

Money transfer firms make plays for growing remittance volume with tie-ups

Article

What's happening: A number of money transfer firms are using tie-ups to simplify cross-border payments, which have bounced back strongly from last year: Worldwide remittance

inflow for 2021 is expected to **grow 5.4% year over year (YoY)** and hit **\$661.48 billion** after contracting 8.7% in 2020, [per](#) Insider Intelligence forecasts.

US-based remittance firm Ria Money Transfer partnered with India's Paytm to expand cross-border payment connections.

- The partnership will let Ria customers send transfers to **Paytm's 333 million users** that will be settled in real time, per Yahoo Finance. Transfers can be made through Ria's app, website, or brick-and-mortar locations.
- The tie-up significantly expands Ria's network, **which serves 160 countries**, and is likely to help boost volume: Last year, India was the top remittance receiving country—**inflows reached a whopping \$83.1 billion**, [per](#) the World Bank. And since Paytm is the first platform to accept international remittances directly into its wallet, the tie-up helps make it a more attractive solution. It might also bring more users to the platform, helping it stand out from competitors and letting it grab a larger piece of the Indian market.

Singapore's PayNow system will link with Malaysia's DuitNow late next year to streamline money transfers between the two countries.

- Users will be able to make real-time transfers using just a mobile number and make retail payments via QR codes from DuitNow or NETS, Singapore's bank-owned digital payment system, per Finextra.
- PayNow made a similar [partnership](#) with India's Unified Payments Interface (UPI) earlier this month.
- The Singapore-Malaysia link will simplify payments between the two countries, which **generated SGD 1.3 billion (\$942 million) in remittance volume**, per the Monetary Authority of Singapore. It should also offer consumers and businesses a faster and more cost-effective alternative to services offered by legacy remittance players.

UK-based money transfer firm Wise joined Australia's New Payment Platform (NPP) to make money transfers cheaper and faster.

- The tie-up lets Wise—which is available in **more than 60 regions**—connect to Australia's real-time payment system, which launched in 2018, per Reuters.
- It'll let Wise bring down transfer costs coming into Australia by bypassing third-party payment providers that typically clear and settle payments. The partnership also helps make

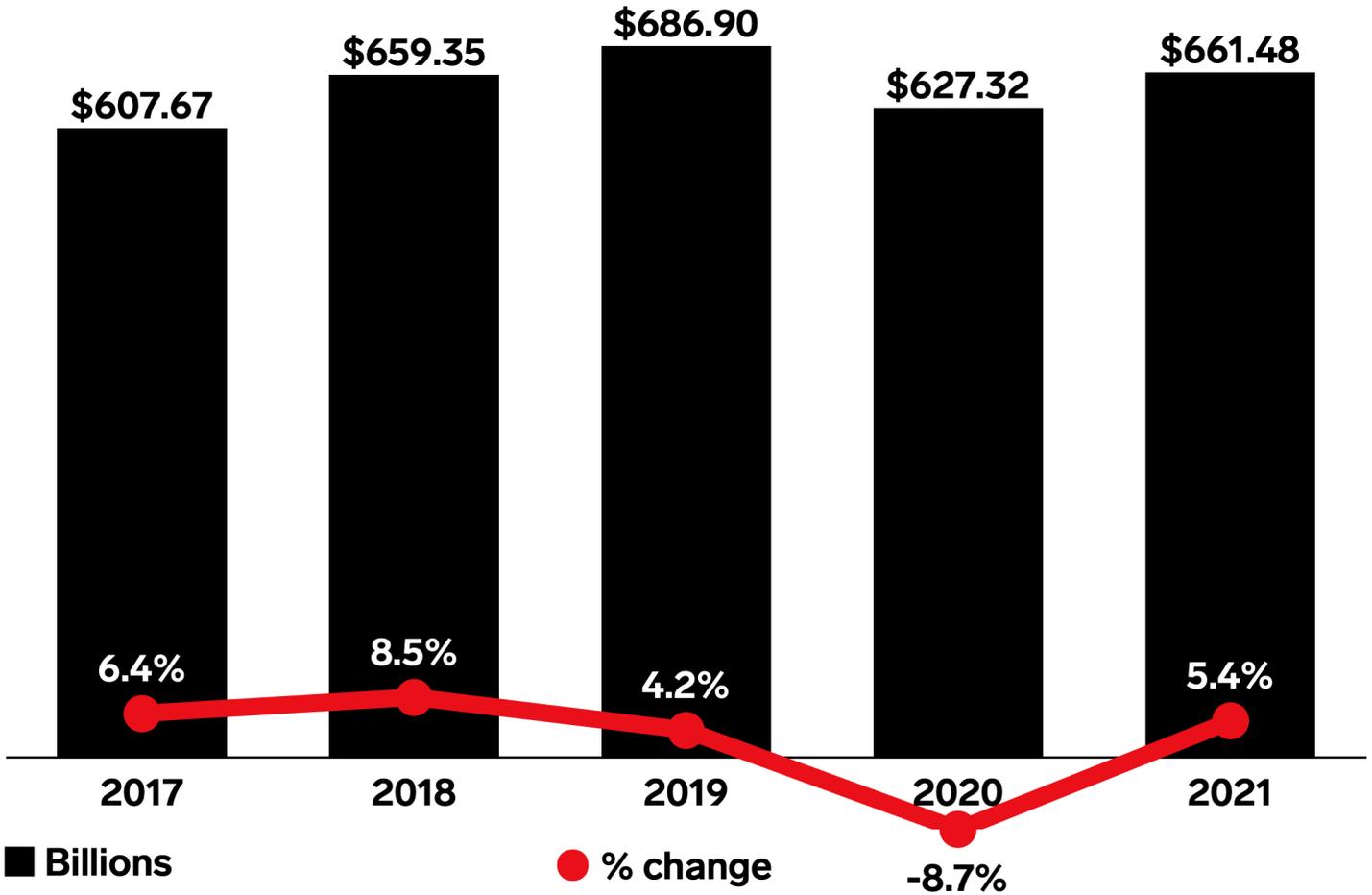
Wise a more competitive provider and lets it grab a larger piece of **Australia's remittance market, which is expected to hit \$1.69 billion this year**, per [our](#) forecasts.

What's next? The remittance space is likely to continue growing into 2022 as global markets recover from the pandemic and consumers get more spending power. Ongoing digitization in the remittance industry will also bring more consumers—specifically those who lack access to traditional financial services—to the sector, further aiding expansion.

Related content: Check out the C2C section of the [Rise of Real-Time Payments](#) report for a closer look at the overlap between remittances and real-time payments.

Worldwide Remittance Inflow

2017–2021



Note: the value of money sent home by citizens working abroad to their country of origin; examples include a citizen of Mexico working in the US and sending money back to Mexico through a financial institution or money transfer service, such as Western Union

Source: eMarketer, December 2020

Methodology: Estimates are based on the analysis of data from other research firms and government agencies, historical trends, and reported and estimated remittances.

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