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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 September 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, 16.3 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 Cost** increased from 6.01 percent in Q2 2022 to 6.30 percent in Q3 2022.
- The **International MTO Index** experienced a decrease over the quarter to 5.93 percent in Q3 2022, from 6.17 percent in Q2 2022. It is the first time this figure is below the Global Average.
- The **Global Weighted Average Cost** decreased to 4.68 percent in Q3 2022 from 4.80% in Q2 2022.
- The **Global SmARt Average Cost** for Q3 2022 was recorded at 3.14 percent. This is a 0.21 percentage point decrease from its Q2 2022 level of 3.35%.
- The **Digital Remittances Index** increased from 4.80 in Q2 2022 to 5.21 percent in Q3 2022.
- The **Digital-only MTO Index** experienced an increase to 4.38 percent in Q3 2022 from 3.84 percent in Q2 2022.
- South Asia remains the lowest cost receiving region, with an average cost of 4.94 percent. Sub-Saharan Africa remains the most expensive region to send money to, recorded at 8.46 percent total average cost in Q3 2022.
- Banks remain the most expensive type of service provider, with an average cost of 11.69 percent.
- The proportion of corridors with average costs of less than 5 percent has increased considerably since Q1 2009 (from 17 percent to 42 percent in Q3 2022).
- In Q3 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 war in Ukraine, RPW did not include any data on corridors originating in the Russian Federation in Q1 and Q2 2022. In Q3 2022, 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 Q3 2022; instead, the data are presented in Annex V.
- The prospects index added 5 new services in Q3 2022, originating from 3 sending countries, covering 4 destination countries. Over half of the services in the prospects index are destined for Sub-Saharan Africa. After demonstrating consistency, materiality and diversity, seventeen services from Q1 2022 were moved from the prospects index to the main analysis.

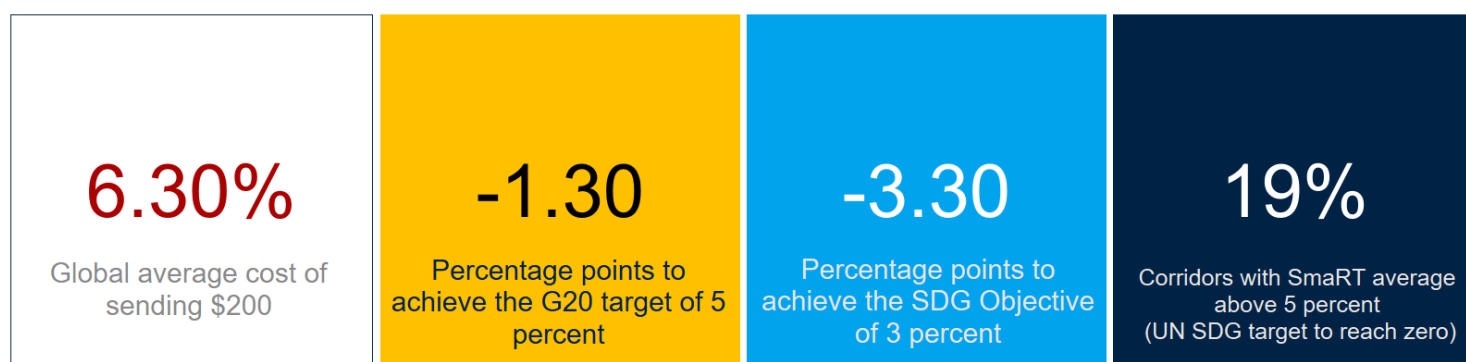
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## Progress tracker

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 Q3 2022 dataset

Q3 2022 data were collected in September 2022. Due to the ongoing Russia-Ukraine war, RPW did not collect data in the corridors originating in Russia following the RPW methodology. Instead, data on these corridors were collected only when information was publicly available online. Mystery shopping or APIs were not used. Therefore, data on some of the services originating in Russia which were a part of regular RPW collection was not available in Q3 2022. In addition, as the data collection methodology deviated from the RPW methodology, these services were not included in the main analysis in Q3 2022. Further details are provided in Annex V.

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 from Pakistan to Bangladesh and Afghanistan became unavailable again due to balance of payment crisis and currency outflow restrictions. The Q3 2022 dataset includes data from 349 corridors (excluding 13 originating in Russia, 2 originating in Pakistan, and 3 originating in Nigeria) instead of the full sample of 367 corridors, which was last collected in Q1 2021.<sup>1</sup>

<sup>1</sup> RPW has not been able to include data on the three corridors originating in Nigeria since Q1 2021: Nigeria to Benin, Nigeria to Mali and Nigeria to Togo.

# Prospects index

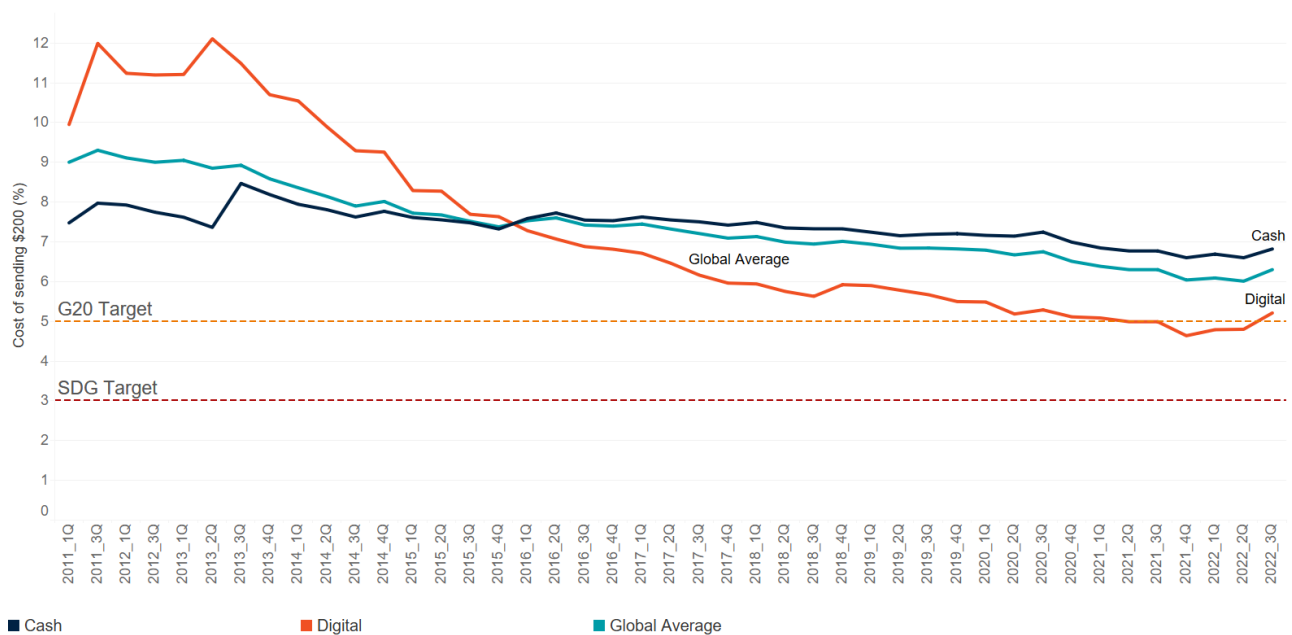
Since Q1 2022, RPW data collection would be used to also monitor new services via a *prospects index*. These new services could be candidates for inclusion in the main index in the future subject to them meeting certain requirements. Please see Annex IV for details.

## Global trends

### Global average experiences an increase

In Q3 2022, the Global Average cost for sending remittances was 6.30 percent, an increase from 6.01 in Q2 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 3.37 percentage points since Q1 2009, when the figure was recorded at 9.67 percent. In Q3 2022, the global average for digital remittances was recorded at 5.21 percent, while the global average for non-digital remittances was 6.82 percent. Digital services account for 32% of all services RPW collected in Q3 2022.<sup>2</sup>

**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.

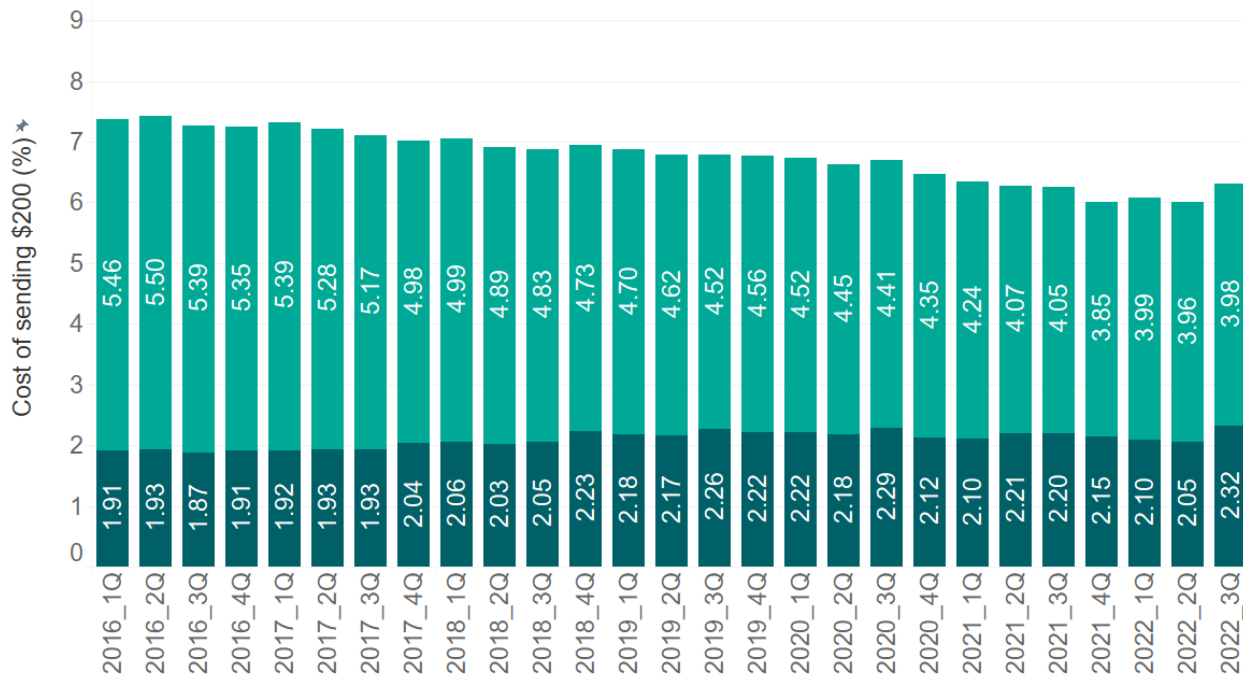
<sup>3</sup> Figures for the global average were adjusted in Q1 2014 following a clean-up of the entire database. Some values slightly vary from figures published prior to Q1 2014.



### Box 1 – Larger FX margins had an impact on costs in Q3 2022

Historical data from RPW suggests that globally foreign exchange (FX) margins for sending \$200 have been around 2 percent on average in the last 5-6 years. In Q3 2022, the average FX margin increased by 0.27 percentage points compared to Q2 2022 (Figure B1), which was reflected on the global average cost.

**Figure B1** A breakdown of global average cost of sending \$200 into FX margins and fees



## International MTO Index

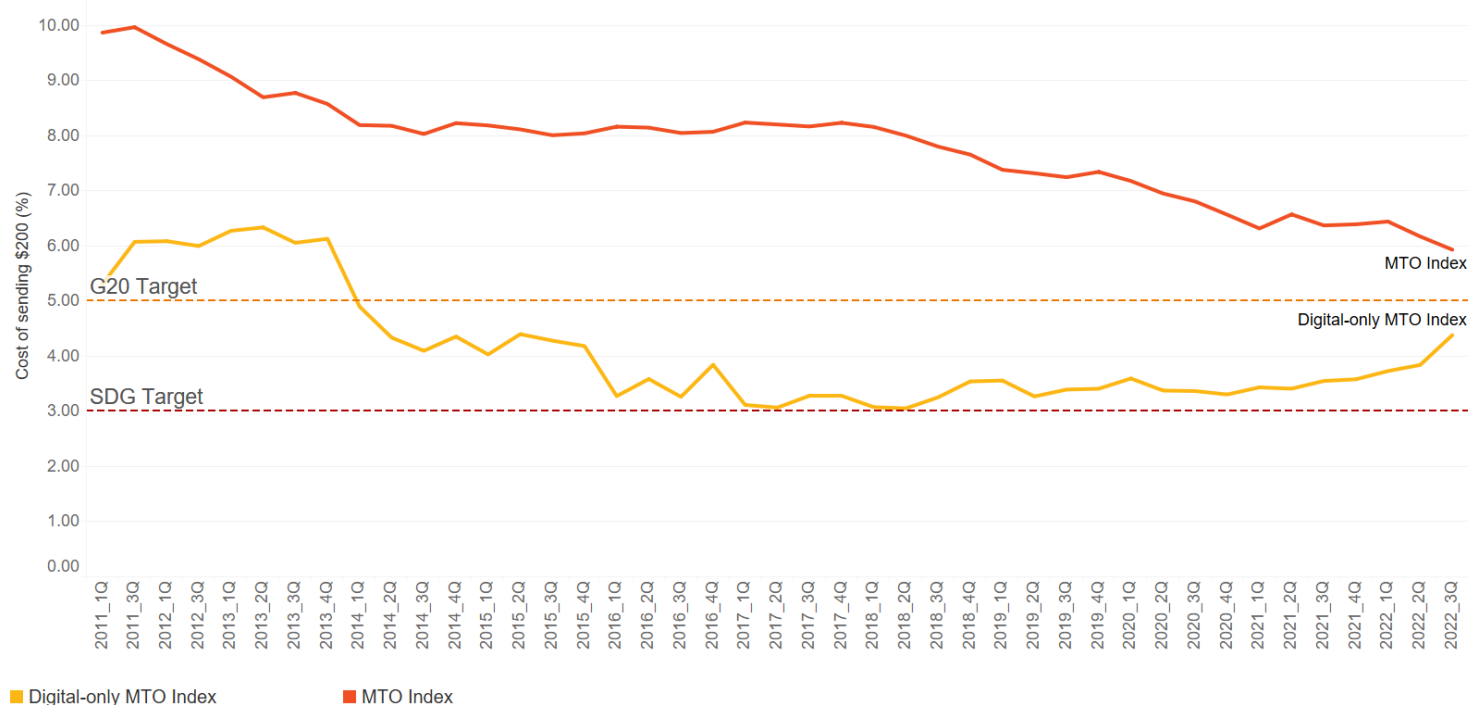
The International MTO Index tracks the prices of MTOs (money transfer operators) that are present in at least 85 percent of corridors covered in the RPW database.<sup>4</sup> In Q3 2022, the International MTO Index recorded a moderate decrease to 5.93 percent from the previous value of 6.17 percent in Q2 2022. Over the year, this figure was down by 0.44 of a percentage point, recorded at 6.37 percent in Q3 2021. This figure has come down by 4.43 percentage points from its first recorded value of 10.36 percent in Q1 2009. In Q3 2022, the digital-only MTO Index recorded at 4.38 percent, a sizable increase from 3.84 percent in

<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.



Q2 2022.<sup>5</sup> The digital-only MTO Index has consistently remained below both the International MTO Index and the global average. However, more recently, while the international MTO index continued its declining trend, the digital-only MTO index has been increasing. At the same time, the international MTOs started offering more digital remittance services, while the digital-only MTOs started offering cash pickup options at agent or branch locations in several receiving jurisdictions.

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



## Global weighted average

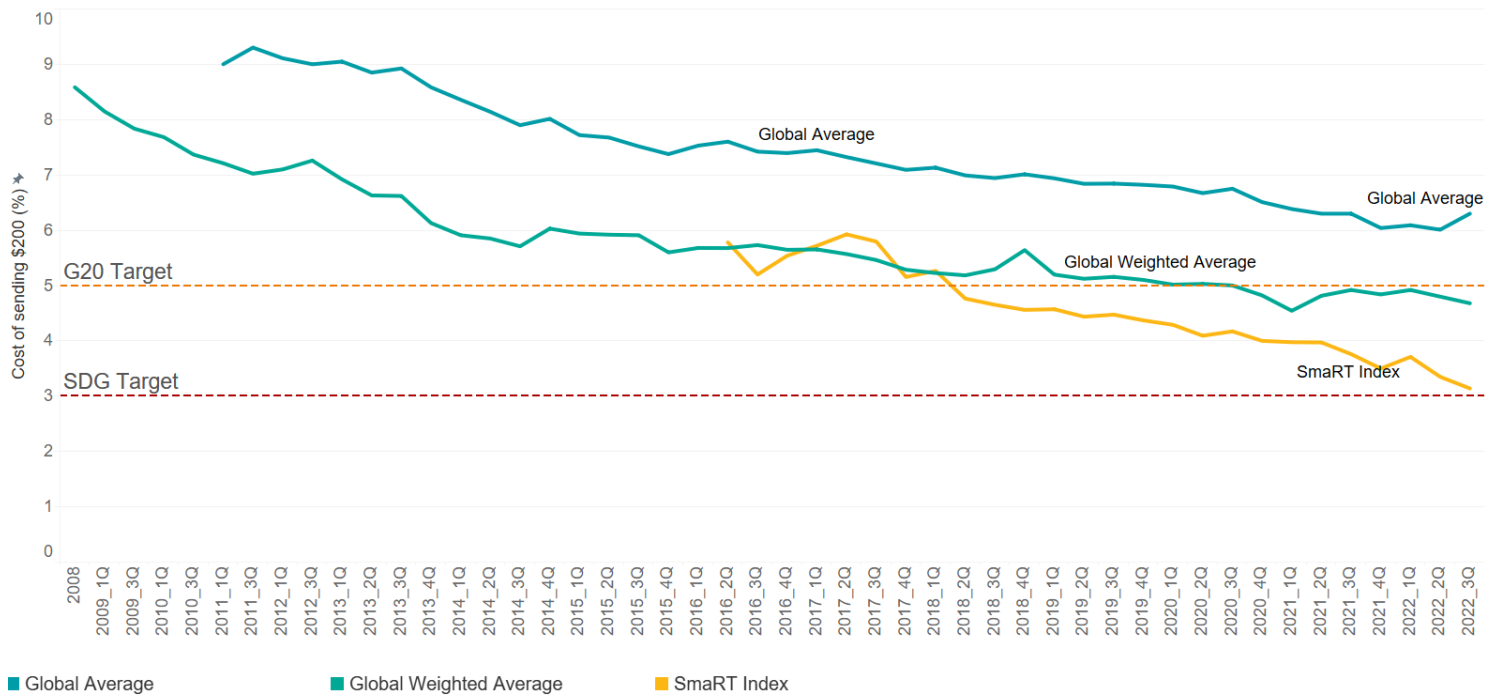
Also, a weighted average total cost is calculated, which accounts for the relative size of the flows in each remittance corridor.<sup>6</sup> The Global Weighted Average of sending remittances, as illustrated in Figure 3 (see also Table 1 in the Annex), has at times shown a different pattern from the simple average. In Q3 2022, the Global Weighted Average recorded at 4.68 percent. This figure has been recorded below 5.00 percent

<sup>5</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, and have increasingly started to offer cash pickup options at agent or branch locations in receiving jurisdictions.

<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.

since Q4 2020. Over the last five years, this figure has decreased by approximately 0.78 percentage points – recorded at 5.46 percent in Q3 2017. The continued decline in the global weighted average index in 2022, when the global average remained constant or increased, suggests corridors with larger remittance flows have recorded a drop in average costs, while increases in corridor-level average costs have occurred in corridors with smaller flows.

**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

use the service, such as a bank account, mobile phone, or the Internet.<sup>7</sup> In Q3 2022, the Global SmaRT Average was recorded at 3.14 percent. Since Q3 2021 this figure has come down from 3.76 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 Q3 2022, 26 of the 354<sup>8</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 2) have a “Green Light” rating for Mobile services (measured by availability of cash services and number of cellular subscriptions per 100 persons).

### Box 2 - 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 Q3 2022, RPW experienced 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 collected using the RPW methodology and hence are excluded from the analysis. Therefore, for Q3 2022, 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 Q3 2022, 73 percent of all corridors covered in the RPW database had SmaRT corridor averages below 5 percent.<sup>9</sup>

<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)

<sup>8</sup> The number of corridors excludes the 13 corridors originating in Russia.

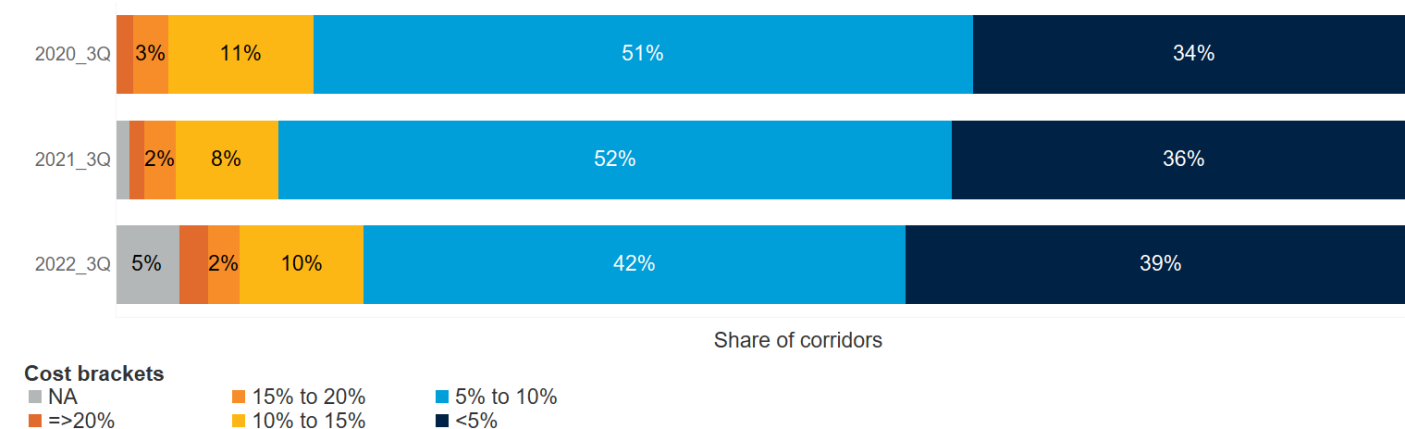
<sup>9</sup> Please note that this figure excludes the 13 corridors which originate in Russia.

The continued decline in the Global SmarT Average seems to be because the number of corridors with SmarT corridor averages below 5% has been increasing. A closer look at the data reveals two possible explanations for this. First, there are several new SmarT-qualifying services in the database in the past few quarters that are in SmarT qualifying corridors, which have low costs, affecting the SmarT averages in a few corridors. Second, and perhaps more important, existing low-cost providers with SmarT-qualifying services in SmarT-qualifying corridors have started offering lower costs. At the same time, it is important to note that SmarT corridor averages are more susceptible to currency fluctuations that result in negative FX margins and promotional events, while they remain unaffected by the fluctuations in the opposite direction.

## 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 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 10 percent of corridors in Q3 2022, compared to 29 percent of corridors in Q1 2009. Year over year since Q1 2019, this gradual shift is visible. Of the 8 corridors with costs above 20 percent in Q3 2022, seven originate in Sub-Saharan Africa and are destined for Sub-Saharan Africa. In addition, corridor average total costs for all outbound services from Nigeria and Pakistan remain unavailable. Corridor average total costs for services originating from Russia are also unavailable. These 18 corridors are shown as “NA” in Figure 4.

**Figure 4 Distribution of Average Total Costs**



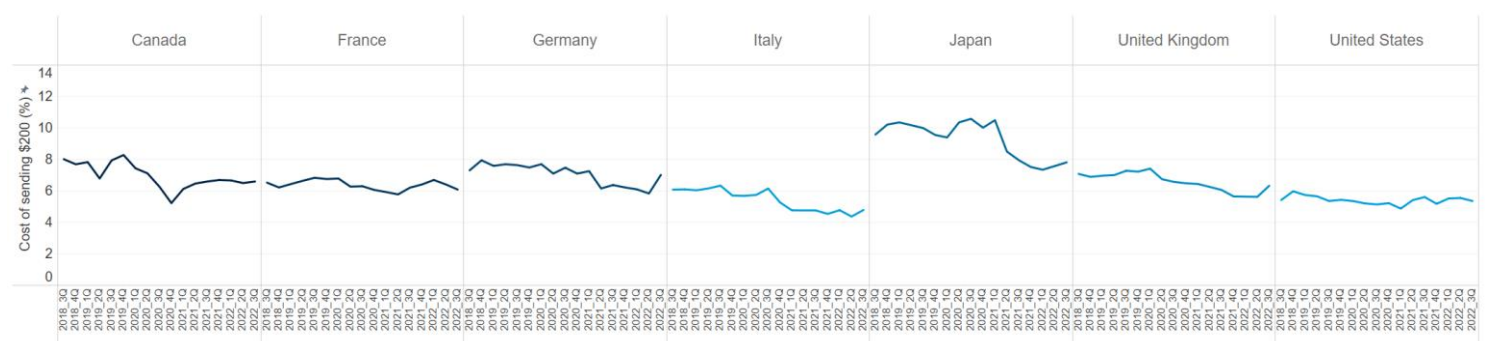
## G8 and G20 countries

### Cost of sending remittances from G8 countries

The G8 countries include several of the major remittance sending countries in the world.<sup>10</sup> The average cost for sending remittances from the G8 countries increased from 5.68 percent in Q2 2022 to 5.98 percent in Q3 2022. This is the seventh quarter in which this figure has been recorded below 6.00 percent. Over the year, this figure has decreased by 0.15 of a percentage point (from 5.83 percent in Q3 2021).

The largest decrease in total average cost to send remittances is seen in France (6.41 percent to 6.09 percent) and the United States (5.55 percent to 5.36 percent). The largest increase is seen in Germany (5.83 percent to 7.02 percent), the United Kingdom (5.62 percent to 6.33 percent), Italy (4.37 percent to 4.79 percent), Japan (7.58 percent to 7.82 percent) and Canada (6.50 percent to 6.60 percent).

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



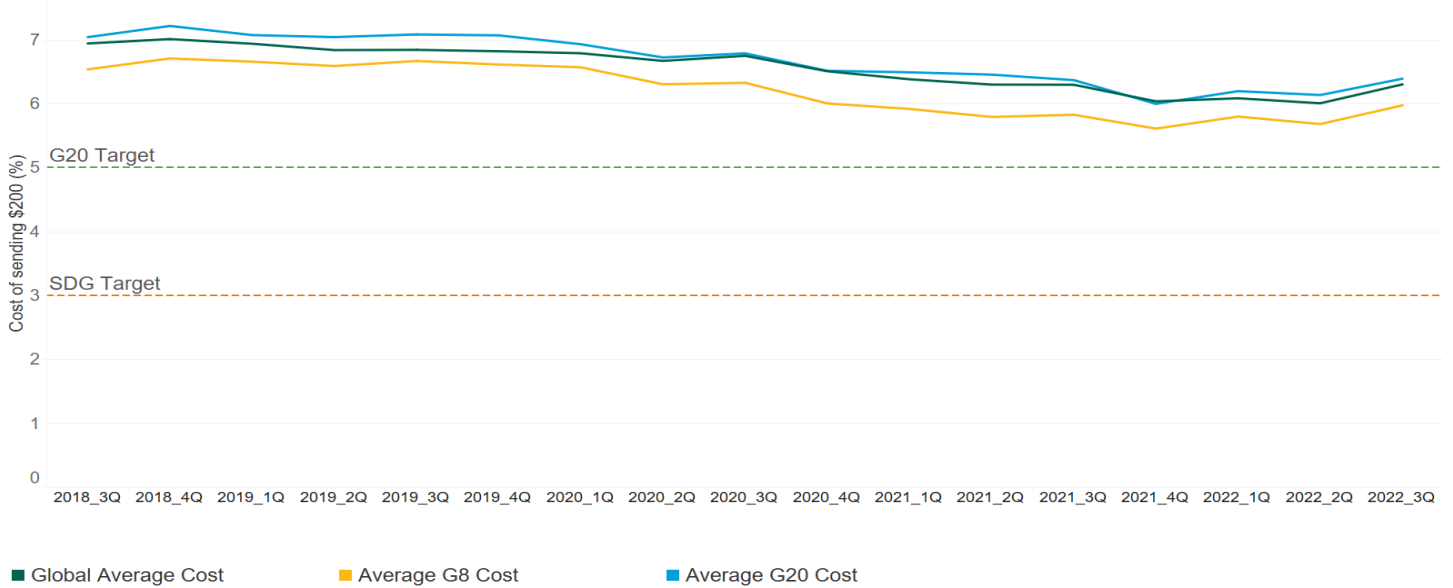
### Cost of sending remittances from and to G20 countries

The cost of remitting from G20 countries increased from 6.14 percent in Q2 2022 to 6.39 percent in Q3 2022, as shown in Figure 6 (also see Table 3 in the Annex).

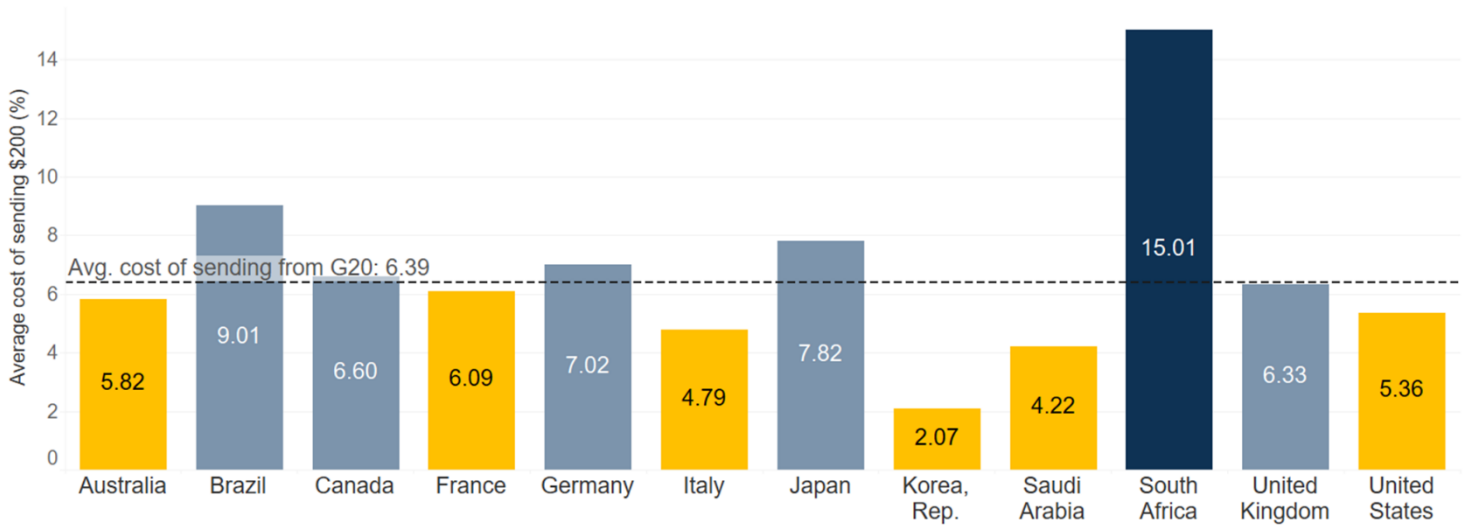
South Africa remains the costliest G20 country to send remittances from (see Figure 7). This is despite an overall decrease from its peak in Q1 2013, when the cost of sending from South Africa was more than 20 percent. In Q3 2022, remitting from South Africa incurred an average cost of 15.01 percent, a moderate increase from its recorded value of 14.73 percent in Q2 2022. The cost of sending from the second most expensive G20 sending country – Brazil – was recorded at 9.01 percent in Q3 2022. The Republic of Korea is the least expensive G20 sending country, recorded at 2.07 percent, followed by Saudi Arabia (4.22 percent), Italy (4.79 percent), the United States (5.36 percent), Australia (5.82 percent), France (6.09 percent), and the United Kingdom (6.33 percent).

<sup>10</sup> As Q3 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.

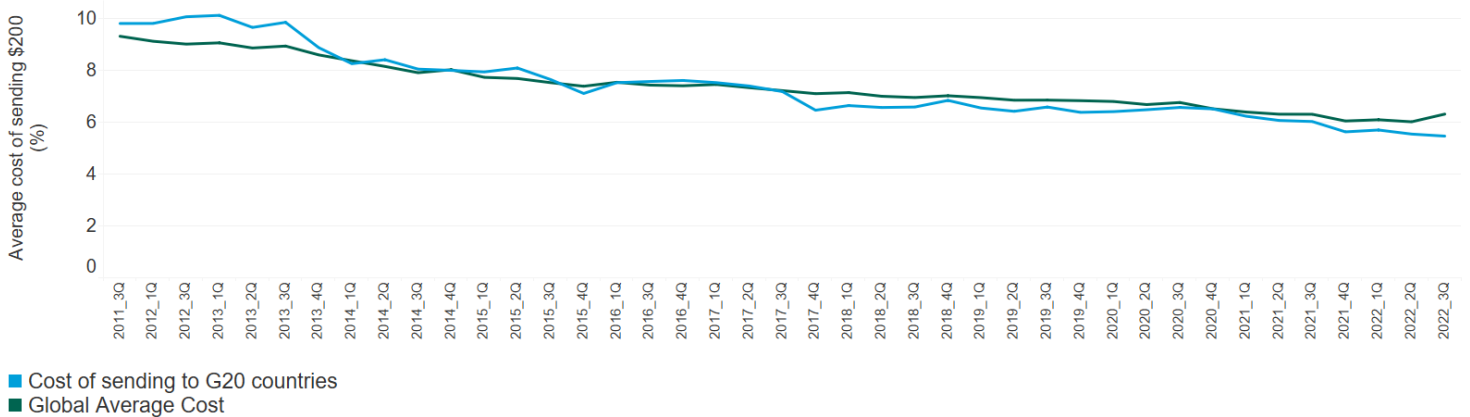
**Figure 6 Average cost of sending \$200 from G8 and G20 countries**



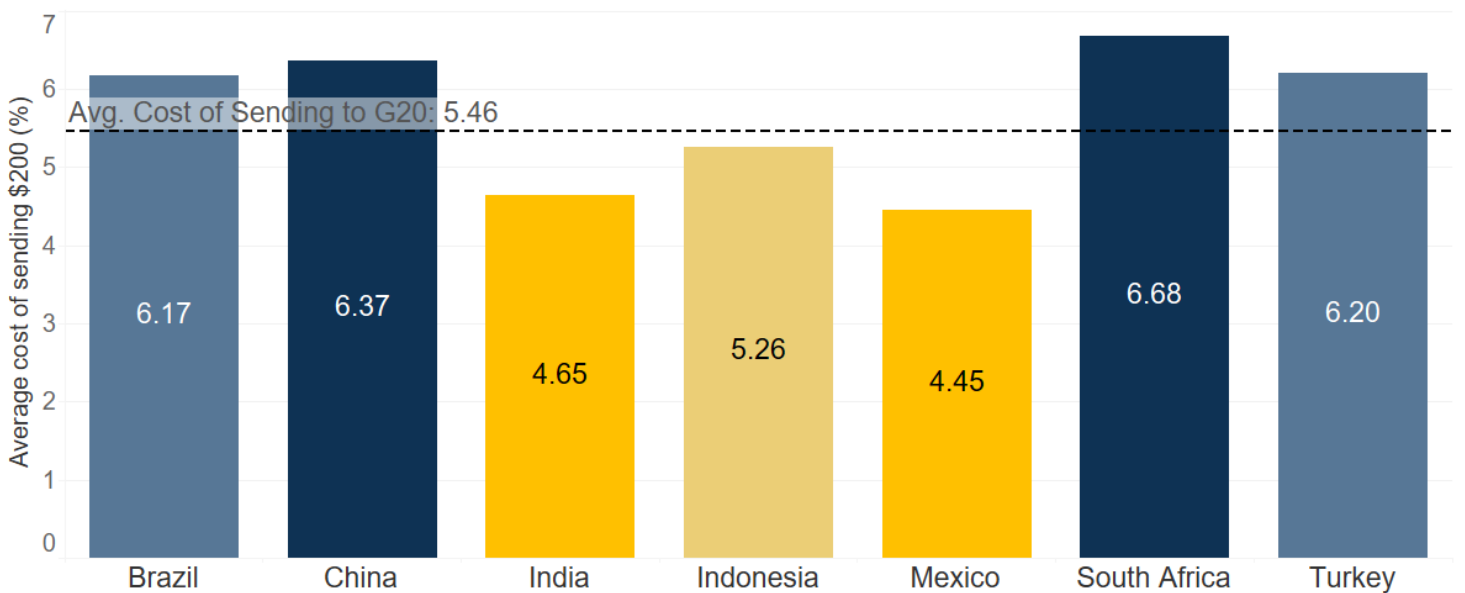
**Figure 7 Average cost of remitting from G20 countries**



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



**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 Q3 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 5.46 percent in Q3 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 Q3 2022, South Africa (6.68 percent) is the most expensive country in this group to remit to, followed by China (6.37 percent), Turkey (6.20 percent) and Brazil (6.17 percent). Costs for

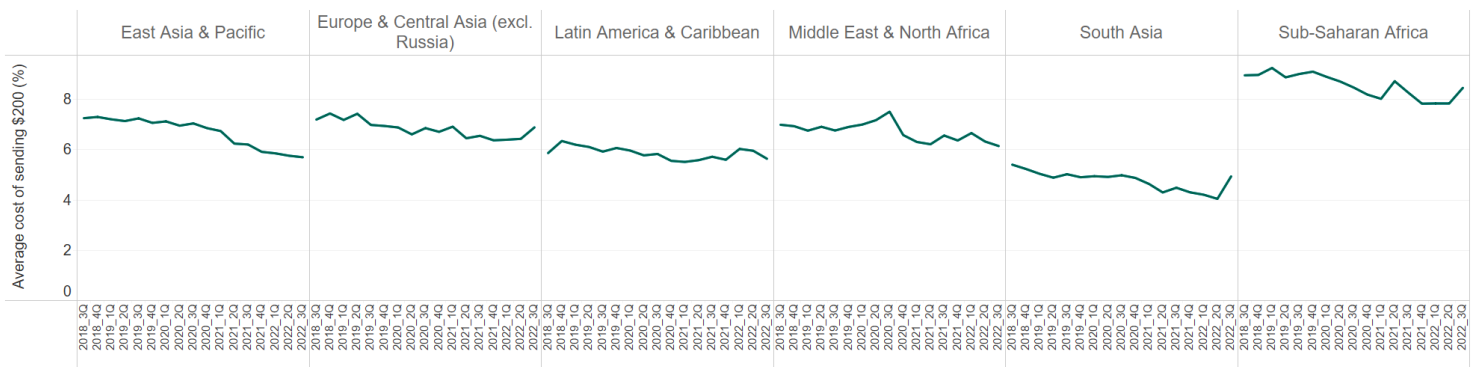


sending remittances to Indonesia, India and Mexico were recorded below 6 percent. Mexico remained the cheapest receiving market in the G20 group, recorded at 4.45 percent.

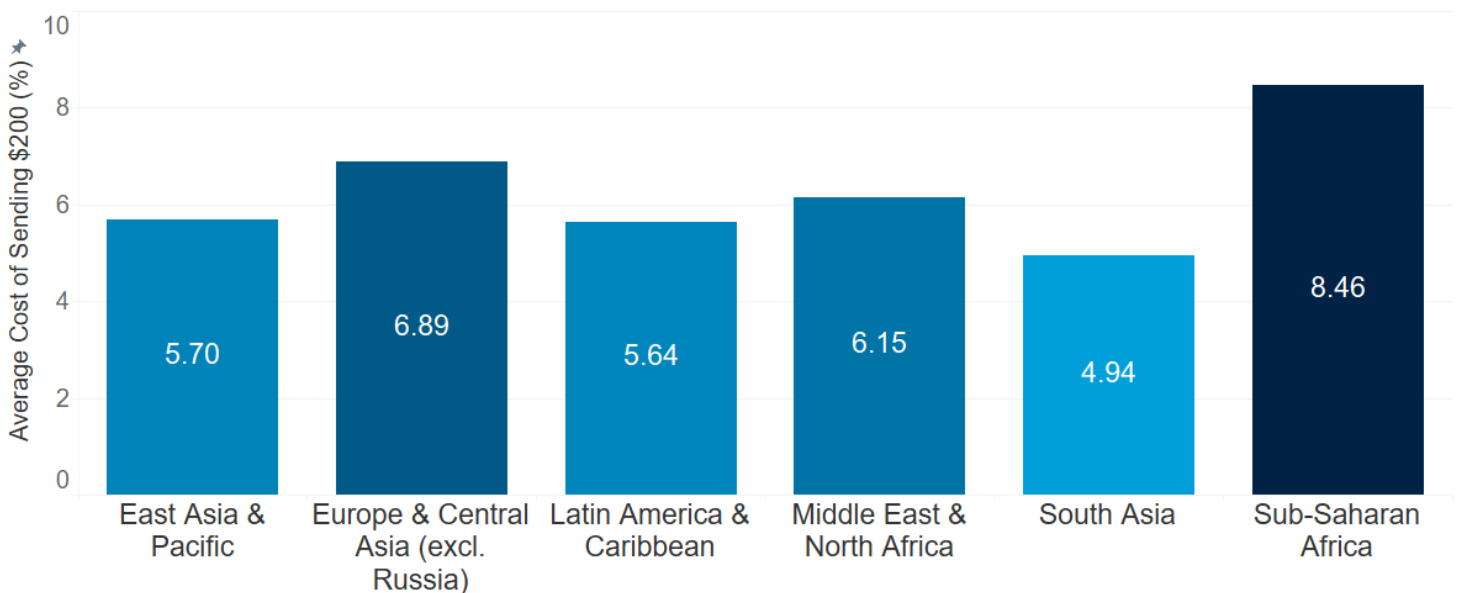
## Regional trends

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). Latin America and the Caribbean (LAC) experienced the largest decrease from 5.96 percent to 5.64 percent, followed by Middle East and North Africa (MNA) and East Asia and Pacific (EAP). South Asia (SA) experienced the largest increase from 4.05 percent to 4.94 percent, followed by Sub-Saharan Africa (SSA) and Europe & Central Asia (ECA).

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



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

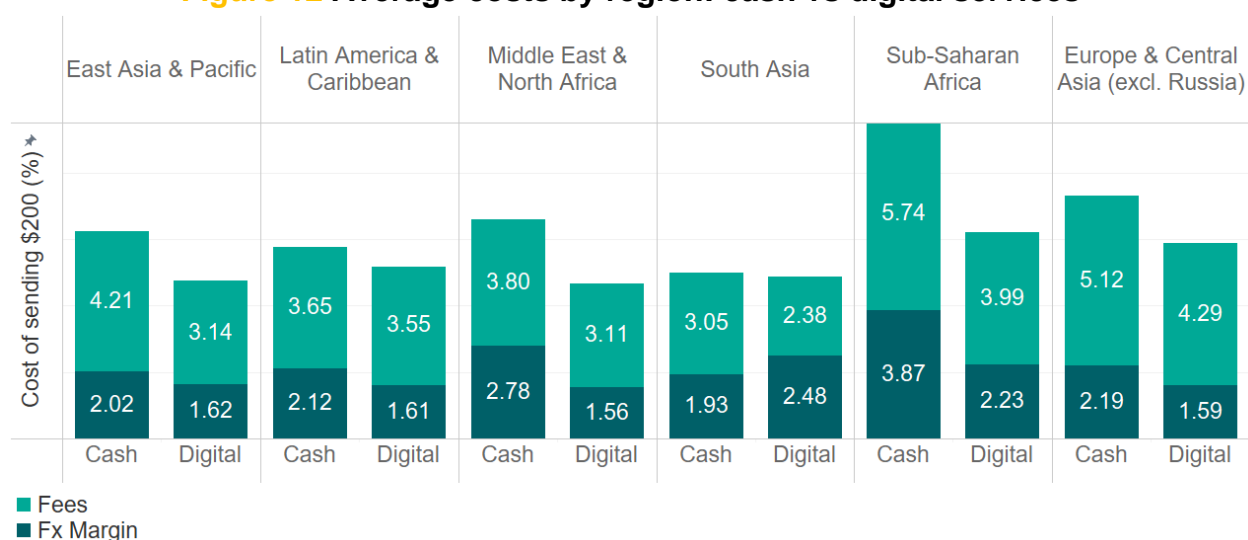


## Cost structure

### 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

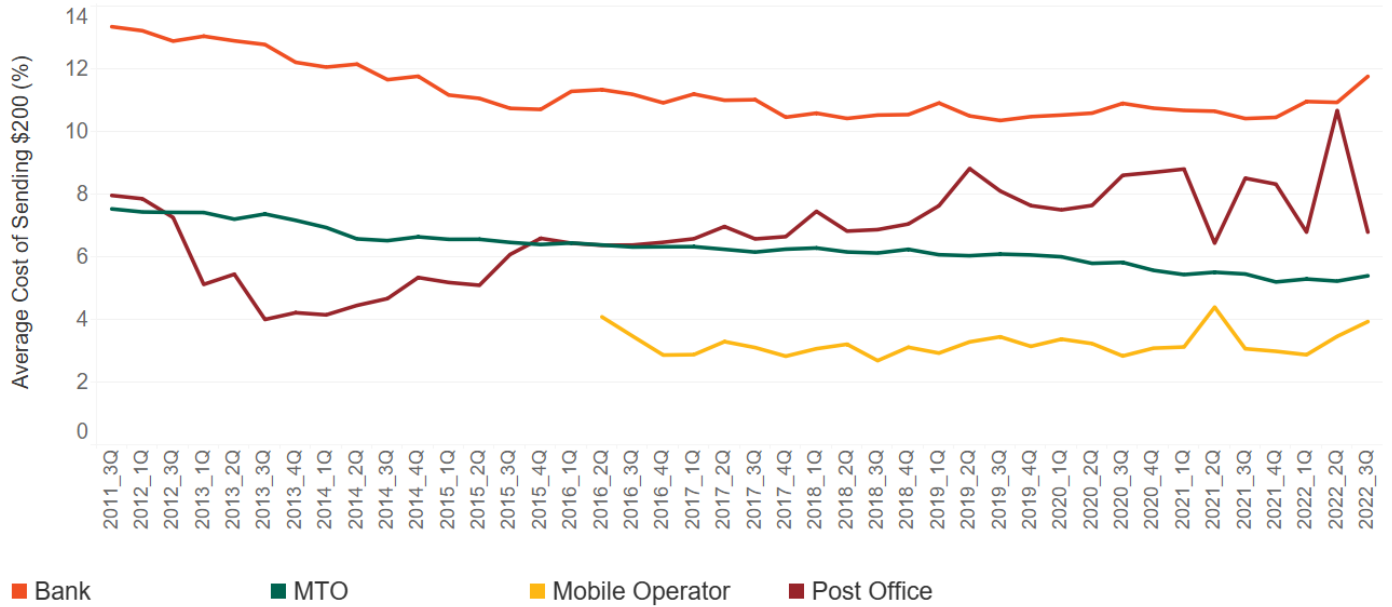
RPW tracks the cost of sending remittances for four main RSP types: Banks, MTOs, Mobile Operators, and Post Offices. Figure 13 provides a time series visual of all the RSP types included in the RPW dataset.

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.

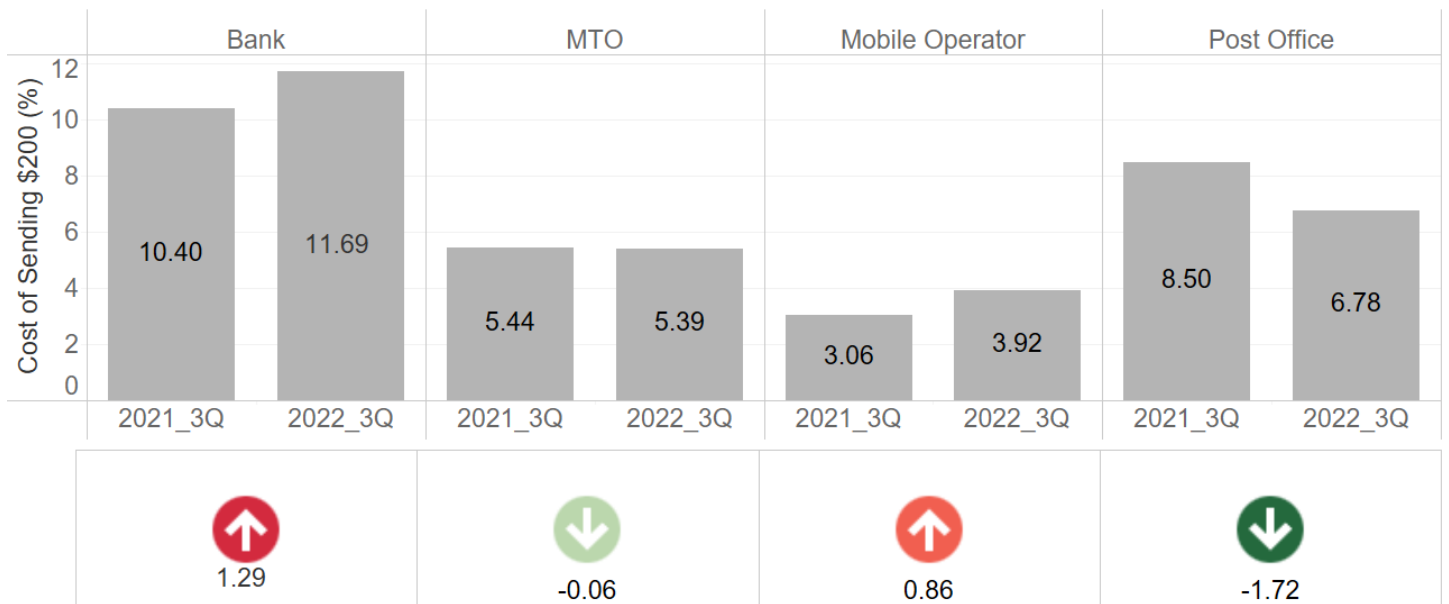
Figure 14 provides an overview for each RSP type in Q3 2021 and Q3 2022. Banks continue to be the costliest RSP type, with an average cost of 11.69 percent in Q3 2022. Post Offices are recorded at 6.78

percent in Q3 2022.<sup>11</sup> Money Transfer Operators are recorded at 5.39 percent, while Mobile Operators are the cheapest RSP type recorded at 3.92 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**



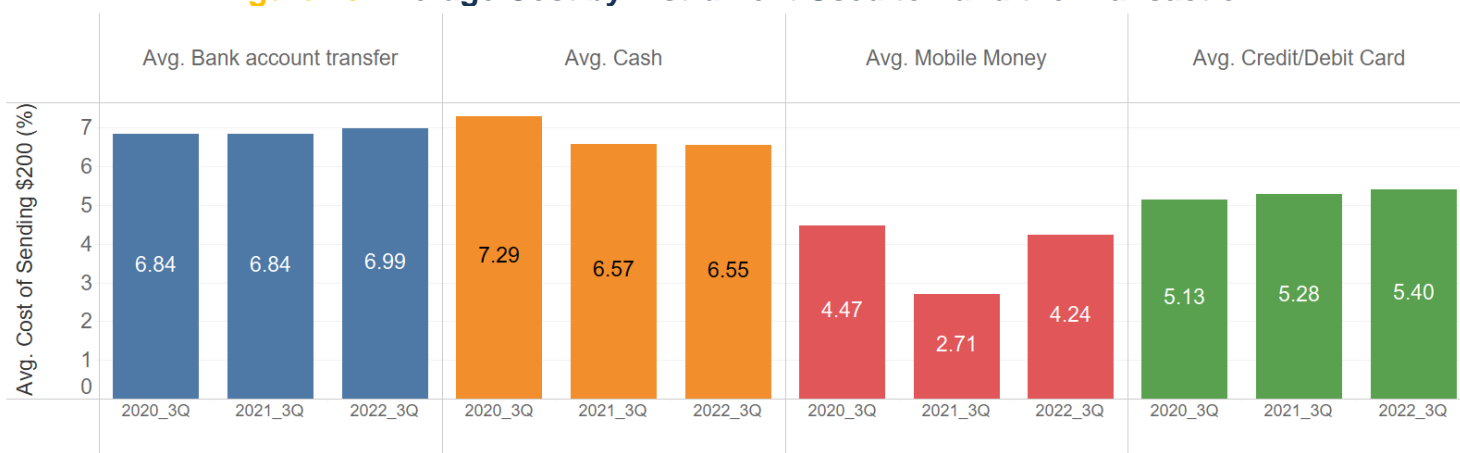
<sup>11</sup> Several services originating in France via “La Poste” are provided by “La Banque Postale” which is a subsidiary of La Poste and is licensed as a bank. This recategorization seems to have impacted the average cost of sending via post offices in Q1 2022.

## Costs by Sending and Receiving Method

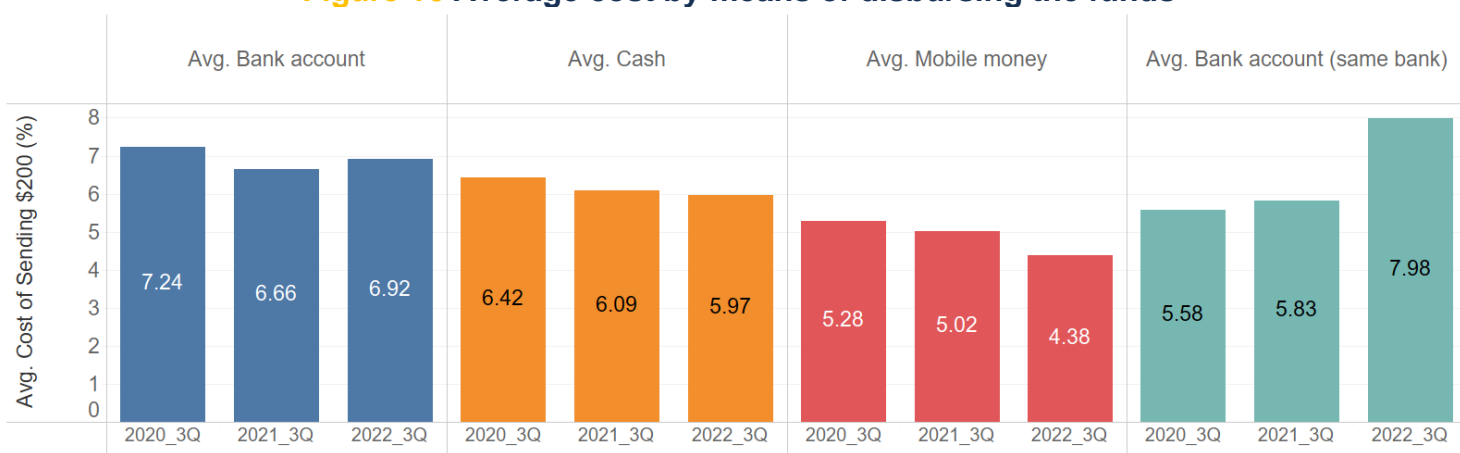
RPW captures separately the payment instrument used to fund the transaction and the one used to disburse the funds to the receiver. This approach is reflected in the charts below. This approach allows for further refinement of the analysis and increases its adaptability to new products that might emerge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

In Q3 2022, the cheapest method for funding a remittance transaction was Mobile Money at 4.24 percent (49 services recorded in RPW) (Figure 15). The average cost when using Cash (1,674 services) was 6.55 percent. Sending money using credit or debit card (2,382 services) cost 5.40 percent. Using a bank account incurred an average cost of 6.99 percent (2,215 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 (79 services) was recorded at 7.98 percent in Q3 2022 (Figure 16). In contrast, sending money to a

bank account regardless of originating bank (2,324 services), was 6.92 percent.<sup>12</sup> When funds are sent to a mobile wallet (359 services) the average cost in Q3 2022 was 4.38 percent. Services where money is disbursed in cash (3,296 services) cost on average 5.97 percent.

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<sup>12</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,

# Annex I – Tables (\$200)

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

	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	2022_3Q
Global Average Cost	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	6.30
MTO Index	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	5.93

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

	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	2022_3Q
Canada	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	6.60
France	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	6.09
Germany	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	7.02
Italy	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	4.79
Japan	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	7.82
Russian Federation	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	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	6.33
United States	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	5.36
G8	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	5.98

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

	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	2022_3Q
Australia	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	5.82
Brazil	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	9.01
Canada	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	6.60
France	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	6.09
Germany	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	7.02
Italy	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	4.79
Japan	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	7.82
Korea, Rep.	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	2.07
Russian Federation	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	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	4.22
South Africa	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	15.01
United Kingdom	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	6.33
United States	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	5.36
From G20	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	6.39

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

	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	2022_3Q
Brazil	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	6.17
China	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	6.37
India	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	4.65
Indonesia	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	5.26
Mexico	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	4.45
South Africa	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	6.68
Turkey	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	6.20
to G20	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	5.46

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

	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	2022_3Q
East Asia & Pacific	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	5.70
Europe & Central Asia (excl. Russia)	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	6.89
Latin America & Caribbean	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	5.64
Middle East & North Africa	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	6.15
South Asia	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	4.94
Sub-Saharan Africa	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	8.46

## 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.

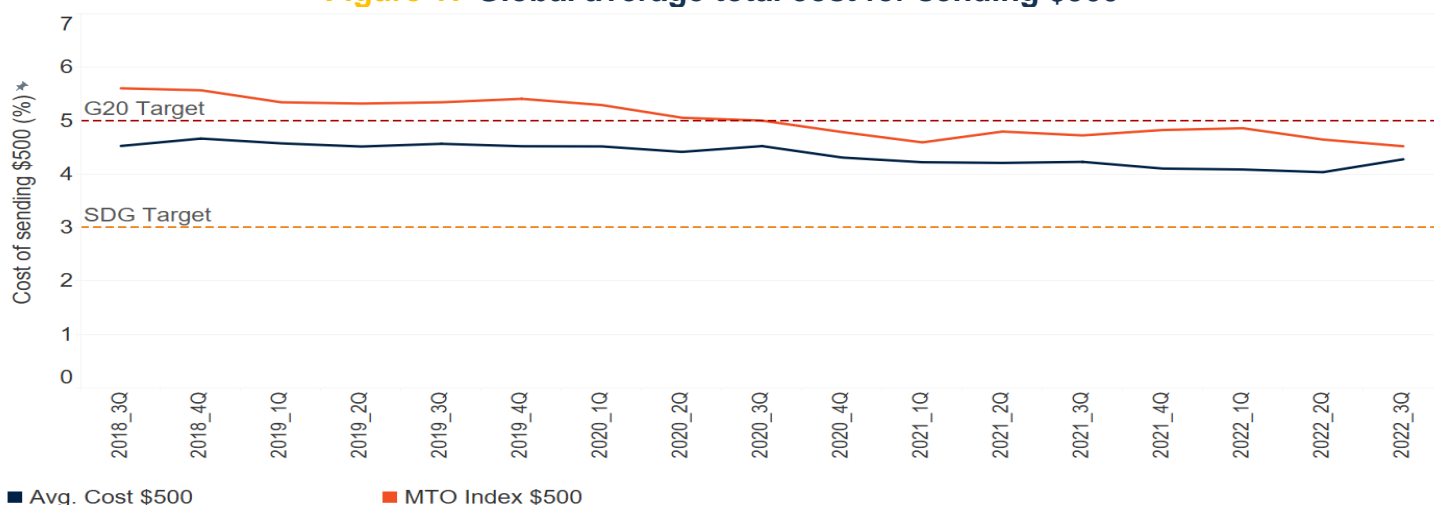
The analysis in this annex shows again that, as expected, the average cost of sending \$500 is lower as a percentage of amount sent compared to the average cost of sending \$200. The analysis additionally confirms that the average cost of sending \$500 has followed a similar trend to the one observed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

### Global trends for sending \$500

#### Global average total cost

In Q3 2022, the Global Average cost for sending \$500 was 4.28 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 1.04 percentage point since Q1 2011, when the figure was recorded at 5.32 percent. Over the preceding 5-year period (Q3 2017 – Q3 2022), the total cost of sending \$500 has decreased by 0.33 percentage point.

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





## International MTO Index

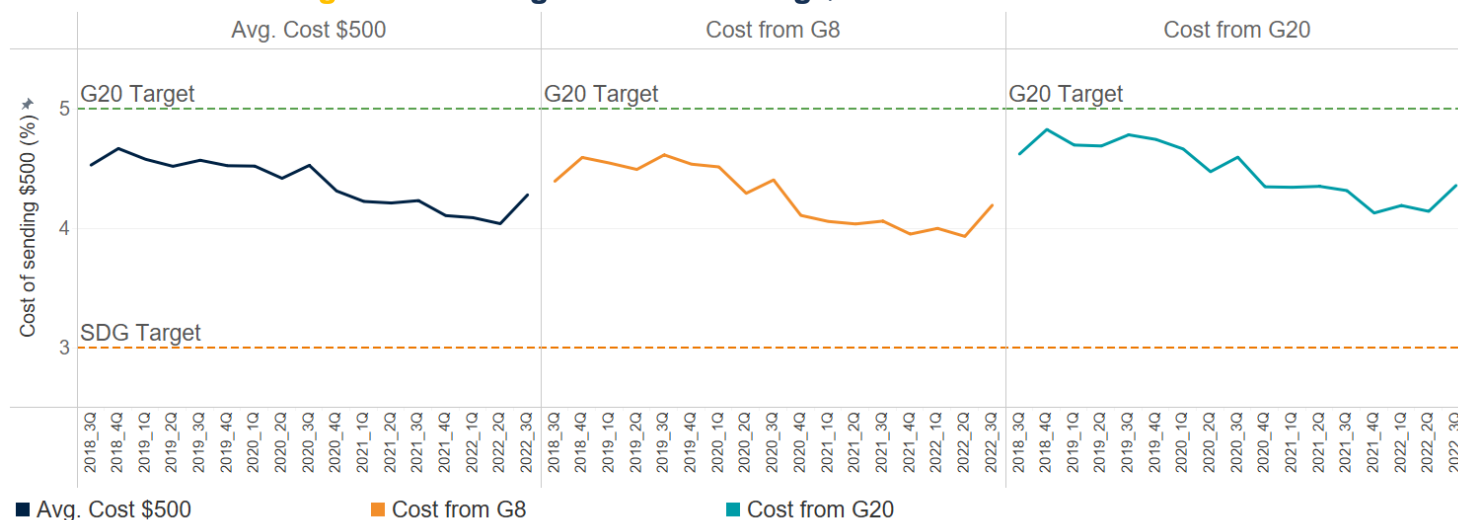
The International MTO Index tracks the prices of MTOs that are present in at least 85 percent of corridors covered in the RPW database.<sup>13</sup> In Q3 2022, the International MTO Index for \$500 experienced a moderate decrease to 4.52 percent from 4.65 percent in Q2 2022. As seen in Figure 17, the International MTO Index exhibits an overall downwards trend. Over the preceding 5-year period (Q3 2017 – Q3 2022), the total cost of sending \$500 has decreased by 1.25 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 Q3 2022 experienced an increase, recorded at 4.36 percent.

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

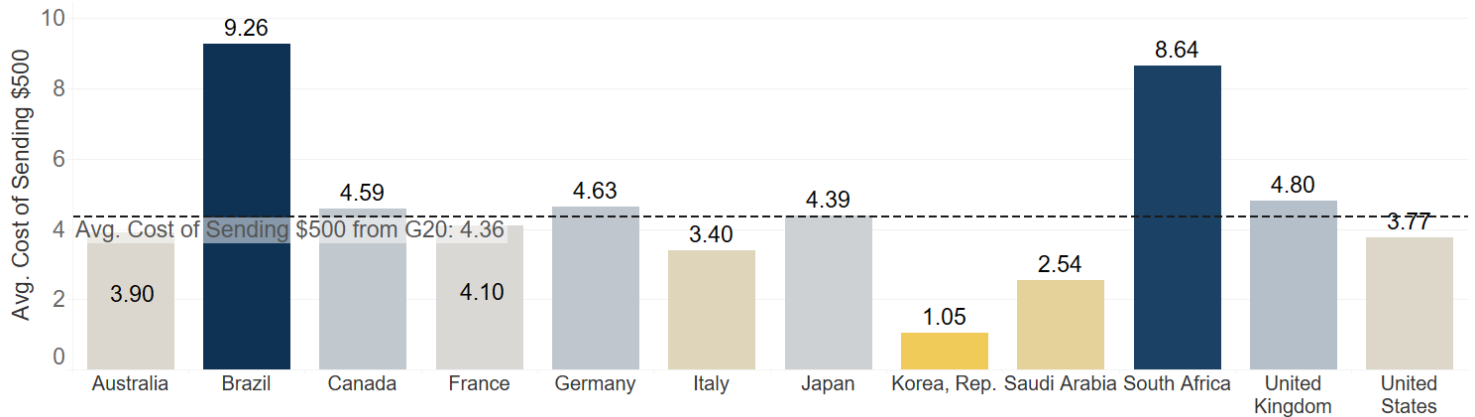


In Q3 2022, Brazil overtook South Africa as the most expensive G20 country to send \$500 from (see Figure 19). The average cost of remitting \$500 from Brazil increased to 9.26 percent from 7.20 percent in Q2 2022. South Africa is the second most expensive G20 country to send \$500 from, recorded at 8.64 percent. The Republic of Korea became the least expensive sending country in this grouping, exhibiting

<sup>13</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.

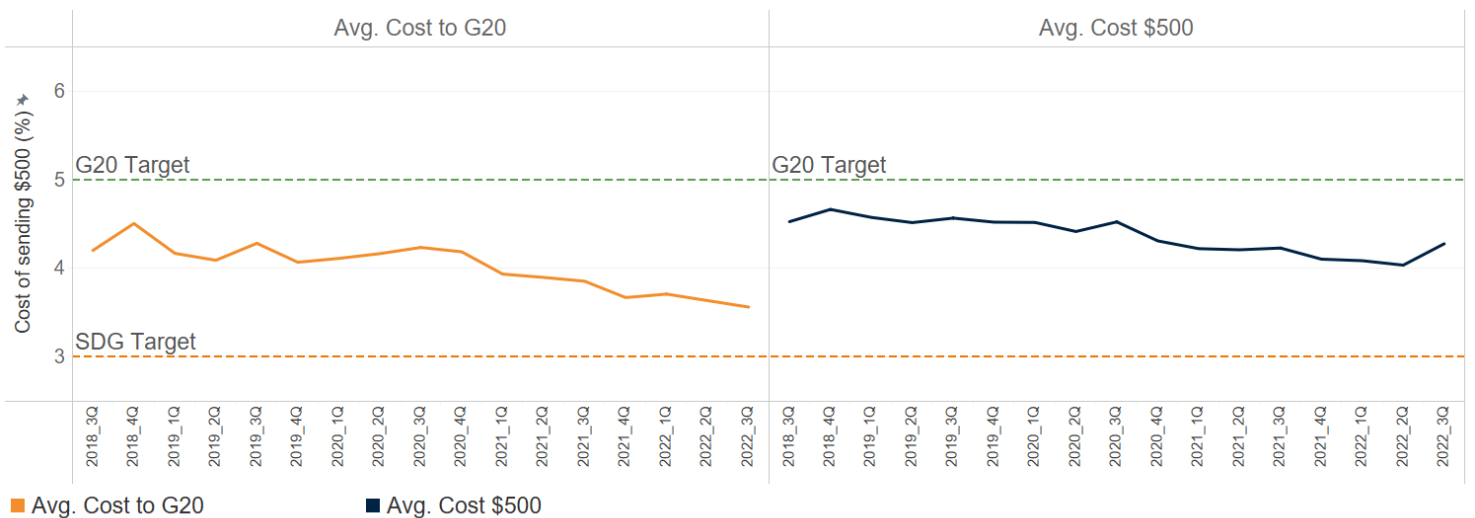
a total average cost of sending \$500 of 1.05 percent, followed by Saudi Arabia (2.54 percent), Italy (3.40 percent), the United States (3.77 percent), Australia (3.90 percent), France (4.10 percent). Of this group Brazil, Canada, Germany, Japan, the United Kingdom, and South Africa exhibit costs higher than the Global Average in Q3 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 Q3 2022, respectively. The average cost of sending \$500 to the G20 countries that are included in RPW as receiving markets decreased between Q2 2021 and Q3 2022, recorded at 3.56 percent in Q3 2022.

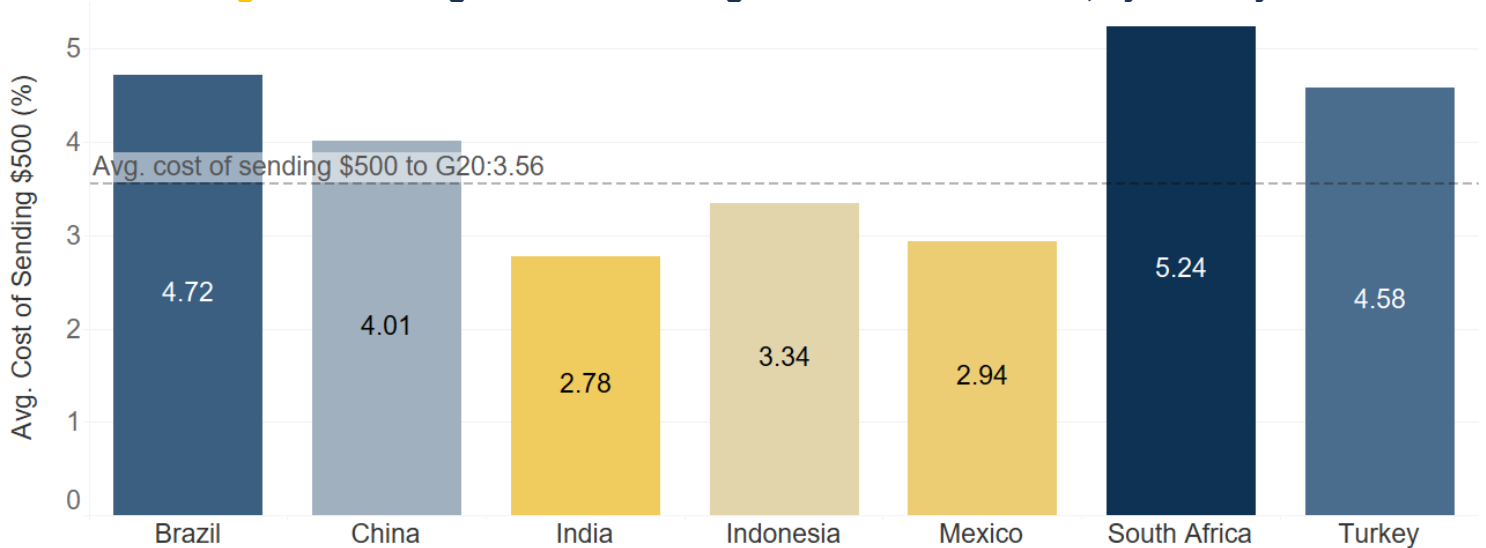
**Figure 20 Average cost of remitting to G20 countries**



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 Q3 2022, South Africa (5.24 percent) remains the most expensive country in this grouping to remit to, followed by Brazil (4.72 percent), Turkey (4.58 percent), and China

(4.01 percent). Over the last 5 years, the total average cost of sending to G20 countries has decreased by 0.80 of a percentage point (in Q3 2017, this figure was recorded at 4.36 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_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	2022_3Q
Avg. Cost \$500	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	4.28
MTO Index \$500	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	4.52

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

	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	2022_3Q
Australia	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	3.90
Brazil	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	9.26
Canada	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	4.59
France	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	4.10
Germany	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	4.63
Italy	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	3.40
Japan	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	4.39
Korea, Rep.	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	1.05
Russian Federation	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	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	2.54
South Africa	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	8.64
United Kingdom	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	4.80
United States	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	3.77
From G20	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	4.36

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

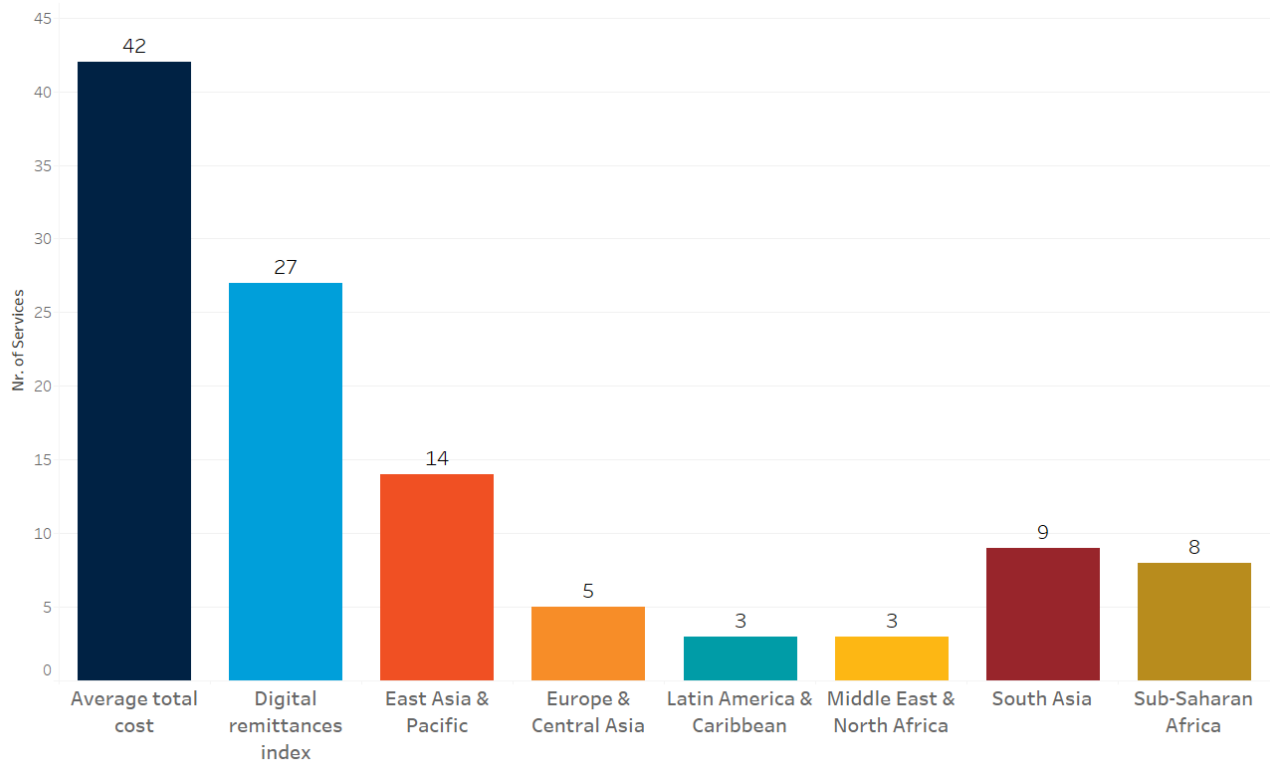
	2018_3Q	2018_4Q	2019_1Q	2019_2Q	2019_3Q	2019_4Q	2020_1Q	2020_2Q	2020_3Q	2020_4Q	2021_1Q	2021_2Q	2021_3Q	2021_4Q	2022_1Q	2022_2Q	2022_3Q
Brazil	5.17	5.40	5.16	5.37	5.56	5.20	5.78	5.42	5.00	5.17	4.77	4.64	4.87	4.91	5.04	4.67	4.72
China	4.77	5.36	5.29	5.01	5.83	5.06	4.91	5.02	5.25	4.93	4.72	4.44	4.25	4.02	4.11	3.98	4.01
India	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	2.78
Indonesia	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	3.34
Mexico	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	2.94
South Africa	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	5.24
Turkey	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	4.58
To G20	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	3.56

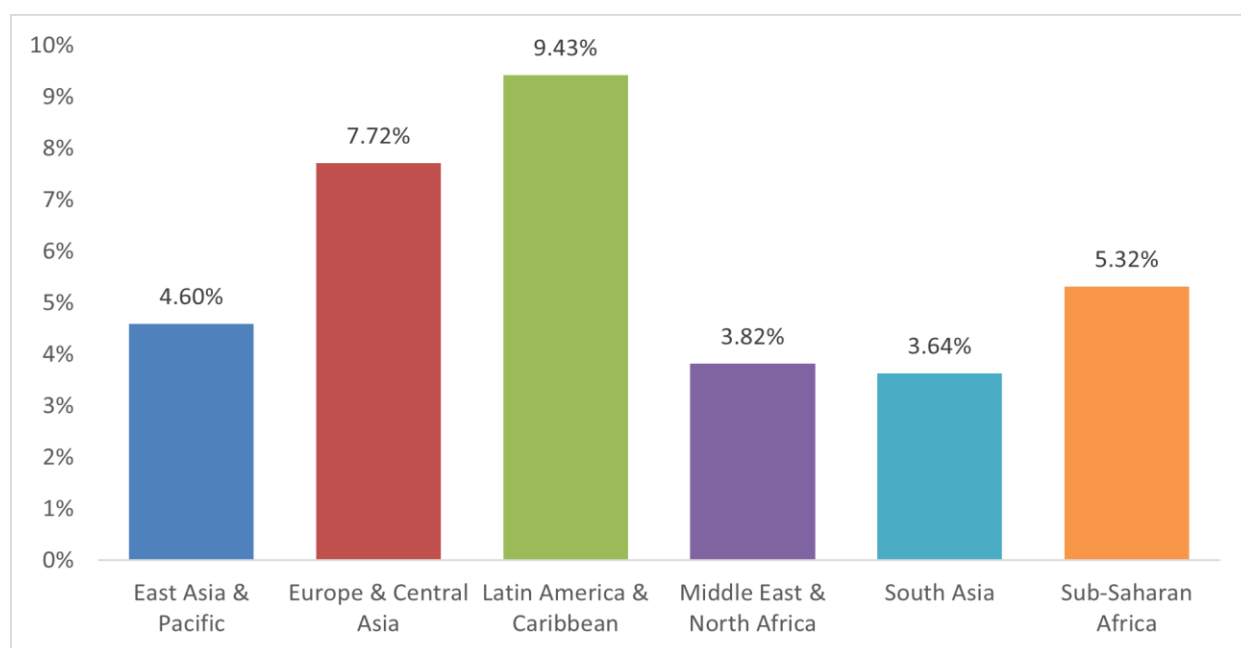
## Annex IV – Prospects Index

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 Q3 2022, 5 new services originating from 3 sending countries were added to the prospects index, covering 4 destination countries. 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.

In Q3 2022, seventeen services from Q1 2022 were moved from the Prospects Index and added to the main analysis. Taken together, the Prospects Index now includes 42 services. Figure 22 shows the distribution of these services by receiving region. Services destined for East Asia and Pacific, South Asia and Sub-Saharan Africa make up majority of the prospects index.

**Figure 22** Number of Prospects Index services by receiving region



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

Average cost for sending \$200 for the prospects index was 5.19 percent, below the global average of 6.30 percent. Twenty-seven services were digital services, accounting for 64 percent of all services in the prospects index. Average cost for digital remittances was 4.38 percent, lower than the global digital remittances index of 5.21 percent. Figure 23 plots the average cost by receiving regions.

In Q3 2022, cheapest method to fund a remittance transaction among the services in the prospects index was debit/credit card at 4.12 percent. According to Table 9, average costs of sending \$200 via various payment instrument are all lower than their main dataset counterparts, except for mobile money. Moreover, mobile money services account for a greater share in the sample (10 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	4.46%	5.80%	4.12%	5.72%
Number of services	14	13	22	4

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

	Cash	Bank Account	Bank Account (same bank)	Mobile Wallet
Prospects Index	4.70%	4.72%	na	4.37%
Number of services	28	29	na	13

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	Q3 2022 averages (Reported in the main section)	Would-be Q3 2022 averages including prospects
<b>East Asia &amp; Pacific</b>	4.60%	14	5.70%	5.69%
<b>Europe &amp; Central Asia</b>	7.72%	5	6.89%	6.89%
<b>Latin America &amp; Caribbean</b>	9.43%	3	5.64%	5.66%
<b>Middle East &amp; North Africa</b>	3.82%	3	6.15%	6.13%
<b>South Asia</b>	3.64%	9	4.94%	4.93%
<b>Sub-Saharan Africa</b>	5.32%	8	8.46%	8.44%
<b>Average total cost</b>	5.19%	42	6.30%	6.30%
<b>Digital remittances index</b>	4.38%	27	5.21%	5.19%

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.



## Annex V – Corridors from Russia

In Q3 2022, RPW resumed collecting data on corridors from data on a limited basis. The data on corridors from Russia were collected only to the extent that the information was publicly available, i.e. no use of APIs were needed or no mystery shopping was necessary. Out of the 13 corridors in the RPW database, data were collected in 9 of them, with a total of 24 services. The number of services per corridor dropped from 5.1 services per corridor in Q4 2021 to 2.7 services per corridor in Q3 2022. The countries where services remain unavailable are Estonia, Latvia, Lithuania, and Ukraine. Table 12 presents a comparison of corridor averages between Q4 2021 and Q3 2022. As the collection method for this data deviates from the RPW methodology, these services were excluded from the main analysis in Q3 2022.

**Table 12 Cost of sending \$200 in Russian corridors between Q4 2021 and Q3 2022**

	Q4 2021	# of services	Q3 2022	# of services
Russian Federation to Armenia	1.78%	2	2.50%	1
Russian Federation to Azerbaijan	1.77%	4	1.00%	2
Russian Federation to Belarus	1.15%	5	0.96%	3
Russian Federation to Estonia	6.27%	6	-	
Russian Federation to Georgia	1.91%	6	1.00%	1
Russian Federation to Kazakhstan	1.47%	5	0.96%	3
Russian Federation to Kyrgyz Republic	0.90%	6	4.14%	4
Russian Federation to Latvia	6.90%	5	-	
Russian Federation to Lithuania	6.57%	5	-	
Russian Federation to Moldova	1.56%	5	0.98%	2
Russian Federation to Tajikistan	2.13%	4	2.10%	3
Russian Federation to Ukraine	4.30%	6	-	
Russian Federation to Uzbekistan	2.65%	7	3.60%	5



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