Report and outcomes of the first meeting of the Global Forum on Migration and Development:

Remittances and other diaspora resources.

Romeo E. Matsas

Egmont Institute

Former Member of the GFMD Taskforce

Annual Meeting of the CDE's European Institutional Network - Lanzarote, 27 September 2007

Global Forum on Migration and Development

Report and outcomes of the first meeting of the
Manila 2008

consultation with UN SRSG and FoF)

Initiated by the Government of Belgium (in

Open to all UN member states (+ observers)

Informal, voluntary and government-led

normative decisions.

without producing negotiated outcomes or

exchange of best practices, partnerships, ... 

Addressing the migration-development nexus

UN High Level Dialogue - Sept. 06

Background
First Meeting of the GFMD
Brussels, 9-11 July 2007
Civil Society Day (King Baudouin Foundation):
200 representatives of civil society worldwide
200 observers
800 delegates, over 150 countries
Three themes (3 Roundtablels - 12 sessions):
• Human capital development and labor mobility
• Remittances and other diaspora resources
• Policy and institutional coherence
Horizontal issues: human rights, gender, root causes of migration

Brussels, 9-11 July 2007
The first meeting of the GFMD and the process leading to it (9 months):

- Operating modalities
- Creation of teams
- Friends of the Forum
- Focal points
- Global survey

Structuring Framework
Development aid should not be instrumentalized for the regulation of migration flows.

Migration is not an alternative to national development strategies.

Remittances are private money, not a substitute for ODA or development responsibilities.

Development aid should not be

Basic Principles
Key conclusions

Platform for discussing experiences, innovative and good practices and for identifying concrete ways of assuring the positive contribution of legal migration to development

New approach to migration - moving development to the centre of the migration debate; and promoting legal migration as an opportunity for development (North as well as South, receiving as well as sending countries)

Focal points are a vehicle for greater coherence and a more comprehensive approach towards migration, development, and other policies at national level.

Sharing responsibilities between developed and developing countries can make migration work better for development and vice versa; and that sharing responsibilities can make migration work better for development and vice versa; and that development can lead to migration by choice and not by necessity.

Paves the way for a longer term common global vision on migration.

Reach migration and development objectives more effectively

New approach to migration - moving development to the centre of the migration debate; and promoting legal migration as an opportunity for development (North as well as South, receiving as well as sending countries)
After the first meeting

- Operating modalities
- Exchange of information; Funding support; Ongoing government engagement; Internal government coordination; Favorable public opinion
- Marketplace
Roundtable 2 – Remittances and other diaspora resources: Increasing their net volume and development impact

Four sessions:
- Reduction of cost, formalization of transfers and the role of new technologies;
- Partnerships to be established between governments and diasporas to enhance their positive impact on the development of the country of origin;
- Options to leverage the development impact of remittances at the micro level and prevent their negative impact;
- Options to leverage the development impact of remittances at the macro level and respond to their negative impact;
Reducing remittance costs can create incentives to use formal remittance channels (role of new technologies for new ways of remitting and improving existing ones).

In turn, improving the formalization of transfers.

- Enables better policy planning for development and for supporting local development projects (micro-impact).
- Offers opportunities for individual savings, investments.
- Beyond remittances, diasporas also carry out various activities with important development potential.

Roundtable 2: Concept
Roundtable 2 – Key messages

- Financial transfers to developing countries (North-South but also South-South) - $206 bn in 2006 (The World Bank)
- Private flows – incentives not appropriation
- Links between remittances and development are numerous
- Do not diminish the need for ODA and are not an alternative to national development efforts. Not an encouragement to migrate.
- Continue exchanging best practices - still at a learning-by-doing stage
- Complex and conditional upon the broader economic and political context.

Financial transfers to developing countries (North-South)
Improving the micro impact of remittances on development –

Key messages

• Better understand: the impact of remittances on children; (post)

• Include remittances in the planning of receiving country

• Beyond formalization (bilateral agreements, corridors, etc.): Innovative and inclusive options, tools and incentives to leverage remittances and investment -> not necessarily by government but possibly through savings (linked to the transfers, etc.)

• Governments’ development objectives (NDPs, PRSPs etc.):

- Conflict situations or recovery after natural disasters; evolution of remitting patterns over generations
- Better understand: the impact of remittances on children; (post)
- Level playing field, raise awareness, build confidence, tax regime, capacity challenges, on-the-ground tool to use (collectivite)

• Before creating new tools, take full advantage of what exists

• Include remittances in the planning of receiving country governments’ development objectives (NDPs, PRSPs etc.):

- Conflict situations or recovery after natural disasters; evolution of remitting patterns over generations
- Better understand: the impact of remittances on children; (post)
- Level playing field, raise awareness, build confidence, tax regime, capacity challenges, on-the-ground tool to use (collectivite)

• Beyond formalization (bilateral agreements, corridors,etc.): Innovative and inclusive options, tools and incentives to leverage remittances and investment -> not necessarily by government but possibly through savings (linked to the transfers, etc.)

• Include remittances in the planning of receiving country governments’ development objectives (NDPs, PRSPs etc.):

- Conflict situations or recovery after natural disasters; evolution of remitting patterns over generations
- Better understand: the impact of remittances on children; (post)
- Level playing field, raise awareness, build confidence, tax regime, capacity challenges, on-the-ground tool to use (collectivite)

• Before creating new tools, take full advantage of what exists

• Include remittances in the planning of receiving country governments’ development objectives (NDPs, PRSPs etc.):

- Conflict situations or recovery after natural disasters; evolution of remitting patterns over generations
- Better understand: the impact of remittances on children; (post)
- Level playing field, raise awareness, build confidence, tax regime, capacity challenges, on-the-ground tool to use (collectivite)

• Before creating new tools, take full advantage of what exists

• Include remittances in the planning of receiving country governments’ development objectives (NDPs, PRSPs etc.):

- Conflict situations or recovery after natural disasters; evolution of remitting patterns over generations
- Better understand: the impact of remittances on children; (post)
- Level playing field, raise awareness, build confidence, tax regime, capacity challenges, on-the-ground tool to use (collectivite)

• Before creating new tools, take full advantage of what exists

• Include remittances in the planning of receiving country governments’ development objectives (NDPs, PRSPs etc.):

- Conflict situations or recovery after natural disasters; evolution of remitting patterns over generations
- Better understand: the impact of remittances on children; (post)
- Level playing field, raise awareness, build confidence, tax regime, capacity challenges, on-the-ground tool to use (collectivite)

• Before creating new tools, take full advantage of what exists

• Include remittances in the planning of receiving country governments’ development objectives (NDPs, PRSPs etc.):

- Conflict situations or recovery after natural disasters; evolution of remitting patterns over generations
- Better understand: the impact of remittances on children; (post)
- Level playing field, raise awareness, build confidence, tax regime, capacity challenges, on-the-ground tool to use (collectivite)

• Before creating new tools, take full advantage of what exists

• Include remittances in the planning of receiving country governments’ development objectives (NDPs, PRSPs etc.):

- Conflict situations or recovery after natural disasters; evolution of remitting patterns over generations
- Better understand: the impact of remittances on children; (post)
- Level playing field, raise awareness, build confidence, tax regime, capacity challenges, on-the-ground tool to use (collectivite)

• Before creating new tools, take full advantage of what exists

• Include remittances in the planning of receiving country governments’ development objectives (NDPs, PRSPs etc.):

- Conflict situations or recovery after natural disasters; evolution of remitting patterns over generations
- Better understand: the impact of remittances on children; (post)
- Level playing field, raise awareness, build confidence, tax regime, capacity challenges, on-the-ground tool to use (collectivite)

• Before creating new tools, take full advantage of what exists

• Include remittances in the planning of receiving country governments’ development objectives (NDPs, PRSPs etc.):

- Conflict situations or recovery after natural disasters; evolution of remitting patterns over generations
- Better understand: the impact of remittances on children; (post)
- Level playing field, raise awareness, build confidence, tax regime, capacity challenges, on-the-ground tool to use (collectivite)

• Before creating new tools, take full advantage of what exists

• Include remittances in the planning of receiving country governments’ development objectives (NDPs, PRSPs etc.):

- Conflict situations or recovery after natural disasters; evolution of remitting patterns over generations
- Better understand: the impact of remittances on children; (post)
- Level playing field, raise awareness, build confidence, tax regime, capacity challenges, on-the-ground tool to use (collectivite)

• Before creating new tools, take full advantage of what exists

• Include remittances in the planning of receiving country governments’ development objectives (NDPs, PRSPs etc.):

- Conflict situations or recovery after natural disasters; evolution of remitting patterns over generations
- Better understand: the impact of remittances on children; (post)
- Level playing field, raise awareness, build confidence, tax regime, capacity challenges, on-the-ground tool to use (collectivite)

• Before creating new tools, take full advantage of what exists

• Include remittances in the planning of receiving country governments’ development objectives (NDPs, PRSPs etc.):

- Conflict situations or recovery after natural disasters; evolution of remitting patterns over generations
- Better understand: the impact of remittances on children; (post)
- Level playing field, raise awareness, build confidence, tax regime, capacity challenges, on-the-ground tool to use (collectivite)

• Before creating new tools, take full advantage of what exists

• Include remittances in the planning of receiving country governments’ development objectives (NDPs, PRSPs etc.):

- Conflict situations or recovery after natural disasters; evolution of remitting patterns over generations
- Better understand: the impact of remittances on children; (post)
- Level playing field, raise awareness, build confidence, tax regime, capacity challenges, on-the-ground tool to use (collectivite)

• Before creating new tools, take full advantage of what exists

• Include remittances in the planning of receiving country governments’ development objectives (NDPs, PRSPs etc.):

- Conflict situations or recovery after natural disasters; evolution of remitting patterns over generations
- Better understand: the impact of remittances on children; (post)
- Level playing field, raise awareness, build confidence, tax regime, capacity challenges, on-the-ground tool to use (collectivite)

• Before creating new tools, take full advantage of what exists

• Include remittances in the planning of receiving country governments’ development objectives (NDPs, PRSPs etc.):

- Conflict situations or recovery after natural disasters; evolution of remitting patterns over generations
- Better understand: the impact of remittances on children; (post)
- Level playing field, raise awareness, build confidence, tax regime, capacity challenges, on-the-ground tool to use (collectivite)

• Before creating new tools, take full advantage of what exists

• Include remittances in the planning of receiving country governments’ development objectives (NDPs, PRSPs etc.):

- Conflict situations or recovery after natural disasters; evolution of remitting patterns over generations
- Better understand: the impact of remittances on children; (post)
- Level playing field, raise awareness, build confidence, tax regime, capacity challenges, on-the-ground tool to use (collectivite)

• Before creating new tools, take full advantage of what exists

• Include remittances in the planning of receiving country governments’ development objectives (NDPs, PRSPs etc.):

- Conflict situations or recovery after natural disasters; evolution of remitting patterns over generations
- Better understand: the impact of remittances on children; (post)
- Level playing field, raise awareness, build confidence, tax regime, capacity challenges, on-the-ground tool to use (collectivite)
Recommendations and proposed actions

Enable a diversified supply of financial services
(from micro-insurance, micro-pension, etc. to investment opportunities, etc.) by the private sector for remittance senders and recipients, e.g. through the creation of multi-stakeholder partnerships, while retaining the possibility for governments to intervene as necessary; and ensure full use of the services already existing.

Set up intermediary structures for on-the-ground management of migrant investments in the country of origin, taking into account the necessary gradual approach from individual to collective, local and national investment.

Support research on tools and incentives needed for governments to make remittances become investments, as well as on the impact of remittances on the situation of women and on children.

Provide financial literacy programs and better information on financial services to remittance senders and recipients.

Support research on tools and incentives needed for governments to make remittances become investments, as well as on the impact of remittances on the situation of women and on children.
Diasporas have long been active in the development of their country of origin but initiatives can be facilitated and enhanced through partnership and coordination with governments. Key messages (1/2)

Diaspora: "Individuals originating from one country, living outside this country, irrespective of their citizenship or nationality, who, individually or collectively, are or could be willing to contribute to the development of this country. Descendants of these individuals are also included in this definition." - Voluntary approach

Key messages (1/2)

Working with the diaspora for development –

• Relationship between diaspora integration and capacity to play a role in development.

• Challenges: identification, new tools, capacity building, gender, etc.

• Question of attitude + basic principles

• Of attitude, new tools, capacity building, gender, etc.

• Enhanced through partnership and coordination with their country of origin but initiatives can be facilitated and governments.

• Diasporas have been long active in the development of...
Key messages (2/2)

- No transformation of diaspora networks into mainstream development NGOs, but facilitation of existing transnational practices (creating an enabling environment; portability of social rights, multiple re-entry visas, dual citizenship, etc.).
- Entrepreneurship - not linked to return; access to credit; "nostalgic trade"
- Integrate diaspora initiatives into national development strategies (consult, on-the-ground interlocutor, appointment of a ministerial level official in charge of diaspora, etc.).
- Host country: scale and organization (on country-of-origin basis or across diasporas); partnerships among host countries harboring diasporas of the same origin; look at local level; establish triangular partnerships.
- Home country: Communicate and maintain links through formal or informal communication channels; forums, councils, or web-based network; representation in domestic politics; maintain contacts over generations.

Working with the diaspora for development –
Recommendations and proposed actions

Identify partners within the diaspora (numbers, location, skills, etc.) and support diaspora organizations’ organizational and representation capacities.

Establish triangular partnerships between diasporas, host countries, and home countries, as well as between host countries, home and host countries, harboring diaspora of the same origin.

Enhance links between diasporas and countries of origin, political involvements, and provide accurate information to diasporas about development and investment opportunities in countries of origin.

Create an enabling environment for diaspora activities for instance by providing multiple re-entry visas, dual citizenship, recognition of skills and portability of social welfare.

Enable the consultation of diaspora as well as the coordination of their interventions with national and local development plans to enhance their sustainability.

Further research the reciprocal influence between diasporas’ integration in the host country and their involvement in the development of their country of origin.

Interfere with national and local development plans to enhance their sustainability.
Thank you for your attention!

r.matsas@egmontinstitute.be