The Syrian Business Diaspora

A WORLD BANK INVESTIGATION ON THEIR PRESENT SITUATION AND FUTURE ASPIRATIONS
Our investigations focus on the Syrian business diaspora

Our team has communicated with you:

◦ Through numerous conversations with the diaspora – including many here today
◦ Through an electronic survey using a snowball methodology – 150 responses in 1 week!

The objective of the investigations was twofold:

◦ To dimension the potential of the Syrian diaspora entrepreneurs in terms of investment in hosts (Jordan for example) and in Syria itself
◦ To understand the constraints faced by the Syrian entrepreneurs everywhere to enable a conversation around how we (the international development community) can help them wherever they wish to operate.
Key Findings: The Good News

- Incredible interest and belief in Syria – PRIVATE SECTOR LED GROWTH IS THE KEY
- Syrians business DNA – acumen is alive and well – MANUFACTURING IS AT THE CORE
- Diaspora business network is providing us a glimpse of its potential in trade and investment
- Diaspora businesses are competitive (strong export orientation)
- There are investment deals that can be done
- Remarkable philanthropic efforts – Over 60% of respondents
- From the refugee perspective – Syrians employ Syrians!
- Our findings apply not only to neighboring host countries (Jordan, Lebanon, Turkey etc) but also the rich countries (USA businesses face banking challenges as well)
- You have lots of friends who want to work with you – multinational, private sector foundations, and NGOs
Key Findings: The Not So Good News

- Sixty years of sanctions have limited recent diaspora businesses absorption of best practices in terms of management, financing and marketing
- Syrian diaspora businesses face many challenges around establishing, operating and financing their businesses – from the neighboring countries to the OECD
- Diaspora businesses have very limited ways of getting their voices heard
- Trust issues keep coming up
The Word Cloud View of the Survey

Brief Survey Demographics

- 23% female and 77% male
- 70% - Wish to return to Syria
- 60% - Current or potential investor
- 84% - Currently or previously had a business establishment in Syria
- Only 38% reside in neighboring host countries but 87% currently invest or support refugee livelihood there
- 96% - Interested in being contacted for this initiative

**Age distribution**
- Under 34: 30.7%
- 35 to 44: 22.0%
- 45 to 64: 41.7%
- 65 and older: 5.5%
- Other (please specify): 0.8%

**Occupation distribution**
- Business owner: 28%
- Investor: 9%
- Professional: 14%
- NGO owner: 7%
- Management: 14%
- Employee: 10%
- Other: 16%

**Current Country of Residence**
- Syria: 4%
- Jordan: 10%
- Lebanon: 4%
- Turkey: 10%
- Egypt: 9%
- Iraq: 1%
- Other: 62%

- Other (please specify): 0.8%
Investing directly in business project in Syria

Investing directly in business project in a refugee host country

Investing in a fund that would lend money to micro, small and medium sized enterprise in Syria

Investing in a fund that would lend money to micro, small and medium sized refugee owned enterprises in a host country

Investing in an initiative in a free economic zone on the borders of Syria

Preferred Investment location & type

Expected type of Returns

Development impact on the Syrian community

Financial returns

Time based returns

Other
Leveraging the EU Preferential Market Access in Jordan

- Over 50% of respondents indicated they are unaware of the EU preferential market access in EU.
- 63% of respondents indicated interested in investments or philanthropic initiatives that would leverage the EU market benefit as well as benefit Syrian refugees in Jordan.

Main constraining factors:

- Banking & finance and other esources constraints
- Security & political concerns
- Commitment from government to provide enabling Investment conditions for Syrian...
- Credible umbrella of a DFI
- I am already contributing
- Lack of experience, skills and knowledge on laws and market
- Mobility and Visa Concerns
- Access to the clear objectives and needed information
- Governance (Trust, transparency, communication, coordination and visibility of the...)
- Identifying the right project, partners, network & vehicle

63% of respondents indicated interested in investments or philanthropic initiatives that would leverage the EU market benefit as well as benefit Syrian refugees in Jordan.
Request to the International Community

- Innovation Support, 16%
- Address hiring quota, mobility and travel restrictions, 29%
- Address Banking barriers and access to finance, 24%
- Create an enabling legal and regulatory framework, 13%
- Others, 18%
There is generally an interest to support Syrian refugees, but there is a decrease in aspiration to just supporting livelihood (35% decrease in current versus future) towards supporting more sustainable initiatives such as business (46% increase in current versus future), mentorship and education. 

60% indicated a philanthropic interest for contributions of money and time to support either business, education or health needs.

Main skills transfer activities of interest: mentoring and teaching.

Key impediments to skills transfer ➔ "I do not know how to contribute"
Engagement

Preferred means of communication

- Emails: 40%
- TV Networks: 0%
- Internet: 35%
- Mailing Newsletter: 15%
- Face to face meetings: 10%
- Others to include Telephone: 0%

Associations of Interest

- Syrian Business Community Association: 25%
- Syrian Philanthropic Association: 20%
- Syrian Cultural Association: 15%
- Syrian Professional Association: 10%
- Other: 0%

Preferred ways of engagement

- Direct support to displaced Syrians both in Syria and the host communities: 25%
- Direct support to displaced Syrians in Syria: 20%
- Direct support to displaced Syrians in host communities: 15%
- Mentorship: 10%
- Volunteer my time: 10%
- Donate money to charities & NGOs: 10%
- Send money to family and/or friends: 5%

All percentages are out of 100%.
Conclusions

This work has identified a set of issues we need to collectively work on:

- The need for collective action by businesses to solve regulatory problems and pursue networking opportunities
- The desire to upgrading diaspora business competitiveness
- Finding solutions to financial sector challenges
- Ensuring young men and women are empowered and included
- The close linkages between businesses and philanthropy