Mobilizing diaspora resources as agents of social and economic change

Sonia Plaza
Syrian Diaspora Business Forum
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di·as·po·ra

noun\dī-ˈas-p(ə-)rə, dē-\n
the movement, migration, or scattering of a people away from an established or ancestral homeland
Outline

1. Mapping of the diaspora
2. Contributions of the diaspora
3. Programs for engaging diaspora
4. Policy recommendations
An important step is to know the profile of the diaspora

- Mapping diaspora profiles
- Mapping diaspora organizations and networks
- Mapping existing obstacles to diaspora Investments (e.g. dual citizenship, cost of visas, work permits, red tape, etc)
Over 18 million Arab diaspora in the world, at least ....

Source: Migration and Remittances Factbook 2016
Main findings of diaspora assoc.

- In USA, associations still are self financed while in Denmark, external funding plays an important role
- Opportunities in host country are important
- Difficult for associations to access funds (e.g., SBA, or other European Funds)
- Strong participation of diaspora for rebuilding post conflict and fragile states
- Need for capacity building
Migration and Trade Go Hand in Hand: African and OECD Countries

Bilateral trade (2007) and migrant population (2010) between OECD and Africa. Each dot represents a migrant corridor (Kenya-UK, Morocco-France, etc.)
Technology and knowledge transfers

- Licensing agreements
- Direct investment in local firms as a joint venture
- Knowledge spillovers (managerial positions)
- Networks of scientists and professionals
- Virtual return, extended visits or electronic communications
- Return to permanent employment
Lessons from successful diaspora networks

- Networks bring together people with strong motivation

- Member play both roles:
  - Implementing projects in the home/host country;
  - Serving as bridges and antennae for the development of projects
China: How to foster innovation?

Research collaborations

- Provide scientific input, key techniques, reagents to facilitate research projects, etc;
- Help establishing research institute, centers, & laboratories that meet the US standards;
- Joint laboratories with joint grants;
- Joint biotech companies and joint fund raising activities
The Latin Scientific Diaspora

• Not interested in “moving back” to their countries of origin

• Most countries have failed in attracting them back

• Not well organized

• Very interested in helping their country of origin and or other Latin countries

• LatIPnet has created own network of diaspora individuals

• Scientists, directors, professionals, investors, lawyers
World Bank Initiatives

• Support for diaspora initiatives
  – Argentina, Chile, El Salvador, Honduras, Jamaica, Mexico, Caribbean countries
  – Comoros, Kenya, Ethiopia, Uganda, Mali, Tanzania, Liberia, Rwanda, Nigeria, Ghana, South Africa
  – MENA countries
  – India, Nepal, Sri Lanka
  – Indonesia, Malaysia, Philippines
  – Armenia, Georgia, Kazakhstan, Moldova

• Focus groups and diaspora surveys
  - Jamaica
  - El Salvador – Mexico – Chile
  - Comoros
  - Nigeria – South Africa
  - MENA – Syria

• Diaspora Bonds, investment, entrepreneurship
The diaspora is more willing to take risks but…

They will need:

- Conducive business environment
- Sound and transparent financial sector
- Rapid and efficient court systems
- Safe working environment
Innovative findings

- No government has complete mapping of their diaspora;
- Very little involvement with investment, trade & technology transfer
- Lack of trust
Consultation with the MENA: 3 complementary approaches

**CONSULTATION DIASPORA MENA**

- **Online survey**
  - 1000 responses, 827 retained

- **Focus groups**
  - ~150 insights from Diaspora members

- **One-on-one interviews**
  - Business and opinion leaders from MENA
Lack of trust in governments and institutions that impede the engagement with the diaspora MENA.

- I have no family there: 1%
- I have no friends there: 3%
- I do not feel a connection to my country: 17%
- I don't have access to information: 18%
- I am too geographically distant: 25%
- I am already as involved as I want to be: 34%
- I worry about macroeconomic instability: 48%
- Political instability and/or lack of political freedom: 38%
- I worry about the weak legal framework and enforcement: 48%

N is the number of valid respondents
MIGRANTS CONTRIBUTE TO INNOVATION AHEAD
### Boosting the development impact of the diaspora: selected policies

<table>
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<tr>
<th>Objective</th>
<th>Measure</th>
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<tbody>
<tr>
<td>Mobilizing the diaspora</td>
<td>Dual citizenship&lt;br&gt;Work permits, residency permits&lt;br&gt;Virtual/temporary programs&lt;br&gt;Government invitations</td>
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<td>Stimulating ties with overseas communities</td>
<td>Diaspora bonds&lt;br&gt;Foreign currency accounts (Bangladesh)&lt;br&gt;Premium interest rate accounts&lt;br&gt;Investment packages to overseas (China)&lt;br&gt;Establishing special office (Mexico)&lt;br&gt;Linking cooperatives/banks with banks in developed countries&lt;br&gt;Increasing domestic bank presence in transferring remittances&lt;br&gt;Saving mobilization: social security/housing/ microfinance programs</td>
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<td>Stimulating investment</td>
<td>Outreach through MFI infrastructure&lt;br&gt;Outreach through migrant’s service bureaus&lt;br&gt;Tax breaks on imported capital goods&lt;br&gt;SME schemes (financial, infrastructure or innovative)&lt;br&gt;Training programs</td>
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<td>Outreach to migrant collectives/&lt;br&gt;Hometown associations (HTAs)</td>
<td>Matched funding&lt;br&gt;Public-private ventures&lt;br&gt;Competitive bidding for development projects</td>
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<td>Improving attractiveness of receiving countries to diaspora</td>
<td>Research funding and monetary incentives (Ireland)&lt;br&gt;Attractive salary packages, multiple-entry visas&lt;br&gt;Enabling migrants to spend on their relatives’ behalf</td>
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Diaspora Strategy

• Identifying goals
• Mapping diaspora location and skills
• Fostering a relationship of trust with the diaspora
• Maintaining means of communication
• Creating opportunities and clearing obstacles for diasporas to contribute
Thank you!

www.worldbank.org/migration

www.knomad.org
Key findings: data on diaspora

- Several countries know have little data on where their diaspora is

- Ways how diaspora is reflected in statistics
  - Bilateral Migration Stocks: UNDP, WB
  - 2010 Round Censuses, Population Registers
  - Other surveys (ACS, CPS, Labor force surveys)

- Alternative methodologies
  - Randomized surveys
  - Focus groups
Philanthropic Activities by the African diaspora associations: Denmark case study

- Sending used equipment: 41 (34%)
- Sending new or larger equipment (e.g. machines): 6 (5%)
- Donations / collective remittances: 4 (3%)
- Education / capacity building / informational campaigns: 20 (16%)
- School projects / orphanages / activity centers: 13 (11%)
- Health clinics / hospital projects: 3 (2%)
- Other small-scale projects (wells / farming / micro-credit etc.): 9 (7%)
- Larger programs: 4 (3%)
- Collective remittances: 27 (22%)
Key Messages

1. Several countries have little data on where their diaspora is.

2. Diaspora contributions are more than remittances.

3. There are significant untapped economic benefits.

4. It is important to track the profile and engagement of the diaspora.