2 2016 – Q2 2021), the total cost of sending \$500 has decreased by 0.51 percentage point.

**Figure 17 Global average total cost for sending \$500**



## International MTO Index

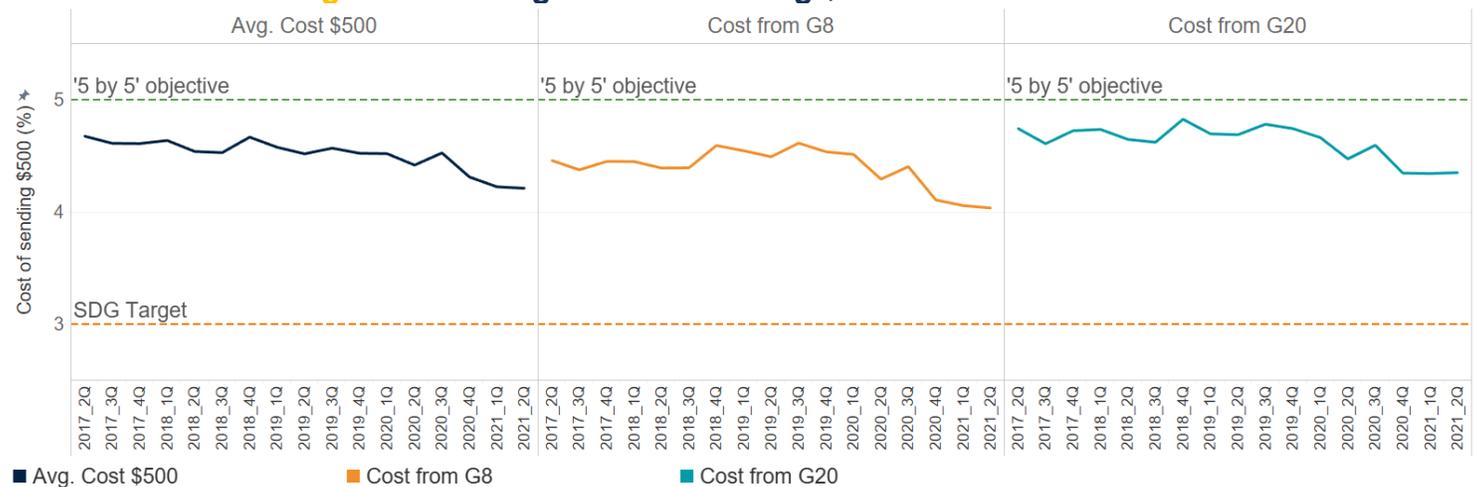
The International MTO Index tracks the prices of MTOs that are present in at least 85 percent of corridors covered in the RPW database.<sup>9</sup> In Q2 2021, the International MTO Index for \$500 experienced a modest increase to 4.80 percent from 4.59 percent in Q1 2021. As seen in Figure 17, the International MTO Index exhibits an overall downwards trend. Over the preceding 5-year period (Q2 2016 – Q2 2021), the total cost of sending \$500 has decreased by 0.87 percentage point.

## 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 18. The cost of remitting \$500 from G20 countries in Q2 2021 experienced a slight increase, recorded at 4.35 percent.

**Figure 18 Average cost of sending \$500 from G20 countries**

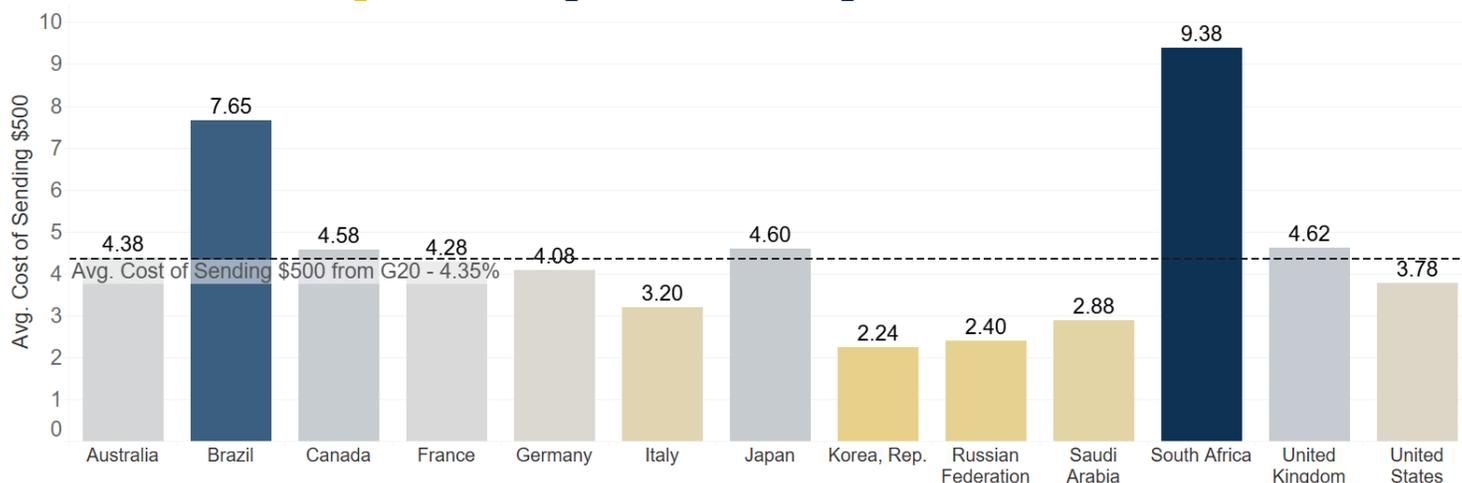


In Q2 2021, South Africa is the most expensive G20 country to send \$500 from, consistent with the \$200 findings (see Figure 19). The average cost of remitting \$500 from South Africa increased to 9.38 percent from 8.99 percent, and this is despite an overall decrease from its peak in Q2 2013, when the cost of sending from South Africa was more than 12 percent. Brazil is the second most expensive G20 country to send \$500 from, recorded at 7.65 percent. Republic of Korea became the least expensive sending country in this grouping, exhibiting a total average cost of sending \$500 of 2.24 percent, followed by Russia (2.40 percent), Saudi Arabia (2.88 percent), Italy (3.20 percent), the United States (3.78 percent),

<sup>9</sup> 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.

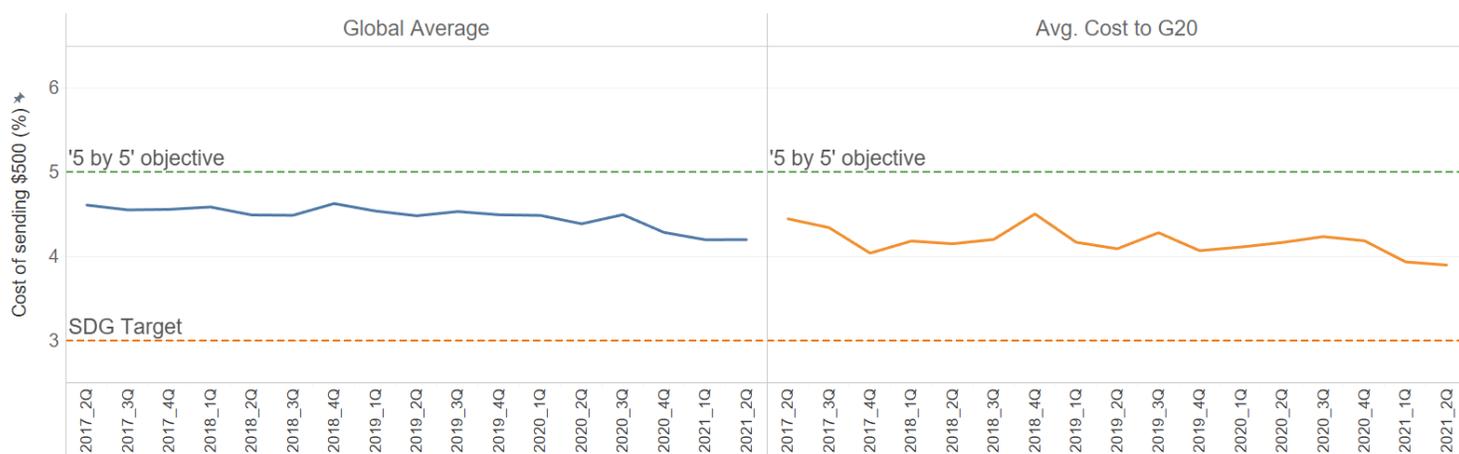
and Germany (4.08 percent). Of this group Australia, Canada, France, Japan, the UK, Brazil, and South Africa exhibit costs higher than the Global Average in Q2 2021.

**Figure 19 Average cost of remitting from G20 countries**



Figures 20 and 21 display the total average cost of sending \$500 to G20 countries over time and in Q2 2021, respectively. The average cost of sending \$500 to the G20 countries that are included in RPW as receiving markets decreased between Q1 2021 and Q2 2021, recorded at 3.90 percent in Q2 2021.

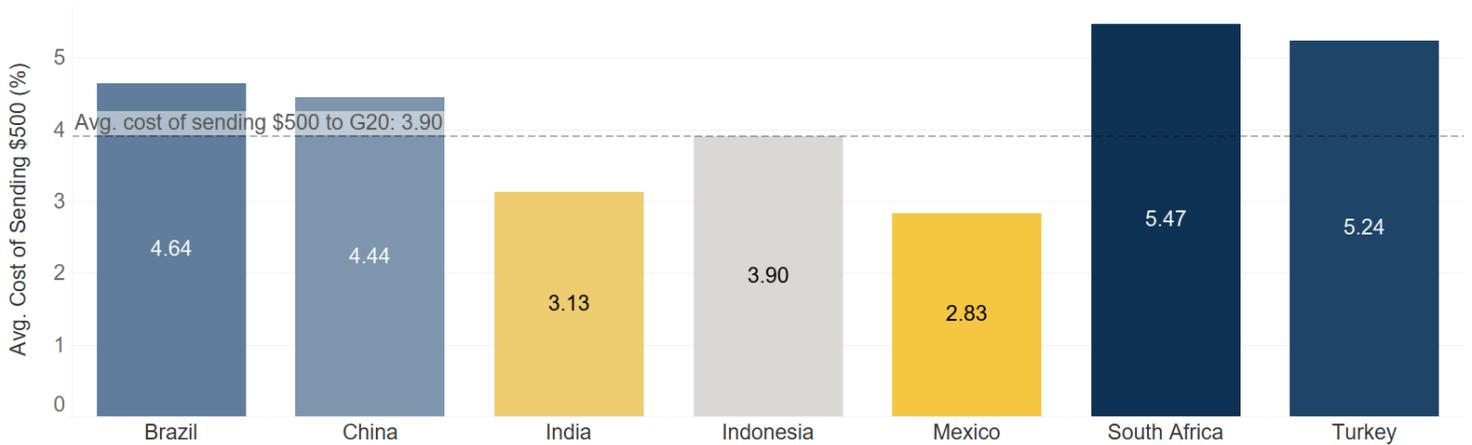
**Figure 20 Average cost of remitting to G20 countries**



For the past 4 consecutive years, the cost of remitting \$500 to G20 countries is recorded below the Global Average cost of sending \$500. South Africa (5.47 percent) is the most expensive country in this grouping

to remit to, followed by Turkey (5.24 percent), Brazil (4.64 percent), and China (4.44 percent). Over the last 5 years, the total average cost of sending to G20 countries has decreased slightly by 0.83 of a percentage point (in Q2 2016, this figure was recorded at 4.73 percent).

**Figure 21** Average cost of remitting \$500 to G20 countries, by Country



## Annex III – Tables (\$500)

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

|                 | 2017_2Q | 2017_3Q | 2017_4Q | 2018_1Q | 2018_2Q | 2018_3Q | 2018_4Q | 2019_1Q | 2019_2Q | 2019_3Q | 2019_4Q | 2020_1Q | 2020_2Q | 2020_3Q | 2020_4Q | 2021_1Q | 2021_2Q |
|-----------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Avg. Cost \$500 | 4.67    | 4.61    | 4.61    | 4.64    | 4.54    | 4.53    | 4.67    | 4.58    | 4.52    | 4.57    | 4.52    | 4.52    | 4.42    | 4.53    | 4.31    | 4.22    | 4.21    |
| MTO Index \$500 | 5.86    | 5.75    | 5.84    | 5.77    | 5.68    | 5.61    | 5.57    | 5.34    | 5.32    | 5.35    | 5.41    | 5.29    | 5.06    | 5.00    | 4.79    | 4.59    | 4.80    |

**Table 7 – Cost of sending \$500 from G20 countries**

|                    | 2017_2Q | 2017_3Q | 2017_4Q | 2018_1Q | 2018_2Q | 2018_3Q | 2018_4Q | 2019_1Q | 2019_2Q | 2019_3Q | 2019_4Q | 2020_1Q | 2020_2Q | 2020_3Q | 2020_4Q | 2021_1Q | 2021_2Q |
|--------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Australia          | 5.78    | 5.57    | 5.46    | 5.23    | 4.99    | 5.00    | 5.34    | 4.91    | 5.00    | 4.82    | 4.94    | 4.91    | 4.71    | 4.68    | 4.73    | 4.71    | 4.38    |
| Brazil             | 2.77    | 3.99    | 5.13    | 3.94    | 6.14    | 4.58    | 5.99    | 5.87    | 5.85    | 4.38    | 5.65    | 4.15    | 9.19    | 9.46    | 6.79    | 6.82    | 7.65    |
| Canada             | 4.36    | 4.57    | 4.68    | 4.65    | 4.77    | 5.15    | 4.95    | 5.27    | 4.34    | 5.48    | 5.68    | 4.84    | 4.74    | 4.22    | 3.32    | 4.23    | 4.58    |
| France             | 5.63    | 5.17    | 5.14    | 5.34    | 5.06    | 5.16    | 4.96    | 5.15    | 5.32    | 5.46    | 5.33    | 5.36    | 4.86    | 5.00    | 4.67    | 4.52    | 4.28    |
| Germany            | 5.21    | 5.15    | 4.95    | 5.15    | 4.97    | 5.06    | 5.74    | 5.40    | 5.52    | 5.34    | 5.23    | 5.44    | 4.82    | 5.22    | 4.89    | 5.04    | 4.08    |
| Italy              | 4.01    | 3.91    | 4.09    | 4.09    | 3.98    | 4.03    | 4.06    | 3.98    | 4.13    | 4.35    | 3.74    | 3.82    | 3.99    | 4.43    | 3.59    | 3.13    | 3.20    |
| Japan              | 5.49    | 5.64    | 4.99    | 5.36    | 6.30    | 5.05    | 5.45    | 5.40    | 5.38    | 5.17    | 5.02    | 4.83    | 5.32    | 5.89    | 5.19    | 5.42    | 4.60    |
| Korea, Rep.        | 3.07    | 2.47    | 2.63    | 2.71    | 2.62    | 2.63    | 2.55    | 2.69    | 2.65    | 2.60    | 2.18    | 2.46    | 2.38    | 2.40    | 2.54    | 2.41    | 2.24    |
| Russian Federation | 1.73    | 1.79    | 1.48    | 1.48    | 1.54    | 1.58    | 1.63    | 1.61    | 1.62    | 1.48    | 1.94    | 1.50    | 1.55    | 1.61    | 1.00    | 1.00    | 2.40    |
| Saudi Arabia       | 3.64    | 2.84    | 3.56    | 3.67    | 3.79    | 4.40    | 4.55    | 2.92    | 3.22    | 3.11    | 2.87    | 2.65    | 2.94    | 2.66    | 2.52    | 2.01    | 2.88    |
| South Africa       | 9.52    | 9.25    | 9.41    | 10.48   | 9.49    | 9.02    | 8.97    | 9.24    | 8.93    | 10.11   | 10.93   | 9.74    | 8.58    | 9.09    | 8.75    | 8.99    | 9.38    |
| United Kingdom     | 5.16    | 4.74    | 5.09    | 4.95    | 4.76    | 5.04    | 4.86    | 4.91    | 4.87    | 5.17    | 5.09    | 5.26    | 4.76    | 4.74    | 4.68    | 4.69    | 4.62    |
| United States      | 3.66    | 3.74    | 3.83    | 3.68    | 3.64    | 3.52    | 4.09    | 3.90    | 3.84    | 3.67    | 3.75    | 3.73    | 3.58    | 3.50    | 3.62    | 3.33    | 3.78    |
| From G20           | 4.74    | 4.61    | 4.72    | 4.73    | 4.65    | 4.62    | 4.83    | 4.70    | 4.69    | 4.78    | 4.74    | 4.66    | 4.47    | 4.59    | 4.35    | 4.34    | 4.35    |

**Table 8 – Cost of receiving \$500 in G20 countries**

|              | 2017_2Q | 2017_3Q | 2017_4Q | 2018_1Q | 2018_2Q | 2018_3Q | 2018_4Q | 2019_1Q | 2019_2Q | 2019_3Q | 2019_4Q | 2020_1Q | 2020_2Q | 2020_3Q | 2020_4Q | 2021_1Q | 2021_2Q |
|--------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Brazil       | 4.49    | 4.66    | 4.74    | 4.64    | 5.27    | 5.17    | 5.40    | 5.16    | 5.37    | 5.56    | 5.20    | 5.78    | 5.42    | 5.00    | 5.17    | 4.77    | 4.64    |
| China        | 5.49    | 5.27    | 4.69    | 4.92    | 4.48    | 4.77    | 5.36    | 5.29    | 5.01    | 5.83    | 5.06    | 4.91    | 5.02    | 5.25    | 4.93    | 4.72    | 4.44    |
| India        | 3.55    | 3.54    | 3.29    | 3.29    | 3.29    | 3.38    | 3.60    | 3.27    | 3.10    | 3.31    | 3.20    | 3.24    | 3.20    | 3.29    | 3.38    | 3.05    | 3.13    |
| Indonesia    | 5.12    | 4.66    | 4.21    | 5.20    | 4.78    | 4.55    | 5.11    | 4.10    | 4.20    | 3.75    | 3.84    | 3.84    | 4.32    | 4.17    | 4.18    | 3.89    | 3.90    |
| Mexico       | 3.86    | 3.37    | 3.02    | 2.82    | 2.35    | 2.65    | 4.10    | 3.00    | 3.04    | 3.16    | 2.94    | 2.57    | 2.81    | 2.69    | 2.36    | 2.13    | 2.83    |
| South Africa | 5.49    | 5.71    | 6.13    | 5.24    | 5.36    | 6.23    | 5.66    | 5.60    | 6.16    | 5.78    | 6.20    | 6.06    | 5.72    | 6.29    | 6.23    | 6.28    | 5.47    |
| Turkey       | 5.02    | 4.94    | 5.21    | 5.29    | 6.05    | 5.29    | 4.36    | 4.96    | 5.30    | 4.82    | 4.94    | 5.01    | 4.90    | 5.45    | 4.94    | 5.18    | 5.24    |
| To G20       | 4.45    | 4.34    | 4.04    | 4.18    | 4.15    | 4.20    | 4.51    | 4.17    | 4.09    | 4.28    | 4.07    | 4.11    | 4.17    | 4.24    | 4.19    | 3.94    | 3.90    |



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