



IOM International Organization for Migration
OIM Organisation Internationale pour les Migrations
OIM Organización Internacional para las Migraciones

Diaspora Support to Migration and Development

Workshop Summary 84th Council Session, 2-4 December 2002

Overview

The facilitator opened the workshop by inviting participants to enter into an informal discussion that would allow for a common understanding of and address the “best uses” of diaspora and its contribution to development in countries of origin.

The discussion emphasised the need to strengthen co-operation and active partnership between countries of origin, host countries and migrants.

During the workshop the issues of how to minimise the negative impact of *brain drain* and how to optimise the positive impacts of *brain gain* and *brain circulation* were emphasised. Obstacles to the achievement of these efforts, such as high transaction costs in transmitting remittances, were identified. Specific intervention, including efforts to manage remittances more effectively and the IOM-sponsored MIDA programme, were discussed in some detail.

Delegates shared diverse experiences on the role of diaspora in facilitating the development of countries of origin. The participants agreed on the importance of addressing the linkages between migration and development, and expressed appreciation for the relevance of this workshop.

Summary of the discussion

What is the diaspora? The diaspora is the result of a large-scale movement of people from one country to another over a long period of time. Such movements are influenced by various factors (economic, social and political) that affect all strata of society and all countries. *What is the role of the diaspora?* A general *consensus* was expressed as to the role the diaspora plays in the development of the country of origin. All delegates agreed that the diaspora gives rise to interlinkages between origin and destination or host countries. As such, it is a system of co-development between three players: the country of origin, the host country and civil society as represented by the diaspora.

The discussion centred on “how” to take advantage of the diaspora in two ways, namely remittances and the transfer of expertise. These were identified as ways of contributing to the development of the countries of origin. To that end, the diaspora needs to be assisted and supported by local authorities and states.

Headquarters:

17 route des Morillons • C.P. 71 • CH-1211 Geneva 19 • Switzerland
Tel: +41.22.717 91 11 • Fax: +41.22.798 61 50 • E-mail: hq@iom.int • Internet: <http://www.iom.int>

Regarding **remittances**, the State has a crucial role to play in channelling investments from the diaspora, which would otherwise remain dispersed. It is necessary to institutionalise and streamline remittances sent to countries of origin. This will facilitate and give incentives to migrants to send money back through formal channels. Due to the high transaction costs and

complicated procedures in transferring money through banking, some migrants engage in unofficial transfers through non-institutional channels, which can compromise their contribution to development. Delegates stressed the need for agreements between States and relevant financial institutions on ways to reduce transmission costs and improve efficiency and accessibility for users. However, it was emphasised that countries of origin need to apply sound economic policies and have well-supervised financial systems in order to facilitate this process.

The discussion went on to focus on the ways financial institutions can capture remittances and channel them toward investment in local development projects. One example mentioned was to establish a system of credit lines with reduced interest to stimulate investment in community-based activities. Special attention was given to Mexico's "3 for 1" programme, a joint investment which involves the State, local authorities and associations of migrants. The programme is successful at the national level and could potentially be expanded to bilateral and regional levels. Participants were interested in this programme and requested additional information.

As regards the **transfer of expertise**, many options were considered for taking advantage of brain circulation. IOM's Migration for Development in Africa (MIDA) was addressed as one possible solution. This programme involves temporary or permanent transfer of vital resources and skills to support the development of countries of origin. The program works in promoting a legal status for the diaspora in destination countries and relocates the resources and skills of African migrants through a variety of actual and virtual transfers. However, one delegate pointed out that some African countries are not covered by the MIDA programme and thus recommended expanding the programme into other subregions in Africa. In addition, several participants suggested Regional Consultative Processes as a mechanism that could form the operational framework for implementing migration and development-related initiatives.

It was also proposed to use conferences or consultations to begin dialogues for exchanging ideas and viewpoints between migrants' abroad and the government of countries of origin in order to identify solutions to development problems. In building this network of migrants, one delegate suggested creating a mailing list of the national diaspora abroad. These consultations would also serve to raise awareness and to enhance the chance of young people working abroad *legally* and minimise irregular migration and resort to smugglers. Another example was to intensify higher learning programmes, including facilitating temporary visits or short stays for expatriate professors, enabling them to work on thesis' or to teach university courses. Even though this solution does not require the permanent return of skilled migrants, the countries of origin can benefit from their experiences and knowledge through their temporary visit.

The discussion also covered the question of **increasing aid** and financial contributions of host countries. For example, several delegations recommended that countries of destination promote skilled migrants to make short stays in their countries of origin, notably doctors and IT specialists. In addition, one delegate requested an open door for the exchange of students, including looser restrictions for student visas and registering for international students,

especially in the United States. Moreover, due to the cost of tuition after converting currency, more financial support for foreign students is needed. Finally, considering that many countries have activities on diaspora support for development, the creation of a global inventory of such activities would be very useful for the future.

◆ **A comprehensive analysis of the workshop themes will be published in the coming months.**