



RemitSCOPE

Africa



Morocco

Country diagnostic

ACKNOWLEDGEMENTS

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ACRONYMS

| | |
|---------|--|
| AML/CFT | anti-money laundering and combating the financing of terrorism |
| ATM | automated teller machine |
| DESA | United Nations Department of Economic and Social Affairs |
| FFR | Financing Facility for Remittances |
| Fintech | financial technology |
| FMEF | Fondation Marocaine pour l'Éducation Financière (Moroccan Foundation for Financial Education) |
| G2P | government-to-person |
| GDP | gross domestic product |
| HCP | High Commission for Planning (Haut-Commissariat au Plan) |
| IFAD | International Fund for Agricultural Development |
| KYC | know-your-customer |
| MAD | Moroccan Dirham |
| MTO | money transfer operator |
| P2P | peer-to-peer |
| SDG | Sustainable Development Goal |
| UN DESA | United Nations Department for Economic and Social Affairs |

Executive summary

This research is part of a series of country diagnostics conducted in selected African countries under the PRIME Africa initiative. The full diagnostic series is available on the RemitSCOPE web portal.¹

This diagnostic provides an update to the original version published in 2022. Since then, notable changes in the remittance market have been observed, including the following:

- **Remittance flows into Morocco** have increased and subsequently stabilized since the end of the COVID-19 pandemic. This upward trend is driven by several factors, including improved market conditions, increased competition and greater attention to remittances.
- **Remittance costs have declined** across all corridors, with the most notable reduction observed in transfers from France, which continues to be the primary remittance corridor.
- **Digitalization has advanced**, as reflected in the growing number of payment accounts. However, usage and transaction activity remain low, and international remittances have not yet become a major driver of digital adoption.

Migration and remittances

- The Moroccan diaspora is significant, estimated at 5.4 million individuals out of a total population of 36.8 million as of 2024, according to data from the High Commission for Planning (HCP) and the Ministry of Foreign Affairs, based on consulate registrations. This figure exceeds the most recent estimate by the United Nations Department of Economic and Social Affairs (UN DESA), which reported 3.6 million Moroccan migrants worldwide, of whom 3.2 million reside in Europe.
- With US\$11.7 billion remitted in 2024, Morocco received the third-highest amount among African countries. These transfers represent 7.7 per cent of gross domestic product (GDP) and serve as a safety net for 2 million families.²
- The HCP reported that “remittances from Moroccans residing abroad have represented around 7 per cent of Morocco’s GDP over the past decade, amounting to approximately US\$7 billion per year. They peaked in 2021, exceeding US\$9 billion. The first nine months of 2022 also indicate an increase of more than 11 per cent compared to the same period in 2021, which had already seen a significant rise compared to previous years.”³

Financial environment

- Digitalization of the economy and payments is at the heart of Morocco’s development and financial inclusion strategies, established to achieve sustainable development goals.

1/ <https://RemitSCOPE.org/remittance-market-diagnostics/>

2/ Foreign Exchange Office, 2025.

3/ https://www.hcp.ma/Determinants-des-transferts-et-des-investissements-des-migrants-marocains-a-l-etranger_a3640.html

- The COVID-19 crisis has accelerated the digitalization of payments and financial services, opening the path to more comprehensive digitalization of money transfers abroad.
- The domestic system of retail payment was historically managed by banks and based on a payment card system. This system is now interoperable with mobile phone payment systems, enabling Moroccan remittance service aggregators to further digitize their vast payment network.
- International and domestic remittances to mobile phone payment accounts could increase the activation of such accounts, as well as the completion of related tasks or use cases, which are currently limited to domestic transfers and merchant payments. These developments would enhance financial inclusion, particularly for women.

Regulatory environment

- Morocco's regulatory environment related to remittances clearly defines the options and conditions for partnerships and promotes digital funds transfers.
- The status of retail agents at payment institutions could be further optimized to encourage the use of mobile phone payment accounts and to serve as a new channel for international remittances.
- Money transfer operators demonstrate a high degree of compliance with international standards for anti-money laundering and combating the financing of terrorism (AML/CFT). The new electronic national identification card enables a streamlined identification process and facilitates the opening of low-risk accounts.

Market structure

At the sending side

- The cost of remitting funds to Morocco on average is 5.08 per cent of the amount being sent, which corresponds to the weighted global average. However, there is a certain margin for manoeuvring using the online channel that exists for further reduction, toward achieving the United Nations Sustainable Development Goal (SDG) 10.c, which targets bringing costs to under 3 per cent.
- There is an overall decrease in prices in both online channels and agents in the past four years.
- The Moroccan remittance market remains largely cash-based, whereas savings held by Moroccans residing abroad are primarily channelled through banking institutions.

At the receiving end

- For decades, international remittances in Morocco were processed in cash through bank agencies and aggregator networks – whether bank-owned or independent – with wide coverage across the country. The recent growth in the number of retail agents offering prepaid cards and mobile phone payment services could lead to the expansion of a broader payment network capable of reaching underserved areas and populations.
- Traditional payment networks managed by banks and aggregators are now supplemented by rapidly expanding and more decentralized retail agents of payment institutions. However, the range of digital payment options they offer remains limited.
- Despite good overall network coverage, 11 per cent of the population lives more than 10 kilometres from a point of access to money transfer services, and only 25 per cent of rural municipalities have such an access point (IFAD/World Data Lab, 2020).

Financial services for remittance users

- Moroccan banks have developed a complete range of services or “packages” for use by the diaspora, through a direct presence in destination countries as well as online banking options. However, overall, the financial services needed to meet all migrant needs are dispersed among numerous service providers.
- Models for scaling and inclusive partnerships among banks, microfinance institutions and payment institutions could help address the specific profiles of remittance beneficiaries and support initiatives that offer business and financial education – particularly through the Moroccan Foundation for Financial Education. However, no targeted plan currently exists for this population subgroup within the national financial inclusion strategy or the national financial education plan.
- Establishing remittance beneficiary profiles and quantifying each client subgroup would help the private sector customize financial offerings, while assisting the Moroccan Foundation for Financial Education in adapting key financial educational messages for this subgroup. The qualitative study carried out within the context of the Greenback Initiative⁴ could contribute to this.

Stakeholders and coordination

Governance and monitoring of remittance activities is the responsibility of the Bank Al-Maghrib (Morocco’s central bank (known as Banque centrale du Maroc), the Ministry of the Economy and Finance, and the Office of Foreign Exchange of Morocco.

Objectives

This country diagnostic for remittances to Morocco was prepared in accordance with the objectives of PRIME Africa. The main objectives are:

- To reduce remittance costs to Morocco in support of SDG 10.c and the Global Compact for Safe, Orderly and Regular Migration;
- To minimize the use of informal remittance channels to Morocco;
- To enhance financial inclusion through associated financial services; and
- To promote digitalization within the context of the COVID-19 pandemic.

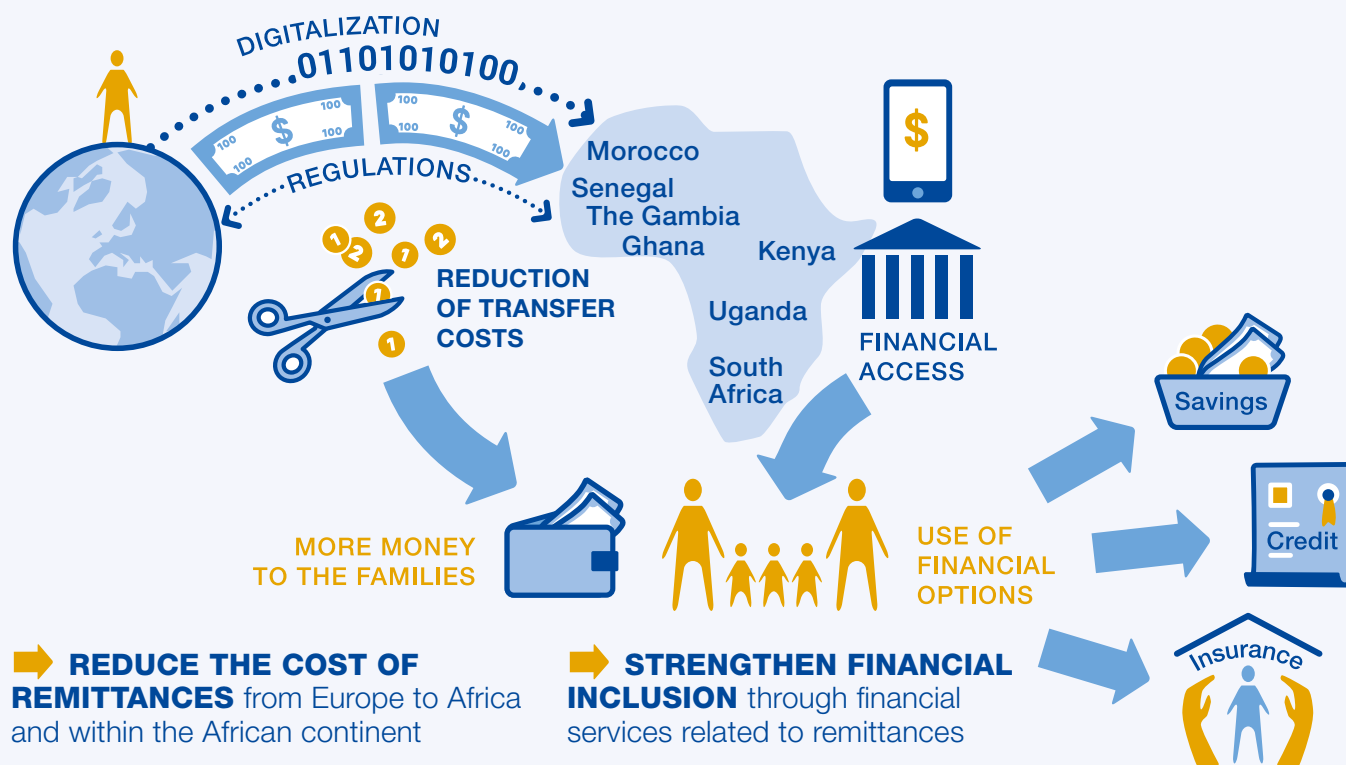
This diagnostic is a working document that will be updated and amended as additional information is collected and assessed. Currently, the report provides an assessment of the remittances market in Morocco. It will be consolidated in due course with insights into three specific send market corridors to Morocco, including demand-side research for Germany, France and Italy.

Based on the findings of this diagnostic, coordination and alignment with public policy, the private sector and international development agencies will be critical to success. Both public and private funding will be essential to leverage remittances as a driver of socioeconomic development for the families of migrants in their countries of origin.

^{4/} The Greenback Initiative, launched by the World Bank and implemented in various pilot countries, including Morocco, aimed to improve the efficiency, safety and transparency of remittance services by promoting financial literacy and fostering innovation through behavioural research and stakeholder engagement.

Figure 1. PRIME Africa activities in Morocco

OBJECTIVES

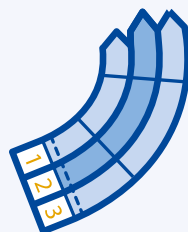


ACTIVITIES



● Address the data gap

Strategic market data makes it possible to expand and deepen the market and to strengthen, in a targeted way, the capacities of key stakeholders in remittance data systems.



● Increased market competition

Expand access to remittances through close cooperation with the public and the private sectors, with the aim of significantly reducing both direct and indirect costs and fostering increased competition in the market.



● Support the creation of an enabling environment

Coherent national regulatory frameworks, in both sending and receiving countries, can promote competition in a safe, affordable and fast remittance corridors.



● Finance and promote operational models linking remittances and financial services

Co-finance and promote innovative, scalable and replicable technologies and operational models that link remittances with financial services, with the aim of fostering financial inclusion.



● Finance scalable innovations and related capacities

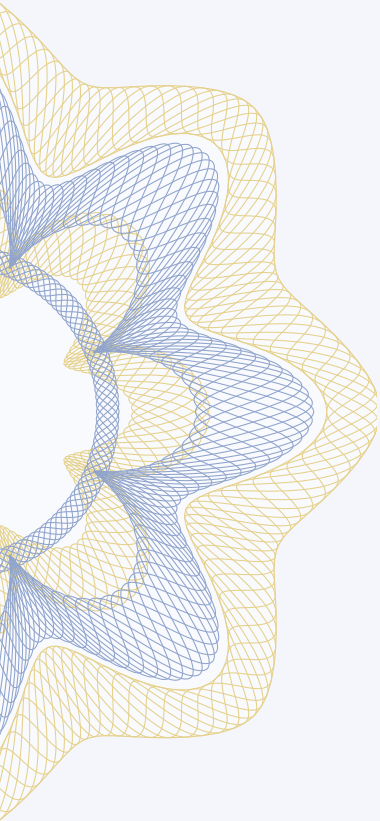
Collaborative mechanisms in place among central banks, regulatory and supervisory bodies, the private sector and diaspora communities in both sending and receiving countries; strengthened capacity to adapt and scale up best practices in an operational framework that enables partner cooperation.

Methodology

At this stage, the focus of the Morocco diagnostic has been on the remittances market in Morocco, and the approach that has been adopted focuses on the supply side of the market. This diagnostic includes:

- A. Desk-based research;
- B. Interviews with stakeholders, including the Bank Al-Maghrib, the professional association for payment institutions, leading international money transfer operators (MTOs), banks, payment institutions, the Moroccan Foundation for Financial Education and specialist consultants;
- C. Mystery shopping exercises for remittance pricing, products and services.

Interviews with stakeholders were conducted between November 2020 and February 2021, and mystery shopping exercises took place between August and September 2020. Follow-up interviews were held in January and February 2025 to update this diagnostic.



1. Migration and remittances

Migration

The Moroccan diaspora is significant, with an estimated 5.4 million individuals out of a total population of 36.7 million in 2020, according to HCP. This figure differs from the most recent data published by UN DESA in 2024, which estimates the total number of Moroccan migrants at approximately 3.6 million, of whom 3.2 million reside in Europe.

- The latest estimates by the HCP indicate that more than 5 million Moroccans reside abroad, based on consular registrations, out of a total population of 36.7 million.⁵
- The Economic, Social and Environmental Council of the Kingdom of Morocco reports that Moroccans residing abroad account for 15 per cent of the total population and contribute over 7 per cent of the country's GDP through their remittances.⁶
- According to 2024 data from UN DESA, France, Spain and Italy have the largest Moroccan diaspora, respectively hosting 29 per cent, 22 per cent and 12 per cent of Moroccan migrants. However, there are also more than 100,000 members of the Moroccan diaspora in Belgium, the Kingdom of the Netherlands and Germany. Overall, the European Union hosts 86 per cent of the Moroccan diaspora.
- The Gulf Cooperation Council (GCC) countries – a relatively recent destination for Moroccan migrants – are not included in UN DESA statistics. According to HCP (2020), they host close to 4 per cent of the diaspora.
- Outside the European Union, Israel, the United States of America and Canada host the largest number of Moroccan migrants.
- Intra-African migration is very limited and is not comparable in size to that of European Union countries. UN DESA reports that there are around 20 thousand Moroccans in Africa, mostly in Tunisia, which hosts around 6,000 Moroccans.
- The Moroccan diaspora is relatively gender-balanced, with women accounting for 48 per cent of migrants, according to UN DESA. Moreover, the rate of growth in female migration has outpaced that of male migration since the mid-2000s – primarily due to family reunification, but also as a result of more women pursuing studies abroad and a restrictive political context for migrant workers.
- Germany, Spain and Italy host the largest proportion of migrant men. There are only 47 per cent women migrants in the European Union. The situation is slightly more balanced in France, where 49 per cent of migrants are women.
- It is noteworthy that, according to 2021 UN DESA data, there were more women than men among Moroccan migrants in Israel, the United States of America and Switzerland. However, the 2024 UN DESA dataset does not include figures for Moroccans residing in the United Kingdom of Great Britain and Northern Ireland or the United States of America.

5/ https://www.hcp.ma/Determinants-des-transferts-et-des-investissements-des-migrants-marocains-a-l-etranger_a3640.html

6/ <https://www.cese.ma/docs/renforcer-le-lien-intergenerationnel-entre-les-marocaines-du-monde-et-le-maroc-les-chances-et-les-defis/>

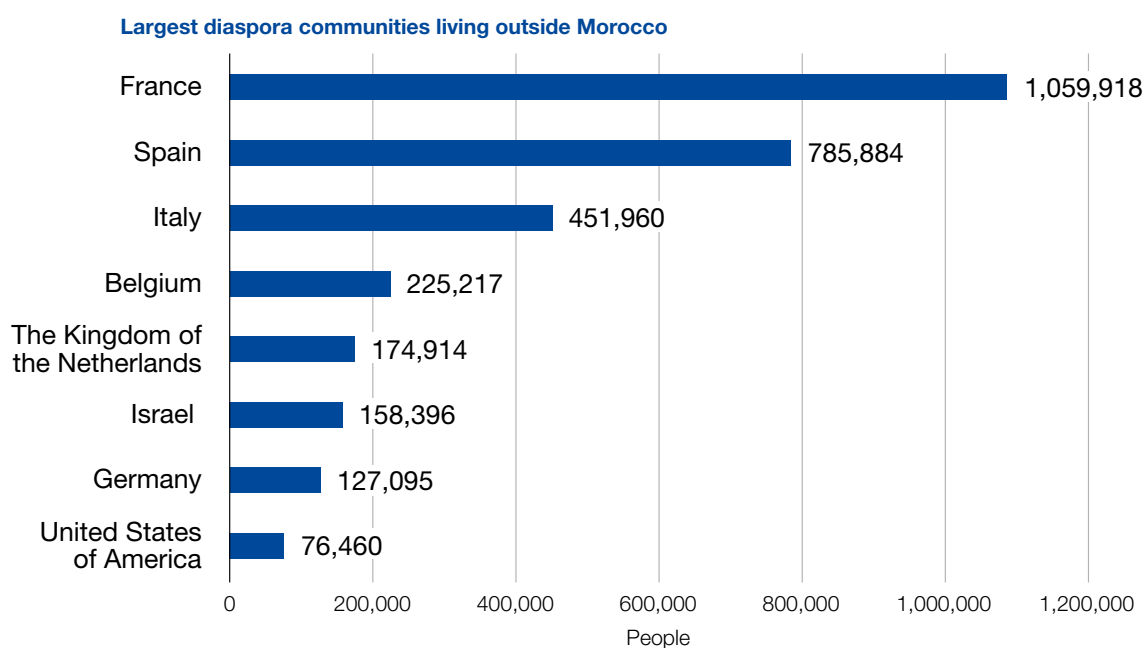
Table 1. Number of migrants, per destination country

| Destination country | Number of migrants | Per cent of the diaspora |
|--------------------------------|--------------------|--------------------------|
| World | 3,627,829 | 100 per cent |
| France | 1,059,918 | 29% |
| Spain | 785,884 | 22% |
| Italy | 451,960 | 12% |
| Belgium | 225,217 | 6% |
| The Kingdom of the Netherlands | 174,914 | 5% |
| Israel | 158,396 | 4% |
| Germany | 127,095 | 4% |
| United States of America | 76,460 | 2% |

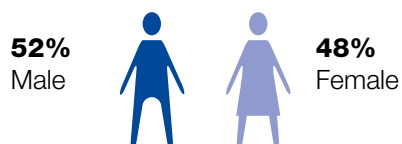
■ EU corridors

Source: UN DESA, 2024.

Figure 2. Largest diaspora communities living outside Morocco (Top 8)

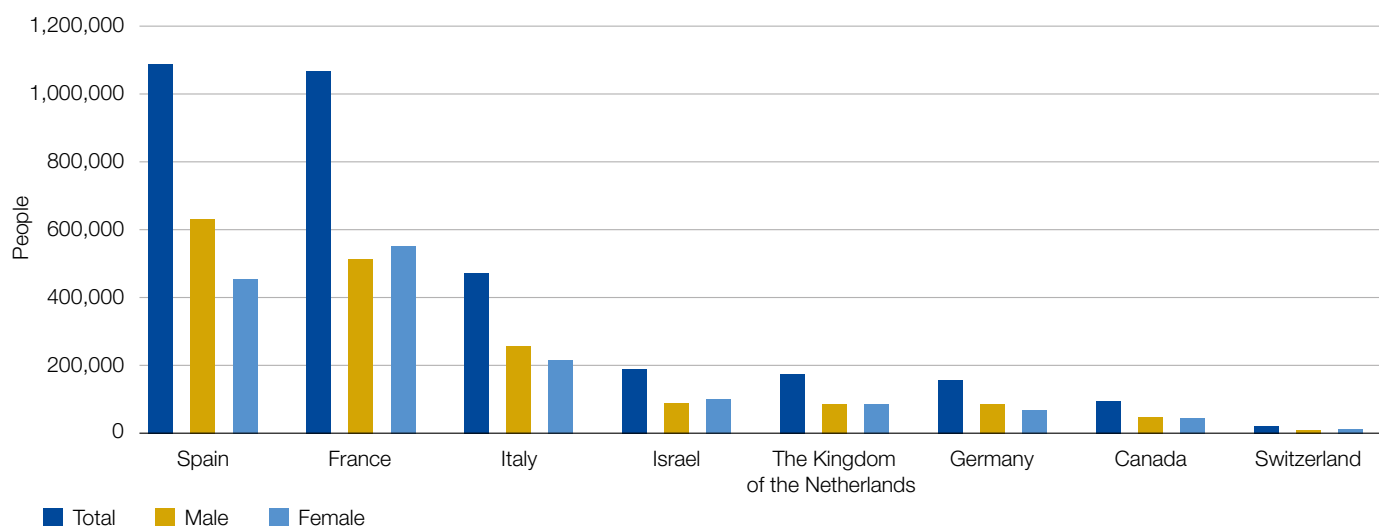


Gender Breakdown of diaspora outside Morocco



Source: RemitSCOPE.org/africa.

Figure 3. Number of migrants, per gender



Source: UN DESA, 2024.

- **Three regions host more than half of migrant households:** Casablanca-Settat (23.3 per cent), Béni Mellal-Khénifra (14.9 per cent) and Rabat-Salé-Kénitra (12.4 per cent).
- **Migrant households in rural areas come from three main regions:** Béni Mellal-Khénifra (41.7 per cent), Draa-Tafilalet (14.8 per cent) and Oriental (13 per cent).

Remittances

Remittances from Moroccans residing abroad reached MAD⁷ 115.3 billion (US\$11.7 billion) in 2024,⁸ compared to MAD 115.3 billion dirhams (US\$11.8 billion)⁹ in the previous year. The transfer of funds represented 7.7 per cent of GDP and a safety net for millions of families.

- Morocco receives the third-highest volume of remittances among African countries, after Egypt and Nigeria. In 2023, US\$11.8 billion was sent to Morocco, equivalent to 8.1 per cent of the country's GDP, according to World Bank data.
- Remittance data are compiled by the Office of Foreign Exchange of Morocco and published on its website. These include monthly aggregated figures and annual disaggregated data by corridor.
- Over a 10-year period (2008–2019), remittance flows increased at an average annual growth rate of 2 per cent. The stagnation or slight decline in transfers from traditional destination countries in Europe following the 2007 financial crisis has been offset by a strong increase in migration to Gulf countries and the United States of America.
- Historically, remittances from Moroccans residing abroad represented 6–7 per cent of GDP. Despite the increase in remittance flows in 2021, their share of GDP rose only from 6.3 per cent in 2020 to 7.7 per cent in 2024, due to overall GDP growth linked to an exceptional agricultural harvest in 2021.

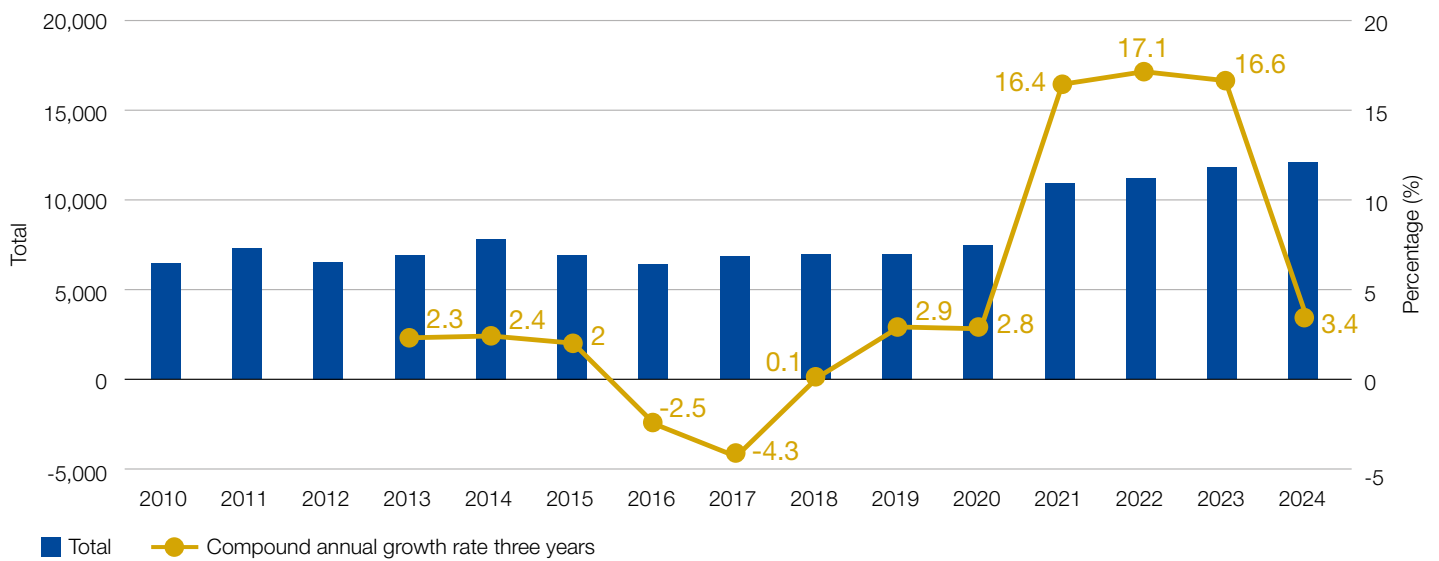
7/ The currency of Morocco, Moroccan dirhams.

8/ Foreign Exchange Office https://www.oc.gov.ma/sites/default/files/2025-01/IMEE%202024_0.pdf

9/ <https://data.worldbank.org/indicator/BX.TRF.PWKR.CD.DT>

- One third of remittance inflows originate from France (US\$3 billion), and two thirds from the European Union.
- The COVID-19 pandemic led to an increase in remittance transfers in 2020 and 2021; however, flows have since returned to their usual upward trend.
- In 2019, inflows from Spain and Italy were equivalent, despite Spain hosting a larger Moroccan migrant population – possibly due to unregistered or informal transfers influenced by the countries’ geographic proximity. By 2021, inflows from Spain had surpassed those from Italy, with both doubling in volume compared to 2019.
- Remittances from Gulf countries are disproportionately high relative to the size of their Moroccan diaspora. For example, Saudi Arabia is the fourth-largest source of remittances but only the ninth-largest host of Moroccan migrants. Since the mid-2010s, remittance inflows from the United Arab Emirates and Saudi Arabia have surpassed those from the United States of America.¹⁰

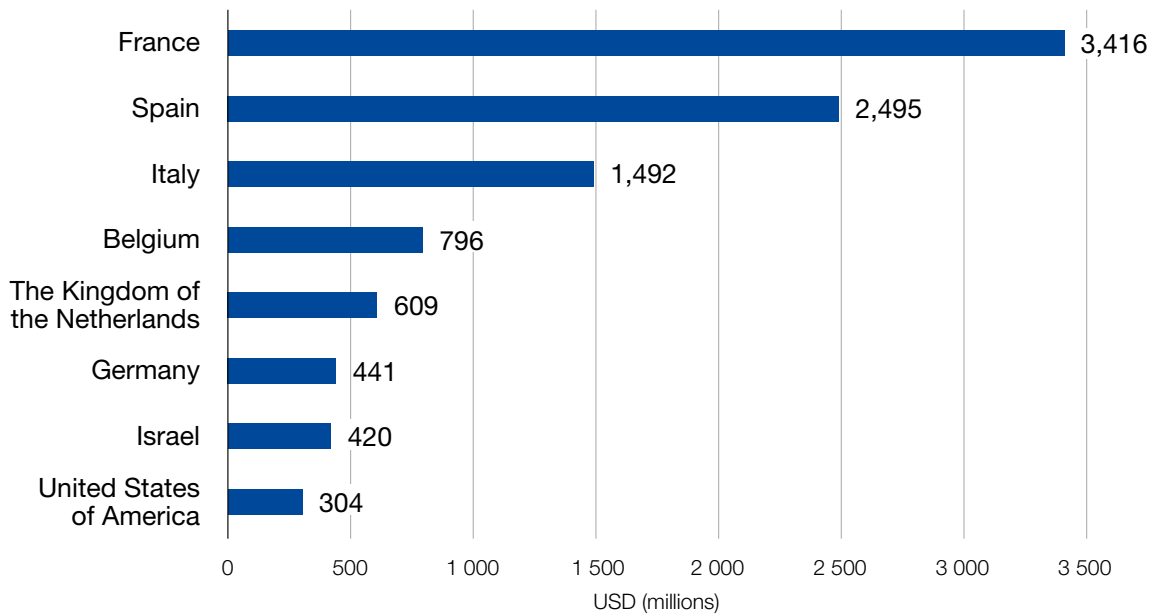
Figure 4. Moroccan remittances: Flows and compound annual growth rate 2010–2024



Source: RemitSCOPE.org/africa

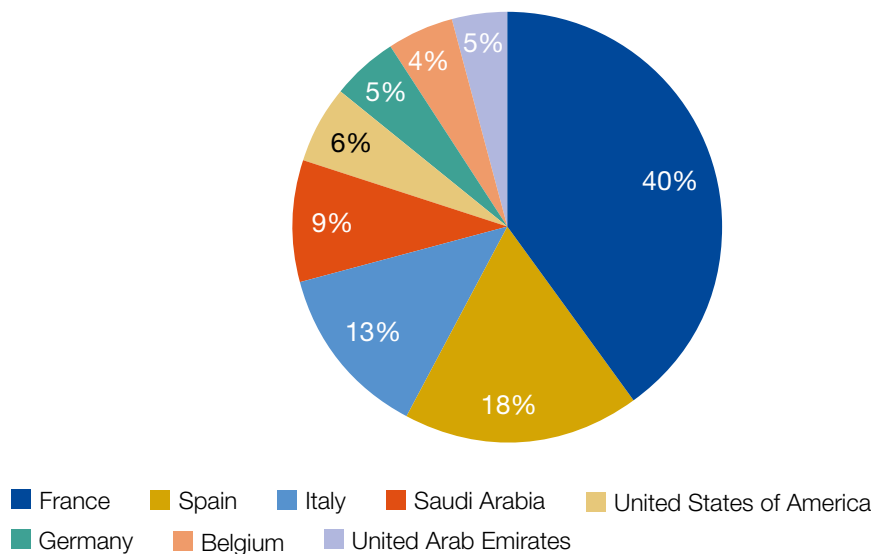
10/ HCP. (2022). Déterminants des Transferts et des Investissements des Migrants Marocains à l’Etranger.

Figure 5. Top 8 remittance sending countries to Morocco in 2021 (US\$ millions)



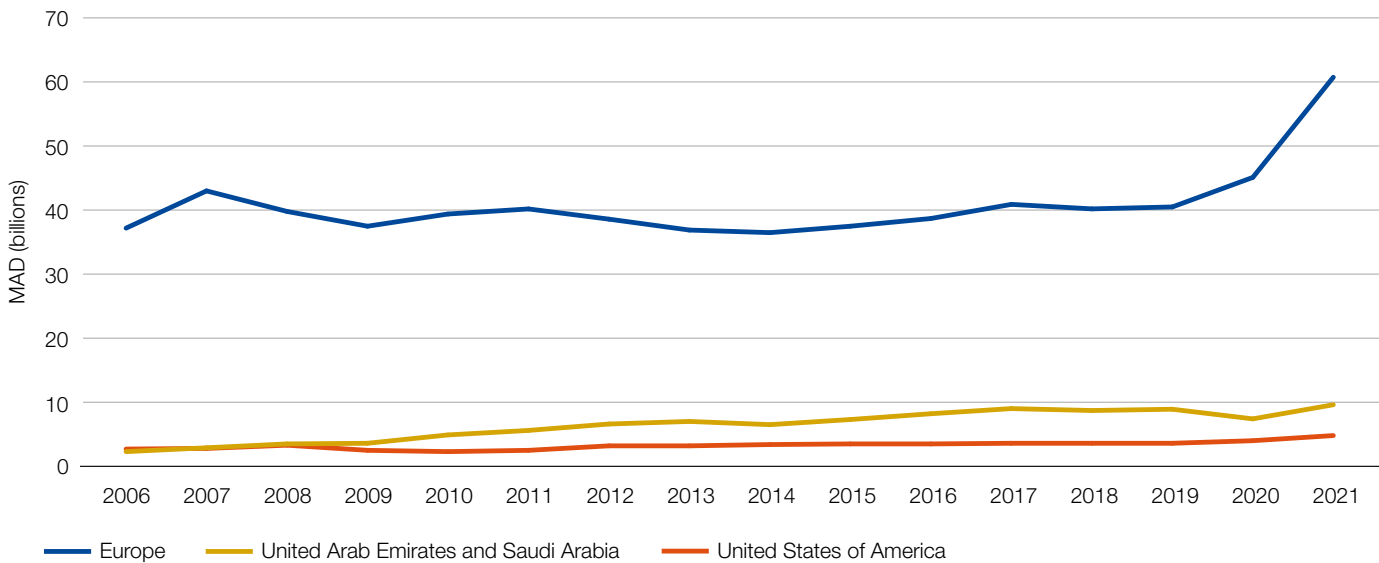
Source: [RemitSCOPE.org/africa](https://remitSCOPE.org/africa)

Figure 6. Main remitting countries in 2021



Source: Office of Foreign Exchange, 2022.

Figure 7. Changes in remittances per main remitting region in billions MAD, 2006–2021



Source: Office of Foreign Exchange, 2022.

PRIORITY MEASURES

1.1. Improve the collection and dissemination of disaggregated data on transfer methods (e.g. cash or bank account) and other key characteristics that can help market actors tailor their service offerings, marketing approaches and targeting strategies – particularly with regard to gender (as women represent half of the diaspora) and remittance destinations (rural or urban areas).

2. Financial environment

Digitalization of the economy and payments is at the heart of Morocco's development and financial inclusion strategies, established to achieve the SDGs.

Under the Ministry of the Economy and Finance and the Bank Al-Maghrib, Morocco adopted a domestic strategy of financial inclusion to accelerate the deployment of non-traditional and classic models for poorly served populations or those excluded from financial services.

- As part of efforts to establish a national financial inclusion strategy, the Ministry of Economy and Finance and Bank Al-Maghrib launched a consultative process in 2015 involving private sector and public stakeholders. A strategic document was drafted in 2018, outlining the key orientations and governance structure for the development and implementation of the strategy. Quantitatively, the goal is to raise the level of financial inclusion – measured as the proportion of adults with an account – from 29 per cent to 47 per cent, aligning Morocco with peer countries.
 - Remittances are mentioned as a trigger for the growth in the number of access points over the last decade. However, remittances are not explicitly addressed within the strategy.
 - This diagnostic highlights the gaps in access between rural and urban areas, as well as between men and women (only 33 per cent of women use an account, as opposed to 56 per cent of men). To address this, the strategy defines non-traditional models (digital financial services, microfinance) and classic models (banking services) to better serve rural areas with accessible products that are less expensive and adapted to the needs of low-revenue populations, particularly women.
 - The strategy rests on eight key measures: i) deploy a mobile phone payment network; ii) increase the status of microfinance to improve financial inclusion; iii) establish and promote inclusive insurance services; iv) create an environment that is favourable to a more inclusive banking sector; v) encourage financing of small and medium businesses and inclusive retail products; vi) accelerate digitalization; vii) improve and coordinate financial educational initiatives; and viii) implement a governance structure and an implementation process specifically designed to increase financial inclusion.
 - Deployment of the strategy is based on creating topic-specific work groups that will bring public and private sector stakeholders together to draft a road map and ensure implementation.
 - Financial inclusion rates for both males and females have significantly increased since the last edition of this diagnostic. According to Findex 2017, only 17 per cent of females held an account, while this percentage was 41 per cent for males. Findex 2021 demonstrates that this number increased to 33 per cent for females and 56 per cent for males in Morocco. Although there is still important work to be undertaken to accomplish a wider financial inclusion of Moroccans, the latest developments have been positive.¹¹



11/ Findex 2021.

- The initiative to finance the policy to increase financial inclusion and the digital economy led by the World Bank is in line with the Government Programme 2016–2021¹² piloting digital transformation (Morocco’s Digital Plan). The second milestone in the report on the initiative outlined the reforms required to implement digital platforms, including mobile phone payment systems and e-commerce services. It emphasized the importance of financial market infrastructure and mobile payments. These reforms aim to expand access to high-speed internet and foster competition within the sector, including in rural areas.
- In its 2019–2023 strategic plan, Bank Al-Maghrib defined objectives for accelerating the digitalization of payment services, while also contributing to the development of an ecosystem of financial technology (fintech).
- Bank Al-Maghrib subsequently introduced its 2024–2028 Strategic Plan, presenting a vision to become an innovative central bank that contributes to the resilience of the national economy, while safeguarding monetary and financial stability. The plan also outlines a commitment to institutional transformation aimed at enhancing agility, innovation and productivity.
- The most recent document on the National Financial Inclusion Strategy was published in April 2024, reporting on activities carried out in 2022 and aiming to periodically track progress. The council held its third meeting on 13 April 2022, underscoring the importance of financial inclusion as a fundamental pillar of economic inclusion.
- The Ministry of Digital Transition and Administration Reform introduced Digital Morocco 2030, a new national strategy aiming to “make Morocco a Digital Hub to accelerate the Kingdom’s social and economic development.” The second axis of this strategy aims at stimulating the digital economy to produce Moroccan digital solutions and create value and jobs.

12/ <https://www.cg.gov.ma/fr/espace-telechargement/le-programme-gouvernemental-2016-2021>

The COVID-19 pandemic accelerated digitalization for payments and financial service offerings, opening the path to growing use of digital solutions for the remittance of international funds.

Measures taken by the public sector in response to the COVID-19 pandemic

- Bank Al-Maghrib temporarily simplified its procedures for opening accounts during the pandemic, allowing anyone to open a payment account (level 2), capped at MAD 5,000 (US\$555), without physically going to an agency. The measures taken temporarily eased regulations related to know-your-customer (KYC) requirements and specifically allowed for a payment account to be opened with a client's phone number and the client's digital national identity card.

New regulatory framework for payment institutions by Bank Al-Maghrib:

- **Raising the limits on payment accounts.** This aims to increase the availability and use of electronic payments to broaden coverage, particularly in rural areas, and to facilitate the distribution of social aid.
- **Introducing internal transactional limits by payment institutions.** This measure is intended to mitigate the risks of fraud, money laundering and terrorist financing that may arise from raising the limits on payment accounts.
- **Revision of the business model for payment agents,** in order to encourage greater physical network reach for cash-in/cash-out operations, enhance the economic appeal of the retail payment agent status, and facilitate the operational management and expansion of these networks, particularly in rural areas.
- **Lifting the cap on international fund transfers received via digital channels,** which are currently capped at MAD 80,000, with an aim to promote financial inclusion for beneficiaries of remittances from Moroccans residing abroad and encouraging the use of digital payment methods (cards, mobile) by their families and other recipients in Morocco.

Text box 1. From Cash to Mobile: The Barid Cash Experience

Barid Cash, a subsidiary of **Al Barid Bank**, an authorized payment institution, has used its vast network of points of access within the country to become one of the main centres of funds disbursement where beneficiaries can receive their payments.¹³ When government-to-person (G2P) payment beneficiaries visited Barid Cash points of sale to collect their public payments, financial service providers encouraged them to open mobile phone payment accounts. These providers then shifted from delivering transfers in cash to transfers through individual accounts. To facilitate this transition, several measures were implemented. Fees for mobile phone payment accounts were waived. Additional services were offered, such as utility payments and mobile phone recharging. An information campaign was also conducted to highlight the benefits of mobile accounts – including faster access to funds, avoidance of queues at access points, and the safety of digital transfers, which allow recipients to remain at home. The rate of client registration for April and May 2020 increased by 62 per cent compared to the pre-pandemic average (January and February). By the end of 2023, there were 20 mobile wallet services, of which 12 were offered by payment institutions that were already present in the market. Banks and payment institutions reported that the number of transactions carried out by mobile wallets reached 9.7 million in 2023, compared to 7.9 million in 2022. This amounts to a total of MAD 2.1 billion, which demonstrates an increase from 1.7 billion in 2022, representing a 23 per cent increase in both the number and value of transactions compared to 2022.

Resilience of remittances from Moroccans living abroad

- Bank Al-Maghrib has stated that remittances from Moroccans residing abroad were very resilient in 2020 despite the COVID-19 pandemic, increasing 5 per cent over the previous year. Among other factors, travel restrictions and the use of savings to return to the country during vacations contributed to maintaining the amount of funds remitted to Morocco in support of families during a time of crisis.

Financial service provider interoperability

The domestic system of retail payment was historically managed by banks and based on a payment card system. This system is now interoperable with mobile phone payment systems, enabling Moroccan remittance service aggregators to further digitize their vast payment network.

- In Morocco, there is **effective interoperability** between all types of financial service providers, including banks and payment institutions. All authorized financial institutions (banks and payment institutions) can access the retail payment system.

^{13/} <https://www.findevgateway.org/blog/2020/09/turning-crisis-opportunity-advancing-digital-financial-inclusion-morocco>

- Morocco launched a national mobile phone payment project called HPS Switch.
 - According to Bank Al-Maghrib estimates, 400,000 users were expected in the first year, and this number was expected to experience exponential growth, projected to reach 6 million users in 2024. The number of merchants and agents was projected to increase from 3,000 in the first year to 51,000 in 2024.
 - At the institutional level, le Groupement de Paiement par Téléphone Mobile au Maroc, an economic interest group, was created in January 2020.
 - The Association professionnelle des établissements de paiement (APEP), a professional body representing payment institutions, is responsible for coordinating both bank and non-bank participants using HPS Switch. As of September 2020, its members were seven banks and five payment institutions.
- Incoming international remittances can be received in cash, through an electronic wallet (card or mobile phone), into an account (bank account or savings and loan account), or can be withdrawn at a post office location (Al Barid Bank and Barid Cash), or at an automated teller machine (ATM).
- Domestic aggregators offering services from various MTOs allow new companies to easily enter the market by removing the burdensome task of establishing new partnerships to develop the payment network. Additionally, authorized aggregators, in their role as payment institutions, are rapidly expanding their networks, complementing the traditional payment infrastructure composed of bank branches, post offices and ATMs.
- Multichannel platforms and diverse financial products have recently led to operational partnerships in Morocco. Examples include the collaboration between MFS Africa, the digital money transfer operator WorldRemit, and the local payment institution Inwi Mowali¹⁴ – an interoperable mobile phone payment platform – as well as the partnership between MTN and Orange, enabling remittances from France to Morocco via Orange Money.

Mobile money and digitalization

International and domestic remittances to electronic money accounts could increase the number of these types of accounts being activated as well as tasks related to domestic remittances and merchant payments, while increasing financial inclusion, especially for women.

- The adoption of electronic money is expected to facilitate the shift from cash-based transactions to mobile phone payments – including merchant payments, bill payments, remittances and G2P transfers. Financial incentives, such as a five-year tax exemption, have been introduced to encourage uptake among merchants operating informally and to address their reluctance to engage with the formal financial system.
- According to Bank Al-Maghrib estimates, the mobile phone payment system has the potential to channel MAD 400 billion (approximately US\$36 billion) annually.
- While 3 million mobile payment portfolios were registered in the last quarter of 2020 (Bank Al-Maghrib, 2021), account activation rates remain low. Merchant participation is considered critical to boosting the use of these accounts.

^{14/} <https://www.streetinsider.com/Business+Wire/inwi+money+Launches+International+Money+Transfer+Capability+in+Partnership+With+WorldRemit+and+MFS+Africa/17380362.html>

- In addition to merchant transactions, international remittances directed to mobile money portfolios could further support adoption – particularly among rural residents without access to traditional financial services. Women, in particular, face greater financial exclusion; evidence from other countries suggests they value private, immediate and secure tools for storing funds.
- In 2024, mobile payment transactions increased significantly, rising from 9.7 million operations valued at MAD 2.1 billion in 2023 to 19.7 million operations totalling MAD 3.9 billion. This growth was largely driven by the distribution of direct social assistance through mobile payment accounts.

Table 2. The adoption of electronic money and financial inclusion in comparable countries

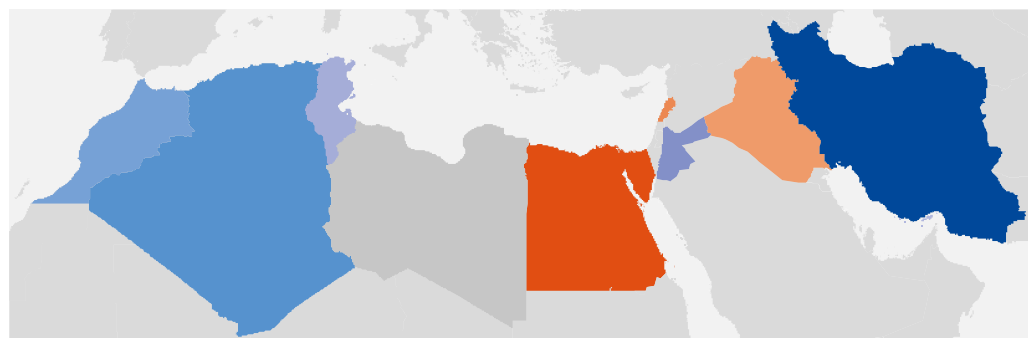
| | Ghana | Senegal | Morocco |
|---|----------------------|----------------------|--------------------|
| Population (millions, 2019) | 30.4 | 16.3 | 36.5 |
| Population over 15 (millions, 2019) | 19.2 | 9.3 | 26.6 |
| Value of electronic money as a percentage of the GDP (2019) | 60% | 35 % | n/a |
| Authorized agents | 356,912 ^a | 191,767 ^b | 6,251 ^d |
| Active agents | 182,344 ^a | 86,295 ^b | – |
| Registered electronic money accounts (millions) | 29.6 ^a | 7.11 ^c | 3 |
| Active registered electronic money accounts (millions) | 12.7 ^a | 2.78 ^c | – |
| Financial inclusion (possession of an account by the population aged 15 or older, Global Findex) | | | |
| 2014 | 41% | 15% | – |
| 2017 | 58% | 42% | 27% |
| Growth for 2014–2017 | +17% | +27% | – |

Notes: ^a Bank of Ghana, 2019; ^b International Monetary Fund, Financial Access Survey, 2019; ^c Central Bank of West African States, 2018; and ^d BAM, 2021.

Source: Authors' compilation based on Bank of Ghana (2019), IMF Financial Access Survey (2019), BCEAO (2018), and Bank Al-Maghrib (2021).

- With a rate of 44% in 2021, financial inclusion remains moderate in Morocco compared to other countries in the region and low at the global level.

Figure 8. Financial inclusion rate in North Africa and the Middle East



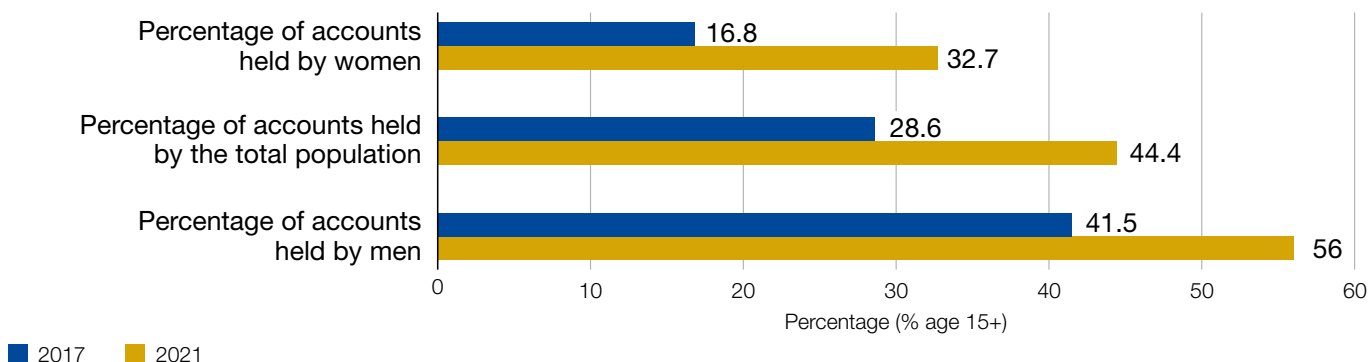
Financial inclusion rates

| | | |
|------------------|------------------|---------------------------------|
| ■ Morocco: 44% | ■ Libya: N/a | ■ Jordan: 47.1% |
| ■ Algeria: 44.1% | ■ Egypt: 27.4% | ■ Iraq: 18% |
| ■ Tunisia: 36.9% | ■ Lebanon: 20.7% | ■ Islamic Republic of Iran: 90% |

Source: Global Findex 2021.

- The financial access gap between men and women was particularly pronounced in 2017, at 24 percentage points. By 2021, this gap had only slightly narrowed to 23.3 percentage points, according to Findex data. This suggests that overall progress in financial inclusion does not necessarily translate into gender parity.

Figure 9. Progress in account ownership by gender (2017–2021)



Source: Global Financial Inclusion, World Bank data.

- More than 50 per cent of remittance beneficiaries are women. Migrant mothers represent 38 per cent of beneficiaries, and their spouses more than 15 per cent (HCP, 2020).
- International remittances could therefore be a trigger for women’s access to funding.
- Domestic remittances mainly take place through regulated channels, even if there is a high portion of informal remittances.

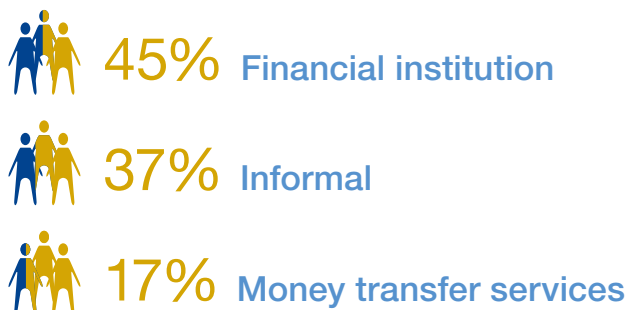


Table 3. Methods of sending and receiving domestic remittances

| Series name | 2017 | 2021 |
|--|--------|--------|
| Received domestic remittances: in person and in cash only (% of recipients, age 15+) | 36.31% | 40.58% |
| Received domestic remittances: into an account (% of recipients, age 15+) | 24.67% | 27.78% |
| Received domestic remittances: through a money transfer service (% of recipients, age 15+) | 36.46% | 34.33% |
| Received domestic remittances: in person and in cash only (% age 15+) | 5.43% | 9.02% |
| Received domestic remittances: into an account (% age 15+) | 3.69% | 6.18% |
| Received domestic remittances: through a money transfer service (% age 15+) | 5.46% | 7.63% |
| Sent or received domestic remittances: using an account (% age 15+) | 5.67% | 10.08% |
| Sent or received domestic remittances: using an account (% of senders and recipients, age 15+) | 27.23% | 29.02% |
| Sent or received domestic remittances: in person and in cash only (% of senders and recipients, age 15+) | 0 | 40.8% |
| Sent or received domestic remittances: through a money transfer service (% age 15+) | 7.25% | 13.33% |
| Sent or received domestic remittances: through a money transfer service (% of senders and recipients, age 15+) | 34.81% | 38.38% |
| Sent or received domestic remittances: in person and in cash only (% age 15+) | 0 | 14.16% |

- Cash is by far the preferred instrument for remitting domestic funds, and only 28 per cent of the population uses an account to send and receive funds.

 **28%** Transfers via bank account

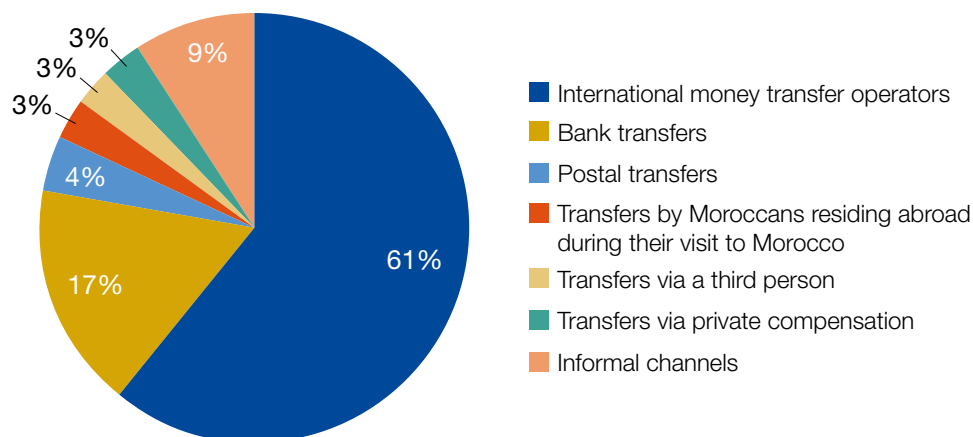
 **35%** Transfers in cash at bank window

 **37%** Transfers in cash (informal)

Source: Global Findex data, 2021.

- According to Bank Al-Maghrib estimates, digitalization of domestic transfers would allow the channelling of MAD 110 billion (US\$10 billion), promoting rural financial inclusion.
- International remittances are mainly sent through regulated systems, two thirds of which are in cash.

Figure 10. Distribution of remittances to Morocco by transfer channel



Source: HCP, 2022.

PRIORITY MEASURES

2.1. Improve the dissemination of mobile money data by incorporating indicators from the International Monetary Fund's survey on access to financial services. This survey covers key aspects, such as agent networks, account usage, and the value of electronic money remittances relative to GDP and types of payment accounts. It also identifies leading practices that promote mobile money adoption, including peer-to-peer (P2P) transfers, G2P payments and merchant transactions. Strengthening dissemination will support progress monitoring and help identify the drivers of electronic money adoption.

2.2. Adopt an experimental approach to channel international remittances into electronic money accounts, as these transfers can serve as catalysts for account activation – particularly in rural migration areas where remittances are received from abroad. Special attention should be given to reaching women, who face greater financial exclusion.

2.3. Measure progress and disseminate information about interoperability between banks and payment institutions within the framework of HPS Switch solutions to attract new members, and, as a result, generate network synergy, expand the electronic payment ecosystem, increase the value sharing for all stakeholders and, ultimately, reduce costs.

3. Regulatory environment

The regulatory environment in Morocco related to remittances provides a clear framework for establishing cross-border partnerships and creates opportunities to promote digital remittance channels.

- Banks and payment institutions are financial institutions authorized to offer payment services, including remittance services (funds transfer transactions) in compliance with the new banking law (Law No. 103.12 on Credit Institutions and Similar Entities, introduced in December 2014).¹⁵
- Remittances, as defined in the circular on methods of executing payment services (Circular No. 7/W/16, 2016),¹⁶ include receiving funds in Morocco and sending funds abroad, on the condition that exchange regulations are followed. Consequently, payment institutions must open bank accounts for regulated transactions in cash with non-resident partners.
- Introduced by the new banking law of 2016, the status of payment institutions represents a major innovation in the financial sector's regulatory environment, and provides important ways for transferring funds, particularly in support of digitalization and financial inclusion.

This replaces the previous status of “remittance intermediaries”. This status enables non-banking financial institutions to offer various, diverse payment accounts for basic services that represent a low money laundering risk and low risk of financing of terrorism, including a duty to be vigilant on behalf of their clients. A KYC regulation is also planned at multiple levels, corresponding to the three tiers of bank payment accounts (see graphic below). These tiered customer due diligence procedures are proportionate to the risks associated with each account type, as outlined in Circular Number 2/W/2024.¹⁷ Payment institution status is accompanied by a series of directives and circulars defining the framework for release and distribution of electronic money, including regulatory requirements applicable to electronic money payment agencies. Agents offering remittances can serve as intermediaries, in certain conditions, for transactions carried out by financial institutions (agency banking). This allows clients to access bank products.

15/ <https://www.sgfg.ma/fr/cadre-legal-et-reglementaire/loi-bancaire>

16/ https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKEwir2K_HyrHtAhUP1RoKHZm2Au4QFjAAegQIBBAC&url=https://www.apsf.pro/DOCS/TEXTES%20LEG%20ET%20REG/CEC_2016-06-01/C-7-W-16-modalite-exercice-services-paiement.pdf&usq=AOvVaw2cABLLyX6vRHO1BWLct_8S

17/ <https://apsf.ma/wp-content/uploads/2025/03/circulaire-2W2024-du-20-decembre-2024.pdf>

Table 4. Classification of payment accounts according to the level of customer identification in Morocco

| | Identification | | | Maximum balance | Types of transactions |
|------------------------|--|----------------------|---|--------------------------|---|
| | Proof of identification | Other documents | Remotely/in person | | |
| Level 1 account | Domestic mobile telephone number Proof of ID issued by a Moroccan authority | – | Both | MAD 1,000 (US\$107) | Small merchant payments, online payments and P2P payments |
| Level 2 account | National or international proof of identification | – | Both | MAD 4,000 (US\$431) | Merchant payments, online payments and P2P payments of greater value |
| Level 3 account | Official proof of identification bearing a photo of the client | Form to open account | In-person interview to verify identity information and establish client profile | MAD 20,000 (US\$2,158) | Merchant payments, payment acceptance, merchant-to-merchant payments and P2P payments |
| Level 4 account | Proof of identification and residence | – | In-person interview to verify identity, revenue and proof of residence | MAD 100,000 (US\$10,782) | Not specified |

The status of retail agents at payment institutions could be further optimized to encourage the use of mobile phone payment accounts and become a new channel for international remittances.

- A payment institution can require that agents offer payment services, and natural or legal persons can be registered as “merchants”. There are two categories of agents (Article 15 of the Bank Al-Maghrib newsletter no 6/W/16 on payment institutions):¹⁸
 - Principal agents can exclusively offer a payment institution’s payment service.
 - Retail agents can offer services from various payment institutions through direct agreement or an agreement with their principal agents. Retail agents are limited within the context of their transactions, and can:
 - Open a level 1 payment account; and
 - Conduct deposit transactions and withdraw funds cash-in/cash-out basis.
- Interviews with long-standing market actors have identified a number of obstacles hindering the recruitment of retail agents to promote merchant payments, the use of electronic wallets and mobile phone payment accounts – and, consequently, the adoption of this channel for receiving remittances.

Payment institutions and their principal agents offering remittance services are required, under Article 21, to maintain secure points of sale. This requirement can lead ordinary retail merchants to make substantial investments in infrastructure. For retail commercial agents, the obligation to be registered in the trade register presents a significant barrier, particularly given the practical difficulties in obtaining such registration. A more feasible alternative would be to require proof of identity and evidence of professional tax payment – documentation commonly available to retailers.

18/ https://www.apsf.pro/DOCS/TEXTES LEG ET REG/CEC_2016-06-01/C-6-W-16-etablissement-paiement.pdf

Retailers seeking to accept payments are also constrained by a maximum account balance of MAD 20,000 (approximately US\$2,200). This low threshold compels retail agents to make frequent withdrawals to avoid exceeding the limit. The constraint is particularly restrictive for agents disbursing microcredit on behalf of microfinance institutions or handling international remittances. In such cases, the threshold equates to the average value of 10 international remittance cash-outs. Moreover, some international transfers – especially those linked to investment or the purchase of goods – can reach the threshold in a single transaction.

Compliance and control over financial service providers

Among MTOs, the level of compliance with international AML/CFT standards is high, and the new electronic national identification card makes it possible to streamline the integration process and encourages access to low-risk accounts.

- The Group for Financial Action in the Middle East and North Africa's joint assessment (2018)¹⁹ shows that banks and payment institutions have a good understanding of money laundering risks and those related to the financing of terrorism and that they apply efficient measures that are proportional to the degree of risk.
- The banks and payment institutions are monitored and controlled by Bank Al-Maghrib under AML/CFT Law no. 43-05 for combating laundering assets).²⁰ Payment institutions must ensure that their agents respect relevant rules, even if it is not specified that agents must participate in a programme against money laundering and the financing of terrorism.
- The maximum amount authorized per remittance transaction is capped at MAD 80,000 (US\$7,200).
- Consumer protection rules outlined in the banking law and applicable to payment institutions offering remittance services are clearly defined in Bank Al-Maghrib's Circular No. 6/W/16, which specifies the following:
 - Information on the cost and conditions of payment services, including remittances, which must be divulged at payment institution locations and by agents (Article 23);
 - Complaint procedures (Article 24); and
 - Conditions for recourse to dispute resolution mediation (Article 26).
- A new electronic, biometrically authenticated national identity card has been issued, which allows digital identification to be centralized in a single online-accessible register. Currently, the total adult population without proof of identification (unregistered birth or not in voter lists) is estimated to be less than 20 per cent (Identification for Development initiative, 2018).
- In comparison, the number of mobile phone SIM card subscriptions eligible for level 1 payment accounts is greater than 43 million (when counting double SIM card subscriber accounts) at the end of 2019, which represents a penetration rate of 130 per cent. Since 2014, the National Telecommunications Regulatory Agency has required that proof of identity be provided to activate a SIM card.

19/ <http://www.fatf-gafi.org/media/fatf/documents/reports/mer-fsrb/MENAFATF-Morocco-Mutual-Evaluation-2019.pdf>
 20/ https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKÉwiU6aKEvrTtAhVQUxoKHWf4DuUQFjABegQIAxAC&url=https://adala.justice.gov.ma/production/legislation/fr/Nouveautes/Lutte_contre_le_blanchiment_de_capitaux.pdf&usg=AOvVaw0odCg071c2G3l2W4iZFUSy

- As of 2024, the total number of payment accounts reached 13.8 million, comprising 3.6 million “Type 1” accounts, 5.7 million “Type 2” accounts and 4.5 million “Type 3” accounts.
- In 2024, the number of mobile payment transactions increased significantly, from 9.7 million operations worth MAD 2.1 billion in 2023 to 19.7 million operations worth MAD 3.9 billion, mainly due to the disbursement of direct social assistance into payment accounts.
- In 2024, mobile payment usage showed a notable increase in the number of P2P transfers, which accounted for 27 per cent of total transactions, up from 18 per cent in 2023. These were followed by bill payments and mobile top-ups, representing 64 per cent of transactions, compared to 75 per cent the previous year. Merchant payments remained low at 6 per cent, while cash withdrawals from ATMs accounted for 3 per cent – a slight increase from 2 per cent in 2023.

PRIORITY MEASURES

3.1. Draw lessons from the COVID-19 response in relation to remote client identification procedures for payment accounts and explore opportunities to reduce fees proportionate to risk. Similarly, analyse the emergency response following the 2023 earthquake to assess the role of money transfer operators and financial institutions in crisis contexts.

3.2. Conduct a survey on service offerings and demand to identify key obstacles from both client and provider perspectives – including potential regulatory barriers – to support the uptake of payment accounts, the recruitment of retail agents and the use of mobile money. The survey should incorporate insights from recent research conducted by Bank Al-Maghrib, including the Payment Diary and merchant surveys.

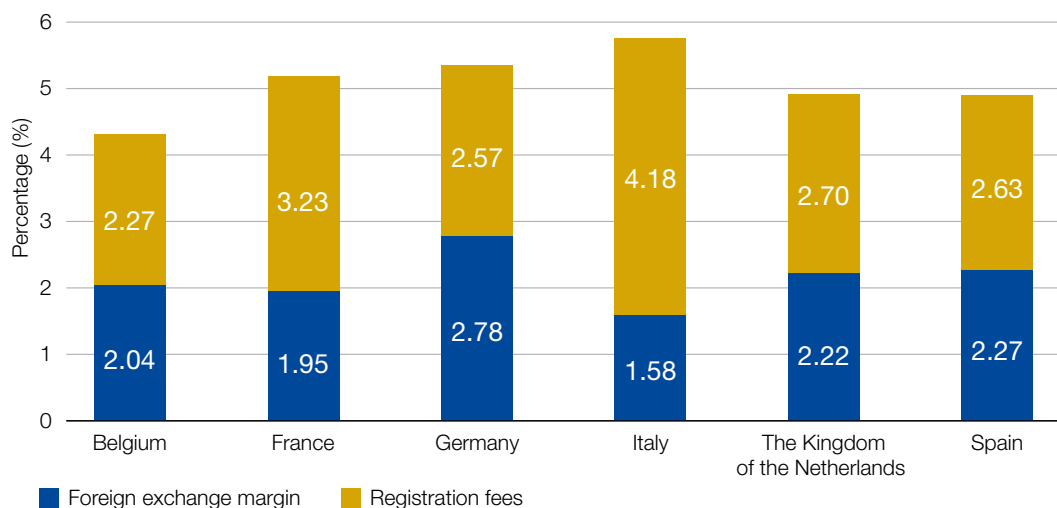
4. Market structure

Sending

The cost of remitting funds to Morocco equals, on average, 5.08 per cent of the amount being sent, which is slightly lower than the weighted global average at 5.79 per cent for Q1 2024.²¹ However, there is a certain margin for manoeuvring using the online channel that exists for further reduction, towards achieving SDG 10.c, which targets bringing costs to under 3 per cent.

- Average remittance costs are competitive and below 5 per cent of the amount sent from Belgium (4.30 per cent), Spain (4.90 per cent) and the Kingdom of the Netherlands (4.90 per cent). In contrast, average costs range between 5 and 6 per cent for France (5.18 per cent), Germany (5.35 per cent) and Italy (5.76 per cent).
- Exchange margins are lower in Italy (1.58 per cent) and in France (1.95 per cent) and are around 2 per cent in other countries, while Italy and Belgium have the highest exchange margins at 2.28 per cent and 2.42 per cent, respectively.
- Italy’s exchange margin significantly decreased while France’s exchange margin increased.
- Sending funds via the internet is an average of 0.62 per cent less expensive than sending via an agent, whereas sending via intermediary agents used to be 2 per cent less expensive than online channels. Italy and France have the largest gap, while Germany has the lowest.

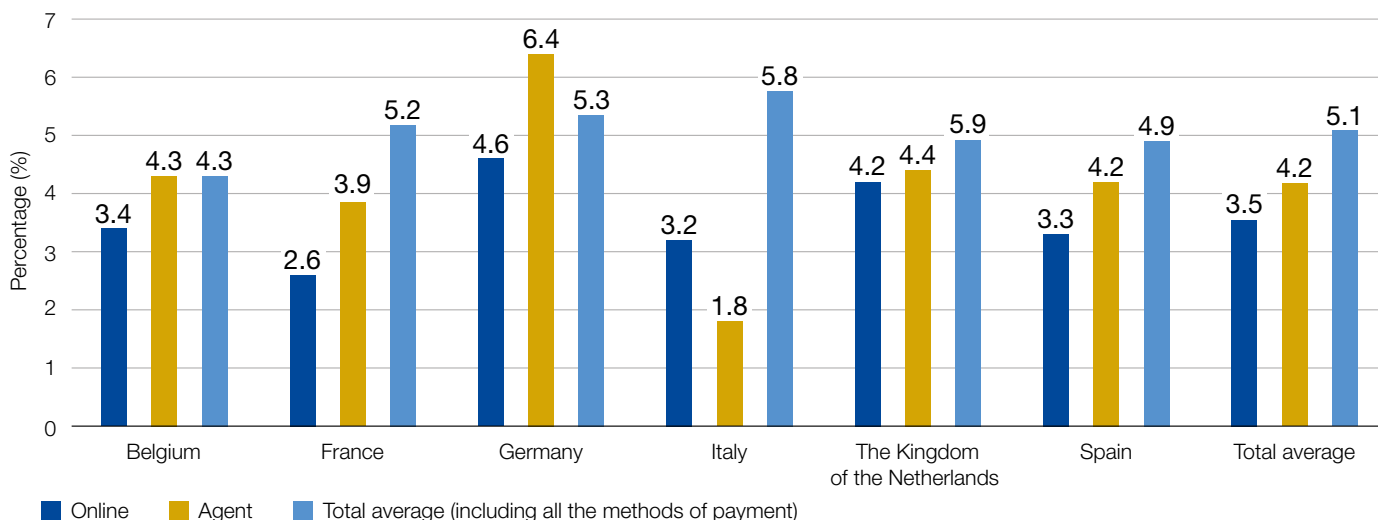
Figure 11. Average cost and cost structure to send the equivalent of US\$200 to Morocco (Q1 2024)



Source: Remittance Prices Worldwide (RPW), first quarter 2024.

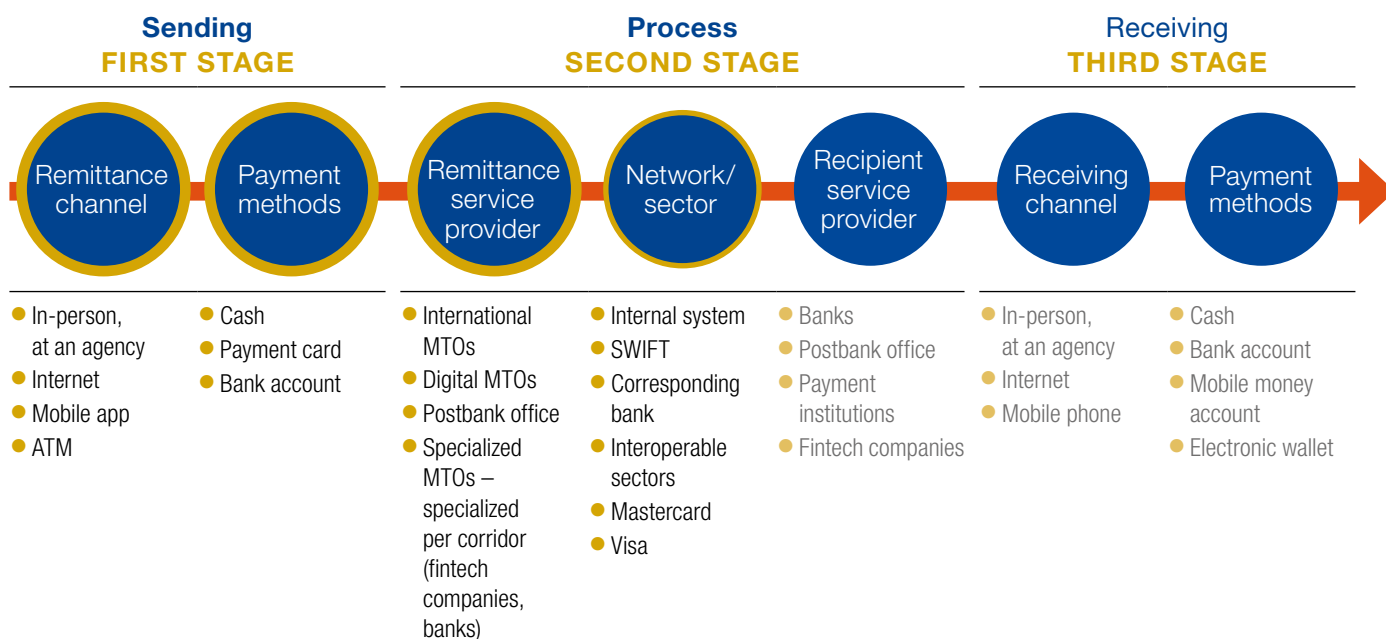
21/ https://remittanceprices.worldbank.org/sites/default/files/rpw_main_report_and_annex_q124_final.pdf

Figure 12. Cost per channel (agents/cash and online)



Note: Total average of each corridor on this chart reflects all payment methods including services like banks, post offices, call centres, etc.
 Source: RPW, Q1 2024.

Figure 13. The remittance sector in Morocco: View of the upstream corridor competition on the sending side



The Moroccan remittance market is largely cash-based, and the savings of Moroccans residing abroad are mainly funnelled through banking channels and represent 24 per cent of total Moroccan household savings.

Figure 14. Structure and actors of the remittance market to Morocco

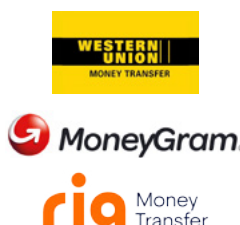
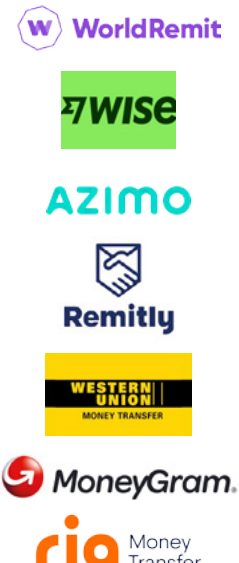

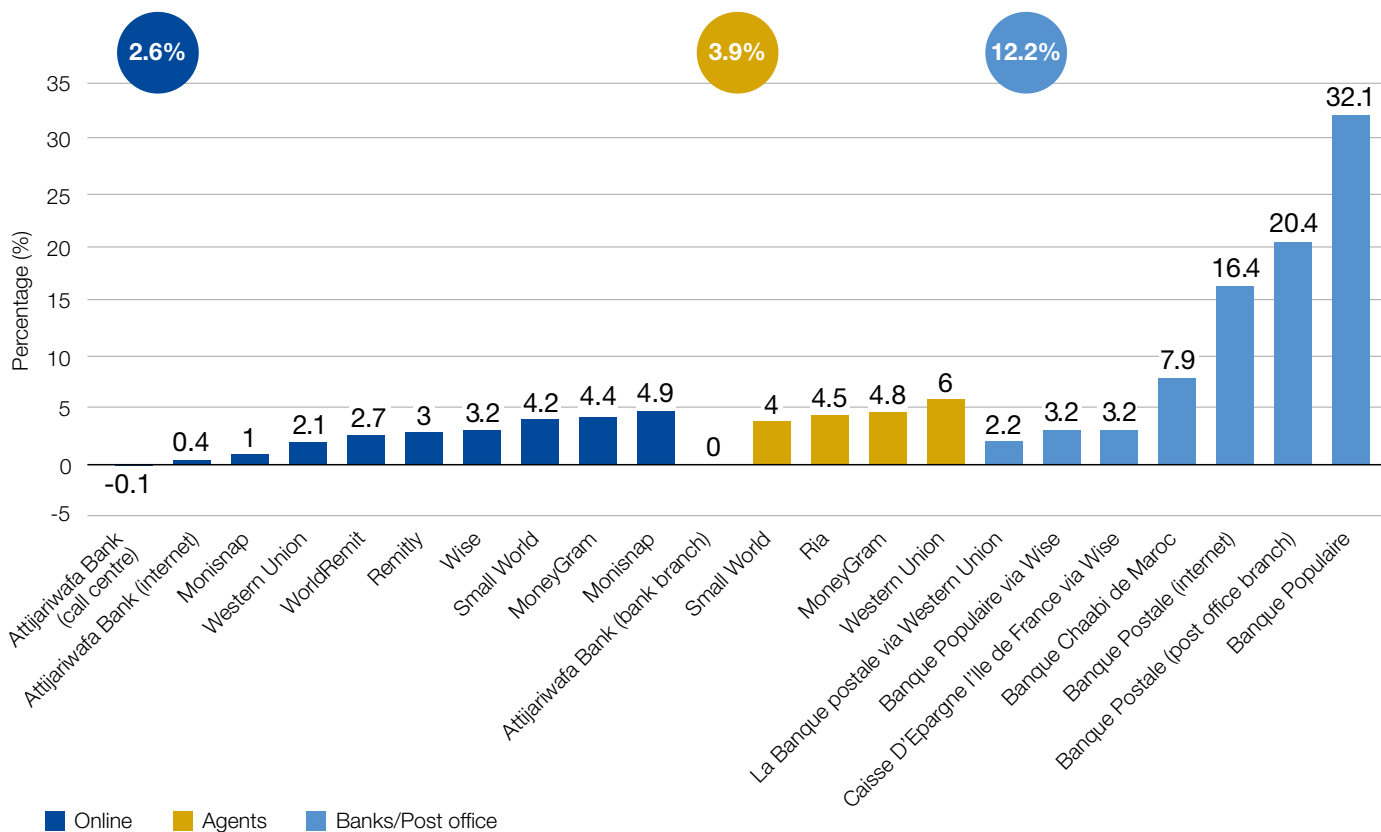
| International money transfer operators | Digital money transfer operators | Digital money transfer operators specialized in the corridor |
|--|--|---|
| <ul style="list-style-type: none"> - The large international MTOs (Western Union, MoneyGram and Ria), which tend to focus on traditional cash-based services, are present in all European Union countries. - They have competitors in each corridor from online MTOs or those that specialize in Moroccan corridors, which prods them to apply very competitive fee schedules to attract new clients or retain existing ones, as is the case for cash and digital channels. However, they maintain relatively high costs when competition is weaker.  | <ul style="list-style-type: none"> - The significant size of the corridors between the European Union and Morocco attracts a large number of online MTOs, such as WorldRemit, Wise, Azimo and Remitly, which induces strong competition and reduces costs when compared to cash transfers. - Restricted circulation due to the COVID-19 pandemic has encouraged historic market operators to engage in online money transfers, which has resulted in more competitive costs.  | <ul style="list-style-type: none"> - Moroccan banks. Present in major European Union countries, Moroccan banks Chaabi, Attijariwafa Bank and Bank of Africa (subsidiary of Banque Marocaine du Commerce Extérieur) offer service packages, including low-cost transactional accounts. In France, the Kingdom of the Netherlands, Italy and Spain, domestic retail banks also target the Moroccan diaspora by offering binational accounts.  <ul style="list-style-type: none"> - There are few other corridor specialists among fintech companies (except in France with Monisnap and Orange Money, which recently entered the market) or among historic MTOs like MoneyTrans in Belgium, Spain, the Kingdom of the Netherlands and France. |

Figure 15. Cost of remittances to Morocco from France

France

The average cost is around 5.18 per cent (Q1 2024)

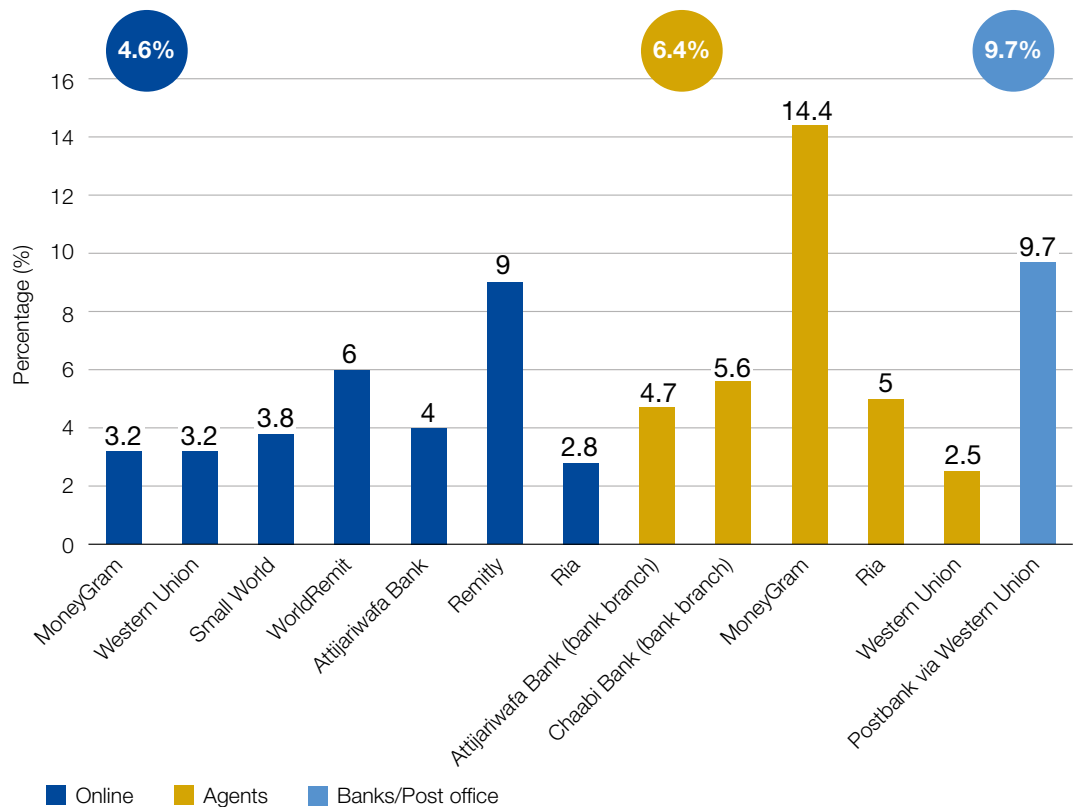
| Online | Agents | Banks | Postbank offices |
|---|---|---|--|
| <ul style="list-style-type: none"> The online channel is, on average, 1.3 per cent less expensive than via the agent channel. International MTOs offer online fees that are slightly less expensive than cash, while Monisnap, a fintech company now known as MONI, is a market disruptor and offers particularly low fees. | <ul style="list-style-type: none"> The leading international MTOs compete and apply a reasonably competitive cost range, between 4.5 per cent (Ria) and 6 per cent (Western Union) of the amount sent. There has been an overall decrease in prices in both online channels and agents in the past four years. | <ul style="list-style-type: none"> Banks offer competitive fees for transfers in collaboration with MTOs. For example, Banque Populaire and Caisse d'Epargne via Wise offer a competitive cost of 3.2 per cent. Moroccan banks offer free (or almost free) transfers as part of their grouped bank services. By comparison, French banks with Moroccan subsidiaries, such as Société Générale, have a competitive advantage in terms of their network, but the Moroccan diaspora in France is not able to benefit from it. | <ul style="list-style-type: none"> The Banque Postale offers international express money orders and Western Union services, in cash or online, at a cost of 2.2 per cent, which is lower than the online channel as well as via an agent. |



Source: RPW, Q1 2024.

Figure 16. Money transfer methods to Morocco from Germany

| Germany The average cost is around 5.35 per cent (Q1 2024) | | | |
|---|---|---|---|
| Online | Agents | Banks | Postbank offices |
| <ul style="list-style-type: none"> – The online channel is, on average, 2 per cent less expensive than via an agent. – International MTO Ria offers the most competitive cost at 2.8 per cent, followed by 3.2 per cent offered by MoneyGram and Western Union. | <ul style="list-style-type: none"> – The leading international MTO costs range from 5 per cent (Ria) to 2.5 per cent (Western Union) of the amount sent. Costs to send have not changed significantly for online channels and via agents in the past four years. | <ul style="list-style-type: none"> – Several companies represent Moroccan banks in Europe. Banque Chaabi (Banque Populaire) maintains offices in Frankfurt, Köln, Dortmund and Düsseldorf. Bank of Africa – a subsidiary of Banque Marocaine du Commerce Extérieur – does not have a physical presence in Germany, but facilitates transfers to Moroccan accounts either in cash via Ria, or through its online banking service from a German account, via a European-based credit institution subsidiary. In Morocco, up to five debit cards can be linked to a Bank of Africa account. Attijariwafa Bank operates branch offices in both Düsseldorf and Frankfurt. | <ul style="list-style-type: none"> – The Postbank allows its clients to receive transfers initiated in cash or online by debiting an account. Western Union services in Postbank offices have unfavourable pricing compared to Western Union’s own service agents. |



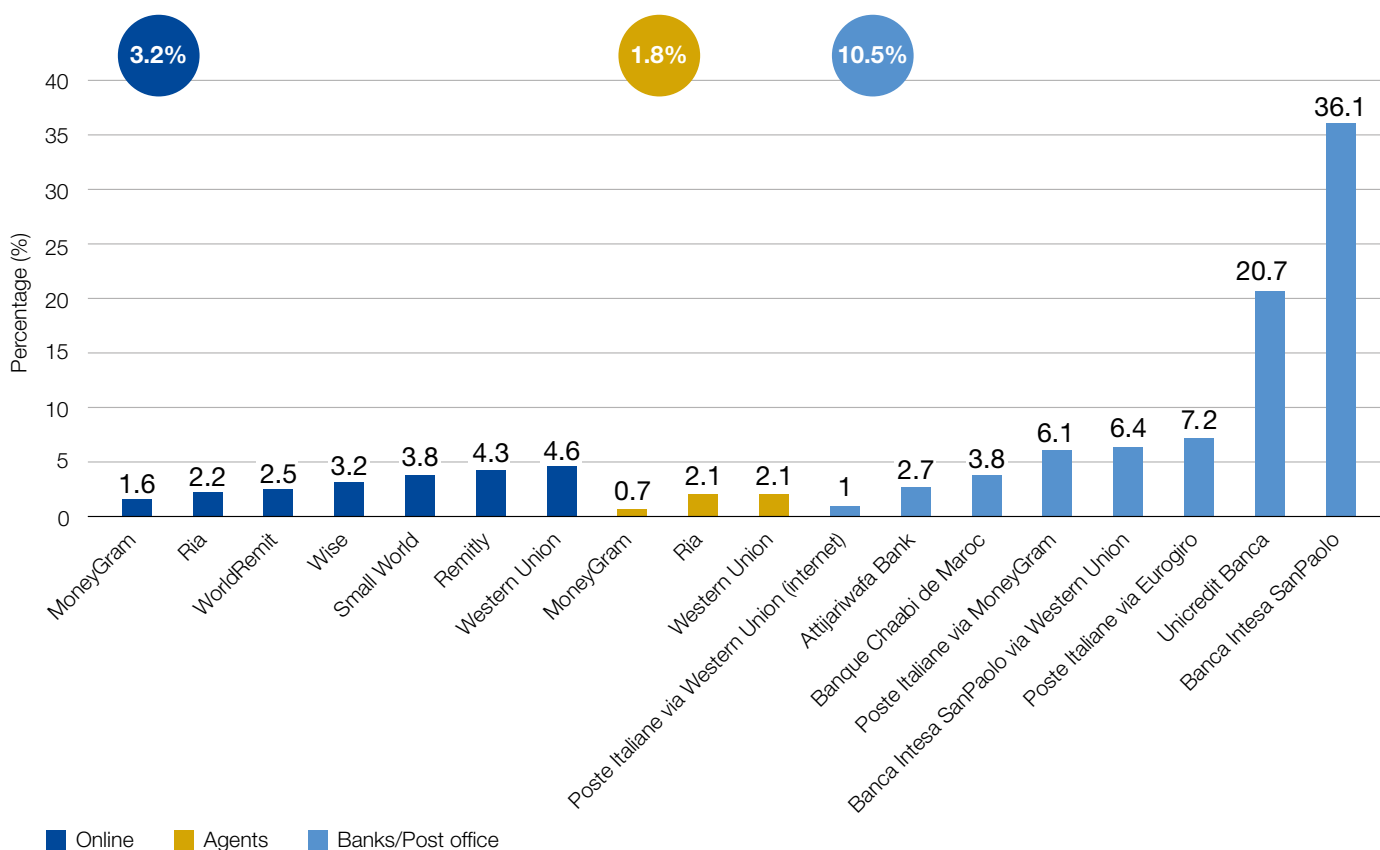
Source: RPW, Q1 2024.

Figure 17. Cost of remittances to Morocco from Italy

Italy

The average cost is around 5.76 per cent (Q1 2024)

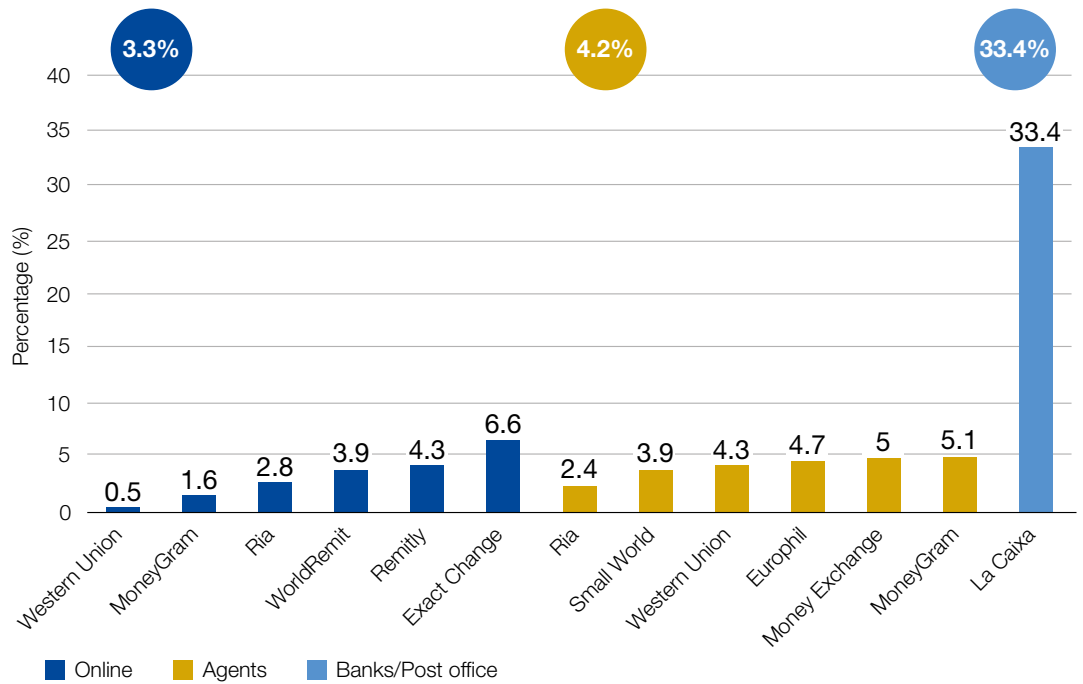
| Online | Agents | Banks | Postbank offices |
|---|---|--|--|
| <ul style="list-style-type: none"> The online channel has become more costly than the agent-based channel. On average, online transfers are 1.4 per cent more expensive than those conducted through agents – despite some online MTOs offering lower-cost services and prompting international MTOs such as MoneyGram to reduce their prices to remain competitive. | <ul style="list-style-type: none"> Agents offering immediate products in cash are the most frequently used channel. Leading international MTOs are key actors in this segment and have reduced their charges significantly to around 5 per cent. | <ul style="list-style-type: none"> Certain Italian banks compete with Moroccan banks represented in Italy, which offer low-cost account-to-account remittance products. | <ul style="list-style-type: none"> Poste Italiane, leveraging its extensive network, offers a range of remittance services. While the cost of online transfers is competitive, cash-based transfers remain relatively expensive. Moroccan migrants tend to favour the postal bank as a deposit institution. |



Source: RPW, Q1 2024.


Figure 18. Cost of remittances to Morocco from Spain

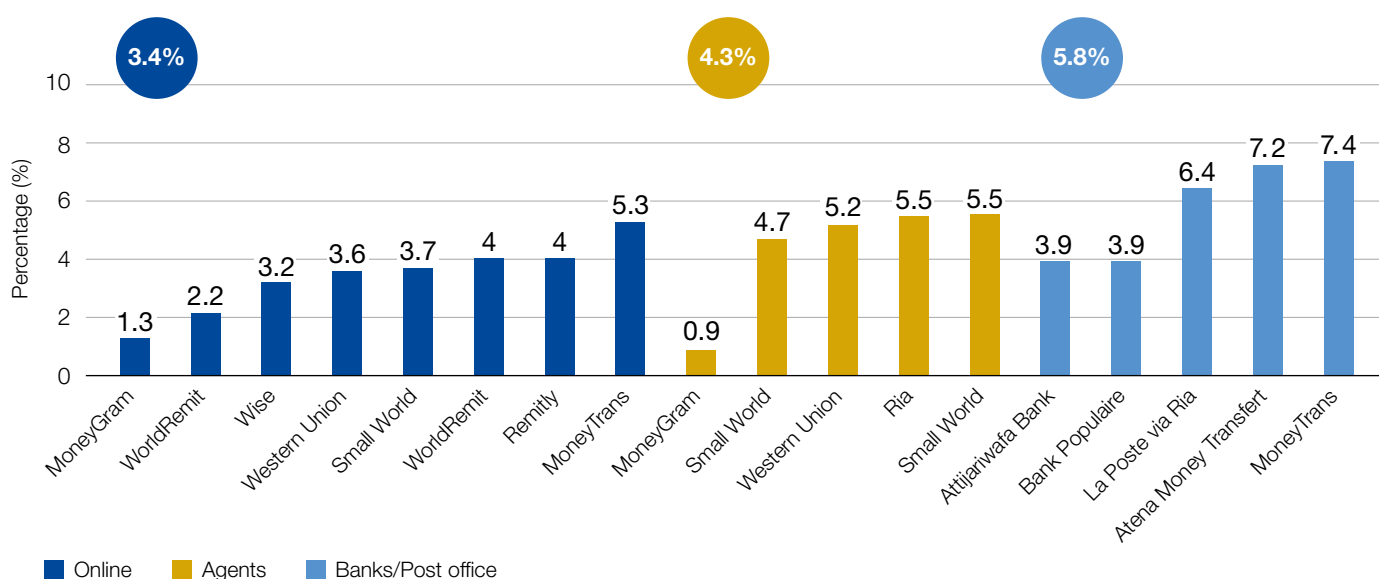
| Spain The average cost is around 4.90 per cent (Q1 2024) | | |
|--|--|--|
| Online | Agents | Banks |
| – Competition among MTOs offering online services is strong, with Western Union charging a competitive rate of 0.5 per cent and MoneyGram 1.6 per cent. Some international money transfer operators offer online services at costs below the prevailing range, as low as 0.5 per cent of the amount transferred. | – Sending cash by agent intermediaries is not as costly as it is in other European Union corridors due to international MTOs being subject to competition from other MTOs working in cash. | – La Caixa offers Moroccan migrants account transfers at an unfavourable cost. |



Source: RPW, Q1 2024.

Figure 19. Cost of remittances to Morocco from Belgium

|  Belgium The average cost is around 4.30 per cent (Q1 2024) | | | |
|--|---|---|--|
| Online | Agents | Banks | Postbank offices |
| – The online channel is, on average, 1 per cent less expensive than the agent-based channel. Well-established online MTOs and leading international operators – in particular MoneyGram and WorldRemit – compete by offering highly competitive rates. | – Cash-based agents offering immediate payout services remain the most frequently used channel. Among international MTOs, only MoneyGram provides a competitively priced service, while Western Union leverages strong brand recognition despite higher costs, and Ria applies comparatively high fees. | – Moroccan banks – which maintain a limited number of branches in most major Belgian cities – offer low-cost account-to-account transfer products, as well as banking services linked to the country of origin. | – Ria Transfer is the sole money transfer service offered by the Belgian Post Group (Bpost). Launched in February 2020, it is available at 600 access points across the country. |

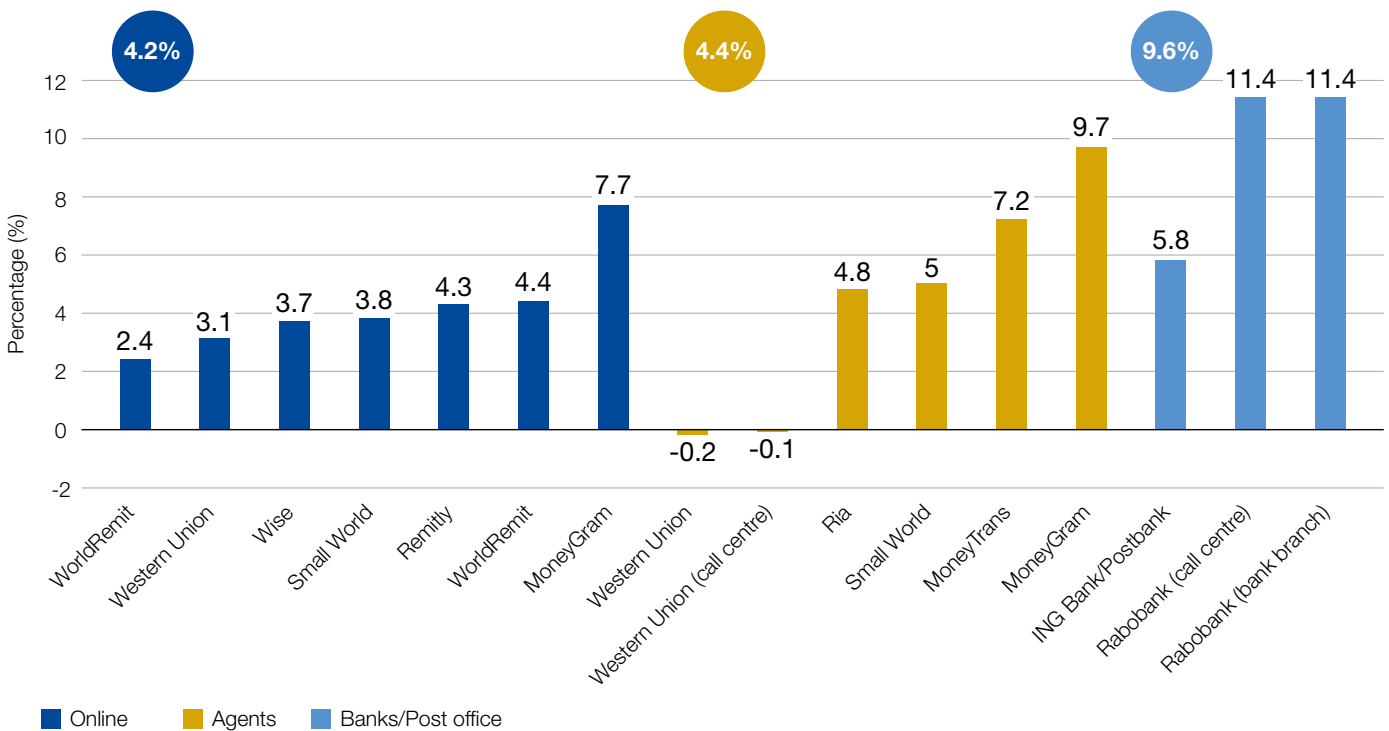


Source: RPW, Q1 2024.

Figure 20. Cost of remittances to Morocco from the Kingdom of the Netherlands

| The Netherlands | | |
|--|---|---|
| Online | Agents | Banks |
| <p>– Online channels are only 0.2 per cent less expensive than agent-based transfers, largely due to Western Union’s highly competitive pricing. While online MTOs offer attractive rates, international MTOs tend to lag, maintaining only moderately competitive fee structures.</p> | <p>– Despite the presence of cash-based transfer companies, international MTOs apply high fees for remittances to Morocco, with Western Union charging over 14 per cent of the amount transferred. Sending cash via agents remains relatively costly compared to other European Union corridors, with average fees exceeding 7 per cent of the amount sent.</p> | <p>– Traditional Dutch banks like ING and Rabobank offer unfavourable prices.</p> |

The average cost is around 4.92 per cent (Q1 2024)



Source: RPW, Q1 2024.

Money transfer companies are the main providers of remittance services to Morocco and present possibilities to encourage digitalization, reduce cost and increase financial inclusion.

Table 5. Structure and key players in the remittances market to Morocco

| | Remittance corridor | | | | | | Potential measures | |
|--|--|---|--|-------------------------------------|-------------------------------------|--------------------------------|---|--|
| | France | Italy | Spain | Belgium | Germany | The Kingdom of the Netherlands | Cost reduction | Financial inclusion |
| International MTOs | Western Union – Money Gram – RIA – Small World | | | | | | Actions on the demand side to support the transition of clients to using digital means to send money and encourage the use of transactional accounts. | |
| Digital MTOs | WorldRemit – Azimo – Wise – Remitly | | | | | | | |
| | Orange Money, PayTop, XendPay | | | | | | Attract new clients and adopt competitive digital products using marketing approaches specific to the diaspora. | At both ends of the corridor, fine tune digital financial products linked to the transfer of funds (insurance, savings, other value-added services). |
| Digital MTOs specialized per corridor | Attijariwafa bank, Banque Chaabi, Société Générale | Attijariwafa bank, Banque Chaabi, Italian banks | Europhil, Banca Para Personas y Empresas, La Caixa | Attijariwafa bank, Banque Chaabi | Attijariwafa bank, Banque Chaabi | ING, Rabobank | Enhance product offerings tailored to diaspora communities – including low-cost account-to-account remittance services – and implement awareness-raising campaigns to increase uptake and financial literacy. | |
| | Al Barid Bank postbank | Poste Italiane | | Belgian Post Group | Deutsche Postbank | | For postal networks, conclude more partnership agreements to promote the use of country-of-origin post office location savings account. | |

PRIORITY MEASURES

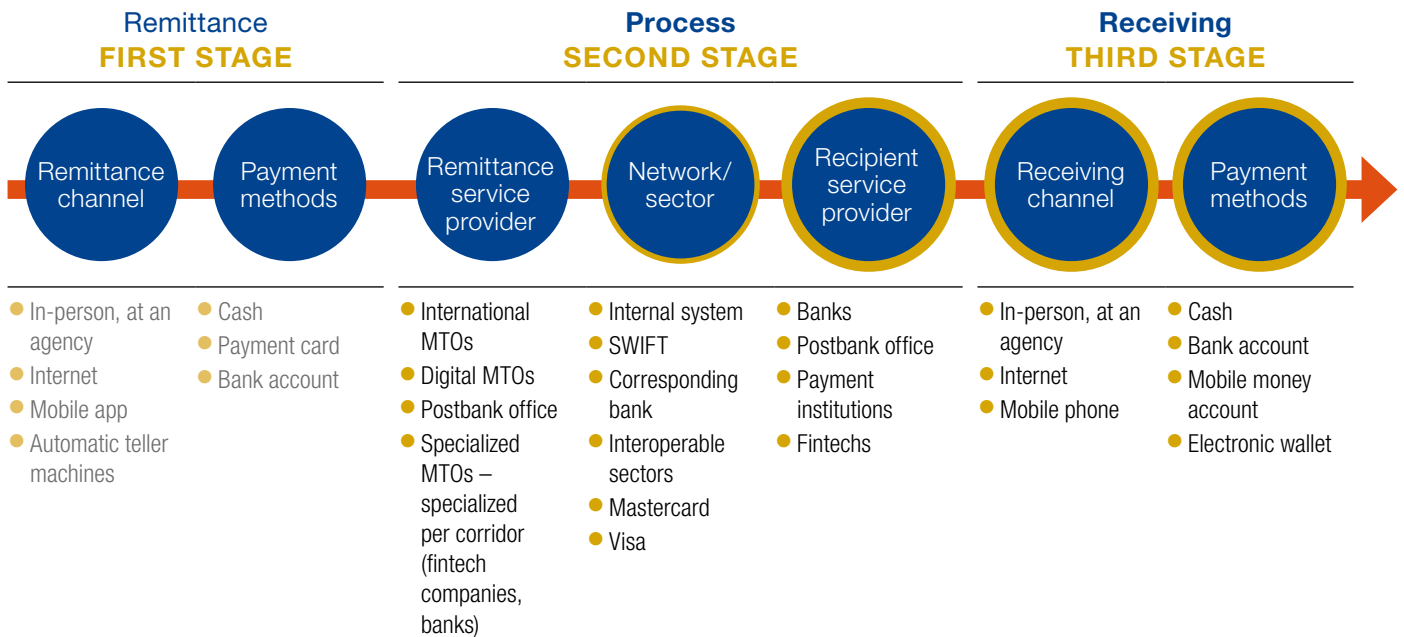
4.1. Conduct surveys among members of the Moroccan diaspora in respective host countries to assess behavioural shifts from cash-based to online remittance channels, and implement measures to support and accelerate this transition over time.

4.2. Promote the use of online and lower-cost banking channels among migrants through educational campaigns and training initiatives focused on cost structures and client protection. These efforts should support the transition from cash-based to digital remittance channels – in particular, by leveraging the Greenback Initiative, launched by Bank Al-Maghrib in collaboration with the World Bank.

Receiving

For decades, international remittances were channelled through bank branches and aggregator networks offering cash-based services – operated either by banks or independent providers – with wide national coverage. The recent expansion of retail agents offering prepaid cards and mobile phone payment services has the potential to further extend the payment network, reaching underserved areas and populations.

Figure 21. Evolution of remittance delivery channels: From traditional bank and cash-based systems to prepaid and mobile payments

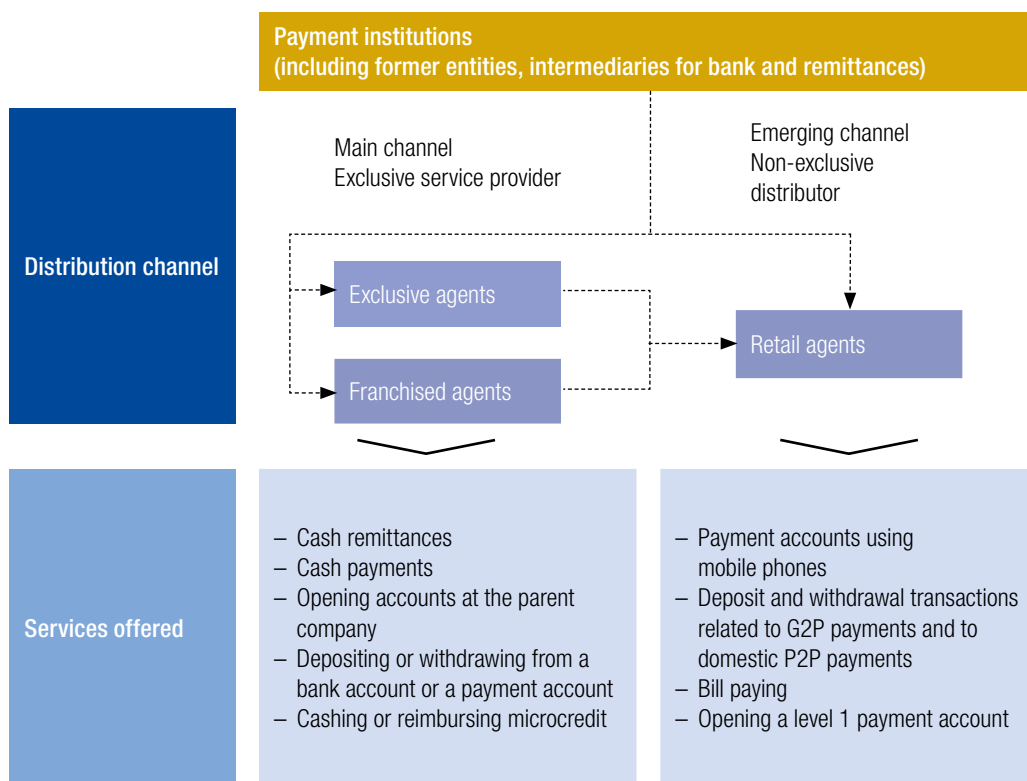


Traditional payment networks operated by banks and aggregators are now being supplemented by a rapidly expanding network of retail agents affiliated with more decentralized payment institutions. However, these agents currently only offer a limited range of digital payment services.

- Banks, payment institutions and their agents collectively constitute the national payment network. Retail banks partner with MTOs and offer account-based money transfers – with cash options available through intermediaries in their agency networks.
- Partnerships between banks (including post offices) and MTOs began in the 1990s – with the German company AWFb pioneering such arrangements through a 1995 partnership with Western Union. These collaborations were soon followed by independent operators who established their own agency networks, offering extended service hours and acting as authorized intermediaries for remittance services – a model formalized with the introduction of licences by Bank Al-Maghrib in 2007. These intermediaries now encompass a growing number of companies providing international cash remittances and domestic payment services.

- As part of their downscaling strategies, banks have also established exclusive subsidiaries – intermediaries for banking transactions – to deliver international remittances, low-cost deposit accounts and payment services via decentralized networks. These aim to extend outreach to unbanked populations.
- The enactment of the new banking law in 2016 accelerated the growth of non-bank payment networks and encouraged remittance intermediaries to become formal payment institutions. It also introduced a new category of retail agents – those unaffiliated with a single payment service provider. These agents seek to bridge existing gaps between payment and aggregator networks, extend coverage to underserved areas and populations, and offer more flexible low-cost services. This expansion is enabled through prepayment arrangements with payment institutions and mobile money providers.
- However, the services currently offered through retail channels remain limited, focusing primarily on domestic payments.

Figure 22. Payment institution distribution channels via agents and related payment services



The historical payment networks managed by bank networks and aggregators are supplemented by retail agents for payment institutions, which are rapidly expanding and are more decentralized. However, these offer a range of options for digital payments that are still limited.

- Authorized payment institutions can be classified into three categories: bank subsidiaries, subsidiaries of telecom companies and independent companies. Payment institutions owned by the banks and leading independent payment institutions initially focused their services on cash payments (including remittances) within their own networks. They consider retail agents and payment accounts to be an opportunity to promote merchant payments, to expand domestic payment offerings and possibly a way to expand existing network coverage to receive international remittances. Agents tend to prefer to develop a complete online payment package, including end-to-end international digital money transfers, using this to build their client base and their network.
- Sending remittances to a mobile money account is new to migrants, and the mobile money ecosystem (and its adoption by merchants, agents, service providers, etc.) is quite recent. Market actors think it is possible to encourage current payment account users to receive cross-border remittances, specifically if remittance services are combined with other payment services using mobile phones or G2P payments.

Table 6. Partnerships between Moroccan payment institutions and international money transfer companies

| Payment institution name | Type/Parent company | Starting date | Access points | Remittance brands distributed | | | | | | | | | | | | |
|--------------------------|-------------------------------------|--|---------------|-------------------------------|-----------|-----|------------|----------------|----------|--------------|------------|-------|------------|--------|------------|--------------|
| | | | | Western Union | MoneyGram | Ria | MoneyTrans | Dirham Express | Eurogiro | Instant Cash | SmailWorld | Azimo | Yalla Xash | Paytop | WorldRemit | Orange Money |
| Cash Plus SA | Independent | Since 2004, aggressive network development since 2010s | 2,100 | X | X | X | X | | | | X | | | | X | |
| Wafacash | Bank subsidiary (AWFB) | Since 2003 for in-cash remittances | 2,000 | X | X | X | X | | | | X | X | | X | | |
| Barid Cash | Postbank subsidiary (Al Barid Bank) | Created in 2014, operations went live in 2018 | 900 | X | X | | | X | X | X | | | | | X | |
| Chaabi CASH | Bank subsidiary (Banque Populaire) | Owned by M2T and BP, licensed in 2019 | 538 | X | X | X | | | | | | | | | | |
| DAMANE Cash | Bank subsidiary (BMCE-BOA) | Since 2007, bought by BMCE in 2014, licensed in 2019 | 420 | X | X | X | X | | | | | | X | | | |
| Orange Money | Telco operator subsidiary | 2019 | 400 | | | | | | | | | | | | | X |
| inwi | Telco operator subsidiary | 2019 | 1,100 | | | | | | | | | | | | X | |

X In-cash remittances **X** Remittances received into mobile payment accounts

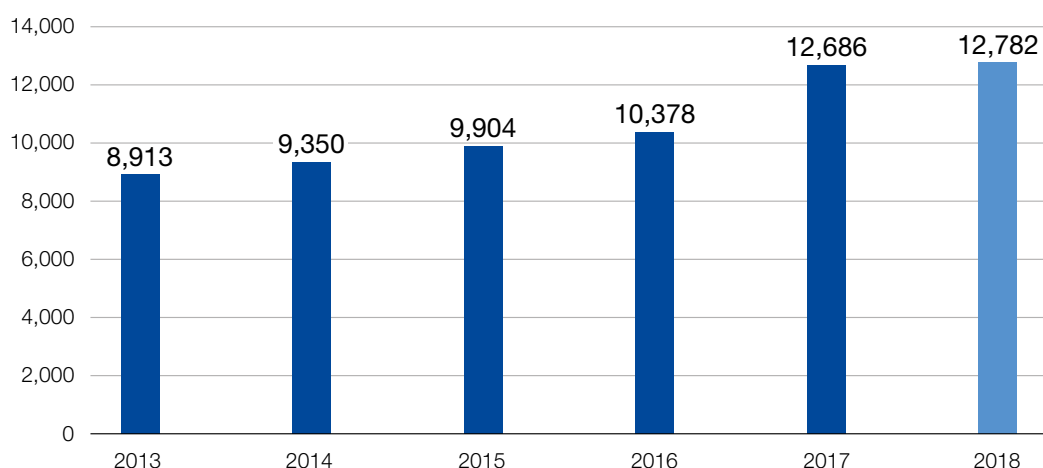
Despite relatively strong network coverage nationwide, 11 per cent of the population still reside more than 10 kilometres from the nearest access point for money transfer services, and only 25 per cent of rural municipalities have such access.

In recent years, the access point network has been dominated by intermediaries for banking transactions. More recently, agents of payment institutions have expanded the network by providing international cash remittance services, alongside domestic remittance and payment offerings.

Table 7. Breakdown of access points by category

| | 2013 | 2014 | 2015 | 2016 | 2017 |
|-------------------------|-------|-------|-------|--------|--------|
| Bank branches | 5,711 | 5,946 | 6,158 | 6,284 | 6,383 |
| Banking intermediaries | 1,508 | 1,705 | 1,852 | 2,087 | 2,250 |
| Payment institutions | 1,630 | 1,611 | 1,565 | 1,763 | 3,746 |
| ATMs – cash-in/cash-out | 64 | 88 | 329 | 244 | 307 |
| Access points | 8,913 | 9,350 | 9,904 | 10,378 | 12,686 |

Figure 23. Evolution of access points to financial services



Source: Bank Al-Maghrib, 2021.

- Remittance access points remain concentrated in densely populated urban centres and along primary and secondary road networks. **Only 345 per cent of rural municipalities are served by a financial services access point (Bank Al-Maghrib, 2019).**

- In many regions, access points are located too far to be reached on foot by remittance recipients: an estimated **4.1 million individuals reside more than 10 kilometres from the nearest remittance access point**. This estimate – developed by the World Data Lab and IFAD – is based on an algorithm that incorporates the location of access points affiliated with Morocco’s leading international remittance provider, population density and distance thresholds starting from a 1-kilometre radius.

PRIORITY MEASURES

4.3. Promote the use of electronic money accounts to remit funds as proposed by payment institutions.

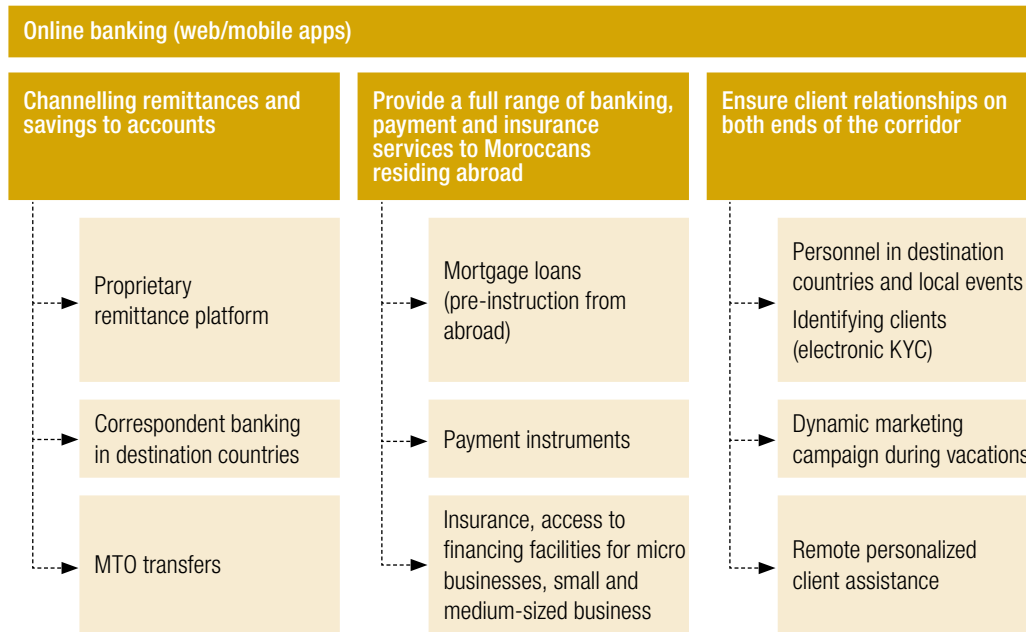
4.4. Develop and institutionalize reporting mechanisms that include the geolocation of access points by type of institution – including banks, cash payment agents, multichannel aggregators, mobile payment agents, retail agents and microfinance institutions. These reports should be updated quarterly to monitor and visualize national coverage, identify areas where remittance services are available, and assess opportunities to integrate them with other financial and payment services – with the ultimate goal of advancing financial inclusion.

5. Financial services for remittance users

Moroccan banks offer a broad range of services to the diaspora, facilitated by digital channels and their physical presence in destination countries. However, the full spectrum of financial services needed to meet migrants' needs remains fragmented across multiple service providers.

- Most Moroccan banks have refined their services for the diaspora, the result of a long-term strategy to raise awareness among migrants abroad about banking products and services.
- In 2019, deposits by Moroccans living abroad accounted for 20 per cent of total deposits in Moroccan banks – amounting to MAD 185 billion (US\$20.35 billion), or three times the equivalent of one year of remittances. Fixed-term deposits represented MAD 57.4 billion, or 31 per cent of the diaspora's savings (Bank Al-Maghrib, 2020).
- The main banks involved include Banque Chaabi (Banque Populaire), Attijariwafa Bank and Bank of Africa (a subsidiary of the Banque Marocaine du Commerce Extérieur), all of which operate authorized subsidiaries within the European Union.
- Certain retail banks in host countries also adopt diaspora-oriented strategies, offering banking services that respond to financial needs in both the country of residence and the country of origin, using remittance facilities provided by Moroccan banks.
- While these product offerings generally align with the needs of migrants in relation to their country of origin, financial education remains necessary to help migrants define their financial goals, manage resources across both contexts, and understand the financial services available to them and the providers offering them.

Figure 24. Key components of the banking package for the Moroccan diaspora



Models for scalable and inclusive partnerships between banks, microfinance institutions and payment institutions could enhance responsiveness to the varied profiles of remittance beneficiaries. These models would also support the development of initiatives that incorporate business-oriented financial education – notably through the Moroccan Foundation for Financial Education. Beneficiaries with such profiles would significantly benefit from a strategy specifically tailored to their needs.

- Various models can be leveraged to deliver added value to remittance recipients. These include combining proximity-based service delivery with efficient gateways that enable the gradual transition of beneficiaries towards formal banking services and microcredit products offered by microfinance associations.

Table 8. Financial service providers for the Moroccan diaspora

Barid Cash agents provide around 1,000 additional access points to the **Al Barid Bank** network of 1,900 access points. Barid Cash is both an intermediary for Al Barid Bank transactions and a payment institution. This means that a client carrying out a remittance transaction at a Barid Cash agency can:

- Receive international and domestic funds in cash;
- Open a payment account or a full Al Barid Bank account;
- Conduct deposit transactions and withdraw funds toward or from a payment account; and
- Prequalify themselves or fill out forms to access Al Barid Bank products, such as a checking account or a savings account, consumer loans, home loans or agricultural loans in partnership with Crédit Agricole.

Remittance clients can remotely conduct transactions using their mobile phones through the Barid Pay mobile application, which enables payments, domestic money transfers, account-to-account transfers and real-time balance checks – accessible 24 hours a day, seven days a week.



The **Attijariwafa** group has developed internal synergies with **Wafacash** and external partners to provide financial services to Moroccans who do not have a bank account.

Wafacash agent clients can:

- Receive international and domestic funds in cash;
- Open a low-fee account (Hissab Bikhir);
- Open a payment account;
- Conduct deposit transactions and withdraw funds to or from a payment account; and
- Prequalify themselves for consumer loans at the **Wafasalaf** subsidiary group, or for micro loans through **Al Amana**, the microfinance institution.

Remotely, using their mobile phones and the JIBY mobile application, clients can make payments, transfer funds between accounts, conduct domestic money transfers and check account balances – all available 24 hours a day, seven days a week.



- The **Moroccan Foundation for Financial Education** is a key and legitimate player in financial inclusion in Morocco. It has undertaken a series of multifaceted awareness-raising and financial educational campaigns targeting groups considered to be the most vulnerable, such as women, agricultural workers and youth. In terms of capacity-building, 600 trainers were trained, and 90,000 individuals have benefited from financial education training. However, remittance recipients were not specifically targeted – despite the existence of a training module for migrants developed in collaboration with the International Labour Organization.

Establishing detailed profiles of remittance beneficiaries and quantifying each client subgroup would enable the private sector to tailor financial products more effectively, while also allowing the Moroccan Foundation for Financial Education to adapt core financial education messages to better meet the needs of this segment of the population.

- Data gathered by the HCP (2018–2019 survey on international migration), using a sample of 15,000 households, composed of households with a migrant (54 per cent), with a returned migrant (27 per cent) and no migrant (19 per cent), are particularly useful and representative. The survey addresses the following elements regarding remittances:
 - Characteristics of remittances: the likelihood of sending funds, annual amount sent, frequency and channels used;
 - Definition of beneficiary profiles: use of remittances, relationship between the sender and the head of family; and
 - Likelihood of investing and sectors in which migrants invest.

- However, additional information is needed to support financial service providers offering money transfer services, enabling them to develop tailored commercial solutions that meet the needs of remittance beneficiaries.
 - Highlight differences in financial behaviour between migrant and non-migrant households, particularly in relation to account ownership and usage, as well as the propensity to save or borrow, whether formally or informally.
 - Develop more detailed beneficiary profiles that incorporate gender and urban–rural distinctions. This should include an assessment of the economic status of various recipient groups, the role of remittances in supporting active households – directly (through improved cash flow) or indirectly (by enhancing financial resilience) – and a breakdown of remittance receipt across rural and urban households.
 - Assess migrant investment patterns by identifying main sources of funding, the role of family members, and the most pressing non-financial support needs.
 - Examine levels of financial knowledge and how remittance allocation decisions are made between migrants and their beneficiaries.
 - Quantify subgroups with similar financial needs that could be met through existing products with minor adjustments or through the development of new, tailored financial products.



- Client-centred quantitative research will support the Moroccan Foundation for Financial Education in adapting its financial education modules, messages and outreach strategies to raise awareness and align with best practices for migrant households. Financial education initiatives that target both remittance recipients and senders are particularly effective in influencing channel selection, clarifying financial goals, and strengthening long-term savings behaviour. The qualitative study conducted under the Greenback Initiative will provide valuable insights to inform these efforts.

PRIORITY MEASURES

5.1. Host countries to fine-tune online financial education tools (and those in person if possible) and develop awareness-raising strategies to strengthen migrant capacity to define and reach their financial objectives with good knowledge and understanding of existing financial services.

5.2. Host countries to promote financial technologies and models targeting the diaspora and bring together financial services offered by banks and other financial service providers, including payment institutions, using programming application interfaces in host countries and Morocco.

5.3. Conduct client-focused research to gain deeper insight into the challenges faced by remittance beneficiaries when using regulated channels, particularly digital ones. Document practices that promote financial inclusion for these beneficiaries, drawing on current service models and product offerings. In addition, include targeted questions in nationally representative surveys (such as those conducted by the HCP) to capture information on the economic status of beneficiaries, as well as their savings and credit behaviours, using a gender-sensitive approach.

6. Stakeholders and coordination

Governance and monitoring of remittance activities is the responsibility of Bank Al-Maghrib, the Ministry of the Economy and Finance and the Office of Foreign Exchange of Morocco.

- **Bank Al-Maghrib** serves as the main supervisory and regulatory authority for financial sector activities, overseeing financial regulations, including remittances and payment systems. In terms of remittances, financial inclusion and the payment system, Bank Al-Maghrib is specifically charged with:
 - Monitoring the payment system and the banking sector (including payment institutions) and publishing new regulatory texts;
 - Generating statistics (followed by data on financial access and mobile phone payment services);
 - Activating the strategic committee that monitors the national financial inclusion strategy and participates in the national council and the monitoring committee; and
 - Presiding over the Moroccan Foundation for Financial Education.
- In terms of financial inclusion and remittances, the **Ministry of Economy, Finance and Administrative Reform directs the National Council on Financial Inclusion** and participates in the strategic and monitoring committees. It also participates in the board of the Moroccan Foundation for Financial Education.
- The **ministry delegated by the Ministry of Foreign Affairs, African Cooperation and Moroccans Residing Abroad** implements government policy relating to Moroccans residing abroad and migrants in Morocco, in coordination with the ministries and institutions that address domestic and foreign affairs for Morocco.

Donor initiatives

- Donor initiatives are relatively focused on international remittances and are specifically focused on the link between migration and the development of governance and local development, and entrepreneurial investment. The following initiatives relate to migrant remittances:
 - As part of the Greenback Initiative, Bank Al-Maghrib and the World Bank launched the “City-Tour” concept, which involves organizing guided visits to financial service agencies for potential users, accompanied by coach trainers and representatives from partner associations. This concept primarily targets women, youth and micro-entrepreneurs in urban, peri-urban and peri-rural areas.
 - A study of demand and an analysis of existing products and client protection measures was carried out to ensure cost transparency.
 - A series of workshops should be organized in due course to share research results and promote financial education activities.

PRIORITY MEASURES

6.1. Establish an ad hoc national working group on remittances to identify and address the key challenges and opportunities related to remittance flows to Morocco. The group would be tasked with coordinating activities, mobilizing resources and integrating a set of priority measures into national strategies and development plans. Its objective would be to work in close collaboration with the Central Bank and other public or development partners, while also engaging the private sector in structured dialogue to develop proposals aligned with recommendations 6.2 and 6.3.

6.2. Include international and domestic remittances as a key subject of discussion for work groups relevant to the national financial inclusion strategy and develop strategic orientations for the strategy committee, specifically as related to digitalization, financial education and access to financial services.

6.3. Include remittance beneficiaries and migrants as a targeted subgroup for the national financial education plan and conduct awareness-raising activities and financial education activities adapted to this subgroup, implemented with other general activities of the national financial education plan targeting a general or specific public.

7. Priority measure recommendations

1. Migration and remittances

1.1. Improve the collection and dissemination of disaggregated data on transfer methods (cash or bank account) and other key characteristics that can help market actors refine their service offerings, marketing approaches and targeting strategies – particularly where gender is a factor, given that half of the diaspora are women – as well as on remittance destinations (rural versus urban areas).

2. Financial environment

2.1. Improve the dissemination of mobile money data by using indicators from the database of the survey about access to financial services by the International Monetary Fund. This survey addresses agents, accounts and the value of electronic money remittances in relation to the GDP and payment accounts (by level of account), as well as the main practices that encourage adoption of mobile money (P2P payments, G2P payments and merchant payments). Improve dissemination to track progress and ascertain elements that will trigger the adoption of electronic money. Improve data collection and dissemination.

2.2. Adopt an experimental approach to international remittances directed to electronic money accounts, viewing these transfers as potential catalysts for activating such accounts in rural migration areas that receive remittances from abroad. Particular attention should be given to reaching women. This approach may require targeted regulatory adjustments to enable and support uptake.

2.3. Measure progress and disseminate information on interoperability between banks and payment institutions within the framework of HPS Switch solutions, with the aim of attracting new members. This can help generate network synergies, expand the electronic payment ecosystem, enhance value sharing among stakeholders and, ultimately, reduce costs. Strengthen data collection and dissemination efforts.

3. Regulatory environment

3.1. Draw lessons from the COVID-19 pandemic and the 2023 earthquake responses concerning remote client identification processes for payment accounts. These experiences offer insights into how digital onboarding can be improved and how fee structures might be adjusted in proportion to assessed risk, to expand access and reduce costs.

3.2. Conduct a comprehensive survey on financial service offerings and client demand to identify the main obstacles to promoting payment account adoption, recruiting retail agents and increasing the use of mobile money. The survey should capture perspectives from both clients and service providers and include an assessment of potential regulatory barriers. It should also draw on recent surveys conducted by Bank Al-Maghrib in Morocco, such as the Payment Diary and merchant-focused studies. Strengthening data collection and dissemination will be essential to inform evidence-based policymaking and service design.

4. Market structure

Sending

4.1. Conduct Moroccan diaspora client surveys in respective host countries to evaluate behavioural changes related to transitioning from sending cash to online channels, while taking measures that can support and accelerate these changes over time. Improve data collection and dissemination.

4.2. The use of online and lower-cost banking channels among migrants through targeted educational campaigns and training focused on cost structures and client protection. These efforts should support the transition from cash-based to digital remittance channels, leveraging the Greenback Initiative launched by Bank Al-Maghrib in collaboration with the World Bank. More broadly, these initiatives should contribute to the overall promotion of digitalization within the remittance ecosystem.

Receiving

4.3. Promote remitted funds using electronic money accounts proposed by payment institutions. Promote digitalization.

4.4. Develop and mandate reporting mechanisms that include the geolocation of access points by type of institution – such as banks, cash payment agents, multichannel aggregators, mobile phone payment agents, retail agents and microfinance institutions. These reports should be updated quarterly to track and visualize national coverage, identifying where remittance services are available and where they could be integrated with other financial and payment services. The overarching aim is to support financial inclusion. Strengthening data collection and dissemination will be critical to this effort.

5. Financial services for remittance users

5.1. Host countries to refine online financial education tools and in-person offerings where feasible. Also, develop awareness-raising strategies to strengthen the capacity of migrants to define and achieve their financial goals. This should include improving understanding of existing financial services and promoting the use of digital channels.

5.2. Host countries to promote financial technologies and service models tailored to the diaspora, integrating financial offerings provided through applications developed by banks and other financial service providers – including payment institutions – in both host countries and Morocco. These efforts should support broader digitalization goals.

5.3. Conduct client-focused research to better understand the challenges faced by remittance recipients in using regulated channels – particularly digital ones. Document practices that promote financial inclusion using current service models and products. Include targeted questions in nationally representative surveys (such as those conducted by the HCP) to capture information on the economic status of beneficiaries and their financial behaviour related to savings and credit, using a gender-sensitive approach. Enhanced data collection and dissemination will be essential to achieving these objectives.

6. Stakeholders and coordination

6.1. Create an ad hoc national work group on remittances to define and address the main challenges and opportunities linked to remittances to Morocco to coordinate activities, catalyse resources and integrate a set of priority measures into strategies and national development plans. The group's objective will specifically be to work in synergy with the Greenback Initiative team and other public or donor stakeholders, and to engage in dialogue with the private sector in order to develop proposals that may contribute to recommendations 6.2 and 6.3. Establish coordination among stakeholders.

6.2. Include international and domestic remittances as a key subject of discussion for work groups relevant to the national financial inclusion strategy and develop strategic orientations for the strategy committee, specifically as related to digitalization, financial education and access to financial services. Establish coordination among stakeholders.

6.3. Include remittance beneficiaries and migrants as a targeted subgroup within the national financial education plan. Design and implement awareness-raising and financial education activities tailored to their specific needs, while integrating these efforts into the broader set of initiatives aimed at the general public or other specific audiences. Ensure coordination among relevant stakeholders to align efforts, maximize impact and avoid duplication.

The following table groups the recommendations thematically to help understand where the focus of efforts is best deployed.

Table 9. Thematic grouping of recommendations: Improving data collection and dissemination

| Rec # | Improve data collection and dissemination |
|-------|--|
| 1.1 | Improve the collection and dissemination of disaggregated data on remittance transfer methods – whether cash or bank account – and other key characteristics that can support market actors in refining their service offerings, marketing strategies and targeting approaches. Particular attention should be given to gender considerations, given that women constitute half of the diaspora, as well as to the geographic destination of remittances, distinguishing between rural and urban areas. |
| 2.1 | Improve the dissemination of mobile money data by leveraging indicators from the International Monetary Fund's survey on access to financial services. This survey provides data on agents, account ownership and the value of electronic money remittances in relation to GDP and payment accounts (disaggregated by account level). It also captures key practices that encourage mobile money adoption, such as P2P payments, government-to-person G2P transfers and merchant payments. Strengthening dissemination will enhance the ability to track progress and identify the drivers of electronic money uptake. |
| 2.3 | Measure progress and ensure transparent dissemination of information regarding interoperability between banks and payment institutions under the HPS Switch framework. This will help attract new participants, foster network synergies, expand the electronic payment ecosystem, enhance value sharing among stakeholders and ultimately contribute to cost reduction across the system. |
| 3.2 | Conduct a survey on financial service offerings and client demand to identify the main obstacles to opening payment accounts, recruiting retail agents and increasing the use of mobile money. The survey should capture perspectives from both clients and service providers, including any regulatory challenges that may hinder progress. It should also incorporate findings from recent surveys conducted by Bank Al-Maghrib in Morocco, such as the Payment Diary, as well as data collected from merchants. |
| 4.1 | Conduct client surveys among the Moroccan diaspora in respective host countries to assess behavioural shifts related to the transition from cash-based to online remittance channels. Use the findings to design and implement measures that support and accelerate this transition over time. |
| 4.4 | Develop and mandate reporting mechanisms that include the geolocation of access points by type of institution – including banks, cash payment agents, multichannel aggregators, mobile phone payment agents, retail agents and microfinance institutions. These reports should be updated quarterly to monitor national coverage, enabling the visualization of areas where remittance services are available and where they could be integrated with other financial and payment services, with the overarching goal of enhancing financial inclusion. |
| 5.3 | Conduct client-focused research to gain deeper insight into the challenges faced by remittance beneficiaries using regulated channels, particularly digital ones. Document practices that foster financial inclusion using current service models and products. Additionally, include targeted questions in representative surveys – such as those conducted by the HCP – to gather data on the economic status of beneficiaries and their financial behaviours related to savings and credit, using a gender-sensitive approach. |

| Regulatory adjustments | |
|---|--|
| 2.2 | Adopt an experimental approach to international remittances directed to electronic money accounts, treating these transfers as catalysts for activating such accounts in rural migration areas that receive remittances from abroad. Particular attention should be given to ensuring that women benefit from this approach. |
| 3.1 | Draw lessons from the COVID-19 pandemic and the 2023 earthquake responses regarding remote client identification processes for payment accounts. These experiences highlight opportunities to simplify onboarding and reduce fees in proportion to risk, thereby supporting broader access to financial services. |
| Promote digitalization | |
| 4.2 | Promote the use of online and lower-cost banking channels among migrants through educational campaigns and training focused on cost structures and client protection. These efforts should support the shift from cash-based to digital remittance channels, with particular emphasis on leveraging the Greenback Initiative launched by Bank Al-Maghrib in collaboration with the World Bank. |
| 4.3 | Promote remitted funds using the electronic money accounts proposed by payment institutions. |
| 5.1 | Host countries should refine online financial education tools – and in-person tools where feasible – and develop awareness-raising strategies to strengthen migrants' ability to define and achieve their financial objectives. These efforts should ensure migrants have a solid understanding of existing financial services and how to use them effectively. |
| 5.2 | Host countries should promote financial technologies and service models tailored to the diaspora, integrating financial offerings delivered through programmed applications developed by banks and other financial service providers – including payment institutions – in both host countries and Morocco. |
| Establish coordination among stakeholders | |
| 6.1 | Establish an ad hoc national working group on remittances to identify and address key challenges and opportunities related to remittance flows to Morocco. The group should coordinate activities, mobilize resources and integrate priority measures into national strategies and development plans. Its specific objective will be to work in synergy with the Greenback Initiative team and other public or donor stakeholders, while also engaging in structured dialogue with the private sector to formulate proposals aligned with recommendations 6.2 and 6.3. |
| 6.2 | Include international and domestic remittances as a key topic of discussion within working groups linked to the national financial inclusion strategy. Develop strategic orientations for the strategy committee that specifically address digitalization, financial education and improved access to financial services. |
| 6.3 | Include remittance beneficiaries and migrants as a targeted subgroup within the national financial education plan. Design and implement awareness-raising and financial education activities tailored to their specific needs, integrating these efforts alongside broader initiatives directed at the general public or other specific segments. |

About the authors



International Fund for Agricultural Development (IFAD)

IFAD is a specialized agency of the United Nations and an international financial institution, with the mandate to invest in rural people to eradicate poverty in low- and middle-income countries.



Financing Facility for Remittances (FFR)

IFAD's US\$75 million multi-donor Financing Facility for Remittances aims at maximizing the impact of remittances on development and promoting diaspora engagement in migrants' countries of origin.

For more information, visit: www.ifad.org | www.ifad.org/ffr | www.RemitSCOPE.org



Developing Markets Associates Global (DMAG)

Headquartered in central London with a regional office in Sydney, DMAG is a leading payments consultancy engaged by both the public and private sector to deliver projects around the world. Since the company was founded in 2007, it has grown to 20 full-time staff, with a global network of research and support staff of a further 60 people. DMAG's core competencies include:

- Remittances and payment systems
 - Financial inclusion and access
 - Diaspora investment and diaspora related affairs
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For more information, visit: www.developingmarkets.com

About the initiative



Platform for Remittances, Investments and Migrants' Entrepreneurship in Africa (PRIME)

The PRIME Africa initiative is a EUR 15 million initiative funded by the European Union and implemented by IFAD's FFR, aimed at improving the management of remittances and their use for development impact in selected African countries.

For more information, visit: www.ifad.org/prime-africa

Read the other PRIME Africa country diagnostics:

1. Cabo Verde
2. Ethiopia
3. Ghana
4. Kenya
5. **Morocco** [ENG/FRE]
6. Senegal [ENG/FRE]
7. South Africa
8. The Gambia
9. Uganda



Investing in rural people

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