



Central Bank of Kenya

Diaspora Remittances Survey

December 2021



FOREWORD

It gives me great pleasure to present the results of Kenya's first Diaspora Remittances Survey, conducted between March and May 2021. Remittance inflows to Kenya have increased tenfold in the last 15 years reaching an all-time record of USD 3,718 million in 2021. This phenomenal growth points to the importance of remittances as a source of foreign exchange to the country, equivalent to more than 3 percent of Kenya's GDP. Remittance flows also provide livelihoods to vulnerable households by contributing to basic needs such as food, education, healthcare and housing. In this context, there is need to better understand diaspora remittances and mainstream them into the country's development process.

Despite the significant role of remittance flows, its data has previously not been fully captured. Currently, the Central Bank of Kenya (CBK) collects data every month on remittance inflows through formal channels that include commercial banks and other authorized international remittance service providers in Kenya. The reported amount excludes remittances through informal channels and in-kind remittances. The Diaspora Remittances Survey therefore represents an additional step in the CBK's initiatives to improve statistics on remittances and understanding the landscape for remittances more generally.

In this regard, the Diaspora Remittances Survey was conducted with the objective of collecting valuable information to improve the quality of remittance statistics. The Survey focused on the efficiency and cost of alternative remittance channels; the difficulties encountered in remitting cash or in-kind transfers; the availability of information to Kenyans in the diaspora about investment opportunities in Kenya; and the usage of remittances received.

I wish to thank the Ministry of Foreign Affairs and the Kenya National Bureau of Statistics for their valuable support during the design and implementation of the Survey. We also express our gratitude to Kenyans in the diaspora who participated in our virtual briefings and in the Survey. As indicated during our briefing sessions and in the Survey questionnaire, the Survey respondents will remain anonymous. The individual respondent data provided has been treated with utmost confidentiality and will not be used by third parties. Thus, only aggregated data obtained from the Survey is shared in this report.

Dr. Patrick Njoroge
Governor

ACRONYMS

CBK	Central Bank of Kenya
DRS	Diaspora Remittances Survey
ICT	Information and Communications Technology
KNBS	Kenya National Bureau of Statistics
MFA	Ministry of Foreign Affairs
M-PESA	Safaricom's mobile money transfer service
UAE	United Arab Emirates
UK	United Kingdom
USA	United States of America
USD	United States Dollar

TABLE OF CONTENTS

EXECUTIVE SUMMARY.....	VI
1.0 INTRODUCTION.....	1
1.1 Survey Objectives.....	1
1.2 Survey Methodology.....	1
2.0 SOCIO - DEMOGRAPHIC CHARACTERISTICS OF RESPONDENTS.	2
2.1 Age, Gender and Marital Status.....	2
2.2 Destination Country and Length of Stay Abroad.	2
2.3 County of Origin in Kenya.....	3
2.4 Main Reason for Leaving Kenya.....	4
2.5 Level of Education and Professional Training.....	6
2.6 Diaspora Income and Sources.....	7
3.0 CASH REMITTANCES.....	10
3.1 Value of Remittances.....	10
3.2 Economic Status of Recipients and Relationship with the Sender.	11
3.3 Frequency and Purpose of Cash Remittances.	12
3.4 Channels of Sending Remittances and Reasons for using the Service Provider	15
3.5 Cost of Remittances.....	18
3.6 Remittances Transfer Time.....	19
3.7 Main Challenges of Sending Money to Recipients in Kenya.	20
4.0 IN-KIND REMITTANCES.....	21
4.1 Cost of In-Kind Remittances.....	22
4.2 Types and Channels of In-Kind Remittances.....	22
5.0 INVESTMENT OPPORTUNITIES.....	25
5.1 Challenges in Accessing Information on Investment Opportunities.	25
6.0 IMPACT OF COVID-19 ON REMITTANCES.	27
6.1 Impact of Covid-19 on Economic Activity.....	28
6.2 Effect of Covid-19 on Financial Access.	29
6.3 Effects of Covid-19 on Amounts and Cost of Remittances.....	29
6.4 Effects of COVID-19 on Financial Demands by Recipients and Expectations for 2021 Remittances.....	31
7.0 CONCLUSION.....	33
APPENDIX I: COST AND AMOUNTS OF REMITTANCES.....	35
APPENDIX II: SURVEY QUESTIONNAIRE.....	38

LIST OF TABLES

Table 1: Length of Stay Abroad.....	4
Table 2: Reasons for leaving Kenya by Region.....	6
Table 3: Level of Respondents' 2019 Income by Region.....	8
Table 4: Level of 2019 Income and Age.....	9
Table 5: Length of Stay Abroad and Amount of Remittances.....	11
Table 6: Reason for Choice of Remittance Channel	18
Table 7: Remittances Using the Most Preferred Service Provider Versus Cost of Remitting	19
Table 8: In-Kind Remittances by Region	21
Table 9: Cost of Remitting In-Kind Items Versus Value.....	22
Table 10: Cash Remittances in 2020 by Region.....	28

LIST OF FIGURES

Figure 1: Gender of the Respondent.....	2
Figure 2: Age of the Respondents.....	2
Figure 3: Marital Status.....	2
Figure 4: Country of Residence.....	3
Figure 5: Regional Distribution of Respondents	4
Figure 6: County of Origin of Respondents.....	5
Figure 7: Highest Level of Education Attained... ..	6
Figure 8: Main Professional Training.....	7
Figure 9: Sectoral Source of Income	9
Figure 10a: Value of Cash Remittances.....	10
Figure 10b: Average Annual Remittances in US Dollars by Region.....	11
Figure 11: Economic Status of the Recipient.....	12
Figure 12: Relationship of the Respondent with the Remittance Recipients.....	13
Figure 13: Frequency of Cash Remittances.....	13
Figure 14a: Purpose of Remittances.....	14
Figure 14b: Remittance Use	14
Figure 14c: Average Remittances in US Dollars.....	15
Figure 15a: Service Providers used to send Cash remittances.....	16
Figure 15b: Proportion of Cash Remittance by Channel.....	16
Figure 16a: Most Preferred Service Provider.....	17
Figure 16b: Reason for Using Most Preferred Service Provider.....	17
Figure 17a: Remittances Transfer Time.....	19
Figure 17b: Challenges of Sending Money to Kenya.....	20
Figure 18: Value of In-Kind Remittance in US Dollars.....	21
Figure 19a: Types of In-kind Remittances.....	22
Figure 19b: US Dollar Value of In-Kind Goods.....	22
Figure 20: In-Kind Remittances Channels.....	23
Figure 21: Reasons for Choice of Channel for In-Kind Remittance.....	24
Figure 22: Investment Awareness.....	25
Figure 23: Source of Investment Information.....	26
Figure 24: Challenges in Accessing Information on Investment Opportunities.....	26
Figure 25: Cash Remittances in 2020.....	27
Figure 26: Effect of Covid-19 on Economic Activity by Region.....	28
Figure 27: Effect of Covid-19 on Financial Access by Region.....	29
Figure 28: Effect of Covid-19 on Cost of Sending Money by Region.....	29
Figure 29: Effects of Covid-19 on Amounts Remitted by Region.....	30
Figure 30: Net Effect of Covid-19 on Remittances by Region.....	31
Figure 31: Financial Demands of Recipients.....	31
Figure 32: Diaspora Expectations for 2021 Remittances.....	32

EXECUTIVE SUMMARY

The Central Bank of Kenya (CBK) conducted Kenya's first Diaspora Remittances Survey between 19th March and 17th May, 2021. The Survey was conducted in collaboration with the Kenya National Bureau of Statistics (KNBS) and the Ministry of Foreign Affairs (MFA). The overall objective of the Survey was to collect information on remittance inflows to Kenya. Specifically, the Survey aimed at establishing the efficiency and cost of alternative remittance channels; the difficulties encountered in remitting cash or in-kind transfers; the availability of information to Kenyans in the diaspora about investment opportunities in Kenya; and the usage of remittances received.

The Survey targeted Kenyans working/living abroad who had sent remittances to Kenya in 2019. The target population was identified with the support of the Ministry of Foreign Affairs, Diaspora Organizations and other stakeholders. An online questionnaire was administered through the CBK website and also posted on the websites of the Ministry of Foreign Affairs, Kenyan missions abroad and other institutions for wider reach. The Survey attracted 1,321 respondents.

The majority of the respondents of the Survey were middle aged professionals with university qualifications who migrated in search of employment and education. The Survey revealed that over 70 percent of the respondents sent remittances in cash through formal channels, mainly money transfer companies, banks and mobile money operators. Remittance flows to Kenya are regular (remitted monthly), directed at nuclear family members and largely cater for basic household needs such as food, household goods, medicine and payment of education expenses. The majority of recipients are self-employed, unemployed or students, suggesting a relatively high dependency ratio of Kenyans on the diaspora. Slightly over a half of the remittance amounts were allocated to three uses: investment in real estate (land and building) for recipients, mortgage payment for senders and purchase of food and household goods.

In-kind remittances are less frequent both in terms of value and volume as reported by one third of the respondents in 2019. The value of in-kind remittances was reported to be between USD 500 and USD 5,000 for majority of the respondents. Household and electronic goods, clothing, shoes and medicines comprised the bulk of in-kind remittances in 2019. Most of these were carried personally by the respondents during visits to Kenya, through friends and relatives and also through courier companies.

With regard to cost, the Survey established that the average cost of sending funds was in the range of 4 - 5 percent of the amount sent, through the most dominant and preferred service providers (banks, money transfer companies and mobile money operators). Moreover, the cost of remitting is relatively higher for the Europe-Kenya and Asia-Kenya remittance corridors, averaging 6 percent of the amount remitted. The cost of sending in-kind items, however, was much higher, in the range of 15 – 27 percent. In terms of remittance channels, the Survey established that the Kenyan diaspora prefer digital service providers due to convenience, efficiency in terms of speed / prompt service and ease of access. On average, recipients receive the funds sent on the same day, reflective of the high efficiency of these channels. However, the respondents reported high costs, hidden charges and transfer time as the main challenges encountered while remitting to Kenya.

The majority of the respondents indicated that they are aware of investment opportunities in Kenya, in particular opportunities in land or real estate, stock market and government securities. Most of the respondents indicated that they rely on family, friends, social media and websites to obtain this information.

The Survey further showed that remittances remained resilient during the COVID-19 pandemic, with most of the respondents providing annual support averaging USD 4,000 in 2020 compared to an average of USD 6,000 in 2019. Reduced remittances were, however, notable in Asia and Europe. Despite this lower average amount sent in 2020, the respondents reported increased demand for financial support by recipients. Moreover, the respondents reported that they expect to sustain their level of support and remittances in 2021, with a large proportion of the respondents expecting to remit more in 2021 relative to what they remitted in 2020.

1.0 INTRODUCTION

The Central Bank of Kenya (CBK) conducted a Diaspora Remittances Survey between 19th March and 17th May 2021. The Survey was conducted in collaboration with the Kenya National Bureau of Statistics (KNBS) and the Ministry of Foreign Affairs (MFA).

1.1 Survey Objectives

The overall objective of the Survey was to collect information on remittance inflows to Kenya. Specifically, the Survey sought to establish:

- The efficiency and cost of various remittance channels;
- The usage of remittances received;
- The availability of information to the diaspora about investment opportunities in Kenya; and
- The difficulties encountered in remitting cash or in-kind transfers.

1.2 Survey Methodology

The Survey was conducted based on a census in which any Kenyan diaspora member had an opportunity to participate. The Survey targeted Kenyans in the diaspora who sent remittances to Kenya in 2019. The target population was identified with the support of the Ministry of Foreign Affairs and Diaspora Organizations. An online questionnaire was administered through the CBK website and also posted on the websites of the Ministry of Foreign Affairs, Kenyan missions abroad and other institutions for wider reach. The Survey elicited 1,321 responses.

The Survey instrument was developed and piloted by the CBK, with the support of the KNBS and the Ministry of Foreign Affairs. The responses received helped to improve certain aspects of the instrument.

To raise awareness on the Survey and obtain feedback, the CBK Governor held four virtual meetings in April 2021: a meeting with Kenyans in the diaspora including the heads of Kenya missions abroad; a live interview with a US-based diaspora television station; a meeting with Kenyans in the United Kingdom; and a session with Kenyan World Bank and IMF staff. The meetings helped to improve and provide useful feedback on the Survey from Kenyans in the diaspora. Data cleaning and consistency checks were carried out prior to analysis of the data.

The rest of the report is structured as follows: Section 2 presents the Socio-demographic characteristics of the respondents. Section 3 discusses cash remittances. Section 4 focuses on in-kind remittances while Section 5 presents investment opportunities in Kenya. Section 6 analyses the impact of Covid-19 while Section 7 concludes the report.

2.0 SOCIO - DEMOGRAPHIC CHARACTERISTICS OF RESPONDENTS

2.1 Age, Gender and Marital Status

The survey demographics are broken down as indicated in **Figures 1 - 3**. Majority of the respondents were born in Kenya (95percent), with 57percent of them reporting that they were married (**Figure 3**). Eighty-nine per cent of the respondents fall within the working age population of between 18 and 55 years (**Figure 2**).

Figure 1: Gender of the Respondent

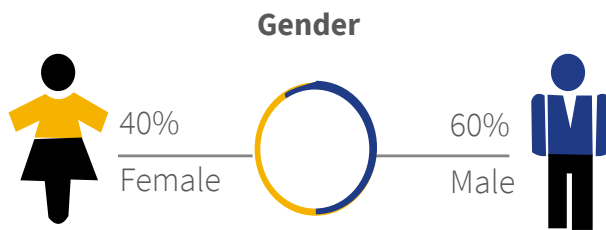


Figure 2: Age of the Respondents

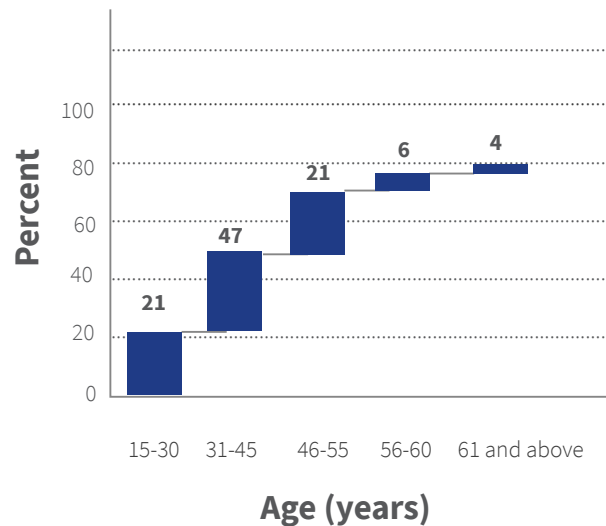
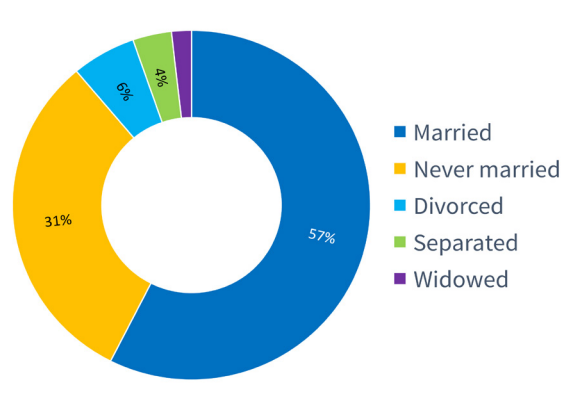


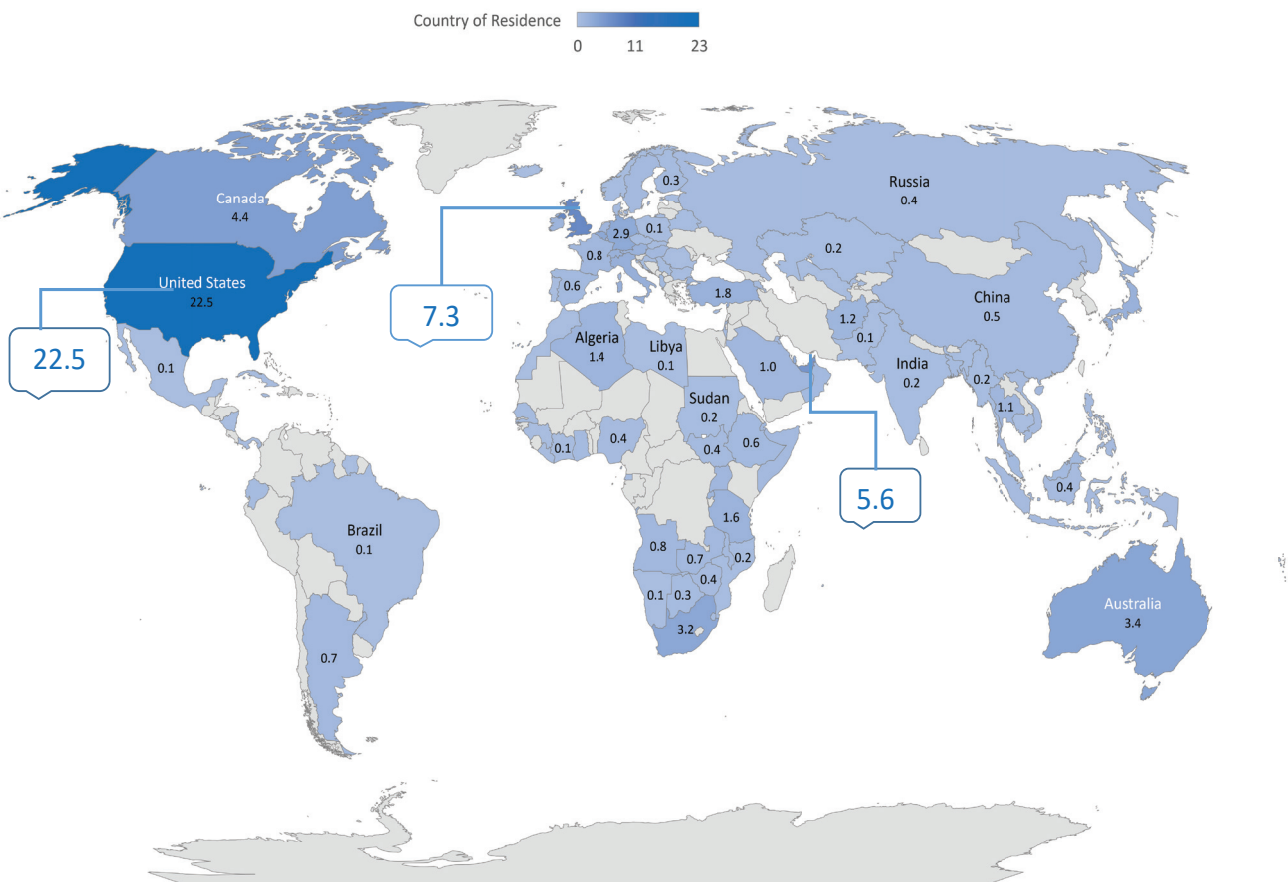
Figure 3: Marital Status



2.2 Destination Country and Length of Stay Abroad

The Survey results indicate that the respondents were based in the following regions: Europe (28 percent), North America (27 percent), Asia (22 percent) and African countries (12 percent). In terms of specific countries, most of the diaspora reside in the USA (22.5 percent), UK (7.3 percent), UAE (5.6 percent), Canada (4.4 percent), Australia (3.4 percent), South Africa (3.2 percent), Belgium (3.0 percent) and Germany (2.9 percent) (**Figures 4 & 5**).

Figure 4: Country of Residence



KEY - Percentile	100	90	80	70	60	50	40	30	20	10	0

Country	Percent
United States	22.5
United Kingdom	7.3
United Arab Emirates	5.6
Canada	4.4
Australia	3.4
South Africa	3.2
Belgium	3.0
Germany	2.9
Qatar	2.4
Italy	2.1
Turkey	1.8
Switzerland	1.8

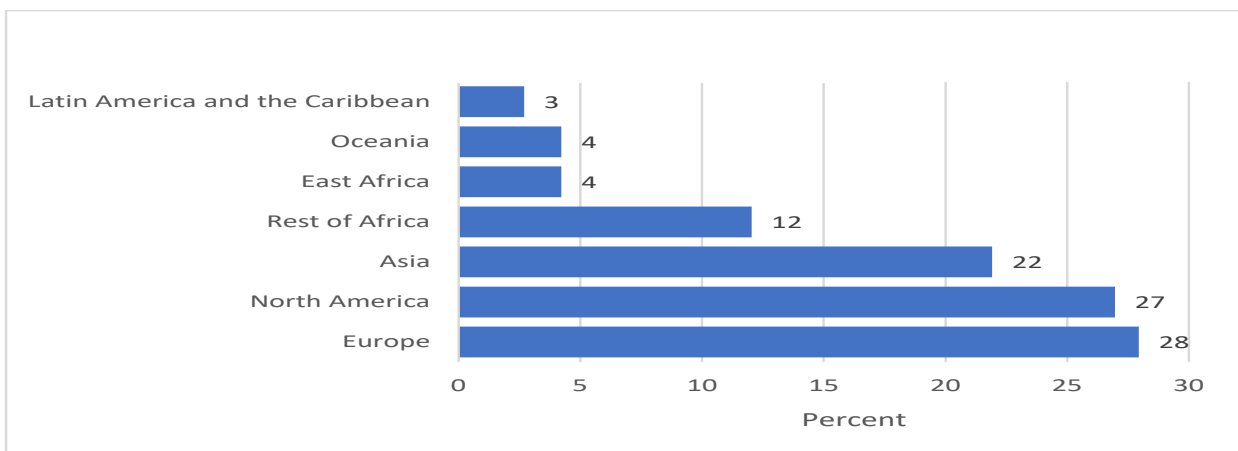
Country	Percent
Japan	1.8
Austria	1.7
Tanzania	1.6
Algeria	1.4
Ireland	1.4
Afghanistan	1.2
Rwanda	1.2
Thailand	1.1
Uganda	1.0
Saudi Arabia	1.0
Netherlands	1.0

The Survey showed that the mean stay abroad is 11 years. Half of the respondents had lived abroad for about 10 years or less, while about 17 percent had stayed abroad for more than 20 years **(Table 1)**.

Table 1: Length of Stay abroad

Length of Stay (Years)	Percent of Respondents
(0-10]	50.2
(11-20]	32.3
(21- 30]	13.2
(31- 40]	3.5
(41-50]	0.5
(51 and above]	0.2

Figure 5: Regional Distribution (Percent of the Respondents)



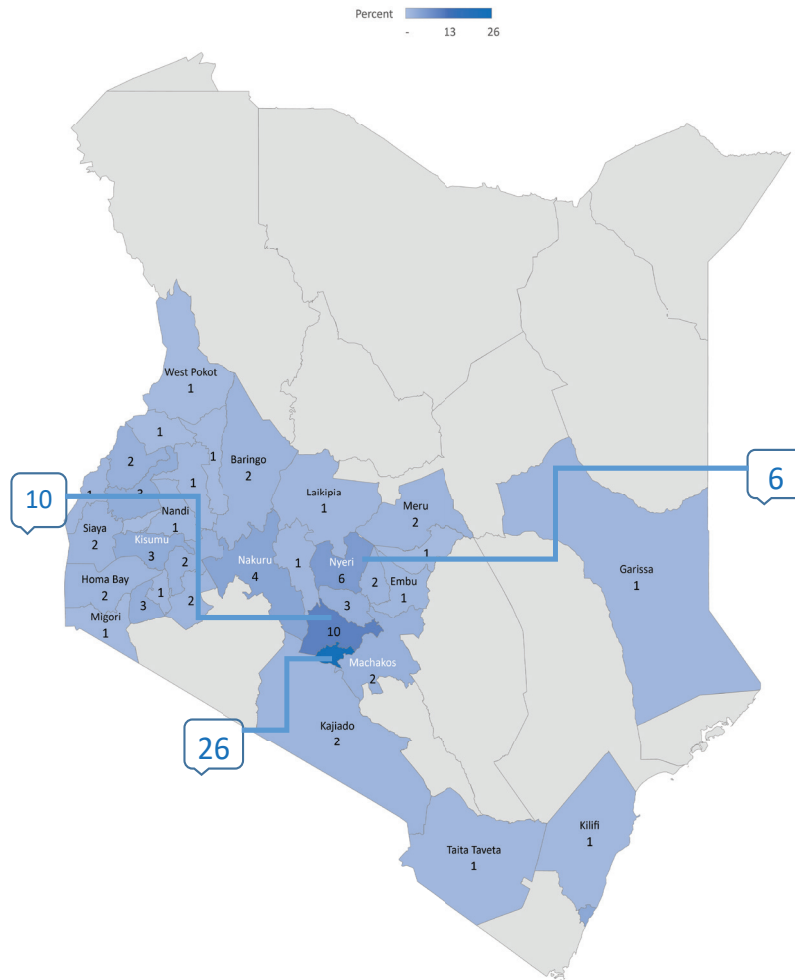
2.3 County of Origin in Kenya

The Survey showed that most Kenyans in the diaspora are from urban areas mainly; Nairobi, Kiambu, Nyeri, Nakuru, Mombasa, and Kisumu. Nairobi ranks first as the county of birth as reported by 26 percent of the respondents **(Figure 6)**.

2.4 Main Reason for Leaving Kenya

The Survey indicated that Kenyans in diaspora left the country mainly in search of jobs and pursuit of higher education. Across the regions, the Survey finds that the respondents left for Europe, North America and Oceania in pursuit of higher education while those in Asia and African countries mainly left in search of employment **(Table 2)**. Oceania had the largest proportion of those who left the country due to family migration while Europe hosts the largest proportion of those who left due to marriage.

Figure 6: County of Origin of the Respondents



KEY - Percentile	100	90	80	70	60	50	40	30	20	10	0

County	Percent
Nairobi City	26
Kiambu	10
Nyeri	6
Nakuru	4
Mombasa	4
Kisumu	3
Kakamega	3
Kisii	3
Murang'a	3
Bungoma	2
Machakos	2
Kericho	2

County	Percent
Kirinyaga	2
Baringo	2
Siaya	2
Homa Bay	2
Bomet	2
Kajiado	2
Meru	2
Embu	1
Nandi	1
Busia	1
Nyandarua	1
Nyamira	1

County	Percent
Garissa	1
Laikipia	1
Taita-Taveta	1
Uasin Gishu	1
Kilifi	1
Migori	1
Elgeyo-Marakwet	1
Trans Nzoia	1
West Pokot	1
Vihiga	1
Tharaka-Nithi	1

Table 2: Reasons for leaving Kenya by Region

	Asia	East Africa	Europe	Latin America and the Caribbean	N o r t h America	Oceania	Rest of Africa
Employment	60.2	63.6	24.1	28	20.7	35.1	46.6
Education	24.1	13.6	37.8	36	47.9	45.9	23.7
Family moved	0.5	2.3	4.1	8	7.5	10.8	2.5
Marriage	3.2	4.5	13.1	0	6.1	0	5.9
Diplomatic duties in Kenyan missions abroad	4.2	6.8	5.8	4	0	0	8.5
Other (please specify)	0.9	4.5	6.2	0	6.8	2.7	3.4
Settlement	0.9	0	3.8	8	7.1	2.7	0.8
Diplomatic duties in international organizations	2.8	4.5	0.7	0	1.1	2.7	5.1
Religious duties	1.9	0	2.7	4	0.7	0	0.8
Asylum	0.9	0	0.7	4	1.4	0	1.7
Peace-keeping mission	0	0	0	8	0	0	0
Sports	0.5	0	1	0	0.4	0	0
Medical	0	0	0	0	0.4	0	0.8
Sum (%)	100	100	100	100	100	100	100

2.5 Level of Education and Professional Training

The respondents were asked to indicate the highest level of education they had attained. Most of the respondents are educated professionals with 34 percent of them having attained Master's degrees and 26 percent holding Bachelor's degrees (**Figure 7**). Most of the migrants are professionals in Business and Finance, Engineering, Health and ICT (**Figure 8**).

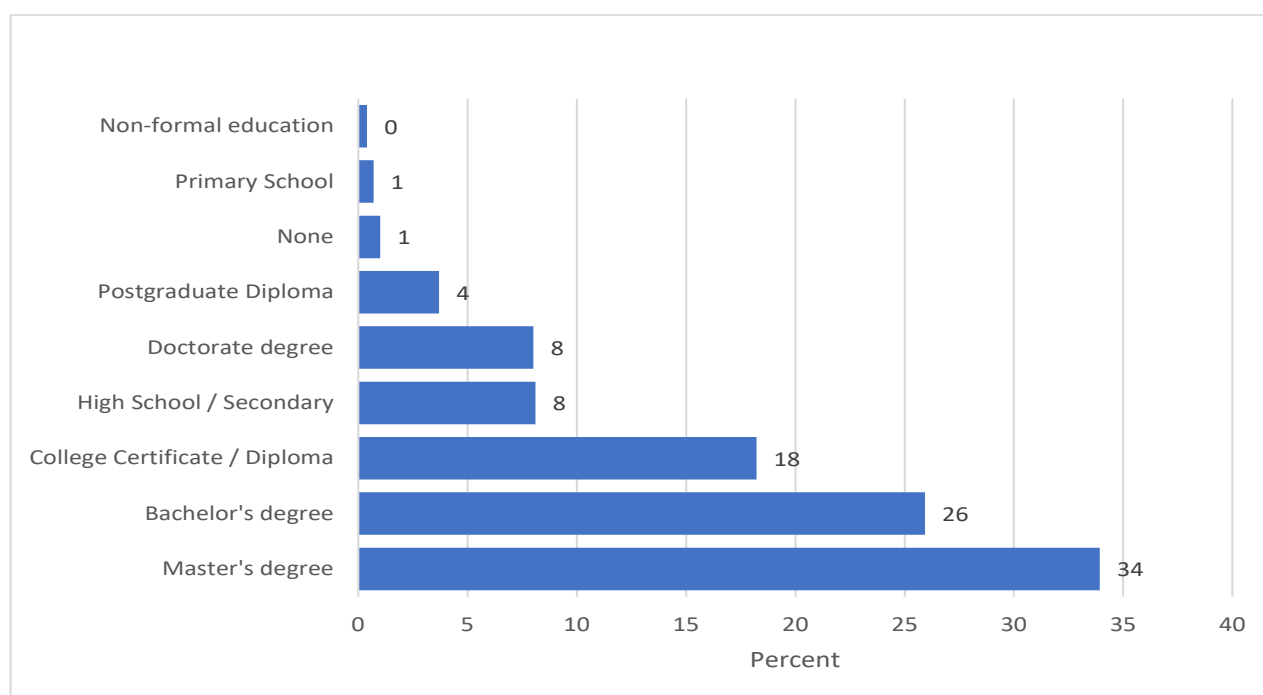
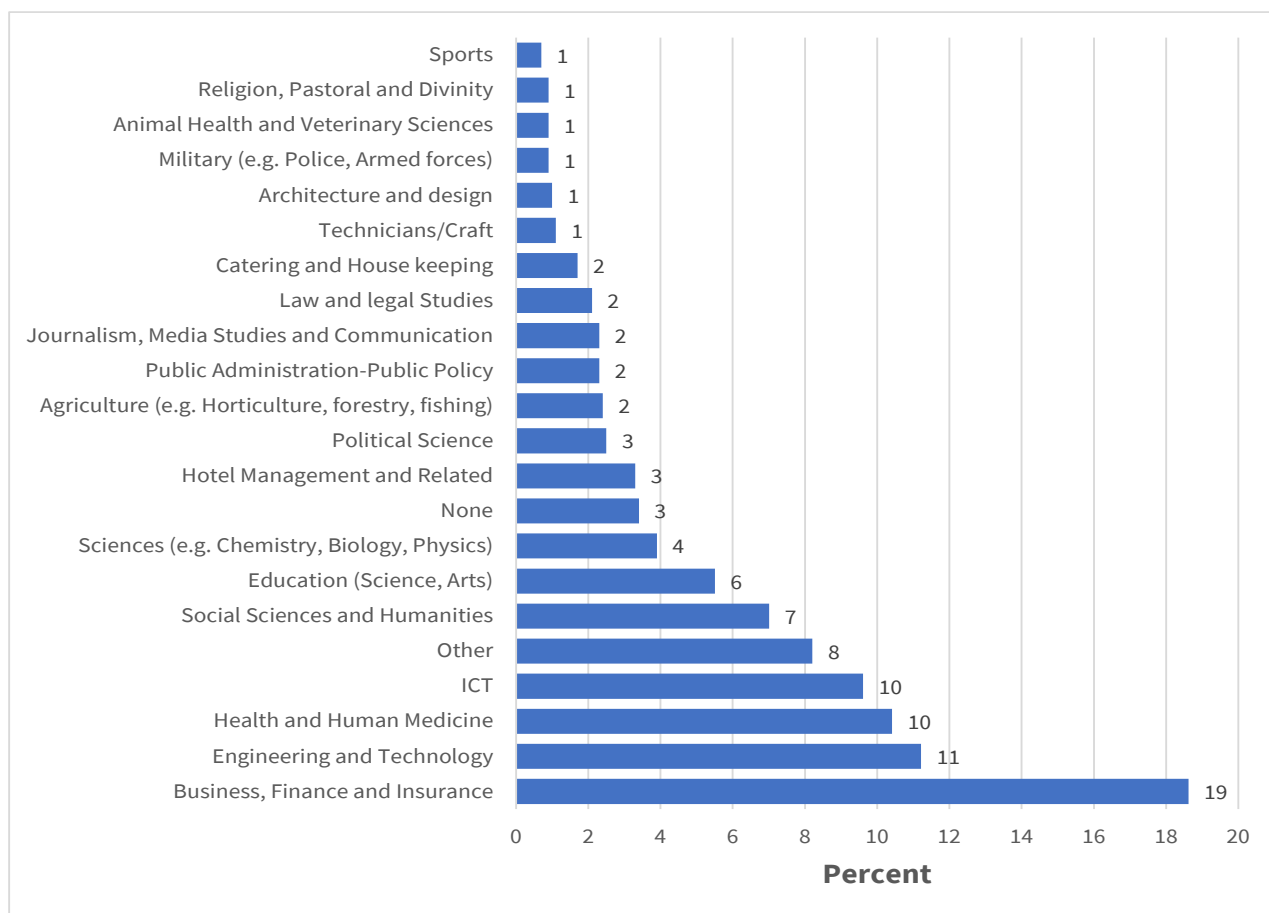
Figure 7: Highest Level of Education Attained

Figure 8: Main Professional Training



2.6 Diaspora Income and Sources

The Survey sought to establish the respondents’ total income in 2019 (in US dollar equivalent) and the main source of income (or the source sector). Incomes are lowest in Asia and East Africa where the majority of respondents earn less than USD 2,000 per annum (**Tables 3**).

This is likely reflective of the types of jobs held by migrants especially in Asia, where a good proportion of migrants take up jobs demanding less skills. On the other hand, incomes are higher for respondents in Europe, Oceania and North America where the majority of respondents earn more than USD 50,000 per annum. This compares well with their earlier identified motives for migration - in this case education - which could in turn translate to better paying jobs.

Table 3: Level of Respondents' 2019 Income by Region

2019 Income in US dollars	Region						
	Asia	East Africa	Europe	Latin America and the Caribbean	North America	Oceania	Rest of Africa
200,000 and above	4.5	2.4	3.5	14.3	9.5	19.5	2.8
100,000-199,999	5.5	9.5	10.1	10.7	27.5	24.4	7.3
50,000-99,999	10.9	7.1	20.3	3.6	33	24.4	14.7
30,000-49,999	4.1	9.5	15.4	0	13.9	2.4	9.2
20,000- 29,999	6.4	4.8	11.5	3.6	5.9	4.9	7.3
15,000-19,999	5.9	0	3.8	7.1	1.1	2.4	0.9
10,000-14,999	5	7.1	5.2	7.1	2.6	2.4	2.8
6,000-9,999	5.5	14.3	5.2	10.7	1.8	2.4	12.8
3,000-5,999	6.8	11.9	3.5	10.7	2.2	2.4	7.3
2,000-2,999	9.1	2.4	4.9	14.3	0.7	2.4	6.4
Less than 1,999	36.4	31	16.4	17.9	1.8	12.2	28.4
Sum (%)	100	100	100	100	100	100	100

Comparing income levels and age of the respondents, the Survey revealed that the majority of those earning annual incomes less than USD 2,000 are primarily young individuals with 45 percent of them aged under 30 years (**Table 4**). This points to the likelihood that the younger the individual (hence less experience), the more likely they are to earn lower wages. Concomitantly, those who earn more than USD 50,000 are older respondents aged between 31 - 45 years old (60 percent) and comprise mainly the respondents residing in North America and Europe.

The main sectoral sources of income for the diaspora largely reflect professional training: Human Health and Social Work activities (12 percent); Finance and Insurance (10 percent); Education (8 percent); Professional, Scientific and Technical activities (8 percent); Information and Communication (8 percent); and International Organizations and Bodies (6 percent) (**Figure 9**).

Figure 9 : Sectoral Source of Income

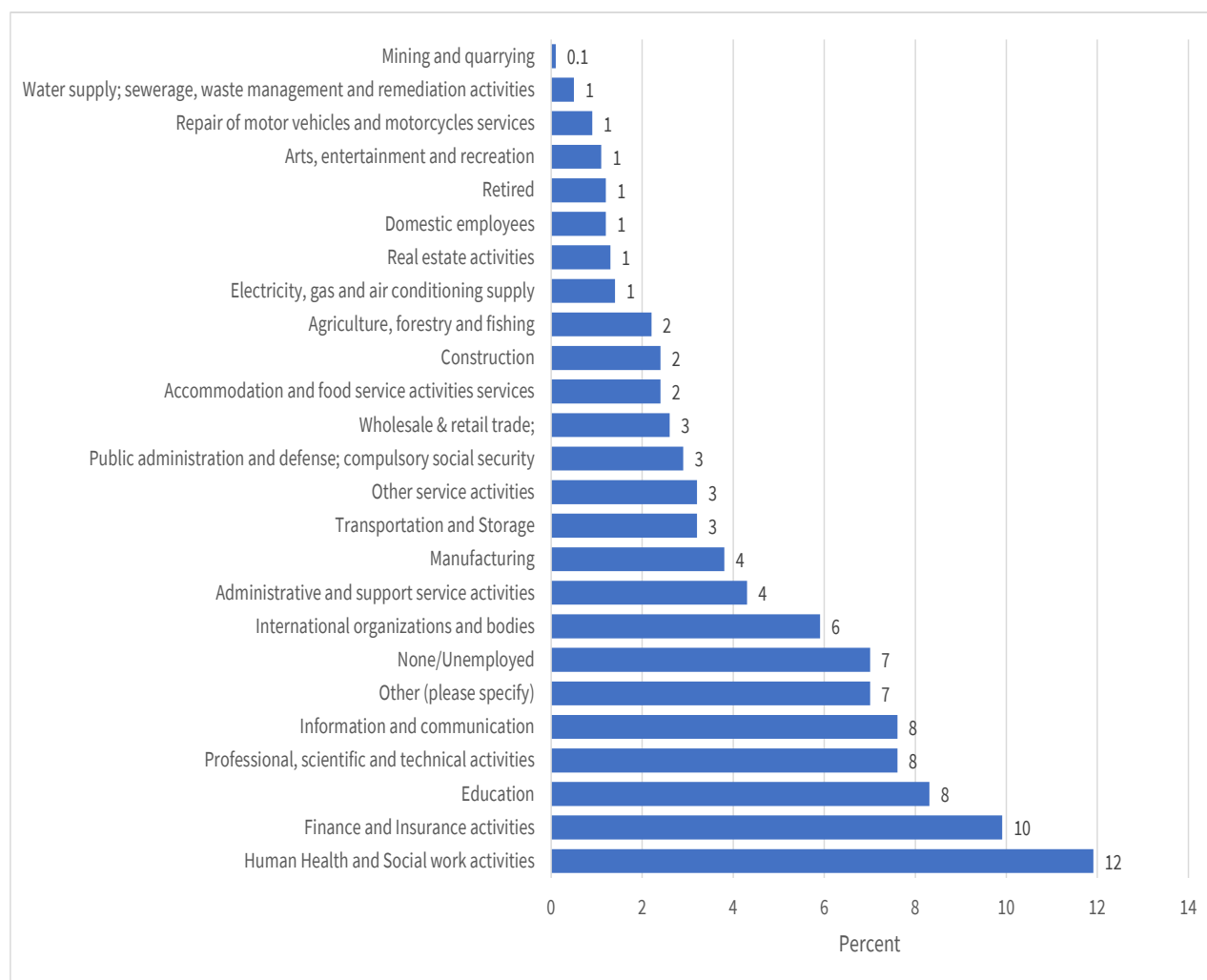


Table 4: Level of 2019 Income and Age

2019 Income in US dollars	Age group (Years)					Sum (%)
	15-30	31-45	46-55	56-60	61 and above	
200,000 and above	5.2	5.3	7.4	8.5	11.9	100
100,000-199,999	6.2	13.6	21.4	15.3	21.4	100
50,000-99,999	8.1	21.4	23.7	37.3	26.2	100
30,000-49,999	7.6	11.7	10.7	10.2	14.3	100
20,000-29,999	5.7	9.7	6.5	3.4	4.8	100
15,000-19,999	2.4	4.4	0.9	3.4	2.4	100
10,000-14,999	5.2	4	4.7	1.7	2.4	100
6,000-9,999	4.7	4.4	8.4	8.5	4.8	100
3,000-5,999	4.3	6.1	3.3	3.4	2.4	100
2,000-2,999	5.7	4.9	4.2	8.5	0	100
Less than 2,000	45	14.4	8.8	0	9.5	100
Sum (%)	100	100	100	100	100	100

3.0 CASH REMITTANCES

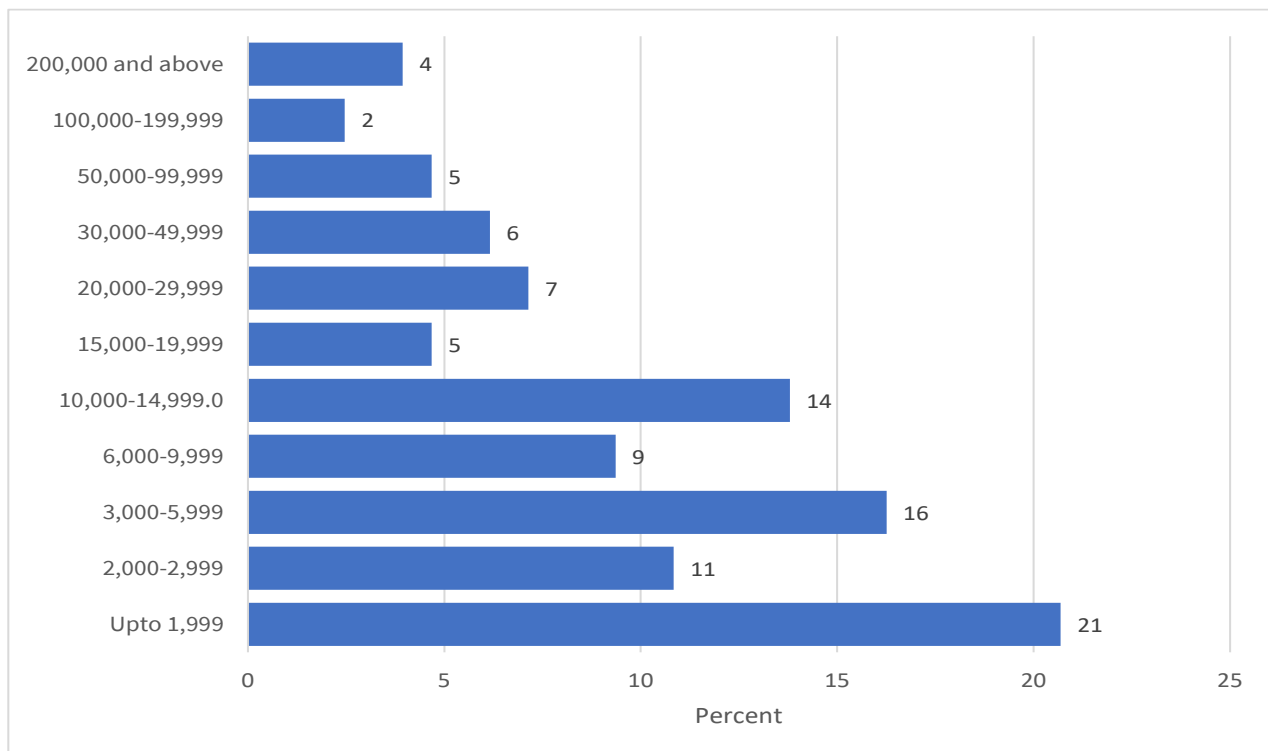
The Survey established that 86 percent of the respondents provided support in cash to family members, relatives or friends who lived in Kenya in 2019.

3.1 Value of Remittances

Overall, the average value of remittances sent in 2019 was USD 6,000. Seventy one percent of the respondents sent annual remittances of up to USD 15,000 in 2019. Of these, 21 percent sent remittances less than USD 2000 (**Figure 10a**) while 48 percent sent amounts less than USD 6,000, an average of USD 500 per month.

Regionally, the average amount of total remittances in USD in 2019 was generally larger for North America, Oceania and Rest of Africa (**Figure 10b**).

Figure 10a: Value of Cash Remittances



In **Table 5** the amount remitted is compared with the length of stay abroad by the respondents. The table shows that remittances generally decline with the number of years spent abroad by the respondent suggesting an increasing disconnect with the source country, the more one lives abroad. For instance, about 49 percent of the respondents who remitted cash amounts up to USD 1,999 had lived outside the country for 10 years or less while those who had lived abroad for more than 30 years accounted for only 5 percent of this category.

Figure 10b: Average Annual Remittances in US Dollars by Region

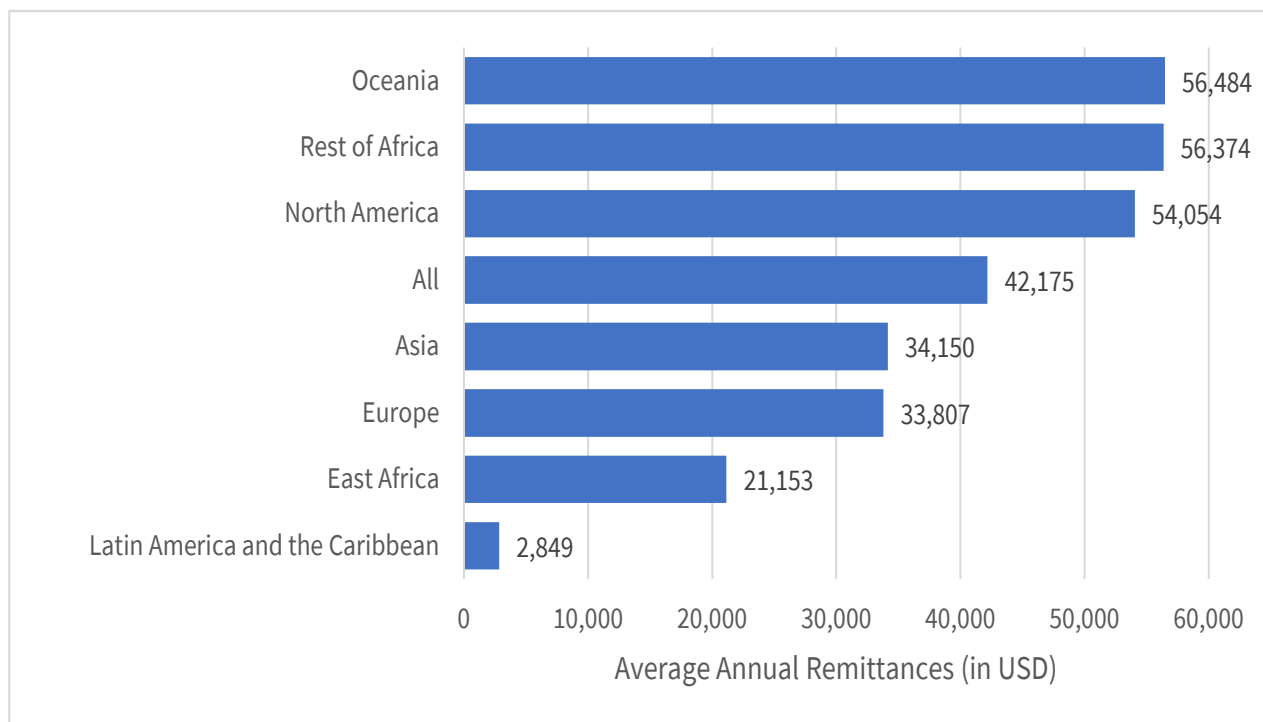


Table 5: Length of Stay Abroad and Amount of Remittances

Amount sent in 2019 (US dollars)	Length of Stay Abroad (Years)					Sum
	10 Years or less	11 Years - 20 Years	21 Years - 30 Years	31 Years - 40 Years	41 Years and above	
200,000 and above	46.7	46.7	6.7	0	0	100
100,000-199,999	22.2	44.4	33.3	0	0	100
50,000-99,999	38.9	44.4	16.7	0	0	100
30,000-49,999	60	28	4	8	0	100
20,000-29,999	50	35.7	7.1	3.6	3.6	100
15,000-19,999	36.8	31.6	26.3	0	5.3	100
10,000-14,999	49.1	40	5.5	5.5	0	100
6,000-9,999	40	37.1	14.3	5.7	2.9	100
3,000-5,999	43.1	35.4	18.5	3.1	0	100
2,000-2,999	48.8	36.6	12.2	2.4	0	100
Up to 1,999	48.7	30.3	15.8	5.3	0	100

3.2 Economic Status of Recipients and Relationship with the Sender

On the economic status of the recipient, the Survey revealed that majority (63 percent) of them are self-employed, retired, unemployed individuals looking for work and students/interns (**Figure 11**). Most recipients are nuclear family members of the sender (**Figure 12**). A paltry 5 percent of respondents sent remittances to their spouses. This supports the findings that the majority of respondents were married, hence living abroad with their families.

Figure 11: Economic Status of the Recipient

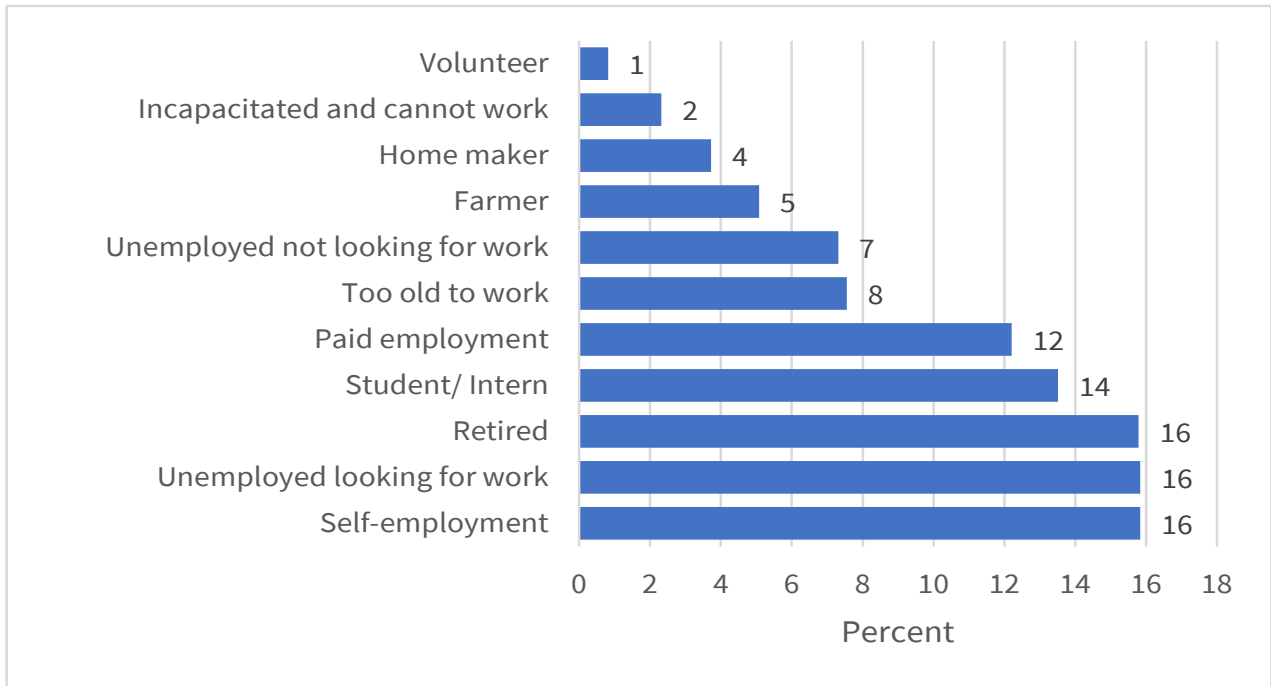
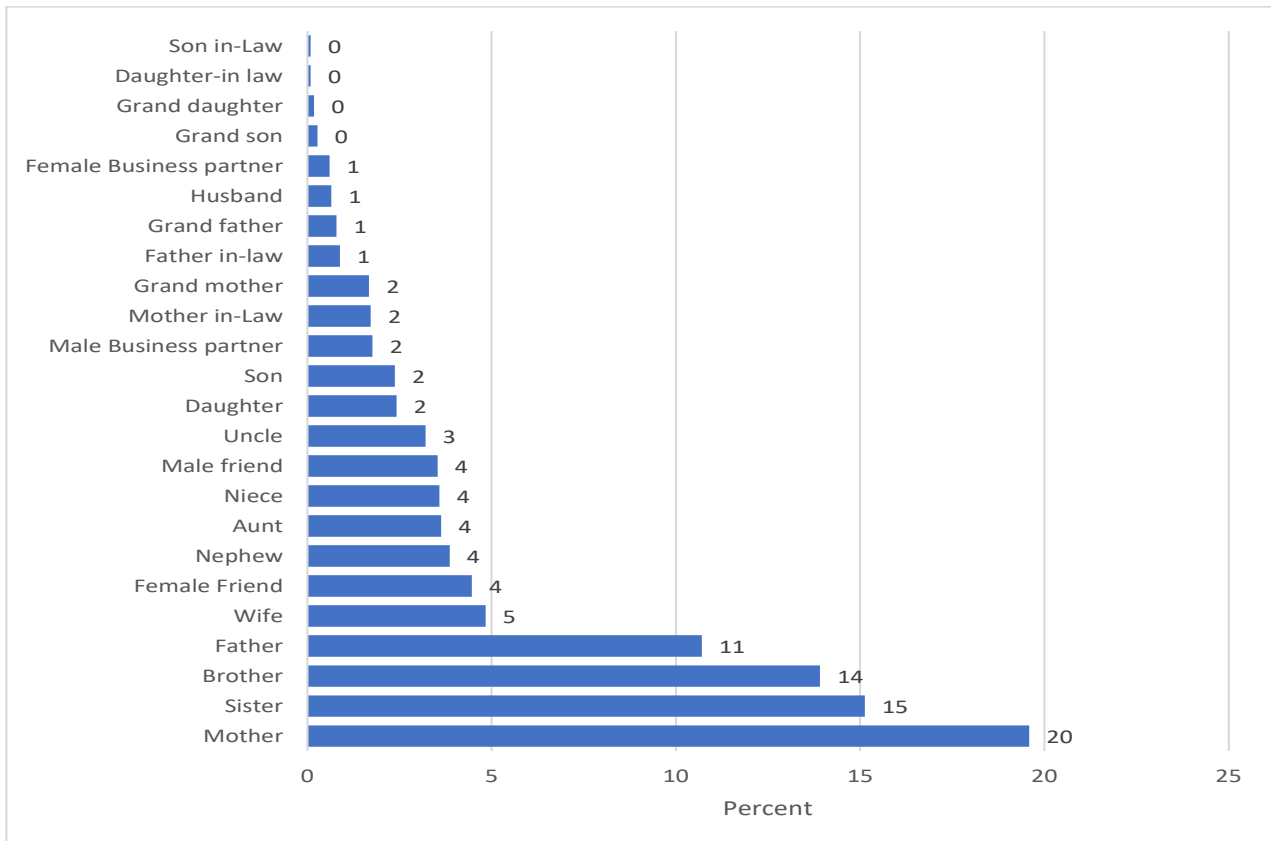


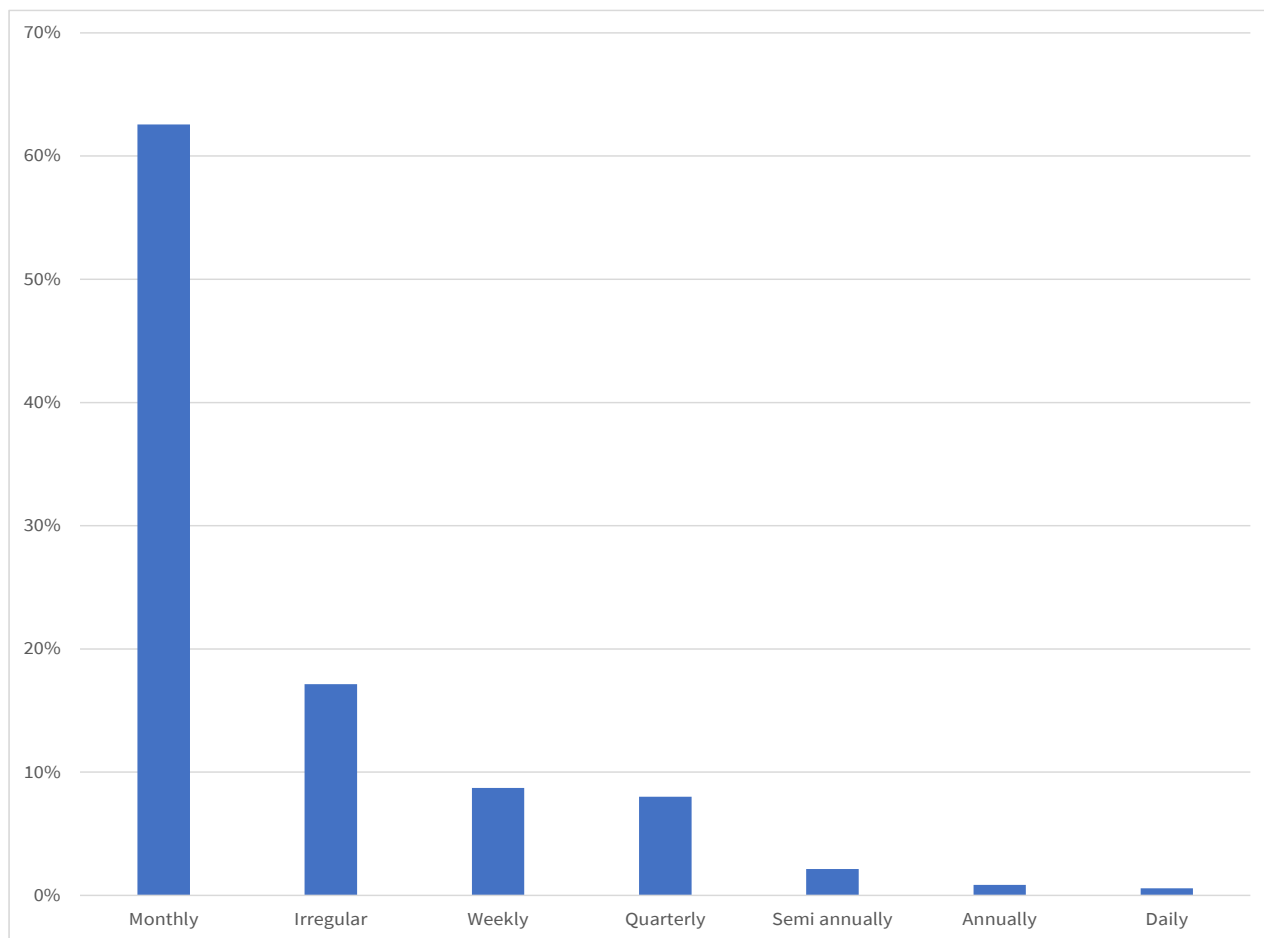
Figure 12: Relationship of the Respondents with the Remittance Recipients



3.3 Frequency and Purpose of Cash Remittances

The respondents were required to indicate how often they sent money to Kenya in 2019. From the responses, the majority indicated they sent cash on a monthly basis, while a small proportion sent on a weekly and quarterly basis (**Figure 13**).

Figure 13: Frequency of Cash Remittances



The respondents were asked to indicate the purpose of remittances sent to Kenya. The majority of the respondents sent remittances to support recipients in the purchase of food and household goods, for offsetting medical expenses, meeting education expenses, for payment of rent and household utilities, payment for the costs associated with ceremonies; for clothing needs of the recipient and to meet farming needs. Other purposes for which remittances were sent are shown in **Figure 14a**.

Figure 14b further indicates the proportion of cash remittances (in USD) allocated to each use as well as the average amount (in USD) spent on each expenditure category. Slightly over half of the cash remittances were allocated to three uses: investment in real estate (land and building) for recipients, mortgage payment for senders and purchase of food and household goods. In terms of the average amounts spent by individual respondents, two items stand out (as the highest): investment in real estate (land and building) for recipients and mortgage payment for senders.

The motive behind migration from Kenya could have some influence in remittances. In this regard, respondents working in Kenyan missions abroad and those who migrated from Kenya in search of employment were found to have remitted above average amounts (**Figure 14c**).

Respondents who migrated for reasons of employment invested more on real estate while those working in international organizations spent more on mortgage payments (**Figures A1 and A2 in Appendix I**).

Figure 14a: Purpose of Remittances (Percent of Respondents)

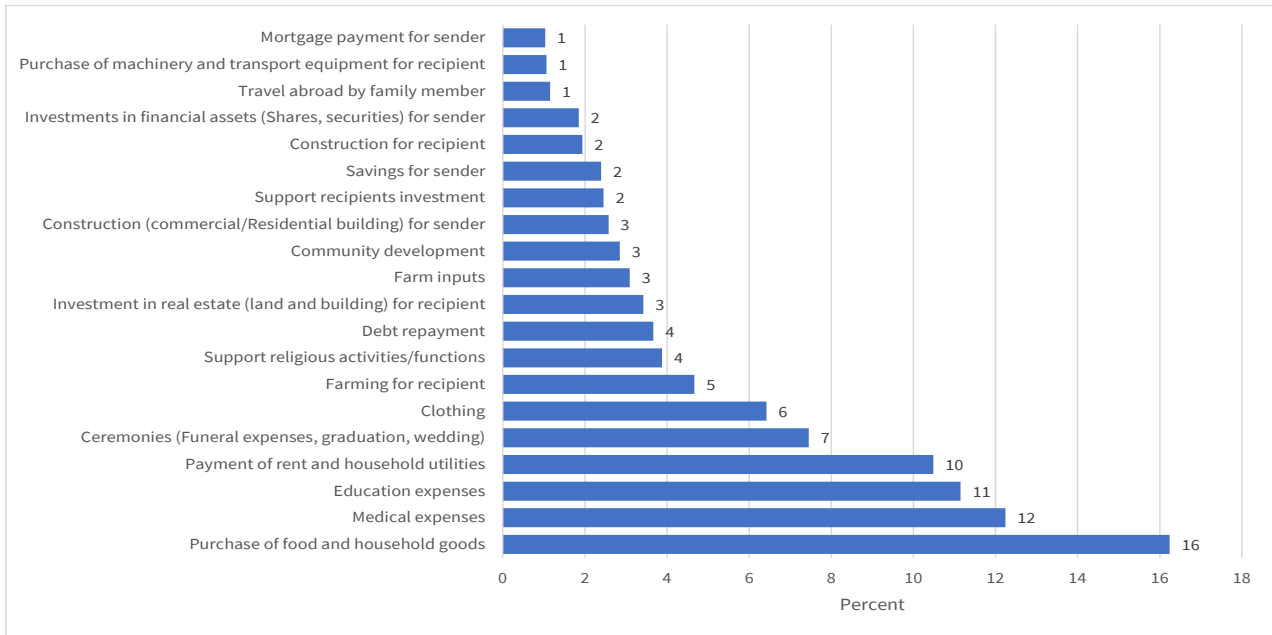


Figure 14b: Remittance Use

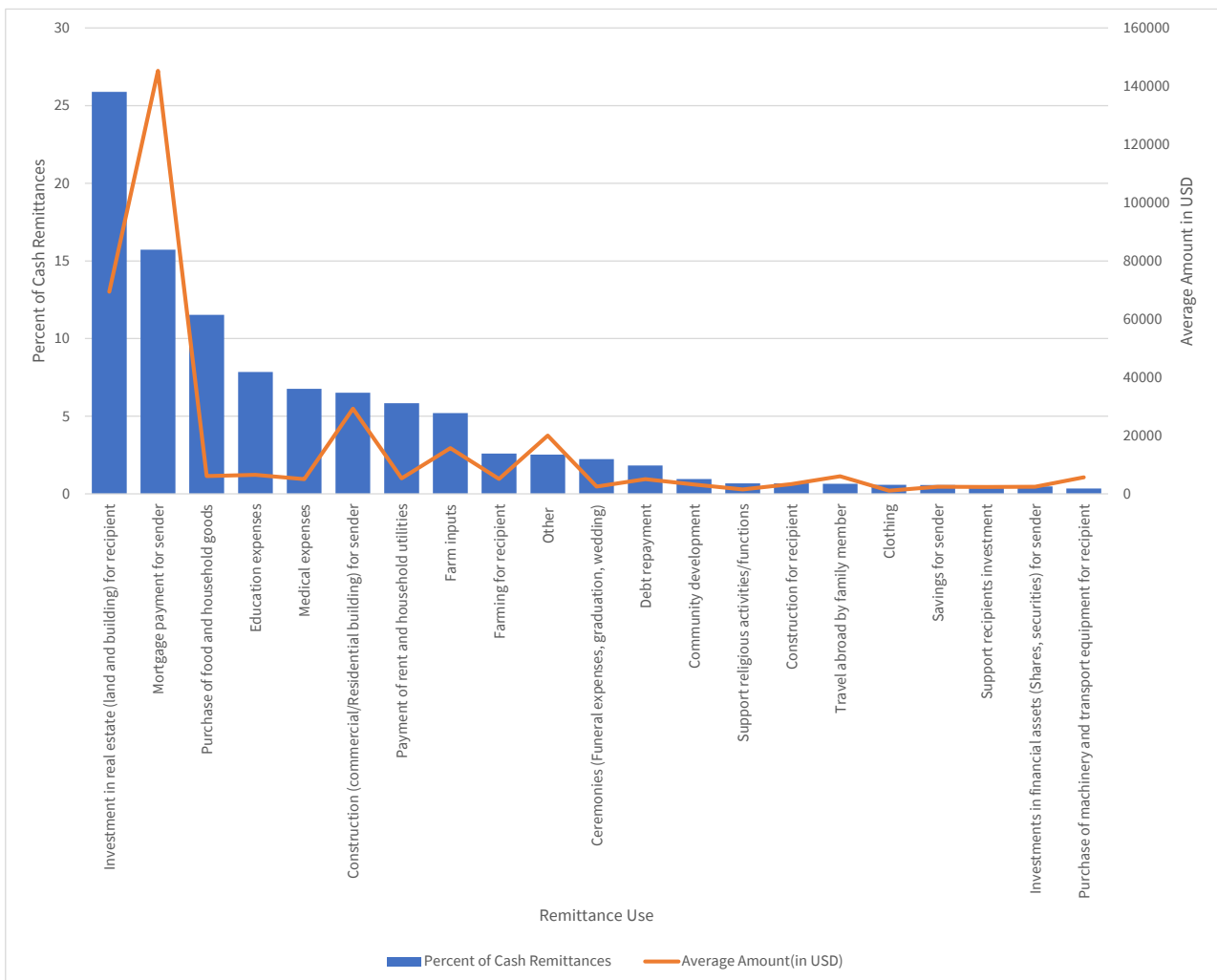
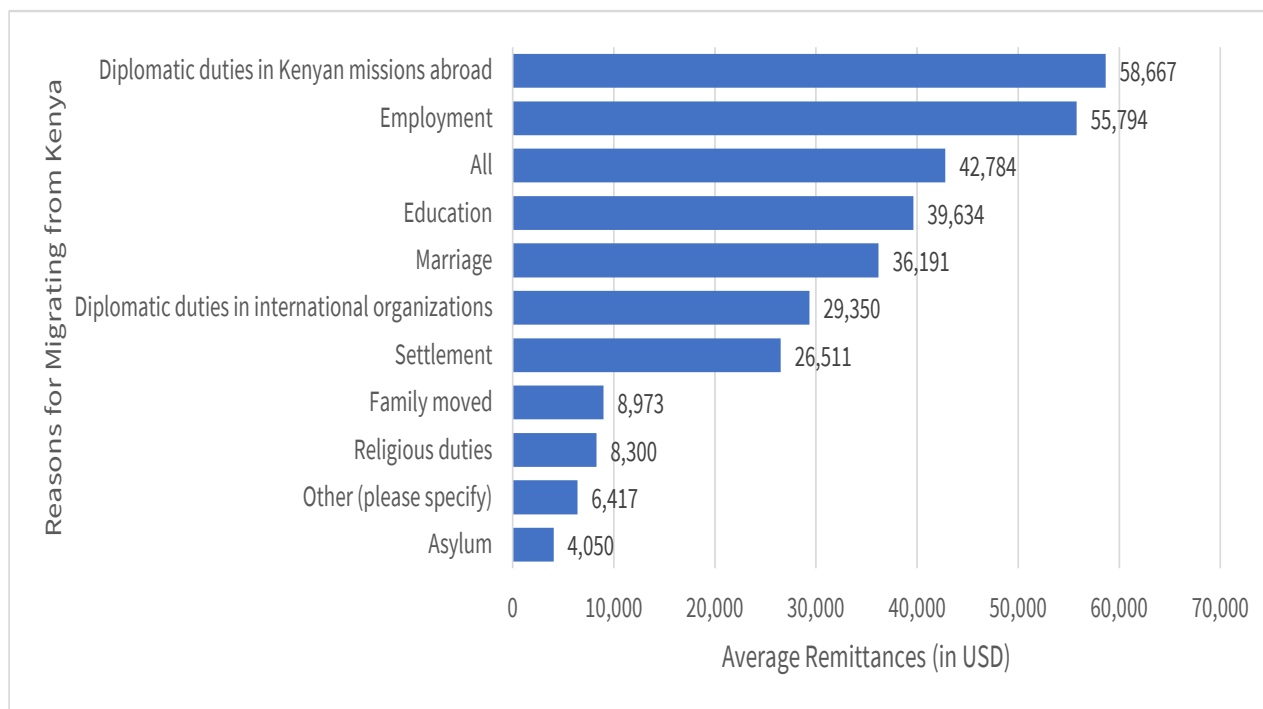


Figure 14c: Average Remittances in US Dollars



3.4 Channels of Sending Remittances and Reasons for Using the Service Provider

The respondents were asked to indicate the channels used to send cash to recipients in Kenya in 2019. Majority of the respondents used mobile money operators, money transfer companies and banks (**Figure 15a**). Hence, a large proportion of remittances are through formal channels. However, a small proportion of the respondents personally carried the cash, sent through friends / relatives or used Hawala operators.

Whereas mobile money operators are the most frequently used service providers, the proportion of funds transferred through the top three service providers are almost similar (**Figure 15b**).

On the most preferred service provider, the respondents indicated that M-PESA/Safaricom is the most preferred service provider, selected by 20 percent of the respondents, followed by banks, WorldRemit, Wave, Sendwave, and Western Union (**Figure 16a**). Respondents cited convenience, prompt/efficient/ speedy service, ease of access and favourable transaction charges as the main reasons for using these service providers (**Figure 16b**).

A further inspection reveals that respondents used banks, money transfer companies and mobile money operators mainly because of convenience, ease of access and prompt /efficient/speedy service (**Table 6**). The same applies to transport operators and postal network. Hawala operators were preferred for offering favorable transaction charges, convenience and ease of access. Credit Union is considered desirable due to security and safety of the channel, convenience and favorable exchange rates. Apart from the case of courier companies, the recipient’s choice isn’t a major consideration in the choice of channels.

Figure 15a: Service Providers used to send Cash Remittances

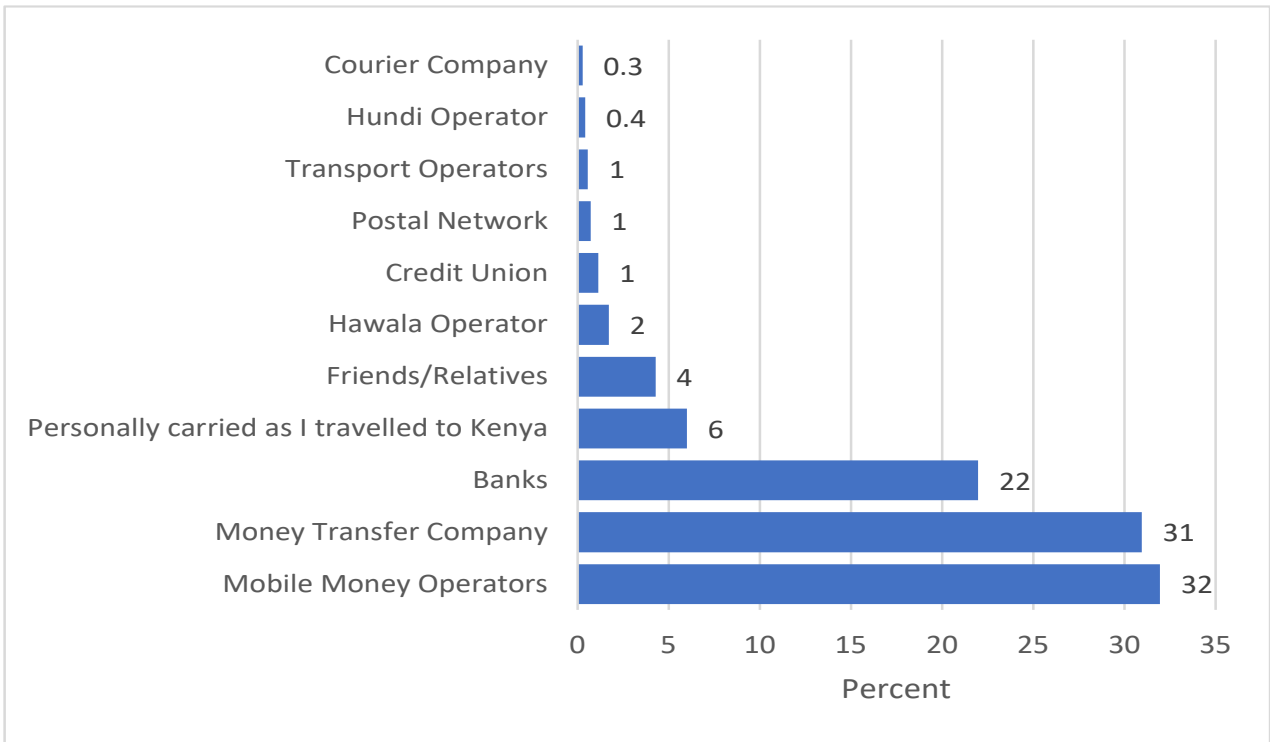


Figure 15b: Proportion of Cash Remittances by Channel

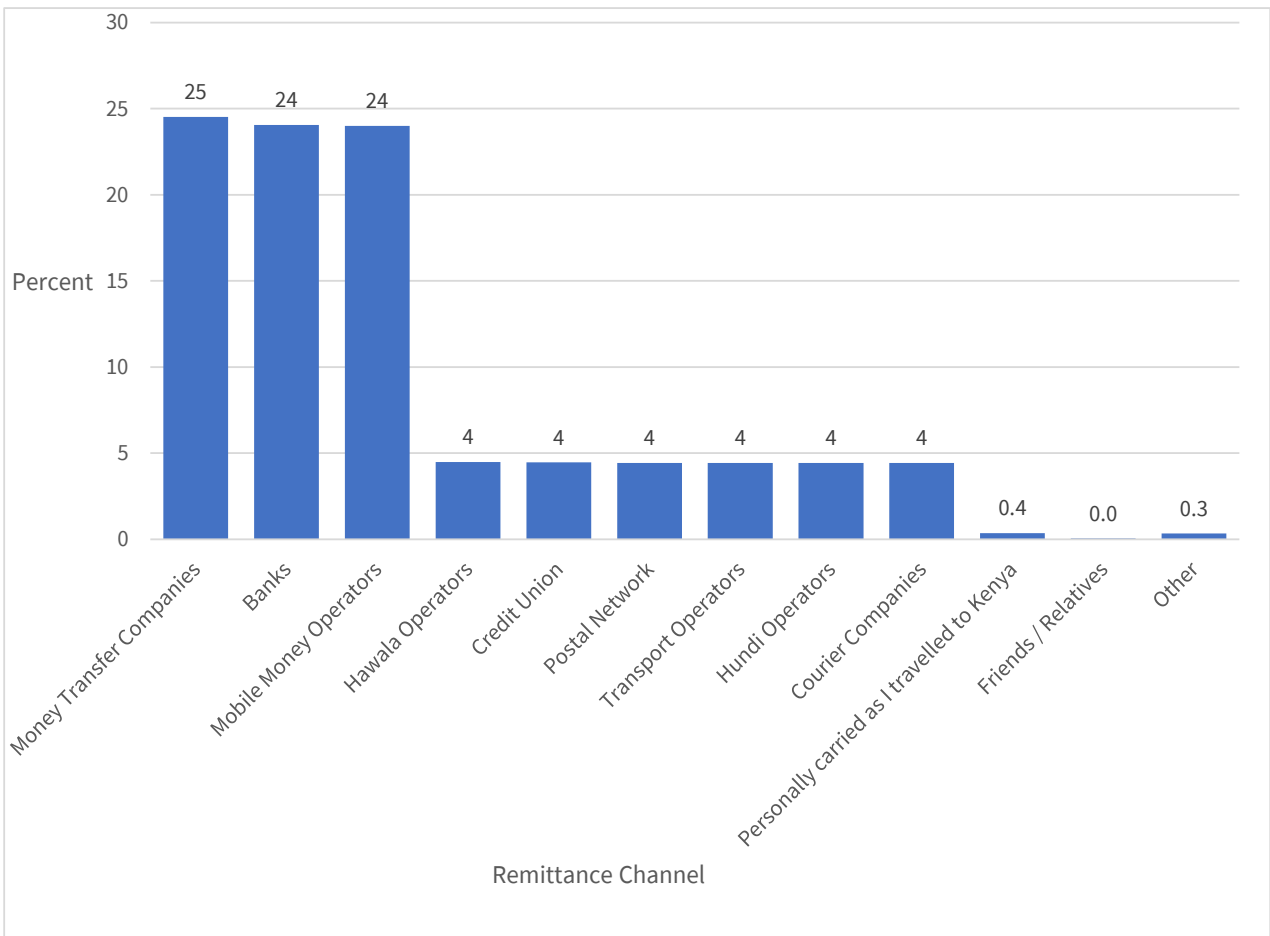


Figure 16a: Most Preferred Service Provider

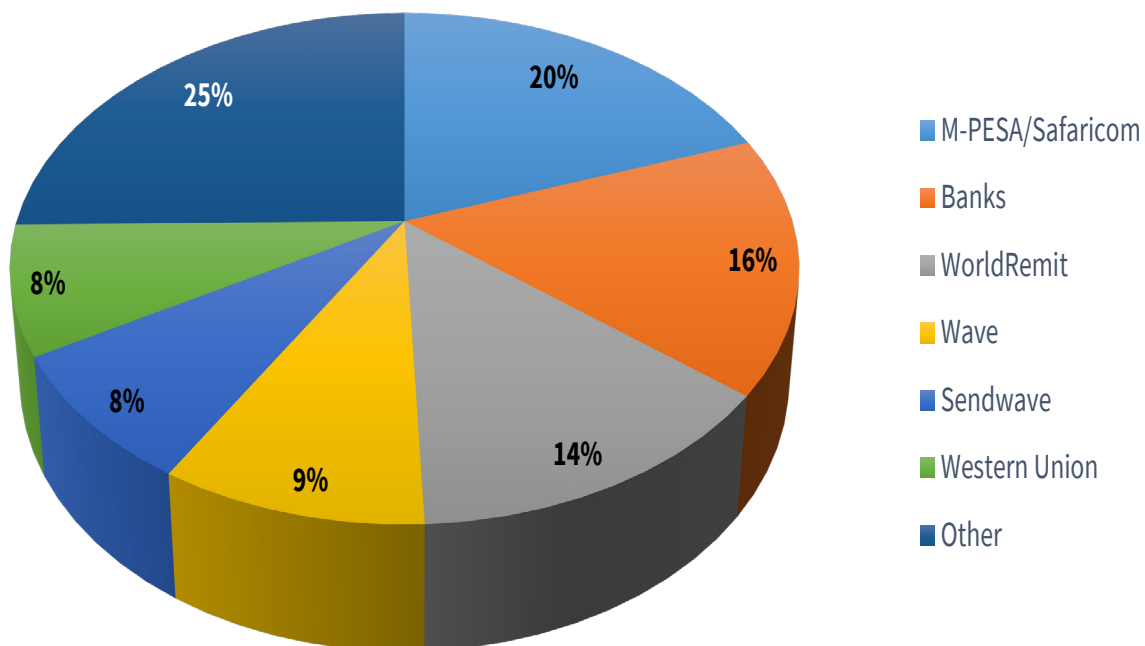


Figure 16b: Reason for Using Most Preferred Service Provider

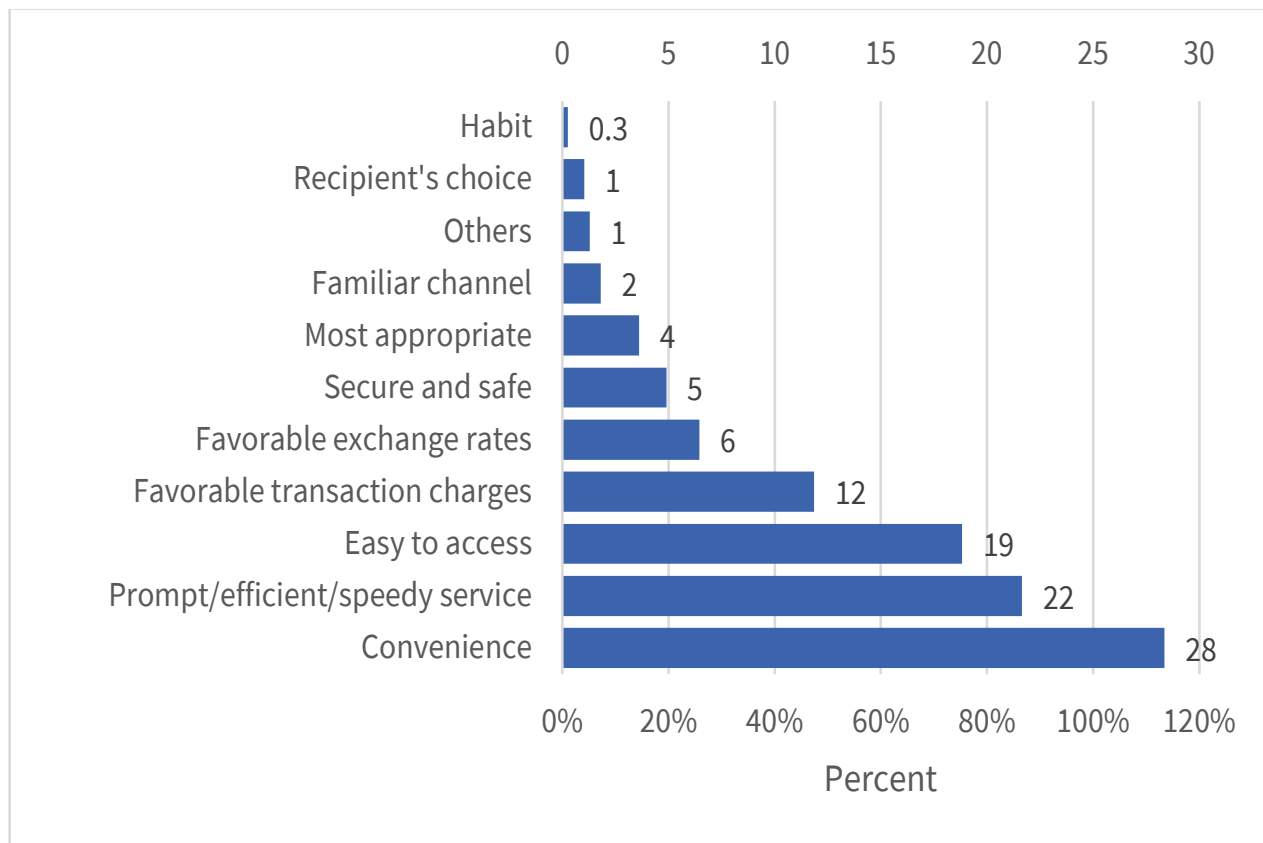


Table 6: Reason for Choice of Remittance Channel

Reasons for Using the Service Provider	Remittance Channel										
	Banks	Courier Companies	Credit Union	Friends/Relatives	Hawala Operators	Hundi Operators	Mobile Money Operators	Money Transfer Companies	Personally carried to Kenya	Postal Network	Transport Operators
Convenience	30.1	0	25	27.6	27.3	33.3	29.4	24	33.3	25	25
Easy to access	15.1	0	12.5	10.3	18.2	0	19.6	20.2	14.3	25	50
Familiar channel	2.7	0	0	3.4	0	33.3	0.9	1	0	0	0
Favorable exchange rates	7.5	0	25	3.4	9.1	0	4.7	7.7	7.1	0	0
Favorable transaction charges	7.5	0	0	13.8	27.3	0	8.9	13.9	4.8	0	0
Habit	0.7	0	0	0	0	0	0	0	0	0	0
Most appropriate	4.1	0	0	3.4	0	0	2.3	2.9	4.8	25	0
Others	2.7	0	0	3.4	0	0	0.9	0.5	7.1	0	0
Prompt/efficient/speedy service	21.9	50	12.5	24.1	9.1	33.3	27.6	22.1	21.4	25	25
Recipient's choice	0	50	0	0	0	0	0.9	0.5	0	0	0
Secure and safe	7.5	0	25	10.3	9.1	0	4.7	7.2	7.1	0	0
Total (%)	100	100	100	100	100	100	100	100	100	100	100

3.5 Cost of Remittances

The respondents were required to indicate the costs incurred while remitting through their most preferred service provider. Of those who remitted up to USD 2,000, about 85 percent reported paying USD 50 or less as transaction charges (**Table 7**). On average, the cost of sending funds was in the range of 4 - 5 percent of the amount remitted while using the most dominant and preferred service providers (mobile money operators, money transfer companies and banks). The use of courier companies was established to be most expensive channel of sending money in 2019, costing 29.2 percent of the value remitted (**Table A1 in Appendix I**). Moreover, some informal channels provide cheaper options for remitting cash compared to formal channels.

Figure A3 in Appendix I shows the cost of remitting (remittance cost as percent of remittances) for the various remittance corridors. The remittance corridors with the lowest costs are Oceania-Kenya, North America-Kenya, East Africa-Kenya and Latin America and the Caribbean-Kenya. The cost of remittances in these corridors ranges between 2 and 3 percent. The cost of remitting is relatively higher for the Europe -Kenya, Asia-Kenya and Rest of Africa - Kenya corridors, ranging between 4 and 6 percent.

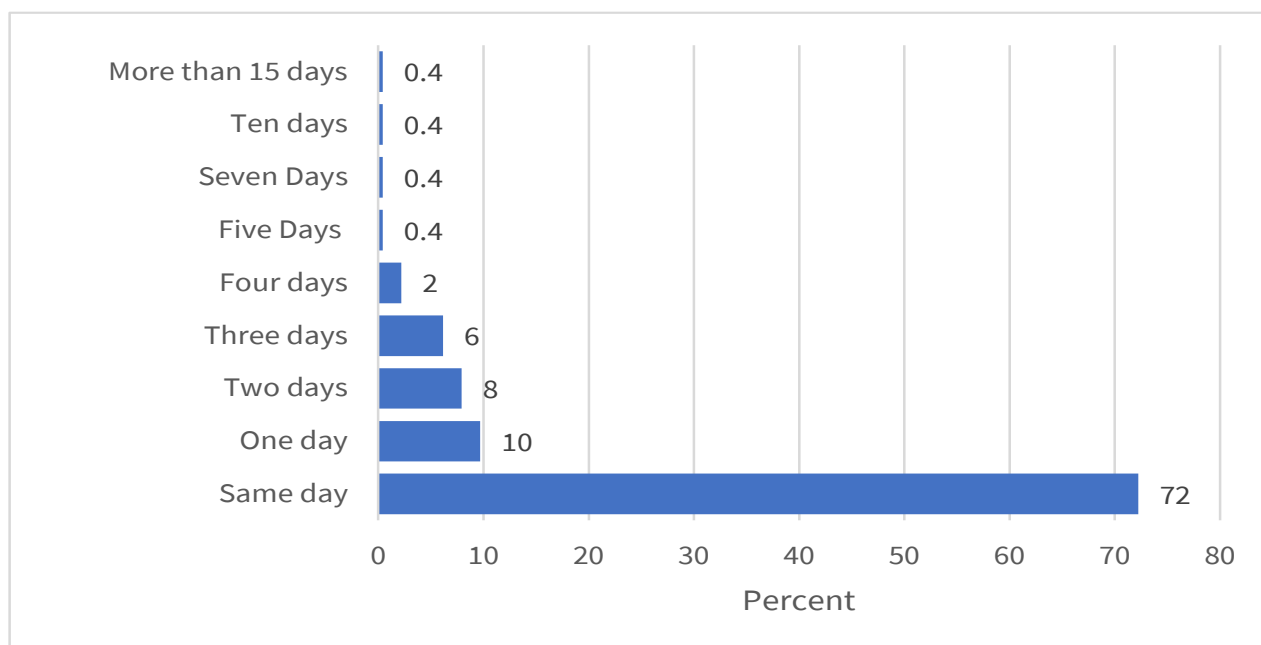
Table 7: Remittances Using Most Preferred Service Provider versus Cost of Remitting

Amount Remitted in 2019 (US dollars)	Cost of Remitting (US dollars)										
	Up to 5	6-10	11-20	21-50	51-100	101-200	201- 400	401-600	601-1,000	Above 1,000	Sum (%)
100,001 and above	9	0	0	9	0	0	9	9	0	64	100
50,001- 100,000	0	0	0	0	27	0	18	9	9	36	100
30,001- 50,000	0	0	0	0	0	11	17	28	6	39	100
20,001- 30,000	0	0	0	8	25	0	17	42	8	0	100
15,001- 20,000	6	6	13	0	0	13	19	19	13	13	100
10,001-15,000	0	0	5	16	21	26	11	11	5	5	100
6,001-10,000	0	2	7	5	24	21	7	19	14	0	100
3,001- 6,000	0	0	12	23	13	17	17	12	6	0	100
2,001-3,000	9	9	9	18	9	23	23	0	0	0	100
Up to 2,000	32	15	19	19	9	4	1	1	0	0	100

3.6 Remittances Transfer Time

The respondents indicated that funds sent are received in real time, and are usually available on the same day to recipients, thus confirming the efficiency of these channels. This was the case for 72 percent of respondents with only a few respondents indicating that it would take up to three days for recipients to access cash sent (Figure 17a).

Figure 17a: Remittances Transfer Time

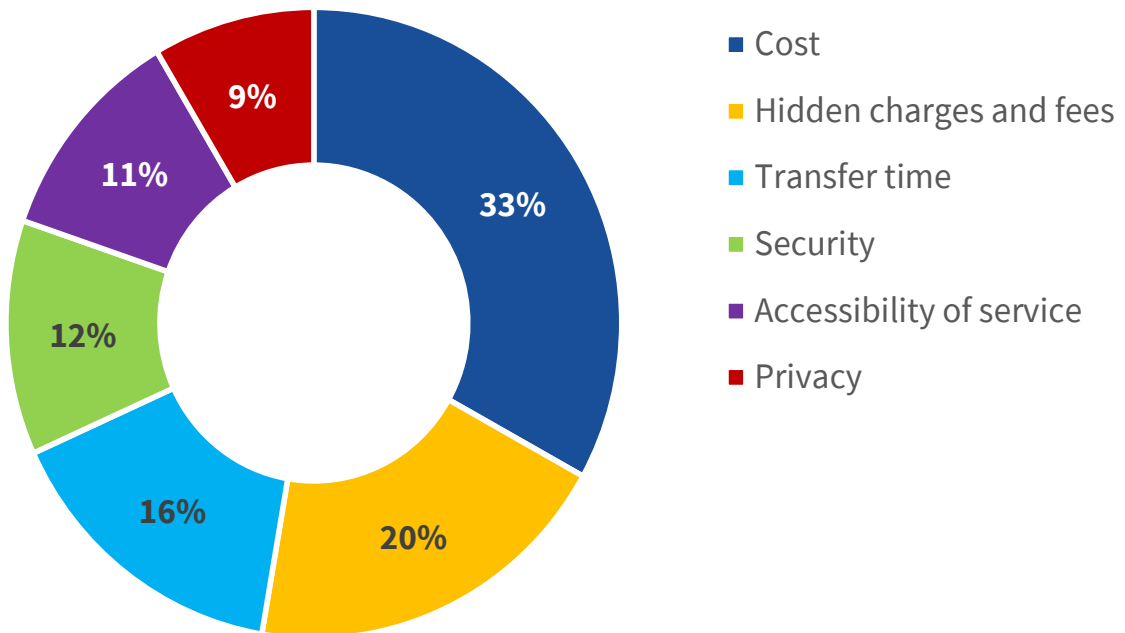


3.7 Main Challenges of Sending Money to Recipients in Kenya

The respondents were asked to indicate the main challenges they face in sending remittances to recipients in Kenya. A large proportion of the respondents cited cost of remitting as the major challenge, followed by hidden charges and fees and transfer time (**Figure 17b**). Other challenges cited by respondents include:

- Unfavorable exchange rates applied by service providers leading to high conversion costs
- Limits on amounts that can be remitted through mobile money operators
- Limited interoperability of mobile money systems
- Slow interbank transfers

Figure 17b: Challenges of Sending Money to Kenya



4.0 IN-KIND REMITTANCES

The Survey revealed that 30 percent of respondents sent in-kind remittances to Kenya in 2019. Majority of the respondents sent in-kind goods valued between USD 501 and USD 5,000 (**Figure 18**) in all regions except in Oceania where the bulk of in-kind remittances ranged between USD 1,000 and USD 5,000 (**Table 8**).

Figure 18: Value of In-Kind Remittances in US Dollars

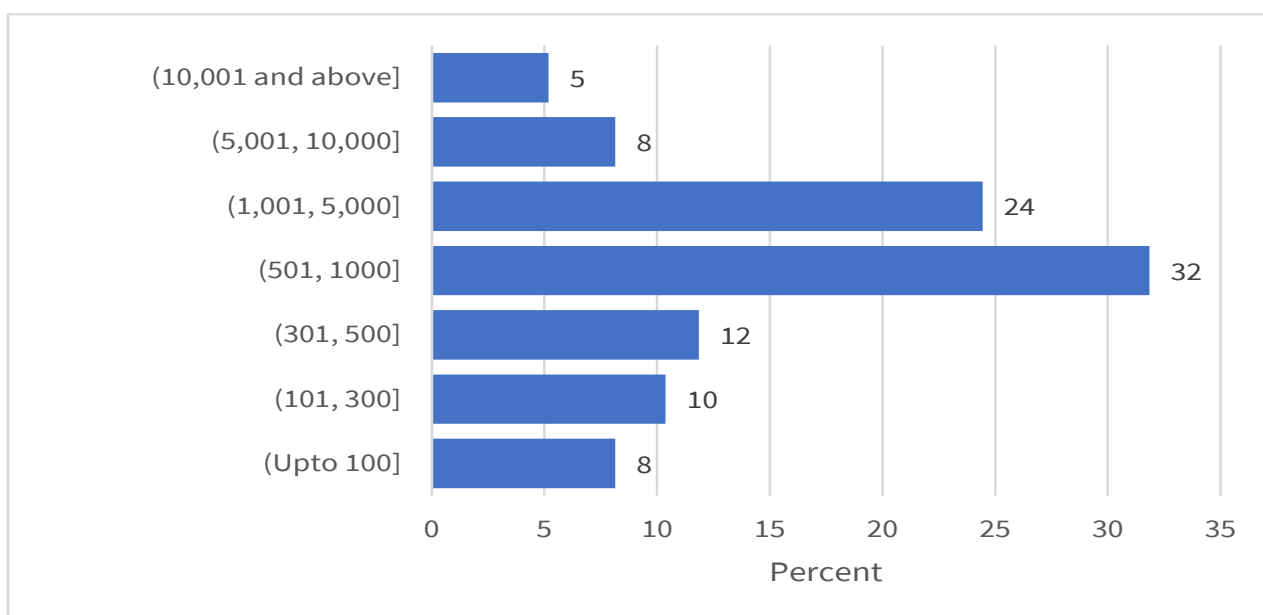


Table 8: In-kind Remittances by Region

Value of In-kind Remittances in 2019	Asia	East Africa	Europe	Latin America and the Caribbean	North America	Oceania	Rest of Africa
10,001 and above	6	0	5	0	9	0	0
5,001-10,000	9	13	3	50	11	0	7
1,001-5,000	30	25	16	0	23	75	27
501- 1,000	30	25	42	0	31	0	27
301- 500	15	0	5	0	14	0	27
101- 300	6	13	21	0	3	25	7
Up to 100	3	25	8	50	9	0	7
Sum (%)	100	100	100	100	100	100	100

4.1 Cost of In-kind Remittances

The cost of sending in-kind remittances appears to be inversely related to its value - the higher the value of the item, the cheaper the cost of the remittance. For example, the Survey revealed that the cost of sending items worth between US 1001 to USD 5,000 would cost up to 10 percent. On the other hand, majority of respondents indicated that it would cost them up to USD 20 (20 percent) to send items worth less than USD 100 (**Table 9**). The average cost of sending in-kind items using various channels was established to be in the range of 15 - 27 percent of the value of the item sent (**Table A2 in Appendix I**).

Table 9: Cost of Remitting In-kind Items versus Value

Value of In-kind Items	Cost of Remitting In-kind Items in US Dollars							Sum (%)
	Up to 20	21-50	51-100	101- 200	201-400	401-1,000	1,001 and above	
Up to 100	75	25	0	0	0	0	0	100
101- 300	36	36	18	0	9	0	0	100
301-500	7	29	29	14	14	7	0	100
501-1,000	15	12	21	27	18	6	0	100
1,001-5,000	0	7	4	19	30	41	0	100
5,001-10,000	0	0	13	13	0	25	50	100
10,001 and above	14	0	0	14	0	14	57	100

4.2 Types and Channels of In-kind Remittances

Clothes, shoes, mobile phones, computers/laptops, electronics and household goods, comprise the most cited goods sent in 2019 by Kenyans in the diaspora (**Figure 19a**). In terms of value, the top six categories of in-kind remittances retain their dominance, accounting for 74 percent of the value of in-kind items (**Figure 19b**).

Figure 19a: Types of In-kind Remittances

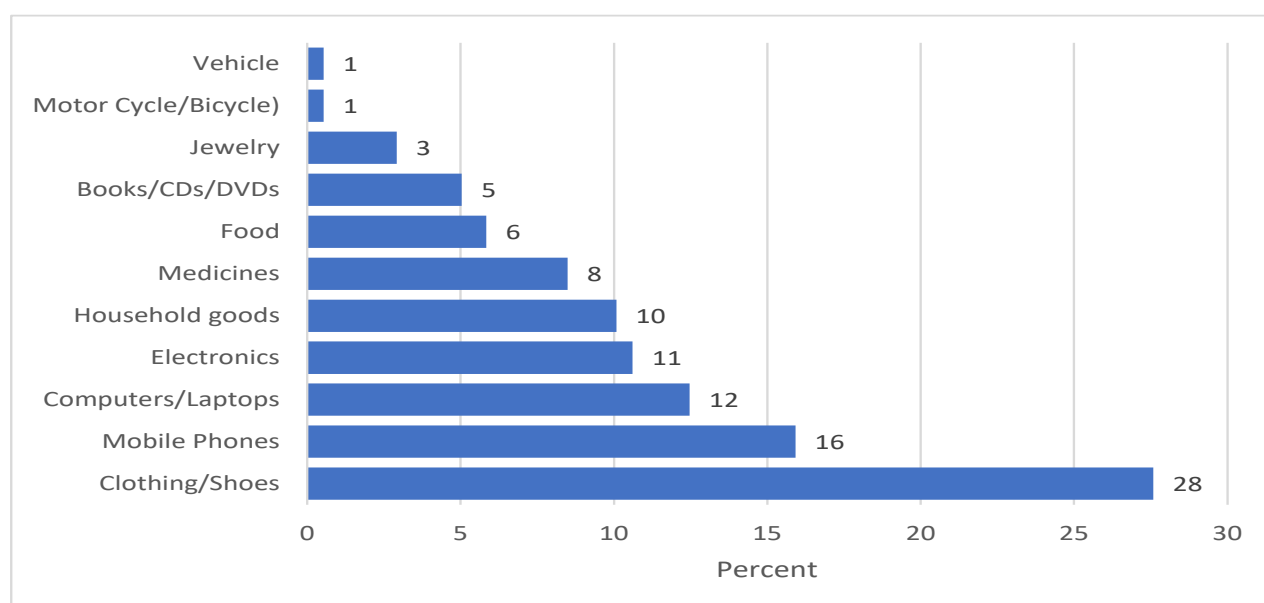
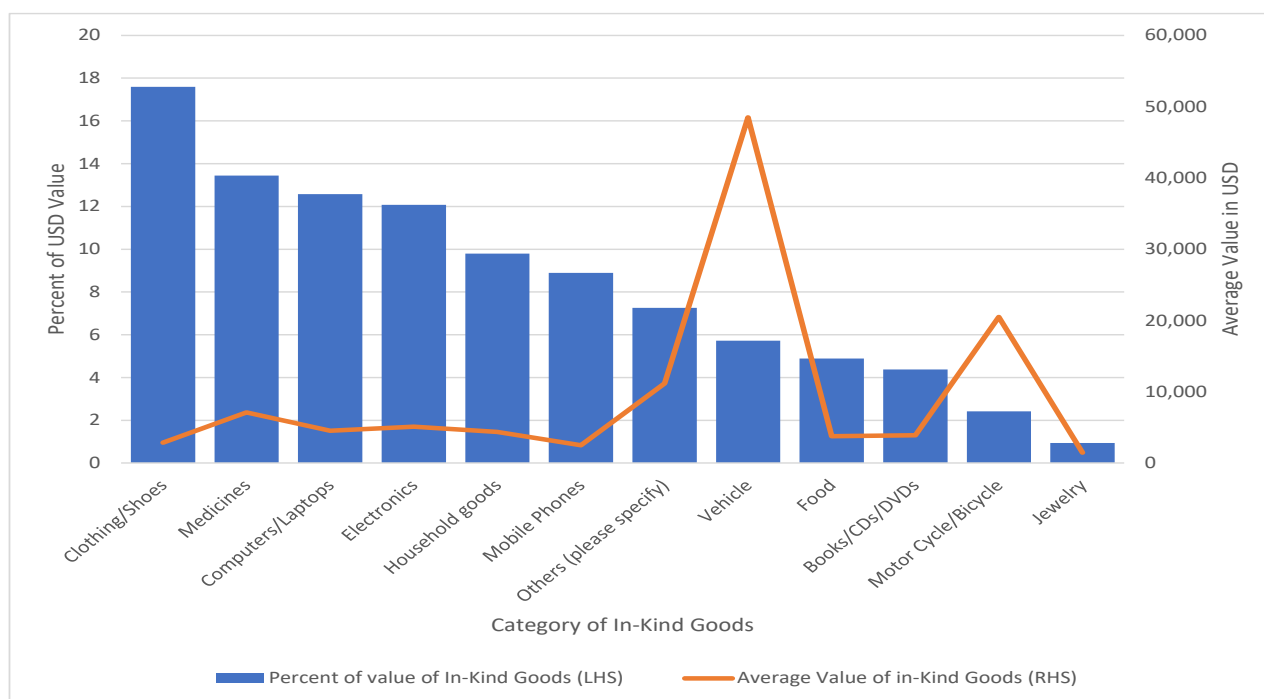


Figure 19b: US Dollar Value of In-kind Goods



In-kind goods are sent to Kenya by means of the respondent travelling with the goods while on trips to Kenya as cited by 28 percent of the respondents (**Figure 20**). Other channels include items carried by relatives or friends of the respondent, by courier companies, transport operators and the Postal network which all play an important role in facilitating in-kind remittances to Kenya. The respondents prefer these channels mainly because of convenience as cited by 20 percent of the respondents, appropriateness of the channels, safety and security of the items, favorable cost associated with the channels, familiarity of the channel and ease of access (**Figure 21**).

Figure 20: In-kind Remittance Channels

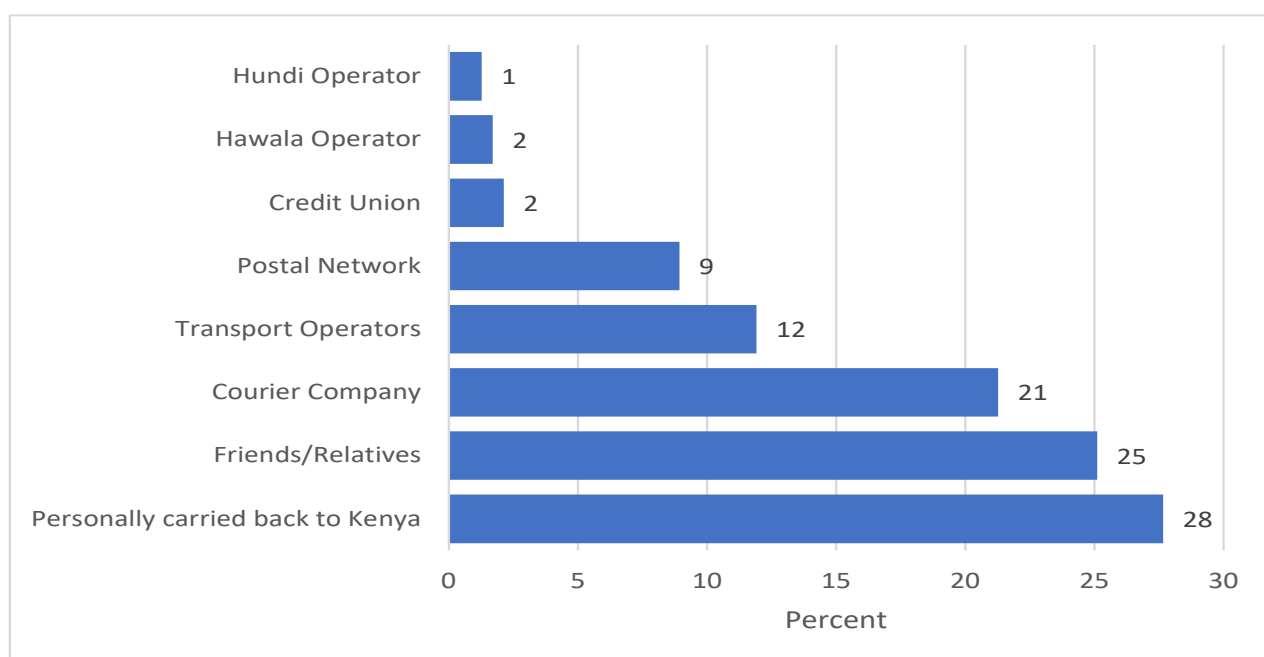
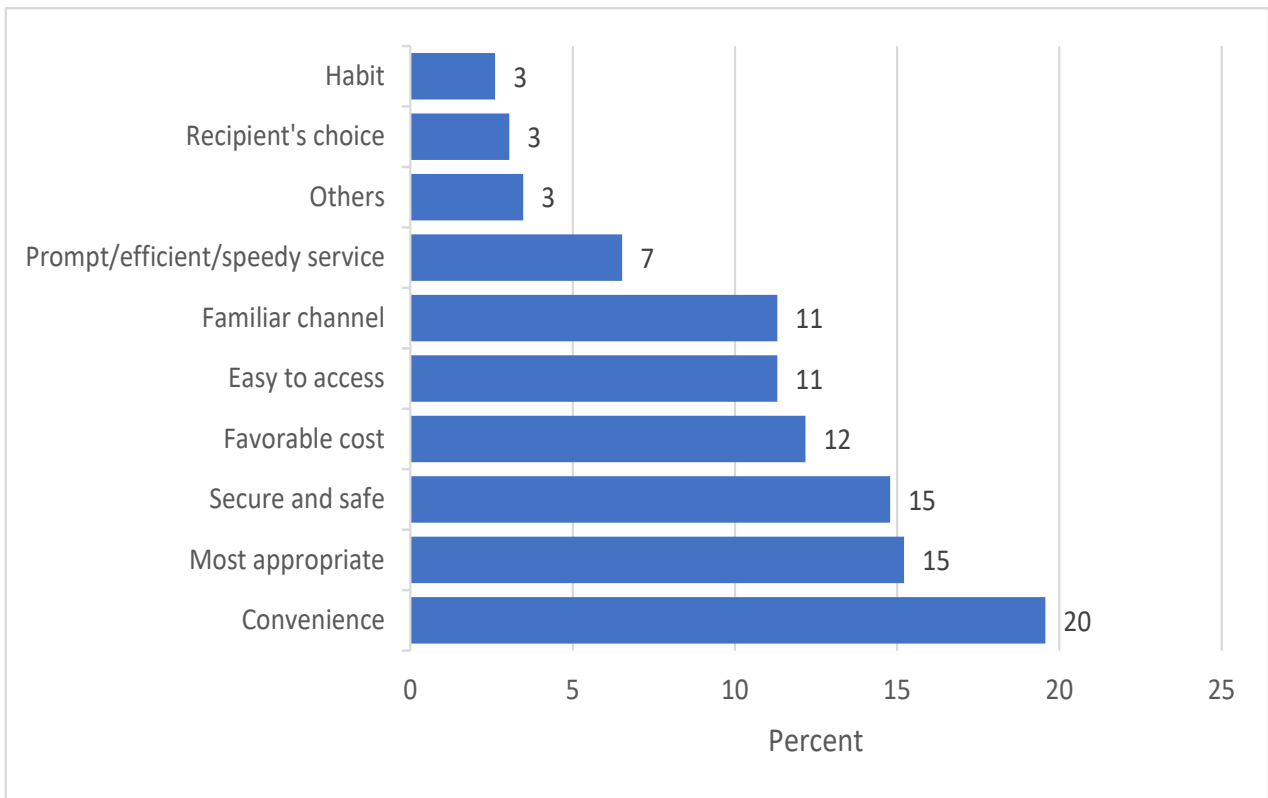


Figure 21: Reasons for Choice of Channel for In-kind Remittances



5.0 INVESTMENT OPPORTUNITIES IN KENYA

The Survey sought to establish whether the respondents were aware of investment opportunities in the country. Majority indicated that they were aware of land/real estate, stock market, Saccos and government securities (**Figure 22**). A large proportion of the respondents reported that they obtained investment information from family and friends (**Figure 23**). Other important sources of information were social media, websites of organizations / institutions, diaspora associations, financial service providers, adverts and promotions and Saccos.

5.1 Challenges in Accessing Information on Investment Opportunities

The respondents were required to indicate if they faced any challenges in accessing information on investment opportunities in Kenya. The challenges highlighted included misinformation cited by 28 percent of the respondents, limited access to information, uncoordinated information, untimely information and high cost of acquiring information (**Figure 24**).

Other challenges highlighted by the diaspora include:

- Unresponsive, slow response from relevant institutions,
- Misleading and wrong information
- Fraud, theft and corruption
- Lack of mechanism to vet investment schemes
- Fake information
- Incomplete information
- Questionable land transactions putting diaspora construction projects in jeopardy

Figure 22: Investment Awareness

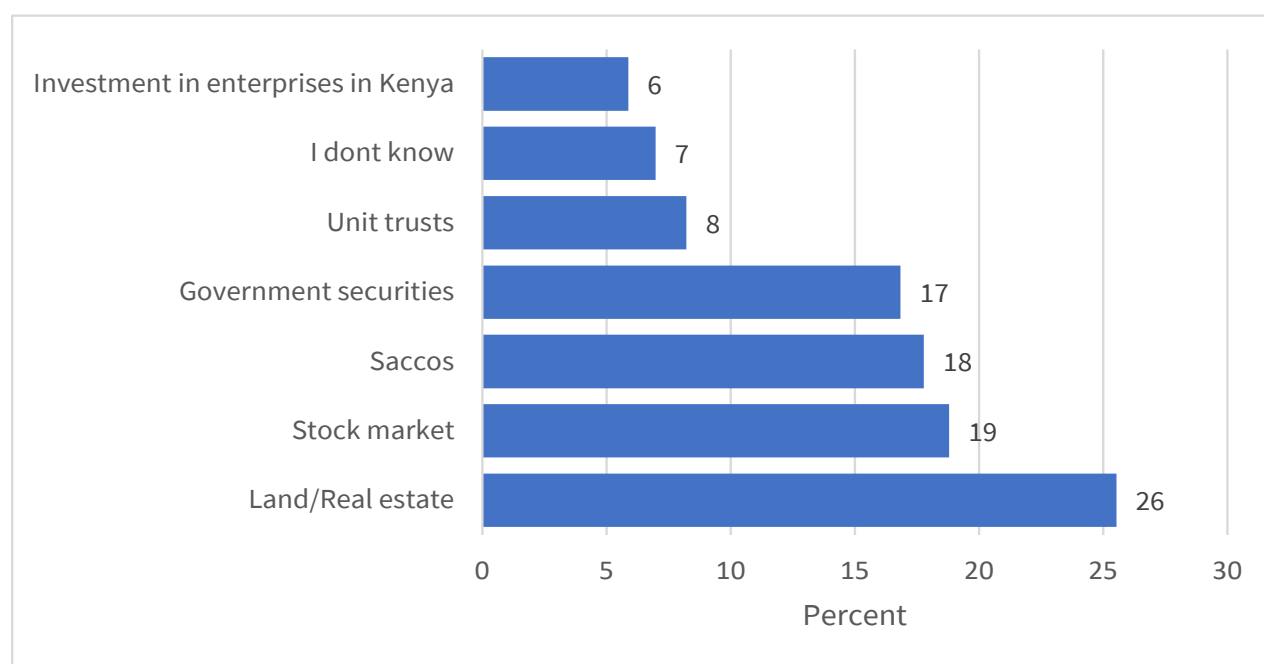


Figure 23: Source of Investment Information

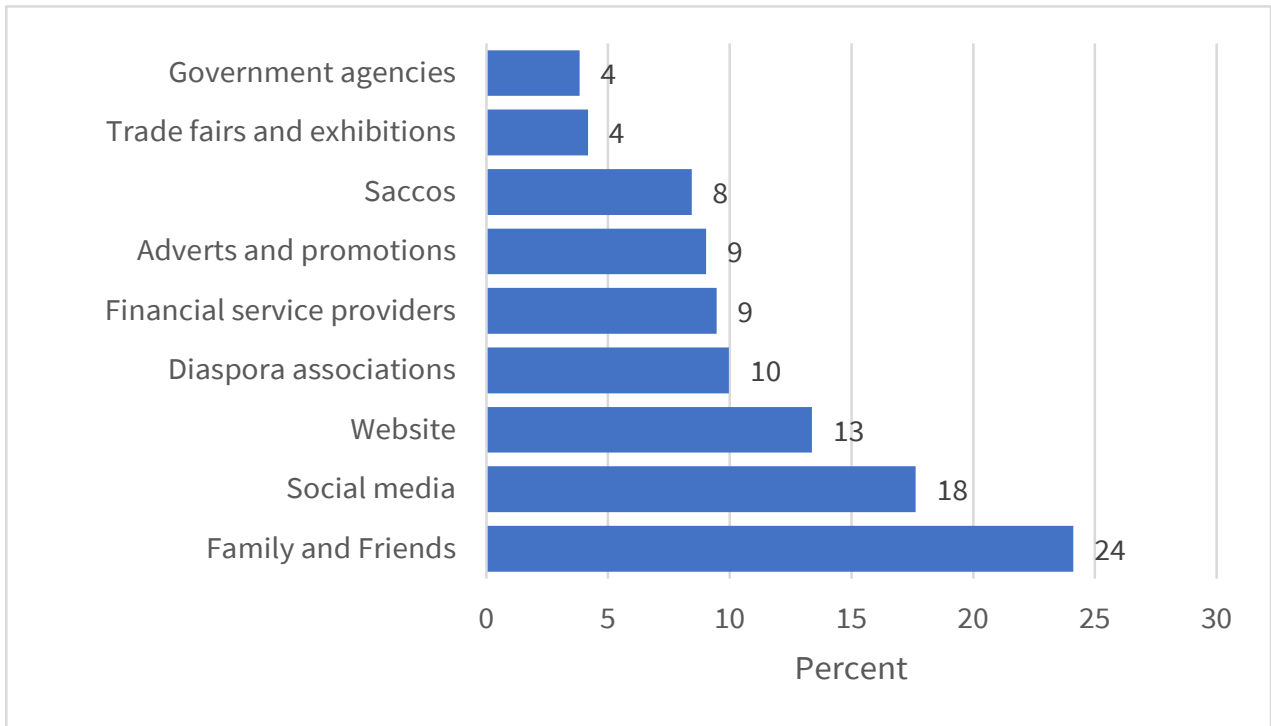
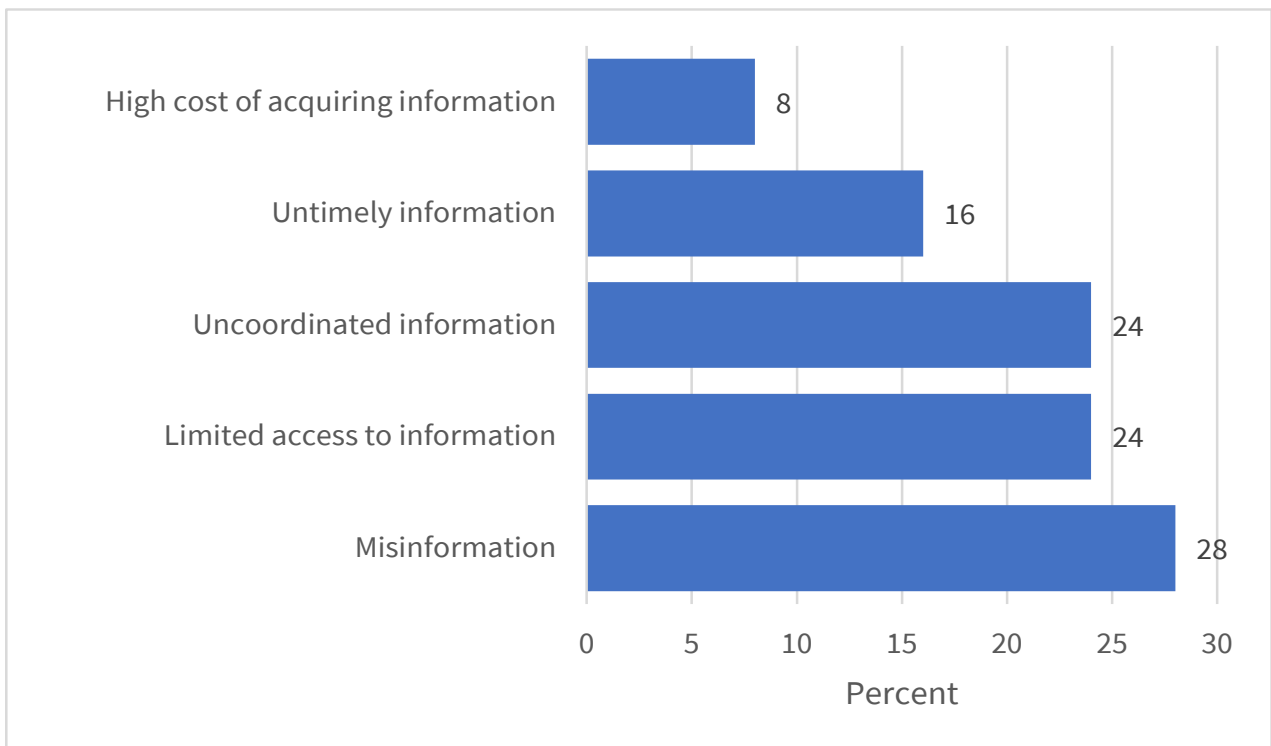


Figure 24: Challenges in Accessing Information on Investment Opportunities



6.0 IMPACT OF COVID-19 ON REMITTANCES

The COVID-19 pandemic severely disrupted economic activity and livelihoods in several countries. With businesses struggling to keep afloat, millions of jobs were lost in source and destination countries, resulting in loss of incomes. Consequently, it was appropriate to establish how the pandemic impacted Kenyan remittance senders in 2020. Specifically, the Survey sought to establish whether the pandemic affected the ability of the respondents to support their family members and/or friends in 2020. The results show that 76 percent of the respondents were able to send remittances in 2020, remitting an average of USD 4,000 during this period. Majority of those who remitted cash in 2020 resided in North America and Europe.

More than a third of the respondents (39 percent) sent amounts below USD 2,000 while 23 percent sent amounts ranging between USD 4,001 and 10,000 in 2020 (**Figure 25**). Of those who remitted between USD 4,000 and USD 10,000, the majority were from Europe, Latin America/Caribbean, North America and the Rest of Africa. Majority of respondents from Asia remitted amounts ranging between USD 400 and USD 1,000 (**Table 10**).

Figure 25: Cash Remittances in 2020

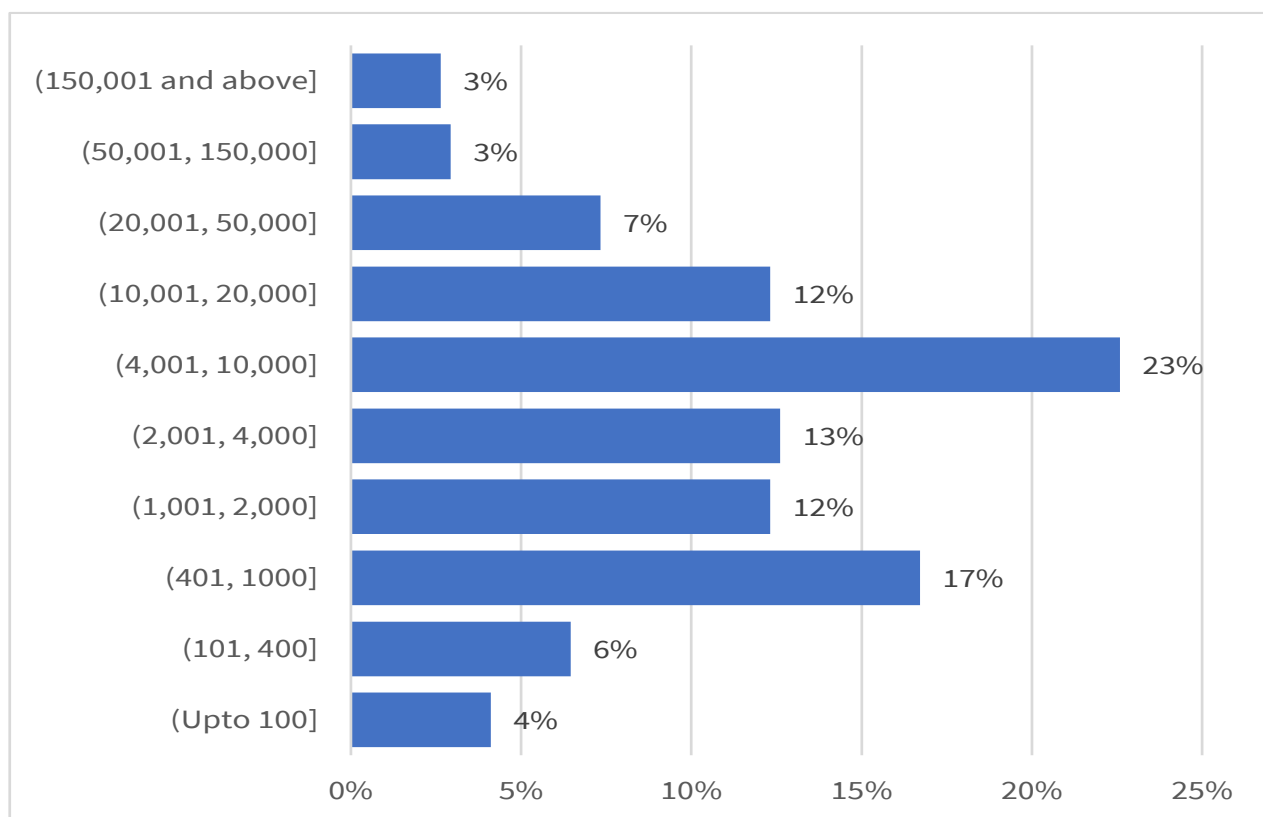
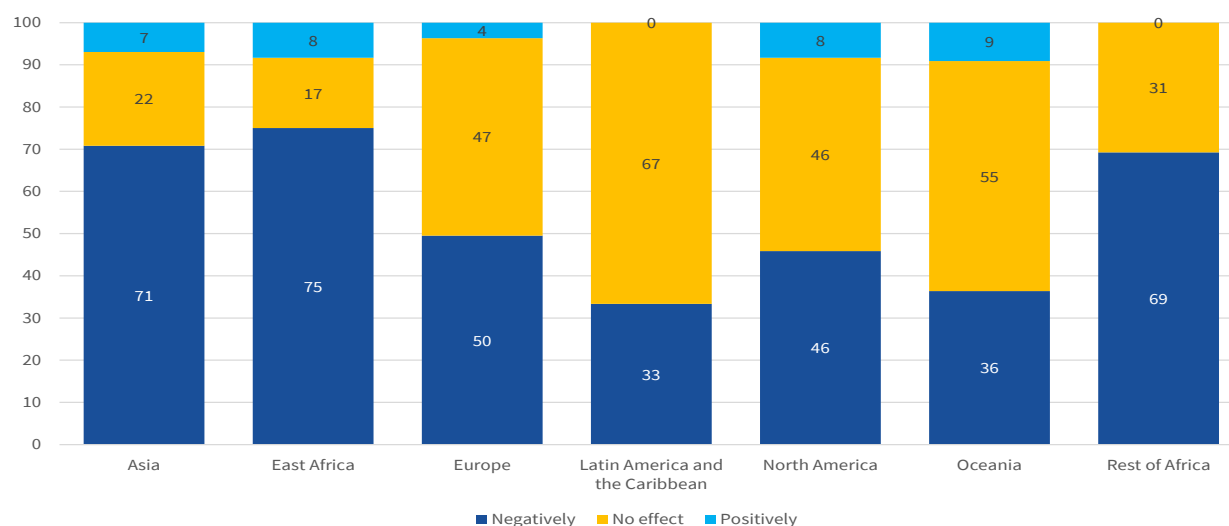


Table 10: Cash Remittances in 2020 by Region

Cash Remittances in 2020	Region						
	Asia	East Africa	Europe	Latin America and the Caribbean	North America	Oceania	Rest of Africa
150,001 and above	4.2	0.0	2.8	0.0	2.1	0.0	2.6
50,001-150,000	0.0	16.7	0.9	0.0	5.2	9.1	2.6
20,001-50,000	13.9	0.0	2.8	0.0	5.2	18.2	12.8
10,001-20,000	8.3	33.3	8.3	0.0	15.6	18.2	15.4
4,001-10,000	16.7	8.3	25.0	66.7	20.8	9.1	35.9
2,001-4,000	11.1	0.0	13.0	0.0	15.6	18.2	10.3
1,001-2,000	13.9	0.0	13.9	0.0	13.5	0.0	10.3
401-1,000	19.4	16.7	20.4	0.0	15.6	9.1	7.7
101-400	9.7	16.7	8.3	33.3	2.1	0.0	2.6
Upto 100	2.8	8.3	4.6	0.0	4.2	18.2	0.0
Sum (%)	100	100	100	100	100	100	100

6.1 Impact of Covid-19 on Economic Activity

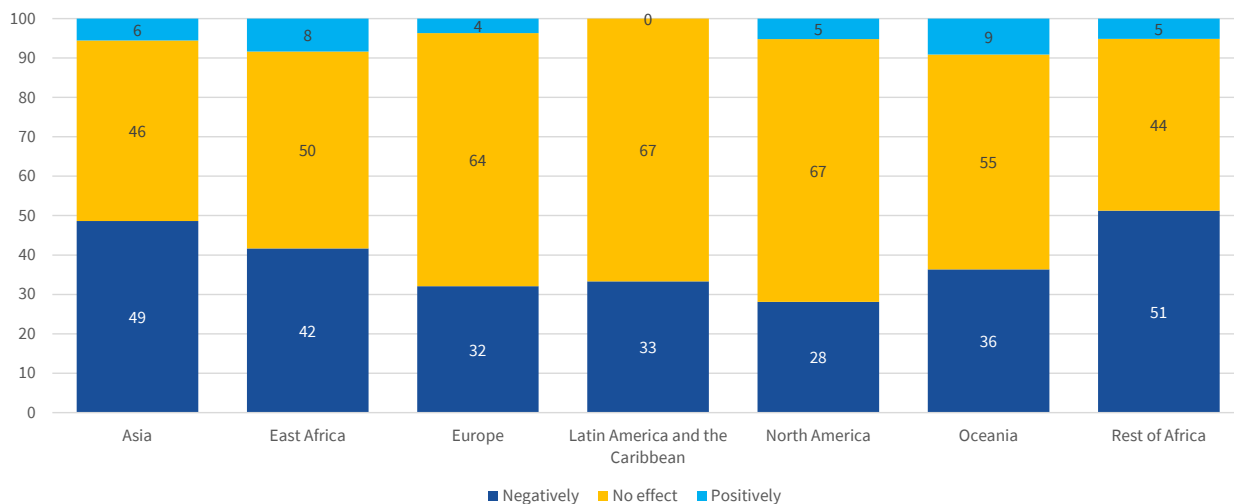
The Survey also sought to establish how the Covid-19 pandemic affected the respondents' main economic activity. Whereas 56 percent of the respondents were affected negatively, 39 percent indicated that they were not affected. The pandemic appears to have had a greater negative impact on senders in Asia and Africa, with senders in East Africa reporting the largest negative impact, possibly due to the various travel restrictions and lockdowns instituted in the East African countries (Figure 26).

Figure 26: Effects of Covid-19 on Economic Activity by Region

6.2 Effect of Covid-19 on Financial Access

Overall, the pandemic appears to have had a minimal impact on access to financial services. Majority of the respondents in Europe, Latin America and North America reported negligible effects. About 37 percent reported negative effects on access to financial services (**Figure 27**).

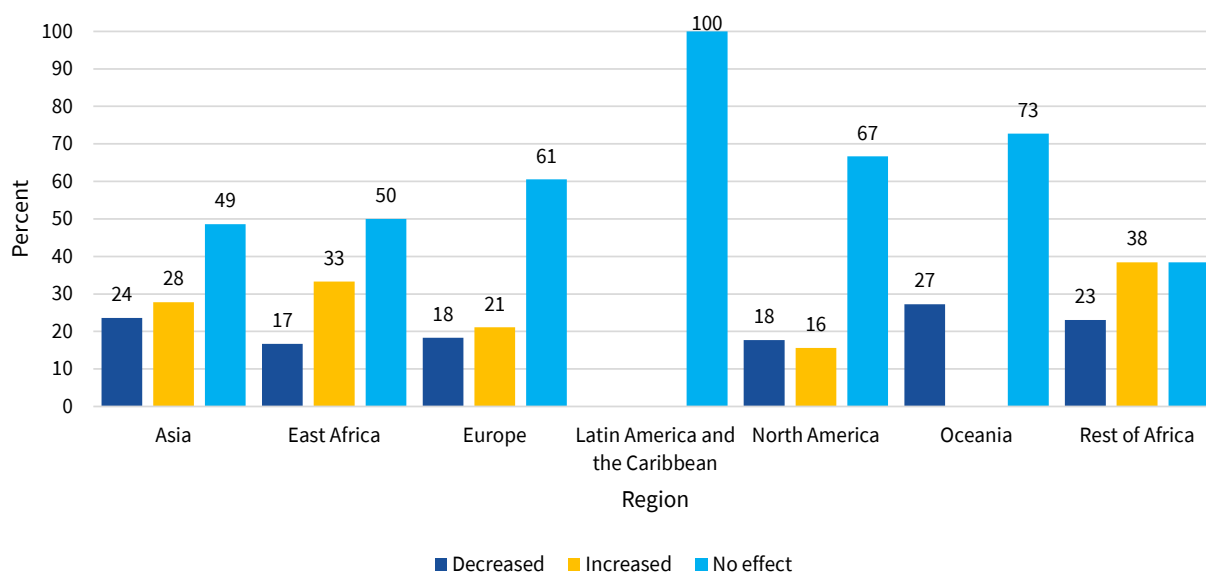
Figure 27: Effect of Covid-19 on Financial Access by Region



6.3 Effects of Covid-19 on Amounts and Cost of Remittances

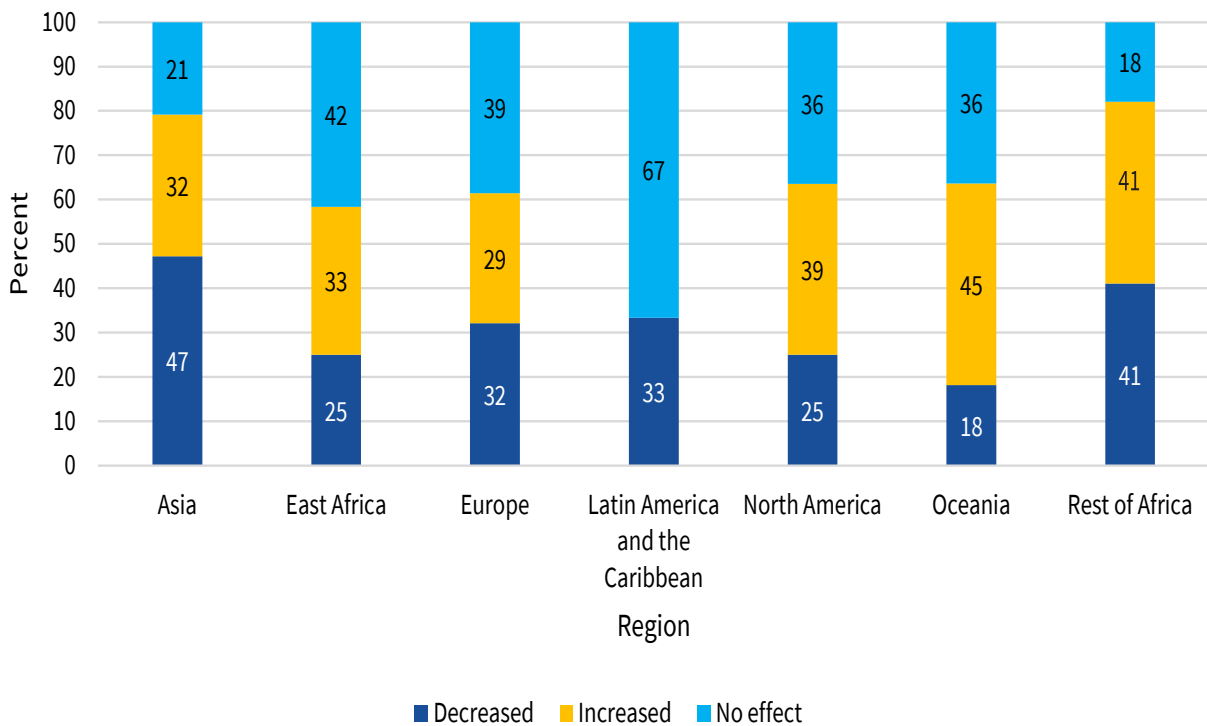
The respondents were requested to indicate whether there was any change in the cost of sending money as a result of the COVID-19 pandemic. While 58 percent indicated that COVID-19 had no effect on cost of remittances, a small proportion (23 percent) reported an increase in the cost of sending money to Kenya. The increase in the cost of sending money during the COVID-19 pandemic period was experienced more by the respondents in Africa and Asia (**Figure 28**).

Figure 28: Effect of Covid-19 on Cost of Sending Money by Region



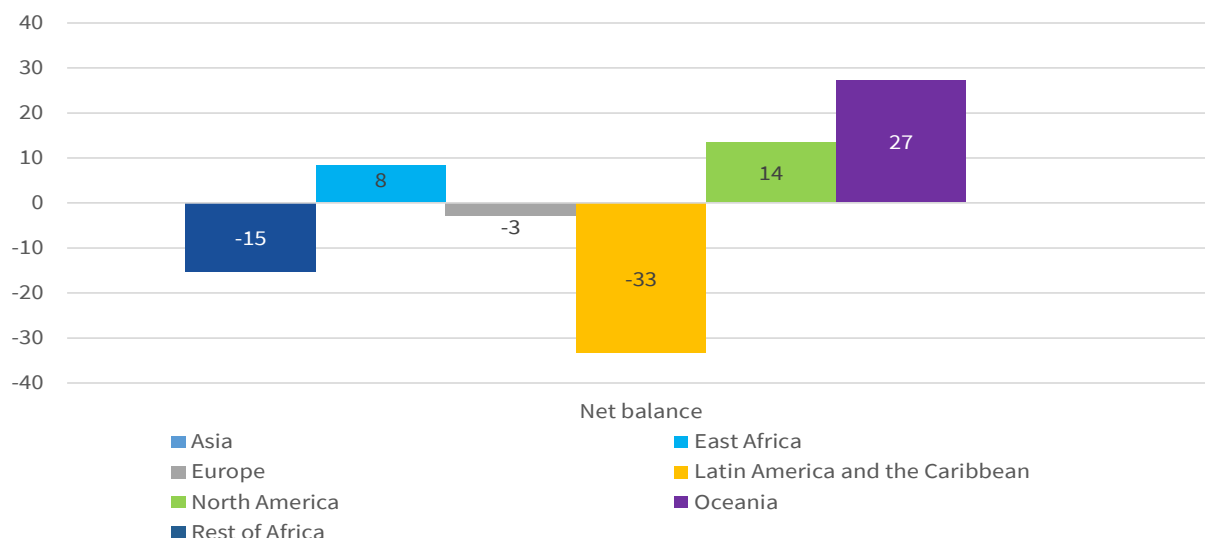
Concerning the effects of COVID-19 on the amount remitted in 2020, the proportion of the respondents reporting an increase in remittances in 2020 outmatched those reporting a decrease in North America and East Africa (**Figure 29**). In Asia, those reporting a decrease in remittances outmatched those reporting an increase, pointing to the possibility of a fall in wages and/or employment status of migrant workers in this region. Similarly, in Europe, travel restrictions and lockdowns may have jeopardized migrants’ employment and income opportunities resulting in decreased remittances. In the Rest of Africa, however, the respondents reporting a decrease in remittances in 2020 were equally matched with those reporting an increase.

Figure 29: Effects of Covid-19 on Amounts Remitted by Region



A net balance analysis of the effect of the pandemic on amounts remitted indicates that while senders in Asia, Europe and Latin America remitted less, the converse was the case for remitters in East Africa, North America and Oceania (**Figure 30**).

Figure 30: Net Effect of Covid-19 on Remittances by Region



6.4 Effects of COVID-19 on Financial Demands by Recipients and Expectations for 2021 Remittances

Respondents were asked to indicate the effect of COVID-19 on financial demands of remittance recipients in Kenya. Financial demands by remittance recipients increased as reported by 82 percent of the respondents **(Figure 31)**.

As countries bring the pandemic under control and economic activities start to return to normal, however, the respondents expect to continue sending remittance with 47 percent of the respondents expecting to remit more in the year 2021 **(Figure 32)**.

Figure 31: Financial Demands of Recipients

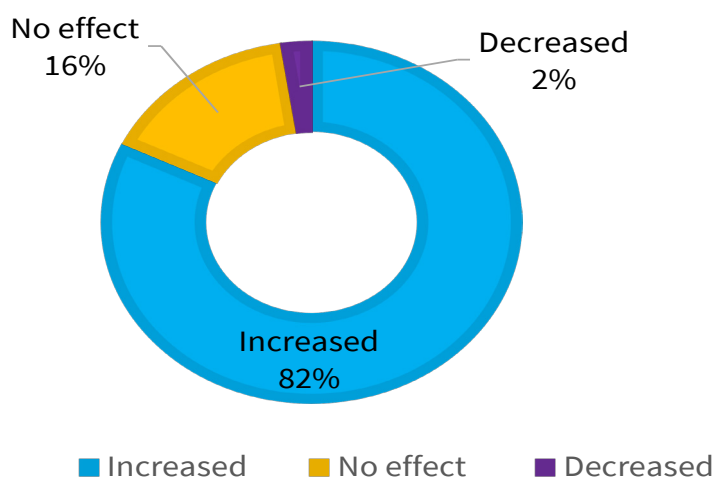
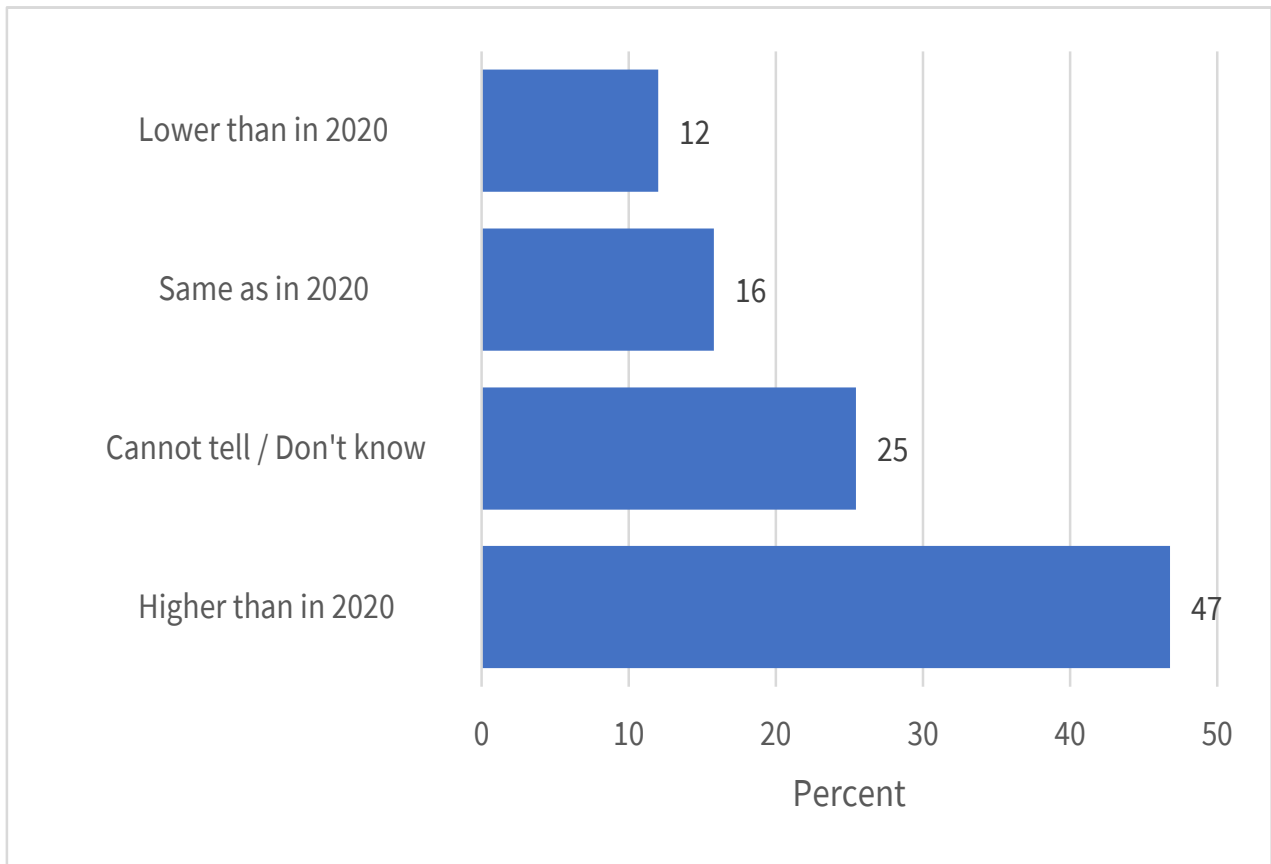


Figure 32: Diaspora Expectations for 2021 Remittances



7.0 CONCLUSION

The Diaspora Remittances Survey was conducted between March and May 2021 with the aim of collecting information to improve the quality of remittance statistics. It focused on the efficiency and cost of alternative remittance channels; the difficulties encountered in remitting cash or in-kind transfers; the availability of information to Kenyans in the diaspora about investment opportunities in Kenya; and the usage of remittances received.

The Survey elicited 1,321 responses from Kenyans living in Europe (28 percent), North America (27 percent), Asia (22 percent) and African countries (16 percent).

Majority of the respondents to the Survey were university graduates, middle aged Kenyans who migrated in search of employment and education. The Survey indicated that income levels are lowest in Asia and East Africa where the majority of respondents earn less than USD 2000 per annum, which is a pointer to the type of jobs held by migrants, particularly in Asia where a high proportion of migrants take up low-skill jobs.

The Survey revealed that over 70 percent of respondents reported remitting cash mainly sent through formal channels, predominantly money transfer companies, banks and mobile money operators. Remittances were sent to meet the basic needs of nuclear family members of the respondents. Notably, cash was remitted, typically on a monthly basis, for the purpose of purchasing food and household goods, to offset medical expenses, meet education expenses; for payment of rent and household utilities; and farming needs. Recipients were mostly self-employed, retired, unemployed and/or students and interns. Nonetheless, slightly over a half of the remittance amounts were allocated to three uses: investment in real estate (land and building) for recipient, mortgage payment for sender and purchase of food and household goods.

Digital transfers are gaining ground. The respondents who remitted cash in 2019 used mobile money operators, money transfer companies and banks. A small proportion of the respondents however carried the cash personally or sent through other visiting relatives and friends. On average, the cost of sending funds was established to be in the range of 4 – 5 percent of the amount sent while using the most dominant and preferred service providers (mobile money operators, money transfer companies and banks). Moreover, the cost of remitting is relatively higher for Europe-Kenya and Asia-Kenya remittance corridors, averaging 6 percent of the value of remittances. Safaricom/M-PESA was the most preferred service provider, followed by banks, WorldRemit, Wave, Sendwave, and Western Union. The main reasons for using these channels was convenience, favorable transaction charges, favorable exchange rates, security and safety. The respondents however highlighted that they faced certain challenges while remitting cash including cost, hidden charges and fees, accessibility of service and privacy.

About 30 percent of the respondents sent in-kind remittances in 2019. Europe, North America and Asia accounted for most of the in-kind remittances which included clothing/shoes, medicines, household and electronic goods. These were remitted by means of the respondent travelling with the goods while on trips to Kenya, carried by relatives / friends of the respondent, courier companies, transport operators and the Postal network. Reasons cited for use of these channels

included convenience, safety and security of the items and favorable cost. For in-kind remittances, the average cost of remitting using various channels was established to be in the range of 15 – 27 percent of the value of the item sent.

On investment opportunities in Kenya, the respondents acknowledged being aware of land/real estate, stock market, and government securities. Investment information was accessed through family and friends, diaspora associations, financial service providers and Saccos. Nonetheless, the respondents cited challenges of accessing investment information including misinformation and untimely and fragmented information which comes at a high cost of acquisition.

Despite the disruptions caused by the COVID-19 pandemic, the majority of the respondents continued to provide support in cash to family members and/or friends/relatives who reside in Kenya whose financial demands increased in 2020. A net analysis of the effect of the pandemic on amounts remitted indicates that while senders in Asia, Europe and Latin America remitted less, the converse was the case for remitters in East Africa, North America and Oceania. The pandemic appears not to have affected the cost of remittances nor access to financial services. On expectations for 2021 remittances, the majority of the respondents expect to remit more.

APPENDIX I

COSTS AND AMOUNTS OF REMITTANCES

Table A1: Average Cost of Cash Remittances in 2019 by Channels

Cash Remittance Channel / Service Provider	Average Cost of Remitting in 2019 (%)
Hundi Operators	0.4
Carried when travelling to Kenya	2.5
Friends / Relatives	2.5
Hawala Operators	3.0
Postal Network	3.2
Credit Union	3.4
Banks	3.7
Transport Operators	3.8
Money Transfer Companies	4.0
Mobile Money Operators	4.7
Courier Companies	29.2

Table A2: Average Cost of In-Kind Remittances in 2019 by Channels

In-Kind Remittances Channel / Service Provider	Average Cost of Remitting in 2019 (%)
Personally carried back to Kenya	24.0
Freinds / Relatives	22.5
Trnasport Operators	19.2
Courier Companies	20.1
Postal Network	26.7
Hawala Operators	15.0

Figure A1: Average Amount of Remittances Invested in Real Estate

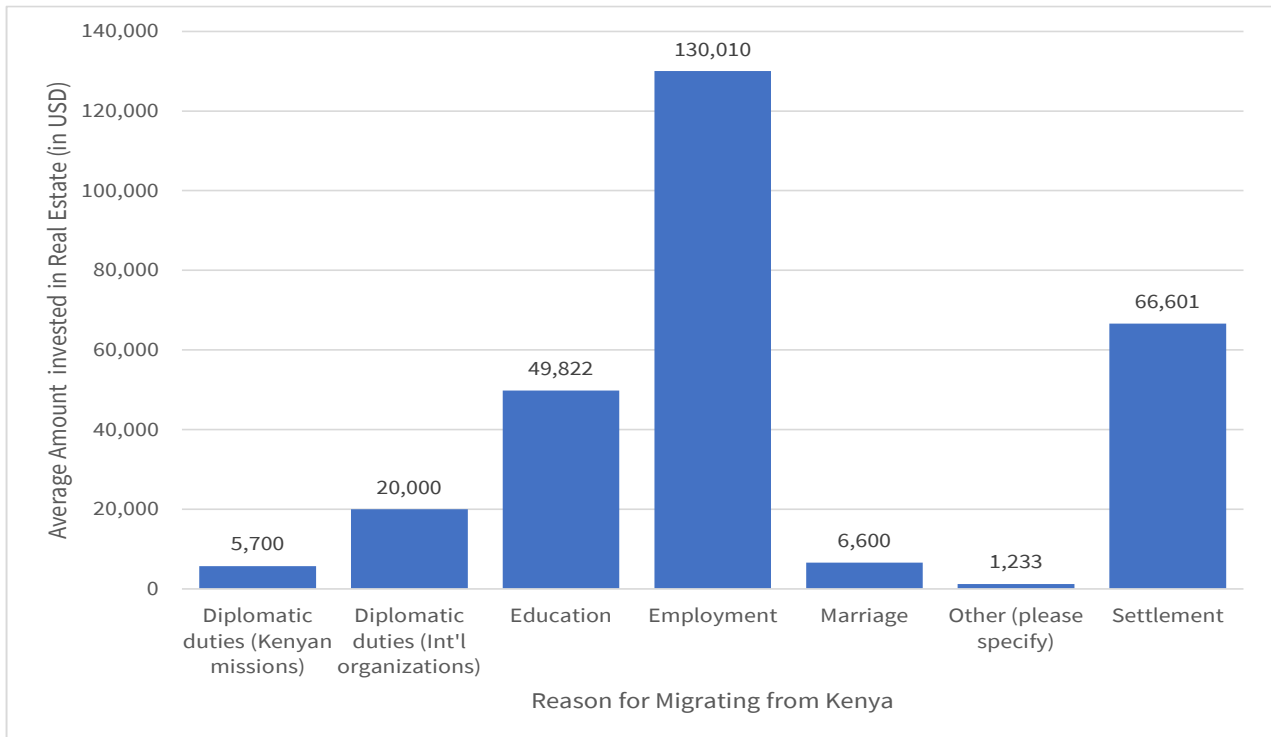


Figure A2: Average Amount of Mortgage Payment in USD

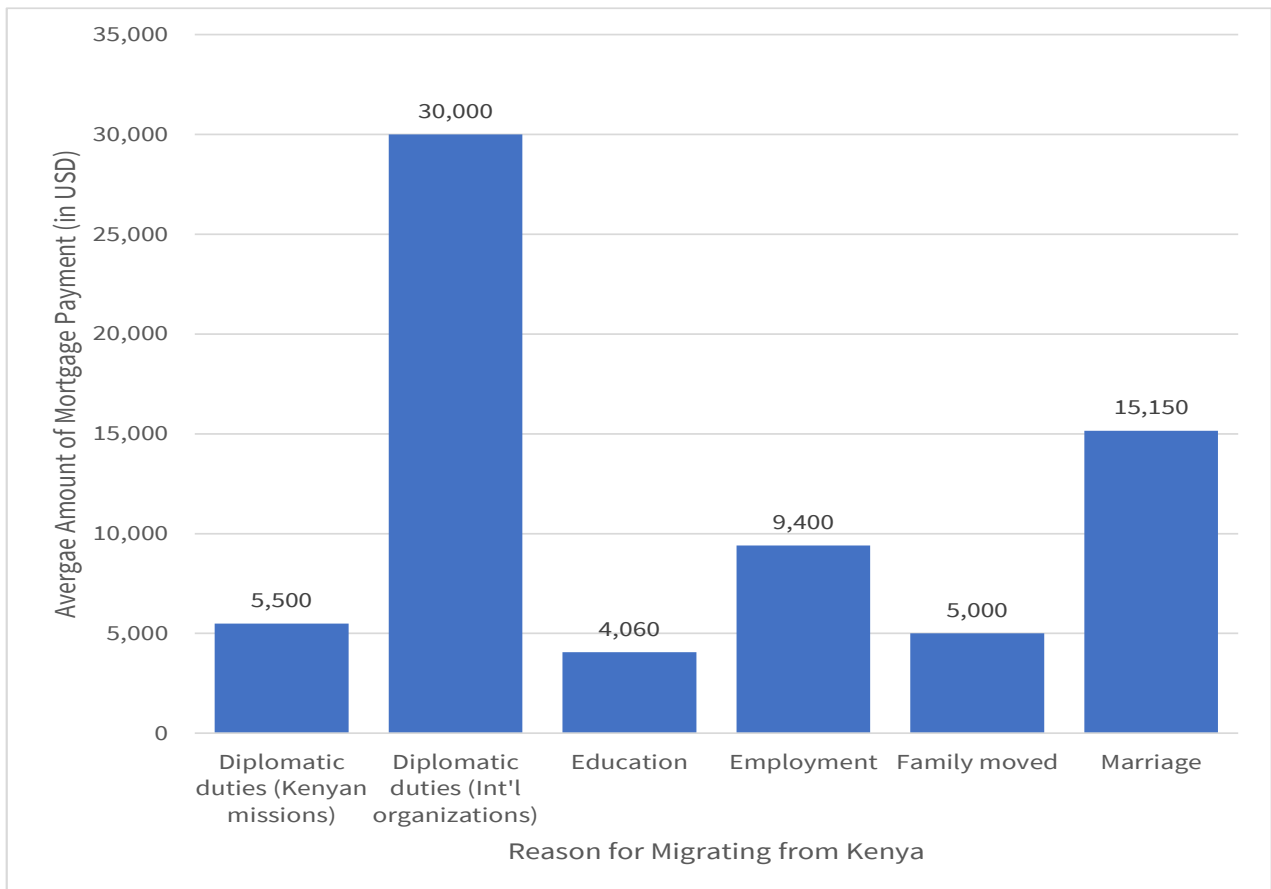
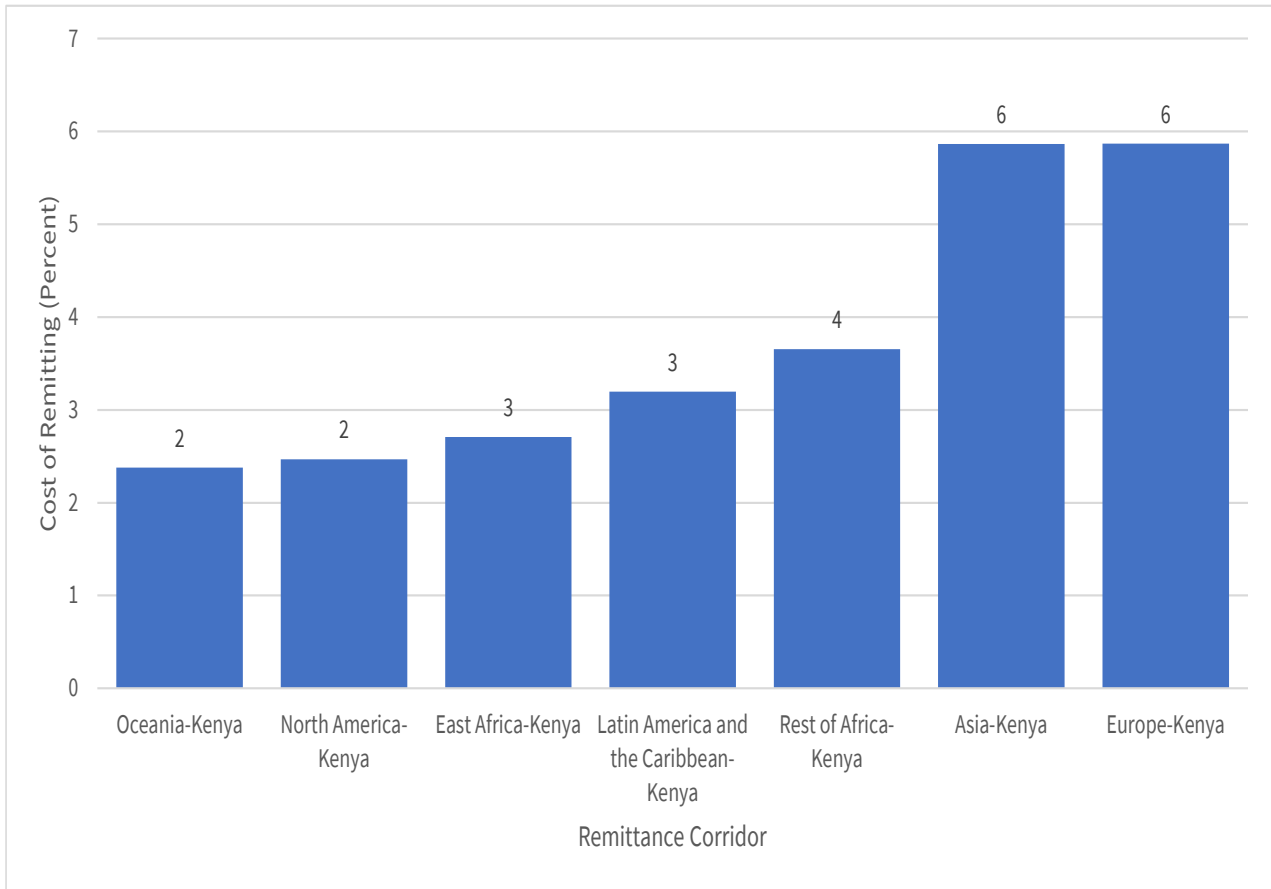


Figure A3: Cost of Remitting by Corridor



APPENDIX II

SURVEY QUESTIONNAIRE



Kenya Diaspora Remittances Survey

Section A: General Information

Asterisk (*) implies the question is mandatory

AOI (i). Name of the respondent (optional)

AOI ii . Telephone Number (optional)

AOI (iii). Email address (optional)

* A02. Sex of the respondent

- Male
- Female

* A03. What is your year of birth?

A04. What is your current marital status?

- Never married
- Married
- Separated
- Divorced
- Widowed

* A05. In which Country are you currently residing?

Australia

* A06. Were you born in Kenya?

- Yes
- No

* A07. If born in Kenya, in which Country were you born?

* A08. In which year did you leave Kenya?

* A09. What was your main reason for leaving Kenya?

- In search of employment
- Education
- Job
- Marriage
- Family moved
- Diplomatic duties in Kenyan Missions abroad
- Diplomatic duties in international organizations
- Peace-keeping Mission
- Religious duties
- Sports
- Settlement
- Asylum
- Other (please specify)

Section B: Education and Employment

* B01. What is the highest level of education that you have attained?

- Primary School
- High School / Secondary
- College Certificate / Diploma
- Bachelor's degree
- Postgraduate Diploma
- Master's degree
- Doctorate degree
- Non-formal education
- None

* B02. What is your main professional training?

* B03. Currently, which sector is your main source of income?

* B04. Which income category describes your total income in the year 2019? (USD equivalent)

- Less than USD 1,999
- USD 2,000 - 2,999
- USD 3,000 - 5,999
- USD 6,000 - 9,999
- USD 10,000 - 14,999
- USD 15,000 - 19,999
- USD 20,000 - 29,999
- USD 30,000 -49,999
- USD 50,000 - 99,999
- USD 100,000 - 199,999
- USD 200,000 and above

Section C: Cash Remittance

* C01. Did you provide any support in cash, in the year 2019, to family members or friends/relatives who reside in Kenya?

- Yes
- No

* C02. How often did you send money to Kenya in 2019?

- Daily
- Weekly
- Monthly
- Quarterly Semi annually
- Annually

*C03 .Profile and economic status of the recipient in 2019:

How is the recipient related to you? What is the economic status of the recipient?

1.	<input type="radio"/> Husband	<input type="radio"/> Paid employment
2.	<input type="radio"/> Son	<input type="radio"/> Self-employment
3.	<input type="radio"/> Daughter	<input type="radio"/> Student/ Intern
4.	<input type="radio"/> Father	<input type="radio"/> Volunteer
5.	<input type="radio"/> Mother	<input type="radio"/> Self-employment

6	<input type="radio"/> Sister	<input type="radio"/> Volunteer
7.	<input type="radio"/> Grand father	<input type="radio"/> Retired
8.	<input type="radio"/> Grand mother	<input type="radio"/> Too old to work

* C04. For what purpose(s) did you send money to recipients in Kenya in the year 2019? (You can select multiple choices)

- Purchase of food and household goods
- Payment of rent and household utilities
- Clothing
- Education expenses
- Medical expenses
- Farming for recipient
- Investment in real estate (land and building) for recipient
- Purchase of machinery and transport equipment for recipient
- Debt repayment
- Ceremonies (Funeral expenses, graduation, wedding)
- Community development
- Support recipient's investment
- Construction for recipient
- Travel abroad by family member
- Support religious activities/functions
- Investments in financial assets (Shares, securities) for sender
- Construction (commercial/Residential building) for sender
- Mortgage payment for sender
- Savings for sender
- Other (please specify)

* C05. In total, how much money did you send to recipients in Kenya in the year (please indicate a number without commas)

* C06 What amount of the cash remittances was directed to each of the selected purposes? (USD Equivalent), (Please indicate a number for each row without commas)

1. Purchase of food and household goods	<input style="width: 100%; height: 20px;" type="text"/>
2. Clothing	<input style="width: 100%; height: 20px;" type="text"/>
3. Education expenses	<input style="width: 100%; height: 20px;" type="text"/>
4. Medical expenses	<input style="width: 100%; height: 20px;" type="text"/>
5. Debt repayment	<input style="width: 100%; height: 20px;" type="text"/>
6. Support recipient's investment	<input style="width: 100%; height: 20px;" type="text"/>
	<input style="width: 100%; height: 20px;" type="text"/>

* C07. Which service providers did you use to send the cash to recipients in Kenya in 2019? (You can select multiple choices)

- Banks (Electronic Transfers, Card, Online)
- Money Transfer Company (Western Union, Money gram, Dahabshiil)
- Mobile Money Operators (MPESA, Airtel Money, MTN)
- Postal Network
- Credit Union
- Courier Company (DHL, Fedex, UPS)
- Transport Operators (Bus, Ship, Air, Rail)
- Hawala Operator
- Hundi Operator
- Friends/Relatives
- Personally carried as I travelled to Kenya
- Other (please specify)

C08 (i). What was the main reason for using your most preferred service provider and how long did it take to avail the cash remitted to the recipient?

Most preferred service provider	Reasons for using the service provider	How long did it take avail the cash (days)
• Money Transfer (Western Union, Dahabshiil) \$	Easy to access	3

* C08 (ii). What was the amount of cash remitted and what was the cost of remitting using the most preferred service provider in 2019? (USD Equivalent) (Please indicate number without commas)

Cash remitted

Transaction cost

* C09. What do you consider as the main challenges of sending money to your recipient(s) in Kenya? (You can select multiple choices)

- Cost
- Transfer time
- Privacy
- Accessibility of service
- Security
- Hidden charges and fees
- Other (please specify)

C10. What improvements can be made to the current modes of sending money to Kenya?

Section D: Non-Cash/In-Kind Remittance

* D01. Did you provide any support in kind (non-cash items/goods), in the year 2019, to family members/relatives/friends who reside in Kenya?

- Yes
- No

* D02. If yes, what was the approximate value of the non-cash items/goods to recipients in Kenya during 2019? (in USD Equivalent)

* D03 (i). What type of non-cash items/goods did you send to the recipients in Kenya, the channel used and the main reason for using the selected channel in the year 2019?

Type of in-kind item	Channel used	Main reason for selecting the channel
1. Food	Postal Network	Favorable transaction charges
2. Clothing/Shoes	Courier Company (DHL, Fedex, UPS)	Easy to access
3. Mobile Phones	Courier Company (DHL Fedex, UPS)	Convenience
4. Computers/Laptops	Postal Network	Most appropriate
5. Cycle (Motor Cycle/ Bicycle)	Transport Operators (Bus, Ship, Air, Rail)	Prompt/efficient/speedy service
6. Household goods (Seats etc.)	Transport Operators (Bus, Ship, Air, Rail)	Recipient's choice
7. Medicines	Friends/Relatives	Familiar channel
8. Jewelry	Personally carried back to Kenya	Convenience

* D03 (ii). What was the estimated value of the in-kind items in 2019? (USD Equivalent)

Item (1)

Item (2)

Item (3)

Item (4)

Item (5)

Item (6)

Item (7)

Item (8)

Section E: Investment Opportunities in Kenya

E01. Which investment opportunities are you aware of? (Multiple selections)

- Government securities (treasury bills, bonds)
- Stock market
- Unit trusts
- Real estate
- Investment in enterprises in Kenya (e.g. tourism, manufacturing)
- Saccos
- I don't know
- Other (please specify)

E02. How did you get information on investment opportunities in Kenya? (Multiple selections)

- Financial service providers
- Diaspora associations
- Saccos
- Government agencies (e.g. Kenyan Missions Abroad, Brand Kenya, Kenya Investment Authority)
- Social media
- Website
- Family and Friends
- Adverts and promotions
- Trade fairs and exhibitions
- Other (please specify)

E03. What challenges do you face in accessing this information? (Multiple selections)

- Misinformation
- High cost of acquiring information
- Untimely information
- Uncoordinated information
- Limited access to information
- None of the above
- Other (please specify)

E04. How can communication on available investment opportunities be improved? Please specify.

Section F: Impact of COVID-19

The following set of questions will help us assess the impact of the COVID-19 Pandemic on remittance flows.

* F01. Did you provide any support in cash, in the year 2020, to family members or friends/relatives who reside in Kenya?

- Yes
- No

* F02. If Yes, how much money, in US dollars equivalent, did you send to recipients in Kenya in the year 2020?

* F03. How did COVID-19 affect your:

- | | Negatively | No effect | Positively |
|------------------------------|--|--|---|
| Main economic activity | <input checked="" type="radio"/> Main economic activity Negatively | <input type="radio"/> Main economic activity No effect | <input type="radio"/> Main economic activity Positively |
| Access to financial services | <input checked="" type="radio"/> Access to financial services Negatively | <input type="radio"/> Access to financial services No effect | <input type="radio"/> Access to financial services Positively |

* F04. How did COVID-19 affect your:

- | | Decreased | No effect | Increased |
|-----------------------------|---|---|---|
| Cost of sending money | <input type="radio"/> Cost of sending money Decreased | <input type="radio"/> Cost of sending money No effect | <input type="radio"/> Cost of sending money Increased |
| Amount remitted | <input type="radio"/> Amount remitted Decreased | <input type="radio"/> Amount remitted No effect | <input type="radio"/> Amount remitted Increased |
| Financial demands from home | <input type="radio"/> Financial demands from home Decreased | <input type="radio"/> Financial demands from home No effect | <input type="radio"/> Financial demands from home Increased |

* F05. How would you describe the amount of money you expect to remit to Kenya in 2021?

- Higher than in 2020
- Same as in 2020
- Lower than in 2020
- Cannot tell / Don't know



Central Bank of Kenya

Haile Selassie Avenue P.O. Box 60000 - 00200 Nairobi | Tel: (+254) 20 - 286 0000 / 286 1000 / 286 3000