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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 2022.

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, 16.8 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 6.09 percent in Q1 2022 to 6.01 percent in Q2 2022.
- The **International MTO Index** experienced a moderate decrease over the quarter to 6.17 percent in Q2 2022, from 6.44 percent in Q1 2022.
- The **Global Weighted Average** decreased to 4.80 percent in Q2 2022.
- The **Global SmaRT Average** for Q2 2022 was recorded at 3.35 percent.
- The **Digital remittances index** increased minutely from 4.79 in Q1 2022 to 4.80 percent in Q2 2022.
- The Digital-only MTO index has been increasing for the past four quarters.
- South Asia remains the lowest cost receiving region, with an average cost of 4.05 percent. Sub-Saharan Africa remains the most expensive region to send money to, recorded at 7.84 percent total average cost in Q2 2022.
- Banks remain the most expensive type of service provider, with an average cost of 10.92 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 2022).
- In Q2 2022, mobile money remains the least costly instrument to originate remittances and was also the least 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 Q2 2022. This was also the case for Q1 2022.

- Data collection resumed in Q2 2022 in some other corridors for which data were not available in Q1 2022. These include Cote d'Ivoire to Mali, Pakistan to Bangladesh and Pakistan to Afghanistan.
- The prospects index has 20 new services in Q2 2022, originating from 5 sending countries, covering 13 destination countries. Services destined for East Asia and Pacific account for a large share in new services in Q2 2022.

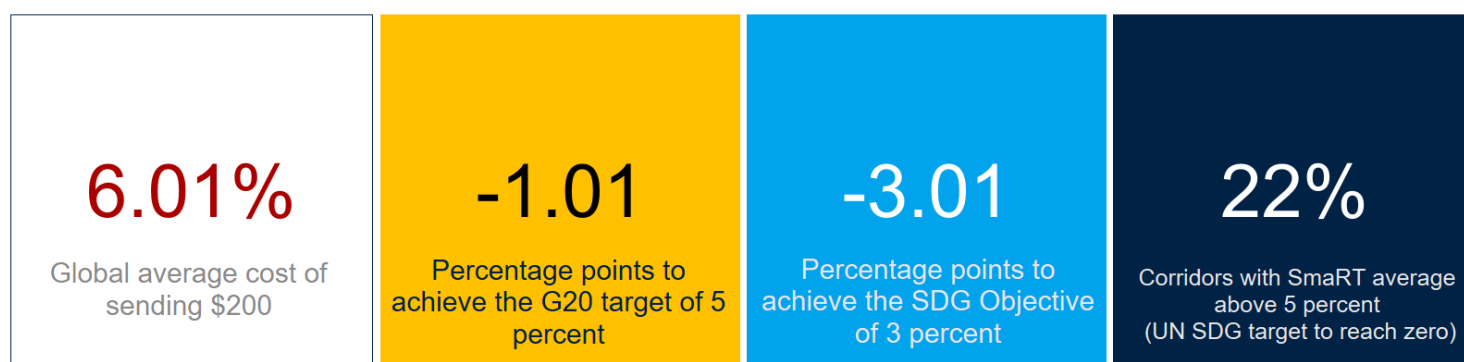
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## Progress tracker

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.



## Number of corridors in the Q2 2022 dataset

The number of corridors covered by RPW in Q2 2022 is lower than 367. Q2 2022 data were collected in June 2022. 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. The Q2 2022 dataset includes data from 351 corridors (excluding 13 originating in Russia, and 3 originating in Nigeria).

## Prospects index

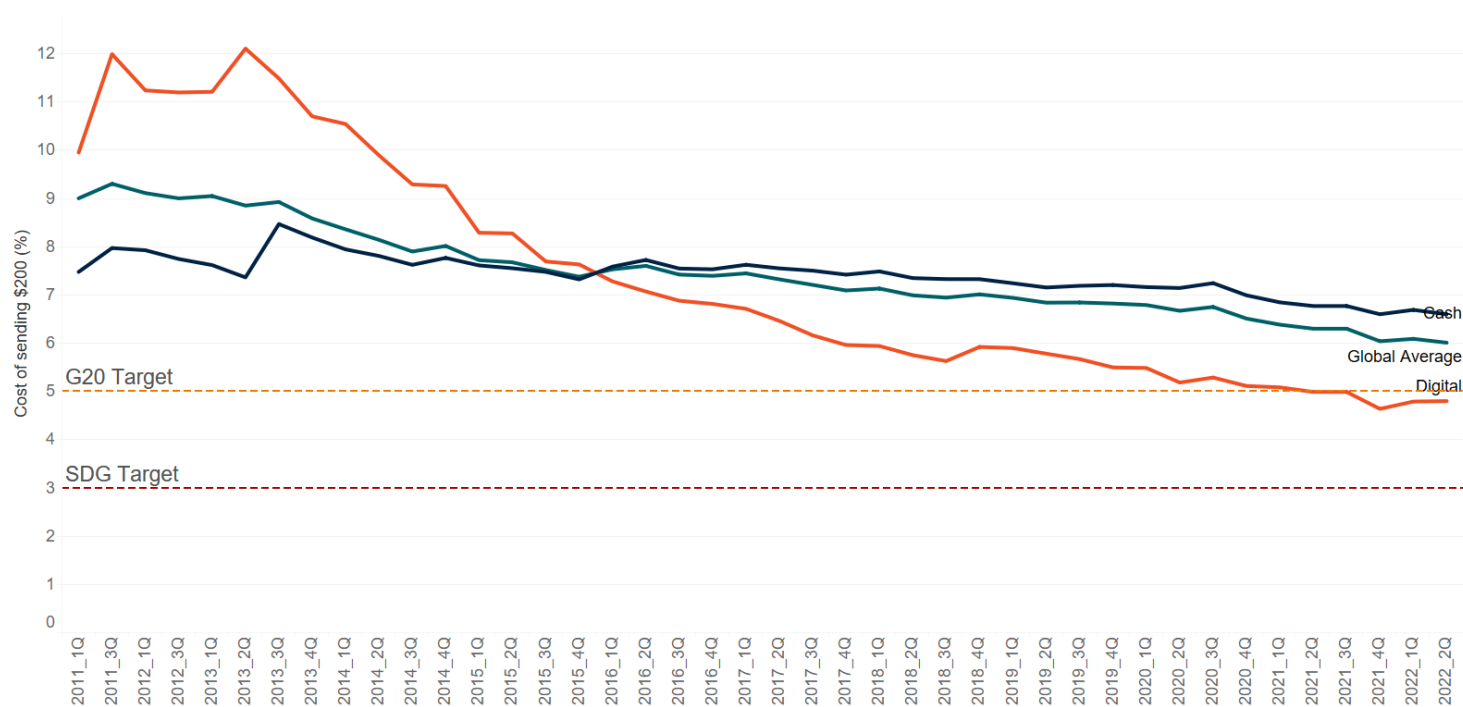
Since Q1 2022, RPW data collection would be used to also monitor new services via a *prospects index*. These new services could be candidates for inclusion in the main index in the future subject to them meeting certain requirements. Please see Annex IV for details.

# Global trends

## Global average experiences a small decrease

In Q2 2022, the Global Average cost for sending remittances was 6.01 percent, a decrease from 6.09 in Q1 2022. 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 3.66 percentage points since Q1 2009, when the figure was recorded at 9.67 percent. In Q2 2022, the global average for digital remittances was recorded at 4.80 percent, while the global average for non-digital remittances was 6.60 percent. Digital services account for 33% of all services RPW collected in Q2 2022.<sup>1</sup>

**Figure 1 Trends in the global cost of sending \$200 in remittances<sup>2</sup>**



<sup>1</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.

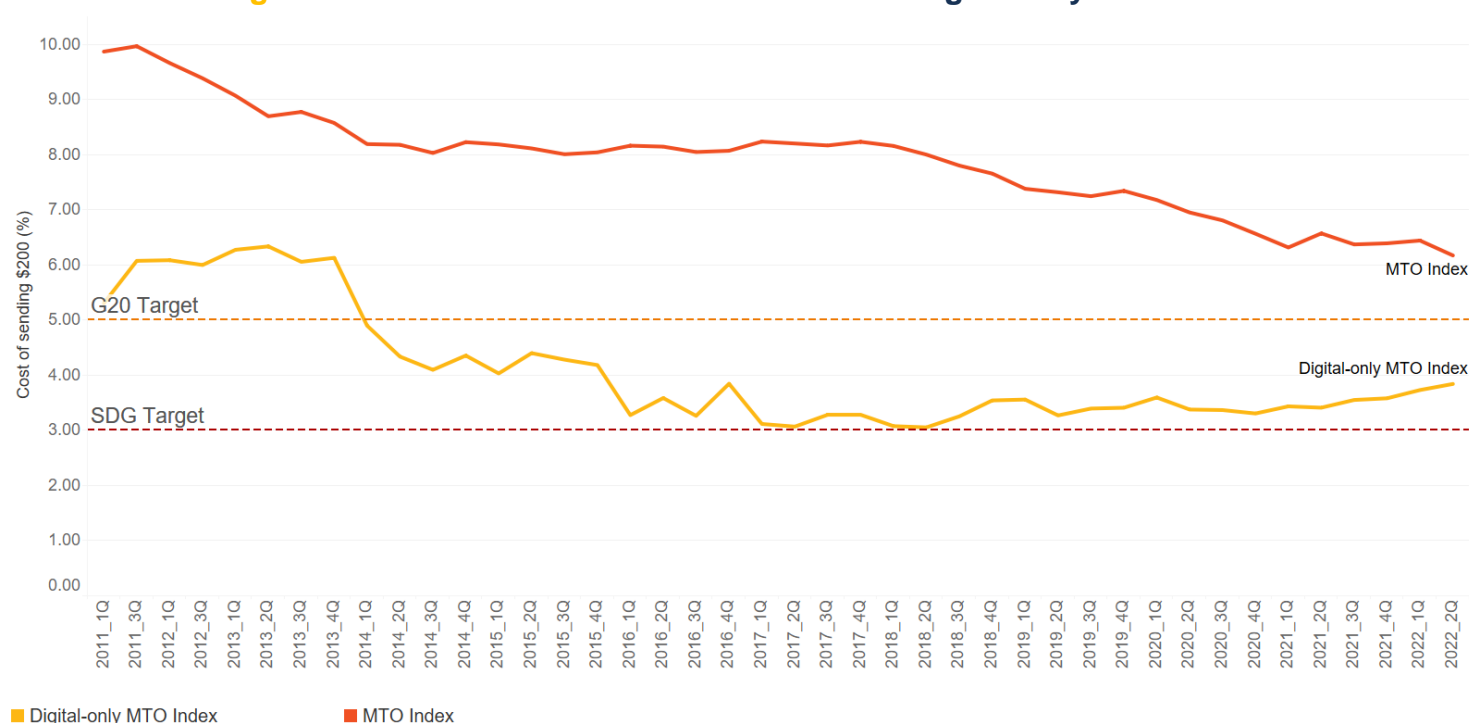
<sup>2</sup> Figures for the global average were adjusted in Q1 2014 following a clean-up of the entire database. Some values slightly vary from figures published prior to Q1 2014.



## 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>3</sup> In Q2 2022, the International MTO Index recorded a moderate decrease to 6.17 percent from the previous value of 6.44 percent in Q1 2022. Over the year, this figure was down by 0.40 of a percentage point, recorded at 6.57 percent in Q2 2021. This figure has come down by 4.19 percentage points from its first recorded value of 10.36 percent in Q1 2009. In Q2 2022, the digital-only MTO Index recorded at 3.84 percent, a moderate increase from 3.73 percent in Q1 2022.<sup>4</sup> 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

Also, a weighted average total cost is calculated, which accounts for the relative size of the flows in each remittance corridor.<sup>5</sup> The Global Weighted Average of sending remittances, as illustrated in Figure 3 (see

<sup>3</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.

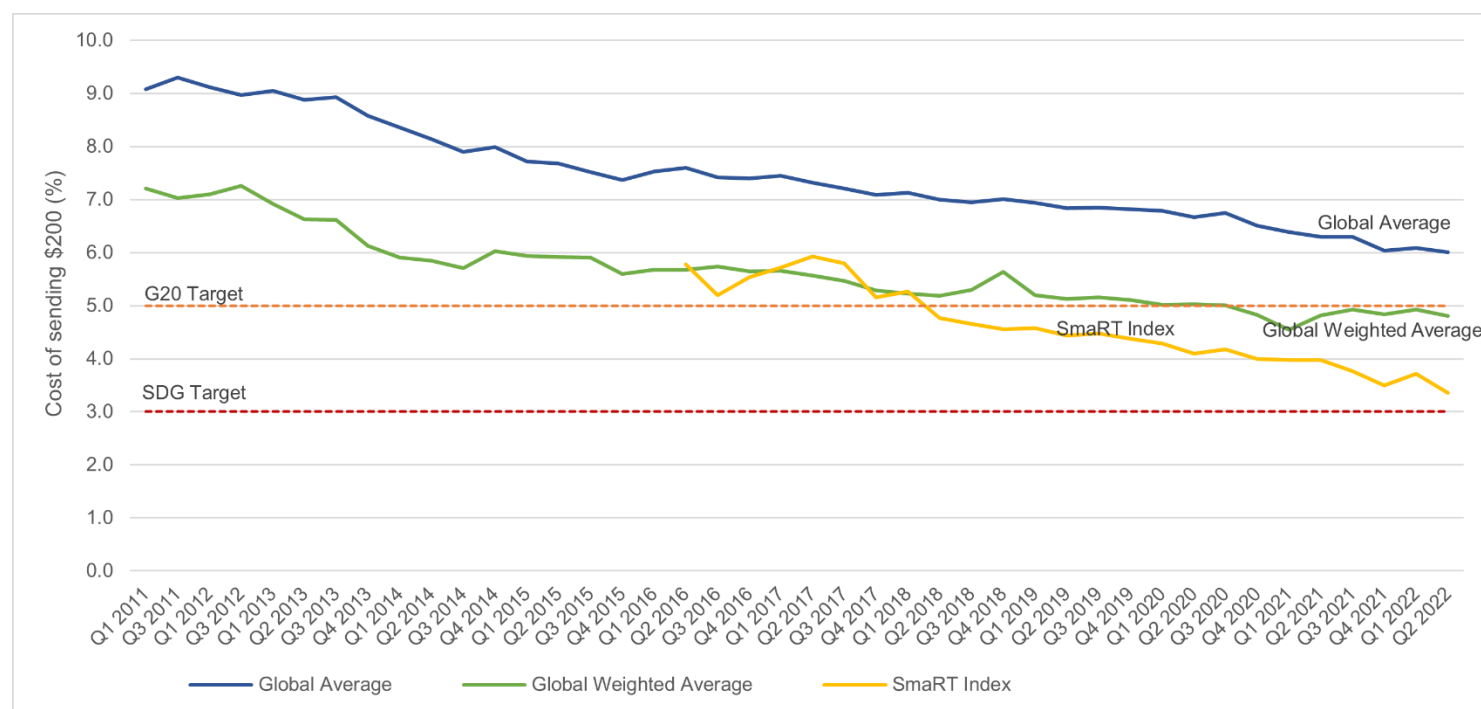
<sup>4</sup> A digital-only MTO refers to money transfer operators that send remittances predominantly through digital channels. The digital-only MTO index includes five digital-only MTOs, Wise, Remitly, WorldRemit, InstaReM and Xoom. Some of these providers also have physical channels.

<sup>5</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



also Table 1 in the Annex), has at times shown a different pattern from the simple average. In Q2 2022, the Global Weighted Average recorded at 4.80 percent. This is the seventh consecutive quarter in which this figure has been recorded below 5.00 percent. Over the last five years, this figure has decreased by approximately 0.77 percentage points – recorded at 5.57 percent in Q2 2017.

**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

<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.

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>6</sup> In Q2 2022, the Global SmaRT Average was recorded at 3.35 percent. Since Q2 2021 this figure has come down from 3.97 percent, a decrease of 0.62 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 2022, 26 of the 354<sup>7</sup> 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, fourteen are destined for Sub-Saharan Africa, six 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 (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	<i>Qatar to Sudan</i>	Saudi Arabia to Sudan
Italy to Egypt, Arab Rep.	<i>Nigeria to Benin</i>	Saudi Arabia to Syrian Arab Rep.
Ghana to Nigeria	<i>Nigeria to Mali</i>	Jordan to Syrian Arab Rep.
India to Bangladesh	<i>Nigeria to Togo</i>	United Arab Emirates to Yemen, Rep.
India to Pakistan	Netherlands to Suriname	United Arab Emirates to Sudan
India to Sri Lanka	Pakistan to Afghanistan	United States to Yemen, Rep.
Qatar to Egypt, Arab Rep.	Pakistan to Bangladesh	

*Note: In Q2 2022, RPW experienced difficulties in collecting data on all outbound services from Nigeria. In addition, data on services originating in the Russian Federation (13 corridors) were not collected. Therefore, for Q2 2022, RPW reports no qualifying services in these 16 corridors, three 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 Q2 2022, 71 percent of all corridors covered in the RPW database had SmaRT corridor averages below 5 percent.<sup>8</sup>

<sup>6</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)

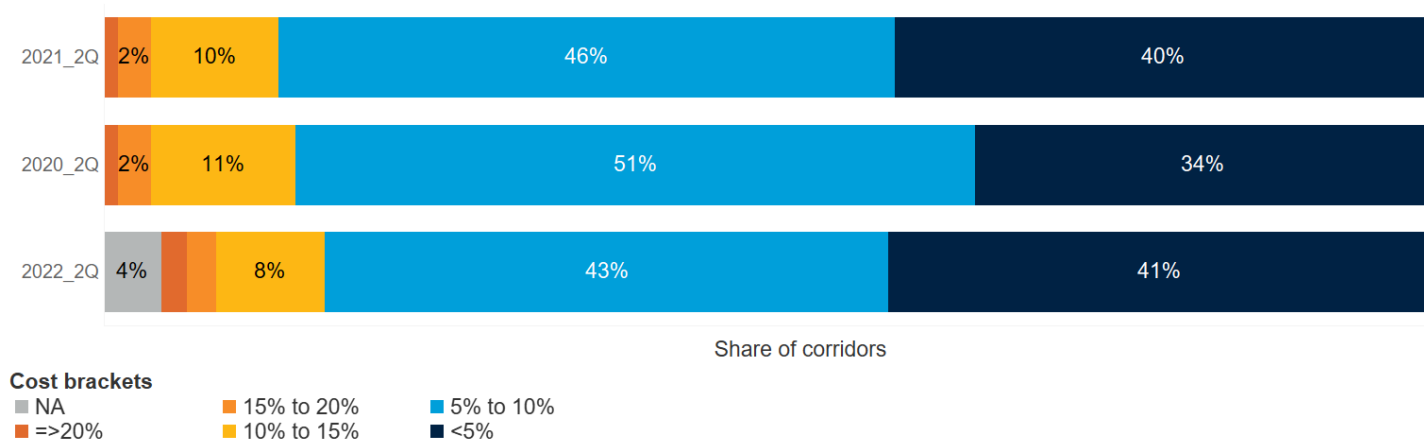
<sup>7</sup> The number of corridors excludes the 13 corridors originating in Russia.

<sup>8</sup> 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 30 percentage points (53 percent of corridors in Q1 2009, compared to 83 percent of corridors in Q2 2022). 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 8 percent of corridors in Q2 2022, compared to 29 percent of corridors in Q1 2009. Year over year since Q1 2019, this gradual shift is visible. Of the 7 corridors with costs above 20 percent in Q2 2022, four 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 2022. Corridor average total costs for services originating from Russia are also unavailable. These 16 corridors are shown as “NA” in Figure 4.

**Figure 4 Distribution of Average Total Costs**



## G8 and G20 countries

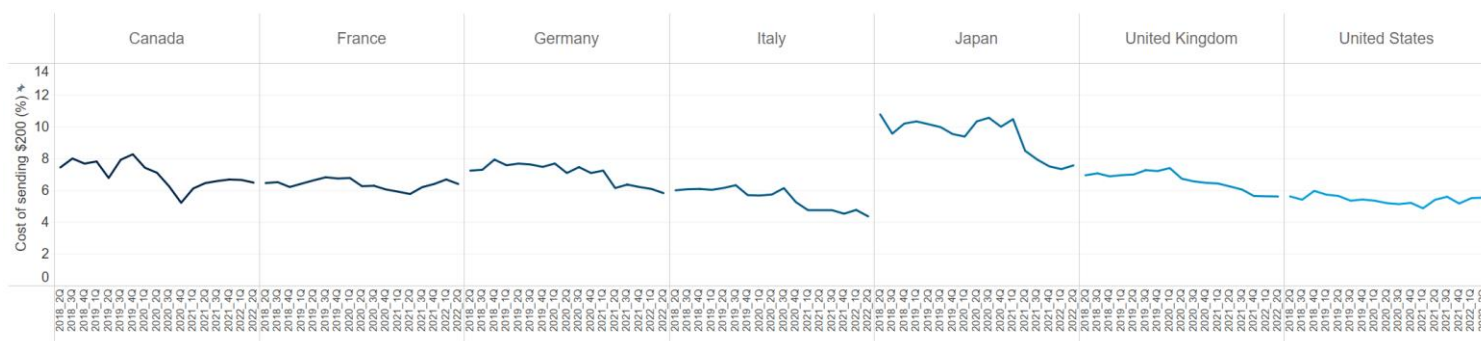
### Cost of sending remittances from G8 countries

The G8 countries include several of the major remittance sending countries in the world.<sup>9</sup> The average cost for sending remittances from the G8 countries decreased from 5.80 percent in Q1 2022 to 5.68 percent in Q2 2022. This is the sixth quarter in which this figure has been recorded below 6.00 percent. Over the year, this figure has decreased by 0.11 of a percentage point (from 5.79 percent in Q2 2021).

<sup>9</sup> As Q2 2022 data set did not include data on corridors originating from Russia, the G8 and G20 figures reported do not include data on these corridors.

The largest decrease in total average cost to send remittances is seen in Italy (4.78 percent to 4.37 percent), followed by France (6.69 percent to 6.41 percent), Germany (6.10 percent to 5.83 percent), Canada (6.66 percent to 6.50 percent) and the United Kingdom (5.64 percent to 5.62 percent). The largest increase is seen in Japan (7.35 percent to 7.58 percent) and the United States (5.52 percent to 5.55 percent).

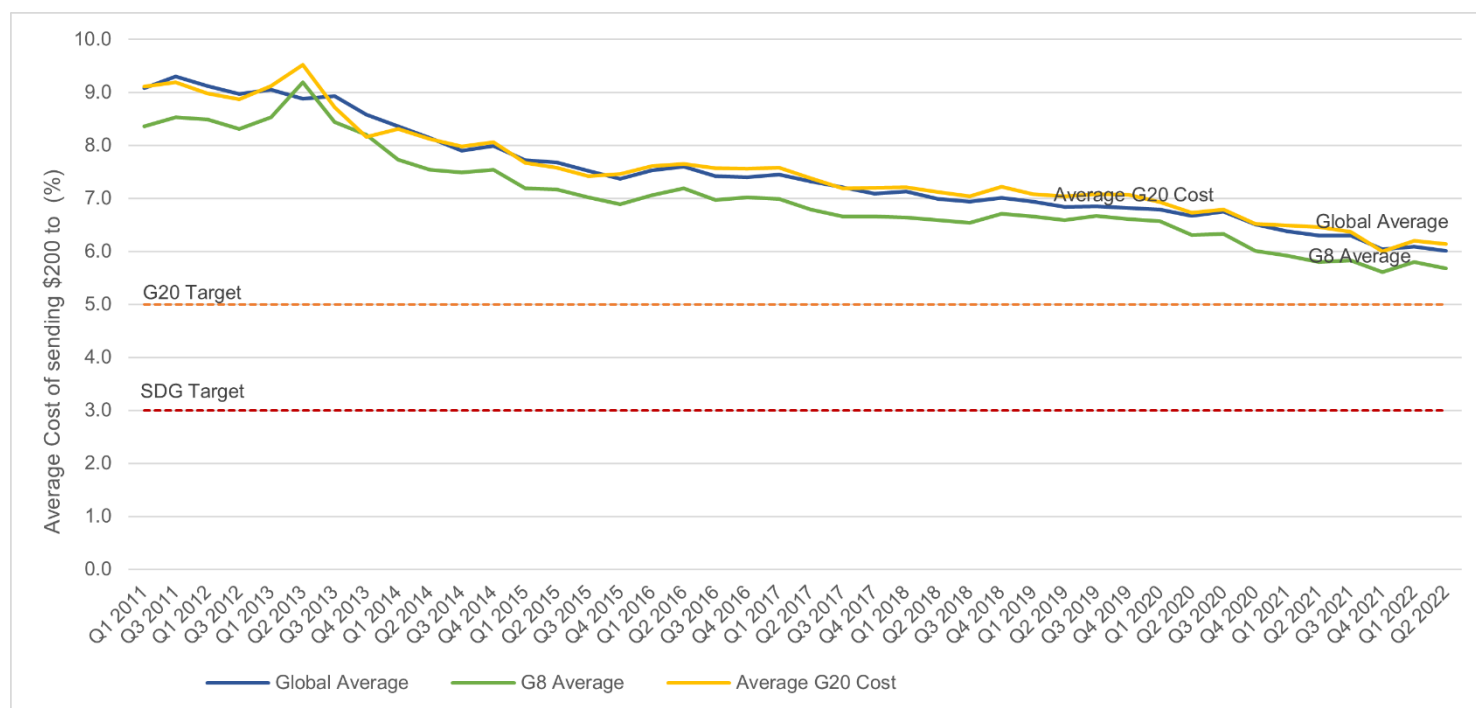
**Figure 5 Total average over time in G8 countries**



## Cost of sending remittances from and to G20 countries

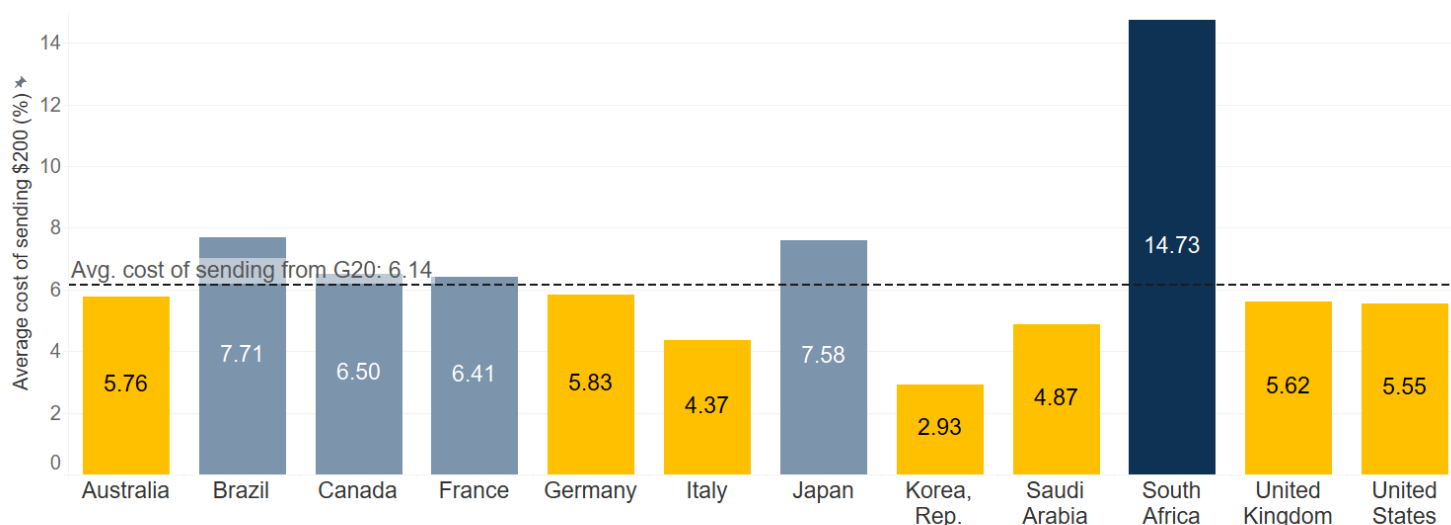
The cost of remitting from G20 countries decreased from 6.20 percent in Q1 2022 to 6.14 percent in Q2 2022, as shown in Figure 6 (also see Table 3 in the Annex).

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

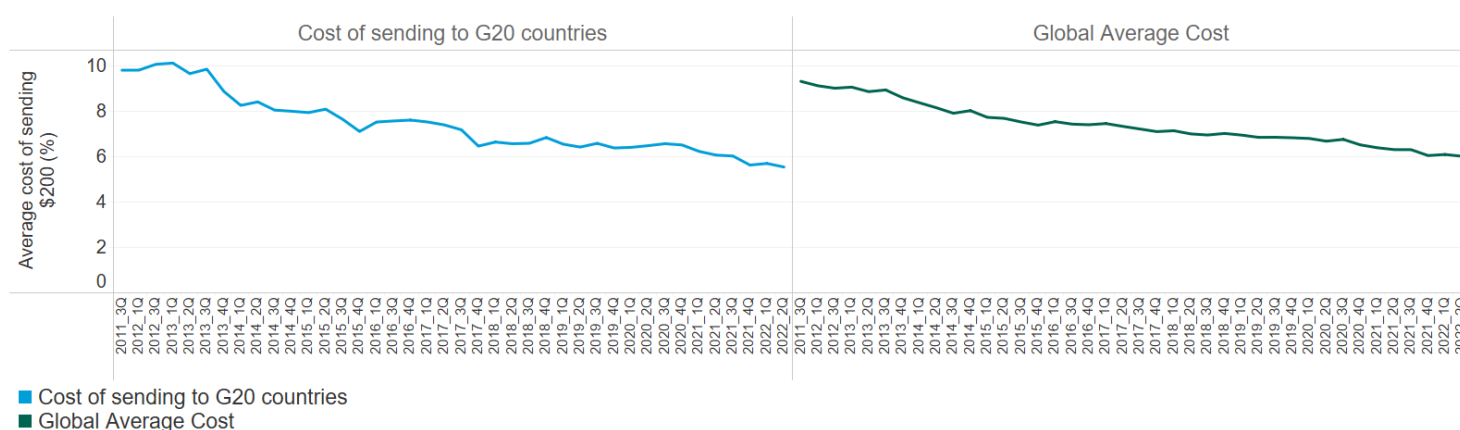


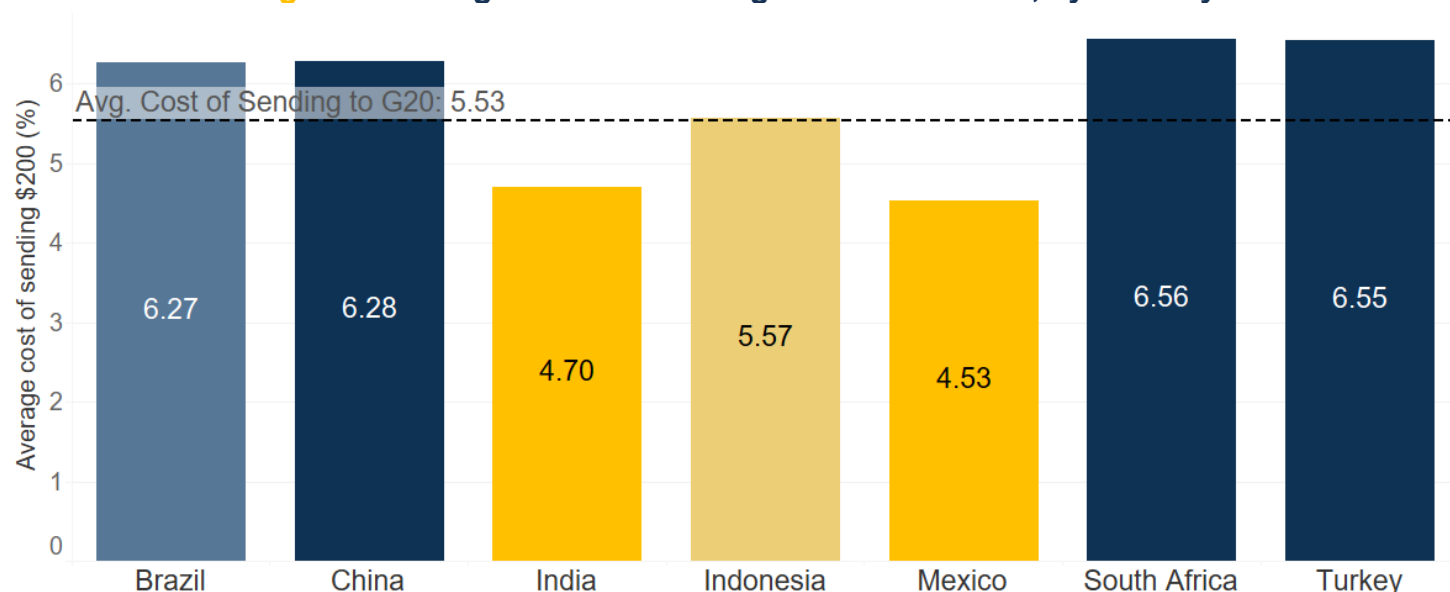
South Africa remains the costliest G20 country to send remittances from (see Figure 7). This is despite an overall decrease from its peak in Q1 2013, when the cost of sending from South Africa was more than 20 percent. In Q2 2022, remitting from South Africa incurred an average cost of 14.73 percent, a moderate increase from its recorded value of 13.93 percent in Q1 2022. The cost of sending from the second most expensive G20 sending country – Brazil – was recorded at 7.71 percent in Q2 2022. The Republic of Korea is the least expensive G20 sending country, recorded at 2.93 percent, followed by Italy (4.37 percent), Saudi Arabia (4.87 percent), the United States (5.55 percent), the United Kingdom (5.62 percent), Australia (5.76 percent), and Germany (5.83 percent).

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



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



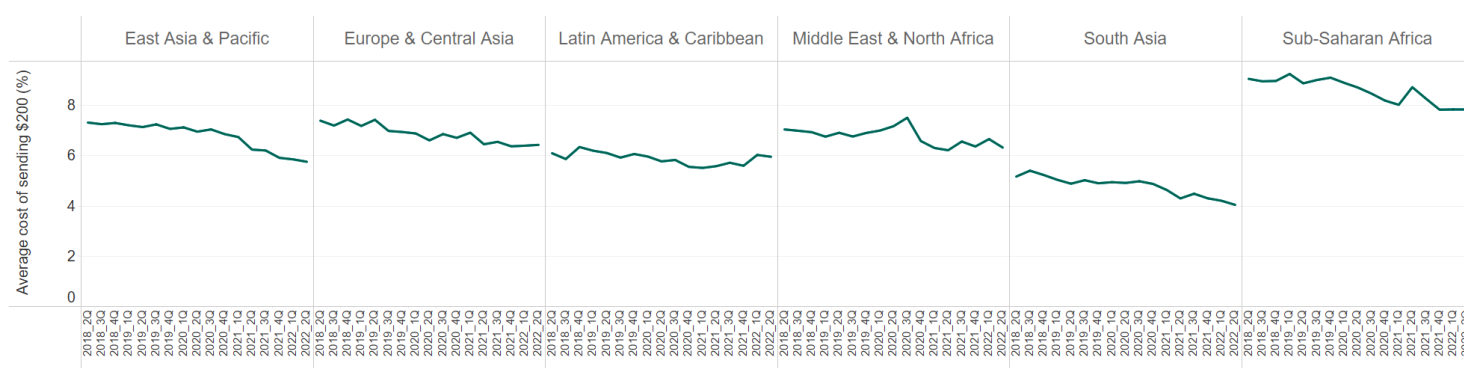
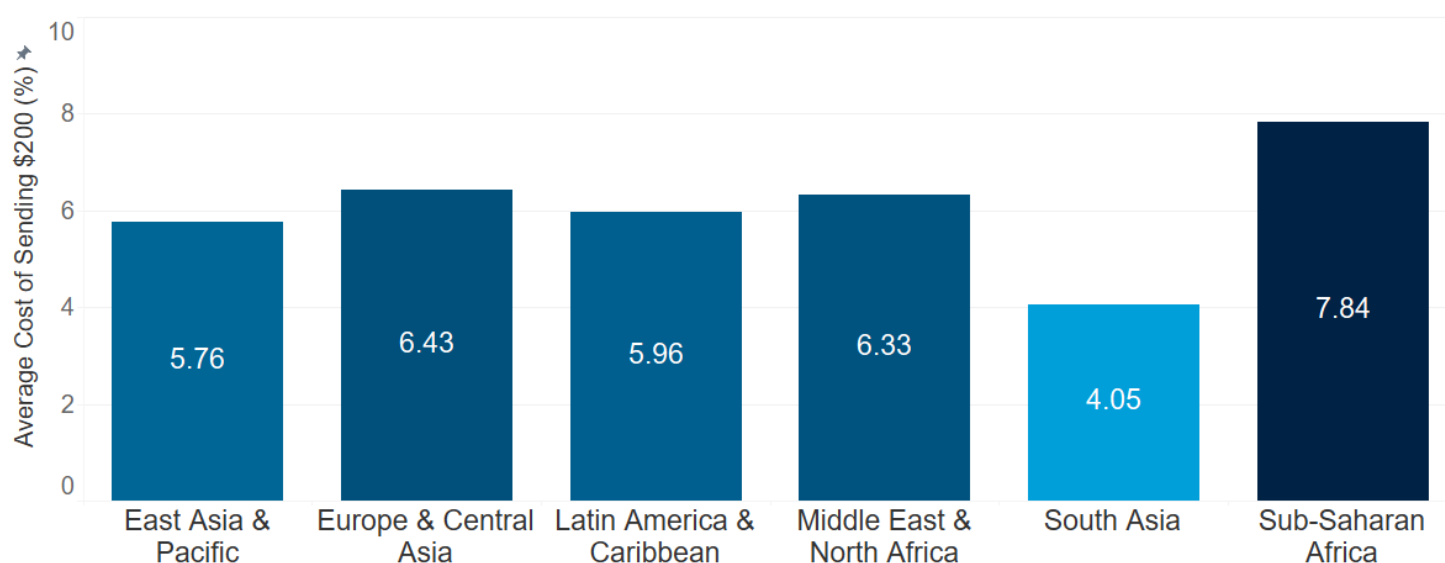
**Figure 9 Average cost of remitting to G20 countries, by Country**

Figures 8 and 9 display the total average cost of sending \$200 to G20 countries over time and in Q2 2022, 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 5.53 percent in Q2 2022.

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 Q2 2022, South Africa (6.56 percent) is the most expensive country in this group to remit to, closely followed by Turkey (6.55 percent), China (6.28 percent), and Brazil (6.27 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 4.53 percent.

## 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. Middle East and North Africa (MNA) experienced the largest decrease from 6.66 percent to 6.33 percent, followed by South Asia (SA), East Asia and Pacific (EAP), and Latin America and the Caribbean (LAC). Europe & Central Asia (ECA) experienced an increase from 6.40 percent to 6.43 percent, while Sub-Saharan Africa (SSA) remained the same at 7.84 percent.

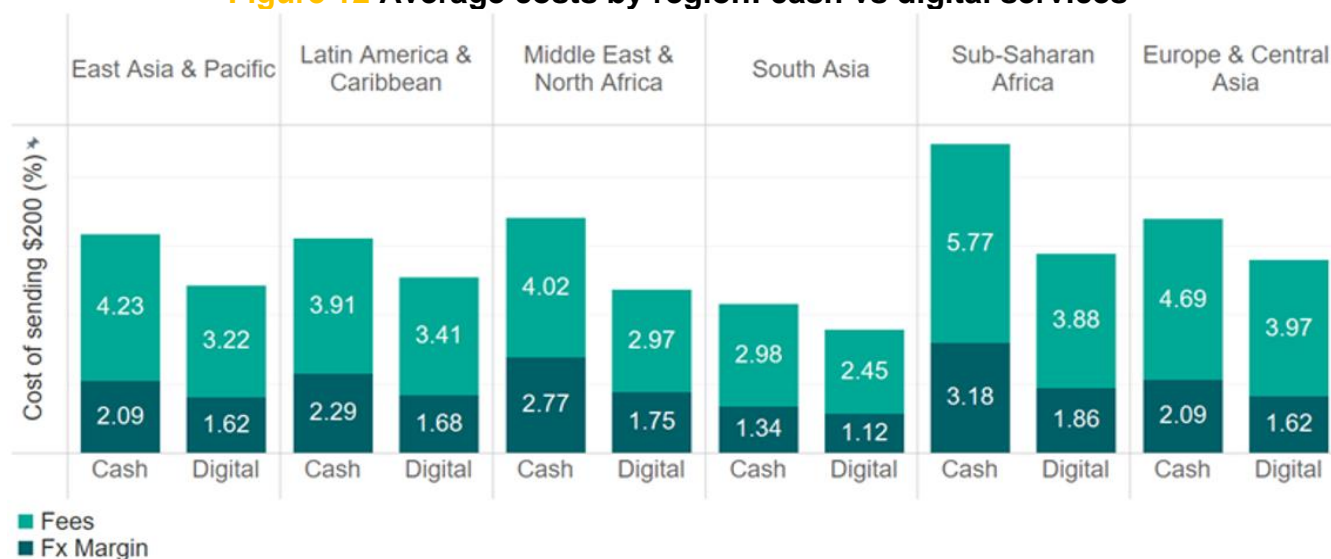
**Figure 10** Average costs over time by region of the world**Figure 11** Average costs by region of the world

## Cost structure

### Cash vs. Digital Services

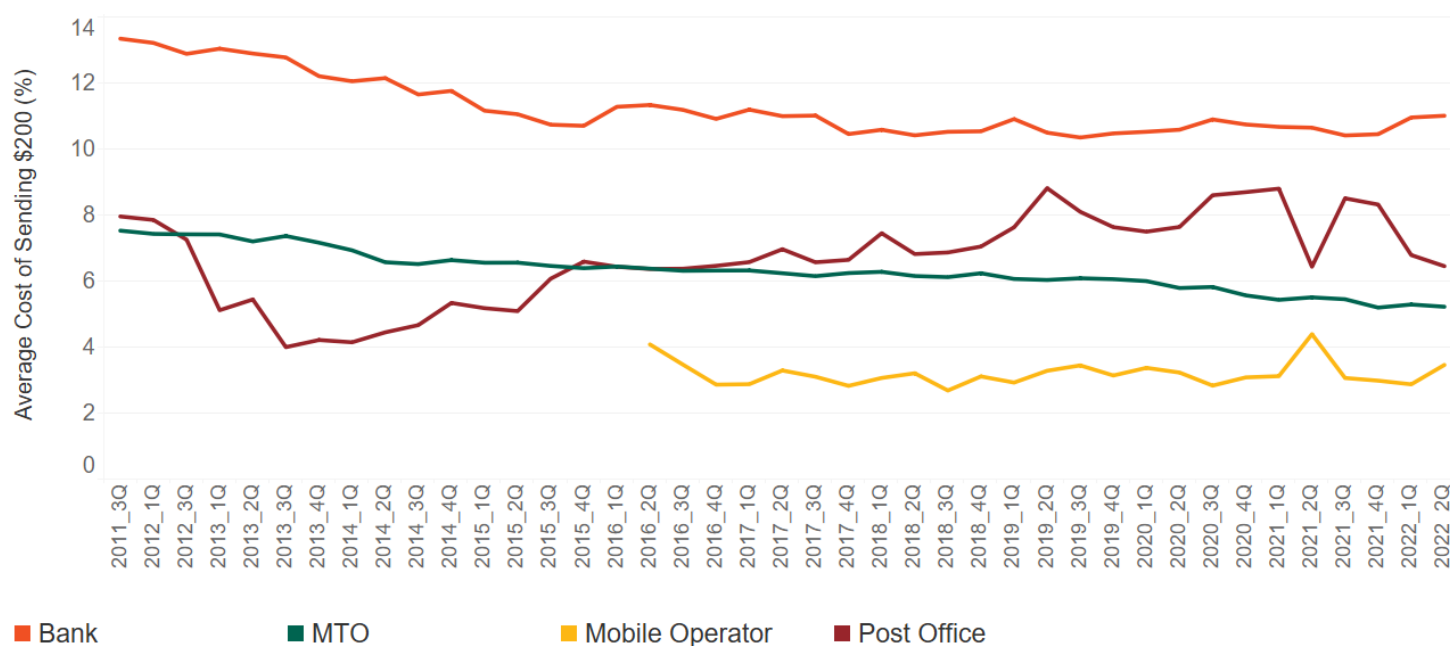
Figure 12 further compares the costs for remittance services among different regions, by breaking down the cost into two components: fee and foreign exchange (FX) margin. Within each region, Figure 12 differentiates between digital and non-digital remittances. It shows fees account for a large portion 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

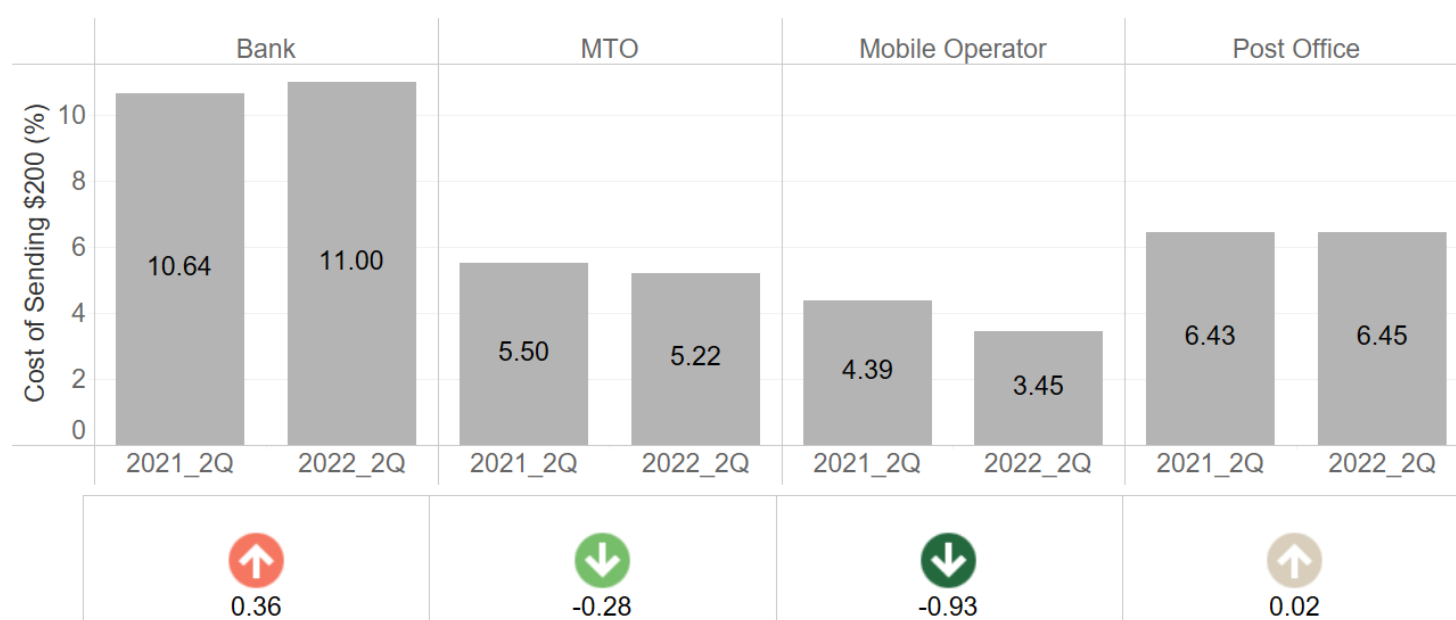
RPW tracks the cost of sending remittances for four main RSP types: Banks, MTOs, Mobile Operators, and Post Offices. Figure 13 provides a time series visual of all the RSP types included in the RPW dataset.

**Figure 13 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 14 provides an overview for each RSP type in Q2 2021 and Q2 2022. Banks continue to be the costliest RSP type, with an average cost of 11.00 percent in Q2 2022. Post Offices are recorded at 6.45 percent in Q2 2022.<sup>10</sup> Money Transfer Operators are recorded at 5.22 percent, while Mobile Operators are the cheapest RSP type recorded at 3.45 percent. However, Mobile Operators only account for a very small share (less than 1%) of the sample size.

**Figure 14 Total average by RSP type**



## Costs by Sending and Receiving Method

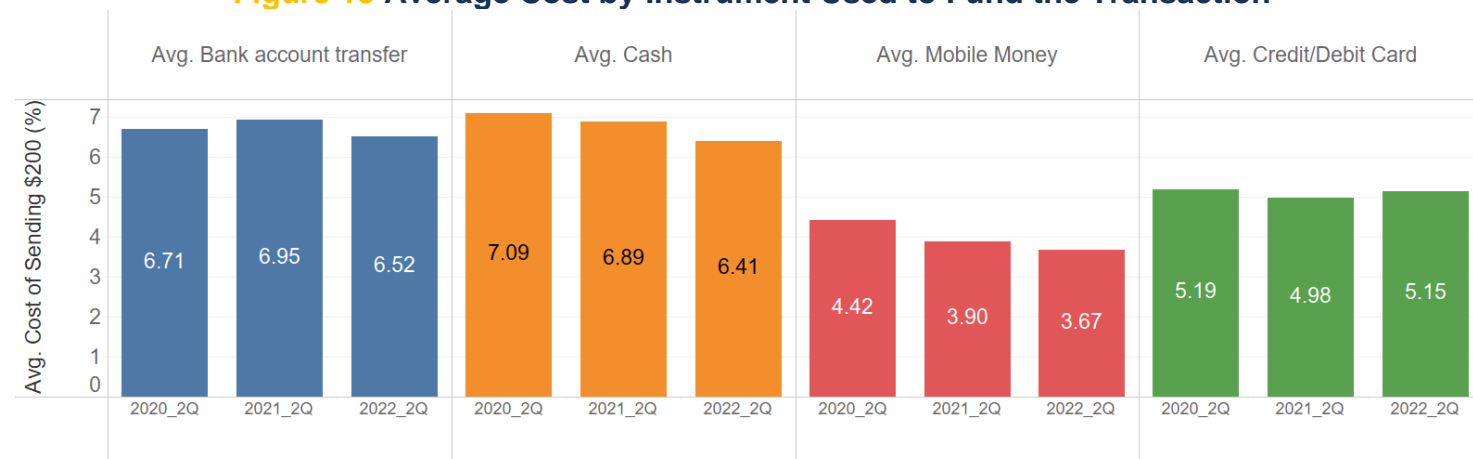
RPW captures separately the payment instrument used to fund the transaction and the one used to disburse the funds to the receiver. This approach is reflected in the charts below. This approach allows for further refinement of the analysis and increases its adaptability to new products that might emerge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

In Q2 2022, the cheapest method for funding a remittance transaction was Mobile Money at 3.67 percent

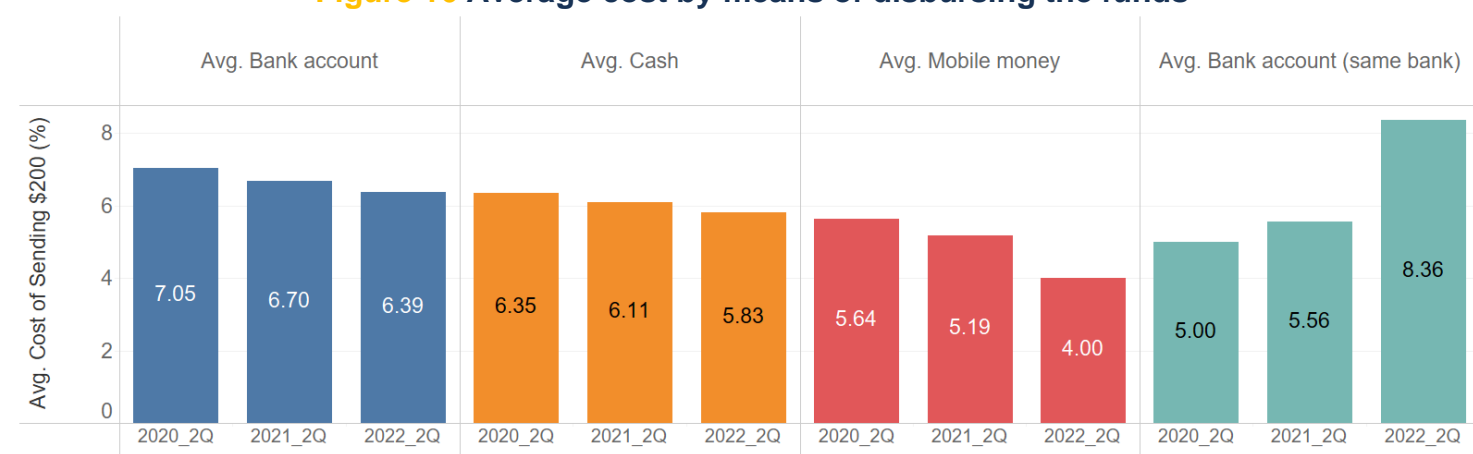
<sup>10</sup> Several services originating in France via "La Poste" are provided by "La Banque Postale" which is a subsidiary of La Poste and is licensed as a bank. This recategorization seems to have impacted the average cost of sending via post offices in Q1 2022.

(40 services recorded in RPW) (Figure 15). The average cost when using Cash (1,681 services) was 6.41 percent. Sending money using credit or debit card (2,557 services) cost 5.15 percent. Using a bank account incurred an average cost of 6.52 percent (2,282 services).

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



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



The cost of sending remittances to a bank account within the same bank or to a partner of the originating bank (73 services) was recorded at 8.36 percent in Q2 2022 (Figure 16). In contrast, sending money to a bank account regardless of originating bank (2,378 services), was 6.39 percent.<sup>11</sup> When funds are sent to a mobile wallet (383 services) the average cost in Q2 2022 was 4.00 percent. Services where money is disbursed in cash (3,412 services) cost on average 5.83 percent.

<sup>11</sup> The average cost of sending within the same bank has increased by 2 percentage points due to a bank instituting specific fees across all corridors originating in the US at the time of data collection. In addition, the average cost of disbursing via mobile money is considerably lower in Q2 2022 compared to Q2 2021. This is likely due to both the decline in fees and in foreign exchange margins throughout the year.

# Annex I – Tables (\$200)

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

	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	2021_3Q	2021_4Q	2022_1Q	2022_2Q
Global Average Cost	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	6.30	6.04	6.09	6.01
MTO Index	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	6.37	6.39	6.44	6.17

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

	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	2021_3Q	2021_4Q	2022_1Q	2022_2Q
Canada	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	6.60	6.69	6.66	6.50
France	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	6.21	6.41	6.69	6.41
Germany	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	6.37	6.22	6.10	5.83
Italy	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	4.76	4.54	4.78	4.37
Japan	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	7.95	7.52	7.35	7.58
Russian Federation	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	2.93	3.13		
United Kingdom	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	6.06	5.65	5.64	5.62
United States	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	5.61	5.18	5.52	5.55
G8	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	5.83	5.61	5.80	5.68

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

	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	2021_3Q	2021_4Q	2022_1Q	2022_2Q
Australia	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	7.25	6.40	6.23	5.76
Brazil	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	4.81	4.19	5.93	7.71
Canada	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	6.60	6.69	6.66	6.50
France	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	6.21	6.41	6.69	6.41
Germany	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	6.37	6.22	6.10	5.83
Italy	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	4.76	4.54	4.78	4.37
Japan	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	7.95	7.52	7.35	7.58
Korea, Rep.	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	4.18	3.46	2.98	2.93
Russian Federation	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	2.93	3.13		
Saudi Arabia	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	4.87	4.20	4.43	4.87
South Africa	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	14.81	13.02	13.93	14.73
United Kingdom	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	6.06	5.65	5.64	5.62
United States	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	5.61	5.18	5.52	5.55
From G20	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	6.37	6.00	6.20	6.14

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

	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	2021_3Q	2021_4Q	2022_1Q	2022_2Q
Brazil	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	6.43	6.35	6.56	6.27
China	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	6.78	6.35	6.52	6.28
India	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	5.31	4.94	4.98	4.70
Indonesia	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	6.15	5.62	5.61	5.57
Mexico	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	4.39	4.28	4.81	4.53
South Africa	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	8.21	6.20	6.36	6.56
Turkey	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	6.93	6.54	6.08	6.55
to G20	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	6.02	5.62	5.69	5.53

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

	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	2021_3Q	2021_4Q	2022_1Q	2022_2Q
East Asia & Pacific	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	6.21	5.91	5.85	5.76
Europe & Central Asia	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	6.15	6.05	6.40	6.43
Latin America & Caribbean	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	5.72	5.60	6.03	5.96
Middle East & North Africa	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	6.56	6.37	6.66	6.33
South Asia	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	4.49	4.30	4.21	4.05
Sub-Saharan Africa	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	8.27	7.83	7.84	7.84

## 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.

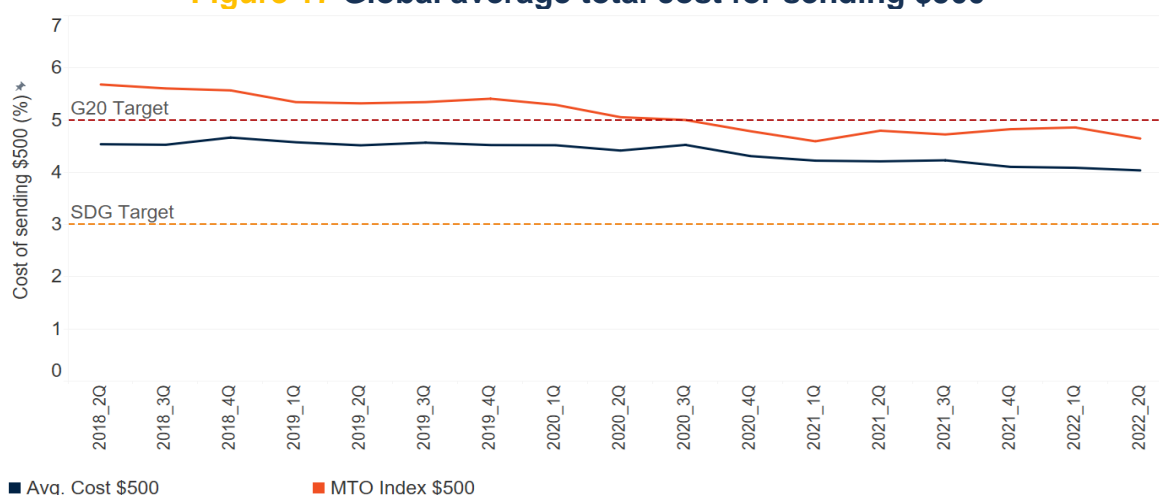
The analysis in this annex shows again that, as expected, the average cost of sending \$500 is lower as a percentage of amount sent compared to the average cost of sending \$200. The analysis additionally confirms that the average cost of sending \$500 has followed a similar trend to the one observed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

### Global trends for sending \$500

#### Global average total cost

In Q2 2022, the Global Average cost for sending \$500 was 4.04 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 1.28 percentage point since Q1 2011, when the figure was recorded at 5.32 percent. Over the preceding 5-year period (Q2 2017 – Q2 2022), the total cost of sending \$500 has decreased by 0.57 percentage point.

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



## International MTO Index

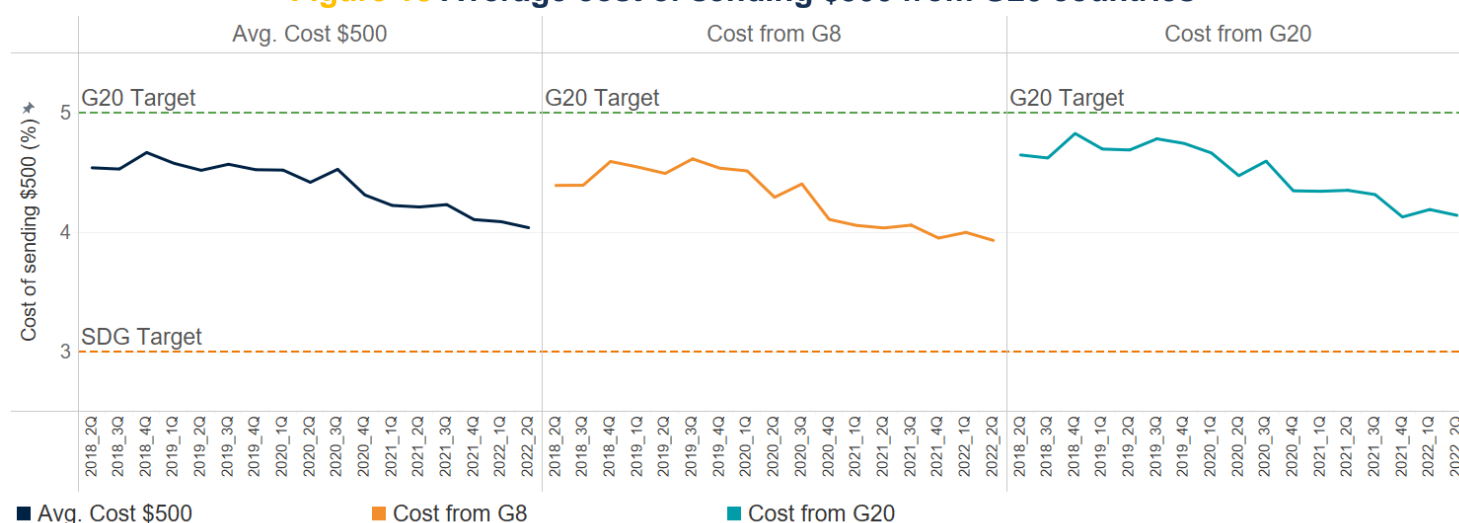
The International MTO Index tracks the prices of MTOs that are present in at least 85 percent of corridors covered in the RPW database.<sup>12</sup> In Q2 2022, the International MTO Index for \$500 experienced a moderate decrease to 4.65 percent from 4.86 percent in Q1 2022. As seen in Figure 17, the International MTO Index exhibits an overall downwards trend. Over the preceding 5-year period (Q2 2017 – Q2 2022), the total cost of sending \$500 has decreased by 1.21 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 Q1 2022 experienced an increase, recorded at 4.14 percent.

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



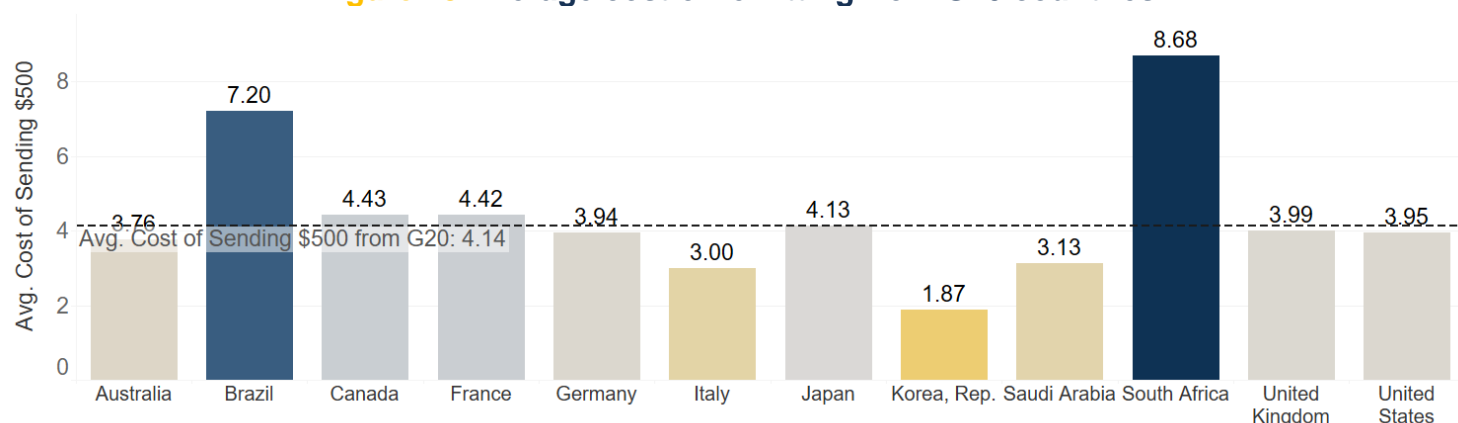
In Q2 2022, South Africa is the most expensive G20 country to send \$500 from, consistent with the \$200 findings (see Figure 19). The average cost of remitting \$500 from South Africa increased to 8.68 percent from 8.18 percent in Q1 2022, and this is despite an overall decrease from its peak in Q2 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 7.20 percent. The Republic of Korea became the least expensive

<sup>12</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.



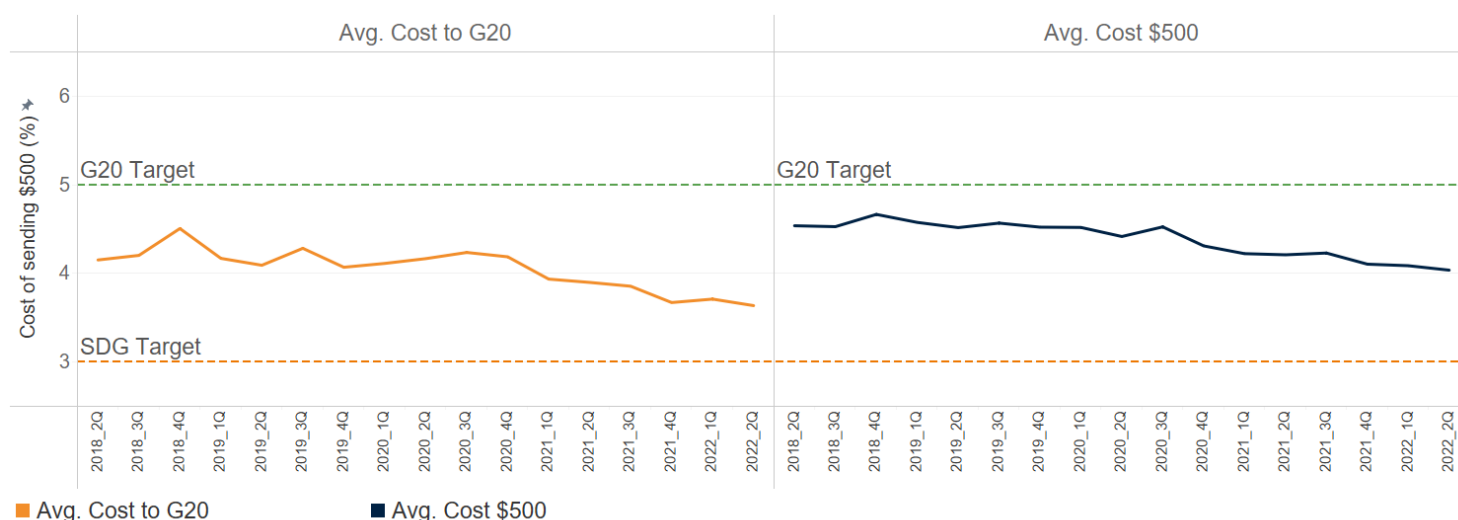
sending country in this grouping, exhibiting a total average cost of sending \$500 of 1.87 percent, followed by Italy (3.00 percent), Saudi Arabia (3.13 percent), Australia (3.76 percent), Germany (3.94 percent), the United States (3.95 percent), and the United Kingdom (3.99 percent). Of this group Brazil, Canada, France, Japan and South Africa exhibit costs higher than the Global Average in Q2 2022.

**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 2022, 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 2022, recorded at 3.64 percent in Q2 2022.

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

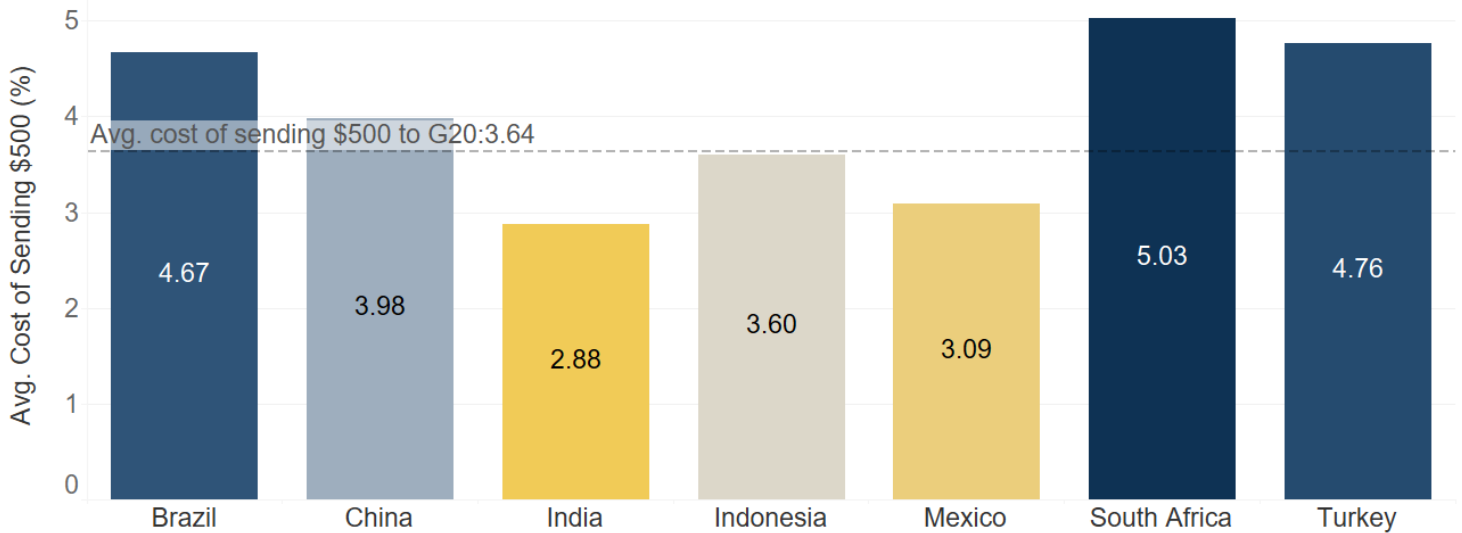


For the past 5 consecutive years, the cost of remitting \$500 to G20 countries is recorded below the Global Average cost of sending \$500. In Q2 2022, South Africa (5.03 percent) remains the most expensive country in this grouping to remit to, followed by Turkey (4.76 percent), Brazil (4.67 percent), and China



(3.98 percent). Over the last 5 years, the total average cost of sending to G20 countries has decreased slightly by 0.81 of a percentage point (in Q2 2017, this figure was recorded at 4.45 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)**

	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	2021_3Q	2021_4Q	2022_1Q	2022_2Q
Avg. Cost \$500	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	4.23	4.10	4.09	4.04
MTO Index \$500	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	4.73	4.83	4.86	4.65

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

	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	2021_3Q	2021_4Q	2022_1Q	2022_2Q
Australia	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	4.63	4.44	4.24	3.76
Brazil	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	4.50	3.96	6.01	7.20
Canada	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	4.70	4.54	4.55	4.43
France	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	4.63	4.68	4.54	4.42
Germany	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	3.97	4.11	3.93	3.94
Italy	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	3.25	3.12	3.31	3.00
Japan	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	4.36	4.30	4.16	4.13
Korea, Rep.	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	2.40	2.14	1.87	1.87
Russian Federation	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	2.66	2.83		
Saudi Arabia	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	2.91	2.64	2.88	3.13
South Africa	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	9.11	7.75	8.18	8.68
United Kingdom	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	4.54	4.21	4.09	3.99
United States	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	3.88	3.71	3.89	3.95
From G20	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	4.31	4.13	4.19	4.14

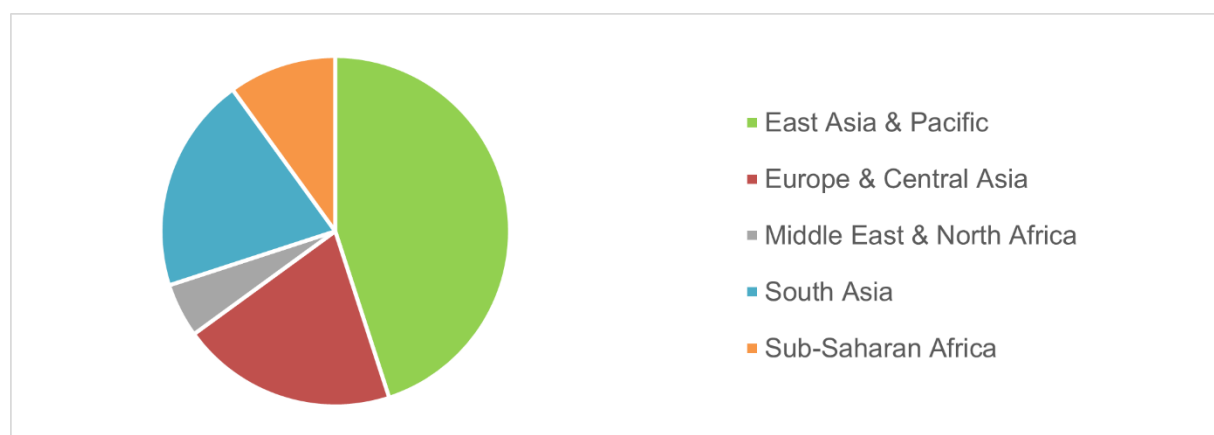
**Table 8 – Cost of receiving \$500 in G20 countries**

	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	2021_3Q	2021_4Q	2022_1Q	2022_2Q
Brazil	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	4.87	4.91	5.04	4.67
China	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	4.25	4.02	4.11	3.98
India	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	3.14	2.99	3.03	2.88
Indonesia	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	3.82	3.62	3.61	3.60
Mexico	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	2.76	2.86	3.21	3.09
South Africa	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	6.28	4.62	4.75	5.03
Turkey	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	4.81	4.64	4.18	4.76
To G20	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	3.86	3.67	3.71	3.64

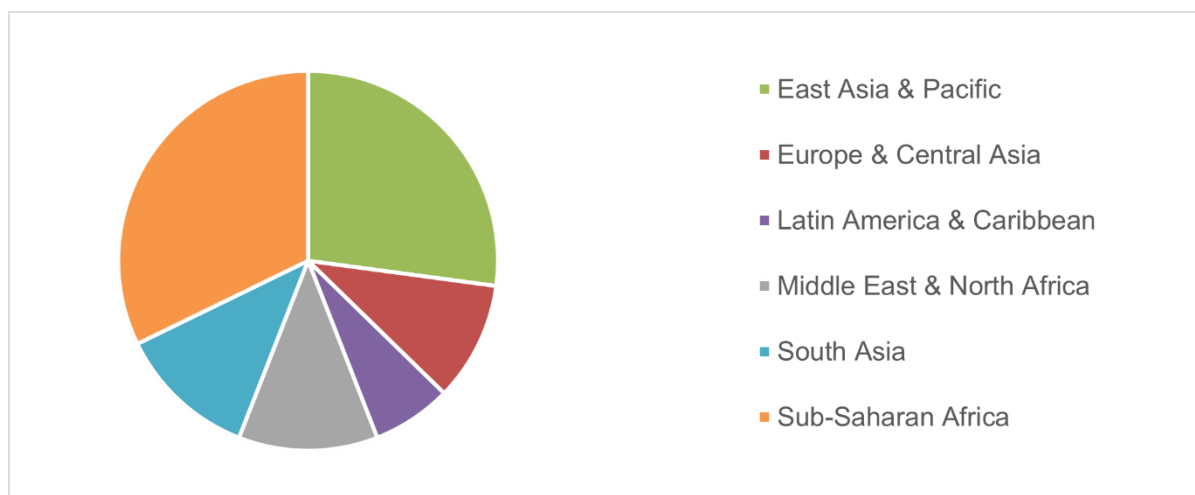
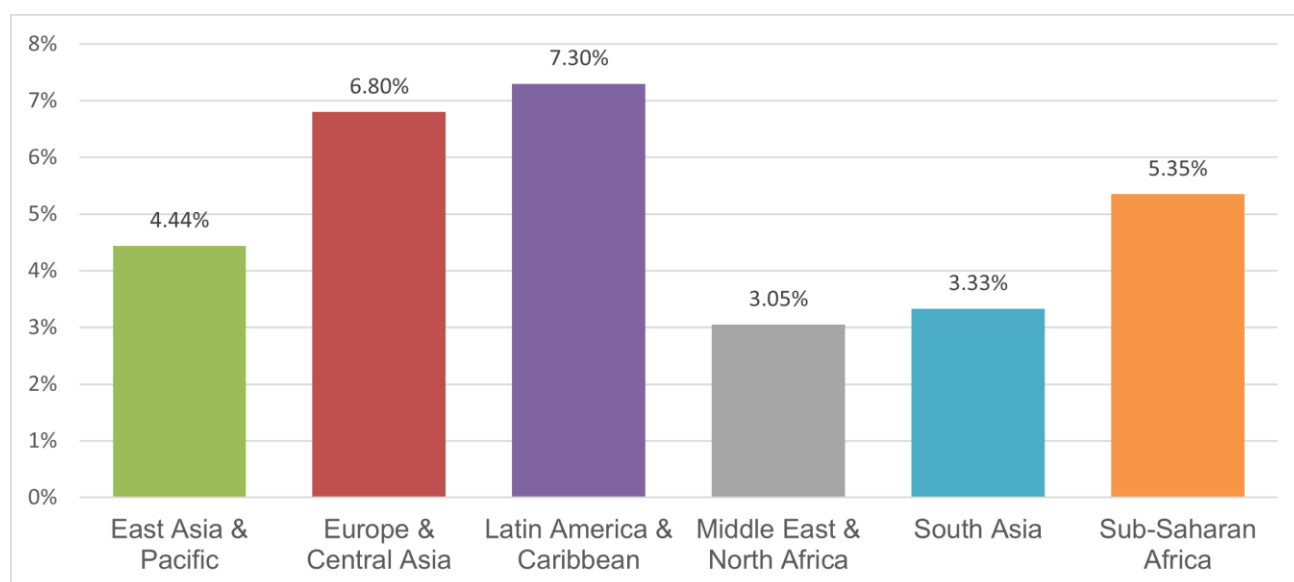
## Annex IV – Prospects Index

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 Q2 2022, 20 new services originating from 5 sending countries were added to the prospects index, covering 13 destination countries. A breakdown of these services by receiving region is provided in Figure 22. Services destined for East Asia and Pacific account for a large share in new services in Q2 2022. The objective of this index is to keep track of the new entrants and new services, to get a sense of the market developments. In the past while we identified new entrants, the price and other data was not captured because these services did not meet the criteria for inclusion in the main index.

**Figure 22** Number of new services by receiving region in Q2 2022



Taken together, the Prospects Index now includes 59 services. Figure 23 shows the distribution of these services by receiving region. Services destined for Sub-Saharan Africa and East Asia and Pacific make up majority of the prospects index.

**Figure 23** Number of Prospects Index services by receiving region**Figure 24** Average cost of Prospects Index services by region, sending \$200 (%)

Average cost for sending \$200 for the prospects index was 4.87 percent, below the global average of 6.01 percent. Thirty-six services were digital services, accounting for over 60 percent of all services in the prospects index. Average cost for digital remittances was 4.30 percent, lower than the global digital remittances index of 4.80 percent. Figure 24 plots the average cost by receiving regions.

In Q2 2022, cheapest method to fund a remittance transaction among the services in the prospects index was bank account transfers at 4.45 percent. According to Table 9, average costs of sending \$200 via various payment instrument are all lower than their main dataset counterparts, with the exception of mobile money. Moreover, mobile money services account for a greater share in the sample (7 percent) compared to its share in the RPW main dataset (less than 1%).

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

	Cash	Bank Account	Debit/Credit Card	Mobile Money
Prospects Index	4.66%	4.45%	4.47%	6.15%
Number of services	19	19	32	4

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

	Cash	Bank Account	Bank Account (same bank)	Mobile Wallet
Prospects Index	4.64%	4.40%	NA	3.50%
Number of services	36	35	NA	18

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.

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

	Prospects Index	# of services	Q2 2022 averages (Reported in the main section)	Would-be Q2 2022 averages including prospects
<b>East Asia &amp; Pacific</b>	4.44%	16	5.76%	5.75%
<b>Europe &amp; Central Asia</b>	6.80%	6	6.43%	6.43%
<b>Latin America &amp; Caribbean</b>	7.30%	4	5.96%	5.96%
<b>Middle East &amp; North Africa</b>	3.05%	7	6.33%	6.28%
<b>South Asia</b>	3.33%	7	4.05%	4.04%
<b>Sub-Saharan Africa</b>	5.35%	19	7.84%	7.80%
<b>Average total cost</b>	4.87%	59	6.01%	6.01%
<b>Digital remittances index</b>	4.30%	36	4.80%	4.79%

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.



# REMITTANCE PRICES WORLDWIDE

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