

KENYA



National Remittance Stakeholder Network NEWSLETTER

This compilation is brought to you by the Financing Facility for Remittances (FFR) of the International Fund for Agricultural Development (IFAD)

Issue 3: 28 June 2022

Note from the editor

Dear Colleagues,

It was great to see many of you at the [IDFR observance event](#) on 16 June! We hope it was a good learning and networking experience for you all, and we look forward to continuing the discussion at the next National Remittance Stakeholder Network (NRSN) meeting.

In the meantime, we invite you to read this special issue of our newsletter, mainly dedicated to the IDFR event highlights. In relation thereto, we would appreciate your feedback by completing this short [survey](#), to help us better plan future events in the country.

For any further info, reach out to us at
remittances.kenya@ifad.org



David Berno
Remittances and Inclusive Digital Finance Officer, FFR IFAD

The IDFR observance event



Recovery and Resilience through Digital and Financial Inclusion

#FamilyRemittances



International Day of Family Remittances



IDFR 2021-2022 Campaign

Observance event

NAIROBI | KENYA

United Nations Office at Nairobi

Thursday, 16 June 2022
8:00 AM EAT

www.familyremittances.org
remittances.kenya@ifad.org

The [IDFR observance event](#), organized by the [International Fund for Agricultural Development \(IFAD\)](#) on 16 June at the [United Nations Office at Nairobi](#), saw the engagement of [Dr Stephen Jackson](#), the United Nations Resident Coordinator, and [Ms Katrin Hagemann](#), Deputy Head of the European Union Delegation to Kenya.

It was attended by more than 100 representatives of both public and private sectors, among which government institutions, regulators, the industry and various development organizations.

The event was also the occasion to launch IFAD's first [MobileRemit Africa](#) report, which provides a framework to support African countries in identifying data gaps, measuring

their policy effectiveness, and enhancing the operating market environment for mobile-enabled remittances to further contribute to financial and digital inclusion.

Key event takeaways

Opening Remarks for IDFR observance event	Session 1: Remittance Families and the Sustainable Development Goals (SDGs)	Session 2: The national remittance market and the role of the private sector towards greater digital and financial inclusion
 <p>Matilda Kamara Dr. Stephen Kibet Karen Ingemarsson</p>	 <p>Pedro Da Cunha Amadou Diakhaté Shemekia Kanga Fiston Kibuka Stephen Kibet</p>	 <p>Juliet Mburu Adi Hassan Pauline Kioko Patricia Njoroge John Njagi</p>

- Remittances play a crucial role for the Kenyan economy. Kenya is the third biggest recipient of remittances in sub-Saharan Africa in absolute terms, following Nigeria and Ghana.
- Remittances to Kenya have increased tenfold in the last 15 years, reaching an all-time record of US\$3.7 billion in 2021 despite the COVID-19 pandemic, and are equal to over 3 per cent of the country's GDP.
- The average cost to remit US\$200 to Kenya almost halved in the last ten years (2011-2020), from 13 per cent in 2011 to 8 per cent at the end of 2020, due to the tremendous digital innovation led by mobile money services. This cost is marginally lower than the average sending cost for Sub-Saharan Africa (7.83 per cent) but much higher than the global average of 6 per cent. The cost figure is still far above the 3 per cent indicated by SDG 10.c target, to be reached by 2030.
- Digital channels and intense competition allowed specific corridors to reach almost the SDG target (Oceania-Kenya, North America-Kenya and East Africa-Kenya) whereas, in other corridors, high transfer costs and lack of trust in digital transactions push people to use informal channels.
- The event's discussions highlighted the need to consider a multi-stakeholder approach to maximize migrants' remittances through conducive policies and regulatory environment, as well as collaborative ecosystem pathways.
- Remittances are critically important to rural and more vulnerable communities, particularly in times of crisis. Rural communities, particularly women, can be better served by encouraging the use of digital channels, alongside deeper penetration of mobile money and banking agents.
- According to the Central Bank of Kenya's Diaspora Remittances Survey, the majority of migrant workers sent money monthly, through formal channels, to support family members' household needs (including education and medical bills).
- The top five sending countries to Kenya - United States, United Kingdom, Saudi Arabia, Germany and Australia - represent almost 80 per cent of the total remittances received.

The *MobileRemit Africa Report*



MobileRemit Africa aims to complement [RemitSCOPE Africa](#), a web-based platform

that provides users with remittance-based data and analytics. It will lay the foundation for a knowledge base on mobile remittances and to gather data, generate insights and provide policy guidance on mobile flows for African countries.

Key highlights

- As the birthplace of mobile money Kenya is very well positioned to take advantage of international mobile remittances.
- There is still room to lower average costs to receive money in Kenya by streamlining the payment of remittances into mobile wallets.
- More transparency on costs, especially FX fee, would help to foster intra-Africa mobile remittances.

View the country presentation [here](#).

Watch the video [here](#).

[READ THE REPORT HERE](#)

IDFR in the news



Global remittances flows seen at US\$5.4 trillion by 2030

Global remittances, the hard-earned money sent by migrant workers to their family members in low- and middle-income countries, grew by 8.6 per cent in 2021 and is seen at US\$5.4 trillion by 2030, a figure twice the GDP of Africa in 2021.

By [Zawya](#)



Kenya is one of our top 3 markets in Africa: WorldRemit

To mark International Day of Family Remittances, the London-based global payments company noted it had processed transactions to Kenya worth 170 million GBP (Ksh 24.47 billion) as of June 1st, 2022.

By [TechCabal](#)



Kenya's mobile money market considered to be very advanced

As the world marks the International Day of Family Remittances, IFAD has indicated that education, healthcare, and household needs are the main uses of remittances in Kenya. However, the receivers have been told they should now rethink saving and investing in order to have a multiplier effect on development.

By [K24Tv](#)

IDFR snapshots





[Download all the images from the observance event in Nairobi.](#)

Social media glimpse

FFR 1,025 Tweets

You Retweeted Samuel Hall @Samuel_Hall · Jun 16

Today, #InternationalDayofFamilyRemittances, Samuel Hall's @ JaredAOL & @stef_barratt attended this insightful @FFRemittances @IFAD event that discussed migrants' role in #SDGs & leveraging links b/w mobile remittances & financial inclusion. The Mobile Remit report was launched.

IFADEastAfrica @IFADEastAfrica · Jun 16

Kenyan Diaspora in the #EU sent a total of US\$226 million of remittances to #Kenya in 2021 half of these flows come from Germany about US\$116 million; 31%. Katrin Hagemann, Deputy Head, European Union Delegation to Kenya #FamilyRemittances

Recovery and Resilience through Digital and Financial Inclusion #FamilyRemittances International Day of Family Remittances 16 JUNE IFAD 2021.22

FFR @FFRemittances · Jun 16

Fridah Kibuko of @WiduAfrica talks of the importance of #Diaspora in the development process of a country at the IDFR observance event in Nairobi. @IFADEastAfrica

Observance event Nairobi, Kenya Thursday, 16 June

"Diaspora not only contribute to the GDP, their contribution goes beyond in terms of creation of ideas and knowledge. They can help in promoting sustainable business and reduce dependencies, especially in rural areas. Their contributions can be seen in a holistic manner and for that, the diaspora organizations need to be more organized."

Fridah Kibuko, WIDU Africa, GIZ

IFR 2021-2022

Trending articles

How to improve access to remittances

Unlocking the economic force of remittances for reaching low-income and rural customers with IFAD's Financing Facility for Remittances under the Remittance Access and Innovation programme.

By [Cenfri](#)



Absa Bank, Visa Partner to launch seamless money transfer service

Absa Bank Kenya has partnered with global payments technology platform Visa to launch a domestic and cross-border remittance service that will allow seamless money transfers across people and businesses via the Visa Global network.



By [Capital Business](#)

For more articles and updates on remittance markets and development, [visit the GFRID website](#)

Financing Facility for Remittances

International Fund for Agricultural Development (IFAD)
Via Paolo di Dono 44, 00142 Rome (Italy)
remittances@ifad.org

Follow us on [Twitter](#) and [LinkedIn](#)



© 2022 Financing Facility for Remittances, IFAD