



United Nations
Office of the Special Adviser
on Africa



Global Forum on Remittances, Investment and Development

Summit 2023

14-16 June

United Nations Office Nairobi, Kenya



Global Compact
FOR Migration

Objectives 19 and 20



International Day
of Family Remittances
16 JUNE



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RemitSCOPE

Remittances to and from Africa –
Market Landscape 2023 and Beyond)



RemitSCOPE – Remittance Data Tool

- The data for this report has been drawn from the RemitSCOPE Africa website <https://remitSCOPE.org/africa/>.
- Up-to-date and trusted remittance and remittance-related data across 54 countries in Africa and covers up to 140 different indicators per country.
- 5 thematic dashboards, 5 indexes and 54 Country Profiles.
- Other regions coming soon – LAC & Central Asia.
- Data draws on a variety of publicly available sources and from bespoke primary research.
- Challenges with data quality, quantify and consistency.
- RemitSCOPE to evolve as data improves.
- Beta site – mobile site not ready; improved functionality coming soon.





Contents

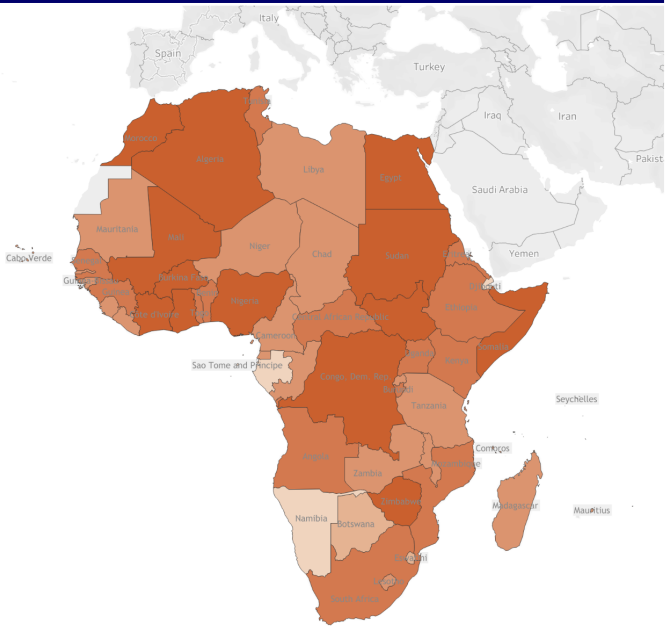
1. African diaspora (international migrant stock)
2. Remittances – country & corridor level data
3. Pricing trends
4. Financial inclusion & access to digital remittances
5. Operating environment & considerations for operators



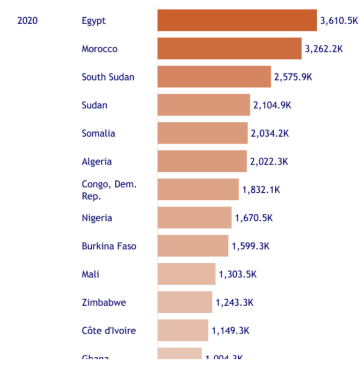
African Diaspora (International Migrant Stock)

Total diaspora	Total female diaspora	Total male diaspora	Country with the largest diaspora
40.4 millions	18.7 millions	21.6 millions	Egypt

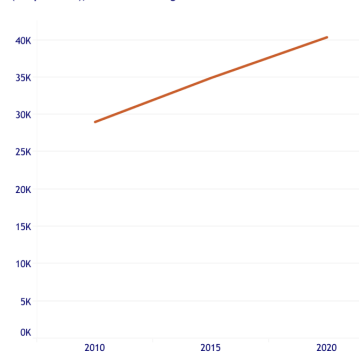
A - Number of emigrants (diaspora size), for latest year available - emigrants overseas



A - Number of emigrants (diaspora size), for latest year available - emigrants overseas



Time series data (sum across countries) on A - Number of emigrants (diaspora size), 2010-2020 - emigrants overseas

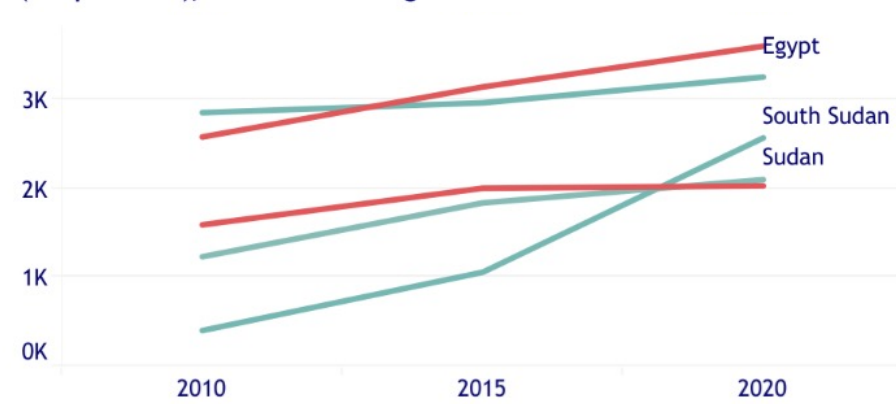


Click on single countries to compare Diaspora Emigrants on the line graph (Press Ctrl if you want to select multiple countries)

emigrants overseas

0-50.0K	50.1K-100.0K	100.1K-500.0K	500.1K-1,000.0K	1,000.1K-5,000.0K
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Time series data (sum across countries) on A - Number of emigrants (diaspora size), 2010-2020 - emigrants overseas thousands



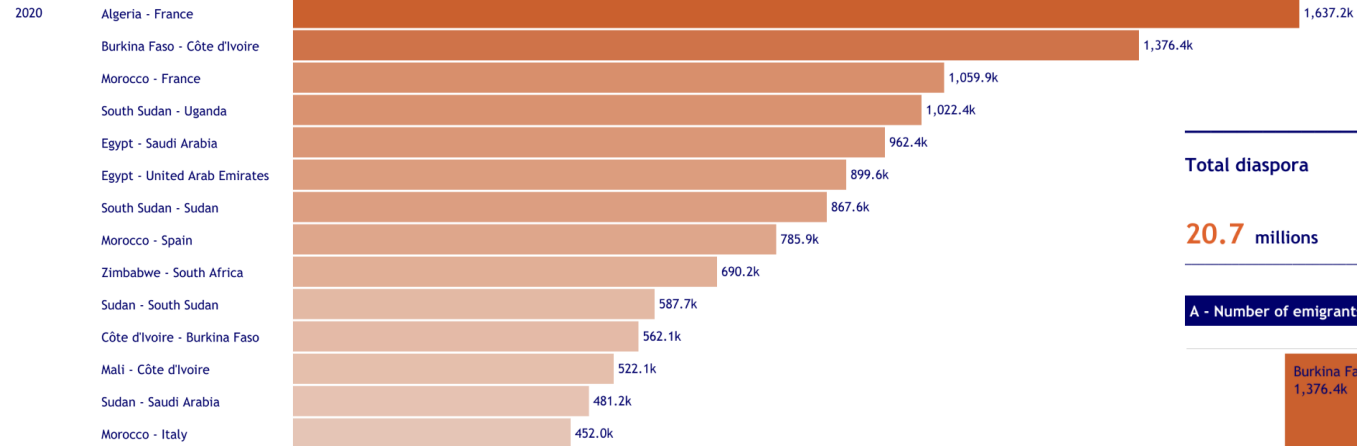
Source: UNDESA, 2020



Largest Corridors and Intra-African Migration

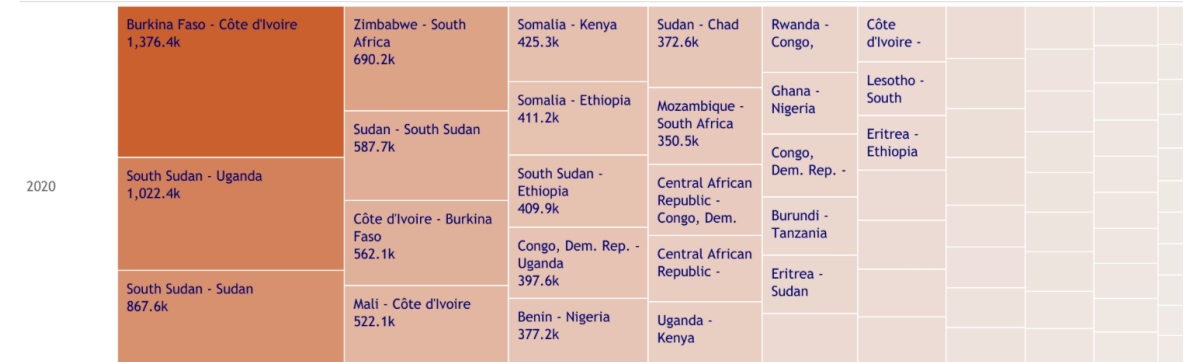
Total diaspora	Main destination country	Main country of origin	% of total African diaspora
40.4 millions	France	Egypt	100.0%

A - Number of emigrants (diaspora size), for latest year available - emigrants



Total diaspora	Main destination country	Main country of origin
20.7 millions	Côte d'Ivoire	South Sudan

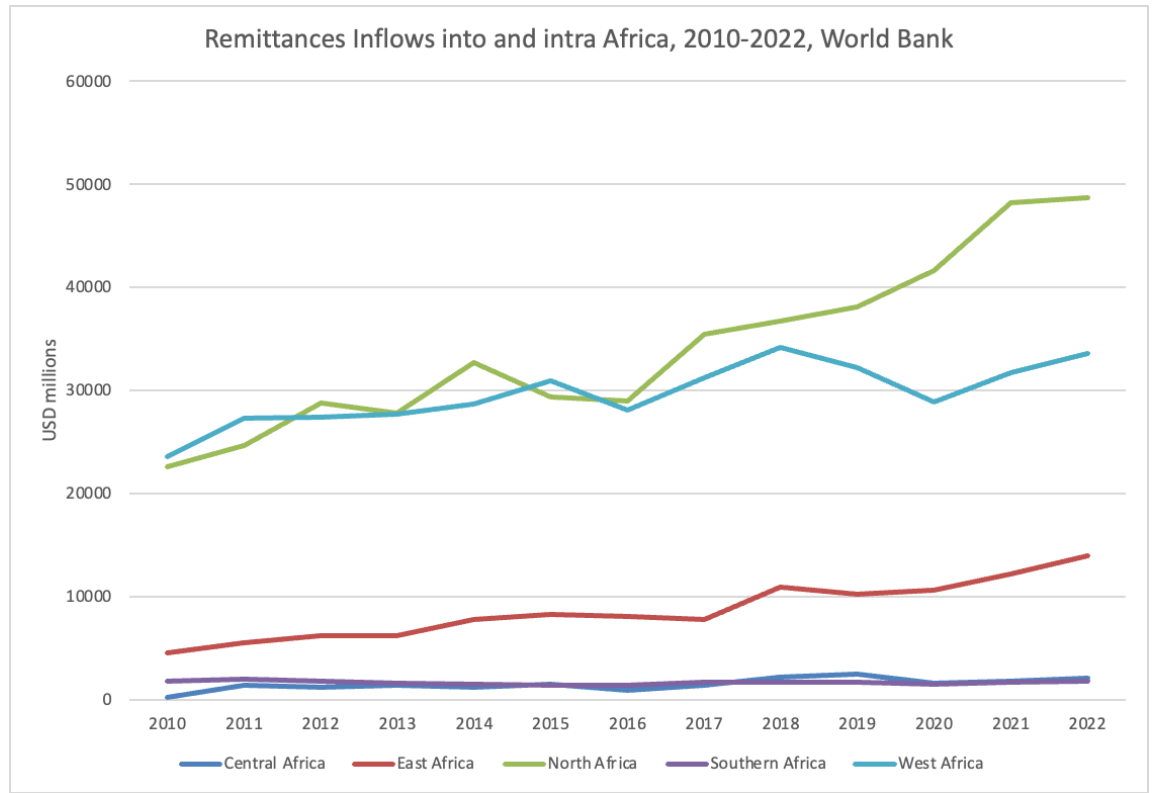
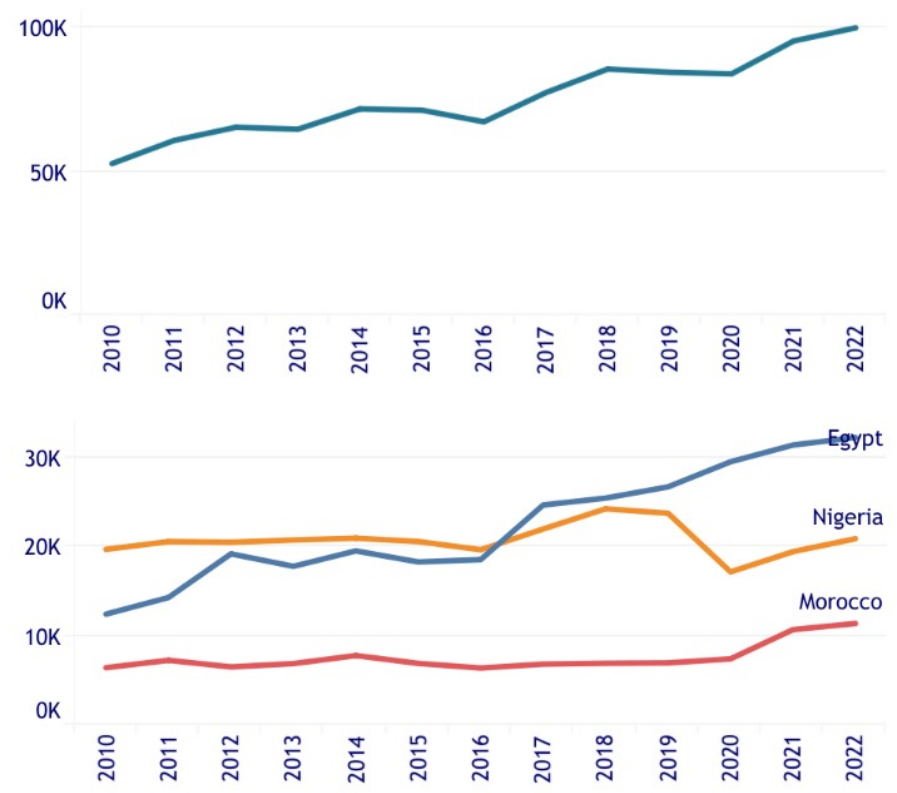
A - Number of emigrants (diaspora size), for latest year available - emigrants





Remittance Flows into Africa

Time series data (sum across countries) on A - World Bank remittance inflows, 2010-2022 USD millions



Source: World Bank



Importance of remittances

A - The Importance of Remittances Index

Four different indicators constitute the index score to showcase different data points in conjunction with one another. This is a composite score that reflects the magnitude of formal remittance flows into the receive country, how important these formal contributions are at a country level and the size of the diaspora relative to home country population. Weights are applied by experts. Scores out of 100.

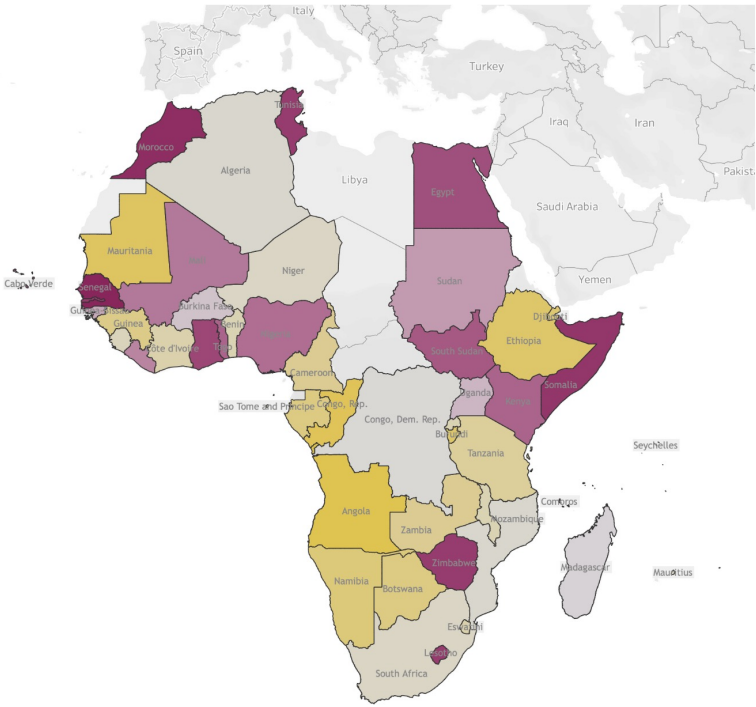
Africa

47 /100

AVERAGE SCORE

This index highlights countries for which remittances are likely to be important combining flows, dependency and proportionate size of diaspora relative to home country. The Importance of Remittance Snapshot Index highlights the countries that are likely to be of interest from a policy and programme development perspective and/or for prospective and existing businesses.

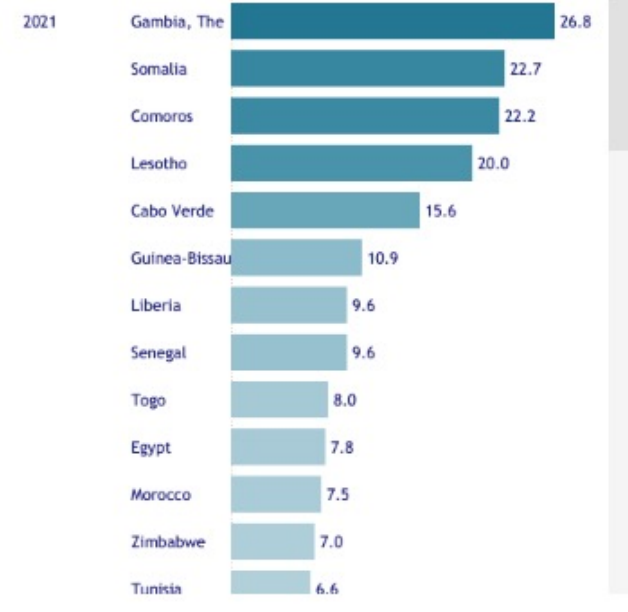
- The four composite indicators used in the Index are:
- (1) World Bank remittance inflows (USD)
 - (2) Dependency on remittances - World Bank remittance inflows as a % of GDP
 - (3) Household dependency on remittances
 - (4) Diaspora as % of home-country population



A - World Bank remittance inflows, for latest year available - USD millions



D - Economy's dependency on remittances, for latest year available - % of GDP

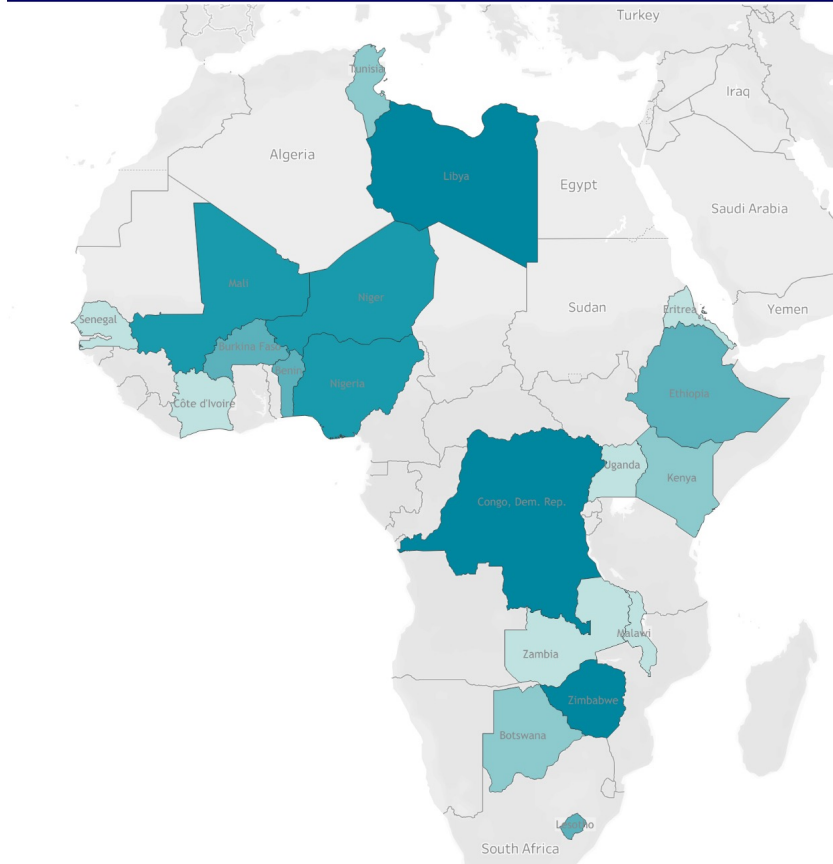


Source: World Bank



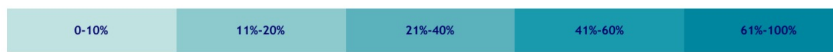
Remittances sent through informal channels

F - Informal remittance inflows estimate, for latest year available - % of total remittances



Click on single countries to compare remittance inflows on the line graph (Press Ctrl if you want to select multiple countries)

% of total remittances



Ethiopia 2023

40.00

% of total remittances

"The National Bank of Ethiopia estimates about 30 percent to 50 percent of private individual transfers use official channels. The other half use the parallel market for foreign exchange. Recent reforms are in the hope of standardising the two rates through improved efficiency of the foreign exchange market to redirect flows to official channels."

RemitSCOPE Research

Kenya 2023

13.00

% of total remittances

The CBK conducted a diaspora survey in 2022. The results found that 13% of transactions were sent through informal channels. [1]

The CBK and the Kenya National Bureau of Statistics are planning a new remittances HH survey in 2023.

Recent primary research by FSD Kenya focussed on remittances between Kenya and Uganda and Tanzania and found that use of unregistered MM agents (informal) was high.

RemitSCOPE Research

Uganda 2023

10.00

% of total remittances

The BoU 2018 survey reports that 10 percent of remittance values are sent via informal channels, but 27 percent of people use informal channels. For remittances sent to neighbouring countries the prevalence is suggested to be much higher. Unlicensed forex bureaus, hawala, friends, family, traders and unregistered mobile money agents are the main channels used.

RemitSCOPE Research



Corridor Level Data – Bilateral Estimates

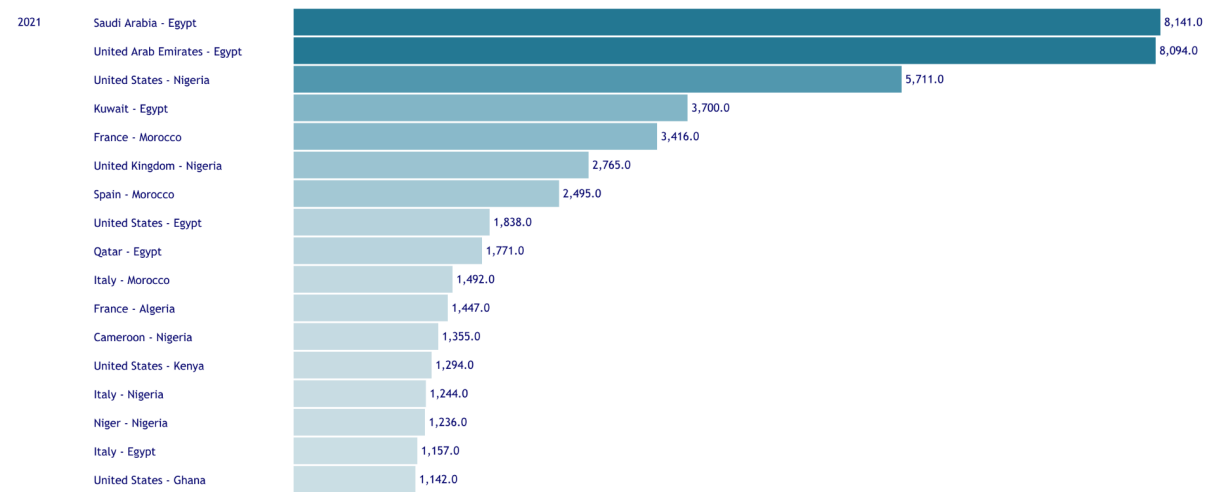
Total inflows into Africa – by corridor (estimates, 2021)

Total remittances inflows	Largest sending country of remittances	Largest receiving country of remittances	Number of African countries with this data
96,066 USD millions	United States	Egypt	48

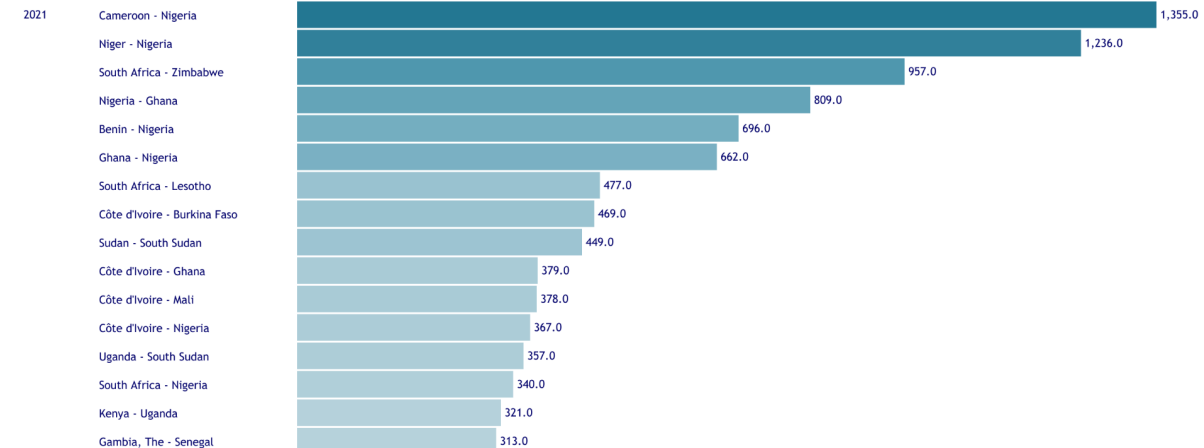
Total intra-African remittances – by corridor (estimates, 2021)

Total remittances inflows	Largest sending country of remittances	Largest receiving country of remittances	Number of African countries with this data
19,354 USD millions	South Africa	Nigeria	48

A - Estimated remittance inflows (World Bank Bilateral Remittance Matrix), for latest year available - USD millions



A - Estimated remittance inflows (World Bank Bilateral Remittance Matrix), for latest year available - USD millions



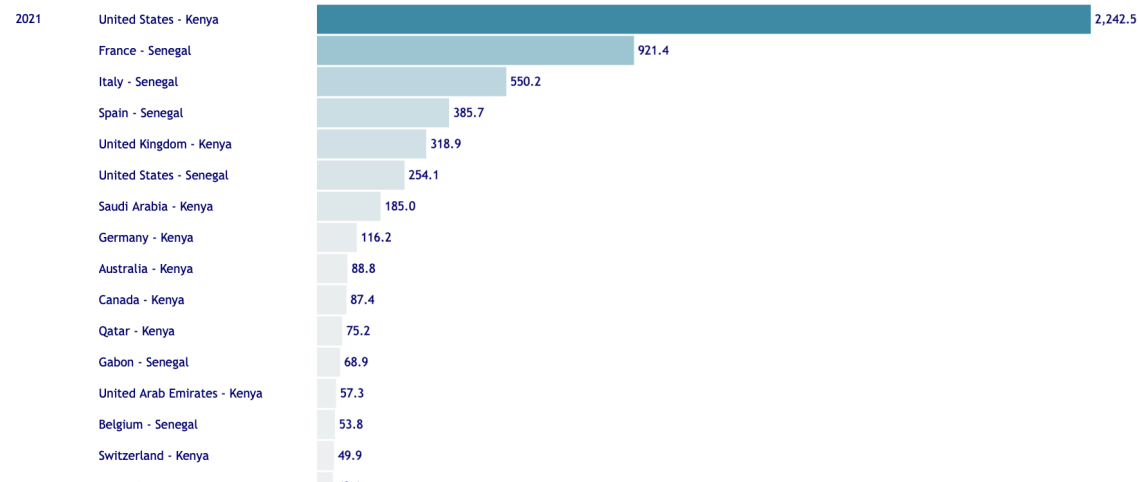
Source: KNOMAD, World Bank Bilateral Remittance Matrix, 2021



Corridor Level Remittance Data – Central Bank data

Remittance inflows by corridor into Kenya, 2021

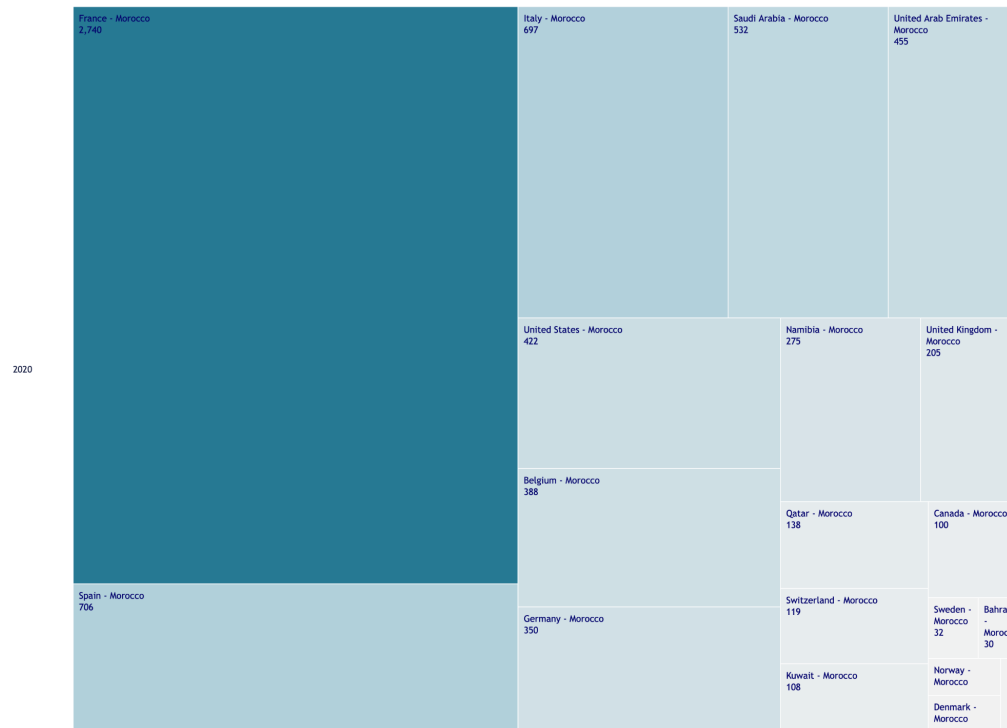
B - Central Bank remittance inflows, for latest year available - USD millions



Source: Central Bank of Kenya

Remittance inflows by corridor into Morocco, 2020

B - Central Bank remittance inflows, for latest year available - USD millions

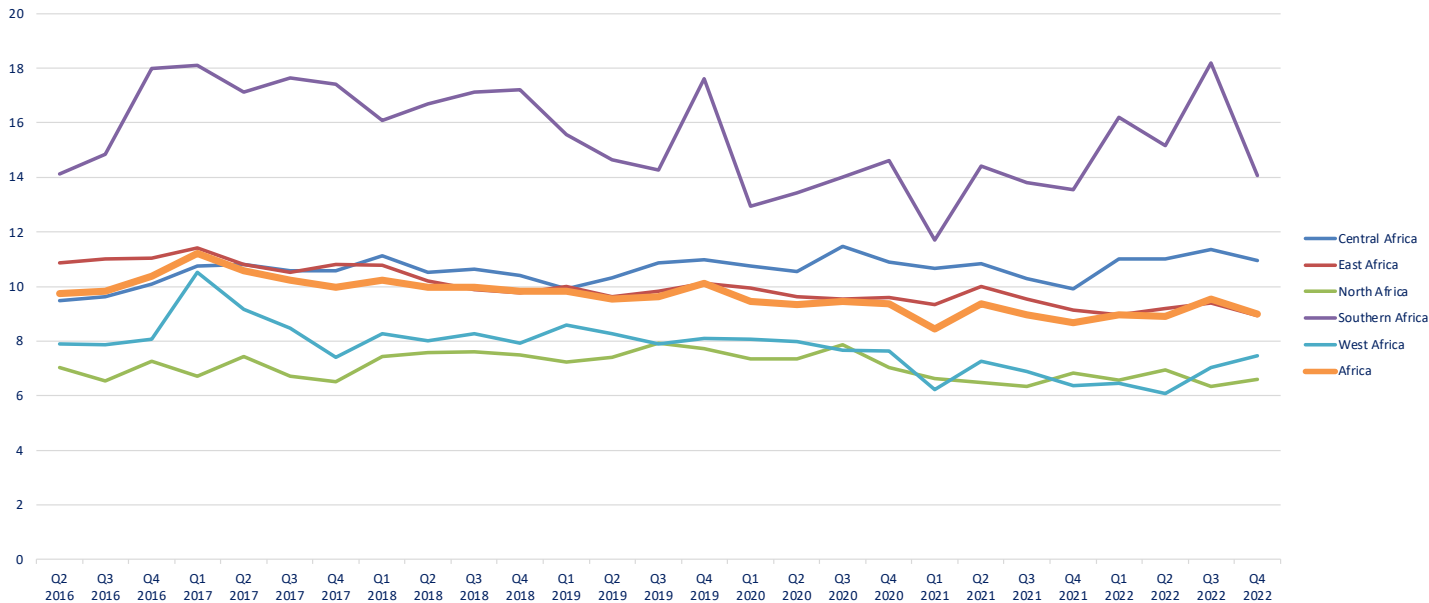


Source: Bank Al Maghrib, 2020

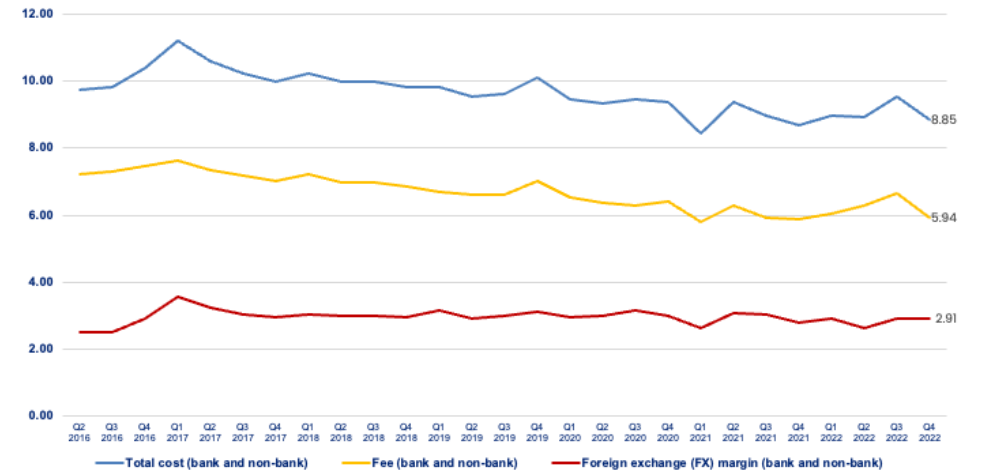
Pricing Trends



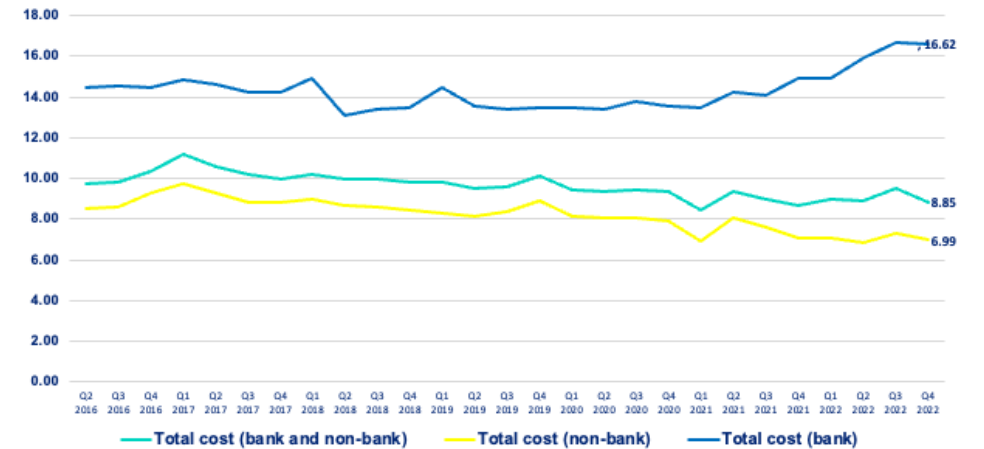
Remittance pricing to Africa over time (total cost - bank and non-bank), % of the send amount



Remittance pricing to Africa over time, % of send amount



Remittance pricing to Africa over time by type of provider - % send amount



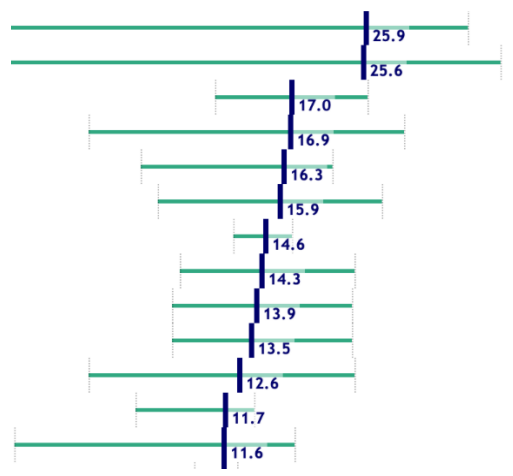
Source: World Bank's Remittances Prices Worldwide & a few PRIME Africa pricing corridors



High Cost Corridors & Remittance Costs by Channel

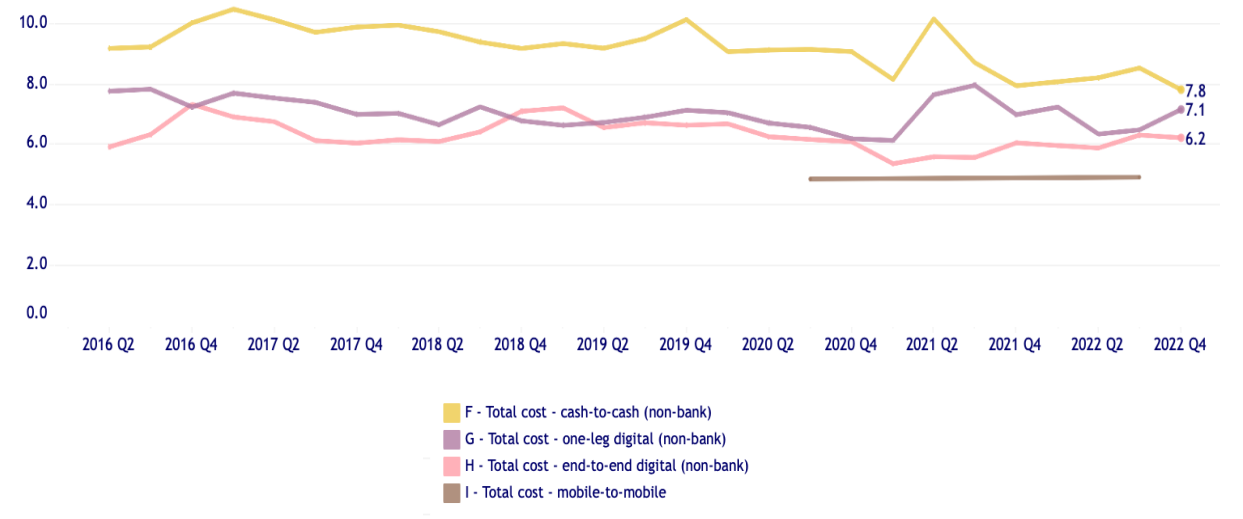
D - Total cost (non-bank), for latest year available - % of the send amount

- Tanzania - Uganda
- Tanzania - Rwanda
- United Kingdom - Gambia, The
- Italy - Ghana
- Cameroon - Nigeria
- Sweden - Gambia, The
- Israel - Morocco
- Germany - Gambia, The
- France - Gambia, The
- Spain - Gambia, The
- Italy - Gambia, The
- France - Algeria
- South Africa - Zambia



Remittance pricing to Africa Over Time

Remittance pricing to Africa over time, % of the send amount



Source: World Bank's Remittances Prices Worldwide, GSMA Pricing & a few PRIME Africa pricing corridors



Financial Inclusion & Access to Digital Remittances

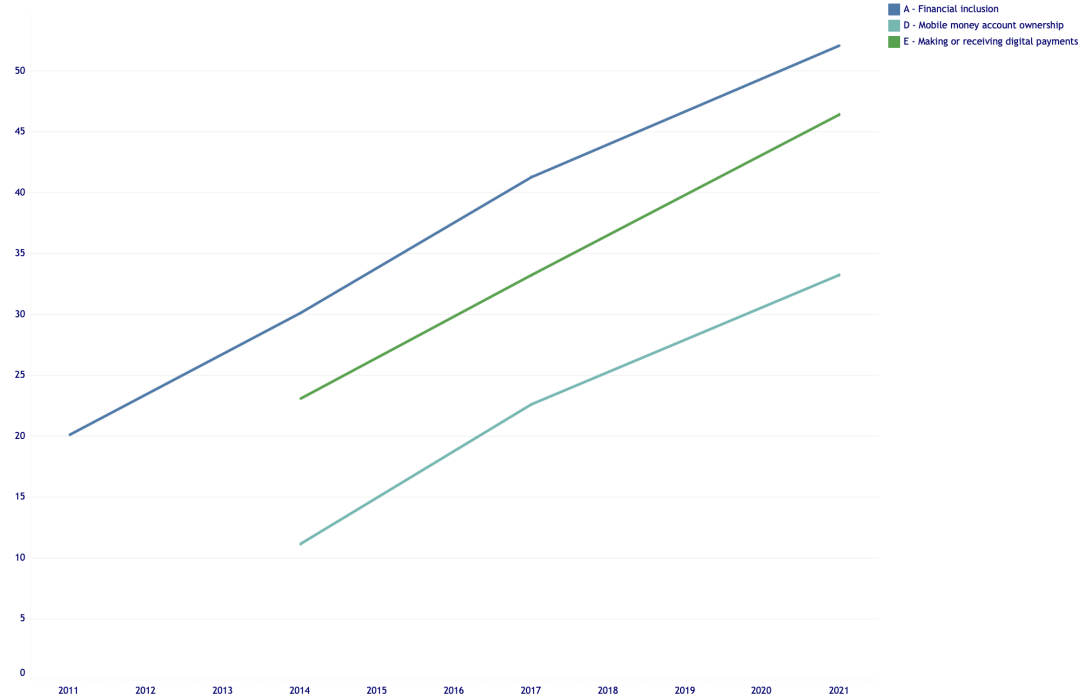
Financial Inclusion in Africa over time

Latest update 05/06/2023 09:08:11

Filter data

Indicator name: (Multiple values) | Sub-region: (All) | REC Membership: (All) | Country name: (All)

Time series data (average across countries), % population (15+)



Source: FINDEX

Financial Inclusion across Africa

52.0 % population (15+)

Highest financial inclusion

Ghana

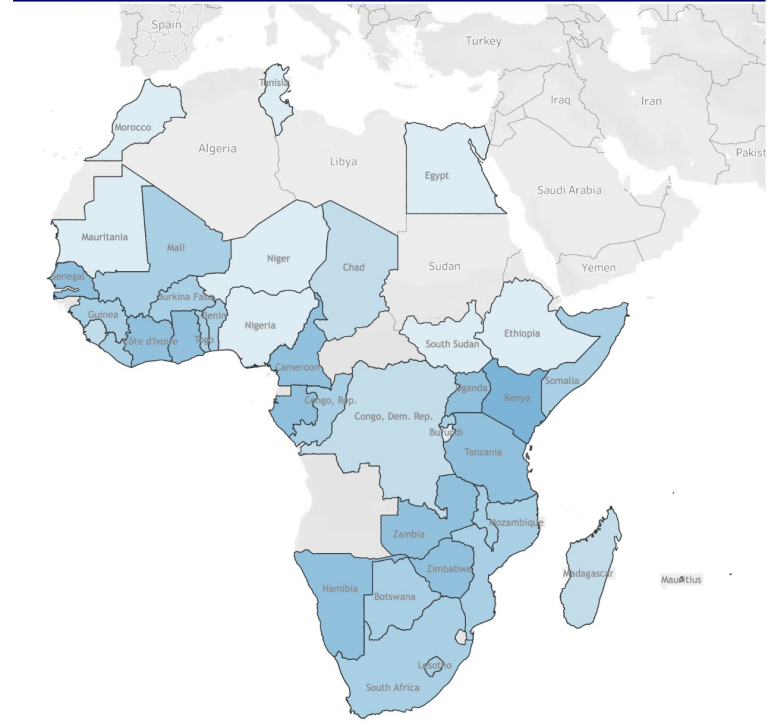
Largest gender gap in financial inclusion

Côte d'Ivoire

Use of digital payments in Africa

46.3 % population (15+)

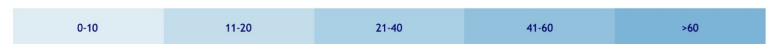
D - Mobile money account ownership in African the countries, for latest year available - % population (15+)



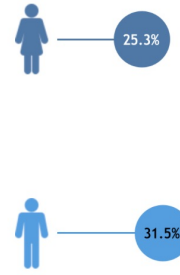
© 2023 Mapbox © OpenStreetMap

Click on single countries to compare digitisation on the line graph (Press Ctrl if you want to select multiple countries)

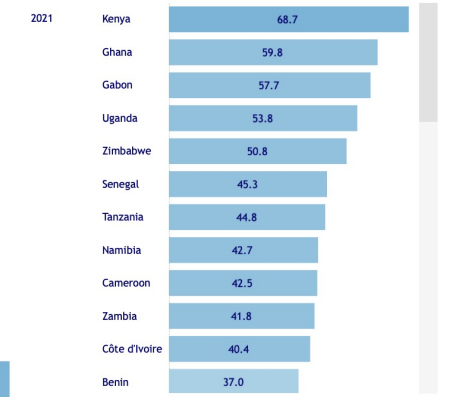
% population (15+)



Gender differences (average across countries), for latest year available - % population (15+)



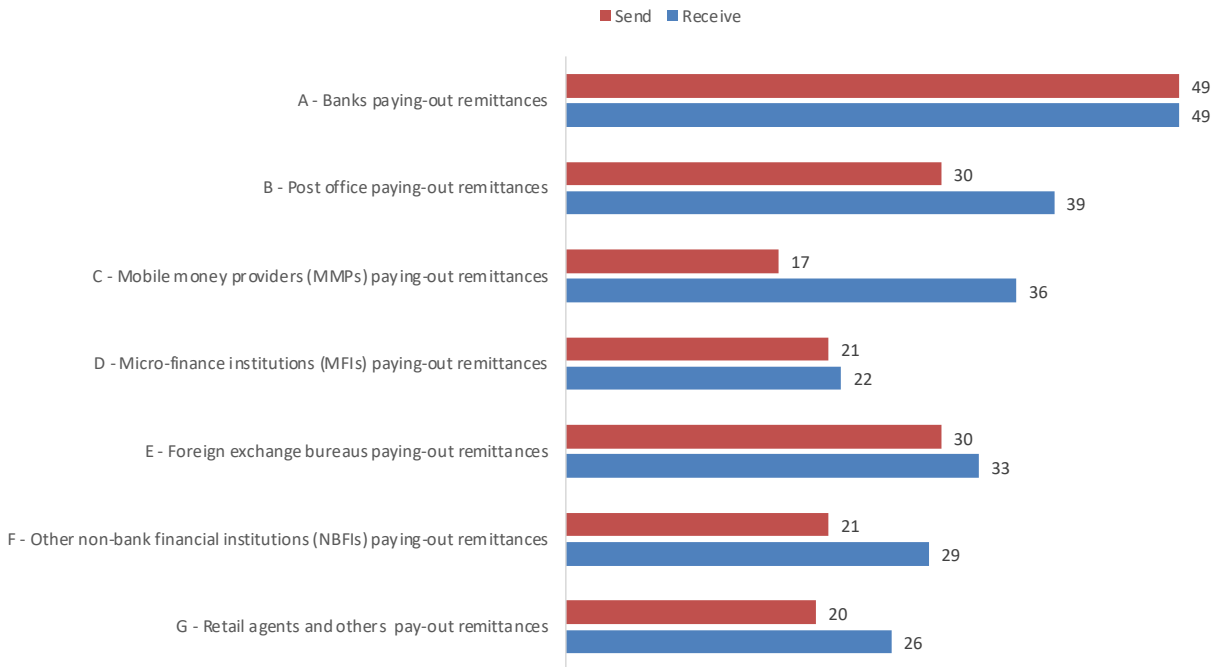
D - Mobile money account ownership in African countries, for latest year available - % population (15+)





Pay-Out Options & Access Points

The number of countries where different types of entities are permitted to send and receive remittances across African countries (RemitSCOPE Primary Research, 2023)



D - Remittances Pay-Out Options Index

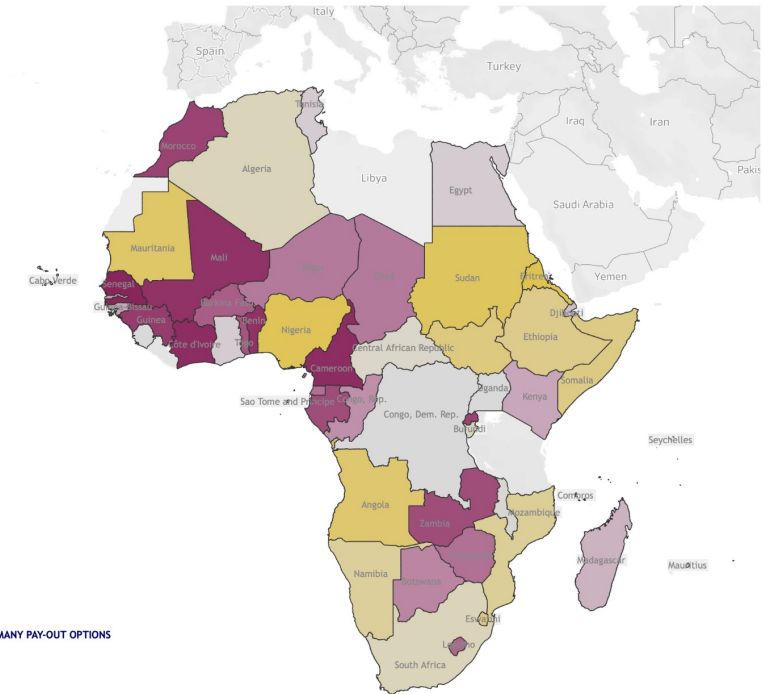
The Remittance Pay-Out Options Index comprises seven indicators and provides insight into the array of remittance pay-out options that are available in the country mixing both digital and physical. This index highlights countries where there are lots of potential pay-out options for remittances and in turn highlights countries where the data suggests that pay-out options are likely to be more limited. The more pay-out options available, the more accessible and convenient remittances are to the consumer. More pay-out options will also improve competition in the market and drive down costs.

Africa

42/100

AVERAGE SCORE

- The Index is a composite of seven indicators:
1. The number of pay-out options available in the country (this indicator is a count out of 7; pay-out options at bank, MMO, MFI, post office, foreign exchange bureaus, other NBFIs, retail)
 2. Whether MMOs are paying-out remittances
 3. Mobile money account ownership
 4. ATM accessibility
 5. Access points
 6. IMTO agents / population
 7. Rural population



Source: RemitSCOPE Primary Research



Operating Environment & Considerations for Operators

C - Remittance Market Considerations Index

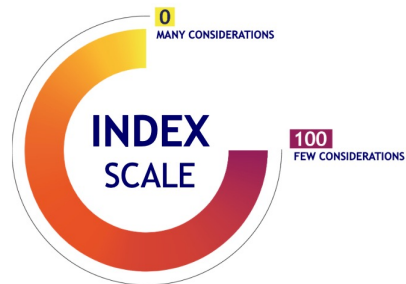
Seven different indicators constitute the index score to showcase different data points in conjunction with one another. This is a composite score that reflects the extent to which there are barriers to operating in each remittance market. Weights are applied by experts. Scores out of 100.

Africa

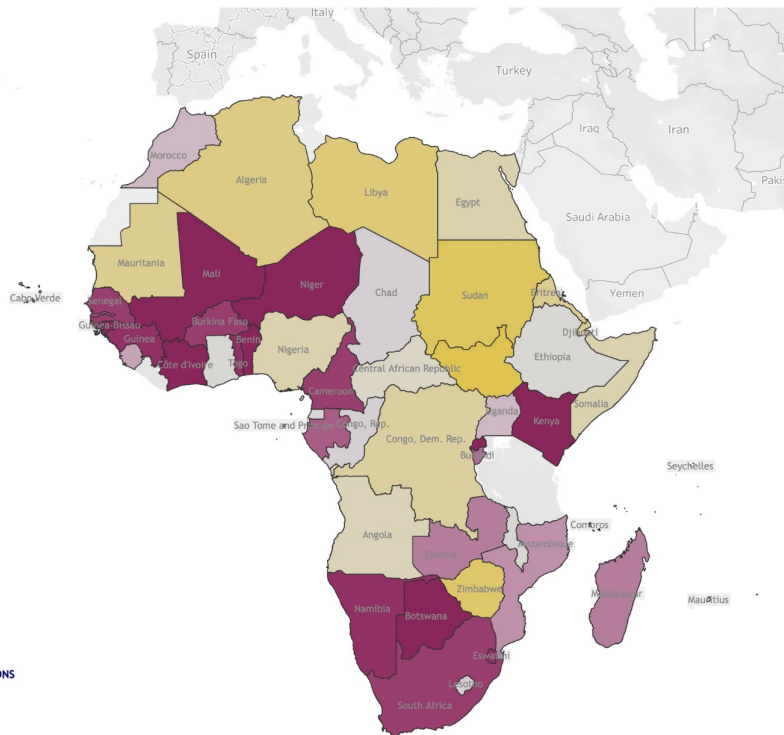
73 /100

AVERAGE SCORE

The Indexes assist in market analysis as they use the insights of industry experts to bring different indicators together and weight them according to their relative importance to the Index.



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The Market Considerations Index comprises 8 indicators and aims to highlight countries where there are market conditions that may affect or challenge remittance business operations.

This Index is for operators as to where they may be market conditions that may present challenges to running a remittances business.

The eight composite indicators of the Index are:

1. Whether there are restrictions on outbound remittances
2. High inflation
3. Exclusive relationships between RSPs and agents
4. FATF watchlist
5. Parallel or black market for local currency that affects demand for formal remittance services
6. Number of the top 5 international money transfers operators sending money to the country
7. Specific guidance / regulation for money transfer businesses
8. Pay-out mainly in USD

Source: RemitSCOPE Primary Research

Thank you!