



# **Bilateral Remittances Corridor Analysis (BRCA)**

## **Research Guidelines**

**Financial Market Integrity (FPDFI)  
The Financial and Private Sector Development Vice-Presidency  
The World Bank**  
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## Foreword

According to the World Bank, recorded remittance flows to developing countries in 2006 have been estimated at \$204 billion, and have been increasing at almost 30 percent per year. Remittances are now twice as large as total development aid and present the largest source of foreign exchange for many developing countries. The true size of these financial flows is estimated to be even larger, however, because of extensive unrecorded flows through informal channels. Studies by the World Bank and other multilateral institutions have shown that remittances are an important source of funds for low income households, and have played a leading role in poverty reduction and economic development in developing countries.

However, in recent years the benefits of remittances to development have been challenged. The lack of transparency and accountability attributed to the extensive flows of unrecorded remittances has posed significant security risks to developed and developing countries alike. At the same time, the need to comply with Anti-Money Laundering and Combating the Financing of Terrorism regulations may have incurred additional costs on financial institutions, potentially impacting remittance flows and thwarting poverty reduction and economic development efforts.

Under this changed scenario, an organized and logical methodology to derive a stronger understanding of the effectiveness, efficiency and transparency of bilateral remittance flows is essential. Hence, the Financial Market Integrity (FPDFI) unit of the World Bank has created research guidelines for their work on Bilateral Remittances Corridor Analysis (BRCA). These guidelines provide specific frameworks for gathering comprehensive information, organizing data, creating surveys and other diagnostic tools, and deriving lessons and policy recommendations. It is hoped that these frameworks will enable individuals to more efficiently and comprehensively obtain vital information and to better identify potential information gaps and areas for further analysis.

Although the research guidelines strive to obtain a consistency of approach, coverage and comparability across various studies, our BRCA work continues to progress through a collaborative learning process, assessing remittance characteristics not covered in earlier work. Hence, these research guidelines continue to be updated, taking into account lessons learned from earlier case studies. As these frameworks are an evolving process, we welcome suggestions that might improve their effectiveness. Our overall aim is to expand knowledge of workers' remittances and their development contribution, while protecting the financial integrity of remittance flows.

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## **Bilateral Remittance Corridor Analysis (BRCA)**

### **Published Work**

#### ***US- Mexico, February 2005***

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#### ***Canada- Vietnam, March 2005***

Raul Hernandez-Coss (TTL), Isaku Endo, Andrea Villanueva, Chinyere Egwuagu Bun, Fred Levy, Paolo Ugolini

#### ***Italy-Albania, March 2006***

Raul-Hernandez-Coss (TTL), Jose de Luna Martinez (TTL), Kamil Borowik, Federico Lagi, Andrea Amatuzio

#### ***Germany-Serbia, May 2006***

Jose De Luna Martinez (TTL), Isaku Endo, Corrado Barberis

#### ***US-Guatemala, July 2006***

Hela Cheikhrouhou (TTL), Rodrigo Jarque, Raul Hernandez-Coss, Radwa El-Swaify, Andrea Villanueva

#### ***Netherlands-Suriname, September 2006***

Brigitte Unger (Universiteit Utrecht), Melissa Siegel (Universiteit Utrecht), Dutch Ministry of Finance

#### ***Netherlands – Morocco, October 2006***

Jacqueline Barendse, Christian Hiddink, Agnes Janszen, Arjan Stavast (all authors from ECORYS), NFX, Dutch Ministry of Finance

#### ***UK-Nigeria, April 2007***

Raul Hernandez-Coss (TTL), Chinyere Egwuagu Bun, Martin Josefsoon, DFID

### **Publications in Progress**

#### ***Malaysia – Indonesia***

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## **Acronyms and Abbreviation**

AML	Anti-Money Laundering
ATM	Automated Teller Machine
BRCA	Bilateral Remittance Corridor Analysis
CFT	Combating the Financing of Terrorism
FATF	Financial Action Task Force
FATF 40	FATF Forty Recommendations
FPDFI	Financial Market Integrity
FT	Financing of Terrorism
GDP	Gross Domestic Product
ID	Identification
IMF	International Monetary Fund
ML	Money Laundering
MTOs	Money Transfer Operators
NGO	Non-governmental Organization
Rp	Rupiah
RSPs	Remittance Service Providers
STR	Suspicious Transaction Report
TF	Terrorist Financing
US	United States
UK	United Kingdom

## Introduction

The following guidelines are intended to provide BRCA study teams an overview of the principal objectives of the remittance corridor analyses and the information to be collected by the missions in both sender and recipient countries. They draw on lessons learned in the earlier case studies and are intended to achieve consistency of approach, coverage, and comparability across the various studies.

## Background

International flows of worker remittances have grown rapidly in recent decades, reflecting the increasing mobility of labor in a more integrated world economy. For many developing countries, inflows of remittances from their nationals working abroad have come to constitute an important share of incomes, particularly to lower-income families, and an important source of investment financing. In some cases, particularly for small economies, remittance inflows have increasing macroeconomic importance for the balance of payments and monetary policy. At the same time, the relatively unregulated nature of these flows has raised concerns that some portion of them may be used to finance illegal activities including the laundering the proceeds of crime and the financing of terrorism

## Objectives

For all of these reasons, efforts are being made to better understand and monitor the size and nature of these flows, the incentives that influence them, and the mechanisms through which they are transmitted, in order to develop policies to lower their transaction costs, enhance their developmental impact in the recipient countries, and minimize opportunities for misuse. It is believed that all of these objectives will be furthered by encouraging senders to channel a growing proportion of remittances through formal financial institutions. The “formalization” of remittance flows can, *inter alia*, open the access of both senders and receivers to other financial services, providing both additional income-earning opportunities and enhanced capacity to manage their financial risks. An important objective of the BRCA, therefore, is to develop a better understanding of the incentives and other factors that shape the remittance markets in sender and recipient countries in order to promote effective policies for inducing that shift. Given resource limitations, the paucity of remittance data and the desire to catalyze an expanded research effort across a broad range of countries, an important short-term objective of the BRCA studies is to identify the most important information gaps that should be targeted for follow-up work.

As in the earlier studies under the BRCA initiative<sup>1</sup>, the analysis of remittance corridors is broken into three fundamental stages:

- The **First Mile**, or origination stage, in which immigrants in the sender country make their decisions regarding the amounts to be sent to their home countries and their choices among the alternative remittance instruments and service providers available to them;
- The **Intermediary Stage**, through which the funds are moved by remittance service providers in the sending country across international borders to distribution service providers in the recipient country; and
- The **Last Mile**, or distribution stage, in which the funds are delivered to the intended recipients.

While more recent studies have more substantially covered particular demographics or different areas of analysis not covered in earlier work, the general research framework described above tends to remain the same.

Hence, the following paragraphs outline the principal issues the BRCA study teams should focus upon at each stage of analysis. The final chapter of each mission report should summarize the conclusions and lessons learned from the study, provide suggestions for follow-up work, and make recommendations for policy actions by the sending and receiving countries.

It should be emphasized, however, that customization of this general research framework is encouraged as new remittance corridors are analyzed. This is to ensure that the insights of each new remittance corridor have been displayed in the most effective way possible.

## General data issues

Remittance data for most corridors are likely to be scarce and incomplete. Most recipient countries, for example, will probably not have data broken down by country of origin, but it will nevertheless be important to develop a sense of each country's total remittance receipts. Study teams should draw upon whatever information is readily available in both sender and recipient countries to derive an overview, albeit rough, of the volume of remittance inflows and outflows and their growth trends over the past 3-5 years. Information may be available from a variety of sources, including the data on current transfers in the balance of payments; remittance data reported to official agencies (e.g., central bank or other regulatory agencies) by banks and other formal financial institutions, money transfer organizations (MTOs), and other service providers; and surveys by academic or community organizations; etc.

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<sup>1</sup> Hernandez-Coss, Raul. "The US-Mexico Remittance Corridor" and "The Canada-Vietnam Remittance Corridor", The World Bank Working Papers no. 47 and 48. (2004).

Given that data coverage and reliability vary greatly from one corridor to another, and may vary significantly among sources within the same country, mission reports should be clear in describing the sources, coverage, and known gaps in the numbers presented. Care should be taken when presenting data or assessments of trends to distinguish explicitly among, for example, the growth of estimated total remittances, the growth of formal or recorded remittances, and the growth of remittances through banks or through electronic funds transfers, depending on the specific coverage of the information available. Similarly, in analyzing rates of growth over time, one must be aware of the possibility that part of what is being captured is a shift from informal to formal (and thus more visible) channels rather than growth in the total flow.

### **Formal versus Informal**

In addition to the magnitude of flows and their growth, of particular interest are any changes over time in their composition with respect to types of service provider and instrument. A distinction should be drawn in the reports between “formal” and “informal” remittance channels. The specific institutions and transactions that fall in the one category or the other will vary from one country to another. For the purposes of this analysis, a “formal” channel is one that is operated by a regulated service provider (registered or licensed), whose remittance activities are monitored and/or supervised by an official agency and transactions are recorded as remittances flows. All other channels are informal.

## Stages of Analysis

### Introduction

The analysis of a particular remittance corridor will benefit from an introduction, in which study teams highlight the importance of remittances flows as a source of funds for recipient remittance countries (mostly developing economies), and an opportunity to promote access to formal financial services for remittance senders in countries where remittances flows are originated (economies that are more developed than remittance recipients). The introduction should also present characteristics of the research project, such as entities that have been involved in their preparation, and most importantly the scope and focus of the paper.

A short summary of the significance of remittances flows for both the sender and recipient countries will be useful before presenting the main features that shape the First and Last Mile and the outline of the report.

### I. The First Mile

In their analysis of the First Mile, study teams should estimate the overall size and composition of the remittance industry in the sender country, as well as the volume and nature of worker remittances entering the corridor to the designated recipient country. Teams should also report available information on the incomes and nature (e.g., wage earner, independent professional, small business owner) of the remitters and develop a picture of the scope of services they require, their knowledge and perceptions of the remittance options open to them, and the incentives, including general policy and regulatory frameworks, that motivate their choices among those options.

The specific features of the remittance industry that should be included in this section include:

- The total volume of outbound remittances from the sender country, distinguishing between publicly available data (both actual and estimated) and any supplementary estimates made by the mission itself. The presentation of the publicly available data should indicate:
  - The institutions responsible for collecting and organizing the data;
  - The types of money transfer institutions (banks, MTOs, etc.) covered;
  - How the data are collected (e.g., regular mandatory reporting by remitting institutions, periodic surveys, systematic estimates based on related information); and
  - The most serious data gaps.

Mission estimates should clearly explain their information base and methodology.

- The numbers of remittance service providers active in the market, with
  - A breakdown by type of institution;
  - A description of how this information is collected (e.g., mandatory registration and/or licensing of service providers, periodic surveys, estimates by industry associations); and
  - An identification of the most serious data gaps.
- Breakdowns of total remittances by:
  - Type of service provider;
  - Country of destination;
  - Size of transaction; and
  - Remittance instrument—e.g., electronic transfers, money orders, cash couriers.
- The fees and commissions charged by different types of remittance service providers and for different transfer instruments, and the evolution of these charges over the past several years, distinguishing between:
  - Fixed minimum charges;
  - Ad valorem charges; and
  - Exchange rate spread or commission.
- The major factors affecting the observed cost trends (e.g., competitive pressures, changing technology, disclosure requirements or other regulatory changes)

The central bank and/or regulatory agency or agencies responsible for their registration and/or licensing and supervision, are likely to be the primary sources of data about the volume of remittances and the numbers and types of remittance service providers in the market (especially with respect to formal remittances). These agencies may also be able to offer an overview of recent developments in the market—its expansion, service offerings, changes in consumer preferences and technology, quality of competition, transfer mechanisms used by informal operators, data gaps, and gaps in regulation and supervision.<sup>2</sup> Even in the major remitting countries, however, there appear to be wide variations in supervisory coverage and the comprehensiveness of information. Information from official agencies will, in any case, need to be complemented by interviews with individual service providers, industry associations, and other expert observers that missions may identify.

In major sending countries, where there are large and established communities of immigrant workers from the designated recipient country, survey data that describe **the size, characteristics and remittance incentives of the remitters** may already exist and

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<sup>2</sup> Information may also be available from labor ministries and agencies that monitor and/or provide services to immigrants. Annex G includes a sample survey for labor ministries.

be available from local governments, academics, or community organizations. Missions should draw on any such data sources, while verifying and expanding on the available information through contacts with the relevant governmental and local organizations as well as interviews with migrant workers themselves. The information contained in this analysis should include:

- The number of migrant workers from the designated country of origin currently living in the sending country, the average length of time they have been there, and migration trends over the past 3-5 years.
- The total volume of outbound remittances from the sender country to the designated country of origin, distinguishing between publicly available data (both actual and estimated) and any supplementary estimates made by the mission itself. The presentation of the publicly available data should indicate:
  - The types of money transfer institutions (e.g., banks, MTOs,) covered;
  - How the data are collected (e.g., regular mandatory reporting by remitting institutions, periodic surveys, systematic estimates based on related information); and
  - The most serious data gaps.

Mission estimates should clearly explain their information base and methodology.

- Principal worker remittance characteristics, including:
  - Frequency and average size, and their principal determinants (e.g., income of sender, size of his family in host and in home country, mortgage payments or other fixed obligations in home country);
  - The intended recipients (e.g., remitter's family, charitable organization in home country, savings or other account in remitter's own name);
  - Location of recipients (urban/rural, region of country);
  - The purposes for which remitter expects the remitted funds to be used (e.g., supplement family consumption, celebrate special occasion, investment in housing or small business, general community support); and
  - Other transfers, if any, remitters make to the home country (e.g., contributions to hometown associations).
- Remitter preferences (as indicated in mission interviews or other survey information) among remittance service providers, including:
  - Their knowledge of alternative remittance services;
  - Their principal sources of information regarding available remittance services (e.g., family, co-workers, and friends, community associations, consumer education programs, advertisements);
  - The principal reasons given for the choice made, and for any changes in that choice over time;

- Remitters' understanding of how the charges for remittances, including exchange rate commission, are calculated; and
- Senders' satisfaction with existing services and the nature of any complaints or "wish list" for improved or additional services.
- Other financial services that remitters are making use of in either the host or recipient country (e.g., deposit accounts, loans, check-cashing, insurance), including:
- The types of institutions (e.g., commercial banks, credit unions, microfinance institutions), and whether these are typically the same or different from the entities used for remittance services; and
- Real or perceived obstacles to access to these other financial services.

Further, the principal aspects of the **economic policy framework** may affect the remitters' choices among different transfer mechanisms, such as capital controls and the exchange rate regime. Hence, these specific policies and programs should be described in detail and if relevant, included among the report's policy recommendations. Specific policy areas that should be explored further include:

- The exchange rate regime (where the exchange rate applicable to formal remittances varies significantly from the market-clearing rate, remitters may have a strong incentive to avoid the formal system; also, highly unstable exchange markets increase intermediaries' risks and are likely to be reflected in the fees or commissions charged);
- Taxes and controls on financial transfers;
- Immigration policies that, for example, might lead migrants to prefer the relative anonymity of informal channels.
- Consumer education efforts by official, private, or community organizations that serve to enhance remitters' knowledge and understanding of the available remittance options.
- Bilateral arrangements, if any, between sending and receiving countries that affects the costs of remittances through the various remittance channels differently.
- Incentive programs, if any, offered by either the host country or the home country to encourage emigrants to send money home and/or to use formal remittance channels rather than informal ones.

## II. The Intermediary Stage

### The Remittance Intermediaries

Study teams will be expected to analyze the types of institutions, both formal and informal, that are currently offering remittance services, their motivations for entering the market, the costs and other characteristics of the services they offer, their relative advantages and disadvantages in meeting the needs of different client groups, the extent of competition among them, and the information available to them for the potential demand for their services. Specific analysis in this regard might entail:

- Differentiating between formal and informal remittance intermediaries,<sup>3</sup> describing the types of entities (e.g., commercial banks, MTOs, credit unions, ethnic stores, etc.) actively providing remittance services in the corridor, including any distinguishing characteristics among the various types with respect to:
  - The extent to which they specialize in serving the particular corridor, or even a particular region within recipient country;
  - The geographical area(s) within the sending country from which their clientele is chiefly drawn;
  - Their principal motivations for offering remittance services (e.g., the profitability of the remittance business itself, the opportunity to sell other goods or services to remitters, community service);
  - The forms in which remitters typically submit funds to the service provider (e.g., cash, money order, credit card);
  - The average size of remittance transactions;
  - The regulatory agencies, if any, to which the various service providers are answerable and the nature and frequency of reports they are required to provide and of any other forms of oversight.
  - The records routinely kept of individual clients and transactions;
  - Requirements, if any, placed on remitters to qualify for service (e.g., minimum transaction size, identification documentation, association membership, tied use of other institutional services); and
  - Fees and commissions charged for remittances, how they are calculated, and whether they have changed over the past three years.
- Relative advantages and disadvantages of the different types of service providers for attracting the business of remitters (e.g., cost and speed of money transfer, physical accessibility of the service provider's place of business, cultural affinity with remitters, regulatory coverage, reputation for reliability);

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<sup>3</sup> See page 10 of this text for a more detailed definition

- Efforts, if any, currently being made by the respective service providers to attract remittance business, both generally and related to the specific remittance corridor (e.g., advertising, tie-ins to other services, extending hours, opening branches, adding staff with home-country language skills). Particular attention should be given to the interest and marketing efforts of formal financial institutions, especially commercial banks:
- With regard to remittance business generally and to the specific remittance corridor;
  - Whether this interest has changed in recent years; and
  - The factors explaining their interest or disinterest in this business.
- The channels through which the different types of service providers transmit remittances to the recipient country (e.g., wire transfers, shipping company, couriers, etc.), and the average time required between a sender's deposit of money with the service provider and its availability to the final recipient;
- The existence and nature of any established relationships between remittance service providers and delivery service providers across the corridor, and the implications of such relationships for the efficiency of transactions and competition among remittance service providers; and
- Any special known risks associated with the corridor that could require special monitoring procedures (e.g., smuggling of drugs or weapons, human trafficking).

Finally, it should be emphasized that particular note should be taken of changes in the **competitive environment** in recent years—the entry of new remittance service providers, more aggressive marketing efforts, reductions in fees and commissions, any significant shift toward greater use of formal transfer mechanisms—analyzing the market, technological, regulatory or other factors that have led to these changes (or lack of change, in some cases).

### **The Legal and Regulatory Framework Affecting Remittances**

Mission reports should also provide a description and assessment of the legal, regulatory, and supervisory frameworks that govern remittance activities and thereby shape the incentives and options of both remitters and service providers. In addition to assessing the effectiveness of the framework for ensuring the integrity of the financial system and for protecting remittance customers against fraud, study teams should seek to estimate the costs to service providers of compliance with the legal and regulatory framework and the impact of the latter on competition and entry into the remittance business.

Specifically, in the following paragraphs we list particular aspects of the country's legal and regulatory framework to be reviewed for a more comprehensive understanding. There are two main objectives of conducting this analysis: First, to find out the degree to which it is consistent with international standards governing the registration or licensing and monitoring of remittance service providers (RSPs); and second, to evaluate how implementation of standards respond to the incentives of remittance senders on choosing a formal or informal transfer mechanism. This checklist is oriented to remittance *sending* countries, but may also be used for remittance *receiving* countries with suitable adaptations.

The list poses questions that should be explored in three major areas under the legal and regulatory framework, to derive a more robust analysis. They are (i) the regulation and supervision of RSPs (ii) the protection of consumers using RSPs and (iii) the prevention of the abuse of RSPs for illegal purposes such as money laundering (ML) and the financing of terrorism (FT).

For the **Regulation and Supervision of RSPs**, the questions to be explored further are:

- Does the law prohibit or criminalize informal remittance services (as in a few countries like India, Pakistan and Japan)? If so, examine the legal and other implications thereof, especially if this has contributed to an underground banking system; and the rest of the questions below need not be pursued.
- Does the law provide that all natural or legal persons providing a money or value transfer service be licensed or registered?
- If the law provides for both licensing and registration, what are the criteria established for determining whether a natural or legal person should seek licensing or registration? Examine the advantages and disadvantages of both.
- What are the specific licensing or registration requirements (*e.g.*, application form, passport or other ID, photo, trade license or incorporation papers, interviews)? In particular, what are the minimum eligibility requirements?
- What specific background checks or tests are conducted on RSPs and their operators, owners, directors, or shareholders by the designated competent authority (*see below*) before licensing or registration, *e.g.*, verification of business addresses, undertaking “fit and proper tests” for officers of RSPs, verifying absence of criminal record, assessing financial soundness of RSPs, ascertaining minimum net worth of key officers, requiring a guarantee bond, reviewing business plans, inspecting business and bank accounts (to ascertain depository institutions, correspondent relationships for money transfers, banning commingling of accounts and funds), and reviewing operating procedures and capacity of RSPs?
- What are the specific procedures and fees for such licensing or registration?
- Are these relatively simple or unduly cumbersome?
- Is the licensing or registration of RSPs done for a specified period of time (*e.g.*, annually or every two or three years)?

- Does the law establish or designate and empower a competent authority (*e.g.*, the Financial Intelligence Unit or a financial regulatory body) to oversee the licensing and registration process? If multiple agencies are involved, ascertain: (i) the division of responsibilities among them and whether this is appropriate and effective in light of international best practices; and (ii) whether the multiple agencies result in duplication and contradictory actions, thereby increasing both confusion among RSPs over regulatory oversight and compliance costs.
- Does the competent authority maintain a current list of the names and addresses of licensed and/or registered RSPs that is open to public inspection?
- Does the law or competent authority require RSPs to display their license or registration document prominently in their offices?
- Does the law or the competent authority require RSPs to submit periodic (*e.g.*, quarterly) reports on specific inward and outbound financial transactions and on clients they deem suspicious? Information to be included in such reports could include names of customers, places of work/addresses, nationality, passport number, amounts transferred, beneficiary names and countries, and purposes of transfers.
- Does the law stipulate, or does the competent authority carry out, on-site or off-site inspections of RSPs and, if so, are these selective or regular?
- Does the law require each licensed or registered RSP to maintain a current list of its agents, which must be made available to the competent authority?
- What additional regulatory constraints are imposed on RSPs (*e.g.*, modes of money transfer, minimum capital requirements, reserve requirements, guarantee bonds, limits on fees, information disclosure to customers, etc?)
- What specific sanctions are imposed by law for non-compliance (*e.g.*, failure to license or register, failure to apply international standards, failure to maintain records, failure to report suspicious transactions) in terms of, for example, warnings, fines, revocation of license or cancellation of registration, forfeiture of guarantee bond, imprisonment of officers of RSPs?
- How do costs of the RSPs affect their compliance with the law? (Note: The RSPs and regulators may have different perceptions of the nature/magnitude of these costs.)
- How have various regulatory requirements and their related compliance costs impacted competition among RSPs and the entry of new competitors?
- How have regulatory changes in recent years (*e.g.*, particularly since international standards with respect to RSPs have been tightened after September 11, 2001) impacted remittance costs, competition and sender choices among RSPs?

While the answers to the above questions may indicate some measure of protection to the rights of consumers using RSPs, additional questions could be posed in this area to better understand the regulatory impact on consumers. Hence, the questions to be explored further for the **protection of consumers using RSPs** are:

- What is the degree to which the law provides adequate protection to consumers of RSP services against fraud and abuse, which may lead to loss or misappropriation of their funds?
- Does the competent authority require RSPs to take out and maintain surety bonds to protect consumers against fraud, abuse and resulting loss of funds?
- Does the competent authority stipulate, or monitor the charging of, fees charged by RSPs to ensure that they are reasonable and competitive?
- Does the competent authority require RSPs to make a full written disclosure to consumers of the financial terms for their services? Are RSPs also required to issue written receipts for all remittance transactions?
- Does the law provide a framework for dissatisfied consumers to file complaints in cases of suspected fraud or abuse by RSPs? Does it also establish the forms, procedures and hearing formalities for such filing, and designate a competent authority to receive, investigate and take action on such complaints (including applying sanctions against offending RSPs)?
- Has the competent authority educated the public or otherwise widely publicized the channels for consumers to lodge complaints?
- How much incidence is there of consumer fraud or other abuses of the remittance system (including number of complaints filed and action taken thereon)? What are the consequences for the growth and development of the system? (Note: Market participants, regulatory authorities, and informed observers may have widely different views on these questions.)
- Do the RSPs have established self-regulating codes of conduct?

Finally, Bank teams must obtain further information regarding **preventing the abuse of RSPs for illegal purposes such as money laundering (ML) and the financing of terrorism (FT)**, especially given the altered political and regulatory landscape following September 11, 2001. Thus, questions to be explored further in this area should include:

- Has the country promulgated the required national laws and regulations to implement its obligations under the various international conventions and FATF standards on AML/CFT (see box below for details).
- Has (i) the country signed any of the four Conventions (most countries are likely to have signed)? and (ii) Has the country ratified these Conventions? Ratification is the critical final step to firming up a country's international legal obligations.
- Has the country adopted separate AML and CFT laws and regulations? If not, inquire whether such provisions have been included under the general

- criminal law (*e.g.*, Criminal or Penal Code, or Proceeds of Crime Act) or general banking or financial laws.
- Do the above laws cover RSPs? If not, has the country adopted separate laws or regulations applying solely to RSPs and what are their provisions on AML/CFT?
  - Do the definition of “financial institutions” used in the laws and regulations include RSPs? (Note: Many of the older AML laws apply only to banks, and sometimes also to non-bank financial institutions, etc.)
  - Do the laws make clear that the requirements of *FATF 40* and *FATF 9* apply equally to RSPs? If so, examine the extent to which these requirements are made applicable to RSPs. (Note: The requirements would not normally be as onerous as those applicable to banks due to the small size and limited capacity of most RSPs; however, the core requirements of customer due diligence, and reporting of suspicious transactions must apply.)
  - Does the law stipulate, and is the competent authority charged with ensuring, that RSPs implement international standards on customer due diligence, reporting of suspicious transactions, record-keeping, internal compliance monitoring, “fit and proper tests” for officers managing RSPs, internal and external reviews/audits), *per FATF 40+9*? Examine how onerous this system is for the RSPs by comparison with those applying to banks, securities firms and insurance companies
  - How many Suspicious Transaction Reports (STRs) have been filed by MTOs?
  - Have there been money laundering/terrorist financing (ML/TF) cases that have involved MTOs?
  - Are MTOs required to designate a compliance officer and develop an internal AML compliance program?

In light of the information or answers provided to the questions above, the study team should identify (in consultation with the regulators and other concerned local legal and financial experts) any **serious gaps** in the legal and regulatory framework regarding (i) the regulation and monitoring of RSPs; (ii) the protection provided to consumers; and (iii) the prevention of AML/CFT.

## Additional Issues to be Examined in Remittance Receiving Countries

As noted earlier, the elements of the checklist already detailed could be used to examine the legal and regulatory framework of the remittance *receiving* countries with appropriate adaptations. However, additional questions specific to the remittance receiving country could include:

- What incentives, if any, are offered by the country to attract inward remittances and investments? What programs, if any, are offered to encourage senders and recipients to use formal rather than informal remittance delivery channels?
- What hampering factors of a regulatory or policy nature exist regarding the sending or receipt of remittances? Is the overall environment hospitable or attractive for the receipt of inward remittances?
- Has the country established monetary policies such as restrictions under the foreign exchange control regulations (*e.g.*, requiring the channelling of all foreign exchange dealings through the central bank or state bank at the official exchange rate) and prohibiting RSPs from handling such transactions independently?
- Does the country “tax” inward remittances through the application of foreign exchange rate controls, by the withholding of portions of remittances, or the application of a flat tax rate (*e.g.*, 3%)?
- Does the country (or its central bank or bank regulator) place restrictions on the amounts of inward remittances or on foreign exchange holdings? What choices result thereby for delivery service providers?
- How is the quality of the country’s internal payment systems and what are the associated implications for the costs of remittance delivery to various parts of the country? In developing and transition countries, it is likely that there will be multiple providers including formal systems.
- What access do different delivery service providers have on existing clearance and settlement systems, and examine their implications for competition and consumer choices? What alternatives, formal and informal, are available to delivery service providers with restricted access to clearance and settlement systems?
- What consumer education efforts are in place to enhance remittance receivers’ knowledge of available delivery service options and/or other financial services?
- Does the country place undue restrictions on the investment of remittances (*e.g.*, through restrictions on foreign exchange holdings, such as opening of foreign exchange-denominated bank accounts; prohibiting the repatriation of savings and profits; limiting the range of investment products available; and burdensome red tape for setting up a business.)

- What bilateral arrangements, if any, exist between the receiving and sending countries that affect the costs of receiving remittances and the choice among delivery channels?
- What incentives, if any, such as certain government policies or laws, are offered by the country to attract inward remittances and investments? What incentive programs, if any, are offered by the country to encourage senders and recipients to use formal rather than informal remittance delivery channels?

### **International Conventions and FATF Standards on AML/CFT**

There are four international conventions, which have been signed by the majority of U.N. member States (well over 100 States for each convention), which require States Parties to criminalize and punish ML and FT. These treaty commitments require the State Parties to take prompt action to promulgate the necessary national laws and regulations to implement the provisions of the Conventions. In addition, the Financial Action Task Force (FATF) has issued “recommendations” and “best practices”, which carry a strong expectation of “compliance” by States and financial institutions as they elaborate on the general legal obligations assumed by States under the Conventions.

The FATF’s Forty Recommendations (FATF 40), as revised and reissued in June 2003, set out detailed recommendations to strengthen national legal systems; to strengthen financial institutions through effective customer due diligence, reporting of suspicious transactions, record-keeping, internal training and compliance monitoring, internal/external reviews/audits, prudential regulation and supervision, etc. (see FATF 40 for details). Of particular interest are the following: (i) the definition of “financial institutions” has been broadened to include RSPs, i.e., any person or entity that conducts as a business “the transfer of money or value” for or on behalf of a customer<sup>4</sup>; and (ii) a new recommendation (Recommendation 23) that provides as follows:

At a minimum, businesses providing a service of money or value transfer...should be licensed or registered, and subject to effective systems for monitoring and ensuring compliance with national requirements to combat money laundering and terrorist financing.

The background to this recommendation is Recommendation VI (Alternative Remittance) of FATF’s Special Recommendations on Terrorist Financing adopted in October 2001.

The checklist above has been prepared taking into account: (i) the FATF paper on Combating the Abuse of Alternative Remittance Systems: International Best Practices, dated June 20, 2003; (ii) relevant provisions dealing with RSPs under the World Bank-IMF-FATF Methodology for Assessing Compliance with the FATF 40 Recommendations and the FATF 8 Special Recommendations, dated February 27, 2004; and (iii) the IMF paper, Approaches to a Regulatory Framework for Formal and Informal Remittance Systems: Experiences and Lessons, prepared in collaboration with the World Bank, dated February 17, 2005.

<sup>4</sup> See *FATF 40*, Glossary, definition of “financial institutions”.

### III. The Last Mile

In their analysis of the Last Mile, study teams should estimate the volume and nature of worker remittances entering the recipient country, both total and from the designated sender country. The primary sources of data for this section of the analysis are likely to be the same as for the First Mile. The **specific features of the remittance industry in the receiving country** that might be further explored are:

- The total volume of inbound remittances to the receiving country, distinguishing between publicly available data (both actual and estimated) and any supplementary estimates made by the mission. The presentation of the publicly available data should indicate:
  - The institution(s) responsible for collecting and organizing the data;
  - The institutional coverage of the information available;
  - How the data are collected (e.g., regular mandatory reporting by receiving/delivering institutions, periodic surveys, systematic estimates based on related information); and
  - The most serious data gaps (mission estimates should clearly explain their information base and methodology)
- Breakdowns, where available, of remittances by:
  - Type of delivery service provider (e.g., commercial banks, credit unions, microfinance institutions, merchants and traders);
  - Country of origin;
  - Size of transaction;
  - Location of final recipient (region, rural-urban); and
  - Type of remittance instrument.
- The number of delivery service providers active in the market, with:
  - A breakdown by type of institution;
  - A description of how this information is collected (e.g., mandatory registration and/or licensing of service providers, periodic surveys, estimates by industry associations); and
  - The most serious data gaps.
- Characteristics of different types of service providers, including:
  - Any systematic differences in the importance of different types of providers across regions in the country, and as between urban centers and rural areas.

- The extent to which entities specialize in handling remittances of the designated corridor.
- The average size of a remittance delivered through the respective entities, and the frequency with which regular customers receive a remittance.
- The types of delivery instruments available to recipients (e.g., direct cash, cash via ATM machine, money order, credit card, goods, etc.).
- The fees and commissions, if any, charged by different types of delivery service providers and for different transfer instruments, and the evolution of these charges over the past several years. (In some cases, all fees and commissions may have been paid up front by remittance senders.)
- Estimated total costs to final recipients of taking delivery of the funds via the respective delivery options, including:
  - Fees and commissions;
  - Estimated costs of travel to the point of delivery;
  - Lost wages for the time required, etc.; and highlighting
  - Any significant differences in these costs across regions in the recipient country and between urban centers and rural areas.
- The major factors affecting observed cost trends (e.g., competitive pressures, changing technology, improving infrastructure, regulatory changes, etc.);
- Linkages or business relationships, if any, among service providers within the recipient country (e.g., credit union federations, correspondent banking relationships, agency agreements) that may increase access to, and/or increase the efficiency of, delivery channels;
- Efforts, if any, being made by the respective service providers to attract remittance delivery business, both generally and related to the specific remittance corridor (e.g., advertising, tie-ins to other services, extending hours, opening branches, establishing business relationships with other financial institutions);
- The principal motivations of different types of delivery service providers to offer remittance services (e.g., the profitability of the remittance business itself, the opportunity to sell other goods or services to remitters, community service);
- Relative advantages and disadvantages of the different types of service providers for attracting the business of remittance recipients (e.g., cost and speed of delivery, convenience of point of delivery, reputation for reliability, cultural affinity, confidentiality, regulatory coverage);

Mission reports should also describe the **remittance recipients**, the delivery services that they require, their knowledge of the delivery options open to them, their use of remittance incomes, and their needs, both met and unmet, for other financial services. In addition to other information sources noted above, national household surveys may be

a valuable source of data on remittance receipts, recipient family characteristics, and the use of remittance incomes. Highlighted characteristics and incentives of remittance recipients from the designated country of origin should include:

- The characteristics of principal recipients, which entail their:
  - Geographical location (region, urban/rural);
  - Average family income level relative to country average;
  - The amount and frequency of the remittances received; and
  - The length of time the remitting family members have been away in the sending country, expectations with regard to their return (or whether other members of the family expect to join the remitter abroad) and the correlation, if any, of these factors with the size of remittances.
  - Recipients' use of other financial services and the types of institutions providing them (e.g., commercial banks, credit unions, microfinance institutions, informal moneylenders, etc.). Are these typically the same or different from the entities delivering the remittances?
- The principal characteristics of funds delivery, which include:
  - The place where remittances are received (e.g., bank, retail store, ATM machine, recipient's home);
  - The form in which funds are received (e.g., cash, deposit accounts, prepaid credit card);
  - The currency (local/foreign) in which received;
  - Alternative places and means by which recipients can take delivery of the remittances; and
  - The reasons for using the current means and for any changes that may have occurred in this regard over the past three years.
- The uses to which the remittances received are put, and the extent to which they are treated as regular income and applied to regular expenditures, or as occasional income supplements to cover non-regular or special occasion expenditures;
- The advantages and disadvantages identified by recipients of the different available types of delivery service providers and instruments, and the principal reasons for their choice (e.g., cost, speed, and convenience of delivery, confidentiality, regulatory coverage, reputation for reliability, etc.);
- Problems identified by recipients regarding the remittance process, and improvements they would like to see.

Based on the magnitudes of remittances received and the use made of them by recipients, missions should also make a rough assessment of their **impact on the macro and local economies**. In this regard, the issues to be explored further are:

- Macroeconomic significance of total remittance inflows,
  - Providing selected quantitative indicators, such as total annual remittances relative to GDP, M2, exports, trade deficit, foreign direct investment, and foreign aid; and
  - Noting, if relevant, any significant implications for the management of macroeconomic stability.
- Importance of remittances for the economic prospects of recipient families, citing:
  - Any notable impacts on, for example, housing investments, business investments, health and education expenditures, and families' ability to weather downturns in the local economy;
  - Impact, if any, on recipient families' access to, and use of, other financial services; and
  - Evidence, if any, of impact on recipient family work incentives.
- Impact on the economy of the local community, including:
  - Increase in demand for local products, land, housing, etc., and whether resulting in rising employment and/or prices;
  - Investments in local infrastructure, noting the importance (where they exist) of community organizations linked to migrant groups abroad; and/or
  - Increased availability of financial services in the community.

Finally, an assessment is also needed of the **overall policy framework** insofar as it affects the costs and accessibility of the various delivery options, the recipients' use of remittance proceeds and their consequent developmental impact. For this reason, World Bank missions should understand:

- The nature of the exchange rate regime in the recipient country and the implications for choices among delivery service providers;
- Taxes and controls, if any, on remittance receipts, including:
  - Reporting requirements;
  - Limits on the size of remittances;
  - Restrictions on foreign currency holdings; and
- The implications for choices among delivery service providers.

- The quality of the internal payments system of the recipient country and its implications for the costs of remittance delivery to the various parts of the country;
- The access that different types of remittance delivery service providers have to existing clearance and settlement systems, and the implications for competition and consumer choices;
- Consumer education efforts by official, private, or community organizations that serve to enhance remittance receivers' knowledge and understanding of the available delivery service options and/or of other available financial services;
- Bilateral arrangements, if any, between borrowing and receiving countries that affect the costs of receiving remittances and the choice among delivery channels; and
- Incentive programs, if any, offered by the home country to encourage recipients to use formal remittance delivery channels rather than informal ones.

Finally, mission reports should describe the legal and regulatory framework that governs remittance receipts and evaluate its effectiveness in ensuring the integrity of the financial system as well as protecting remittance recipients against fraud [as discussed earlier for remittance senders].

#### **IV. Lessons and Policy Recommendations**

The final section of each mission's report should summarize the major findings and assessments in the context of the questions listed for special attention. The quality of the data available and the most significant information gaps should also be reiterated.

In bringing this information together, missions should analyze the potential growth of demand for remittance services in the corridor, the opportunities thus offered for the profitable expansion of formal remittance services, the effectiveness of financial institutions' efforts to exploit these opportunities, the system's vulnerability to fraud and abuse against customers and the misuse of funds for money laundering and other illegal purposes. The analysis should also cover the impacts, positive or negative, of the existing legal, regulatory and policy framework on the growth and efficiency of remittances and their potential developmental contribution.

Based upon this analysis, this section should set out in bullet format the principal lessons learned from the study, with particular attention to the progress that has been made and the potential for further progress in encouraging the development of formal remittance channels. These findings should provide the basis for specific recommendations for further study and for actions to be taken, singly or in concert, by the governments involved to improve the efficiency and developmental potential of remittances, and to protect the integrity of the corridor.



# **ANNEXES**

## Annex A. Generic Timeline for Missions

• Month 1	• Month 2	• Month 3
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• A	• B	• C	• D	• E
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<ul style="list-style-type: none"> <li>• A. Pre-Appraisal Mission</li> </ul>
<ul style="list-style-type: none"> <li>• Contact authorities</li> <li>• Identify World Bank work done in the two countries</li> <li>• Data Collection: (i) IMF Balance of Payments, (ii) Estimates, (iii) Papers</li> <li>• Regulations: (i) AML/CFT, (ii) Consumer Protection, (iii) Supervision</li> <li>• Preparation of Agenda: Interviews with : <ul style="list-style-type: none"> <li>• (i) Public Sector – Central Bank, Ministry of Finance, Law Enforcement, Ministry of Foreign Affairs, Statistics Bureau, Consumer Protection Agency, Ministry of Labor, etc,</li> <li>• (ii) Private Sector – Banks, Postal Service, Western Union, Micro-Finance Institutions, Distribution Agents,</li> <li>• (iii) Recipient communities (sender in the First Mile: Community associations, aka Diasporas and recipients in Last Mile: Visit to a village)</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• B. Mission</li> </ul>
<ul style="list-style-type: none"> <li>• 1. Meet with appropriate institutions at First Mile (one week or less depending of pre-appraisal mission)</li> </ul>
<ul style="list-style-type: none"> <li>• 2. Meet with appropriate institutions at Last Mile (one week or less depending of pre-appraisal mission)</li> </ul>
<ul style="list-style-type: none"> <li>• C. Drafting</li> </ul>
<ul style="list-style-type: none"> <li>• 1. Draft paper</li> </ul>
<ul style="list-style-type: none"> <li>• 2. Follow up on data collected</li> </ul>
<ul style="list-style-type: none"> <li>• 3. Additional Research</li> </ul>

<ul style="list-style-type: none"><li>• 4. Comments/review for consistency with other case studies, and comments from stakeholders.</li></ul>
<ul style="list-style-type: none"><li>• D. Incorporate Feedback from Stakeholders and Final Drafting</li></ul>
<ul style="list-style-type: none"><li>• 1. Send final to peer reviewers for comments.</li></ul>
<ul style="list-style-type: none"><li>• E. Final Review.</li></ul>
<ul style="list-style-type: none"><li>• 1. Review meeting.</li></ul>
<ul style="list-style-type: none"><li>• 2. Publication.</li></ul>
<ul style="list-style-type: none"><li>• 3. Presentation and dissemination.</li></ul>

## Annex B. Issues for Discussion in Remittances Recipient Country Missions

Institutions in Recipient Country	Meeting Agenda
<b>Central Bank, Ministry of Finance, or other finance ministry</b> (different departments)	<ul style="list-style-type: none"> <li>• Objectives and scope of the study</li> <li>• Review of existing data on remittance inflows to [Recipient Country] (volume, instruments, evolution in last 10 years)</li> <li>• Data collection practices (coverage of formal and informal channels) and limitations of data</li> <li>• Framework for settlement of money transfers in [Recipient Country]</li> <li>• Anti-money laundering issues (overview of regulations adopted in last 4 years and impact on money transfers)</li> <li>• Financial institutions supervisory issue (if applicable)</li> <li>• Number and types of (non-) financial institutions authorized to pay remittances in [Recipient Country]</li> <li>• Minimum registration and regulatory requirements for money transfer companies in [Recipient Country]</li> <li>• Consumer protection issues</li> <li>• Payment systems in [Recipient Country]</li> <li>• Data on access to financial services in [Recipient Country] and [Sender Country].</li> </ul>
<b>Ministry of Finance</b>	<ul style="list-style-type: none"> <li>• Financial institutions supervisory issue (if applicable)</li> <li>• Policies related remittance inflows in comparison with other external source of finance</li> </ul>
<b>Statistical office</b>	<ul style="list-style-type: none"> <li>• Socio-economic profile of households receiving remittances (average income, number of members per household, education level, occupation, etc.)</li> <li>• Other data on migration and remittances</li> <li>• Census data</li> </ul>
<b>Department of Labor/Manpower/Labor Export</b>	<ul style="list-style-type: none"> <li>• Data on migration from [Recipient Country] to [Sender Country] and to other countries</li> <li>• Characteristics of migration outflows from [Recipient Country] to [Sender Country] and other countries</li> <li>• Migration patterns in the last 10 years</li> <li>• Statistics on citizens of [Recipient country] living overseas that visit their country (main points of entry,</li> </ul>

	<p>money reporting requirements, other issues)</p> <ul style="list-style-type: none"> <li>• Legal status of citizens of [Recipient country] living in [Sender Country] and in other countries</li> <li>• Registration of migration inflows and outflows</li> <li>• Pre-departure education programs, if any.</li> </ul>
<b>Ministry of Foreign Affairs</b>	<ul style="list-style-type: none"> <li>• Current and future cooperation between [Recipient Country] and [Sender Country] (and other countries) in the areas of migration and workers' remittances</li> <li>• Public services to migrant workers in both [Recipient Country] and [Sender Country]</li> <li>• Demographic data on citizens of [Recipient country]</li> <li>• Data on geographic distribution of citizens of [Recipient country]</li> </ul>
<b>Commercial Banks</b>	<ul style="list-style-type: none"> <li>• Data on remittance flows to [Recipient Country]</li> <li>• Available products for money transfers (eg electronic transfers, money orders, dual debit cards, etc)</li> <li>• Methods of payment of remittances in [Recipient Country] (cash payments, deposits in bank accounts, ATMs)</li> <li>• Payment of remittances according to major cities and remote areas (mountain) in [Recipient Country]</li> <li>• Fees associated with money transfers (fees paid by senders, exchange rate spreads and fees paid by beneficiaries)</li> <li>• Market share of different institutions in the payment of remittances</li> <li>• Agreements with money transfer companies and commercial banks and other correspondent banks located in the countries where transactions originate</li> <li>• Mechanism of remittances from [Sender Country] to [Recipient Country] (payment order, wire, settlement, payment, etc...)</li> <li>• Settlement of remittances</li> <li>• Impact of AML regulations</li> <li>• Securitization of remittances</li> <li>• Supply of financial products for households receiving remittances (deposit and investment accounts, consumer credit, mortgages, pension funds, life and non-life insurance products, etc.)</li> </ul>
<b>Money transfer companies</b>	<ul style="list-style-type: none"> <li>• Data on remittance flows to [Recipient Country]</li> <li>• Available products for money transfers (eg electronic</li> </ul>

	<p>transfers, money orders, dual debit cards, etc)</p> <ul style="list-style-type: none"> <li>• Methods of payment of remittances in [Recipient Country] (cash payments, deposits in bank accounts, ATMs)</li> <li>• Payment of remittances according to major cities and remote areas (mountain) in [Recipient Country]</li> <li>• Fees associated with money transfers (fees paid by senders, exchange rate spreads and fees paid by beneficiaries)</li> <li>• Market share of different institutions in the payment of remittances</li> <li>• Agreements with commercial banks</li> <li>• Mechanism to transfer money from [Sender Country] to [Recipient Country]</li> <li>• Settlement of remittances</li> <li>• Impact of AML regulations</li> <li>• Other businesses other than remittances</li> </ul>
<b>Migrant Communities/Civil Society</b>	<ul style="list-style-type: none"> <li>• Data on migration from [Recipient Country] to [Sender Country] and to other countries</li> <li>• Characteristics of migration outflows from [Recipient Country] to [Sender Country] and other countries</li> <li>• Migration patterns in the last 10 years</li> <li>• Statistics on citizens of [Recipient country] living overseas that visit their country (main points of entry, money reporting requirements, other issues)</li> <li>• Legal status of citizens of [Recipient country] living in [Sender Country] and in other countries</li> <li>• Registration of migration inflows and outflows</li> <li>• Pre-departure education programs, if any.</li> <li>• Post-departure (in host country) training program/</li> <li>• Training program for migrants as to how to open bank account, to send remittances, and benefit from other financial services.</li> <li>• Migrant protection programs</li> </ul>
<b>Academia</b>	<ul style="list-style-type: none"> <li>• Information on migrant workers in concerned countries</li> <li>• Data on migrant workers</li> <li>• Other relevant issues with regard to remittances and migration</li> </ul>

## **Annex C. Survey for Central Banks in Remittance Recipient Countries**

This survey is aimed to provide initial information on remittances flows and their characteristics. It comprises two sections. Section I focuses on the methods used by the central bank to collect remittances data. Section II asks for information on the market environment for remittances transfers (nature of remittance senders, market participants that provide remittances transfers, instruments use for those transfers), components of remittances costs, financial infrastructure to support remittances, best practices on remittances transactions, regulatory environment and public policy issues.

### **Section I. Data on Remittance Flows**

Please indicate what the source(s) of your official data on remittances are?

- a. Reports from firms specialized in money transfers (Western Union, Money Gram, etc.)
- b. Reports from banking institutions
- c. Reports from exchange bureaus
- d. Reports from other financial institutions that deliver remittances (e.g. micro-finance institutions, credit unions, saving and loans companies, etc)
- e. Reports from non-financial institutions that deliver remittances (e.g. post offices)
- f. Reports from settlement and clearance agencies
- g. Information reported by migrants themselves entering the country (at airports or other points of entry)
- h. Other, please specify

What type of transactions do you record as remittances?

- a. Electronic transfers
- b. Drafts
- c. Money orders
- d. Withdrawals at automated teller machines (ATMs) using cards issued by foreign financial institutions
- e. Money reported by migrants visiting their home country at point of entry
- f. Use of pre-paid cards for remittances
- g. Checks issued by banks in foreign jurisdictions
- h. Other (please specify)

Does the data you collect allow you to identify the source country of remittances?

Does the data you collect allow you to identify the number of remittances transactions?

Do you disclose information on remittances to the public?

If so, how often is the information disclosed?

- a. Every month
- b. Every quarter
- c. Every year
- d. Other

Which year did you start to collect information on remittances?

Are there other government agencies collecting information on remittances in your country? If so, which?

Do you have any plans to improve the coverage of your data and the methodology used to measure the volume and structure of remittances? If so, please describe your current or future initiatives on this matter.

## **Section II. Statistics on Remittances**

### **1. Market environment**

How many nationals of your country live overseas (number of migrants and migrants as a percentage of total population)?

Do you know what has been the outflow of migrants in each of the past five years?

Do you know in which countries do migrants live (top five destination countries)?

Do you have specific information regarding the number of migrants of your country living in each foreign country (top 5 destination countries)?

Do you have any statistics on the average amount of remittances sent by migrants every month and every year?

Do you know how often migrants actually send remittances (on average) to their families and relatives?

- a. Every month
- b. Every two months
- c. Every three months
- d. Every six months
- e. Once a year

Could you please provide the following data on remittances flows for the past three years?

**Table 1.**

Instrument to transfer remittances	Year 1		Year 2		Year 3	
	Number of transactions	Volume of transactions (\$)	Number of transactions	Volume of transactions (\$)	Number of transactions	Volume of transactions (\$)
electronic wires						
Drafts						
debit cards						
money orders						
pre-paid cards						
Checks						
money sent through relatives traveling to home country						
Other, please specify						
Total						

Which country (countries) is the major source of your remittances?

If information on question 1.14 is incomplete, what is in your opinion the most common instrument used by migrants to transfer funds to your country (in terms of the total number of remittances transactions)?

- a. electronic wires
- b. drafts

- c. money orders
- d. debit cards
- e. pre-paid cards
- f. checks
- g. money sent through relatives traveling to home country
- h. Other, please specify

If information on question 1.14 is incomplete, what is in your opinion the instrument through which you most remittances are transferred (in terms of volume)?

- a. electronic wires
- b. drafts
- c. money orders
- d. debit cards
- e. pre-paid cards
- f. checks
- g. money sent through relatives traveling to home country
- h. Other, please specify

Please indicate which types of institutions of table 2 deliver remittances in your country.

**Table 2.**

Types of financial and non-financial institutions delivering remittances in your country	Number of institutions	Who supervises these institutions?	Share of the market of remittances (%)
Firms specialized in money transfers (Western Union, Money Gram, etc.)			
Private banking institutions			
State-owned banks			
Exchange bureaus			
Postal Administration			
Other financial institutions (e.g. micro-finance institutions, credit unions, saving and loans companies, etc)			

Non-financial institutions (e.g. commercial retail chains, travel agencies, etc.)			
Other (including informal institution or person)			

Is there a threshold for the amount of money for those who enter or leave your country?

Is this information reported to the central bank? If not, which government agency is responsible for keeping record of it?

## 2. Components of remittance costs

Do you have any legal powers to issue regulation to limit the fees related to the transfer and delivery of remittances (such as exchange rate to be used for the transaction, currency in which the delivery of remittances occurs, fees for ATM withdrawals, etc.)?

Have you used these legal powers in order to lower the cost of remittances in the past three years?

Do you know what the cost of sending \$300 dollar in remittances from the largest source country to your country are (including fees, cost of currency conversion, cost of use of ATM withdrawals, as well as any other cost)? Please provide the requested information on the table below.

**Table 3.**

Instrument to transfer remittances	Fees paid by sender when sending \$300	Fees paid by beneficiary when receiving \$300	Total cost of sending \$300	Description of fees
electronic wires				
drafts				
debit cards				
money orders				
pre-paid cards				
checks				
other, please				

specify				
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In the case of remittances sent through electronic transfers, in what currency is the beneficiary paid?

- US dollars, euros or any other international major currency
- Local currency

In case the beneficiary can only be paid in local currency, what exchange rate is used to convert the funds?

- Inter-bank exchange rate
- Exchange rate for retail operations
- Other

What other cost must be borne by the sender?

In the case of remittances sent through money orders, in what currency is the beneficiary paid?

- US dollars, euros or any other international major currency
- Local currency

In case the beneficiary can only be paid in local currency, what exchange rate is used to convert the funds?

- Inter-bank exchange rate
- Exchange rate for retail operations
- Other

What other cost must be borne by the sender?

In the case of debit cards, what is the cost for using ATMs to withdraw funds in receiving country?

Can funds be withdrawn in US dollars, euros or other international currency?

In case the beneficiary can only be paid in local currency, what exchange rate is used to convert the funds?

- Inter-bank exchange rate
- Exchange rate for retail operations
- Other

What other cost must be borne by the sender or beneficiary of funds?

Which documents are required to open a bank account in your country? Please list them.

### **3. Financial Infrastructure Supporting Remittances**

Which institutions delivering remittances in your country have access to the central bank's clearing and settlement systems (commercial banks, exchange bureaus, micro-finance institutions, credit unions, etc.)

If there are institutions that deliver remittances in your country which do not have access to the central bank's clearing and settlement system, what is the reason for that?

Are there any plans to increase the access of institutions delivering remittances to the central bank's clearing and settlement systems? If so, please describe your plans.

For institutions with no access to the central bank's clearing and settlement systems, what clearing and settlement systems do they use?

Can financial institutions operating in your country make use of the US Automated Clearing House system to receive remittances?

If so, which institutions have access to the US Automated Clearing House (banks, exchange bureaus, micro-finance institutions, credit unions, etc.)?

How do banks deliver funds in locations where they do not have branches?

Are there any agreements between financial institutions in source countries and local financial institutions in your country for the transfer and delivery of remittances?

Are there any agreements between financial institutions in source countries and local non-financial firms in your country for the delivery of remittances? Which institutions (post office, retail businesses, etc.)?

Can micro-finance institutions deliver remittances?

Are micro-finance institutions supervised? If so, which authority supervises them?

### **4. Best practices in the market?**

Is there any written code of best practices (s) on issues related to the transfer and delivery of remittances that is observed by financial institutions in your country?

If so, who wrote the code (market participants or the regulatory authorities) and when?

From your perspective, what are the areas that require more attention by authorities in order to make the transfer and delivery of remittances more efficient and secure? Please select all applicable areas.

- a. Better statistics on remittances (amount, characteristics, composition)
- b. Better statistics and studies on migrants (location, social background)
- c. Competition among institutions transferring and delivering remittances
- d. Delivery of remittances in rural areas
- e. New technologies and products for the transfer and delivery of remittances
- f. Financial integrity issues

g. Other, please specify

From your perspective, are there any practices that should be prohibited in order to make the transfer and delivery of remittances more secure?

Have you experienced cases of fraud or other types of losses in the transfer and delivery of remittances?

Is there any office in your country responsible for handling and resolving customer complaints on issues related to transfer and delivery of remittances?

If so, what is the office?

If not, how are issues related to consumer complaints on remittances normally resolved?

Do you know of exclusivity contracts between international money transfer operators and banks for the distribution of remittances?

**5. Regulatory Environment (especially relating to entry of new players)**

According to your laws, which institutions can receive and deliver remittances from foreign sources?

- a. Private commercial banks
- b. Public-owned financial institutions
- c. Post offices
- d. Exchange bureaus,
- e. Credit unions,
- f. Micro-finance institutions
- g. Other

Do the above institutions need to be registered or licensed in order to receive and deliver remittances?

How many institutions delivering remittances have been officially registered or licensed so far?

Who supervises each of the above institutions?

Are remittances taxed? If so, what types of taxes apply to remittances and what is the tax rate (s)?

How are consumers informed about the cost of sending remittances in the source and destination country?

- a. Each financial institution informs the public about its fees.
- b. A non-government organization (NGO) provides comparative data to the public on the costs of sending remittances

- c. A government entity regularly provides comparative data to the public on the costs of sending remittances

Does your country allow the general public to have deposit accounts in US dollars, Euro, or other international currencies?

How is the exchange rate for retail transactions in your country determined (conversion of remittances to local currency), by market or by government?

## **6. Public Policy Issues**

What is, in your opinion, inhibiting migrants from using formal channels to transfer remittances to your country?

- a. Lack of valid identification in home country
- b. Lack of access to financial institutions in home country
- c. Mistrust or lack of information about electronic transfers
- d. High costs of services
- e. Other:

In your opinion, what needs to be done in your own country to encourage migrants to transfer their remittances through formal channels?

- a. Lift foreign exchange restrictions
- b. Allow remittances to be delivered in US dollars or Euros or any other international currency and not just in local currency.
- c. Improve postal service infrastructure to be able to deliver remittances to more locations
- d. Other, please specify

What incentives do you grant migrants to transfer their money back to the country (such as attractive investment options, purchases of land, tax breaks, etc.)? Please describe them.

What efforts have financial authorities recently undertaken to expand the outreach of remittances services to rural areas and remote locations in your country in which population have no means to receive their remittances?

In your opinion, what else could be done in your country to improve the transfer and delivery of remittances to rural areas and remote locations?

Do financial authorities in your country have any plans to foster the use of formal mechanisms to transfer remittances (banks and other registered financial institutions), instead of informal channels (money sent by migrants through relatives traveling to home country)? If so, please describe the plans. If actions are already underway, please describe them.

Do you have any plans to make use of the amount of funds your country receive in remittances each year to obtain additional financing in the local or international markets

(e.g. securitizing future flows of remittances)? If so, please describe the plans. If actions are already underway, please describe them.

What type of actions has your government conducted in coordination with counterparts in foreign countries (source of remittances) in order to facilitate and lower the cost of the transfer of remittances? Please describe them, if any.

Are there any “matching fund schemes” operating in your country, whereby the government commits 2, 3 or more US Dollars for every dollar migrants sent back to their communities to be invested in public infrastructure or community improvements? If so, please describe the operation of these matching schemes and indicate the approximate number of them.

At an international level, what can the World Bank do to facilitate the rapid, secure and inexpensive transfer of remittances of migrants to their home countries?

## **Annex D. Survey for Central Banks in Remittance Sender Countries**

This survey is aimed to provide initial information on remittance flows and their characteristics. It is comprised of two sections. Section I focuses on the methods use by the central bank to collect remittance data. Section II asks for information on the market environment for remittance transfers (nature of remittance senders, market participants that provide remittance transfers, instruments used for those transfers), components of remittances costs, financial infrastructure to support remittances, best practices on remittances transactions, regulatory environment and public policy issues.

### **Section I. Data on Remittance Flows**

*Please indicate what the source(s) of your official data on remittances are?*

- a. Reports from firms specialized in money transfers (Western Union, Money Gram, etc.)
- b. Reports from banking institutions
- c. Reports from exchange bureaus
- d. Reports from other financial institutions that deliver remittances (e.g. micro-finance institutions, credit unions, saving and loans companies, etc)
- e. Reports from non-financial institutions that deliver remittances (e.g. post offices)
- f. Reports from settlement and clearance agencies
- g. Information reported by migrants themselves entering the country (at airports or other points of entry)
- h. Other, please specify

*What type of transactions do you record as remittances?*

- a. Electronic transfers
- b. Drafts
- c. Money orders
- d. Withdrawals at automated teller machines (ATMs) using cards issued by foreign financial institutions
- e. Money reported by migrants visiting their home country at point of entry
- f. Use of pre-paid cards for remittances
- g. Checks issued by banks in foreign jurisdictions
- h. Other (please specify)

*Does the data you collect allow you to identify the receiving country of remittances?*

*Does the data you collect allow you to identify the number of remittance transactions?*

*Do you disclose information on remittances to the public?*

*If so, how often is the information disclosed?*

- a. Every month
- b. Every quarter
- c. Every year
- d. Other

*In which year did you start to collect information on remittances in general and to Suriname specifically?*

*Are there other government agencies collecting information on remittances in the Netherlands? If so, which?*

*Do you have any plans to improve the coverage of your data and the methodology used to measure the volume and structure of remittances? If so, please describe your current or future initiatives on this matter.*

## **Section II. Statistics on Remittances**

### **1. Market environment**

*How many immigrants live in the sender country (number of migrants and migrants as a percentage of total population)?*

*Do you know what has been the inflow of migrants in each of the past five years?*

*Do you know the top five sending countries of migrants to the sender country?*

*Do you have specific information regarding the number of immigrants living in the sender country from the top 5 sending countries?*

*Do you have any statistics on the average amount of remittances sent by immigrants every month and every year?*

*Do you know how often migrants actually send remittances (on average) to their families and relatives?*

- a. Every month
- b. Every two months
- c. Every three months
- d. Every six months
- e. Once a year

*Could you please provide the following data on remittances flows to main receiving countries for the past three years?*

**Table 1.**

Instrument to transfer remittances	Year 1		Year 2		Year 3	
	Number of transactions	Volume of transactions (\$)	Number of transactions	Volume of transactions (\$)	Number of transactions	Volume of transactions (\$)
electronic wires						
Drafts						
debit cards						
money orders						
pre-paid cards						
Checks						
money sent through relatives traveling to home country						
Other, please specify						
<b>Total</b>						

*Which country (countries) is the major receiver of remittances from the sender country?*

*1.17 What is, in your opinion, the most common instrument used by migrants to transfer funds to from the sender country (in terms of the total number of remittances transactions)?*

- a. electronic wires
- b. drafts

- c. money orders
- d. debit cards
- e. pre-paid cards
- f. checks
- g. money sent through relatives traveling to home country
- h. Other, please specify

*What is, in your opinion, the instrument through which most remittances are transferred (in terms of volume)?*

- a. electronic wires
- b. drafts
- c. money orders
- d. debit cards
- e. pre-paid cards
- f. checks
- g. money sent through relatives traveling to home country
- h. Other, please specify

*Please fill in Table 2 indicating which types of institutions in the sender country deliver remittances to main remittance recipient countries.*

**Table 2.**

<b>Types of financial and non-financial institutions delivering remittances in your country</b>	<b>Number of institutions</b>	<b>Who supervises these institutions ?</b>	<b>Share of the market of remittances (%)</b>
Firms specialized in money transfers (Western Union, Money Gram, etc.)			
Private banking institutions			
State-owned banks			
Exchange bureaus			
Postal Administration			
Other financial institutions (e.g. micro-finance institutions, credit unions,			

saving and loans companies, etc)			
Non-financial institutions (e.g. commercial retail chains, travel agencies, etc.)			
Other (including informal institution or person)			

*Is there a threshold for the amount of money that can be brought in or taken out of your country?*

*Is this information reported to the central bank? If not, which government agency is responsible for keeping record of it?*

*Components of remittance costs*

*Do you have any legal powers to issue regulation to limit the fees related to the transfer and delivery of remittances (such as exchange rate to be used for the transaction, currency in which the delivery of remittances occur, fees for ATM withdrawals, etc.)?*

*Have you used these legal powers in order to lower the cost of remittances in the past three years?*

*Do you know what the cost of sending approximately \$300 in remittances from the sender country to recipient country is (including fees, cost of currency conversion, cost of use of ATM withdrawals, as well as any other cost)? Please provide the requested information on the table below.*

**Table 3.**

<b>Instrument to transfer remittances</b>	<b>Fees paid by sender when sending \$300 dollars</b>	<b>Fees paid by beneficiary when receiving \$300 dollars</b>	<b>Total cost of sending \$300 dollars</b>	<b>Description of fees</b>
electronic wires				
drafts				
debit cards				
money orders				
pre-paid cards				
checks				
other, please specify				

*In the case of remittances sent through electronic transfers to recipient country, in what currency is the beneficiary paid?*

- US dollars, euros or any other international major currency
- Local currency

*In case the beneficiary in recipient country can only be paid in local currency, what exchange rate is used to convert the funds?*

- Inter-bank exchange rate
- Exchange rate for retail operations
- Other

*What other cost must be borne by the sender?*

*In the case of remittances sent through money orders to recipient country, in what currency is the beneficiary paid?*

- US dollars, euros or any other international major currency
- Local currency

*In case the beneficiary can only be paid in local currency, what exchange rate is used to convert the funds?*

- Inter-bank exchange rate
- Exchange rate for retail operations
- Other

*What other costs must be borne by the sender?*

*In the case of debit cards, what is the cost for using ATMs to withdraw funds in recipient country?*

*Can funds be withdrawn in US dollars, euros or other international currency?*

*In case the beneficiary can only be paid in local currency, what exchange rate is used to convert the funds?*

- Inter-bank exchange rate
- Exchange rate for retail operations
- Other

*What other cost must be borne by the sender or beneficiary of funds?*

*Which documents are required to open a bank account in the sender country? Please list them.*

*Financial infrastructure supporting remittances - payment systems, technology, players*

*Which institutions sending remittances from the sender country have access to the central bank's clearing and settlement systems (commercial banks, exchange bureaus, micro-finance institutions, credit unions, etc.)*

*If there are institutions that send remittances from the sending country which do not have access to the central bank's clearing and settlement system, what is the reason for this?*

*Are there any plans to increase the access of institutions sending remittances to the central bank's clearing and settlement systems? If so, please describe your plans.*

*For institutions with no access to the central bank's clearing and settlement systems, what clearing and settlement systems do they use?*

*How do banks deliver funds in locations where they do not have branches?*

*Are there any agreements between financial institutions in the sender country and local financial institutions in Suriname for the transfer and delivery of remittances?*

*Are there any agreements between financial institutions in the sender country and local non-financial firms in recipient countries for the delivery of remittances? Which institutions (post office, retail businesses, etc)?*

*Can micro-finance institutions deliver remittances in recipient) countries?*

*Are micro-finance institutions supervised? If so, which authority supervises them?*

### **Best Practices in the market?**

*Is there any written code of best practices (s) on issues related to the transfer and delivery of remittances that is observed by financial institutions in the sender country?*

*If so, who wrote the code (market participants or the regulatory authorities) and when?*

*From your perspective, what are the areas that require more attention by authorities in order to make the transfer and delivery of remittances more efficient and secure? Please select all applicable areas.*

- a. Better statistics on remittances (amount, characteristics, composition)
- b. Better statistics and studies on migrants (location, social background)
- c. Competition among institutions transferring and delivering remittances
- d. Delivery of remittances in rural areas
- e. New technologies and products for the transfer and delivery of remittances
- f. Financial integrity issues
- g. Other, please specify

*From your perspective, are there any practices that should be prohibited in order to make the transfer and delivery of remittances more secure?*

*Have you experienced cases of fraud or other types of losses in the transfer and delivery of remittances?*

*Is there any office in the sender country responsible for handling and resolving customer complaints on issues related to transfer and delivery of remittances?*

*If so, what is the office?*

*If not, how are issues related to consumer complaints on remittances normally resolved?*

*Do you know of exclusivity contracts between international money transfer operators and banks for the distribution of remittances?*

*Regulatory environment (especially relating to entry of new players)*

*According to your laws, which institutions can receive and deliver remittances from foreign sources?*

- a. Private commercial banks
- b. Public-owned financial institutions
- c. Post offices
- d. Exchange bureaus,
- e. Credit unions,
- f. Micro-finance institutions
- g. Other

*Do the above institutions need to be registered or licensed in order to receive and send remittances?*

*How many institutions sending remittances have been officially registered or licensed so far?*

*Who supervises each of the above institutions?*

*Are remittances taxed? If so, what types of taxes apply to remittances and what is the tax rate (s)?*

*How are consumers informed about the cost of sending remittances from the sender country to recipient country?*

- a. Each financial institution informs the public about its fees.
- b. A non-government organization (NGO) provides comparative data to the public on the costs of sending remittances
- c. A government entity regularly provides comparative data to the public on the costs of sending remittances

*Does the sender country allow the general public to have deposit accounts in US dollars, Euro, or other international currencies?*

*How the exchange rate for retail transactions in the sender country is determined (conversion of remittances to local currency)? By market or by government?*

*Public Policy Issues*

*What is, in your opinion, inhibiting migrants from using formal channels to transfer remittances to [Suriname for example]?*

- a. Lack of valid identification in Suriname or the Netherlands
- b. Lack of access to financial institutions in Suriname or the Netherlands

- c. Mistrust or lack of information about electronic transfers
- d. High costs of services
- e. Other:

*In your opinion, what needs to be done in the Netherlands to encourage migrants to transfer their remittances through formal channels?*

- a. Lift foreign exchange restrictions
- b. Allow remittances to be delivered in US dollars or Euros or any other international currency and not just in local currency.
- c. Improve postal service infrastructure to be able to deliver remittances to more locations
- d. Other, please specify

*What incentives do you grant immigrants to transfer their money back to the country (Suriname) (such as attractive investment options, purchases of land, tax breaks, etc.)? Please describe them.*

*What efforts have financial authorities recently undertaken to expand the outreach of remittances services to rural areas and remote locations in Suriname in which the population has no means to receive their remittances?*

*In your opinion, what else could be done in the Netherlands and Suriname to improve the transfer and delivery of remittances to rural areas and remote locations?*

*Do financial authorities in the Netherlands have any plans to foster the use of formal mechanisms to transfer remittances (banks and other registered financial institutions), instead of informal channels (money sent by migrants through relatives traveling to home country)? If so, please describe the plans. If actions are already underway, please describe them.*

*What type of actions has your government conducted in coordination with counterparts in Suriname in order to facilitate and lower the cost of the transfer of remittances? Please describe them, if any.*

*At an international level, what can the World Bank do to facilitate the rapid, secure and inexpensive transfer of remittances of migrants to their home countries?*

## Annex E. Survey for Labor Ministries.

This survey is aimed to provide initial information on labor migration from [Recipient Country]. It comprises two sections. Section I focuses on basic data on labor migration<sup>5</sup> and government initiatives on this issue. Section II asks for information on labor migrants who travel specifically to [Sender Country].

### I. General Information on Migrant Workers

#### I.1. Basic Data on Labor Migration

I.1.1. How many citizens (migrants) emigrate abroad as labor force each year over the past 5 years?

I.1.2. Please indicate the number of migrants over the past five years (top five countries)

	Country	2000	2001	2002	2003	2004
1						
2						
3						
4						
5						

I.1.3. Please indicate migrants' districts of origin in [Recipient Country] and number/estimate of migrants (top 5 districts).

I.1.4. Please list main countries where migrants emigrate (top 5 countries).

I.1.5. Is there any migration pattern from one district to a particular country?

I.1.5.1. If yes, please indicate the patterns.

I.1.6. What are the requirements for migrant workers to obtain permits in [Recipient Country]?

I.1.7. How much cost does each migrant worker need to pay to obtain the permit (excluding travel costs)?

<sup>5</sup> In this survey, migrant workers mean documented and official migrants for labor opportunities overseas.

- I.1.8. What are the major difficulties in recording data on migrant workers? (e.g. unofficial migration, undocumented migrants, human trafficking etc...)

## **I.2. Government Initiatives on Migrant Workers**

- I.2.1. Is there any agreement between the [Recipient Country] government and other governments concerning migrant labors?
- I.2.1.1. If yes, please indicate the agreement(s).
- I.2.2. Does the [Recipient Country] government provide any pre-departure training program to labor migrants?
- I.2.2.1. If yes, please describe the training.
- I.2.2.2. If no, do any other institutions provide any pre-departure training?
- I.2.3. Does the [Recipient Country] government provide migrant labors, in any way, with information on how to open bank accounts overseas?
- I.2.3.1. If yes, please describe the method of information dissemination.
- I.2.4. Does the [Recipient Country] government provide migrant labors, in any way, with information on how to send remittances home?
- I.2.4.1. If yes, please describe the method of information dissemination.
- I.2.5. Does the [Recipient Country] government provide any training program to support life adjustment in the host country?
- I.2.6. Does the [Recipient Country] government provide any services to [Recipient Country] nationals in the host countries through its embassy or consulates?
- I.2.6.1. If yes, please describe the services.
- I.2.7. Do you have specific arrangements for migrants returning [Recipient Country] at entry points?
- I.2.8. Are there particular customs requirements for migrants returning to [Recipient Country]?

## **II. Data on Migrant Labors to [Sender Country]**

- II.1. Please indicate the number of labor migrants to [Sender Country] over the past five years (If [Sender Country] is not included in the answer to Q.1.2).
- II.2. Please list top five districts in [Recipient Country] which send most migrant labors to [Sender Country] with number of migrants over the past five years.

	<b>District</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
<b>1</b>						
<b>2</b>						
<b>3</b>						
<b>4</b>						
<b>5</b>						

II.3. Please indicate the status of a labor agreement with the [Sender Country]i government.

II.4. Does the [Recipient Country] government provide any specific training for labor migrants who depart to [Sender Country]?

II.4.1. If yes, please describe the training.

	<b>Country</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
	[Sender Country]					

II.5. What type of migrant labors immigrates to [Sender Country]? (Skilled or unskilled?)

II.6. What kind of occupations do they have in [Recipient Country] before immigrating to [Sender Country]?

II.7. Please indicate the educational level of migrants to [Sender Country] in volume (primary, secondary, or tertiary)?

## Annex F. Topics for Focus Group Discussions / Former Migrants

### 1. Financing migration.

Before you left to work overseas, did you receive a grant or a loan to finance migration?

### 2. Transferring money back to [Home Country]

When you lived and worked overseas did you send money to your household?

How did you usually send this money to your beneficiaries?

- Friend/relative
- Post Office
- Bank
- Western Union
- MoneyGram
- Brought home by migrant
- Other

How much did you send to your house hold in money (per year)?

### 3. Incentives to use different channels

What was the occupation when you lived and worked overseas?

Personal Incentives	Anonymity/Secrecy	
	Cultural Familiarity	
	Personal Contacts	
Customer Service Incentives	Dispute Resolution	
	Accessibility	
	Class Discrimination	
	Reliability	
Economic Incentives	Speed	
	Cost	
	Secondary Benefits	
	• Legal/Regulatory Environment	

**4. Financial needs in host country**

How did you resolve your financial needs when you were working abroad?

**5. Challenges to access formal services**

Did you require an ID to transfer money back to [remittance recipient country]?

**6. Use of savings after return to [remittance recipient country]**

Do you or your relatives currently have an account in a bank or other financial institutions?

Did your household open this account after you went to work out side [remittance recipient t country]?

**7. Impact of migration/remittance flows into their lives in retrospective**

Who in your household usually receives this money?

Head.....
Wife.....
Son/Daughter.....
Son/Daughter
-in-law.....
Father/Mother.....
Brother/Sister.....
Parent-in-law.....
Other Relative.....
Other.....

Did you bring back goods to your relatives?

Did you or your relatives open a store or business after you went to work out side [remittance recipient t country]?

## Annex G. Questionnaire for Remittance Recipients

<b>Respondent:</b> Male _____ Female _____
--

1. Country where you have relatives sending money back home:

[Sending country A] \_\_\_\_\_ (Male/Female)

[Sending country B] \_\_\_\_\_ (Male/Female)

2. How do you receive your money?

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3. Do you pay a fee to receive it?

Yes \_\_\_\_\_, \$ \_\_\_\_\_

No \_\_\_\_\_

4. What problem do you have in collecting your money?

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5. Do you have a bank account?

Yes \_\_\_\_\_ No \_\_\_\_\_

6. Do you tell your relative where and how to send your money?

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## Annex H. Questionnaire on Remittance Senders

### DRAFT

Dear Sir/Madam,

The [World Bank] (*change as necessary*) is conducting studies on various remittance corridors. The objective is to obtain data on remittance flows and understand how [Haitians] working abroad receive money back home. The findings will be used in order to promote supportive and friendly policies that allow the smooth flow of remittances to [Haiti.] The findings will also enable us to improve the country's data collection for balance of payments compilation.

It will be of great assistance to our study if you could answer the questions below. The information obtained will be solely used for the stated purpose.

### A. BIOGRAPHICAL

1. Please complete the following table about yourself

1.1 Sex (M/F)	1.2 Age	1.3 Marital Status	1.4 Education (Highest level attained)	1.5 Occupation	1.6 Can read or write?
a) Male b) Female		a) Single b) Married c) Widow	a) Primary school/equivalent b) Secondary school/equivalent c) High-school d) Specialized schools e) Four year college f) Master's (Postgraduate) g) Ph.D (Doctoral Degree)		a) Yes b) Some extent c) No

2. How many people live in the remittance receiving household in the recipient country?

2.1 Number of Children (below age 20)	2.2 Number of other Family members

3. What is their annual household income in [local currency] or in US Dollars? \_\_\_\_\_
4. In what kind of area do the remittance receivers live?
- a) urban area
- b) suburbs

5. Do they have electricity at home?

- a) yes
- b) no

6. Do they have a mobile phone?

- a) yes
- b) no

7. Do they have running water?

- a) yes
- b) no

## B. MIGRATION

8. What is your annual household income?

8.1 Number of children (below age 20) abroad	8.2 Number of other family members abroad
8.3 Indicate number of years abroad for each of children	8.4 Indicate number of years abroad for each of other family members

9. How many of your family members went abroad to work? \_\_\_\_\_

10. To which country did your family member(s) go to work as a migrant?  
\_\_\_\_\_

11. Please answer the following questions about each family member living in the home country  
(add tables if necessary):

11.1 Sex (M/F)	11.2 Age	11.3 Marital Status	11.4 Education (Highest level attained)	11.5 Type of job
a) Male b) Female		a) Single b) Married c) Widow	a) Primary school/equivalent b) Secondary school/equivalent	a) Full time student b) Looking for work c) Study and work

			<ul style="list-style-type: none"> <li>c) High-school</li> <li>d) Specialized schools</li> <li>e) Four year college</li> <li>f) Master's (Postgraduate)</li> <li>g) Ph. D (Doctoral Degree)</li> </ul>	<ul style="list-style-type: none"> <li>d) Working for wages</li> <li>e) Self-employed</li> <li>f) Professional work (what area?)</li> <li>g) Unpaid work</li> <li>h) Retired</li> <li>i) other</li> <li>j) Industry worker</li> <li>k) Factory worker</li> <li>l) Plantation worker</li> <li>m) Construction worker</li> <li>n) Service i.e. servant, care taker, shop assistant, restaurant</li> </ul>
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11.1 Sex (M/F)	11.2 Age	11.3 Marital Status	11.4 Education (Highest level attained)	11.5 Type of job
<ul style="list-style-type: none"> <li>a) Male</li> <li>b) Female</li> </ul>		<ul style="list-style-type: none"> <li>a) Single</li> <li>b) Married</li> <li>c) Widow</li> </ul>	<ul style="list-style-type: none"> <li>a) Primary school/equivalent</li> <li>b) Secondary school/equivalent</li> <li>c) High-school</li> <li>d) Specialized schools</li> <li>e) Four year college</li> <li>f) Master's (Postgraduate)</li> <li>g) Ph. D (Doctoral Degree)</li> </ul>	<ul style="list-style-type: none"> <li>a) Full time student</li> <li>b) Looking for work</li> <li>c) Study and work</li> <li>d) Working for wages</li> <li>e) Self-employed</li> <li>f) Professional work (what area?)</li> <li>g) Unpaid work</li> <li>h) Retired</li> <li>i) other</li> <li>j) Industry worker</li> <li>k) Factory worker</li> <li>l) Plantation worker</li> <li>m) Construction worker</li> <li>n) Service i.e. servant, care taker, shop assistant, restaurant</li> </ul>

11.1 Sex	11.2	11.3 Marital	11.4 Education	11.5 Type of job
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(M/F)	Age	Status	(Highest level attained)	
a) Male b) Female		a) Single b) Married c) Widow	a) Primary school/equivalent b) Secondary school/equivalent c) High-school d) Specialized schools e) Four year college f) Master's (Postgraduate) g) Ph. D (Doctoral Degree)	a) Full time student b) Looking for work c) Study and work d) Working for wages e) Self-employed f) Professional work (what area?) g) Unpaid work h) Retired i) other j) Industry worker k) Factory worker l) Plantation worker m) Construction worker n) Service i.e. servant, care taker, shop assistant, restaurant

12. What is your relationship to them? (answer for each)

- a) Spouse or partner
- b) Child
- c) Grandchild
- d) Brother/sister
- e) Father/mother
- f) Parent in-law
- g) Other relative
- h) Non-relative
- i) Don't know

13. Under what kind of arrangement did you migrate?

- a) Work visa
- b) Tourist visa
- c) Refugee status
- d) Other (please specify) \_\_\_\_\_
- e) Don't know/not sure

14. How much did it cost your family to send you abroad? \_\_\_\_\_

15. What were the sources for meeting your costs, as referred in question No. 14. above? If there were multiple sources, please indicate percentage for each.

- a) Sale of assets \_\_\_\_\_%
- b) Use of personal savings \_\_\_\_\_%
- c) Borrowing from other family members \_\_\_\_\_%

- d) Borrowing from friends or neighbors \_\_\_\_\_%
- e) Borrowing from a work sponsor \_\_\_\_\_%
- f) Borrowing from a bank or other formal lending institution \_\_\_\_\_%
- g) Borrowing from employer \_\_\_\_\_%
- h) Borrowing from an informal moneylender \_\_\_\_\_%
- i) Other (please specify) \_\_\_\_\_%

16. What were the requirements (documents, collateral, etc.) to borrow the funds?  
\_\_\_\_\_
17. If borrowed money to fund your migration, how much was paid for interest? \_\_\_\_\_
18. How much do you or your family have to pay back? Entire amount that was borrowed or partial amount? \_\_\_\_\_
19. How long does it take to pay back all borrowed amounts? \_\_\_\_\_
20. How is borrowed money paid back?
- a) Deduction from salary
  - b) Deduction from bank account
  - c) Deduction from other accounts (postal, other non-banking institutions, etc.) \_\_\_\_\_
  - d) Paying back cash to the lender
  - e) Paying back other monetary value to the lender. If this is the answer, what type of monetary instrument? \_\_\_\_\_
21. How many times have you been abroad for work assignments? \_\_\_\_\_
22. How many years in total have you been abroad for work assignment? \_\_\_\_\_
23. How did you get the job abroad?
- a) Through a hiring company
  - b) Through an individual agent/mediator
  - c) By own initiative before leaving own country
  - d) By own initiative once in the destination country
24. If you migrated legally, through formal channels, how long did the administrative process take?  
\_\_\_\_\_
25. If you migrated through illegal or informal channels, how long did the process take?  
\_\_\_\_\_
26. Do you have any insurance in case any unexpected events happen to you? (i.e. sickness, hospitalization, death etc.)? \_\_\_\_\_

**C. REMITTANCES**

27. Do you send money abroad to your family?
- a) yes
  - b) no

*If you send money back to the household in your home country, please answer the questions below.*

28. How many months did the household in the home country have to wait before obtaining the money that you sent for the first time? \_\_\_\_\_
29. By which method did they receive money? Please check all that apply and also rank them in order of most common method.
- a) Bank \_\_\_\_ (Name of the bank \_\_\_\_\_)
  - b) Other money remittance operators such as Western Union (Name \_\_\_\_\_)
  - c) Microfinance institution \_\_\_\_\_
  - d) Friend or family member \_\_\_\_\_
  - e) Family member carrying own money on return trips \_\_\_\_\_
  - f) Money order \_\_\_\_\_
  - g) Check sent in the mail \_\_\_\_\_
  - h) Shops \_\_\_\_\_
  - i) Postal financial service \_\_\_\_\_
  - j) Other (please specify) \_\_\_\_\_
30. Who decides what method is used to send money? \_\_\_\_\_
31. What are the **three** most important reasons\* for using the medium in the question above? **Rank** by order of importance.
- a) Speed
  - b) Cost (i.e. Exchange commission, transfer fee, tax)
  - c) Secondary benefits (access to other products/services)
  - d) Security/Reliability
  - e) Accessibility
  - f) Dispute resolution
  - g) Anonymity
  - h) ID requirements
  - i) Personal contacts
  - j) Others (please specify) \_\_\_\_\_
- \* a) b) c): *Economic incentives*  
 d) e) f) *Customer Service Incentives*  
 g), i) *Personal Incentives*
32. Do you personally send the money home? Or is it someone else?
- a) I do
  - b) My employer does
  - c) My friend does
  - d) Don't know
  - e) Other (please specify) \_\_\_\_\_
33. Once the money is sent, who goes to the financial institutions to pick up the money in your home country?
- a) Family member
  - b) Neighbor
  - c) Sponsor

- d) Other (please specify) \_\_\_\_\_
34. How much money (fees in [local currency] or US Dollars) does your family at home pay each time they receive money? \_\_\_\_\_
35. What type of fee is it?
- Flat or fixed fee?
  - % of total amount (proportional)?
36. Are you aware of the exchange rate applied to the funds you send?
- yes
  - no
37. Does the exchange rate change frequently or is it the same each time? \_\_\_\_\_
38. In what currency do you send money and in what currency does your family receive the money?
- Send in \_\_\_\_\_
  - Receive in \_\_\_\_\_
39. How often do they receive money in the home country?
- Once a week
  - Once a month
  - Once in two weeks
  - Other (please specify) \_\_\_\_\_
40. When was the last time you sent the money and when did they receive it? \_\_\_\_\_
41. How much money on average do you send each time (in [local currency] or US Dollars)? \_\_\_\_\_
42. How much money in total have you sent in the past 12 months? \_\_\_\_\_
43. How many years has your family member abroad been receiving money? \_\_\_\_\_
44. How long does it take for your family to receive the money in the home country once you have sent it from the host country? \_\_\_\_\_
45. Do you experience or have you experienced any problems in sending the money? If so, what type of problems did you encounter? What would you do when you had the problem?
- \_\_\_\_\_
46. If you send money from abroad through a bank or financial institution, do any member of your household have difficulties in receiving or retrieving the money? Do you have any trouble sending the money?
- Yes
  - No
47. If so, what kind of difficulties do you face to send the money? What kind of difficulties does your family face in receiving the money from abroad?

Difficulties faced in Sending the Money (please circle all that apply)

- Time (minutes )

- b) Distance
- c) Services are not good/slow
- d) Legal Documents i.e. (Identification Card) \_\_\_\_\_
- e) Don't understand the financial/banking services
- f) Other, (please specify) \_\_\_\_\_
- g) Cost i.e. transportation \_

Difficulties faced in receiving the Money (please circle all that apply)

- a) Time (minutes)
- b) Distance
- c) Services are not good/slow
- d) Legal Documents i.e. (Identification Card) \_\_\_\_\_
- e) Don't understand the financial/banking services
- f) Other, (please specify)
- g) Cost i.e. transportation \_\_\_\_\_

48. Do you have to show any ID to send money? What type of ID is it? \_\_\_\_\_

49. Is there a limit on how much money you can send at once? \_\_\_\_\_

50. Are you satisfied with the service or method you utilize to send money home?

- a) Yes
- b) No

51. How easy is it to open bank accounts?

- a) Very easy
- b) Somewhat easy
- c) Difficult
- d) Very difficult

52. How expensive is it to open bank accounts?

- a) Very expensive
- b) Somewhat expensive
- c) Expensive
- d) Very expensive

53. In general, are you comfortable with using banks?

54. Does your family have a bank account in Haiti? If not, where do they keep their money?  
\_\_\_\_\_

55. What are the three most important reasons for sending money?

- a) \_\_\_\_\_
- b) \_\_\_\_\_
- c) \_\_\_\_\_

56. Can your household back home survive without remittances?

- a) yes
- b) no
- c) don't know

57. What is the money you send used for back home? \_\_\_\_\_ % for each

- a) Daily needs i.e. consumption \_\_\_\_\_ %
- b) Building/buying/renovating house \_\_\_\_\_ %
- c) Repayment of loans i.e. to pay migration loan \_\_\_\_\_ %
- d) Payment of school fee/education \_\_\_\_\_ %
- e) Payment of health and medical expenses \_\_\_\_\_ %
- f) Investment in business \_\_\_\_\_ %
- g) Special occasions (e.g. weddings, birthdays, funerals, etc.) \_\_\_\_\_ %
- h) Buying asset i.e. land /gold/other livestock \_\_\_\_\_ %
- i) Buying motorbike, car, other means of transportation \_\_\_\_\_ %

58. If you chose a) in the question 54, do daily needs include alcohol, tobacco, and/or drugs?

59. Who decides for what purpose the money will be used?

- a) Sender
- b) Household head
- c) Other household/family member (please specify) \_\_\_\_\_
- d) Other person outside the family (please specify) \_\_\_\_\_

60. Do any household members in home country save the money you send from abroad?  
\_\_\_\_\_

61. If yes. Where do they save the money?

- a) Bank
- b) Cooperation
- c) Other (please specify) \_\_\_\_\_

62. If not. Why?

- a) All money is spent for consumption
- b) Don't know how to save
- c) Don't know how to use financial institutions
- d) Don't want anyone to ask me for borrowing the money
- e) Other (please specify) \_\_\_\_\_

#### D. FINANCIAL LITERACY

63. Generally, how interested are you in financial matters?

- a) Not interested

- b) Interested
- c) Very Interested

64. How familiar are you with the following financial products (answer for each product):

	Never heard	Somewhat familiar	Familiar	Uses/ has used the product
a) Bank account	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Mortgage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Consumer loan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Investment products	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Credit card	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Automatic Teller Machine (ATM)/ Guichet Automatique Bancaire (GAB)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) Insurance products	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

65. What is the source of information about the financial matters?

- a) Newspaper/ magazine
- b) Financial Institutions
- c) Radio/TV
- d) Friend or Relatives
- e) Other (please specify) \_\_\_\_\_

66. Do you have insurance?

- a) Yes \_\_\_\_\_ If yes, what kind of insurance do you have? \_\_\_\_\_
- b) No

## Annex I. Questionnaire on Remittance Recipients

### DRAFT

Dear Sir/Madam,

The [World Bank] (*change as necessary*) is conducting studies on various remittance corridors. The objective is to obtain data on remittance flows and understand how [Haitians] working abroad send money back home. The findings will be used in order to promote supportive and friendly policies that allow the smooth flow of remittances to [Haiti]. The findings will also enable us to improve the country's data collection for balance of payments compilation.

It will be of great assistance to our study if you could answer the questions below. The information obtained will be solely used for the stated purpose.

### A. BIOGRAPHICAL

67. Please complete the following table about yourself

1.1 Sex (M/F)	1.2 Age	1.3 Marital Status	1.4 Education (Highest level attained)	1.5 Occupation	1.6 Can read or write?
a)Male b)Female		a)Single b)Married c)Widow	a)Primary school/equivalent b)Secondary school/equivalent c)High-school d) Specialized schools e) Four year college f)Master's (Postgraduate) g)Ph.D(Doctoral Degree)		a) Yes b) Some extent c) No

68. How many people live in your house, including yourself?

2.1 Number of Children (below age 20)	2.2 Number of other Family members

69. What is your annual household income in Gourde or in US Dollars? \_\_\_\_\_

70. In what kind of area do you live?

- a) urban area
- b) suburbs

71. Do you have electricity at home?

- a) yes
- b) no

72. Do you have a mobile phone?

- a) yes
- b) no

73. Do you have running water?

- a) yes
- b) no

**B. MIGRATION**

74. Do you have any family member or relative living abroad?

8.1 Number of children (below age 20) abroad	8.2 Number of other family members abroad
8.3 Indicate number of years abroad for each of children	8.4 Indicate number of years abroad for each of other family members

75. How many of your family members went abroad to work? \_\_\_\_\_

76. To which country did your family member(s) go to work as a migrant?  
\_\_\_\_\_

77. Please answer the following questions about each family member living abroad (*add tables if necessary*):

11.1 Sex (M/F)	11.2 Age	11.3 Marital Status	11.4 Education (Highest level attained)	11.5 Type of job
a) Male		a) Single	a) Primary	a) Full time student

b) Female		b)Married c)Widow	school/equivalent b) Secondary school/equivalent c) High-school d) Specialized schools e) Four year college f) Master's (Postgraduate) g) Ph. D (Doctoral Degree)	b) Looking for work c) Study and work d) Working for wages e) Self-employed f) Professional work (what area?) g) Unpaid work h) Retired i) other j) Industry worker k) Factory worker l) Plantation worker m) Construction worker n) Service i.e. servant, care taker, shop assistant, restaurant
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11.1 Sex (M/F)	11.2 Age	11.3 Marital Status	11.4 Education (Highest level attained)	11.5 Type of job
a) Male b) Female		a) Single b) Married c) Widow	a) Primary school/equivalent b) Secondary school/equivalent c) High-school d) Specialized schools e) Four year college f) Master's (Postgraduate) g) Ph. D (Doctoral Degree)	a) Full time student b) Looking for work c) Study and work d) Working for wages e) Self-employed f) Professional work (what area?) g) Unpaid work h) Retired i) other j) Industry worker k) Factory worker l) Plantation worker m) Construction worker n) Service i.e. servant, care taker, shop assistant, restaurant

11.1 Sex (M/F)	11.2 Age	11.3 Marital Status	11.4 Education (Highest level attained)	11.5 Type of job
a) Male b) Female		a) Single b) Married c) Widow	a) Primary school/equivalent b) Secondary school/equivalent c) High-school d) Specialized schools e) Four year college f) Master's (Postgraduate) g) Ph. D (Doctoral Degree)	a) Full time student b) Looking for work c) Study and work d) Working for wages e) Self-employed f) Professional work (what area?) g) Unpaid work h) Retired i) other j) Industry worker k) Factory worker l) Plantation worker m) Construction worker n) Service i.e. servant, care taker, shop assistant, restaurant

78. What is your relationship to them? (answer for each)

- a) Spouse or partner
- b) Child
- c) Grandchild
- d) Brother/sister
- e) Father/mother
- f) Parent in-law
- g) Other relative
- h) Non-relative
- i) Don't know

79. Under what kind of arrangement did he/she migrate?

- a) Work visa
- b) Tourist visa
- c) Refugee status
- d) Other (please specify) \_\_\_\_\_
- e) Don't know/not sure

80. How much did it cost to send your family member to work abroad? \_\_\_\_\_

81. What was the source for meeting your cost referred in question No. 14. above? If there were multiple sources, please indicate percentage for each.

- a) Sale of assets \_\_\_\_\_%
- b) Use of personal savings \_\_\_\_\_%

- c) Borrowing from other family members \_\_\_\_\_%
- d) Borrowing from friends or neighbors \_\_\_\_\_%
- e) Borrowing from a work sponsor \_\_\_\_\_%
- f) Borrowing from a bank or other formal lending institution \_\_\_\_\_%
- g) Borrowing from employer \_\_\_\_\_%
- h) Borrowing from an informal moneylender \_\_\_\_\_%
- i) Other (please specify) \_\_\_\_\_%

82. What were the requirements (documents, collateral, etc.) to borrow the funds?  
\_\_\_\_\_
83. If borrowed money to fund his/her migration, how much was paid for interest? \_\_\_\_\_
84. How much do you or he/she have to pay back? Entire amount that was borrowed or partial amount? \_\_\_\_\_
85. How long does it take to pay back all borrowed amounts? \_\_\_\_\_
86. How is borrowed money paid back?
- a) Deduction from salary
  - b) Deduction from bank account
  - c) Deduction from other accounts (postal, other non-banking institutions, etc.) \_\_\_\_\_
  - d) Paying back cash to the lender
  - e) Paying back other monetary value to the lender. If this is the answer, what type of monetary instrument? \_\_\_\_\_
87. How many times has he/she been abroad for work assignments? \_\_\_\_\_
88. How many years in total he/she has been abroad for work assignment? \_\_\_\_\_
89. How did he / she get the job abroad?
- a) Through a hiring company
  - b) Through an individual agent/mediator
  - c) By own initiative before leaving own country
  - d) By own initiative once in the destination country
90. If your family member migrated legally, through formal channels, how long did the administrative process take? \_\_\_\_\_
91. If your family member migrated through illegal or informal channels, how long did the process take? \_\_\_\_\_
92. Does he/she have any insurance in case any unexpected events happen to him/her? (i.e. sickness, hospitalization, death etc.)? \_\_\_\_\_

**C. REMITTANCES**

93. Do any of your family members or relatives abroad send money to you or your family?
- a) yes
  - b) no

*If your family member abroad sends money back to the household, please answer the questions below.*

94. How many months did you or your household wait before receiving money for the first time since your family member went abroad? \_\_\_\_\_
95. By which method do you or did you receive money? Please check all that apply and also rank them in order of most common method.
- a) Bank \_\_\_\_ (Name of the bank \_\_\_\_\_)
  - b) Other money remittance operators such as Western Union (Name \_\_\_\_\_)
  - c) Microfinance institution \_\_\_\_\_
  - d) Friend or family member \_\_\_\_\_
  - e) Family member carrying own money on return trips \_\_\_\_\_
  - f) Money order \_\_\_\_\_
  - g) Check sent in the mail \_\_\_\_\_
  - h) Shops \_\_\_\_\_
  - i) Postal financial service \_\_\_\_\_
  - j) Other (please specify) \_\_\_\_\_
96. Who decides what method is used to send money? \_\_\_\_\_
97. What are the **three** most important reasons\* for using the medium in the question above? **Rank** by order of importance.
- a) Speed
  - b) Cost (i.e. Exchange commission, transfer fee, tax)
  - c) Secondary benefits (access to other products/services)
  - d) Security/Reliability
  - e) Accessibility
  - f) Dispute resolution
  - g) Anonymity
  - h) ID requirements
  - i) Personal contacts
  - j) Others (please specify) \_\_\_\_\_

\* a) b) c): *Economic incentives*  
 d) e) f) *Customer Service Incentives*  
 g), i) *Personal Incentives*

98. Who sends the money home?
- a) Your family member abroad
  - b) Your family member's employer
  - c) Your family member's friend
  - d) Don't know
  - e) Other (please specify) \_\_\_\_\_
99. Once the money is sent, who goes to the financial institutions to pick up the money?
- a) Family member
  - b) Neighbor
  - c) Sponsor

- d) Other (please specify) \_\_\_\_\_
100. How much money (fees in Gourdes or US Dollars) do you pay each time you receive money?  
\_\_\_\_\_
101. What type of fee?
- Flat or fixed fee?
  - % of total amount (proportional)?
102. Are you aware of the exchange rate applied to the funds you receive?
- yes
  - no
103. Does the exchange rate change frequently or is it the same each time? \_\_\_\_\_
104. What currency does your family member abroad send and what currency do you receive the transfer in?
- Send in \_\_\_\_\_
  - Receive in \_\_\_\_\_
105. How often do you receive money?
- Once a week
  - Once a month
  - Once in two weeks
  - Other (please specify) \_\_\_\_\_
106. When was the last time you received the money? \_\_\_\_\_
107. How much money on average do you receive each time (in Gourdes or US Dollars)?  
\_\_\_\_\_
108. How much money in total have you received in the past 12 months? \_\_\_\_\_
109. How many years has your family member abroad been sending money? \_\_\_\_\_
110. How long does it take to receive money once your family member has sent it from the foreign country? \_\_\_\_\_
111. Do you experience or have you experienced any problems in receiving the money? If so, what type of problems did you encounter? What would you do when you had the problem?  
\_\_\_\_\_
112. If you receive money from abroad through a bank or financial institution, do you or any member of your household have difficulties in receiving or retrieving the money?
- Yes
  - No
113. If so, what kind of difficulties do you face to go to financial institutions to receive the money from abroad?
- Cost i.e. transportation
  - Time ( \_\_\_ minutes )

- c) Distance
  - d) Services are not good/slow
  - e) Legal Documents i.e. (Identification Card) \_\_\_\_\_
  - f) Don't understand the financial/banking services
  - g) Other, (please specify) \_\_\_\_\_
114. Do you have to show any ID to receive money? What type of ID is it? \_\_\_\_\_
115. Is there a limit on how much money you can receive at once? \_\_\_\_\_
116. Are you satisfied with the service or method you receive?
- a) Yes
  - b) No
117. How easy is it to open bank accounts?
- a) Very easy
  - b) Somewhat easy
  - c) Difficult
  - d) Very difficult
118. How expensive is it to open bank accounts?
- a) Very expensive
  - b) Somewhat expensive
  - c) Expensive
  - d) Very expensive
119. In general, are you comfortable with using banks?
120. Do you have a bank account in Haiti? \_\_\_\_\_ If not, where do you keep your money?  
\_\_\_\_\_
121. What are the three most important reasons for receiving money?
- a) \_\_\_\_\_
  - b) \_\_\_\_\_
  - c) \_\_\_\_\_
122. Can you and your household survive without remittances?
- a) yes
  - b) no
  - c) don't know
123. What is the money you receive used for? \_\_\_\_\_% for each
- a) Daily needs i.e. consumption \_\_\_\_\_%
  - b) Building/buying/renovating house \_\_\_\_\_%
  - c) Repayment of loans i.e. to pay migration loan \_\_\_\_\_%
  - d) Payment of school fee/education \_\_\_\_\_%
  - e) Payment of health and medical expenses \_\_\_\_\_%

- f) Investment in business \_\_\_\_\_ %
- g) Special occasions (e.g. weddings, birthdays, funerals, etc.) \_\_\_\_\_ %
- h) Buying asset i.e. land /gold/other livestock \_\_\_\_\_ %
- i) Buying motorbike, car, other means of transportation \_\_\_\_\_ %

124. If there is one essential living item you would have to give up, which one would it be?
- a) Food
  - b) Education
  - c) Health Expenses
  - d) Housing Costs
125. If you chose a) in the question 54, do daily needs include alcohol, tobacco, and/or drugs?
126. Who decides for what purpose the money will be used?
- a) Sender
  - b) Household head
  - c) Other household/family member (please specify) \_\_\_\_\_
  - d) Other person outside the family (please specify) \_\_\_\_\_
127. Do you or any household member save the money sent from abroad? \_\_\_\_\_
128. If yes. Where do you save the money?
- a) Bank
  - b) Cooperation
  - c) Other (please specify) \_\_\_\_\_
129. If no. Why?
- a) All money is spent for consumption
  - b) Don't know how to save
  - c) Don't know how to use financial institutions
  - d) Don't want anyone to ask me for borrowing the money
  - e) Other (please specify) \_\_\_\_\_

**D. FINANCIAL LITERACY**

130. Generally, how interested are you in financial matters?
- a) Not interested
  - b) Interested
  - c) Very Interested
131. How familiar are you with the following financial products (answer for each product):
- |  | Never heard | Somewhat familiar | Familiar | Uses/ has used the product |
|--|-------------|-------------------|----------|----------------------------|
|  |             |                   |          |                            |

- |   |                          |                          |                          |                          |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| a) Bank account   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Mortgage   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) Consumer loan  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) Investment products  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) Credit card  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| f) Automatic Teller Machine (ATM)/<br>Guichet Automatique Bancaire<br>(GAB) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| g) Insurance products   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

132. What is the source of information about the financial matters?

- a) Newspaper/ magazine
- b) Financial Institutions
- c) Radio/TV
- d) Friend or Relatives
- e) Other (please specify) \_\_\_\_\_

133. Do you have insurance?

- a) Yes \_\_\_\_\_ If yes, what kind of insurance do you have? \_\_\_\_\_
- b) No