MIDA Ghana-Senegal is a project promoted by the International Organization for Migration (IOM) and supported by the Italian Cooperation (Ministry of Foreign Affairs). The objective of the MIDA project is to contribute to the socio-economic development of Ghana and Senegal, through the identification and transfer of skills, financial, social and professional resources of the expatriates living in Italy and the promotion of partnerships between hosting and origin communities. More specifically, MIDA Ghana/Senegal supports Ghanaian and Senegalese expatriates living in Italy who are interested in promoting the economic and social development of their home country through the promotion of:

1. Co-development projects within the perspective of decentralized cooperation;
2. Business Development Services (BDS) to support the start up of small-to-medium enterprises (SMEs) in the country of origin;
3. Innovative mechanisms for remittance transfer and microfinance.

Preparatory Activities

During the first six months of the project, 11 territorial workshops were held in 10 Italian cities to assess and register the interests and investment/development plans of Ghanaian and Senegalese expatriates in Italy. The workshops drew the attention of more than 200 participants from migrant associations, local, provincial, and regional entities, professional training centers and NGOs. The information collected during the workshops led to a technical workshop – held in November 2006 – that introduced two strategy papers produced in cooperation with CESPI:

- Partnership initiatives for co-development: Ghanaian and Senegalese immigrants;
- Financial instruments for the optimization of the role of remittances in development.

The technical workshop was also the occasion to launch two calls for proposals targeting Senegalese and Ghanaian migrants in Italy willing to invest in income-generating activities in their relative countries of origin. The two calls were intended respectively to support and co-finance co-development entrepreneurial projects and to provide non-financial services for enterprise creation in Ghana and Senegal (Business Development Services – BDS).

The calls resulted in the submission of a total of 82 project proposals, allowing for a good representation of Senegalese and Ghanaian migrants in Italy.

1. Co-development projects

A preliminary analysis of all the proposals received produced valuable information on the applicants, the types of SME projects they envisioned and the partnerships they pursued.

A large segment of the migrants indicated that their occupation was in the manufacturing sector (40%), while another significant portion specified employment in business and trade activities (22%) – particularly important for the Senegalese diaspora – and in the services industry (19.5%). The remaining migrants indicated employment in agriculture, health, and technology.

Important observations were gathered concerning the primary sectors selected by the migrants’ SME projects. Agriculture figured as high as 59% of all co-development projects for Ghana and Senegal combined, while 12% proposed activities pertaining to the processing of agricultural products. The remaining 29% of the projects were distributed among a different range of sectors including ITC, tourism, rural development, textile & clothing, and carpentry.

### Partnership Development

Partnership development is an essential component of the MIDA project as it allows for the establishment of strong support systems that can uphold the migrants’ efforts and promote the sustainability of their social and economic projects. In this regard, migrants showed associative efforts by presenting their project as members of an association 42% of the times, with this propensity much greater for Senegalese migrants. The 82 SME projects proposed a total of 93 partnerships in Italy with various partners such as local authorities (municipalities, provinces and regional administrations in nine Italian regions), civil society and cooperatives, NGOs, private partners and individuals. In the countries of origin, the SME projects...
proposed 135 partnerships targeting the same range of partners as in Italy, although Ghanaian migrants showed an overall preference for individual private partners.

**Selected co-development projects**

An evaluation process that involved three committees – in Italy, Ghana, and Senegal – led to the selection of 12 projects – 5 in Ghana and 7 in Senegal – which were each awarded funding from a minimum of €9,063 to a maximum of €30,000. The beneficiaries of the 12 projects selected reside in 11 different Northern and Central Italian cities, representing different local diaspora communities. The winning projects will be implemented in 12 different areas of origin in Ghana and Senegal – as indicated on the maps – stretching the potential impact of co-development initiatives from urban centres to rural areas.

### 2. Business Development Services (BDS)

To support migrants’ projects and to equip potential entrepreneurs with the necessary professional and technical skills, the MIDA Ghana/Senegal project offered two 10-day Business Development Services (BDS) courses, held in Ghana and Senegal in June-July 2007. The courses were offered to the beneficiaries or their local partners responsible to follow the project implementation on site. The course modules were intended to create business skills with a focus on start-up procedures and business plan development, resource mobilization and access to credit, technical and financial management, and business sustainability. The BDS courses saw the participation of 18 project managers in Senegal and 17 in Ghana. Key aspect of the Business Development Services is the tutoring component that the participants received upon completion of the course. In one-on-one sessions with the trainers, each project proposal was reviewed, business plans were developed, and the participants were assisted in the initial implementation of their project.

### 3. Microfinance and Money Transfer Mechanisms

The MIDA Ghana/Senegal strategy promotes the development of innovative financial products for the collection, the transfer and investment of remittances in the countries of origin. Specific channels explored through MIDA Ghana/Senegal are:

- **Collaboration with banks in Italy, Ghana, and Senegal**

  The MIDA strategy stresses the participation of the banking system to promote the development of financial instruments that encourage migrants to utilize formal channels of remittance transfers. In this regard, a dialogue has been started with 22 institutions in the Italian banking system, as well as 5 financial institutions and 5 administrative and entrepreneurial organizations. As to promote bilateral agreements between banks and provide comprehensive financial packages, contacts have been also established with banks in Ghana and Senegal.

- **Prepaid "Ethical Twin Cards"**

  In an effort to simplify the transfer process and to reduce the costs of remittance transfers, the MIDA project has promoted the development of prepaid “ethical twin cards.” These rechargeable cards are an innovative alternative to traditional money transfer mechanisms and they offer low costs, immediate availability of funds and flexibility of use, making them a good tool for the receiving parties who, for a small fee, can access the funds from any ATM and POS machines. A portion of the commissions generated through the use of the cards would be allocated to a development fund to finance social projects in migrants’ countries of origin.

- **Creation of a Foundation**

  With the support of IOM, thirty associations of Senegalese migrants operating in Italy have created a foundation with the joint objective to create and manage a pool of assets – comprised of the contributions of members and public and private donors – to finance social projects and to provide guarantees for financing entrepreneurial activities in Italy and Senegal.

### Database Expansion

A growing database with contact information on migrants residing in Italy is regularly maintained with the objective to enhance the knowledge of the diasporas and to increase the effectiveness of MIDA’s outreach activities. The database contains three sets of data: 1. information on migrant associations, with evidence of associations led by migrant women; 2. individual migrants who have contacted IOM and have demonstrated interest in the MIDA approach; 3. approximately 200 SME project proposals that have been submitted to IOM since 2003.

*July 2007*