Payments and Money Transfer Behavior of Sub-Saharan Africans

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Introduction

Payments and Money Transfer Behavior of Sub-Saharan Africans offers an in-depth look at the payment behavior of Sub-Saharan Africans, based on survey results from 11 African nations. A special focus is put on the payment behavior of the poorest parts of the population and those living in rural areas.

This project leverages Gallup's worldwide research initiative to understand better the payment behavior of Sub-Saharan Africans. Through its World Poll project, Gallup conducts nationally representative surveys on an ongoing basis in more than 150 countries and areas to provide a scientific window into the thoughts and behaviors of 98% of the Earth's population. The World Poll is the only global study of its kind. The data for this study consists of a module of about 30 questions on payments added to the World Poll surveys of 1,000 adults in South Africa, Zambia, Nigeria, Kenya, Tanzania, Uganda, the Democratic Republic of the Congo (DRC), Sierra Leone, Botswana, Mali, and Rwanda. The Bill & Melinda Gates Foundation provided support for this project.

Gallup conducted the surveys from June to October 2011. Questions covered respondents' payment behaviors through services such as money transfers, international remittances, government and wage payments, and utilities, and other bills. The survey did not include questions on local money transfers. Instead, respondents were asked about payments involving distant counterparties (i.e., living in different areas or cities) during the 30 days prior to the survey. Respondents who reported being payers, payees, or both were asked follow-up questions about the distribution channels used to send or receive money: cash sent by a bus or a courier, bank transfers, wire service, or mobile phone-based payments.

The survey also inquired about whether the practice of traveling to personally deliver cash payments was still common in Sub-Saharan Africa. Furthermore, the survey included questions about the sending and receiving of international remittances. Respondents were also asked to differentiate between cash and non-cash payments and between payments made in person from those payments made remotely. The survey also included questions about the sending and receiving of domestic and international remittances.

Executive Summary

This study finds that the market for financial services in Sub-Saharan Africa is significant and remains largely untapped. Approximately 134 million adults (53% of the adult population) in 11 Sub-Saharan countries surveyed had paid or had been paid by a counterparty in a different part of the country in the prior 30 days, and 79 million (31% of all adults) still use only informal cash payments. The large numbers of respondents sending informal cash payments or not sending money at all because of the hassle[2], high costs, and risks of informal mechanisms represents a major opportunity for providers of mobile money or similar services.[3]

While development policy has focused largely on international remittances in recent years, the rate of domestic remittances in most countries dwarfs that of international remittances, sometimes by a high multiple. Twenty percent of the total adult population in the region (approximately 50 million people) reported having sent or brought domestic remittances, and 32% (approximately 80 million people) state having received at least one domestic remittance in the 30 days prior to the survey. This compares to the 4% percent of the total adult population (approximately 10 million people) in the 11 countries who said they received international remittances in the same timeframe, most of them from outside of Africa. Furthermore, 1% across the region (approximately 2.5 million people) sent international remittances, with the biggest part being transferred to another African country. The findings suggest policy makers, donors, and academics should elevate the importance of domestic remittances and work to improve the access to the market for quality domestic remittance services for all parts of society.

Non-remittance flows, primarily payments of formal obligations, commercial transactions, and wage payments were less widespread than transactions of domestic remittances. Nine percent of the total adult population in the 11 African nations surveyed (approximately 23 million people) sent money to a school, institution, or company to pay fees, utility bills, debt payments, or other obligations. Furthermore, 6% of adults (approximately 15 million people) sent money to a person or business from a different city or area as payment for goods or services they purchased. Twelve percent across the region (approximately 30 million people) reported having received money from a government agency or an employer, such as wages for work performed.

That said, Sub-Saharan Africa is far from being a homogeneous market for financial services. The survey illustrates the great diversity of the region, with payment and money transfer behavior often varying considerably from country to country.

While cash-based transactions were even significant in the countries with the most developed retail banking sector, the channels through which the non-cash transactions flowed tended to vary significantly by country. For instance, the majority of remittance senders who sent money, excluding money brought in person, in the East African countries of Kenya, Uganda, and Tanzania reported using mobile money services (90%, 68% and 60%, respectively). In stark contrast, mobile money transactions were negligible

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[2] Re-interviews in Botswana, Uganda and South Africa illustrate the variety of problems people encountered when trying to send or receive money. For more information see page 53 in the appendix.

[3] As is shown in this report, there was a significant uptick in remittance behavior in Kenya after the launch of the M-PESA service that likely represents the latent demand that existed when only cash-based options or expensive formal options existed.

in South Africa, Botswana, and Nigeria where 50%, 47%, and 44% of senders of domestic remittances, respectively, used bank transfers.

Nigeria — being the most populous country in Africa — offers especially exciting investment opportunities for providers of financial services. Nigeria alone has an estimated 34.8 million consumers who are using only informal cash payment options.

The survey found that while recipients of remittances comprised affluent and poor as well as residents of rural and urban areas in nearly equal ratios, senders tended to be affluent, highly educated, working in formal employment, and living in cities or suburbs. However, even the better off groups, with the exception of university graduates, were more likely to only send money in cash by bus, courier, or in person than to exclusively use electronic channels (bank transfers, mobile-based transactions, or money transfer services such as Western Union). This result emphasizes the need for improved financial services among all socio-demographic groups.

This study also revealed that respondents from rural areas who sent money domestically to family or friends were considerably more likely to have used mobile phone transfers than those living in small towns or villages, large cities, or suburbs. Furthermore, the data reveals that among those who had sent domestic remittances in the 30 days prior to the survey, the poor were as likely as were respondents from rich households to have sent the money by mobile phone. However, this pattern was not seen for the recipients of domestic remittances.

Contrary to what is often believed, money in African countries is not necessarily mostly flowing from the cities to the rural areas or villages. In fact, large city dwellers were not only more likely to send domestic remittances than the rural population, they were also slightly more likely to have received these payments indicating substantial urban-urban flows.

The typical story of men being senders of remittances and women being recipients of remittances also does not play out in the data. Instead, both genders were similarly likely to report sending and receiving money from family or friends.

In all countries with the exception of Mali, a majority of people had access to a mobile phone — they either owned one or could use the phone of a neighbor, friend, or relative. Furthermore, in most countries people living in rural areas, the poor, and those respondents making only informal cash payments or making no transactions at all (perhaps due to the lack of cheap and accessible distribution channels) often had access to a mobile phone. This suggests that the introduction or extension of mobile phone transfer systems would have the potential to simplify the lives of millions of Sub-Saharan Africans.

Why Payments Matter

The primary goal of this study is to understand the payment and money transfer behaviors of poor Sub-Saharan Africans, thus assessing the size of the potential market for payment services and shedding light on various policy questions. While other studies have examined poor households' use of micro-credit, savings, or insurance services, comparatively little research has investigated payment behaviors. This is despite the reality that moving money over distance is critical to poor people, whether to send migrant labor remittances, to transfer emergency funds to and from friends and family, to move money between small businesspeople and traders, to provide government support payments, or to pay utility bills, school fees, or other obligations.

The options that poor people have available to move money vary widely. Informal arrangements are most pervasive. Many people send cash with bus drivers, traveling acquaintances or informal "hawala" services[4] or travel to deliver their own payments in person. On the other end of the spectrum are mobile phone-based "mobile money" services that can send funds electronically across the country with the touch of a button. The informal alternatives for moving money tend to operate in physical cash, and tend to be slow, inconvenient, expensive, and risky. Meanwhile electronic payment services like mobile money or bank cards are only widely available in a few countries in Africa.

When people have access to better options for moving money, the benefits can be significant. For example, evidence from a rigorous study of the M-PESA mobile money service in Kenya found that access to the system increased people's ability to reach out to family and friends in an emergency thus significantly reducing the impact of negative shocks (such as severe illness, job loss, fire, or harvest failure).[5] Other research has reached the similar conclusion that the ability to move money is a critical component of a household's financial tool kit.

Beyond the immediate benefit to the individual households, the most transformational economic benefits might occur if large numbers of poor people were connected to mobile money type systems. This could engender significant savings and efficiency gains for the public sector through lower cost, greater transparency, and lower corruption, and better targeting of payment to the right person at the right time. There could also be large benefits in the private sector as the poor become much easier to reach with goods and services. For example, a recent research paper documents an emerging ecosystem of start-ups and existing players launching new financial products and services for poor consumers over the M-PESA platform, which reaches over 85% of households in Kenya.[6]

In recognition of these proposed benefits, there are initiatives under way at the World Bank, DFID, USAID, and many other donors including the Bill & Melinda Gates Foundation as well as governments to promote mobile money and related financial services for the poor. The private sector has also taken note of the high demand for these types of services in developing countries. In just a few short years, the

[4] *Hawala*, which is Arabic and means transfer, is an informal money transfer system that is based on a wide network of money brokers. It is an alternative remittance system that exists alongside traditional banking channels. Money is transferred from one broker to the other without actually moving it. The system is based on trust and connections.
[5] Suri and Jack (2011) *Risk sharing and transaction costs: Evidence from Kenya's mobile money revolution)*
[6] Clara Veniard, Philip Machoka, and Bill Maurer (2011) *Emerging Platform: From Money Transfer System to Mobile Money Ecosystem*

mobile money industry has undergone significant growth. Compared to 2007, when there were just a handful of mobile money services, there are now more than100 worldwide, and more than 11 have over a million customers.[7]

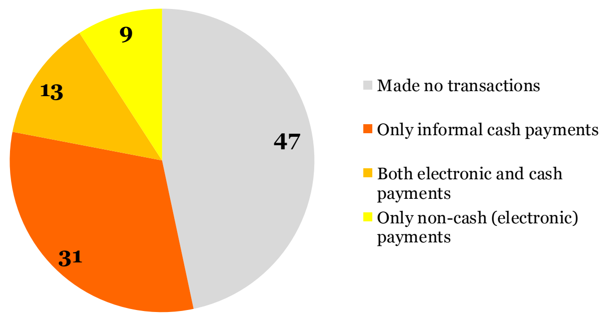
Despite the public sector and donor support and private sector enthusiasm, there has been very little true progress from the perspective of the poor. There are only a few countries where any significant numbers of poor people have access to anything beyond transfers in cash through informal arrangements. This report contains data that will be relevant to both donor and public sector initiatives and to private market players in their efforts to develop better payments services in Africa.

[7] See Davidson and Leishman, GSMA (2012) *"The Case for Interoperability"*

1. Financial Services in Sub-Saharan Africa — A Largely Untapped Market

This study of 11 countries in Sub-Saharan Africa reveals significant payment activity, much of it in cash through informal means. This could represent a significant under-served and untapped market in this region. Slightly more than half (53%) of all adult respondents made a transaction in the 30 days prior to the survey as either payers, payees, or both. About 3 in 10 (31%) respondents in the countries surveyed did not use any formal mode of transfer for any of their transactions. Instead, they sent or received cash through informal arrangements such as sending money in cash with traveling friends or informal money carriers, or traveling in person to make large payments.

Figure 1: Market Overview



Total % 11 countries, population-weighted average

The fact that many people in Sub-Saharan Africa still use this risky and time-consuming kind of transfer is a strong testament for the underdevelopment of the market for financial services in this region. Furthermore, roughly 1 in 10 (9%) respondents had only used non-cash channels to send or receive money; they used either bank transfers, mobile phone money transfers, or money transfer services such as Western Union. Finally, about 1 in 8 respondents (13%) reported using both informal cash payments and electronic payments during this 30-day period.[8]

A Market of 134 Million Potential Consumers

The study finds vast potential markets in Sub-Saharan Africa for providers of financial services. Table 1 shows estimated numbers of individuals in each market who report conducting a payment transaction within a given 30-day period by various means by multiplying the number of adults in each country by the proportions of respondents belonging to a certain consumer group (only non-cash/electronic payments, only informal cash payments or both electronic and cash payments).

The total adult population (older than 14 years) of the 11 countries surveyed is approximately 252 million.[9] Approximately 134 million adults make financial transactions at least once a month, and 79 million still use only informal cash payments, representing a huge market potential for providers of electronic payment methods. These numbers reflect the level of market activity, given existing options for

[8] Please note that these figures are population-weighted averages, accounting for the population size of a country. This means that the numbers from Nigeria, the most populous African country, (with an adult population of 90.6 million) get more weight compared to the numbers of a small country like Botswana (adult population 1.4 million). In this way, one gets a good overview of a market comprising 252 million adults in these 11 countries.

[9] Figures from 2010, World Bank Development indicators, accessible at http://data.worldbank.org/data-catalog/world-development-indicators

paying. As discussed above, sending money in cash is slow, often risky, and can be costly in terms of fees charged and time spent arranging the deal or waiting for delivery.

Table 1: Market Overview per Country and Estimated Market Size

Ranked by proportions who made payments, (m) = in million; total = population-weighted averages

	Made payments	No payments	Only electronic payments	Only cash payments	Electronic & cash payments	Adult population (m)	Consumers total (m)	Consumers only using cash (m)
Kenya	76%	24%	15%	22%	38%	23.3	17.7	5.2
South Africa	69%	31%	18%	31%	19%	34.9	24	10.9
Botswana	60%	40%	9%	36%	14%	1.4	0.8	0.5
Sierra Leone	59%	41%	2%	47%	11%	3.3	2	1.6
Nigeria	55%	45%	8%	38%	9%	90.6	49.9	34.8
Uganda	53%	47%	7%	29%	16%	17.2	9.1	5
Tanzania	44%	56%	6%	26%	12%	24.8	10.9	6.5
DRC (Congo-Kinshasa)	39%	61%	7%	27%	5%	35.4	13.7	9.5
Zambia	38%	62%	6%	25%	6%	6.9	2.6	1.8
Mali	27%	73%	1%	25%	1%	8.1	2.2	2
Rwanda	24%	76%	2%	20%	2%	6.1	1.5	1.2
Total	53%	47%	9%	31%	13%	252.1	134.3	79

Based on interviews conducted throughout 2011. Figures may not add up to 100 percent due to rounding.

Kenyan and South African Markets Most Developed — Huge Possibilities in Nigeria

Kenyans and South Africans, as Table 1 illustrates, were the most likely to having made any transactions in the 30 days prior to the survey (76% and 69%, respectively), while residents in Rwanda and Mali were the least likely to do so (24% and 27%, respectively).

South Africans and Kenyans were also the most likely to only have used non-cash (electronic) channels (18% and 15%, respectively). In all other countries, fewer than 1 in 10 respondents used only electronic payment channels. In Mali, Rwanda, and Sierra Leone just a handful of respondents reported this (1%-2%).

However, even in South Africa and Kenya, the two countries with the most advanced payment markets, respondents were more likely to report that they only used informal cash payments than to have used only electronic payment methods; 31% of South Africans and 22% of Kenyans used only informal cash payments in the past 30 days. These shares translate into 10.9 million and 5.2 million potential consumers, respectively. The fact that cash transactions are still prevalent even in Kenya, where mobile money penetration is nearly complete, is likely due to some people carrying money or sending it with traveling relatives to save on the money transfer fees rather than to lack of coverage within the country.

Residents of Sierra Leone were clearly the most likely in the region to exclusively make cash transactions (47%). There are some unique circumstances in this country, including large flows of migrant labor for mining and formal employment in Freetown and the fact that the survey timing coincided with the harvest of major crops, which may have generated significant flows of cash around the country. Additionally, there may be some internal displacement left over because of the civil war that ended in 2002, which may explain the high levels of domestic remittances.

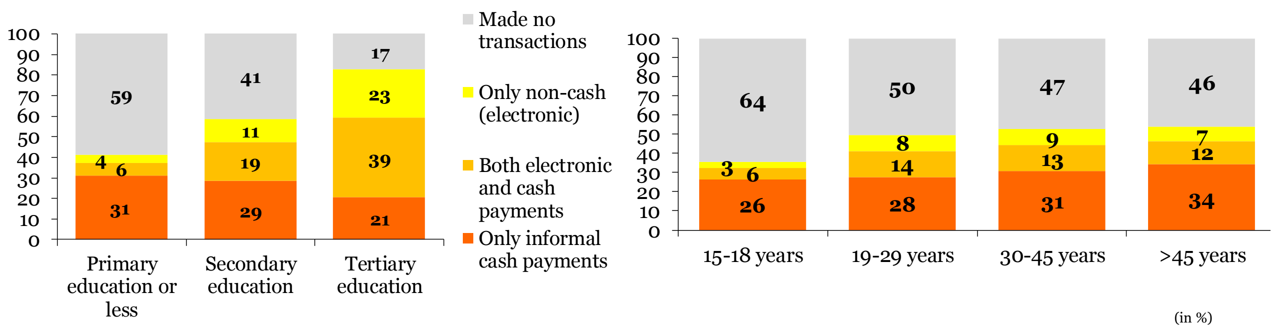
Yet, the best growth potential in Sub-Saharan Africa is likely to be found in Nigeria. The continent's biggest market, with an adult population of 90.6 million, is still mostly virgin territory. An estimated 34.8 million Nigerians are only using informal cash payments — a huge possibility for any financial services provider who can put in place new technologies and innovative partnerships.

Huge Differences in Payment Behavior Between Educational Groups

The study finds huge differences in payment behavior between educational groups, as Figure 2 shows. More than 8 in 10 (83%) of respondents with high levels of education had made any transactions in the 30 days prior to the survey, compared to 6 in 10 (59%) of respondents with average levels of education and 4 in 10 (41%) of respondents with low levels of education. The highly educated were almost 6 times as likely as those with the lowest levels of education to have made only non-cash transactions (23% vs. 4%, respectively).

The youngest respondents (15-18 years) were less likely than older respondents to have made any transactions (36% vs. 50%-54% of other age groups). The youngest were also less likely to have used only electronic channels (3% vs. 7%-9% of other age groups). The survey did not find significant differences in payment behavior of men and women.

Figure 2: Differences in Payment Behavior Between Different Levels of Education and Age Groups



*Please note that percentages in this figure as well as in all of the following figures of this report might not always add up to 100% due to rounding.

Use of Cash Also Widespread Among Large City Dwellers and More Affluent Respondents

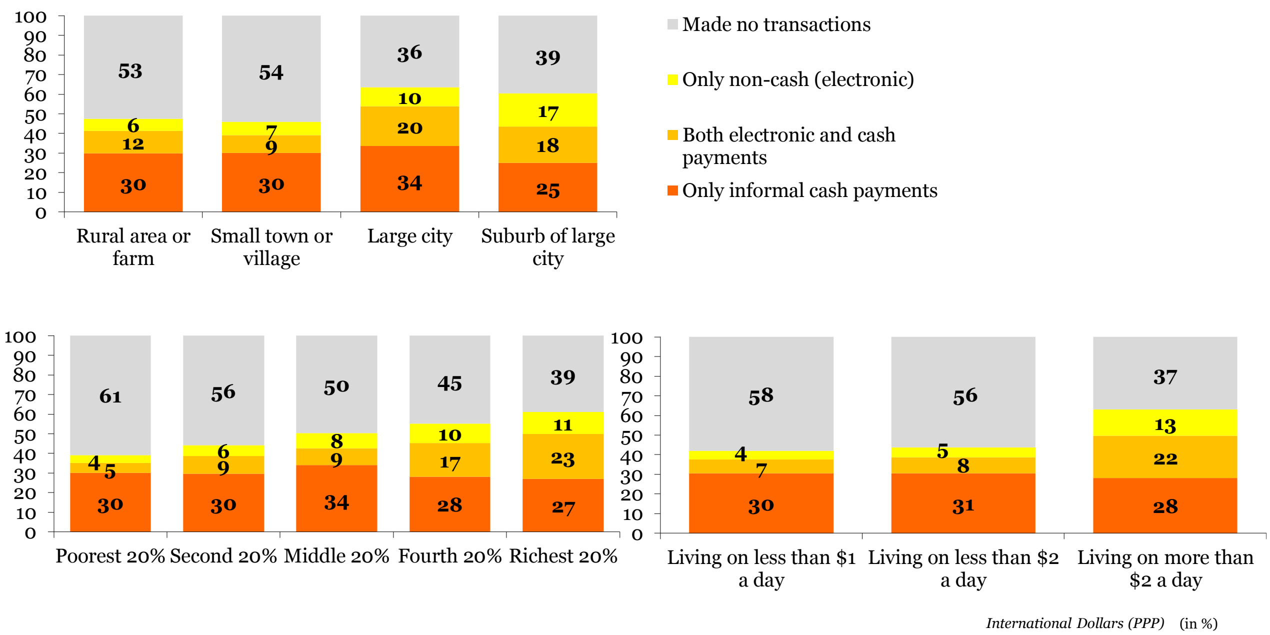
Poor Africans in absolute terms (as measured in disposable income per capita in international dollars per day) and in relative terms (as measured in income quintiles within each country) were clearly less likely than more affluent respondents to have made any transactions in the 30 days prior to the survey. [10] While roughly 6 in 10 respondents among the richest 20% of the population and those living on more than $2 a day reported to have made a transaction, approximately 4 in 10 of the poorest 20% of the population and those living on less than $2 a day had done so.

[10] It should be noted that across the 11 countries surveyed, 52% lived on less than $1 a day (PPP), 68% lived on less than $2 a day, and 32% lived on more than $2 a day. These figures are population-weighted averages, accounting for the size of a country's population. For individual country level results, please see Tables 3 and 4 in the appendix.

Looking at differences between the various levels of urbanization, large city dwellers and those living in suburbs of large cities more often reported to have made a transaction than residents of rural areas or small towns.

More affluent respondents and city dwellers were also more likely than the poor and rural residents to have only made electronic transactions. That said, high shares of large city dwellers, those living on more than $2 a day and the richest 20% and of the population made only informal cash payments (34%, 28% and 27%, respectively) implying a large underserved market among all groups.

Figure 3: Differences in Payment Behavior Between Different Levels of Urbanization and Income

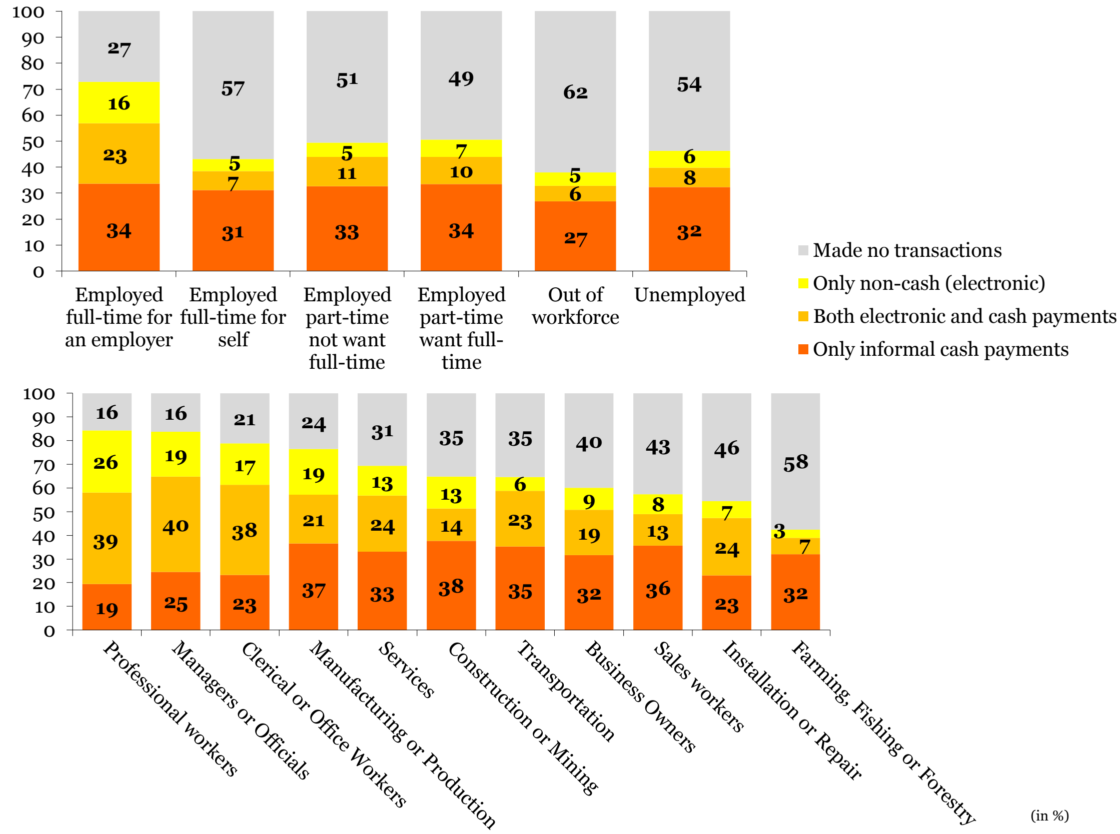


Full-Time Employees as Likely to Use Cash as the Unemployed, but Much More Likely to Use Electronic Payments

Generally, respondents who were employed full-time for an employer[11] were clearly more likely than the self-employed[12], those employed part time, the unemployed and those out of the workforce to have made any transactions in the 30 days prior to the survey. Employees working full-time were at least twice as likely to have used electronic payment methods (16% vs. 5%-7% of all others) and to have used both electronic and cash payments (23% vs. 6%-11%).

Figure 4: Differences in Payment Behavior Between Different Job Types and Employment Status

[11] A full-time employee is defined as working 30 hours or more per week.
[12] A respondent is categorized as employed full-time for self if he or she is working 30 hours or more per week.



Workers in the Primary Sector Rarely Had Access to Electronic Payment Methods

Payment behavior differed considerably across different job types in the 11 countries surveyed. The share of respondents who did not make any transactions ranged from 16% among professional workers (such as lawyers, doctors, and teachers) and managers or officials in a business, government agency, or another organization to 58% among those working in the primary sector as farmers, fishermen, or lumberjacks. In a similar vein, while 26% of professional workers belonged to the consumer group that only used electronic payments methods and 39% used both electronic and cash payments, just 3% and 7% of respondents working in the primary sector of their country's economy belonged to these consumer categories.

This pattern of formally employed, white collar workers being more likely to make transactions matches the general expectation that higher paid formal sector workers are more likely to support their families through regular remittances (and possibly a wider group of friends and more distant family members and friends when they have emergencies).

Prior Survey Data From Kenya Shows Large Increases in the Number of Individuals Reporting Sending or Receiving Domestic Remittances Between 2006 and 2009

A key question in scoping the market is to know how much activity would increase if better services were available. The advent of M-PESA in Kenya provides a data point that may be indicative. Figure 5 shows data from the two waves of the FinScope survey, one conducted in 2006 before M-PESA was launched and one from 2009 when M-PESA had 7.5 million clients, about 50% of its current level which was 14 million in April 2011.[13] The surveys asked respondents whether they had sent or received a domestic or international remittance in the past 12 months. The percentage reporting receiving a remittance grew from 16.5% to 51.8%, a threefold increase. It is impossible to know for sure whether this increase was caused by the advent of M-PESA or by other factors. That said, it seems likely that much of the increase was driven by M-PESA as it is hard to believe such a dramatic increase was caused by drastic changes in fundamental demand drivers of remittance behavior such as labor migration (the urbanization ratio only grew from 21.0% in 2006 to 21.9% in 2009.[14]) If such a large uptick in usage were to occur in all cases, the potential market could be the majority of the adult population in Africa (as it is in Kenya.)

Figure 5: Prior Survey Data From Kenya on Sending and Receiving Remittances, FinScope Survey

[13] FSD-Kenya (2007 and 2009); FinScope 2006 and FinAccess 2009 data sources., accessible at: http://www.fsdkenya.org/insights/10-10-13_FSD_Insights_M-PESA_issue_01.pdf
[14] World Development Indicators.

2. Domestic Remittances — Sending and Bringing Money in Person

General Overview of Senders

Whereas the previous chapter depicts transactions in general — not distinguishing between senders and recipients or the type of transaction (remittances, payments of formal obligations, commercial transactions or wage payments), this chapter specifically deals with the sending of domestic remittances based on the following two questions:

- In the past 30 days, have you personally sent any money to a family member or friend living in a different city or area in (country)? Please do NOT include any money you gave in person.

- In the past 30 days, have you given or brought money IN PERSON to a family member or friend living in a different city or area in (country)?

The chapter starts with a general overview of the sending behavior of domestic remittances across the region. It combines the answers to both questions listed above, essentially to put those respondents into one category who had either brought money in person or sent money in cash by bus through someone else and who had not used any electronic distribution channels (such as bank transfers, money transfer services, or mobile phone-based transaction models).

Apart from this group which will subsequently be labeled "Sent money only in cash/or brought in person," the figures in the following sections will show three other categories:

- "Sent money only electronically" — respondents falling into this group have exclusively used bank transfers, money transfer services or mobile phone-based transaction models. They have not sent cash or brought cash in person to a family member or friend living in a different city or area in the 30 days prior to the survey.

- "Sent money electronically and in cash/or brought in person" — respondents in this category have sent money both in cash or brought it in person as well sent money electronically.

- "Neither sent money nor brought money in person" — this group did not send or bring any domestic remittances at all in the given timeframe.

After presenting this general overview of senders of domestic remittances — including differences between various socio-demographic groups — this chapter will provide detailed information on the results of the two questions listed above. It will show how many times domestic remittances were sent and brought on average. Furthermore, the data on the largest amounts sent and brought will be discussed.

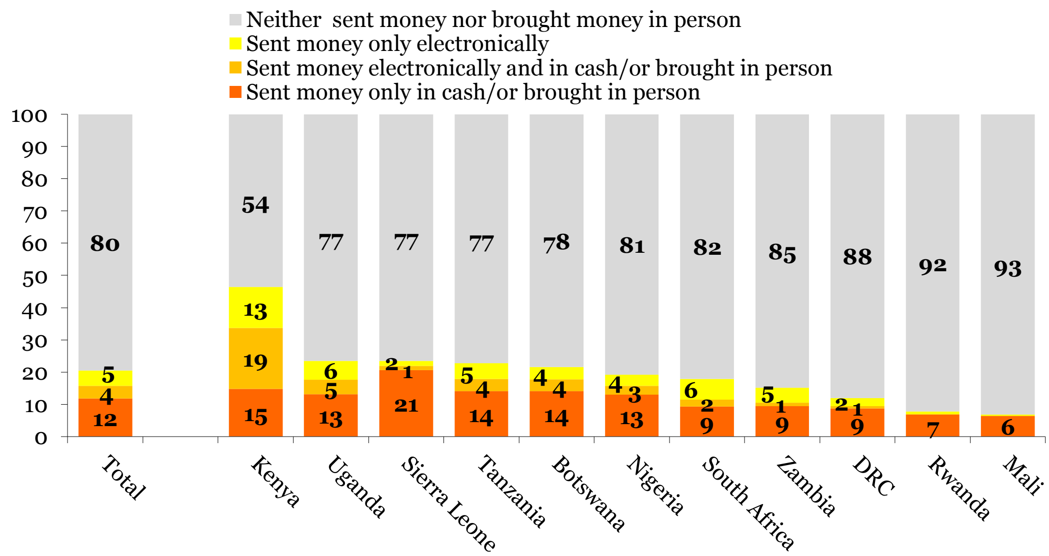
Kenyans Clearly Most Likely to Have Sent or Brought Money in Person

Two in 10 respondents in the 11 African nations surveyed, as Figure 6 shows, did send or bring money to a family member or friend living in a different city or area in the 30 days prior to the survey. The habit of bringing money in person to a family member or friend living in a different city or sending it by bus or courier is still a somewhat common phenomenon in Africa. A total of 12% of respondents across all countries only sent cash or brought money in person; 5% had only sent money electronically, through bank transfers, money transfer services, or mobile phone transfer.

Kenyans were clearly the most likely to have sent or brought money in person, more than a third of Kenyans (34%) had done so. In all other countries, less than a quarter of respondents reported that they sent or brought money to a family member or friend living in a different city or area in their country. In Mali and Rwanda fewer than 1 in 10 respondents reported this.

Although Kenyans were roughly split between those who sent the money only electronically (13%) and those who sent only cash or brought it in person (15%), with the remaining 19% sending it both ways, they were clearly more likely than other Africans to only use electronic channels. In the other countries, the shares of respondents sending money only electronically ranged from 6% in Uganda and South Africa to less than 1% in Rwanda and Mali.

Figure 6: Domestic Remittances: Money Sent or Brought in Person to Family Members or Friends



In the past 30 days, have you personally sent any money to a family member or friend living in a different city or area in (country)? Please do NOT include any money you gave in person.
&
In the past 30 days, have you given or brought money IN PERSON to a family member or friend living in a different city or area in (country)?
% by country
Total = population-weighted average

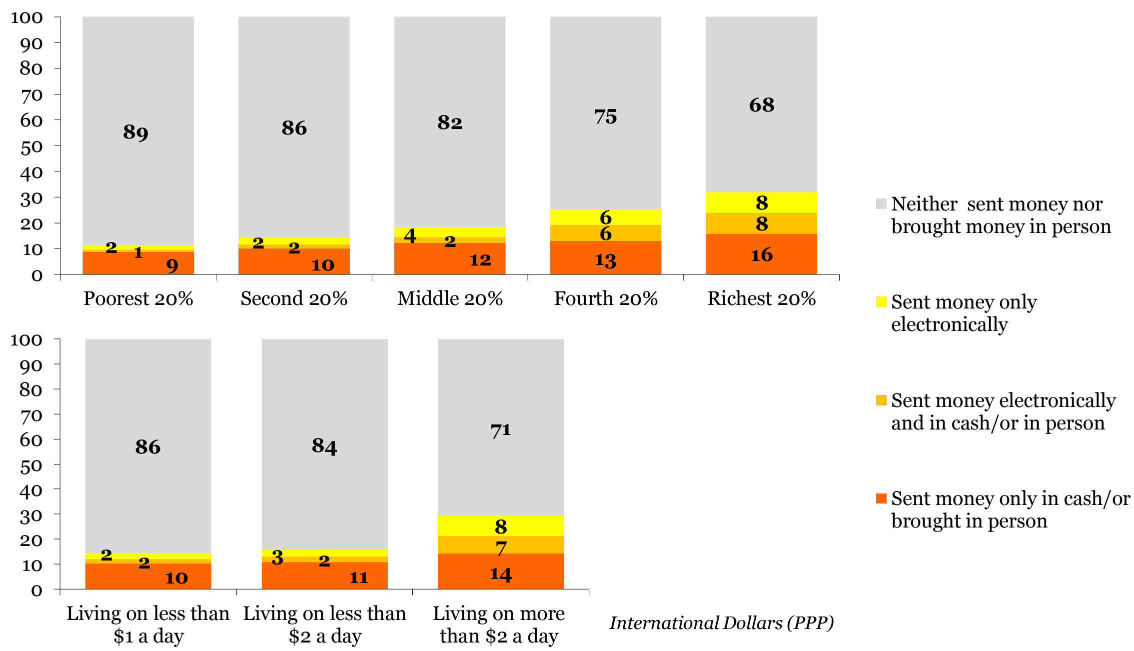
The Poor Almost As Likely to Send Cash or Bring Money in Person As More Affluent Respondents

The likelihood to have sent or brought money to a family member or friend living in a different city in the 30-day period prior to the interview rises with income, as illustrated in Figure 7.

Fourteen percent of African respondents who were living on less than $1 a day (in PPP) and 16% of those living on less than $2 a day sent or brought money to a relative or friend, compared to 29% of those living on more than $2 a day. Despite this gap, respondents living on less than $1 or $2 a day were almost as likely as those living on more than $2 a day to have sent only cash or have brought money only in person (10%-11% vs. 14%, respectively). This finding shows that demand for electronic payment channels is also likely to be high among the poorest parts of the population. Eight percent of those living on more than $2 a day only sent money electronically, in comparison with 2%-3% of those living on less than $1 or $2 a day.

Looking at relative poverty, comparing the poorest 20% of the population in each country with the richest 20%, a similar picture was seen.

Figure 7: Domestic Remittances: Differences in Sending Money Between Different Levels of Income



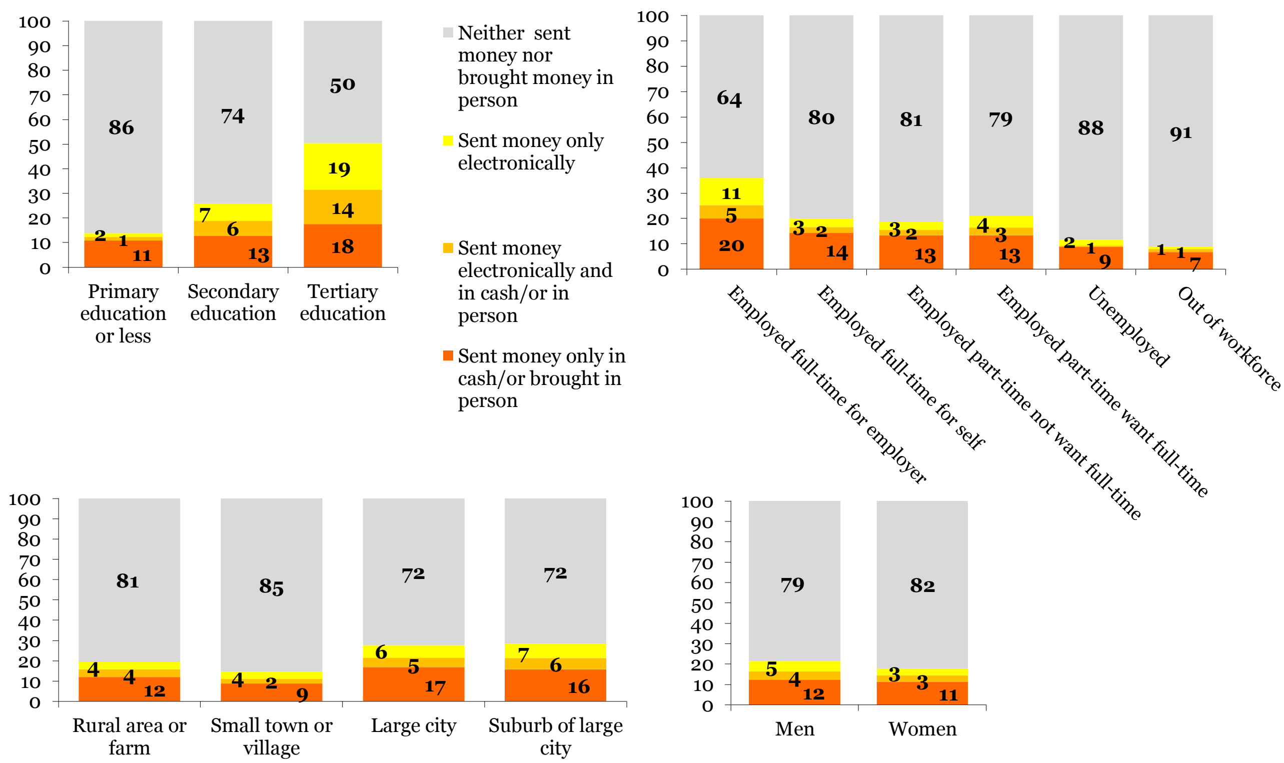
In the past 30 days, have you personally sent any money to a family member or friend living in a different city or area in (country)? Please do NOT include any money you gave in person.
&
In the past 30 days, have you given or brought money IN PERSON to a family member or friend living in a different city or area in (country)?
in %

Huge Differences Between Educational Groups

Highly educated respondents, those employed full-time for an employer, large city dwellers, and those living in suburbs of large cities were more likely to send or bring money to friends or family members living in a different city or area than their socio-demographic counterparts (see Figure 8). These groups were also more likely to do so only electronically.

The biggest differences in sending behavior were seen among educational groups. While half of those with tertiary education had sent or brought money, about a quarter (26%) of those with secondary education and 1 in 7 (14%) of those with primary education had done so. Furthermore, 19% among the highly educated had sent money only electronically, compared to 7% of those with average levels of education and 2% of those with low levels of education.

Figure 8: Domestic Remittances: Differences in Sending Money Between Different Levels of Urbanization, Education, Employment Status, and Gender



In the past 30 days, have you personally sent any money to a family member or friend living in a different city or area in (country)? Please do NOT include any money you gave in person.
&
In the past 30 days, have you given or brought money IN PERSON to a family member or friend living in a different city or area in (country)?
in %

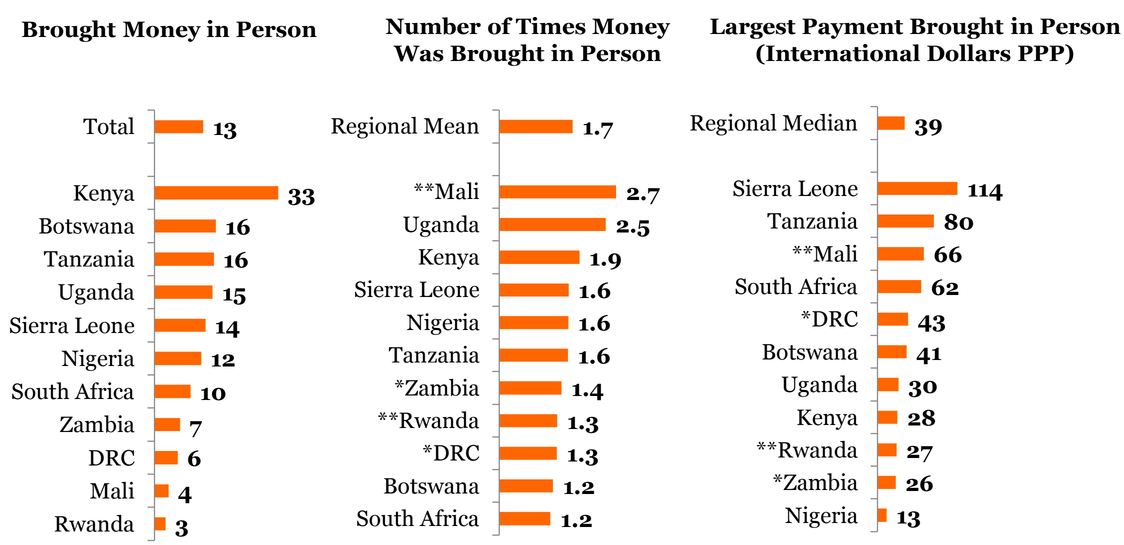
Sending behavior also varied considerably depending on a respondent's employment status. While slightly more than one-third (36%) of those who worked full-time for an employer (30 hours or more per week) had sent or brought money to family or friends, the ratio shrank to roughly 2 in 10 among those who worked full-time for themselves and those who worked part-time. About 1 in 10 of the unemployed and those out of the workforce reported to have sent or brought money. One in 10 full-time employees (11%) sent money only electronically, compared to a handful of others (1%-4%).

Twenty-eight percent among residents of large cities and suburbs said to have sent or brought money to family members or friends living in different cities or areas, compared to 15% of those living in small towns and villages and 19% of those living in rural areas or on farms. This gap is smaller than those measured among income and educational groups or among respondents with different employment statuses. Interestingly, contrary to what is often believed, men were only slightly more likely than women to having sent or brought money to family members or friends in the 30 days prior to the interview (21% vs. 18%).

Focus on Respondents Bringing Money in Person

After this general overview of sending behavior of domestic remittances across Sub-Saharan Africa, this section will go more into detail and shed more light on those respondents who *brought* money in person to family or friends living in a different city or area in the 30 days before being interviewed (see Figure 9). Across the 11 nations surveyed a total of 13% have travelled to a different city or area in the given 30-day period to bring money to friends or relatives. A third of Kenyans reported to have travelled for this purpose. In sharp contrast, less than 5% of residents of Mali and Rwanda engaged in this behavior.

Figure 9: Domestic Remittances — Money Brought in Person to Family Members or Friends



In the past 30 days, have you given or brought money IN PERSON to a family member or friend living in a different city or area in (country)?
% by country
Total = population-weighted average

How many times have you given or brought this kind of payment in the past 30 days?
Country means
Base: those who brought money in person
** Less than 10% of respondents in these countries were asked this question*
***Less than 5% of respondents in these countries were asked this question*

What was the largest payment you gave in person to a family member or a friend living in a different city or area in the past 30 days?
Median amount per country
Base: those who brought money in person
** Less than 10% of respondents in these countries were asked this question*
***Less than 5% of respondents in these countries were asked this question*

Those respondents who have brought money in person to a relative or friend living in a different area or city on average traveled slightly less than twice per month for this purpose (regional mean: 1.7 times) — a similar average as that for sending money domestically. Residents in Mali and Uganda on average travelled more than twice per month to bring money to a family member or friend living in a different city or area (2.7 times and 2.5 times, respectively).[15] In contrast, residents in Botswana and South Africa did this 1.2 times on average. The regional median of the largest amount of such a personal transaction was $39. However, across the region huge differences were seen. In Sierra Leone the median for the largest personal transaction was $114 – in sharp contrast to $13 in Nigeria.

Focus on Respondents Sending Money Domestically, Excluding Money Brought in Person

The remainder of this chapter will exclusively discuss the results of respondents who reported having sent domestic remittances either electronically (by mobile phone transfer, bank transfer, or money transfer service) or in cash by bus or someone else. Respondents were explicitly reminded that they should not consider any money they gave in person when answering the question whether they had personally sent money to a family member or friend living in a different city or area in their country. A total of 14% of respondents, as Figure 10 shows, from the 11 African countries surveyed said they had sent money to a family member or friend living in a different city or area in the 30 days before being interviewed.

Kenyans were the most likely to do so, with a third (34%) of respondents reporting they had sent money. In all the other countries, fewer than 2 in 10 respondents reported this. Respondents in Mali, Rwanda, and the Democratic Republic of the Congo (DRC) were the least likely to send money, with fewer than 1 in 10 doing so.

Those respondents surveyed across the region who reported having sent money domestically to friends or family members living in a different city or area did so slightly less than twice on average in the given 30-day period (regional mean: 1.8 times). Kenyans and Ugandans on average sent money more than twice in the same period (2.3 times and 2.2 times, respectively) while respondents in Zambia, South Africa, Botswana and the Democratic Republic of the Congo (DRC) sent money 1.4 times on average.[16]

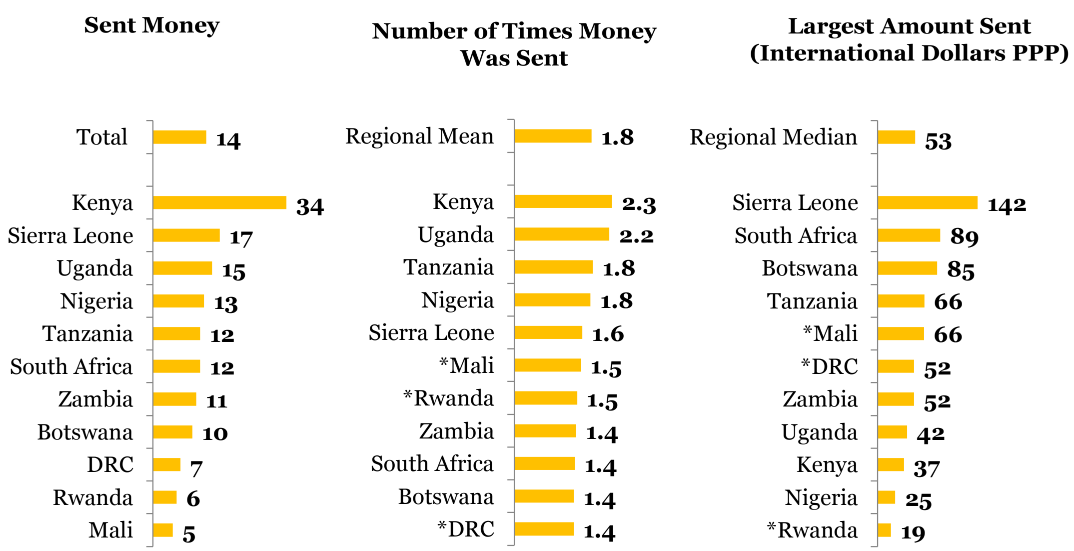
The regional median for the largest amount of such a payment was $53 (PPP).[17] The median for the largest amount sent to family members or friends living in a different city or area of the country was highest in Sierra Leone ($142) and lowest in Rwanda ($19) and Nigeria ($25).

Countries where sending is more frequent, and where the market for mobile-based sending services is more developed — as evidenced by having a higher proportion of people reporting mobile electronic

[15] Please note that the figure from Mali is based on only 4% of the total sample in this country because only respondents who brought money in person to a family member or friend in the 30 days prior to the survey were asked how many times they had done so. This is also marked with two asterisks in Figure 9.
[16] It should be noted that the figure from the DRC is based on only 7% of the total sample in this country because only respondents who have sent money to a family member or friend in the 30 days prior to the survey were asked how many times they had done so. This is also marked with an asterisk in Figure 10.
[17] All amounts in this report are in international dollars (Purchasing Power Parity, PPP).

transactions (i.e., Kenya, Uganda, and Tanzania, see Figure 11) — tend to have more remittances sent per sender and are on the smaller end of the spectrum for transaction sizes.

Figure 10: Domestic Remittances — Money Sent to Family Members or Friends, Number of Times Money Was Sent, Largest Amount Sent



In the past 30 days, have you personally sent any money to a family member or friend living in a different city or area in (country)? Please do NOT include any money you gave in person.
% by country
Total = population-weighted average

About how many times have you sent a payment of this kind in the past 30 days?
Country means
Base: those who sent money to relatives or friends
** Less than 10% of respondents in these countries were asked this question*

What was the largest payment you sent in the past 30 days to a family member or a friend living in a different city or area?
Median amount per country
Base: those who sent money to relatives or friends
** Less than 10% of respondents in these countries were asked this question*

Majorities in Kenya, Tanzania, and Uganda Used Mobile Phone to Send Domestic Remittances

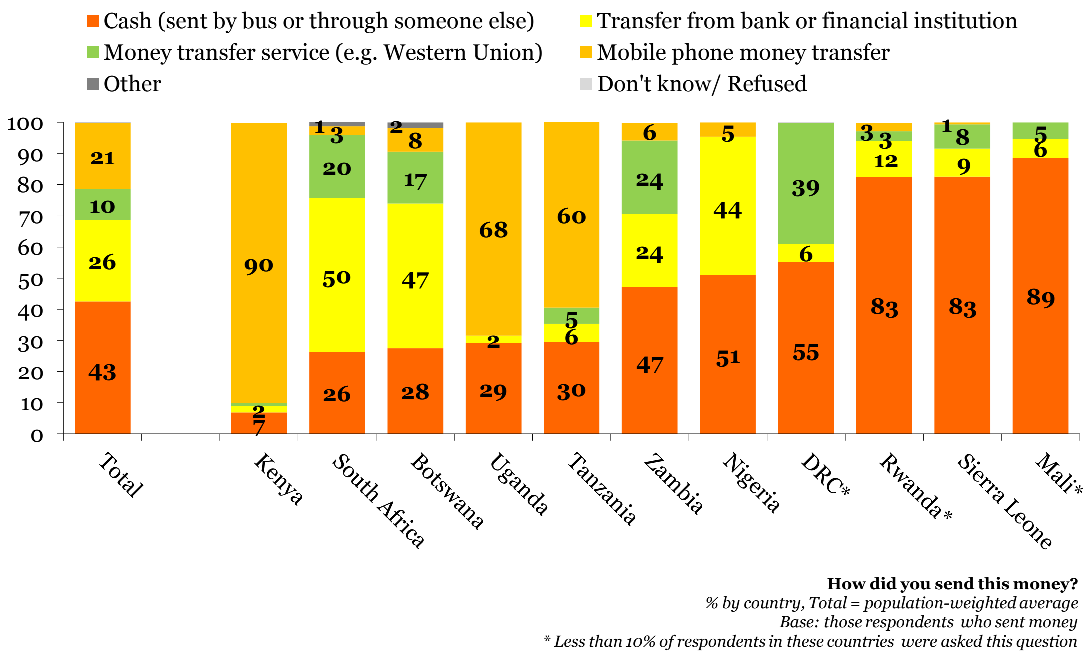
Respondents who reported to have sent domestic remittances either electronically (by mobile phone transfer, bank transfer, or money transfer service) or in cash by bus or someone else were subsequently asked how they sent this money.

Although the question about how the money was sent did not include money brought in person, cash was the most popular channel to send domestic remittances, as Figure 11 demonstrates. More than 4 in 10 (43%) respondents said they sent domestic remittances in cash by bus or through someone else. About a quarter (26%) of respondents used transfers from banks or financial institutions. Two in 10 (21%) sent money by mobile phone and 1 in 10 (10%) used money transfer services such as Western Union.

Yet, the usage of these channels varied widely across the 11 countries surveyed. More than 8 in 10 of those respondents who sent money domestically to friends or relatives in Mali (89%), Rwanda (83%) and Sierra Leone (83%) sent cash, either by bus, courier, a traveling friend or relative. While just 7% of Kenyans sent cash.

In South Africa and Botswana, bank transfers were the most popular channel to send money, (50% and 47% used this channel). Residents of Kenya, Uganda, and Tanzania were the most likely to have used a mobile phone to transfer money. In Kenya, a staggering 90% of those who had sent money domestically in the 30 days prior to the survey had transferred the money via a mobile phone. Uganda and Tanzania lagged with 68% and 60% of respondents, respectively, reporting that they made a mobile-based transaction to send money. These numbers reflect the fact that Kenya, Tanzania, and Uganda have three of the most developed mobile money markets in the world. Fewer than 1 in 10 respondents in the rest of the countries used the mobile phone as a channel to transfer money. Money transfer services were quite popular in the DRC (39%), but a majority of Congolese respondents still sent money in cash (55%).

Figure 11: Channels Used to Send Domestic Remittances



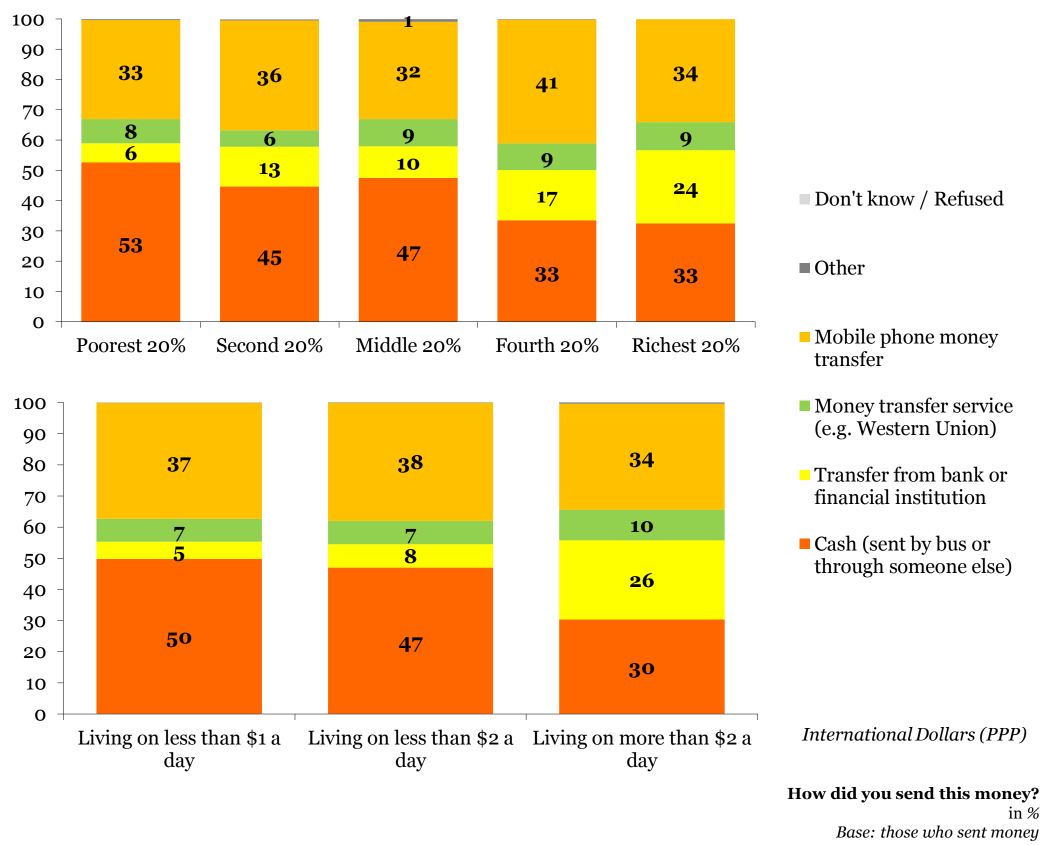
Poor As Likely to Have Sent Domestic Remittances by Mobile As More Affluent Respondents — but Banks Were the Domain of the Rich

When looking only at respondents who reported to have sent money domestically to family members or friends living in a different city or area, an interesting pattern was observed across income groups (Figure 12). The poorest 20% of the population were as likely as the richest 20% to have sent the money by mobile phone (33% vs. 34%). The same was true when comparing those living on less than $1 or $2 a day and those living on more than $2 a day (37%-38% vs. 34%).

However, about half of the poor (be it in absolute or relative terms) still sent cash by bus or through someone else, compared to about a third of the more affluent respondents (the richest 20% of the population and those living on more than $2 a day). About a quarter of the more affluent respondents transferred the money through a bank or financial institution in comparison to less than 1 in 10 of the poor.[18] Thus while rich and poor both use mobile money where available (again, mostly Kenya, Tanzania, and Uganda) in many places banks are the domain of the rich while the poor live in a cash economy.

The percentages using money transfer services such as Western Union were also similar across all income groups but a relatively small part of the market (ranging from 6%-10%). While money transfer services meet the immediate need of moving money, they do not confer a digital store of value as do bank accounts and mobile phone based wallets, which will be key to unlocking many of the alternative uses and positive benefits of mobile money discussed in the introduction.

Figure 12: Channels Used to Send Domestic Remittances Across Income Groups



Residents of Rural Areas More Often Report to Have Sent Domestic Remittances via Mobile Phone Transfer

Respondents from rural areas who sent money in the 30-day period prior to the interview were considerably more likely to have sent domestic remittances via mobile phone transfer (42%) than those living in small towns or villages (31%), large cities (27%) or suburbs (26%), as Figure 13 reveals. Among

[18] Please note that the proportion of those who sent money per bank transfer among those living on more than $2 d a day is slightly higher than the corresponding share among the richest 20% of the population (26% and 24%, respectively). This difference is statistically insignificant. If the survey was conducted 100 times, under the exact same conditions, the true value for the former group would lie between the lower (21.4%) and upper bound (30.1%) in 95 of 100 times. The lower bound for the latter group is 19.2% and the upper bound is 29.6%.

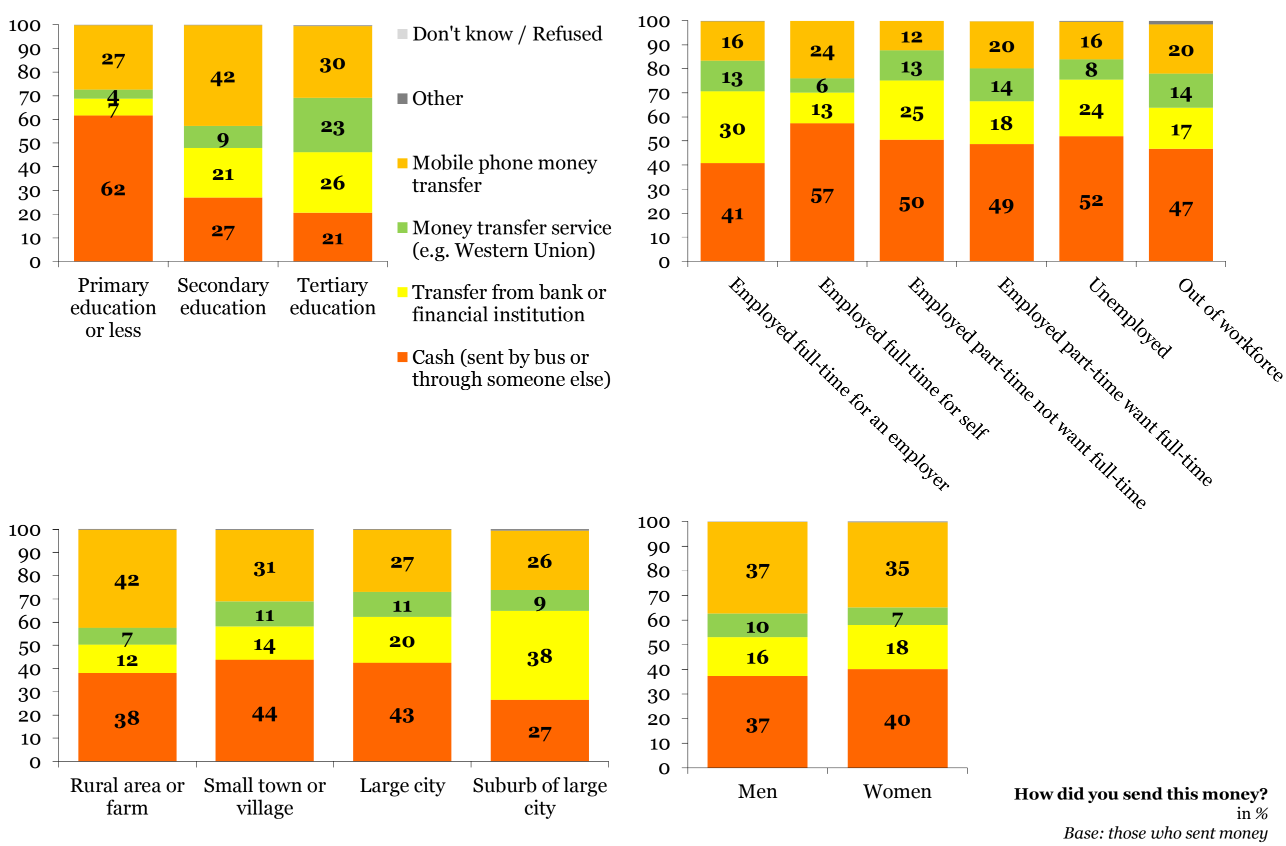
respondents from rural areas or farms, mobile phone money transfers were even more popular than sending cash by bus or through someone else (38%). In small towns and villages and in large cities, cash was the channel number one to send money (44% and 43%, respectively), while people living in suburbs of large cities most often used bank transfers (38%).

Respondents with average levels of education (secondary education) were clearly most likely to use mobile phone transfers (42%), while those with high levels of education were similarly likely to use mobile phone transfers and bank transfers.

The self-employed (full-time) were the most likely to use cash sent by bus or through someone else (57%) and full-time employees were the least likely to do so (41%). Still even among the latter group, cash was the top sending channel for domestic remittances, followed by bank transfers (30%). Among the self-employed mobile phone transfers were the second most popular sending channel.

The use of channels to send domestic remittances hardly differed between men and women.

Figure 13: Channels Used to Send Domestic Remittances Across Different Levels of Urbanization, Education, Employment Status and Gender



3. Domestic Remittances — Receiving Money

General Overview of Recipients

This chapter deals with the following two questions:

- In the past 30 days, have you personally received any money from a family member or friend living in a different city or area in (country)? Please do NOT include any money you received in person.

- In the past 30 days, have you personally received or been brought any money IN PERSON from a family member or friend living in a different city or area in (country)? Here we are talking about any money you were given in person by a family member or a friend.

Following the same structure as Chapter 2, this chapter will first give a general overview of recipients of domestic remittances across the region. It combines the answers to both questions listed above, essentially to put those respondents into one category who had either received money brought in person by a family member or friend living in a different city or who had received money in cash sent by bus through someone else. This group, which will subsequently be labeled “received money only in cash /in person,” had not received domestic remittances via any electronic distribution channels (such as bank transfers, money transfer services or mobile phone-based transaction models).

Apart from this group, the figures in the following sections will show three other categories of respondents:

- “Received money only electronically” — respondents falling into this group have exclusively received money through bank transfers, money transfer services, or mobile phone-based transaction models. They have not received cash by bus or courier and had not been brought cash in person by a family member or friend living in a different city or area in the 30 days prior to the survey.

- “Received money electronically and in cash/or in person”-— respondents in this category have received money both in cash brought by bus, someone else or in person as well as electronically.

- “Neither received money nor been brought money in person” — this group did not receive any domestic remittances at all in the given timeframe.

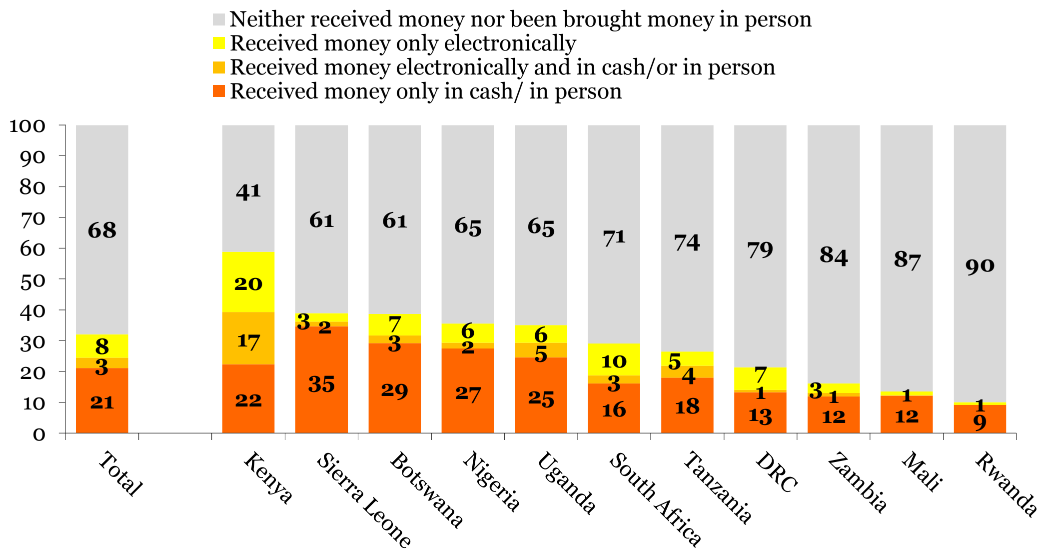
After presenting this general overview of recipients of domestic remittances — including a discussion of differences between various socio-demographic groups — this chapter will provide detailed information on results of the two questions listed above. It will show how many times domestic remittances were received on average. Furthermore, the data on the largest amounts received will be discussed.

Kenyans Also Most Likely to Have Received Domestic Remittances

In general, residents of the 11 African countries surveyed were more likely to have received money from friends or family members living in different areas of the country than to have sent money (32% vs. 20%). A total of 21% across the 11 countries, as Figure 14 shows, received domestic remittances only in cash delivered by bus, courier or a traveling friend or relative or were brought money in person; 8% received the money only electronically, and 3% received it both ways.

Kenyans again stood out in that they were much more likely than residents of the other nations to say that they received domestic remittances – either in person or sent by bus, courier or electronically (59%). In the other countries, fewer than 4 in 10 respondents said that they had received money from somebody living in another city or area. In Zambia, Mali, and Rwanda fewer than 2 in 10 had received money.

Figure 14: Domestic Remittances — Money Received

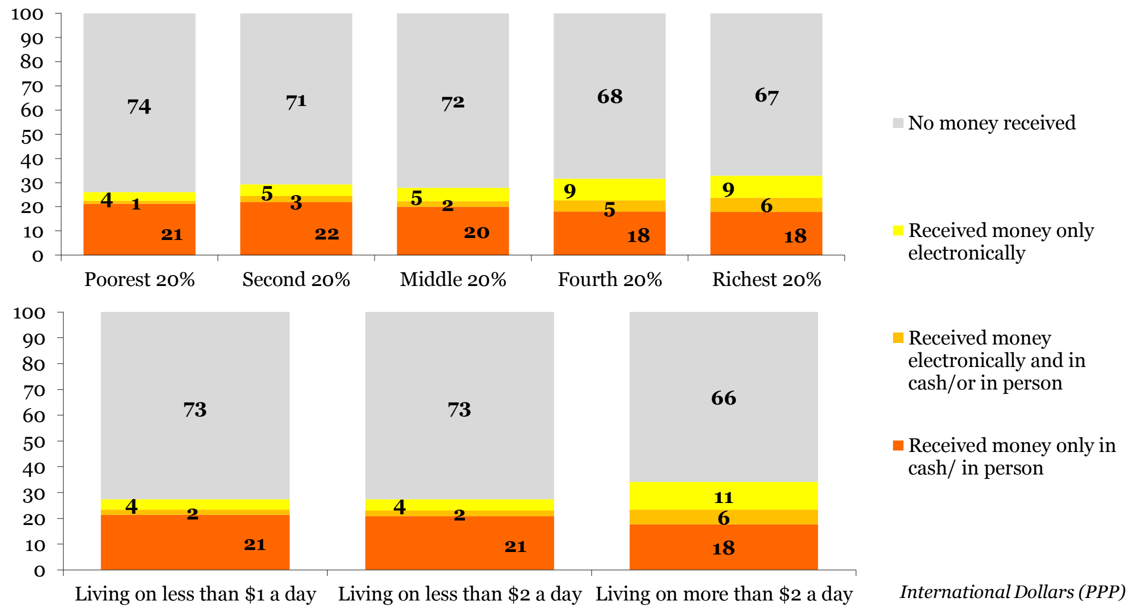


In the past 30 days, have you personally received any money from a family member or friend living in a different city or area in (country)? Please do NOT include any money you received in person.
&
In the past 30 days, have you personally received or been brought any money IN PERSON from a family member or friend living in a different city or area in (country)? Here we are talking about any money you were given in person by a family member or a friend.
% by country
Total = population-weighted average

Affluent Respondents More Likely to Have Received Domestic Remittances, But Not by Much

The differences between income groups in receiving domestic remittances were relatively small (see Figure 15). About a quarter of the poorest 20% of the population and those living on $1 or $2 a day reported being a recipient of domestic remittances in the 30 days prior to the survey, compared to a third among the richest households and those living on more than $2 day. Despite this gap, the poor were slightly more likely to say that they received money only in cash or in person than those who were better off financially (21% vs. 18%). Among the richest respondents and those living on more than $2 a day, roughly 1 in 10 respondents received the money only electronically. In contrast, just 4% of the poor (both in relative and absolute terms) received money only via bank transfer, money transfer service, or mobile phone.

Figure 15: Domestic Remittances: Differences in Receiving Money Between Different Levels of Income



In the past 30 days, have you personally received any money from a family member or friend living in a different city or area in (country)? Please do NOT include any money you received in person.
&
In the past 30 days, have you personally received or been brought any money IN PERSON from a family member or friend living in a different city or area in (country)? Here we are talking about any money you were given in person by a family member or a friend.
in %

Domestic Remittances Do Not Necessarily Flow From Cities to Rural Areas, Typical Story of Men Being Senders of Remittances and Women Recipients Doesn't Play Out

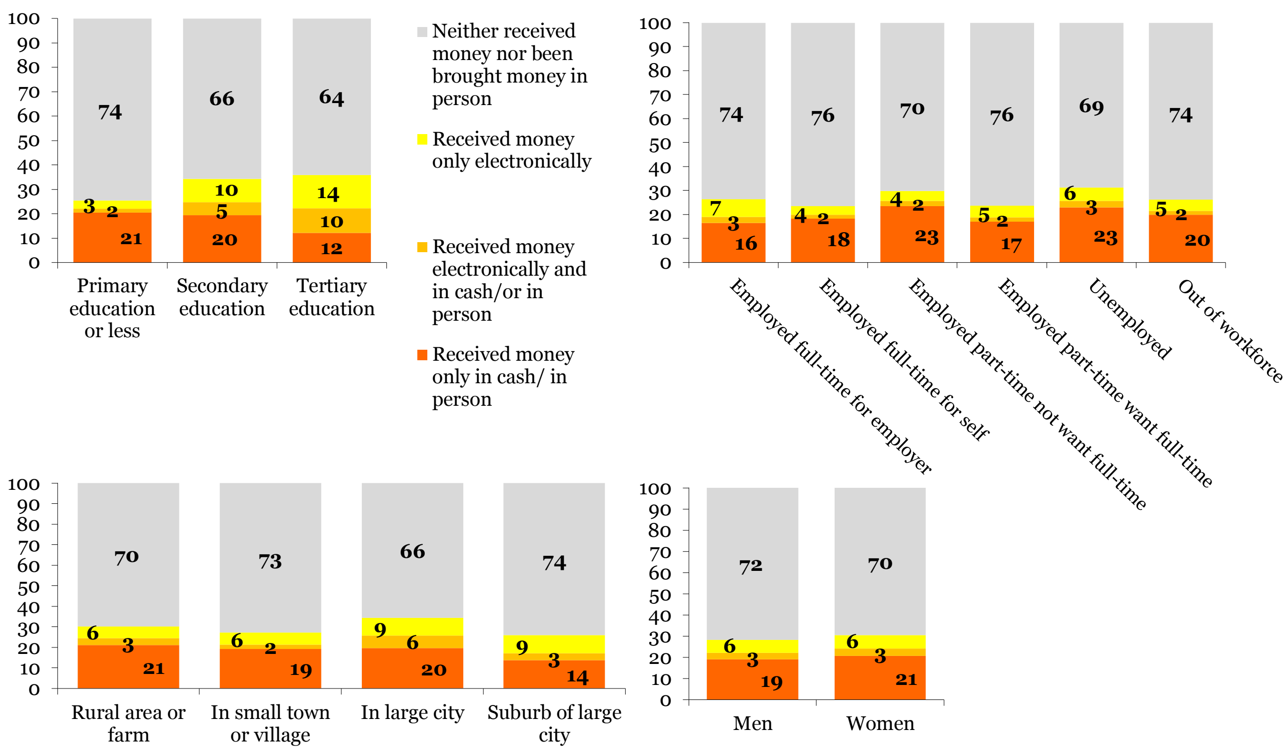
Contrary to what is often believed, money in African countries is not necessarily mostly flowing from the cities to the rural areas or villages, as Figure 16 shows. In fact, large city dwellers were slightly more likely to have received domestic remittances than inhabitants of rural areas or villages (34% vs. 30% and 27%, respectively). Another interesting finding is that large city dwellers were as likely to have received money exclusively in cash or in person as inhabitants of rural areas or villages (20% vs. 19%-21%). In combination with the figures on the sending of money, this study seems to suggest that domestic remittances also often flow from city to city, instead of being mostly channeled from the large urban centers to rural areas.

Another interesting finding is that the typical story of men being senders and women being recipients of domestic remittances does not accurately reflect reality. In fact, the data reveals that the differences in sending as well as in receiving domestic remittances between both genders are minuscule. Thirty percent of women reported having received domestic remittances, compared to 28% of men. As the previous chapter has shown, men were only slightly more likely than women to having sent or brought money to family members or friends in the 30 days prior to the interview (21% vs. 18%).

Looking at the educational groups, about a quarter of respondents with low levels of education received money from friends or relatives living in another city or area in the given 30-day period, compared to about a third of respondents with average and high levels of education. Respondents with a university education were more than 4 times as likely to have received money only electronically as those with without school leaving certificate or primary education (14% vs. 3%).

Unemployed respondents and those working part-time who do not want to work full-time most often said they were recipients of domestic remittances (31%-30%, compared to 26% of those out of the workforce, and those employed full-time for an employer, and 24% of those employed full-time for themselves, and those employed part-time who want to work full-time).

Figure 16: Domestic Remittances: Differences in Receiving Money Between Different Levels of Urbanization, Education, Employment Status, and Gender



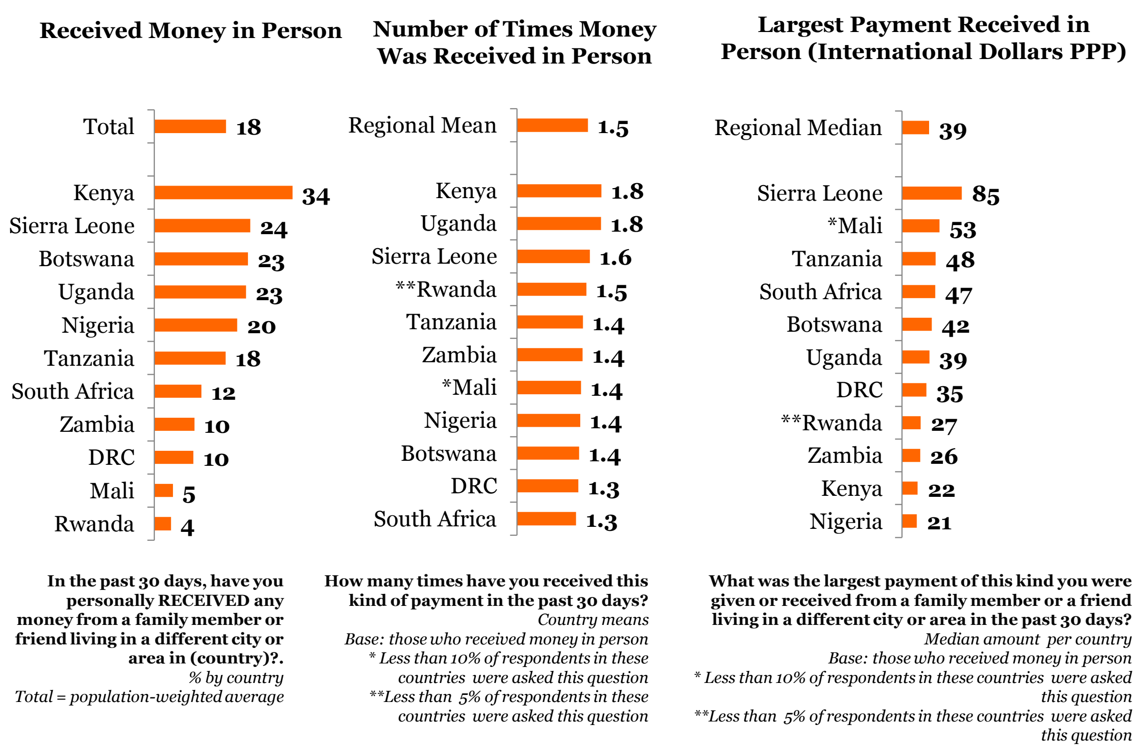
In the past 30 days, have you personally received any money from a family member or friend living in a different city or area in (country)? Please do NOT include any money you received in person.
&
In the past 30 days, have you personally received or been brought any money IN PERSON from a family member or friend living in a different city or area in (country)? Here we are talking about any money you were given in person by a family member or a friend.
in %

Focus on Respondents Who Received Money in Person

After this general overview of recipients of domestic remittances across Sub-Saharan Africa, this section will go more into detail and shed more light on those respondents who received money *in person* from family or friends living in a different city or area in the 30 days before being interviewed (see Figure 17).

A total of 18% of respondents across the 11 African nations surveyed received money in person from family or friends living in a different city or area. About a third (34%) Kenyan residents said they had been brought money in person by a family member or friend. In stark contrast, in Rwanda and Mali about 1 in 20 (4% and 5%, respectively) reported this.

Figure 17: Domestic Remittances — Money Received in Person From Family Members or Friends, Number of Times Money Was Received, Largest Payment Received



Among those respondents who had received money in person in the 30 day-period prior to the survey, the average respondent received money 1.5 times in this timeframe. The average number of times a payment was received ranged from 1.3 in the DRC and South Africa to 1.8 in Kenya and Uganda.

The regional median of the largest payment received in person was $39. On a country basis, the median amounts varied from $21 in Nigeria to $85 in Sierra Leone.

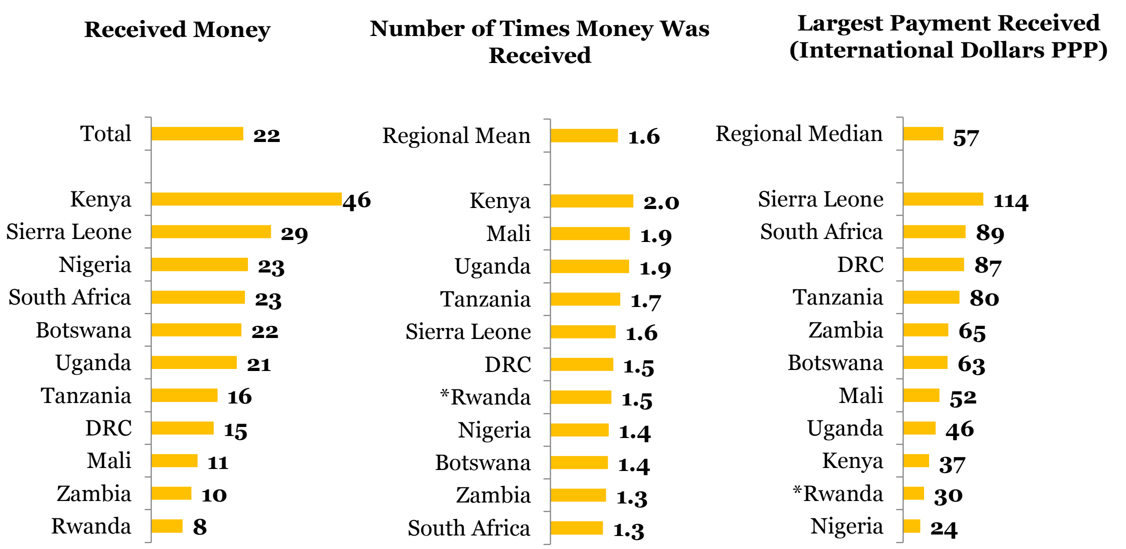
Focus on Respondents Who Received Money, Excluding Money Received in Person

This section as well as the remainder of the chapter will focus on respondents who received money from a family member or friend living in a different city or area either electronically (via mobile phone, bank transfer, or money transfer service) or in cash sent by bus or courier. It explicitly excludes money received in person from a family member or friend.

As Figure 18 shows, a total of 22% across the 11 African countries surveyed received money from a relative or friend living in a different city or area either electronically or in cash sent by bus or courier.

Kenyans again stood out in that they were much more likely than were residents of the other nations to say that they received money in the past 30 days (46%). In the other countries, fewer than 3 in 10 respondents said that they had received money from somebody living in another city or area. Roughly, 1 in 10 interviewees in Rwanda, Zambia, and Mali had received money.

Figure 18: Domestic Remittances — Money Received from Family Members or Friends, Number of Times Money Was Received, Largest Payment Received



In the past 30 days, have you personally received any money from a family member or friend living in a different city or area in (country)? Please do NOT include any money you received in person.
% by country
Total = population-weighted average

In the past 30 days, how many times have you received this kind of payment?
Country means
Base: those who received money from relatives or friends
** Less than 10% of respondents in these countries were asked this question*

What was the largest payment of this kind you received from a family member or a friend living in a different city or area in the past 30 days?
Median amount per country
Base: those who received money from relatives or friends
** Less than 10% of respondents in these countries were asked this question*
***Less than 5% of respondents in these countries were asked this question*

Across the 11 African nations, a respondent who had received money in the 30 days prior to the survey from family members or friends living in a different city or area received it 1.6 times on average. Residents of Mali, Kenya, and Uganda had received money roughly twice on average, while residents of Zambia and South Africa only received money 1.3 times on average.

The regional median of the largest payment received was $57. On a country basis, the respective medians ranged from $24 in Nigeria to $114 in Sierra Leone.

Bank Transfers and Mobile Phone Money Transfers Used More Often to Receive Domestic Remittances Than Money Transfer Services

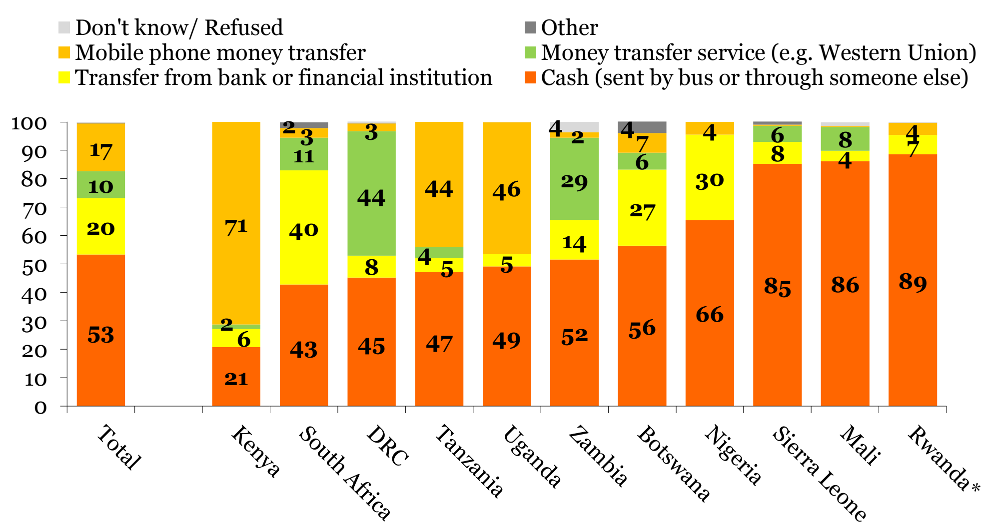
Despite excluding money that was received in person, a slight majority (53%) of adults in the 11 countries surveyed said they received domestic remittances in cash, sent either by bus or through someone else (see Figure 19). Two in 10 (20%) respondents reported to have received money through transfers from banks or financial institutions. A similar share (17%) had received the money via mobile phone transfer. One in 10 (10%) respondents said that they received money through money transfer services.

Kenyans were the least likely to have received the money in cash sent by bus or through someone else (21% of those who had received domestic remittances). Instead, 7 in 10 (71%) Kenyans received the money through mobile-based transactions. Ugandan and Tanzanian residents were as likely to report that they received money through a mobile phone transfer, as they were to say that they received cash sent bus or through someone else.

Money transfer services such as Western Union were popular in the DRC (44%) and Zambia (29%). Residents in Sierra Leone (85%), Mali (86%), and Rwanda (89%) were most likely to say they received the money in cash.

Transfers from banks or financial institutions to receive domestic remittances were most common in South Africa (40%), Nigeria (30%), and Botswana (27%). In the latter two, however, majorities still received cash.

Figure 19: Channels Through Which Domestic Remittances Were Received



How did you receive this money?
% by country
Total = population-weighted average
Base: those who received money
Less than 10% of respondents in this country were asked this question

Even Countries With the Most Developed Retail Banking Sector Significantly Dominated by Cash Based Transfers

Countries with the highest degree of development in the retail banking sector are the ones which have the most bank transfers, but they are also significantly dominated by cash based transfers (as has been shown in the previous section). As Table 2 shows, South Africa and Botswana have 8 bank branches per 100,000 adults, and Nigeria has 6.4, whereas Kenya, the next highest, has only 4.4, and Tanzania and Rwanda are both below 2. Meanwhile Kenya has close to 140 mobile money agents per 100,000 adults.[19]

Deployment of retail bank infrastructure is much more expensive than mobile money agents. Thus, coverage of banks is very uneven in most countries, tending to be focused in richer areas while ignoring vast swathes of rural and poor areas. In contrast, mobile money can be more evenly distributed throughout the country due to the low cost of setting up and operating mobile money retail agents.[20]

Table 2: Bank Branches per 100,000 People Across Sub-Saharan Africa in 2010

	Bank branches per 100,000 people
Botswana	8
South Africa	8
Nigeria	6.4
Kenya	4.4
Zambia	3.6
Mali	3.5
Uganda	2.3
Sierra Leone	2.3
Rwanda	1.9
Tanzania	1.8
DRC	No data available

Source: CGAP, Financial Access Report 2010.

Poor Less Likely to Receive Money via Mobile Phone Than More Affluent Respondents

Unlike the pattern found for the channels to send domestic remittances (see Chapter 1), among those who had received money, poor respondents (regardless of looking at absolute or relative poverty) were less likely than more affluent respondents to have received money via mobile phone transfers (see Figure 20). For example, 16% of the poorest 20% of the population received domestic remittances via mobile phone transfer, in comparison with 27% of the richest 20%.

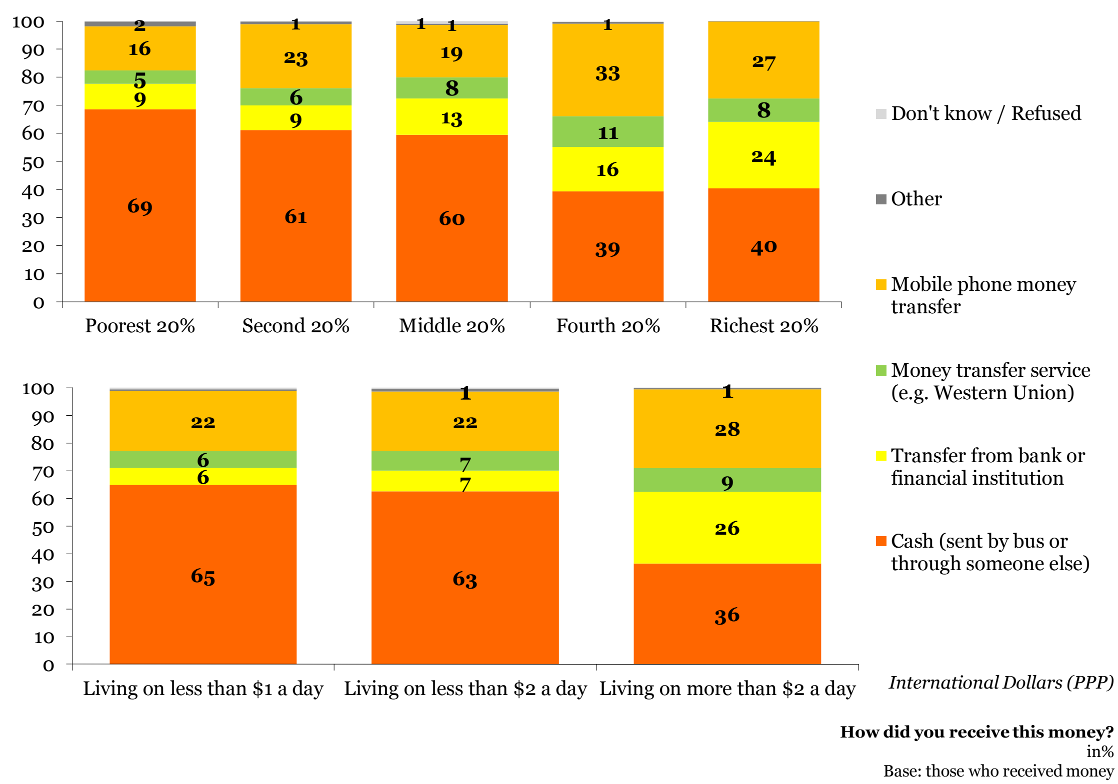
[19] These numbers are the result of the author's calculations based on numbers published on the Safaricom webpage, accessible at: www.safaricom.co.ke/ -; and the CIA Fact Book, accessible at: https://www.cia.gov/library/publications/the-world-factbook/

[20] Mas Ivatury (2008) The Early Experience with Branchless Banking; CGAP Focus Note 46

Furthermore, majorities of poorer respondents received money sent to them in cash by bus or via courier from friends or relatives living in a different city or area, while a majority of the more affluent received domestic remittances via electronic channels. This finding underscores the great need to find new ways to expand mobile money transfers to poor households in Sub-Saharan Africa.

The richest 20% of the population slightly more often reported having received money via mobile phone transfer (27%) than via bank transfer (24%).[21]

Figure 20: Channels Through Which Domestic Remittances Were Received Across Income Groups



Residents of Rural Areas Almost Twice as Likely to Receive Money by Mobile Phone Than Respondents from Villages and Small Towns

Interestingly, while 28% of residents of rural areas or farms received money via mobile phones, just 15% of respondents from villages and towns had received money through this channel (see Figure 21). Large city dwellers as often reported to have received the money per mobile as to state that they received it via bank transfer (21% and 23%, respectively). Bank transfers were quite popular receiving channels among those living in suburbs (31%).

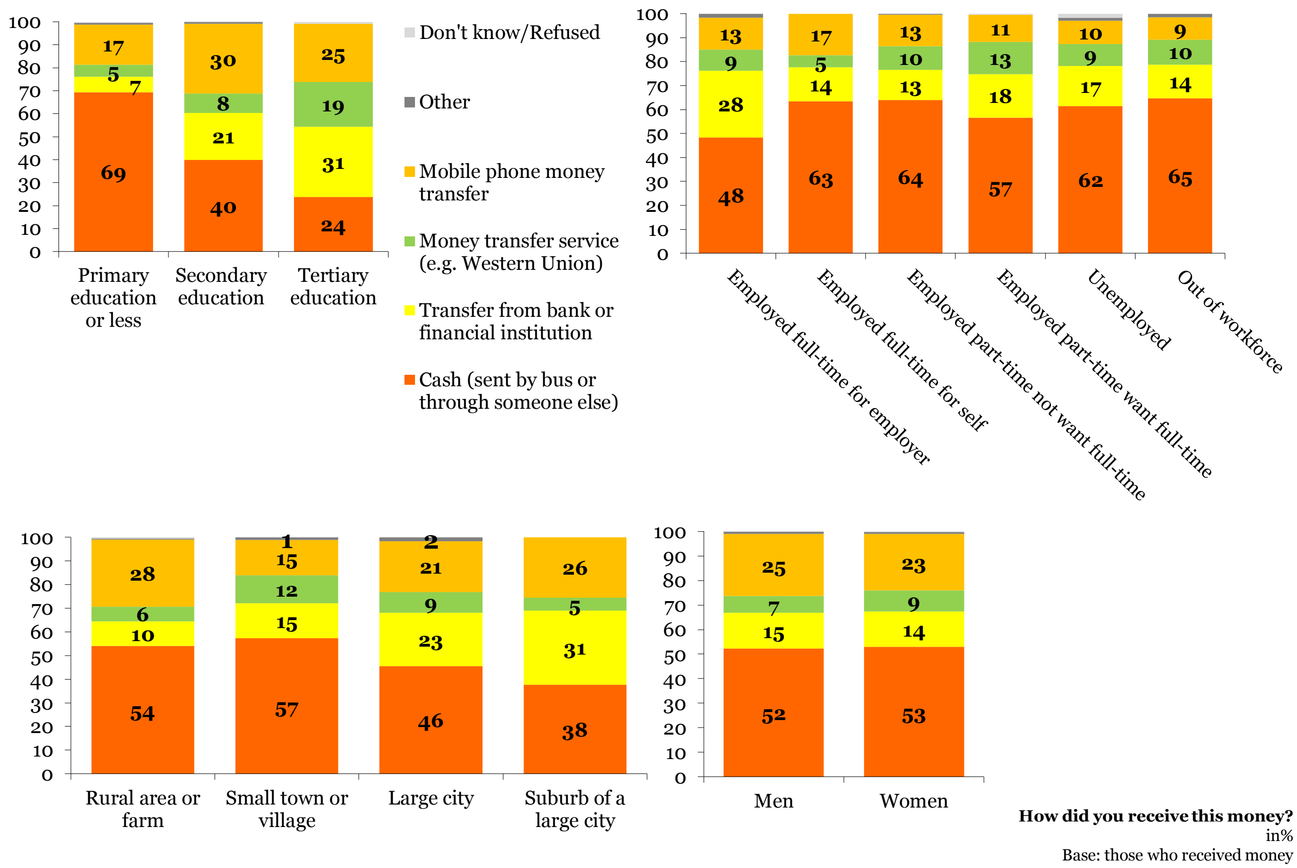
[21] Please note that the proportion of those who received money per bank transfer among those living on more than $2 a day is slightly higher than the corresponding share among the richest 20% of the population (26% and 24%, respectively). This difference is statistically insignificant. If the survey was conducted 100 times, under the exact same conditions, the true value for the former group would lie between the lower (22.3%) and upper bound (30%) in 95 of 100 times. The lower bound for the latter group is 19% and the upper bound is 29.3%.

Respondents with average and high levels of education were more likely to have received money via mobile phone transfer than those with lower levels of education (25%-30% vs. 17%). Furthermore, 7% of the latter group received money through bank transfers, compared to 21% of respondents with secondary education and 31% of university graduates.

Full-time employees were more likely than the self-employed, those employed part-time, those out of the workforce, and the unemployed to have received money via bank transfer (28% vs. 13%-18%).

The use of channels through which domestic remittances were received did not differ substantially between men and women.

Figure 21: Channels Through Which Domestic Remittances Were Received Across Different Levels of Urbanization, Education, Employment Status, and Gender



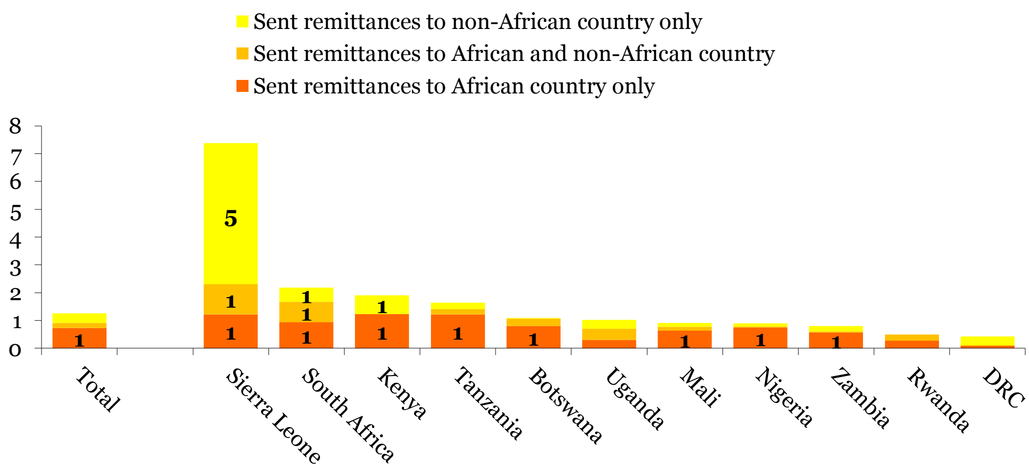
4. International Remittances

Few Respondents Across Sub-Saharan Africa Sent International Remittances

In all African nations surveyed, with the exception of Sierra Leone, only a handful of respondents sent money to another African country or to a country outside of Africa (see Figure 22).

Respondents in Sierra Leone were the mostly likely of all countries to report sending international remittances, with 7% having sent international remittances in the 30-day period before being interviewed, 5% sending money to a non-African country, 1% sending remittances to an African country, and 1% sending remittances to both an African and a non-African country. This relatively high rate of international remittance sending compared to the other countries is likely driven by the large Sierra Leonean diaspora throughout the region and in Europe, which grew during the civil war that ended in 2002. Additionally, the fact that major cash crop harvests in the region coincided with the timing of this survey may indicate that the sending and receiving behavior may be abnormally high and not reflective of other times of the year.

Figure 22: International Remittances Sent



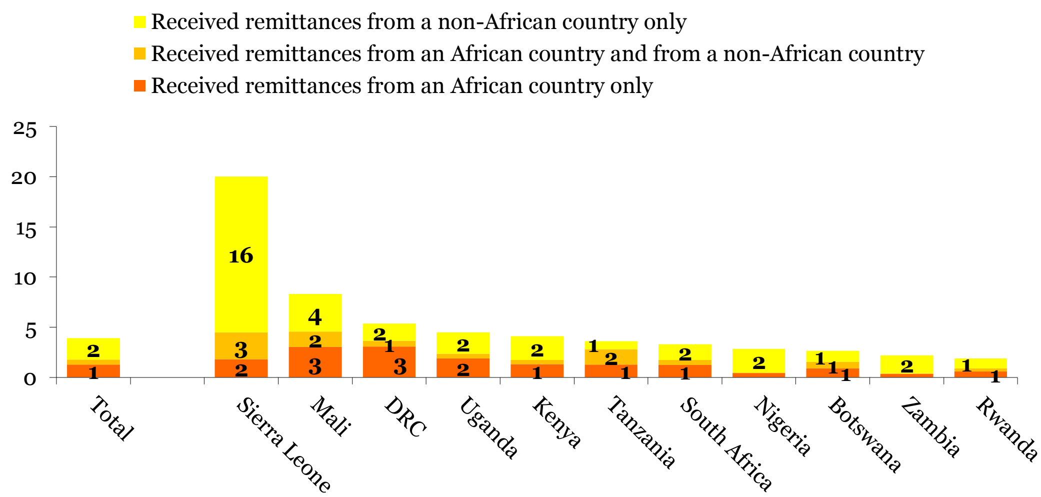
In the past 30 days, have you personally sent any money to a family member or friend living in a different country in Africa?
&
In the past 30 days, have you personally sent any money to family member or friend living outside of Africa?
% "Yes", by country, values <1 % not shown
Total = population-weighted average

Sub-Saharan Africans More Likely to Receive Than to Send International Remittances

Respondents in the region were more likely to be recipients of international remittances than to be senders. However, the percentages of households that received international remittances in the 30-day period before the interview from either an African country or a non-African country were still generally low (see Figure 23). The exception is Sierra Leone, where about 2 in 10 respondents received international remittances: 16% received money from a non-African country only; 2% received money from another African country only, and 3% received money from both an African and a country outside of Africa. In the rest of the countries, respondents slightly more often reported to have received money from outside of Africa, when compared to the remittances flowing in from other African countries. In addition to Sierra Leone, Mali and the DRC were the only two countries where more than 5% of interviewees had received international remittances.

While international remittances have been high on the development policy agenda in the past few years, the rate of domestic remittances in most countries dwarfs that of international remittances in these countries, sometimes by a high multiple. This speaks to the need to elevate the importance of domestic remittances in policy discussion and increasing efforts to enable the market for domestic remittance services.

Figure 23: Receiving International Remittances



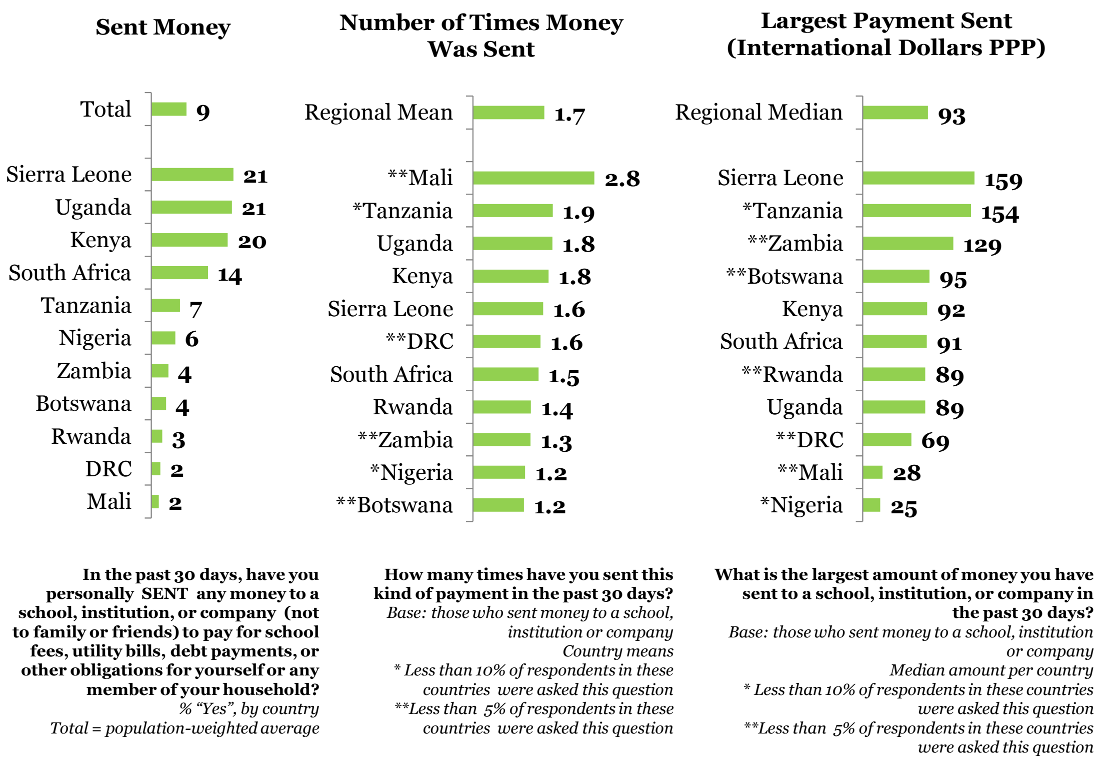
In the past 30 days, have you personally received any money from a family member or friend living in another country in Africa?
&
In the past 30 days, have you personally received any money from a family member or friend living outside of Africa?
% "Yes", by country, values <1 % not shown
Total = population-weighted average

5. Paying Bills and Commercial Transactions

About 1 in 10 Sub-Saharan Africans Sent Money to a School, Institution, or Company

Payments sent to a school, institution or company, excluding payments done in person, were not particularly widespread in the African countries surveyed (see Figure 24). In total about 1 in 10 (9%) Sub-Saharan Africans sent money to a school, institution, or company in the 30 days preceding the interview. Respondents in Sierra Leone, Uganda, and Kenya were most likely to report these kinds of payments, with about 2 in 10 doing so. In sharp contrast, only 2% of residents in Mali and the DRC were sending this kind of payment.

Figure 24: Money Sent to a School, Institution, or Company to Pay Fees, Utility Bills, Debt Payments, or Other Obligations



Those who reported having sent money to schools, institutions, or businesses did so 1.7 times on average in the 30 days before the interview. The country averages ranged from 1.2 times in Botswana and Nigeria to 2.8 times in Mali.[22]

The regional median for the largest payment sent to a school, institution or company was $93. On a country basis, the medians for the largest payment of this kind ranged from $25 in Nigeria to $159 in Sierra Leone.

[22] Please note that the figure from Mali is based on 2% of the total sample; the figure from Botswana on 3% and the figure from Nigeria on 6% of the total sample.

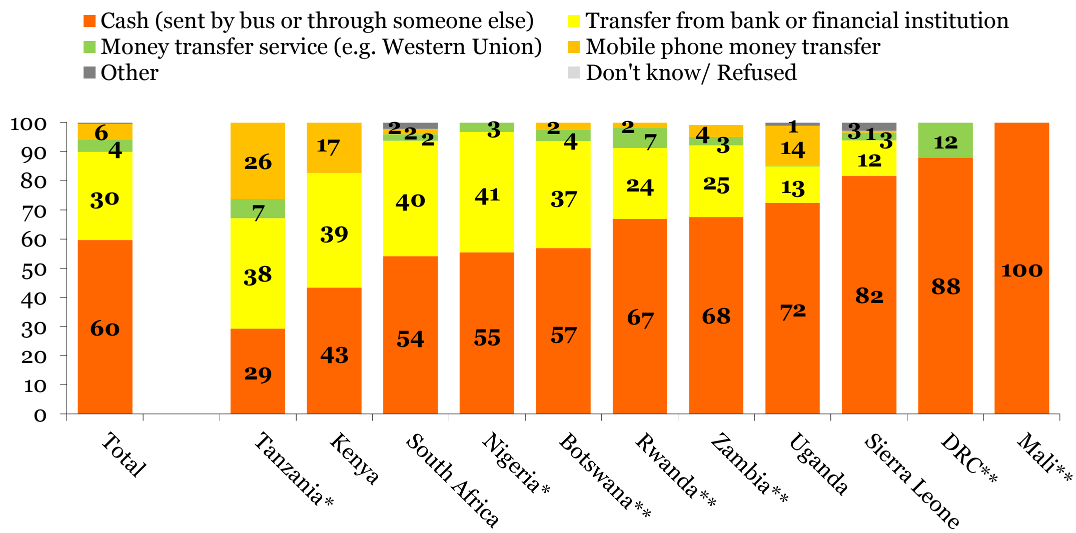
Majority of Sub-Saharan Africans Who Sent Payments to Schools, Institutions, or Companies Used Cash

Respondents who did send payments to schools, institutions or companies were most likely to use cash sent by bus or through someone else (60%), followed by transfers from banks, or financial institutions (30%), as Figure 25 reveals. Six percent used mobile-based transactions, and 4% used money transfer services.

In most countries, cash was the number one channel to send this kind of payment. Only in Tanzania, a bank transfer was the most popular channel, named by 38% of respondents. In Kenya, 39% of respondents made a bank transfer and 43% sent money in cash.

Residents in Tanzania (26%), Kenya (17%), and Uganda (14%) were significantly more inclined to use the mobile phone to make payments to schools, companies, or institutions than were residents of other countries; however, banks and cash still dominate these markets.

Figure 25: Channels Used to Send Money to a School, Institution, or Company to Pay Fees, Utility Bills, Debt Payments, or Other Obligations

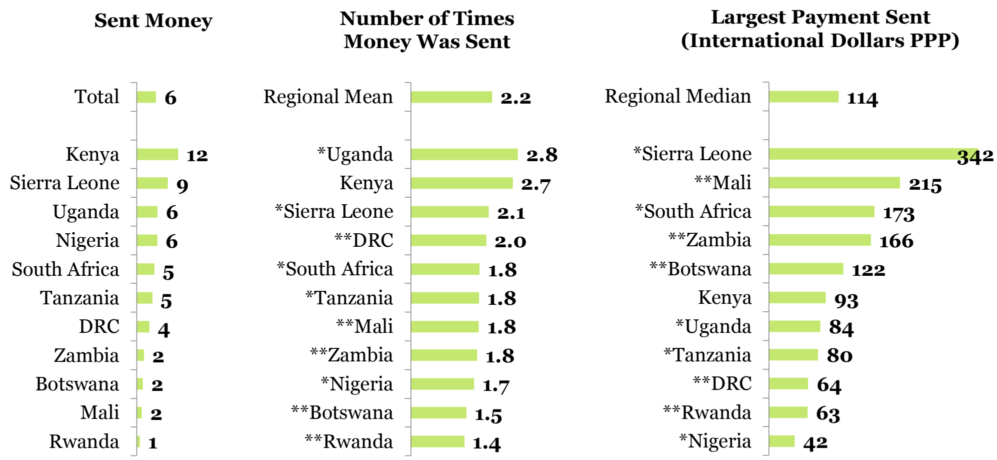


How did you send this money?
% by country, Total = population-weighted average
Base: those who sent money to a school, institution or company
** Less than 10% of respondents in these countries were asked this question*
***Less than 5% of respondents in these countries were asked this question*

Few Africans Sent Money as Payment to a Person or Business from a Different City or Area as Payment for Goods or Services Purchased

About 1 in 20 (6%) of Africans in the countries surveyed said that they had sent money to a person or business located in a different city or area as payment for goods or services they purchased — ranging from 1% in Rwanda to 12% in Kenya (see Figure 26).

Figure 26: Sent Money as Payment to a Person or Business From a Different City or Area as Payment for Goods or Services Purchased



In the past 30 days, have you personally SENT any money to a person or business in a different city or area as payment for goods or services you purchased?
% "Yes", by country
Total = population-weighted average

How many times have you sent this kind of payment in the past 30 days?
Base: those who sent any money to a person or business as payment for goods or services
Country means
** Less than 10% of respondents in these countries were asked this question*
***Less than 5% of respondents in these countries were asked this question*

What was the largest payment of this kind you sent to a business or person located in a different city or area in (country) to buy things from them?
Base: those who sent any money to a person or business as payment for goods or services
Median amount per country
** Less than 10% of respondents in these countries were asked this question*
***Less than 5% of respondents in these countries were asked this question*

Those who sent money for this purpose did so slightly more often than twice in the given 30-day period (2.2 times). In Uganda and Kenya, respondents made 2.8 and 2.7 of these payments on average, while residents of Botswana and Rwanda did so 1.5 and 1.4 times on average.[23] The regional median of the largest payment sent was $114, a relatively high amount compared to the results shown in previous sections. Sierra Leone once again topped the list with a median of the largest amount of $342 and Nigeria was again found at the bottom of the distribution (with a median of $42).[24]

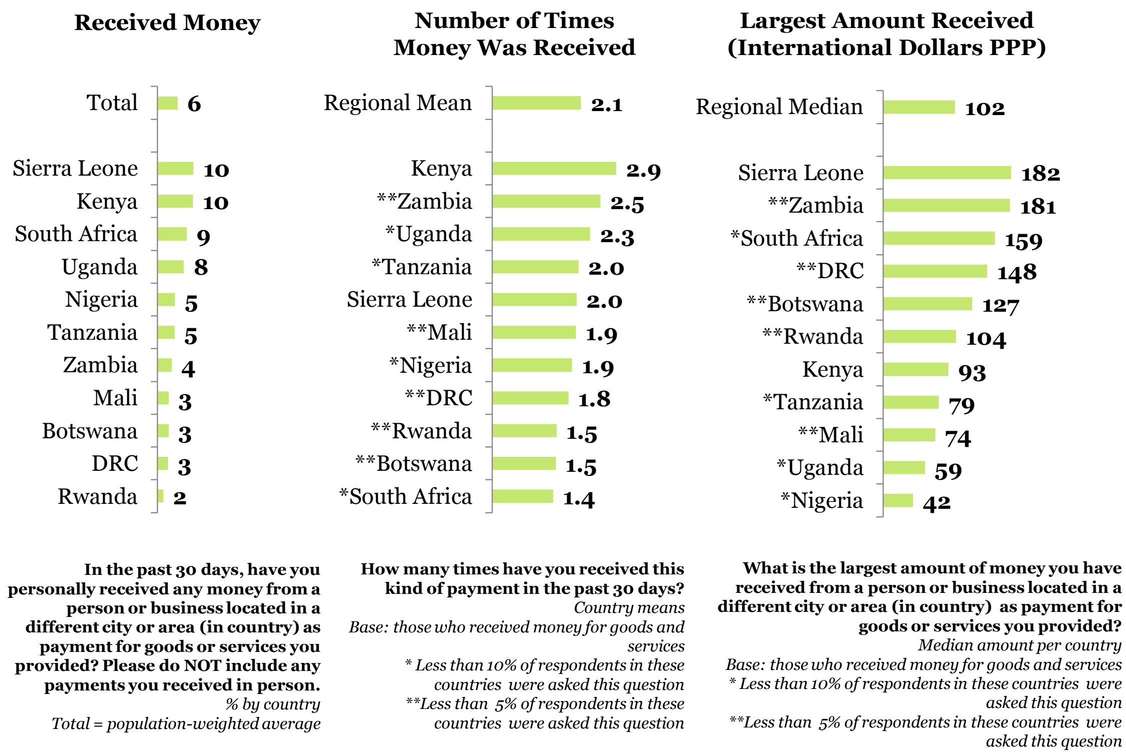
About 1 in 20 Africans Received Money From a Person or Business From a Different City or Area for Goods and Services Provided

Respondents were also asked whether they received money from a person or business located in a different city or area for goods or services provided in the 30 -day period prior to the interview. In fact, a similar picture emerged when comparing the results with those presented about sending money to a person or business located in a different city or area for goods or services purchased (see previous section).

A total of 6% of respondents across the region reported to have received money from a person or business located in a different city or area for goods or services provided, as Figure 27 shows, ranging from 2% in Rwanda to 10% in Kenya and Sierra Leone.

[23] Please note that the figure from Uganda is based on 6% of the total sample; the figure from Botswana on 2%, and the figure from Rwanda on 1% of the total sample.
[24] Please note that the figure from Sierra Leone is based on 9% of the total sample; the figure from Nigeria is based on 6% of the total sample.

Figure 27: Received Money From Person or Business From a Different City or Area for Goods and Services Provided



Those who received money for goods and services provided in the 30 days prior to the survey, on average reported that they received it roughly twice in this timeframe (regional mean: 2.1 times). While Kenyans reported receiving this kind payment about 3 times on average, South Africans received it 1.4 times.

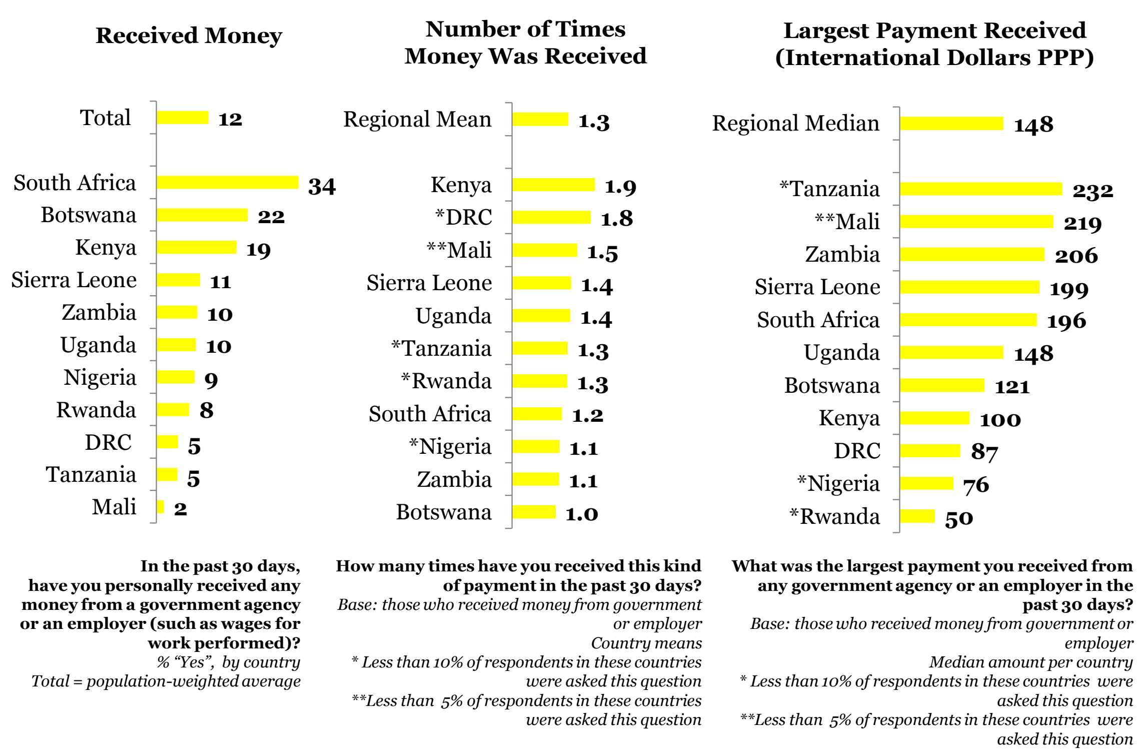
The regional median for the largest amount received from a person or business from a different city for goods and services provided was $102. Looking at the individual country results the medians ranged from $42 in Nigeria to $182 in Sierra Leone.

6. Receiving Money From Government Agencies or Employers

South Africans Most Likely to Have Received Money From Government or Employers

A total of 12% of adults across the region reported to have received money from a government agency or an employer, such as wages for work performed in the 30 days prior to being interviewed. South Africans were by far the most likely to have received money from a government agency or an employer (34%). South Africa has higher levels of formal employment when compared with other countries from the region. It also has a variety of government safety net programs that likely account for this comparatively high share of recipients. In Botswana and Kenya, about 2 in 10 respondents (22% and 19%, respectively) reported receiving this kind of payment. In all other countries, relatively few respondents received money from the government or employers, likely owing to the lower levels of formal employment, ranging from 11% in Sierra Leone to 2% in Mali.

Figure 28: Money Received From Government Agencies or Employers



Those who did receive money from government or employers in the 30 days prior to being interviewed, received it slightly more than once on average in this timeframe (regional mean: 1.3 times). On a country basis, the average number of times money was received ranged from 1.9 in Kenya to 1.0 in Botswana. The regional median of receiving money from government agencies or employers was $148. The individual country results varied considerably from $50 in Rwanda to $232 in Tanzania.[25]

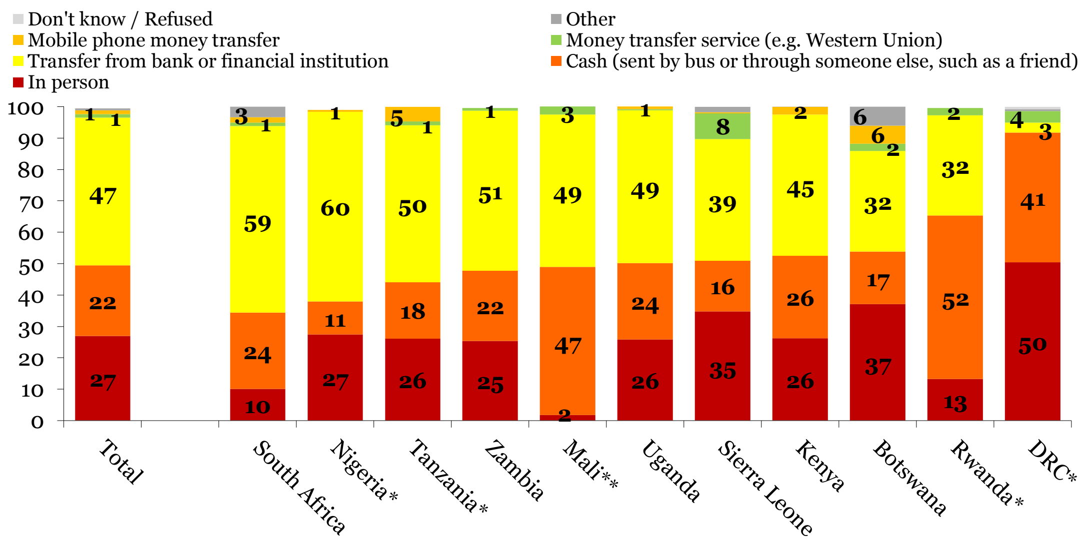
[25] Please note that the figure from Tanzania is based on 5% of the total sample; the figure from Rwanda is based on 8% of the total sample.

Payment Methods of Government Agencies and Employers Most Advanced in South Africa and Nigeria

Across the 11 countries that were surveyed for this study, payments received from government agencies or employers were as likely to be paid in person in cash or sent as cash by bus or through someone else as to be paid by bank transfer. Money transfer services or mobile phone money transfers were rarely used, even in Kenya.

Government agencies and employers in South Africa and Nigeria were the most advanced in that more than 6 in 10 respondents who were paid by the government or employers received their money electronically (mostly by bank transfer). In Tanzania, Zambia, Mali, Uganda, and Kenya roughly half of respondents received their money electronically. In the DRC, cash was most common, with about 9 in 10 respondents having received payments from government or employers in person or in cash that was sent by bus or through someone else.

Figure 29: Channels Used by Government Agencies or Employers to Make Payments



How was this money paid to you? Please think about the largest payment received in the past 30 days.

% by country

Total = population-weighted average; Base: those who received money from government or employers

** Less than 10% of respondents in these countries were asked this question*

***Less than 5% of respondents in these countries were asked this question*

7. Access to a Mobile Phone

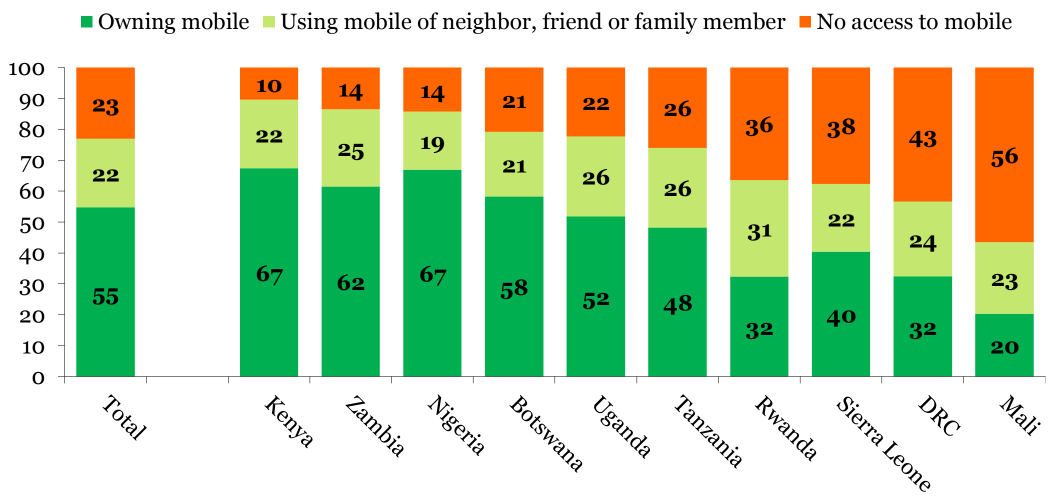
Across the Region Majority Has Access to Mobile Phones

As this study has shown, mobile phone-based transactions to send domestic remittances were only widely used in Kenya, and to a lesser extent, in Tanzania and Uganda. Nevertheless, mobile money is more evenly used by rich and poor where it is available and has spread very quickly in these markets, demonstrating its potential as a tool to link large numbers of poor people to the financial system. However, as a precursor, mobile money requires access to a mobile phone. Luckily, the survey data shows that lack of access to a mobile will only be a problem in a small number of places.

In order to assess the potential of launching new mobile money services across the countries surveyed, this section focuses on access to a mobile phone.[26] In all countries with the exception of Mali, a majority of respondents had access to a mobile phone — either they owned one or they could use the mobile phone of a neighbor, friend, or family member.

Across the region, a total of 55% owned a mobile phone; 22% could borrow the mobile of a neighbor, friend or family member and 23% had no access to a mobile (see Figure 30).

Figure 30: Access to a Mobile Phone Across the Region



Do you, yourself, have a cell/mobile phone, or not?
&
Have you used the mobile phone of a neighbor, friend, or family member in the past week?
% by country
Total = population-weighted average
No data available for South Africa

Despite low usage of mobile payment services, sizable majorities have access to a mobile phone: Zambia (86%; 62% owning a mobile), Nigeria (86%; 67% owning a mobile), and Botswana (79%; 58% owning a mobile). The proportions of those owning a mobile phone in these countries were even higher than in Uganda and Tanzania, where high numbers of respondents used mobile phone transfers to send or receive

[26] No data on mobile phone access was available for South Africa.

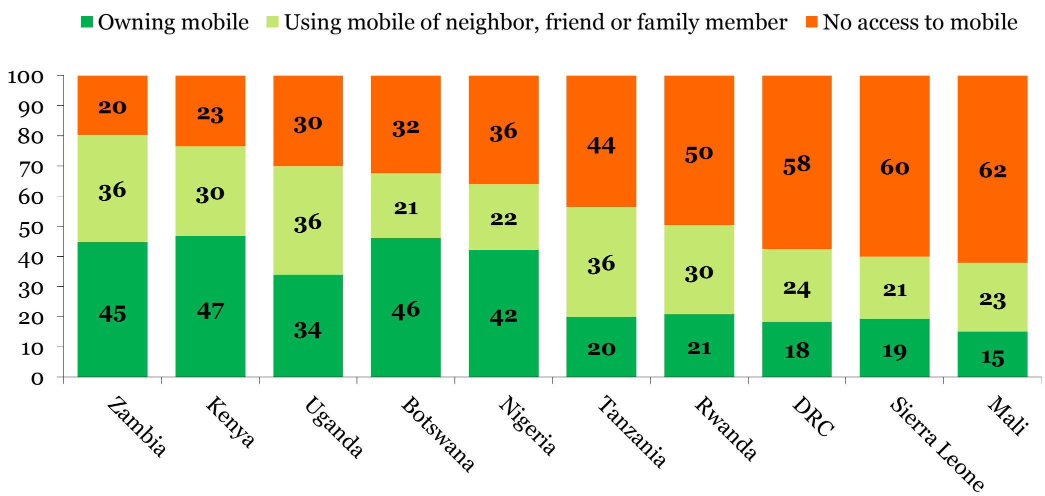
money. This underlines the great potential of Zambia, Nigeria, and Botswana for providers of mobile phone money transfer services.

While the high amount of cash usage in this data is an indicator of a large population living without access to the formal financial system, the potential to further expand access to financial services through mobile phones is high in these 11 countries and is cause for optimism.

Even the Poor Often Have Access to Mobile Phones

Affordable mobile payment services would greatly simplify the lives of poor African families. As Figure 31 shows, in 8 countries at least half of the poorest 20% of the population had access to a mobile (either owning one or being able to borrow one from a neighbor, friend or family member), the exceptions being the DRC, Sierra Leone and Mali. In Zambia and Kenya, roughly 8 in 10 of the poorest households (80% and 77%, respectively) had access to a mobile phone.

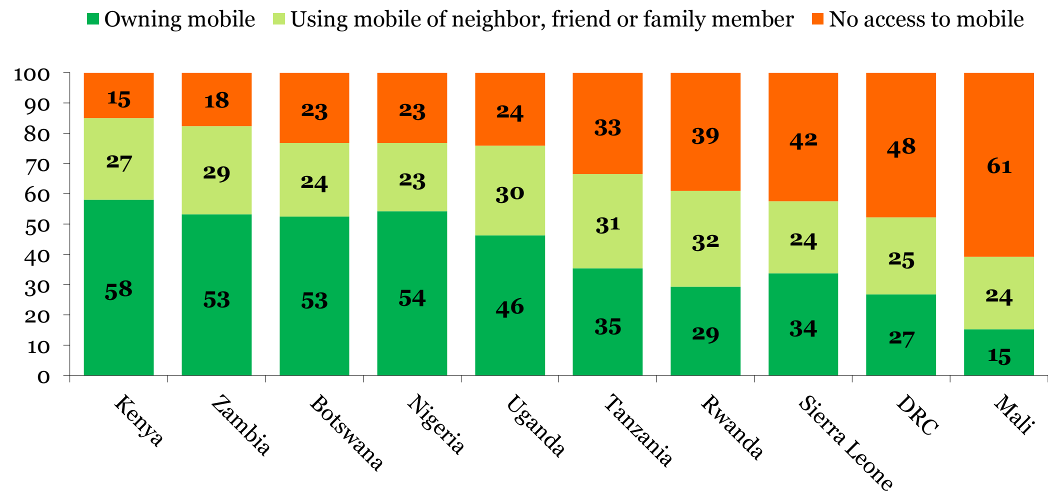
Figure 31: Access to a Mobile Phone Among the Poorest 20% of the Population in Each Country



Do you, yourself, have a cell/mobile phone, or not?
&
Have you used the mobile phone of a neighbor, friend, or family member in the past week?
% by country
No data available for South Africa

Looking at respondents living on less than $1 a day across 10 countries (Figure 32), in 9 countries at least half of this income group had access to a mobile phone. Only in Mali about 6 in 10 (61%) of those living on less than $1 a day had no access to a mobile phone.

Figure 32: Access to a Mobile Phone Among Those Living on Less Than $1 a Day in Each Country

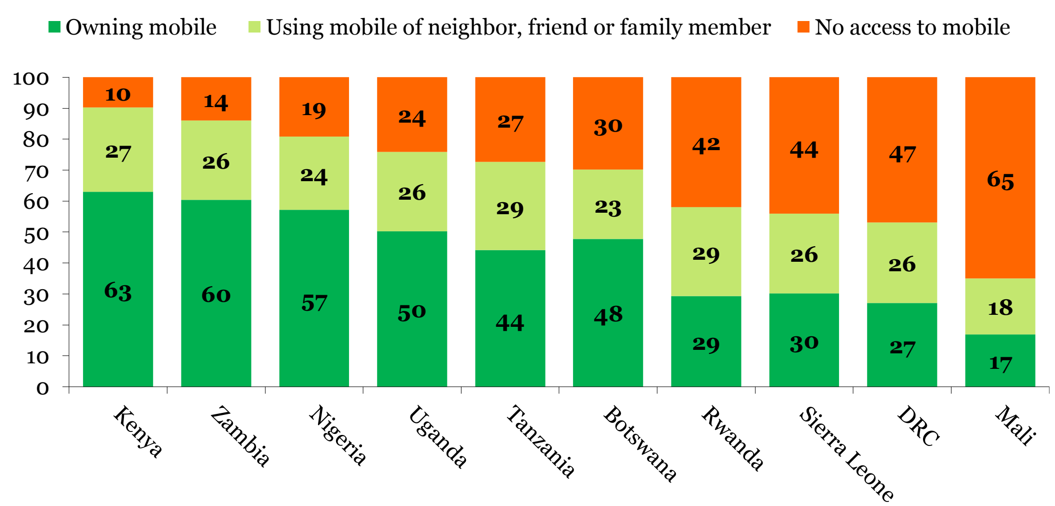


Do you, yourself, have a cell/mobile phone, or not?
&
Have you used the mobile phone of a neighbor, friend, or family member in the past week?
% by country
No data available for South Africa

In Nine Countries Majorities Among Residents of Rural Areas Have Access to a Mobile

The extension of mobile-money services would probably be most welcomed among residents of rural areas or farms who have to travel far distances to reach the next bank or money transfer service agency in order to make a transaction. As Figure 33 reveals, in all countries, except in Mali, majorities of respondents living in rural areas had access to a mobile phone.

Figure 33: Access to a Mobile Phone Among Residents of Rural Areas or Farms



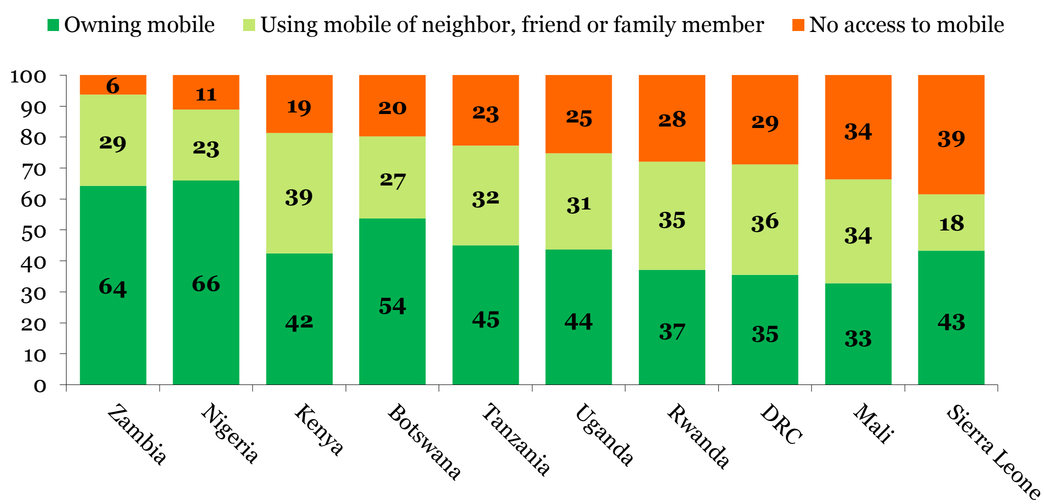
Do you, yourself, have a cell/mobile phone, or not?
&
Have you used the mobile phone of a neighbor, friend, or family member in the past week?
% by country
No data available for South Africa

In Kenya and Zambia, roughly 9 in 10 in rural areas had access to a mobile phone (90% and 86%, respectively) and about 6 in 10 owned a mobile phone (63% in Kenya and 60% in Zambia). In Nigeria, the biggest market for financial services in the region, about 8 in 10 residents of rural areas had access to a mobile phone (57% owned one). In Mali, on the other hand, just 35% of the rural population had access to a mobile phone.

At Least 6 in 10 of Those Who Only Make Informal Cash Payments Have Access to a Mobile

The analysis of mobile phone access also reveals that in all countries at least 6 in 10 of respondents who only made informal cash payments in the 30-day period before the survey did have access to a mobile phone (see Figure 34). In Nigeria for example, two-thirds of this group owned a mobile and 23% were able to borrow the mobile of a friend or relative. This finding underlines that respondents in all countries surveyed do not need to be trapped in a cash economy if mobile money services were expanded across the region.

Figure 34: Access to a Mobile Among Those Respondents Only Making Informal Cash Payments

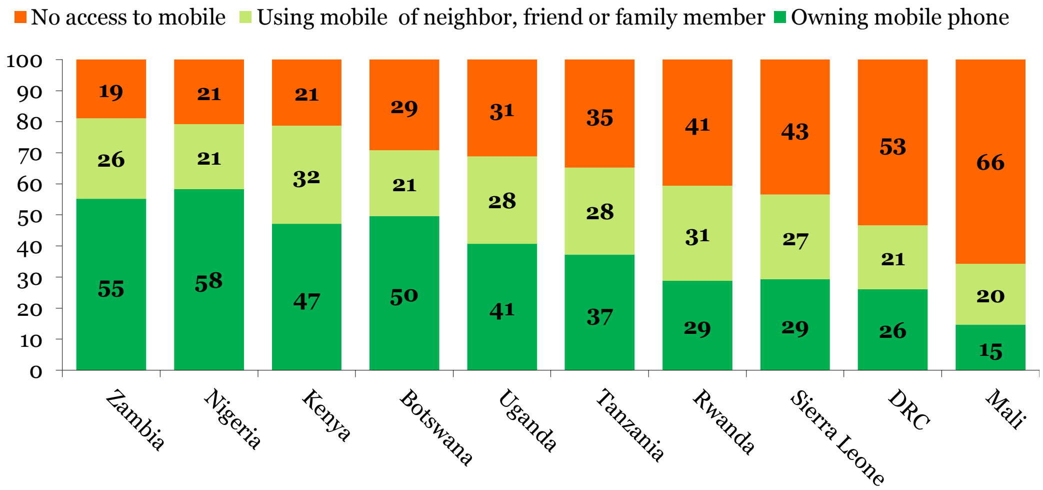


Do you, yourself, have a cell/mobile phone, or not?
&
Have you used the mobile phone of a neighbor, friend, or family member in the past week?
% by country
Base: those who only made informal cash payments in the 30 days prior to the survey
No data available for South Africa

In Eight Countries, at Least Half of Those Respondents Making No Transactions at All Have Access to a Mobile

In eight countries, at least half of those respondents who had made no transactions at all in the 30 days prior to the interview (they had neither sent nor received any money) had access to a mobile, as Figure 35 shows. In the DRC, 47% of this group had access to a mobile phone, and in Mali, 35% had access to a mobile phone.

Figure 35: Access to a Mobile Phone Among Those Respondents Making No Transactions



Do you, yourself, have a cell/mobile phone, or not?
&
Have you used the mobile phone of a neighbor, friend, or family member in the past week?
% by country
Base: those who did not make any transactions in the 30 days prior to the survey
No data available for South Africa

Appendix

Table 3: Household Income Across the Region — Living on Less Than $1 or $2 a Day (Part 1)

			Living on Less Than $1 a Day	Living on Less than $2 a Day	Living on More Than $2 a Day
Nigeria	Estimate		51.60%	69.10%	30.90%
	Standard Error		3.00%	2.50%	2.50%
	95% Confidence Interval	Lower	45.70%	63.90%	26.20%
		Upper	57.60%	73.80%	36.10%
Kenya	Estimate		56.40%	66.40%	33.60%
	Standard Error		3.50%	3.60%	3.60%
	95% Confidence Interval	Lower	49.50%	59.10%	27.00%
		Upper	63.00%	73.00%	40.90%
Tanzania	Estimate		60.20%	75.10%	24.90%
	Standard Error		3.00%	2.40%	2.40%
	95% Confidence Interval	Lower	54.30%	70.00%	20.50%
		Upper	65.90%	79.50%	30.00%
Uganda	Estimate		64.60%	78.50%	21.50%
	Standard Error		2.30%	1.80%	1.80%
	95% Confidence Interval	Lower	59.90%	74.90%	18.20%
		Upper	69.00%	81.80%	25.10%
South Africa	Estimate		20.10%	33.70%	66.30%
	Standard Error		1.80%	2.40%	2.40%
	95% Confidence Interval	Lower	16.70%	29.20%	61.40%
		Upper	23.80%	38.60%	70.80%
Botswana	Estimate		34.10%	48.90%	51.10%
	Standard Error		2.90%	2.90%	2.90%
	95% Confidence Interval	Lower	28.70%	43.20%	45.30%
		Upper	40.00%	54.70%	56.80%
Mali	Estimate		77.30%	89.50%	10.50%
	Standard Error		2.50%	1.70%	1.70%
	95% Confidence Interval	Lower	72.10%	85.80%	7.70%
		Upper	81.80%	92.30%	14.20%

Table 4: Household Income Across the Region — Living on Less Than $1 or $2 a Day (Part 2)

			Living on Less Than $1 a Day	Living on Less than $2 a Day	Living on More Than $2 a Day
Rwanda	Estimate		78.70%	89.10%	10.90%
	Standard Error		1.80%	1.30%	1.30%
	95% Confidence Interval	Lower	74.90%	86.30%	8.60%
		Upper	82.10%	91.40%	13.70%
Zambia	Estimate		51.20%	69.60%	30.40%
	Standard Error		2.80%	2.30%	2.30%
	95% Confidence Interval	Lower	45.70%	64.80%	26.10%
		Upper	56.60%	73.90%	35.20%
Sierra Leone	Estimate		65.50%	75.80%	24.20%
	Standard Error		3.30%	3.00%	3.00%
	95% Confidence Interval	Lower	58.70%	69.50%	18.80%
		Upper	71.70%	81.20%	30.50%
DRC	Estimate		62.60%	78.50%	21.50%
	Standard Error		2.70%	2.30%	2.30%
	95% Confidence Interval	Lower	57.30%	73.60%	17.30%
		Upper	67.60%	82.70%	26.40%
Total (population-weighted average)	Estimate		52.43%	67.56%	32.44%
	Standard Error		2.74%	2.45%	2.45%
	95% Confidence Interval	Lower	47.02%	62.52%	27.84%
		Upper	57.77%	72.16%	37.48%

Sampling and Data Collection Methodology

All samples are probability based and nationally representative of residents older than 14 years. Each survey included face-to-face interviews with at least 1,000 adults. Gallup conducts face-to-face interviews using an area frame design. Unlike other international surveys that often obtain urban samples in countries where survey research is difficult, Gallup's coverage area includes entire countries, including rural areas. The sampling frame represents the entire civilian, non-institutionalized adult population. Exceptions include areas where the safety of interviewing staff is threatened, scarcely populated islands in some countries, and areas that interviewers can reach only by foot, animal, or small boat.

The exceptions of this survey were the following:

- In the Democratic Republic of the Congo (DRC), North and South Kivu, Ituri, and Haut-Uele in the eastern part of the country were excluded due to insecurity. The excluded area represents approximately 20% of the population.
- In Uganda, the northern region was excluded due to the presence of LRA rebels. The excluded area represents approximately 10% of the population.
- The northern part of Mali, mainly extreme desert with difficult access, and nomadic population is excluded. The excluded area represents between 5% to 10% of the population.

The surveys were conducted in the respondent's native language. In South Africa for example, interviews have been conducted in Afrikaans, English, Sotho, Zulu, and Xhosa.

For results based on each sample of national adults, one can say with 95% confidence that the maximum margin of sampling error ranged from a low of ±3.5 percentage points to a high of ±4.3 percentage points. The margin of error reflects the influence of data weighting. In addition to sampling error, question wording and practical difficulties in conducting surveys can introduce error or bias into the findings of public opinion polls.

Data Weighting

Data weighting is used to ensure a nationally representative sample for each country and is intended to be used for calculations within a country.

First, base sampling weights are constructed to account for oversamples and household size. If an oversample has been conducted, the data are weighted to correct the disproportionate sample. Weighting by household size (number of residents older than 14 years) is used to adjust for the probability of selection, as residents in large households will have a disproportionately lower probability of being selected for the sample.

Second, post-stratification weights are constructed. Population statistics are used to weight the data by gender, age, and education.

Finally, approximate study design effect and margin of error are calculated. The design effect calculation reflects the influence of data weighting and does not incorporate the intraclass correlation coefficients.

Table 5: Survey Details per Country

Country	Data Collection Dates	Number of Interviews	Design Effect	Margin of Error	Mode of Interviewing	Languages	Exclusions (Samples are Nationally Representative unless noted otherwise)
Botswana	Oct 15 – Oct 29, 2011	1,000	1.59	3.9	Face-to-Face	English, Setswana	The sample has a larger than expected proportion of respondents who have reported completed secondary education when compared with the data used for post-stratification weighting.
DRC	Jul 14 – Aug 8, 2011	1,000	1.58	3.9	Face-to-Face	French, Lingala, Kituba, Swahili, Tchiluba	North and South Kivu, Ituri, and Haut-Uele in the eastern part of the country were excluded due to insecurity. The excluded area represents approximately 20% of the population.
Kenya	Jun 3 – Jun 14, 2011	1,000	1.62	3.9	Face-to-Face	English, Swahili	
Mali	Oct 23 – Nov 11, 2011	1,000	1.33	3.6	Face-to-Face	French, Bambara	The northern part of the country, mainly extreme desert with difficult access, and nomadic population is excluded (total coverage of about 90% to 95%).
Nigeria	Jul 23 – Aug 4, 2011	1,000	1.57	3.9	Face-to-Face	English, Hausa, Igbo, Yoruba, Pidgin	
Rwanda	Aug 11 – Aug 22, 2011	1,000	1.56	3.9	Face-to-Face	French, English, Kinyarwandan	
Sierra Leone	Sep 30 – Oct 10, 2011	1,000	1.52	3.8	Face-to-Face	English, Krio, Mende, Temne	
South Africa	Aug 27 – Sep 9, 2011	1,000	1.31	3.5	Face-to-Face	Afrikaans, English, Sotho, Zulu, Xhosa	
Tanzania	Jun 18 – Jul 1, 2011	1,000	1.54	3.8	Face-to-Face	English, Swahili	
Uganda	Aug 11 – Aug 21, 2011	1,000	1.48	3.8	Face-to-Face	Ateso, English, Luganda, Runyankole	Northern region was excluded due to presence of LRA rebels. The excluded area represents approximately 10% of the population.
Zambia	Jun 25 – Jul 6, 2011	1,000	1.94	4.3	Face-to-Face	Bemba, English, Lozi, Nyanja, Tonga	Sample has a larger than expected proportion of respondents who have reported completed secondary education when compared to data used for post-stratification weighting.

Problems Encountered in Sending or Receiving Money Reported in Re-Interviews

One or two days after the first interview was completed, about 10% of respondents in Uganda, South Africa, and Botswana were re-interviewed – at least one from each Primary Sampling Unit (PSU). The major objective of these re-interviews was to acquire more in-depth information allowing a better understanding of the transactional behavior reported in the first phase. It should be noted, however, that unlike the first phase in which 1000 face-to-face interviews were conducted per country, the results of these re-interviews cannot be regarded as being representative of the general adult population of Uganda, South Africa and Botswana.

In one section of the re-interview respondents were asked whether they had experienced any problems in sending or receiving money. Among those respondents in Uganda, South Africa and Botswana who were re-interviewed, about 2 in 10 (19%) of those who sent money to a family member or friend living in a different city experienced problems in sending the money. A similar share of respondents (21% of those who received money from relatives or friends) had problems receiving the money. Common problems mentioned by senders as well as recipients of domestic remittances were slow service, late buses as well as the lack of transport.

A share of 19% of those re-interviewed respondents who sent money to a school, institution or company encountered problems in sending the money. Network problems or failures, lack of banks or agents and long queues were some of the problems being mentioned.

Among those who had received money from a government agency or an employer such as wages for work performed, 14% reported problems in receiving these payments. Problems included slow service, far distance to banks and ATMs that were out of cash.

Bad weather, power rationing and problems with transportation systems complicated the reception of money from a person or business located in a different city or area as payment for goods or services provided. In total 16% of re-interviewed respondents who received this kind of payment reported one of these problems.

These re-interview conversations reveal two main implications. First, existing, informal, cash-based, options for moving money in Africa do not serve clients well – they are time-consuming and problematic for a number of reasons. Second, and despite this, African households are still moving cash in large numbers, indicating how important this ability is to the typical household.

Questionnaire

1a. In the past 30 days, have you personally **sent** any money to a family member or friend living in a different city or area (in country)? Please do NOT include any money you gave in person.

1 Yes **CONTINUE**

2 No **GO TO 2a**

3 (DK) **GO TO 2a**

4 (Refused) **GO TO 2a**

1b. About how many times have you sent a payment of this kind in the past 30 days?

________ Number of times

98 (DK)

99 (Refused)

1c. What was the largest payment you sent in the past 30 days to a family member or a friend living in a different city or area? Please include any service charges or other charges you may have incurred.

________ Amount in local currency

999998 (DK)

999999 (Refused)

1d. How did you send this money?

01 Cash (sent by bus or through someone else)

02 Transfer from bank or financial institution

03 Mobile phone money transfer

04 Money transfer service (e.g., Western Union)

97 Other **(specify)** ____

98 (DK)

99 (Refused)

ASK ALL

2a. In the past 30 days, have you given or brought money IN PERSON to a family member or friend living in a different city or area **(in country)**? Here we are talking about any money you gave in person.

1 Yes **CONTINUE**

2 No **GO TO 3**

3 (DK) **GO TO 3**

4 (Refused) **GO TO 3**

2b. How many times have you given or brought this kind of payment in the past 30 days?

________ Number of times

98 (DK)

99 (Refused)

2c. What was the largest payment you gave in person to a family member or a friend living in a different city or area in the past 30 days?

________ Amount in local currency

999998 (DK)

999999 (Refused)

ASK ALL

3. In the past 30 days, have you personally sent any money to a family member or friend **living in a different country in Africa**? Please do NOT include any money you gave in person.

1 Yes

2 No

3 (DK)

4 (Refused)

4. In the past 30 days, have you personally sent any money to family member or friend **living outside of Africa**? Please do NOT include any money you gave in person.

1 Yes

2 No

3 (DK)

4 (Refused)

5a. In the past 30 days, have you personally SENT any money to a school, institution, or company (not to family or friends) to pay for school fees, utility bills, debt payments, or other obligations for yourself or any member of your household? Please do NOT include any money you gave in person.

1	Yes	**CONTINUE**
2	No	**GO TO 6a**
3	(DK)	**GO TO 6a**
4	(Refused)	**GO TO 6a**

5b. How many times have you sent this kind of payment in the past 30 days?

_________ Number of times

98 (DK)

99 (Refused)

5c. What is the largest amount of money you have sent to a school, institution, or company in the past 30 days? Please include any service charges or other charges you may have incurred.

_________ Amount in local currency

999998 (DK)

999999 (Refused)

5d. How did you send this money?

01 Cash (sent by bus or through someone else, such as a friend)

02 Transfer from bank or financial institution

03 Mobile phone money transfer

04 Money transfer service (e.g., Western Union)

97 Other **(specify)** ____

98 (DK)

99 (Refused)

ASK ALL

6a. In the past 30 days, have you personally SENT any money to a person or business in a different city or area (in country) as **payment for goods or services you purchased**? Please do NOT include any payments you made in person.

1	Yes	**CONTINUE**
2	No	**GO TO READ BEFORE 7a**
3	(DK)	**GO TO READ BEFORE 7a**
4	(Refused)	**GO TO READ BEFORE 7a**

6b. How many times have you sent this kind of payment in the past 30 days? Please do not include any payment you made in person.

_______ Number of times

98 (DK)

99 (Refused)

6c. What was the largest payment of this kind you sent to a business or person located in a different city or area (in country) to **buy things from them**?

________ Amount in local currency

999998 (DK)

999999 (Refused)

<u>ASK ALL</u>

<u>(READ:)</u> For the following questions, please think about any money sent OR given in person.

7a. In the past 30 days, have you personally sent OR given IN PERSON any other large amounts of money **-** say more than (*for example. 99 Pula in Botswana*) **-** that you have not already mentioned?

1 Yes **CONTINUE**

2 No **GO TO READ BEFORE 8a**

3 (DK) **GO TO READ BEFORE 8a**

4 (Refused) **GO TO READ BEFORE 8a**

7b. What is the largest amount of money not already mentioned that you have sent or given in person in the past 30 days? Please include any service charges or other charges you may have incurred.

________ Amount in local currency

999998 (DK)

999999 (Refused)

7c. What was the reason for this payment?

01 Goods

02 Services

03 Gift

04 Bank withdrawal

05 Loan reimbursement

06 Rent

97 Other **(specify)** ____

98 (DK)

99 (Refused)

7d. Was this payment made to a person, business, or institution in the city or area where you live?

1 Yes

2 No

3 (DK)

4 (Refused)

7e. How did you make this payment?

01 Cash (sent by bus or through someone else, such as a friend)

02 Transfer from bank or financial institution

03 Mobile phone money transfer

04 Money transfer service (e.g., Western Union)

05 In person

97 Other **(specify)** ____

98 (DK)

99 (Refused)

ASK ALL

(READ:) Now we are going to talk about the way people (in country) **RECEIVE** money.

8a. In the past 30 days, have you personally RECEIVED any money from a family member or friend living in a different city or area (in country)? Please do NOT include any money you received in person.

1	Yes	**CONTINUE**
2	No	**GO TO 9a**
3	(DK)	**GO TO 9a**
4	(Refused)	**GO TO 9a**

8b. In the past 30 days, how many times have you received this kind of payment?

________ Number of times

98 (DK)

99 (Refused)

8c. What was the largest payment of this kind you received from a family member or a friend living in a different city or area in the past 30 days? Please do not include any service charges or other charges you may have incurred.

________ Amount in local currency

999998 (DK)

999999 (Refused)

8d. How did you receive this money?

01 Cash (sent by bus or through someone else)

02 Transfer from bank or financial institution

03 Mobile phone money transfer

04 Money transfer service (e.g., Western Union)

97 Other **(specify)** ____

98 (DK)

99 (Refused)

ASK ALL

9a. In the past 30 days, have you personally received or been brought any money IN PERSON from a family member or friend living in a different city or area (in country)? Here we are talking about any money you were given in person by a family member or a friend.

1 Yes **CONTINUE**

2 No **GO TO 10**

3 (DK) **GO TO 10**

4 (Refused) **GO TO 10**

9b. How many times have you received this kind of payment in the past 30 days?

________ Number of times

98 (DK)

99 (Refused)

9c. What was the largest payment of this kind you were given or received from a family member or a friend living in a different city or area in the past 30 days? Please do not include any service charges or other charges you may have incurred.

________ Amount in local currency

999998 (DK)

999999 (Refused)

<u>ASK ALL</u>

10. In the past 30 days, have you personally received any money from a family member or friend **living in another country in Africa**? Please do NOT include any money you received in person.

1 Yes

2 No

3 (DK)

4 (Refused)

11. In the past 30 days, have you personally received any money from a family member or friend **living outside of Africa**? Please do NOT include any money you received in person.

1 Yes

2 No

3 (DK)

4 (Refused)

12a. In the past 30 days, have you personally received any money from a government agency or an employer (such as wages for work performed)?

1 Yes **CONTINUE**

2 No **GO TO 13a**

3 (DK) **GO TO 13a**

4 (Refused) **GO TO 13a**

12b. How many times have you received this kind of payment in the past 30 days?

________ Number of times

98 (DK)

99 (Refused)

12c. What was the largest payment you **received** from any government agency or an employer in the past 30 days?

________ Amount in local currency

999998 (DK)

999999 (Refused)

12d. How was this money paid to you? Please think about the largest payment received in the past 30 days.

01 Cash (sent by bus or through someone else, such as a friend)

02 Transfer from bank or financial institution

03 Mobile phone money transfer

04 Money transfer service (e.g., Western Union)

05 In person

97 Other **(specify)** ____

98 (DK)

99 (Refused)

ASK ALL

13a. In the past 30 days, have you personally received any money from a person or business located in a different city or area (in country) as payment for goods or services you provided? Please do NOT include any payments you received in person.

1	Yes	**CONTINUE**
2	No	**GO TO 14a**
3	(DK)	**GO TO 14a**
4	(Refused)	**GO TO 14a**

13b. How many times have you received this kind of payment in the past 30 days? Please do not include any payment you received in person.

_______ Number of times

98 (DK)

99 (Refused)

13c. What is the largest amount of money you have received from a person or business located in a different city or area (in country) as payment for goods or services you provided?

________ Amount in local currency

999998 (DK)

999999 (Refused)

ASK ALL

14a. In the past 30 days, have you personally received any other large amounts of money - say more than (for example 99 Pula in Botswana) - that you have not already mentioned?

1	Yes	**CONTINUE**
2	No	**GO TO 15**
3	(DK)	**GO TO 15**
4	(Refused)	**GO TO 15**

14b. What is the largest amount of money not already mentioned that you have received in the past 30 days? Please exclude any service charges or other charges you may have incurred.

________ Amount in local currency

999998 (DK)

999999 (Refused)

14c. Why did you receive this money?

01	Goods
02	Services
03	Gift
04	Bank withdrawal
05	Loan reimbursement
06	Rent
97	Other **(specify)** ____
98	(DK)
99	(Refused)

14d. Was this money sent or given by a person, business, or institution in the city or area where you live?

1 Yes

2 No

3 (DK)

4 (Refused)

14e. How did you receive this payment?

01 Cash (sent by bus or through someone else, such as a friend)

02 Transfer from bank or financial institution

03 Mobile phone money transfer

04 Money transfer service (e.g., Western Union)

05 In person

97 Other **(specify)** ______________________________

98 (DK)

99 (Refused)

ASK ALL

15. About how many calls do you make and receive in a typical week?

00 0

01 1-5

02 6-10

03 11-30

04 31 or more

98 (DK)

99 (Refused)

16. Did you receive any phone calls or receive any SMS messages yesterday?

1 Yes

2 No

3 (DK)

4 (Refused)

17. Have you used the mobile phone of a neighbor, friend, or family member in the past week?

1 Yes

2 No

3 (DK)

4 (Refused)