

MINISTRY OF FOREIGN AFFAIRS AND REGIONAL INTEGRATION

**DIASPORA ENGAGEMENT INITIATIVE OF THE MINISTRY OF
FOREIGN AFFAIRS AND REGIONAL INTERGRATION**

CONCEPT PAPER

DIASPORA AFFAIRS BUREAU

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INTRODUCTION

The conventional thinking that migration undermines prospects for economic development and yields a state of stagnation and dependency has changed following a decade of re-appraisal of the migration-development nexus. Since 2006 United Nations reports have indicated that international migration constitutes an ideal means of promoting development, that is, the coordinated or concerted improvement of economic conditions in both origin and destination countries based on the complementarities between them.

In spite of this, international migration has grown in scope, complexity and impact. Approximately 1 billion of the world's 7 billion peoples are migrants. Some 214 million are international migrants. Another 740 million are internal migrants. South-to-South migration is now just as important in volume as South-to-North migration. North-to-South migration is also becoming a growing phenomenon. Human mobility has, therefore, become one of the defining features of today's globalized world causing three factors of production – labour, capital and entrepreneurship to traverse national borders. Such factors of production can no longer be barred from crossing national borders; making migration a phenomenon that can only be properly managed for a win-win-win situation. A poorly managed migration only place migrants vulnerable state with negative consequences for the sending and receiving states.

Migrants bring home significant remittances, acquired skills in destination countries with significant benefits for home countries and as useful source of

technological transfer, and innovative ideas for national development. Other migrants acquire financial resources for sole and joint investment. The remittances of migrants have made a difference to recipients in home countries in fighting poverty, disease as well as the provision of education.

In 2013, global remittances stood at USD \$549 billion (this figure is only remittances sent through the formal channels). This amount was much more than the combined value of both Overseas Development Assistance and Foreign Direct Investment that were attracted into developing countries. An estimated 30 million migrants sent cross border remittances worth \$60 billion to recipients in Africa and this benefitted 120 million residents who were family members or dependants.

It is for these reasons that Regional bodies in Africa, state and non-state actors, have shown much interest in the management of migration for development, not only because of the benefits of remittances, but also due to access to knowledge, expertise and professional competence through practical attachment or experiences gained from the world of work.

With increasing recognition of the potential of migration for stimulating development in countries of origin, the role of the Diaspora in development processes is being highlighted at the international, regional and national levels. Efforts are being deployed in incorporating migration and development in the post 2015 Development Agenda. The African Union and the ECOWAS Commission have both emphasised the relevance of the Diaspora in continental and national development.

On account of their solid social and cultural ties with their home-towns, the Ghanaian diaspora, made up of individuals and members of Ghanaian networks,

associations and communities as well as peoples of African descent, has a strong attachment to Ghana and maintain links with Ghana.

Recognizing the contributions of the diaspora, successive governments have made efforts to enhance their participation in national development, but such efforts have not been structured and systematic.

PURPOSE AND RATIONALE OF DIASPORA ENGAGEMENT

In an era of globalization and heightened competitiveness in the pursuit of national interests, no nation can develop effectively without implementing a clear strategy that seeks to harness the potentials of a majority of its human resource including its diaspora and those who consider that country as a homeland. Global economic events beginning in 2008 have continued to shrink capital for development financing and budget support for developing countries. In addition, Ghana's new status as a middle income country at the lower echelon, has resulted in reduced, limited donor support on account of the principle of differentiation.

Leveraging on the multiple roles of the Diaspora as senders of remittances, investors, philanthropists, innovators, exportable labour and first movers in the growth of important sectors such as tourism, health and in the development of human capital, may well contribute to weaning Ghana off its dependence on aid and development financing which are waning from developed countries.

Ghanaians at home and abroad and those with whom we share common ancestry are the single most important assets of this country. The collective ability to effectively harness our human resources and capital, both at home and abroad, for national development is, therefore, the key to our advancement as a nation. Establishing close and productive partnerships with the Ghanaian Diaspora and

peoples of African descent with whom we have common ownership of this country, will no doubt inure to our common good.

Ghana's development vision, as clearly articulated in the Ghana Shared Growth and Development Agenda (2010-2013), is to lift as many Ghanaians as possible out of poverty in the shortest possible time through a structural transformation of the economy.

The main purpose of the Diaspora engagement is to enhance the capacity of Ghanaians resident abroad to effectively participate in national development in a structured way through the channelling of their remittances to foster entrepreneurs, support innovation, and develop priority sectors of the economy. Also, the Diaspora can advance our development agenda through the use of their knowledge and skills to fill resources and knowledge gaps, as partners, and also as members and leaders of scientific and technical networks in Ghana. Throughout the struggle for independence and the establishment of an administrative foundation for Ghana, the country had depended largely on the Ghanaian Diaspora and peoples of African descent. Over the years, we have also witnessed the resourcefulness of the Ghanaian Diaspora in critical sectors of the economy. Nevertheless, there is more to achieve if we are to optimise gains from a structured engagement with our compatriots abroad.

GHANAIAN DIASPORA: A GLOBAL OVERVIEW

The available statistics do not provide an exact picture of the volume and magnitude of Ghanaian emigration. Estimates from Ghana Missions abroad indicate that Ghanaian migrants reside in more than 53 countries around the world, the majority being English-speaking. Estimates from the World Bank point to 1.7 million Ghanaians residing abroad, representing 7.6% of the total population. According to census-based data (census around 2000), the number of Ghanaians residing abroad

was 957,883, which represent approximately 4.6% of the total population. Other estimates point to 3 million Ghanaians residing abroad.

ECOWAS countries represent the main destination countries for Ghanaian emigrants in the African continent, although Ghanaians are increasingly involved in international migration outside Africa. Neighbouring countries (Cote d'Ivoire, Nigeria, and Burkina Faso) harbour about 55% of the total number of Ghanaian emigrants. South Africa and Sierra Leone are other important destination countries for Ghanaians in the African continent.

Outside the African continent, the UK, the USA, Canada, Germany, the Netherlands, Sweden, France and increasingly Italy and Spain, are major countries of destination of Ghanaian nationals abroad. Due to linguistic ties, Ghanaians migrate mostly to English-speaking countries.

For effective Diaspora Engagement through evidence based policies, it is imperative to study closely information on the Ghanaian Population abroad.

GOALS AND STRATEGY OF ENGAGEMENT

The diaspora engagement process includes identifying engagement goals, mapping diaspora geography and skills, creating a relationship of trust between the Ghanaian diaspora and governments of both Ghana and destination countries, and, ultimately, mobilizing the diaspora to contribute to sustainable development. For a country to harvest enormous dividends from international migration, it has to guarantee the protection of its citizens abroad. This is why the promotion and protection of the interests and welfare of Ghanaians abroad is a cardinal objective of the Ministry of Foreign Affairs and Regional Integration and by extension, Ghana's Missions abroad.

National Goals of Engagement

The goals of diaspora engagement are as follows:

1. Inform the Ghanaian diaspora about government's social and economic development initiatives, all major documents prepared by Government and the general situation in the country through the Diaspora Affairs Website in order for those who wish to be more directly engaged in activities in Ghana to do so (ghanaandiaspora.com);
2. Ensure an objective understanding of the development challenges at home for their intervention;
3. Ensure that the inputs of the Ghanaian diaspora strengthen and impact on policy formulation, implementation, monitoring and evaluation;
4. Establish links between the Ghanaian diaspora and MDA's, particularly, in sectors yearning for private participation; and
5. Ensure that the Ministry of Foreign Affairs and Regional Integration will be the right advocate of the Ghanaian diaspora and the rest of government.
6. Mobilize Ghanaian professionals globally for increased opportunities for brain gain.
7. Promote collaboration between the diaspora including Ghanaian professionals abroad on one hand and Ghanaian institutions in the country on the other hand to strengthen partnership for experience, knowledge and skills transfer.
8. Ensure compilation and maintenance of up-to-date and holistic data on qualified human resource needs of institutions in the country as well as data on available professional and technical resources within the diaspora communities.

9. Facilitate increased coordination and challenging of available intellectual and technical resources from the Ghanaian diaspora and peoples of African descent to contribute to institutional capacity building.
10. Assist local institutions to improve their efficiency in accessing and utilizing Diasporas intellectual and technical resources to meet their developmental goals.
11. Harness the financial resources of the Ghanaian Diaspora for investments in crucial sectors of the economy.
12. Attract Diaspora philanthropic contributions by deploying three strategies to leverage on philanthropic contributions from the diaspora: i.e. engaging individuals, organizations, and pooling funds from Diaspora donor communities for long term investment purposes.

Engagement Strategies

1. Map diaspora geography and skills to determine specific engagement models for particular locations;
2. Create a relationship of trust between the Ghanaian diaspora on one hand and governments of Ghana and destination countries on the other;
3. Ensure the creation of structures in Ghana that will facilitate the participation of the Ghanaian diaspora in national development
4. Mobilise the diaspora for sustainable development in the areas of health; agriculture, education, skill and technology transfer, investment and philanthropy; and
5. Promote the diaspora as an important source and facilitator of research and innovation, technology transfer and skills development. To this end, maximise the benefits of the Diaspora and engage more with them through the

promotion and implementation of policies to boost flows of financial resources, information and technology.

6. Promote direct investment of Diaspora in local firms through joint ventures. As much as possible, information on areas of viable economic investment should be provided on regular basis to the Ghanaian diaspora to whip up their enthusiasm to decide to set up their independent companies or lead international consortia for the same purpose.
7. Bring the Ghanaian diaspora closer to credible Ghanaian private sector entities for joint partnership ventures
8. Facilitate citizenship and residency rights including dual citizenship and voting rights as important determinants for diaspora participation in trade, investment and technology transfer to Ghana as well as a strategy to build confidence and trust between the Government and the Diaspora Community.
9. Liaise with relevant stakeholders to improve the business environment to encourage more diaspora investment.
10. Develop a strategic plan for the engagement process.

POLICIES

Ghana has one of the largest and most active diaspora which, from time to time, has lent a strong voice, support and exhibited exemplary commitment to homeland development. This, however, is unsustainable in the absence of an explicit development-sensitive diaspora policy. The Government of Ghana has formally acknowledged the importance of the diaspora and the valuable contribution that Ghanaians abroad can make towards the country's development. This recognition has led to the decision to develop a single diaspora policy that will span all governmental institutions and levels. This policy is expected to provide a unifying approach to diaspora engagement process across the different Ministries and

governmental levels. In the formulation of this policy, the Government of Ghana is receiving technical assistance from the International Centre for Migration Policy Development (ICMPD) under the EU MIEUX initiative. It must be emphasized that Diaspora Engagement will focus on the effective engagement of the Ghanaian Diaspora and people of African descent for the national development. However, its basic tenets will consider the relevant provisions of the National Migration Policy.

The table below illustrates specific policies and initiatives to harness Ghanaian Diaspora sources.

Productivity Driver	Diaspora Capital	Policy Initiatives	Programmes and Projects
Skills	Intellectual	<p>Improve linkages among business; vocational, educational, and training providers; and employers to produce workforce with more marketable skills</p> <p>Revise educational curricula to incorporate critical thinking skills, innovation, and entrepreneurship to help nurture a culture of entrepreneurship</p>	Develop schemes to build the capacity of small and medium enterprises nationwide using diaspora skills and know-how.

Innovation

Intellectual, Financial

Systematize the purposeful search for innovation in firms and organizations and society at large; create incentives to encourage and reward innovation; send strong message to diaspora that the country is open for innovation.

Establish a competition for innovation and entrepreneurship that includes diaspora innovators and entrepreneurs.

<p>Investments</p>	<p>Financial</p>	<p>Pursue investment climate reforms to encourage domestic investment; Foreign Direct Investment; and diaspora direct investment (all investors share similar core concerns). Those issues of specific concern to diaspora investors include land reform; dual nationality (or other means to guarantee property rights for diaspora investors who may now hold foreign citizenship)</p> <p>Encourage greater financial literacy and inclusion (bank the unbanked)</p> <p>Develop closer linkages between the remittances economy (e.g., housing and construction) and the local economy to enhance beneficial multiplier effects of remittances</p> <p>Encourage and regulate innovative financial products and services attractive to diaspora investors</p>	<p>Restructure investment promotion agencies to attract diaspora direct investment and foreign direct investment</p> <p>Encourage local chambers of commerce to develop relationships with diaspora chambers of commerce for information exchange, business partnerships, and two-way trading relationships</p> <p>Launch products such as diaspora bonds to attract diaspora direct Investment</p> <p>Support innovative products to enable remittances recipients to gain access to financial services and business support where the intention is to use remittances for enterprise endeavours.</p>
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Enterprise

Financial, Intellectual

Reduce administrative barriers to doing business; reduce registration costs for new businesses; implement tax incentives to encourage enterprise

Amend banking regulations to enable "portable" credit histories to allow diaspora entrepreneurs to access credit in local capital markets

Amend employment laws to facilitate easier hiring of Ghanaian diaspora employees.

Encourage value chain initiatives to promote export of goods and services that target diaspora consumers, particularly where products have the potential to gain wider market access via diaspora channels

Competition	Political	Encourage competition in remittances service provision: reduce entry barriers to enable more players to reduce transfer fees; allow other financial institutions (e.g., monetary financial institutions) to provide money transfer services; apply competition policy frame works to exclusive agreements involving money transfer operators and their distributors	Use public-private dialogue structures to incorporate the views of diaspora investors and entrepreneurs on necessary reforms
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NATIONAL PLATFORM AND INSTITUTIONS

The Diaspora Engagement process will involve stakeholders from governmental and non-governmental institutions, national and international bodies. The list of institutions identified in this section is by no means exhaustive; rather, it is illustrative of the kind of stakeholders that will be involved in discussions and the mainstreaming process at the national and sectorial levels.

1. Government Institutions

- **Ministry of Foreign Affairs & Regional Integration (Diaspora Affairs Bureau) – National Platform**
- **Ghana Missions abroad**
- National Development Planning Commission
- Ministry of Employment and Labour Relations
- Ministry of Finance
- Ministry of the Interior
- Ghana Statistical Service
- Ministry of Local Government and Rural Development

- Ghana Immigration Service
 - Ministry of Tourism
 - Ministry of Trade and Industry
 - Other Government Ministries, Agencies and Departments
2. **Employers' and Workers' Association (Trade Union Congress, Ghana Medical Association, Association of Ghana Industries etc)**
 3. **Development Partners**
 - International Donors (IMF, World Bank, Africa Development Bank etc)
 - United Nations Agencies (e.g. UNDP, UNFPA, UNHCR, UNHABITAT etc)
 - International Organization of Migration (IOM)
 - Other International Agencies
 - Human Rights Agencies
 4. **Private Sector**
 5. **NGO's and Civil Society**
 6. **Migrants (Diaspora, Diaspora Organizations,)**
 7. **Financial Institutions**
 - Bank of Ghana
 - Commercial Banks
 - Investment Banks
 - Insurance Companies
 8. **Chamber of Commerce**
 9. **Ghana Investment Promotion Centre (GIPC)**

CAPACITY BUILDING & INFORMATION DISSEMINATION

To ensure informed decision for the effective participation in the national development, a one-stop-shop website is been developed to purposely provide the Ghanaian Diaspora with accurate and up-to-date information on government policies, programmes, plans, regulations, and processes as well as prevailing conditions in the country to ensure a better engagement process. This platform could also be used to elicit inputs from that community to help with the initiation, formulation and implementation of the Diaspora Engagement Policy.

SUPPORT AND BUDGET ALLOCATION

The activities and programmes of the engagement process will be financed by the annual government budgetary allocations to the Ministry as well as financial and technical support from the private sector.

CONTACT INFORMATION

DIASPORA AFFAIRS BUREAU (NATIONAL PLATFORM)

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