

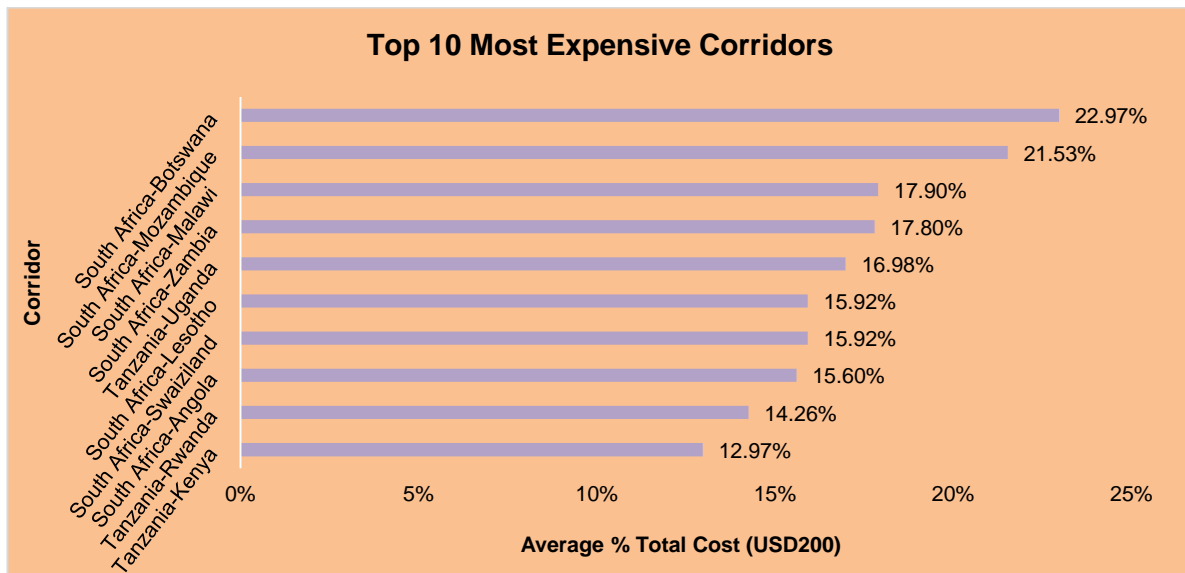


DIRECTORATE OF INFORMATION AND COMMUNICATION
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High Cost of Remittance flow within Africa: The African Institute for Remittances (AIR) to work with key market players to lower the cost of sending money to and within Africa

Remittances transfers to and within Africa have been known as the most stable and reliable capital inflows to the continent over the past two decades. Besides, it is one of the most important sources of external resources in many African countries that has real impacts on lives of millions of recipient families across Africa. However, remittance senders to and within Africa continue to suffer from the high costs of sending money home.

Though significant reductions has been achieved since 2010 where the average cost was above 12%, the cost of sending remittances to and within Africa - according to the data collected during the second quarter of 2016 - are still the highest. Further, the top ten most expensive corridors in the world are all intra-Africa originating from South Africa and Tanzania, both sending mainly to their neighboring countries.



The average cost of sending money to and within Africa, in the second quarter of 2016, was 9%, which was 1.4 percentage points more expensive than the global average transfer costs for the same period and 6% above the target set by the Sustainable Development Goals (SDG) to reduce transfer costs to the level of 3% by 2030.

A key priority of the African Institute for Remittances (AIR) is to lower the costs of sending money to and within Africa, and will engage key market players including regulators, Remittance Service Providers (RSPs), technology providers, and remittance senders and receivers. In this regard, the Institute works towards the improvement of transparency and enhancing competition and efficiency within the remittances market in Africa. In line with this, the AIR is conducting quarterly surveys on remittances price structures. Collected data are published in the Institute's remittances price database Send Money Africa (SMA): <https://sendmoneyafrica-auair.org>.

For more information contact:

African Institute for Remittances (AIR) | E-mail: Secretariat@auair.org | Web Site: www.au-air.org | Nairobi | Kenya

For further information:

Esther Azaa Tankou | Ag. Director of Information and Communication | African Union Commission | E-mail: Yamboue@african-union.org | Tel: +251 911361185
Directorate of Information and Communication | African Union Commission | E-mail: DIC@african-union.org | Website: www.au.int | Addis Ababa | Ethiopia

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